

MEMO

To: Kevin Ward
Through Robert Mace ^{REM}
From: Rima Petrossian ^{RP}
Date: 3/19/2009
Re: Management Plan Approval for Lone Star
Groundwater Conservation District (GCD)

Staff recommends that the Lone Star GCD management plan be approved as administratively complete.

For checklist item 1 and Goal 43, they are not addressed in the plan because they are not applicable at this time.

Lone Star GCD is due for the Executive Administrator's approval by Friday, May 8, 2009.

**Texas Water Development Board
Groundwater Conservation District Management Plan Review and Approval
Tracking**

Reviewers Recommending the Plan for Approval

- 1) Lance N. Christian Date 3/11/09
Lance Christian, P.G., Earth Science Technician, Groundwater Technical Assistance
- 2) Russell Pankratz Date 3/11/09
Russell Pankratz, Information Specialist, Groundwater Technical Assistance
- 3) David Thorkildsen Date 3/11/09
David Thorkildsen, P.G., Geologist, Groundwater Technical Assistance

Recommended for Approval

- 1) Rima Petrossian Date 3/19/09
Rima Petrossian, P.G., Manager, Groundwater Technical Assistance
- 2) Vacant Date —
Director, Groundwater Resources Division
- 3) Robert E. Mace Date 3/23/09
Robert E. Mace, Ph.D., P.G., Deputy Executive Administrator, Water Science & Conservation

Approval

The groundwater conservation district management plan document submitted by:

Lone Star Groundwater Conservation District

for approval, as administratively complete under the requirements of 31TAC Ch. 356, has been found by me, to be in fulfillment of said requirements.

J. Kevin Ward Date 3/25/09
J. Kevin Ward, Executive Administrator, Texas Water Development Board

Texas Water Development Board

Groundwater Conservation District Management Plan Checklist

District name: Lone Star Groundwater Conservation District

Official review Prereview

Reviewing staff: Lance Christian

Date plan received: 2/23/09; 3/9/09

Date plan reviewed: 3/3/09; 3/10/09

	Citation of rule	Citation of statute	Present in plan and administratively complete	Citation of source or method	Evidence that best available data was used	Notes
Is a paper hard copy of the plan available?	31 TAC §356.6(a)(1)		Yes			
Is an electronic copy of the plan available?	31 TAC §356.6(a)(1)		Yes			Sent via email on 3/9/09.
1. Is an estimate of the managed available groundwater in the District based on the desired future condition of the aquifer(s) included (if available from the TWDB)?	31 TAC §356.5(a)(5)(A)	TWC §36.1071(e)(3)(A)	N/A	N/A	N/A	p. 7
2. Is an estimate of the <u>amount of groundwater being used</u> within the District on an annual basis for at least the <u>most recent five years</u> , included?	31 TAC §356.5(a)(5)(B); §356.2(2)	TWC §36.1071(e)(3)(B)	Yes	TWDB WUS	Yes	p. 8
3. Is an estimate of the annual <u>amount of recharge, from precipitation</u> , to the groundwater resources within the District included?	31 TAC §356.5(a)(5)(C)	TWC §36.1071(e)(3)(C)	Yes	GAM 08-36	Yes	p. 8-9
4. For each aquifer in the district, is an estimate of the annual volume of <u>water that discharges from the aquifer</u> to springs and any surface water bodies, including lakes, streams and rivers, included?	31 TAC §356.5(a)(5)(D)	TWC §36.1071(e)(3)(D)	Yes	GAM 08-36	Yes	p. 9
5. Is an estimate of the annual volume of flow						
a) <u>into the District</u> within each aquifer,			Yes	GAM 08-36	Yes	p. 10
b) <u>out of the District</u> within each aquifer,	31 TAC §356.5(a)(5)(E)	TWC §36.1071(e)(3)(E)	Yes	GAM 08-36	Yes	p. 10
c) and <u>between aquifers</u> in the District,			Yes	GAM 08-36	Yes	p. 10
if a groundwater availability model is available, included?						
6. Is an estimate of the <u>projected surface water supply</u> within the District according to the most recently adopted state water plan included?	31 TAC §356.5(a)(5)(F)	TWC §36.1071(e)(3)(F)	Yes	2007 SWP	Yes	p. 10
7. Is an estimate of the <u>projected total demand for water</u> within the District according to the most recently adopted state water plan included?	31 TAC §356.5(a)(5)(G)	TWC §36.1071(e)(3)(G)	Yes	2007 SWP	Yes	p. 11-12
8. Did the District consider the <u>water supply needs</u> that are included in the adopted state water plan?	31 TAC §356.5(a)(7)	TWC §36.1071(e)(4)	Yes			p. 13
9. Did the District consider the <u>water management strategies</u> that are included in the adopted state water plan?	31 TAC §356.5(a)(7)	TWC §36.1071(e)(4)	Yes			p. 14-17
10. Are the actions, procedures, performance, and avoidance necessary to effectuate the management plan, including <u>specifications</u> and <u>proposed rules</u> , all specified in as much detail as possible, included in the plan?	31 TAC §356.5(a)(4); §356.6(a)(3)	TWC §36.1071(e)(2)	Yes			p. Rules included with submission.
11. Was a <u>certified copy</u> of the District's <u>resolution</u> adopting the plan included?	31 TAC §356.6(a)(2)		Yes			Loose supporting documentation Adopted 10-14-08.
12. Was <u>evidence</u> that the plan was adopted, <u>after notice and hearing</u> , included?	31 TAC §356.6(a)(5)	TWC §36.1071(a)	Yes			Loose supporting documentation Posted 9-24-08. Published 9/25/08.
13. Was <u>evidence</u> that, following notice and hearing, the District coordinated in the development of its management plan with <u>all surface water management entities</u> , included?	31 TAC §356.6(a)(4)	TWC §36.1071(a)	Yes			Loose supporting documentation New letters sent on 3/9/09. They are dated 3/9/09.
14. Has any available <u>site-specific information</u> been provided by the district to the executive administrator for review and comment before being used in the management plan when developing the <u>estimates</u> , required in subsection 31 TAC §§356.5(a)(5)(C), (D), and (E) ?	31 TAC §356.5(b)	TWC §36.1071(h)	N/A			Provided information from GAM 08-36 only.

Mark an affirmative response with YES

Mark a negative response with NO

Mark a non-applicable checklist item with N/A

Management goals required to be addressed	Management goal (as applicable) present in plan	Methodology for tracking progress 31TAC §356.5(a)(6)	Management objective(s)	Performance standard(s)	Notes
Providing the most efficient use of groundwater 31 TAC 356.5(a)(1)(A); TWC §36.1071(a)(1)	15) Yes	16) Yes p. 20	17) Yes	18) Yes	p. 21
Controlling and preventing waste of groundwater 31 TAC 356.5(a)(1)(B); TWC §36.1071(a)(2)	19) Yes	20) Yes p. 20	21) Yes	22) Yes	p. 22
Controlling and preventing subsidence 31 TAC 356.5(a)(1)(C); TWC §36.1071(a)(3)	23) Yes	24) Yes p. 20	25) Yes	26) Yes	p. 22
Addressing conjunctive surface water management issues 31 TAC 356.5(a)(1)(D); TWC §36.1071(a)(4)	27) Yes	28) Yes p. 20	29) Yes	30) Yes	p. 23
Addressing natural resource issues that impact the use and availability of groundwater and which are impacted by the use of groundwater 31 TAC 356.5(a)(1)(E); TWC §36.1071(a)(5)	31) N/A	32) N/A	33) N/A	34) N/A	p. 25
Addressing drought conditions 31 TAC 356.5(a)(1)(F); §36.1071(a)(6)	35) Yes	36) Yes p. 20	37) Yes	38) Yes	p. 23
Addressing a) conservation, b) recharge enhancement, c) rainwater harvesting, d) precipitation enhancement, and e) brush control where appropriate and cost effective 31 TAC 356.5(a)(1)(G); TWC §36.1071(a)(7)	39) Yes	40) Yes p. 20	41) Yes	42) Yes	p. 24
	39b) N/A	40b) N/A	41b) N/A	42b) N/A	p. 23
	39c) Yes	40c) Yes p. 20	41c) Yes	42c) Yes	p. 24
	39d) N/A	40d) N/A	41d) N/A	42d) N/A	p. 23
	39e) N/A	40e) N/A	41e) N/A	42e) N/A	p. 23
	43) N/A	44) N/A	45) N/A	46) N/A	p. 25
Does the plan identify the performance standards and management objectives for effecting the plan? 31 TAC §356.5(a)(2)&(3); TWC §36.1071(e)(1)			47) Yes	48) Yes	p. 21-25

Mark required elements that are present in the plan with YES
Mark any required elements that are missing from the plan with NO
Mark Plan elements that have been indicated as not applicable to the district with (N/A)

Texas Water Development Board

Groundwater Conservation District Management Plan Checklist

District name: Lone Star GCD

Official review Prereview

Reviewing staff: David Thorkildsen

Date plan received: /09

Date plan reviewed: /09

	Citation of rule	Citation of statute	Present in plan and administratively complete	Citation of source or method	Evidence that best available data was used	Notes
Is a paper hard copy of the plan available?	31 TAC §356.6(a)(1)		Yes			
Is an electronic copy of the plan available?	31 TAC §356.6(a)(1)		Yes			
1. Is an estimate of the managed available groundwater in the District based on the desired future condition of the aquifer(s) included (if available from the TWDB)?	31 TAC §356.5(a)(5)(A)	TWC §36.1071(e)(3)(A)	NA	NA	NA	p. 7
2. Is an estimate of the <u>amount of groundwater being used</u> within the District on an annual basis for at least the <u>most recent five years</u> , included?	31 TAC §356.5(a)(5)(B); §356.2(2)	TWC §36.1071(e)(3)(B)	Yes?	TWDB WUS	Yes?	p. 7-8, 2003 total in text doesn't match Table 1
3. Is an estimate of the annual <u>amount of recharge, from precipitation</u> , to the groundwater resources within the District included?	31 TAC §356.5(a)(5)(C)	TWC §36.1071(e)(3)(C)	Yes	TWDB GAM 08-36	Yes	p. 8-9 Used Genreal Head Boundary Pkg. MODFLOW
4. For each aquifer in the district, is an estimate of the annual volume of <u>water that discharges from the aquifer</u> to springs and any surface water bodies, including lakes, streams and rivers, included?	31 TAC §356.5(a)(5)(D)	TWC §36.1071(e)(3)(D)	Yes	TWDB GAM 08-36	Yes	p. 9
5. Is an estimate of the annual volume of flow						
a) <u>into the District</u> within each aquifer,			Yes	TWDB GAM 08-36	Yes	p. 9-10
b) <u>out of the District</u> within each aquifer,	31 TAC §356.5(a)(5)(E)	TWC §36.1071(e)(3)(E)	Yes	TWDB GAM 08-36	Yes	p. 9-10
c) and <u>between aquifers</u> in the District,			Yes	TWDB GAM 08-36	Yes	p. 9-10
if a groundwater availability model is available, included?						
6. Is an estimate of the <u>projected surface water supply</u> within the District according to the most recently adopted state water plan included?	31 TAC §356.5(a)(5)(F)	TWC §36.1071(e)(3)(F)	Yes	2007 SWP	Yes	p. 10
7. Is an estimate of the <u>projected total demand for water</u> within the District according to the most recently adopted state water plan included?	31 TAC §356.5(a)(5)(G)	TWC §36.1071(e)(3)(G)	Yes	2007 SWP	Yes	p. 10-12
8. Did the District consider the <u>water supply needs</u> that are included in the adopted state water plan?	31 TAC §356.5(a)(7)	TWC §36.1071(e)(4)	Yes			p. 12-13
9. Did the District consider the <u>water management strategies</u> that are included in the adopted state water plan?	31 TAC §356.5(a)(7)	TWC §36.1071(e)(4)	Yes			p. 14-17
10. Are the actions, procedures, performance, and avoidance necessary to effectuate the management plan, including <u>specifications and proposed rules</u> , all specified in as much detail as possible, included in the plan?	31 TAC §356.5(a)(4); §356.6(a)(3)	TWC §36.1071(e)(2)	Yes			p. 18-19
11. Was a <u>certified copy</u> of the District's <u>resolution</u> adopting the plan included?	31 TAC §356.6(a)(2)		Yes			p. Appendix A
12. Was <u>evidence</u> that the plan was adopted, <u>after notice and hearing</u> , included?	31 TAC §356.6(a)(5)	TWC §36.1071(a)	Yes			p. Appendix B
13. Was <u>evidence</u> that, following notice and hearing, the District coordinated in the development of its management plan with <u>all surface water management entities</u> , included?	31 TAC §356.6(a)(4)	TWC §36.1071(a)	Yes			p. Appendix C
14. Has any available <u>site-specific information</u> been provided by the district to the executive administrator for review and comment before being used in the management plan when developing the <u>estimates required in subsection 31 TAC §§356.5(a)(5)(C), (D), and (E)</u> ?	31 TAC §356.5(b)	TWC §36.1071(h)	NA			

Mark an affirmative response with YES

Mark a negative response with NO

Mark a non-applicable checklist item with N/A

Management goals required to be addressed	Management goal (as applicable) present in plan	Methodology for tracking progress 31TAC §356.5(a)(6)	Management objective(s)	Performance standard(s)	Notes
Providing the most efficient use of groundwater 31 TAC 356.5(a)(1)(A); TWC §36.1071(a)(1)	15) Yes	16) p.20 Yes	17) Yes	18) Yes	p. 21
Controlling and preventing waste of groundwater 31 TAC 356.5(a)(1)(B); TWC §36.1071(a)(2)	19) Yes	20) p. 20 Yes	21) Yes	22) Yes	21-22
Controlling and preventing subsidence 31 TAC 356.5(a)(1)(C); TWC §36.1071(a)(3)	23) Yes	24) p. 20 Yes	25) Yes	26) Yes	p. 22
Addressing conjunctive surface water management issues 31 TAC 356.5(a)(1)(D); TWC §36.1071(a)(4)	27) Yes	28) p.20 Yes	29) Yes	30) Yes	p. 23
Addressing natural resource issues that impact the use and availability of groundwater and which are impacted by the use of groundwater 31 TAC 356.5(a)(1)(E); TWC §36.1071(a)(5)	31) NA	32) NA	33) NA	34) NA	p. 25
Addressing drought conditions 31 TAC 356.5(a)(1)(F); §36.1071(a)(6)	35) Yes	36) p.20 Yes	37) Yes	38) Yes	p. 23
Addressing	39)	40)	41)	42)	
a) conservation,	39a) Yes	40a) p.20 Yes	41a) Yes	42a) Yes	p. 24
b) recharge enhancement,	39b) NA	40b) NA	41b) NA	42b) NA	p. 23
c) rainwater harvesting,	39c) Yes	40c) p.20 Yes	41c) Yes	42c) Yes	p. 24
d) precipitation enhancement, and	39d) NA	40d) NA	41d) NA	42d) NA	p. 23
e) brush control	39e) NA	40e) NA	41e) NA	42e) NA	p. 23
where appropriate and cost effective 31 TAC 356.5(a)(1)(G); TWC §36.1071(a)(7)					
Addressing in a quantitative manner the desired future conditions of the groundwater resources in the District (if available from the districts in the groundwater management area) 31 TAC 356.5(a)(1)(H); TWC §36.1071(a)(8)	43) NA	44) NA	45) NA	46) NA	p. 25
Does the plan identify the performance standards and management objectives for effecting the plan? 31 TAC §356.5(a)(2)&(3); TWC §36.1071(e)(1)			47) Yes	48) Yes	p.

Mark required elements that are present in the plan with YES

Mark any required elements that are missing from the plan with NO

Mark Plan elements that have been indicated as not applicable to the district with (N/A)

Texas Water Development Board

Groundwater Conservation District Management Plan Checklist

District name: **Lone Star Groundwater Conservation District**

Official review Prereview

Reviewing staff: **Russell Pankratz**

Date plan received: **2/23/09; 3/9/09**

Date plan reviewed: **3/3/09; 3/10/09**

	Citation of rule	Citation of statute	Present in plan and administratively complete	Citation of source or method	Evidence that best available data was used	Notes
Is a paper hard copy of the plan available?	31 TAC §356.6(a)(1)		Yes			
Is an electronic copy of the plan available?	31 TAC §356.6(a)(1)		Yes			Sent via email on 3/9/09.
1. Is an estimate of the managed available groundwater in the District based on the desired future condition of the aquifer(s) included (if available from the TWDB)?	31 TAC §356.5(a)(5)(A)	TWC §36.1071(e)(3)(A)	N/A	N/A	N/A	p. 7
2. Is an estimate of the <u>amount of groundwater being used</u> within the District on an annual basis for at least the most recent five years, included?	31 TAC §356.5(a)(5)(B); §356.2(2)	TWC §36.1071(e)(3)(B)	Yes	TWDB WUS	Yes	p. 8
3. Is an estimate of the annual <u>amount of recharge, from precipitation</u> , to the groundwater resources within the District included?	31 TAC §356.5(a)(5)(C)	TWC §36.1071(e)(3)(C)	Yes	GAM 08-36	Yes	p. 8-9
4. For each aquifer in the district, is an estimate of the annual volume of <u>water that discharges from the aquifer</u> to springs and any surface water bodies, including lakes, streams and rivers, included?	31 TAC §356.5(a)(5)(D)	TWC §36.1071(e)(3)(D)	Yes	GAM 08-36	Yes	p. 9
5. Is an estimate of the annual volume of flow						
a) <u>into the District</u> within each aquifer,			Yes	GAM 08-36	Yes	p. 10
b) <u>out of the District</u> within each aquifer,	31 TAC §356.5(a)(5)(E)	TWC §36.1071(e)(3)(E)	Yes	GAM 08-36	Yes	p. 10
c) and <u>between aquifers</u> in the District,			Yes	GAM 08-36	Yes	p. 10
if a groundwater availability model is available, included?						
6. Is an estimate of the <u>projected surface water supply</u> within the District according to the most recently adopted state water plan included?	31 TAC §356.5(a)(5)(F)	TWC §36.1071(e)(3)(F)	Yes	2007 SWP	Yes	p. 10
7. Is an estimate of the <u>projected total demand for water</u> within the District according to the most recently adopted state water plan included?	31 TAC §356.5(a)(5)(G)	TWC §36.1071(e)(3)(G)	Yes	2007 SWP	Yes	p. 11-12
8. Did the District consider the <u>water supply needs</u> that are included in the adopted state water plan?	31 TAC §356.5(a)(7)	TWC §36.1071(e)(4)	Yes			p. 13
9. Did the District consider the <u>water management strategies</u> that are included in the adopted state water plan?	31 TAC §356.5(a)(7)	TWC §36.1071(e)(4)	Yes			p. 14-17
10. Are the actions, procedures, performance, and avoidance necessary to effectuate the management plan, including <u>specifications</u> and <u>proposed rules</u> , all specified in as much detail as possible, included in the plan?	31 TAC §356.5(a)(4); §356.6(a)(3)	TWC §36.1071(e)(2)	Yes			p. 20 Rules included with submission.
11. Was a <u>certified copy</u> of the District's <u>resolution</u> adopting the plan included?	31 TAC §356.6(a)(2)		Yes			Loose supporting documentation Adopted: Oct. 14, 2008.
12. Was <u>evidence</u> that the plan was adopted, <u>after notice and hearing</u> , included?	31 TAC §356.6(a)(5)	TWC §36.1071(a)	Yes			Loose supporting documentation Posted 9/24/2008. Published 9/25/2008.
13. Was <u>evidence</u> that, following notice and hearing, the District coordinated in the development of its management plan with <u>all surface water management entities</u> , included?	31 TAC §356.6(a)(4)	TWC §36.1071(a)	Yes			Loose supporting documentation New letters dated and sent on 3/9/2009
14. Has any available <u>site-specific information</u> been provided by the district to the executive administrator for review and comment before being used in the management plan when developing the <u>estimates</u> required in subsection 31 TAC §§356.5(a)(5)(C), (D), and (E) ?	31 TAC §356.5(b)	TWC §36.1071(h)	N/A			only GAM 08-36 information was used in plan

Mark an affirmative response with YES
 Mark a negative response with NO
 Mark a non-applicable checklist item with N/A

Management goals required to be addressed	Management goal (as applicable) present in plan	Methodology for tracking progress 31TAC §356.5(a)(6)	Management objective(s)	Performance standard(s)	Notes
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Controlling and preventing waste of groundwater 31 TAC 356.5(a)(1)(B); TWC §36.1071(a)(2)	19) Yes	20) Yes p. 20	21) Yes	22) Yes	p. 22
Controlling and preventing subsidence 31 TAC 356.5(a)(1)(C); TWC §36.1071(a)(3)	23) Yes	24) Yes p. 20	25) Yes	26) Yes	p. 22
Addressing conjunctive surface water management issues 31 TAC 356.5(a)(1)(D); TWC §36.1071(a)(4)	27) Yes	28) Yes p. 20	29) Yes	30) Yes	p. 23
Addressing natural resource issues that impact the use and availability of groundwater and which are impacted by the use of groundwater 31 TAC 356.5(a)(1)(E); TWC §36.1071(a)(5)	31) N/A	32) N/A	33) N/A	34) N/A	p. 25
Addressing drought conditions 31 TAC 356.5(a)(1)(F); §36.1071(a)(6)	35) Yes	36) Yes p. 20	37) Yes	38) Yes	p. 23
Addressing a) conservation, b) recharge enhancement, c) rainwater harvesting, d) precipitation enhancement, and e) brush control where appropriate and cost effective 31 TAC 356.5(a)(1)(G); TWC §36.1071(a)(7)	39) Yes	40) Yes p. 20	41) Yes	42) Yes	p. 24
	39b) N/A	40b) N/A	41b) N/A	42b) N/A	p. 23
	39c) Yes	40c) Yes p. 20	41c) Yes	42c) Yes	p. 24
	39d) N/A	40d) N/A	41d) N/A	42d) N/A	p. 23
	39e) N/A	40e) N/A	41e) N/A	42e) N/A	p. 23
Addressing in a quantitative manner the desired future conditions of the groundwater resources in the District (if available from the districts in the groundwater management area) 31 TAC 356.5(a)(1)(H); TWC §36.1071(a)(8)	43) N/A	44) N/A	45) N/A	46) N/A	p. 25
Does the plan identify the performance standards and management objectives for effecting the plan? 31 TAC §356.5(a)(2)&(3); TWC §36.1071(e)(1)			47) Yes	48) Yes	

Mark required elements that are present in the plan with YES

Mark any required elements that are missing from the plan with NO

Mark Plan elements that have been indicated as not applicable to the district with (N/A)



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Kathy Turner Jones
General Manager

November 17, 2008

RECEIVED

Board of
Directors

FEB 23 2009

Arval R. Love, PE
President

Mr. J. Kevin Ward
Executive Administrator
Texas Water Development Board
1700 N Congress Avenue
Austin, Texas 78711-3231

TWDB

Richard J. Tramm
Vice-President

RE: Transmittal of District Groundwater Management Plan

Tom Stinson, PE
Treasurer

Dear Mr. Ward:

Sam W. Baker
Secretary

The Board of Directors of the Lone Star Groundwater Conservation District (District) adopted the enclosed "Groundwater Management Plan" by resolution on October 14, 2008, for Texas Water Development Board (TWDB) review and certification as required by Chapter 36.1072(a) of the Texas Water Code. The management plan fulfills the requirements of Chapter 36 of the Texas Water Code and Chapter 356 of the TWDB rules contained in Title 31 of the Texas Administrative Code.

Reed Eichelberger, PE

Roy McCoy, Jr.

Bigby Owen, Jr.

Scott Weisinger, PG

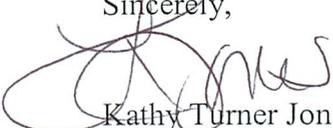
W. B. Wood

A copy of the District's Rules are attached as an addendum to support the Management Goals, Objectives and Performance Standards detailed in the management plan in accordance with §36.1071(f), as well as a certified copy of the resolution adopting the plan and other documents demonstrating compliance with the regulatory and statutory requirements related to development and adoption of groundwater district management plans.

The District appreciates the continuing efforts TWDB staff has made during the preparation of this management plan. TWDB staff has contributed in many significant ways to help bring this management plan to its present level. We thank them very kindly.

Please let me know if you require any additional information in the review of our management plan.

Sincerely,



Kathy Turner Jones
General Manager

Attachments



GROUNDWATER MANAGEMENT PLAN

Re-Adopted October 14, 2008

LONE STAR GROUNDWATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

Orval R. Love, PE - *President*
Richard J. Tramm - *Vice President*
Sam W. Baker - *Secretary*
Jim Stinson, PE - *Treasurer*
Reed Eichelberger, PE - *Member*
Roy McCoy, Jr. - *Member*
Rigby Owen, Jr. - *Member*
Scott Weisinger, PG - *Member*
W. B. Wood - *Member*

DISTRICT STAFF

Kathy Turner Jones, *General Manager*

DISTRICT OFFICE

207 W. Phillips, Suite 300; P.O. Box 2467
Conroe, Texas 77305
Phone: 936/494-3436 ~ Fax: 936/494-3438
E-mail: lsgcd@consolidated.net
www.lonestargcd.org

Lone Star Groundwater Conservation District

Groundwater Management Plan

Re-Adopted October 14, 2008

TABLE OF CONTENTS

DISTRICT MISSION.....	2
PURPOSE OF MANAGEMENT PLAN	2
DISTRICT INFORMATION	3
Creation.....	3
Location and Extent	3
Background	3
Authority/Regulatory Framework	4
Groundwater Resources of Montgomery County.....	4
Topography and Drainage.....	6
TECHNICAL DISTRICT INFORMATION REQUIRED BY TX ADMINISTRATIVE CODE	7
Estimate of Managed Available Groundwater in the District	7
Amount of Groundwater Being Used within the District on an Annual Basis.....	7
Annual Amount of Recharge from Precipitation to the Groundwater Resources within the District	8
By Aquifer, the Annual Volume of Water Discharging to Springs and Surface Bodies.....	9
Annual Volume of Flow Into & Out of the District within each Aquifer in the District.....	9
How Natural or Artificial Recharge of Groundwater within the District might be Increased.....	10
Projected Surface Water Supply within the District.....	10
Projected Water Demand within the District	10
Projected Water Supply Needs within the District.....	12
WATER MANAGEMENT STRATEGIES TO MEET NEEDS OF WATER USER GROUPS	14
MANAGEMENT OF GROUNDWATER SUPPLIES	17
METHODOLOGY TO TRACK DISTRICT PROGRESS IN ACHIEVING MANAGEMENT GOALS	20
ACTIONS, PROCEDURES, PERFORMANCE, AND AVOIDANCE FOR DISTRICT IMPLEMENTATION OF MANAGEMENT PLAN	20

MANAGEMENT GOALS21

- Providing the Most Efficient Use of Groundwater.....21
- Controlling and Preventing Waste of Groundwater21
- Controlling and Preventing Subsidence22
- Conjunctive Surface Water Management Issues23
- Drought Conditions23
- Conservation, Recharge Enhancement, Rainwater Harvesting, Precipitation Enhancement,
or Brush Control.....23

MANAGEMENT GOALS NOT APPLICABLE TO DISTRICT25

- Natural Resource Issues25
- Addressing Quantitatively DFCs of Groundwater Management25

ACTION REQUIRED FOR PLAN APPROVAL.....25

- Planning Period.....25
- Certified Copy of District’s Resolution Adopting Management Plan.....25
- Evidence of Management Plan Adoption after Notice and Hearing25
- Coordination with Surface Water Management Entities.....26

REFERENCES26

Lone Star Groundwater Conservation District

Groundwater Management Plan

I. District Mission

The Lone Star Groundwater Conservation District (the “District”) is committed to managing and protecting the groundwater resources of Montgomery County and to working with others to ensure a sustainable, adequate, high quality and cost effective supply of water. The District will strive to develop, promote, and implement water conservation, augmentation, and management strategies to protect water resources for the benefit of the citizens, economy, and environment of Montgomery County. The preservation of this most valuable resource can be managed in a prudent and cost-effective manner through conservation, education, management, and permitting. Any action taken by the District shall only be after full consideration and respect has been afforded to the individual property rights of all citizens of Montgomery County.

II. Purpose of Management Plan

The 75th Texas Legislature in 1997 enacted Senate Bill 1 (“SB 1”)¹ to establish a comprehensive statewide water planning process. In particular, SB 1 contained provisions that required groundwater conservation districts to prepare management plans to identify the water supply resources and water demands that will shape the decisions of each district. SB 1 designed the management plans to include management goals for each district to manage and conserve the groundwater resources within their boundaries. The Texas Legislature enacted Senate Bill 2 (“SB 2”)² in 2001 and House Bill 1763 (“HB 1763”)³ in 2005 to build on the planning requirements of SB 1 and to further clarify the actions necessary for districts to manage and conserve the groundwater resources of the state of Texas.

The Lone Star Groundwater Conservation District’s management plan satisfies the requirements of SB 1, SB 2, HB 1763, the statutory requirements of Chapter 36 of the Texas Water Code, and the administrative requirements of the Texas Water Development Board’s (TWDB) rules.

¹ Act of June 2, 1997, 75th Leg., R.S., ch. 1010, 1997 Tex. Gen. Laws 3610.

² Act of May 27, 2001, 77th Leg., R.S., ch. 966, 2001 Tex. Gen. Laws 1991.

³ Act of May 24, 2005, 79th Leg., R.S., ch. 970, 2005 Tex. Gen. Laws 3247.

III. District Information

A. Creation

In 2001, the creation of the District was authorized by the 77th Texas Legislature through House Bill 2362⁴. The creation of the District was confirmed by the voters of Montgomery County on November 6, 2001, with 73.85 percent of the voters casting favorable ballots. As required by 31 TAC § 356.3, the District's original management plan was adopted and submitted to the TWDB within two years of the confirmation election.

B. Location and Extent

The District is located in Montgomery County in southeastern Texas. The boundaries of the District are coterminous with the boundaries of Montgomery County, Texas. The District is bordered by Walker County on the north, San Jacinto and Liberty Counties on the east, Harris County on the south, and Waller and Grimes Counties on the west. Peach Creek is the boundary with San Jacinto County, and Spring Creek forms most of the boundary with Harris County. The District comprises an area of approximately 1,090 square miles.

C. Background

The Board of Directors for the District consists of nine members. The Board of Directors is made up of the following members:

1. two members appointed by the Commissioners Court of Montgomery County;
2. one member appointed by the Board of Directors of the Montgomery County Soil and Water Conservation District;
3. one member appointed by the Board of Directors of the San Jacinto River Authority;
4. one member appointed by the Mayor of the City of Conroe;
5. one member appointed by the mayors of all of the incorporated municipalities, other than the City of Conroe, located in whole or in part in Montgomery County;
6. one member appointed by the Board of Trustees of the Woodlands Joint Powers Agency;
7. one member appointed by the boards of directors of all of the municipal utility districts located in whole or in part in Montgomery County that are not

⁴ Chapter 1321, Acts of the 77th Legislature, Regular Session, 2001.

members of the Woodlands Joint Powers Agency and the district boundaries of which are located primarily to the east of Interstate Highway 45; and

8. One member appointed by the boards of directors of all of the municipal utility districts located in whole or in part in Montgomery County that are not members of the Woodlands Joint Powers Agency and the district boundaries of which are located primarily to the west of Interstate Highway 45.

D. Authority / Regulatory Framework

In its preparation of its management plan, the District has followed all procedures and satisfied all requirements required by Chapter 36 of the Texas Water Code and Chapter 356 of the Texas Water Development Board's (TWDB) rules contained in Title 30 of the Texas Administrative Code. The District exercises the powers that it was granted and authorized to use by and through the special and general laws that govern it, including Chapter 1321, Acts of the 77th Legislature, Regular Session, 2001, Chapter 994, Acts of the 78th Legislature, Regular Session, 2003, and Chapter 36 of the Texas Water Code.

E. Groundwater Resources of Montgomery County

The principal source of useable groundwater in Montgomery County is the Gulf Coast aquifer. The Gulf Coast aquifer consists of four subdivisions, of which three are water-bearing and recognized as aquifers in their own right: the Chicot aquifer; the Evangeline aquifer; and the Jasper aquifer. The Burkeville confining zone separates the Evangeline and Jasper aquifers.

The water-bearing subdivisions of the Gulf Coast aquifer consist of semi-consolidated or unconsolidated sands with interbedded clays from one or more geologic formations. Clay zones may separate the water-bearing zones in each subdivision of the Gulf Coast aquifer. The Burkeville confining zone is the largest of the clay zones separating water-bearing units in the Gulf Coast aquifer. In some areas, however, this subdivision consists of clay with interbedded sands that allow the passage of water. The Chicot aquifer is the youngest of the Gulf Coast aquifer subdivisions, followed by the Evangeline aquifer and the Burkeville confining zone. The Jasper aquifer is the oldest of the Gulf Coast aquifer subdivisions located in the District. (Fig.1)

Each of these Gulf Coast aquifer subdivisions occurs in outcrop in Montgomery County. The outcrop pattern is a series of belts, which are generally parallel to the coastline. The younger units occur nearest the coast and form a terraced plain. The successively older units crop out progressively further inland at higher elevations and form cuestas or sand hills.

The geologic structure of the Gulf Coast aquifer dips from the inland areas into the subsurface towards the coast at an angle greater than the slope of the land surface. The geologic units composing the Gulf Coast aquifer generally thicken towards the coast in the down-dip direction. The rate of dip in feet per mile increases with depth below land surface. The base of the Chicot aquifer dips at approximately 10 feet per mile while the rate of dip for the Catahoula Sand below the Jasper aquifer is approximately 90 feet per mile. The increased rate of dip with depth is caused by the thickening of geologic units towards the coast. (Popkin, 1971) (Fig. 2)

System	Series	Geologic Unit	Hydrologic Unit
Quaternary	Holocene	Alluvium	Chicot aquifer
Tertiary	Pleistocene	Beaumont Clay Montgomery Formation Bentley Formation	
	Pliocene (?)	Willis Sand	
	Pliocene	Goliad Sand	Evangeline aquifer
	Miocene	Fleming Formation	Burkeville Confining Zone
			Upper Jasper aquifer
			Lower Jasper aquifer

Fig. 1, Geologic and Hydrologic Units of the Gulf Coast aquifer in Montgomery County, Modified from (Popkin, 1971)

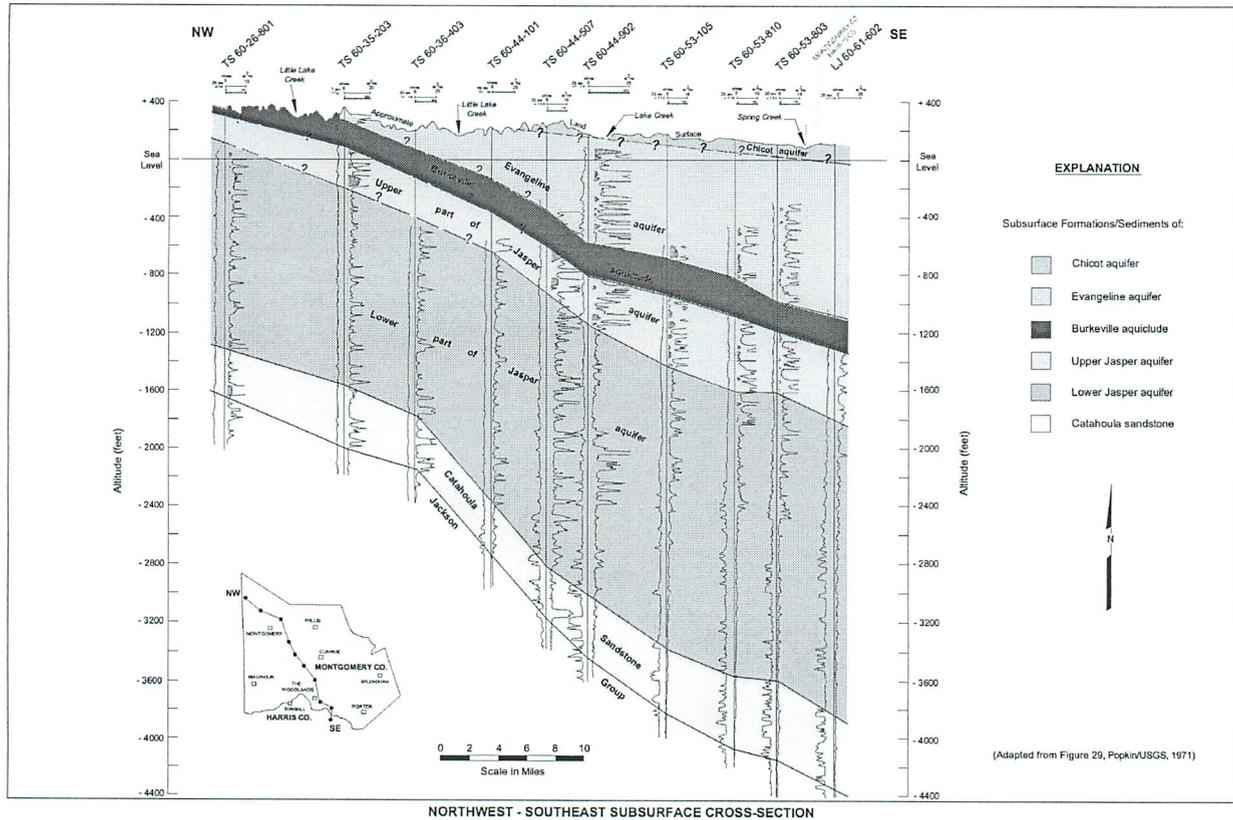


Fig. 2, Northwest to Southeast Cross-section Showing Dip and Thickening of Gulf Coast aquifer Subdivisions (Popkin, 1971)

F. Topography and Drainage

The topographic surfaces vary from almost flat near the larger streams and in the southern part of the county to hilly in the northern part. Altitudes range from about 45 feet above mean sea level in the southeastern corner of the county to about 440 feet in the northwestern corner.

The county is in the San Jacinto River drainage basin in which the primary drainage trends from northwest to southeast. The larger streams are the West Fork San Jacinto River, Peach, Spring, Stewart, and Caney Creeks. Secondary drainage which is roughly west to east is principally by Lake and Spring Creeks. The primary drainage is controlled by the southeasterly slope of the land surface while the secondary drainage is controlled to a large extent by the occurrence of alternating outcrops of sand and clay.

West Fork San Jacinto River has a stream gradient of about 5 feet per mile in the northern part of the county and about 3 feet per mile in the central and southern parts. Caney Creek has a gradient of 8 to 12 feet per mile in the northern part of the county and about 5 feet per mile in the central and southern parts. Spring Creek has a gradient of about 5 feet per mile in the southwestern part of the county and about 3 feet per mile in the southeastern part.” (Popkin at p. 8, 1971)

Although Lake Creek is described as a secondary drainage in TWDB Report 136, it is reported by the San Jacinto River Authority (SJRA) to have experienced flow in excess of 80,000 cubic feet per second (cfs) during storm run-off events on October 18, 1994. SJRA estimated the volume of flow was from data recorded at USGS gauging stations on a reach of the West Fork San Jacinto River where Lake Creek is the major tributary. During storm run-off events this stream could be considered to have flow equal to or exceeding the flow of streams given in TWDB Report 136 as primary drainages. (SJRA, 2003)

IV. Technical District Information Required by Texas Administrative Code

A. Estimate of the Managed Available Groundwater in the District – 31 TAC § 356.5(a)(5)(A)

Managed available groundwater is defined in TWC §36.001 as “the amount of water that may be permitted by a district for beneficial use in accordance with the desired future condition of the aquifer.” The desired future condition of the aquifer may only be determined through joint planning with other groundwater conservation districts (GCDs) in the same groundwater management area (GMA) as required by the 79th Legislature with the passage of HB 1763 into law. The District is located in GMA 14. The GCDs of GMA 14 have not completed the joint planning process to determine the desired future condition of the aquifers in the GMA. Therefore, because GMA 14 has not completed the joint planning process, the District is unable to present a final value for the managed available groundwater in the aquifers of Montgomery County as of the date of this plan.

However, in 2003, the District adopted in its Management Plan an available useable groundwater amount of 64,000 acre-feet per year. This estimate is based on the rate of annual deep recharge to the Gulf Coast aquifer of approximately 1.1 inches per year used in the development of the Northern Gulf Coast aquifer Groundwater Availability Model (GAM). This value was presented during the Stakeholder Advisory Forum meeting for the Northern Gulf Coast aquifer GAM of January 29, 2003. The annual deep recharge value expressed as a fraction of a foot was applied to the area of the District in acres (697,600 acres) to determine the useable amount of groundwater available from the Gulf Coast aquifer in acre-feet per year. In order to manage the groundwater resources of the District as practicably as possible in a sustainable manner, the groundwater availability is designated as the amount of effective annual recharge to the Gulf Coast aquifer in the District. The District has engaged the services of the US Geological Survey in a three-year study program to confirm or update this estimated recharge rate. The study is intended to determine the recharge rates in each of the three primary subdivisions of the Gulf Coast aquifer. The study will be completed in the latter part of 2009, at which time the District may elect to modify its estimate of recharge.

B. Amount of Groundwater Being Used within the District on an Annual Basis - 31 TAC §356.5(a)(5)(B)

The latest available TWDB estimate of the amount of groundwater being used within the District on an annual basis is 55,500 acre-feet per year. This estimate is derived from the TWDB Annual Water Use Survey from the year 2003, which is the most recent data available. (Table 1) The data in Table 1 shows the total groundwater use since 1980. The average annual increase in water use is 4.4 % from 1980 to 2003.

Year	Aquifer	Municipal	Mfg	Steam Electric	Irrigation	Mining	Livestock	Total
1980	Gulf Coast	18,109	1,108	810	0	652	139	20,818
1984	Gulf Coast	22,599	1,239	812	13	2,533	201	27,397
1985	Gulf Coast	23,425	1,014	810	50	348	166	25,813
1986	Gulf Coast	24,376	981	810	50	397	151	26,765
1987	Gulf Coast	22,476	876	810	50	452	158	24,822
1988	Gulf Coast	26,496	979	812	50	435	177	28,949
1989	Gulf Coast	26,329	953	808	19	61	155	28,325
1990	Gulf Coast	26,595	924	810	20	73	160	28,582
1991	Gulf Coast	25,776	1,143	810	20	383	163	28,295
1992	Gulf Coast	26,751	1,152	810	20	204	168	29,105
1993	Gulf Coast	32,507	1,151	810	0	204	163	34,835
1994	Gulf Coast	34,582	692	810	0	319	179	36,582
1995	Gulf Coast	36,539	698	810	0	330	192	38,569
1996	Gulf Coast	39,732	646	816	0	330	159	41,683
1997	Gulf Coast	39,633	806	810	0	313	163	41,725
1998	Gulf Coast	47,440	685	810	0	266	206	49,407
1999	Gulf Coast	51,559	689	810	0	266	234	53,558
2000	Gulf Coast	53,974	599	810	0	403	204	55,990
2001	Gulf Coast	51,414	694	810	0	392	197	53,507
2002	Gulf Coast	54,322	763	810	0	65	198	56,158
2003	Gulf Coast	53,895	579	483	0	67	503	55,527

Table 1, Amount of Groundwater Used in Acre-feet per Year for Each Category of Use in the Annual TWDB Water Use Surveys

C. Annual Amount of Recharge from Precipitation to the Groundwater Resources within the District – 31 TAC § 356.5(a)(5)(C) (Implementing TWC § 36.1071(e)(3)(C))

In 2008, TWDB provided estimates of the annual amount of recharge to the groundwater resources of the District that are based on the GAM simulations conducted to assess the amount of available groundwater in the Northern Gulf Coast Aquifer. The Northern Gulf Coast aquifer GAM application simulated 20 years, 1980 - 1999, extracting the water budgets for each year (simulation 08-36). The results of the simulation averaged the annual water budget values for recharge, surface water outflow, inflow to the District, outflow from the District, net inter-aquifer flow (upper), and net inter-aquifer flow (lower) for the portions of the Gulf Coast Aquifer in located within the District. The amount of annual recharge to these aquifers may vary significantly due to climatic conditions. Annual recharge estimates for each aquifer comprising the Northern Gulf Coast Aquifer are summarized below. There is a high degree of site-specific variability in the recharge rates of the Gulf Coast Aquifer, and to better define the recharge rate in Montgomery County, the District has engaged the services of the US Geological Survey in a 3 year study program to confirm the estimated recharge rate. Until that study is complete the District acknowledges alternative estimates of recharge, such as that provided by TWDB and reported below.

- a. Chicot Aquifer Recharge = 36,722 acre-feet per year
- b. Evangeline Aquifer Recharge = 962 acre-feet per year
- c. Burkeville Confining System Recharge = 1 acre-foot per year
- d. Jasper Aquifer Recharge = 498 acre-feet per year



Chicot, Evangeline, Burkeville, and Jasper aquifer estimate source: Taken from the Northern Gulf Coast aquifer GAM Water Budget, Texas Water Development Board GAM Run 08-36; July 23, 2008.

D. For Each Aquifer, Annual Volume of Water that Discharges from the Aquifer to Springs and Any Surface Water Bodies, Including Lakes, Streams, and Rivers – 31 TAC § 356.5(a)(5)(D) (Implementing TWC § 36.1071(e)(3)(D))

In 2008 TWDB provided estimates of the annual amount of water discharged to surface water systems by the groundwater resources of the District that are based on the GAM simulations conducted to assess the amount of available groundwater in the Northern Gulf Coast Aquifer. The Northern Gulf Coast aquifer GAM application simulated 20 years, 1980 - 1999, extracting the water budgets for each year (TWDB simulation 08-36). The results of the simulation averaged the annual water budget values for recharge, surface water outflow, inflow to the District, outflow from the District, net inter-aquifer flow (upper), and net inter-aquifer flow (lower) for the portions of the Gulf Coast Aquifer in located within the District. The amount of annual discharge from the aquifer may vary significantly due to climatic conditions. Discharge estimates for each aquifer are summarized below. The values presented are the sum of the Stream Leakage and Drains values in the GAM Water Budget.

- a. Chicot Aquifer Discharge to Surface Water Systems = 513 acre-feet per year
- b. Evangeline Aquifer Discharge to Surface Water Systems = 380 acre-feet per year
- c. Burkeville Confining System Discharge to Surface Water Systems = 0 acre-feet per year
- d. Jasper Aquifer Discharge to Surface Water Systems = 16 acre-feet per year

Chicot, Evangeline, Burkeville, and Jasper aquifer estimate source: Taken from the Northern Gulf Coast aquifer GAM Water Budget, Texas Water Development Board GAM Run 08-36; July 23, 2008.

E. Annual Volume of Flow Into and Out of the District within Each Aquifer and Between Aquifers in the District, if a Groundwater Availability Model is Available – 31 TAC § 356.5(a)(5)(E) (Implementing TWC § 36.1071(e)(3)(E))

In 2008 TWDB provided estimates of the amount of water flowing into and out of the District within each aquifer and between aquifers in the District that are based on the GAM simulations conducted to assess the availability of Northern Gulf Coast Aquifer groundwater. The Northern Gulf Coast aquifer GAM application simulated 20 years, 1980 - 1999, extracting the water budgets for each year (simulation 08-36). The results of the simulation averaged the annual water budget values for recharge, surface water outflow, inflow to the District, outflow from the District, net inter-aquifer flow (upper), and net inter-aquifer flow (lower) for the portions of the Gulf Coast Aquifer in located within the District. The amount of annual flow of water into, out of and within these aquifers may vary significantly due to climatic conditions. Discharge estimates for each aquifer are summarized below.



5c
5b
5c

1. Flow into the District within each aquifer:
 - a. Chicot Aquifer – 37,281 acre-feet per year
 - b. Evangeline Aquifer – 12,935 acre-feet per year
 - c. Burkeville Confining System – 34 acre-feet per year
 - d. Jasper Aquifer – 16,464 acre-feet per year

2. Flow out of the District within each aquifer:
 - a. Chicot Aquifer – 72,514 acre-feet per year
 - b. Evangeline Aquifer – 18,052 acre-feet per year
 - c. Burkeville Confining System – 28 acre-feet per year
 - d. Jasper Aquifer – 8,770 acre-feet per year

3. Movement between aquifer subdivisions within the District:
 - a. Chicot Aquifer to the Evangeline Aquifer = 20,008 acre-feet per year
 - b. Burkeville Confining System to the Evangeline Aquifer = 326 acre-feet per year
 - c. Jasper Aquifer to the Burkeville Confining System = 199 acre-feet per year

Chicot, Evangeline, Burkeville, and Jasper aquifer estimate source: Taken from the Northern Gulf Coast aquifer GAM Water Budget, Texas Water Development Board GAM Run 08-36; July 23, 2008.

F. How Natural or Artificial Recharge of Groundwater within the District Might be Increased

Increasing the recharge of groundwater within the District may be difficult. A high percentage of the total amount of recharge is rejected by the aquifer and supports the base flow of streams. The natural or artificial recharge to the groundwater within the District might be feasibly increased by the construction of rainfall runoff retention structures on ephemeral streams.

G. Projected Surface Water Supply within the District – 31 TAC § 356.5(a)(5)(F)

The estimates of projected surface water supplies are taken from the 2007 State Water Plan.

RWPG	Water User Group	County	River Basin	Source Name	2000	2010	2020	2030	2040	2050	2060
H	Houston	Montgomery	San Jacinto	Livingston-Wallisville Lake/Reservoir System	0	667	667	667	667	667	667
H	Steam Electric Power	Montgomery	San Jacinto	Conroe Lake/Reservoir	0	4,996	4,996	4,996	4,996	4,996	4,996
H	Irrigation	Montgomery	San Jacinto	Conroe Lake/Reservoir	0	497	497	497	497	497	497
H	Livestock	Montgomery	San Jacinto	Livestock Local Supply	0	510	510	510	510	510	510
Total Projected Surface Water Supplies (acre-feet per year) =					0	6,670	6,670	6,670	6,670	6,670	6,670

Table 2, Estimates of the Projected Surface Water Supplies in the District through 2060

H. Projected Water Demand within the District – 31 TAC § 356.5(a)(5)(G)

Estimates of projected demands are from the 2007 State Water Plan.

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RWPG	Water User Group	County	River Basin	2000	2010	2020	2030	2040	2050	2060
H	Conroe	Montgomery	San Jacinto	7,175	9,668	11,190	14,167	17,627	22,192	27,493
H	Cut and Shoot	Montgomery	San Jacinto	169	221	252	314	387	482	592
H	Houston	Montgomery	San Jacinto	82	195	265	400	558	766	1,008
H	Magnolia	Montgomery	San Jacinto	233	283	313	373	443	535	641
H	Oak Ridge North	Montgomery	San Jacinto	563	704	791	960	1,156	1,415	1,716
H	Panorama Village	Montgomery	San Jacinto	605	782	890	1,100	1,205	1,205	1,205
H	Patton Village	Montgomery	San Jacinto	76	94	106	127	152	186	224
H	Roman Forest	Montgomery	San Jacinto	168	213	240	294	357	439	535
H	Shenandoah	Montgomery	San Jacinto	517	517	517	517	517	517	517
H	Splendor	Montgomery	San Jacinto	126	199	243	331	432	566	722
H	The Woodlands	Montgomery	San Jacinto	13,714	14,806	27,470	29,399	29,399	29,399	29,399
H	Willis	Montgomery	San Jacinto	424	606	717	934	1,187	1,520	1,907
H	Woodbranch	Montgomery	San Jacinto	156	156	156	156	156	156	156
H	County Other	Montgomery	San Jacinto	14,307	22,498	28,514	41,244	56,110	76,829	100,893
H	Manufacturing	Montgomery	San Jacinto	1,587	2,045	2,332	2,608	2,883	3,126	3,392
H	Steam Electric Power	Montgomery	San Jacinto	2,507	5,046	8,537	9,981	11,741	13,886	16,502
H	Mining	Montgomery	San Jacinto	414	480	509	526	543	559	573
H	Irrigation	Montgomery	San Jacinto	66	66	66	66	66	66	66
H	Livestock	Montgomery	San Jacinto	510	510	510	510	510	510	510
H	Consumers Water Inc.	Montgomery	San Jacinto	164	225	263	337	423	536	667
H	Crystal Springs Water Company	Montgomery	San Jacinto	368	605	750	1,033	1,362	1,795	2,299
H	East Plantation UD	Montgomery	San Jacinto	284	454	558	762	998	1,310	1,672
H	HMW SUD	Montgomery	San Jacinto	1,268	1,649	1,882	2,336	2,865	3,562	4,372
H	Montgomery County MUD #18	Montgomery	San Jacinto	720	1,727	2,343	3,546	4,944	6,789	8,932
H	Montgomery County MUD #19	Montgomery	San Jacinto	477	477	477	477	477	477	477
H	Montgomery County MUD #8	Montgomery	San Jacinto	651	950	1,132	1,489	1,904	2,451	3,087

RWPG	Water User Group	County	River Basin	2000	2010	2020	2030	2040	2050	2060
H	Montgomery County MUD #9	Montgomery	San Jacinto	522	873	1,088	1,508	1,996	2,639	3,387
H	Montgomery County UD #2	Montgomery	San Jacinto	369	546	546	546	546	546	546
H	Montgomery County UD #3	Montgomery	San Jacinto	425	489	528	604	693	810	946
H	Montgomery County UD #4	Montgomery	San Jacinto	645	955	955	955	955	955	955
H	Montgomery County WCID #1	Montgomery	San Jacinto	435	504	546	628	724	849	996
H	New Caney MUD	Montgomery	San Jacinto	965	1,467	1,774	2,374	3,071	3,990	5,058
H	Point Aquarius MUD	Montgomery	San Jacinto	334	684	897	1,314	1,799	2,439	3,182
H	Porter WSC	Montgomery	San Jacinto	1,391	1,927	2,254	2,894	3,638	3,638	3,638
H	Rayford Road MUD	Montgomery	San Jacinto	999	2,170	2,170	2,170	2,170	2,170	2,170
H	River Plantation MUD	Montgomery	San Jacinto	811	843	843	843	843	843	843
H	Southern Montgomery County MUD	Montgomery	San Jacinto	1,163	1,846	2,263	2,263	2,263	2,263	2,263
H	Southwest Utilities	Montgomery	San Jacinto	181	253	296	382	481	612	764
H	Spring Creek UD	Montgomery	San Jacinto	339	531	648	877	1,142	1,493	1,901
H	Stanley Lake MUD	Montgomery	San Jacinto	367	708	910	910	910	910	910
Total Projected Water Demands (acre-feet per year) =				56,277	78,972	106,741	132,255	159,633	195,431	237,116

Table 3, Estimates of the Projected Water Demand in the District through 2060

I. Projected Water Supply Needs within the District – 31 TAC § 356.5(a)(7)

Estimates of projected needs are from the 2007 State Water Plan.



RWPG	WUG	County	River Basin	2010	2020	2030	2040	2050	2060
H	Conroe	Montgomery	San Jacinto	-2,159	-4,022	-6,528	-9,461	-13,427	-18,201
H	Cut and Shoot	Montgomery	San Jacinto	-41	-66	-116	-179	-261	-360
H	Houston	Montgomery	San Jacinto	0	0	0	0	0	-177
H	Magnolia	Montgomery	San Jacinto	-42	-67	-118	-179	-262	-360
H	Oak Ridge North	Montgomery	San Jacinto	-120	-284	-444	-619	-854	-1,133
H	Panorama Village	Montgomery	San Jacinto	-163	-327	-522	-669	-755	-827
H	Patton Village	Montgomery	San Jacinto	-11	-12	-25	-39	-60	-89
H	Roman Forest	Montgomery	San Jacinto	-34	-54	-98	-149	-219	-303
H	Shenandoah	Montgomery	San Jacinto	-86	-192	-249	-288	-324	-355
H	Splendora	Montgomery	San Jacinto	-62	-98	-171	-257	-376	-514
H	The Woodlands	Montgomery	San Jacinto	-2,459	-12,882	-14,616	-16,360	-18,464	-20,204
H	Willis	Montgomery	San Jacinto	-144	-246	-403	-600	-872	-1,202
H	Woodbranch	Montgomery	San Jacinto	-1	-1	-1	-1	-1	-1
H	County Other	Montgomery	San Jacinto	-6,931	-12,266	-23,656	-37,038	-56,139	-78,323
H	Manufacturing	Montgomery	San Jacinto	-458	-884	-1,291	-1,672	-2,056	-2,442
H	Steam Electric Power	Montgomery	San Jacinto	0	-1,034	-2,478	-4,238	-6,383	-8,999
H	Mining	Montgomery	San Jacinto	-80	-193	-261	-315	-368	-413
H	Irrigation	Montgomery	San Jacinto	0	0	0	0	0	0
H	Livestock	Montgomery	San Jacinto	0	0	0	0	0	0
H	Consumers Water Inc.	Montgomery	San Jacinto	-46	-90	-148	-212	-305	-416
H	Crystal Springs Water Company	Montgomery	San Jacinto	-196	-313	-546	-821	-1,200	-1,640
H	East Plantation UD	Montgomery	San Jacinto	-155	-249	-435	-653	-946	-1,286
H	HMW SUD	Montgomery	San Jacinto	-357	-692	-1,113	-1,588	-2,239	-3,007
H	Montgomery County MUD #18	Montgomery	San Jacinto	-965	-1,556	-2,711	-4,064	-5,849	-7,922
H	Montgomery County MUD #19	Montgomery	San Jacinto	-77	-172	-221	-257	-292	-320
H	Montgomery County MUD #8	Montgomery	San Jacinto	-269	-434	-760	-1,134	-1,646	-2,242
H	Montgomery County MUD #9	Montgomery	San Jacinto	-334	-536	-933	-1,395	-2,014	-2,732
H	Montgomery County UD #2	Montgomery	San Jacinto	-157	-197	-254	-294	-334	-365
H	Montgomery County UD #3	Montgomery	San Jacinto	-79	-189	-274	-362	-475	-607
H	Montgomery County UD #4	Montgomery	San Jacinto	-279	-346	-447	-517	-587	-642
H	Montgomery County WCID #1	Montgomery	San Jacinto	-81	-194	-283	-375	-494	-632
H	New Caney MUD	Montgomery	San Jacinto	-406	-635	-1,151	-1,705	-2,505	-3,433
H	Point Aquarius MUD	Montgomery	San Jacinto	-335	-539	-938	-1,398	-2,014	-2,729
H	Porter WSC	Montgomery	San Jacinto	-456	-798	-1,313	-1,917	-2,155	-2,357
H	Rayford Road MUD	Montgomery	San Jacinto	-1,097	-1,078	-1,060	-1,194	-1,355	-1,482
H	River Plantation MUD	Montgomery	San Jacinto	-139	-310	-398	-461	-521	-569
H	Southern Montgomery County MUD	Montgomery	San Jacinto	-613	-986	-1,049	-1,222	-1,386	-1,517
H	Southwest Utilities	Montgomery	San Jacinto	-60	-104	-171	-247	-355	-488
H	Spring Creek UD	Montgomery	San Jacinto	-164	-254	-445	-671	-981	-1,342
H	Stanley Lake MUD	Montgomery	San Jacinto	-315	-504	-498	-498	-565	-618
Total Projected Water Needs (acre-feet per year) =				-19,371	-42,804	-66,125	-93,049	-129,039	-170,249

Table 4, Identified Water Supply Needs in the District through 2060

V. Water Management Strategies To Meet Needs of Water User Groups – 31 TAC § 356.5(a)(7)



To meet the needs of water user groups in the District, water management strategies to develop additional supplies are adopted by Region H for inclusion in the State Water Plan. The list of Water Management Strategies is taken from the 2007 State Water Plan.

WUG	Water Management Strategy	Source Name	Source County	2010	2020	2030	2040	2050	2060
Conroe	Municipal Conservation - Large WUG	Conservation	Montgomery	644	732	910	1,125	1,408	1,744
Conroe	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	594	0	0	0	0	0
Conroe	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	3,290	3,290	3,290	3,290	3,290	3,290
Conroe	New Contracts from Existing Sources	Trinity River Run-of River	Liberty	0	7,002	7,002	7,002	7,002	7,002
Conroe	New Contracts from Existing Sources	Conroe Lake/Reservoir	Reservoir	6,165	6,165	6,165	6,165	6,165	6,165
Consumers Water Inc.	Municipal Conservation - Medium WUG	Conservation	Montgomery	14	16	21	25	32	40
Consumers Water Inc.	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	11	0	0	0	0	0
Consumers Water Inc.	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	376	376	376	376	376	376
Consumers Water Inc.	New Contracts from Existing Sources	Trinity River Run-of River	Liberty	376	376	376	376	376	376
County Other	Municipal Conservation - Large WUG	Conservation	Montgomery	1,200	1,496	2,129	2,872	3,932	5,164
County Other	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	3,689	2,432	5,062	7,413	9,917	11,740
County Other	TRA to SJRA Transfer	Livingston-Wallisville Lake/Reservoir System	Reservoir	0	0	50,000	50,000	50,000	50,000
County Other	New Contracts from Existing Sources	Trinity River Run-of River	Liberty	11,419	11,419	11,419	11,419	11,419	11,419
Crystal Springs Water Company	Municipal Conservation - Large WUG	Conservation	Montgomery	39	47	63	82	108	139
Crystal Springs Water Company	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	101	54	93	131	168	195
Crystal Springs Water Company	New Contracts from Existing Sources	Trinity River Run-of River	Liberty	1,306	1,306	1,306	1,306	1,306	1,306
Cut and Shoot	Municipal Conservation - Medium WUG	Conservation	Montgomery	1	1	2	2	3	3
Cut and Shoot	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	40	65	114	177	258	357
East Plantation UD	Municipal Conservation - Medium WUG	Conservation	Montgomery	26	32	43	56	73	94
East Plantation UD	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	82	47	79	110	136	155

WUG	Water Management Strategy	Source Name	Source County	2010	2020	2030	2040	2050	2060
East Plantation UD	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	170	170	170	170	170	170
East Plantation UD	New Contracts from Existing Sources	Trinity River Run-of-River	Liberty	0	867	867	867	867	867
H M W SUD	Municipal Conservation - Large WUG	Conservation	Montgomery	112	126	155	189	235	288
H M W SUD	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	85	0	0	0	0	0
H M W SUD	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	566	566	566	566	566	566
H M W SUD	New Contracts from Existing Sources	Trinity River Run-of-River	Liberty	0	2,153	2,153	2,153	2,153	2,153
Houston	Municipal Conservation - Large WUG	Conservation	Montgomery	13	18	26	36	49	65
Houston	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	76	75	108	135	159	177
Magnolia	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	40	65	116	177	259	356
Magnolia	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	2	2	2	2	3	4
Manufacturing	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	115	0	0	0	0	0
Montgomery County MUD #18	Municipal Conservation - Large WUG	Conservation	Montgomery	116	157	237	330	453	596
Montgomery County MUD #18	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	683	694	1,013	1,289	1,527	1,701
Montgomery County MUD #18	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	705	705	705	705	705	705
Mining	New Contracts from Existing Sources	Indirect Reuse SJRA	Harris	413	413	413	413	413	413
Manufacturing	New Contracts from Existing Sources	Indirect Reuse SJRA	Harris	2,442	2,442	2,442	2,442	2,442	2,442
Montgomery County MUD #19	Municipal Conservation - Small WUG	Conservation	Montgomery	25	25	25	25	25	25
Montgomery County MUD #19	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	147	147	147	147	147	147
Montgomery County MUD #8	Municipal Conservation - Large WUG	Conservation	Montgomery	63	75	97	123	158	200
Montgomery County MUD #8	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	114	23	62	99	134	159
Montgomery County MUD #8	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	336	336	336	336	336	336
Montgomery County MUD #9	Municipal Conservation - Medium WUG	Conservation	Montgomery	59	73	100	132	175	224
Montgomery County MUD #9	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	191	135	213	283	346	390
Montgomery County MUD #9	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	328	328	328	328	328	328
Montgomery County UD #2	Municipal Conservation - Small WUG	Conservation	Montgomery	29	29	28	28	28	28
Montgomery County UD #2	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	68	0	0	0	0	0
Montgomery County UD #2	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	168	168	168	168	168	168
Montgomery County UD #3	Municipal Conservation - Medium WUG	Conservation	Montgomery	28	30	33	37	43	50
Montgomery County UD #3	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	159	159	159	159	159	159
Montgomery County UD #4	Municipal Conservation - Medium WUG	Conservation	Montgomery	55	54	54	53	53	53
Montgomery County UD #4	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	124	0	0	0	0	0
Montgomery County UD #4	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	292	292	292	292	292	292
Montgomery County WCID #1	Municipal Conservation - Medium WUG	Conservation	Montgomery	29	31	34	38	45	52
Montgomery County WCID #1	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	163	163	163	163	163	163
New Caney MUD	Municipal Conservation - Large WUG	Conservation	Montgomery	95	110	146	184	239	303
New Caney MUD	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	177	28	104	156	222	267
New Caney MUD	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	497	497	497	497	497	497
Oak Ridge North	Municipal Conservation - Medium WUG	Conservation	Montgomery	41	45	53	64	77	94
Oak Ridge North	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	6	0	0	0	0	0
Oak Ridge North	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	239	239	239	239	239	239
Panorama Village	Municipal Conservation - Medium WUG	Conservation	Montgomery	46	51	63	69	68	68
Panorama Village	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	34	0	0	0	0	0
Panorama Village	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	276	276	276	276	276	276
Patton Village	Municipal Conservation - Medium WUG	Conservation	Montgomery	1	1	1	1	1	1
Patton Village	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	10	11	24	38	59	88
Point Aquarius MUD	Municipal Conservation - Large WUG	Conservation	Montgomery	46	60	88	119	162	211
Point Aquarius MUD	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	223	208	308	394	469	524
Point Aquarius MUD	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	271	271	271	271	271	271

WUG	Water Management Strategy	Source Name	Source County	2010	2020	2030	2040	2050	2060
Porter WSC	Municipal Conservation - Large WUG	Conservation	Montgomery	127	145	183	228	226	226
Porter WSC	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	147	0	0	0	0	0
Porter WSC	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	653	653	653	653	653	653
Rayford Road MUD	Municipal Conservation - Large WUG	Conservation	Montgomery	145	143	142	142	142	142
Rayford Road MUD	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	747	290	41	0	0	0
Rayford Road MUD	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	645	645	645	645	645	645
River Plantation MUD	Municipal Conservation - Small WUG	Conservation	Montgomery	46	45	45	44	44	44
River Plantation MUD	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	525	525	525	525	525	525
Roman Forest	Municipal Conservation - Medium WUG	Conservation	Montgomery	1	1	2	2	2	3
Roman Forest	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	33	53	96	147	217	300
Shenandoah	Municipal Conservation - Small WUG	Conservation	Montgomery	28	28	28	28	27	27
Shenandoah	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	328	328	328	328	328	328
Southern Montgomery County MUD	Municipal Conservation - Large WUG	Conservation	Montgomery	123	148	146	145	145	145
Southern Montgomery County MUD	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	315	171	0	0	0	0
Southern Montgomery County MUD	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	667	667	667	667	667	667
Southwest Utilities	Municipal Conservation - Medium WUG	Conservation	Montgomery	17	19	24	29	37	46
Southwest Utilities	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	20	0	0	0	2	6
Southwest Utilities	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	436	436	436	436	436	436
Splendor	Municipal Conservation - Medium WUG	Conservation	Montgomery	1	1	2	2	3	4
Splendor	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	61	97	169	255	373	510
Spring Creek UD	Municipal Conservation - Large WUG	Conservation	Montgomery	35	41	54	70	91	116
Spring Creek UD	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	79	29	57	85	112	132
Spring Creek UD	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	184	184	184	184	184	184
Stanley Lake MUD	Municipal Conservation - Medium WUG	Conservation	Montgomery	41	52	52	51	51	51
Stanley Lake MUD	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	201	174	70	0	0	0
Stanley Lake MUD	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	567	567	567	567	567	567
Steam Electric Power	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	1,694	2,795	2,535	2,423	2,243	2,114
The Woodlands	Municipal Conservation - Large WUG	Conservation	Montgomery	1,012	1,835	1,954	1,945	1,936	1,936
The Woodlands	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	0	2,801	594	0	0	0
The Woodlands	New Contracts from Existing Sources	Indirect Reuse SJRA	Harris	5,000	5,000	5,000	5,000	5,000	5,000
The Woodlands	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	8,246	8,246	8,246	8,246	8,246	8,246
Willis	Municipal Conservation - Large WUG	Conservation	Montgomery	39	45	56	71	89	112
Willis	New Groundwater Wells	Gulf Coast Aquifer	Montgomery	49	0	0	6	19	31
Willis	New Contracts from Existing Sources	San Jacinto River Run-of-River	Harris	201	201	201	201	201	201
Woodbranch	Municipal Conservation - Small WUG	Conservation	Montgomery	1	1	1	1	1	1
Montgomery County UD #3	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	398	398	398	398	398
The Woodlands	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	5,022	5,022	5,022	5,022	5,022
Willis	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	858	858	858	858	858
New Caney MUD	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	2,366	2,366	2,366	2,366	2,366
Montgomery County MUD #18	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	4,920	4,920	4,920	4,920	4,920
Montgomery County MUD #19	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	148	148	148	148	148
Point Aquarius MUD	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	1,723	1,723	1,723	1,723	1,723
Montgomery County MUD #8	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	1,547	1,547	1,547	1,547	1,547
Montgomery County MUD #9	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	1,790	1,790	1,790	1,790	1,790
Panorama Village	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	483	483	483	483	483
Porter WSC	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	1,478	1,478	1,478	1,478	1,478
Montgomery County UD #2	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	169	169	169	169	169

WUG	Water Management Strategy	Source Name	Source County	2010	2020	2030	2040	2050	2060
Rayford Road MUD	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	695	695	695	695	695
Spring Creek UD	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	910	910	910	910	910
Montgomery County UD #4	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	297	297	297	297	297
Montgomery County WCID #1	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	417	417	417	417	417
Oak Ridge North	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	800	800	800	800	800
Southern Montgomery County MUD	New Contracts from Existing Sources	Trinity River Run-of-River	Chambers	0	705	705	705	705	705
Steam Electric Power	New Contracts from Existing Sources	Indirect Reuse SJRA	Harris	0	0	0	6,885	6,885	6,885
Total Projected Water Management Strategies (acre-feet per year) =				61,665	98,266	150,161	160,857	165,973	170,690

Table 5, Water Management Strategies to Meet Needs in the District through 2060

The water management strategies adopted by Region H for inclusion in the State Water Plan include only one strategy to supply groundwater to a water user group in the District. This strategy supplies the City of Willis with groundwater from the Gulf Coast aquifer from a well field to be developed in Walker County. Table 4 indicates that none of the water management strategies recommended by Region H for inclusion in the State Water Plan would be affected by the District's use of a value of 64,000 acre-feet per year for the availability of groundwater from the Gulf Coast aquifer.

VI. Management of Groundwater Supplies

The Texas Legislature has established that groundwater conservation districts ("districts"), such as the Lone Star Groundwater Conservation District ("District"), are the state's preferred method of groundwater management. The Texas Legislature codified its policy decision in Section 36.0015 of the Texas Water Code, which establishes that districts will manage groundwater resources through rules developed and implemented in accordance with Chapter 36 of the Texas Water Code ("Chapter 36"). Chapter 36 gives directives to districts and the statutory authority to carry out such directives, so that districts are given the proper tools to protect and manage the groundwater resources within their boundaries.

In addition to the statutory authority provided to districts in Chapter 36, the District has the powers expressly granted to the District by Chapter 1321, Acts of the 77th Legislature, Regular Session, 2001, and Chapter 994, Acts of the 78th Legislature, Regular Session, 2003 (collectively "the District Act"). In accordance with Chapter 36 and the District Act, the District implemented a claims process in which the District required existing or historic users of groundwater to obtain a historic use permit, wherein an existing or historic user was required to prove the maximum annual amount of groundwater that the user put towards a beneficial use during the period from January 1, 1992, to the date of first adoption of the District Rules, August 26, 2002. Pursuant to Section 36.116(b) and 36.113(e) of the Texas Water Code, the District Act, the District Rules, the claims process and the existing and historic use period preserve existing and historic use to the maximum extent practicable consistent with the District's management plan.

Another significant management tool that the District is authorized to utilize by the District Act and Chapter 36 is the use of management zones. The District may establish management zones within the boundaries of the District in order to better manage and regulate the groundwater resources of Montgomery County. The District may use the management zones to adopt

different rules under Section 36.116 of the Texas Water Code for each aquifer, subdivision of an aquifer, or geologic stratum located in whole or in part within the boundaries of the District, or different geographic areas of an aquifer or subdivision of an aquifer located in whole or in part within the boundaries of the District. Management zones shall serve as areas for which the District shall determine total water availability, authorize total production, implement proportional reduction of production among classes of users, and within which the District shall allow the transfer of the right to produce groundwater, as set forth in the District's rules.

As set forth in the District Rules and this Management Plan, the District shall seek to limit production of groundwater from the resources within its boundaries to a sustainable level, so that the groundwater resources of Montgomery County are not depleted for future generations. For purposes of this plan, the word "sustainable" means limiting total groundwater production in the District or in a management zone designated by the District to an amount that does not exceed the amount of effective deep aquifer recharge available in the District or the management zone, as applicable, when averaged over a term of years to be determined by the District. To the extent that groundwater use in a particular management zone exceeds groundwater availability in that zone, the District shall implement proportional adjustment regulations to reduce overall production in that zone to a level that does not exceed availability when averaged over time. The regulatory scheme for proportional adjustment is set forth in the District Rules. The District Rules also expressly recognize that, in establishing or implementing any proportional adjustment regulations that contemplate the reduction of authorized production or a prohibition on authorization for new or increased production, the District shall consider the time necessary for water users to secure alternate sources of water, including surface water, by economically feasible means. This consideration may necessitate that the District authorize total production to exceed availability, either within a particular management zone or in the District as a whole, for a period of time to be determined by the District until economically feasible alternative water sources may reasonably be expected to be available to such groundwater users, and nothing in this plan shall be construed to limit the ability of the District to utilize that regulatory flexibility.

An important part of the District Rules is the registration and permitting process instituted by the District. The District Rules created a process by which users of groundwater are required to register their groundwater wells with the District. If the groundwater users and their wells met certain criteria, then the user is required to obtain either a Historic Use Permit ("HUP") or an Operating Permit ("OP"). Non-exempt groundwater users who used water for a beneficial purpose during the Existing and Historic Use Period established in the District Rules (January 1, 1992, through August 26, 2002) were eligible to file an application for an HUP. All non-exempt groundwater users who commenced beneficially using groundwater after the Existing and Historic Use Period were and continue to be required to obtain an OP. Some wells, such as some small wells used for domestic and livestock purposes, are exempt from the permitting process altogether.

In 2004, the District commenced joint planning activities with the San Jacinto River Authority ("SJRA") under a grant provided by the TWDB through its State Regional Facilities Planning Grant Program. After completion of the joint planning activities, the District and the SJRA generated the *Regulatory Study and Facilities Implementation Plan for Lone Star Groundwater Conservation District and San Jacinto River Authority* (June 2006) ("TWDB Study"). The

TWDB Study, which is incorporated herein by reference, provides substantial regulatory, hydrogeological and technical information, including regulatory options available to the District and the technical and scientific basis for the establishment of management zones by the District.

After extensive analysis of the technical and scientific data available for Montgomery County, the District decided to manage the groundwater resources within its jurisdiction on a sustainable basis. The District believes it is important to protect and preserve the groundwater resources of Montgomery County for future generations by preventing the long-term depletion of the aquifers located within Montgomery County and working towards the continued sustainability and viability of such aquifers. Based on this decision, the District Management Plan designated the total amount of groundwater to be available for production and use in the District as the amount of effective annual recharge to the Gulf Coast Aquifer located within Montgomery County. In other words, the District decided that the amount of groundwater which the District would authorize for withdrawal through its permitting process, after taking into account an estimate of groundwater produced by exempt users, would equal the sustainable recharge rate, which the District has determined to be 64,000 acre-feet per year based upon the best available science.

Upon completion of the District's HUP permitting process, the District determined the total volume that could be authorized for withdrawal under HUPs is in excess of 56,483 acre-feet. Further, the total amount of volume authorized by the District for use under the OPs the District had granted as of September 2008 was approximately 23,500 acre-feet per year. It is important to note that the total amount of volume of use authorized under OPs will continue to increase as the District issues new OPs each month, and that, thus far, the holders of OPs have enjoyed the same rights of production and other protections as the holders of HUPs. While the total amount of permitted groundwater use under OPs and HUPs is approximately 80,000 acre-feet per year as of September 2008 as indicated by District records, the District must also take the groundwater used by exempt domestic and livestock wells into consideration to determine the total amount of groundwater authorized to be produced within the county. The TWDB Study estimated domestic use accounts for approximately 3,000 acre-feet per year. Therefore, the total amount of groundwater authorized for use in Montgomery County as of September 2008 is estimated at around 83,000 acre-feet per year when adding together the total amount of permitted groundwater use and the total amount of exempt groundwater use. The total volume of groundwater produced and used within Montgomery County, therefore, already exceeds the amount of groundwater use the District determined would achieve the sustainability of the Gulf Coast Aquifer within its jurisdiction by approximately 19,000 acre-feet per year and the amount of groundwater use permitted by the District under OPs and pending HUP applications by close to 16,000 acre-feet per year.

Based on the volumes of groundwater use set forth above and the water demand realities facing the District, the District began its phased adoption of its District Regulatory Plan (DRP) with the adoption of Phase 1 on December 12, 2006, in order to begin the process of facilitating the conversion from groundwater use to surface water and other alternative water supplies. The DRP, along with the District Rules, is the vehicle through which the District will create a regulatory framework to responsibly regulate and conserve the use of groundwater in Montgomery County and to meet the goals set forth in the District Management Plan.

In Phase I of the DRP, after considering the time reasonably necessary for water users in the District to secure alternative sources of water by economically feasible means, as set forth in the TWDB Study, the District established a benchmark for the reduction of groundwater production within Montgomery County by requiring the total annual groundwater production to be reduced to a level equal to or less than 64,000 acre-feet by January 1, 2015, which has been determined to be the sustainable recharge rate for the groundwater resources within Montgomery County. All past, current, and future users of groundwater in Montgomery County were put on notice by Phase 1 of the DRP that the District will curtail both new and historic use of groundwater as necessary by January 1, 2015, to reduce total production and use of groundwater in the District to an amount equal to or less than 64,000 acre-feet per year.

The District recognizes the need for long-term water planning based upon the significant periods of time it takes to bring alternative water supplies on-line on a retail basis. The process of obtaining new alternative water supplies and constructing the necessary infrastructure to deliver such supplies to the intended water users takes years to complete.

Because of these time considerations and the impending groundwater reduction deadline of January 1, 2015, established under Phase 1 of the DRP, the District adopted Phase II (A) of the DRP on February 12, 2008, which requires certain specified large volume groundwater users to demonstrate incremental progress towards conversion to alternative water supplies by preparation off a Water Resources Assessment Plan ("WRAP") to be submitted to the District. The WRAPs will identify each large volume groundwater user's current and future water demands and supplies to meet those demands, including detailed supporting information. The District will use the planning and technical information gathered through the WRAP process to determine the most appropriate regulatory approach for groundwater reductions by new and historic users when it adopts Phase II (B) of the DRP.

VII. Methodology to Track District Progress in Achieving Management Goals

The general manager of the District will prepare and submit an annual report ("Annual Report") to the Board of Directors of the District. The Annual Report will include an update on the District's performance in regards to achieving management goals and objectives. The general manager of the District will present the Annual Report following its completion each year. The District will maintain a copy of the Annual Report on file for public inspection at the District's offices upon adoption.

VIII. Actions, Procedures, Performance, and Avoidance for District Implementation of Management Plan – 31 TAC § 356.5 (a)(4)

The District will implement the goals and provisions of this management plan and will utilize the objectives of this management plan as a guideline in its decision-making. The District will ensure that its planning efforts, operations, and activities will be consistent with the provisions of this plan.

The District will adopt rules in accordance with Chapter 36 of the Texas Water Code, and all rules will be followed and enforced. The District may amend the District rules as necessary to

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comply with changes to Chapter 36 of the Texas Water Code and to insure the best management of the groundwater within the District. The development and enforcement of the rules of the District will be based on the best scientific and technical evidence available to the District.

The District will encourage cooperation and coordination in the implementation of this plan. All operations and activities of the District will be performed in a manner that best encourages cooperation with the appropriate state, regional or local water entity.

IX. Management Goals

A. Providing the Most Efficient Use of Groundwater – 31 TAC § 356.5(a)(1)(A)

- A. 1. **Objective** – Each year, the District will require all new exempt or permitted wells that are constructed within the boundaries of the District to be registered or permitted with the District in accordance with the District Rules.
- A. 1. **Performance Standard** – The number of exempt and permitted wells registered or permitted by the District for the year will be incorporated into the Annual Report submitted to the Board of Directors of the District.
- A. 2. **Objective** – Each year, the District will regulate the production of groundwater by maintaining a system of permitting the use and production of groundwater within the boundaries of the District in accordance with the District Rules.
- A. 2. **Performance Standard** – Each year the District will accept and process applications for the permitted use of groundwater in the District in accordance with the permitting process established by the District Rules. The number and type of applications made for the permitted use of groundwater in the District, and the number and type of permits issued by the District, will be included in the Annual Report given to the Board of Directors.

B. Controlling and Preventing Waste of Groundwater – 31 TAC § 356.5(a)(1)(B)

- B. 1. **Objective** – Each year, the District will make an evaluation of the District Rules to determine whether any amendments are recommended to decrease the amount of waste of groundwater within the District.

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- B. 1. **Performance Standard** – The District will include a discussion of the annual evaluation of the District Rules and the determination of whether any amendments to the rules are recommended to prevent the waste of groundwater in the Annual Report of the District provided to the Board of Directors.
- B. 2. **Objective** – Each year, the District will apply a water use fee structure to the permitted use of groundwater in the District to encourage the elimination and reduction of waste of groundwater.
- B. 2. **Performance Standard** – Each year, with the exception of wells exempt from permitting, the District will apply a water use fee to the permitted use of groundwater in the District pursuant to District rules. The amount of fees generated by the water use fee structure and the amount of water used for each type of permitted use of groundwater will be included in a section of the Annual Report given to the Board of Directors of the District.
- B. 3. **Objective** – Each year, the District will provide information to the public on eliminating and reducing wasteful practices in the use of groundwater by including information on groundwater waste reduction on the District’s website.
- B. 3. **Performance Standard** – Each year, a copy of the information provided on the groundwater waste reduction page of District’s website will be included in the District’s Annual Report to be given to the District’s Board of Directors.

C. Controlling and Preventing Subsidence – 31 TAC § 356.5(a)(1)(C)

- C.1. **Objective** – Each year, the District will hold a joint conference with the Harris-Galveston Coastal Subsidence District and the Fort Bend Subsidence District focused on sharing information regarding subsidence and the control and prevention of subsidence through the regulation of groundwater.
- C.1. **Performance Standard** – Each year, a summary of the joint conference on subsidence issues will be included in the Annual Report submitted to the Board of Directors of the District.
- C. 2. **Objective** – Each year, the District will provide one article annually on the District’s website to educate the public on the subject of subsidence.
- C. 2. **Performance Standard** – The Annual Report submitted to the Board of Directors will include a copy of the article posted on the District’s website.

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D. Conjunctive Surface Water Management Issues – 31 TAC § 356.5(a)(1)(D)

D. 1. Objective – Each year, the District will participate in the regional planning process by attending at least 75 percent of the Region H – Regional Water Planning Group meetings to encourage the development of surface water supplies to meet the needs of water user groups in the District.

D. 1. Performance Standard – The attendance of a District representative at each Region H Regional Water Planning Group will be noted in the Annual Report presented to the District Board of Directors.

E. Drought Conditions – 31 TAC § 356.5(a)(1)(F)

E. 1. Objective – Each month, the District will download the updated Palmer Drought Severity Index (PDSI) map and check for the periodic updates to the Drought Preparedness Council Situation Report (Situation Report) posted on the Texas Water Information Network website www.txwin.net.

E. 1. Performance Standard – Quarterly, the District will make an assessment of the status of drought in the District and prepare a quarterly briefing to the Board of Directors. The downloaded PDSI maps and Situation Reports will be included with copies of the quarterly briefing in the District Annual Report to the Board of Directors.

F. Addressing Conservation, Recharge Enhancement, Rainwater Harvesting, Precipitation Enhancement, or Brush Control Where Appropriate and Cost Effective – 31 TAC § 356.5(a)(1)(G)(Implementing TWC § 36.1071(a)(7))

Precipitation enhancement is not an appropriate or cost-effective program for the District at this time because there is not an existing precipitation enhancement program operating in nearby counties in which the District could participate and share costs. The cost of operating a single-county precipitation enhancement program is prohibitive and would require the District to increase taxes in Montgomery County. The District has determined that addressing precipitation enhancement is not applicable to the District at this time.

Recharge enhancement is not an appropriate or cost-effective program for the District at this time. The District has determined that addressing recharge enhancement is not applicable to the District at this time.

Brush Control is not an appropriate or cost-effective program for the District at this time. The District has determined that addressing brush control is not applicable to the District at this time.

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- F.1. **Objective** – The District will annually submit an article regarding water conservation for publication to at least one newspaper of general circulation in Montgomery County.
- F.1. **Performance Standard** – A copy of the article submitted by the District for publication to a newspaper of general circulation in Montgomery County regarding water conservation will be included in the Annual Report to the Board of Directors.
- F.2. **Objective** – The District will develop or implement a pre-existing educational program for use in public or private schools in Montgomery County to educate students on the importance of water conservation by January 1, 2005.
- F.2. **Performance Standard** - A description of the educational program developed or implemented by the District for use in Montgomery County public or private schools will be included in the Annual Report to the Board of Directors for the year 2005.
- F.3. **Objective** – Each year, the District will include an informative flier on water conservation within at least one mail out to groundwater use permit holders distributed in the normal course of business for the District.
- F.3. **Performance Standard** - The District’s Annual Report will include a copy of the informative flier distributed to groundwater use permit holders regarding water conservation and the number of fliers distributed.
- F.4. **Objective** – Each year, the District will promote rainwater harvesting by posting at least one informative article on rainwater harvesting on the District web site. The District will also consider sponsoring rainwater harvesting activities when the project offers opportunities to advertise and promote the technology.
- F.4. **Performance Standard** - Each year, the annual report will include a copy of the article that has been provided on the District web site on rainwater harvesting.

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X. Management Goals Not-Applicable to District

A. Natural Resource Issues – 31 TAC § 356.5(a)(1)(E) – The District has not been advised as to any threatened or endangered species that exist within the boundaries of the District and are significantly impacted by groundwater usage.

B. Addressing in a Quantitative Manner the Desired Future Conditions of the Groundwater Resources – 31 TAC § 356.5(a)(1)(H)(Implementing TWC § 36.1071(a)(8)) – This category of management goal is not applicable to the District because the desired future condition of the groundwater resources in GMA 14 has not been defined. The District intends to coordinate with other groundwater conservation districts in GMA 14 to define the desired future conditions of the aquifers, as required by TWC 36.108. The District also intends to review and evaluate the GAM simulation results from the northern part of the Gulf Coast aquifer GAM and other available data by September 1, 2010 to determine if revisions are needed regarding total aquifer storage and groundwater availability. The District is also funding a multi-year study with the US Geological Survey to verify the recharge rate to each of the producing strata. The study will be completed in the latter portion of 2009.

XI. Action Required for Plan Approval – 31 TAC § 356.6

A. Planning Period – 31 TAC § 356.5(a)

The Board of Directors of the District adopted the original management plan for the District by resolution on October 14, 2003. The management plan will remain in effect from the date of approval by the Texas Water Development Board until the plan is readopted, unless the District adopts an amended management plan that is approved by the Texas Water Development Board. The amended management plan will take effect as of the date of approval. In accordance with the provisions of Chapter 36 of the Texas Water Code, the District’s management plan shall be reviewed annually and readopted with or without revisions at least every five years.

B. Certified Copy of District’s Resolution Adopting Management Plan – 31 TAC § 356.6(a)(2)

A certified copy of the District’s resolution adopting the plan is located in Appendix A – District Resolution.

C. Evidence of Management Plan Adoption After Notice and Hearing – 31 TAC § 356.6(a)(3)

Evidence, such as public notices, that the management plan was adopted following applicable public meetings and hearings is located in Appendix B - Notice of Meetings.

**D. Coordination with Surface Water Management Entities –
31 TAC § 356.6(a)(4)**

Evidence, such as correspondence or agendas from regional water planning group planning meetings that the District coordinated with surface water management entities in regards to the District's management plan is located in Appendix C.

References

Popkin, Barney P., 1971. Texas Water Development Board Report 136, "Ground-Water Resources of Montgomery County, Texas", prepared by the United States Geological Survey in cooperation with the Texas Water Development Board, Montgomery County Commissioners Court, the San Jacinto River Authority and the City of Conroe.

Regional Water Management Plan, Region H – Regional Water Planning Group

Rules of the Lone Star Groundwater Conservation District, as amended

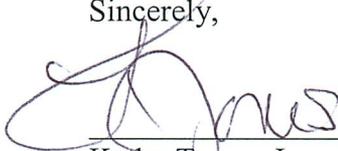
San Jacinto River Authority - Jim Adams, General Manager personal communication August 2003 based on USGS Stream Gage Data for October 18, 1994, from Site No.s 08067650 and 08068000 located near the confluence of Lake Creek and the West Fork of the San Jacinto River.



CERTIFICATION

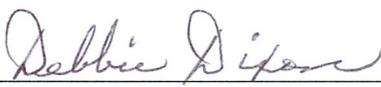
I, Kathy Turner Jones, am the General Manager and Custodian of Records for the Lone Star Groundwater Conservation District ("District"). I certify that the attached resolution is a true and correct copy of a document on file in the District's records.

Sincerely,



Kathy Turner Jones
General Manager and
Custodian of Records

10/20/08
Date

Attest: 

Debbie Dixon
Assistant Secretary, LSGCD



2017-2018

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RESOLUTION #08-004

**A RESOLUTION RE-ADOPTING MANAGEMENT PLAN FOR THE
LONE STAR GROUNDWATER CONSERVATION DISTRICT**

THE STATE OF TEXAS §

COUNTY OF MONTGOMERY §

Whereas, the Lone Star Groundwater Conservation District (the District) is a political subdivision of the State of Texas organized and existing under and by virtue of Article XVI, Chapter 59, of the Texas Constitution;

Whereas, under the direction of the Board of Directors, and in accordance with Section 36.1071, Texas Water Code, and Chapter 356, Title 31, Texas Administrative Code, the District has proposed amendments to its existing Management Plan.

Whereas, the District requested the technical assistance of the Texas Water Development Board (TWDB) on ascertaining the technical information and estimates that are required by the TWDB, the Texas Administrative Code, and Chapter 36, Texas Water Code, to be included in the Management Plan;

Whereas, the District's Board of Directors held a meeting open to the public on September 9, 2008, at their offices in Conroe, Texas, to review and approve the draft Management Plan for public comment and hearing;

Whereas, the District published notice of public hearing on the Management Plan in the Conroe Courier on September 24, 2008, which serves as publication of general circulation in Montgomery County, Texas;

Whereas, the District held a public hearing to receive public and written comments on the Management Plan for the District on Tuesday, October 14, 2008, at the District's office – 207 W Phillips, Suite 300, Conroe, TX 77301; and

Whereas, the Board of Directors finds that the Management Plan meets all of the requirements of Chapter 36, Texas Water Code, and Chapter 356, Title 31, Texas Administrative Code;

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

The Management Plan is hereby re-adopted as the management plan for the District; and

The District directs the submission of such plan to the Texas Water Development Board for Certification pursuant to the provisions of Section 36.1072 of the Texas Water Code.

AND IT IS SO ORDERED.

PASSED AND ADOPTED on this 14th day of October, 2008.

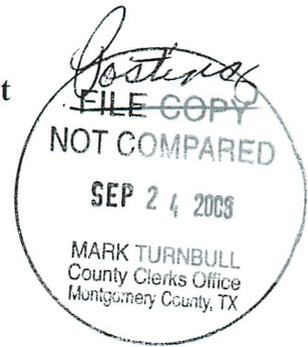
LONE STAR GROUNDWATER CONSERVATION DISTRICT

By: 
Orval R. Love, President


Sam W. Baker, Secretary

NOTICE OF PUBLIC HEARING
of the
Lone Star Groundwater Conservation District
at
Lone Star GCD – Board Room
207 W Phillips Street, Suite 301
Conroe, TX 77301

Tuesday, October 14, 2008, at 10:00 a.m.



**NOTICE OF PUBLIC HEARING ON PROPOSED RE-ADOPTION OF GROUNDWATER
MANAGEMENT PLAN FOR THE
LONE STAR GROUNDWATER CONSERVATION DISTRICT.**

The Board of Directors of the Lone Star Groundwater Conservation District (LSGCD) will hold a hearing open to the public on Tuesday, October 14, 2008, beginning at 10:00 a.m., at the Lone Star Groundwater Conservation District Board Room, 207 W Phillips Street, Suite 301, Conroe, Texas. At such time the Board of Directors will discuss and may take action on any items on this agenda it may determine would be appropriate, to-wit:

PUBLIC HEARING AGENDA

1. Call to Order and Declare Meeting Open to the Public.
2. Summary presentation of the LSGCD Groundwater Management Plan proposed for re-adoption as required by Chapter 36 of the Texas Water Code and Chapter 356 of the Texas Water Development Board's (TWDB) rules contained in Title 30 of the Texas Administrative Code.
3. Public comment on management plan proposed for re-adoption.
4. Adjournment.

A copy of the LSGCD Groundwater Management Plan proposed for re-adoption may be found on the LSGCD's website at www.lonestargcd.org. Copies of the plan will be available at the LSGCD office located at 207 W. Phillips, Suite 300, Conroe, TX.

The above agenda schedule represents an estimate of the order for the indicated items and is subject to change at anytime.

These public hearings and meetings are available to all persons regardless of disability. If you require special assistance to attend the meeting or hearing, please contact the Lone Star GCD at 936/494-3436 at least 24 hours in advance of the meeting.

At any time during the meeting and in compliance with the Texas Open Meetings Act, Chapter 551, Government Code, Vernon's Texas Codes, Annotated, the Lone Star Groundwater Conservation District Board may meet in executive session on any of the above agenda items for consultation concerning

attorney-client matters (§551.071); deliberation regarding real property (§551.072); deliberation regarding prospective gift (§551.073); personnel matters (§551.074); and deliberation regarding security devices (§551.076). Any subject discussed in executive session may be subject to action during an open meeting.

Certification

I, the undersigned authority, do hereby certify that on September 24, 2008, at or before 10:00 a.m., I posted and filed the above notice of meeting with the Montgomery County Clerk's office and also posted a copy in the front window of the Lone Star GCD office in a place convenient and readily accessible to the general public all times and that it will remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting in accordance with the Texas Government Code, Chapter 551.



Kathy Turner Jones, General Manager
Lone Star Groundwater Conservation District



HOLD
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NEW

AFFIDAVIT OF P

**STATE OF TEXAS
COUNTY OF MONTGOMERY**

Personally appeared before the undersigned

County and State. Avery Ayers, Representative for Kevin Barry,

Publisher of the Conroe Courier, a newspaper of general circulation in the

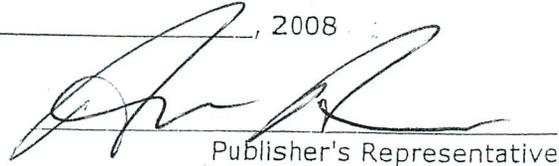
County of Montgomery, State of Texas. Who being duly sworn, states under

oath that the report of Legal Notices, a true copy of which is hereto annexed was

published in said newspapers in its Issue(s) of the

24 day of September, 2008

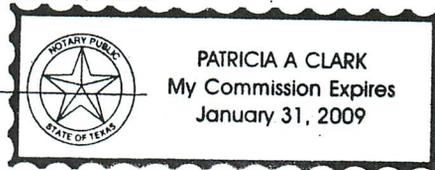
and the _____ day of _____, 2008


Publisher's Representative

Sworn to and subscribed before me this 26 day of Sept, 2008

Patricia A. Clark
Notary Public

My commission expires on _____



**NOTICE OF PUBLIC HEARING ON PROPOSED RE-ADOPTION
OF GROUNDWATER MANAGEMENT PLAN FOR THE
LONE STAR GROUNDWATER CONSERVATION DISTRICT
October 14, 2008**

NOTICE IS HEREBY GIVEN to all interested persons within Montgomery County, Texas:
That the Board of Directors of the Lone Star Groundwater Conservation District (LSGCD) will hold a hearing open to the public on Tuesday, October 14, 2008, beginning at 10:00 a.m., at the LSGCD Board Room, 207 W Phillips St, Suite 301, Conroe, TX. At such time the Board of Directors will discuss and may take action on any item on this agenda it may determine would be appropriate, to wit:

Public Hearing Agenda

1. Call to Order and Declare Hearing Open to the Public.
2. Summary presentation of the LSGCD Groundwater Management Plan proposed for re-adoption as required by Chapter 36 of the Texas Water Code and Chapter 356 of the Texas Water Development Board's (TWDB) rules contained in Title 30 of the Texas Administrative Code.
3. Public comment on management plan proposed for re-adoption.
4. Adjournment.

A copy of the LSGCD Groundwater Management Plan proposed for re-adoption may be found on the LSGCD's website at www.lonestargcd.org. Copies of the plan will be available at the LSGCD office located at 207 W. Phillips, Suite 300, Conroe, TX. Any person who wishes to receive more detailed information on the above listed agenda should contact Kathy Turner Jones, General Manager, at 936/494-3436.

38182 September 24, 2008

12

Legal Notices

Legal Notices

Legal Notices

ST Financial Group, Inc., Montgomery, Texas, has applied to the Federal Reserve Board for permission to form a bank holding company and acquire Snook Bancshares, Inc., Snook, Texas. We intend to acquire control of First Bank of Snook, Snook, Texas. The Federal Reserve considers a number of factors in deciding whether to approve the application including the record of performance of banks we own in helping to meet local credit needs.

You are invited to submit comments in writing on this application to the Federal Reserve Bank of Dallas, Banking Supervision, P. O. Box 655906, Dallas, Texas 75265-5906. The comment period will not end before October 24, 2008 and may be somewhat longer. The Board's procedures for processing applications may be found at 12 C.F.R. Part 262 (as revised, 49 Federal Register 5603 (February 14, 1984)). Procedures for processing protested applications may be found at 12 C.F.R. 262.25 (1984). To obtain a copy of the Board's procedures or if you need more information about how to submit your comments on the application, contact Mr. Vincent Pacheco, Director of Applications at the Federal Reserve Bank of Dallas at (214) 922-6244. The Federal Reserve will consider your comments and any request for a public meeting.

Courthouse of Montgomery County, in the City of Conroe, Texas, at 10 o'clock A.M. on said day, proceed to sell for cash to the highest bidder all the right, title and interest of the defendants in such suit in and to the following described real estate levied upon as the property of said defendants, the same lying and being situated in the County of Montgomery, and the State of Texas, to-wit:

Cause #07-03-02951-TX; Montgomery County Municipal Utility District No. 16 Vs. Thong Doan Tran and Minh Tam Thi Nguyen, Et Al; Account Number 9511-02-09800 being Lot 13, Block 5, White Oak Plantation Section 2 as described in that certain instrument filed for record under clerks file #9022892 in the Official Public Records of Real Property of Montgomery County, Texas;

Cause #05-12-10753; Montgomery County Municipal Utility District No. 16 Vs. The Estate of Clarence E. Bush, Et Al; Account Number 9511-02-09500 being Lot 10, Block 5, White Oak Plantation Section 2 as described in that certain instrument filed for record under clerks file #8321613 in the Official Public Records of Real Property of Montgomery County, Texas;

Cause #07-03-02948-TX; Montgomery County Municipal Utility District No. 16 Vs. Monique L. Cotef and Elizabeth E. Neu; Account Number 9511-00-22300 being Lot 10, Block 9, White Oak Plantation Section 1 being further described by Deed under Clerks Film Code 390-01-00225 and Clerks File Number 8608691 in the Official Public Records of Real Property of Montgomery County, Texas;

Cause #07-03-02947-TX; Montgomery County Municipal Utility District No. 16 Vs. Tom D. Miller, Et Al; Account Number 9511-02-08400 being described as Lot 25, Block 4, White Oak Plantation Section 2 being further described by Deed of Trust under Clerks Film Code 201-01-0978 and Clerks File Number 8321605 in the Official Public Records of Real Property of Montgomery County, Texas;

Legal Notices

Legal Notices

Legal Notices

NOTICE TO BIDDERS

Scaled bids will be received in the Montgomery County Purchasing Department, Attn: Carolyn Hooper, Purchasing Agent, 301 N. Thompson, Suite 102, Conroe, Texas, 77301, until 10:00 a.m., October 8, 2008 and publicly opened and read at 10:15 a.m. for the following:

PROJECT #2009-0008
EXTENSION OF FIBER NETWORK
CIS

All bids will be submitted in unit pricing. Payment to successful bidder shall be made net thirty (30) after receipt of products, materials, services or invoices, whichever is later.

The right is reserved, as the interest of Montgomery County may require, to reject any bid on address of 28801 Holly Hill Dr. Shenandoah, TX 77381; and on 7th day of October, 2008, between the hours of 10:00 o'clock a.m. and 4:00 o'clock p.m., at the west side of the courthouse of Montgomery County, Conroe, Texas, I will offer for sale and will sell at public auction, for cash, all the rights, title and interest of Raymond Thompson Jointly and Severally, Defendant in and to said property.

DATED at 1520 Lake Front Circle, The Woodlands, Texas, this the 8th day of September, 2008.

By: /s/ C. E. Lowrie,
Captain

Tim Holifield
Constable Pct. 3
1520 Lake Front Circle, Suite 200
The Woodlands, TX 77380
281-364-4211

38140 September 10, 17 & 24, 2008

PUBLIC NOTICE OF TEST OF AUTOMATIC
TABULATING EQUIPMENT

Notice is hereby given that the automatic tabulating equipment that will be used in the Elections listed below to be held on November 4, 2008 will be tested on Friday, September 26, 2008, at 10:00 a.m. at the County Administration Center, 59 FM 1484, Conroe, Texas, to ascertain that it will accurately tabulate ballots for all offices and on all measures:

General Election



Legal Notices

Legal Notices

NOTICE OF PUBLIC SALE of property to satisfy the landlord's lien on October 2, 11 am, Woodland's Storage, 25520 Richards Road, Spring. Property includes contents of space for Joshua McDowell- lamp fixtures, other personal items. 281-686-4577.

September 24 and October 1, 2008

ADVERTISEMENT

Shadyside Farm Inc. seeks 1 Show Horse Groom in Magnolia, TX. Attends to the overall care of show horses including feeding, watering, maintenance of stalls and tack, bathing, cleaning, brushing, trimming of horses, disinfecting stalls and bedding, inspection and observation of horses' physical condition.

NOTICE OF PUBLIC HEARING ON PROPOSED RE-ADOPTION
OF GROUNDWATER MANAGEMENT PLAN FOR THE
LONE STAR GROUNDWATER CONSERVATION DISTRICT
October 14, 2008

NOTICE IS HEREBY GIVEN to all interested persons within Montgomery County, Texas:

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Public Hearing Agenda

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38182 September 24, 2008



PO Box 2467 • Conroe, Texas 77305
local 936/494-3436 • metro 936/441-3437 • fax 936/494-3436
e-mail: lsgcd@consolidated.net • www.lonestargcd.org

Kathy Turner Jones
General Manager

March 9, 2009

Board of
Directors

Via Certified Mail Return Receipt

Richard J. Tramm
President

Orval R. Love, PE
Vice-President

Jim Stinson, PE
Treasurer

Mr. Reed Eichelberger
General Manager
San Jacinto River Authority
PO Box 329
Conroe, Texas 77305

COPY

Sam W. Baker
Secretary

RE: Groundwater Management Plan

Reed Eichelberger, PE

Dear Reed:

Roy McCoy, Jr.

Please find enclosed a copy of the Lone Star Groundwater Conservation District's "Groundwater Management Plan". The Plan was adopted by the Lone Star GCD Board of Directors on October 14, 2008.

Scott Weisinger, PG

As required by Chapter 36.1071 of the Texas Water Code and Chapter 356.6 of the Texas Water Development Board's (TWDB) rules contained in Title 31, Texas Administrative Code, please review and provide comments that the San Jacinto River Authority (SJRA) may have on the District's groundwater management plan.

James B. "Jim" Wesley

W. B. Wood

Please let me know if you should need any additional information in your review of our Plan. The Lone Star GCD looks forward to continuing working cooperatively with the SJRA to manage the water resources and plan for the future water needs of Montgomery County.

Sincerely,

Kathy Turner Jones
General Manager

KJ

Enclosure

13

Mr. Reed Eichelberger
General Manager
San Jacinto River Authority
PO Box 329
Conroe, Texas 77305



7008 1300 0001 2997 6083
7008 1300 0001 2997 6083

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only. No Insurance Coverage Provided)

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Postage \$	Postmark Here
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage	

Sent To
 Street, Apt., or PO Box
 City, State, ZIP+4

Mr. Reed Eichelberger
 General Manager
 San Jacinto River Authority
 P.O. Box 329
 Conroe, TX 77305

PS Form 3811

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? Yes No

If YES, enter delivery address below:

SENDER: COMPLETE THIS SECTION

1. Article Addressed to:
 Mr. Reed Eichelberger
 General Manager
 San Jacinto River Authority
 P.O. Box 329
 Conroe, TX 77305

2. Article Number (Transfer from service label) 7008 1300 0001 2997

PS Form 3811, February 2004 Domestic Return Receipt

3. Service Type
 Certified Mail
 Registered
 Insured Mail

4. Restricted Delivery
 Restricted Delivery

Star Groundwater
 ervation District
 Box 2467
 e, TX 77305



PO Box 2467 • Conroe, Texas 77305
 local 936/494-3436 • metro 936/441-3437 • fax 936/494-3438
 e-mail: lsgcd@consolidated.net • www.lonestargcd.org

Kathy Turner Jones
General Manager

March 9, 2009

Board of
 Directors

Via Certified Mail Return Receipt

Richard J. Tramm
President

COPY

Orval R. Love, PE
Vice -President

Mr. Mark Evans, Vice-Chair
 Region H Water Planning Group
 PO Box 329
 Conroe, Texas 77305

Jim Stinson, PE
Treasurer

RE: Approved Groundwater Management Plan

Sam W. Baker
Secretary

Dear Chairman Evans:

Reed Eichelberger, PE

Please find enclosed a copy of the Lone Star Groundwater Conservation District's "Groundwater Management Plan". The Plan was adopted by the Lone Star GCD Board of Directors on October 14, 2008.

Roy McCoy, Jr.

Scott Welsinger, PG

The District used information from the Regional Water Plan in considered of the development of the Plan. As required by Chapter 36.1071 of the Texas Water Code and Chapter 356.6 of the Texas Water Development Board's (TWDB) rules contained in Title 31, Texas Administrative Code, please review and specify any areas of conflict that the Region H Water Planning Group may have on the District's groundwater management plan.

James B. "Jim" Wesley

Please let me know if you should need any additional information in your review of our Plan. The Lone Star GCD looks forward to continuing working cooperatively with Region H to plan for the future water needs of Montgomery County.

W. B. Wood

Sincerely,

Kathy Turner Jones
 General Manager

13

KJ

Enclosure

One Star Groundwater
 Observation District
 P.O. Box 2467
 Conroe, TX 77305

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Kathy Turner Jones
General Manager

March 9, 2009

Board of
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VIA: Certified Mail Return Receipt

Richard J. Tramm
President

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Department of Public Works and Engineering
Attn: Mr. Andy F. Icken, Deputy Director
Planning and Development Services Division
PO Box 1562
Houston, Texas 77251-1562

COPY

Orval R. Love, PE
Vice-President

Jim Stinson, PE
Treasurer

RE: Adopted LSGCD Groundwater Management Plan

Sam W. Baker
Secretary

Dear Mr. Icken:

Reed Eichelberger, PE

Please find enclosed a copy of the Lone Star Groundwater Conservation District's "Groundwater Management Plan". The Plan was adopted by the Lone Star GCD Board of Directors on October 14, 2008.

Roy McCoy, Jr.

As required by Chapter 36.1071 of the Texas Water Code and Chapter 356.6 of the Texas Water Development Board's (TWDB) rules contained in Title 31, Texas Administrative Code, please review and provide comments that the San Jacinto River Authority (SJRA) may have on the District's groundwater management plan.

Scott Weisinger, PG

Please let me know if you should need any additional information in your review of our Plan. The Lone Star GCD looks forward to continuing working cooperatively with the SJRA to manage the water resources and plan for the future water needs of Montgomery County.

James B. "Jim" Wesley

Sincerely,


Kathy Turner Jones

W. B. Wood

KJ

Enclosure

13

Adwater
District
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CITY OF HOUSTON
 Department of Public Works and Engineering
 Attn: Mr. Andy F. Icken, Deputy Director
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LONE STAR
GROUNDWATER CONSERVATION DISTRICT

FACSIMILE TRANSMITTAL SHEET

TO: Rima Petrossian/Lance Christian	FROM: Kathy Turner Jones, General Manager
COMPANY: TWDB	DATE: 3/9/2009
FAX NUMBER: 512-936-0889	TOTAL NO. OF PAGES INCLUDING COVER:
PHONE NUMBER:	SENDER'S REFERENCE NUMBER: 936-494-3436
RE: LSGCD Management Plan	YOUR REFERENCE NUMBER:

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE

NOTES/COMMENTS:



PO Box 2467 • Conroe, Texas 77305
local 936/494-3436 • metro 936/441-3437 • fax 936/494-3438
e-mail: lsgcd@consolidated.net • www.lonestargcd.org

Kathy Turner Jones
General Manager

September 24, 2008

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(PE inactive)
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Richard J. Tramm
Vice-President

Jim Stinson, PE
Treasurer

Sam W. Baker
Secretary

CITY OF HOUSTON
Department of Public Works and Engineering
Attn: Mr. Andy F. Icken, Deputy Director
Planning and Development Services Division
PO Box 1562
Houston, Texas 77251-1562

RE: Proposed LSGCD Groundwater Management Plan

Reed Eichelberger, PE

Dear Mr. Icken:

Roy McCoy, Jr.

As required by Chapter 36.1071 of the Texas Water Code and Chapter 356 of the Texas Water Development Board's (TWDB) rules contained in Title 30 of the Texas Administrative Code, please find enclosed a copy of the draft Lone Star Groundwater Conservation District's (LSGCD) groundwater management plan proposed for re-adoption.

Rigby Owen, Jr.

Scott Weisinger, PG

The Board of Directors of the LSGCD will hold a hearing open to the public on Tuesday, October 14, 2008, beginning at 10:00 a.m., at the LSGCD Board Room, located at 207 W. Phillips St, Suite 301, Conroe, Texas. At this time a summary presentation of the plan will be offered and public comment will be taken.

W. B. Wood

For additional information of questions, please contact the District at your convenience.

Sincerely,

Kathy Turner Jones

KJ

Enclosure

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 Planning & Development Services
 P.O. Box 1562
 Houston, Tx 77251-1562

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Kathy Turner Jones
General Manager

September 24, 2008

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(PE inactive)
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Richard J. Tramm
Vice-President

Jim Stinson, PE
Treasurer

Sam W. Baker
Secretary

Reed Eichelberger, PE

Roy McCoy, Jr.

Rigby Owen, Jr.

Scott Weisinger, PG

W. B. Wood

VIA: Certified Mail Return Receipt

Mr. Jeff Taylor, Chair
Region H Water Planning Group
PO Box 329
Conroe, Texas 77305

RE: Proposed LSGCD Groundwater Management Plan

Dear Chairman Taylor:

As required by Chapter 36.1071 of the Texas Water Code and Chapter 356 of the Texas Water Development Board's (TWDB) rules contained in Title 30 of the Texas Administrative Code, please find enclosed a copy of the draft Lone Star Groundwater Conservation District's (LSGCD) groundwater management plan proposed for re-adoption.

The Board of Directors of the LSGCD will hold a hearing open to the public on Tuesday, October 14, 2008, beginning at 10:00 a.m., at the LSGCD Board Room, located at 207 W. Phillips St, Suite 301, Conroe, Texas. At this time a summary presentation of the plan will be offered and public comment will be taken.

For additional information of questions, please contact the District at your convenience.

Sincerely,



Kathy Turner Jones

KJ

Enclosure

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Mr. Jeff Taylor, Chair
 Region H Water Planning Group
 PO Box 329
 Conroe, TX 77305

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Cindy Shearer

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Kathy Turner Jones
General Manager

September 24, 2008

Board of
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Orval R. Love, PE
(PE inactive)
President

Mr. Reed Eichelberger, General Manager
San Jacinto River Authority
PO Box 329
Conroe, Texas 77305

Richard J. Tramm
Vice-President

RE: Proposed LSGCD Groundwater Management Plan

Jim Stinson, PE
Treasurer

Dear Reed:

Sam W. Baker
Secretary

As required by Chapter 36.1071 of the Texas Water Code and Chapter 356 of the Texas Water Development Board's (TWDB) rules contained in Title 30 of the Texas Administrative Code, please find enclosed a copy of the draft Lone Star Groundwater Conservation District's (LSGCD) groundwater management plan proposed for re-adoption.

Reed Eichelberger, PE

Roy McCoy, Jr.

Rigby Owen, Jr.

The Board of Directors of the LSGCD will hold a hearing open to the public on Tuesday, October 14, 2008, beginning at 10:00 a.m., at the LSGCD Board Room, located at 207 W. Phillips St, Suite 301, Conroe, Texas. At this time a summary presentation of the plan will be offered and public comment will be taken.

Scott Weisinger, PG

W. B. Wood

For additional information of questions, please contact the District at your convenience.

Sincerely,



Kathy Turner Jones

KJ

Enclosure

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1. Article Addressed to:

Mr. Reed Eichelberger
 San Jacinto River Authority
 PO Box 329
 Conroe, TX 77305



COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Cindy Shearer*

- Agent
- Addressee

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Lone Star Groundwater Conservation District

**Amended Rules
Effective February 12, 2008
Montgomery County, Texas**

10

Lone Star Groundwater Conservation District

Table of Contents

	Page
SECTION 1.	
DEFINITION, CONCEPTS, AND GENERAL PROVISIONS	
Rule 1.1	1
Rule 1.2	8
Rule 1.3	8
Rule 1.4	9
Rule 1.5	9
Rule 1.6	9
Rule 1.7	9
Rule 1.8	9
Rule 1.9	10
Rule 1.10	10
Rule 1.11	10
Rule 1.12	10
Rule 1.13	10
Rule 1.14	10
Rule 1.15	10
SECTION 2.	
INSPECTION AND ENFORCEMENT OF RULES	
Rule 2.1	11
Rule 2.2	11
Rule 2.3	11
Rule 2.4	12
Rule 2.5	13
SECTION 3.	
PERMITS, REGISTRATIONS, RECORDS, REPORTS, AND LOGS	
Rule 3.1	13
Rule 3.2	15
Rule 3.3	16
Rule 3.4	16
Rule 3.5	17
Rule 3.6	17
Rule 3.7	17
Rule 3.8	18
Rule 3.9	18

Rule 3.10	Well Registration.....	19
Rule 3.11	Registration or Permitting of New Wells Required Prior to Drilling or Alteration.....	21
Rule 3.12	Operating Permits.....	21
Rule 3.13	Historic Use Permits.....	24
Rule 3.14	Aggregation.....	26
Rule 3.15	Replacement Wells.....	26
Rule 3.16	Temporary and Emergency Permits.....	27
SECTION 4.		
MANAGEMENT ZONES		
Rule 4.1	Management Zones.....	28
Rule 4.2	Adjustment of Withdrawal Amount Based on Availability of Groundwater in Management Zone.....	29
Rule 4.3	When New Operating Permits May be Issued.....	29
Rule 4.4	Proportional Adjustment.....	29
SECTION 5.		
SPACING AND LOCATION OF WELLS; WELL COMPLETION		
Rule 5.1	Spacing and Location of Existing Wells.....	31
Rule 5.2	Spacing and Location of New Wells.....	31
Rule 5.3	Standards of Completion for All Wells.....	31
SECTION 6.		
REGULATION OF PRODUCTION		
Rule 6.1	Initial Production Limitations.....	31
Rule 6.2	Regular Production Limitations.....	32
Rule 6.3	Minor Exceedance of Authorized Production Limitations.....	32
SECTION 7.		
TRANSPORTATION OF GROUNDWATER OUT OF THE DISTRICT		
Rule 7.1	General Provisions.....	32
Rule 7.2	Fee for Exempt Wells; Discharge Under Other Permit.....	33
Rule 7.3	Reporting.....	33
SECTION 8.		
FEES AND PAYMENT OF FEES		
Rule 8.1	Water Use Fees.....	33
Rule 8.2	Application and Other Fees.....	35
Rule 8.3	Groundwater Transport Fee.....	36
Rule 8.4	Returned Check Fee.....	36
Rule 8.5	Well Log Deposit.....	36
Rule 8.6	Tampering Fee.....	36
Rule 8.7	Fee for no Meter.....	36
Rule 8.8	Payment of Fees.....	36
Rule 8.9	Failure of New Permittees to Make Initial Water Use Fee Payment.....	37
Rule 8.10	Failure to Make Fee Payments.....	37
Rule 8.11	Loss of Installment Payment Option.....	37
Rule 8.12	Enforcement.....	38
SECTION 9.		
METERING		

Rule 9.1	Water Meter Required.	38
Rule 9.2	Water Meter Exceptions.	39
Rule 9.3	Metering Aggregate Withdrawal.	39
Rule 9.4	Accuracy Verification.	39
Rule 9.5	Removal of Meter for Repairs.	40
Rule 9.6	Water Meter Readings.	40
Rule 9.7	Installation of Meters.	40
SECTION 9A.		
PROCEDURES FOR THE PROCESSING AND DETERMINATION OF HISTORIC USE		
PERMIT APPLICATIONS		
Rule 9A.1	Implementation of Historic Use Permit Program.	40
Rule 9A.2	Determination of Administrative Completeness.	41
Rule 9A.3	Technical Review and Issuance of Notice of Proposed Permit.	41
Rule 9A.4	Contesting a Historic Use Permit Application.	42
Rule 9A.5	Hearing Before the Board.	42
Rule 9A.6	Preliminary Hearing.	43
SECTION 10.		
HEARINGS ON RULEMAKING AND PERMIT MATTERS		
Rule 10.1	Types of Hearings.	43
Rule 10.2	Notice and Scheduling of Rulemaking Hearings.	44
Rule 10.3	Notice and Scheduling of Permit Hearings.	45
Rule 10.4	General Procedures.	46
Rule 10.5	Contesting a Permit Application; Uncontested and Contested Cases.	49
Rule 10.6	Decision to Proceed as Uncontested or Contested Case.	50
Rule 10.7	Contested Permit Hearings Procedures.	51
Rule 10.8	Consolidated Hearing on Applications.	53
Rule 10.9	Conclusion of the Hearing; Report.	53
Rule 10.10	Rulemaking Hearings Procedures.	54
Rule 10.11	Final Decision; Appeal.	55
Rule 10.12	Minutes and Records of the District.	56
SECTION 11.		
WASTE		
Rule 11.1	Waste.	56
SECTION 12.		
OTHER DISTRICT MANAGEMENT ACTIONS AND DUTIES		
Rule 12.1	District Management Plan.	56
SECTION 13.		
APPOINTMENT OF DIRECTORS		
13.1	Director Appointments.	57
13.2	Procedure Overview: Appointment by Form and by Ballot.	57
13.3	Appointment by Form.	58
13.4	Appointment by Ballot.	58
13.5	Miscellaneous Provisions.	60
SECTION 14.		
EFFECTIVE DATE		
Rule 14.1.	Effective Date.	60

ADDENDUMS

ADDENDUM "A" List of Revisions/Amendments61
ADDENDUM "B" Enforcement Policy and Civil Penalty Schedule.....62
ADDENDUM "C" District Regulatory Plan Phase I.....68
ADDENDUM "D" District Regulatory Plan Phase II (A).....75

Lone Star Groundwater Conservation District

District Rules

PREAMBLE

The Lone Star Groundwater Conservation District ("District") was created in 2001 by the 77th Legislature with a directive to conserve, protect and enhance the groundwater resources of Montgomery County. The boundaries of the District are coextensive with the boundaries of Montgomery County. A confirmation election was held on November 6, 2001, with 73.85 percent of the voters casting favorable ballots. The District originally adopted rules on August 26, 2002.

The District is committed to manage and protect the groundwater resources of Montgomery County and to work with others to ensure a sustainable, adequate, high quality and cost effective supply of water, now and in the future. The Lone Star Groundwater Conservation District will strive to develop, promote, and implement water conservation, augmentation, and management strategies to protect water resources for the benefit of the citizens, economy and environment of Montgomery County. The preservation of this most valuable resource can be managed in a prudent and cost effective manner through conservation, education, management, and permitting. Any action taken by the District shall only be after full consideration and respect has been afforded to the individual property rights of all citizens of Montgomery County.

SECTION 1.

DEFINITION, CONCEPTS, AND GENERAL PROVISIONS

Rule 1.1 Definition of Terms.

In the administration of its duties, the District follows the definitions of terms set forth in Chapter 36, Texas Water Code, and other definitions as follows:

- (a) "Acre-foot" means the amount of water necessary to cover one acre of land to the depth of one foot, or 325,851 U.S. gallons of water.
- (b) "Affected person" means, for any application, a person who has a personal justiciable interest related to a legal right, duty, privilege, power, or economic interest affected by the application. An interest common to members of the general public does not qualify as a personal justiciable interest.
- (c) "Aquifer" means the portions of the Chicot, Evangeline, or Jasper Aquifers located in the District or any other water bearing geologic formation in the District.
- (d) "August 26, 2002" means August 26, 2002, the date of adoption by the Board of the original District Rules.

District Rules Amended February 12, 2008

“beneficial use” or “beneficial purpose” means use of groundwater for:

1. agricultural, gardening, domestic (including lawn-watering), stock raising, municipal, mining, manufacturing, industrial, commercial, or recreational purposes;
2. exploring for, producing, handling, or treating oil, gas, sulfur, lignite, or other minerals; or
3. any other purpose that is useful and beneficial to the users that does not constitute waste.

- (f) “Board” means the Board of Directors of the District.
- (g) “Casing” means a tubular, watertight structure installed in the excavated or drilled hole to maintain the well opening and, along with cementing, to confine groundwater to its zone of origin and to prevent the entrance of surface pollutants.
- (h) “Cement” means a neat Portland or construction cement mixture of not more than seven gallons of water per 94 pound sack of dry cement, creating a cement slurry in which bentonite, gypsum, or other additives may be included.
- (i) “Column pipe diameter” shall refer to the inside diameter of the pump (discharge) column pipe.
- (j) “Deteriorated well” means a well, the condition of which will cause or is likely to cause pollution of groundwater in the District.
- (k) “Director” means a person appointed to serve on the Board of Directors of the District
- (l) “District” means the Lone Star Groundwater Conservation District created in accordance with Section 59, Article XVI, Texas Constitution, Chapter 36, Texas Water Code, and the District Act.
- (m) “District Act” means Act of June 16, 2001, 77th Leg., R.S., ch. 1321, 2001 Tex. Gen. Laws 3246, as may be amended from time to time.
- (n) “District office” means the office of the District located in Conroe, Montgomery County, Texas. The location of the District office may be changed from time to time by resolution of the Board.
- (o) “Domestic use” means the use of groundwater by an individual or a household to support domestic activity. Such use may include water for drinking, washing, or culinary purposes; for irrigation of lawns, or of a family garden and/or orchard; for watering of

- domestic animals; and for water recreation including aquatic and wildlife enjoyment. Domestic use does not include water used to support activities for which *consideration is* given or received or for which the product of the activity is sold. Domestic use does not include use by or for a public water system. Domestic use does not include water used for open-loop residential geothermal heating and cooling systems, but does include water used for closed-loop residential geothermal systems.
- (p) “Effective date” means the most recent date of adoption of these Rules or amendments thereto.
 - (q) “Existing and Historic Use Period” means the time period of January 1, 1992, through August 26, 2002.
 - (r) “Existing Use” means production and beneficial use of groundwater from the aquifer during the Existing and Historic Use Period.
 - (s) “General Manager” The Board may employ a person to manage the District and title this person General Manager. The General Manager, with approval of the Board, may employ all persons necessary for the proper handling of business and operation of the District.
 - (t) “Groundwater” means water percolating below the surface of the earth.
 - (u) “Groundwater reservoir” means a specific subsurface water-bearing stratum.
 - (v) “Groundwater withdrawal amount” means the amount of groundwater from the aquifer, in millions of gallons per annum, that is authorized to be withdrawn under a permit issued by the District.
 - (w) “Hearing Body” means the Board, a committee of the Board, and/or a Hearing Examiner serving in a quasi-judicial capacity at a hearing held under Chapter 36, Texas Water Code, and/or these Rules.
 - (x) “Hearing Examiner” means a person appointed in writing by the Board to conduct a hearing or other proceeding and who has the authority granted to a Presiding Officer under these rules, except as that authority may be limited by the Board or pursuant to the appointment.
 - (y) “Historic Use” means production and beneficial use of groundwater from the aquifer during the Existing and Historic Use period.
 - (z) “Landowner” means the person who holds possessory rights to the land surface or to the withdrawal of groundwater from wells located on the land surface.
 - (aa) “Livestock use” means the use of groundwater for the open-range watering of livestock, exotic livestock, game animals or fur-bearing animals. For purposes of this definition, the terms livestock and exotic livestock are to be used as defined in §142.001 of the

Agriculture Code, and the terms game animals and fur-bearing animals are to be used as defined in §63.001 and 71.001, respectively, of the Parks and Wildlife Code. Livestock use does not include use by or for a public water system.

- (bb) "Management zone" means one or more of the zones into which the Board may divide the District following the completion of the District Management Plan as set forth under Section 4.
- (cc) "Maximum Historic Use" (MHU) means the amount of groundwater from the aquifer as determined by the District that, unless proportionally adjusted or otherwise altered by the District, an applicant for a Historic Use Permit is authorized to withdraw equal to the greater of the following, as may be applicable:
 - 1. for an applicant who has beneficial use during the Existing and Historic Use Period for a full calendar year, the applicant's actual maximum beneficial use of groundwater from the aquifer excluding waste during any one full calendar year of the Historic Use Period; or
 - 2. for an applicant who has beneficial use during the Existing and Historic Use Period, but, due to the applicant's activities not having been commenced and in operation for the full final calendar year of the Existing and Historic Use Period, the applicant does not have beneficial use for a full calendar year, the applicant's extrapolated maximum beneficial use calculated as follows: the amount of groundwater that would normally have been placed to beneficial use without waste by the applicant for the last full calendar year during the Existing and Historic Use Period for the applied-for purpose had the applicant's activities been commenced and in operation for the full final calendar year during the Existing and Historic Use Period.
- (dd) "Meter" or "measurement device" means a water flow measuring device that can measure within +/- 5% of accuracy the instantaneous rate of flow and record the amount of groundwater produced or transferred from a well or well system during a measure of time.
- (ee) "Open Meetings Act" means Chapter 551, Texas Government Code, as it may be amended from time to time, also known as the "Texas Open Meetings Act".
- (ff) "Party" means a person who is an automatic participant in a proceeding before the District as set forth under Rule 10 or a person who has been designated as an affected person and admitted to participate in a contested case before the Board, except where the usage of the term clearly suggests otherwise.
- (gg) "Person" means an individual, corporation, limited liability company, organization, government, governmental subdivision, agency, business trust, estate, trust, partnership, association, or other legal entity.

- (hh) "Pollution" means the alteration of the physical, thermal, chemical, or biological quality of, or the contamination of, any groundwater in the District that renders the groundwater harmful, detrimental, or injurious to humans, animal life, vegetation, or property or to public health, safety, or welfare or impairs the usefulness or public enjoyment of the water for any lawful or reasonable use.
- (ii) "Presiding Officer" means the president, vice-president, secretary, or other Board member presiding at any hearing or other proceeding or a Hearing Examiner appointed by the Board to conduct or preside over any hearing or other proceeding.
- (jj) "Production" or "producing" means the act of extracting groundwater from an aquifer by pumping or other method.
- (kk) "Public Information Act" means Chapter 552, Texas Government Code, as it may be amended from time to time.
- (ll) "Public Water System" means a system for the provision to the public of water for human consumption through pipes or other constructed conveyances, which includes all uses described under the definition for drinking water in 30 Texas Administrative Code, Section 290.38. Such a system must have at least 15 service connections or serve at least 25 individuals at least 60 days out of the year, or utilize 9,125,000 or more gallons of water per year. This term includes any collection, treatment, storage, and distribution facilities under the control of the operator of such system and used primarily in connection with such system, and any collection or pretreatment storage facilities not under such control which are used primarily in connection with such system. Two or more systems with each having a potential to serve less than 15 connections or less than 25 individuals but owned by the same person, firm, or corporation and located on adjacent land will be considered a public water system when the total potential service connections in the combined systems are 15 or greater or if the total number of individuals served by the combined systems total 25 or greater at least 60 days out of the year, or utilize 9,125,000 or more gallons of water per year. Without excluding other meanings of the terms "individual" or "served," an individual shall be deemed to be served by a water system if he lives in, uses as his place of employment, or works in a place to which drinking water is supplied from the system.
- (mm) "Registration" means a well owner providing certain information about a well to the District for the District's records, as more particularly described under Rule 3.10.
- (nn) "Regulatory plan" means the District Regulatory Plan, which is incorporated herein by reference as a rule of the District and which sets forth specific regulations or policies related to groundwater management within the boundaries of the District or within a particular management zone, including without limitation the delineation of management zones and the establishment of proportional adjustment regulations or other regulations adopted to conserve groundwater or facilitate the use of surface water within the District.

- (oo) “Rule” or “Rules” means the District Rules.
- (pp) “Subsidence” means the lowering in elevation of the surface of the land caused by the withdrawal of groundwater from the aquifer.
- (qq) “Substantially alter” with respect to the size or capacity of a well means to increase the inside diameter of the pump discharge column pipe size of the well in any way or to otherwise increase the capacity of the well to produce groundwater in an amount more than 5 percent greater than the well had the capacity to produce before the alterations.
- (rr) “Transfer” means a change in a permit or application for a permit or a change in a registration as follows, except that the term “transfer” shall have its ordinary meaning as read in context when used in other contexts:
1. ownership;
 2. the person authorized to exercise the right to make withdrawals and place the groundwater to beneficial use;
 3. point of withdrawal;
 4. purpose of use;
 5. place of use; or
 6. maximum rate of withdrawal.
- (ss) Types of permits:
1. “Historic Use Permit” means a permit required by the District for the operation of any non-exempt, existing water well or well system that produced groundwater during the Existing and Historic Use Period.
 2. “Operating Permit” means a permit required by the District for drilling, equipping, completing, substantially altering, operating, or producing groundwater from any non-exempt water well for which a Historic Use Permit or amendment thereto to include such well has not been issued by the District or timely applied for and awaiting District action.
 3. “Emergency Permit” means a permit issued by the District for emergency needs, as set forth under Rule 3.16.
 4. “Temporary Permit” means a permit issued by the District for temporary needs, as set forth under Rule 3.16.

(tt) Types of wells:

1. "Dewatering well" means a well used to remove water from a construction site or excavation, or to relieve hydrostatic uplift on permanent structures.
2. "Exempt well" means a new or an existing well that is exempt from permitting under the laws of this State or these Rules and is not required to have an Operating or Historic Use Permit to withdraw water from the aquifer.
3. "Existing well" means a well that was in existence or for which drilling commenced prior to August 26, 2002.
4. "Leachate well" means a well used to remove contamination from soil or groundwater.
5. "Monitoring well" means a well installed to measure some property of the groundwater or the aquifer that it penetrates, and does not produce more than 5,000 gallons per year.
6. "New well" means a well for which drilling commenced on or after August 26, 2002.
7. "Non-exempt well" means an existing or a new well that does not qualify for exempt well status under the laws of this State or these Rules.
8. "Public Water Supply Well" means a well that produces the majority of its water for use by a public water system.

(uu) "Verification Period" means the period of time from January 1, 2003, to January 1, 2005, during which a Historic User shall be required to meter and report to the District their groundwater production and during which such users may amend their Historic Use Permit applications.

(vv) "Waste" means one or more of the following:

1. withdrawal of groundwater from the aquifer at a rate and in an amount that causes or threatens to cause an intrusion into the aquifer unsuitable for agriculture, gardening, domestic, stock raising, or other beneficial purposes;
2. the flowing or producing of wells from the aquifer if the water produced is not used for a beneficial purpose;
3. unintentional escape of groundwater from the aquifer for non-beneficial use to any other reservoir or geologic stratum that does not contain groundwater;

4. pollution or harmful alteration of groundwater in the aquifer by saltwater or by other deleterious matter admitted from another stratum or from the surface of the ground;
 5. willfully or negligently causing, suffering, or allowing groundwater to escape into any river, creek, natural watercourse, depression, lake, reservoir, drain, sewer, street, highway, road, or road ditch, or onto any land other than that of the owner of the well unless such discharge is authorized by permit, rule, or other order issued by the Texas Natural Resource Conservation Commission under Chapters 11 or 26, Texas Water Code;
 6. groundwater pumped for irrigation that escapes as irrigation tailwater onto land other than that of the owner of the well unless permission has been granted by the occupant of the land receiving the discharge;
 7. for water produced from an artesian well, "waste" has the meaning assigned by Section 11.205, Texas Water Code; or
 8. operating a deteriorated well.
- (ww) "Well" means a facility, device, or method used to withdraw groundwater from the aquifer.
- (xx) "Well operator" means the person who operates a well or well system.
- (yy) "Well owner" means the person who owns a possessory interest in: (1) the land upon which a well or well system is located or to be located; (2) the well or well system; or (3) the groundwater withdrawn from a well or well system.
- (zz) "Well system" means a well or group of wells tied to the same distribution system.
- (aaa) "Withdraw" means the act of extracting or producing groundwater by pumping or other method.
- (bbb) "Year" means a calendar year (January 1 through December 31), except where the usage of the term clearly suggests otherwise.

Rule 1.2 Authority of District.

The Lone Star Groundwater Conservation District is a political subdivision of the State of Texas organized and existing under Section 59, Article XVI, Texas Constitution, Chapter 36, Texas Water Code, and the District Act.

Rule 1.3 Purpose of Rules.

These rules are adopted under the authority of Section 36.101, Texas Water Code, for the purpose of conserving, preserving, protecting, and recharging groundwater in the District in order to prevent

subsidence, prevent degradation of water quality, prevent waste of groundwater, and to carry out the powers and duties of Chapter 36, Texas Water Code.

Rule 1.4 Use and Effect of Rules.

These Rules are used by the District in the exercise of the powers conferred on the District by law and in the accomplishment of the purposes of the law creating the District. These rules may be used as guides in the exercise of discretion, where discretion is vested. However, under no circumstances and in no particular case will they, or any part therein, be construed as a limitation or restriction upon the District to exercise powers, duties and jurisdiction conferred by law.

Rule 1.5 Purpose of District.

The purpose of the District is to provide for the conservation, preservation, protection, recharging, and prevention of waste of groundwater, and of groundwater reservoirs or their subdivisions, and to control subsidence caused by the withdrawal of water from those groundwater reservoirs or their subdivisions, consistent with the objectives of Section 59, Article XVI, Texas Constitution.

Rule 1.6 Ownership of Groundwater.

The ownership and rights of the owners of land within the District, and their lessees and assigns, in groundwater are hereby recognized, and nothing in Chapter 36, Texas Water Code, shall be construed as depriving or divesting those owners or their lessees and assigns of that ownership or those rights, except as those rights may be limited or altered by these rules.

Rule 1.7 Construction.

A reference to a title or chapter without further identification is a reference to a title or chapter of the Texas Water Code. A reference to a section or rule without further identification is a reference to a section or rule in these Rules. Construction of words and phrases is governed by the Code Construction Act, Subchapter B, Chapter 311, Texas Government Code. The singular includes the plural, and the plural includes the singular. The masculine includes the feminine, and the feminine includes the masculine.

Rule 1.8 Methods of Service Under the Rules.

Except as provided in these rules for notice of hearings on permit applications or otherwise, any notice or document required by these rules to be served or delivered may be delivered to the recipient or the recipient's authorized representative in person, by agent, by courier receipted delivery, by certified or registered mail sent to the recipients last known address, or by telephonic document transfer to the recipient's current telecopier number and shall be accomplished by 5:00 o'clock p.m. (as shown by the clock in District's office in Conroe, Texas) on the date which it is due. Service by mail is complete upon deposit in a post office depository box or other official depository of the United States Postal Service. Service by telephonic document transfer is complete upon transfer, except that any transfer commencing after 5:00 o'clock p.m. (as shown by the clock in the District's office in Conroe, Texas) shall be deemed complete the following business day. If service or delivery is by mail and the recipient has the right or is required to do some act within a prescribed period of time after service, three days will be added to the prescribed period. If service by other methods has proved unsuccessful, service will be deemed complete upon publication of the notice or document in a newspaper of general circulation in the District or by such other method approved by the General Manager.

Rule 1.9 Severability.

If a provision contained in these Rules is for any reason held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability does not affect any other Rules or provisions of these Rules, and these Rules shall be construed as if the invalid, illegal, or unenforceable provision had never been contained in these Rules.

Rule 1.10 Regulatory Compliance.

All permittees and registrants of the District shall comply with all applicable rules and regulations of all governmental entities. If District Rules and regulations are more stringent than those of other governmental entities, the District Rules and regulations control.

Rule 1.11 Computing Time.

In computing any period of time prescribed or allowed by these Rules, order of the Board, or any applicable statute, the day of the act, event, or default from which the designated period of time begins to run is not included, but the last day of the period so computed is included, unless it is a Saturday, Sunday, or legal holiday, in which event the period runs until the end of the next day which is neither a Saturday, Sunday, or legal holiday.

Rule 1.12 Time Limits.

Applications, requests, or other papers or documents required or permitted to be filed under these Rules or by law must be received for filing in the District office within the time limit for filing, if any. The date of receipt, not the date of posting, is determinative of the time of filing. Time periods set forth in these rules shall be measured by calendar days, unless otherwise specified.

Rule 1.13 Show Cause Orders and Complaints.

The Board, on its own motion or upon receipt of sufficient written protest or complaint, may at any time, after due notice to all interested parties, cite a person operating within the District to appear before it at a public hearing and require the person to show cause why a suit should not be initiated against the person in a district court for failure to comply with the orders or Rules of the Board, the relevant statutes of the State, or failure to abide by the terms and provisions of a permit issued by the District or the operating authority of the District. A hearing under this Rule shall be conducted in accordance with the rules of procedure and practice of the District.

Rule 1.14 Notification of Rights of Well Owners.

As soon as practicable after August 26, 2002, the District shall publish notice to inform the well owners of the District's existence, the well owner's right to make a claim of historic use, and the management authority of the District.

Rule 1.15 Amending of Rules.

The Board may, following notice and hearing, amend these rules or adopt new rules from time to time.

SECTION 2.
INSPECTION AND ENFORCEMENT OF RULES

Rule 2.1 Notice of Inspection.

Inspections that require entrance upon property must be conducted at reasonable times and must be consistent with the property's rules and regulations concerning safety, internal security, and fire protection. A person conducting an inspection under this Rule must identify themselves to the owner, lessee, operator, or person in charge of the well upon commencement of the inspection and must present credentials upon request of the owner, lessee, operator, or person in charge of the well.

Rule 2.2 Rule Enforcement.

- (a) If it appears that a person or entity has violated, is violating, or is threatening to violate any provision of the District Rules, the Board of Directors may institute and conduct a suit in a court of competent jurisdiction in the name of the District for injunctive relief, recovery of a civil penalty in an amount set by District Rule per violation, both injunctive relief and a civil penalty, or any other appropriate remedy. Each day that a violation continues shall be considered a separate violation. The civil penalty for a violation of any District rule is hereby set at the lower of: (1) \$10,000.00 per violation; or (2) a lesser amount based on the severity of the violation set forth in a civil penalty schedule which the Board of Directors may adopt from time to time via resolution in a properly noticed meeting, which civil penalty schedule is incorporated by reference into these Rules and shall constitute a Rule of the District for all purposes.
- (b) A penalty under this section is in addition to any other penalty provided by law and may be enforced by filing a complaint in a court of competent jurisdiction in the county in which the District's principal office or meeting place is located.
- (c) If the District prevails in a suit to enforce its Rules, the District may seek and the court shall grant, in the same action, recovery of attorney's fees, costs for expert witnesses, and other costs incurred by the District before the court. The amount of attorney's fees awarded by a court under this Rule shall be fixed by the court.

Rule 2.3 Sealing of Wells.

- (a) The District may seal wells that are prohibited from withdrawing groundwater within the District by these Rules or Board order when the General Manager, or a designated District employee, determines that such action is reasonably necessary to assure that a well is not operated in violation of these Rules or Board orders. A well may be sealed when:
1. no application has been made for a permit to drill a new water well;
 2. no application has been made for a Historic Use or Operating Permit to withdraw groundwater from an existing well that is not exempted from the requirement that a permit be obtained in order to lawfully withdraw groundwater;
 3. the Board has denied, canceled, or revoked an Operating or Historic Use Permit,

4. a permit has been granted, but the permit fees have not been paid within the time period provided for payment; or
 5. an owner of a non-exempt well will no longer operate the well.
- (b) The well may be sealed by physical means, including plugging or rendering inoperable, and tagged to indicate that the well has been sealed by order of the District. The District may recover costs incurred for sealing a well under this Rule from the owner of the well. Other appropriate action may be taken as necessary to preclude operation of the well or to identify unauthorized operation of the well.
 - (c) Tampering with, altering, damaging, or removing the seal of a sealed well or in any other way violating the integrity of the seal or pumping groundwater from a well that has been sealed constitutes a violation of these Rules and subjects the person performing that action, as well as any well owner or primary operator who authorizes or allows that action, to such penalties as provided by law and District Rules.
 - (d) The owner of the well may appeal the decision of the General Manager to seal the well by filing a written request for a hearing before the Board, in which case the Board will hear the owner's appeal at the next regular Board meeting for which notice has not already been published. The owner may also take corrective action to address the cause for which the General Manager sealed the well and thereafter request the General Manager to remove the seal at the General Manager's discretion.

Rule 2.4 Open or Uncovered Wells.

- (a) The District may require the owner or lessee of land on which an open or uncovered well is located to keep the well permanently closed or capped with a covering capable of sustaining weight of at least 400 pounds except when the well is in actual use.
- (b) The owner or lessee of land on which an open or uncovered well is located must close or cap the well within 10 days of receiving notice from the District that the well must be closed or capped.
- (c) As used in this section, "open or uncovered well" means an artificial excavation dug or drilled for the purpose of exploring for or producing water from the aquifer that is not capped or covered as required by this Rule.
- (d) If an owner or a lessee fails or refuses to close or cap the well in compliance with this Rule, any person, firm, or corporation employed by the District may go on the land and close or cap the well safely and securely.
- (e) Reasonable expenses incurred by the District in closing or capping a well under this Rule constitute a lien on the land on which the well is located.

- (f) The lien arises and attaches upon recordation of an affidavit in the deed records of the county where the well is located. The affidavit may be executed by any person conversant with the facts and must state:
 1. the existence of the well;
 2. the legal description of the property on which the well is located;
 3. the approximate location of the well on the property;
 4. the failure or refusal of the owner or lessee to close or cap the well within 10 days after receiving notification from the District to do so;
 5. the well was closed or capped by the District, or by an authorized agent, representative, or employee of the District; and
 6. the expense incurred by the District in closing or capping the well.
- (g) Nothing in this Rule affects the enforcement of Subchapter A, Chapter 756, Texas Health and Safety Code.

Rule 2.5 Failure to Report Pumpage and/or Transported Volumes.

The accurate reporting and timely submission of pumpage and/or transported volumes is necessary for the proper management of water resources in Montgomery County. Failure of the permittee to submit complete, accurate, and timely pumpage and transportation reports as required by District Rule may result in late payment fees, forfeiture of the permit, payment of meter reading and inspection fees as a result of District inspections to obtain current and accurate pumpage and/or transported volumes, and other enforcement for violation of District Rules.

SECTION 3.
PERMITS, REGISTRATIONS, RECORDS, REPORTS, AND LOGS

Rule 3.1 General Provisions Applicable to Permits and Registrations.

- (a) As specifically set forth in these Rules, an Operating Permit, a Historic Use Permit, or an amendment thereto is required to drill, equip, operate, or complete non-exempt wells, produce water from a non-exempt well, to substantially alter the size or capacity of a non-exempt well, or to alter an exempt well if the alteration would render the well non-exempt.
- (b) A permit confers only the right to use the permit under the provisions of these Rules and according to its terms. A permit's terms may be modified or amended pursuant to the provisions of these Rules. A permit does not become a vested right of the permit holder. The board may revoke or amend a permit in accordance with these Rules when reasonably necessary to accomplish the purposes of the District, the District's rules, management plan, regulatory plan, or Chapter 36, Texas Water Code.

- (c) Within 90 days after the date of a change in ownership of a well, well system, or the right to produce water under a permit or registration, the existing permit or registration holder must notify the District in writing of the name of the new owner. Failure to so notify the District shall constitute a violation of these Rules. If the change in ownership is regarding a permit holder, the statement must be sworn to. The District may waive this notification requirement if the new owner files a sworn application to transfer ownership with the District within the 90 days. The well owner shall have the right to hold a permit issued by the District and produce groundwater from a well pursuant to the permit's terms and conditions. If a permittee conveys by any lawful and legally enforceable means to another person the real property interests in one or more wells or a well system that is recognized in the permit so that the permittee is no longer the "well owner" as defined herein, the District shall recognize the person to whom such interests were conveyed as the person entitled to be the holder of the permit, subject to the conditions and limitations of these District Rules. Where more than one well is authorized under a permit, but not all wells or rights authorized under the permit are included in a conveyance of real property interests in the wells to another person, the District may allocate to each party his share of entitlement under the permit pursuant to the terms of the conveyance, these Rules, and applicable law. The burden of proof in any proceeding related to a question of well ownership or entitlement to be the legal holder of a permit issued by the District and the rights thereunder shall be on the person claiming such ownership or entitlement.
- (d) An application pursuant to which a permit or registration has been issued is incorporated in the permit or registration, and the permit or registration is granted on the basis of and contingent upon the accuracy of the information supplied in that application. A finding that false information has been supplied in the application may be grounds to refuse or deny the application or for immediate revocation of the permit or registration.
- (e) Violation of a permit's terms, conditions, requirements, or special provisions, including pumping groundwater in an amount in excess of the authorized withdrawal amount, is a violation of these Rules and is punishable as provided by law and these Rules.
- (f) For any applications submitted to the District and for which the applicant has requested in writing that such applications be processed concurrently, the District will process and the Board will consider such applications concurrently according to the standards and rules applicable to each.
- (g) All permits issued by the District are subject to the District's rules, proportional adjustment regulations, management plan, and regulatory plan.
- (h) Permit Term and Renewal:
 - (i) Term: Historic Use and Operating Permits issued by the District shall be valid for a term set by the District or until revoked or amended, which term shall not exceed five years from the date of issuance.
 - (ii) Notice and Application for Renewal: At least 90 days prior to the date of expiration of a permit, the District shall provide the permit holder notice that an application for renewal is due, along with a renewal application. Renewal

applications shall be submitted to the District no later than 60 days prior to the date of expiration of the permit.

- (iii) **Action on Applications for Renewal:** An application for renewal shall be considered automatically renewed if the District does not issue notice to the contrary to the applicant within 60 days of filing the application for renewal and all appropriate fees. The General Manager may rule on any renewal application without notice, hearing, or further action by the Board, or with such notice and hearing as the General Manager deems practical and necessary under the circumstances. The General Manager may deny a renewal application on any reasonable ground, including, but not limited to, a determination that the applicant is currently in violation of these Rules or Chapter 36, Texas Water Code, or that the applicant has a previously unresolved violation on record with the District. The General Manager shall inform the Board of any renewal applications granted at the next scheduled Board meeting. On the motion of any Board member, and a majority concurrence in the motion, the Board may overrule the action of the General Manager. The General Manager may authorize an applicant for a permit renewal to continue operating under the conditions of the prior permit, subject to any changes necessary under proportional adjustment regulations, these Rules, or the District Management Plan, for any period in which the renewal application is the subject of a contested case hearing.
- (iv) **Appeal of District's Ruling:** Any applicant may appeal the General Manager's ruling by filing, within ten business days of the General Manager's ruling, a written request for a hearing before the Board. The Board will hear the applicant's appeal at the next available regular Board meeting.
- (i) Acceptance of a permit constitutes an acknowledgment by the permit holder of receipt of the rules and regulations of the District and agreement that the permit holder will comply with all rules and regulations of the District.
- (j) The District may amend any permit, in accordance with these Rules, to accomplish the purposes of the District Rules, management plan, regulatory plan, the District Act, or Chapter 36, Texas Water Code.

Rule 3.2 Transfer of Historic Use Permit and/or Operating Permit.

(a) The District may authorize a permittee to transfer the permittee's Historic Use Permit or Operating Permit and/or wells or groundwater allocation under such permits only within the same management zone, subject to and as provided under these Rules and the regulatory plan. If the transferor retains any interest in the permit, the District may issue a second permit to the transferee that contains the benefits severed and transferred and may amend the permit of the transferor accordingly, along with the conditions imposed by the District and these Rules on each. The District may disallow a partial transfer of the right to produce groundwater under a permit in increments of less than 10,000 gallons per year and may round the partial transfer to the nearest 10,000 gallons increment notwithstanding the terms of the transfer.

(b) If the withdrawal authorized for multiple wells has been aggregated under one permit pursuant to Rule 3.14 and one or more wells under the permit will be transferred, the District will

allocate a pro rata share of the total authorized aggregated production to each well transferred unless the conveyance documents transferring the wells clearly provide for a different allocation.

Rule 3.3 Records, Reports, and Driller's Logs.

The driller of any water well within the District shall keep an accurate driller's log for each well. The driller shall file a copy of each log and a report detailing the drilling, equipping, and completing of the well with the District within 60 days after the date the well is completed. The report shall include all information submitted by the driller to any agency of the State of Texas. In the event that the driller's log and report required under this section are not filed within 60 days after the date the well is completed, the driller shall be subject to enforcement by the District for violation of this rule.

Rule 3.4 Application Requirements for all Permits.

- (a) All permits are granted in accordance with the provisions of the District Rules.
- (b) The application for a permit shall be in writing and sworn to.
- (c) The following shall be included in the permit application:
 - 1. the name and mailing address of the applicant and the owner of the land on which the well is or will be located;
 - 2. if the applicant is other than the owner of the property, documentation establishing the applicable authority to file the application, hold the permit in lieu of the property owner, and construct and operate a well for the proposed use;
 - 3. a statement of the nature and purpose of the proposed use and the amount of water to be used for each purpose;
 - 4. a declaration that the applicant will comply with the District's management plan and regulatory plan;
 - 5. the location of each well and the estimated rate at which water will be withdrawn;
 - 6. a water well closure plan or a declaration that the applicant will comply with well plugging guidelines and report closure to the District;
 - 7. a drought contingency plan, if the applicant is required by law to have a drought contingency plan;
 - 8. a statement by the applicant that the water withdrawn under the permit will be put to beneficial use at all times;
 - 9. the location of the use of the water from the well; and
 - 10. any other information deemed necessary by the Board.

- (d) An application shall be accompanied by payment by the applicant of any administrative fees required by the District for permit applicants.
- (e) An application may be rejected as not administratively complete if the District finds that substantive information required by the permit application is missing, false, or incorrect.
- (f) An application will be considered administratively complete if it complies with all requirements set forth under this rule, including all information required to be included in the application.
- (g) A determination of administrative completeness shall be made by the General Manager.

Rule 3.5 Considerations for Granting or Denying a Permit.

Before granting or denying a permit, the District shall consider whether the application conforms to the requirements prescribed by Chapter 36, Texas Water Code, and the District Rules, including the regulatory plan, and is accompanied by the prescribed fees.

Rule 3.6 Permits Issued by District.

- (a) Upon the Board's grant of a permit application and prior to issuance of the permit, the General Manager shall promptly provide an invoice to the permit applicant for water use fees due and owing to the District.
- (b) A permit shall not be issued by the District until the District has received from the permit applicant at least the first quarterly payment of the invoiced water use fee, along with full payment of any applicable administrative fees invoiced by the District for permit applicants.
- (c) All permits issued by the District shall state the following:
 - 1. the name of the person to whom the permit is issued;
 - 2. the date the permit is issued;
 - 3. the date the permit is to expire;
 - 4. the conditions and restrictions, if any, placed on the rate and amount of withdrawal of groundwater;
 - 5. any other conditions or restrictions the District prescribes; and
 - 6. an other information the District determines necessary.

Rule 3.7 Amendment of Permit.

- (a) A permit amendment is required prior to any deviation from the permit terms regarding the maximum amount of groundwater to be produced from a well, ownership of a well or

permit, the location of a proposed well, the purpose of use of the water, the location of use of the groundwater, or the drilling and operation of additional wells, even if aggregate withdrawals remain same. A permit amendment is not required for maintenance or repair of a well if the maintenance or repair does not increase the production capabilities of the well.

- (b) A major amendment to a permit includes, but is not limited to, a change that would substantially alter the size or capacity of a well, an increase in the annual quantity of groundwater authorized to be withdrawn, a change in the type of use of the water produced the addition of a new well to be included in an already permitted aggregate system, or a change of location of groundwater withdrawal, except for a replacement well authorized under Rule 3.15.
- (c) A major amendment to a permit shall not be made prior to notice and hearing.
- (d) Amendments that are not major, as determined by the General Manager and this Rules, such as a change in ownership of the land the well or well system is located on or an amendment sought by the permittee for a decrease in the quantity of groundwater authorized for withdrawal and beneficial use, are minor amendments and may be made by the General Manager.
- (e) The General Manager is authorized to deny or grant in full or in part a minor permit amendment and may grant minor amendments without public notice and hearing. Such decision by the General Manager may be appealed to the Board of Directors. This appeal is a pre-requisite to filing suit against the District to overturn the General Manager's decision. Any minor amendment sent to the Board for consideration shall be set on the Board's agenda and shall comply with the notice requirements of the Texas Open Meetings Act.

Rule 3.8 Completion of Permit Application Required.

The District shall promptly consider and act on each administratively complete application for a permit. If an application is not administratively complete, the District shall request the applicant to complete the application. The application will expire if the applicant does not complete the application within 90 days of the date of the District's request.

Rule 3.9 Exempt Well Status.

- (a) The permit requirements of these Rules do not apply to:
 - 1. a new or existing well that is drilled, completed, or equipped so that it is incapable of producing more than 25,000 gallons of groundwater a day and that is used solely for domestic use or for providing water for livestock or poultry;
 - 2. the drilling or operation of a water well used solely to supply water for a rig that is actively engaged in drilling or exploration operations for an oil or gas well permitted by the Railroad Commission of Texas provided that the person holding

the permit is responsible for drilling and operating the water well and the well is located on the same lease or field associated with the drilling rig;

3. the drilling of a water well authorized under a permit issued by the Railroad Commission of Texas under Chapter 134, Texas Natural Resources Code, or to production from such a well to the extent the withdrawals are required for mining activities regardless of any subsequent use of the water;
 4. a new or existing well to be used solely for domestic or livestock use with the capacity to produce more than 25,000 gallons of water per day that will produce a total of less than 9,125,000 gallons of water per year; or
 5. leachate wells, monitoring wells, and dewatering wells.
- (b) A well exempted under Subsection (a) will lose its exempt status if the well is subsequently used for a purpose or in a manner that is not exempt under Subsection (a).
- (c) The owner of a well that is exempt from permitting under this Rule shall register the well with the District as an exempt well, if required under Rule 3.10. Upon registration of the well under this Rule, the owner of the well automatically forfeits to the District any permit previously issued by the District for the well.
- (d) Exempt well status granted under Subsection (a)(4) of this rule shall be withdrawn if, while the well was registered as an exempt well, the District determines that the well was pumping water in excess of an annualized average of 9,125,000 gallons of water per year.
- (e) If exempt well status is withdrawn according to Subsection (d), the District may initiate an enforcement action against the owner for violating District Rules.

Rule 3.10 Well Registration.

- (a) Well owners of the following wells shall file an application for well registration with the District and the District shall register:
1. a new, exempt well, except those wells exempt under Subsections (a)(3) or (5) of Rule 3.9;
 2. an existing, exempt well measuring larger than 4 inches in column pipe diameter, except those wells exempt under Subsection (a)(3) or (5) of Rule 3.9; or
 3. an existing, non-exempt well for which a Historic Use Permit or Operating Permit has not been issued by the District or timely applied for and awaiting District action.
- (b) A person seeking to register a well shall provide the District with the following information in the registration application:

1. the name and mailing address of the registrant and the owner of the land on which the well is or will be located;
 2. if the registrant is other than the owner of the property, documentation establishing the applicable authority to file the application for well registration, serve as the registrant in lieu of the property owner, and construct and operate a well for the proposed use;
 3. a statement of the nature and purpose of the existing or proposed use and the amount of water used or to be used for each purpose;
 4. the location of the well and the estimated rate at which water is or will be withdraw;
 5. a water well closure plan or a declaration that the applicant will comply with well plugging guidelines and report closure to the District;
 6. a statement that the water withdrawn from the well will be put to beneficial use at all times;
 7. the location of the use of the water from the well; and
 8. any other information deemed necessary by the Board.
- (c) The timely filing of a sworn application for registration shall provide the owner of a well described under Subsection (a)(2)-(3) with evidence that a well existed before August 26, 2002, for purposes of grandfathering the well from the requirement to comply with any well location or spacing requirements of the District. The timely filing of a sworn application for registration shall provide the owner of a well described under Subsection (a)(3) with evidence that a well existed before August 26, 2002, for purposes of grandfathering the well from the requirement to obtain a permit to drill the well. A well that is registered under Subsection (a)(3) shall not be operated after August 26, 2002, without first obtaining an approved Operating Permit for the well or an amendment to a Historic Use Permit to include the well, if such well is not already included in a Historic Use Permit.
- (d) Failure of the owner of a well described under Subsection (a) to register the well under this Rule shall subject the well owner to enforcement under these Rules.
- (e) A registrant has 120 days from the date of filing its application for well registration of an exempt well to drill and complete the well, and must file the driller's log and report within 60 days of completion as required by Rule 3.3. Upon receipt of the driller's log and report required by Rule 3.3, a registration shall be perpetual in nature, subject to enforcement and/or cancellation for violation of these Rules.

- (f) The owner of an existing well described under Subsections (a)(2) or (3) of this Rule must register the well with the District on or before December 1, 2002.
- (g) The owner or driller of any new well, including an exempt, new well described under Subsection (a)(1) of this Rule or a non-exempt, new well, must register the well with the District as set forth under Rule 3.11 prior to commencing any activity described in Rule 3.11(a) with regard to the well.

Rule 3.11 Registration or Permitting of New Wells Required Prior to Drilling or Alteration.

- (a) A landowner or water well driller, or any other person acting on their behalf, must submit a registration application with the District before any well, except leachate wells, monitoring wells, dewatering wells, and wells described under Rule 3.9(a)(3), may be drilled, equipped, completed, or substantially altered with respect to size or capacity after August 26, 2002, except as set forth under Rule 3.15. Registration may be in person, by mail, or by telephonic document transfer, using the registration form provided by the District. The District staff shall review the registration and make a preliminary determination on whether the well meets the exemptions from permitting provided in Rule 3.9, and shall inform the registrant of their determination within five business days of receipt of the completed application. If the preliminary determination is that the well is exempt, the registrant may begin drilling or other activity immediately upon receiving the approved registration.
- (b) If the preliminary determination is that the well is not exempt, the District staff shall inform the registrant of any further application information set forth under Rule 3.4 or fees required to process the registration application as a permit application.
- (c) If the preliminary determination is that the well is not exempt, no person may drill, equip, complete, or substantially alter the well without first obtaining the appropriate permit or amendment thereto from the District.
- (d) A violation of this Rule occurs on the first day the drilling, equipping, completion, or alteration without the appropriate registration or permit begins and continues each day thereafter until the appropriate registration or permit is issued.

Rule 3.12 Operating Permits.

- (a) An Operating Permit is required by the District for drilling, equipping, completing, substantially altering, operating, or producing groundwater from any non-exempt well for which a Historic Use Permit or amendment thereto to include the well has not been issued by the District or timely applied for and awaiting District action. This requirement is effective on December 1, 2002, for wells that have historic use and on August 26, 2002, for all other wells.
- (b) An application for an Operating Permit shall contain all the information requested in Rule 3.4 and shall be accompanied by all prescribed fees as set forth in Rule 3.4.

- (c) Subject to the considerations listed in Rule 3.5, an application for an Operating Permit submitted under this Rule shall not be unreasonably denied by the District if the application describes a well that meets the District's well completion standards and complies with all location and spacing regulations included in these Rules or required by other state law and:
1. if the application is submitted after the end of the Verification Period, the District has not:
 - (A) determined that there is insufficient groundwater still available in the management zone from which the groundwater is to be produced under the Operating Permit to support the issuance of the Operating Permit within that management zone after considering the claimed or permitted production of all Historic Use Permits, an estimate of total exempt use, and all previously pending or issued Operating Permits within the same management zone as set forth under Section 4 of these Rules; and
 - (B) adopted proportional adjustment regulations for the management zone under Section 4 of these rules that would prohibit issuance of the permit; or
 2. if the application is submitted after the end of the Verification Period and the District has adopted regulations described under Paragraph (1)(B) of this Subsection, the applicant has purchased the right to produce water issued under a Historic Use Permit or another Operating Permit from a permittee within the same management zone from which the groundwater is to be produced under the Operating Permit and the application is submitted in conjunction with an application to amend the Historic Use Permit or other Operating Permit to transfer the right to produce water to the Operating Permit being sought, subject to Rule 3.2.
- (d) The Operating Permittee shall equip the well with a meter prior to producing from the well after December 31, 2002, and shall pay to the District fees in accordance with the fee schedule of the District and the requirements of these Rules.
- (e) The District may impose more restrictive permit conditions on Operating Permit applications if the limitations:
1. apply uniformly within the same management zone to all subsequent Operating Permit applications;
 2. bear a reasonable relationship to the District's management plan; and
 3. are reasonably necessary to protect existing use.

- (f) An Operating Permit issued in accordance with this Rule that authorizes drilling, equipping, completing, or substantially altering the size or capacity of a well shall be valid for a term not to exceed one year from the date of issuance to complete those activities and begin producing in accordance with the terms of the permit, unless the applicant has applied for and been granted an extension. Such extensions shall only be granted once and shall not be valid for more than an additional one-year period. Thereafter, the applicant must file a new Operating Permit application. A driller's log and report must be filed with the District within 60 days of completion as required by Rule 3.3.
- (g) The owner of an Operating Permit is authorized to produce water in accordance with the terms of the permit and these Rules.
- (h) The validity of an Operating Permit issued by the District is contingent upon payment by the permittee of the applicable fee as set forth under Rule 8.1.
- (i) No later than February 15 of each year, each permittee must submit a report to the District, on a form provided by the District, stating the following: (1) the name of the permittee; (2) the well numbers of each well for which the permittee holds a permit; (3) the total amount of groundwater produced by each well or well system during the immediately preceding calendar year; (4) the total amount of groundwater produced by each well or well system during each month of the immediately preceding calendar year; (5) the purposes for which the water was used; (6) the amount and source of surface water used; and (7) any other information requested by the District.
- (j) An Operating Permit is subject to the proportional adjustment regulations of the District and protection of Historic Use Permits issued by the District and exempt uses to the point that production under an Operating Permit may be prohibited in a management zone if the District determines there is no longer sufficient groundwater available for withdrawal under the Operating Permit after considering the claimed or permitted production of all Historic Use Permits and an estimate of total exempt use produced within the management zone, as well as other Operating Permits permitted to produce within the management zone, as set forth under Section 4 of these Rules. The Operating Permit Applicant or Operating Permittee expressly assumes the risk of this occurrence in applying for the permit and in drilling, operating, or otherwise investing in the well or the water to be produced from it. An Operating Permit Applicant or Operating Permittee has no standing to contest the application or a proposed permit of a Historic User on the basis of its effect or potential effect on the rights sought or issued in the Operating Permit.
- (k) The District reserves the right to amend these Rules at any time to allocate water available for production under Operating Permits within a management zone, after considering the claimed or permitted production of all Historic use Permits and an estimate of total exempt use produced within the management zone, based upon the surface acreage owned by the Operating Permittee or the surface acreage for which the Operating Permittee controls the right to produce groundwater within the same management zone.

- (l) No person shall drill, equip, complete, substantially alter, operate, or produce groundwater from a well in violation of this Rule. A violation of this Rule occurs on the first day the unauthorized activity occurs and continues each day thereafter until the permit is issued.

Rule 3.13 Historic Use Permits.

- (a) An owner of an existing, non-exempt water well that was completed and operational prior to August 26, 2002, and that produced and used groundwater at any time during the Existing and Historic Use Period, shall apply to the District for a Historic Use Permit on or before September 1, 2003. Failure of an owner of such a well to apply for a Historic Use Permit on or before September 1, 2003, shall preclude the owner from making any future claim or application to the District for Historic Use under these Rules and shall cause the owner to forfeit his rights and ability to operate the well under these Rules, unless the owner obtains an Operating Permit that authorizes production from the well.
- (b) An application for a Historic Use Permit, in addition to the information required under Rule 3.4, shall include the following information to the extent that the information exists and is available to the applicant through the exercise of reasonable and diligent efforts:
 - 1. the year in which the well was drilled;
 - 2. the purpose for which the well was drilled and types of subsequent use of the water;
 - 3. annual water production history of the well for each year during the Existing and Historic Use Period;
 - 4. the Maximum Historic Use of the well or well system;
 - 5. legal description of the tract of land on which the well or well system is located;
 - 6. all information requested by the District in a Declaration of Historic Use form, which shall be prescribed and provided by the District; and
 - 7. any other information determined necessary by the Board.
- (c) During the time between August 26, 2002, and the issuance or denial of the Historic Use Permit, an applicant for a Historic Use Permit may produce and shall pay the water use fee as set forth in Rule 8.1 for the amount of groundwater specified in the applicant's application, or most recent amendment thereto, as the Maximum Historic Use. This interim authorization by rule based on the information included in the Historic Use Permit application, or most recent amendment thereto, shall constitute the applicant's permit to operate and produce groundwater from the well identified in the application for purposes of Chapter 36, Water Code, until Board action on the application.

- (d) An applicant shall amend the applicant's application to include any new information or to update information that the applicant has determined to be inaccurate or incorrect on or before January 1, 2005.
- (e) After January 1, 2005, the District shall commence its review and determination of the Maximum Historic Use for each applicant as set forth in Section 9A of these rules. An applicant who withdraws more water than the amount claimed as the Maximum Historic Use in the application or most recent amendment thereto will be assessed a fee for producing the excess amount of water and will be subject to enforcement for violation of the District Rules, unless the applicant is authorized under an Operating Permit to make the withdrawal.
- (f) Notwithstanding Subsection (c) of this Rule or any other rule to the contrary, if the application for a Historic Use Permit is one that has been contested and is still contested one year after the date of publication of the Proposed Historic Use Permit, the District may limit the amount of water that the applicant may produce until the contested case has concluded and the Board has made its decision on the application to the amount set forth in the Proposed Historic Use Permit. Such an interim production limitation shall be established by the Board only after an expedited interlocutory hearing before the Board to be initiated by motion of the General Manager.
- (g) In the interest of promoting conservation of groundwater, the District shall allow an applicant for a Historic Use Permit to apply for a permit authorization in an amount less than the applicant's Maximum Historic Use. In such a case, the applicant shall only be required to pay fees applicable to the amount applied for.
- (h) The District shall adopt procedures for the processing and determination of claims of persons applying for Historic Use Permits.
- (i) The District may issue all uncontested Historic Use Permits, subject to the District's proportional adjustment regulations, rules, management plan, and regulatory plan.
- (j) An applicant for a Historic Use Permit shall install a meter by January 1, 2003, on each well for which an application has been submitted. Failure to timely install such a meter shall be grounds for the District to deny the permit and/or pursue enforcement action for violation of the District's rules.
- (k) The validity of a Historic Use Permit issued by the District is contingent upon payment by the permittee of the applicable fee as set forth under Rule 8.1.
- (l) No later than February 15 of each year, each permittee must submit a report to the District, on a form provided by the District, stating the following: (1) the name of the permittee; (2) the well numbers of each well for which the permittee holds a permit; (3) the total amount of groundwater produced by each well or well system during the immediately preceding calendar year; (4) the total amount of groundwater produced by each well or well system during each month of the immediately preceding calendar year;

(5) the purposes for which the water was used; (6) the amount and source of surface water used; and (7) any other information requested by the District.

- (m) The General Manager's determination of administrative completeness for Historic Use Permit Applications shall be based upon the General Manager's review of application requirements set forth in Rules 3.4, 3.13, and 9A.2 and this rule. The General Manager may withhold a determination of administrative completeness for a Historic Use Permit Application until the applicant has completed and submitted the reports required under Rule 3.13(I) for groundwater that was produced prior to January 1, 2005.

Rule 3.14 Aggregation.

- (a) Multiple wells that are part of an aggregate well system that are owned and operated by the same permittee and serve the same subdivision, facility, or a certificated service area authorized by the commission may be authorized under a single permit at the sole discretion of the District. Multiple wells that are not part of an aggregate well system but that are located on a single tract of land and owned and operated by the same permittee may be authorized under a single permit at the sole discretion of the District.
- (b) For the purposes of categorizing wells by the amount of groundwater production, when wells are permitted with an aggregate withdrawal, the aggregate value shall be assigned to the group, rather than allocating to each well its prorated share of estimated production.
- (c) Historic Use Permits issued to an aggregate system will be based on the combined Maximum Historic Use of all wells within the aggregate system, rather than the historic average use of each individual well.

Rule 3.15 Replacement Wells.

- (a) A well owner may apply to re-work, re-equip, re-drill, or replace a currently permitted or registered well by filing an application to amend such permit or registration and providing such information as may be required by the General Manager under the following conditions:
 1. the replacement well must be drilled within 50 feet of the location of the well being replaced;
 2. the replacement well shall not be located any closer to any other permitted well or authorized well site than the well being replaced, unless the new location complies with the minimum spacing and location requirements of these rules;
 3. the replacement well or pump shall not be larger in size or capacity than the well being replaced so as to substantially alter the size or capacity of the well; and
 4. if a replacement well is drilled, the well owner ceases production from the well being replaced and begins pursuit of compliance with the well closure requirements of the District for the well being replaced.

- (b) Applications submitted under Subsection (a) may be granted by the General Manager without notice or hearing.
- (c) The owner of an existing, exempt well that is not required to be registered with the District shall comply with the registration provisions of Rules 3.10 and 3.11 in the manner set forth for new wells before re-drilling or replacing the existing, exempt well.

Rule 3.16 Temporary and Emergency Permits.

- (a) Upon application, the General Manager may grant a Temporary or Emergency Permit that authorizes the drilling, equipping, completion, substantial altering with respect to size or capacity, or operation of a well and production therefrom as set forth under this Rule.
- (b) An application for a Temporary Permit shall contain the information set forth in Rule 3.4 and present sufficient evidence that:
 - 1. no suitable surface water is immediately available to the applicant;
 - 2. the well to be drilled, equipped, completed, altered, or operated is not located in a management zone in which the Board has adopted proportional adjustment regulations that disallow the authorization of additional production from non-exempt wells;
 - 3. the well to be drilled, equipped, completed, or substantially altered will not have an inside casing diameter that exceeds five inches nominal; and
 - 4. the production from the well will not be more than ten million gallons per year.
- (c) An application for an Emergency Permit shall contain the information set forth in Rule 3.4 and present sufficient evidence that:
 - 1. no suitable surface water or permitted groundwater is immediately available to the applicant; and
 - 2. an emergency need for the groundwater exists such that issuance of the permit is necessary to prevent the loss of life or to prevent severe, imminent threats to the public health or safety.
- (d) The General Manager may rule on any application for a Temporary or Emergency Permit without notice, hearing, or further action by the Board, or with such notice and hearing as the General Manager deems practical and necessary under the circumstances. The General Manager may deny an application for a Temporary or Emergency Permit on any reasonable ground, including, but not limited to, a determination that the applicant is currently in violation of these Rules or Chapter 36, Texas Water Code, that the applicant has a previously unresolved violation on record with the District, or that the application does not meet the requirements of this Rule. Notice of the ruling shall be given to the

applicant. Any applicant may appeal the General Manager's ruling by filing, within ten business days of the General Manager's ruling, a written request for a hearing before the Board. The Board will hear the applicant's appeal at the next available regular Board meeting. The General Manager shall inform the Board of any Temporary or Emergency Permits granted. On the motion of any Board member, and a majority concurrence in the motion, the Board may overrule the action of the General Manager.

- (e) The Permit Fee to be assessed for a Temporary or Emergency Permit under this Rule shall be the same as a permit issued under Rule 3.12.
- (f) No Temporary Permit may be issued unless an application for an Operating Permit or an amendment to a Historic Use Permit has been filed with the District by the applicant that addresses the same well. The term of any Temporary Permit granted by the General Manager under this Rule shall extend only until the Board makes a final decision on the application for the Operating Permit or amendment to the Historic Use Permit or six months from the date of issuance, whichever shall occur first.
- (g) Emergency Permits may be issued for a term determined by the General Manager based upon the nature and extent of the emergency, such term not to exceed 60 days. Upon expiration of the term, the permit automatically expires and is cancelled.
- (h) Notwithstanding Subsection (c), the General Manager may issue an Emergency Permit for the drilling a well for any applicant who executed prior to August 26, 2002, a written contract to drill a well, where the terms of the contract provide for drilling to be commenced before October 1, 2002.

SECTION 4. MANAGEMENT ZONES

Rule 4.1 Management Zones.

Using the best available hydrogeologic and geographic data, the Board shall, by resolution or inclusion in the District's regulatory plan, initially no later than January 31, 2007, divide the District into one or more zones for the administration of groundwater management and regulation in the District. These management zones shall serve as areas for which the District shall determine water availability, authorize total production, implement proportional reduction of production amongst classes of users, and within which the District may allow the transfer of wells and/or the right to produce water as set forth in these Rules. The District shall attempt to delineate management zones along boundaries that, to the extent practicable, will promote fairness and efficiency by the District in its management of groundwater, while considering hydrogeologic conditions and the ability of the public to identify the boundaries based upon land surface features.

Rule 4.2 Adjustment of Withdrawal Amount Based on Availability of Groundwater in Management Zone.

- (a) Initially no later than January 31, 2007, and every five years thereafter, the District shall use the best available scientific information, including but not limited to the Texas Water Development Board's Groundwater Availability Model for the area and information regarding the saturation rate of aquifers within the District, to determine the annual amount of recharge available for withdrawal in each management zone, based upon the District Management Plan, and the amount of actual annual production from permittees, registrants, and exempt users in each management zone.
- (b) As determined by the District, if the total amount of production within a management zone is less than or equal to the amount of recharge available for withdrawal within the management zone under Subsection (a), production amounts authorized under Historic Use and Operating Permits may remain the same or be increased in the management zone, as specifically set forth under Rule 4.4.
- (c) As determined by the District, if the total amount of production within a management zone is greater than the amount of recharge available for withdrawal within the management zone under Subsection (a), production amounts may be decreased proportionally among all permittees in the management zone, with any necessary reductions being applied first to Operating Permits and, subsequently, if production is still greater than availability, to Historic Use Permits, as specifically set forth under Rule 4.4.

Rule 4.3 When New Operating Permits May be Issued.

In a management zone where the Board has already established proportional adjustment regulations under Rule 4.4, new Operating Permits may be issued by the District for production in the management zone only if the management zone contains water available for permitting after the District has made any and all proportional adjustments to existing permits, as specifically set forth under Rule 4.4.

Rule 4.4 Proportional Adjustment.

- (a) The Board, by resolution or inclusion in the District's regulatory plan, may establish proportional adjustment regulations to alter the amount of production allowed in a management zone, as set forth under these rules or the District's regulatory plan. Notwithstanding anything to the contrary in these Rules, the Board may by resolution, rule, or in the District's regulatory plan establish regulations regarding the reduction of groundwater production in the District that differ from the regulations set forth under Section 4, and nothing set forth in Section 4 or other rules creates a vested right in any permit holder or permit applicant.
- (b) When establishing proportional adjustment regulations for a management zone, the Board may first set aside an amount of water equal to an estimate of total exempt use within the management zone.

- (c) After setting aside an amount of water for exempt use, to the extent of remaining water availability, the Board may allocate water to Historic Use Permits or most recent amendments thereto according to the permitted or claimed Maximum Historic Use in each, depending upon whether the Historic Use Permit application or amendment thereto has yet been issued. If there is insufficient water availability to satisfy all Historic Use Permits, the Board may allocate the water availability among the Historic Use Permits by reducing the amount authorized under each on an equal percentage basis until total authorized production equals water availability within the management zone. The Board may prohibit water from being authorized for production under Operating Permits if there is insufficient water availability to satisfy all Historic Use Permits and exempt use, subject to Subsection (f) of this Rule.
- (d) If there is sufficient water to satisfy all Historic Use Permits and exempt use within a management zone, the Board may then allocate remaining water availability among existing Operating Permits based on their previously permitted amounts. If there is insufficient water availability to satisfy all existing Operating Permits, the Board may allocate the remaining water availability among the Operating Permits by reducing the amount previously authorized under each on an equal percentage basis until total authorized production equals water availability within the management zone. The Board may prohibit water from being authorized for production under new Operating Permits if there is insufficient water availability to satisfy all existing Operating Permits, subject to Subsection (f) of this Rule.
- (e) If there is sufficient water to satisfy all Historic Use Permits, exempt use, and existing Operating Permits within a management zone, the Board may then allocate remaining water availability to applications for new Operating Permits, or amendments to Historic Use Permits or Operating Permits that contemplate increased use without the transfer of another permitted right, subject to Subsection (f) of this Rule.
- (f) When establishing proportional adjustment regulations for a management zone that contemplate the reduction of authorized production or a prohibition on authorization for new or increased production, the Board may consider the time reasonably necessary for water users to secure alternate sources of water, including surface water, by economically feasible means and may incorporate those time considerations in the adoption and implementation of the proportional adjustment regulations. The Board may also include provisions in the proportional adjustment regulations that engender or facilitate cooperative arrangements between permittees within a management zone to diminish the impacts to the permittees in complying with the regulations. Notwithstanding anything to the contrary in these Rules, the Board may grant a permit to an applicant whenever it is found upon presentation of adequate proof that there is no other adequate and available substitute or supplemental source of water, including surface water, at prices competitive with those charged by suppliers of surface water within the District, and that compliance with any provision of any rule of the District will result in an arbitrary taking of property or in the closing and elimination of any lawful business, occupation, or activity, in either case without sufficient corresponding benefit or advantage to the people. Water is

available if it can be utilized within the exercise of reasonable diligence within a reasonable time.

SECTION 5.
SPACING AND LOCATION OF WELLS; WELL COMPLETION

Rule 5.1 Spacing and Location of Existing Wells.

Wells drilled prior to August 26, 2002, shall be drilled in accordance with state law in effect, if any, on the date such drilling commenced.

Rule 5.2 Spacing and Location of New Wells.

- (a) All new wells must comply with the spacing and location requirements set forth under the Texas Water Well Drillers and Pump Installers Administrative Rules, Title 16, Part 4, Chapter 76, Texas Administrative Code, unless a written variance is granted by the Texas Department of Licensing and Regulation and a copy of the variance is forwarded to the District by the applicant or registrant.
- (b) After authorization to drill a well has been granted under the District's registration rules or a permit, the well, if drilled, must be drilled within ten (10) yards (30 feet) of the location specified in the permit, and not elsewhere. If the well should be commenced or drilled at a different location, the drilling or operation of such well may be enjoined by the Board pursuant to Chapter 36, Texas Water Code, and these Rules.

Rule 5.3 Standards of Completion for All Wells

- (a) All wells must be completed in accordance with the well completion standards set forth under the Texas Water Well Drillers and Pump Installers Administrative Rules, Title 16, Part 4, Chapter 76, Texas Administrative Code.
- (b) Water well drillers shall indicate the method of completion performed on the Well Report (TDLR Form #001 WWD, Section 10, Surface Completion).

SECTION 6.
REGULATION OF PRODUCTION

Rule 6.1 Initial Production Limitations.

- (a) The maximum annual quantity of water that may be withdrawn after August 26, 2002, under an Operating Permit shall be the amount authorized in the permit. Such amount shall be subject to the proportionate adjustment regulations of the District under Section 4 of these Rules and the District's regulatory plan.
- (b) The maximum annual quantity of groundwater that may be withdrawn by an applicant for a Historic Use Permit during the time between August 26, 2002, and the issuance or denial of the permit shall be the amount specified in the applicant's Historic Use Permit application or most recent amendment thereto as the Maximum Historic Use, subject to Rule 3.13(f). Such

amount shall be subject to the proportionate adjustment regulations of the District under Section 4 of these Rules and the District's regulatory plan.

Rule 6.2 Regular Production Limitations.

- (a) In order to accomplish the purposes of Chapter 36, Texas Water Code, and achieve the goals of the District's groundwater management plan, including managing the sustainability of the aquifer, the District shall establish production limitations for all permits at some time after the Verification Period based upon the District's determination of claims of historic use and water availability under Section 4 of these Rules and the District's regulatory plan.
- (b) The maximum annual quantity of groundwater that may be withdrawn under a Historic Use Permit issued by the District shall be no greater than the amount specified in the permit or the amended permit, subject to Section 4 of these Rules and the District's regulatory plan.
- (c) The maximum annual quantity of groundwater that may be withdrawn under an Operating Permit shall be no greater than the amount specified in the permit, subject to Section 4 of these Rules and the District's regulatory plan.

Rule 6.3 Minor Exceedance of Authorized Production Limitations.

Notwithstanding Rule 6.1 or Rule 6.2 or any other rule to the contrary, prior to January 1, 2008, a Permittee or Historic User whose groundwater pumpage does not exceed 10 percent more than the annual amount authorized in his permit or claim, whichever is applicable, and who timely pays the fees set forth for such excess pumpage under Rule 8.1(d) shall not be subject to enforcement under these Rules for a violation of production limitations. Permittees or Historic Users who exceed the actual amount authorized in their claim or permit after January 1, 2008, shall be subject to enforcement action as provided by law and these Rules, regardless of whether payment is made for such excess pumpage.

SECTION 7.

TRANSPORTATION OF GROUNDWATER OUT OF THE DISTRICT

Rule 7.1 General Provisions.

- (a) A person who produces or wishes to produce water from a registered or permitted well located or to be located within the District and transport such water for use outside of the District must obtain an Operating Permit, Historic Use Permit, or amendment to such a permit from the District in the manner provided under these rules for production and use of water within the District before transporting the water out of the District.
- (b) The District may not impose more restrictive permit conditions on a permit applicant who seeks to transport water for use outside of the District than the District imposes on other permittees of the District, but the District shall impose a Groundwater Transport Fee on such a permittee as set forth under Rule 8.3 for any water transported out of the District and shall require the permittee to install any meters necessary to report the total amount of groundwater transported outside of the District for reporting purposes and for purposes

of calculating the Groundwater Transport Fee. A Groundwater Transport Fee shall not be assessed against production in an area of a municipal utility district that is located inside the District that is transported for use to an area of the same municipal utility district that is located outside of the District.

Rule 7.2 Fee for Exempt Wells; Discharge Under Other Permit.

- (a) The owner of an exempt well is not excused from paying a Groundwater Transport Fee if the groundwater produced from the exempt well is transported for use outside of the District.
- (b) Groundwater that is discharged pursuant to a permit issued by the Texas Natural Resource Conservation Commission and not sold is not considered to have been transported from the District unless the discharge is part of an overall water transfer and sale.

Rule 7.3 Reporting.

A permittee with authorization to transport groundwater for use outside of the District shall file annual reports with the District describing the amount of water transported under the permit and used. The report shall be filed with the District no later than February 15 of each year on the appropriate form provided by the District and shall state the following: (1) the name of the permittee; (2) the well numbers of each well for which the permittee holds a permit; (3) the total amount of groundwater produced from each well or well system during the immediately preceding calendar year; (4) the total amount of groundwater transported outside of the district from each well or well system during each month of the immediately preceding calendar year; (5) the purposes for which the water was transported; (6) the amount and source of surface water transported; and (7) any other information requested by the District.

SECTION 8.
FEES AND PAYMENT OF FEES

Rule 8.1 Water Use Fees.

- (a) A water use fee rate schedule shall be established by Board resolution annually at least 45 days before the end of the calendar year. The rate shall be applied to the total authorized annual pumpage for each permit, including amendments. The District will review the account of any permittee changing the use of a well from non-exempt to exempt or vice versa to determine if additional water use fees are due or if a refund of water use fees is warranted under Subsection (e) of this Rule.
- (b) The water use fee payment for the 2002 calendar year shall be established by Board resolution and shall be calculated for the time period of September 1, 2002, through December 31, 2002, on a pro-rata basis, based on the Maximum Historic Use amount claimed in the application or amendment thereto. This initial water use fee payment shall be included with the application for a Historic Use Permit. The Board by resolution may provide an early payment incentive to Historic Users who make their water use fee payment for the 2002 calendar year prior to November 1, 2002, of up to a 5% reduction

in the water use fee rate applicable to other users. For the calendar year in which a decision by the Board on an application for a Historic Use Permit becomes final, the applicant's annual water use fee shall be the water use fee rate in effect for that calendar year multiplied by an authorized production amount that is calculated as the sum of: (1) the amount of groundwater specified in the applicant's application, or most recent amendment thereto, as the Maximum Historic Use multiplied by (the number of days from January 1 of that calendar year prior to the date of the final decision on the application divided by 365); and (2) the amount of groundwater authorized in the permit by final Board action on the permit application as the Maximum Historic Use multiplied by (the number of days from the date of the final decision on the application until December 31 of that year divided by 365).

- (c) Wells exempt from permitting under Rule 3.9 shall be exempt from payment of water use fees. However, if exempt well status is withdrawn under Rule 3.9(d), the District may assess fees and penalties in accordance with District Rules.
- (d) Payment of fees for pumpage of groundwater in excess of amounts authorized shall be subject to the following:
 - 1. Applicants whose pumpage exceeds by no more than 10 percent the annual amount of groundwater authorized in their claim or permit prior to January 1, 2008, shall pay the excess fees for the amount of groundwater in excess of their claim or permit under the rates in effect in the year the groundwater was produced no later than March 1st of the following calendar year. Failure to timely do so shall subject the applicant to enforcement action as provided by law and these Rules.
 - 2. After January 1, 2008, any production of groundwater in excess of the amount authorized in an applicant's Historic Use Permit or Operating Permit or amendment thereto shall be subject to enforcement action as provided by law and these Rules, regardless of whether payment is made for excess pumpage of groundwater.
- (e) Refunds for water use fee payments for water that is authorized to be produced under an Operating Permit but not actually produced prior to the expiration of the permit term shall only be considered or granted for the initial permit term. Refunds for water use fee payments for water that is authorized to be produced annually under a Historic Use Permit application but not actually produced the applicable calendar year shall only be considered or granted for the two years of the Verification Period. Application for refund of overpayment of water use fees must be filed with the District no later than 180 days from the end of the permit term and must be for an amount equal to or greater than \$100.00. Any application filed for a refund of less than \$100.00 will not be considered or granted. The District upon request will provide refund application forms.
 - 1. An applicant for a water use fee refund must present sufficient evidence that:

- a. a water meter was installed and operating during the entire permit term;
 - b. the amount of actual groundwater withdrawal during the permit term was less than the amount of authorized withdrawal; and
 - c. the water use fee originally paid for the amount by which authorized withdrawal exceeded actual withdrawal is equal to or greater than \$100.00.
2. In the event that an applicant for a water use refund authorized by these rules seeks a refund based upon groundwater not withdrawn from the same well or well system permitted by both a Historic Use Permit and Operating Permit, the groundwater actually withdrawn shall be considered to have been withdrawn first from the Historic Use Permit until the authorized allotment from that particular well or well system is exhausted, and then from the Operating Permit. Accordingly, such applicant shall be refunded the water use fees applicable to the unused groundwater authorized under the Operating Permit until the fees attributed to the authorized withdrawal under the Operating Permit are wholly refunded, and then refund shall be made of the water use fees applicable to the Historic Use Permit.
 3. The General Manager may rule on applications for water use fee refunds without notice, hearing, or further action by the Board. Once a ruling is made by the General Manager, notice of the ruling shall be provided to the applicant. An applicant may appeal the General Manager's ruling by filing a written request for a hearing before the Board. The Board will hear the applicant's appeal at the next regular Board meeting.
- (f) Any well that is subject to fee payment under this rule and that provides water for both agricultural and non-agricultural purposes shall pay the water use fee rate applicable to non-agricultural purposes for all water authorized to be produced under the permit, unless the applicant can demonstrate through convincing evidence to the satisfaction of the District that a system is or will be in place so as to assure an accurate accounting of water for each purpose of use and the District authorizes separate amounts for each purpose in the permit.

Rule 8.2 Application and Other Fees.

The Board, by resolution, shall establish a schedule of fees for administrative acts of the District, including the cost of reviewing and processing permits and the cost of hearings for permits, and such administrative fees shall not unreasonably exceed the cost to the District for performing such administrative acts. In addition to such fees, the District shall assess a fee against permit applicants in the amount of \$35.00 or in an amount otherwise set by Board resolution to help reimburse the District for the costs of publishing notice of a hearing related to a permit matter for each notice published for a particular application.

Rule 8.3 Groundwater Transport Fee.

The District shall impose a reasonable fee or surcharge, established by Board resolution, for transportation of groundwater out of the District using one of the following methods:

1. a fee negotiated between the District and the transporter; or
2. a 50 percent export surcharge in addition to the District's water use fee for in-District use.

Rule 8.4 Returned Check Fee.

The Board, by resolution, may establish a fee for checks returned to the District for insufficient funds, account closed, signature missing, or any other reason causing a check to be returned by the District's depository.

Rule 8.5 Well Log Deposit.

The Board, by resolution, may establish a well log deposit to be held by the District. The District shall return the deposit to the depositor if all relevant well logs are timely submitted to the District in accordance with these Rules. In the event the District does not timely receive all relevant well logs, or if rights granted within the registration or permit are not timely used, the deposit shall become the property of the District.

Rule 8.6 Tampering Fee.

The Board may establish a penalty fee under Rule 2.2 for tampering with a meter of a permittee or registrant of the District. For purposes of this rule, tampering shall include any activity intended or allowed to interfere with the proper recordation by or readings of the meter of the amount of groundwater produced. Tampering does not include removal of the meter for repair, so long as the permittee, registrant, or other person removing the meter complies with the provisions of Rule 9.5.

Rule 8.7 Fee for no Meter.

The Board may establish a penalty fee under Rule 2.2 for failing to install a meter when required to do so by District Rule.

Rule 8.8 Payment of Fees.

- (a) All fees are due at the time of application or permitting as set forth under these rules. At the election of the permittee, the annual water use fee for a permit shall be paid annually or in quarterly installments. Permittees whose annual water use fee is \$500.00 or less are required to pay annually. Upon the Board's grant of a permit application and prior to issuance of the permit, the General Manager shall promptly provide an invoice to the new permittee for water use fees and any applicable administrative fees required by the District for permit applicants and permittees. A permit shall not be issued by the District until the District has received from the new permittee the annual water use fee or the first quarterly payment, as applicable, of the invoiced water use fee, along with full payment of any applicable administrative fees invoiced by the District for permit applicants. New permittees electing to pay by quarterly installments shall make the first installment at the time of permit issuance with subsequent payments due as described in this Rule. For

Historic Use Permit applicants, the initial water use fee for calendar year 2002 shall be submitted with the application. Notwithstanding any rule to the contrary, failure of a Historic Use Permit applicant to submit the initial water use fee so that it is received by the District on or before December 1, 2002, shall constitute grounds for denial of the Historic Use Permit.

- (b) Annual water use fees other than the initial water use fee are due and shall be paid on or before the first day of January of each year, depending upon the nature of the permit, or in quarterly installments in accordance with subsection (c) of this rule. The initial water use fee is due and shall be paid on or before the 30th calendar date after the date the invoice is mailed by the General Manager.
- (c) Quarterly water use fee payments of four equal installments shall be due on or before the first day of the months of January, April, July, and October.
- (d) Notwithstanding Rule 8.10, if water use fees are not received by the District within 45 days of the due date, the permit may be voided by the District and/or the District may proceed with enforcement action as provided by law and these Rules.
- (e) All fees other than water use fees are due at the time of assessment and are late after 30 days beyond the date of assessment.

Rule 8.9 Failure of New Permittees to Make Initial Water Use Fee Payment.

Failure of a permittee to make the initial annual water use fee payment or the initial installment payment will result in the District's withholding issuance of the permit until receipt of the outstanding fees plus late payment fees due and constitutes grounds for the District to declare the permit void after 45 days.

Rule 8.10 Failure to Make Fee Payments.

Payments received within the 30 days following the due date will not be subject to a late payment fee. Failure to make complete and timely payment of a fee as required by these Rules shall automatically result in a late payment fee of ten percent of the amount not paid beginning on the 31st day following the due date. The fee payment plus the late payment fee must be made within 30 days following the date of the assessment of the late payment fee, otherwise the Board may declare the permit void and/or proceed with enforcement action as provided by these Rules. Overdue fees not paid within 60 days of the due date shall thereafter accrue a monthly late charge at a simple interest rate of ten percent per annum.

Rule 8.11 Loss of Installment Payment Option.

The option of making water use fee payments in installments is made available by the District primarily to avoid causing cash flow problems for the permittees. Any permittee who, two or more times during the permit term, makes late payment of fee installments may be required to pay water use fees during the subsequent two years as an annual payment, unless just cause is shown and an exception granted by the Board.

Rule 8.12 Enforcement.

After a permit is declared void for failure to make payment of water use fees, all enforcement mechanisms provided by law and these Rules shall be available to prevent unauthorized use of the well and may be initiated by the General Manager without further authorization from the Board.

SECTION 9.
METERING

Rule 9.1 Water Meter Required.

- (a) Except as provided in Rule 9.2, the owner of a registered or permitted well located in the District shall equip the well with a flow measurement device meeting the specifications of these Rules and shall operate the meter on the well to measure the flow rate and cumulative amount of groundwater withdrawn from the well. Except as provided in Rule 9.2, the owner of an existing well that is located in the District shall install a meter on the well prior to producing groundwater from the well after December 31, 2002.
- (b) A mechanically driven, totalizing water meter is the only type of meter that may be installed on a well permitted by or registered with the District. The totalizer must not be resettable by the permittee and must be capable of a maximum reading greater than the maximum expected pumpage during the permit term. Battery operated registers must have a minimum five-year life expectancy and must be permanently hermetically sealed. Battery operated registers must visibly display the expiration date of the battery. All meters must meet the requirements for registration accuracy set forth in the American Water Works Association standards for cold-water meters as those standards existed on the date of adoption of these Rules.
- (c) The water meter must be installed according to the manufacturer's published specifications in effect at the time of the meter installation, or the meter's accuracy must be verified by the permittee in accordance with Rule 9.4. If no specifications are published, there must be a minimum length of five pipe diameters of straight pipe upstream of the water meter and one pipe diameter of straight pipe downstream of the water meter. These lengths of straight pipe must contain no check valves, tees, gate valves, back flow preventers, blow-off valves, or any other fixture other than those flanges or welds necessary to connect the straight pipe to the meter. In addition, the pipe must be completely full of water throughout the region. All installed meters must measure only groundwater.
- (d) Each meter shall be installed, operated, maintained, and repaired in accordance with the manufacturer's standards, instructions, or recommendations, and shall be calibrated to ensure an accuracy reading range of 95% to 105% of actual flow.
- (e) The owner of a well is responsible for the installation, operation, maintenance, and repair of the meter associated with the well.

- (f) Bypasses are prohibited unless they are also metered.

Rule 9.2 Water Meter Exceptions.

- (a) Wells exempt under Rule 3.9 shall be exempt from the requirement to obtain a water meter under Rule 9.1.
- (b) The following exceptions from the water meter requirements may be authorized by the Board of Directors following notice and hearing:
 - 1. Wells four inches nominal or less in inside casing diameter with estimated pumpage of one million gallons per year or less and which are not connected with any other well.
- (c) If evidence is presented at a hearing which indicates that the well does not meet the casing diameter, pumpage, or purpose requirements of this exception, or where there is not reasonable basis for determining the pumpage (such as wells serving ponds, irrigation, landscaping, or car washes), the Board may require that water meters be installed within a specified time period. In addition, verification of well size may be required in accordance with Rule 9.3.
- (d) Water Use Fee: The Water Use Fee to be assessed permittees granted a water meter exemption shall be the fee rate multiplied by one million gallons per year.

Rule 9.3 Metering Aggregate Withdrawal.

Where wells are permitted in the aggregate, one or more water meters may be used for the aggregate well system if the water meter or meters are installed so as to measure the groundwater production from all wells covered by the aggregate permits. The provisions of Rule 9.1 apply to meters measuring aggregate pumpage.

Rule 9.4 Accuracy Verification.

- (a) **Meter Accuracy to be Tested:** The General Manager may require the permittee, at the permittee's expense, to test the accuracy of a water meter and submit a certificate of the test results. The certificate shall be on a form provided by the District. The General Manager may further require that such test be performed by a third party qualified to perform such tests. The third party must be approved by the General Manager prior to the test. Except as otherwise provided herein, certification tests will be required no more than once every three years for the same meter. If the test results indicate that the water meter is registering an accuracy reading outside the range of 95% to 105% of the actual flow, then appropriate steps shall be taken by the permittee to repair or replace the water meter within 90 calendar days from the date of the test. The District, at its own expense, may undertake random tests and other investigations at any time for the purpose of verifying water meter readings. If the District's tests or investigations reveal that a water meter is not registering within the accuracy range of 95% to 105% of the actual flow, or is not properly recording the total flow of groundwater withdrawn from the well or wells, the permittee shall reimburse the District for the cost of those tests and investigations, and the permittee shall take appropriate steps to bring the meter or meters into

compliance with these Rules within 90 calendar days from the date of the tests or investigations. If a water meter or related piping or equipment is tampered with or damaged so that the measurement of accuracy is impaired, the District may require the permittee, at the permittee's expense, to take appropriate steps to remedy the problem and to retest the water meter within 90 calendar days from the date the problem is discovered and reported to the permittee.

- (b) **Meter Testing and Calibration Equipment:** Only equipment capable of accuracy results of plus or minus two percent of actual flow may be used to calibrate or test meters.
- (c) **Calibration of Testing Equipment:** All approved testing equipment must be calibrated every two years by an independent testing laboratory or company capable of accuracy verification. A copy of the accuracy verification must be presented to the District before any further tests may be performed using that equipment.

Rule 9.5 Removal of Meter for Repairs.

A water meter may be removed for repairs and the well remain operational provided that the District is notified prior to removal and the repairs are completed in a timely manner. The readings on the meter must be recorded immediately prior to removal and at the time of reinstallation. The record of pumpage must include an estimate of the amount of groundwater withdrawn during the period the meter was not installed and operating.

Rule 9.6 Water Meter Readings.

The permittee of a well must read each water meter associated with the well and record the meter readings and the actual amount of pumpage in a log at least monthly. The logs containing the recordings shall be available for inspection by the District at reasonable business hours. Copies of the logs must be furnished to the District annually no later than February 15. The permittee of a well shall read each water meter associated with the well within 15 days before or after the date the permit expires and shall within 30 days after the date of expiration of the permit, report the readings to the District on a form provided by the District.

Rule 9.7 Installation of Meters.

Except as otherwise provided by these Rules, a meter required to be installed under these Rules shall be installed before producing water from the well under a permit issued by the District.

SECTION 9A.
PROCEDURES FOR THE PROCESSING AND DETERMINATION OF HISTORIC USE
PERMIT APPLICATIONS

Rule 9A.1 Implementation of Historic Use Permit Program.

This Section has been adopted to implement the District's Historic Use Permit Program in furtherance of the requirements set forth in Rule 3.13(h), and shall apply solely to Historic Use Permit Applications.

Rule 9A.2 Determination of Administrative Completeness.

Upon conclusion of the Verification Period and receipt of the well production reports due on February 15, 2005, the General Manager shall conduct an initial review of Historic Use Permit Applications for administrative completeness. During this initial review or upon determination that an application is or is not administratively complete, the General Manager shall mail written notification to the applicant of any deficiencies in the application or of the General Manager's determination that the application is administratively complete. Any additional information received from the applicant will become part of the application. An application shall not be considered administratively complete until all requested information has been submitted and all applicable fees have been paid. The application may be deemed to have expired, at the discretion of the Board, if the applicant does not complete the application within 90 days of the date of the District's initial request for additional information.

Rule 9A.3 Technical Review and Issuance of Notice of Proposed Permit.

(a) **Technical Review:** Upon determination that an application is administratively complete, the General Manager shall conduct a technical review of the application and prepare a recommendation for Board action on the application based upon the information contained in the application and after consideration of the applicable criteria set forth in Chapter 36 of the Texas Water Code, the District Act, and the District Rules. The General Manager may request additional information from the applicant to support the General Manager's technical review and development of a recommendation. If the General Manager's recommendation is to grant a permit in whole or in part, the recommendation shall include an amount that the General Manager believes the weight of the evidence will support as the applicant's Maximum Historic Use, and the General Manager shall not be constrained by the amount designated as Maximum Historic Use by the applicant in the application or most recent amendment thereto in developing the recommendation.

(b) **Issuance of Notice of Proposed Permit:**

After completing the Technical Review and developing a recommendation on an application and no less than 30 days prior to the Preliminary Hearing, the General Manager shall issue notice of the recommendation and setting of the Preliminary Hearing in the following manner:

(i) The General Manager's recommendation shall be incorporated into a Proposed Permit and provided to the applicant by regular mail, along with an advisory how to protest the recommendation, and notice of the date, time, and place of the Preliminary Hearing.

(ii) The General Manager's recommendation shall be posted at a place convenient to the public in the District Office, published in a newspaper of general circulation in the District, provided to the County Clerk for posting on a bulletin board at a place convenient to the public at the county courthouse, and provided by mail, facsimile, or email to any person who has requested notice under Paragraph (iii) of this subsection . This notice may include recommendations on one or more applications and shall include the following information:

- (A) name and address of the applicant;
 - (B) the approximate location or address of the well or wells that are the subject of the application;
 - (C) the Maximum Historic Use claimed by the applicant;
 - (D) a brief explanation of the proposed permit and the General Manager's recommended action, including the proposed Maximum Historic Use recommendation, if applicable;
 - (E) notice of the date, time, and place of the Preliminary Hearing;
 - (F) an advisory how to protest the recommendation; and
 - (G) any other information the General Manager deems appropriate to include in the notice.
- (iii) A person having an interest in the subject matter of a hearing on a Historic Use Permit application may receive written notice of the hearing if the person submits to the District a written request to receive notice of the hearing. The request remains valid for a period of one year from the date of the request, after which time a new request must be submitted. An affidavit of an officer or employee of the District establishing attempted service by first class mail, facsimile, or email to the person in accordance with the information provided by the person is proof that notice was provided by the District. Failure by the District to provide written notice to a person under this Paragraph does not invalidate any action taken by the Board.

Rule 9A.4 Contesting a Historic Use Permit Application

The requirements set forth in Rule 10.5 relating to requests for contested case hearings shall apply to Historic Use Permit applications.

Rule 9A.5 Hearing Before the Board.

A Historic Use Permit Application designated for hearing before the Board may be referred by the Board for hearing before a Hearing Examiner or may be heard by the Board along with an appointed Hearing Examiner who officiates during the hearing. Upon issuance of the Notice of Proposed Permit under this Section, the Board shall proceed with setting and conducting the following hearings on an application:

- (a) Preliminary Hearing—a Preliminary Hearing shall be held after issuance of the Notice of a Proposed Permit;
- (b) Pre-Evidentiary Hearing, if determined by the Board or Hearing Examiner to be necessary;
- (c) Evidentiary Hearing—an Evidentiary Hearing shall be conducted no later than 75 days from the date the Preliminary Hearing is held;
- (d) Hearing for Board's Consideration of Hearing Report and Final Decision;

- (e) Hearing on any filed motions for rehearing; and
- (f) Rehearing if a motion for rehearing is granted.

The parties shall bear their own costs, and the District shall not assess costs associated with the hearing, beyond any application fee, to the applicant or other parties, except as provided by these Rules.

Rule 9A.6 Preliminary Hearing.

- (a) **Uncontested applications:** For any application determined to be uncontested, as set forth in Rule 10.6, the Hearing Body may proceed at the Preliminary Hearing to review the evidence on file with the District and, upon consideration of the relevant factors, make a decision on the application if the Hearing Body is the Board of Directors. If the Hearing Examiner or two or more members of the Hearing Body disagree with the General Manager's Proposed Permit, the applicant and General Manager shall be given an opportunity to present additional argument and evidence to address the Hearing Examiner's or Hearing Body's concerns. The Hearing Body or Hearing Examiner may continue the hearing to grant additional time to the applicant to file supplemental evidence with the District. For any application determined to be uncontested, the uncontested hearing procedures of Section 10 of these Rules, as set forth in Rules 10.4 and 10.6 shall apply. At the discretion of the Hearing Body, the procedures of Rule 10.7 may also be applicable.
- (b) **Contested applications:** For any application determined to be contested, the contested hearings procedures of Section 10 of these Rules, as set forth at Rule 10.4 and 10.7 shall apply to Historic Use Permit applications.

SECTION 10.
HEARINGS ON RULEMAKING AND PERMIT MATTERS

Rule 10.1 Types of Hearings.

The District conducts two general types of hearings under this Section: (1) hearings involving permit matters, in which the rights, duties, or privileges of a party are determined after an opportunity for an adjudicative hearing, and (2) rulemaking hearings involving matters of general applicability that implement, interpret, or prescribe the law or District policy, or that describe the procedure or practice requirements of the District. Any matter designated for hearing before the Board may be heard by a quorum of the Board, referred by the Board for hearing before a Hearing Examiner, or heard by a quorum of the Board along with an appointed Hearing Examiner who officiates during the hearing.

(a) **Permit Hearings:**

- 1. **Permit Applications, Amendments, and Revocations:** The District shall hold a hearing for each activity for which a permit or permit amendment is required pursuant to Section 3, subject to the exception in

Rule 10.1(a)(2). A hearing involving permit matters may be scheduled before a Hearing Examiner.

2. The District shall hold a hearing for minor amendments only if the General Manager determines that a hearing is required.
3. The District may hold hearings on permit renewals, permit revocations or suspensions.
4. **Hearings on Motions for Rehearing:** Motions for Rehearing will be heard by the Board pursuant to Rule 10.11(b).

(b) **Rulemaking Hearings:**

1. **District Management Plan:** The Board shall hold a hearing to consider adoption of a new District Management Plan.
2. **Other Matters:** A public hearing may be held on any matter within the jurisdiction of the Board if the Board determines that a hearing is in the public interest or necessary to effectively carry out the duties and responsibilities of the District.

Rule 10.2 Notice and Scheduling of Rulemaking Hearings.

(a) Not later than the 20th day before the date of a rulemaking hearing, the General Manager, as instructed by the Board, is responsible for giving notice in the following manner

1. notice of the hearing will be published at least once in a newspaper of general circulation in the District;
2. a copy of the notice will be posted in a place readily accessible to the public at the District's office;
3. notice of the hearing will be provided to the county clerk; and
4. notice will be provided by mail, facsimile, or electronic mail to any person who has requested notice under Subsection (b).

(b) A person having an interest in the subject matter of a hearing may receive written notice of the hearing if the person submits to the District a written request to receive notice of the hearing. The request remains valid for a period of one year from the date of the request, after which time a new request must be submitted. An affidavit of an officer or employee of the district establishing attempted service by first class mail, facsimile, or email to the person in accordance with the information provided by the person is proof that notice was provided by the District. Failure by the District to provide written notice to a person under this Subsection does not invalidate any action taken by the Board.

(c) The notice provided under subsection (a) must include:

1. the time, date, and location of the rulemaking hearing;
 2. a brief explanation of the subject of the rulemaking hearing; and
 3. a location or Internet site at which at which a copy of the proposed rules may be reviewed or copied.
- (d) A hearing may be scheduled during the District's regular business hours, excluding District holidays. All rulemaking hearings will be held at the District Office or regular meeting location of the Board. The Board, however, may change or schedule additional dates, times, and places for hearings.
- (e) The District shall make available a copy of all proposed rules at a place accessible to the public during normal business hours, and post an electronic copy of the rules on the District's internet site.

Rule 10.3 Notice and Scheduling of Permit Hearings

- (a) This rule applies to all permit matters for which a hearing is required, except as provided under Rule 9A for Historic Use Permit applications.
- (b) Notice may be provided under this rule for permit renewals, revocations and suspensions if the General Manager determines that a hearing is required.
- (c) Not later than the 10th day before the date of a hearing, the General Manager, as instructed by the Board, is responsible for giving notice in the following manner:
1. notice of hearing will be published at least once in a newspaper of general circulation in the District;
 2. a copy of the notice shall be posted in a place readily accessible to the public at the District's office;
 3. notice of the hearing shall be provided to the county clerk;
 4. notice of the hearing shall be provided by regular mail to the applicant; and
 5. notice of the hearing shall be provided by mail, facsimile, or electronic mail to any person who has requested notice under Subsection (d).
- (d) A person having an interest in the subject matter of a hearing may receive written notice of the hearing if the person submits to the District a written request to receive notice of the hearing. The request remains valid for a period of one year from the date of the request, after which time a new request must be submitted. An affidavit of an officer or employee of the District establishing attempted service by first class mail, facsimile, or email to the person in accordance with the information provided by the person is proof

that notice was provided by the District. Failure by the District to provide written notice to a person under this Subsection does not invalidate any action taken by the Board.

- (e) The notice provided under subsections (a) and (b) must include:
 - 1. the name of the applicant;
 - 2. the address or approximate location of the well or proposed well;
 - 3. if the notice is for a permit, permit amendment or permit renewal, provide a brief explanation, including any requested amount of groundwater, the purpose of the proposed use, and any change in use;
 - 4. a general explanation of the manner by which a person may contest the permit, permit amendment, or permit renewal, including information regarding the need to appear at the hearing or submit a motion for continuance on good cause under Rule 10.7(e)(4).
 - 5. the time, date, and location of the hearing; and
 - 6. any other information the Board or General Manager deems relevant and appropriate to include in the notice.
- (f) An administratively complete application shall be set for a hearing on a specific date within 60 days after the date it is submitted. A hearing shall be held within 35 days after the setting of the date, and the District shall act on the application within 60 days after the date the final hearing on the application is concluded.
- (g) A hearing may be scheduled during the District's regular business hours, excluding District holidays. All permit hearings will be held at the District Office or regular meeting location of the Board. The Board, however, may change or schedule additional dates, times, and places for hearings.

Rule 10.4 General Procedures.

- (a) **Authority of Presiding Officer.** The Presiding Officer may conduct a hearing or other proceeding in the manner the Presiding Officer determines most appropriate for the particular proceeding. The authority of a Hearing Examiner appointed by the Board to serve as Presiding Officer may be limited at the discretion of the Board. The Presiding Officer may:
 - 1. set hearing dates other than the initial hearing date for permit matters which is set by the General Manager;
 - 2. convene the hearing at the time and place specified in the notice for public hearing;

3. establish the jurisdiction of the District concerning the subject matter under consideration;
 4. rule on motions, the admissibility of evidence, and amendments to pleadings;
 5. designate parties and establish the order for presentation of evidence;
 6. administer oaths to all persons presenting testimony;
 7. examine witnesses;
 8. prescribe reasonable time limits for the presentation of evidence and oral argument;
 9. ensure that information and testimony are introduced as conveniently and expeditiously as possible without prejudicing the rights of any party to the proceeding;
 10. conduct public hearings in an orderly manner in accordance with these Rules;
 11. recess a hearing from time to time and place to place;
 12. reopen the record of a hearing for additional evidence when necessary to make the record more complete; and
 13. exercise any other lawful power necessary or convenient to effectively carry out the responsibilities of the Presiding Officer.
- (b) **Registration Form.** Each individual attending a hearing or other proceeding of the District who wishes to testify or otherwise provide information to the District must submit a form to the Presiding Officer providing the following information: the individual's name; the individual's address; whether the individual plans to testify; whom the person represents, if the person is not there in the person's individual capacity; and any other information relevant to the hearing or other proceeding.
- (c) **Appearance; Representative Capacity.** An interested person may appear in person or may be represented by counsel, an engineer, or other representative, provided the representative is authorized to speak and act for the principal. The person or the person's representative may present evidence, exhibits, or testimony, or make an oral presentation in accordance with the procedures applicable to the particular proceeding. A partner may appear on behalf of a partnership. A duly authorized officer or agent of a public or private corporation, political subdivision, governmental agency, municipality, association, firm, or other entity may appear on behalf of the entity. A fiduciary may appear for a ward, trust, or estate. A person appearing in a representative capacity may be required to prove proper authority to so appear.

- (d) **Alignment of Parties; Number of Representatives Heard.** Participants in a proceeding may be aligned according to the nature of the proceeding and their relationship to it. The Presiding Officer may require the members of an aligned class to select one or more persons to represent the class in the proceeding or on any particular matter or ruling and may limit the number of representatives heard, but must allow at least one representative from each aligned class to be heard in the proceeding or on any particular matter or ruling.
- (e) **Appearance by Applicant or Movant.** The applicant, movant, party, or their representative in accordance with Subsection (c), should be present at the hearing or other proceeding. Failure to appear may be grounds for withholding consideration of a matter and dismissal without prejudice or may require the rescheduling or continuance of the hearing or other proceeding if the Presiding Officer determines that action is necessary to fully develop the record.
- (f) **Recording.**
1. **Contested Hearings:** A record of the hearing in the form of an audio or video recording or a court reporter transcription shall be prepared and kept by the Presiding Officer in a contested hearing. The Presiding Officer shall have the hearing transcribed by a court reporter upon a request by a party to a contested hearing. The Presiding Officer may assess court reporter transcription costs against the party requesting the transcription or among the parties to the hearing. The Presiding Officer may exclude a party from further participation in a hearing for failure to pay in a timely manner costs assessed against that party under this rule, unless the parties have agreed that the costs assessed against such party will be paid by another party.
 2. **Uncontested Hearings:** In an uncontested hearing, the Presiding Officer may use the means available in Subsection (f)(1) of this rule to record a proceeding or substitute meeting minutes or the report set forth under Rule 10.9 for a method of recording the hearing.
 3. **Rulemaking Hearings:** The Presiding Officer shall prepare and keep a record of each rulemaking hearing in the form of an audio or video recording or a court reporter transcription.
- (g) **Continuance.** Except as required by the Open Meetings Act, the Presiding Officer may continue a hearing or other proceeding without the necessity of publishing, serving, mailing, or otherwise issuing a new notice. If a hearing or other proceeding is continued and a time and place (other than the District Office) to reconvene are not publicly announced at the hearing or other proceeding by the Presiding Officer before it is recessed, a notice of any further setting of the hearing or other proceeding will be mailed at a reasonable time to all parties, persons who have requested notice of the hearing pursuant to Rule 10.2(b) and 10.3(c), and any other person the Presiding Officer deems appropriate, but it is not necessary to provide other notice under Rules 10.2 and 10.3.

- (h) **Filing of Documents; Time Limit.** Applications, motions, exceptions, communications, requests, briefs, or other papers and documents required to be filed under these Rules or by law must be received at the District Office within the time limit, if any, set by these Rules or by the Presiding Officer for filing. Mailing within the time period is insufficient if the submissions are not actually received by the District within the time limit.
- (i) **Affidavit.** If a party to a hearing or other proceeding is required to make an affidavit, the affidavit may be made by the party or the party's representative. This rule does not dispense with the necessity of an affidavit being made by a party when expressly required by statute.
- (j) **Broadening the Issues.** No person will be allowed to appear in a hearing or other proceeding that in the opinion of the Presiding Officer is for the sole purpose of unduly broadening the issues to be considered in the hearing or other proceeding.
- (k) **Conduct and Decorum.** Every person, party, representative, witness, and other participant in a proceeding must conform to ethical standards of conduct and exhibit courtesy and respect for all other participants. No person may engage in any activity during a proceeding that interferes with the orderly conduct of District business. If, in the judgment of the Presiding Officer, a person is acting in violation of this provision, the Presiding Officer will warn the person to refrain from engaging in such conduct. Upon further violation by the same person, the Presiding Officer may exclude that person from the proceeding for such time and under such conditions as the Presiding Officer determines necessary.
- (l) **Public Comment.** Documents that are filed with the Board that comment on an application but that do not request a hearing will be treated as public comment. The Presiding Officer may allow any person, including the General Manager or a District employee, to provide comments at a hearing on an uncontested application.

Rule 10.5 Contesting a Permit Application; Uncontested and Contested Cases.

- (a) **Contested Case Hearing Requests:** The following may request a contested case hearing on an application for a permit or permit amendment:
 - 1. the General Manager;
 - 2. the applicant; or
 - 3. an affected person.
- (b) **Requirement for Contested Case Hearing Requests:** A request for a contested case hearing must substantially comply with the following:
 - 1. give the name, address, and daytime telephone number of the person who files the request. If the request is made by a group or association, the request must identify one person by name, address, daytime telephone number, and, where possible, fax number, who shall be responsible for receiving all official communications and documents for the group;

2. identify the person's personal justiciable interest affected by the application, including a brief, but specific, written statement explaining in plain language how and why the requestor believes he or she will be affected by the activity in a manner not common to members of the general public;
 3. set forth the grounds on which the person is protesting the application;
 4. request a contested case hearing;
 5. be timely under Rule 10.5(d); and
 6. provide any other information required by the public notice of application.
- (c) **Contested Case Hearing Request on More than One Application:** If a person or entity is requesting a contested case hearing on more than one application, a separate request must be filed in connection with each application.
- (d) **Deadline for Contested Case Hearing Requests:** A hearing request is considered timely if it complies with Rule 10.5(b) and: (1) it is submitted in writing to and received by the District prior to the date of the hearing and action by the Board on the application; or (2) the person appears before the Board at the hearing and opposes the application. For a hearing request on a Historic Use Permit Application, the date of the Preliminary Hearing set forth in accordance with Rule 9A.3 shall be used for purposes of determining timeliness under this subsection.
- (e) **Contested Case:** A matter is considered to be contested if a hearing request is made pursuant to Rule 10.5(b) and 10.5(c), made in a timely manner pursuant to Rule 10.5(d), and declared as such by the Presiding Officer. Any case not declared a contested case under this Rule is an uncontested case.

Rule 10.6 Decision to Proceed as Uncontested or Contested Case.

- (a) **Action on Contested Case Hearing Requests:** The written or oral submittal of a hearing request is not, in itself, a determination of a contested case. The Presiding Officer will evaluate the contested case hearing request at the hearing and may:
1. determine that a hearing request does not meet the requirements of Rule 10.5(b) and deny the request;
 2. determine that the person requesting the hearing is not an affected person related to the application and deny the hearing request;
 3. determine that a hearing request meets the requirements of Rule 10.5(b), and designate the matter as a contested hearing upon determining that the person is an affected person; or
 4. refer the case to a procedural hearing.

- (b) The Presiding Officer may hold a hearing on any issue related to the determination of whether to declare a matter as a contested case.
- (c) The Presiding Officer may recommend issuance of a temporary permit for a period not to exceed four months, with any special provisions the Presiding Officer deems necessary, for the purpose of completing the contested case process.
- (d) Any case not declared a contested case under this Section is an uncontested case, and the Presiding Officer will summarize the evidence and issue a report to the Board within 30 days after the date a hearing is concluded. Such report must include a summary of the subject matter of the hearing; a summary of the evidence or public comments received; and the Presiding Officer's recommendations to the Board. A copy of the report must be provided to the applicant; and each person who provided comment. A report is not required if the hearing was conducted by a quorum of the Board and the hearing was recorded pursuant to Rule 10.4(f).

Rule 10.7 Contested Permit Hearings Procedures.

- (a) **Procedural Hearing.** A procedural hearing may be held to consider any matter that may expedite the hearing or otherwise facilitate the hearing process in contested matters.
- (b) **Matters Considered.** Matters that may be considered at a procedural hearing include: (1) the designation of parties; (2) the formulation and simplification of issues; (3) the necessity or desirability of amending applications or other pleadings; (4) the possibility of making admissions or stipulations; (5) the scheduling of depositions, if authorized by the Presiding Officer; (6) the identification of and specification of the number of witnesses; (7) the filing and exchange of prepared testimony and exhibits; and (8) the procedure at the evidentiary hearing.
- (c) **Notice.** A procedural hearing or evidentiary hearing may be held at a date, time, and place stated in a notice, given in accordance with Rule 10.3, or at the date, time, and place for hearing stated in the notice of public hearing, and may be continued at the discretion of the Presiding Officer.
- (d) **Procedural Hearing Action.** Action taken at a procedural hearing may be reduced to writing and made a part of the record or may be stated on the record at the close of the hearing.
- (e) **Designation of Parties.**
 - 1. Parties to a contested permit hearing will be designated as determined by the Presiding Officer.
 - 2. The General Manager and the applicant are automatically designated as parties.

3. In order to be admitted as a party, persons other than the automatic parties must appear at the hearing in person or by representation and seek to be designated as a party.
 4. A person requesting a contested case hearing that is unable to attend the first day of the proceeding must submit a continuance request to the Presiding Officer, in writing, stating good cause for his inability to appear at the proceeding. The Presiding Officer may grant or deny the request, at his discretion.
 5. After parties are designated, no other person may be admitted as a party unless, in the judgment of the Presiding Officer, there exists good cause and the hearing will not be unreasonably delayed
- (f) **Furnishing Copies of Pleadings.** After parties have been designated, a copy of every pleading, request, motion, or reply filed in the proceeding must be provided by the author to every party or party's representative. A certification of this fact must accompany the original instrument when filed with the District. Failure to provide copies to a party or a party's representative may be grounds for withholding consideration of the pleading or the matters set forth therein.
 - (g) **Disabled Parties and Witnesses.** Persons who have special requests concerning their need for reasonable accommodation, as defined by the Americans With Disabilities Act, 42 U.S.C.12111(9), during a Board meeting or a hearing shall make advance arrangements with the General Manager of the District. Reasonable accommodation shall be made unless undue hardship, as defined in 42 U.S.C. 12111(10), would befall the District.
 - (h) **Interpreters for Deaf Parties and Witnesses.** If a party or subpoenaed witness in a contested case is deaf, the District must provide an interpreter whose qualifications are approved by the State Commission for the Deaf and Hearing Impaired to interpret the proceedings for that person. "Deaf person" means a person who has a hearing impairment, whether or not the person also has a speech impairment, that inhibits the person's comprehension of the proceedings or communication with others.
 - (i) **Agreements to be in Writing.** No agreement between parties or their representatives affecting any pending matter will be considered by the Presiding Officer unless it is in writing, signed by all parties, and filed as part of the record, or unless it is announced at the hearing and entered on the record.
 - (j) **Ex Parte Communications.** Neither the Presiding Officer nor a Board member may communicate, directly or indirectly, in connection with any issue of fact or law in a contested case with any agency, person, party, or representative, except with notice and an opportunity for all parties to participate. This provision does not prevent such communications between Board members and District staff, attorneys, or other professional consultants retained by the District.

- (k) **Written testimony.** The Presiding Officer may allow testimony to be submitted in writing, either in narrative or question and answer form, and may require that the written testimony be sworn to. On the motion of a party to a hearing, the Presiding Officer may exclude written testimony if the person who submits the testimony is not available for cross-examination in person or by phone at the hearing, by deposition before the hearing, or other reasonable means.
- (l) **Cross-examination.** All testimony in a contested case hearing shall be subject to cross-examination.
- (m) **Evidence.**
 - (1) The Presiding Officer shall admit evidence if it is relevant to an issue at the hearing. The Presiding Officer may exclude evidence that is irrelevant, immaterial, or unduly repetitious.
 - (2) Notwithstanding Paragraph (1), the Texas Rules of Evidence govern the admissibility and introduction of evidence of historic use or existing use in a Historic Use Permit application, except that evidence not admissible under the Texas Rules of Evidence may be admitted if it is of the type commonly relied upon by reasonably prudent persons in the conduct of their affairs.

Rule 10.8 Consolidated Hearing on Applications.

- (a) Except as provided by Subsection (b), the Board shall process applications from a single applicant under consolidated notice and hearing procedures on written request by the applicant.
- (b) The Board is not required to use consolidated notice and hearing procedures to process separate permit or permit amendment applications from a single applicant if the Board cannot adequately evaluate one application until it has acted on another application.

Rule 10.9 Conclusion of the Hearing; Report.

- (a) **Closing the Record; Final Report.** At the conclusion of the presentation of evidence and any oral argument in a contested case, the Presiding Officer may either close the record or keep it open for an additional 10 days to allow a person who testifies at the hearing to supplement the testimony given at the hearing by filing additional written materials. After the record is closed, the Presiding Officer will prepare a report to the Board. The report must include a summary of the subject matter of the hearing, a summary of the evidence, and the Presiding Officer's recommendations for action. Upon completion of the Presiding Officer's report, the Presiding Officer must submit a copy to the Board and deliver a copy to each party to the proceeding and to each person who provided comments on the application. If the hearing was conducted by a quorum of the Board and if the Presiding Officer prepared a record of the hearing as provided by Rule 10.4(f), the Presiding Officer shall determine whether to prepare and submit a report to the Board.

- (b) **Exceptions to the Presiding Officer's Report; Reopening the Record.** Prior to Board action, any party in a contested case may file with the Presiding Officer written exceptions to the Presiding Officer's report. Upon review of the report and exceptions, the Presiding Officer may reopen the record for the purpose of developing additional evidence or may deny the exceptions and submit the report and exceptions to the Board. Any party in an uncontested case may request of the Board an opportunity to make an oral presentation of exceptions to the Board. The Board, at any time and in any case, may remand the matter to the Presiding Officer for further proceedings.
- (c) **Time for Board Action on Certain Permit Matters.** In a hearing involving an application for an Operating Permit or an application for a permit renewal or amendment, the Presiding Officer's report should be submitted and delivered within 30 calendar days after the date of the closing of the hearing record, and the Board should act within 60 calendar days after the date of the closing of the hearing record.

Rule 10.10 Rulemaking Hearings Procedures.

- (a) **General Procedures.** The Presiding Officer will conduct the rulemaking hearing in the manner the Presiding Officer determines most appropriate to obtain all relevant information pertaining to the subject matter of the hearing as conveniently, inexpensively, and expeditiously as possible. The Presiding Officer may follow the guidelines of "Parliamentary Procedure at a Glance," New Edition, O. Garfield Jones, 1971 revised edition, or as amended.
- (b) **Submission of Documents.** Any interested person may submit to the Presiding Officer written statements, protests, comments, briefs, affidavits, exhibits, technical reports, or other documents relating to the subject matter of the hearing. Such documents must be submitted no later than the time of the hearing as stated in the notice of hearing given in accordance with Rule 10.2. The Presiding Officer may grant additional time for the submission of documents.
- (c) **Oral Presentations.** Any person desiring to testify on the subject matter of the hearing must so indicate on the registration form provided at the hearing. The Presiding Officer establishes the order of testimony and may limit the number of times a person may speak, the time period for oral presentations, and the time period for raising questions. The Presiding Officer may limit or exclude cumulative, irrelevant, or unduly repetitious presentations.
- (d) **Conclusion of the Hearing; Closing the Record; Hearing Examiner's Report.** At the conclusion of testimony and after the receipt of all documents, the Presiding Officer may close the record or keep it open to allow the submission of additional information. If the Presiding Officer is a Hearing Examiner, the Hearing Examiner must, after the record is closed, prepare a report to the Board. The report must include a summary of the subject matter of the hearing and the public comments received, together with the Hearing Examiner's recommendations for action. Upon completion of the Hearing Examiner's report, the Hearing Examiner must submit a copy to the Board. Any interested person

who so requests in writing will be notified when the report is complete and furnished a copy of the report.

- (e) **Exceptions to the Hearing Examiner's Report; Reopening the Record.** Any interested person may make exceptions to the Hearing Examiner's report, and the Board may reopen the record in the manner prescribed in Rule 10.9(b).

Rule 10.11 Final Decision; Appeal.

- (a) **Board Action.** After the record is closed on a permit or rulemaking hearing and the matter is submitted to the Board, the Board may take the matter under advisement, continue it from day to day, reopen or rest the matter, refuse the action sought, grant the action sought in whole or part, or take any other appropriate action. Board action on a rulemaking hearing takes effect at the conclusion of the meeting in which the Board took the action and is not affected by a request for rehearing.

- (b) **Requests for Rehearing or Findings and Conclusions.**

- 1. An applicant in a contested or uncontested hearing on an application or a party to a contested hearing may administratively appeal a decision of the board on a permit or permit amendment application by requesting written findings and conclusions or a rehearing before the board not later than the 20th day after the date of the board's decision.

- 2. On receipt of a timely written request, the board shall make written findings and conclusions regarding a decision of the board on a permit or permit amendment application. The board shall provide certified copies of the findings and conclusions to the person who requested them, and to each person who provided comments or each designated party, not later than the 35th day after the date the board receives the request. A person who receives a certified copy of the findings and conclusions from the board may request a rehearing before the board not later than the 20th day after the date the board issues the findings and conclusions.

- 3. A request for rehearing must be filed in the district office and must state the grounds for the request. If the original hearing was a contested hearing, the person requesting a rehearing must provide copies of the request to all parties to the hearing.

- 4. If the board grants a request for rehearing, the board shall schedule the rehearing not later than the 45th day after the date the request is granted.

- 5. The failure of the board to grant or deny a request for rehearing before the 91st day after the date the request is submitted is a denial of the request.

- (c) **Decision; When Final.** A decision by the Board on a permit or permit amendment application is final:

- (1) if a request for rehearing is not filed on time, on the expiration of the period for filing a request for rehearing; or

(2) if a request for rehearing is filed on time, on the date: (A) the Board denies the request for rehearing; or (B) the Board renders a written decision after rehearing.

Rule 10.12 Minutes and Records of the District

All documents, reports, records, and minutes of the District are available for public inspection and copying under the Texas Public Information Act. Upon written application of any person, the District will furnish copies of its public records. The Board will set a reasonable charge for such copies and will publicly post a list of copying charges.

SECTION 11.
WASTE

Rule 11.1 Waste.

- (a) Groundwater shall not be produced within or used within or without the District in such a manner as to constitute waste.
- (b) A person producing or using groundwater within the District shall use every possible precaution, in accordance with reasonable methods, to stop and prevent the waste of such water.
- (c) A person shall not pollute or harmfully alter the character of the aquifer within the boundaries of the District by means of saltwater or other deleterious matter admitted to the aquifer from some other stratum or strata or from the surface of the ground.
- (d) A person under the jurisdiction of the District shall not commit waste.

SECTION 12.
OTHER DISTRICT MANAGEMENT ACTIONS AND DUTIES

Rule 12.1 District Management Plan.

Following notice and hearing, the District shall adopt a comprehensive Management Plan. The District Management Plan shall specify the acts and procedures and performance and avoidance measures necessary to prevent waste, the reduction of artesian pressure, or the draw-down of the water table. The District shall use the Rules to implement the Management Plan. The Board will review the Management Plan at least every five years. If the Board considers a new Management Plan necessary or desirable based on evidence presented at a hearing, a new Management Plan will be developed and adopted. A Management Plan, once adopted, remains in effect until the subsequent adoption of another Management Plan.

SECTION 13.
APPOINTMENT OF DIRECTORS

13.1 Director Appointments.

- (a) Permanent Directors shall serve staggered four-year terms on the Board. The nine (9) Directors comprising the Board are appointed by the following appointing bodies:
1. the Commissioners Court of Montgomery County shall appoint two Directors, one Director every two years as a result of the staggered terms;
 2. the Board of Directors of the Montgomery County Soil and Water Conservation District shall appoint one Director;
 3. the Board of Directors of the San Jacinto River Authority shall appoint one Director;
 4. the Mayor of the City of Conroe shall appoint one Director;
 5. the mayors of all of the incorporated municipalities, other than the City of Conroe, located in whole or in part in Montgomery County shall jointly appoint one Director;
 6. the Board of Trustees of the Woodlands Joint Powers Agency shall appoint one Director;
 7. the boards of directors of all the municipal utilities districts located in whole or in part in Montgomery County that are not members of the Woodlands Joint Powers Agency and the district boundaries of which are located primarily to the east of Interstate Highway 45 jointly shall appoint one Director; and
 8. the boards of directors of all the municipal utilities districts located in whole or in part in Montgomery County that are not members of the Woodlands Joint Powers Agency and the district boundaries of which are located primarily to the west of Interstate Highway 45 jointly shall appoint one Director.

13.2 Procedure Overview: Appointment by Form and by Ballot.

- (a) The General Manager shall create official appointment forms that shall be provided to each of the appointing bodies designated in Subsections (a)(1) through (4) and (6) of Section 13.1. By convention, these appointing bodies shall make their appointments “by form.”
- (b) The General Manager shall create official appointment ballots that will be provided to mayors or boards of directors responsible for jointly appointing a Director as an appointing body designated in Subsections (a)(5), (7), and (8) of Section 13.1. By convention, these appointing bodies make their appointments “by ballot.” The official ballot created by the General Manager shall be in the form of write-in ballot, which shall

not identify individual candidates or otherwise constrain the ability of a mayor or board of directors to freely designate any person as their choice for appointed Director.

13.3 Appointment by Form.

- (a) Not later than 60 days before appointments are due, the General Manager shall by mail deliver an official appointment form to each appointing body, as designated in Subsection (a) of Section 13.2, that is entitled to make an appointment by form in that particular year. Each appointing body shall make its choice for its appointed Director according to its own procedures, and shall submit the name of its chosen appointment by completing the official form provided by the General Manager and returning the official appointment form to the General Manager by the established due date.
- (b) As soon as practicable after appointment forms are due, the General Manager shall certify in writing to the Board that the appointments by form were submitted in accordance with Subsection (a) of this Section, and shall make a reasonable effort to verify that the appointed Directors are qualified to serve on the Board. Following certification and verification, the General Manager shall present the names of the newly appointed Directors to the Board for installation. The General Manager is responsible for insuring that the newly appointed Directors follow the requirements for the installation of new Directors.
- (c) As soon as practicable after the appointment of the newly appointed Directors, the General Manager shall submit in writing the names of the appointments designated in Subsection (a)(1) through (4), and (6) of Section 13.1 to the Commissioners Court of Montgomery County.

13.4 Appointment by Ballot.

- (a) Not later than 60 days before appointments are due, the General Manager shall by mail deliver official appointment ballots to the following mayor or boards of directors entitled to jointly appoint a Director in that particular year, as designated in Subsection (b) of Section 13.2:
 - 1. Each mayor of an incorporated municipality located in whole or in part in Montgomery County, except for the mayor of the City of Conroe. Each mayor shall complete the official appointment ballot with the name of their desired appointment for Director and return the completed ballot to the General Manager on or before the established due date for appointments.
 - 2. Each board of directors for every municipal utility district located in whole or in part in Montgomery County that is not members of the Woodlands Joint Powers Agency and whose district boundaries are determined by the General Manager to be primarily located east of Interstate Highway 45. In accordance with its own procedures, each board of directors shall complete the official appointment ballot with the name of their desired appointment for Director and return the completed ballot to the General Manager on or before the established due date for appointments.

3. Each board of directors for every municipal utility district located in whole or in part in Montgomery County that is not members of the Woodlands Joint Powers Agency and whose district boundaries are determined by the General Manager to be primarily located west of Interstate Highway 45. In accordance with its own procedures, each board of directors shall complete the official appointment ballot with the name of their desired appointment for Director and return the completed ballot to the General Manager on or before the established due date for appointments.
- (b) As soon as practicable after appointment ballots are due, the General Manager shall:
1. Determine the individual with the greatest number of ballots in his or her favor submitted according to Subsection (a)(1) of this Section. This individual is the appointed Director selected by the appointing body designated in Subsection (a)(5) of Section 13.1.
 2. Determine the individual with the greatest number of ballots in his or her favor submitted according to Subsection (a)(2) of this Section. This individual is the appointed Director selected by the appointing body designated in Subsection (a)(7) of Section 13.1.
 3. Determine the individual with the greatest number of ballots in his or her favor submitted according to Subsection (a)(8) of this Section. This individual is the appointed Director selected by the appointing body designated in Subsection (a)(8) of Section 13.1.
- (c) The General Manager shall certify his or her identification of the Directors appointed according to Subsection (b) of Section 13.4 of these Rules, and that the appointed Directors are qualified to serve on the Board. Following certification and verification, the General Manager shall present the names of these newly appointed Directors to the Board for installation. The General Manager is responsible for insuring that the newly appointed Directors follow the requirements for the installation of new Directors.
- (d) In the event that the ballots for an appointment produce a tie, the General Manager shall resubmit appointment ballots to the appropriate appointing body within 10 days of the determination by the General Manager that a tie has occurred. In order to break a tie, however, these appointment ballots shall set forth the candidates tied for the appointment and direct the mayors or boards of directors comprising the appointing body to select only from the listed candidates. The tie-breaking appointment ballots must be received by the General Manager by 5 p.m. on the 45th day after the date such ballots were mailed to the appointing bodies by the General Manager.
- (e) As soon as practicable after the appointment of the newly appointed Directors, the General Manager shall submit in writing the names of the appointments designated in

Subsection (a)(5), (7), and (8) of Section 13.1 to the Commissioners Court of Montgomery County.

13.5 Miscellaneous Provisions.

- (a) All appointment forms or ballots due to the General Manager must be received by 5 p.m. on the date those appointment forms or ballots are due; appointment forms or ballots received after this time are invalid. All appointment forms or ballots timely received by the General Manager in accordance with the procedures set forth in this Section cannot be retracted, altered, or otherwise amended after 5 p.m. of the date those appointment forms or ballots are due
- (b) A Director appointed in accordance with the procedures set forth in this Section may only be removed in accordance with the laws of the state. The body responsible for a Director's appointment has no power to remove that Director during his or her term, except as provided under the laws of this State related to the removal of public officers generally. This does not affect the power of the appointing body to fill a vacancy in accordance with the District's By-Laws.
- (c) If any appointee does not fulfill the qualifications for a Director, then the vacancy procedures set forth in the District's By-Laws shall be followed to select another appointee. The vacancy procedures set forth in the District's By-Laws shall likewise be followed in the event that an appointing body fails or refuses to follow the procedures set forth in this Section. Vacancy procedures will not be followed and the General Manager shall not refuse to certify an appointment by ballot, however, simply because any mayor or board of directors entitled to jointly appoint a Director under Subsection (a) of Section 13.4 of these Rules fails or refuses to follow the procedures set forth herein; the appointment ballot of such a mayor or boards of director is invalid.
- (d) Only appointments designated on completed, official forms or ballots provided by the General Manager will be honored.

SECTION 14.
EFFECTIVE DATE

Rule 14.1. Effective Date.

These Rules take effect on the date of their original adoption and an amendment to these Rules takes effect on the date of its original adoption. It is the District's intention that the rules and amendments thereto be applied retroactively to activities involving the production and use of groundwater resources located in the District.

ADDENDUMS

LIST OF ADDENDUMS

Addendum "A" -	List of Revisions/Amendments
Addendum "B" -	Enforcement Policy and Civil Penalty Schedule
Addendum "C" -	District Regulatory Plan – Phase I (12/15/06)
Addendum "D" -	District Regulatory Plan – Phase II (A) (2/12/08)

ADDENDUM "A" LIST OF REVISIONS/AMENDMENTS

DISTRICT RULES

Adopted	August 26, 2002
Amended	October 15, 2002
Amended	May 11, 2004
Amended	February 8, 2005
Amended	February 14, 2006
Amended – Addendum "B" incorporated	June 13, 2006
Amended	November 14, 2006
Amended – Addendum "C" incorporated	December 12, 2006
Amended – Addendum "D" incorporated	February 12, 2008

ADDENDUM "B"
ENFORCEMENT POLICY AND CIVIL PENALTY SCHEDULE

RESOLUTION #06-003

**RESOLUTION ADOPTING DISTRICT RULES REGARDING ENFORCEMENT
AND
CIVIL PENALATIES**

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), as amended ("the Act"), as a groundwater conservation district operating under Chapter 36, Texas Water Code, and the Act;

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 Chapter 36 of the Texas Water Code;

WHEREAS, the Board of Directors of the District ("the Board") initially adopted rules for the District on August 26, 2002, and has subsequently amended such rules;

WHEREAS, Texas Water Code §36.102(a) authorizes groundwater conservation districts to enforce its rules by injunction, mandatory injunction, or other appropriate remedy in a court of competent jurisdiction;

WHEREAS, Texas Water Code §36.102(b) establishes that the board of directors for a groundwater conservation district may by rule set reasonable civil penalties for breach of any rule of the district not to exceed \$10,000.00 per day per violation, and each day of a continuing violation constitutes a separate violation;

WHEREAS, Texas Water Code §36.102(c) provides that penalties assessed under §36.102 are in addition to any other penalty accorded to the District by the law of the state of Texas and may be enforced by complaints filed in the appropriate court of jurisdiction in the county in which the District's principal office or meeting place is located, Montgomery County;

WHEREAS, in accordance with Chapter 36 and District Rule 2.2, the District has adopted an Enforcement Policy and a Civil Penalty Schedule, and has subsequently amended

it;

WHEREAS, in the course of District's operations, the District's general manager and legal counsel have identified necessary revisions to the District's Enforcement Policy and Civil Penalty Schedule;

WHEREAS, notice and hearing requirements set forth by Texas Water Code §36.101 have been met regarding the amendment of the District Rules, specifically the District Board provided notice of a rulemaking hearing in compliance with §36.101(d) and §36.101(e), Water Code, and with the District Rules;

WHEREAS, the Board finds that the attached revised Enforcement Policy and Civil Penalty Schedule for the District meets the requirements of Chapter 36, Water Code, and the District Rules, and further finds that the set forth in the revised Enforcement Policy and Civil Penalty Schedule are reasonable based upon the severity of the violations; and

WHEREAS, the Board finds that the amendment of certain rules of the District is merited to support the District's efforts to manage the groundwater located within the District, and that the amendment to the District's existing rules is supportable under Texas law.

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

1. The Enforcement Policy and Civil Penalty Schedule, attached as Attachment "A," is hereby incorporated into this resolution and into the District Rules by reference as an addendum to the District Rules.
2. The Enforcement Policy and Civil Penalty Schedule is adopted in accordance with District Rule 2.2 and is a rule of the District for all purposes.
3. The General Manager of the District is further authorized to take any and all action necessary to implement this resolution.
4. The Enforcement Policy and Civil Penalty Schedule, as an addendum amendment to the District Rules, is effective as of the date of adoption of this resolution by the Board of Directors.

AND IT IS SO ORDERED.

PASSED AND ADOPTED on this 13th day of June, 2006.

LONE STAR GROUNDWATER CONSERVATION DISTRICT

By: /s/ Orval R. Love
Orval R. Love, Board President

ATTEST:

/s/ Richard J. Tramm

Richard J. Tramm, Secretary

Lone Star Groundwater Conservation District

ENFORCEMENT POLICY AND CIVIL PENALTY SCHEDULE

General Guidelines

When the General Manager discovers a violation of the District Rules that either (1) constitutes a Major Violation, or (2) constitutes a Minor Violation that the General Manager is unable to resolve within 60 days of discovering the Minor Violation, the General Manager shall bring the Major Violation or the unresolved Minor Violation and the pertinent facts surrounding it to the attention of the Board. Violations related to water well construction and completion requirements shall also be brought to the attention of the Board.

The General Manager shall recommend to the Board of Directors an appropriate settlement offer to settle the violation in lieu of litigation based upon the Civil Penalty Schedule set forth below. The Board may instruct the General Manager to tender an offer to settle the violation or to institute a civil suit in the appropriate court to seek civil penalties, injunctive relief, and costs of court and expert witnesses, damages, and attorneys' fees.

I. Minor Violations

The following acts shall constitute minor violations:

1. Overpumping the annual amount of groundwater authorized under a permit by less than 10% of the permitted amount*.
2. Refusing access to wells or meters or blocking access to well or meters.
3. Failure to timely file a well registration on a well prior to drilling that is exempt from permitting or failure to timely register an existing, exempt well measuring larger than 4 inches in column pipe diameter.
4. Failure to submit annual Groundwater Production report within the required period.
5. Failure to timely notify District regarding change of ownership.
6. Failure to timely file Driller's Log.
7. Failure to timely submit required documentation reflecting alterations or increased production.
8. Operating a meter that is not accurately calibrated as required by the Rules.

CIVIL PENALTY SCHEDULE FOR MINOR VIOLATIONS

First Violation:

\$50.00

Second Violation:

\$100.00

Third Violation:

Major Violation

A second violation shall be any violation within 7 years of the first violation of the same level. A third violation shall be any violation following the second violation within 7 years of the first violation. Each day of a continuing violation constitutes a separate violation.

* All violations for pumping any amount of groundwater in excess of the permitted amount, but less than 110% of the permitted amount, will result in the stated penalty plus an amount equal to the water use fees applied to the excess pumpage at the current fee rate, except as provided in Rule 6.3.

II. Major Violations

The following acts shall constitute major violations:

1. Overpumping the annual amount of groundwater authorized under a permit by 10% or more above the permitted amount.**
2. Failure to timely obtain a required permit (including failure to renew a permit, failure to permit an existing well, and failure to obtain a permit prior to drilling, equipping, completing, substantially altering, or producing from a well).
3. Operating a well after its permit has been voided, revoked, or suspended.
4. Failure to meter a well when required.
5. Drilling a well at a different location than authorized in a permit.
6. Tampering with a meter.
7. Tampering with, altering, damaging, or removing the seal of a sealed well or in any other way violating the integrity of the seal or pumping groundwater from a sealed well.
8. Failure to meet requirements of permit special provisions regarding reductions.
9. Failure to file a well registration on a well that is not permitted and requires a permit.
10. Falsification of records.
11. Performing services as a Driller without a current License issued by the Texas Department of Licensing and Regulation
12. Performing services as a Pump Installer without a current License issued by the Texas Department of Licensing and Regulation
13. Failure to plug an abandoned or deteriorated well within required period.
14. Failure to close or cap an open or uncovered well.
15. Committing waste.

CIVIL PENALTY SCHEDULE FOR MAJOR VIOLATIONS

First Violation:	\$250.00
Second Violation:	\$500.00
Third Violation:	Civil Suit for injunction and damages

A second violation shall be any violation within 7 years of the first violation of the same level. A third violation shall be any violation following the second violation within 7 years of the first violation. Each day of a continuing violation constitutes a separate violation.

** All violations for overpumping the annual amount of groundwater authorized under a permit by 10% or more above the permitted amount will result in the stated penalty plus an amount equal to the water use fees applied to the excess pumpage at the current fee rate.

III. Water Well Construction and Completion Requirements

Failure to utilize approved construction materials	\$250 + actual costs of remediation
Failure to properly cement annular space	\$500 + actual costs of remediation
Failure to complete wellhead concrete slab within 10 days of departure of the drilling rig from the wellsite	\$100/day

IV. Other Violations of District Rules Not Specifically Listed Herein

Any violation of a District Rule not specifically set forth herein shall be presented to the Board of Directors for a determination of whether the violation is Minor or Major, based upon the severity of the violation and the particular facts and issues involved, whereupon the procedures and the appropriate civil penalty amount set forth herein for Minor and Major Violations shall apply to the violation.

ADDENDUM "C"

District Regulatory Plan: Phase 1
Lone Star Groundwater Conservation District

(Adopted December 12, 2006)

A. Purpose of District Regulatory Plan

The purpose of the District Regulatory Plan ("DRP") for the Lone Star Groundwater Conservation District ("District") is to create a regulatory framework for the District to responsibly regulate and conserve the use of groundwater in Montgomery County. Along with the District Rules, the DRP sets forth specific regulations or policies related to groundwater management within the boundaries of the District or within a particular management zone, including without limitation the delineation of management zones and the establishment of proportional adjustment regulations or other regulations adopted to conserve groundwater or facilitate the use of surface water or reclaimed water within the District.

As the governmental entity tasked with the management and regulation of the groundwater resources of Montgomery County, the District must confront the significant challenges created by the increasing water demands of the county's rapidly expanding population. The areas north of the city of Houston and, particularly, Montgomery County have experienced substantial population growth in recent years and such growth is projected to increase exponentially over the next 40 years.

As part of its effort to plan for the future of the groundwater resources in Montgomery County, the District has established the DRP in concert with the District Rules to set forth the groundwater management strategies created by the District and the necessary steps the District will take to implement its strategies. The District's management of the production and use of groundwater in Montgomery County is crucial to protect the area from the negative effects of the depletion of the area's aquifers and subsidence.

B. Background

The District was created by the Texas Legislature in 2001 through the enactment of House Bill 2362 (hereinafter, together with any amendments, "District Act"). The citizens of Montgomery County approved the creation of the District in a confirmation election held on November 6, 2001, with 73.65 percent of the voters casting favorable ballots. The boundaries of the District are coextensive with the boundaries of Montgomery County. In accordance with Chapter 36 of the Texas Water Code and the District Act, the District adopted its initial rules in 2002 and its Management Plan in 2003.

An important part of the District Rules is the registration and permitting process instituted by the District. The District Rules created a process by which users of groundwater were required to register their groundwater wells with the District. If the groundwater users and

their wells met certain criteria, then the user would be required to obtain either a Historic Use Permit ("HUP") or an Operating Permit ("OP"). Non-exempt groundwater users who used water for a beneficial purpose during the Existing and Historic Use Period established in the District Rules (January 1, 1992, through August 26, 2002) were eligible to file an application for an HUP. All non-exempt groundwater users who commenced beneficially using groundwater after the Existing and Historic Use Period were and continue to be required to obtain an OP. Some wells, such as small wells used for domestic and livestock purposes, are exempt from the permitting process altogether.

In 2004, the District commenced joint planning activities with the San Jacinto River Authority ("SJRA") under a grant provided by the Texas Water Development Board ("TWDB") through the TWDB's State Regional Facilities Planning Grant Program. After completion of the joint planning activities, the District and the SJRA generated the *Regulatory Study and Facilities Implementation Plan for Lone Star Groundwater Conservation District and San Jacinto River Authority* (June 2006) ("TWDB Study"). The TWDB Study, which is incorporated herein by reference, provides substantial regulatory, hydrogeological and technical information, including regulatory options available to the District and the technical and scientific basis for the establishment of management zones by the District.

C. Managing the District's Groundwater Resources on a Sustainable Basis

After extensive analysis of the technical and scientific data available for Montgomery County, the District decided to manage the groundwater resources within its jurisdiction on a sustainable basis. The District believes it is important to protect and preserve the groundwater resources of Montgomery County for future generations by preventing the long-term depletion of the aquifers located within Montgomery County and working towards the continued sustainability and viability of such aquifers. Based on this decision, the District Management Plan designated the total amount of groundwater to be available for production and use in the District as the amount of effective annual recharge to the Gulf Coast Aquifer located within Montgomery County. In other words, the District decided that the amount of groundwater which the District would authorize for withdrawal through its permitting process, after taking into account an estimate of groundwater produced by exempt users, would equal the sustainable recharge rate, which the District has determined to be 64,000 acre-feet per year based upon the best available science.

The District performed a review of the permit applications that it has received as part of the HUP permitting process and the permits it has issued. Upon completion of its review, the District determined the total volume that could be authorized for withdrawal under pending HUP applications is in excess of 59,000 acre-feet. This amount of HUP volume is the sum of the maximum year of existing and historic groundwater use claimed to have been used during the Existing and Historic Use Period by HUP applicants. Further, the total amount of volume currently authorized for use by the District under the OPs the District has granted was approximately 15,806 acre-feet per year as of November 2006. It is important to note that the total amount of volume of use authorized under OPs will continue to increase as the District issues new OPs each month. While the total amount of permitted groundwater use under OPs and pending HUP applications is slightly over 75,000 acre-feet as of November 2006 as

indicated by District records, the District must also take the groundwater used by exempt domestic and livestock wells into consideration to determine the total amount of groundwater being produced within the county. As of November 2006, the District had registered 2,557 exempt domestic and livestock wells. The TWDB Study estimated domestic use accounts for approximately 3,000 acre-feet per year. Therefore, the total amount of groundwater used in Montgomery County as of November 2006 is estimated at 78,000 acre-feet per year when adding together the total amount of permitted groundwater use, the total amount claimed under HUPs, and the total amount of exempt groundwater use. The total volume of groundwater produced and used within Montgomery County, therefore, already exceeds the amount of groundwater use the District determined would achieve the sustainability of the Gulf Coast Aquifer within its jurisdiction by approximately 14,000 acre-feet per year and the amount of groundwater use permitted by the District under OPs and pending HUP applications by close to 11,000 acre-feet per year.

Based on the volumes of groundwater use set forth above and the water demand realities it currently faces, the District has decided to implement its DRP in phases during which the District will take numerous actions to manage the groundwater resources of Montgomery County to meet the goals set forth in the District Management Plan, as set forth below.

D. Phase I of DRP

In its adoption and implementation of Phase I of the DRP, the District will take several actions to enable the District to responsibly manage and conserve the groundwater resources of Montgomery County. During Phase I, the District will establish one or more management zones; will establish the availability of groundwater within the management zone(s); will determine if any proportional adjustments or other reductions of groundwater production and use are necessary within the designated management zones; and make any and all revisions to the District Rules which are necessary to carry out the purposes of the DRP.

I. Management Zones and Delineation

A. Statutory Authority

The District was granted the authority in the District Act to designate areas or management zones within its boundaries to assist the District in its efforts to manage and regulate the groundwater resources of Montgomery County. In pertinent part, the District Act provides the District with the power to:

- "(1) establish zones within the boundaries of the district for the purposes of groundwater management and regulation; and
- (2) implement regulations for each zone... ."

The District was also provided with the statutory authority to adopt different rules for separate and distinct areas of the District through both the District Act and Section 36.116(d) of the Texas Water Code. Specifically, the District Act provides in Section 5A as follows:

"(a) [t]he district may adopt different rules under Section 36.116, Water Code, for:

(1) each aquifer, subdivision of an aquifer, or geologic stratum located in whole or in part within the boundaries of the district; or

(2) different geographic areas of an aquifer or subdivision of an aquifer located in whole or in part within the boundaries of the district:

(A) if the district finds that conditions in or use of the aquifer differs substantially from one geographic area to another; or

(B) to promote better management of the groundwater resources in the district.

B. Authority from District Rules

The current rules of the District require the District's Board of Directors, no later than January 31, 2007, to initially divide the District into one or more management zones for the administration of groundwater management and regulation in the District. The Board's delineation of management zones should be made using the best available hydrogeologic and geographic information. In accordance with District Rule 4.1, the one or more designated management zones will serve as the areas for which the District shall determine water availability, authorize total production, implement proportional reduction regulations, if any, and within which the District may allow the transfer of wells and/or the right to produce water as set forth in the District's Rules.

In the process of designating the one or more management zones, the District must attempt to establish boundaries that "to the extent practicable, will promote fairness and efficiency by the District in its management of groundwater, while considering hydrogeologic conditions and the ability of the public to identify the boundaries based upon land surface features." District Rule 4.1.

Management zones have an essential role in the District's groundwater availability determinations. District Rule 4.2(a) mandates the District to establish "the annual amount of recharge available for withdrawal in each management zone, based upon the District Management Plan, and the amount of actual annual production from permittees, registrants, and exempt users in each management zone."

The District must meet the planning requirement created by District Rule 4.2 by determining availability no later than January 31, 2007, and every five years thereafter. In its groundwater availability decision-making the District must use the best available scientific information, including the TWDB's Groundwater Availability Model ("GAM") for the area, and any information available regarding the saturation rate of aquifers within the District.

C. Delineation and Designation of Management Zone(s)

Pursuant to Section 4 of the District Rules, the District hereby establishes a single management zone for the District. The boundaries for the management zone will be co-extensive with the boundaries of both the District and Montgomery County and can be seen on the following map:

(Map from TWDB Study – Pg. 32)

The District has decided to initially designate a single county-wide management zone during Phase I of the DRP implementation based upon the information provided by the TWDB Study, which demonstrates that the depletion of the groundwater resources of Montgomery County is a problem which exists throughout the county. (See TWDB Study – Pgs. 26-31 (Figures 15-20). The District is currently proceeding with its HUP permitting process, and it is anticipated that the process will be substantially completed in 2007. Because the amount of permitted use issued by the District under HUPs may ultimately differ substantially from the amounts claimed in HUP applications, the District believes that it should substantially complete the HUP permitting process prior to further division of the District into multiple management zones, if any, as the District will have a better understanding of the groundwater production and use patterns within Montgomery County after the HUP permitting process is substantially completed. The District specifically reserves the right to further subdivide the District into multiple management zones in the future and to adopt rules and regulations specific to each such management zone.

II. Groundwater Availability within the Management Zone

The total amount of groundwater available for use within the boundaries of the designated management zone is 64,000 acre-feet per year. The District decided its total groundwater availability amount should match the amount of effective annual recharge to the Gulf Coast Aquifer in the District to provide for the long-term sustainability of the groundwater resources within the District. The District determined the estimated annual amount of recharge to the groundwater resources within the District based on the rate of annual deep recharge to the Gulf Coast Aquifer of approximately 1.1 inches per year used in the development of the Northern Gulf Coast Aquifer GAM.

III. Reduction and/or Proportional Adjustment of Groundwater Production and Use in the Management Zone

A. Current and Projected Groundwater Use Demands

Based on the calculations of the District, the current demand for groundwater in Montgomery County is approximately 78,000 acre-feet per year which exceeds the amount of total groundwater availability of the District by 14,000 acre-feet per year. According to the TWDB Study, the projected groundwater demand in Montgomery County will increase exponentially and continue to exceed the total groundwater availability of the District. The following figure demonstrates the projected groundwater demands for Montgomery County and

compares those demand amounts to the total groundwater availability of the District at the time of the TWDB Study:

(Figure 11 – TWDB Study Pg. 20)

In response to the current and projected imbalance between groundwater demand and groundwater availability, the District may use its authority to proportionally adjust or otherwise reduce the groundwater production and usage within the management zone delineated within the District.

B. Authority from District Rules

To institute reduction of groundwater production and use within its jurisdiction, the District may employ the process set forth under Section 4 of the District Rules to adjust groundwater production and use authorized under its permits.

1. Production Less than Recharge in Management Zone

Under the provisions of District Rule 4.2, the District shall determine the total amount of production and the amount of recharge available for withdrawal for the management zone. If the total amount of production within the management zone is less than the amount of recharge available for withdrawal, the production amounts authorized by the District under the HUPs and OPs may remain the same or be increased.

2. Production Exceeds Recharge in the Management Zone

Alternatively, under District Rule 4.2(c.), if the amount of production exceeds the amount of recharge, the District may proportionally decrease the production amounts under HUPs and OPs among all permittees with any necessary adjustments first applied to OPs and then HUPs. The complete process of proportional adjustment is set forth in the provisions of District Rule 4.4.

3. Factors for District Consideration

In accordance with District Rule 4.4, the Board of the District may consider the time frames by which groundwater users could reasonably secure alternate sources of water by economically feasible means when making its proportional adjustment determinations. The Board may also encourage cooperative arrangements between permittees within a management zone in its proportional adjustment regulations in an effort to diminish the impacts experienced by permittees in their efforts to comply with the regulations.

C. Groundwater Reduction Determinations for the Management Zone

In accordance with District Rule 4.4, the District may establish proportional adjustment regulations or other groundwater regulations in the DRP. Based upon the hydrogeologic and scientific information available concerning the groundwater resources of Montgomery County,

the District Rules, and the goals of the District Management Plan, the District has chosen to reduce the groundwater production amounts in the management zone. After considering the time reasonably necessary for water users in the District to secure alternative sources of water by economically feasible means, as set forth in the TWDB Study, the District hereby establishes a deadline of January 1, 2015, by which total groundwater production within Montgomery County shall be reduced by the District to an amount equal to or less than 64,000 acre-feet per year, which is the sustainable recharge rate for the groundwater resources within Montgomery County. All past, current, and future users of groundwater in Montgomery County are hereby put on notice that the District will curtail both new and historic use of groundwater as necessary by January 1, 2015, to reduce total production and use of groundwater in the District to an amount equal to or less than 64,000 acre-feet per year.

D. Options to Meet Groundwater Reduction Determination

The District has a number of regulatory options available to ensure that total groundwater production and use in the District is reduced to an amount equal to or less than 64,000 acre-feet per year by January 1, 2015. However, the District has determined that it is in the best interest of the District and the citizens of Montgomery County to substantially complete the HUP permitting process prior to adopting such specific regulations, which may include the proportional adjustment regulations set forth in Section 4 of the District Rules. The District sets a target date of January 1, 2008, by which the District will substantially complete the HUP permitting process, and of July 1, 2008, by which the District will adopt Phase II of the DRP, which Phase II will establish specific regulations for groundwater reduction by new and historic users of groundwater and which may delineate additional management zones as determined by the Board of Directors of the District.

ADDENDUM "D"

District Regulatory Plan: Phase II (A) Lone Star Groundwater Conservation District (Adopted February 12, 2008)

A. Purpose of Phase II (A) of District Regulatory Plan

The Lone Star Groundwater Conservation District ("District") is taking the next step in the implementation of its District Regulatory Plan ("DRP") with the adoption of this Phase II (A) of the DRP. In summary, this phase of the DRP does the following three things: (i) it requires certain Large Volume Groundwater Users, as that term is defined in Section B of this document, to submit to the District certain water planning documentation associated with achieving compliance with the District Regulatory Plan, (ii) it sets forth a timetable for such submittal, and (iii) it establishes penalties associated with non-compliance.

In Phase I of the DRP, the District established a benchmark for the reduction of groundwater production within Montgomery County by requiring the total annual groundwater production to be reduced to a level equal to or less than 64,000 acre-feet by January 1, 2015, which has been determined to be the sustainable recharge rate for the groundwater resources within Montgomery County. Currently, total demand for groundwater in Montgomery County is greater than 78,000 acre-feet. By 2015, it is anticipated the total groundwater demand will reach approximately 88,000 acre-feet.

The District recognizes the need for long-term water planning based upon the significant periods of time it takes to bring alternative water supplies on-line on a retail basis. The term "alternative water supplies" refers to sources of water other than groundwater produced within Montgomery County or adjacent counties and typically includes surface water or reuse of treated effluent. The process of obtaining new alternative water supplies and constructing the necessary infrastructure to deliver such supplies to the intended water users takes years to complete. Because of these time considerations and the impending groundwater reduction deadline of January 1, 2015, this Phase II (A) of the DRP requires certain specified large volume groundwater users to demonstrate incremental progress towards conversion to alternative water supplies.

During Phase II (A) of the DRP, the District will:

(1) maintain the single county-wide management zone regulatory approach established in Phase I of the DRP; and

(2) require the Large Volume Groundwater Users to submit a Water Resources Assessment Plan ("WRAP") to the District.

The District will use the planning and technical information gathered through the WRAP process to determine the most appropriate regulatory approach for groundwater reductions by new and

historic users when it adopts Phase II (B) of the DRP, which may include additional management zone delineations.

While Phase II (A) primarily establishes a detailed planning process for Large Volume Groundwater Users, as defined herein, Phase II (B) will set forth the actual regulatory requirements designed to achieve the District's long-term groundwater management goals. In addition to establishing requirements for reductions in groundwater use, Phase II (B) may also include preliminary requirements, such as the submittal of a Groundwater Reduction Plan, to establish milestones and a schedule for meeting the required groundwater reductions. Persons and entities who produce groundwater in Montgomery County in quantities smaller than the threshold set forth under the definition of "Large Volume Groundwater User," and therefore who are not required to prepare a WRAP under this Phase II (A), should not assume that they will be exempt from regulation or the requirement to reduce groundwater production under Phase II (B) of the DRP.

B. Definition of Large Volume Groundwater User

(1) For purposes of the DRP, the term "Large Volume Groundwater User" is defined to mean any person or entity that, through a single well or a combination of wells, actually produces or is authorized by permit(s) issued by the District to produce 10 million gallons or more of groundwater annually on or after January 1, 2008, except as provided by Subsection (2) of this section.

(2) The term "Large Volume Groundwater User" does not include a person or entity that produces groundwater solely for:

- (a) its own domestic use associated with a single family residence;
- (b) agricultural use, as "agricultural use" is defined by Chapter 36, Water Code; or
- (c) both (a) and (b).

(3) The District expressly reserves the right to amend the definition of "Large Volume Groundwater User," including without limitation expanding the definition to include other groundwater users in the District.

C. Water Resources Assessment Plan

1. Applicability of WRAP Submission Requirement; Exemption for Small Systems under Common Ownership or Operation

Each Large Volume Groundwater User is required to submit Parts I and II of a WRAP to the District by the deadlines set forth below. Part I is the Identification of Current and Projected Water Demand section of the WRAP, and Part II is the Water Supply Plan section of the WRAP.

A Large Volume Groundwater User that owns or operates two or more otherwise independent public water supply systems or commercial operations under separate permits issued by the District that are not tied to a common distribution system shall not be required to submit a WRAP for those independent systems or operations that would not qualify as Large Volume Groundwater User systems or operations if they were not under common ownership or operation by the Large Volume Groundwater User. For example, an investor owned utility that owns numerous separate and distinct public water systems for separate platted subdivisions is not required to submit a WRAP for water use in a particular subdivision that: (1) is authorized under its own permit, (2) is not interconnected to a larger aggregated system, and (3) is permitted for less and produces less than 10,000,000 gallons per year.

2. Authorization for Joint WRAP Submissions

A Large Volume Groundwater User may meet the WRAP submission requirement by participating in a single WRAP submitted on behalf of two or more Large Volume Groundwater Users that includes the required information for all participants. A WRAP jointly submitted by two or more Large Volume Groundwater Users must:

(a) generate the required reduction of groundwater production for the group as a whole; and

(b) include a written agreement between the participants demonstrating that the person or entity submitting the WRAP is duly authorized to submit the WRAP on behalf of all of the participants.

3. Deadlines for Submission of Parts I and II of the WRAP

(a) Each person or entity who qualifies as a Large Volume Groundwater User as of February 12, 2008 (the date of adoption of this DRP Phase II (A)), shall provide to the District:

(i) a completed Part I of the WRAP on or before September 1, 2008; and

(ii) a completed Part II of the WRAP on or before March 2, 2009.

(b) Each person who through a new permit, permit amendment, or increased groundwater production exceeds the threshold for qualifying as a Large Volume Groundwater User for the first time on a date after February 12, 2008, but before July 1, 2009, shall provide to the District:

(i) a completed Part I of the WRAP on or before the 180th day after the date of such permit or permit amendment approval or such increased use; and

(ii) a completed Part II of the WRAP on or before the 360th day after the date of such permit or permit amendment approval or such increased use.

(c) Beginning July 1, 2009, all persons or entities applying for new permits, permit renewals, or amendments to existing permits that, if approved by the District, will qualify the person or entity as a Large Volume Groundwater User shall accompany the application with a new completed WRAP (both Parts I and II), an amendment to an existing WRAP, or evidence that the application is covered by an existing WRAP already reviewed and approved by the District. Failure to accompany the application with the completed WRAP, WRAP amendment, or evidence shall render the application administratively incomplete, notwithstanding anything to the contrary in the District Rules.

(d) All WRAP Part I and Part II submissions shall be provided to the District in both written hard copy and electronic form at the District office by 5:00 p.m. on the due date.

4. Assumption of Specific Levels of Groundwater Reduction and Supply

(a) Each Large Volume Groundwater User who prepares an individual WRAP shall assume that the District will reduce the groundwater production authorized under its permits issued by the District to no more than 70 percent of the user's total water demand beginning on January 1, 2015. Thus, supply figures for 2015 shall include a groundwater component of no more than 70 percent of the user's total water demand, and a surface water or alternative water supply component for the remaining supply needed to meet total demand. For purposes of projecting water demand and supply needs after 2015 for inclusion in the WRAP, each individual or group submitting a WRAP should assume that increased demand after January 1, 2015, will be met 100 percent by surface water or alternative water supplies for WRAP purposes. Water demand located outside the boundaries of the District shall not be included for purposes of WRAP preparation, including these groundwater reduction and supply assumptions, except to the extent that the demand is supplied by a distribution system actually using groundwater produced in the District.

(b) Notwithstanding Subsection (a) of this section, for WRAPs that contemplate one or more additional groundwater-to-alternative water conversion projects after the initial January 1, 2015, conversion, the WRAP may provide for growth on groundwater between such conversions in a manner that contemplates actual groundwater production exceeding the assumptions set forth in Subsection (a) of this section in some calendar years only if:

(1) the WRAP timely meets or exceeds the initial 70 percent groundwater / 30 percent alternative supply requirement for the January 1, 2015, conversion; and

(2) the overall average groundwater use under the WRAP for the planning period from 2015 to 2045 complies with the assumptions set forth under Subsection (a) of this section.

(c) Notwithstanding Subsection (a) of this section, WRAPs submitted jointly on behalf of two or more Large Volume Groundwater Users may provide for over-conversion to surface or alternative water supplies by some users and under-conversion by others if supply for total demand among all users participating in the WRAP collectively complies with the assumptions set forth under Subsection (a) of this section. For example, the WRAP may provide that some

individual WRAP participants remain on 100 percent groundwater if the group as a whole achieves the required conversion amount for all participants by over-converting some participants. This regional approach to achieving the required conversion maximizes flexibility for all participants and greatly reduces overall cost by reducing the amount of infrastructure that must be built to achieve the required conversion.

(d) Conservation projects are encouraged for all users, but shall be considered in the WRAPs and by the District as a reduction of total demand rather than a supply strategy for DRP purposes, unless they are metered. Measurable reductions in total demand can be achieved through the use of water conservation measures and efficient management practices. Conservation measures and efficient management practices result in the overall reduction of total water demand, which reduces both the need for groundwater and alternative water supplies. The District encourages the use of any conservation measures and efficient management practices that reduce total water demand. While these reductions are not counted as an alternative water supply for WRAP purposes unless they are actually metered alternative water supplies, they will reduce a permittee's overall costs by reducing the amount of alternative water supplies that must be obtained and by reducing ongoing groundwater production costs. Metered alternative water supplies will receive credit as alternative water supplies for purposes of the initial conversion under Subsection (a) of this section regardless of whether such supplies were implemented prior to the date of adoption of Phase II (A) of the DRP.

(e) The District reserves the right to reduce groundwater production under permits granted by the District at levels greater or less than those described for WRAP preparation purposes under Subsection (a) of this section when it adopts Phase II (B) of the DRP or otherwise in the future throughout the county or in individual management zones if the District deems it necessary or appropriate in order to properly manage the groundwater resources of Montgomery County. The January 1, 2015, 70 percent groundwater / 30 percent alternative water supply assumption for WRAP preparation from Subsection (a) of this section is based upon the January 1, 2015, 64,000 acre-feet total annual groundwater production requirement from Phase I of the DRP, and is not a guarantee of future regulatory action by the District.

5. Components of Part I of the WRAP: Identification of Current and Projected Water Demand

To satisfy the requirement to submit Part I of the WRAP, each Large Volume Groundwater User must provide the following information to the District:

(a) Estimates of population and total water demand (in gallons) for the following year ending dates:

- (1) Current (calendar year of WRAP submission)
- (2) Projected
 - a. 2015
 - b. 2025
 - c. 2035
 - d. 2045

The data must be from the Texas Water Development Board or the Texas State Demographer, unless otherwise agreed upon by the District and the person preparing the WRAP. This component of Part I of the WRAP must include explanations detailing significant projected increases or decreases in total water demand. Public water suppliers should use intended service areas when completing the population and water demand information required by Part I, and include a map of such intended service areas for each of the above years. Water demand located outside the boundaries of the District shall not be included for purposes of WRAP preparation except to the extent that the demand is supplied by a distribution system actually using groundwater produced in the District.

(b) Information about current well capacity including:

- number of wells
- tested well capacity (in gallons per minute)
- date of well installation

(c) Identification of current water supply sources including:

- Annual groundwater use for each of the last five years (in gallons)
- Annual surface water use for each of the last five years (in gallons)
- Quantity of alternative sources of water used to meet water demand in each of the last five years (in gallons) (examples include reuse, treated effluent, or other metered alternative supplies)

(d) Information about groundwater quality issues, if any, that may impact supply, including information regarding any groundwater constituents that exceed primary or secondary drinking water standards under state or federal regulations.

(e) If the WRAP is jointly submitted for two or more Large Volume Groundwater Users, a copy of the written agreement required under Section (C)(2).

* Part I of the WRAP must be signed and sealed by a registered professional engineer in the State of Texas.

6. Components of Part II of the WRAP: Water Supply Plan

To satisfy the requirement to submit Part II of the WRAP, each Large Volume Groundwater User must provide the following information to the District:

- (a) descriptions of new water supply sources and strategies to meet projected water demands that comply with the assumptions set forth under Section (C)(4);
- (b) description of infrastructure requirements for each new water supply source;
- (c) timelines for design and construction of infrastructure projects;

(d) a letter from a surface water or alternative source supplier indicating availability of water and willingness to supply water to meet the Large Volume Groundwater User's demands, as applicable;

(e) description of costs and methods of financing water supply and infrastructure;

(f) preliminary engineering of infrastructure necessary to meet water demands for the January 1, 2015, initial conversion date (for the purposes of the WRAP, "preliminary engineering" means the level of engineering necessary to define the infrastructure of the project, to determine the feasibility and projected construction timeline of the project, and to establish reliable cost estimates; the requirement of preliminary engineering is not intended to include preliminary construction plans for the entire submittal, however, that level of detail could be required for specific components; the District will make the final determination of whether a proposed WRAP meets the definition of preliminary engineering);

(g) conceptual engineering of the infrastructure necessary to meet future water demands beyond the January 1, 2015, initial conversion date; and

(h) if the WRAP is jointly submitted for two or more Large Volume Groundwater Users, a copy of the written agreement required under Section (C)(2).

* Part II of the WRAP submitted to the District must be signed and sealed by a registered professional engineer in the State of Texas.

D. District Review; Penalty for Failure to Submit Timely or Complete WRAP

The District shall review all WRAPs to determine compliance with the requirements set forth herein. A person or entity required to submit a WRAP under Phase II (A) of the DRP who fails to provide the District with completed and compliant Parts I or II of the WRAP within the specified deadlines and with all required information shall be subject to enforcement for violation of District Rules, including permit suspension or revocation and the assessment of penalties by the District. The District may assess a Large Volume Groundwater User the following penalties in lieu of or in addition to seeking an injunction or other legal or equitable remedies available to the District:

a. a flat fee civil penalty not to exceed \$500.00 per day for each day of a continuing violation; or

b. a civil penalty not to exceed \$3.00 per thousand gallons of groundwater produced after failing to comply with a WRAP deadline.

Kathy Turner Jones
General Manager

November 17, 2008

Board of
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W. B. Wood

Mr. J. Kevin Ward
Executive Administrator
Texas Water Development Board
1700 N Congress Avenue
Austin, Texas 78711-3231

RE: Transmittal of District Groundwater Management Plan

Dear Mr. Ward:

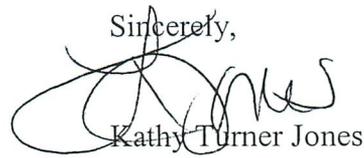
The Board of Directors of the Lone Star Groundwater Conservation District (District) adopted the enclosed "Groundwater Management Plan" by resolution on October 14, 2008, for Texas Water Development Board (TWDB) review and certification as required by Chapter 36.1072(a) of the Texas Water Code. The management plan fulfills the requirements of Chapter 36 of the Texas Water Code and Chapter 356 of the TWDB rules contained in Title 31 of the Texas Administrative Code.

A copy of the District's Rules are attached as an addendum to support the Management Goals, Objectives and Performance Standards detailed in the management plan in accordance with §36.1071(f), as well as a certified copy of the resolution adopting the plan and other documents demonstrating compliance with the regulatory and statutory requirements related to development and adoption of groundwater district management plans.

The District appreciates the continuing efforts TWDB staff has made during the preparation of this management plan. TWDB staff has contributed in many significant ways to help bring this management plan to its present level. We thank them very kindly.

Please let me know if you require any additional information in the review of our management plan.

Sincerely,



Kathy Turner Jones
General Manager

Attachments