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April 18, 2019

Mr. Jeff Walker  
Executive Administrator  
Texas Water Development Board  
1700 North Congress Avenue  
Austin, Texas 78701-3231

Via U.S. Mail & E-mail

Re: Lone Star Groundwater Conservation District Management Plan

Dear Mr. Walker,

I am the General Counsel for the Lone Star Groundwater Conservation District. I write in response to Mr. Stinson's April 10, 2019 letter on behalf of The Woodlands Joint Powers Agency's (WJPA) and Mr. Schindewolf's April 12, 2019 letter on behalf of North Harris County Regional Water Authority (NHCRWA) to you wherein both specifically request that the Texas Water Development Board reject Lone Star Groundwater Conservation District's Management Plan submitted to the TWDB for approval on March 14, 2019. Mr. Stinson enclosed a letter dated March 11, 2019 from the San Jacinto River Authority (SJRA) to the Lone Star Board wherein Mr. Jace Houston provided comments in advance of the District's March 12 hearing on the draft management plan.<sup>1</sup> Because the letters express the same concerns, this letter will serve as a consolidated response to the NHCRWA, WJPA, and SJRA's letters and any future letters relaying the same concerns.

By way of background, the WJPA is the central management agency for ten Municipal Utility Districts that currently serve The Woodlands in Montgomery County. The WJPA does not own any groundwater in Montgomery County nor does it provide groundwater directly to either the MUDs or their members. Rather, SJRA owns and operates the groundwater wells in The Woodlands and provides groundwater to the MUDs directly who, in turn, then provide water to their members. In other words, the WJPA has no groundwater rights and is strictly a management agency that maintains the utility infrastructure and provides a centralized system for utility billing and payment collections, among other administrative functions. NHCRWA's primary task is to develop and implement strategies to comply with the Harris-Galveston Subsidence District's Regulatory Plan. NHCRWA covers portions of northern Harris County and shares part of its northern border with Lone Star.

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<sup>1</sup> Mr. Houston copied you, TCEQ's Executive Director, and all the general managers in GMA 14 on his March 11, 2019 letter.

As additional background, the previous board<sup>2</sup> of the District adopted a regulation mandating that all large volume groundwater users reduce their production by thirty percent (30%) and submit a groundwater reduction plan to satisfy their conversion obligation. As set forth in section six of the District's management plan, the 30% reduction regulation was ruled void and unenforceable as a matter of law by the 284<sup>th</sup> Judicial District Court in Montgomery County, Texas on the basis that the District had exceeded its statutory authority.<sup>3</sup> Further, the 2016 DFCs, adopted first by GMA 14 and then subsequently by the District, were petitioned and later found to be no longer reasonable by an administrative law judge (ALJ) at the State Office of Administrative Hearings and ultimately by final order of the previous board when it adopted the ALJ's decision.<sup>4</sup> In section seven of the District's management plan, the District explains the DFC petitions and resolution, and the District's continued efforts to adopt reasonable DFCs through the GMA 14 joint planning process.

WJPA and SJRA contend the District's management plan fails to comply with Texas law and TWDB rules because it omits (1) management goals and objectives addressing achievement of the desired future conditions for the aquifers adopted through the joint planning process, and (2) estimates of the modeled available groundwater in LSGCD as provided by the executive administrator of the TWDB based on those DFCs.<sup>5</sup>

The WJPA and SJRA's comments misrepresent the content of the District's plan and expand the requirements for administrative completeness. To be approved, a management plan must meet the criteria in section 36.1071(a),(e) of the Texas Water Code and Chapter 356 of the TWDB

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<sup>2</sup> Both WJPA and SJRA had positions on the District's board from Lone Star's creation until November 2018. Stinson served as the WJPA's representative on Lone Star's board for over eighteen (18) years—from the creation of the District until the newly elected board took office in November 2018. Mr. Houston served as SJRA's representative on Lone Star's board from November 2013 through November 2018.

<sup>3</sup> Mr. Houston's statement on p. 2 of his letter—the "District's recent actions announcing its intent to void groundwater regulations..."—suggests that the District unilaterally voided its own regulations. Putting aside that a groundwater district has authority to amend its own rules, Lone Star is striking the 30% reduction regulation in order to comply with the court's ruling. I hope Mr. Houston is not suggesting that Lone Star should refuse to comply with the court's ruling and forthcoming final judgment.

<sup>4</sup> Undoubtedly, the TWDB is aware of the two DFC petitions as TWDB staff including Larry French, P.G. were involved in the petition process as parties and/or witnesses.

<sup>5</sup> SJRA provided additional comments on the plan on pp. 2-3 of its letter. The District made changes to its plan at the March 12 hearing in response to SJRA comments. Regarding 10.3.1, the District revised to indicate it "shall monitor in real-time." Regarding 10.4 and 12.4, Lake Conroe is identified as the primary surface water supply in Montgomery County in 12.1. Regarding 10.7, the District revised to provide information on why recharge enhancement is difficult. Regarding Appendix G, the District provided SJRA with a copy of the draft plan on March 4, 2019, and immediately following adoption of the plan on March 12, 2019, the District provided SJRA with a copy of the adopted plan. *See* enclosures. Documentation was provided to the TWDB when the plan was submitted for approval.

rules. Pursuant to section 36.1071 and the TWDB rules, the plan must address the desired future conditions adopted by the District under 36.108 and include estimates of the modeled available groundwater in the district based on the DFCs established under 36.108. The District's management plan does *address* the desired future conditions and *include* estimates of the associated MAGs—a point SJRA concedes in its letter.

Despite meeting the criteria in section 36.1071 and the TWDB rules, NHCRWA, SJRA and WJPA (through its recitation of SJRA's letter) contend the District's plan fails to comply with Section 36.1085 because the "plan contains no goals and objectives consistent with achieving the DFCs." First, section 36.1085 does not apply to the administrative completeness review. Second, and more importantly, the plan does contain goals and objectives consistent with achieving the DFCs. For example, sections 8, 9, and 10.8 specifically identify actions, procedures, and performance for the plan's implementation, and a methodology for tracking the District's progress in achieving its goals including a DFC Achievement Study—a scientific evaluation of collected monitoring and reported pumping data that will be used to demonstrate whether the DFCs are or are not being achieved. Further, as expressly stated in the District's Mission, Lone Star will make "appropriate adjustments to allowable and permitted production, as warranted, to achieve the aquifer management standards over the long-term." Lastly, SJRA correctly identifies that Lone Star carried forward many of the same management objectives and performance standards from its previously approved plan.

SJRA believes the plan cannot be approved unless the District formally re-adopts the 2010 or 2016 DFCs and NHCRWA contends the District must re-adopt the 2010 DFCs. This approach is not required (or authorized in Chapter 36 or TWDB rules)<sup>6</sup> and renders the DFC petition process meaningless if Lone Star is forced to re-adopt the exact DFC that was found to be no longer reasonable or one that is substantially similar (SJRA notes that the 2010 and 2016 DFCs are substantially similar to each other). Further, despite SJRA's statements to the contrary, Lone Star has not unilaterally disregarded any DFC. Instead, Lone Star adopted the 2016 DFCs approved by GMA 14, but those DFCs were subsequently petitioned. Through the DFC petition process, the District became obligated to work with GMA 14 to adopt new or amended DFCs, which the District has diligently attempted to do. As you know, GMA 14 decided not to reconsider Lone Star's DFCs for round two and instead decided to address changes during the third round of planning. Consequently, the TWDB has not issued any new MAGs for Lone Star either.

The litigation over the 2016 DFCs and the 30% reduction rule has put Lone Star in "unchartered territory" in some respects. Despite the unusual situation, Lone Star's management plan does comply with Texas law and the TWDB rules.

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<sup>6</sup> In addition, SJRA's and NHCRWA's rigid approach ignores the staggered timing associated with the adoption of DFCs, a management plan and any rules implementing the management plan that occurs on a routine basis for all districts and that DFCs are long-term planning goals. Under this suggested approach, a district would be out of compliance any time its rules, management plan, and DFCs are not contemporaneously adopted.

Mr. Walker  
April 18, 2019  
Page 4

Due to the actions and/or inaction of the previous board,<sup>7</sup> Lone Star is starting over from square one in certain regards. Although history has charted the course and the newly elected board inherited this situation, please know the board is fully committed and working as quickly as authorized by law to address new changes and follow the law. In addition to press releases, public meetings and letters to its permit holders about the “state of the District,” the District is hosting five town hall sessions next week to obtain valuable stakeholder input in advance of contemplated rule revisions.

The District intends to be a cooperative groundwater district and GMA participant and appreciates your understanding and cooperation while it works through the process. Please contact me if you have questions.

Sincerely,



Stacey V. Reese

cc (e-mail): Mr. James Stinson, General Manager, The Woodlands Joint Powers Agency  
Mr. Toby Baker, Exec. Director, Texas Commission on Environmental Quality  
Mr. Mike Turco, General Manager, Harris-Galveston Subsidence District  
Mr. Jace Houston, General Manager, San Jacinto River Authority  
Mr. John Martin, General Manager, Southeast Texas GCD  
Mr. Zach Holland, General Manager, Bluebonnet GCD  
Mr. Gary Ashmore, General Manager, Lower Trinity GCD  
Ms. Sherry Plentl, General Manager, Brazoria County GCD  
Mr. Jimmie Schindewolf, GM, North Harris County Regional Water Authority  
Ms. Samantha Reiter, Interim General Manager, Lone Star GCD  
Board of Directors for Lone Star GCD (by separate e-mail)

Enclosures

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<sup>7</sup> As previously noted, both Mr. Stinson and Mr. Houston, as WJPA and SJRA’s representatives, respectively, were on the board during all relevant times including when the 30% reduction regulation was adopted/implemented and later deemed statutorily invalid, void and unenforceable, and when the 2016 DFCs were adopted and later determined to be no longer reasonable by the ALJ and the previous board. Further, notwithstanding that both were on the board when Lone Star changed its management goal from sustainability to measured aquifer level declines, WJPA and SJRA now argue that pumping above sustainable levels is not acceptable.



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local 936/494-3436 • metro 936/441-3437 • fax 936/494-3438  
email: info@lonestargcd.org www.lonestargcd.org

Kathy Turner Jones  
*General Manager*

March 4, 2019

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Larry A. Rogers

**VIA: Certified Mail Return Receipt**

Mr. Jace Houston, General Manager  
San Jacinto River Authority  
PO Box 329  
Conroe, Texas 77305

**RE: "DRAFT" Groundwater Management Plan for Review**

Dear Mr. Houston:

As required by Section 36.1071 of the Texas Water Code, we respectfully submit to the enclosed review copy of the Lone Star Groundwater Conservation District (the "District") "**DRAFT**" Groundwater Management Plan authorized by Board of Directors at their February 12, 2019 board meeting for publication and hearing.

The Board of Directors will hold a hearing open to the public on Tuesday, March 12, 2019, beginning at 6:00 PM in the James B. "Jim" Wesley Board Room located in the District's offices at 655 Conroe Park North Drive, Conroe, Texas. At this time a summary presentation of the plan will be offered, and public comment will be taken.

For additional information or questions, please feel free to contact me or Samantha Reiter at 936.494.3436.

Sincerely,

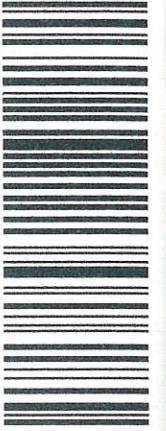
Kathy Turner Jones  
General Manager

KTJ

Enclosure



655 Conroe Park North Driv  
Conroe, TX 77303



CERTIFIED MAIL

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PS Form 3800, April 2015 PSN 7590-02-000-9047 See Reverse for Instructions

City: Conroe, TX 77305  
Street: PO Box 329  
Sent 1: San Jacinto River Authority  
Total: Mr. Jace Houston, General Manager

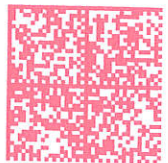
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Appendix G – Evidence of Coordination with Surface Water Management Entities



655 Conroe Park North Drive • Conroe, Texas 77303  
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 14, 2019

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Treasurer

Jon Paul Bouché

Jonathan Prykryl

Larry A. Rogers

Ms. Carol Ellinger Haddock, Director  
Department of Public Works and Engineering  
City of Houston  
PO Box 1562  
Houston, Texas 77251-1562

**VIA CERTIFIED MAIL  
RETURN RECEIPT**

**RE: LSGCD Groundwater Management Plan**

Dear Ms. Haddock,

As required by Section 36.1071 of the Texas Water Code, we respectfully submit to you the enclosed review copy of the Lone Star Groundwater Conservation District management plan as adopted by the Board of Directors on March 12, 2019.

Please note that Appendix F is incomplete, as the Board of Directors has yet to approve minutes from the public hearing on the management plan and the regular Board of Directors meeting in which the plan was adopted. Both meetings were held March 12, 2019. The minutes will be approved at the next regular Board of Directors meeting scheduled for April 9, 2010 and provided at that time to the Texas Water Development Board to complete the administrative review.

Please contact our office at (936) 494-3436 if you have any questions or comments about this plan.

Sincerely,

  
Samantha Stried Reiter  
Interim General Manager

SSR  
Enclosure





655 Conroe Park North Drive • Conroe, Texas 77303  
local 936/494-3436 • metro 936/441-3437 • fax 936/494-3438  
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Kathy Turner Jones  
General Manager

March 14, 2019

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Larry A. Rogers

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

**VIA CERTIFIED MAIL  
RETURN RECEIPT**

**RE: LSGCD Groundwater Management Plan**

Dear Mr. Evans,

As required by Section 36.1071 of the Texas Water Code, we respectfully submit to you the enclosed review copy of the Lone Star Groundwater Conservation District management plan as adopted by the Board of Directors on March 12, 2019.

Please note that Appendix F is incomplete, as the Board of Directors has yet to approve minutes from the public hearing on the management plan and the regular Board of Directors meeting in which the plan was adopted. Both meetings were held March 12, 2019. The minutes will be approved at the next regular Board of Directors meeting scheduled for April 9, 2010 and provided at that time to the Texas Water Development Board to complete the administrative review.

Please contact our office at (936) 494-3436 if you have any questions or comments about this plan.

Sincerely,

A handwritten signature in cursive script that reads "Samantha Reiter".

Samantha Stried Reiter  
Interim General Manager

SSR  
Enclosure



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local 936/494-3436 • metro 936/441-3437 • fax 936/494-3438  
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March 14, 2019

Kathy Turner Jones  
General Manager

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Larry A. Rogers

Mr. Jace Houston, General Manager  
San Jacinto River Authority  
PO Box 329  
Conroe, Texas 77305

**VIA CERTIFIED MAIL  
RETURN RECEIPT**

**RE: LSGCD Groundwater Management Plan**

Dear Mr. Houston,

As required by Section 36.1071 of the Texas Water Code, we respectfully submit to you the enclosed review copy of the Lone Star Groundwater Conservation District management plan as adopted by the Board of Directors on March 12, 2019.

Please note that Appendix F is incomplete, as the Board of Directors has yet to approve minutes from the public hearing on the management plan and the regular Board of Directors meeting in which the plan was adopted. Both meetings were held March 12, 2019. The minutes will be approved at the next regular Board of Directors meeting scheduled for April 9, 2010 and provided at that time to the Texas Water Development Board to complete the administrative review.

Please contact our office at (936) 494-3436 if you have any questions or comments about this plan.

Sincerely,

A handwritten signature in cursive script that reads "Samantha Reiter".

Samantha Stried Reiter  
Interim General Manager

SSR  
Enclosure