

Lost Pines Groundwater Conservation District

Board of Directors Agenda Minutes

Wednesday, September 13, 2023

The Board of Directors convened at 7:04 p.m. in a meeting pursuant to public notice having been given, at City of Giddings Council Chambers, Giddings, Texas. The following members of the Board were present: President Hernandez, Secretary-Treasurer Simmang; Directors: Melissa Cole, Herbert Cook, Phil Cook, Larry Schatte, Billy Sherrill and Sheril Smith.

Staff members present: Jim Totten, General Manager, Javier Saenz, Peggy Campion and Dana Goertz.

Consultants present: Natasha Martin, Attorney and Dr. Bill Hutchison, Hydrogeologist.

President Hernandez called the meeting to order and welcomed the public.

2. *Public Comments.* The Board heard comments from Jay Watson and Diann Watson.

3. *Special Agenda:*

a. *Limited purpose hearing on the reissuance of Operating and Transport Permits to GateHouse Water, LLC pursuant to the June 30, 2023 Settlement Agreement to resolve the claims under the lawsuit styled GateHouse Water, LLC v. Lost Pines Groundwater Conservation District, et al., Cause No: 1:22-cv-00132, United States District Court of the Western District of Texas.* Natasha Martin, General Counsel for the District, reviewed the brief history of this matter in terms of the settlement, primary terms of the settlement agreement and the court order remanding the case back to the District so that the settlement agreement could be acted on and implemented. Ed and Eddie McCarthy, Attorneys, were in attendance on behalf of GateHouse Water, LLC. Mrs. Martin answered questions from the Board. The Board went into executive session at 7:34 p.m. to discuss agenda item 3a. pursuant to Texas Government Code Sec. 551.071, or any closed session permitted by law, to consult with its attorney and seek advice regarding *GateHouse Water, LLC v. Lost Pines Groundwater Conservation District, et al.*, Cause No: 1:22-cv-00132, United States District Court of the Western District of Texas. At the conclusion of the closed meeting, the Board went back into the open meeting at 7:57 p.m. President Hernandez announced that no votes were taken during the closed meeting.

b. *Discuss, consideration, and possible action to reconsider the July 27, 2021 Board decisions and accompanying orders on the GateHouse Water, LLC Operating and Transport Permits.* Director Cole moved to rescind the Board actions taken July 27, 2021 related to the GateHouse operating and transport permits, and the accompanying orders, as described by the order rescinding the July 27, 2021 District Board decisions on GateHouse Water LLC's operating and transport permits as presented in the Board packet. Director Schatte seconded the motion with President

Hernandez, Secretary-Treasurer Simmang, Directors Cole, H. Cook, Schatte, Sherrill and Smith voting in favor and Director P. Cook voting against. Motion carried.

c. Discuss, consideration and possible action on reissuance of 10 Operating and Transport Permits for District Well Nos. 5933122, 5933409, 5933123, 5933217, 5933410, 5933411, 5933412, 5933413, 5933504, and 5933505 in Lee County to GateHouse Water, LLC. Director H. Cook moved to (i) ratify the settlement agreement between the District and GateHouse Water LLC, and (ii) to exercise jurisdiction granted by the court's remand order and reissue the operating and transport permits to GateHouse Water, LLC in the form presented in the settlement agreement and in the Board packet. Director Schatte seconded the motion with President Hernandez, Secretary-Treasurer Simmang, Directors Cole, H. Cook, Schatte, Sherrill and Smith voting in favor and Director P. Cook voting against. Motion carried.

4. *Executive Session:*

a. Executive session of the Board pursuant to Tex. Gov't Code section 551.071, or any closed session permitted by law, to consult with its attorneys and seek advice regarding GateHouse Water, LLC v. Lost Pines Groundwater Conservation District, et al., Cause No: 1:22-cv-00132, United States District Court of the Western District of Texas.

b. Executive session of the Board pursuant to Tex. Gov't Code section 551.071, or any closed session permitted by law, to consult with its attorneys and seek advice regarding the applications of Thomas Turfgrass for Operating Permits for four wells under District Well Nos. 58-47-9-0018, 58-47-9-0021, 58-47-9-0022, and 58-47-9-0020 in the Carrizo Aquifer. (No open session discussion or action on this item.)

c. Executive session of the Board pursuant to Tex. Gov't Code section 551.071, or any closed session permitted by law, to consult with its attorneys and seek advice regarding draft changes to the District's rules as a result of legislative changes. (No open session discussion or action on this item.)

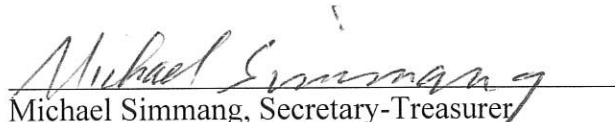
The Board went into executive session at 8:01 p.m. to discuss agenda items 4 b. and 4 c. pursuant to Texas Government Code Sec. 551.071, or any closed session permitted by law, to consult with its attorney and seek advice regarding the applications of Thomas Turfgrass for Operating Permits for four wells under District Well Nos. 58-47-9-0018, 58-47-8-0021, 58-47-9-0022, and 58-47-9-0020 in the Carrizo Aquifer and regarding draft changes to the District's rules as a result of legislative changes. At the conclusion of the closed meeting, the Board went back into open meeting at 9:06 p.m. President Hernandez announced that no votes were taken during the closed meeting.

President Hernandez adjourned the meeting at 9:06 p.m.

Approved:



Elvis Hernandez, President



Michael Simmang, Secretary-Treasurer