



## HOUSTON COUNTY COMMISSIONERS COURT MINUTES SPECIAL MEETING NOVEMBER 20, 2025

The Commissioners' Court of Houston County met in a special called meeting on November 20, 2025, **in person and via zoom**, with the following members present, to wit:

Jim Lovell	County Judge	PRESENT
Gary Lovell	Commissioner, Precinct #1	PRESENT
Willie Kitchen	Commissioner, Precinct #2	PRESENT
Gene Stokes	Commissioner, Precinct #3	PRESENT
Jimmy Henderson	Commissioner, Precinct #4	ABSENT
Terri Meadows	County Clerk	PRESENT

County Officials/Employees in person:

Melissa Jeter	Auditor	Present
Todd McConnell	IT	Present
Jan Pigford	Assistant to the County Judge	Present
Darrellyn Smith	Assistant to the County Commissioners	Present

Media:

Public/Guests: Alex Friedman (Attorney on Groundwater Issue) – zoom, Amber Stelly (Consolidate WSC), Dr. John McCall (Rancher), Chuck Cunningham (property owner), Velda Green (Mayor of Grapeland), Tami Barugh (Democratic Chair), Balis Dailey (property owner), Craig Broxson (Broxson Hardware and Construction), DeWayne High, John Angerstein (City of Crockett), Jim Gaines (property owner) - zoom

(1) Welcome, Invocation and Pledges:

Judge Lovell called the meeting to order at 1:30 p.m. Judge Lovell led the Opening Prayer followed by leading the Pledge of Allegiance to the American Flag and the Texas Flag.

(2) Workshop to discuss a possible petition to the Texas Commission on Environmental Quality for creation of a groundwater conservation district for Houston County.

**Commissioner Kitchen began stating: Why are we here? We are here because of conservation of our natural resources. Houston County, along with other counties have been blessed with a limited supply of natural resources. And those resources have to be**

maintained and preserved, is the word I'm looking for there. And so there has been recent headline news about large water wells being drilled in small counties that have an adequate supply of groundwater and transporting those resources to other larger metropolitan areas. And if you follow any news whatsoever, you know, Texas is growing and Florida are growing at a rapid rate because people are leaving the big cities. And when I say big cities, I mean New York, places like that and California as fast as they can. Texas is one of the states that's on top of the radar. Well, they go to Fort Worth or they go to Dallas or they go to Houston and they move in. And I was in Dallas last weekend in the area of Rockwall. I'm not sure if any of y'all are familiar with that area or not, but I was in Rockwall probably maybe 15 years ago, and there was actually nothing there. It was maybe a convenience store and gas station. Whatever. Last weekend I didn't recognize it. It was just it's booming and it's moving in all directions. So those cities have, most of them have one thing in common, and that is they don't have adequate water supply to accommodate the large population growth. So what happens is they go to the surrounding areas and they say, well, you know, Houston County has a lot of water and we can get some of that water to Fort Worth, Dallas, wherever. So we have to, as small communities, use every means at our disposal to preserve what is ours. It doesn't mean that you're going to not have the ability to export water, but it will be regulated in a way that there'll be water for the great, great grandkids, and we won't turn on our faucet one day and nothing comes out except a drip. This has been a very expensive venture, and I believe that it's something that our future generation will appreciate if we do this properly. This action is not just for us because I can speak for me, even if you start pumping tomorrow, I will probably have water until the day I die. But it's for your great grandkids. And we will go down in history to people that preserve those natural resources for this county. What we're doing today or trying to get done in this process was, is to put forth a regulatory body that will be managing our resources. That's put in a nutshell. It's all about managing your resources. You manage your bank account, you manage all the things in your life and groundwater is something that up to this point has just been take it if you want it, fine. We have plenty of it. But we don't know that we have plenty of it do we, Amber? We don't know that. So this requires that we find out how much we do have. And what the topic is, is desired future conditions. That's what we're trying to achieve. And there is a desire to succeed condition. It has to be established. And when that is established, then you know basically how much water that you can extract from the aquifer, how fast it recharges based upon historical data. And you can say, well, this many acre feet of water can be extracted per annual, per biennial, per whatever. But there has to be some way of knowing how much is going out. This is the basis of putting those criteria forward. Now, what we have before us today is a preliminary petition that is a draft. And we have our attorney online with us, Adam Friedman. He's on zoom. This petition can be modified in any way that we see that is needed. And this petition is to be submitted to the Texas Commission on Environmental Quality (TCEQ). There were other avenues that we could chosen to get to this point, but this one seems to be, not the fastest, but the best choice of the three. And I won't go into those two. If Adam would like to. He would. But what I would like to do at this time to please the court is ask our attorney to just give us some of the bullet points of the petition. I know there are certain segments that are just regulated by law that must be in there no matter what, but, Adam, would you give us a few of the highlights of the petition so that we can discuss those or ask questions, please?

Adam Friedman: Yes. And you set up nicely a framework for how we got to this point and to create a district. There are a few angles, and TCEQ seems to be the preferred route because it gives autonomy to Houston County. It's a district that is managed and run by Houston County

folks, as opposed to being a part of a larger district with other decision makers or other voters from other counties might have. And that was one strong basis for how the current path is headed towards a TCEQ petition. But as Commissioner Kitchen pointed out, it is a draft. The purpose of this public workshop is to discuss and consider any factors that anybody wants to talk about. But that was a primary factor for how it landed. To draft a petition to consider for the TCEQ, you have to have at least 50 landowners sign and have their property owner's property ownership confirmed and certified by the appraisal district. You have to identify how this district is going to be funded. This petition includes a proposed minimal tax combined with a minimal production rate on high volume wells. Not for every well, but high volume wells and I believe not for agricultural use. I can't remember. We'll have to look at that. Those are two funding mechanisms. We had to put together a budget for costs and expenses there will be. So there's a lot of, there's a lot of funding information about this and that is a high level. I mean, this petition is just the information about the county, the aquifers, the funding. And that gives the TCEQ enough information to do its analysis and check its boxes to decide whether or not the commission is going to approve creation of the district.

Commissioner Kitchen: The petition Adam mentioned required 50 signatures and it looks like the committee has gone way past that.... I think it's 117.

Adam Friedman: And there could be a lot more. But that was what. There was some excitement and some initial, some strong support. And at some point you have to manage that with the burden that you're putting on TCEQ to verify all of this information. So you want to acknowledge and respect the folks that want to be part of it, but you also have respected the timing and the burden that that would put on the agency to add thousands of petitioners, which I suspect there might be interest in doing.

Commissioner Kitchen: Correct. Is there anything else that highlighted here, Adam, that or should the commissioners, the commissioners have any questions of Adam, if not, I guess we can listen to the update from the committee. Do you have anything for Adam?

Judge Lovell: Adam, do you have a timeline of how long it might take for this commission to consider this petition?

Adam Friedman: You know, the timeline is that ultimately even if the commission approves this petition, there will be a vote by the citizens of Houston County to confirm creation. And my understanding currently is that vote will only be able to happen on the May or November ballot. So the timing that it will take the TCEQ is unclear, that it had different deadlines for how long it takes them to do things. But I think if you look at it in terms of this is going to be ready for a May vote versus a November vote? It is possible that it would be ready for a May vote, but it's looking more likely that it would be a November vote. I hope that answers your question. There're just too many unknowns about the deadlines for the TCEQ to take certain steps. So I think which election cycle is the more appropriate consideration.

Judge Lovell: Thank you Adam. On of the questions. Which comes first, the approval or by the voters or the approval by the commission on the petition?

Adam Friedman: The commission TCEQ makes its decision first.

Judge Lovell: Thank you. Anyone else?

Adam Friedman: One last thing. Important point, because it sounds like there's not a lot of information. There is a lot of information in this petition, but a very important point that might come up is that the specific rules on getting permits and registration, that comes when the district is operating, if it's approved by the voters. And so to the extent there's a lot of questions about what exactly the management is going to look like, a lot of that will come down the road. That is not. That information is not specifically included in this petition. This is a petition to create the framework for the board members of that new district to then manage the aquifer in Houston County as its constituents and its directors choose and adopt rules. Just want to make that clear.

Judge Lovell: Thank you Adam. Do any members of the court have anything else for our attorney at this time before we move to item three? Hearing none, Item 3 is an Advisory update from the groundwater steering committee. We have members of the committee present today, if you would, please.

(3) Advisory update from groundwater steering committee.

Dr. McCall: Thank you, Judge and Commissioners, as Commissioner Kitchen so succinctly spelled out along with Adam, that's a lot of what we have done. The commissioner court appointed a few of us. I have Jim Gaines on the TV right there. My vice chair or co-chair, Amber Stelly is here. Barrett Riess and Randy Parten. I believe everybody. And I think the good thing that you've got that the commissioners have done is appointed a group of people that 15 years ago we were all against the groundwater district. So that's the way we came into this. So we were scrutinizing absolutely everything. So what changed in the last 15 years? Well, Kyle Bass changed everything the last 15 years because he wants to monetize water, send it elsewhere, wherever that may be. And it's what I like to call the slippery slope syndrome. If you don't stop this project, there will be another and there'll be another, and the aquifer will not be able to withstand that. And as Commissioner Kitchen said, our children and grandchildren will pay for that if we don't pay for that because I don't know how long it can sustain that. Houston county sits over, I would call it the sweet spot of the aquifer. The Carrizzo Wilcox is a large aquifer that goes from northeast of here to way down southwest of here, where our area is the widest, deepest, and closest to the surface. So you can get more, you can extract more water out of it. And to that extent, you could probably do more damage to it right here. Because we are over the sweet spot, we looked at a lot of different options. One of the options we looked at maybe joining the tri-district to the north of us, Anderson county, and that group up there. We felt like that was probably not the way to go. We also felt like that we made the right decision 15 years ago by not forming a groundwater district because it wouldn't have been strong enough to protect what we're trying to protect right now. Because we didn't know back then, we didn't know who the boogeyman was, right? So we would have had a groundwater district like most of them in Texas, that are powerless to go forward and stop that. So we looked at everything, rulemaking authority that would, that we could possibly come up with to make ours a very strong district that could actually protect the aquifer over Houston County. And we think we've done that. If you look at a big pie shaped chart of all the groundwater district in Texas, the biggest pie chart on that is production fees. Those are the ones that are in the least good shape of being able to fight, because they only want they can get any fees at all is to charge you for pulling out water. And they don't have enough money to be a powerful water

district. And then you've got a tax based district, and then you've got a small sliver that combines both of them. It's a production fee and a tax base. And as we all looked at it, we felt like the worst thing we could do is to form a groundwater district with no money, therefore no power. There's nothing you could be able to do stop anything. So Barrett is not here today, but Barrett looked at the very smallest tax rate we could come up with to give us some kind of basis for funding. Amber helped us look at the outflow because obviously with Consolidated Water as the general manager, she understands what, who the biggest producers or pullers out of the aquifer are. So that kind of set anything at a certain level and above, we need to put as much fee as the law will allow us to put on that, which is detriment. But also you have the ability to say no to a permit. I mean, it's not that hard to look at a permit and say is this a good permit or is this a bad permit? There's other things other than taking the water out and selling it. That's down processing plants, which are getting really, really big now. I'd be shocked if we don't have something like that coming to Houston County because there's a lot of water here. So it's not just exporting water. It's having somebody come in here and open a plant that could use way too much water, and how's that water going to be discharged? And that's what the groundwater district can do. And so we felt, and it was unanimous among the group, that Houston County, this is the time to have a groundwater district. The two ways, as Commissioner Kitchen alluded to, the two primary ways of getting one is going to the legislature, where the legislature doesn't meet this next year in 26. They won't meet until 2027. That's not over till May of 2027. And it would be the following November before you could take a vote, if we went that route. So we're talking a full calendar year later if we did not go through the TCEQ. So we looked at the TCEQ through a connection I have in the water world and the state government. I was connected with Chairwoman Brooke Popp, who was just recently appointed by Governor Abbott. She's the chair of TCEQ. So I had a conversation with Brooke. It was, I'd say, just so she'd know who we were. So when this permit hit her desk, it wouldn't be like, where's Houston County? What's this all about? I would say that conversation was a 10 out of 10. She got it. She understood everything. Very sharp lady. And she said she told me let me know before you file this petition and I'll do my best to push this through. I would recommend, Dr. McCall, that you reach out to Governor Abbott, because I know y'all are close. Let him know what we're doing. Let him know I'm in support of this, you're in support of this. And with his help, we feel like I'm more optimistic than Adam is. I think we can get on the May ballot, and if we can, that would be the preferred way to go, because once we get on that ballot, then we can have a temporary board that would oversee the election that would be on that ballot. Following that would be a permanent board, and the commissioners have given a lot of input on who that would be. And then we would have a groundwater district here in Houston County that would understand the issues that are uniquely positioned to affect Houston County more so than the other counties. And Amber got a lot of intel and I've been called from a chairperson of another county that's faced with something very similar to what we're doing over by Wharton. And we've been comparing notes of how we should go forward. And the rumor is the Smith County of Tyler does not have a water district. And they were looking to see what Houston County does to solve our issue because we're kind of, we're big fish in this pond. We really are. Everybody would love Houston County to be in their groundwater district because we're uniquely positioned over a powerful part of the aquifer. That's why we want to protect it. And if we were to join that district and Smith County were to join that district, now all of a sudden we are two out of 10 votes. If they ran out of money and said, hey, down there, way down there, away from us in Houston County, they're the third largest cattle producing county in the state. Got a lot of agriculture down there. We need to lower the limit on tapping those wells down there so we can get some

more money. And we'd be 2 out of 10 votes if we couldn't stop that. So we're trying to look to our committee, we're starting to look to the future and say what problems could come about that our groundwater, the future groundwater port, not us future groundwater board could solve. And when we laid it all out on the table, we felt like we definitely needed to have Houston County water district not join somebody else. They're not. None of the others are tax based. They don't have the revenue to be able to sustain a water district. And therefore if we join them, they could come after us for production fees. So there's several things that we. That we looked at. I can't thank my board enough. I thank Amber and Jim and Barrett and Randy Parten. I mean, we had some really, really sharp people here. They, the first meeting they said they made me chair and Amber's almost been my co-chair through this whole thing because we talked a lot through this. I think we have done what you, the county, which you commissioners ask us to do. And that is look at every angle of this and bring you something that we think would be the best path forward. And I think that is the petition that's on your desk right now. And if anybody appreciates you having this workshop to give everybody an opportunity to ask questions because we have. I know Chuck Cunningham, he. I'm uniquely, my ranch sits right next to Redtown Ranch. That's where Calabasas is. I mean, I share a fence line with him. It's about a mile and a half from me as the crow flies. So what you're going to have is not just damage to the aquifer, but you're going to have a zone of depression and all the surrounding ranches right there. Our wells are not quite 500 foot deep, anywhere from 430 to 480. That's kind of the sweet spot for that little area. But you got to go down another couple hundred feet to get into the big big part of it and you start sucking that water down. It's not just us. How many other people will suddenly have to spend all the money to drop their, pumps to bring that water up. And a lot of people, most people, I would say, are not going to be able to afford it. So then what do you do? You got no water. So it's a big problem. We think we have. We're in a good political position right now with Kyle Bass. He's facing some uphill battles. He's got a lot of resources, he's got a lot of money. He's got a lot of lobbyists. But he took on East Texas, and I think he underestimated the power of East Texas. And we have been able to hold him at bay so far through rulings and lawsuits and judges. And Cody Harris has done a wonderful job chairing the Texas Resources Committee out of Palestine. Trent has done a wonderful job. Trent Ashby, he's vowed to continue helping us and use all the resources. And Senator Nichols said he would use his resources to help lean on the TCEQ to move as fast as possible. So, Amber, anything else you'd like to add to how we got here?

Amber Stelly: I'm here to take any questions. I think you did a good job. I was the technical, one of the more technical committee members, so ask away.

Dr. McCall: So that's just kind of a summary of where we are. We had a bunch of meetings, and like I said, very very proud of the project we delivered to your desk. And now it's pretty much up to the landowners and the commissioners court.

Judge Lovell: Well, I certainly appreciate everything that y'all have done. I know Mr. Gaines is on, but Mr. Parten and the other committee members, Barrett, thank you all very much. You've been very thorough, and you took this seriously, which we know that you knew you would We certainly appreciate the work so far.

Dr. McCall: We're glad to do it. We appreciate our commissioner support because we wouldn't be where we are right now if it wasn't for the backing of you all. Y'all are truly protecting the county.

Commissioner Stokes: We appreciate it. Questions on director. What is the process, I guess? And, then what are we using for qualifications for our directors? How do we present them? How does that go about?

Dr. McCall: Well, we reached out to some of the commissioners here about who. And the first thing we had to do is draw up a district with basically five relatively equal populations. So what we drew was the city of Crockett is one, and then the four commissioners' districts after that. And surprisingly, the populations are pretty doggone close. And we've got well defined lines, which would make an election process pretty easy. You got city limits, and you've got your gentlemen's positions in the County Commissioners Court. So then we started looking at those. Who lives in those areas? Our choice, pretty much unanimous choice for the city was Chuck Cunningham. Got a long history as a past city council. He's a leader, banker, and a property owner that stands to lose a lot if this comes in. And then we went out to different areas and we looked for somebody on our committee that could bring a little something. Unfortunately, a lot of our committee lived in the same district. And so I think we kind of settled on Barrett. Barrett Riess on one. One of those. Although Randy Parten would be wonderful but they live in the same area. And then Gary Lovell suggested James Martin over here to come along. Amber suggested Dwight, who's on their water board. And I'm Switzerland on this. I don't really care as long as we have board members that want to come. Darrel Bobbitt was one that was selected who was very enthusiastic about coming and helping us. And I think that's fantastic to have somebody like him on there. And who am I missing? Who's who's the other one?

Amber Stelly: Craig Broxson.

Dr. McCall: Craig. Did you say Craig? Craig Broxson. Oh, yeah. Craig. I'm sorry. And with the long history of the Broxsons that would be a fantastic choice. Is that five people?

Commissioner Kitchen: Yep.

Dr. McCall: Okay, so that's kind of where we were. And then the committee to get started has to be a minimum of five. So it can be these five people. It could be six people. If two people decide they want to run, you know, for the other board, they could still be part of the same election committee that has to come along and oversee the election and formation of the groundwater district. But then once that passes, assuming it passes through the voters at that point in time, there'll be a ballot, and then each individual will have to run and anybody's free to run. Our group on there, to answer your question, was try to select some people a few weeks back and have them join our meeting. Craig, sorry you haven't been able to get there, but you'll get up to speed fast. I'm not worried about you. I know Darrel Bobbitt, Chuck, Dwight, and then of course Barrett's been there for a lot of them. And then James Martin came to the last one. So we at the meeting explained sort of what I just explained to you gentlemen right there. And that's how we got to where we are, because we think that depth and breadth of knowledge will help them be better, you know, stewards of our water going forward.

Judge Lovell: Will these first board members be decided in the same election as the voters are voting on the groundwater district itself?

**Dr. McCall:** Adam, good question. We can't can I? You're muted.

**Amber Stelly:** He's muted. You're muted.

**Adam Friedman:** Yes, I think that the first election is the yes or no on creation, yes or no on tax. But the general at the elections for the commissioner and board members will come later, is my understanding. Kind of manage the ship until that happens. There might be a chance we might be able to get the election, the board members all on that first ballot, but I don't know for sure yet. I don't think that's how it works.

**Dr. McCall:** Yeah, very good question. We talked about that. Now you will have, call it a groundwater steering committee. These, this original ones that, once this was formed, they can kind of fill in that gap until we have the actual election to move forward. But the, the actual nitty gritty of the groundwater district rules will have to come from that elected board. We'll have the general framework that's decided by the election. But if they want to just really dial down, that's got to come from the electoral board members.

**Commissioner Stokes:** So basically, if I don't understand your call, we're saying that if there could possibly be temporary directors, there could be six or seven or only, I guess. Is that what we're saying it could be?

**Dr. McCall:** It could be because you've got on the first directors, you've got. They're basically selected to get to run the election because they, they're the ones going to run it, and then they kind of fill in the gap going forward. So not sure. At some point in time, we have to weed it down to five.

**Judge Lovell:** Right. And that would be, though, in anyone running for those positions, is that correct? Like a hospital board?

**Dr. McCall:** Yes, correct.

**Judge Lovell:** School board. Anybody that wants to run at that point. Right.

**Dr. McCall:** It would be an open election.

**Amber Stelly:** But I think clear there.

**Adam Friedman:** There will be five board members. I don't. I'm not sure what is being suggested that there'll be more than five. There will never be more than five unless the legislature creates a second issue.

**Dr. McCall:** No, what we were looking at is the original committee that just oversees the election. The way we read the law, it said a minimum of five.

**Adam Friedman:** So there will be five. That you can give multiple names, but there will be five directors.



**Dr. McCall:** Okay, you're right. When the actual election comes. So there'll be five. And I think when it's. When. By the time this election happens, we need to settle down who those five are.

**Commissioner Stokes:** So, we're saying that if we submit seven applications to TCEQ, they're gonna narrow it down to five or we are?

**Adam Friedman:** I mean, you can submit as many names as you want, and I think they're just going to come back and say, well, who do you want us to appoint? What they will do is they will vet and make sure that all however many we submit are qualified, which I think it's not very hard. You just have to be a voter in the precinct. It's pretty easy to qualify. If we submit 10 names and 10 qualify, they're not going to pick which five. They're going to turn right back around, and I think they're going to tell us to tell them which five.

**Dr. McCall:** We don't want to do that. We came out of the last meeting with five, and listed those down, and I think those are five we're going forward with. I think what we're saying, if somebody else wants to take one of those on in the general election, they're welcome to do that.

**Judge Lovell:** As many as want can run for the positions. I mean, do they have to live in the precinct?

**Adam Friedman:** Right. Correct. And I think we might be able to have that election on the precinct directors. And it, oh, is going to come down more timing and logistics than it is about authorized under the water code. So that's a question for the county's internal infrastructure for getting a ballot and candidates and forms. So you can even fill out the form to put your hat in the ring. So I think if all of those logistics can be done, then we probably could have a vote on directors at the same time, I think. And again, that will be heavily influenced by whether we think this will be on the May ballot.

**Commissioner Stokes:** So I think I heard seven names mentioned earlier. Who's the five that that you the committee decided?

**Dr. McCall:** I think. Are they written down there?

**Amber Stelly:** If you look at number 19 on page five, the petition, that's the final names. It was not unanimous, but those are the names.

**Adam Friedman:** And you know, this is also a good opportunity. This is not a decision by the steering committee. It's not even a completed decision by the county. The petitioners that are signing this are ultimately signing their name to these names. And we will be making sure that if anybody wants to pull their name from the petition for any reason, whether it's one of this or anything, they can do that. So these are simply proposed names that make good sense. They've cleared, as best we can tell, the qualifications and would make this process smooth. But it's not a steering committee's decision. It's not a County Commissioners Court decision. It is a landowners that are signing the petition decision. But that would never go anywhere if there wasn't this group frankly, that has done outstanding work to get this petition to that point. But every one of those landowners will have an opportunity either

before we file it or after it pull their name. So I just wanted mention that this is a decision and a petition being filed by the landowner.

Commissioner Kitchen: So we are pretty sure about. There's a large amount of support for this district, much more than any was how many years ago. We have 15 years ago. And I think John already sort of did not give the depth of how much he and his dad were opposed to this. They were some of the greatest opponents to this. And now it's complete. Now he's serving on committee. He's calling off and he's doing all these things to facilitate the formation. I was here 15 years ago, so I know how this all went. Bad information spreads much faster than the truth. So it's very important that when people talk about this that they have facts because I've heard all the why not's, but I want to be sure that we're putting out good information, accurate information. The data. Amber, most people really won't pay attention to that. They really like bullet points, gossip, those sort of things. And I'm only making a point that is actually the beginning of the public information gathering, spreading it all sorts of here today. So I want to be sure we have our facts and we're all on the same page, and we know that we're putting the truth out there. And as I said at the beginning, it's up to the voters. This is not our decision as a court. This is not our decision. We just facilitate the putting it up to them for a decision as to whether they want to support it or whether they want to reject it. All the reasons are here to support it, all of it, because this not only affects those people who have wells. There are wells being used for public water supply all of the county. John's here. They're using wells. Amber, Y'all using most of the well. Kennard probably has a well. I mean, there's wells. And so all these public wells will also be in jeopardy. Correct? So adequate and full information is what needs to be placed out there. What I was going to ask you was, have y'all heard any negative?

Amber Stelly: On the municipal side or just general public?

Commissioner Kitchen: Either, or both.

Dr. McCall: The only thing I've heard was somebody told somebody that well, we've got enough regulations. And I, you know, okay, that's just somebody has kept up with it on where we are. Because to your point, I was so vocal 15 years ago I was the chairman of the "I'm agin it Club", and now I'm chairman of the, "we gotta do this" because the time is now. I still stand by the fact I'm glad we did not do it 15 years ago because I think we'll have a stronger district this time. I really do. I think now we know what we've got to do. Back then, we just didn't. But we have to do something, because groundwater districts are what the state looks for when they make their water plans and everything else. We don't have credible data because we're not a district. And they listen to us like they will.

Amber Stelly: And some other concerns I heard so consolidated, of course, being the single largest pumper that we know in the county, we hashed this out quite extensively at our board meetings. Just sort of what is the threat, the regulatory threat to the municipal pumpers? Because even with, you know, any amount of a pumping fee or a maintenance tax or a regulatory. Regulatory burden is going to cost our members something. And so we've hashed this out quite extensively. I've also talked to the city of Grapeland. But I would say to your concerns about Kennard and sort of this. This should trouble everyone. Every city in Houston County will also receive a copy of this petition once it's finalized and before it's submitted to the TCEQ. We will have to submit this each city to give them an opportunity. And Adam will jump in. I'm sure if I'm wrong, he's good at doing that. But they'll receive an

opportunity as well to give input on this petition to TCEQ. So we've started making those calls with some of our cities in the county. So concerns are, of course, pumping fee. Right? I mean, I think that's going to be a concern for the landowners that are not on municipal wells and also for the municipality. And so I do think that's something that we should all sort of familiarize ourselves with. If people are looking at this or listening to the rumors and they don't really, really understand what we're saying what that is, the model that we're using, or we're estimating, is that there are maybe 3 very large producers in the county currently. This is modeled off of Consolidated, because I have that data available. But we're talking about wells that produce 200 acre feet per year, which is 325,851 gallons per acre feet. So that's over 65 million gallons of water about per year. This is not, you know, a rancher sort of outfit. This is. These are large wells that we're using for this calculation. So that's why you know 1.5% and 1.8% of the budget. That's why those numbers are there. It's not meant production fees are not there to actually generate revenue for this. We're proposing them there as an option to protect the county if a large pumper comes in. So that I think that's something that we should be prepared to answer if someone looks at this and says, what do you mean production fees? Well, domestic small wells are exempt. Okay. And those specific rules, as Adam mentioned, will be crafted by the initial board, which is very likely going to be temporary board members that choose to continue on. But I think production fees are going to scare people, obviously. So we need to be prepared to explain to them that is not for domestic users. That's for large municipal, Eastham, Consolidated, maybe Crockett, if you get your big wells going, if that well is producing over 65 million gallons a year, the worst case, using the maximum that this district would be allowed to charge with the current law is showing right now as a burden of \$9,100, that's to Consolidated. That's even basically Consolidated, worst case, \$9,101, total for consolidated. We said 3 of consolidated wells and I don't think there are very many wells like Consolidated out there. Eastham probably has, has a 300 horsepower or so well out there well motor.

Judge Lovell: Is that an annual cost?

Amber Stelly: That to consolidated? Yes, that is \$9,000. Yes sir. Yes sir.

Commissioner Kitchen: It's less than half percent of our thousands of customers. That's not going, that's going to be a minimum.

Amber Stelly: It's negligible. It's less than the cost of lowering a motor if we had to. And so, so the name, that production fee is a bit alarming, but it doesn't it doesn't apply to most people. So I think that's important.

Judge Lovell: Residential well,

Amber Stelly: no, that would be considered exempt. No sir. Nor sir, that'd be exempt. Export is on there as well. If people asked about export we're not saying, you know, we use consolidated export numbers. This is not saying Kyle Bass export. Is this \$7,000 what we think we're gonna get from Redtown? No, this is just realistic. This is what we think we're exporting out of Houston County currently using what we know about current use from Consolidated. Really. And then of course, the tax, the maintenance tax is what we're going to. I think I've had some questions.

**Dr. McCall:** The tax is extremely small. Like for a million dollar valuation, less than \$200 a year is what we're talking about. So I think you're right. Facts need to be out there. And the fact is virtually every well is not a commercial well and Houston County is exempt. So you don't have to worry about is somebody going to come put a meter and charge me. The answer is no. How much is it going to cost me, very little. But it's to protect the aquifer and protect this county.

**Commissioner Kitchen:** It's funny you said that because that's what was spread before that a meter was going to be put on your domestic well. Y'all remember that? Everybody have a meter on their well. Then somebody just come out there and check it every month and like, oh my God, I'm not let nobody on my property to put a meter on there. I'm going to run them off with a gun. I'm glad you brought that up. No meters on domestic wells in bold print. Right. So right.

**Commissioner Stokes:** I've got one more question because it's been asked to me twice a day and, I said I would ask this question and I just want to go back to the board member just so these board members most likely would stay on and try to be elected. And so what, what is the cumulative amount of experience? I guess between that we had kind of rough number years' experience in groundwater on our selected members here that's on this petition. Are they experienced for groundwater?

**Dr. McCall:** That's hard to say. Most of my experience came from watching Doc drill those wells back in the 70s and what's happened over the last 50 years to those wells. And the rest of my knowledge came from what I learned sitting on this committee. So it's a lot of learn as you go. And, we were just trying to put confident individuals on there that understand what their mission is, what we're trying to do. And we feel like they can come up with the right choices.

**Amber Stelly:** I can answer that, though. We at Consolidated has recommended Wayne High, who is a voter in Houston County and he has over 47 years of groundwater management experience. It's also a family business. I understand he's not, he doesn't have the name recognition, which I'm not going to dismiss. That's very important. Up until six months ago, I didn't have any name recognition. My life was a little bit easier back then. So I certainly don't want to dismiss that. But that is the only area that we've not totally been aligned with is Consolidated strongly feels that we need substantial groundwater management experience in our initial pick and that those other very valuable and well known pillars of the community can handle everything else.

**Commissioner Stokes:** When we started this project, this court nominated John. I think we got the very perfect individual. I don't think we could have found anybody any better to, to represent us in this community. But when we left here, I just want to make sure that we've got this gold steel, and that, that we wanted to create the best groundwater district that there is. And that's what I want to see. I, I don't want just a groundwater district. We need one. We've got to have one. I'll tell you, we've got to have one. But it needs to be that very best groundwater district that we can possibly come up within the means of legislation, law and with knowledge. And I want to make sure that we keep that, you know, up here, up top. Because that's the thing I want to see when we leave here. Because the one thing that's going to be a fact, no matter what, if TCEQ grants its petition or if it drags on and we have to go through legislation, whatever takes place. Once we get it, it's here forever. We're not

gonna, we're not gonna get rid of it. So we're gonna have to deal with it. So like I said, I want it be the most beneficial and I think we all, I'm not saying nobody doesn't. I think we all want to be the most beneficial to the citizens of Houston County and into our natural resource, this water that we've been blessed with for years to come for our kids and our grandkids. And so you know, with that said, I'm gonna leave that there. Like I said, I want to make sure that we don't just create a groundwater conservation district. I want to create the best that's out there. I want it to be the benchmark for other, for Smith County or anybody else that wants that's a county that's realized they're in trouble like we are. And so with a that I, I, I'll stop there.

Judge Lovell: And ultimately it'll be the voters that decide who those board members are.

Dr, McCall: Right. We we'll need to put four or five. Right.

Judge Lovell: And so if someone else chooses to run for anything else that anybody can run.

Dr. McCall: Absolutely. We had, we had, I would say we had other people that we brought in and when, when they saw the scope and the depth of the work that they took themselves out of it because this is, this is, this going to be a real job.

Judge Lovell: Do we have any more updates from our steering committee or questions for them? If not, Item four on our agenda is Consider information and timeline for a possible petition. I think we may have already covered that. I'm hearing that the timeline is, is for the petition is we're in that process now. Right. To submit that.

(4) Consider information and timeline for a possible petition.

Dr. McCall: Right, I just, I keep reminding everybody before we submit this give me a chance to make that phone call to the I have to do that before it is submitted because I cannot have any ex parte communication with her after submission. So just give me a couple days heard start and just let her know it's coming.

Judge Lovell: Who submits the petition? I know the landowners do that signed it.

Amber Stelly: I am a signatory and I believe Adam is also going to be signatory and it's considered a landowner submitted petition. But Adam, is it, is it correct that we have first to submit the final draft to the cities and within the county certified?

Adam Friedman: There will be a cover letter with the petition that will likely be signed by Amber and/or me just explaining what the petition is. The petition itself will only be signed by the petitioners. Before we can compile that, Amber is right. We will have to send a copy to all of the cities and receive certified letter from their city secretary saying they received that copy. And the same is true for the county. We'll have to do that for you guys. And it'll also have to be posted publicly. Commissioner's coordinates. For anyone to come look at it, they're gonna have to access to it. And then the petition can be filed with the TCEQ and then I think that what the agenda item is really about, the timeline for resolution is to come back before you all and see whether the county wants to adopt a resolution in favor and endorsing the petition to attach with it so the TCEQ sees that this is supported by the local elected officials. I believe Consolidated is considering something like that. I suspect some of

the cities might consider something like that. But I think that's what the timeline is also talking about is when you know, do we expect to be back in front of the County Commissioners Court for a resolution?

Commissioner Kitchen: Does the county have to actually verify the petition is legitimate or has it already been sent?

Adam Friedman: I don't know if someone's trying to talk.

Judge Lovell: I'm sorry. Go ahead.

Adam Friedman: The court, the county and cities, all they're doing is checking the box and then receive the copy. There's no vetting or there's no, you know, authenticating information or anything like that. Purely saying we've received a copy that we can review.

Commissioner Kitchen: Okay. Because we know that it looks like the appraisal district already verified that the names are actually landowners in Houston County because we have a whole stack of their verifications. But I didn't know if the commissioners court had to also say, yes, this petition is legitimate, and yes, it is a verifiable. Whatever the question be. Adam, normally in the past what we do when a petition is submitted, our tax assessor collector does that. But it's already been done in this case, by the appraisal district.

Adam Friedman: The only the county can just have the discretion to adopt a sort of vote for vote of support. Okay. For the TCEQ to see. And that's totally discretionary.

Commissioner Kitchen: Only time left resolution. Right. Okay. All right.

Judge Lovell: Well, now that. Not at our next that's already been posted.

\*Several people speaking at once and I am unable to make sense of what is being said.

Commissioner Kitchen: I think if he's trying to push this a lot faster for May election the sooner the better.

Judge Lovell: We can we post a meeting tomorrow for Wednesday, next week. Right before Thanksgiving. Can we post a meeting for Wednesday of next week?

Melissa Jeter: Wednesday at 3 p.m.

Commissioner Kitchen: That's what I was saying to the Judge, if we can have a special meeting as soon as possible they can put the packages together and get the notices out

Judge Lovell: You said Wednesday at 3?

Commissioner Kitchen: yes, it's 2:27 now.

\*Several people speaking at once and I am unable to make sense of what is being said.

Judge Lovell: Okay, public comments, anyone?

**Dr. McCall:** Last thing I would say, Judge, is this pretty much, you know, our committee work is done. Amber and or Adam will have to work with signatories to get this thing going forward. I want to thank you for the other four members you gave. I don't know about me, but you couldn't pick the the other four any better. They were fantastic. I think they did a good job, and we are just glad to be of service to the county.

**Commissioner Kitchen:** Well, you know, I wouldn't say your work is done. We're going to need y'all to help with the public information.

**Dr. McCall:** We'll be glad to help any way. I hope so. And if we need to get our committee back together, we certainly can. But I think that to get us to this point and have a direction is what we were focused on.

**Commissioner Kitchen:** Well, wonderful job. I know I've said it before, but it was a perfect group sounds like there was no setbacks. Nobody was a fifth wheel. No one stopped the motions and everything. Everything moved forward in a good manner. So great job. Fantastic.

**Judge Lovell:** Yes.

**Dr. McCall:** Thank y'all.

**Balis Dailey:** Judge can we make any comments?

(5) Public Comments

**Judge Lovell:** Yes sir. We would do that. Two minutes, please sir.

**Balis Dailey:** Thank you, Judge, and thank the committee for all the work. And Amber, thank you for keeping me informed. I'm in the city of Grapeland. Basically, we use 58 million, little over 58 million gallons of water per year. So our monthly is getting close to 5 million a month. And we're very concerned. Water is going out just below the 600 mark. We already have an (unsure), so if it drops any lower, we got some significant problems with our water for our community. And we service not only our community, but we also furnish water to Consolidated, which helps them in case of need. So we have a strong interest in Grapeland to support the project. And I'm thankful for y'all working on it. And we've an opportunity to speak with y'all before, this time in the process that we're looking at taking. Is there a strategy in there to stop drilling now? Because whenever you look at the timeline that they've given, we're looking at a year and half before anything happens if we can get them some strong rules. And secondly, how do we overcome those rules that are already in the state concerning the water district? And we know that this legislature is not going to meet until 2027. That means we'll be June, it'll be November before. So we're looking at two years before we can make significant changes that stops it now. So we need a strategy somehow while we're trying to get this worked out where we can get this done. We got to stop it now because he puts those wells in and certainly has the money, as you pointed out, to do it. He puts. I don't care it it's three. And he puts them in there and starts pumping out. There's no level to what he can't pump out. And the second part of it is we'll probably never recover that. That would be gone and it'll be grandfathered somehow. And I don't believe that

there's any court in the land that will allow us to stop him at that point with investment. But if we've got that and we can come up with something like that. We know, and I believe the mayor will speak probably in a minute. But from my standpoint as a council person at all and also a landowner or rancher has said I'll work very, very hard to support the committee and to do the same, to get signatures and whatever else we need to do. But I don't want to go out and to do this and then we create a taxing district that does nothing or is not able to do anything or that we cannot do it or what could happen in the interim time. And so consequently, and y'all please have considered those. I'll turn it over to the mayor if you'd like to speak.

Judge Lovell: Just to answer your question, Mr. Dailey is there any avenue to curtail the drilling now? I don't know of any.

Dr. McCall: Well there is. To give you a bit of history. You remember Cody Harris introduced legislation that passed in the House. And what that was going to do was create a moratorium on any drilling until there were a couple of hydrogeology studies to follow the aquifer. All right. That didn't pass through the Senate. Don't love that. However, due to the lawsuit, that is that Amber's group is part of. They and two members of the Neches Trinity Groundwater Conservatory District. The water district up there were (not understandable). Well, one of them resigned for a conflict as he should have. He's working with Kyle Bass. That was Bass the other one was a city council member who by law couldn't serve. So Cody Harris was very instrumental in putting two strong people back on that board. So what they have done at the last meeting is they withdrew the permit. They changed their vote. They said, we are withdrawing the permits that were given. There are no permits. And so went down and got an injunction. Until there is a ground basically through that district. They did about what the legislature was trying to do. Until there's some hydrogeology studies done on the aquifer, no drilling, no permits will be given to him. Kyle Bass asked for that to be over. And judge just recently what Amber last week yesterday sustained that and said, no, that stays in place. And that was a traveling judge. So I was a little worried about that. So there is, right today it looks good. I don't know what it's going to look like next week. You know, Kyle Bass throws another curve off.

Judge Lovell: Does that apply with our county with no groundwater?

Dr. McCall: It does not. Now there's nothing stopping him from coming into a nest, right? It doesn't.

Balis Dailey: It doesn't help us in Houston County. It does in Anderson county and Cherokee County. Right. But us, we're wide open.

Dr. McCall: We don't think he would try to.

Commissioner Stokes: If he tried to be shown in good faith, and I don't think it would be profitable without all the bills. That's just my personal opinion, but it's just a lot of structures to be.

Balis Dailey: I agree Gene that's your opinion, and I certainly would hope.....



**Commissioner Stokes:** I will share some facts with you there. There's no power base that's established down there for electricity to run 12 wells right now. And it would be several, several years before that can happen.

**Balis Dailey:** If you can guarantee it, I'm fine.

**Commissioner Stokes:** Oh, I can't guarantee.

**Balis Dailey:** You know, and the argument is not whether he will or not, is he could.

**Commissioner Stokes:** Well, he could. So that's the only argument.

**Balis Dailey:** There's nothing and I think that basically the question is that how do we stop him in Houston County? And so why can't we not? And we've said this before in lieu the same thing they're saying is, can we certainly put some kind of moratorium on it until we can the research and get the water district going?

**Judge Lovell:** No, sir.

**\*People talking over each other**

**Balis Dailey:** Well, it says. Look at the Constitution of the State of Texas, Article 1 says that we have the right for local jurisdictions and that the state does not interfere if we're not under the state rules, and we're not under the state rules right now. And so consequently, under that article alone, articles one and two, we could actually probably do that and also under the Constitution of the United States, but now, having said that before, I'm not against the water district because I'm for it. Okay. So understand that. I just want us to find a way to stop this in its tracks before we can get the water district.

**Judge Lovell:** We all would like to do that.

**Dr. McCall:** To get on the rule of capture is gonna oversee all of that, unfortunately.

**Balis Dailey:** Because that works well, we can do this because it's a danger to us. It's a danger to your ranch and mine and our community.

**Dr. McCall:** I agree. And that becomes a nuisance talking and that's a legal action that's just like Covid takes years. So I've said that before to some of y'all. I say Jean's her dad.

**Mayor Green:** I want to thank y'all for working on this project because we in Grapeland is thinking about building another well we need for our people. So we need another well. And if someone comes in and try to take our water, then we won't have enough for our people. So, but I'm glad that y'all have been researching all this and Amber keeps me informed on what's going on Dr. McCall. Y'all explained about the pumping fees and you said that was protect the people, which I'm glad that y'all is going to put that out. But I need to know how will we get the people in my territory area get the petition. Will it be in the paper? Will you send it to me or what?

**Amber Stelly:** So this will. The city will receive a copy of course the county, as Adam mentioned, will have it posted here for review. I would imagine that the city you would probably want to have

posted at probably City Hall for your voters to review. It's quite large. There are several exhibits and maps things attached to it. But that, that's the primary and of course we probably would need to explain some things maybe have a round table or something to help voters understand maybe.

Mayor Green: Could we have some kind of meeting in Grapeland and that way the people outside of can ask you questions and stuff like that.

Amber Stelly: That's a good idea.

Mayor Green: Thank you so much. Thank you.

Judge Lovell: Anything from anybody else. I make a motion we adjourn All in favor please stand. The meeting ended with everyone standing and leaving at 2:39 p.m.

(6) Adjourn

Adjourn **Judge Lovell made a motion to adjourn. The motion passed by everyone standing up and leaving the meeting at 9:55 a.m.**

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Jim Lovell, County Judge

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Gary Lovell, Commissioner, Precinct #1

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Willie Kitchen, Commissioner, Precinct #2

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Gene Stokes, Commissioner, Precinct #3

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Jimmy Henderson, Commissioner, Precinct #4

Attest:

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Terri Meadows, County Clerk

Date Approved: December 9, 2025