

PECAN VALLEY GROUNDWATER CONSERVATION DISTRICT  
107 N. GONZALES CUERO, TX 77954  
PUBLIC HEARING AND BOARD MEETING  
MINUTES

AUGUST 18, 2015 – 9:00 A.M.

Board Members Present: Darnell Knippa, Chairman (Pct. 2), Clem Waskow, Vice-Chairman (At Large), Wilbert Sauermilch, Secretary/Treasurer (Pct. 3), Tim Pennell, Director (Pct. 1) and Marvin Sager, Director (Pct. 4).

Also in attendance: Charlotte Krause, GM, Carole Moore, Admin. Assistant, Jim Allison, Attorney

Guests: Caitlin McCrady (BHP) & Robert Egg

1. Call to order: The meeting was called to order by the Chairman at 9:00 A.M.
2. Welcome guests: Guests were welcomed.
3. Public comment: None

PUBLIC HEARINGS OPENED AT 9:01 A.M.

4. Public Hearing – BHP Billiton – Joachim Strenk
  - a. Public Hearing on the Operating Permit Application from BHP Billiton on Joachim Strenk's property. The proposed permit application is to be used to hydraulic fracture an oilfield location. The Operating Permit Application is requesting 40 AF of water per year for a combined total of 93 AF per year from three water wells. This property is located on Catholic Church Road near Westhoff, Texas and involves 199 acres. No public comment or objection stated.
  - b. Discussion and consideration of operating permit application from BHP Billiton on Joachim Strenk's property: A motion was made to approve the Operating Permit Application from BHP Billiton on Joachim Strenk's property in the amount of 40 AF of water per year for a combined total of 93 AF per year from three water wells by Marvin Sager, seconded by Wilbert Sauermilch, which carried unanimously.
5. Public Hearing – BHP Billiton – Roger Krause
  - a. Public Hearing on the Operating Permit Application from BHP Billiton on Roger Krause's property. The proposed permit application is to be used to hydraulic fracture an oilfield location. The Operating Permit Application is requesting 40 AF of water per year for a combined total of 192 AF per year from three water wells. This property is located on Catholic Church Road near

Westhoff, Texas and involves 424 acres. No public comment or objection stated.

- b. Discussion and consideration of operating permit application from BHP Billiton on Roger Krause's property: A motion was made to approve the Operating Permit Application from BHP Billiton on Roger Krause's property in the amount of 40 AF of water per year for a combined total of 192 AF per year from three water wells by Clem Waskow, seconded by Tim Pennell, which carried unanimously.

6. Public Hearing – BHP Billiton – Hershel & Gertrude Ferguson

- a. Public Hearing on the Operating Permit Application from BHP Billiton on Hershel & Gertrude Ferguson's property. The proposed permit application is to be used to hydraulic fracture an oilfield location. The Operating Permit Application is requesting 40 AF of water per year. This property is located on Catholic Church Road near Westhoff, Texas and involves 492 acres. No public comment or objection stated.

- b. Discussion and consideration of Operating Permit Application from BHP Billiton on Hershel & Gertrude Ferguson's property: A motion was made to approve the Operating Permit Application from BHP Billiton on Hershel & Gertrude Ferguson's property in the amount of 40 AF of water per year by Tim Pennell, seconded by Clem Waskow, which carried unanimously.

7. Public Hearing – BHP Billiton – Madeline Migura

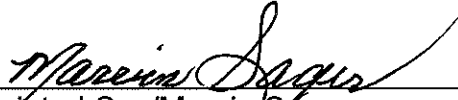
- a. Public Hearing on the Operating Permit Application from BHP Billiton on Madeline Migura's property. The proposed permit application is to be used to hydraulic fracture an oilfield location. The Operating Permit Application is requesting 40 AF of water per year. This property is located on Cotton Patch Road near Yorktown, Texas and involves 105 acres. No public comment or objection stated.

- b. Discussion and consideration of Operating Permit Application from BHP Billiton on Madeline Migura's property: A motion was made to approve the Operating Permit Application from BHP Billiton on Madeline Migura's property in the amount of 40 AF of water per year by Tim Pennell, seconded by Wilbert Sauermilch, which carried unanimously.

PUBLIC HEARINGS CLOSED AT 9:04 A.M.

8. Minutes from 7-21-15 Meeting (provided prior to meeting): A motion to approve the minutes as presented was made by Clem Waskow, seconded by Wilbert Sauermilch, which carried unanimously.
9. Financial Report – July (provided prior to meeting): A motion to approve the Financial Reports for July as presented was made by Wilbert Sauermilch, seconded by Clem Waskow, which carried unanimously.

10. Discussion and potential action new property purchase: No action taken.
11. Discussion and potential action on rules revisions: GM will prepare a draft of the suggested changes for the Board's consideration at the next Board meeting.
12. Legal Counsel Report: None given.
13. GM Report: Charlotte Krause, General Manager presented the GM Report.
14. Budget Workshop: GM presented Board with current financial statements along with projected income estimates for the upcoming fiscal year. A proposed budget was discussed with estimated expenses in each expense classification. GM will forward proposed changes to Board for action at a future meeting. After making suggested adjustments, which will be emailed to Board, further discussion and finalization of the budget will be made at the next Board meeting in September.
15. Discussion and potential action on proposed tax rate: After discussion, a motion was made to set the District's 2015 tax year proposed tax rate at .00828% by Clem Waskow, seconded by Tim Pennell, which carried unanimously.
16. Discussion and potential action on setting public hearing date for tax rate: Public hearing date for tax rate was scheduled for September 02, 2015 at 9:00 A.M.
17. Closed Meeting (If necessary) – Close the meeting to conduct private consultation with PVGCD attorney regarding matters protected by the attorney-client privilege pursuant to V.T.C.A. Government Code 551.07, or to discuss matters regarding personnel pursuant to V.T.C.A. Government Code 551.074: No Executive Session called.
18. Return to Open Meeting (If Necessary) – Return to open meeting and take any action deemed necessary based upon discussions in closed meeting pursuant to V.T.C.A. Government Code 551.102: No Executive Session was called.
19. Next Scheduled Board Meeting: Next meeting is scheduled for September 02, 2015 at 9:00 A.M.
20. Adjourn: The meeting adjourned at 11:15 A.M. with a motion by Tim Pennell, seconded by Marvin Sager, which carried unanimously.

  
Appointed Sec/Marvin Sager  
Recorded: Carole Moore, Admin. Assistant