

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

FEBRUARY 17, 2015 – 2:00 P.M.

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

Board Members Absent: Tim Pennell, Director (Pct. 1) and Darnell Knippa, Chairman (Pct. 2).

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

Guests: Sixto Ortiz (BHP), Jamie Notz, Jonathan Rehkopf, Brian Dlugosch.

1. Call to Order: The meeting was called to order by the Vice-Chairman at 2:00 P.M.
2. Welcome Guests: Guests were welcomed.
3. Public Comment: None

PUBLIC HEARINGS OPENED AT 2:01 P.M

4. Public Hearing – BHP Billiton – Scott & Jana Smart
 - a. Public Hearing on the Operating Permit Application from BHP Billiton on Scott & Jana Smart'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 Westhoff Cemetery Road near Westhoff, Texas and involves 110 acres. No public comment or objection stated.
 - b. Discussion and consideration of operating permit application from BHP Billiton on Scott & Jana Smart's property: A motion was made to approve the Operating Permit Application from BHP Billiton on Scott & Jana Smart's property in the amount of 40 AF of water per year by Marvin Sager, seconded by Wilbert Sauermilch, which carried unanimously.
5. Public Hearing – BHP Billiton - Sandra & Melvin Oehlke
 - a. Public Hearing on the Operating Permit Application from BHP Billiton on Sandra & Melvin Oehlke'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 FM 2816 near Westhoff, Texas and involves 200 acres. No public comment or objection stated.

- b. Discussion and consideration of operating permit application from BHP Billiton on Sandra & Melvin Oehlke's property: A motion was made to approve the Operating Permit Application from BHP Billiton on Sandra & Melvin Oehlke's property in the amount of 40AF of water per year by Wilbert Sauermilch, seconded by Marvin Sager, which carried unanimously.
6. Public Hearing – BHP Billiton – Sandra & Melvin Oehlke
- a. Public Hearing on the Operating Permit Application from BHP Billiton on Sandra & Melvin Oehlke'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 would be a combined total of 80 AF from two water wells. This property is located on FM 2816 near Westhoff, Texas and involves 200 acres. No public comment or objection stated.
 - b. Discussion and consideration of operating permit application from BHP Billiton on Sandra & Melvin Oehlke's property: A motion was made to approve the Operating Permit Application from BHP Billiton on Sandra & Melvin Oehlke's property in the amount of 40AF of water per year by Marvin Sager, seconded by Wilbert Sauermilch, which carried unanimously.
7. Public Hearing – Janet Adamek
- a. Public Hearing on the Operating Permit Amendment Application from Janet Adamek. The proposed permit amendment application is to be used for commercial water sales. The Operating Permit Amendment Application is requesting an additional 29 AF of water per year for a total of 79 AF of water per year. This property is located on FM 966 near Yoakum, Texas and involves 158 acres. No public comment or objection stated.
 - b. Discussion and consideration of operating permit amendment application from Janet Adamek: A motion was made to approve the Operating Permit Amendment in the amount of an additional 29 AF of water per year for a total of 79 AF of water per year by Wilbert Sauermilch, seconded by Marvin Sager, which carried unanimously.
8. Public Hearing – Meyersville Volunteer Fire Dept.
- a. Public Hearing on the Drilling and Operating Permit Application and Waiver of Fees from Meyersville Volunteer Fire Department. The proposed permit application is to be used for civic responsibilities. The Operating Permit Application is requesting 0.564 AF of water per year. This property is located on Meyersville Road near Meyersville, Texas and involves 1.128 acres. No public comment or objection stated.
 - b. Discussion and consideration of drilling and operating permit application and waiver of fees from Meyersville Volunteer Fire Dept.: A motion was made to approve the Operating Permit in the amount of 0.564 AF of water per year and

Waiver of Fees from Meyersville Volunteer Fire Department by Wilbert Sauermilch, seconded by Marvin Sager, which carried unanimously.

PUBLIC HEARINGS CLOSED AT 2:08 P.M.

9. Minutes from 1-20-15 Meeting (provided prior to meeting): A motion to approve the minutes as presented was made by Wilbert Sauermilch, seconded by Marvin Sager, which carried unanimously.
10. Financial Report – January (provided prior to meeting): A motion to approve the Financial Reports for January as presented was made by Wilbert Sauermilch, seconded by Marvin Sager, which carried unanimously.
11. Annual Audit Report from Goldman, Hunt, & Notz: A motion to approve the annual audit report from Goldman, Hunt & Notz was made by Marvin Sager, seconded by Wilbert Sauermilch, which carried unanimously.
12. Cancellation of Permits for Failure to Comply with District Rules:
 - a. Brian Dlugosch Operating Permit #0243
 - b. Brian Dlugosch Operating Permit #0244
 - c. Carole Schultz Operating Permit #0321Motion was made, for Brian Dlugosch and Carole Schultz to be given a 30 day extension to have the meters installed and meter readings reported, by Marvin Sager, seconded by Wilbert Sauermilch, which carried unanimously.
13. Discussion and consideration of MOA from Texas A&M University Agri-Life Extension Service: A motion was made to approve the MOA to Texas A&M University in the amount of \$3,500 by Marvin Sager, seconded by Wilbert Sauermilch, which carried unanimously.
14. Discussion and consideration of possible new office space options and/or lease agreement with Frank Burns: No action taken.
15. Discussion and consideration of changing board meeting date and time: No action taken.
16. Legal Counsel Report: No report given as attorney was not present.
17. GM Report: Charlotte Krause, General Manager presented the GM Report.
18. Closed Meeting: Executive session was called at 2:40 P.M. by Vice-Chairman Clem Waskow for discussion on Agenda item 12 regarding matters protected by the attorney-client privilege pursuant to V.T.C.A. Government Code 551. 07
19. Return to Open Meeting: Open Meeting was resumed at 2:55 P.M. for action on Agenda Item 12.

20. Next Scheduled Board Meeting: Next meeting is scheduled for March 17, 2015.

21. Adjourn: The meeting adjourned at 3:45 P.M. with a motion by Wilbert Sauermilch, seconded Marvin Sager, which carried unanimously.



Sec/Wilbert Sauermilch

Recorded: Carole Moore, Admin. Assistant