

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

OCTOBER 14, 2015 – 9:00 A.M.

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

Board Members Absent: Darnell Knippa, Chairman (Pct. 2)

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

Guests: Robert Egg

1. Call to order: The meeting was called to order by the Vice-Chairman at 9:08 A.M.
2. Welcome guests: Guests were welcomed.
3. Public comment: None
4. Financial Report – August & September (provided prior to meeting): A motion to table Septembers Financial Report until November Board Meeting and approve the Financial Reports for August as presented was made by Wilbert Sauermilch, seconded by Marvin Sager, which carried unanimously.
5. 2015 FY Budget Amendments: A motion to approve the FY 2015 Budget Amendments was made by Wilbert Sauermilch, seconded by Marvin Sager, which carried unanimously.
6. Quarterly Investment Report: A motion to withhold approval on the Quarterly Investment Report as presented was made by Wilbert Sauermilch, seconded by Tim Pennell, which carried unanimously.

PUBLIC HEARINGS OPENED AT 9:23 A.M.

7. Public Hearing – BHP Billiton – Eric Gaus
 - a. Public Hearing on the Operating Permit Amendment Application from BHP Billiton on Eric Gaus's property. The permit is to be used to hydraulic fracture an oilfield location. The Operating Permit Amendment is requesting an additional 20 AF of water per year for a total of 40 AF per year. This property is located on Kubala Store Road near Yorktown, Texas and involves 117 acres. No public comment or objection stated.
 - b. Discussion and consideration of operating permit amendment application from BHP Billiton on Eric Gaus's property: A motion was made to approve the Operating Permit Amendment Application from BHP Billiton on Eric Gaus's property requesting an additional 20 AF of water per year for a total of 40 AF per year by Wilbert Sauermilch, seconded by Tim Pennell, which carried unanimously.

8. Public Hearing – BHP Billiton – Leon & Vivian Respondek
 - a. Public Hearing on the Operating Permit Application from BHP Billiton on Leon & Vivian Respondek's property. The proposed permit application is to be used to hydraulic fracture an oilfield location. The Operating Permit Application is requesting 20 AF of water per year for a total of 40 AF per year from two water wells. This property is located on Cotton Patch Road near Yorktown, Texas and involves 102 acres. No public comment or objection stated.
 - b. Discussion and consideration of operating permit application from BHP Billiton on Leon & Vivian Respondek's property: A motion was made to approve the Operating Permit Application from BHP Billiton on Leon & Vivian Respondek's property requesting 20 AF of water per year for a total of 40 AF per year from two water wells by Tim Pennell, seconded by Wilbert Sauermilch, which carried unanimously.
9. Public Hearing – BHP Billiton – Allen Lanik
 - a. Public Hearing on the Operating Permit Application from BHP Billiton on Allen Lanik'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 total of 110 AF per year from two water wells. This property is located on Dworaczyk Road near Yorktown, Texas and involves 564 acres. No public comment or objection stated.
 - b. Discussion and consideration of operating permit application from BHP Billiton on Allen Lanik's property: A motion was made to approve the Operating Permit Application from BHP Billiton on Allen Lanik's property requesting 40 AF of water per year for a total of 110 AF per year from two water wells by Wilbert Sauermilch, seconded by Marvin Sager, which carried unanimously.
10. Public Hearing – BHP Billiton – Lisa Caskey
 - a. Public Hearing on the Operating Permit Application from BHP Billiton on Lisa Caskey'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 total of 81 AF per year from two water wells. This property is located on FM 952 near Yorktown, Texas and involves 192 acres. No public comment or objection stated.
 - b. Discussion and consideration of operating permit application from BHP Billiton on Lisa Caskey's property: A motion was made to approve the Operating Permit Application from BHP Billiton on Lisa Caskey's property requesting 40 AF of water per year for a total of 81 AF per year from two water wells by Marvin Sager, seconded by Wilbert Sauermilch, which carried unanimously.
11. Public Hearing – BHP Billiton – Roger Whitcomb
 - a. Public Hearing on the Operating Permit Application from BHP Billiton on Roger Whitcomb'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 190 acres. No public comment or objection stated.

- b. Discussion and consideration of operating permit application from BHP Billiton on Roger Whitcomb's property: A motion was made to approve the Operating Permit Application from BHP Billiton on Roger Whitcomb's property requesting 40 AF of water per year by Wilbert Sauermilch, seconded by Marvin Sager, which carried unanimously.

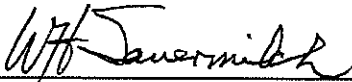
12. Public Hearing – BHP Billiton – Shirley Karnei et al
 - a. Public Hearing on the Operating Permit Application from BHP Billiton on Shirley Karnei, et al's property. The proposed permit application is to be used to hydraulic fracture an oilfield location. The Operating Permit Application is requesting 40 AF of water per year. This property is located on Cotton Patch Road near Yorktown, Texas and involves 136 acres. No public comment or objection stated.
 - b. Discussion and consideration of operating permit application from BHP Billiton on Shirley Karnei et al's property: A motion was made to approve the Operating Permit Application from BHP Billiton on Shirley Karnei, et al's property requesting 40 AF of water per year Wilbert Sauermilch, seconded by Marvin Sager, which carried unanimously.

13. Public Hearing – BHP Billiton – Robert Oliver
 - a. Public Hearing on the Drilling and Operating Permit Application from BHP Billiton on Robert Oliver'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 total of 120 AF per year from three water wells. This property is located on Bellevue Cemetery Road near Westhoff, Texas and involves 281 acres. No public comment or objection stated.
 - b. Discussion and consideration of drilling and operating permit application from BHP Billiton on Robert Oliver's property: A motion was made to approve the Drilling and Operating Permit Application from BHP Billiton on Robert Oliver's property requesting 40 AF of water per year for a total of 120 AF per year from three water wells by Marvin Sager, seconded by Tim Pennell, which carried unanimously.

PUBLIC HEARINGS CLOSED AT 9:28 A.M.

14. Minutes from 9-2-15 Meeting (provided prior to meeting): A motion to approve the September minutes as presented was made by Marvin Sager, seconded by Wilbert Sauermilch, which carried unanimously.
15. Discussion and consideration of sponsoring the TX Well Owner Network meeting in DeWitt County: A motion to approve sponsoring the TX Well Owner Network meeting for an amount up to \$500.00 was made by Marvin Sager, seconded by Tim Pennell, which carried unanimously.
16. Discussion and potential action new property purchase: A motion to give Mr. Conde until December 15, 2015 to close on the property located at 1009 North Esplanade, Cuero, Texas was made by Tim Pennell, seconded by Marvin Sager, which carried unanimously.

17. Discussion and potential action on rules revisions: A motion to approve the draft of the rules revisions as submitted was made by Tim Pennell, seconded by Marvin Sager, which carried unanimously.
18. GMA 15 Meeting Update: General Manager presented the update.
19. Discussion and consideration of employee health insurance: The Board went into closed meeting for the discussion and consideration of employee health insurance.
20. Closed Meeting: Executive session was called at 10:20 A.M. by Marvin Sager, seconded by Tim Pennell, to discuss matters regarding personnel pursuant to V.T.C.A. Government Code 551.074
21. Return to Open Meeting: Open Meeting was resumed at 11:01 A.M. A motion was made for the Pecan Valley Groundwater Conservation District to approve TML Employee Insurance beginning November 1, 2015 by Tim Pennell, seconded by Marvin Sager, which carried unanimously.
22. Next Scheduled Board Meeting: A motion to reschedule the next meeting date from November 14, 2015 to November 10, 2015 at 9:00 A.M. by Marvin Sager, seconded by Tim Pennell, which carried unanimously.
23. Adjourn: The meeting adjourned at 11:04 A.M. with a motion by Tim Pennell, seconded by Marvin Sager, which carried unanimously.



Sec/Wilbert Sauermilch

Recorded: Carole Moore, Admin. Assistant