

**MINUTES OF MEETING
EMERGENCY BOARD MEETING
NOVEMBER 30, 2006 - 4:00 P.M.
PVGCD OFFICE
CUERO PLAZA MALL-SUITE 1129
CUERO, TX 77954**

Board Members Present: Errol John Dietze, Bubba Steen, Tim Voelkel, Gary Colman, Bob Davis
ALSO IN ATTENDANCE: Bob McCurdy, Kay Wild, Jim Allison.

#1 **CALL TO ORDER**: A quorum present, and all notices properly posted, the meeting was called to order at 4:05 P.M. by Chairman Dietze.

#2 **PUBLIC COMMENT**: None present, none made.

#3 **ADDRESS THE TRANSFER OF WATER OUT OF DEWITT COUNTY, AND BULK WATER SALES BY THE CITY OF CUERO TO INDIVIDUAL WATER WELL EXPLORATION COMPANIES FOR THE PURPOSE OF URANIUM TEST WELLS IN GOLIAD COUNTY, MAY BE IN NON-COMPLIANCE WITH DISTRICT RULES CONCERNING EXPORTS OF GROUNDWATER OUT OF THE DISTRICT BOUNDARIES**: Errol John Dietze began the meeting by handing out a letter from Melvin Klotzman, Petroleum Consultant, Inc., regarding the uranium test well project in Goliad County. Bob McCurdy then informed the board of his knowledge of the bulk water sale by the City of Cuero and hauler, Barry Breaux. According to Rule 8.1, the City is in non-compliance with the PVGCD rules. Goliad GCD has refused permit to UEC, Uranium Energy Corp. Bob will get a list from the City Manager of all others who the City is selling water to, and who might be transporting out of the district's boundaries. When this District was formed, all municipalities were exempt and grandfathered in. If they were selling water prior to PVGCD formation, then they can continue to do so. The function of the District is to protect the aquifer and thus needs to know where the water is going and how much. The District has limited control over water being exported out of the county, and the City has the right to do whatever it was doing prior to the formation of the District. Control is limited to (1) put a limit on production, (2) charge a fee, and (3) require application process. The District cannot disallow transportation of water. The well owner is the one responsible for obtaining a permit to transport water out of the district's boundaries. The 25,000 gallon per day limit applies only to domestic and agriculture use; it does not apply to production wells. Allison said we must take action once we have become aware of a possible violation. He also said we are in the fact investigation stage and need to know who is selling, and might be exporting water. Both the City of Cuero, seller of the water, UEC, user of the water, and Barry Breaux, exporter of the water, have had communication with Bob McCurdy regarding this issue. All municipalities need to be notified that if they are selling water that is transported out of the County, they must make application through the PVGCD office to export water. Bob McCurdy said that he got a call from Barry Breaux about a month ago inquiring about the transporting of water, followed by a call from Corlis Riedesel, City Manager, asking if this was an issue. At this point, Jim Allison said that all communications regarding this issue need to be summarized and documented and sent to him in memo form. This was placed in a motion by Tim Voelkel, seconded by Bubba Steen; the motion carried unanimously. Jim Allison said that he would draft the certified letter and get it to Bob to send out. It was also decided that at this time we would only deal with the known possible violators and not send a certified letter to all the municipalities. A second motion was made by Tim Voelkel and seconded by Gary Colman, to direct the GM to notify by certified mail, those who may be providing water for transport out of the district, or transporting out of the district, ref: rule 8.1 of the PVGCD rules, to either desist or obtain proper permit through the Pecan Valley GCD. The motion carried unanimously.

#4 **ADJOURNMENT**: Gary Colman made a motion to adjourn, second by Tim Voelkel; the motion carried unanimously and the meeting was adjourned at 5:15.

Sec/Gary Colman

Recorded: Kay Wild/Office Asst/PVGCD