

**Statement by President of Goforth Special Utility District Debbie Sandoval
Regarding Electro Purification Groundwater Project**

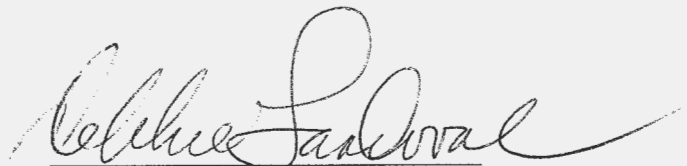
I am aware that there has been quite a bit of press coverage recently regarding the Electro Purification groundwater project in Hays County, and I want to comment briefly on the project.

First, I want to make it clear that Goforth is not the developer of the groundwater project, but only a buyer of water. Goforth needs additional water supply to serve its growing customer base in Hays County, which consists primarily of residential customers. The project is important to meeting Goforth's needs for water supply to existing and future customers. Goforth considered a number of possible sources of new water supply, including surface water from GBRA, Carrizo-Wilcox, Brackish Edwards, and Trinity before entering into a contract with Electro Purification. Additionally, Goforth considered the effects of conservation, and water reuse, on its future water needs.

Second, despite recent press reports about the project, the project is not new -- it has been underway for more than four years. The Goforth Board met and discussed the project in public meetings on many occasions over the years (at least half-a-dozen times) all at meetings open to the public. Goforth has spent considerable time and resources confirming the viability of the project, and we believe in it.

Third, we have confidence that the project developer is undertaking a responsible project that will provide a reliable and secure source of water supply. Further, Goforth has received repeated assurances that the project will not adversely affect neighboring landowners, and we have confidence that if there were any such affects, the project developer would remedy those issues. I am aware that Electro Purification and the City of Buda have discussed including a mitigation plan as part of the City of Buda's contract to purchase water from Electro Purification. I support such a plan and intend to recommend that the Goforth Board require the plan as part of our contract with EP.

Finally, although this particular issue may not be on Goforth's next board agenda, if you would like to attend one of our board meetings, they are open to the public and you are welcome to attend. The date of the next board meeting can be found on Goforth's website: www.goforthwater.org.



Debbie Sandoval
President
Goforth Special Utility District