

Thursday's Internet Edition, 11:40 AM, May 11, 2006.

Gertsons pull plug on bottled water plant

By RONALD K. SANDERS -

The Gertson family of East Bernard will not sell land to make way for the world's largest water bottling plant after all.

The family announced it was unable to come to terms with American PureTex Corp. over property the family now farms for rice near the northeast corner of Wharton County.

An apparent stumbling block was that some of the property is outside Wharton County and also outside of the Coastal Bend Groundwater Conservation District. The district's current borders are the same as Wharton County.

The Gertsons were unwilling to sell unless that portion outside the county was annexed into the district, said family member Ronald Gertson.

"He (PureTex president George Ingram III) was unwilling to move forward if we annexed our land into the groundwater conservation district, and we were unwilling to sell if we did not," Gertson said.

At the request of the Gertson family, the groundwater board Tuesday annexed 818 acres of the family's land in Colorado County. The family hopes the voluntary annexation will encourage others in Colorado County to do the same.

Gertson is chair of the groundwater district. He has been questioned for his dual roles as a potential conflict of interest. But he insists he and his family would do nothing to drain the aquifer. He said the family also sees the annexation as a vehicle, if needed, to protect the aquifer from over mining should that threat ever arise.

PureTex would extract some 1,700 acre feet of groundwater each year out of the aquifer, enough water to flood 1,700 acres to a depth of one foot.

That water is now used for rice production in the Chesterville area.

"I doubt there are many other landowners who would have killed such a deal because the buyer did not want a part of the land in the conservation district," Gertson said.

"From the onset of our negotiations with Mr. Ingram, we have bent over backwards to see that the

interests of this county and the conservation district were placed ahead of any benefits to our family. In the end this prioritization was what killed the potential sale," he said.

"The district is far from toothless," he added. "I would rather characterize it as a 'sleeping giant' ready to awaken when conditions call for it.

"Unfortunately there will likely be perceived 'winners' and 'losers' when the district eventually develops and adopts more restrictive rules, so folks need to be careful what they ask for and when they ask for it.

"The board has tried to be reasonable and not place unnecessary, burdensome restrictions in place until conditions dictate the need for such."

The Gertson family had been prepared to sell 384 acres of land that would have served as the site of PureTex's large wells. Of the total, 160 acres is within the conservation district, in the northeast corner of Wharton County. The rest is in adjoining Colorado County.

Property tax abatement from the district also now appears out of the question, should PureTex find land elsewhere within the district. The groundwater board has indicated it will not grant PureTex property tax abatement relief, as a development incentive, Gertson said. Right now, the application is deemed "incomplete," since PureTex does not own any land.

But now that the Gertsons have stepped aside,

PureTex could search for other property in the same area.

The Gertson Chesterville site was ideal because of proximity to rail. The plan called for shipping out 300 cars of bottled water per day. Production was stated at 150 million cases of half-liter water per year.

Another site reportedly is in Hungerford. The rail line there is dormant, although Tex-Mex Railroad has plans to return it to service.

PureTex had said the Chesterville plant would create 320 new jobs and add some \$220 million to the property tax base.

Gertson said he still believes the bottling plant could be beneficial to the county if done properly.

"There are areas in Wharton County that can easily sustain the pumping levels Ingram proposes for water bottling and there are probably a few areas that would not sustain such levels.

"I still believe such a plant under conscientious management would be a tremendous asset to the economy of Wharton County."

Ingram, PureTex president and chief executive officer, could not be reached for immediate comment.