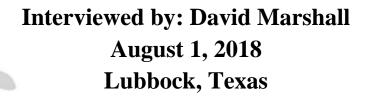
Oral History Interview of Ken Roberson



Part of the:
Agriculture Interviews

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Transcript Overview:

This interview features Ken Roberson as he discusses his business with cleaning water for reuse. In this interview, Roberson describes his business model and how he got started in the water reuse field.

Length of Interview: 01:46:54

Subject	Transcript Page	Time Stamp
Introduction, background information; his father	05	00:00:00
Hale County agriculture; after graduating high school	10	00:10:04
Working in the finance world	14	00:20:13
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Building truck trailers for wastewater	19	00:39:28
Running a water purifying plants and solving problems	23	00:55:08
Going to Plainview and testing water for Plainview	7 C 27	01:09:05
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with Cargill Corp. about corn	32	01:25:07
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Keywords

Water, Water Conservation, Water Reuse

David Marshall (DM):

The date is August 1, 2018. This is David Marshall interviewing Ken Roberson at the Southwest Collection, Texas Tech, Lubbock, Texas. Let's begin with a little biographical information. If you don't mind, can you give me your full name?

Ken Roberson (KR):

Kenneth Alwyn Roberson	Jr.,	better	known as	Ken.	That	's close	e enough.
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DM:
Okay. How do you spell Alwyn?
KR:

DM:

A-l-w-y-n.

Okay. And when were you born? What's your birth date?

KR:

D-Day 1944. Well, June fifth. It was June sixth.

DM:

Is that right?

KR:

Yeah. My dad said that the sirens went off. I was born late at night and he said the sirens went off. He said, "Oh, okay. Cool." [Laughter]

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DM:

The eve of D-Day.

KR:

Yeah, eve of D-Day.

DM:

Isn't that something? And where were you born?

KR:

Lubbock.

DM:
Okay. But you grew up in Petersburg?
KR:
Petersburg, right. This is where the hospital was.
DM:
Huh?
KR:
This is where the hospital was.
DM:
Yeah, exactly, exactly. I live out south of Lorenzo, by the way.
VD.
KR: Oh yeah?
DM: Yeah just because I like it out in the country. So I know Petersburg pretty well. But it was
probably more of a happening place when you lived out there than it is now. So many of these
towns have become depopulated a bit.
KR:
I mean, actually, I probably was there pretty much at the—grew up right at the height of
Petersburg. I mean, it had more than one general store, more than one grocery store, more than
one service station. I mean, it was pretty much happening.
DM:
You know, you can drive through even now and see that it was a happening place. There was
apparently a lot of hustle and bustle because there's a good commercial—remnants of a
commercial district.
KR:
That's exactly right.
DM:
Now I guess it's kind of—

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It was the largest population, probably.

DM:

Yeah.

KR:

And everybody went to school there. They didn't send their kids somewhere else.

DM:

Right. Well, let's talk a little bit about your dad. His name was Kenneth Roberson.

KR:

That's right.

DM:

Okay. And he was—he drilled wells. I don't know what else he did.

KR:

He was a farmer. We were farmers. Supposedly—the story was that he drilled the first water well—the first irrigation water well for farming, not for water—I mean for people—in Hale County, or one of the first. And he was on the Conservation Board. Was really all about water. I can remember many times we'd be eating supper or whatever and he'd just get up from the table, leave, and come back in about five minutes. He sat down hard. He said—he knows how to turn that faucet on. He could hear the faucet dripping out at the—[laughter] we used to go by—he'd go by and—he'd call people and say—you got the dam at the end of the irrigation road—he said, "You're losing water down the ditch." You need to go fix that. So I grew up around water. In fact, when I [was] probably a junior in high school, we were sitting in a pickup looking at a real pretty cotton crop. I ran a lot of tractor work and irrigation. I was a farmer. I mean, I grew up being a farmer. Daddy said, "You know, Ken, you're not going to be able to farm this place." I gave it the old—because I was going to go be an attorney. [DM laughs] I was going to go off to school and be an attorney. Then I went, "What do you mean I'm not going to? Of course I can farm the place. What do you mean I can't farm the place?" He said, "We're going to run out of water." He said, "That'll change everything up here." So we went from having wells that'd pump eight hundred gallons a minute to lucky to have house water.

DM:

That's really interesting that you grew up not only in this environment where water a major concern but there was already talk about, "Hey, we're going run out." So, you know, you had to grow up as a person interested in water conservation.

Well, really did. I mean, we had a place between Plainview and Lubbock—Plainview and Petersburg. We called that cavity water. I mean, it was strong. It was a—was some strong wells. I mean, when it was done, it was done. Didn't have any sand with it so it was just a pocket of water. So, I've been interested in water, I guess, from day one. It really is the most precious resource that we have. We can talk about oil and talk about everything else but nothing in this room happened without water, including us.

DM:

Can you tell me a little about that first well, what year? Do you know what year it was?

KR:

It was in the forties, late forties, or in the forties. That's about as much as I know. And my sister—Dolores is the one that—because I knew we had water wells and that we were the firstbut she said, "Yeah, well Daddy always said it was one of the first ones." I didn't know that. So, we'll have to ask Dolores about that.

DM:

Dolores mentioned that she can't remember it but she heard that people gathered to see this irrigation well go in.

KR:

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DM:

Wonder how big that one was. Was it eight-inch pipe?

KR:

I'm pretty sure it was an eight-inch.

DM:

Is that the way most of them started out, eight-inch?

KR:

Probably. I mean, Dolores thought it was ten [inch] but that was—it was pretty uncommon to have had a ten-inch well back then. So I'm guessing it was a-because I don't know. I know that the well when I was growing up that we were talking about was an eight-inch. And I would've doubted that it would've been re-piped.

So, from that it went—oh yeah, the motor that drove this, that drove the pump, was it one of these gas or diesel motors mounted on a concrete—

KR:

Everything was a Chevrolet 350 engine, everything was. Sometimes a 305. Sometimes it was an inline-six. But I can remember—because we didn't—I can remember in the summers sleeping in the window and you could hear all the engines running in the summer when they were irrigating.

DM:

You still see these concrete pads. I think those were made for the—to mount the motors.

KR:

Everybody had well house. If you were putting it in the ditch, that's where you dropped all the watermelons to get them cold. Then during the day and when you're plowing, you had to go over and break open a watermelon. And you threw tomatoes in the same little pool so everything—you'd eat cold tomatoes. Daddy carried a salt shaker and his ash tray. He didn't smoke, of course. We'd grab a tomato and you'd just salt it up and eat it as we were riding around. And all the water coolers that we had was that—I don't know—hemp bag that would fill up and it was covered with about a half an inch of dirt all the time. It was always wet and cold, so there you go.

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DM:

Did you dad stay in farming?

KR:

Until the end. In fact, he had—broke a hip with a horse. It went through a gap gate. The horse backed up into something, went through a gap gate, and the gap gate swung around and hit him. He crawled to the highway. Another neighbor picked him up. They went back and caught the horse. Daddy was upset because he had drug the toes out of his boots crawling to the highway. It was a tough boot. Caught the horse, put him back, took him home, unsaddled him, and went to town. But ultimately had five hip replacements. He just wore them out irrigating and still rode some. Finally—who was the athletic director? His son was an orthopedic here. King.

DM:

J.T. King was a coach.

KR:

The coach. But his son was also the orthopedic surgeon. He operated on Daddy the last time. He came out and he said, "Ken, there's just not enough to tie it to," so they just left out that much hip. And he was still farming. So the first time that he drove the tractor after that—this was a

story that mother told a lot. He was out plowing. He didn't have four inches in this left leg, just loose. So she came out, walked out there and said, "Kenneth," and waved him down when he turned. She said supper's ready. He said, "I'll be right in." So she—so he heads to the barn. And he didn't come in for dinner. So she finally went out there and he's sitting on the tractor. She said, "Kenneth, it's time to get off the tractor. Let's eat. It's time. It's getting cold." He said, "I'll be there in just a minute." So she turned around, started walking away, then turned back around and said, "Let's go right now." He said, "Well, I'm having a little trouble here." She said, "What's the matter?" He said, "I don't know how to get off this tractor without my leg."

DM:

I mean, you wouldn't think of that.

KR:

He could get up on it but you couldn't—you've got to step down and he had nothing to step on. So he had to go—he had to get over on the tire, on the rear tire, and come down.

DM:

Good grief. He was a tough guy, wasn't he?

KR:

He was as tough as a boot. [laughs]. Anyway.

DM:

[laughs] Was he cotton—was it all cotton out there?

KR:

Everything. We buried soy beans. We raised maize a lot. Black-eyed peas a couple of years. He rotated alfalfa to every field. So we had a fifth of nearly everything always growing in alfalfa. And he ran cows and horses and was kind of the vet for Petersburg, did all the work on—he had a champion cutting horse at one point in time. So he was out and about with the ponies.

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DM:

Sounds like he liked horses even though they'll break you up and they'll turn on the water. [Laughter]

KR:

We came back from—we had a place over here between Petersburg and Plainview. We were bringing back cows one day and I was so young that I couldn't reach the stirrups. So, if you get above the stirrups, you can pull that strap down and you can put your feet in there. Well, I was riding a pony called Red and—so when we turned and headed home, Red decided to go on and I

couldn't stop him because I had dropped—you know, I was, I don't know, six, seven years old. And I dropped the reigns. [Laughter] I ran all the way home. Left the cows and Daddy back there. [laughter]

DM:

Stayed on, though.

KR:

I was on. I got to the house. Then Daddy got there an hour later. He said, "What is it with you and this running off like that?" I said, "Well, I couldn't reach"—he said, "You can bend over and get the reigns and stop that pony." [DM laughs] I wanted to stay on. I didn't have any stirrups. I lost the stirrups by this so all I was doing was hanging onto the saddle horn. I wasn't going to fall off. [DM laughs] And he decided I needed to learn how to ride calves so he tied me on one and I couldn't get off of it until it fell over. I was on it till both of us fell off—fell over.

DM:

He wanted you to be as tough as he was. [Laughs]

KR:

outhwest Collection/ I guess. And one of these days maybe I will. pecial Collections Library

DM:

You graduated from Petersburg?

KR:

Graduated from Petersburg

DM:

Did you go straight to UT?

KR:

Well, went to Tech—came to Tech. I figured out by then that if I went to summer school, I wouldn't be on the tractor quite as much. [laughter] So, I got it—then went off to [University of] Texas. Then I got it calculated that I would take twelve hours a semester, that way I was three short every semester, so I'd have to take two hours every summer. So I said, "Well, I've got to run back over to Tech and catchup here." And it worked out pretty good. I think they figured out but there was nothing they could do about it because I said, "Well"—because I just dropped the first course I fell asleep in at Texas. It worked out good.

What year did you graduate from UT?

KR:

Sixty-six. So I got out of school in '62 then—so I graduated on time. I was in a three-year program at Texas to go to law school. So you go to business school for three years then your fourth year, you start law school. Of course, that's in the middle of Vietnam [War]. So I decided I better check in with my Selective Service Board. So I asked them—because then you got four years and that was it. Just not hardly any way to get around it. So I went to Plainview and talked to the Selective Service. They said, "Well, we have thirty-three slots here in Hill County, there's three qualified guys, and you're one of those three," because if you're a farmer or married, that was an exemption. So I was not married and was not a farmer and I'd had four years of school. So I went back to Austin to the head of the Selective Service, Colonel Sinclair. Never forget it. Told him I did not want a general business degree. I didn't want to start one year of law school and leave because then you have to come back and finish law—you'd have to start over law school because the first year is all the torts and everything. That was the first year. So I didn't want that happen. So I told this Colonel Sinclair, I said—had my papers and he said, "Okay," folds it up, and he said, "Go to law school." I said, "What'd you just do?" He said, "I put your paper over here. That's where you'll be. You go and go to law school." I said, "That's awful nice. How does that work?" He said, "Well, if you—you're done. You can do whatever you want to do." I said, "Sir, when do you retire?" He said, "Next year." I said, "So, what happens then?" He said, "Oh, I don't know. I doubt if they'll find that." I said, "Yeah, but if they did, I"— [laughs] so Dolores' husband was in the Air Force and I wanted to fly. So, I went ahead and got my degree in finance and volunteered and went-I went in October the twenty-first and Plainview said, "If you don't go in October twenty-first into the Air Force, you'll be in the Army on October twenty-second." Okay. There you go.

DM:

So you went in. Were you overseas?

KR:

Was over—I went through OTS, was an officer, went to pilot training at Reese. So I came back home did that. Got to buzz the family home a couple times. Scared a couple farmers. Pretty much shortened their lives. I'm pretty sure it was because I buzzed their tractors.

DM:

What were you flying?

KR:

A T-37 then a T-38. But it was—it was all—that part of it was real good. Then I flew a big

transport plane out of Travis Air Force Base, a C-141. Everybody had to give a tour in Vietnam so one of my buddies and I read all the books up. They said, "Nobody shoots at forward air controllers," because in that—you call in the airstrikes. So we said let's pick out the best plain that's a forward air controller and we'll volunteer for that. So we did and got that. Went to Vietnam but the guys there hadn't read the same book that I had. [laughter] They shot at me every day. [laughs] In fact, I saw a guy shoot a crossbow at me once.

DM:

Good grief. You're kidding. How low were you?

KR:

Well, if you got above fifteen-hundred feet, you'd get a nosebleed. We were low, and slow, spreading the trees around and trying to find stuff. It was—

DM:

Did you ever get hit?

KR:

I don't know. I never looked at my plane while I landed. I did get shot at pretty much every day. I had just under five-hundred combat missions. So I had a lot of stuff. But one day it was a night mission and there was a lot of racket going. I came back—I flew the same plane every day—and I came back, walked out there, and there was this great, big patch on my plane here then one on the topside of it. I said, "Crew, what have you done?" He said, "Sir"—he saluted me and he said, "Sir, so sorry, sir. I ran into your aircraft with a forklift." I said, "How did you get it to go like that? How did it"—he said, "Well, it bounced and—you know." [laughter] I said, "Are we good to go," and he said, "Yeah, everything's good, sir. You can take off." I said, "Okay."

DM:

Was he just trying to save you some grief? Were you actually hit?

KR:

Oh yeah. It had blown a big hole through the plane. [laughs]

DM:

I guess you're right, though, it's best not to know.

KR:

You don't want to know that stuff. But I—it was a really good mission. You saved a lot of folks. And I flew into Cambodia, which we weren't there. Went to Spiro Agnew, went into Phnom Penh. I did some of the forward for that. But the killing fields—I saw the killing fields. When

you have heard about the killing fields, I was part—watching that happen. So, trying to help
those guys. It was rewarding. I was attached to the Army. I was an Air Force Liaison Officer to
the first air cab division [?, 0:19:20].

Where were you based?

KR:

Bien Hoa most of the time, but I'd go out—I had eighty missions in a chopper with the Army.

DM:

Really?

KR:

Yeah. Eighty-seven. But I'd go out with the brigade commanders and fly around with them. Go out to the fire support base once a week and spend the night.

DM:

Glad to see you back here.

KR:

KR:
Well, I'm having a reunion tonight.

DM:

Really?

KR:

Yeah, of everybody.

DM:

Back in Fort Worth?

Yeah. Well, no, wherever I am because I'm the only guy out of my class that made it back. There was seven of us. It was the second highest loss rate of any plane in Vietnam, was the OV-10. Got crazy. Lucky, lucky guy. I was supposed to come back and work on water.

DM:

[laughs] I guess so. Well, when you came back, what years—how much time were you over there?

I was there a year then I got out in '72. I was going to come back to Texas and I didn't—my degree was in finance. My dad was involved in the bank at Petersburg, First State Bank at the time, and a couple other banks around. Some of the farmers had bought the bank. I worked in the summers, also, at the bank. And during the school year, I would go down there and work Saturdays at the bank. And so I majored in finance. Got back and a friend of mine was a manager of one of the security firms. In fact, he was my big brother at Texas University. So I decided that I—I interviewed in the cities of Dallas and Houston and decided to go to Houston. It was alive to me. I mean, it was—Dallas was old money. I'm from West Texas. But Houston was oil money and you could go there and do whatever you wanted. If could do it, you could do it in Houston. In Dallas, you had to be somebody, in a way. I don't mean that in a—but I decided to go to Houston. Went into the security business. Went to New York. Went to New York School of Finance and did the Wall Street thing. Came back and started in the corporate finance in Houston; stockbroker and corporate finance. I liked the corporate finance side, doing deals. Did that for—I don't know—a couple years. I didn't care for somebody to tell me, "You need to sell this stock or that stock." I wanted to invest. I didn't like trading people. I didn't like doing all the stuff—have a big book. So I started doing estate work. Hired by Leon Jaworski in Houston as an attorney. Would go out and do estate work. So my first client was a—I met with him, introduced to him, and went there to try to help sell him municipal bonds, because I knew he bought municipal bonds. He was a judge in the Montgomery County, Conroe. I'm sitting there talking to him. He's smoking a cigar, his tie's all burned with holes in it. He was smoking his big cigar. He said, "Roberson, I don't know." He said, "I don't know about all this other stuff." He said, "What can you do for a tax problem of four million dollars," which was a lot of money in '70. He said, "I owe the government four million dollars for selling a piece of property." So my whole life passed in front of my—because I didn't know whether to BS him or what. I just leaned forward and I said, "Judge"—I'm just getting ready to start into some idea. I said, "I have no idea. [laughter] Honestly, I don't know what to tell you, but I'll be back tomorrow." So, I went back and did some research, talked to some folks, went back up and said, "Well, if you've got that problem then you've got an estate problem. What's your net worth?" And we started talking about this. "Let's fill this out." So, for thirteen months I worked with him. And we solved that one problem. But finally I went to him and I said, "Judge, what are you going to do?" I said, "I made all these proposals to you. What are you going to do?" He just looked at me and he said, "Let's do it." And I said, "Well, what?" I'd talked about oil deals—

DM:

Different options.

KR:

The airport in Dallas/Fort Worth was part of it; municipal bonds. They were selling municipal bonds ordered by a bunch of those. He said, "Why wouldn't we do it all?" I said, "Excuse me?"

[Laughter] So, my granddaddy was in the insurance business in Floydada and my first insurance sale, I was in the Million Dollar Round Table, which was pretty unheard of. Never sold a policy and your first policy is well over a million dollars. But I saved the family eighteen million dollars in estate tax that day. Plus all the other stuff. So, it was—and this was my first year in the security business. So I had a big year. I was number one producer of incoming guys and all this stuff. Got really crazy. Then I just said, "Look, I need—that's what I want to go do." So that's—I kind of spun off and started doing tax deals. Did that in Houston. Started a construction company then started building apartments, office buildings, and whatever.

DM:

Guess the big question is how did you get to water? There was an early influence, obviously.

KR:

On this particular—I followed water, a lot. In fact, in real estate, the chief always lives upstream. People don't pay attention to that in the real estate business. But the chief always—in Little Bighorn, the chief was upstream at Little Bighorn. Until we ended up with loops and that sort of stuff, the downstream part of town was always the less affluent part of town. Lubbock.

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DM:

Right. Exactly.

KR:

Southeast. Austin, Southeast. Fort Worth, Southeast. Dallas, Southeast. Houston, Southeast. It's just the way that it is. So you pay attention to the flow of water. And then the availability of the—when you're in the development business, which is what I did, the wastewater everybody—you can buy a piece of dirt and you say—utilities. Everybody says, "You have electricity and water." But the most important was wastewater. What are you doing with the waste? So, I started watching that and when it got to be where I wanted to put a building someplace—then they had apartments there that run way down, then you could buy the apartments, you have that many plumbing locations then you can build a building there instead of the apartments. So I followed this. And then in '97-my experience in, I suppose, back in Wall Street doing corporate finance, you're always looking for stuff. In fact, I ended up doing a—when I was in New York, I was very fascinated with watches that are not, "Tick, tick, tick, tick," because these vibrated forty-three thousand seconds—forty-three times a second versus, "Tick, tick," whatever. So much more accurate. So these are really accurate and regular watches are not. They said, "All these watches"—so I went to this company and started talking to them, went back the corporate and said, "This company's going to be a big deal. They're making watches and they're going to—the workings will be three dollars apiece in a few years." And I said, "They're doing other electronic stuff. We ought to really look at it." Nobody bought into it. "Well, you guys, I think you're making a mistake." Because the company's name was Intel. [Laughter]

DM:

Oh gosh.

KR:

That's beside the point. Anyway, we—it was kind of interesting. As I went along, a friend of mine—her name was Therese van Gogh. She was a van Gogh. And I loved France. And this was in '97. Her father was involved with a gentleman by the name of Dr. John Alexander. He invented the microwave. He was a rocket scientist. Had a bunch of PhDs. He said that in wastewater, we have these great, big ponds and we are actually incubating bacteria in those ponds, which is true. We use bacteria to eat up the solids and waste. But he said, "We're beginning to grow bacteria, and it's kind of like going to the zoo and just feeding all the animals that are out there. What is going to survive are the lions, because they're going to eat everything else." So the bacteria that survive in wastewater—wastewater systems have been a godsend for mankind because that's where most of the pandemics have come from is waste, human waste. So, what is happening is as we're progressing, the ability of the bacteria to morph within the system that is making—that we're allowing it. We're making them grow. We're feeding them air, we're giving them food, and we're growing them. So, what can come out of a wastewater plant is more dangerous than what goes in it because the parts per whatever of the bacteria that are the bad ones generally survive nearly everything. They're antibiotic resistant. So this has been interesting to me. I was a—would've been a bubble baby if they'd have had them in the forties, because I'm allergic to sulfur drugs. And that was before penicillin. And I was given that and caught everything: TB [Tuberculosis]—everything, everything that—when I'd go to the hospital, I caught it. So, I've had this interest in antibiotics and that whole smear of medicine. But now you get this sense that the antibiotics can't keep up with the bacteria. So, all of this is kind of coming together. I know that John Alexander had had a system that he was able to disinfect wastewater and that we should be disinfecting wastewater, and we should not be using bacteria because it gets out of hand. If there is an event—and there's always an event. For me specifically starting E3 Water, in 19—I mean 2012—might've been '10—there was a girl in Alabama—she was a Georgia graduate student—Alabama-Georgia border—and she was on a zip line. She got cut. It was '12. She got cut on the zip line, fell into the river, and ended up losing both arms, a leg, and a foot to flesh-eating bacteria. So I see this on the news and I've been thinking about this all these years. In '97 I'd heard about it. I saw that so I looked up— Google—and she was swimming down—that's when they broke the hundred-year drought in Georgia. Lot of flooding. She was two miles down from a wastewater plant. So, I said, "You know what? We're getting to be time." At the same time, a friend of mine called me from North Dakota and he said, "Roberson, we need to build something up here. They're running out of they've got all these man camps and they've got no place. You can't rent a room, you can't buy a house, you can't do anything because all the oil guys are up there taking care of the boom in oil in North Dakota. So I said, "Well, but"—"So the problem I'm building is wastewater. It's not getting water or electricity, it's wastewater, again." So I thought, Well, I ought to look into this system that we can clean up wastewater. So, I'd drive to North Dakota and decided it's a good deal. Then I'd drive from North Dakota via Ruidoso, New Mexico for some reunion for the Petersburg High School was in Ruidoso. I go to Palm Desert, California, which is where the engineer was that I wanted to talk to. I'm driving on Interstate 10 at Bob Hope exit. I pass this truck. I've already got stuff going in my head. And I said, "Well, that's what we ought to do. That's a good-looking truck. That was stainless steel. I took pictures of it and, in fact, made the guy upset. He started honking at me and going like that because I'm driving here and taking pictures, I'd drive there and take pictures. Because I carry a camera there all the time. I went to the engineer's deal—house. Name was Dan Smith. I said, "I want to start E3 Water."

DM:

And you were already thinking of portability at that time? That's why the interest in the truck.

KR:

That's why I had an interest in the truck. Wanted to build a unit that was portable. We had done a demonstration in Las Vegas that didn't go enough—go far enough. So, I had met the engineer there, then I said, "We're going to go do this on our own. We're going to go build this and do it different, a little bit different, and build it out of steel and do all this stuff." We took pictures of the truck then we looked online and it was manufactured at Saginaw, Texas. So, I'd go back to North Dakota, met with a guy there that said he'd like to invest, and I told him, "I won't do anything until I talk to you." Went back up there, talked to him, and he said, "Well, let's do this deal." I've driven from Texas to North Dakota to California to North Dakota to Wyoming to North Dakota to home. I'm headed home and we had called—this truck company was in Saginaw, Texas. I said, "Man, I don't want to stop. I need—I want to go home." But I decided to stop. Pulled in, go to these J&L Tanks—J&L Trucks or J&L Tanks, I don't remember which and walked in, had the picture on my camera, said, "I'd like to talk to you about making me these trailers like this." I said, "I saw your truck that you manufactured and that's"—he said, "We can make anything. We make whatever you want." I said, "Well"—he said—I said, "How do you get that stainless, that shining." I said, "That's great." He said, "Well, that truck's not stainless." I said, "That wasn't a stainless steel truck?" He said, "No." I said, "What was it, aluminum?" He said, "Yup." I said, "I can't use aluminum because we're going to eat it up. We've got chemicals." He said, "Well, I can't help." [Laughter] I drive all this way. So I said, "Do you know anybody that can," because I had the plans with me already drawn up. We'd already drawn the plans up. He said, "Well, call this number." So I'm now—still a ways away from home. So I thought, Well, I'll call the guy. So I called him up. His name was right Rick Collier [?, 0:38:14]. I called him up and I said, "Mr. Collier [?]," blah, blah, blah. "So and so over at"—Clifford I think his name was—"Over at J&L Tanks referred me to you." He said, "Yes?" "He said that

you could probably build me this stuff." He said, "Well, I've left the office but you're welcome to come by my house." It's four o'clock and I went, I'm not doing this. I said, "So where do you live?" He said, "I live on Confederate Road in Fort Worth." That's the same road that the partner that just, "I'll do the deal," with. So I decided—that synchronicity, pay attention. So I said, "Okay." So I go there. I'm in cut off shorts and tennis shoes, he's in flip flops, and we're sitting at his kitchen table and I'm thinking, This is just not right. This ain't working. So I had the plans there. So I had them over to him. [Papers being shuffled around] The guy goes like that, goes like that, like that. And he says, "Yeah, I can build that."

DM:

Out of stainless [steel]?

KR:

I hadn't said what it was. And I said, "Stainless." He said, "Well, you don't need it in stainless, just make it"—I said, "What do you mean you can do that?" He's sitting here in flip flops, we're talking about saving the world, and you're—you can say you can do that? He said, "I can do it." He said, "Do you know where you are?" I said, "I'm sure. What do you mean?" He said, "Within a hundred miles of year, probably 80 percent of the oil field equipment in the world is manufactured." He said—I mean, you can include Houston, but he said, "A lot of it's really done outside Houston. Offshore stuff's done in Houston." He said, "This is a Schlumberger 330 and this is a Halliburton whatever." He said, "All these are things that we make for the oil patch and we make them right here." So he said, "Yeah, I could do it." I said, "Okay. I want to see that you can do it, but I'm going to bring my engineer in and I want a bid. I want you to have me a bid next Thursday. Is Thursday okay?" He said, "Yes." "I'll fly a guy in from California and we're going to meet you. If everything works out and I like the price, I'll sign the deal right there. We're done." So, that Thursday, the guy came—Dan Smith came in. As I'm walking that office, I see that—what you asked about being a container. The guy—where we were going to—made frack tanks. I'm walking in there and I said to Dan, "You know what? We don't need to do this the way we were going to do it. We could make—we could take a frack tank, chop that off about this high off the ground, that'll be our retaining bowl for any chemical spills, whatever, and we can build this whole thing on a frack tank. Then it jacks up and we don't have a bunch of wheels to worry about. All that stuff. We're done." We walk in, I said, "We've changed the plan. Can you do it out of a frack tank?" He said, "Yeah, it'll be cheaper." We signed it. [laughs]

DM:

Really came together.

KR:

Started manufacturing. And that's the system that you saw. Then it got interesting after that. A startup—I'm a business school guy and corporate finance guy. A startup is five to seven years,

really. So, we built this system. My patent attorney officed at a place that the guy that owned the building was the engineer for the city of Fort Worth. So, we're now patented and will be patented in 118 countries so far. We're not—they're not all done because I'm holding off a little bit on this new project that we're working on. You want to add everything you can until you get the stamp. And we only have three months left on that because then it's issued and we're done. China was the first patent that we got.

DM:

Oh really?

KR:

Yeah. Interesting. I chose to go ahead and do China and Russia. Everybody thinks I'm nuts. I said, "You got no chance to have a business there that's legal if you don't have the patent." They're going to knock you off you just as well. John Alexander, the guy that I talked about, built a system kind of like what we have, in a way. He sold it to China. They called him and he sold Abalone. Sold a 737 full of—a 727 full of Abalone to Japan every week. That's how he made his money, one of the ways. But he went to China. They said, "It's not working. We can't get it to work." So he just jumped on a plane and went over there, went to the place, and it wasn't there. The system wasn't there. "What do you mean? How can they not get it to work?" It's not even here. It can't work if it's not here. So he started tracing it back and found a warehouse nearby and there was the unit all torn apart. They were trying to put it back together and reverse engineer it. They said, "Oh"—they said, "We need to put this back together. We don't know [inaudible]." And he went—

DM:

They took it apart because they couldn't get it to work?

KR:

No. They took it apart to reverse engineer it, where they put it back together. Took it apart then they were going to make all the parts then put it back together. But then when they took it apart, they couldn't put it back together. So he just said, "To hell with you," flipped them off, and left. So, it's still sitting somewhere. But that's the Chinese story. So, we—as we've moved along, if you will, the unit sat—we worked in Fort Worth. Everything that I was working on was—I'm not a chemist. I did okay in chemistry but I am not a chemist. I want to kill the bacteria. Everything was about me killing the bacteria, antibiotic—all of that whole bacteria thing. So our tests were coming back, "E. coli and coliform: none detected." None detected. We were killing the bacteria. So at the laboratory, they said, "So what are you going to do about the BOD [Biochemical Oxygen Demand]?", "The what?" "The BOD is what—nobody cares about bacteria. BOD is what everybody measures." I said, "Oh." And my engineer didn't—knew this but, of course, was a little too quiet on that issue. We go back—so we solve the BOD. I go back

the lab—and this is another three months—go back to the lab and, "BOD less than one. None detected." Less than—none detected, whatever. But we got it to ten and five then to none, which is a big deal.

DM:

This is all chemical treatment that's taking care of this?

KR:

Chemical treatment and filtration. So, then—and then the lab said, "But you've got bacteria back." I said, "We can't have—you know we kill the bacteria." He said, "That's right, but in other tests you have bacteria.", "Well, how does that happen?" He said, "Well, we have to add bacteria to your sample to get the test for BOD." So I said, "So you're adding bacteria, so I'm getting dinged for the bacteria that you're adding back to it? You guys"—I had them all lined up at the lab. I was hot. I said, "This is not right. That's not a test that's relevant then. You need to be able to test for"—he said, "We have to bacteria to test for the BOD." I said, "Well, then I can't get dinged for that." He said, "Yeah, but it's the final test that counts." I went, "Okay." So, we went back and we solved that particular problem. But this has been like this. And then we started working irrigation water. Then it's something that is called a scab plant. That means we just would go into a sewer line, pull directly up—we were getting direct sewer—but go into a sewer line, pull it out, clean it up enough to get irrigation water out of it to reuse it. So everything's about reuse. No water's been created on earth. It's the same water. We don't we—the only way to destroy water is to make rocket fuel out of it. It does not come back. And one of the big issues that we have for humanity—interestingly enough—we started out with two people, right, and not as many animals, probably. Now we've got eight billion people and we're 80 percent water so we're carrying around a significant amount of the world's fresh water in humans. It's interesting. Nobody thinks about that.

DM:

We're just water toters.

KR:

That's right. That's exactly right. And so, the more water toters we have, the more water is tied up that can't be available for us. Anyway. So, as all of this went along—so I started—I'm having demonstrations and we're talking to people. We find out that what we're doing with water, with wastewater—because we're basically—can do toilet to tap in certain places that are already beginning to do that. We called it direct reuse as a better, little better term. But as we did that—because nobody—if we're not—we're getting patents so clearly nobody in the world's doing what we're doing—number one—or at least they're not getting patented to do it. Number two: I've not found anybody doing what we're doing. Number three: the competition that we have is the status quo of the industry. They want to keep doing it the same way. So I—when we were

going to leave the plant, the big plant—does a 130 million gallons a day in Fort Worth—when I left that, I gave a demonstration to all the people there. A few of the people—first question, "Well, you know, you're a—we're a non-profit." I said, "Oh.", "We're a non-profit here for the community." I said, "Okay, you're a non-profit." I said, "Well, I'm in communications with MillerCoors brewing company down here. They pay you thirty-thousand dollars a month penalty for the water that they send to this plant. I can clean that water up and they're not going to pay you that penalty. Will that affect what y'all do? So you're a non-profit though, right? So it doesn't—makes no difference that you lose that income because I clean their water." Well, they didn't like that. So they didn't like the non-profit. And then they send, "Well, but you're going to take all of our jobs," which is what everybody thinks. I said, "Well, there's—obviously that's not true because any time you've got something that turns, you've got have somebody that watches it and all that stuff." The truth is: we will take their jobs. That's the truth. But we're not going to take the engineers' jobs but we're going to take the guys out because I'm running my machine from my iPhone. With my IP guy—because the IIOT—I mean, if you follow that—the Industrial Internet of Things—a lot of information is available and a lot of controls. One reason that I didn't do—probably go into this area as quickly, the space industry has given us a lot of very precise metering—and medical—very precise metering of things. Pretty much when I learned about this in '97, it's basically somebody pouring a little acid in here, a little base in here. You know, chemistry kind of guys going like that. There wasn't—you had metering pumps and all that but nobody was—wasn't being used a lot. Now the pumps are so precise. You can say, "I want a pH of 8.275," and you'll get a pH of 8.275 continuously. So, whatever you want to do to the water, you can do and you can do it. And once you're doing that, then you have the data from that and you can run it remotely. In fact, one time we were—I was at the plant and my IP guy— I'm running and we had frozen a bunch of pipes and they'd blown stuff everywhere. We were coming out of the winter. I used to shut down for the—what we called winter recess because we'd freeze because everything's above ground. That wouldn't happen if you were a real plant but it would for us. We're turning back on and I'm running city water, Fort Worth water—city of Arlington, actually. And my guy called me and he said, "Roberson, I've got no flow." "What do you mean you've got no flow? We're running city water, you've got flow." "I've got no flow." "What do you mean you got no—you've got to have flow. I can—the pump's running, I can hear it running." And I'd go to the machine, I look at my computer screen, and I went, "We've got no flow. What is this?" And I'm running—you know, human waste has a lot of stuff besides waste in it. They've pulled a pony out of their line—little Shetland—fish, there's tam—there's all sorts of stuff. Tampons. The worst is string. Rubbers are in there. People flush a lot of things. They think, "Out of sight, out of mind." They hit that little button and it's all gone. But we're running city water and the entire system had plugged up with city water. We were—you know, we were basically—it's a technical term—we were shaving the calcium off. It was running a high pH and we were shaving the calcium off. It was basically calcifying all the pipes. So I took a sample down to the lab of this stuff and I said, "I'd like y'all to tell me what this is." He said, "What is it?" I said, "I'd like for you guys to tell me what this is." He said, "Well, what is it?" I said,

"Well, if I knew what it was, I wouldn't be here and pay you three-hundred dollars to tell me." He said, "Give me an idea." I said, "Well, this is—we've been running city water." He said, "What city?" I said, "Arlington." He said, "They've got hard water. I can tell you what that is. You don't have to—I won't even charge you for it." So, we've—we'll do this—and up here it's going to be good too. We're able to take everything like that out of the water that way. Whole different program. Interesting, kind of. Anyway. So I'm—all of this has been happening. I turned the system back on this last year, in 2017. I've been working there—I'd had the system up and running for four years. We had proved nearly everything we wanted to prove. I'd never—

DM:

And this is all happening in Fort Worth?

KR:

All happening in Fort Worth. And the city was real good with us. And the legislators came, and all the legislators that I know came. I'd been to Washington [D.C.] and done quite a bit up there with the folks. They would come by and look at. Then they introduced a resolution on the House floor for doing hospital water and cleaning up—nobody thinks about—nobody cleans up the water out of the hospital. It should be disinfected before it's put into the public water system. When we had the Ebola—I know Perry—Perry was governor and had the Ebola deal in Dallas. So I went to Rick and I said, "Rick, what are y'all doing about this Ebola going into the waste stream?" He said, "I don't know." He said, "Talk to my head of the task force. I've got a task"-I don't have to think about that. So I go to the task force. He set me up with the task force. So I say, "So, you know, now have got all the scrubs and all the disinfecting"—what do they call it when they take everybody away? Always forget this word. When you separate the sick people from the good people. They're quarantined. Okay. You've got the quarantines and you've got all that stuff. I was talking to the head of this task force for Perry. I said, "So what are you doing with the human waste?" The guy said, "What do you mean?" I said, "What do you do when the guy that's got Ebola in the hospital goes to the bathroom?", "We, uh"—he said, "CDC [Centers for Disease Control and Prevention] says as soon as Ebola hits to water, it's inert." I said, "Is that true? You think that's true?" He said, "Absolutely. That's what CDC says." I said, "Well, you know what? I thought y'all might say that, so here's a report from the University of Texas at Arlington that says wastewater is not water, it is still bodily fluids. So it is still not inert."

DM:

That is really scary.

KR:

Now the CDC has changed what they said. And they said, "So"—so I said, "It's not a big deal except that great, big round thing out in the middle of the street that has a wastewater cover on it, you've got Ebola bubbling in the middle of Commerce Street there in downtown Dallas." And I

said, "Actually, everybody that's at the wastewater plant should be wearing hazmat suits." And they went, "We'll get back to you on that." [laughter] So, that's when we got the resolution. But nobody's done anything about that. But it's the truth. They should disinfect everything from Methodist or Covenant—whatever it's called now. What is it, Covenant or Methodist?

DM:

Covenant.

KR:

Covenant. It used to be Methodist?

DM:

Um-hm.

KR:

Okay. So, there should be—you should disinfect everything that comes out of that hospital because it goes to your wastewater plant and what do they do? Grow the bacteria.

DM:
It's amazing that we don't have a pandemic often. Special Collections Library

KR:

It's coming, no question.

DM:

It has to.

KR:

Has to. It has to come. That's my opinion. During [Hurricane] Harvey in Houston, it was not reported, but I know of seven people that died from flesh-eating bacteria. A lady in Kingwood, which is where I used to live, fell in her garage, got cut, and died from it because it had—you know, was in the—so, this is a real deal. So, we're able to kill the bacteria. We do it. The wastewater plant in Fort Worth has twelve-hundred acres. They bring in a 120-50 million gallons a day before it's raining and they put about seventy-five or eighty-million gallons a day into the Trinity River. That Trinity River flows down to Lake Houston and that is the drinking water for Houston. So when people say toilet to tap, it's just relevant of where you're pulling it from. Even Fort Worth pulls back seventy-million a day at Waxahachie out of the Trinity and sends it back up here. It costs us sixty-million dollars a year to transport their own water back there. So I said, "The water you hold is the cheapest water you will ever have." And what do we do? We flush it all the time, all the time. Everything. Everybody flushes everything. And I don't mean just

wastewater. The water that you hold should be—you should say, "I'm going to just keep this jar of water, and I'm just going to keep it and let nobody else have it." That's the way of the future. So, continuing with E3. We got off subject here. E3—so I—in December, I'm getting ready to leave. They need my corner in Fort Worth. They're expanding the plant, which they don't need to do. They use twelve-hundred acres, we would use forty. They take up to four months for the water to go through. They lose 40 percent of the water to evaporation. We do it in fifteen hours and lose 5 percent. And the money in wastewater is in the concrete and those great, big ponds that they have to build. That's where the money is. So I'm—I've been beating my head against trying to get this to get off the ground and do all that. I pulled—we're getting ready to leave and I thought—it was my last day—I thought, You know what? I'm going to test for drinking water. I've never tried—I've never really tested for drinking water. I mean, the water's always like that. You smell it. [breathes in] Smells fine. I thought, Well, I'm going to test it. So we test for it. And there's a group in from Mexico to—had been there for a demonstration just before for irrigation water. So I test it for that. We get the results back from Pace Labs. I was driving with my engineer and we undid—and it was twenty-six pages of stuff. Cost fifteen-hundred dollars to get the test. Startups never have fifteen-hundred dollars extra. But I went ahead and did it. So we tested, of course, E. coli—nothing—coliform—nothing. BOD was at two. The limit is ten. So we're great for all that. Then they had these 120 chemicals and compounds they test for. None until we get to one called chloromethane, which is R-40 refrigerant. And there was 6.1 parts per million. I'm going, "What the hell? Where did this come from?" So, my engineer—I call the guy, the lab guy, our connection, from Levelland. He was from Levelland. Littlefield or Levelland, one of them. I don't remember. Anyway, he—I said, "So, Lane, are we—have we got good water here?", "Oh yeah, it's good water." And I said—but I said, "We've got this chloromethane and we have 6.1 parts per million." I said, "What does that—I don't know that that means. Does that mean you fail from that?" He said, "No, you don't have that." I said, "We're sitting here looking at the thing. Six-point-one parts. Nothing else showed up. We've got that and that's the only thing that we've got." He said, "But you don't have—that's not right." I said, "Lane, I'm looking at the paper." He said, "Well I am too. It's not 6.1 parts per million." I said, "That's what the thing says right here." He said, "No, that's 6.1 parts per billion." And I went, "Per billion?" I said, "All of these tests are per billion?" I said, "You've got none detected per parts per billion?"

DM:

What precision.

KR:

And I went, "Holy," blank. And I said, "This isn't good water, this is great water. What are you talking about? He said, "Yeah, that's what I've been trying to tell you." I went, "Oh." [Laughter] So, that was our last test. We closed up from there and then some interesting things happen. The

group that had come in—good friend of mine in Houston used to be—was the beer distributor for all of Houston. Good guy. Went to school with him at Texas. He had a good friend from Mexico that lives in San Antonio. He was at the demonstration for the irrigation water, the guys from Mexico. Pig farmer. Farming has—cattle feeding has a lot of problems, too. So we—his name is Frederico Sunez [?, 1:04:59]. So, he called me back after I was beginning to start closing things up and finding a place to go take it to and all that stuff. He said, "Ken, I have a friend that has a lot of water issues. Would you mind if I talked to him about E3 water?", "Have at it. Whatever you want to do." He said, "Okay, let me get back to you." A day or so passed then he called me back. He said, "Well, I've talked to them and they want to talk to you." I said, "Okay." I said, "Who is this?" He said, "It's Gruma.", "I don't know who—what do you mean, 'Gruma." He said, "Well, I'll send you a little thing on them." So he sent me a press release. Gruma Corp from Monterrey was in Washington. Rick Perry made the presentation to them for being Neighbor of the Year last year, 2017. And I thought, Well that's interesting for Rick to be doing that. He's the Secretary of Energy. Why is that happening? Then I started going a little deeper into Gruma and Gruma has a long list of companies that they have. One of the companies is Mission Foods, which you've had Mission chips, Mission—all that stuff. And another one of their companies is Azteca Milling in Plainview. So I go down to Monterrey and meet with Frederico Sunez's [1:06:40] best friend, Juan Gonzalez, who owns Gruma. So, I go down there and meet with the people in Monterrey. Didn't meet with Juan Gonzalez but other—his number two guy. And they told them what we're doing. He says, "We'd like for you to look at our water." He said—because I'm saying, "Yeah." He said, "You think you can clear up our water?" I said, "I don't know." Same thing I told the judge. I mean, I don't know. I've got to—but, you know. I will say, conceptually, "If I can clean up the water in Fort Worth and make it drinkable in fifteen hours, I think we can probably do whatever. I mean, I'm sure." [laughter] I'm feeling a little chesty. And he said, "Okay." He said, "I'd like for you to go." I said, "So where are your plants?" He said, "Well, we got one in Edinburg, one in Dawn, one in Plainview, one in California, one in Indiana, one in Kentucky. We've got seventy-nine plants worldwide." I said, "So do you have a preference on which one I go to?" Because he buys all the corn for it, this guy I'm talking to. He said, "Well, I'd like for you to go to the one in Plainview."

DM:

Isn't that funny? Because it's almost home, coincidentally.

KR:

So I'm sitting there and I said, "So you're"—his name is Francisco. I said, "Francisco, you buy the corn, right?" He said, "Yeah, I do." I said, "Well, do you buy corn from Doug Ellison there at Petersburg?" He said—I said, "He's probably Cooper now." He went, "Do what?" I said—you know. And Scarbourgh's [?, 1:08:37]. I said, "Who are you buying the corn from up there?" And the Tillman's in Plainview. "How do you know that?" [laughter] "How do you know I buy the corn from them? Yes, Doug Ellison I know very well. I buy a lot of corn from Doug Ellison." I

said, "Well, I know Doug." He said, "How do you know Doug?" I said, "I grew up in Petersburg. My dad was a farmer." He went—[sighs]. [Laughter]

DM:

That's amazing.

KR:

So, he said, "So"—and I said—let me tell you—"How much water are y'all using at Plainview?" He said, "Six-hundred thousand gallons a day." I said, "Are you having trouble with that?" He said, "In the summer." "How does that work out in a twenty-four hour operation, to have a little water problem." "Not good, not good." He said, "Could you look into this for us?" I said, "Yeah." I said, "But I'm"—you know—"I've got to be honest with you. We just proved we can make drinking water. It depends on which hat I'm putting on as to what job I'm working. I mean, we ain't got a bunch of people working for us and we're not—I mean, we have to make a choice. We have to make a choice of going after this or going to industry. He said, "Well, all I can tell you is that if you can solve Plainview, how quickly can you do twenty-six plants?" I said, "We're going to look into your deal. We're going to look into your deal."

DM:

thwest Collection, You're in the middle of that right now, aren't you?

KR:

Yeah. So, part of what we're going to say—I'm a little sensitive still about Gruma, about publicizing a lot. I don't mind talking to you because it'll take you long time to print all this shit up. Excuse me.

DM:

[Laughs] It's fine.

KR:

But, you know, we're a young company. This was a complete crossroads for us. We had to choose, and I've chosen to go that way. And the water in Plainview is thirty times dirtier than the water in Fort Worth.

DM:

Wow. So this is a real test?

KR:

It's a huge deal, and difficult. And you can drink it. It's corn gravy, basically, coming out of the plant, but it's organically—the BOD, which is one of the things—remember that I didn't know

what it was. The BOD is three-hundred—two-hundred to three-hundred at Fort Worth at the wastewater plant. It's nine-thousand in Plainview. The BOD for that plant would be a town of about a hundred-thousand—would be the load. They're paying a million dollars a year to some of the places just to get rid of the water that they're bringing in, just like Fort Worth—like Miller brewing company does in Fort Worth. So this is an interesting thing. And the system that we have the patents on, it's just beyond—I think it's beyond the capabilities that it has. So we've got to do other things that nobody—and I go there—a guy from Muleshoe has his Ph—went to Tech and got his PhD from A&M. Name is John Bickel. He said, "How did you get them to do this?" He said, "I've been trying to do this for twenty-five years, to get them to watch out for the water. And all of a sudden you show up and"—I said, "Well, John, it kind of helps to have some help at the top." [laughter] That's just the truth. And it is. I mean, companies need to have corporate responsibility. The millennials that are coming along are paying attention to how their—how a company, any company, treats Mother Earth, if you will. We should all—I'm not a tree hugger but we should be—we should take care—we should recycle water, plastic. We should do that. Take care of our trash. Don't make a lot of—you know. That doesn't mean that we can't live and maybe burn fossil fuels. [laughs] But they're here for a reason so let's use them. That kind of idea. But, you know, we're—this is an interesting time and place. So, I've decided to go ahead and try to do Plainview. © Southwest Collection

DM:

Do you envision doing industry and drinking water? I mean, multifaceted approach—

KR:

Ultimately we would be able—

DM:

—as you grow.

KR:

Ultimately we would do that. But what I've decided—just quite simply—I decided I'd probably go save the company then go save the world. I will share one thing with you which is interesting. The other day—I have some friends, two guys that are from Plainview—happen to be. One was an FBI agent. We shouldn't take about this on tape but I'll be honest.

DM:

You need me to pause it?

KR:

No, no. It's okay. It's kind of funny in a way. Because I've done a lot of different things and enjoyed all of them. When I leaves Lowe's—because military service, you get 10 percent

discount and they say, "Thank you for your service," and I say, "It was my pleasure." They went, "Really? Was it?" [Laughter] Well, it was. Had a good time.

DM:

Turned out all right, didn't you?

KR:

Twenty-million dollar airplane carried me from party to party. But as we've kind of worked our way through this, I'm looking back on what we should be doing. As I was talking to these guys that was this FBI agent—and they're texting back and forth, two guys from Plainview and another guy from Dallas. They said, "You know, I was watching a movie about Roberson the other day and then I realized I was watching Twilight Zone." So they're giving me a little slack, right? And then the FBI agent says, "So, did Roberson date Stormy before or after Trump?" [laughter] Because I've also spent some time out on the West Coast and Hollywood. They're all laughing about this and I'm saying, "Come on guys, knock it off." About twenty minutes later I get a phone call. My phone—if it doesn't recognize the number, then it says, "I'm sorry, my phone doesn't recognize your number. If you're not a computer, please leave a message." So, he leaves a message and I listen to the message. It says, "I'm trying to"—the message said, "This is—I'm trying to get in touch with Ken Roberson. This is John Rogers, special agent with the FBI. Please give me a call." I thought, That damn Graham. Come on. He mentioned Stormy Daniels and I get a call from—yeah right. So I didn't call him back. This went on—I was busy. About an hour later I get a call from the same number. I thought, Okay, let's shut this thing down. So, I pick up. I said, "Roberson." He said, "Is this Mr. Roberson?" I said, "Yes it is." I said, "Well, it's Ken Roberson. My dad's not with us anymore." He was Mr. Roberson. He said, "Well, this is special agent John Rogers with the FBI." I said, "Who is this really?" He said, "Excuse me?" I said, "Who is this really? Did Graham put you up to this? What is this?" He said, "No, sir. Maybe I need to talk to your director of security." I went, "Really?" Well, I'm also the director of security. So who is this?" [Laughter] And he said, "I'm just calling to try to—I'd like to have a meeting with you at your offices at Southlake in Dallas." I said, "Well, I've moved the offices to Austin so I'm not there." He said, "Well, then I need to transfer this to the Austin office." I said, "I'm in Fort Worth. My office is in Austin. So, who is this?" He said, "John Rogers, special agent." [Laughter] I thought, Okay. You've got that down good. I said, "How about I meet you at your office," to see if you've got an office. He said, "Well, that's okay, if you don't mind." I said, "No, it'd be great." I said, "Where are your offices?" He said, "I'm in the FAA [Federal Aviation Administration] building.", "The one on Meacham?" He said, "Yes sir, that's right." I said, "Well, I'm coming to town. I'm available—I could be available to you at two o'clock." He said, "How about if I meet you in the lobby at two-thirty?" I said, "Okay." So, I show up, I go in—

He didn't say what it was about?

KR:

No, he didn't say. So I'm driving up. I know Rudy Giuliani. I met him and I hosted a party for him in Abu Dhabi. As I'm driving up, he's on Fox [News] and he's saying, "You don't ever talk to the FBI. You never talk to the FBI without an attorney present." [Laughter] And I'm going to—"Rudy, I hate to tell you this, but I'm going in." So I go in and the guy—you know—FBI. He said, "Let's go up to our offices." So I go up there. I have to turn my phone off. We walk in and sit down at a conference table. I said, "So, I guess you found all my guns." He said, "Excuse me?" I said, "You know, my ex-wife stole thirty-seven guns." And I was federal firearms dealer. "So have y'all found all my guns?" He said, "No, what are you talking about?" [laughter] I said, "What do you want to talk to me about?" He said, "Well, it wasn't about guns." He said, "That's ATF [Bureau of Alcohol, Tobacco, Firearms and Explosives]." I said, "I know that but I thought just maybe y'all"—I said, "What's the deal?" He said, "Well, on your website, you say that you have a secret sauce." I said, "Yes." He said, "Well, what is it?" I said, "Special agent John Rogers, if I told you, it wouldn't be a secret." He said, "No, no, I don't mean it like that. I don't want to know what it is. But are you going to patent that or what?" I said, "No. We don't patent stuff, like Coca-Cola. They didn't patent Coca-Cola. They keep it a secret, so we're keeping it a—if you make a patent, you have to tell somebody how to make your equipment." I said, "We're not going to tell them how to make this." It's polymer. He said, "I want to give you an example. You brought up Coca-Cola." He said, "I want to give you an example of what we're doing." He said, "We want to partner today with technologies of tomorrow and help you protect your intellectual property." I said, "This is the real deal, isn't it?" He said, "Yes sir." He said, "Now back to Coke." He said, "We had a Coke executive that had the formula. He left Coke and tried to sell it, and we prosecuted him and got conviction for him on the intellectual property for Coca-Cola. Had nothing to do with patents." He said, "You're being patented all over the world." He said, "Your first patent was in China. You just came back from Singapore and Vietnam."

DM:

He knew all this.

KR:

[laughs] "Wait a second. You don't need to talk to me. You got it all." He said, "No." I said, "So how do you—how did you—how did all this happen?" He said, "I have no idea." He said, "I was just given your name. I started looking up your stuff." I said, "So I'm on your radar?" He said, "Yeah. I'd say that's—yeah, you're on the radar, somehow." He said, "If I was to try to find out, there'd be a lot of questions about why I want to find out." I said, "Wouldn't you be curious?" He said, "Yeah." He said, "Now that you're asking me, I'm a little curious." But he said, "The

reality is the administration is keen on protecting intellectual properties." He said, "You happen to be dealing in something that is very important, and that's water. By the way, don't ever carry my card out of the country." He said, "That's"—he said, "You've done a lot in Turkey," which I have with the Technical University in Istanbul. They're asking me to setup a laboratory there. He said—I said, "Like the pasture that's being hooked up there?" He said, "That's right." He said, "Don't carry my card out of the country." I'm going, "Huh, this is all real stuff. We're talking real deals here." He said, "Yeah, this is real stuff." He said, "We just want you to be cognizant. Everything that you're doing is really your intellectual property. That includes who potential clients are, solutions for potential clients." He said, "If somebody is to knock your equipment off, if they had who to take it to, that would be helpful to them too, right?" He said, "You probably put that in your business plans and everything." I said, "Well, yeah." "You really do, don't you?", "We ain't doing that anymore." I said, "I already told my guys we're not shipping any of our plans through internet, it has to go snail mail." He said, "That's good." I said, "Besides, I'm not telling you what's in the secret sauce." This went for three hours. We talked about Gruma. He said, "You know, that's a Mexican company. They do business here. Have a huge—they're building a plant at Irving, Texas that'll do thirty-million tortillas a day. They build a 180-million corn tortillas a day—and flower." But 180-million corn tortillas a day. That's a real company. © Southwest Collection/ Special Collections Library

DM:

That is huge.

KR:

Once they found out, then Cargill has called in and now Cargill sells every egg to McDonald's, for example. I mean, that's how big Cargill is. Biggest company in the world, actually. Privately held. Anyway, this is interesting.

DM:

Yes it is.

KR:

So, in the meantime, I am—I've just picked up another thirty—180 gallons of samples. I just FedEx'd ten gallons at a cost of 580 dollars to California where they get it overnight. It's there now. Because I'm wanting to test some water out there with them as a process. So, this is getting to be a real deal.

DM:

Sounds like it's on the verge of an explosion in business.

I hope it's not a damaging thing. And in Plainview maybe I—I thought I had this. So, Plainview has—they're running out of water. Do you know much about the water aquifers here?

DM:

Yeah, a little bit.

KR:

Ogallala you know about. Below that is the Santa Rosa. It's twenty-six thousand parts per million of calcium and salt, sodium chloride. Seawater is thirty to forty-thousand. So, real salty. And they're going to try to bring that up. The well will cost them a million dollars. So this is their water.

DM:

This is Plainview's?

KR:

That's Plainview's water. So this is where we got it the other day, then this is where we got it the other day. So, what we're planning on being able to do is to take their water and give it back to them and let them cut down their usage of water a lot.

DM:

Since we're on the recording, I'm going to kind of describe this or you can. The first one is pretty murky yellow.

KR:

Nine-thousand BOD.

DM:

Nine-thousand BOD. And the next step is there's transparency but it's still yellow. What would it be?

KR

Oh, this is half the BOD. This has twenty-six thousand parts of suspended solids. And this had 17.5.

DM:

Then down to the clear.

It's going to be—the tests—it takes five days to get the BOD tests back. We just ran this last week. So, I don't have—I'll get that back this week.

DM:

It's looks good anyhow.

KR:

There's nothing in it. And this is not how—my engineer did the lab test. I'm not going to do it this way; too expensive. But we have to know if we can get it there, and if we can get it there then we'll figure out how to get it there for cheaper. It's all about that. And Gruma is interesting. I would really like to solve their problem. And while we're doing that, we could go save the company, maybe. Not literally but figuratively. Because this—the unit that you saw in the that's not a—I'm going to share this. So, I'm talking to the guy in Plainview and he said, "Ken, you know"—he has a PhD [inaudible] [1:27:16]. He said, "You know what, this is a big deal." I said, "Yeah, John, it's a big deal." He said, "No, no, Ken, I want you to understand. This is a big deal. I'm trying to be kind of—I don't want to get too serious about that." I said, "Yeah, I didn't want to"—"Roberson, if you can do this—and I don't know that you can—but if you could do this, this is a big deal." I said, "Well, Dr. Bickel"—because he called me Roberson rather than Ken. I said, "Dr. Bickel, you're right." And he said, "Anybody that does beans, rice, or grains has got the same problem that we've got. That water is—you throw it away. They irrigate sixhundred acres with it and get in trouble from TCEQ [Texas Commission on Environmental Quality]," which is the agency which has more people than the EPA [Environmental **Protection Agency**]. Figured that one out. But they get in trouble because they're putting too much solids on the hay, and worried about nitrates and all that. So, this is—

DM:

When this Pantex thing is worked out, is that going to solve a majority of the issues or are you going to have the same—a very different set of problems from plant to plant?

KR:

The basic problem will get solved, however, yesterday I was up there and on their sign up there—I just happened to notice. It had a BOD of five-thousand. I went, "What is that?" They said, "That's the BOD we had when we ran that other corn." I said, "What do you mean when you 'ran that other corn?" He said, "Well, we run different kinds of corn." So I said, "The BOD varied from nine-thousand to five-thousand?"

DM:

With differences of corn.

He said, "Well, it's hard corn." I said, "What's the other, soft corn?" He said, "Well, yeah. Then you got yellow corn, white corn, blue corn." And I go, "And each one is different?" I said, "Is there anything"—I sit down and I said, "Is there anything else I need to know before we get too far down the road here?" I said—they said, "Well, it's easier to clean the five than the nine." I said, "Yeah, but I'm cleaning nine, not five. That's 60 percent less of what I need to do to clean five than to clean nine." I said, "How does this happen?" He said, "Oh, it could happen overnight. It changes from five to nine." I said, "But it takes five days to run a test, a normal test to get BOD, so I'd be five days behind you." He said, "You're already into something else." "Oh." I said, "Guys, there's a lot of chemistry going on here and there is a lot of information." Anything that's different is different. The temperature of the water is different, the BHD—the pH of the water varies from 11.5 to 11.8. We have to know that to be able—because you've thrown to much lye in the water." Do you know how you make hominy?

DM:

Um-hm.

KR:

You do?

DM:

Yeah.

KR:

Well, I didn't. I always went, "What the hell is a hominy plant?" What they do is they just put lye in there and it blows—it's like popcorn—blows the skin off. Well, all of that skin and all the corn cobs, corn silt, and all that stuff is in their trash that's coming off at 250 gallons a minute. So, you've got to get all of that out. So, Cargill called and they said, "So, you're looking at Mission things?" They said, "We're having trouble delivering enough corn to our people." I went, "Okay. That sounds like a personal problem to me," because I have a connection at Cargill. He said, "Well, they're really worried about it." I said, "What do you mean?" He said, "Well, Amazon's buying up all their corn." I said, "Excuse me?" He said, "Amazon's buying the corn from Cargill, and they're not being able to fill all their other orders. They're paying more than the feed people will pay for the corn." I said, "Amazon is not buying the corn. They're not in—I mean, they're not in the commodity business." I said, "All they do is ship stuff." I'm looking over and I go, "That's what they're buying the corn for." He said, "What?" I said, "That." And he said, "What do you mean 'that'?" I'm pointing—you can look at it, too. I'm pointing at that box. I said, "They're buying the corn to make boxes." He said, "What?" I said, "You know how you make a cardboard box, don't you? It's corn starch. That's what makes cardboard stiff." He said, "Oh, I didn't know that." I said, "Well, I had never thought about it, but I knew it was

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starch and it's-now that yo	u're saying they	're buying-	-it's no	different	than spray	starch on
your shirt. It's corn starch."	[laughter]					

That's something.

KR:

I said, "Well, this is interesting. These guys are trying to get rid of as much starch as they can get rid of because it's plugging up their sprinklers.

DM:

Isn't that something.

KR:

It's going be interesting.

DM:

There are so many factors to keep in mind, and the way things change, you know, different types of corns, the day-to-day—the temperature changes like you say—everything, it's pretty complex.

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KR:

And then it all—

DM:

Terribly complex.

KR:

It all comes down to that. It comes down to the water, it is the ultimate solvent, it eats away the Grand Canyon, it'll eat that plastic up, it'll eat a glass cup if you leave it in there long enough, or if you could leave it in there long enough before it evaporates. We're not creating water but we're not destroying water unless we make rocket fuel out of it. So, it's—and it's one of—other than carbon dioxide, it's pretty much the simplest compound that there is. But it's fascinating. It's just fascinating to me. And it's everything. Because nothing happens without water. Nothing ever has happened without the water in the history of man. You can say, "Well, electricity and all that stuff." But it all comes back to water, in my opinion. So, we should be taking care of it.

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Have you—

And that's what we would like to do. The reuse of water is something that is a mantra for us. Our mantra is—let's see if I can remember—"We the willing, led by the unknowing, in search of knowing, have done so much with so little that we're now certified to do anything with nothing."

DM:

I like that. [Laughter]

KR:

So that's our mantra. Every once in a while we'll finish something and we—we were rolling out a floor and we were using a welding tank to smooth it out. The guy was—had taken his shoes off and he was holding the ceiling and he was walking on the thing to roll out a floor. I was making a lab trailer. One of the guys starting quoting the mantra that we were doing something for nothing, we're certified to make anything out of nothing.

DM:

I like that a lot.

KR:

Southwest Collection/ We have a little fun with things too.

DM:

By the way, on the recording here, can you define E3 for me? It's what? Earth, Environment-

KR:

Earth, environment, energy

DM:

And energy, okay.

KR:

Because those are kind of the building blocks. I had always liked the idea of E3 for things. I worked on a company that did lights and I was thinking about doing it—for calling it E3—then I've called it Phoenix Lighting, "From the Ashes" type thing. But I'd always had the idea of E3 and then when I was in North Dakota, I drew the—decided to do the logo, so I got my Dr. Pepper can, drew the circle of the earth, put the E in the 3, then I squished it a little bit and sent that off to the guy.

DM:

That's a good logo. You actually came up with it.

Yeah, pretty much. The answer's yes, I did.

DM:

By the way, for the recorder, the website is "e3water.com". You have a good promotional video on there that's kind of a nice introduction. Just mentioning for whoever might listen to this, whenever that might happen.

KR:

Who knows? Well, that's kind of the story.

DM:

You know, that's great. That's a great story. It just sounds like it's really on the cusp of becoming something big.

KR:

Well, we said that we're—there is a runway in Lima that's at eleven-thousand feet, and the runway goes right up to the edge. It's one of those things where you—just like you've seen people take off from an aircraft carrier and they go out of sight and all of a sudden they come back. That's kind of what we feel like. We're rushing very quickly towards the edge of the cliff. I mean, we're onto something, and I don't mean—I'm not being obnoxious or flippant or whatever—but I mean we're—we do have a vision of what we'd like to do, and it's a good vision. It's not just mine. I mean, it should be everybody's, actually, and we should take care of the water. I'm sure that my dad's real pleased that we're doing—trying to keep the water. It is funny to end up—everybody says, "God, Roberson, you've spent your whole life trying to get away from Petersburg, Texas"—because I went off to—I was the only guy that ever went off to the University of Texas and hadn't come back much.

DM:

Here you are.

KR:

And then you end up, you know, knowing the farmers that are selling them the corn. [Laughter]

DM:

I love it.

KR:

Then even today—I've got to make a pad up there and I said, "Well, I'm going to get Butch Fankner to come up and make the pad." He said, "You're not going to use the thruster?" I said,

"No. Well, I don't know, but I know Butch. He's from Petersburg and he does this, so I'm going to get Butch to do that."

DM:

It's really convenient, isn't it?

KR:

In a way. It's not—it's fun. And then, of course, Dolores is here in Lubbock and glad. So, that—I get some good fried okra and black-eyed peas.

DM:

There you go.

KR:

—once in a while.

DM:

Well, I look forward to watching the progress of the company. It's exciting.

KR:

Well, we'll kind of keep you informed. When we come up here—kind of segue just back just a little bit. One of the things that we've done—after I had the conversation with John Bickel and said, "This is big," I went back and said, "You know, I've been trying to give our system away to do municipal water and it's hard to get anybody to talk about it. But when you start getting to industry, then"—yeah, I mean, Gruma has four-hundred million [dollars] a month cash flow. That's not net but that's—they do pretty much whatever the hell they want to do, right. I did a deal with the Rockefeller's in Washington, New York City, and Houston. Nelson Rockefeller was there and Tish Construction and then me. I said, "You know what? I"—and the joke was, "What do you do when you're across the table from a five-hundred pound gorilla? Anything they want to do." But, you know, we've—I kind of left there and I said, "We've been in the open. I just showed you the video of the system. A smart engineer could look at that and say, 'That's this, that's a Schlumberger 330,' and figure all this stuff out. Now it's patented. We're going to have to do Gruma different." So I said, "Guys, we're—we've got to hide this system." He said, "What do you mean, 'We got to hide this system'? We got it already." I said, "We've got to hide it because we're adding pieces of equipment"—like me sending the stuff to California. We're talking about out-of-the-box stuff. We're using Ozone and nobody uses Ozone; too expensive. Everybody says, "It's too expensive," and we're proving it's not too expensive. So, I got to thinking that if somebody comes by with a camera and just goes, "I'll take a shot." Then the FBI calls and says, "We want to protect you." I'm going—

They know all about.

KR:

Then they want me to join this thing. I called him back and I said, "John, I need to meet with you." So I go back down there and he said, "What?" I said, "You want me to join this InfraGard," which is an organization—dot org. I said, "You know, you asked for my name, social security number, where I was born, full name, birth date, and all that stuff." I said, "That's exactly what you're not supposed to give out to anybody." I said, "Besides, you already have all that stuff, don't you? Don't you have everything on me? Why do I have to send it to you over the internet?" He said, "I have to agree with you on that. I agree." He said, "I wish you'd have filled that out and then we could've brought it in." I said, "I just happened to fill it out. I left everything out but my social security." He said, "I'm going to need the social." Okay, but don't—this is direct, right?" He said, "Yeah." So, now I'm enclosing everything. I told Gruma, I said—I was supposed to be there on my birthday, June fifth, because Dolores said, "Nobody should come to Lubbock before June, before your birthday, because it's blowing dirty, nasty wind." [laughter] It's true. So I told Gruma, I said, "I have to—it's going to take me a while to get there because I'm building it and enclosing it.", "Why are you enclosing it? It's all out." I said, "Because I don't—y'all aren't going to get to see what I'm doing." They said, "What do you mean?" I said, "Are you paying me to do this?" When we had the thing yesterday about the BOD, I said, "Guys, I'm going to have to double your—what I'm charging y'all for this." Had it in Plainview. Said, "Wow, what are you charging us?" I said, "Zero, so it's going to be two zeros. I'm going to have two zeros." I said, "No, but I'm not charging y'all anything. If one of your people comes by and takes a picture of what we're doing, I'm knocked off even if it goes to a competitor of yours. So, I'm enclosing it all and it's going to take me longer to do it. So, chill out."

DM:

It's a good safeguard, though.

KR:

You know? They said, "We'll get to see it." I said, "No, not until you pay for it. I mean, if you want to be a partner, we'll talk; strategic partner. It's a good company, it'd be a good investment for you, but I don't—just saying." They said, "We'll do that if what you do works." I said, "Okay." [Mumbles] Who cares?

DM:

It is exciting, though.

KR:

It is. It's a good time.

So much great potential.

KR:

Yeah. And nobody's doing it. When you go anywhere—I've been to water conferences all over the world. It's just—nobody's doing it. There are people doing things like it. Wichita Falls did some, and Big Springs is beginning to do some stuff. But we're doing it anyway, but the problem is it takes a long time and a lot of money. In ours, we can pull up to Petersburg—this system would do Petersburg. We could pull up, I plug it in, and I'm running it in thirty minutes.

DM:

That's amazing. Yeah, that's one of the really cool things about it is the portability of it all. You roll in and you start.

KR:

And I didn't—I didn't build it for that. I built it to be the demonstration, then I realized—I got a little smarter as I matured and—because there are a 165-thousand water systems in the US, and 97 percent of those serve as less as ten-thousand people. So, when you—I'm not going to do Lubbock or Fort Worth, but Idalou, Lorenzo, Crosbyton, Fenny Switch, Tulia, maybe Plainview. But we could do that. Then you get the growth in the inner cities. We're back to—not Gruma—but you get the growth in the inner cities and they're landlocked; they have no dirt. So, we use one-fiftieth of the dirt with no smell. Fort Worth is buying the homes near their plant now because they—it smells. Can't kill the smell. Vegas is completely enclosed. All of their—all of those big tanks that you see drive by are completely enclosed, so you can't smell Vegas; trapped, a little bit. And that's where we did some research, at the end of Flamingo Road; dead-ends into their wastewater plant. Anyway, there you go. I've taken too much of your time.

DM:

No, it's really interesting, and it's such a cool project and business approach.

KR:

[laughs] It's different.

DM:

Yeah. It's innovative.

KR:

It's not a—it's off the wall.

Well, good.

KR:

So, there you go. Any other questions?

DM:

No, I don't think so. You answered all of mine. I'll go ahead and turn this off.

KR:

All right.

End of Recording

