

Control Number: 42946



Item Number: 10

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83<sup>rd</sup>  
Legislature, Regular Session, transferred the functions  
relating to the economic regulation of water and sewer  
utilities from the TCEQ to the PUC effective  
September 1, 2014.

42946

RECEIVED

Friday, March 25, 2011

From: Ed & Lisa Garcia  
10245 Lakeview Drive  
Providence Village, TX 76227  
469-585-3724

2014 OCT 16 PM 2: 22  
PUBLIC UTILITY COMMISSION  
FILING CLERK

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MAR 30 2011

TEXAS COMMISSION  
ON  
ENVIRONMENTAL QUALITY

To: Texas Commission on Environmental Quality  
Water Supply Division  
Utilities and Districts Section, MC-153

Re: Mustang SUD  
Application Numbers 36966S and 36967S

To Whom It May Concern,

We received a notification letter in the mail from Mustang SUD informing us of a "sale" to transfer the entire water and wastewater systems and cancel the CCNs of Providence Village Water Control and Improvement District (see attached Notice).

We request to file a protest to this transaction and we request a public hearing on this matter as we believe our household and the public interest would be adversely affected by the proposed transaction for the following reasons;

1. PVWCID residents are obligated to continue bond payments related to the water and wastewater systems located within the Town of Providence Village. It is unfair and unjust that ownership of these facilities and CCNs should transfer to Mustang SUD without reasonable compensation. We propose an adjustment to the Application Item 1 "Sale" be checked and Application Item 11E changed to the statement "Mustang SUD will assume all remaining bond debt related to the water and wastewater systems from the effective transfer date of October 1, 2011".
2. This transaction, as written, does not serve the public interest. Contrary to the verified statement in Item 11E of the Application submitted by Mustang SUD to the TCEQ, water rates for the average PVWCID customer will NOT decrease. Mustang SUD's own Comparison of Water and Wastewater Rates (copy attached), a comparison review of the respective parties' rates and service fees published in the Rate Orders, and the statement "This transaction will have the following effect on the current customers' rates and services: Current customers will on average decrease in water rates 0%" listed on the

Notices customers received from Mustang SUD proves Mustang SUD's misrepresentation of their own facts to the TCEQ and the affected customers. We propose an adjustment to the Application Item 14 to reflect 'All the customers will be charged the same rates as they were charged before the transaction' and would add 'for the term of one year from the effective transfer date'.

3. Water service and usage rates for public lands within PVWCID will increase. The PVWCID does not charge itself a water service or usage rate but Mustang SUD will charge \$3.85 per 1,000 gallons on 16 WCID meters for a term of one year after the October 1, 2011 transfer date (Mustang SUD Feb. 2011 meeting minutes attached), effectively causing an additional rate increase to all Providence Village residential customers who fund the PVWCID through a 1.0% of assessed value ad valorem tax. As these additional rates consequentially affect residential customers, we propose an adjustment to the Application Item 14 to include a statement regarding how this rate negatively impacts the PVWCID-owned meters, any Homeowners Association meters, and the two publicly funded elementary schools located within PVWCID.

Thank you for your attention in this matter.

Sincerely,



Ed and Lisa Garcia

Providence Village residents

Application Nos. 36966-S and 36967-S  
292782 ~~292784~~

**Notice to Current Customers, Neighboring Systems and Cities**

PROVIDENCE VILLAGE WATER CONTROL & IMPROVEMENT DISTRICT OF DENTON COUNTY F/K/A DENTON COUNTY FRESH WATER SUPPLY DISTRICT 9'S NOTICE OF INTENT TO TRANSFER FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NOS. 13020 AND 20922 TO MUSTANG SPECIAL UTILITY DISTRICT, IN DENTON COUNTY, TEXAS

To: \_\_\_\_\_  
(Name)

Date Notice Mailed: Mar 22, 2011

Ed & Lisa Garcia  
10245 Lakeview Drive  
AUBREY TX 76227-

**RECEIVED**

MAR 30 2011

(City State Zip)

TEXAS COMMISSION  
ON  
ENVIRONMENTAL QUALITY

Providence Village Water Control & Improvement District of Denton County f/k/a Denton County Fresh Water Supply District 9  
(Seller's or Transferor's Name)

19 Briar Hollow Ln., Ste. 245, Houston Texas 77027  
(Address) (City) (State) (Zip)

has submitted applications with the Texas Commission on Environmental Quality to transfer facilities and transfer and cancel water and sewer CCN Nos. 13020 and 20922 in Denton County to:

Mustang Special Utility District 7985 FM 2931 Aubrey Texas 76227  
(Purchaser's or Transferee's Name) (Address) (City) (State) (Zip)

The sale is scheduled to take place as approved by the Executive Director (V.T.C.A., Water Code §13.301). The transaction and transfer and cancellation of the CCNs include the following subdivision and zip code: The Providence Village, Texas located in the 76227 zip code.

The area subject to this transaction is located approximately 8 miles east of downtown Denton, Texas and is generally bounded on the north by Gail Lane; on the east by Elm Fork of the Trinity River; on the south by US 380; and on the west by FM 2931 and Sanders Road.

The total area being requested includes approximately 422 acres and serves 1,722 current customers. This transaction will have the following effect on the current customers' rates and services: Current customers will on average decrease in water rates of 0%. Water and wastewater services will remain the same.

Affected persons may file written protests and/or request a public hearing within 30 days of this notice.

To request a hearing, you must:

- (1) state your name, mailing address and daytime telephone number;
- (2) state the applicant's name, application number or another recognizable

Comparison of Water and Wastewater Rates		
	Mustang SUD	Providence Village WCID
<b>Base Rate:</b>	25.00	28.00
<b>Gallonge Water Charge:</b>		
1 to 1,000	2.43	3.00
1,001 to 3,000	2.66	3.00
3,001 to 6,000	3.30	3.00
6,001 to 9,000	3.64	3.00
9,001 to 10,000	3.99	3.00
10,001 to 12,000	3.99	3.80
12,001 to 15,000	4.34	4.13
15,001 to 20,000	4.91	4.68
20,001 to 25,000	5.49	5.23
> 25,000	9.41	8.97
<b>Gallonge Wastewater Charge:</b>		
1 to 8,000	35.50	32.00
8,001 to 10,000	39.50	32.00
> 10,000 gal.	39.50	35.75

**RECEIVED**

MAR 30 2011

TEXAS DEPARTMENT OF  
ENVIRONMENTAL QUALITY  
 ENVIRONMENTAL QUALITY

**MUSTANG  
SPECIAL UTILITY DISTRICT  
7985 FM 2931  
AUBREY, TEXAS 76227**

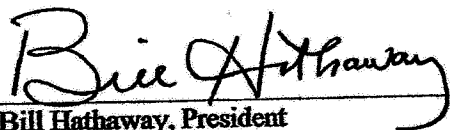
940-440-9561

**RECEIVED**  
MAR 30 2011  
TEXAS COMMISSION  
ON  
ENVIRONMENTAL QUALITY  
FAX 940-440-9686

**02/08/11 SPECIAL MEETING MINUTES**

**AGENDA**

1. **Call to Order: Invocation, Roll Call of Directors.**  
President Hathaway called the meeting to order at 6:02 p.m.  
**In attendance:** Steve Rebhan, Shelby Moore, Mike Frazier, Bill Hathaway, Randy Wallace, Dean Jameson, Barbara Swadling  
**Absent:** James Burnham, Bill Falzett  
**Staff Present:** Chris Boyd, Shelley Wright  
**Consultants:** Attorney's John Rapiere and Michael Bailey  
**Visitors:** There were no visitors  
Invocation given by Barbara Swadling
2. **Visitor Comments: Recognition of Visitors and Visitor comments.**  
N/A  
  
*President Hathaway recessed into Executive Session at 6:05 p.m.*
3. **Executive Session:**  
The Board of Directors will recess to an Executive session pursuant to Tex. Gov't Code Sec 551.071 to consult with attorney regarding contract with Providence Village WCID to include filing of STM agreement and District CCN.  
  
*President Hathaway reconvened into Regular Session at 6:55 p.m.*
4. **Return to Regular Session:**  
The Board will reconvene to Open Session to discuss and take action regarding contract with Providence Village WCID to include filing of STM agreement and District CCN.  
The following motion was made by Shelby Moore, 2<sup>nd</sup> by Steve Rebhan. All present were in favor. Mustang's prior offer of a discounted rate of \$3.85 per 1000 gallons for water delivered by Mustang to the Providence Village WCID's meters will be null and void if not accepted by Providence Village WCID by 5:00 p.m. Friday, February 11, 2011 and Mustang's General Manager and Counsel are authorized to initiate the ADR procedures pursuant to Section 7 of the agreement between the parties dated June 22, 2005.
5. **Adjournment:**  
President Hathaway adjourned the meeting at 6:57 p.m.

  
Bill Hathaway, President  
MSUD Board of Directors