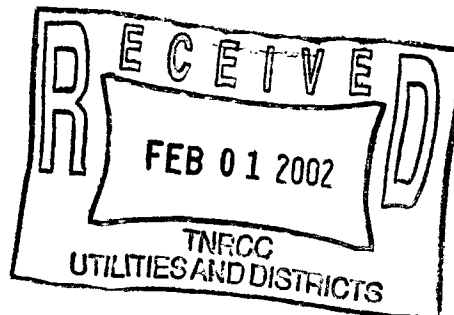


Sheets & Crossfield, P.C.

ATTORNEYS AT LAW
309 East Main Street • Round Rock, TX 78664-5246
phone 512-255-8877 • fax 512-255-8986

January 31, 2002

Mr. Mike Howell
Texas Natural Resource Conservation Commission
Water Utilities Division
Utility Rates and Services Section, MC-153
P.O. Box 13087
Austin, Texas 78711-3087



- Re: Application No.: 33562C; City of Austin's application for a CCN to provide water utility service in portions of Travis, Hays and Williamson Counties
- Re: Application No.: 33563C; City of Austin's application for a CCN to provide wastewater utility service in portions of Travis, Hays and Williamson Counties

Dear Mr. Howell:

On October 24, 2001, the City of Round Rock submitted a letter of protest and request for public hearing, addressed to your attention, regarding the above-referenced applications by the City of Austin. Since submitting that letter, our office has met with representatives from the City of Austin, and the concerns of the City of Round Rock have been addressed. The City of Round Rock, therefore, withdraws its protest and request for a public hearing in this matter.

Furthermore, the City of Round Rock has agreed with the City of Austin to decertify the service areas presently in the Round Rock service area represented in Attachments A and B. The City of Austin has applied with TNRCC to service these referenced areas.

Please let me know if the City of Round Rock needs to do anything further to facilitate this transfer of these identified service areas.

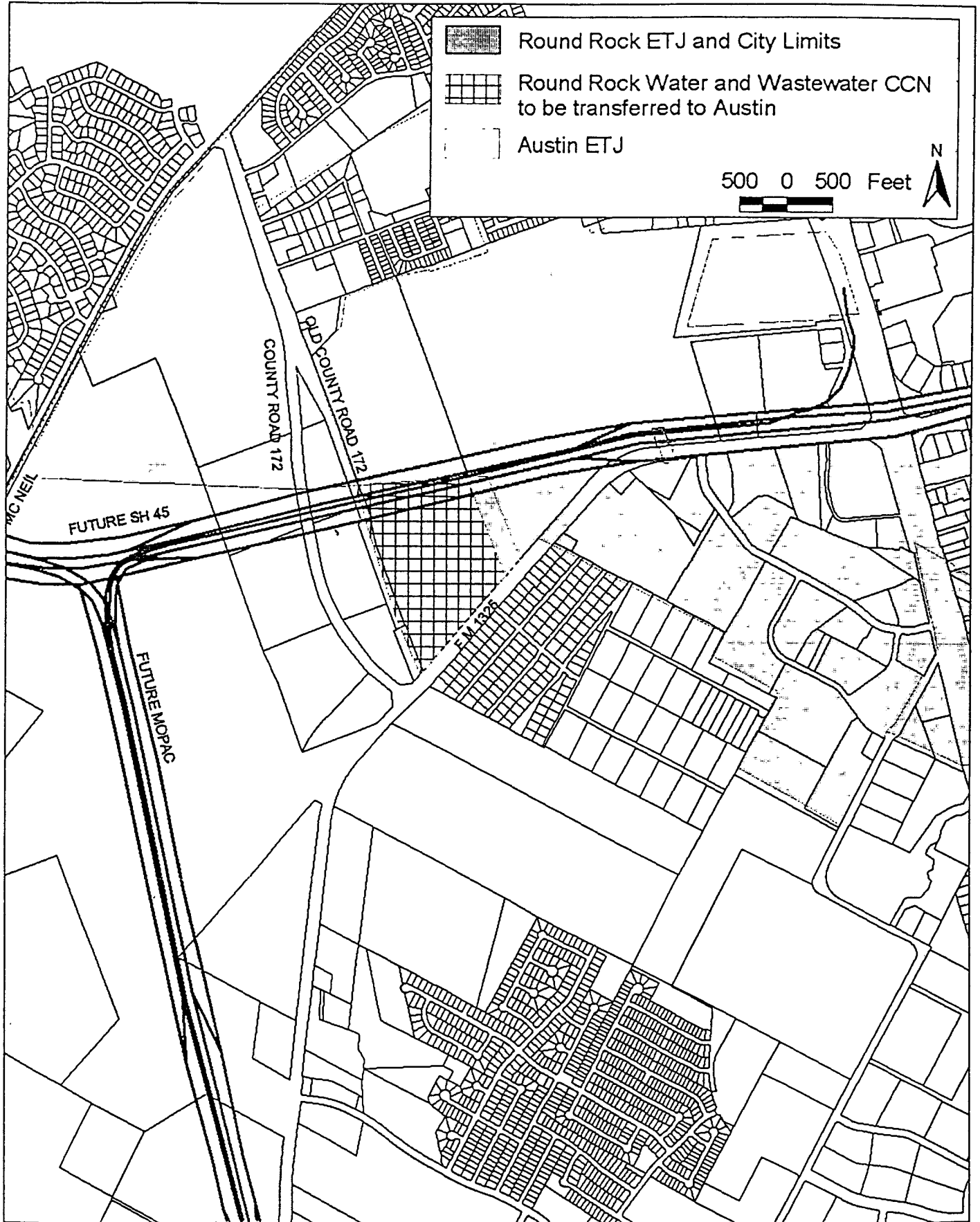
Sincerely,

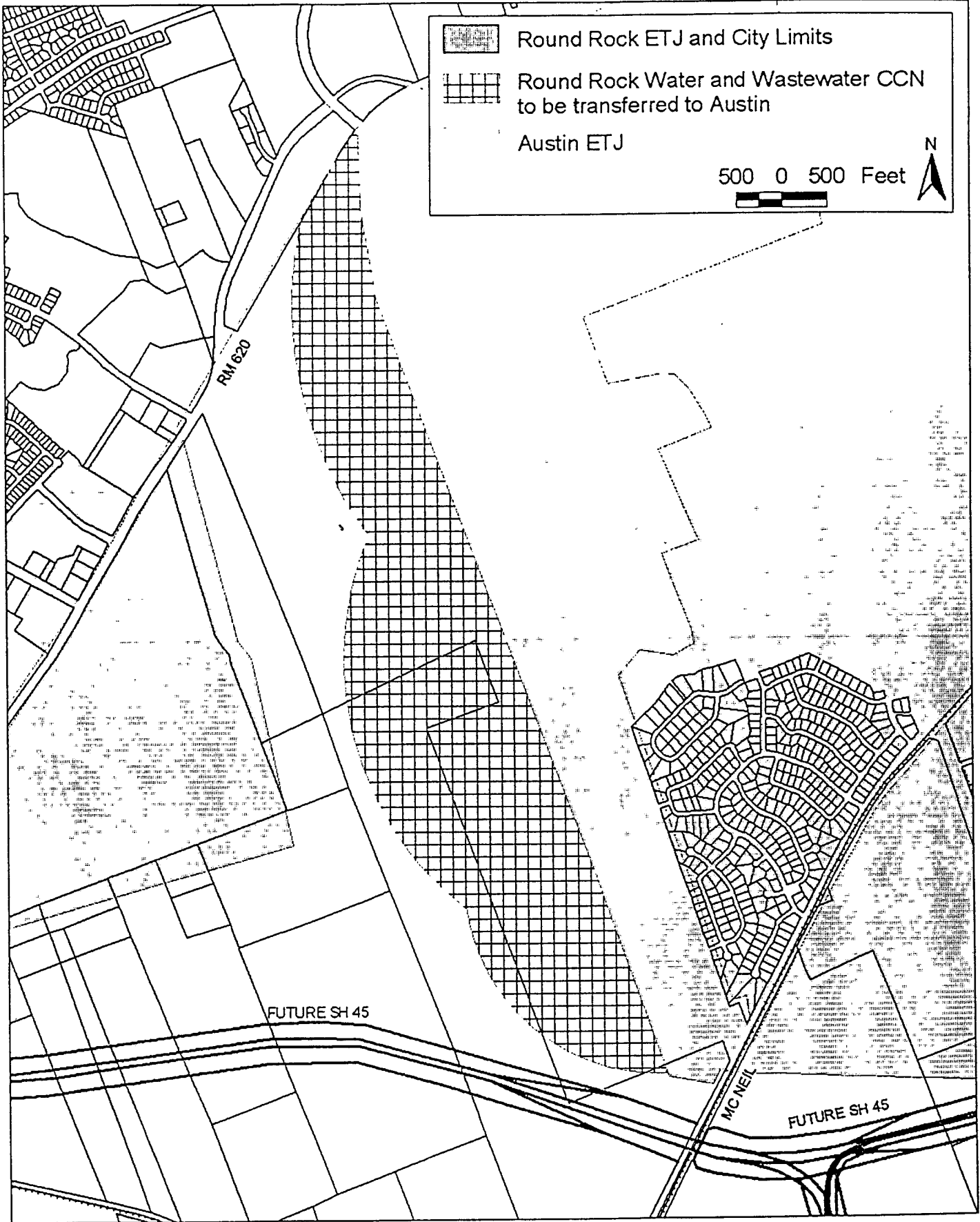
Stephan L. Sheets

Enclosures: Attachments A & B

cc: Mr. Kenneth Ramirez
Attorney for the City of Austin
111 Congress Avenue, Suite 2300
Austin, Texas 78701-4043

Handwritten notes and stamps in the bottom right corner, including the word 'RECEIVED' and some illegible text.



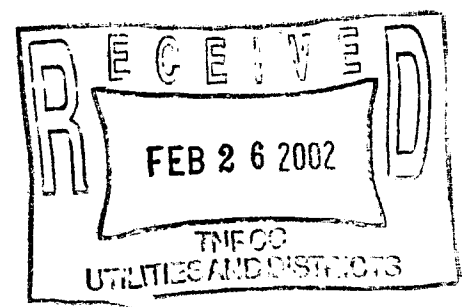


JAY ENGINEERING COMPANY, INC.
P.O. Box 1220 (512) 259-3882
Leander, TX 78646 Fax 259-8016

JAY

February 25, 2002

Mr. Mike Howell
TNRCC
MC153
P.O. Box 13087
Austin, TX 78711-3087



Re: Application from City of Manor to Amend Sewer Certificate of Convenience and Necessity (CCN) No. 20378 in Travis County; Application No. 33744-C

Dear Mr. Howell:

This letter is in response to a comment made in your review letter of January 30, 2002 regarding an apparent overlap of proposed CCN areas for the Cities of Manor and Austin. As suggested in your letter, a meeting was conducted with City of Austin staff to reach an agreement.

The meeting was February 19, 2002 with Bart Jennings of the City of Austin to review the submittals and discuss the issue. After reviewing the application maps submitted by both Cities (see attached), we were in agreement that no overlap of the proposed CCNs was either indicated or desired. The intent of both applicants was to have the proposed CCNs bounded by the appropriate ETJ and City Limit lines of the two Cities. The annotated City of Austin map shows that the proposed CCNs either abut directly at the City Limit/ETJ lines or are separated by some distance. This being said, no modification of either CCN application map is warranted since there is no overlap.

It was also agreed that the City of Austin would issue the same statement under a separate letter. We feel that this information resolves the issue and can allow the review of both applications to proceed. Let us know if you should have any questions in this regard.

Sincerely,

Frank T. Phelan, E.I.T.
Jay Engineering Company, Inc.
City of Manor City Engineer

FTP/s

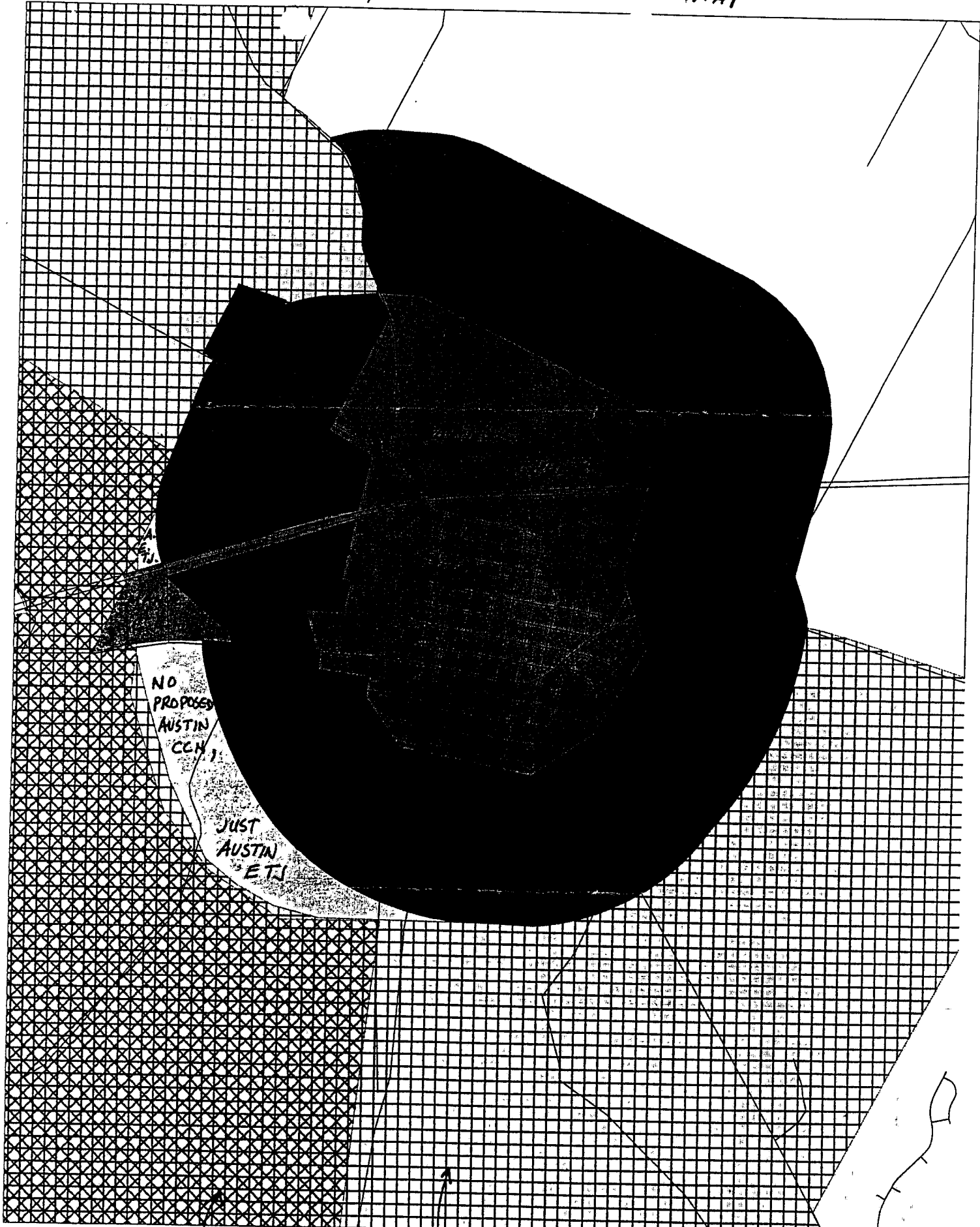
Attachments

Fax Copy: City of Manor
Greg Humbach, Attorney at Law
Bart Jennings, City of Austin

PN: 100-900-10

TEKAS NATIONAL
RESOLUTION
CITY OF MANOR
2002 FEB 26 11 41 AM
CHIEF CLERK - CITY OF MANOR

PROPOSED CITY OF AUSTIN CCN MAP



NO
PROPOSES
AUSTIN
CCN

JUST
AUSTIN
ETJ

PROPOSED COA
W & WW CCN
OVERLAYING
EACH OTHER

PROPOSED COA
WW CCN



LEGEND



MANOR CITY LIMITS



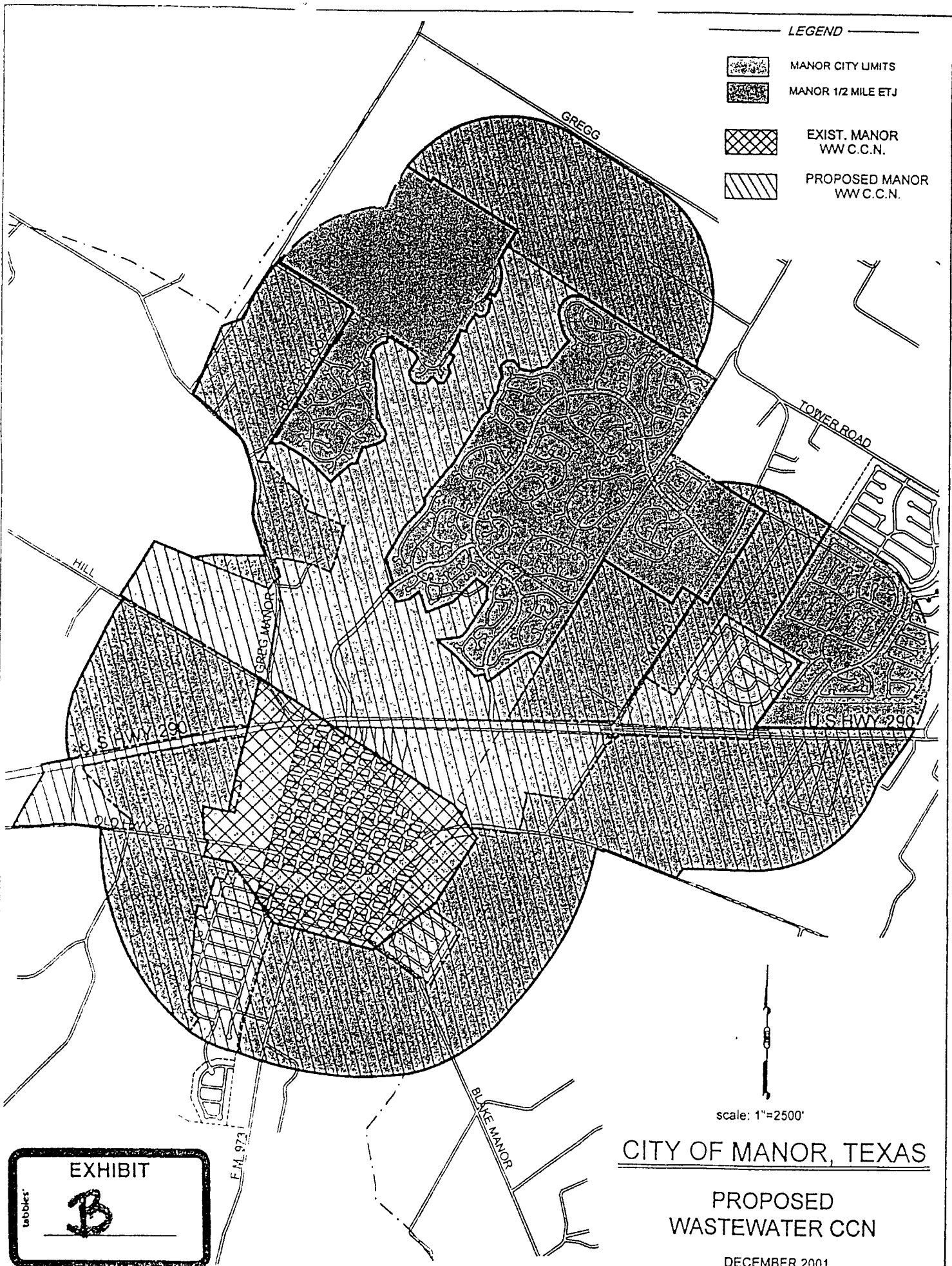
MANOR 1/2 MILE ETJ



EXIST. MANOR
WWC.C.N.



PROPOSED MANOR
WWC.C.N.



scale: 1"=2500'

CITY OF MANOR, TEXAS

PROPOSED
WASTEWATER CCN

DECEMBER 2001

EXHIBIT

B

tabbles

Robert J. Huston, *Chairman*
R. B. "Ralph" Marquez, *Commissioner*
Kathleen Hartnett White, *Commissioner*
Jeffrey A. Saitas, *Executive Director*



TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

Protecting Texas by Reducing and Preventing Pollution

February 25, 2002

CERTIFIED MAIL

Mr. Ronnie Jones
City of Austin
Assistant City Attorney
P.O.B. 1546
Austin, TX 78767-1546

Re: Docket No. 2002-0189-UCR; Application of the City of Austin to Obtain a Water Certificate of Convenience and Necessity (CCN) in Travis, Hays and Williamson Counties; Application No. 33562-C

Docket No. 2002-0189-UCR; Application of the City of Austin to Obtain a Sewer Certificate of Convenience and Necessity (CCN) in Travis, Hays and Williamson Counties; Application No. 33563-C

Dear Mr. Jones:

The Texas Natural Resource Conservation Commission (TNRCC) received protests to your applications to obtain a water and a sewer CCN in Travis, Hays and Williamson Counties. The Commission's Chief Clerk has assigned Docket Nos. 2002-0189-UCR and 2002-0189-UCR to this matter. Any further communications should refer to these docket numbers. V.T.C.A. Water Code, Section 13.246 provides that affected parties may protest the application and request a hearing on whether a CCN should be amended. The Lower Colorado River Authority, Creedmore-Maha Water Supply Corporation, Onion Creek Wastewater Company, Hornsby Bend, Gary Bradley, Dessau Utilities, and AquaSource Utility, Inc. have protested the referenced applications. Commission staff are also protesting these applications. Since an initial sixty day period was granted to address potential protests, a second extension will not be granted. However, continued discussion with the protestants is always encouraged.

This matter has been referred to the State Office of Administrative Hearings to schedule a hearing. When a hearing has been scheduled, you will receive a notice of hearing which explains when and where the hearing will be held.

Mr. Ronnie Jones

Page2

February 25, 2002

In order to review these CCN applications, the staff of the TNRCC may need additional information regarding your utility's service. You may be receiving Staff Requests for Information (RFI's) within a few weeks. We would appreciate your cooperation in providing the information requested.

If you have questions about this process or what material you should bring with you to the hearing, please contact Mike Howell at (512) 239-6960.

Sincerely,



Victoria Harkin, Ph.D., P. E.
Utilities and Districts Section, MC 153
Water Supply Division

VH/mh/ac

cc: TNRCC Region No. 11 Office
Attached Mailing List

TNRCC Chief Clerk's Office; ATTN: Melanie Mohair
TNRCC Legal; ATTN: Scott Humphrey

PROPOSED MAILING LIST FOR
DOCKET NO. 2002-0189-UCR and 2002-0189-UCR
(Application Nos. 33562-C for water and 33563-C for sewer)

Chris Lippe, P.E., Director
City of Austin Water and Wastewater Utility
625 East 10th Street
Suite 800
Austin, Texas 78701

Bart Jennings
City of Austin
625 E. 10th Street
Suite 800
Austin, Texas 78701

Monica Jacobs
Bracewell & Patterson L.L.P.
111 Congress Avenue
Suite 2300
Austin, Texas 78701-4043

Representing City of Austin

Mr. Mark Zeppa
Attorney at Law
4833 Spicewood Springs Road
Suite 202
Austin, Texas 78759-8436

Representing AquaSource Utility, Inc. and AquaSource
Development Company, and Creedmore-Maha WSC

Mark W. Smith
Casey, Gentz & Sifuentes, L.L.P.
919 Congress Avenue
Suite 1060
Austin, Texas 78701

Representing Onion Creek Wastewater Corporation

John J. Carlton
Ambrust Brown & Davis, L.L.P.
100 Congress Avenue
Suite 1300
Austin, Texas 78701-2744

Representing Hornsby Bend

Gary Bradley
Bradley Development
The Castle
1111 West 11th Street

Madison Jechow
Lower Colorado River Authority
P.O. Box 220
Austin, Texas 78767-0220

Representing Lower Colorado River Authority

Steve Stratton
Dessau Utilities Inc.
4104 Belmont Park Drive
Austin, Texas 78746

Mr. Ed Wolf
Route 2, Box 236 "D"
Cameron, Texas 76520

Kent Taylor
Taylor Commercial
900 Congress Avenue
Suite L-165
Austin, Texas 78701

Richard Buratti
6617 Argentia Road
Austin, Texas 78757

Jack Condon
405 Beardsley Lane
Austin, Texas 78746

Teresa Reel
3503 Crownover Street
Austin, Texas 78725

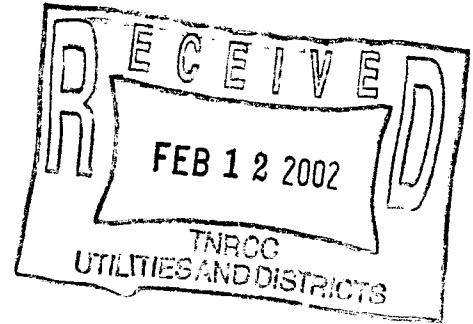


City of Austin

Founded by Congress, Republic of Texas, 1839
Municipal Building, Eighth at Colorado, P.O. Box 1088, Austin, Texas 78767 Telephone 512/499-2000

February 7, 2002

Mr. Ed Wolf
2868 CR 267
Cameron, TX 76520



Re: City of Austin CCN Application to Provide Sewer Service in portion of Travis, Hays, and Williamson Counties (33563-C)

Dear Mr. Wolf:

Thank you for our discussions concerning the City of Austin's (City) plans to provide sewer service in the northeastern portion of its impact fee boundary service area. As you know, the City has developed a master plan and has approved significant developer reimbursement agreements for the provision of sewer service in the northeast portion of its impact fee boundary service area. I received a copy of a letter, dated February 6, 2002, to the Texas Natural Resource Conservation Commission (TNRCC) notifying them of the withdrawal of your request for a public hearing regarding the City's sewer CCN application.

As we previously discussed, I will be glad to continue to answer any future questions you may have about the City's utility service. I will provide you a copy of any notice I receive concerning future public hearings at the TNRCC with regards to the City's proposed sewer CCN application. If you have any questions, please feel free to call me at 972-0118. Thank you for your interest and cooperation in this matter.

Sincerely,

Bart Jennings
Wholesale Services

cc: Mike Howell, Texas Natural Resource Commission
Kent Taylor
Ronnie Jones, Assistant City Attorney

RECEIVED
FEB 12 2002
TNRCC
UTILITIES AND DISTRICTS
CHIEF CLERK'S OFFICE
FEB 12 2002 11 45 52
TNRCC
RESOLUTION DIVISION

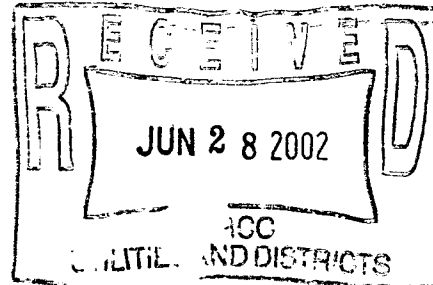


TEXAS NATURAL RESOURCE CONSERVATION COMMISSION
CHIEF CLERK'S OFFICE

June 28, 2002

Kenneth Ramirez
Partner
111 Congress Avenue, Suite 2300
Austin, Texas 78701-4043
Phone: 512.494.3611
Fax: 512.472.9123
kramirez@bracepatt.com
Via Hand Delivery

LaDonna Castañeula, Chief Clerk
Office the Chief Clerk
Texas Natural Resource Conservation
Commission
P.O. Box 13087, MC-105
Austin, Texas 78711-3087



Re: Response to City of Mustang Ridge's Protest and Intervention Request on the City of Austin's Water and Sewer CCN Applications (33562-C and 33563-C)

Dear Ms. Castañeula:

Enclosed please find an original and one copy of a letter to Doug Holcomb in response to City of Mustang Ridge's Protest and Intervention Request on the City of Austin's Water and Sewer CCN Applications (33562-C and 33563-C). Please date-stamp the copy and return it to my messenger.

If you have any questions, please contact me at 512/494-3611.

Very truly yours,
Bracewell & Patterson, L.L.P.
Monica Jones for
Kenneth Ramirez

KR/jcb
Enclosures

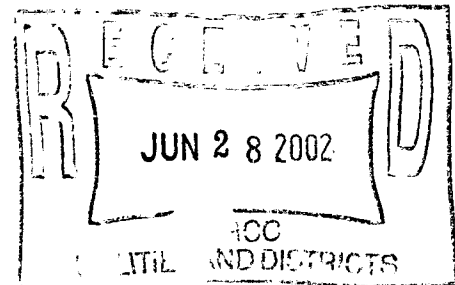
- cc: Mr. Doug Holcomb
- Mr. Chris Lippe, P.E., Director, Water and Wastewater Utility
- Mr. Andrew Covar, Assistant Director, Water and Wastewater Utility
- Mr. Ronnie Jones
- Mr. Bart Jennings
- Mr. Mark H. Zeppa

Kenneth Ramirez
Partner

111 Congress Avenue, Suite 2300
Austin, Texas 78701-4043
Phone: 512.494.3611
Fax: 512.472.9123
kramirez@bracepatt.com

June 28, 2002

Doug Holcomb
Utilities & Districts Section
Water Permits & Resource Management Division
Texas Natural Resource Conservation Commission
MC-153
P.O. Box 13087
Austin, TX 78711-3087



Re: Response to City of Mustang Ridge's Protest and Intervention Request on the City of Austin's Water and Sewer CCN Applications (33562-C and 33563-C)

Dear Mr. Holcomb:

On June 20, 2002, Mr. Mark H. Zeppa filed a letter of protest and intervention request on behalf of the City of Mustang Ridge ("Mustang Ridge") regarding the City of Austin's ("Austin") water and sewer Certificate of Convenience and Necessity ("CCN") applications (33562-C and 33563-C) ("Applications").

Mustang Ridge's intervention request and request for party status should be denied because it is untimely. Austin filed its Applications on August 13, 2001. The Applications were declared administratively complete on August 20, 2001. Austin issued individual and published notices under 30 TAC § 291.106; individual notices were mailed on September 24, 2001 and the last date of publication was October 3, 2001. Thus, the Texas Natural Resource Conservation Commission ("TNRCC") received Mustang Ridge's June 20, 2002 letter over six months after the end of the regulatory public comment period.

Even if Mustang Ridge's request had been timely, it still would not be entitled to a hearing. A request for a contested hearing may be granted if made by an "affected person." *See* 30 TAC § 55.27(b)(2); *see also* 30 TAC §§ 291.107(d) and 55.101(g)(5). An affected person is one who has a personal justiciable interest related to a legal right, duty, privilege, power, or economic interest affected by the application. *See* 30 TAC § 55.29(a). An interest that is common to members of the general public does not qualify as a personal justiciable interest. *See id.* This standard requires Mustang Ridge to show that it will potentially suffer harm or has a justiciable interest that will be affected. *See*



Mr. Doug Holcomb
June 28, 2002
Page 2

United Copper Indus., Inc. v. Grissom, 17 S.W.3d 797, 803 (Tex. App.—Austin 2000, pet. denied).

Relevant factors to be considered in evaluating whether a person is an affected person include:

- Whether the interest claimed is one protected by the law under which the application will be considered;
- Whether a reasonable relationship exists between the interest claimed and the activity regulated;
- The likely impact of the regulated activity on the health, safety, and use of property of the person; and
- The likely impact of the regulated activity on use of the impacted natural resource by the person.

30 TAC § 55.29(c).

In addition, a request for hearing must also be reasonable and supported by competent evidence. *See* 30 TAC § 55.27(b)(2).

Mustang Ridge does not qualify as an affected person, and its request for hearing is not reasonable and supported by competent evidence; therefore, Mustang Ridge's request for hearing should be denied.

To Austin's knowledge, Mustang Ridge does not own, operate, maintain or control any facilities for the provision of centralized water or sewer utility service for compensation. Additionally, Mustang Ridge has not filed a competing application to provide water or sewer utility service to any area within Austin's proposed service areas. Austin's provision of service will therefore have no impact upon Mustang Ridge greater than that which is common to members of the general public. Specifically, Mustang Ridge has no economic interest protected by the law under which the Applications will be considered, and there will be no impact on the use of its property or natural resources. As such, Mustang Ridge meets none of the relevant factors to be considered in evaluating affected person status for Austin's Applications.

Also, Austin takes this opportunity to address several incorrect assertions made by Mustang Ridge in its intervention request.



Mr. Doug Holcomb

June 28, 2002

Page 3

Mustang Ridge states in its letter that "(a)s a landowner within its own city limits the City of Mustang Ridge does not need or desire Austin's service or the encumbrance of its CCN." Austin's Applications expressly exclude: (1) any areas that lie within the corporate limits of a municipality (other than Austin) as of the date Austin's Applications were filed; (2) any areas that lie within the extraterritorial jurisdiction ("ETJ") of a municipality (other than Austin) as of the date Austin's Applications were filed; and (3) any areas that lie within the boundary of a TNRCC-issued water or sewer CCN that was valid and in effect as of the date Austin's Applications were filed and any connections currently being lawfully served by such providers. In short, Austin is in no way requesting to provide water or sewer utility service to customers that reside within the City of Mustang Ridge's corporate limits or its ETJ.

Similarly, Mustang Ridge erroneously asserts that Austin is "attempting to use a utility CCN as a land use, building code and development tool within the corporate limits and extraterritorial jurisdiction of another municipality." Austin's reasons for filing its Applications do not entail a desire to acquire a "tool" for land use, etc. As Austin previously stated, its reasons for filing its applications include:

- The granting of the CCN areas will secure the area for better long-range planning and cost-effective infrastructure placement. This planning will result in more efficient and effective use of public funds.
- The granting of the CCN areas will assure infrastructure construction to Austin standards and specifications that results in a higher level of public health and safety.
- The granting of the CCN areas will ensure utility service for a more reasonable cost to customers since most utilities' rates are higher than the Austin's rates.
- The granting of the CCN areas will minimize the negative financial impact to Austin customers as annexation of the CCN area occurs since the infrastructure will be built to Austin standards and will not need to be replaced to meet municipal requirements.
- The granting of the CCN areas will benefit future customers due to the depth and magnitude of Austin's managerial, technical, and customer service experience and abilities.
- The granting of the CCN areas follows state law and Austin's established environmental policy since it promotes regionalization of water and sewer utility



Mr. Doug Holcomb

June 28, 2002

Page 4

service and will enhance Austin's promotion of development within Austin's designated Desired Development Zone rather than in environmentally sensitive areas.

Moreover, once again, Austin is not seeking a CCN within Mustang Ridge's corporate limits or ETJ.

Finally, Mustang Ridge refers to an alignment with Creedmoor "and with neighboring cities." While it is uncertain to which cities Mustang Ridge is referring, it is clear which neighboring governmental entities will not be joining in this alleged alignment. To date, the City of Round Rock, the City of Pflugerville, the City of Manor, the City of West Lake Hills, and Travis County have all filed letters or resolutions with TNRCC expressing their support for Austin's Applications.

Consequently, for the above reasons, Austin requests that Mustang Ridge's untimely request to intervene as a party be denied.

Very truly yours,

Bracewell & Patterson, L.L.P.

A handwritten signature in black ink, appearing to read 'Kenneth Ramirez', written in a cursive style.

Kenneth Ramirez

KR/jcb

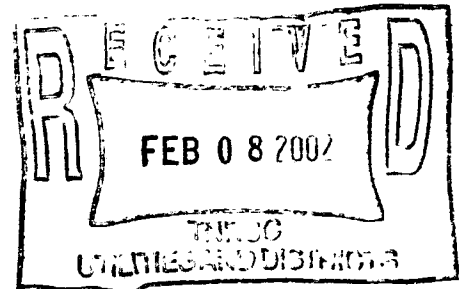
cc: Chris Lippe P.E., Director, Water and Wastewater Utility
Andrew Covar, Assistant Director, Water and Wastewater Utility
Bart Jennings, Water and Wastewater Utility
Ronnie Jones, Assistant City Attorney
Mark H. Zeppa, Attorney



Taylor Commercial
Real Estate Brokerage

February 6, 2002

Mr. Mike Howell
Utilities & Districts Section
Texas Natural Resource Conservation Commission
MC-153
PO Box 13087
Austin, TX 78711-3087



Dear Mr. Howell:

On September 24, 2001 I wrote the TNRCC a letter requesting a public hearing on the City of Austin application for CCN to provide sewer utility service in portions of Travis, Hays, and Williamson Counties. That letter I wrote in behalf of Mr. Ed Wolf, the owner of 200 acres of land in the affected area. A copy of that letter follows.

Based on my phone conversation with you today that you will add both Mr. Wolf and me to the mailing list for hearings on this subject, Mr. Wolf has authorized me to inform you that he is dropping his request for the hearing. He has no interest in being a "party" to the proceedings, but he very much wants to be informed.

By copy of this letter to Mr. Bart Jennings of the City of Austin Water and Wastewater Division, I am informing him of Mr. Wolf's decision to drop his request. I am also asking Mr. Jennings to keep me similarly informed of dates and times of hearings.

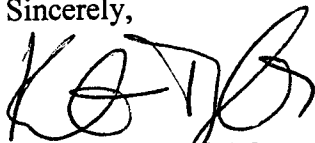
For purposes of notification, please add the following names and addresses to your distribution list on this subject:

Mr. Ed Wolf
Route 2, Box 236 "D"
Cameron, TX 7652
254/697-4137

Mr. Kent Taylor
Taylor Commercial
900 Congress Avenue
Suite L-165
Austin, TX 78701

I trust that this letter will serve your needs to drop Mr. Wolf from the list of 12 who have requested the hearing. Should you have any questions, do not hesitate to contact me at 708-0800.

Sincerely,


Kent Taylor, CCIM

cc: Mr. Ed Wolf
Mr. Bart Jennings, City of Austin (copied via fax 9720-111)

CCN
TAYLOR COMMERCIAL
UTILITIES AND DISTRICTS
708-0800

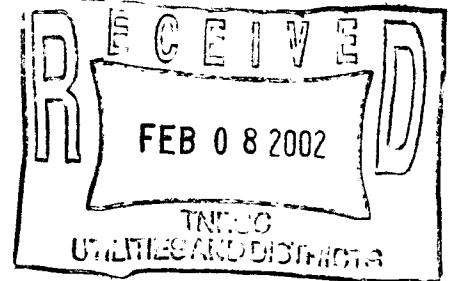




Taylor Commercial
Real Estate Brokerage

September 24, 2001

Texas Natural Resource Conservation Commission
Water Utilities Division
Utility Rates and Services Section, MC-153
P.O. Box 13087
Austin, TX 78711-3087



Dear TNRCC:

Please accept this letter as a request for a public hearing on the City of Austin application for CCN to provide sewer utility service in portions of Travis, Hays, and Williamson Counties. The public Notice for Publication on the subject is enclosed.

1) I am:

Kent Taylor
Taylor Commercial
900 Congress Ave.
Suite L-165
Austin, TX 78701
512/708-0800, fax 512/708-8950

The fax number is included above at that is my preferred method of being notified/contacted.

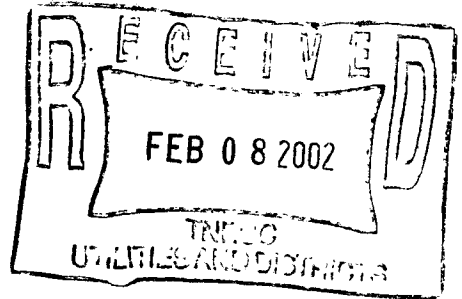
2) I write you in behalf of a property owner whose 200 acres of land on Blake Manor Road south of Manor is included in the service area. His name is Ed Wolf. He has no application number to reference. I am writing you in his behalf because he is an out-of-town land owner related to my wife, and I serve as his local eyes and ears on matters that might affect the value or development potential of his land.

3) In his behalf, I request a public hearing and I request that you provide written notification to both Mr. Wolf and me about the date, place and time of the public hearing. Correspondence to Mr. Wolf should be sent to:

Mr. Ed Wolf
Route 2, Box 236 "D"
Cameron, TX 7652
254/697-4137

4) Mr. Wolf would like sewer service to his tract so do not interpret this letter as opposition to the CCN. However, Mr. Wolf could be adversely affected by the granting of this CCN if the CCN precludes other options for sewer service

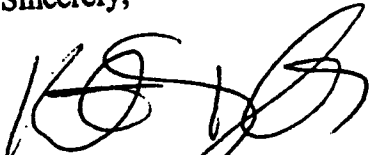




- and the City of Austin does not provide the service in as soon a period as might be available through other options.
- 5) Without knowing more detail about the proposed CCN and any commitments by the City of Austin for service to accompany the CCN, Mr. Wolf and I are not in a position to propose adjustments to the application which would cause us to withdraw our request of a public hearing.

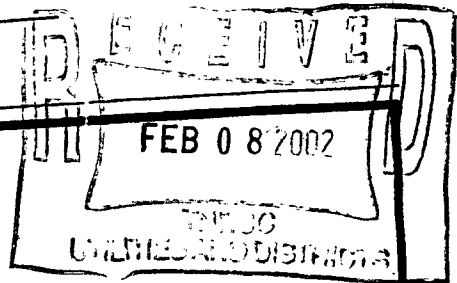
It would be nice if information regarding this application were accessible via the Internet. If such information is available, I would appreciate being notified of its availability.

Sincerely,



Kent Taylor, CCIM

B6 Monday, September 24, 2001



Notice for Publication

NOTICE OF APPLICATION OF THE CITY OF AUSTIN FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE SEWER UTILITY SERVICE IN PORTIONS OF TRAVIS, HAYS AND WILLIAMSON COUNTIES

The City of Austin (City) has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide wastewater utility service in portions of Travis, Hays, and Williamson Counties.

The proposed wastewater utility service area is solely located within the City's extraterritorial jurisdiction and is a crescent-shaped area located contiguous to the City's corporate limits and totally within the northern, northeastern, eastern, southeastern, and southern portions of the City's extraterritorial jurisdiction (ETJ). This area is generally bounded on the North by South Brushy Creek; East by the Bastrop County line; South by FM 967; and West by FM 2304, IH 35, and north Hwy. 183.

The proposed area expressly excludes the following: (1) any areas that lie within the corporate limits of a municipality (other than Austin) as of the date the City's application was filed; (2) any areas that lie within the ETJ of a municipality (other than Austin) as of the date the City's application was filed; and (3) any areas that lie within the boundary of a TNRCC-issued wastewater CCN that was valid and in effect as of the date the City's application was filed and any connections currently being served by such wastewater provider. Also, this application does not seek to decertify any areas that already fall within the City's existing CCNs.

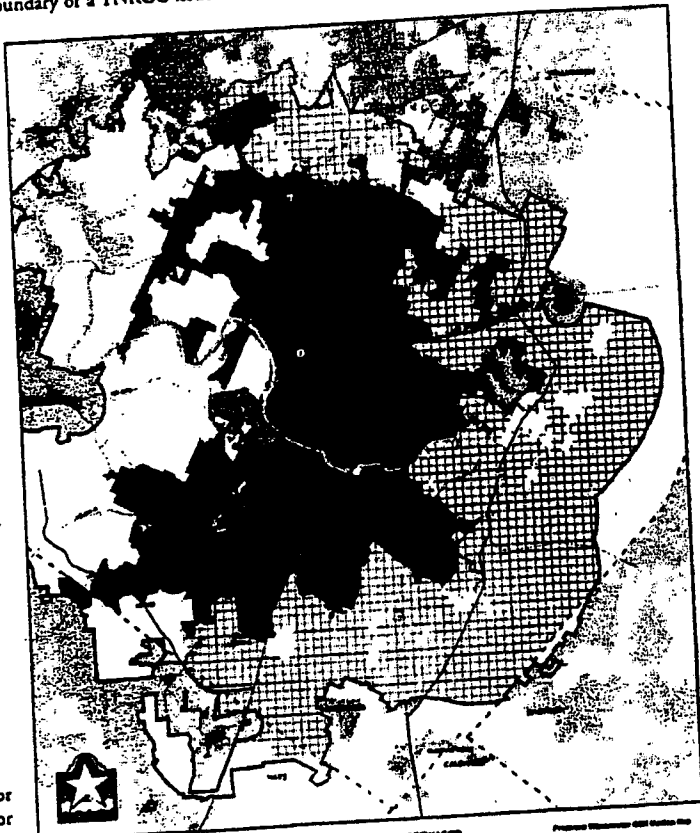
The total wastewater service area being requested includes approximately 132,751 acres and approximately 3,611 current customers.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing. The Executive Director will issue this CCN unless one or more persons file written protests and/or a request for a hearing within 30 days after this notice is provided.

Persons who wish to intervene or comment should write the:

Texas Natural Resource Conservation Commission
Water Utilities Division
Utility Rates and Services Section, MC-153
P. O. Box 13087
Austin, TX 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.



Austin City Limits
Austin Extraterritorial Jurisdiction (ETJ)
County Line
Austin's Proposed WASTEWATER Certificate of Convenience and Necessity (CCN)
Other City Limits
Other City ETJ
Proposed Wastewater CCN Service Area
City of Austin
Water Utilities Division
Utility Rates and Services Section
September 24, 2001

MH

Memo

RECEIVED
NOV 30 2001
TNRCC
UTILITIES AND WASTE DIV.

Date: 11/27/01
From: John K. Condon
To: Mike Howell

Subject: City of Austin Application for CCN
Travis, Hays, and Williamson Counties

Please place me on the interested parties group for the progress of CoA's CCN Application. Please be sure to mail me any and all pertinent mailers so I can be informed of the progress.

I am a developer who has been dealing with City of Austin requesting Final Plat Approval for almost 2 years now and have been neither denied or approved because of their demand that I not hook up with Onion Creek Wastewater.

Being blackmailed into applying an SER from CoA, they came back with requesting me to do \$3.970 million of offsite improvements. This does not include interest costs or an additional \$1350/lot impact fee. With my agreement with OCWW, I pay a total not to exceed \$450,000.

During negotiations with CoA, they the water department assured me that they would not cost me anything and I would finally obtain my Final Plat. Last week, they said they DO NOT HAVE THE MONIES TO DO THE WORK. Please realize that the CoA is financially insolvent. They can not compete with existing facilities, and this application is strictly a land grab so they can continue to control growth in the area. Just another layer of government!

They have said much more to me, but this memo is just a small amount of what has happened.

Please call me regarding my statements, and I will make available my engineer and attorney to support statements.

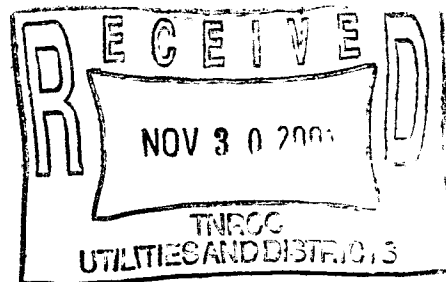
Regards,
Jack
John K. Condon

405 Beardsley Lane
Austin, Texas 78746
O. 328 5608
F 328 0253
Cell. 658 8888

NOV 29 11 46 AM '01
TNRCC
UTILITIES AND WASTE DIV.



CITY OF AUSTIN
WATER AND WASTEWATER
UTILITY DEVELOPMENT SERVICES
ENGINEERING DIVISION
OFFICE NUMBER: (512) 22-2755
FAX NUMBERS: (512) 22-2986
(512) 22-8251



DATE: Nov. 27, 2001 TIME: 11:10 Am

TO: Jack

COMPANY: _____

FAX NUMBER: 381 0053 TELEPHONE NUMBER: _____

FROM: Phillip Regare

TELEPHONE: 322-765 PAGES (INCLUDING COVER PAGE): 4

COMMENTS: _____

PLEASE REPORT TRANSMISSION PROBLEMS IMMEDIATELY TO SENDER OR CALL OFFICE NUMBER ABOVE.

**WATER AND WASTEWATER
SERVICE EXTENSION
REQUEST FOR
CONSIDERATION**

Name : Legends Way		Service Requested : Wastewater	
S.E.R. No. : 2132		Date Received : 10/22/01	
Location : East side of Bradshaw Rd between Rinerd Creek and Plantation Dr			
Area : 114.17	Land Use : Mixed	At Utility Service or S.E.R. Number : Yes, Creedmore-Maha W.S.C.	
Quad1 : G-10.11	Quad2 : H-10.11	Drainage Basin : Onion Creek	
Pressure Zone : South		DDZ : Yes	DWPZ : No
Flow : (Estimated Peak Wet Weather Flow, Gallons per Minute) 286 gpm			
Cost Participation : \$0.00	% Within City Limits : 0	% Within Limited Purpose : 0	

Description of Improvements:
Applicant will construct an appropriately sized lift station (approximately 1,800 gpm to serve the subject tract and the tracts of land within the Lift Station Service Area as identified on the attached exhibit) within the subject tract outside the 100-year flood plain.

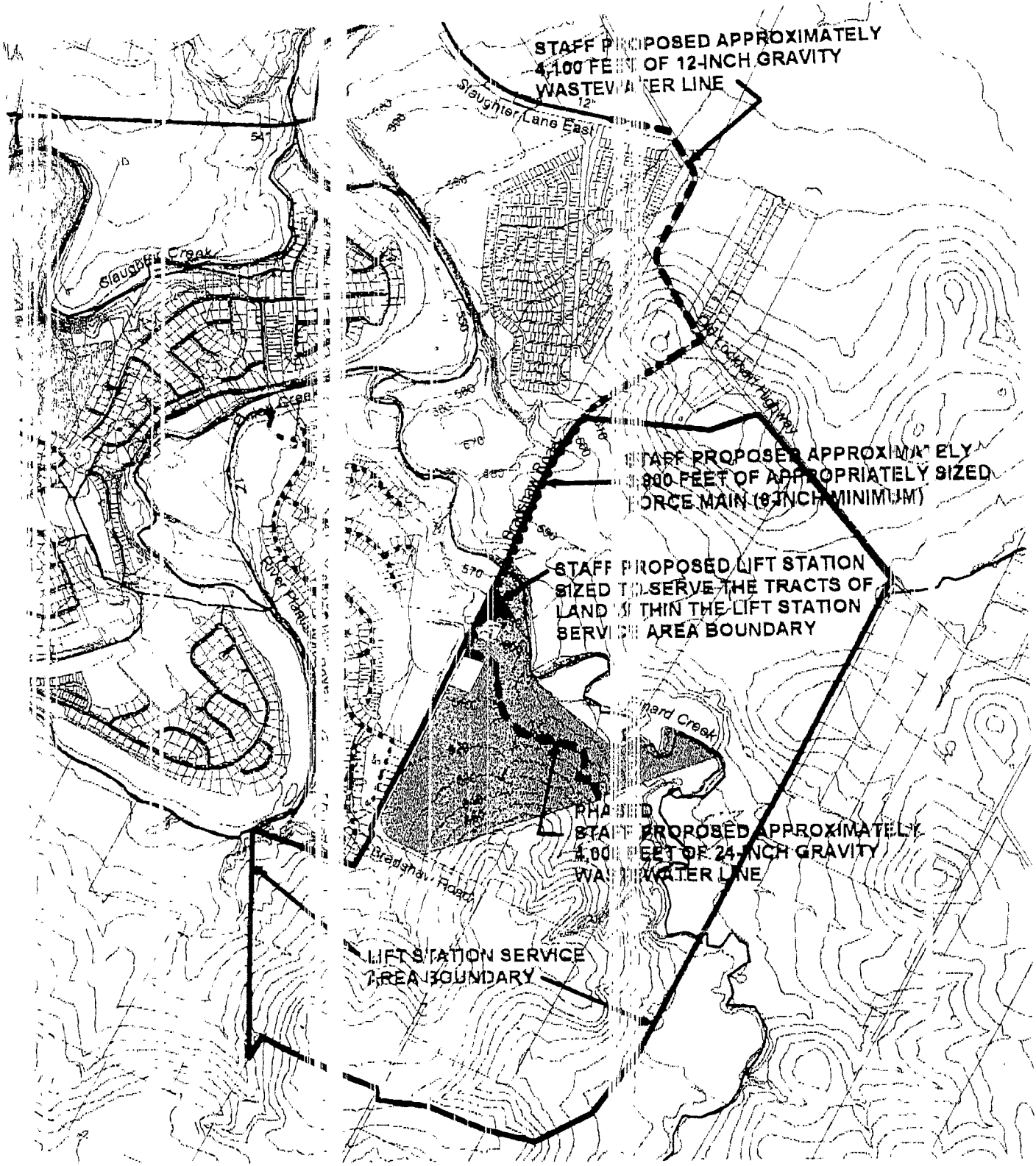
Applicant will construct approximately 4,100 feet of appropriately sized force main (6-inch minimum) from the proposed lift station within the subject tract, northeast along Bradshaw Road and construct approximately 3,900 feet of 12-inch gravity wastewater line from the force main on Bradshaw Road, northeast to Old Lockhart Highway and along old Lockhart Highway to the existing 12-inch gravity wastewater line located in Slaughter Lane East.

Applicant will also construct approximately 4,000 feet of 24-inch gravity wastewater line from the proposed lift station, south through the subject tract to the southern property line of the subject tract (generally following the alignment of Daly Drive and a portion of Legends Way). The proposed 24-inch gravity wastewater line must be constructed (depth and slope) to allow the extension of the 24-inch wastewater service line to the upper portions of the Rinerd Creek Drainage Basin (west of the main branch of the creek up to a point approximately 3,000 feet south of F.V. 1327). No individual wastewater service connections will be allowed to the proposed 24-inch gravity wastewater line.

Phase One - all proposed lots within the area encompassed by Daly Drive (with the exception of the lots fronting Daly Drive and Daly Cove) on the north side of Bradshaw Road on the west and River Plantation Drive on the south and east, will be allowed wastewater service prior to the construction of the proposed 24-inch gravity wastewater line. All remaining phases of the subdivision will require that the 24-inch gravity wastewater line be constructed. Daly Drive can not be constructed before the 24-inch gravity wastewater line is constructed.

- Completion and acceptance of the improvements described above and the conditions set forth below:**
- 1) Construction of all Service Extensions are subject to all environmental and planning ordinances.
 - 2) Service Extensions are subject to the guidelines established in the Land Development Code, Section 25-9, Water and Wastewater Utility Service.
 - 3) The level of service approved by this document does not imply commitment for land use.
 - 4) The proposed offsite (within right-of-ways or public easements) improvements will be dedicated to the City of Austin for its use.
 - 5) Engineering Report submitted to the City of Austin detailing the proposed wastewater improvements.
 - 6) The approved Service Extension application fees will automatically expire 120 days after date of approval unless a development application is submitted to the Development Review and Inspection Department. The Service Extension expires on the date the development application approval expires, or, if approved, on the date the development application approval expires.

WWW Asst Director Engineer	Program	Date	Division Manager, UDS	Date
Director, Water & Wastewater Utility		Date	Prepared by	Date
Technical Review				



1000 0 1000 Feet



Subject Tract

Full Purpose

W.W. S.E.R. Name: Legends Way

W.W. S.E.R. Number 2132

Same Term & provide limited Future Growth Force Main & Gravity Limited	Total Costs Before Reimbursement All Phases	Total Costs Devote Reimbursement Phase One	Share	Total Landowner		Total COA		Landowner Costs		COA Costs	
				Before Reimbursement	After Reimbursement	Before Reimbursement	After Reimbursement	Remaining Phases	Remaining Phases	After Reimbursement	After Reimbursement
COA Lift Station Smaller Pumps 1800 gpm ENG	\$1,550,000	\$1,550,000	15.89%	\$246,295	\$195,975	\$1,303,705	\$1,303,705	\$0	\$0	\$0	\$0
24" Gravity Line \$225 @ 4000' ENG	\$232,500	\$232,500		\$34,875	\$29,396	\$197,625	\$197,625	\$0	\$0	\$0	\$0
6" Force Main \$75 @3900' ENG	\$900,000	\$0	67.00%	\$0	\$195,975	\$0	\$0	\$0	\$0	\$0	\$0
12" Gravity Line \$150 @4100' ENG	\$292,500	\$292,500	40.00%	\$246,000	\$36,900	\$369,000	\$369,000	\$0	\$0	\$0	\$0
Total Hard Costs	\$3,357,500	\$2,457,500		\$888,270	\$101,174	\$1,709,200	\$1,709,200	\$0	\$0	\$0	\$0
Total ENG	\$503,625	\$368,625		\$101,174	\$25,810	\$267,454	\$267,454	\$0	\$0	\$0	\$0
Inspection*	\$109,119	\$92,156		\$25,810	\$86,346	\$86,346	\$86,346	\$0	\$0	\$0	\$0
Total	\$3,970,244	\$2,918,281		\$815,251	\$815,251	\$2,103,030	\$2,103,030	\$0	\$0	\$0	\$0

* Inspection costs do not total because of sliding percentage scale of total hard costs and the project being phased

SUMMARY
\$815,251

(A) + INTEREST ON
\$3,970,244

5 AN @ 10% X
\$600,000

(B) 600,000
(C) 355,050

+ 1350 / LOT

IMPACT FEE

1,770,301

(C)

X 263

less OCWV
EST. 450,000

1,320,301

MIN. MORE

355,050

B6 Monday, September 24, 2001



Notice for Publication

NOTICE OF APPLICATION OF THE CITY OF AUSTIN FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE SEWER UTILITY SERVICE IN PORTIONS OF TRAVIS, HAYS AND WILLIAMSON COUNTIES

The City of Austin (City) has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide wastewater utility service in portions of Travis, Hays, and Williamson Counties.

The proposed wastewater utility service area is solely located within the City's extraterritorial jurisdiction and is a crescent-shaped area located contiguous to the City's corporate limits and totally within the northern, northeastern, eastern, southeastern, and southern portions of the City's extraterritorial jurisdiction (ETJ). This area is generally bounded on the North by South Brushy Creek; East by the Bastrop County line; South by FM 967; and West by FM 2304, IH 35, and north Hwy. 183.

The proposed area expressly excludes the following: (1) any areas that lie within the corporate limits of a municipality (other than Austin) as of the date the City's application was filed; (2) any areas that lie within the ETJ of a municipality (other than Austin) as of the date the City's application was filed; and (3) any areas that lie within the boundary of a TNRCC-issued wastewater CCN that was valid and in effect as of the date the City's application was filed and any connections currently being served by such wastewater provider. Also, this application does not seek to decertify any areas that already fall within the City's existing CCNs.

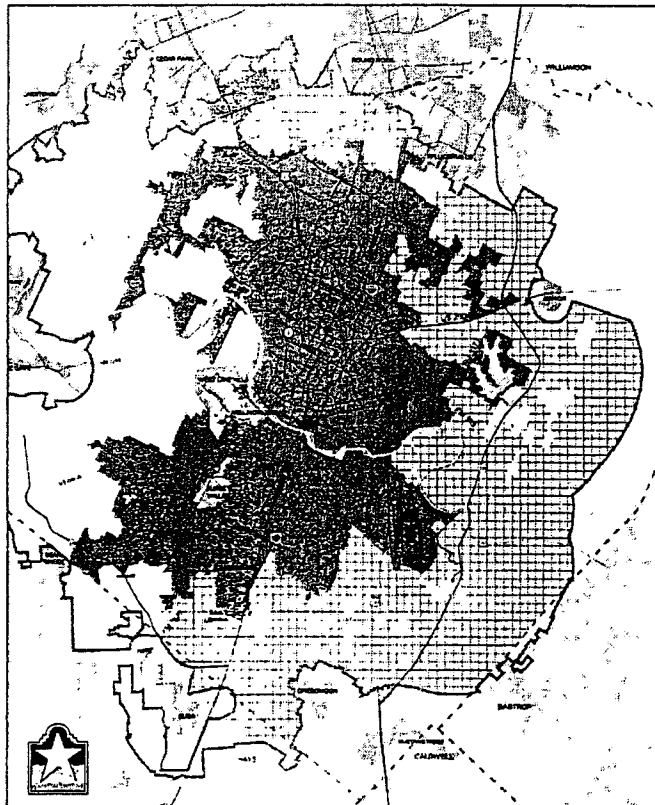
The total wastewater service area being requested includes approximately 132,751 acres and approximately 3,611 current customers.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing. The Executive Director will issue this CCN unless one or more persons file written protests and/or a request for a hearing within 30 days after this notice is provided.

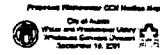
Persons who wish to intervene or comment should write the:

Texas Natural Resource Conservation Commission
Water Utilities Division
Utility Rates and Services Section, MC-153
P. O. Box 13087
Austin, TX 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.



Austin City Limits
Austin's Proposed WASTEWATER Certificate of Convenience and Necessity (CCN)
Austin's Extraterritorial Jurisdiction (ETJ)
Other City Limits
County Line
Other City ETJ



**RESOLUTION OF THE CITY OF PFLUGERVILLE,
TEXAS SUPPORTING THE CITY OF AUSTIN
APPLICATION FOR WATER AND WASTEWATER
CERTIFICATES OF CONVENIENCE AND NECESSITY**

WHEREAS, the City of Austin has filed an application with the Texas Natural Resource Conservation Commission for water and wastewater certificates of convenience and necessity for certain portions of the city's extraterritorial jurisdiction; and

WHEREAS, the City of Austin believes that municipalities should engage in long-term, regional planning of utility services within their extraterritorial jurisdictions to provide cost-effective utility infrastructure placement and sizing that will result in lower costs and superior service for future utility customers in the area; and

WHEREAS, the City of Austin believes that it is difficult and more costly to engage in effective long-term, regional planning of water and wastewater services while other utilities are allowed to provide uncoordinated water and wastewater services within a city's extraterritorial jurisdiction; and

WHEREAS, the City of Austin believes that allowing cities to obtain certificates of convenience and necessity for large portions of their extraterritorial jurisdiction will benefit ratepayers by resulting in a reduction of the cost of retrofitting and rehabilitating inferior utility systems when the areas are annexed into the city; and

WHEREAS, the Pflugerville City Council agrees with the above assertions, and desires to support the City of Austin in acquiring certificates of convenience and necessity; NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PFLUGERVILLE, TEXAS:

That the City of Pflugerville supports the proposed City of Austin water and wastewater certificates of convenience and necessity, and encourages the Texas Natural Resource Conservation Commission to approve the applications.

APPROVED this 23rd day of April 2001.

CITY OF PFLUGERVILLE, TEXAS


G. Scott Winton, Mayor

ATTEST

Karen Thompson, City Secretary

CHIEF OF POLICE
APR 24 2001
POLICE DEPARTMENT

From: <Bart.Jennings@ci.austin.tx.us>
To: <Ronnie.Jones@ci.austin.tx.us>, <mjacobs@bracepatt.com>, <MHOWELL@tnrcc.state.tx.us>
Date: 4/26/02 8:27AM
Subject: FW: Resolution supporting CCN application

FYI.

Bart

-----Original Message-----

From: Steve Jones [mailto:tsjones@cityofpflugerville.com]
Sent: Thursday, April 25, 2002 2:14 PM
To: bart.jennings@ci.austin.tx.us
Cc: Mike Erdmann
Subject: Resolution supporting CCN application

Bart,

Here is a copy of the resolution supporting your CCN application. It was approved by our City Council last Tuesday. Let me know if you have any problem opening the file.

T. Steven Jones, City Manager
P.O. Box 589, Pflugerville, TX 78691
(512) 990-4363

Texas Natural Resource Conservation Commission

INTEROFFICE MEMORANDUM

TO : Tariff Coordinator, Utilities & Districts Section
THRU : Doug Holcomb, Manager Utilities & Districts Section
FROM : Karen Blaschke, Water Permits & Resource Management Division
SUBJECT : Request for Tariff Approval Stamp

February 5, 2001

9/24/01

Utility Name: Hornsby Bend Utility Company, Inc.

CCN Number: 11978

Application/Docket Number: adding drought contingency plans

Attached, please find:

- A. A tariff for a utility reflecting the results of a rate case approved by the Commission.
B. A tariff for a utility reflecting rates effective by Operation of Law i.e. no protests received nor hearing requested.
C. A tariff for a utility with minor tariff changes allowed under TNRCC Rule 291.21(b)(2).
D. A utility tariff submitted in a CCN application.
E. A tariff for a utility submitted in a report of sale and/or transfer of CCN application.
X F. Other adding drought contingency plans
G. Comments regarding any of the above or any related tariff on file

I have reviewed the above tariff and I recommend it be stamped APPROVED. Date of tariff approval:

(Signature)

CCN 11978 JUL 26 '01
APPROVED TARIFF BY [Signature]

RECORDS TRANSFER
BOX CONTENTS

OFFICIAL RECORD SERIES TITLE: CITY OF AUSTIN

RECORD SERIES ITEM NUMBER: _____ RETENTION PERIOD: _____

RMD 106 APPROVAL NUMBER: _____

DIVISION: Commissioners

SECTION: Office of the Chief Clerk

CUSTOMER'S NAME: Deanna Avalos PHONE NO. 239-3327

NUMBER OF BOXES: 1 DATE OF RECORDS: 2/25/02-11/10-03

TYPE OF BOX: Records Storage Box

RECORDS TRANSFER DATE: 11/25/2003

BOX #	CONTENTS OF BOX (FILE NAME)	DATE OF FILE
1	7 CORRESPONDENCE FILES	2/25/02-11/10/03
1	1 SOAH TAPE	7/9/2002

CCN / 11978 / 10

Robert J. Huston, *Chairman*
R. B. "Ralph" Marquez, *Commissioner*
Kathleen Hartnett White, *Commissioner*
Jeffrey A. Saitas, *Executive Director*



TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

Protecting Texas by Reducing and Preventing Pollution

July 9, 2002

Mr. Tony Elmer
c/o ECO Resources, Inc.
Hornsby Bend Utility Company, Inc.
9511 Ranch Road 620 North
Austin, Texas 78726-2908

RE: Addition of Drought Contingency Plan Revision—Hornsby Bend Utility Company, Inc.,
Certificate of Convenience and Necessity No. 11978

Dear Mr. Elmer:

I am writing in response to the revision received for the Hornsby Bend Utility Company, Inc.'s Drought Contingency Plan.

Enclosed are copies of Hornsby Bend Utility Company, Inc.'s revised Table of Contents page and the approved revision to the Drought Contingency Plan. Copies have been forwarded to the agency's official files.

If you have any questions, please, call me at 512/239-6117 or contact me by email at lmejia@tnrcc.state.tx.us or if by correspondence use MC-153 in the letterhead address.

Sincerely,

A handwritten signature in cursive script that reads "Lisa V. Mejia".

Lisa V. Mejia
Utilities & Districts Section
Water Permits & Resource Management Division

LVM/ac

Enclosures

cc: TNRCC Files—Hornsby Bend Utility Company, Inc., CCN No. 11978

**WATER UTILITY TARIFF
FOR**

Hornsby Bend Utility Company, Inc.
(Utility Name)

9511 Ranch Road 620 North
(Business Address)

Austin, Texas 78726-2908
(City, State, Zip Code)

(512) 335-7580
(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate(s) of Convenience and Necessity:

11978

This tariff is effective in the following county:

Travis

This tariff is effective in the following cities or unincorporated towns (if any):

None

This tariff is effective in the following subdivisions or systems:

Austin's Colony (PWS #2270255)

TABLE OF CONTENTS

The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

SECTION	PAGE
1.0 RATE SCHEDULE	<u>2</u>
2.0 SERVICE RULES	<u>4</u>
3.0 EXTENSION POLICY	<u>5</u>
APPENDIX A SERVICE AGREEMENT FORM	<u>9</u>
APPENDIX B CONDENSED SUBSTANTIVE RULES	<u>10</u>
ATTACHMENT DROUGHT CONTINGENCY PLAN	

OBSOLETE

DATE 7/5/02 FILE 11978
DCP revision

Texas Public Utility Commission

CCN 11978 JUL 26 '01

APPROVED TARIFF BY Am/KB

Texas Natural Resource Conservation Commission

INTEROFFICE MEMORANDUM

To: Liba Mejia
Utilities & Districts Section
Water Supply Division

Date: 7/2/02

From: Scott Swanson, Water Conservation Specialist
Resource Protection Team
Water Rights Permitting & Availability Section
Water Supply Division

Subject: Review of IOU Drought Contingency Plan for Administrative Completeness

System: Hornsby Bend Utility Co / Austin Colony

CCN# 11978

Plan Date: 8/24/00

- The Drought Contingency Plan has been reviewed and has been found to be administratively complete per 30 TAC §288.20. No further review is necessary from the Conservation and Drought Management Team.
- The Drought Contingency Plan has been reviewed and has not been found to be administratively complete per 30 TAC §288.20. See attached checklist for deficiencies.

This plan has not been reviewed for compliance with 30 TAC §291 Subchapter B.

Comments:

Revision

cc: Bill Billingsley, Resource Protection Team
