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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

### RECEIVED

### SOAH DOCKET NO. 582-06-2023 TCEQ DOCKET NO. 2006-0272-0CREC | | AM 7: 57

APPLICATION OF THE CITY OF	§	BEFORE WINES TAXTE OFFICE
LINDSAY TO AMEND WATER AND	§	
SEWER CERTIFICATE OF	§	<b>OF</b> ,
CONVENIENCE AND NECESSITY	§	
(CCN) NOS. 13025 AND 20927 IN	§	
COOKE COUNTY, TEXAS	§	A DESCRIPTION A MINUS SEE A DIRECT
<b>APPLICATION NOS. 35096-C &amp; 35097-C</b>	§	ADMINISTRATIVE HEARINGS
	§	

DIRECT TESTIMONY OF KERRY D. MARONEY, P.E.

ON BEHALF OF THE CITY OF LINDSAY

**JUNE 9, 2008** 

**LINDSAY EXHIBIT APP-3** 

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## **SOAH DOCKET NO. 582-06-2023 TCEQ DOCKET NO. 2006-0272-UCR**

APPLICATION OF THE CITY OF	§	BEFORE THE STATE OFFICE
LINDSAY TO AMEND WATER AND	§	
SEWER CERTIFICATE OF	§	OF
CONVENIENCE AND NECESSITY	§	
(CCN) NOS. 13025 AND 20927 IN	§	
COOKE COUNTY, TEXAS	§	
<b>APPLICATION NOS. 35096-C &amp; 35097-C</b>	§	ADMINISTRATIVE HEARINGS
	8	

### PREFILED TESTIMONY OF KERRY D. MARONEY, P.E.

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### **ATTACHMENTS**

ATTACHMENT KDM-1	KERRY D. MARONEY, P.E. RESUME
ATTACHMENT KDM-2	NOTICE OF VIOLATION LETTER DATED APRIL 29, 2008, AND THE CITY'S RESPONSE TO THE TCEQ
ATTACHMENT KDM-3	COOKE COUNTY CCN MAP
ATTACHMENT KDM-4	SETTLEMENT AGREEMENT BETWEEN THE TOWN OF LINDSAY, WALTER LUTKENHAUS, AND LINDSAY PURE WATER COMPANY
ATTACHMENT KDM-5	WRITTEN REQUESTS FOR SERVICE
ATTACHMENT KDM-6	MAP DEPICTING LOCATION OF PROPERTY OWNERS WHO MADE A WRITTEN REQUEST FOR SERVICE WITHIN THE CITY'S REQUESTED WATER SERVICE AREA
ATTACHMENT KDM-7	MAP DEPICTING LOCATION OF PROPERTY OWNERS WHO MADE A WRITTEN REQUEST FOR SERVICE WITHIN THE CITY'S REQUESTED SEWER SERVICE AREA
ATTACHMENT KDM-8	U.S. Census Bureau City Population Projections for Town of Lindsay
ATTACHMENT KDM-9	STUDY TO DETERMINE THE MAGNITUDE OF, AND REASONS FOR, CHRONICALLY MALFUNCTIONING ON-SITE SEWAGE FACILITY SYSTEMS IN TEXAS, EXECUTIVE SUMMARY
ATTACHMENT KDM-10	TPDES PERMIT ISSUED BY TCEQ TO TOWN OF LINDSAY ON JUNE 23, 2006, WQ10923-001

### **SOAH DOCKET NO. 582-06-2023** TCEQ DOCKET NO. 2006-0272-UCR

APPLICATION OF THE CITY OF	§	BEFORE THE STATE OFFICE
LINDSAY TO AMEND WATER AND	§	
SEWER CERTIFICATE OF	§	OF
CONVENIENCE AND NECESSITY	§	
(CCN) NOS. 13025 AND 20927 IN	§	
COOKE COUNTY, TEXAS	§	
<b>APPLICATION NOS. 35096-C &amp; 35097-C</b>	§	ADMINISTRATIVE HEARINGS
	§	

### PREFILED TESTIMONY OF KERRY D. MARONEY, P.E.

1		I. INTRODUCTION AND QUALIFICATIONS
2	Q.	WHAT IS YOUR NAME?
3	A.	Kerry Don Maroney.
4		
5	Q.	WHAT IS YOUR BUSINESS ADDRESS AND TELEPHONE NUMBER?
6	A.	My business address is 2500 Brook Avenue, Wichita Falls, Texas, 76301. My
7		telephone number is (940) 766-0156.
8		
9	Q.	WHAT IS YOUR EDUCATIONAL BACKGROUND?
10	A.	I received a Bachelor of Science degree in Civil Engineering from the University of
		T 1074

### 10

Texas at Arlington, in December 1974. 11

1	Q.	ARE YOU A REGISTERED PROFESSIONAL ENGINEER?
2	A.	Yes, I am a Registered Professional Engineer in the State of Texas and the State of
3		Oklahoma. My Texas License No. is 44639 and my Oklahoma License No. is 20730.
4		
5	Q.	WHEN DID YOU BECOME A REGISTERED PROFESSIONAL ENGINEER
6		IN THE STATE OF TEXAS?
7	A.	January 25, 1979.
8		
9	Q.	DO YOU HOLD ANY OTHER PROFESSIONAL LICENSES IN THE STATE
10		OF TEXAS?
11	A.	Yes. I also hold registered professional land surveyor license number 2855, which I
12		received on May 30, 1980.
13		
14	Q.	ARE YOU CURRENTLY EMPLOYED AS AN ENGINEER?
15	A.	Yes.
16		
17	Q.	WHERE ARE YOU CURRENTLY EMPLOYED?
18	A.	Biggs & Mathews, Inc.
19		

HOW LONG HAVE YOU BEEN WITH BIGGS & MATHEWS, INC.?

Since July 1976, or about 32 years.

20

21

Q.

A.

### Q. WHAT IS YOUR PREVIOUS EMPLOYMENT HISTORY?

- 2 A. Prior to joining Biggs & Mathews, Inc., I was employed by the City of Grand Prairie,
- 3 Texas, as a Staff Civil Engineer.

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### 5 Q. PLEASE DESCRIBE WHAT BIGGS & MATHEWS DOES AND WHAT YOU

### 6 **DO FOR THEM.**

- 7 A. Biggs & Mathews is a 53 year old consulting engineering firm that provides
- 8 professional consulting engineering and design services involving water, wastewater,
- 9 land development, drainage, solid waste and land surveying services for both the
- municipal and private sector. I am a Principal and Vice-President of the firm and my
- responsibilities include Project Management, Project Design, and Contract
- 12 Administration for all types of Civil Engineering projects including water,
- wastewater, solid waste, land development and surveying services. I am also
- President of Biggs & Mathews Environmental, Mansfield Office.

15

### 16 Q. WHO ARE YOU TESTIFYING ON BEHALF OF IN THIS PROCEEDING?

17 A. I am testifying on behalf of the City of Lindsay ("Lindsay" or the "City").

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### 19 Q. WHAT WERE YOU ASKED TO DO BY LINDSAY IN CONNECTION WITH

### THIS CASE?

- 21 A. I was asked to evaluate and analyze the City of Lindsay's application for amended
- 22 water and sewer certificates of convenience necessity ("CCN") and to render a
- professional opinion as to Lindsay's ability to provide continuous and adequate water

1		and sewer service to its requested CCN service territory. Also, I was asked to review
2		and comment on Lindsay's planning for improvements to meet the future demands in
3		its requested CCN service territory.
4		
5	Q.	IS YOUR RESUME ATTACHED TO THIS PREFILED TESTIMONY?
6	A.	Yes. It is attached as Attachment KDM-1.
7		
8	Q.	IS ATTACHMENT KDM-1 AN ACCURATE REFLECTION OF YOUR
9		EDUCATION, PROFESSIONAL HISTORY, AND QUALIFICATIONS?
10	A.	Yes.
11		
12	Q.	ARE YOU FAMILIAR WITH THE TEXAS COMMISSION ON
13		ENVIRONMENTAL QUALITY ("TCEQ" OR "COMMISSION")
14		REGULATIONS CONCERNING GRANTING NEW OR AMENDED
15		CERTIFICATES OF CONVENIENCE AND NECESSITY?
16	A.	Yes.
17		
18	Q.	HOW ARE YOU FAMILIAR WITH THE TCEQ'S REGULATIONS
19		CONCERNING CERTIFICATES OF CONVENIENCE AND NECESSITY?
20	A.	As a professional engineer, I have submitted applications for new and amended CCNs
21		to the TCEQ and its predecessor agencies. Additionally, I have evaluated systems to
22		determine if they are in compliance with the TCEQ's rules on the provision of
23		continuous and adequate service for CCN certificate holders. I have also spent many

years designing water and sewer systems, including water and wastewater treatment facilities. Recently, I was engaged by the cities of Anna, Melissa, and McKinney to evaluate North Collin Water Supply Corporation's system, and also the City of Liberty Hill in its protest of the City of Leander's amended sewer CCN application. Although these cases settled right before the hearing on the merits, I prepared prefiled testimony and intended to testify in those proceedings. Additionally, I recently was engaged by the City of Meridian in its application to amend its water and sewer CCN and provide prefiled testimony as well as live testimony at the Hearing on the Merits.

### II. SCOPE AND PURPOSE OF TESTIMONY

### 10 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY TODAY?

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- 11 A. I will present my professional opinion as to Lindsay's proposed amendment to its
  12 water and sewer CCNs, in Cooke County, Texas. My participation in this proceeding
  13 can be summarized as follows:
  - 1. I reviewed and evaluated the application to amend water CCN No. 13025 and sewer CCN No. 20927 filed by Lindsay on August 31, 2005, ("Application") with respect to the criteria necessary to amend a CCN.
- 17 2. I reviewed Lindsay's most recent water and wastewater compliance evaluation.
- 19 3. I reviewed the information filed by all parties as part of formal discovery.
  - 4. I reviewed the Settlement Agreement between the Town of Lindsay, Walter Lutkenhaus, and Lindsay Pure Water Company.
- I reviewed the TPDES Permit No. WQ0010923-001, issued to the City of Lindsay on June 23, 2006.

### 1 Q. HAVE YOU INCLUDED ANY ATTACHMENTS TO YOUR TESTIMONY?

Yes, I have attached a copy of my resume (Attachment KDM-1), a copy of the April 29, 2008, Notice of Violation for the compliance investigation conducted on March 10, 2008, of the City's wastewater treatment plant and a copy of the City's response (Attachment KDM-2), a copy of the official water CCN for the City (Attachment KDM-3). Settlement Agreement Between the City of Lindsay, Walter Lutkenhaus, and Lindsay Pure Water Company (Attachment KDM-4), Written Requests for Service (Attachment KDM-5), map depicting location of property owners who made a written request for service within the City's requested water service area (Attachment KDM-6), map depicting location of property owners who made a written request for service within the City's requested sewer service area (Attachment KDM-7), the U.S. Census Bureau Population Projections for the City of Lindsay (Attachment KDM-8), and the Study to Determine the Magnitude of, and Reasons for, Chronically Malfunctioning On-Site Sewage Facility Systems in Texas, Executive Summary (Attachment KDM-9). and the most recent TPDES permit issued to the City of Lindsay (Attachment KDM-10.

### III. <u>TESTIMONY</u>

### A. QUALITY OF SERVICE

### Q. WHAT WERE YOUR FINDINGS AFTER REVIEWING LINDSAY'S MOST

### 20 RECENT COMPREHENSIVE COMPLIANCE EVALUATION OF ITS

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1		WASTEWATER TREATMENT PLANT (TCEQ ID PERMIT NO.
2		<del>WQ0010923-001)?</del>
3	Α	Lindsay is permitted to discharge .066 million gallons of treated wastewater per day.
4		Lindsay received notice of one alleged violation from an investigation performed on
5		March-10, 2008. After an investigation by the City, the City determined that no such
6		violation should occur in the future. A copy of the Notice of Violation and the City's
7		response is attached to my testimony as Attachment KDM-2.
8		
9	Q.	HAVE YOU REVIEWED LINDSAY'S WATER SYSTEM TO DETERMINE
10		THE QUALITY OF SERVICE IT CAN PROVIDE?
11	A.	Yes. The City is currently in compliance with all applicable water quality and service
12		standards. The City meets or exceeds each requirement the Commission has
13		established for the provision of potable water.
14		B. <u>CCN APPLICATION</u>
15	Q.	DURING YOUR REVIEW OF THE APPLICATION, WHAT STANDARDS
16		DID YOU CONSIDER?
17	A.	I reviewed the Application based on the criteria enumerated in Texas Water Code
18		Chapter 13 and Title 30, Texas Administrative Code Chapter 291 ("Chapter 291").
19		Specifically, 30 Tex. Admin. Code § 291.102 contains the criteria for considering and
20		granting new or amended CCNs.

1	Q.	MR. MARONEY, ARE YOU AWARE THAT THE CRITERIA FOR
2		CONSIDERING NEW OR AMENDED CERTIFICATES OF CONVENIENCE
3		AND NECESSITY HAVE CHANGED?
4	A.	I am aware that new rules were adopted on December 14, 2005, and effective January
5		5, 2006.
6		
7	Q.	PURSUANT TO WHICH RULES ARE YOU EVALUATING LINDSAY'S
8		APPLICATION? PLEASE EXPLAIN.
9	A.	I am evaluating Lindsay's application pursuant to pre-January 5, 2006, TCEQ rules,
10		as the Application was filed prior to that date.
11		
12	Q.	WHAT IS LINDSAY PROPOSING TO DO IN ITS APPLICATION?
13	A.	Lindsay is proposing to amend water CCN No. 13025 and sewer CCN No. 20927
14		(Application Numbers 35096-C and 35097-C) to extend its service territory. Since
15		the application was filed, the TCEQ amended the City's water service territory. An
16		official copy of the City's water service area is attached to my testimony as
17		Attachment KDM-3. A copy of the City's proposed water service area is attached to
18		my testimony as Attachment KDM-11 ("Proposed Service Territory").
19		
20	Q.	WHAT IS THE ADEQUACY OF THE SERVICE CURRENTLY PROVIDED
21		TO THE PROPOSED SERVICE TERRITORY?
22	A.	There is currently no other water service provider in the Proposed Service Territory.
23		Lindsay Pure Water Company is currently protesting the application filed by

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Lindsay. On April 1, 2002, the City of Lindsay, Walter Lutkenhaus, and Lindsay

1	Pure Water Company executed a Settlement Agreement in another contested docket
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concerning an application filed by Lindsay. Provision no. 2 under the "Agreement" section required that Lindsay Pure Water Company file an application to amend its water CCN within 10 days of the date of the execution of the Agreement by the Parties. To date, Lindsay Pure Water Company has not filed an application to amend its water CCN. I have attached a copy of the April 1, 2002, Settlement Agreement to my testimony as Attachment KDM-4.

A.

# 8 Q. IS THERE A NEED FOR ADDITIONAL SERVICE IN THE PROPOSED 9 SERVICE TERRITORY?

Yes. There is a need for water service in the Proposed Service Territory. Lindsay has received requests for service within the Proposed Service Territory, which are attached to my testimony as Attachment KDM-5. The map shown in Attachment KDM-6 shows the same Proposed Service Territory requested in Attachment KDM-11, but includes the locations and approximate property size of each requestor for retail water service from the City. The map shown in Attachment KDM-7 shows the same water and sewer requested service area requested in APP Exh. 1, Bates page No. 1015, but includes the locations and approximate property size of each requestor for retail sewer service from the City. The maps do not show our current water service territory as amended as a result of the City's Motion Nune Pro Tune discussed by Mr. Metzler.

Lindsay had a population of 788 in 2000 and a population of 1,003 in 2006 according to the U.S. Census Bureau. I have attached the population estimates for Lindsay as Attachment KDM-8. The growth in population in and around the City

coupled with the requests for service received by the City demonstrates that the need for services in the requested service area is growing.

Mr. Stowe addresses the economic reasons for the need for service in his direct testimony. Additionally, there are environmental reasons that service in the Proposed Service Territory is needed. Both water and sewer services will be more reliable if provided from a central source. Regarding water, one will not be dependent on one water source (i.e. a well). If the water well becomes inoperative, then the owner will lose water service. Through a central provider, like the City, if a water well goes down, water could still be provided through the City's other water wells in addition to the City's elevated tank.

With no sewer service provider in the Proposed Service Territory, landowners are forced to utilize septic or on-site sewage facilities ("OSSF"). By granting the City's sewer CCN amendment, landowners will have the option to seek sewer service from the City. This is important from an environmental standpoint as OSSF systems have limited life and are prone to failure. Discharge from a failed OSSF system may contain bacteria and viruses that are potentially harmful to humans, animals, and aquatic life. In addition, pollutant levels can be such that ground and surface water can be adversely affected.

In addition, according to the Cooke County, Texas Soil Survey (May, 1979), as published by the United States Department of Agriculture Soil Conservation Service, the soils within the Proposed Service Territory have low permeabilities and are, therefore, severely restrictive for use as septic drain fields.

It should also be noted that the Proposed Service Territory is located approximately 13 miles upstream and within the water shed of Lake Ray Roberts, which is a major water supply to millions of people within Region C, including municipalities in Denton and Collin County.

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# 6 Q. HAVE YOU REVIEWED ANY DOCUMENTS OR STUDIES THAT 7 DEMONSTRATE THE FAILURE RATE OF OSSF SYSTEMS?

Yes. I reviewed the study performed by Mr. Stowe's former company, Reed, Stowe 8 A. & Yanke, LLC. I agree with the study's conclusions. I have attached the Executive 9 Summary to my testimony as Attachment KDM-9. The study found that an estimated 10 11 13% of OSSF systems in the State of Texas not just failed, but chronically failed. The region in which the City is located had a chronic failure rate of 12%, with soil 12 13 quality being the highest contributor to OSSF malfunction. According to the Environmental Protection Agency ("EPA"), the recognition of system failures is 14 15 limited by reliance on individual on-site inspections and the lack of techniques for detecting system failures; therefore, the chronic failure rates could be understated. 16

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# Q. WHAT WILL BE THE ENVIRONMENTAL IMPACT OF THE CITY PROVIDING WASTEWATER SERVICE TO THE AREA BEING REQUESTED IN THIS APPLICATION?

A. The wastewater service that will be provided by the City is required by State and federal law to comply with routine and systematic testing and inspections to ensure compliance with the State's water quality standards. The wastewater facilities of the

1		City are managed by professionals licensed to operate and perform work on
2		wastewater facilities.
3		With the City providing the wastewater service, the requested service area's
4		environmental integrity will be preserved as the sewer system replaces failing OSSF
5		systems.
6		
7	Q.	WHAT IS THE EFFECT OF GRANTING THE WATER AND SEWER CCN
8		AMENDMENT TO CCN NOS. 13025 AND 20927 TO LINDSAY AND ON ANY
9		PUBLIC UTILITY OF THE SAME KIND ALREADY SERVING THE
10		PROXIMATE AREA?
11	A.	Granting Lindsay's requested amendment to water CCN No. 13025 and sewer CCN
12		No. 20927 as proposed will increase both the number of connections and the area for
13		which Lindsay is required to provide continuous and adequate water and sewer
14		service. There are two (2) other public utilities serving within two miles of the
15		Proposed Service Territory. Lindsay Pure Water Company is the only utility that
16		protested the Application.
17		Lindsay's sewer application will have no impact on Lindsay Pure Water
18		Company as it does not provide sewer service and has no plans to get into the sewer
19		service business.
20		Lindsay's water application should have minimal impact on Lindsay Pure
21		Water Company as it does not have the legal authority to provide water service in

Lindsay's Proposed Service Territory nor has it filed an application to amend its

22

1	current CCN.	Thus,	there	should	be	minimal	impact	on	Lindsay	Pure	Water
2	Company.										

The City of Gainesville has not protested Lindsay's water or sewer CCN Application.

A.

# 6 Q. HOW WILL THE GRANTING OF THE CITY'S WATER AND SEWER CCN 7 AFFECT THE LANDOWNERS IN THE REQUESTED AREA?

Landowners will be positively affected by the granting of the City's requested water and sewer CCN. They will now have access to a reliable water and sewer system. As explained by Mr. Stowe, the City has strong financial ability to provide service to the area, and the City has excess capacity to serve the Proposed Service Territory. In addition, the City has certified operators that are dedicated to ensuring the both the City's water and sewer systems comply with the TCEQ's safety regulations. By not being dependent on individual water wells or OSSF systems, landowners will be able to receive service from a reliable water and sewer system.

By granting the requested CCN amendments to the City, the City will be providing a municipal level of service to an area that has not previously been provided such service. This is a positive result of the City's Application.

1	Q.	DUES LINDSAY HAVE THE ABILITY TO ADEQUATELY PROVIDE
2	•	WATER AND SEWER SERVICE TO THE PROPOSED SERVICE
3		TERRITORY?
4	A.	Yes. Lindsay currently has approximately 396 water connections and approximately
5		396 sewer connections. Lindsay is permitted to discharge 0.066 MGD of treated
6		wastewater. Lindsay currently has available capacity to provide sewer service to
7		approximately 470 additional homes without any expansions to its current wastewater
8		treatment plant. A copy of Lindsay's permit to dispose wastes is attached to my
9	-	testimony as Attachment KDM-16.
10		Additionally, Lindsay has three water wells from which it can provide water
11		service to its existing customers and approximately 304 additional customers.
12		Lindsay currently has approximately .25 miles of 3" distribution lines, 3.14 miles of
13		4" distribution lines, 3.98 miles of 6" distribution lines, 0.48 miles of 8" distribution
14		lines, and 3.41 miles of 10" distribution lines. The City also has two ground storage

tanks that are 30,000 gallons in size and two ground storage tanks that are 40,000

gallons in size. Additionally, the City has a 150,000 gallon elevated storage tank.

Based on the current capacity, the City is able to provide service to the entirety of the

Proposed Service Territory as growth demands.

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1	Q.	HOW WILL THE ENVIRONMENTAL INTEGRITY BE AFFECTED BY THE
2		GRANTING OF AN AMENDMENT TO WATER CCN NO. 13025 AND
3		SEWER CCN NO. 20927-TO LINDSAY?
4	A.	The environmental integrity will be affected by granting the amendment of water
5	·	CCN No. 13025 and sewer CCN No. 20972 in that central sewer service will now be
6		available in the Proposed Service Territory. Additionally, in that potable water
7		meeting the State Standards will be provided to customers within the Proposed
8		Service Territory. A more thorough discussion on environmental integrity is
9		previously provided in my testimony.
10		
11	Q.	WILL GRANTING AN AMENDMENT TO THE CCN IMPROVE SERVICE
12		OR LOWER COSTS TO CONSUMERS IN THE PROPOSED SERVICE
13		TERRITORY?
14	A.	Water and sewer service in the area will be improved by the fact that water and sewer
15		service will now be available in areas where it is currently not. A utility providing
16		both water and sewer service is currently unavailable in the Proposed Service
17		Territory. Additionally, Lindsay is not in danger of running out of water in the
18		foreseeable future and this type of certainty is an improvement in the Proposed
19	•	Service Territory.
20		
21	Q.	IS IT FEASIBLE TO OBTAIN WATER AND SEWER SERVICE FROM AN
22		ADJACENT RETAIL PUBLIC UTILITY?
23	A.	There are two (2) other public utilities within two miles of the Proposed Service

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Territory. Lindsay Pure Water Company has protested the application. Lindsay has

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the financial, managerial, and technical wherewithal to provide sewer service to the Proposed Service Territory. Lindsay Pure Water Company does not have the managerial or technical capability to provide sewer service to the requested service territory. It has no experience in providing such service nor has it shown a desire to provide sewer service. There is no other utility providing centralized sewer service in the Proposed Service Territory.

Regarding the provision of water service, Lindsay's system is more reliable and, thus, in my opinion, there is no feasible alternative for water service in the Proposed Service Territory. Furthermore, Lindsay Pure Water Company has not shown a good faith effort to comply with the terms of the Settlement Agreement they sought to have executed in a previous docket where they protested an expansion of Lindsay's CCN. Lindsay Pure Water Company has made no attempts to amend its CCN to seek any of the area now being requested by Lindsay.

The City of Gainesville has not protested Lindsay's CCN application.

A.

# Q. DOES LINDSAY HAVE THE TECHNICAL AND MANAGERIAL ABILITY TO ADEQUATELY PROVIDE SEWER SERVICE TO THE PROPOSED SERVICE TERRITORY?

Yes. Lindsay has four (4) contract operators that are certified by TCEQ as groundwater treatment operators and/or wastewater treatment operators. One of the City's operators has a D-level certification for water treatment and is working towards a C-level certification, one has a C-level certification for water treatment, one has a C-level certification for wastewater treatment, and one has a B-level

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	certification for wastewater treatment. This allows them to operate the City's water
	and wastewater system.
Q.	BASED ON YOUR REVIEW OF THE APPLICATION AND TESTIMONY
	PRESENTED AT THIS TIME, PLEASE DETAIL YOUR
	RECOMMENDATION FOR THE REQUEST TO AMEND WATER CCN
	NO. 13025 <del>AND SEWER CCN NO. 20927</del> .
A.	I recommend that the amendment to water CCN No. 13025 and sewer CCN
	No. 20927 be granted. It is my opinion that Lindsay has met its burden to prove that
	they can provide continuous and adequate service to the Proposed Service Territory.
	Lindsay has no outstanding violations and has the technical and managerial capability
	to provide water and sewer service to the Proposed Service Territory.
Q.	DO YOU HAVE A RECOMMENDATION ON WHETHER A CERTIFICATE
	IS NECESSARY FOR THE SERVICE, ACCOMMODATION,
	CONVENIENCE, OR SAFETY OF THE PUBLIC?
A.	Yes.
Q.	WHAT IS YOUR RECOMMENDATION?
A.	At this time granting the amendment to water CCN No. 13025 and sewer CCN
	No. 20927 to Lindsay is necessary for the service, accommodation, convenience,
	and/or safety of the public.
	A. Q.

1	Q.	MR. MARON	NEY, IF	IT IS DETI	ERMINEL	THAT THE	CITY	Y IS RE	QUIRED
2		TO FOLLOV	V THE I	POST-JANU	JARY 5, 2	006, RULES	FOR	GRANT	TING AN
3		AMENDED	CCN,	WOULD	YOUR	OPINION	OF	THE	CITY'S
4		APPLICATIO	ON CHA	NGE?					
									•

5 A. No.

A.

### 7 Q. PLEASE EXPLAIN.

The new rules require that for an amended application, Lindsay should demonstrate that it possesses the financial, managerial and technical capability to provide continuous and adequate service to its Proposed Service Territory. All the criteria explained above would serve to establish that Lindsay has the managerial and technical ability to provide continuous and adequate service to Lindsay's Proposed Service Territory. The testimony provided by the Hon. Don Metzler, Mayor *Pro Tempore*, and Mr. Jack Stowe establish that Lindsay has the financial and managerial ability to provide continuous and adequate service to Lindsay's Proposed Service Territory.

Additionally, Lindsay should establish that the water it provides meets the requirements of Texas Health and Safety Code, Chapter 341 and Commission rules. Lindsay's most recent public drinking water evaluation establishes that it meets the standards for potablity. Thus, compliance with Chapter 341 is established. Additionally, Lindsay, as discussed above, has an adequate supply of water to meet its current water needs and the needs for the foreseeable future. Lindsay is in an excellent position to meet its water needs.

For sewer service, Lindsay should establish that it meets the Commission's design criteria for sewer treatment plants, Commission rules, and the Texas Water Code. As detailed in the sewer system analysis, Lindsay meets these requirements.

# Q. ARE THERE ANY OTHER REQUIREMENTS THAT YOU WOULD NEED TO EVALUATE? IF SO, PLEASE EXPLAIN.

A. Yes. Some provisions of TCEQ rule § 291.102 (d) were changed and more criteria were established. Under the new rules, § 291.102(d) (1), (5), (7), and (8), are the same as the old rules. Thus, said provisions are analyzed as analyzed above. I will address each new criteria below.

A.

# Q. IS THERE A NEED FOR ADDITIONAL SERVICE IN THE PROPOSED SERVICE TERRITORY? IF SO, PLEASE EXPLAIN.

Yes. A number of owners have requested service from Lindsay. A list of the land owners that have requested service is attached to the City's Application as well as Attachment KDM-5. Additionally, there is currently no centralized sewer service to the Proposed Service Territory and therefore there is an environmental need for centralized sewer service. The State has made a push in recent years away from onsite septic facilities to centralized sewer. A centralized sewer system is preferable, from an environmental standpoint, in that the wastewater is treated to a higher standard, there is a lower probability of groundwater and surface water contamination and with the discharge of treated wastewater from a centralized sewer system instream flows are created and maintained for aquatic life and other uses downstream.

1	Q.	WHAT IS THE EFFECT OF GRANTING THE WATER AND SEWER CCN
2		AMENDMENT TO CCN NOS. 13025 AND 20927 TO LANDOWNERS IN THE
3		CITY'S PROPOSED SERVICE TERRITORY?
4	A.	The landowners will be benefited by Lindsay's Application. Now, landowners will
5		have access to a safe water and sewer utility. Lindsay runs an efficient, safe water
6		and sewer utility that meets and/or exceeds the State's safety standards. Lindsay has
7		demonstrated that it provides continuous and adequate service to its current
8		customers. Lindsay has the financial, managerial, and technical ability to provide this
9		service to its Proposed Service Territory.
10		
11	Q.	DOES LINDSAY HAVE THE ABILITY TO ADEQUATELY PROVIDE
12		WATER AND SEWER SERVICE TO THE PROPOSED SERVICE
13		TERRITORY?
14	A.	Yes. Lindsay currently meets and exceeds all standards for the provision of water
15		and sewer service. With Lindsay's demonstrable ability to add connections to its
16		water and sewer utility, Lindsay has the ability to provide service to its Proposed
17		Service Territory.
1.0		
18		
19	Q.	WHAT WILL BE THE EFFECT ON THE LAND TO BE INCLUDED IN THE
	Q.	WHAT WILL BE THE EFFECT ON THE LAND TO BE INCLUDED IN THE CERTIFICATED AREA?
19	<b>Q.</b> A.	

1	effect on the land will be minimal by granting Lindsay's application. Such ar
2	opinion is based on my experience of representing utilities for over thirty (30) years.

3

- 4 Q. WITH YOUR ANALYSIS INCLUDING UTILIZING THE NEW RULES, HAS
- 5 YOUR POSITION REGARDING LINDSAY'S APPLICATION CHANGED?
- 6 A. No.

7

- 8 Q. WHAT IS YOUR OPINION UTILIZING THE NEW RULES?
- A. Lindsay's application should be granted because it has demonstrated that it has the technical, managerial, and financial capability to provide continuous and adequate service to its Proposed Service Territory and Lindsay's application is necessary for the service, accommodation, convenience, and/or safety of the public.

13

- 14 Q. DOES THIS CONCLUDE YOUR TESTIMONY?
- 15 A. Yes. However, with the Judge's permission, I would request the right to amend,
  16 delete, and/or add to my testimony as additional facts become known.

### Kerry D. Maroney, P.E.

Vice President
Biggs & Mathews, Inc.

#### **Education:**

Bachelor of Science in Civil Engineering University of Texas at Arlington 1974

### **Professional Registration:**

Registered Professional Engineer - State of Texas #44639 Registered Professional Land Surveyor - State of Texas #2855 Registered Professional Engineer - State of Oklahoma #20730

### **Professional Experience:**

Mr. Maroney, has more than 30 years of professional experience in the field of civil engineering. He has extensive professional experience in project management, planning, permitting, and design for a wide variety of wastewater projects, water distribution systems, water pump stations, and water treatment facilities.

As Vice-President he is primarily responsible for project development, detailed design and management involving municipal and urban engineering services for the firm.

As Project Manager, Mr. Maroney serves as liaison between the client and the planning and design teams; assuring appropriate project staffing, establishing project control and design criteria, providing for the necessary coordination in meeting project budgets and schedules, and providing for project quality control.

<u>July 1985 to Present</u>: Vice President and Principal Engineer for Biggs & Mathews, Inc. Projects have included permitting, modeling, evaluation, analysis, design and construction management of the following types of engineering projects:

- Municipal Projects Wastewater collection and treatment systems; wastewater lift stations; wastewater permitting; water treatment plants; water pump stations; water transmission and distribution systems; water supply wells; elevated and ground storage tanks; dams and reservoirs; street design and storm drainage systems.
- Residential Projects Site, boundary and closing surveys, platting, master planning, water, sewer, street and drainage designs.
- Commercial and Industrial Projects Site surveys and layouts, drainage, water, sewer and pavement designs, topographic mapping, and parking lot design.
- Solid Waste Projects Solid waste regional operational and feasibility studies, site selection, site permitting, site modification projects, gas management plans, site closures, and solid waste transfer stations.

July 1976 to July 1985: Full time participation as a staff Engineer with Biggs & Mathews, Inc.

<u>Dec. 1974 to July 1976</u>: Staff Engineer for the City of Grand Prairie, Texas. Designed and supervised construction of streets, drainage structures, water distribution, wastewater collection, and other related public works improvements within the city.

### **Professional Affiliations:**

Texas Society of Professional Engineers American Water Works Association Texas Rural Water Association

### **Recent Post Graduate Continuing Education:**

Water Environmental Association of Texas Conference Complying with the Safe Drinking Water Act Regulations Systems Using Surface Water Sources EPA Seminar on Filtration and Disinfection Requirements for Public Water Solid Waste Management Options for Texas

Note: The above resume is a brief summary of the engineering experience and expertise of Kerry D. Maroney, P.E. A more detailed and/or project specific resume will be provided upon request.

Buddy Carcia, Chairman
Larry R. Soward, Commissioner
Bryan W. Shaw, Ph.D., Commissioner
Glenn Shankle, Executive Director



### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 29, 2008

### CERTIFIED MAIL Certified #91 3408 2133 3931 4058 3543 RETURN RECEIPT REQUESTED

The Honorable Steven Zwinggi, Mayor The Town of Lindsay PO Box 153 Lindsay, TX 76250

Re:

Notice of Violation for the Focused Investigation for:

The Town of Lindsay Wastewater Treatment Plant (WWTP), Lindsay (Cooke County), Texas

TCEQ ID No.; WQ0010923-001; EPA ID No.: TX0025097

Dear Mayor Zwinggi,

On March 10, 2008, Ms. Michelle Havelkn and Ms. Suzanna Perea of the Texas Commission on Environmental Quality (TCEQ) DFW Region Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for wastewater treatment facilities. Enclosed is a copy of the Summary of Investigation Findings. In addition, certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by May 29, 2008, a written description of corrective action taken and/or a compliance plan and schedule for the outstanding alleged violations,

In the listing of alleged violations, we have cited applicable requirements, including TCEQ rules. If you would like to obtain a copy of the applicable TCEQ rules, you may contact any of the sources listed in the enclosed brochure entitled "Obtaining TCEQ Rules."

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. We anticipate that you will resolve the alleged violations as required in order to protect the State's environment. If you have additional information that we are unaware of, you have the opportunity to contest the violation(s) documented in this notice. Should you choose to do so, you must notify the DFW Region Office within 10 days from the date of this letter. At that time, Mr. Sid Slocum, Water Section Manager will schedule a violation review meeting to be conducted within 21 days from the date of this letter.

KDM-2

REPLY TO: REGION 4-DALLAS/FORT WORTH ◆ 2309 CRAVEL DR. ◆ FORT WORTH, TEXAS 76118-6951 ◆ 817-588-5800 ◆ FAX 817-588-5700

Mayor Zwinggi/ Town of Lindsay WWTP Page 2 April 29, 2008

However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the attached summary report until an official decision is made regarding the status of any or all of the contested violations.

If you or members of your staff have any questions, please feel free to contact Ms. Michelle Havelka at the DFW Region Office at (817) 588-5800 or directly at (817) 588-5837.

Sincerely

Sid Slocum,

Water Section Manager

Dallas/Fort Worth Region Office

SS:mh

Enclosures: Summary of Investigation Findings

Obtaining TCEQ Rules

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r.6/6

, COOKE COUNTY,

Additional ID(s): TX0025097 WQ0010923001

### **OUTSTANDING ALLEGED VIOLATIONS**

Track No: 315882

Compliance Due Date: 05/29/2008

2D TWC Chapter 26.121(a) 30 TAC Chapter 305.125(4) 30 TAC Chapter 305.125(5)

Alleged Violation:

Investigation: 646388

Comment Date: 04/28/2008

Failure to prevent an unauthorized discharge at the wastewater treatment plant.

During the investigation, it was noted that an unauthorized discharge occurred at the bar screen and areas around the oxidation pond.

Recommended Corrective Action: Submit compliance documentation for the alleged violation to the TCEQ DFW Regional Office by the compliance due date, including a letter stating what actions the entity has completed to correct the problem as well as what actions the entity plans to initiate to prevent this incident from occurring in the future.



### City of Lindsay

P.O. Box 153 / 608 Ash Street Lindsay, Texas 76250 (940) 665-4455 FAX: (940) 665-4910

May 5, 2008

Mr. Sid Slocum Water Section Manager TCEQ Region 4- Dallas-Fort Worth 2309 Gravel Drive Fort Worth, Texas 76118-6951

Re: Investigation #646388

According to your letter dated April 29, 2008, the alleged violation reported after the March 10, 2008 visit, was "failure to prevent an unauthorized discharge at the wastewater treatment plant". During the visit, the investigator told the plant operator that the discharge problem pertained to the racetrack not the oxidation pond.

The problem occurred because of a heavy rainfall the weekend prior to the visit. The heavy rainwater runoff turned the grease in the lift station and lines loose. When the plant was checked the next day the bar screen was covered with grease so the staff cleaned the screen. The grease turning loose put a heavy flow on the racetrack and may have caused some overflow. The bar screen is checked and cleaned daily to prevent a grease buildup that could cause problems. As no evidence of overflow has been noted by the staff since we instigated these procedures, we feel that this has remedied the situation so that no problem will occur in the future.

if there are any questions, please contact city hall.

Sincerely

Steven K. Zwingg

Mayor

Charles R. Young

Chale R you

Sewer Plant Operator License # WW0000042

Cc: File

SENDER; COMPLETE THIS SECTION		
Complete Homs 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the mailpiece, or on the front if space permits.  Article Addressed to:  M. Actic Addressed to:  M. Actic Actic Addressed to:  M. Actic Address	A. Signature  X  D. Lutte Very address below  If YES, anter delivery address below	☐ Agent ☐ Addressee ☐ Date of Dalivery
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I, <u>Betsy Fleitman</u>, City Secretary for the City of Lindsay, Texas, hereby certify that the attached document is a true and correct copy of a document taken from the official City files of the City of Lindsay, Texas, and is maintained in the regular course of business of the City of Lindsay, Texas. Given under my hand and the seal of office on <u>June 3, 2008</u>.

City Secretary

City of Lindsay, Texas

#### SETTLEMENT ACREEMENT

This Settlement Agreement (the AAgreement®) is entered into between the Town of Lindsay, Texas (ALindsay®), Walter Lutkenhaus (ALutkenhaus®), and Lindsay Pure Water Company (the ACompany®) as of the \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_, 2002.

#### Recitals

- Lindsay, Lutkenhaus and the Company are parties to a proceeding before the Texas Natural Resource Conservation Commission (ATNRCC®) pending at the State Office of Administrative Hearings (ASOAH®) as Docket No. 582-02-0431 (ADocket No. 582-02-0431").
- In Docket No. 582-02-0431, Lindsay has applied for a Certificate of Convenience and Necessity (ACCN®) to enable it to provide retail water and wastewater services in an area described in Lindsay=s application (the AApplication®). The Company and Lutkenhaus have each filed protests to Lindsay=s application.
- 3. The Company intends to file an application with the TNRCC to amend its existing CCN for retail water service. The Company=s application will seek certification of certain areas that are included in Lindsay=s application pending before SOAH.
- 4. As a result of negotiations between the parties, Lindsay has agreed to amend its CCN application such that it will no longer seek certification for retail water service to that area shown on Exhibit A, generally being described as south of Highway 82, west of the most westerly portion of Lindsay=s extraterritorial jurisdiction, and south of the most southerly boundary of Lindsay=s city limits, all as more particularly described on Exhibit A (the ACompany Area@). Lindsay has further agreed to not protest, either directly or indirectly, the Company=s application to amend its CCN, provided the Company seeks to expand its area of retail water service certification to include the Company Area only.
- 5. As a result of negotiations between the parties, the Company and Lutkenhaus have agreed to withdraw their respective protests of Lindsay=s CCN application pending as Docket No. 582-02-0431, provided the application is amended such that Lindsay shall not seek retail water certification of the Company Area.
- 6. The parties desire to enter into this Agreement to reflect their agreements concerning certification of the area set forth in Exhibit Λ, and in connection therewith, to fully settle and compromise all matters in dispute between them related to Docket No. 582-

02-0431, the Company=s CCN application, and certain other disputes as referenced herein.

#### Agreement

- Lindsay agrees to amend the CCN Application that is the subject of Docket No. 582-02-0431 such that it shall not seek certification for retail water service for the Company Area depicted on Exhibit A. Lindsay shall file such amendment within 10 days of the date of execution of this Agreement by both parties.
- 2. The Company agrees to file an application with the TNRCC to amend its existing CCN for retail water service such that it will seek single certification for retail water service for the Company Area depicted on Exhibit A. The Company agrees to file such application within 10 days of the date of execution of this Agreement by the parties.
- 3. Lindsay agrees that it will not protest, directly or indirectly, or cause the protest of Company=s application, as described in paragraph 2 above.
- 4. The Company and Lutkenhaus mutually agree to withdraw their respective protests and requests for hearing with respect to Lindsay=s CCN application that is the subject of Docket No. 582-02-0431 within ten (10) days of receipt of notice that Lindsay has amended the application in accordance with paragraph 1 above.
- 5. If the Company provides retail water service within the Company Area, and Lindsay provides retail wastewater service within the area where the Company provides such retail water service, then the Company agrees to enter into an agreement with Lindsay to terminate water service in the event wastewater bills of the Company-s retail water customer owed to Lindsay are not paid timely in accordance with Lindsay-s service policies.
- 6. This Agreement shall in no manner restrict or compromise the right or ability of Lindsay or the Company to apply to the TNRCC in the future for certification to provide retail water or wastewater service in areas other than depicted on Exhibit A attached hereto. Similarly, either party may protest such subsequent applications that may be filed.
- 7. The parties agree to take all other actions necessary or convenient in connection with implementing this Agreement.
- 8. In the event that Lindsay executes this Agreement, together with the Company or Lutkenhaus, but not both of the protestants, the failure by such protestant will not

prevent this Agreement from being binding upon Lindsay and the executing protestant for all intents and purposes.

Town of Lindsay

By:

VORBERT MAGES, MAYOR

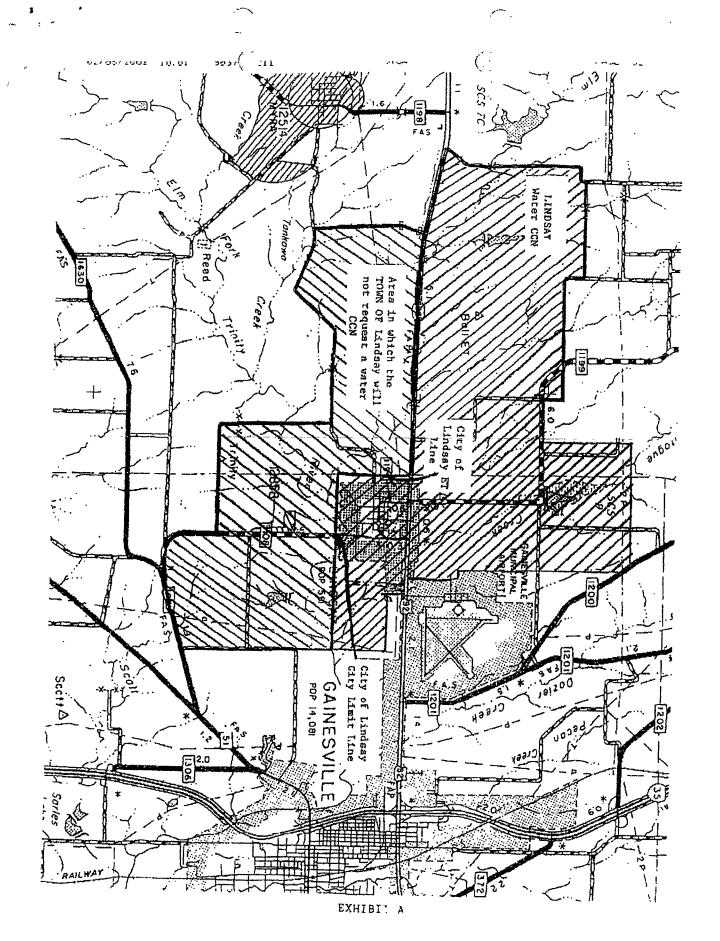
LINDSAY PURE WATER COMPANY

BY

By:

WALTER LUTKENHAUS

AUSTIN\_1\186645\1 25361-1 - 03/28/2002



In the State of Texas §
County of Cooke §

I, <u>Betsy Fleitman</u>, City Secretary for the City of Lindsay, Texas, hereby certify that the attached document is a true and correct copy of a document taken from the official City files of the City of Lindsay, Texas, and is maintained in the regular course of business of the City of Lindsay, Texas. Given under my hand and the seal of office on <u>June 3, 2008</u>.

City Secretary

City of Lindsay, Texas

October 12, 2005

I am interested in water and sewer service to my property located southwest of Lindsay Texas. I hope that the City of Lindsay at some point in the future will be able to provide these services to my property. For this reason I would like to be included in the CCN for the City of Lindsay.

Sincerely,

Heldra Byner
Weldon Bezner

P.O. Box 43

Lindsay, Texas 76250

I am interested in water and sewer service to my property located on County Road 306. I hope that the City of Lindsay at some point in the future will be able to provide these services to my property. For this reason I would like to be included in the CCN for the City of Lindsay.

Sincerely,

Marsha Dill 3888 CR 306

Gainesville, Texas 76240

Marsha Dies

940-736-2281

I am interested in water and sewer service to my property located on County Road 352 and County Road 348. I hope that the City of Lindsay at some point in the future will be able to provide these services to my property. For this reason I would like to be included in the CCN for the City of Lindsay.

Sincerely,

Michael R. Hermes P.O. Box 257

Lindsay, Texas 76250

Date:

I am interested in water and sewer service to my property located on <u>CR306</u>. I hope that my City of Lindsay at some point in the future will be able to provide these services to my property. For this reason I would like to be included in the CCN for the City of Lindsay,

City of Lindsay.

Sincerely, Janu Alle No

Pull Name: Lynn Huchton
Address: 3289 CR306

Phone #: Gaines ville Texas 76240

940 736 2415

I am interested in water and sewer service to my property located on County Road 438. I hope that the City of Lindsay at some point in the future will be able to provide these services to my property. For this reason I would like to be included in the CCN for the City of Lindsay.

Sincerely

Budy Zimmerey 3188 CR 438 Lindsay Texas 76250 940-736-518

I am interested in water and sewer service to my property located on County Road 404. I hope that the City of Lindsay at some point in the future will be able to provide these services to my property. For this reason I would like to be included in the CCN for the City of Lindsay.

Sincerely,

Larry Zimmerer 1164 CR 404

Gainesville, Texas 76240

940-668-8298

October 17, 2005

I am Interested in water and sewer service to my property located on CR 404. I hope that the City of Lindsay at some point in the future will be able to provide these services to my property. For this reason I would like to be included in the CCN for the City of Lindsay.

Sincerely,

Frances Zimmerer

1376 CR 404

Gainesville, Texas 76240

Frances Zimmerer

October 17, 2005

I am interested in water and sewer service to my property located on CR 407. I hope that the City of Lindsay at some point in the future will be able to provide these services to my property. For this reason I would like to be included in the CCN for the City of Lindsay.

Sincerely.

Henry Popp 329 CR 407

Gainesville, Texas 76240

Date.

I am interested in water and sewer service to my property located on  $\frac{CR438}{I}$  hope that my City of Lindsay at some point in the future will be able to provide these services to my property For this reason I would like to be included in the CCN for the City of Lindsay.

Full Name: Vincent Zimmerer
Address: 3522 CR 438

Phone #: Lindsay, Texas 76252 940-736-2258

## 10/26/2005

I am interested in water and sewer service to my property located near/on 366
I hope that the City of Lindsay at some point in the future will be able to provide these services to my property. For this reason I would like to be included in the CCN for the City of Lindsay.

Sincerely,

Signatura

Albert + KAY Anger

Name

5028 CR 306

**Address** 

Samerelle Tx 76240

City, State, Zip

940-612-5282

Phone Number

## 10/26/2005

I am interested in water and sewer service to my property located nearlon FM 1200 I hope that the City of Lindsay at some point in the future will be able to provide these services to my property. For this reason I would like to be included in the CCN for the City of Lindsay.

Sincerely,

Jun Bengfort Signature

LENNARD + ANN BENGFORT

3894 FM 1200 Address

GAINES VILLE, TX. 76240

940-665-2226 Phone Number