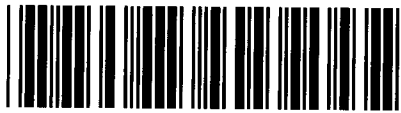


Control Number: 43975



Item Number: 12

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



APPLICATION FOR A NEW  
WATER CERTIFICATE OF CONVENIENCE AND NECESSITY

FOR

**EAGLE FALLS WATER SUPPLY, LLC**

100 I-45 NORTH, SUITE 109  
CONROE, TX 77301

PREPARED BY:

**WATERENGINEERS, INC.**

WATER & WASTEWATER TREATMENT CONSULTANTS  
17230 HUFFMEISTER ROAD CYPRESS, TEXAS 77429  
TEL: 281-373-0500 FAX: 281-373-1113

SEPTEMBER 2009

RECEIVED

2014 DEC 22 AM 10:45

PUBLIC UTILITY COMMISSION  
FILING CLERK



APPLICATION FOR A NEW  
WATER CERTIFICATE OF CONVENIENCE & NECESSITY

EAGLE FALLS WATER SUPPLY, LLC

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APPLICATION TO OBTAIN OR AMEND A WATER/SEWER  
CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN)

\*CN# \_\_\_\_\_ \*RN# \_\_\_\_\_ \*If known (See Instructions)

PURPOSE OF THIS APPLICATION

OBTAIN ☒ New Water CCN \_\_\_\_\_ New Sewer CCN \_\_\_\_\_

AMEND \_\_\_\_\_ Water CCN # \_\_\_\_\_ Sewer CCN # \_\_\_\_\_

1. APPLICANT INFORMATION

Utility Name: Eagle Falls Water Supply, LLC

Utility Address (city/state/zip) 100 I-45 North, Suite 109, Conroe, TX 77301-2701

Utility Phone Number ( ) 936 494-1124 Fax ( ) 936 494-1126

Contact Person: Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant manager, or other title related to the applicant.

Name: Shelley Young, P.E.

Title: Engineer

Address: 17230 Huffmeister Road

Telephone ( ) 281 373-0500

City Cypress St TX Zip 77429

Fax ( ) 281 373-1113

E-mail: syoun@waterengineers.com

County(ies) in which service is proposed Trinity and Polk

A. Check the appropriate box and provide information regarding the legal status of the applicant:

<input type="checkbox"/>	Investor owned utility	
<input type="checkbox"/>	Individual	
<input type="checkbox"/>	Home or Property Owners Association	
<input type="checkbox"/>	Partnership	
<input checked="" type="checkbox"/>	For-profit corporation	
<input type="checkbox"/>	Non-profit, member-owned, member-controlled cooperative corporation (Water Code Chapter 67, Water Supply or Sewer Service Corporation)	
<input type="checkbox"/>	Municipality	
<input type="checkbox"/>	District	
<input type="checkbox"/>	Other	Please Explain:

B. If the applicant is a For-Profit business or corporation, please include the following information:

- Provide a copy of the corporation's "Certification of Account Status" from the Texas State Comptroller of Public Accounts. **See Attachment "A"**
- Provide the corporation's charter number as recorded with the Office of the Texas Secretary of State. 0801162305
- Provide a listing of all stockholders and their respective percentages of ownership.
- Provide a copy of the company's organizational chart, if available.
- Provide a list of all directors and disclose the title of each individual.
- Provide a list of all affiliated organizations (if any) and explain the relationship with the applicant.



- C. If the applicant is a Water Code Chapter 67 water supply or sewer service corporation:
- Provide a copy of the Articles of Incorporation and By-Laws.
  - Provide the corporation's charter number as recorded with the Office of the Texas Secretary of State.
  - Identify all members including name, address, title, and telephone number.
  - Provide a copy of the corporation's Certificate of Account Status from the Texas Comptroller of Public Accounts.

2. LOCATION INFORMATION

- A. Are there people already living in the proposed area?

YES \_\_\_\_\_ NO X

If YES, are any currently receiving utility service?

YES \_\_\_\_\_ NO \_\_\_\_\_ if YES, from Whom? \_\_\_\_\_

Demonstrate the Need for Service by providing the following:

- B. Have you received any requests for service in the requested service area?

YES X NO \_\_\_\_\_ if YES, provide the following:

- Describe the service area and circumstances driving the need for service in the requested area. Indicate the name(s) and address(es) of landowner(s), prospective landowner(s), tenant(s), or resident(s) that have requested service; and/or **Eagle Falls Water Supply, LLC, 100 I-45 North, Suite 109, Conroe, TX 77301-2701, proposes to construct a public water supply system to serve a 400 lot subdivision that is being developed by Liberty Plantation, LLC, in Trinity and Polk Counties. The public water supply system will include a groundwater production, storage and pumping plant, the land on which it is constructed, and a water distribution.**
- Describe the economic need(s) for service in the requested area (i.e. plat approvals, recent annexation(s) or annexation request(s), building permits, septic tank permits, hospitals, etc.); and/or **Plat is being submitted to Trinity County concurrently with the CCN submittal. Plat approval is expected at the September 14, 2009 Commissioners Court meeting.**
- Discuss in detail the environmental need(s) for service in the requested area (i.e. failing septic tanks in the requested area, fueling wells, etc.); and/or
- Provide copies of any written applications or requests for service in the requested area; and/or
- Provide copies of any reports and/or market studies demonstrating existing or anticipated growth in the requested area. If no, please justify the need for service in the proposed area.
- If none of these items exist or are available, please justify the need for service in the proposed area in writing.

**Note:** Failure to demonstrate a need for additional service in the proposed service area may result in the delay and /or possible denial of the application.

- C. Is any portion of the proposed service area inside an incorporated city or district?

YES \_\_\_\_\_ NO X

If YES, within the corporate limits of: \_\_\_\_\_

Provide a copy of any franchise, permit, or consent granted by the city or district. If not available please explain: \_\_\_\_\_

- D. Is any portion of the proposed service area inside another utility's CCN area?

YES X NO \_\_\_\_\_

If YES, has the current CCN holder agreed to decertify the proposed area?

YES \_\_\_\_\_ NO X

If NO, are you seeking dual or single certification of the area? Explain why decertification of the area



is in the public interest. Applicant is seeking dual certification. Lake Livingston Water Supply and Sewer Service Corporation has a CCN directly north of the proposed CCN area. When their CCN was originally mapped, it was mapped at an angle that does not line up with their property and partially encompasses part of the applicant's property. See Attachment "B" Lake Livingston Water Supply and Sewer Service Corp. has been asked by TCEQ in the past to amend their CCN to reflect the correct service area, but to date they have not done so. They have agreed to dual certification.

3. **MAP REQUIREMENTS:**

**Attach the following hard copy maps with each copy of the application:**

- A. A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county. See Attachment "B"
- B. A map showing only the proposed area by: See Attachment "C"
  - i. metes and bounds survey certified by a licensed state or register professional land surveyor; or
  - ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled). Also, a data disk labeled with the applicant's name must be provided; or
  - iii. following verifiable natural and man-made landmarks; or
  - iv. a copy of recorded plat map with metes and bounds.
- C. A written description of the proposed service area. See Attachment "D"
- D. Provide separate and additional maps of the proposed area(s) to show the following:
  - i. all facilities, illustrating separately facilities for production, transmission, and distribution of the applicant's service(s); and See Attachment "E"
  - ii. any facilities, customers or area currently being served outside the applicant's certificated area(s). N/A

**Note:** Failure to provide adequate mapping information may result in the delay or possible denial of your application. Digital data submitted in a format other than ESRI ArcGIS may result in the delay or inability to review applicant's mapping information.

4. **NEW SYSTEM INFORMATION OR UTILITIES REQUESTING A CCN FOR THE FIRST TIME**

- A. Please provide the following information:
  - i. a list of public drinking water supply system(s) or sewer system(s) within a 2 mile radius of the proposed system; See Attachment "F"
  - ii. copies of written requests seeking to obtain service from each of the public drinking water systems or sewer systems listed in #4.A.i above or documentation that it is not economically feasible to obtain service from each entity; See Attachment "F"
  - iii. copies of written responses from each system or evidence that they did not reply; and
  - iv. for sewer utilities, documentation showing that you have obtained or applied for a wastewater discharge permit.
- B. Were your requests for service denied? NO
  - i. If yes, please provide documentation of the denial of service and go to 4.C.
  - ii. If no, please provide a detailed analysis which justifies your reasons for not accepting service. A separate analysis must be prepared and submitted for each utility that granted your request for service. See Attachment "G"
- C. Please summarize how the proposed utility system will be constructed and describe each projected construction phase, if any: The proposed water system will be constructed in two phases. Phase I will include a 6-inch cased, pressure cemented well with a 20 Hp motor capable of pumping 165 gpm, a 65,000 gallon ground storage tank, three 15 Hp-250 gpm booster pumps and a 5,000 gallon hydropneumatic tank. In phase II an additional 6 inch cased, pressure cemented well with a 20 Hp motor capable of pumping 165 gpm will be added, as well an additional 65,000 gallon ground storage tank, an additional 5,000 gallon



**hydropneumatic tank and an additional 15 Hp - 250 gpm booster pump.**

- D. Date of plat approval, if required: Contingent on CCN submittal to TCEQ, expected approval at Commissioners Court Meeting on September 14, 2009.  
Approved by: Trinity County Commissioners Court
- E. Date Plans & Specifications submitted for approval Concurrent with Log No. CCN submittal  
Attach copy of approval letter if available.
- F. Date construction is scheduled to commence 1<sup>st</sup> quarter 2010
- G. Date service is scheduled to commence 4th quarter 2010

**5. EXISTING SYSTEM INFORMATION N/A**

- A. Please provide the following information for each water and/or sewer system, attach additional sheets if necessary.

i. Water system's TCEQ Public Water System identification number(s):

--	--	--	--

							:							:						
--	--	--	--	--	--	--	---	--	--	--	--	--	--	---	--	--	--	--	--	--

ii. Sewer system's TCEQ Discharge Permit number(s)

W	Q					-				Q					-			
---	---	--	--	--	--	---	--	--	--	---	--	--	--	--	---	--	--	--

- iii. Date of last inspection \_\_\_\_\_
- iv. Attach a copy of the most recent inspection report letter.
- v. For each system deficiency listed in the inspection report letter, attach a brief explanation listing the actions taken or being taken by the utility to correct the listed deficiencies, including the proposed completion dates.

- B. Provide the following information about the utility's certified operators**

Name	Classes	License Number

- Attach additional sheet(s) if necessary -

- C. Using the current number of customers, is any facility component in systems named in #5A above operating at 85% or greater of minimum standard capacity? **N/A**
- YES ☐ NO ☒

Attach an explanation listing the actions to be taken to make system improvements including proposed completion dates (See 291.93(3)(A) of TCEQ Rules). N/A

- D. List in the table below, the number of existing and/or proposed metered and non-metered connections (by size). The proposed number should reflect the information presented in the business plan or financial documentation and reflect the number of service requests identified in Question 2.b in the application.



Water System			Sewer System		
Connection	Existing	Proposed	Connection	Existing	Proposed
5/8" or 3/4" meter		400	Residential		
1" meter or larger			Commercial		
Non-Metered			Industrial		
Other:			Other:		
Total Water		400	Total Sewer		

E. If this application is for a water CCN only, please explain how sewer service is or will be provided:

**Lots will be at least 1/2 acre and will have on-site systems.**

F. If this application is for a sewer CCN only, please explain how water service is or will be provided:

**N/A**

G Effect of Granting a Certificate Amendment.  
Explain in detail the effect of granting of a certificate or an amendment, including, but not limited to regionalization, compliance and economic effects on the following:

- i the applicant,
- ii any retail public utility of the same kind already serving the proximate area; and
- iii any landowner(s) in the requested area.

**Trinity Rural Water Supply Corporation has indicated a willingness to provide water service to Eagle Falls Subdivision by extending and increasing the size of their water lines approximately 17 miles to the entrance of the proposed Eagle Falls Subdivision. Four scenarios offered ranged in cost from \$3,266,500 to \$4,099,600. The current estimated cost for the applicant to build the water plant for both phases is \$826,067. Applicant would be responsible for distribution system either way. Granting the CCN to the applicant would allow the Developer to provide a water system at a cost savings of over \$2,400,000. There are no other landowners in the requested area. (See Attachment "G")**

H Do you currently purchase or plan to purchase water or sewer treatment capacity from another source?

- i No   X   (skip the rest of this question and go to #6)
- ii Water            Yes

TCEQ-10362 (REV 4/05) Purchased on a            regular            seasonal            Emergency basis?



Source	% of total treatment

iii Sewer treatment capacity

iv Yes \_\_\_\_\_

Purchased on a \_\_\_\_\_ regular \_\_\_\_\_ seasonal \_\_\_\_\_ Emergency basis?

Source	% of total treatment

vi Provide a signed and dated copy of the most current water or sewer treatment capacity purchase agreement or contract.

I. Ability to Provide Adequate Service.

Describe the ability of the applicant to provide adequate service, including meeting the standards of the commission, taking both of the following items into consideration:

- i. the current and projected density, and
- ii. the land use of the requested area.

J. Effect on the Land.

Explain the effect on the land to be included in the certificated area.

6. FINANCIAL INFORMATION

A. For new systems and for applicants with existing CCNs who are constructing a new stand alone system:

- i. the applicant must provide an analysis of all necessary costs for constructing, operating, and maintaining the system, and the source of that capital (such as a financial statement for the developing entity) for which the CCN is requested for at least the first five years. In addition, if service has been offered by an existing water service provider as stated in #4.A., but the applicant has determined that the cost of service as finally offered renders the project not economically feasible, the applicant must provide a comparison analysis of all necessary costs for acquiring and continuing to receive service from the existing system for the same period. **See Attachment "G"**
- ii. Attach projected profit and loss statements, cash flow worksheets, and balance sheets (projected five year financial plan worksheet is attached) for each of the first five years of operation. Income from rates should correlate to the projected growth in connections, shown on the projected profit and loss statement. **See Attachment "H"**
- iii. Attach a proposed rate schedule or tariff. Describe the procedure for determining the rates and fees and indicate the date of last change, if applicable. Attach copies of any cost of service studies or rate analysis worksheets. **See Attachment "I"**

B. For existing systems: N/A

- i. Attach a profit and loss statement and current balance sheet for existing businesses (end of last fiscal year is acceptable). Describe sources and terms for borrowed capital such as loans, bonds, or notes (profit and loss and balance sheet worksheets are attached, if needed).
  - ii. Attach a proposed rate schedule or tariff.
- ★NOTE: An existing system may be required to provide the information in 6.A.i. above during the technical review phase if necessary for staff to completely evaluate the application.

C. Identify any funds you are required to accumulate and restrict by lenders or capital providers. N/A

D. In lieu of the information in #6.A. thru #6.C., you may provide information concerning loan approvals within the last three (3) years from lending institutions or agencies including the most recent financial audit of the applicant. **See Attachment "J"**

**Note:** Failure to provide adequate financial information may result in the delay or possible denial of your application.



7. **NOTICE REQUIREMENTS**

- A. All proposed notice forms must be completed and submitted with the application. However, do not mail or publish them until you receive written approval from the Commission to do so.
- B. The Commission cannot grant a CCN until proper notice of the application has been given. **Commission rules do not allow a waiver of these notice requirements for CCN applicants.**
- C. **It is the applicant's responsibility to ensure that proper notice is given to all entities that are required to receive notice.**
- D. Recommended notice forms for publication, neighboring cities and systems, landowners with 25 acres or more, and customers are included with this application to use in preparing your proposed notices. (These notice forms are also available in Spanish upon request.)
- E. After reviewing and, if necessary, modifying the proposed notice, the Commission will send the notice to the applicant after the application is accepted for filing along with instructions for publication and/or mailing. Please review the notice carefully and note any additional neighboring utilities which may be included in the acceptance letter.
- F. Notice For Publication:  
The applicant shall publish the notice in a newspaper having general circulation in the county or counties where a CCN is being requested, once each week for two consecutive weeks beginning with the week after the notice is received from the Commission. Proof of publication in the form of a publisher's affidavit shall be submitted to the Commission within 30 days of the last publication date. The affidavit shall state with specificity each county in which the newspaper is of general circulation.
- G. Notice To Neighboring Utilities:  
i. List all neighboring retail public utilities and cities providing the same utility service within the following vicinities of the applicant's proposed certificate area.  
ii. For applications for the issuance of a **NEW** CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within **five (5) miles** of the requested service area. **(See Attach "K")**  
iii. For applications for the **AMENDMENT** of a CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within **two (2) miles** of the requested service area.
- H. Notice to Customers  
Investor Owned Utilities (IOUs) that are currently providing service without a CCN must provide individual mailed notice to all current customers. The notice must contain the current rates, the date those rates were instituted and any other information required in the application. The notice must also list all zip codes affected by the application.
- I. The Commission may require the applicant to deliver notice to other affected persons or agencies.

**Do not publish or send copies of the proposed notices to anyone at the time you submit the application to the Commission. Wait until you receive written authorization to do so. This will occur after the Commission has reviewed the notices for completeness, and your application has been accepted for filing. Once the application is accepted for filing, you will receive written authorization to provide notice. Please check the notices for accuracy before providing them to the public. It is the applicant's burden to ensure that correct and accurate notice is provided.**



OATH

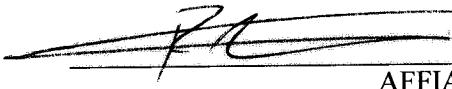
STATE OF TEXAS

COUNTY OF HARRIS

I, Ryan Aikin, being duly sworn, file this application as President (indicate relationship to Applicant, that is, owner, member of partnership, title as officer of corporation, or other authorized representative of Applicant); that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the maps and financial information filed with this application, and have complied with all the requirements contained in this application; and, that all such statements made and matters set forth therein are true and correct. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Texas Commission on Environmental Quality.

I further represent that the application form has not been changed, altered or amended from its original form available only from the Commission.

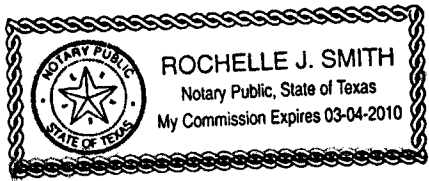
I further represent that the Applicant will provide continuous and adequate service to all customers and qualified applicants for service within its certificated service area.

  
AFFIANT  
(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas, this day 10 of Sept, 20 09.

SEAL



  
NOTARY PUBLIC IN AND FOR THE  
STATE OF TEXAS

  
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 03-04-2010



Notice for Publication

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE  
AND NECESSITY (CCN) TO PROVIDE WATER UTILITY  
SERVICE IN TRINITY AND POLK COUNTIES, TEXAS

Name of Applicant Eagle Falls Water Supply, LLC has filed an application  
for a CCN to obtain \_\_\_\_\_ and to dual certify a portion(s) of  
Lake Livingston Water Supply and Sewer with the Texas Commission on Environmental Quality to provide  
Service Corporation CCN 10147  
(Name of Dual Certify Utility)  
\_\_\_\_\_ water utility service in  
Trinity and Polk Counties \_\_\_\_\_ Counties.

The proposed utility service area is located approximately 5.7 miles southeast [direction] of  
downtown Sebastapol [City or Town] Texas, and is generally bounded on the north by  
Big Hawg Road (Main Road) ;on the east by FM 356  
on the south by Lake Livingston ;and on the west by Armadillo Road  
The total area being requested includes approximately 347.9 acres and 0 current customers.  
The proposed amendment affects customers and/or areas located in the following zip code(s):

77360	75826							

(List All Affected Zip Codes)

A copy of the proposed service area map is available at (Utility Address and Phone Number):  
WaterEngineers, Inc., 17230 Huffmeister Road, Cypress, Texas 77429 (281)373-0500

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.

Persons who wish to intervene or comment should write the:  
Texas Commission on Environmental Quality  
Water Supply Division  
Utilities and Districts Section, MC-153  
P. O. Box 13087  
Austin, TX 78711-3087

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the Commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.



If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the Commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

Texas Commission on Environmental Quality  
Water Supply Division  
Utilities and Districts Section, MC-153  
P. O. Box 13087  
Austin, TX 78711-3087

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

**Si desea informacion en Espanol, puede llamar al 1-512-239-0200.**



Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE  
AND NECESSITY (CCN) TO PROVIDE WATER UTILITY  
SERVICE IN TRINITY AND POLK COUNTIES, TEXAS

To: \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_, 20 \_\_\_\_  
(Neighboring System, Landowner or City)

\_\_\_\_\_  
(Address)  
\_\_\_\_\_  
City State Zip

Name of Applicant Eagle Falls Water System, LLC has filed an application  
for a CCN \_\_\_\_\_ and for dual certification a portion of  
Lake Livingston Water Supply and Sewer Service Corporation (CCN 10147) with the Texas Commission on Environmental Quality to provide  
(Name of Decertificated Utility)  
\_\_\_\_\_ water service in  
Trinity and Polk Counties.

The proposed utility service area is located approximately 5.7 miles southeast [direction] of  
downtown Sebastapol, [City or Town] Texas, and is generally bounded on the north by  
Big Hawg Road (Main Road); on the east by FM 356  
; on the south by Lake Livingston; and on the west by Armadillo Road  
See enclosed map of the proposed service area.

The total area being requested includes approximately 347.9 acres and 0 current customers.  
The proposed amendment affects customers and/or areas located in the following zip code(s):

77360	75862							

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.

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If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the Commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

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P. O. Box 13087  
Austin, TX 78711-3087

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

**Si desea informacion en Espanol, puede llamar al 1-512-239-0200.**



Notice to Customers of IOUs in Proposed Area

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN)  
TO PROVIDE WATER/SEWER UTILITY SERVICE IN \_\_\_\_\_ COUNTY

Dear Customer: \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_, 20 \_\_\_\_\_

Name of Applicant \_\_\_\_\_ has filed an application  
for a CCN /to amend CCN No. \_\_\_\_\_ / and to decertify a portion(s) of  
\_\_\_\_\_ with the Texas Commission on Environmental Quality to provide  
(Name of Decertificated Utility)  
\_\_\_\_\_ (specify 1) water or 2) sewer or 3) water & sewer) utility service in  
\_\_\_\_\_ County(ies).

The proposed utility service area is located approximately \_\_\_\_\_ miles \_\_\_\_\_ [direction] of  
downtown \_\_\_\_\_, [City or Town] Texas.

A copy of the proposed service area map is available at the Utility Address and Phone Number:  
\_\_\_\_\_

The proposed amendment affects customers and/or areas located in the following zip code(s):


The current utility rates which were first effective on \_\_\_\_\_, 20 \_\_\_\_\_

- Monthly Flat Rate of \$ \_\_\_\_\_ per connection
- OR-

- Monthly Base Rate including \_\_\_\_\_ gallons  
per connection for:

5/8" meter	\$ _____
1" meter	\$ _____
1 1/2" meter	\$ _____
2" meter	\$ _____
Other _____	\$ _____

Gallonge charge of \$ \_\_\_\_\_ Per 1,000  
Gallons above minimum (same for all meter sizes)

Miscellaneous Fees	
Regulatory Assessment	1%
Tap Fee (Average Actual Cost)	\$ _____
Reconnection fee:	\$ _____
-Non Payment (\$25.00 max)	\$ _____
-Transfer	\$ _____
-Customer's request	\$ _____
Late fee	\$5.00 or 10%
Returned Check charge	\$ _____
Customer Deposit (\$50.00 max)	\$ _____
Meter test fee (Actual Cost not Exceed \$25.00)	\$ _____
Other Fees	\$ _____

**Your utility service rates and fees cannot be changed by this application. If you are currently  
paying rates, those rates must remain in effect unchanged. Rates may only be increased if the  
utility files and gives notice of a separate rate change application.**



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.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality  
Water Supply Division  
Utilities and Districts Section, MC-153  
P. O. Box 13087  
Austin, TX 78711-3087

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the Commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

**IF A HEARING IS HELD**, it is important that you or your representative attend to present your concerns. Your request serves only to cause a hearing to be held and is not used during the hearing.

If you are a landowner with a tract of land at least 25 acres or more, and is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the Commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

Texas Commission on Environmental Quality  
Water Supply Division  
Utilities and Districts Section, MC-153  
P. O. Box 13087  
Austin, TX 78711-3087

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

**Si desea informacion en Espanol, puede llamar al 1-512-239-0200**



**ATTACHMENT "A"**

**CERTIFICATE OF ACCOUNT STATUS  
CERTIFICATE OF FILING  
CERTIFICATE OF FORMATION  
STOCKHOLDER INFORMATION  
ORGANIZATIONAL CHART**

**EAGLE FALLS WATER SUPPLY, LLC**



**TEXAS COMPTROLLER OF PUBLIC ACCOUNTS**

SUSAN COMBS • COMPTROLLER • AUSTIN, TEXAS 78774

September 3, 2009

**CERTIFICATE OF ACCOUNT STATUS**THE STATE OF TEXAS  
COUNTY OF TRAVISI, Susan Combs, Comptroller of Public Accounts of the State of Texas, DO  
HEREBY CERTIFY that according to the records of this office**EAGLE FALLS WATER SUPPLY, LLC**

is, as of this date, in good standing with this office having no franchise tax reports or payments due at this time. This certificate is valid through the date that the next franchise tax report will be due November 22, 2010.

This certificate does not make a representation as to the status of the entity's registration, if any, with the Texas Secretary of State.

This certificate is valid for the purpose of conversion when the converted entity is subject to franchise tax as required by law. This certificate is not valid for any other filing with the Texas Secretary of State.

GIVEN UNDER MY HAND AND  
SEAL OF OFFICE in the City of  
Austin, this 3rd day of  
September 2009 A.D.

A handwritten signature in black ink that reads "Susan Combs".

Susan Combs  
Texas ComptrollerTaxpayer number: 32040159405  
File number: 0801162305

Form 05-304 (Rev. 12-07/17)



Corporations Section  
P.O.Box 13697  
Austin, Texas 78711-3697



Hope Andrade  
Secretary of State

## Office of the Secretary of State

### CERTIFICATE OF FILING OF

EAGLE FALLS WATER SUPPLY, LLC  
File Number: 801162305

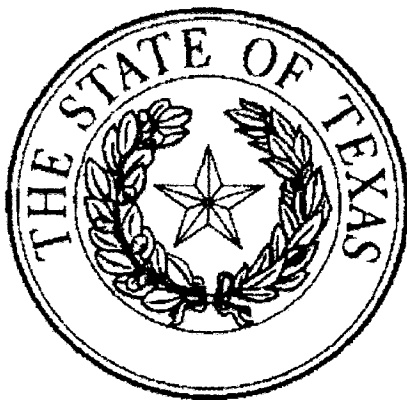
The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Limited Liability Company (LLC) has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 08/25/2009

Effective: 08/25/2009



A handwritten signature in black ink, appearing to read "Hope Andrade".

Hope Andrade  
Secretary of State

Phone: (512) 463-5555  
Prepared by: Melissa Williams

*Come visit us on the internet at <http://www.sos.state.tx.us/>*

Fax: (512) 463-5709  
TID: 10306

Dial: 7-1-1 for Relay Services  
Document: 272247180002



**CERTIFICATE OF FORMATION  
OF  
EAGLE FALLS WATER SUPPLY, LLC**

The undersigned natural person of the age of eighteen (18) years or more, acting as organizer of a limited liability company pursuant to the provisions of Title 1, Chapter 3, subchapter A of the Texas Business Organization Code, hereby adopts the following Certificate of Formation:

**ARTICLE ONE  
Entity Name and Type**

The filing entity being formed is a Limited Liability Company. The name of the limited liability company is **EAGLE FALLS WATER SUPPLY, LLC**.

**ARTICLE TWO  
Registered Agent and Registered Office**

The street address of the initial registered office is:

2500 Wilcrest, Suite 201  
Houston, Texas 77042

The name of the initial registered agent at that address is: Loren R. Cook & Associates Ltd., LLP.

**ARTICLE THREE  
Governing Authority**

This limited liability company will not have a manager or managers. The name and address of the initial member or members are:

ALCSD, LP  
100 I-45 North, Suite 109  
Conroe, TX 77301-2701

**ARTICLE FOUR  
Purpose**

The purpose for which the limited liability company is organized is the transaction of any or lawful business for which limited liability companies may be organized under the Texas Business Organization Code.

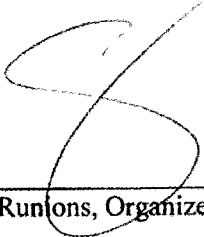


**ARTICLE FIVE**  
**Organizer**

The name and address of the Organizer is:

Shana Runions, Attorney  
LOREN R. COOK & ASSOCIATES Ltd., LLP  
Attorneys at Law  
2500 Wilcrest, Suite 201  
Houston, Texas 77042

SIGNED this 25th day of August, 2009

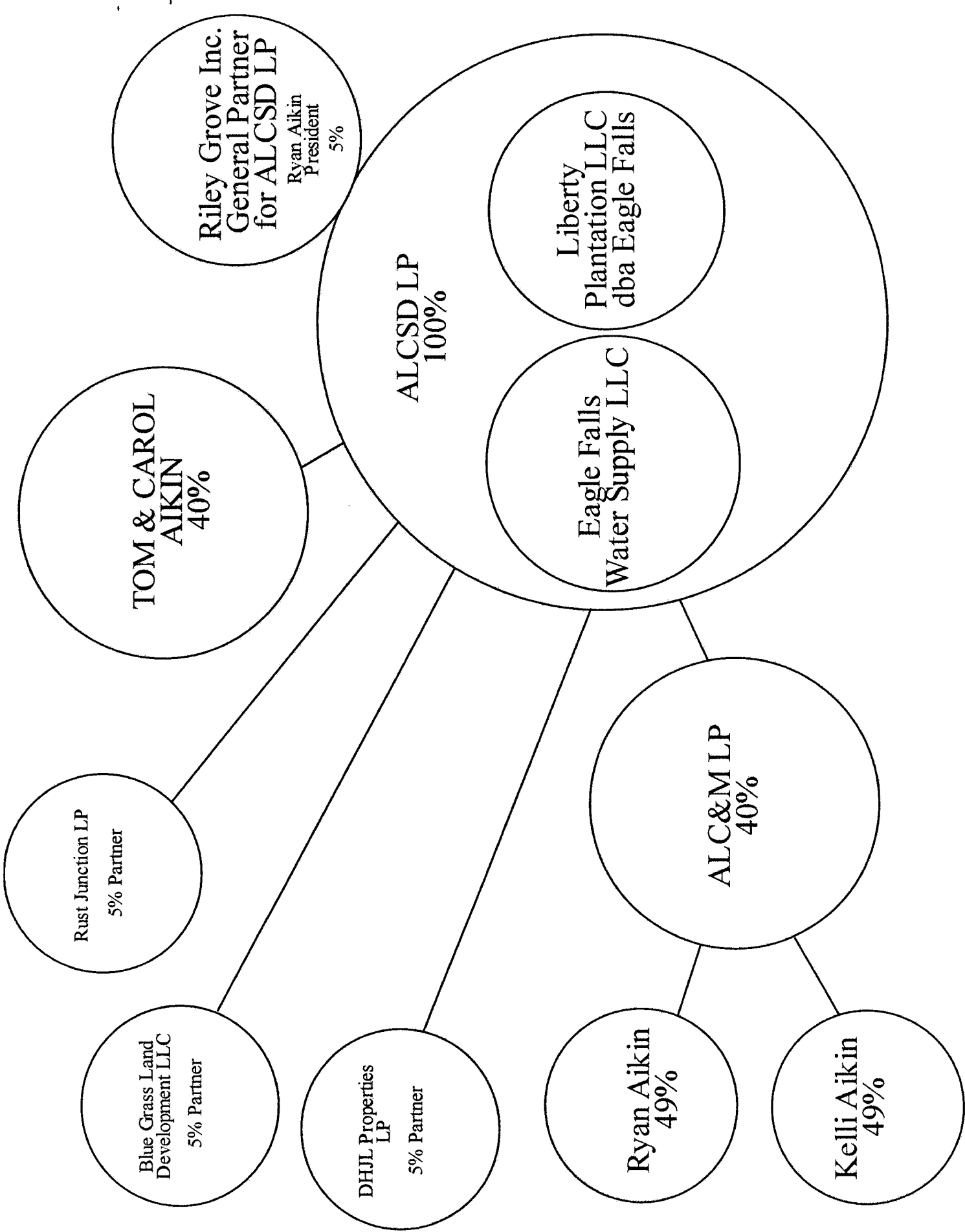
---

Shana Runions, Organizer

**AFTER FILING RETURN TO:**

Loren R. Cook, Attorney  
Loren R. Cook & Associates Ltd., LLP - Attorneys at Law  
2500 Wilcrest, Suite 201  
Houston, Texas 77042







**ATTACHMENT "B"**

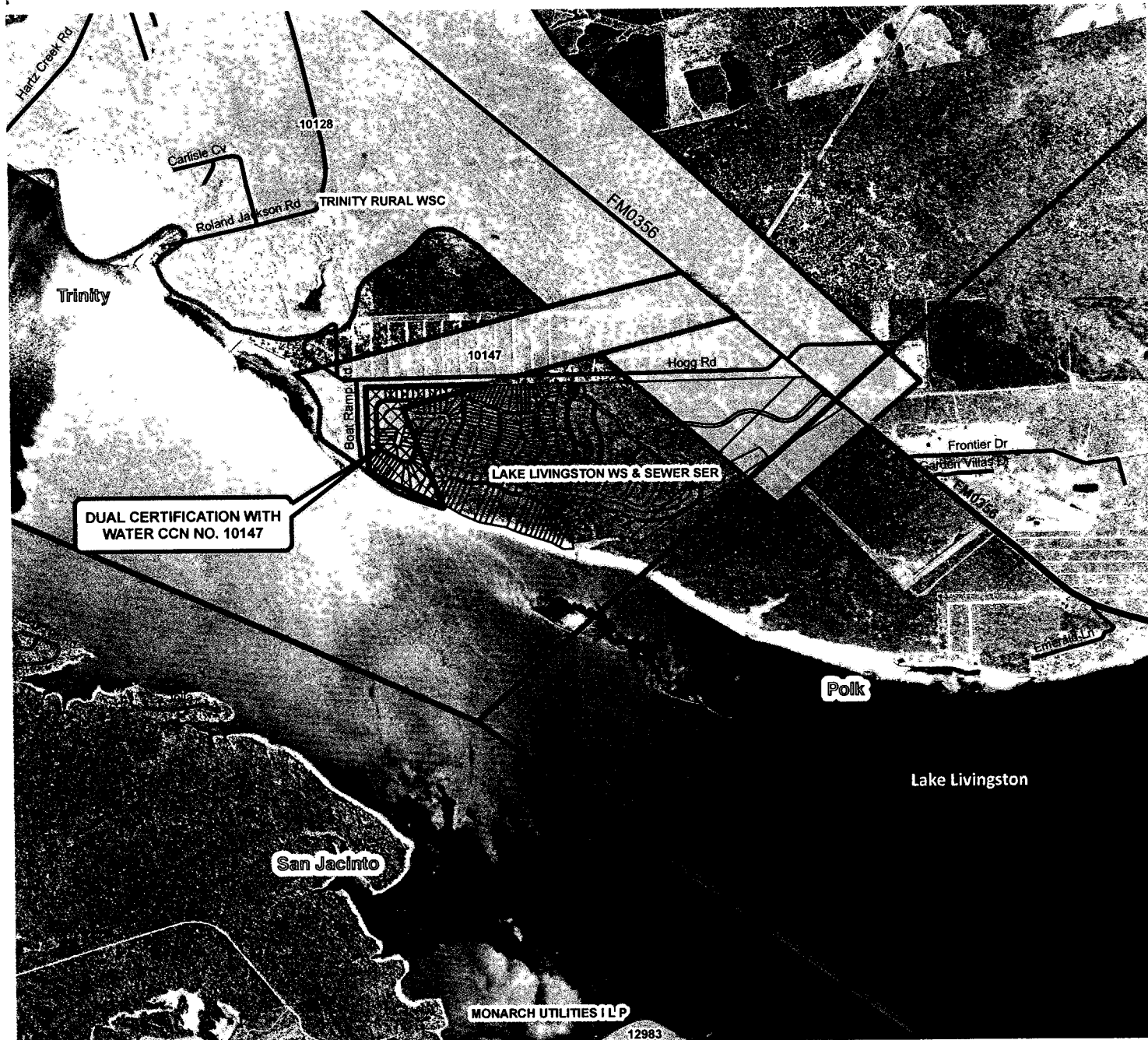
**PROPOSED SERVICE AREA MAP  
SMALL SCALE**

**EAGLE FALLS WATER SUPPLY, LLC**



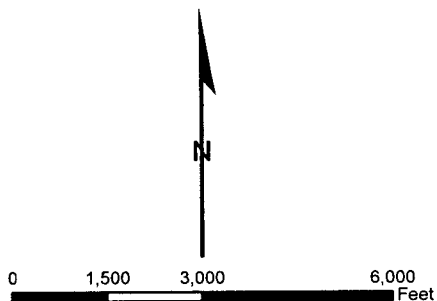






# Legend

- County Line
- Existing Water CCN



**WATERENGINEERS, INC.**  
*Water & Wastewater Treatment Consultants*  
 17230 HUFFMEISTER ROAD  
 CYPRESS, TEXAS 77429

TEL: 281-373-0500  
 FAX: 281-373-1113

EAGLE FALLS WATER SUPPLY, LLC. ~ APPLICANT

APPLICATION FOR A NEW WATER CCN

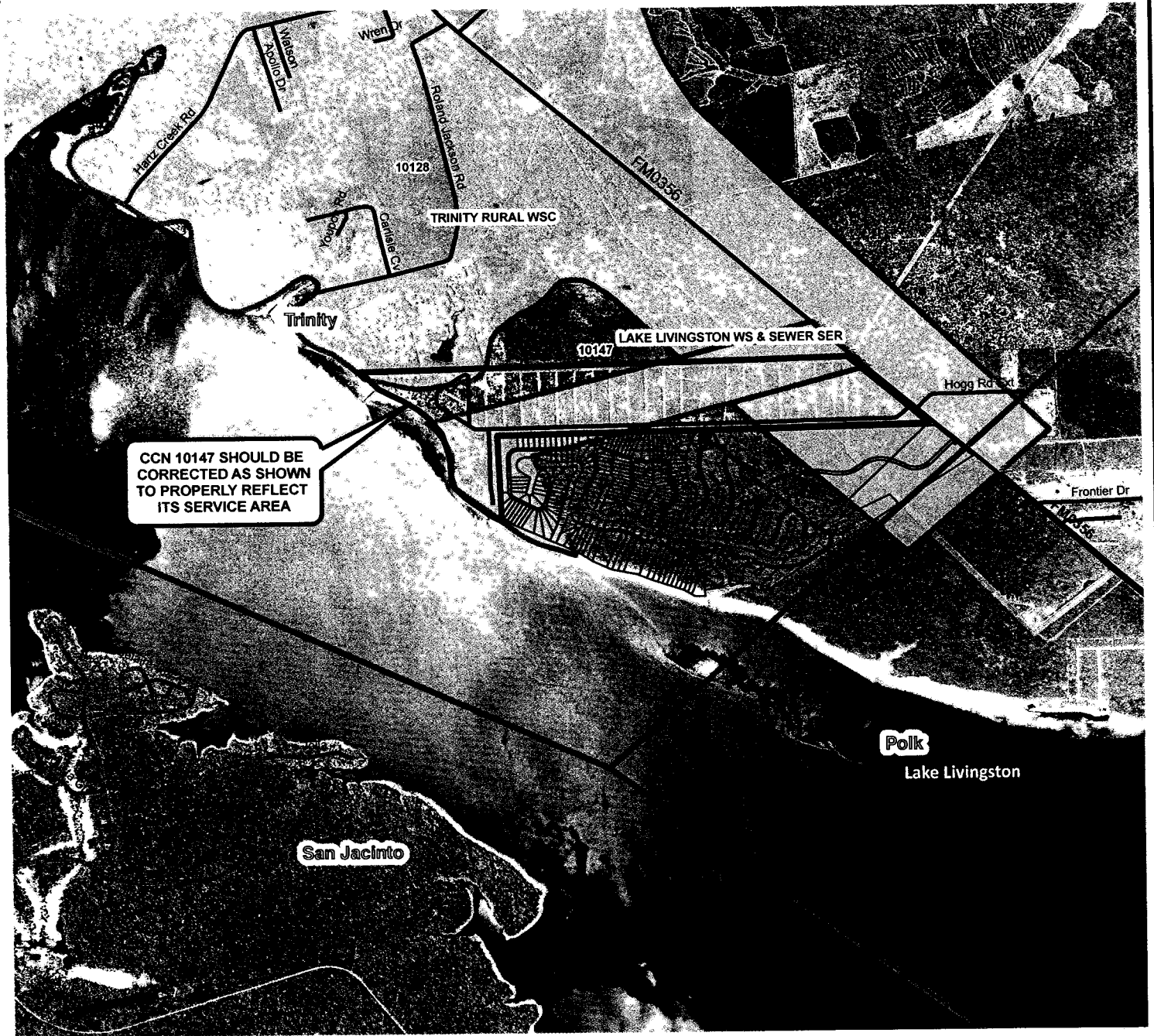
GENERAL LOCATION MAP  
 REFLECTING DUAL CERTIFICATION AREA

DRAWN BY: JLW  
 DATE: 9/10/2009  
 JOB NO. 4908.1



APPROVED BY: DRY  
 SCALE: AS NOTED

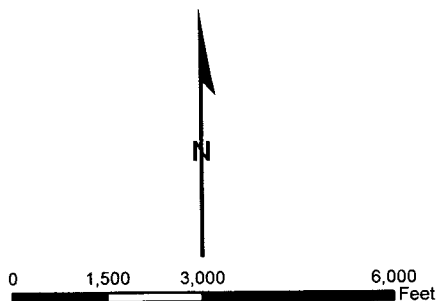
**ATTACHMENT**  
**"B-2"**





Legend

-  County Line
-  Existing Water CCN



**WaterEngineers, Inc.**

*Water & Wastewater Treatment Consultants*

17230 HUFFMEISTER ROAD

CYPRESS, TEXAS 77429

TEL: 281-373-0500

FAX: 281-373-1113

EAGLE FALLS WATER SUPPLY, LLC. ~ APPLICANT

APPLICATION FOR A NEW WATER CCN

GENERAL LOCATION MAP  
REFLECTING PROPER SERVICE AREA

DRAWN BY: JLW

DATE: 9/10/2009

JOB NO. 4908.1

APPROVED BY: DRY

SCALE: AS NOTED

**ATTACHMENT**  
**"B-3"**



**ATTACHMENT "C"**

**PROPOSED SERVICE AREA MAP  
AND PROJECTABLE DIGITAL DATA**

**EAGLE FALLS WATER SUPPLY, LLC**







**ATTACHMENT "D"**

**WRITTEN DESCRIPTION OF SERVICE AREA**

**EAGLE FALLS WATER SUPPLY, LLC**



## WRITTEN DESCRIPTION OF PROPOSED SERVICE AREA

The proposed utility service area is located approximately 5.7 miles southeast of Sebastapol, Texas, and is generally bounded on the north by Big Hawg Road; on the east by FM 356; on the south by Lake Livingston; and on the west by Armadillo Road.

The total area being requested includes approximately 347.9 acres.



**ATTACHMENT "E"**

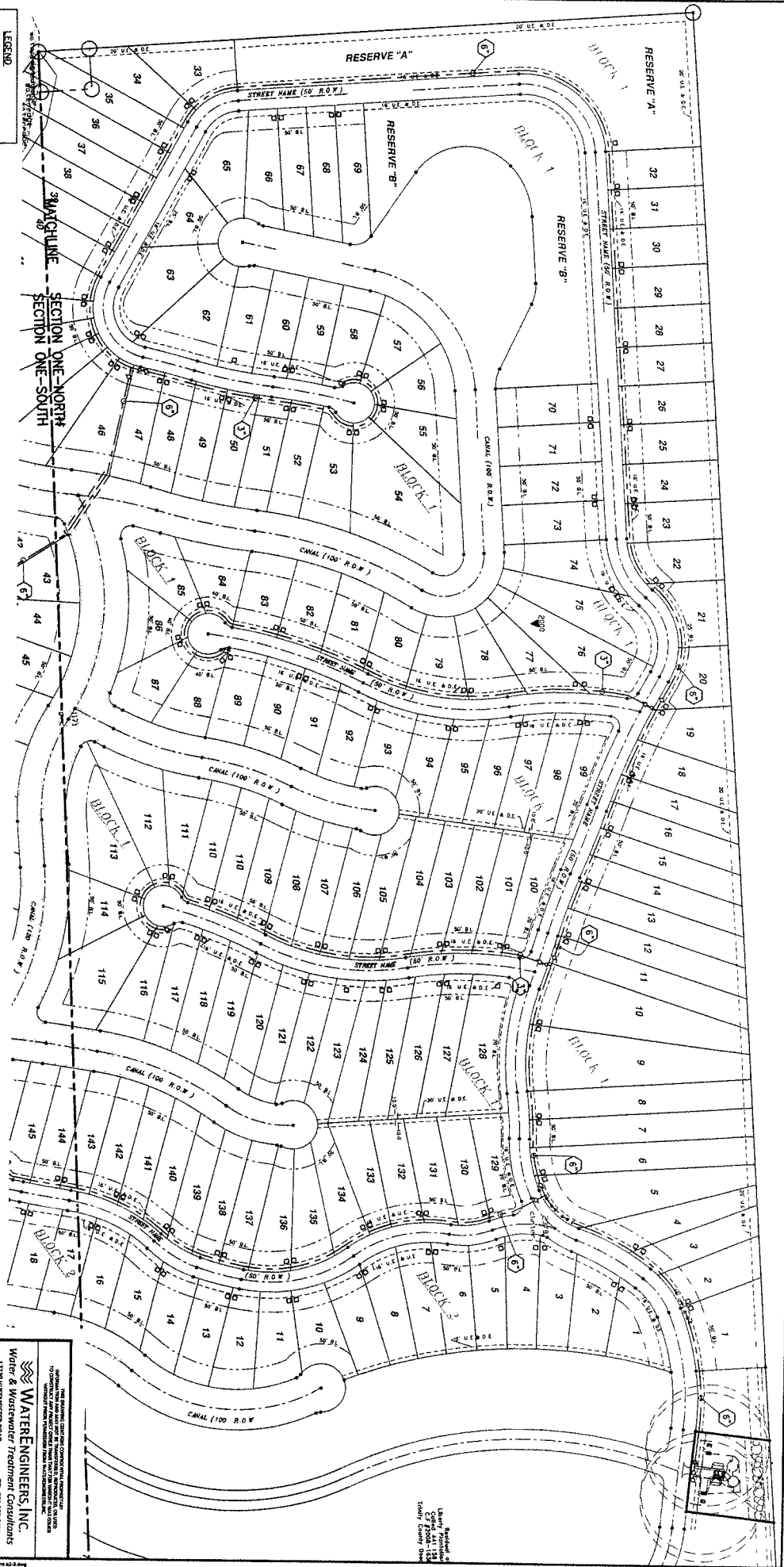
**FACILITIES MAP**

**EAGLE FALLS WATER SUPPLY, LLC**









LEGEND  
FLUSHING HYDRANT  
WATER VALVE  
REDUCER OR REDUCING  
TEE  
SERVICE CONNECTION

WATER MAIN SUMMARY									
NAME	# CONNECTIONS	8" CLASS 200 PVC PIPE	6" CLASS 200 PVC PIPE	3" CLASS 200 PVC PIPE	6" CV & BOX	3" CV & BOX	FLUSHING SHORT SINE LONG SIDE	FLUSHING SER. CONN. SER. CONN.	56
SECTION ONE NORTH MAP	161	-	7815 LF	2402 LF	8	3	3	105	56

WATERENGINEERS, INC.  
17201 HARMONY ROAD  
CITY, TEXAS 77430  
TEL: 281.373.6000  
FAX: 281.373.1111

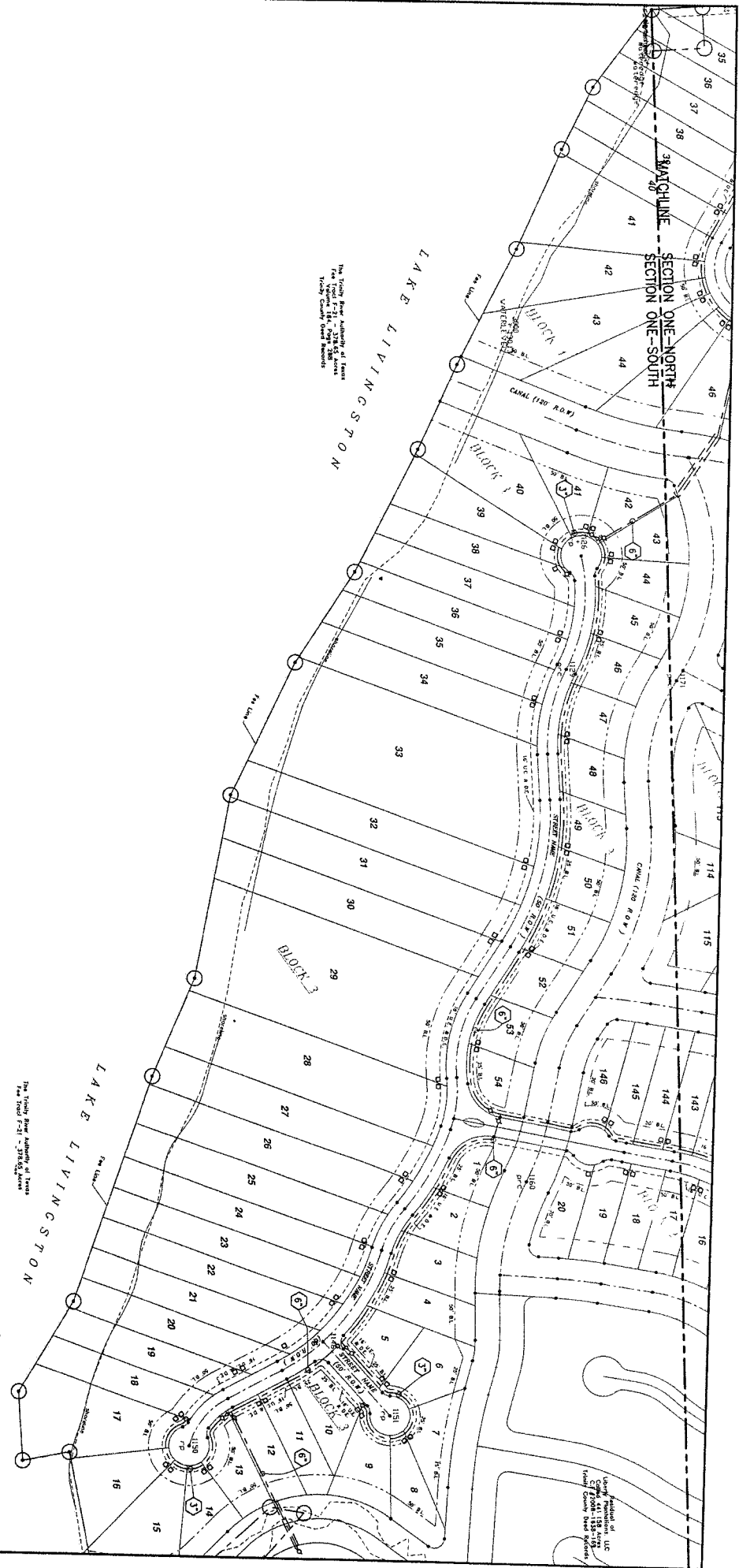
EAGLE FALLS WATER SUPPLY, LLC - APPLICANT  
APPLICATION FOR A NEW WATER CN

WATER DISTRIBUTION MAP  
SECTION 1 - NORTH MAP

DATE: 9/10/2009

ATTACHMENT  
"E-2"





LEGEND

- FLUSHING HYDRANT
- WATER VALVE
- REDUCER OR REDUCING
- TEE
- SERVICE CONNECTION

WATER MAIN SUMMARY					
NAME	# CONNECTIONS	8" CLASS 200 PVC PIPE	6" CLASS 200 PVC PIPE	3" CLASS 200 PVC PIPE	FLUSHING SHORT SIDE LONG SIDE
SECTION ONE SOUTH MAP	61	-	3620 L.F.	1018 L.F.	6 BOX 3 BOX 3 39 22

FOR THE OWNER'S USE ONLY - DO NOT REMOVE OR DESTROY

WATER ENGINEERS, INC.  
Water & Wastewater Treatment Consultants  
17220 HUNTER ROAD  
CYPRESS, TEXAS 77429  
TEL: 281-373-0000  
FAX: 281-373-1111

EAGLE FALLS WATER SUPPLY, LLC - APPLICANT  
APPLICATION FOR A NEW WATER CN

WATER DISTRIBUTION MAP  
SECTION 1 - SOUTH MAP

DRAWN BY: AW  
APPROVED BY: DW  
SCALE: AS NOTED  
DATE: 9/10/2009

DWG. NO.  
ATTACHMENT "E-3"



**ATTACHMENT "F"**

**NEIGHBORING PUBLIC UTILITIES WITHIN 2 MILES  
AND  
COPIES OF WRITTEN REQUEST SEEKING TO  
OBTAIN SERVICE**

**EAGLE FALLS WATER SUPPLY, LLC**

---



UTILITIES WITHIN A  
2 MILE RADIUS

Onalaska Water Supply Corp.  
P.O. Box 2463  
Onalaska, TX 77360

CCN No. 10119

Lake Livingston Water Supply & Sewer Service Corp.  
P.O. Box 1149  
Livingston, TX 77351

CCN No. 10147

Trinity Rural Water Supply Corp.  
P.O. Box 709  
Trinity, TX 75862-0709

CCN No. 10128



# WATERENGINEERS, INC.

WATER & WASTEWATER TREATMENT CONSULTANTS

17230 HUFFMEISTER CYPRESS, TEXAS 77429

TEL: 281-373-0500 FAX: 281-373-1113

www.waterengineers.com

September 3, 2009

Lake Livingston Water Supply & Sewer Service Corporation (CCN 10147)  
P.O. Box 1149  
Livingston, Texas 77351

Re: Proposed Eagle Falls Water System and CCN  
Request for Confirmation That Water Service Is Not Available  
and For Dual TCEQ CCN Certification of a portion of CCN 10147

Dear Sir/Ms.:

Our firm is providing engineering services to Eagle Falls Water Supply, LLC for a proposed public water supply system to serve a 400 lot subdivision adjacent to and south of the Hawg Heaven Subdivision Service Area (CCN 10147). We understand that you have previously been contacted by our client regarding the availability of water service from your water system.


We are required by TCEQ to provide documentation that we have contacted you regarding water service and that you have indicated that you are not capable of providing service with your facilities. We ask that you respond in the space provided at the end of this letter regarding that request.

In addition, we are applying for a TCEQ Certificate of Convenience and Necessity for the proposed Eagle Falls Service Area. In our research we have discovered that the CCN for your system was originally submitted incorrectly, and according to the TCEQ CCN map, a portion of your CCN service area falls on the Eagle Falls property (See Exhibit 1).

In our conversations with TCEQ on this subject, we have been told that your utility has been made aware of this conflict and that TCEQ has requested you to file a CCN amendment to correct it. In order for us to move forward on the Eagle Falls CCN application, we respectfully request that you not protest our CCN application which will require dual certification for the portion of your CCN that falls on Eagle Falls property until such time as you file an amendment to correct the location of your CCN. We also request that you respond in the space at the end of this letter that you do not object to the Eagle Falls CCN application, including the dual certification of the conflicted area.

If you have any questions, please call me at 281-373-0500.

Sincerely,  
WaterEngineers, Inc.

  
Shelley Young, P.E.  
Project Engineer

cc: Eagle Falls Water Supply, LLC



---

**REPLY REGARDING AVAILABILITY OF WATER SERVICE**

Date of Reply: \_\_\_\_\_ Signature: \_\_\_\_\_  
Name of Utility: \_\_\_\_\_ Printed Name: \_\_\_\_\_  
\_\_\_\_\_ Title: \_\_\_\_\_  
Will You Provide Retail Water Service? Address: \_\_\_\_\_  
(Yes/No) \_\_\_\_\_  
(If Yes, please provide a copy of your Rate Order).  
Terms: \_\_\_\_\_ Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_

**REPLY REGARDING CCN CONFLICT**

Being duly authorized to represent the interests of Lake Livingston Water Supply and Sewer Service Corporation with regard to TCEQ and CCN matters, I hereby state that the utility does not object to TCEQ issuing dual certification of the CCN area shown on the attached Exhibit 1 in which the Lake Livingston WS & SS Corporation CCN conflicts with the proposed CCN area to be served by Eagle Falls Water Supply, LLC.

Signature: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



SEP 8 2009

September 3, 2009

Mr. D. Ray Young, P.E.  
Water Engineers, Inc.  
17230 Huffmeister  
Cypress, TX 77429

**Re: Lake Livingston Water Supply & Sewer Service Corporation (LLWSSSC)  
Service to Eagle Falls**

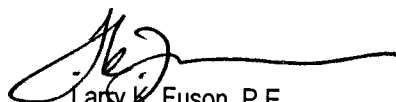
Dear Mr. Young:

I relayed our recent telephone discussion regarding Eagle Falls to LLWSSSC in their board meeting of last week. It was suggested that we forward to you Section F of LLWSSSC's tariff, which addresses provision of service to developers and subdivisions. To reiterate our prior discussion regarding water service, the existing system serving Hawg Heaven (adjacent to Eagle Falls) does not currently have sufficient capacity to serve the Eagle Falls development. LLWSSSC is, however, implementing a DWSRF water supply project that could provide that service. The project will include a new surface water treatment plant and water transmission main that will extend to Hawg Heaven and Paradise acres, both in the vicinity of Eagle Falls on FM 356. LLWSSSC would be very interested in providing retail water service, or secondarily, wholesale supply service to Eagle Falls, subject to the conditions outlined in their tariff.

We hope this information is useful to you, and look forward to further discussions. Feel free to contact us if there are any comments or questions.

Sincerely,

**Enprotec / Hibbs & Todd, Inc.**

  
Larry K. Fuson, P.E.  
Senior Project Manager

Attachment

cc: Scottie Baker, LLWSSSC  
John Stover  
File

*Environmental, Civil & Geotechnical Engineers*

**Abilene Office**  
402 Cedar  
Abilene, Texas 79601  
325.698.5560  
325.691.0058 fax

**Lubbock Office**  
6310 Genoa Avenue, Suite E  
Lubbock, Texas 79424  
806.794.1100  
806.794.0778 fax

**Granbury Office**  
1301 Crawford Ave.  
Granbury, Texas 76048  
817.579.6791  
817.579.8491 fax

**San Antonio Office**  
1100 NW Loop 410, Suite 733  
San Antonio, Texas 78213  
210.524.9494  
210.366.0198 fax

**Plano Office**  
One Preston Park  
2301 Ohio Drive, Suite 105  
Plano, Texas 75093  
972.599.3480  
972.599.3513 fax

Firm Registration No. 1151

[www.e-ht.com](http://www.e-ht.com)



**SECTION F.**  
**DEVELOPER, SUBDIVISION AND NON-STANDARD SERVICE REQUIREMENTS**

1. ***Corporation's Limitations.*** All Applicants shall recognize that the Corporation must comply with local, state, and federal rules and regulations as promulgated from time to time, and with covenants of current indebtedness. The Corporation is not required to extend retail utility service to an Applicant in a subdivision where the responsible party (Applicant/Developer) of the applicable property (subdivision) has failed to comply with the terms of this policy. Section 13.2502 of the Texas Water Code requires that notice be given herein or by publication (see Miscellaneous Transaction Forms) or by alternative means to the Developers/Applicants. (Also see Section F. 11.)
2. ***Purpose.*** It is the purpose of this Section to define the process by which the specific terms and conditions for service to subdivisions and other kinds of Non-Standard Service are determined, including the Non-Standard Service Applicant's and the Corporation's respective costs.

For purposes of the Section, the term "Applicant" shall refer to the individual or entity that desires to secure Non-Standard Service from the Corporation. The Applicant must be the same person or entity that is authorized to enter into a contract with the Corporation setting for the terms and conditions pursuant to which Non-Standard Service will be furnished to the property. In most cases, the Applicant shall be the owner of real property for which Non-Standard Service is sought. In the event that the Applicant is other than the owner of real property, the Applicant must furnish evidence to the Corporation that it is authorized to request Non-Standard Service on behalf of such owner, or that it otherwise has authority to request Non-Standard Service for the real property.

3. ***Application of Rules.*** This Section is applicable to subdivisions, additions to subdivisions, developments, or whenever additional service facilities are required for a single tract of property. Examples of non-standard services for a single tract of land can include, but are not limited to, road bores, extensions to the distribution system, service lines exceeding 1" diameter and service lines exceeding 20 feet. Non-residential service applications typically will be considered non-standard. For the purposes of this Tariff, Applications subject to this Section shall be defined as Non-Standard. This Section may be altered or suspended for planned facility expansions when the Corporation extends its indebtedness. The Board of Directors of the Corporation shall interpret on an individual basis whether or not the Applicant's service request shall be subject to all or part of the conditions of this Section.

This Section sets forth the general terms and conditions pursuant to which the Corporation will process Non-Standard Service Requests. The specific terms and conditions pursuant to which the Corporation will provide non-standard service in response to any request will depend upon the nature of such request and may be set forth in a legally enforceable, contractual agreement to be entered into by the Corporation and the service Applicant. The agreement may not contain any terms or conditions that conflict with this Section.



4. ***Non-Standard Service Application.*** The Applicant shall meet the following requirements prior to the initiation of a Non-Standard Service Contract by the Corporation:
  - a. The Applicant shall provide the Corporation a completed Service Application And Agreement giving special attention to the item(s) on SPECIAL SERVICE NEEDS OF THE APPLICANT.
  - b. A final plat approved by the Corporation must accompany the Application showing the Applicant's requested service area. The plat must be approved by all governmental authorities exercising jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other service facilities. Plans, specifications, and special requirements of such governmental authorities shall be submitted with the plat. Applicants for single taps involving extension or upsizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements.
  - c. A Non-Standard Service Investigation Fee shall be paid to the Corporation in accordance with the requirements of Section G for purposes of paying initial administrative, legal, and engineering fees. The Corporation shall refund any balance that remains after it has completed its service investigation, and has completed all legal and engineering services associated with processing a request. In the event such a fee is not sufficient to pay all expenses incurred by the Corporation, the Applicant shall pay to the Corporation all remaining expenses that have been, or will be incurred by the Corporation and Corporation shall have no obligation to complete processing of the request until all remaining expenses have been paid.
  - d. If after the service investigation has been completed, the Corporation determines that the Applicant's service request is for property located, in whole or in part, outside the area described in the Corporation's Certificate of Convenience and Necessity, service may be extended provided that:
    - 1). The service location is not in an area receiving similar service from another retail utility;
    - 2). The service location is not within another retail utility's Certificate of Convenience and Necessity; and
    - 3) The Corporation's Certificate of Convenience and Necessity shall be amended to include the entirety of Applicant's property for which service is requested. Applicant shall pay all costs incurred by Corporation in amending its CCN, including but not limited to engineering and professional fees. If the service location is contiguous to or within one-fourth (1/4) mile of Corporation's Certificate of Convenience and Necessity, Corporation may extend service prior to completing the amendment to its CCN, but will do so only upon Applicant's legally enforceable agreement to fully support such amendment (including but not limited to payment of all professional fees, including legal, surveying and engineering fees incurred by Corporation in securing the amendment).
5. ***Design.*** The Corporation shall study the design requirements of the Applicant's required facilities prior to initiation of a Non-Standard Service Contract by adopting the following schedule:
  - a. The Corporation's Consulting Engineer shall design, or review and approve plans for, all on-site and off-site service facilities for the Applicant's requested service within the



- Corporation's specifications, incorporating any applicable municipal or other governmental codes and specifications.
- b. The Consulting Engineer's fees shall be paid out of the Non-Standard Service Investigation Fee under Section 4.
  - c. The Consulting Engineer shall submit to the Corporation a set of detailed plans, specifications, and cost estimates for the project.
  - d. The Corporation's Engineer shall ensure all facilities for any Applicant to meet the demand for service as platted and/or requested in the plans or plat submitted in application for service. The Corporation reserves the right to upgrade design of service facilities to meet future demands provided however, that the Corporation shall pay the expense of such upgrading in excess of the Applicant's facility requirements.
6. ***Non-Standard Service Contract.*** Applicants requesting or requiring Non-Standard Service may be required to execute a written contract, drawn up by the Corporation's Attorney, in addition to submitting the Corporation's Service Application and Agreement. Said contract shall define the terms of service prior to construction of required service facilities. The service contract may include, but is not limited to:
- a. All costs associated with required administration, design, construction, and inspection of facilities for water/sewer service to the Applicant's service area and terms by which these costs are to be paid.
  - b. Procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.
  - c. Equity Buy-In Fee (Front-end Capital Contributions) required by the Corporation in addition to the other costs required under this Section.
  - d. Monthly Reserved Service Charges as applicable to the service request.
  - e. Terms by which service capacity shall be reserved for the Applicant and duration of reserved service with respect to the impact the Applicant's service demand will have upon the Corporation's system capability to meet other service requests.
  - f. Terms by which the Applicant shall be reimbursed or compensated for fees duplicated in assessments for monthly rates and Equity Buy-In Fees.
  - g. Terms by which the Corporation shall administer the Applicant's project with respect to:
    - 1) Design of the Applicant's service facilities;
    - 2) Securing and qualifying bids;
    - 3) Execution of the Service Agreement;
    - 4) Selection of a qualified bidder for construction;
    - 5) Dispensing advanced funds for construction of facilities required for the Applicant's service;
    - 6) Inspecting construction of facilities; and
    - 7) Testing facilities and closing the project.
  - h. Terms by which the Applicant shall indemnify the Corporation from all third party claims or lawsuits in connection with the project.
  - i. Terms by which the Applicant shall dedicate, assign and convey to the Corporation all constructed facilities and related rights (including contracts, easements, rights-of-way, deeds, warranties, and so forth) by which the Corporation shall assume operation and maintenance responsibility for the Applicant's project. The Applicant shall also provide reproducible as-built drawings of all constructed facilities. The as-built drawings must



verify that all facilities have been properly located within the easements conveyed to the Corporation.

- j. Terms by which the Board of Directors shall review and approve the Service Contract pursuant to current rules, regulations, and bylaws.

The Corporation and the Applicant must execute a Non-Standard Service Contract prior to the initiation of construction of facilities by the Applicant. In the event that the Applicant commences construction of any such facilities prior to execution of a Contract with the Corporation, then the Corporation may refuse to provide service to the Applicant ( or require full costs of replacing/repairing any facilities constructed without prior execution of a contract from any person buying a lot or home from Applicant), require that all facilities be uncovered by the Applicant for inspection by the Corporation, require that any facilities not approved by the Corporation be replaced, or take any other lawful action determined appropriate by the Board of Directors of the Corporation.

- 7. ***Property and Right-of-Way Acquisition.*** With regard to construction of facilities, the Corporation shall require private right-of-way easements or private property as per the following conditions:
  - a. If the Corporation determines that right-of-way easements or facility sites outside the Applicant's property are required, the Applicant shall secure easements or title to facility sites in behalf of the Corporation. All right-of-way easements and property titles shall be researched, validated, and filed by the Corporation at the expense of the Applicant. (See Sample Application Packet RUS Form 442-8 or 442-9.)
  - b. All costs associated with facilities that must be installed in public right-of-ways on behalf of the Applicant, due to the inability of the Applicant to secure private right-of-way easements, shall be paid by the Applicant. Alternatively, Applicant shall pay all costs, including legal and other professional fees, and the condemnation award in the event Corporation secures such private easements or facility sites through eminent domain proceedings.
  - c. The Corporation shall require an exclusive dedicated right-of-way on the Applicant's property (as required by the size of the planned facilities and as determined by the Corporation) and title to property required for other on-site facilities.
  - d. Easements and facilities sites shall be prepared for the construction of the Corporation's pipeline and facility installations in accordance with the Corporation's requirements and at the expense of the Applicant.
- 8. ***Bids For Construction.*** The Corporation's Consulting Engineer shall advertise for bids for the construction of the Applicant's proposed facilities in accordance with generally accepted practices. Plans and specifications shall be made available, with or without charge, to prospective bidders. Although the Corporation reserves the right to reject any bid or contractor, the Corporation shall generally award the contract to the lowest and best bidder in accordance with the following criteria:
  - a. The Applicant shall sign the Service Contract noting willingness to proceed with the project and shall pay all costs in advance of construction associated with the project;
  - b. The Contractor shall provide an adequate bid bond under terms acceptable to the Corporation;



- c. The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the Corporation;
  - d. The Contractor shall supply favorable references acceptable to the Corporation;
  - e. The Contractor shall qualify with the Corporation as competent to complete the work; and
  - f. The Contractor shall provide adequate certificates of insurance as required by the Corporation.
9. ***Pre-Payment For Construction and Service.*** After the Applicant has executed the Service Agreement, the Applicant shall pay to the Corporation all costs necessary for completion of the project prior to construction and in accordance with the terms of the Non-Standard Service Contract.
10. ***Construction.***
- a. All roadwork pursuant to state, county and/or municipal standards (as applicable) shall be completed prior to facility construction to avoid future problems resulting from road right-of-way completion and excavation. Subject to approval of the requisite authority, road sleeves may be installed prior to road construction to avoid road damage during construction of Applicant's facilities.
  - b. The Corporation shall, at the expense of the Applicant, inspect the facilities to ensure compliance with Corporation standards.
  - c. Construction plans and specifications shall be strictly adhered to, but the Corporation reserves the right to change-order any specifications, due to unforeseen circumstances during the design phase, to better facilitate construction or operation of the Applicant's facility. All change-order amounts shall be charged to the Applicant.
11. ***Service within Subdivisions-***The Corporation's objective to provide service to any customer located within a subdivision governed by this section is strictly limited to the nonstandard service specified by the Applicant. The Applicant is responsible for paying for all costs necessary for non-standard service to a subdivision as determined by the Corporation under the provisions of this tariff and specifically the provisions of this Section; if the Applicant fails to pay these costs, the Corporation has the right to require payment of these costs by any one or more of the persons purchasing lots within such subdivision before the Corporation is obligated to provide water/sewer service. In addition, Corporation may elect to pursue any remedies provided by the Non-Standard Service Contract. Applicant is advised that purchasers of lots also may have legal recourse to the Applicant under Texas law.



# WATERENGINEERS, INC.

WATER & WASTEWATER TREATMENT CONSULTANTS

17230 HUFFMEISTER ROAD CYPRESS, TEXAS 77429

TEL: 281-373-0500 FAX: 281-373-1113

September 3, 2009

Onalaska WSC (CCN 10119)

P.O. Box 2463

Onalaska, Texas 77360

Dear Sir/Ms.:

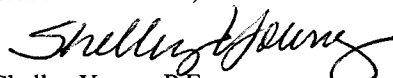
We are in the process of obtaining approval from the TCEQ for a proposed community public water system and submitting an application for a Water Certificate of Convenience and Necessity for Eagle Falls Water Supply, LLC. The proposed new water system will serve the proposed Eagle Falls Subdivision in Trinity and Polk Counties, Texas, as shown on the attached map.

TCEQ rules require that we contact all existing CCN holders and Utility Districts within a two mile radius to determine if an existing utility is willing to provide retail water service to the proposed facility in a manner that is competitive with what can be provided by the proposed new system.

In accordance with TCEQ requirements, we are hereby requesting your response regarding your utility providing retail water service to the proposed service area. If your utility is willing to provide water service to 400 residential lots, please return a copy of this letter indicating your proposal, provide an estimate of capital costs as well as a copy of your Rate Order, a service request form, and specific requirements affecting scheduling and costs.

You may fax your response to 281-373-1113. Please feel free to call me at 281-373-0500 if you have any questions. Thank you for your assistance.

Sincerely,  
WATERENGINEERS, INC.

  
Shelley Young, P.E.

cc: Eagle Falls Water Supply, LLC

## REPLY

Date of Reply: 9-9-2009  
Name of Utility: ONALASKA Water Supply

Will You Provide Retail Water Service?

(Yes/No) NO

(If Yes, please provide a copy of your Rate Order).

Terms: \_\_\_\_\_

Signature: Sidney R. Chance Jr

Printed Name: Sidney R. Chance Jr

Title: General Manager

Address: P.O. Box 2463

ONALASKA TX 77360

Telephone: 936-646-5393

Fax: 936-646-2720





**WATER & WASTEWATER TREATMENT CONSULTANTS**

17230 HUFFMEISTER ROAD CYPRESS, TEXAS 77429

TEL: 281-373-0500 FAX: 281-373-1113

September 3, 2009

Trinity Rural WSC (CCN 10128)  
P.O. Box 709  
Trinity, Texas 75862-0709

Dear Sir/Ms.:


We are in the process of obtaining approval from the TCEQ for a proposed community public water system and submitting an application for a Water Certificate of Convenience and Necessity for Eagle Falls Water Supply, LLC. The proposed new water system will serve the proposed Eagle Falls Subdivision in Trinity and Polk Counties, Texas, as shown on the attached map.

TCEQ rules require that we contact all existing CCN holders and Utility Districts within a two mile radius to determine if an existing utility is willing to provide retail water service to the proposed facility in a manner that is competitive with what can be provided by the proposed new system.

In accordance with TCEQ requirements, we are hereby requesting your response regarding your utility providing retail water service to the proposed service area. If your utility is willing to provide water service to 400 residential lots, please return a copy of this letter indicating your proposal, provide an estimate of capital costs as well as a copy of your Rate Order, a service request form, and specific requirements affecting scheduling and costs.

You may fax your response to 281-373-1113. Please feel free to call me at 281-373-0500 if you have any questions. Thank you for your assistance.

Sincerely,  
WATERENGINEERS, INC.

  
Shelley Young, P.E.

cc: Eagle Falls Water Supply, LLC

REPLY 

Date of Reply: \_\_\_\_\_

Name of Utility: \_\_\_\_\_

Will You Provide Retail Water Service?

(Yes/No) \_\_\_\_\_

(If Yes, please provide a copy of your Rate Order).

Terms: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_




Telephone: \_\_\_\_\_

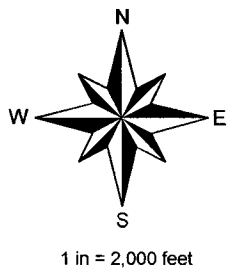
Fax: \_\_\_\_\_





#### Legend

-  Proposed CCN Service Area
-  County Line
-  Existing Water CCN



## WATER CCN SERVICE AREA MAP

EAGLE FALLS WATER SYSTEM  
TCEQ APPLICATION FOR A WATER CCN



**WaterENGINEERS, Inc.**  
*Water & Wastewater Treatment Consultants*

17230 HUFFMEISTER ROAD  
CYPRESS, TEXAS 77429

TEL: 281-373-0500  
FAX: 281-373-1113

DRAWN BY: JLW

APPROVED BY: DRY

SHEET:

DATE: 3/17/2009

SCALE: AS NOTED

JOB NO. 4908.1

**1 OF 1**



**ATTACHMENT "G"**

**DETAILED ANALYSIS JUSTIFYING  
NON-ACCEPTANCE OF SERVICE FROM  
TRINITY RURAL WATER SUPPLY CORP.**

**EAGLE FALLS WATER SUPPLY, LLC**

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## DETAILED ANALYSIS JUSTIFYING NON-ACCEPTANCE OF SERVICE FROM TRINITY RURAL WATER SUPPLY CORP.

When Eagle Falls Water Supply, LLC first began the process of preparing a water CCN application, it was determined that part of the property that was being developed was actually in the Trinity Rural Water Supply Corporation (TRWSC) Service Area. Eagle Falls Water Supply, LLC approached TRWSC about decertifying the portion of their service area that was part of the proposed Eagle Falls development. TRWSC does not currently have any infrastructure in or near the proposed development. TRWSC indicated that they were not willing to decertify any of their service area, but would prepare a study and proposal to bring water to the front of the development.

TRWSC had their consultant, Winn Professional Engineers and Constructors, LLC perform an analysis to determine what construction would be necessary and the costs associated with bringing water to the entrance to the proposed Eagle Falls development. The attached analysis under cover of a letter from Winn Professional Engineers and Constructors, LLC to Mr. Jo E. Ball of TRWSC dated July 29, 2009 details the infrastructure necessary, along with associated costs, of four scenarios for service. The four scenarios range in cost from \$3,265,500 to \$4,099,600 and include over 17 miles of transmission lines. Parity fees would also be required in the amount of \$875/lot.

A cost estimate prepared by WaterEngineers, Inc., engineer for Eagle Falls Water Supply, LLC, shows that the cost to construct both phases of the water plant is approximately \$826,067 (also attached). Eagle Falls Water Supply, LLC will be responsible for the distribution system whether they receive water from TRWSC or construct their own system.

Based on this analysis, it appears to not be economically feasible to obtain water from TRWSC, and Eagle Falls Water Supply, LLC respectfully requests they be allowed to pursue their own water supply system and water CCN.