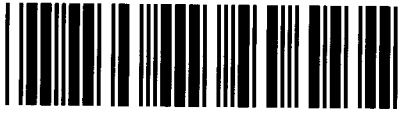


Control Number: 43976



Item Number: 4

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83rd
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

43976

JONES - HEROY & ASSOCIATES, INC.



RECEIVED
2015 JAN -6 PM 1:46
PUBLIC UTILITY COMMISSION
FILING CLERK

January 8, 2010

RECEIVED

JAN 15 2010

TEXAS COMMISSION
ON
ENVIRONMENTAL QUALITY

VIA CERTIFIED MAIL

Mr. Kamal Adhikari
Texas Commission on Environmental Quality
Utilities & Districts Section
Water Supply Division
P. O. Box 13087
Austin, TX 78711

Re: Application No. 36534-C by Sonterra Municipal Utility District (District)
to Obtain a Water Certificate of Convenience and Necessity;

Application No. 36535-C by Sonterra Municipal Utility District (District)
to Obtain a Sewer Certificate of Convenience and Necessity ;

CN: 603151614; RN: 105161053 (water) 105830152 (sewer)
JHA#: 0061-003

Dear Mr. Adhikari,

We have received your letter (signed by Ms. Tammy Benter) dated December 28, 2009 providing a draft notice and instructions for publication. The letter states that we must publish and mail the notice and provide you with the appropriate documentation by January 22, 2010. The draft notice does not correctly reflect what we have requested and therefore, we request that it be revised and request an extension of time for complying with the notice requirements.

Specifically, the District's application requested an overlapping water and sewer ccn for the area currently within the City of Jarrell's service area and the area within the Jarrell-Schwertner WSC service area. Attachment No. 2 to the original application includes a copy of the City of Jarrell consent agreement. Section 5 of that agreement (**copy enclosed**) states that the City of Jarrell agrees that the District may obtain a water and/or sewer ccn for the area within its boundaries.


Attachment No. 3 to the original application includes a copy of Amendment No. 1 to Agreement Concerning Certificates of Convenience and Necessity between Sonterra MUD and Jarrell-Schwertner WSC (**copy enclosed**). This agreement provides the necessary consent for the overlapping CCN as requested.

4

Mr. Kamal Adhikari, TCEQ
January 8, 2010
Page 2 of 2

We trust that this information is sufficient for you to revise the notices to reflect that we are requesting a water and sewer CCN for the areas included in the boundary described (Attachment No. 2 submitted with letter dated November 23, 2009 to Ms. Karen Blaschke) which includes a portion of the City of Jarrell's service area and a portion of Jarrell-Schwertner WSC's service areas. We are not requesting decertification of either area. Please advise if you have any questions or need additional information.

Sincerely,
JONES – HEROY & ASSOCIATES, INC


Samuel W. Jones, P. E.
Engineer for the District

VIA USPS Regular Mail

cc: Mr. Ron Freeman, (w/ attachments)

S:\SJC- Projects\0061 Sonterra MUD\003 CCN\Response to Notice to Publish Sonterra CCN.doc

(4) To pay organization and operation expenses during construction and interest during construction;

(5) To provide parks and other recreational facilities as authorized pursuant to Chapters 49 and 54 of the Texas Water Code; and

(6) To provide any other facilities, amenities or other improvements that benefit the Property within the District and that qualify for developer reimbursement pursuant to rules of the TCEQ.

Section 4. City Review.

(a) The District shall, within thirty (30) days of submittal, provide any bond package that it submits to the TCEQ to the City for review, comments, and recommendations. The District further agrees to incorporate the City's recommendations into the District's final bond sales packages, so long as the City provides its recommendations to the District within thirty (30) days of the City's receipt of the bond sales packages and the recommendations provided that the City's recommendations (1) do not render the bonds and notes unmarketable and (2) are not materially detrimental to the District.

(b) Furthermore, to the extent the following conditions are in compliance with TCEQ rules for any individual bond issuance, the Parties agree that the District Bonds:

(1) Will have a maximum maturity of 25 years;

(2) Will not have interest rates that exceed 2% above the weekly tax exempt Bond Buyer Index for 25-year revenue bonds;

(3) Will not be issued if the District's debt to certified taxable assessed valuation as determined by the records of the Williamson County Appraisal District will exceed 25 percent upon issuance; and

(4) Will have amortization that results in level debt service payments over the life of the issue, except for an initial period, of up to 7 years.

Section 5. Certificates of Convenience and Necessity.

(a) The Parties acknowledge that the Company or the District may obtain Certificates of Convenience and Necessity ("CCN") from the TCEQ to provide water service, sewer service, or both throughout the boundaries of the District. Thereafter, if the Company or the District seeks to add areas to any such CCN outside the boundaries of the District and if those areas are within the City's Extra-Territorial Jurisdiction ("ETJ"), then the Company or the District shall request the City's approval of the addition of these areas before filing a CCN amendment application with the TCEQ. If the City fails to take action on the Company's or the District's request for addition of land within sixty (60) days of the date of submittal of the request, then the City is deemed to have approved the request for addition of land. Following its approval of the Company's or the District's request to add land to the CCN, the City agrees that it will not protest or in any way hinder or slow the Company's effort to obtain those CCN(s).

(b) The Parties agree and acknowledge that the Company may abandon or transfer those CCN(s) to the District upon the creation of the District and the TCEQ's subsequent approval of any transfer.

(c) Should persons or entities other than the Company, its assigns, or its successors or the District apply for a water or sewer CCN for areas within or immediately adjacent to the boundaries of the District, then the Company, the District, and the City will support each other in opposing those CCN applications, as each Party decides is appropriate.

**AMENDMENT NO. 1 TO AGREEMENT CONCERNING CERTIFICATES OF
CONVENIENCE AND NECESSITY BETWEEN SONTERRA MUNICIPAL UTILITY
DISTRICT AND JARRELL-SCHWERTNER WATER SUPPLY CORPORATION**

This "Amendment No. 1 to Agreement Concerning Certificates of Convenience and Necessity Between Sonterra Municipal Utility District and Jarrell-Schwertner Water Supply Corporation" (the "Agreement") is entered into between Sonterra Municipal Utility District (the "District") and Jarrell-Schwertner Water Supply Corporation (the "Corporation") to amend the Agreement as follows:

The District has annexed or intends to annex tracts of land totaling approximately 1,457.929 acres as shown on Exhibit A hereto. Exhibit A also shows the land originally within the District. The parties agree that the terms of the Agreement shall also apply to the lands shown on Exhibit A as being annexed into, or to be annexed into, the District as of the date of such annexation(s).

The District agrees that it will not ~~object~~ to any application for a water CCN, or amendment thereto, by the Corporation for a ~~300~~ 500 foot strip wide area of land over any existing water lines of the Corporation within the area shown in Exhibit A as being included within or to be included within the District.

Except as set forth in this Amendment No. 1, the terms of the Agreement shall remain in full force and effect.

Agreed and executed as of Oct. 5, 2009, 2009.

SONTERRA MUNICIPAL UTILITY DISTRICT

By: 

President

JARRELL-SCHWERTNER WATER SUPPLY CORPORATION

By: 

President

Exhibit A

THE UNDERSIGNED HEREBY CERTIFY THAT THE BOUNDARY OF THE SOUTHERN MUNICIPAL UTILITY DISTRICT OF WILLIAMSON COUNTY, TEXAS, SHOWN ON THIS MAP WAS DETERMINED BY THE UNDERSIGNED AND IS CORRECTLY SHOWN ON THIS MAP.

THE STATE OF TEXAS
COUNTY OF WILLIAMSON

BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS, ON THIS DAY PERSONALLY APPEARED:

OF THE SOUTHERN MUNICIPAL UTILITY DISTRICT OF WILLIAMSON COUNTY, TEXAS, KNOWN TO ME TO BE THE PERSONS AND OFFICERS WHOSE NAMES ARE SHOWN ON THIS MAP, AND WHOSE NAMES ARE SHOWN ON THIS MAP, AND WHOSE NAMES ARE SHOWN ON THIS MAP, AND WHOSE NAMES ARE SHOWN ON THIS MAP.

THEY REQUESTED THAT I AFFIX MY SEAL AND SIGNATURE TO THIS MAP, AND THAT I CERTIFY THAT THE BOUNDARY OF THE SOUTHERN MUNICIPAL UTILITY DISTRICT OF WILLIAMSON COUNTY, TEXAS, SHOWN ON THIS MAP WAS DETERMINED BY THE UNDERSIGNED AND IS CORRECTLY SHOWN ON THIS MAP.

IN WITNESS WHEREOF, I HAVE AFFIXED MY SEAL AND SIGNATURE TO THIS MAP, AND THAT I CERTIFY THAT THE BOUNDARY OF THE SOUTHERN MUNICIPAL UTILITY DISTRICT OF WILLIAMSON COUNTY, TEXAS, SHOWN ON THIS MAP WAS DETERMINED BY THE UNDERSIGNED AND IS CORRECTLY SHOWN ON THIS MAP.

SOUTHERN MUNICIPAL
UTILITY DISTRICT
TOTAL ACRES
1487.959 ACRES

SCALE: 1" = 400'

SURVEYOR'S CERTIFICATE

THE PLAT SHOWN HEREON IS A TRUE AND CORRECT REPRESENTATION OF THE PROPERTY AS SHOWN ON THE PLAT, AND THE LINES AND BOUNDARIES OF THE PROPERTY AS SHOWN ON THE PLAT, AND THE LINES AND BOUNDARIES OF THE PROPERTY AS SHOWN ON THE PLAT, AND THE LINES AND BOUNDARIES OF THE PROPERTY AS SHOWN ON THE PLAT.

BEFORE ME, THE NOTARY PUBLIC, ON THIS DAY, 1998, I HAVE RECEIVED FROM THE SURVEYOR, A TRUE AND CORRECT REPRESENTATION OF THE PROPERTY AS SHOWN ON THE PLAT, AND THE LINES AND BOUNDARIES OF THE PROPERTY AS SHOWN ON THE PLAT.



NOTARY PUBLIC
STATE OF TEXAS
NOTARY NO. 123456789

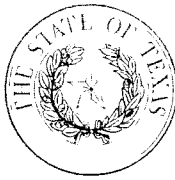
NO.	DATE	BY	REVISIONS
1	12/15/98	J. H. JONES	PREPARED FOR JONES-HEROY & ASSOCIATES, INC.
2	12/15/98	J. H. JONES	REVISIONS
3	12/15/98	J. H. JONES	REVISIONS
4	12/15/98	J. H. JONES	REVISIONS
5	12/15/98	J. H. JONES	REVISIONS
6	12/15/98	J. H. JONES	REVISIONS
7	12/15/98	J. H. JONES	REVISIONS
8	12/15/98	J. H. JONES	REVISIONS
9	12/15/98	J. H. JONES	REVISIONS
10	12/15/98	J. H. JONES	REVISIONS

SOUTHERN MUNICIPAL UTILITY DISTRICT
BOUNDARY
WILLIAMSON COUNTY, TEXAS
PREPARED FOR
JONES-HEROY & ASSOCIATES, INC.
1000 DREXEL LANE
SUITE A, STE. 5
PFLUGERVILLE, TEXAS, 78050

TURLEY
FIRM REGISTRATION NO. 7-1838
ENGINEERING - PLANNING - SURVEYING
CONSTRUCTION MANAGEMENT
TURLEY ASSOCIATES, INC.
301 N. 34th ST. TEMPLE, TEXAS (254) 773-2400
FAX NO. (254) 773-3888
E-MAIL: info@turley.com

12135-D

Bryan W. Shaw, Ph.D., *Chairman*
Buddy Garcia, *Commissioner*
Carlos Rubinstein, *Commissioner*
Mark R. Vickery, P.G., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

December 28, 2009

Mr. Samuel W. Jones, P.E.
Jones-Heroy & Associates, Inc.
1900 Gregg Lane, Bldg. A, Ste 6
Pflugerville, Texas 78660

Re: Application from Sonterra Municipal Utility District (MUD), P1337, to Decertify a Portion of Certificate of Convenience and Necessity (CCN) No. 10002 from Jarrell Schwertner Water Supply Corporation (WSC) and to Obtain a Water CCN in Williamson County; Application No. 36534-C

Application from Sonterra MUD, A1915, to Decertify a Portion of CCN No. 20998 from the City of Jarrell and to Obtain a Sewer CCN in Williamson County; Application No. 36535-C

CN: 603151614; RN: 105161053 (water) 105830152 (sewer) (Sonterra MUD)
CN: 600657803; RN: 101457513 (Jarrell Schwertner WSC)
CN: 602777716; RN: 104858592 (City of Jarrell)

Dear Mr. Jones:

Your applications for Sonterra MUD, to obtain CCNs were received on October 28, 2009, and have been accepted for filing. Thank you for providing the items we requested with your November 23, 2009, letter. Mr. Kamal Adhikari has been assigned to perform the technical review.

Your next step is to provide the **revised** public notices without delay. The notice to the public must be published once each week for two (2) consecutive weeks in a newspaper of general circulation in Williamson County. It is the responsibility of the applicant to provide correct notice of the applications to any utilities within five (5) miles of your proposed service area, any city with an extraterritorial jurisdiction which overlaps the proposed service area or other affected parties in your requested area. You will also be required to provide mailed notice to all landowners with more than 25 acres in your proposed CCN area pursuant to TCEQ 30 TAC Chapter 291 Rules adopted on January 5, 2006. The landowner information may be obtained from the county appraisal district tax rolls for the county or counties in which the proposed CCN lies. Check the notices carefully before mailing or publishing.

A review of our files and maps indicates that, **in addition to the neighboring utilities noted on your applications, you must provide notice to the following utilities:**
CLL MUD 1

Williamson County

Information related to utilities and districts including addresses can be obtained from the TCEQ web site located at www10.tceq.state.tx.us/iwud.

As proof that notice was provided, you are required to send us the following:

- a) an original and three copies of a publisher's affidavit of the newspaper publication with tear sheets of the published notice attached;
- b) four copies of each individual notice and map sent to neighboring utilities and affected parties;
- c) four copies of notice and map sent to each landowner; and
- d) an original and three copies of the signed affidavits that individual notice to neighboring utilities, affected individuals and each landowner has been given. (Copies of the Affidavit forms are enclosed with this letter.)

Please be sure to include a map showing the proposed service area with your individual notices to neighboring utilities, other affected parties and each landowner. It is the applicant's burden to provide an accurate map delineating the proposed area with each individual notice.

There also appears to be an overlap of your proposed service area with the certified service areas of Jarrell Schwertner WSC and the City of Jarrell.

Please provide written documentation on how the overlaps will be handled. There are several options to resolving this overlap. One is to amend your applications by submitting revised maps and change the requested CCN area so as to not include the areas of overlap. The second option is for you to meet with Jarrell Schwertner WSC and the City of Jarrell and work out an agreement whereby Jarrell Schwertner WSC and the City of Jarrell agrees to decertification of the areas of overlap. Written documentation from Jarrell Schwertner WSC and the City of Jarrell agreeing to decertification is required. If an agreement is not reached, you would have to provide compelling evidence that Jarrell Schwertner WSC and the City of Jarrell could not provide acceptable service. The notices have been revised to propose decertification of the portions of Jarrell Schwertner WSC and the City of Jarrell in the event this is considered.

After further technical review additional financial, technical or other information may also be requested through future correspondence.

These items must be completed and returned to our office by **January 22, 2010**. Processing of this application cannot proceed until the close of the 30 day public comment period which begins after all the required notices have been given. If we do not receive the requested information by this date, your applications will be returned for failure to prosecute.

Mr. Samuel W. Jones, P.E.

Page 3

December 28, 2009

If you have any questions, please contact Mr. Kamal Adhikari at 512/239-0680, or if by correspondence, include Mail Code 153 in the letterhead address.

Sincerely,

A handwritten signature in cursive script that reads "Tammy Benter". The signature is written in black ink and is positioned below the word "Sincerely,".

Tammy Benter, Team Leader
Utilities & Districts Section
Water Supply Division
Texas Commission on Environmental Quality

THB/KLB/ln

Enclosures: as stated

Notice for Publication

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY (CCN) TO PROVIDE WATER AND SEWER
UTILITY SERVICE IN WILLIAMSON COUNTY, TEXAS

Sonterra Municipal Utility District has filed an application to obtain CCNs and to decertify portions of Jarrell Schwertner Water Supply Corporation and the City of Jarrell with the Texas Commission on Environmental Quality to provide water and sewer utility service in Williamson County.

The proposed utility service area is located approximately 1/2 mile southeast of downtown Jarrell, Texas, and is generally bounded on the north by Farm to Market Road No. 487; on the east by a line approximately 2,250 feet east of County Road 314; on the south by County Road 315; and on the west by Interstate Highway 35. The total area being requested includes approximately 1,458 acres and 556 current customers. The proposed application affects customers and/or areas located in the following zip code: 76537.

A copy of the proposed service area map is available at 8500 Bluffstone Cove, Suite B-104, Austin, Texas 78759 or by calling 512/451-6689.

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 exclude the tract from the proposed area (or

Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY
(CCN) TO PROVIDE WATER AND SEWER UTILITY SERVICE IN
WILLIAMSON COUNTY, TEXAS

To: _____ Date Notice Mailed:_____, 20__
(Neighboring System, Landowner or City)

(Address)

(City State Zip)

Sonterra Municipal Utility District has filed an application to obtain CCNs and to decertify portions of Jarrell Schwertner Water Supply Corporation and the City of Jarrell with the Texas Commission on Environmental Quality to provide water and sewer utility service in Williamson County.

The proposed utility service area is located approximately 1/2 mile southeast of downtown Jarrell, Texas, and is generally bounded on the north by Farm to Market Road No. 487; on the east by a line approximately 2, 250 feet east of County Road 314; on the south by County Road 315; and on the west by Interstate Highway 35. The total area being requested includes approximately 1,458 acres and 556 current customers. The proposed application affects customers and/or areas located in the following zip code: 76537. See enclosed map of the proposed service area.

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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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.



Texas Commission on Envi

APPLICATION NO. _____

PUBLISHER'S AFF

STATE OF TEXAS

COUNTY OF _____

Before me, the undersigned authority, on this d

who being by me duly sworn, deposes and says th

the

TITLE

said

NAME OF NEWSPAPER

newspaper is regularly published in _____

County(ies) and generally circulated in

the attached notice was published in said newspaper on

Subscribed and sworn to before me this _____ day
which

witness my hand and seal of office.

—
N
—



Texas Commission on Environmental Quality

APPLICATION NO. _____

AFFIDAVIT OF NOTICE TO NEIGHBORING UTILITIES AND AFFECTED PARTIES

, STATE OF TEXAS

COUNTY OF _____

_____ has provided individual notice to the following entities:

	DATE
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

OATH

I, _____, being duly sworn, file this form as _____ (indicate relationship to applicant, that is, owner, member of partnership, title of officer of corporation, or other authorized representative of applicant); that in such capacity, I am qualified and authorized to file and verify such form, am personally familiar with the notices given with this application, and have complied with all notice requirements in the application and application acceptance letter; and that all such statements made and matters set for therein are true and correct.

Applicant's Authorized Representative

If the applicant 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 this _____ day of _____, 20____, to certify which witness my hand and seal of office.

Notary Public in and for the
State of Texas

Print or Type Name of Notary Public
Commission Expires _____



Texas Commission on Environmental Quality

APPLICATION NO _____

AFFIDAVIT OF NOTICE TO LANDOWNERS

STATE OF TEXAS

COUNTY OF _____

_____ has provided individual notice to
the following entities:

DATE

OATH

I, _____, being duly sworn, file this form as
_____ (indicate relationship to applicant, that is, owner,
member of partnership, title of officer of corporation, or other authorized representative of applicant);
that in such capacity, I am qualified and authorized to file and verify such form, am personally familiar
with the notices given with this application, and have complied with all notice requirements in the
application and application acceptance letter; and that all such statements made and matters set for
therein are true and correct.

Applicant's Authorized Representative

If the applicant 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 this _____ day of _____, 20____, to
certify which witness my hand and seal of office.

Notary Public in and for the State of Texas

Print or Type Name of Notary Public
Commission Expires

To: Administrative Reviewer

Date: December 18, 2009

From: Cartographer-Utilities & Districts Section

Subject: Overlap & Notice Check for Administrative Review No. A-115-9/36534&5-C
Sonterra MUD to obtain water and sewer CCNs in Williamson county.

1. No new overlap of service areas exists.
- X 2. An overlap: Partial with City of Jarrell (20990) and Jarrell Schwertner WSC (10002)
3. Dual certification:
4. An overlap exists with the city limits of:
5. If this is a Sale, Transfer, or Merger, is additional area being requested?
7. Map submitted is digital request digital data.
9. Utility notice was sufficient.
10. Utility notice was insufficient. In addition to those systems listed in the application, they will also need to notify:

TWO MILES:

- ✓ City of Jarrell (20990)
- ✓ Jarrell Schwertner WSC (10002)
- ✓ Jonah Water SUD (10970)
- ✓ Chisholm Trail SUD (11590)
- ✓ Williamson County MUD 14
- CLL MUD 1

Williamson County

FIVE MILES:

City of Jarrell (20990)

Jarrell Schwertner WSC (10002)

Jonah Water SUD (10970)

Chisholm Trail SUD (11590)

City of Georgetown (12369)

Salado WSC (10879)

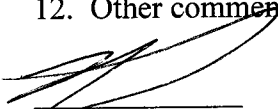
Foster Consolidated Investment (11977)

Williamson County MUD 14

CLL MUD 1

X 11. Notice: ****overlaps** need to be addressed**

X 12. Other comments:



Kent Steelman