



Control Number: 43977



Item Number: 9

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

43977

BD xing

Checklist for Obtaining or Amending CCN

75948.387

Name on Application HB Resort Waste Water Treatment Facility

Name in WUD HB Resort Waste Water Treatment Facility

Application Number (s) 36731-C

Administrative Review #A - 065 - 10

Date TCEQ Received Application 06/03/2010

Date Assigned to program area 06/04/2010

RECEIVED
2014 DEC 23 AM 10:04
PUBLIC UTILITY COMMISSION
FILING CLERK

Purpose of Application:

- | | |
|---|--|
| <input type="checkbox"/> Obtain New Water CCN
Registration #A <u>1926</u> | <input type="checkbox"/> Obtain New Sewer CCN
Registration #A _____ |
| <input type="checkbox"/> Amend Water CCN # _____ | <input type="checkbox"/> Amend Sewer CCN # _____ |
| <input type="checkbox"/> Application Filing Fee \$100 (Page 4 of Instructions & Checklist) | |
| <input type="checkbox"/> Account Fees due | <input type="checkbox"/> Regulatory Assessment Fees due |
| <input type="checkbox"/> Attach a copy of CN and RN from WUD | |
| <input type="checkbox"/> Not on file in Central Registry. Needs Core Date Form. | |
| <input type="checkbox"/> Original and three copies of application received (Item 2 on page 2 of Instructions & Checklist) | |

GENERAL INFORMATION

★★★ THIS APPLICATION IS NOT A RATE CHANGE APPLICATION. THE APPROPRIATE FORMS NEEDED TO FILE A RATE CHANGE APPLICATION MAY BE OBTAINED FROM THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY'S (TCEQ'S) WEBSITE OR BY CONTACTING THE UTILITIES AND DISTRICTS SECTION OF THE TCEQ. 111

- ☐ Pursuant to V.T.C.A., Water Code, Chapter 13, Subchapter G:
 - ☐ CCNs **may be obtained** by any retail public water and/or sewer utility.
 - ☐ CCNs **are required** for:
 - a) Investor Owned Utilities (IOU);
 - b) Non-profit, member-owned, member-controlled water supply or sewer service corporations (WSC) incorporated under Water Code, Chapter 67; and
 - c) Affected counties.
 - ☐ CCNs **may be required** for political subdivisions, except affected counties, before utility service can be provided to an area already lawfully being served.
- ☐ A CCN gives the holder:
 - ☐ the legal right to provide water and/or sewer utility service;
 - ☐ the legal right to be compensated, either directly through a monthly rate or indirectly through maintenance fees, property owners fees, etc.;
 - ☐ a delineated service area; **AND**
 - ☐ the obligation to provide service to every customer and qualified applicant who requests service within that area.
- ☐ A CCN is **not required** when service is either submetered pursuant to Water Code, Chapter 13, Subchapter M, or included in the rental of the property.
- ☐ IOUs and WSCs with less than 15 potential retail water service connections may register as Aexempt@ and then are not required to possess a CCN for their service area if they meet the exemption criteria. This exemption **does not apply** to sewer providers with less than 15 potential retail sewer connections. Retail sewer utilities **must** obtain a CCN to provide retail sewer service to more than one connection.
- ☐ This application shall not be changed, altered or amended from its original form only available from the TCEQ.

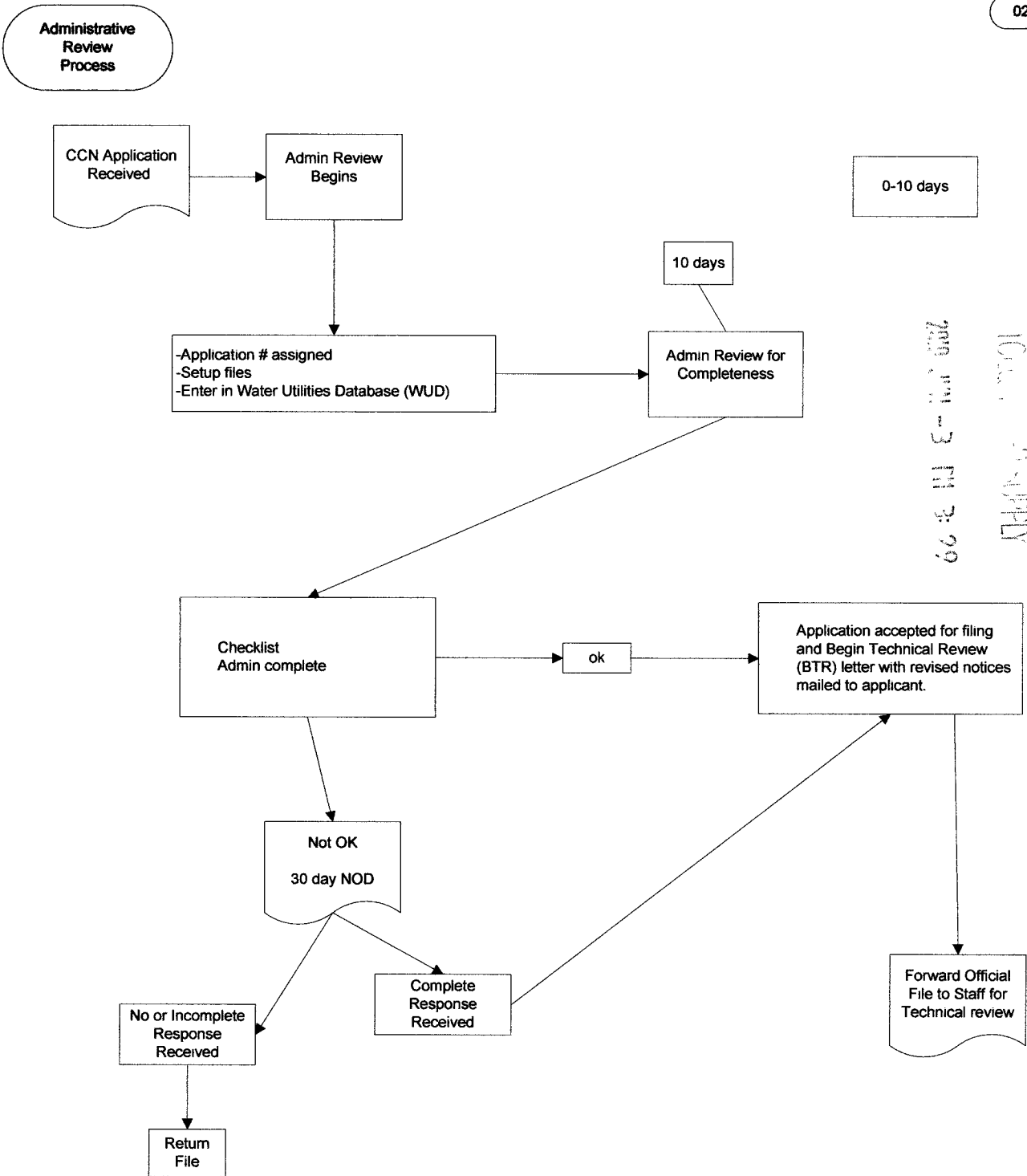
PROCESSING YOUR CCN APPLICATION

- ☐ **FLOW CHART**

Attached are flowcharts of the review process. Your application will go through an Administrative Review and, when accepted for filing, a Technical Review. For uncontested applications, processing time depends on the response time of the applicant. Contested applications generally take longer because of the need for scheduling a public hearing, and processing time depends on whether a settlement agreement between the applicant and the protestor(s) is reached.

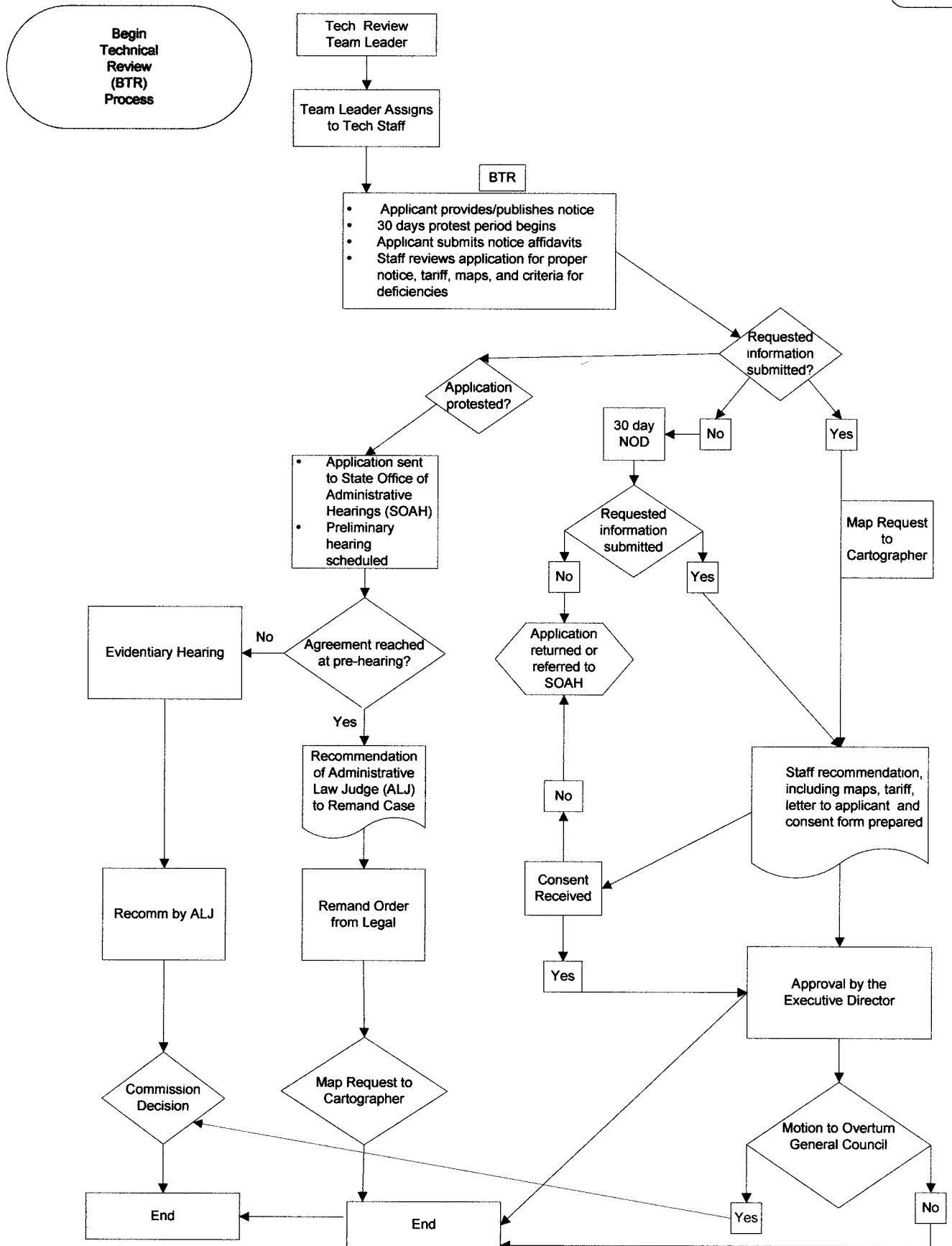
CCN Administrative (Admin) Review Application Process - Flowchart

02/09



CCN Technical (Tech) Review Application Process - Flowchart

02/2009



☐ ADMINISTRATIVE REVIEW OF YOUR CCN APPLICATION

- ☐ Your application will be reviewed for completeness by the Commission staff within ten (10) working days after it is received in our offices.
- ☐ Proposed notice forms are included with the application.
- ☐ If the application is administratively incomplete, you will be sent a letter that outlines the application's deficiencies and describes what is needed to correct the deficiencies. After receiving that letter, you will have thirty (30) days to make the necessary corrections.

If you fail to make the corrections in full,

- (a) **the application will be returned,**
- (b) **the application fee will be forfeited, and**
- (c) **if you are already operating a system, you will be referred for enforcement action which may include administrative penalties of up to \$500 per day.**

☐ NOTICE

The Commission cannot grant a CCN until proper notice of the application has been given. **It is the applicant's responsibility to ensure that proper notice is given.** Notice forms for publication, neighboring cities and systems, customers, and landowners are included with this application to use as a template in preparing your proposed notices. These notice forms are also available in Spanish upon request. If the applicant is an operating IOU currently providing service without a CCN, then proposed notices must be provided for publication, to neighboring cities and systems, landowners with 25 acres or more, and current customers in the proposed service area. **All three forms must be completed and submitted with the application.** However, if the applicant has no customers in the proposed area at the time of filing and is only proposing to provide service at some future date, or if the applicant is a WSC or political subdivision, then only the notices for landowners with 25 acres or more, publication and neighboring cities and systems must be submitted. **Do not publish the notice or send copies of the proposed notices or maps to anyone before submitting this application to the Commission.** Your proposed notices and maps will be reviewed for completeness. **When your application is accepted for filing, you will be directed to provide the appropriate notices for publication, to the neighboring cities and systems and, if necessary, to current customers.**

☐ TECHNICAL REVIEW OF YOUR CCN APPLICATION

When the application is accepted for filing, you will be notified by mail and will be required:

- ☐ to publish notice once each week for two (2) consecutive weeks in a newspaper of general circulation in your local area and county. If the proposed area is in more than one county, publication in each county is required;
- ☐ to provide individual notice with a copy of the proposed CCN map to neighboring cities and systems within:
 - a) two (2) miles of your proposed service area, if you are an existing retail public utility amending the existing service area, **or**
 - b) five (5) miles if you are obtaining a new CCN to serve a new service area, and
- ☐ to provide individual mailed notice with a copy of the proposed CCN map to all affected current customers if you are required to have a CCN but are currently providing service without a CCN.

If the application is **technically incomplete**, you will be sent a letter that outlines the application's deficiencies and describing what you need to do to correct the deficiencies. After receiving that letter, you will have ***thirty (30)*** days to make the necessary corrections. **If you fail to make the corrections in full:**

- a) **the application will be returned,**
- b) **the application fee will be forfeited, and**
- c) **if you are already operating a system, you will be referred for enforcement action which may include administrative penalties of up to \$500 per day.**

V.T.C.A. Water Code Section 13.246(c) requires the Commission to consider the following factors before it can issue a CCN:

- ☐ the adequacy of service currently provided to the requested area;
- ☐ the need for additional service in the requested area, including whether any landowners; prospective landowners, tenants, or residents have requested service;
- ☐ the effect of the granting of a certificate or amendment on the recipient of the certificate or amendment, on the landowners in the area, and on any retail public utility of the same kind already serving the proximate area;
- ☐ the ability of the applicant to provide adequate service, including meeting the standards of the commission, taking into consideration the current and projected density and land use of the area;
- ☐ the feasibility of obtaining service from an adjacent retail public utility;
- ☐ the financial stability of the applicant to pay for the facilities necessary to provide continuous and adequate service and the financial stability of the applicant including, if applicable, the adequacy of the applicant's debt-equity ratio;
- ☐ environmental integrity;
- ☐ the probable improvement of service or lowering of cost to consumers in that area resulting from the granting of the certificate or amendment; **AND**
- ☐ the effect on the land to be included in the certificated area.

In addition to these factors,

- ☐ the Commission must ensure that the applicant possesses the financial, managerial, and technical capability to provide continuous and adequate service **AND**
- ☐ the applicant must also demonstrate that regionalization or consolidation with another retail public utility is not economically feasible.

If there are no protests, you will be provided a copy of the technical staff recommendation and proposed CCN. If you have any questions or concerns, you should contact the technical staff person assigned to your application immediately. If you disagree with the staff recommendation and/or proposed CCN, the application will be considered contested, and a hearing may be requested.

If the application is contested and a hearing is requested, the application may be referred to the State Office of Administrative Hearings (SOAH). During the preliminary hearing, the presiding Administrative Law Judge (ALJ) may give the parties time to negotiate a settlement. Alternative Dispute Resolution (ADR) is available upon request of all of the parties. If a settlement is reached, the application will be remanded to staff for administrative processing. If a settlement is not reached, a discovery schedule and a date for an evidentiary hearing will be set. The ALJ will take testimony from each party and present a report to the Commission to consider in making a final decision on the application.

The completed application and copies should be sent to:

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

★★★THIS APPLICATION IS NOT A RATE CHANGE APPLICATION. THE
APPROPRIATE FORMS NEEDED TO FILE A RATE CHANGE APPLICATION
MAY BE OBTAINED BY CONTACTING THE UTILITIES AND DISTRICTS
SECTION, TEXAS COMMISSION ON ENVIRONMENTAL QUALITY. ★★★



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

*CN# _____ *RN# 10152182 *If known (See Instructions)

Texas Harborlight Resort
3150 Palo Gaucho Crossing
Hwy 3121
Hemphill, Texas 75948

PURPOSE OF THIS APPLICATION

OBTAIN _____ New Water CCN ☒ New Sewer CCN

AMEND _____ Water CCN # _____ Sewer CCN # _____

1. APPLICANT INFORMATION

Utility Name: HR Resort Waste Water Treat Fac
Utility Address (city/state/zip) 3150 Palo Gaucho Crossing
Hemphill TX
Utility Phone Number () 409-287-3212 Fax () 409-787-1588

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: DENNIS WOODS Title: "B" Consultant
Address: _____ Telephone () 409-779-2880
City _____ St _____ Zip _____ Fax () _____
E-mail: _____
County(ies) in which service is proposed SABINE

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

<input type="checkbox"/>	Investor owned utility
<input checked="" type="checkbox"/>	Individual
<input type="checkbox"/>	Home or Property Owners Association
<input type="checkbox"/>	Partnership
<input 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 ACertification of Account Status@ from the Texas State Comptroller of Public Accounts. NONE
- Provide the corporation=s charter number as recorded with the Office of the Texas Secretary of State. NONE
- Provide a listing of all stockholders and their respective percentages of ownership. NONE
- Provide a copy of the company's organizational chart, if available. NONE
- Provide a list of all directors and disclose the tile of each individual. NONE
- Provide a list of all affiliated organizations (if any) and explain the relationship with the applicant. NONE

NONE

very small business

- 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 ☐

If YES, are any currently receiving utility service?

YES ☒ NO ☐ if YES, from Whom? 19- Harborlight

Demonstrate the Need for Service by providing the following:

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

YES ☐ 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
- 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
- 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 ☒

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 ☐ NO ☒

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

YES ☐ NO ☐

If NO, are you seeking dual or single certification of the area? Explain why decertification of the area is in the public interest.

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.
- B. A map showing only the proposed area by:
 - 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.
- 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
 - ii. any facilities, customers or area currently being served outside the applicant's certificated area(s).

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;
 - 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;
 - 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. WQ 0011432001

- B. Were your requests for service denied?
 - 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.

- C. Please summarize how the proposed utility system will be constructed and describe each projected construction phase, if any: - Existing Facility

- D. Date of plat approval, if required: April 2009
Approved by: TCEQ

- E. Date Plans & Specifications submitted for approval N/A Log No. _____
Attach copy of approval letter if available.

- F. Date construction is scheduled to commence N/A

- G. Date service is scheduled to commence N/A

5. EXISTING SYSTEM INFORMATION

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):

[illegible]

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

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

[illegible]

iii Date of last inspection

iii Date of last inspection Feb 4 2010

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
Dennis Woods	B	WW4025056

- 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?

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).

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	N/A		Residential	19	
1" meter or larger			Commercial	1	
Non-Metered			Industrial		
Other:			Other:		
Total Water			Total Sewer		

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

Water

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

G. m.

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, *Need Payment for services rendered*
- ii any retail public utility of the same kind already serving the proximate area; and
- iii any landowner(s) in the requested area. *- needs to pay for services provided for at least 1 year prior*

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

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

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.
- 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.
- 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.

B. For existing systems:

- 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.

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.

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. *NONE*
 - 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.
 - 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 SABINE

I, Robert G. Glisson, being duly sworn, file this application as
(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.

[Signature]
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 26th of May, 2010.



[Signature]
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

LINDA A. McGee
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 01-02-11

Notice for Publication

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

Name of Applicant _____ has filed an application
for a CCN to obtain or 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, and is generally bounded on the north by
_____ ;on the east by _____

on the south by _____ ;and on the west by _____

The total area being requested includes approximately _____ acres and _____ current customers.

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

(List All Affected Zip Codes)

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

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 required, the Executive Director will not issue a 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 Aopt 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/SEWER UTILITY
SERVICE IN Sabine County COUNTY(IES), TEXAS

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

(Address)

City State Zip

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, and is generally bounded on the north by
_____; on the east by _____
; on the south by _____; and on the west by _____
See enclosed map of the proposed service area.

The total area being requested includes approximately _____ acres and 19 current customers.
The proposed amendment affects customers and/or areas located in the following zip code(s):

75948								

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 Aopt 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 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 _____	\$ _____

Gallonage 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
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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 Aopt 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.

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HISTORICAL BALANCE SHEETS

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
CURRENT ASSETS						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
Total						
FIXED ASSETS						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
TOTAL ASSETS						
CURRENT LIABILITIES						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
Total						
LONGTERM LIABILITIES						
Notes Payable, Long-term						
Other						
TOTAL LIABILITIES						
OWNER'S EQUITY						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
TOTAL OWNER'S EQUITY						
TOTAL LIABILITIES AND EQUITY						
WORKING CAPITAL						
CURRENT RATIO						
DEBT TO EQUITY RATIO						
EQUITY TO TOTAL ASSETS						

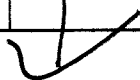
HISTORICAL INCOME STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
METER NUMBER						
Existing Number of Taps						
New Taps per Year	see ATTACHED expense					
Total Meters at Year End		Ledger				
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						



HISTORICAL EXPENSES STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year						
OPERATIONAL EXPENSES						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year						
ASSUMPTIONS						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						



HISTORICAL EXPENSES STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries						
Office Expense						
Computer Expense						
Auto Expense	<i>See Attached expense Ledger</i>					
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year						
OPERATIONAL EXPENSES						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year						
ASSUMPTIONS						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						



PROJECTED FINANCE SHEETS

	START UP	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
CURRENT ASSETS						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
Total						
FIXED ASSETS						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
TOTAL ASSETS						
CURRENT LIABILITIES						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
Total						
LONGTERM LIABILITIES						
Notes Payable, Long-term						
Other						
TOTAL LIABILITIES						
OWNER'S EQUITY						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
TOTAL OWNER'S EQUITY						
TOTAL LIABILITIES AND EQUITY						
WORKING CAPITAL						
CURRENT RATIO						
DEBT TO EQUITY RATIO						
EQUITY TO TOTAL ASSETS						

PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
METER NUMBER						
Existing Number of Taps						
New Taps per Year		UNKNOWN				
Total Meters at Year End						
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						



PROJECTED EXPENSES STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year						
OPERATIONAL EXPENSES						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year						
ASSUMPTIONS						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

PROJECTED SOURCES AND USES OF CASH STATEMENTS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
SOURCES OF CASH						
Net Income						
Depreciation (If Funded)		SEE ATTACHED				
Loan Proceeds						
Other				/		
Total Sources						
USES OF CASH						
Net Loss						
Principle Portion of Pmts.						
Fixed Asset Purchase						
Reserve						
Other						
Total Uses						
NET CASH FLOW						
DEBT SERVICE COVERAGE						
Cash Available for Debt						
Service (CADS)						
Net Income (Loss)						
Depreciation, or Reserve Interest						
Total						
REQUIRED DEBT SERVICE (RDS)						
Principle Plus Interest						
DEBT SERVICE COVERAGE RATIO						
CADS Divided by RDS						



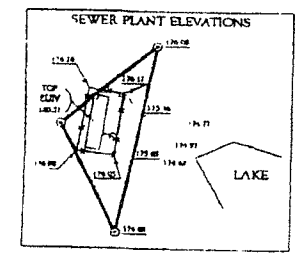
2020 9/27 Addition #3

EXHIBIT "A"
MOSES HILL SURVEY, ABSTRACT NO. 1
SABINE COUNTY, TEXAS

Harborlight
Subdivision

Inez Cox McLanahan et al
to
Douglas Haygood
Tract No. 2 (called 45.472 Acres)
See Vol. 133, Pg. 166 D.R.S.C.
Date: 10/04/1968

Inez Cox McLanahan et al
to
State of Texas
ROW Easement (called 3.493 Acres)
See Vol. 133, Pg. 337 D.R.S.C.
Date: 09/06/1967



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



*documentation
for 89.10 A, IV*

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

March 31, 2010

CERTIFIED MAIL {No. 7008 0150 0003 0491 65407}
RETURN RECEIPT REQUESTED

Mr. Robert Glisson
The Robert Gene Glisson Trust
3150 Palo Gaicho Crossing
Hemphill, Texas 75948

Re: Notice of Violation for the Waste Water Treatment Plant Comprehensive Compliance Investigation at:
Harborlight Resort WWTP, Hemphill (Sabine County), Texas
TTDES Permit No.: WQ0011432-001, Investigation No.: 793402

Dear Mr. Glisson:

On February 4, 2010, Mr. Trey Trahan of the Texas Commission on Environmental Quality (TCEQ) Beaumont Region Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for public water supply. Enclosed is a summary which lists the investigation findings. During the investigation, certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by **April 30, 2010**, a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for each of the outstanding alleged violations.

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

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. Self-reported violations may be subject to enforcement, including penalties, upon review by the Enforcement Division. We anticipate that you will resolve the alleged violations as required in order to protect the State's environment. If you have additional information that we are unaware of, you have the opportunity to contest the violation(s) documented in this notice. Should you choose to do so, you must notify the Beaumont Region Office within 10 days from the date of this letter.

REPLY TO: REGION 10 • 3870 EASTEX FWY. • BEAUMONT, TEXAS 77703-1830 • 409-898-3838 • FAX 409-892-2119

P.O. Box 13087 • Austin, Texas 78711-3087 • 512-239-1000 • Internet address: www.tceq.state.tx.us

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