

RICHARD E. HAAS
436 Paradise Point
Boerne, Texas 78006-9402
(830) 537 6105 (Tel)

July 14, 2005

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

Re: Request for Public Hearing

Dear Sir or Madam:

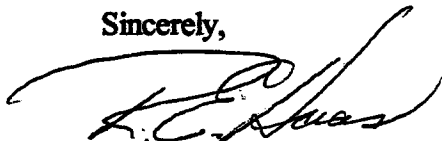
With regard to the application, by Tapatio Springs Services Company, Inc. to amend CCN Nos. 12122 and 20698 with the Texas Commission on Environmental Quality (TCEQ) to provide water and sewer utility service in Kendall County, it is requested that a public hearing be held in Boerne, Texas in order to obtain all the facts regarding this request.

Since the facts regarding the costs, and their allocation, of this additional service have not been made available to the existing ratepayers, the amendment would give the utility company a blank check to perform all the measures necessary to deliver the services to the 5000 acre tract with no current customers and then charge an unknown and perhaps unlimited amount to the existing ratepayers as a rate increase.

A solution to the dilemma would be to require this service to the new area to be a separate and distinct company formed for that purpose alone with all associated costs to be borne by the new entity. The existing ratepayers would then not be exposed to costs that should be borne by the developer.

Thank you for your time and consideration in this matter.

Sincerely,



Richard E. Haas

JUL 18 2005

ent By: Law Offices of David Brock,

816 9044;

Aug-16-05 4 PM

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Bank of America



August 12, 2005

B & D Environmental
P.O. Box 90544
Austin, Texas 78709-0544
Attn: Mr. Nichols

Bank of America
Private Bank
115-411-1111
1001 East Atlantic Avenue
Orlando, FL 32817

Tel: (407) 279-7676
Fax: (407) 279-0779
Fax: (407) 279-1294

Re: Application to amend Certificate of Convenience and Necessity
Nos. 12122 and 20898 filed with the Texas Commission on
Environmental Quality to provide water and sewer utility service
to approximately 5,000 acres in Kendall County, Texas.

Dear Mr. Nichols:

Please be advised that CDS International Holdings, Inc. ("CDS") and CDS
Texas Realty LTD (an affiliate of CDS) are long standing customers of Bank
of America with all accounts handled in a satisfactory manner.

CDS currently has unrestricted funds available in the low seven figure
amount which can be provided for construction and infrastructure
improvements pursuant to the certain Non-Standard Service Agreement by
and between CDS and Tapatio Springs Service Company, Inc.

Should a letter of credit or a specific loan be required to accomplish these
improvements, the Bank would most likely consider such a request.

Please contact me at (561) 279-7038 if you require any additional
information.

Sincerely,

Joseph Silk
Senior Vice President


FURTHER RESOLVED, that any and all actions taken by the Treasurer with respect to the resolutions specified herein, and any documents securing same or executed in connection with such Agreement are hereby ratified and reaffirmed as acts for and on behalf of the Corporation and are deemed in all respects binding upon and enforceable against the Corporation.

FURTHER RESOLVED, that any and all actions heretofore taken by the Treasurer with respect to the Agreement are ratified and reaffirmed herein

The above resolutions are in conformity with the Articles of Incorporation and the Bylaws of the Corporation, and were duly and legally passed and adopted, have never been modified, rescinded or repealed, and are now in full force and effect.

IN WITNESS WHEREOF, We have hereunto set our hands as President and Secretary of said Corporation this the 11 day of August, 2005.


_____, President


_____, Secretary

CORPORATE RESOLUTION

We, CARL DE SANTIS and WILLIAM H. MILMOE, President and Secretary Treasurer respectively, of CDS INTERNATIONAL HOLDINGS, INC., a Florida corporation, (the "Corporation") do hereby certify that said Corporation is duly organized and existing under the laws of the State of Florida; that all franchise and other taxes required to maintain its corporate existence have been paid when due and that no such taxes are delinquent; that no proceedings are pending for the forfeiture of its Certificate of Incorporation or for its dissolution, voluntarily or involuntarily; that it is duly qualified to do business in the State of Texas and is in good standing in such State; that the Secretary is the keeper of the records and minutes of the proceedings of the Board of Directors of said Corporation; and

That the following is a true and correct copy of the resolutions adopted by a unanimous consent in writing of all Directors, which unanimous written consent was and is in the form required by and in conformity with the Bylaws of the Corporation and the law, at a meeting of the Board of Directors of said Corporation held on the 1st day of July, 2005, which was duly called and held in accordance with the law and the Bylaws of the Corporation, at which meeting a quorum of the Board of Directors was present:

"RESOLVED, that the Corporation, acting by and through its Treasurer, W. H. Milmoec, who is hereby duly authorized to execute that certain Non-Standard Service Agreement dated effective the 9th day of September, 2004, between the Corporation and Tapatio Springs Service Company, Inc., (the "Agreement") and to bind the corporation thereby.

FURTHER RESOLVED, that the Treasurer W. H. Milmoec, is hereby authorized and directed (with or without attestation from the Secretary of the Corporation) to:

(a) sign, certify to, verify, acknowledge, deliver, accept, file, and record any and all instruments and documents necessary or appropriate to effectuate the purposes of the foregoing resolutions; and

(b) take, or cause to be taken, any and all of such actions in the name of and on behalf of the Corporation, or otherwise, as in their judgment is necessary, desirable or appropriate in order to consummate the transaction contemplated hereby or otherwise to effect the purposes of the foregoing resolutions; and

(c) to execute and deliver on behalf of and in the name of the Corporation, all such other instruments, documents, or financial statements as may be necessary, advisable or appropriate to carry out the terms and conditions of the Agreement and the Application.

FAX TRANSMISSION

B & D ENVIRONMENTAL, INC.

P. O. Box 90544
AUSTIN, TEXAS 78709
(512) 264-9124
FAX: (512) 891-0740

To: Mr. Kamal Adhikari **Date:** August 23, 2005
Fax #: (512) 239-6972 **Pages:** 4, including this cover sheet.
From: Darrell Nichols
Subject: Tapatio Springs Services Company, Inc.
Application Nos. 34932-C and 34933-C

Kamal,

Attached please find a copy of the corporate resolution as requested and a letter from Bank of America regarding the financial capabilities of CDS International Holdings, Inc.

Please note that all the protesting customers and the City of Boerne have been contacted. We are anticipating all or most of the protests will be withdrawn. The City of Boerne will be acting on a motion to withdraw their protest at tonight's city council meeting. If the City's protest is withdrawn, I will provide you with a copy of the engineering calculations provided to the City.

Should you have any questions, please do not hesitate to contact me at 512-892-6366 or 512-917-6065 at any time.

Darrell

Kathleen Hartnett White, *Chairman*
R. B. "Ralph" Marquez, *Commissioner*
Larry R. Soward, *Commissioner*
Glenn Shankle, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

CERTIFIED MAIL

September 7, 2005

Mr. Darrell Nichols
B & D Environmental, Inc.
P.O. Box 90544
Austin, Texas 78709

Re: Application from Tapatio Springs Service Company, Inc., to Amend a Water CCN No. 12122 in Kendall County; Application No. 34932-C

Application from Tapatio Springs Service Company, Inc., to Amend a Sewer CCN No. 20698 in Kendall County; Application No. 34933-C

CN: 600640155 RN: 101456499 (water) and 101223048 (sewer)

Dear Mr. Nichols:

The Texas Commission on Environmental Quality (TCEQ) received protests to your referenced applications. The Commission's Chief Clerk has assigned Docket No. 2005-1516-UCR to this matter. Any further communications should refer to this docket number. V.T.C.A. Water Code Section 13.246 provides that affected parties may protest the applications and request a hearing on whether a CCN amendment should be granted. The referenced applications have been protested by:

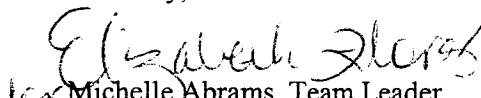
City of Boerne
Richard E. Hass
Andrew J. Calvert
Al Hamilton (Also Representing group of rate payers)

This matter has been referred to the State Office of Administrative Hearings for scheduling. When a hearing has been scheduled, you will receive a notice of hearing that outlines when and where the hearing will be held.

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

If you have questions concerning this process or the material that you should bring with you to the hearing, please contact Mr. Kamal Adhikari at (512) 239- 0680 or if by correspondence, include MC 153 in the letterhead address.

Sincerely,


Michelle Abrams, Team Leader
Utilities & Districts Section
Water Supply Division

MA/KA/ac

cc: Mailing list 1087 • Austin, Texas 78711-3087 • 512/239-1000 • Internet address: www.tceq.state.tx.us

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

INTEROFFICE MEMORANDUM

TO: LaDonna Castanuela, Chief Clerk DATE: September 7, 2005

THRU: Earl Lott, Section Manager
Utilities & Districts Section
Water Supply Division

FROM: Michelle Abrams, Team Leader
Utilities & Districts Section
Water Supply Division

SUBJECT: Docket No. 2005-1516-UCR; Application from Tapatio Springs Service Company, Inc., to Amend Water CCN No. 12122 and Sewer CCN No. 20698 in Kendall County; Application Nos. 34932-C & 34933-C

CN: 600640155 RN: 101456499 (water) and 101223048 (sewer)

We hereby transfer the official files for the above referenced applications to the Chief Clerk's Office. Please refer these applications to the State Office of Administrative Hearings and request that a hearing be scheduled.

Following entity and individuals have protested these applications:

City of Boerne
Richard E. Hass
Andrew J. Calvert
Al Hamilton

City of Boerne has concerns about the impact on ground water and surface water resources in that area. Richard E. Hass has indicated his concerns on the cost of the project, their allocation and a possible rate increase to Tapatio Springs' existing customers. Andrew J. Calvert claims that these applications will place the ratepayers at a significant financial and water quality risk, with little or no benefit. Al Hamilton also represents a group of rate payers and has expressed several concerns including project cost, developer contributions, impact on rate payers, developer financial conditions, etc.


Al Hamilton has also requested that a hearing on this matter be local at a place within the City of Boerne. Staff estimates 20 people to attend this hearing.

The staff assigned to this case are:

Technical - Kamal Adhikari

Legal - _____

If we may be of further service regarding this matter, please call.


for Michelle Abrams, Team Leader

MA/KA/ac

cc: TCEQ Public Interest Counsel; ATTN: Vic McWherter
TCEQ Agency Communications; ATTN: Andy Saenz, Manager
TCEQ Chief Clerk's Office; ATTN: Melanie Mohair, SOAH Docket Clerk
TCEQ Legal Office; ATTN: Robert Martinez

(Revised - 03/25/04)	FOR SOAH USE ONLY	(req. frm)
Date complete request received by SOAH:	Proceeding date set by SOAH:	SOAH Docket Number & type of case:

REQUEST TO DOCKET CASE (Please type or print)

PLEASE CHECK ACTION(S) REQUESTED:

☒ **SETTING OF HEARING** ☐ **ASSIGNMENT OF ALJ *** ☐ **ALTERNATIVE DISPUTE RESOLUTION (ADR)***

REFERRING AGENCY NAME: TCEQ AGENCY NO.: _____ AGENCY'S FILE/CASE NO.: 2005-1592-UCR

NAME/STYLE OF THE CASE: Old Tamina Water Supply Corporation

DATE APPLICATION FILED AT AGENCY: _____ DOCKET NO. SUFFIX, if applicable: UCR

PROCEEDING DATE(S) REQUESTED (Include range of dates if possible): January 24, 2006

EXPECTED NUMBER OF HOURS (If less than a day) OR DAYS NEEDED FOR PROCEEDING: _____ HOURS 1 DAYS

☐ **ADMIN. FINE** ☐ **GRIEVANCE** ☐ **ENFORCEMENT** ☐ **CONTRACT CLAIM** (Gov't. Code 2260) ☐ **OTHER** _____

SPECIAL NEEDS OR ACCOMMODATIONS: Hearing in Austin, Seating for 10 people

IF ADR REQUESTED PLEASE DESCRIBE PROCESS NEEDED: _____

☐ **PREHEARING CONFERENCE REQUESTED**

☐ **CASE FILE** and/or ☐ **HEARING IS CONFIDENTIAL** (Specify applicable statute): _____

NAME OF INDIVIDUAL SENDING REQUEST FORM: Steve Brachel PHONE NO.: 239-2207 FAX NO.: 239-3311

PARTIES AND REPRESENTATIVES

PARTY REPRESENTED BY: ☐ SELF ☒ **ATTORNEY**

☐ **OTHER**, If so, relationship: _____

REPRESENTATIVE'S

NAME David Klein

PARTY'S NAME: _____

ADDRESS: _____

PHONE No.: (512) 239-1297

(Direct Phone Number Please)

FAX No.: _____

PARTY REPRESENTED BY: ☐ SELF ☐ **ATTORNEY**

☐ **OTHER**, If so, relationship: _____

REPRESENTATIVE'S

NAME: _____

PARTY'S NAME: _____

ADDRESS: _____

PHONE No.: _____

(Direct Phone Number Please)

FAX No.: _____

PLEASE LIST ADDITIONAL PARTIES AND/OR REPRESENTATIVES ON EXTRA FORM PROVIDED.

SEND TO: STATE OFFICE OF ADMINISTRATIVE HEARINGS
ATTN.: Deputy Clerk
William P. Clements Building
300 West 15th Street, Suite 504
Austin, Texas 78701

OR

Post Office Box 13025
Austin, Texas 78711-3025
Docket Phone No. (512) 475-3445
Fax No. (512) 475-4994

***PLEASE FORWARD A COPY OF THE APPLICATION, APPEAL, OR COMPLAINT WITH THIS REQUEST FORM, AS WELL AS ANY OTHER PLEADING FILED IN THE CASE TO DATE IF REQUESTING ASSIGNMENT OF ALJ or ALTERNATIVE DISPUTE RESOLUTION (ADR). A COPY OF THE NOTICE OF PROCEEDING MUST BE FORWARDED TO SOAH AT THE SAME TIME IT IS MAILED TO THE PARTIES.**

Confirmation Report-Memory Send

Time : 10-31-2005 10:11am
Tel line 1 : +15122391502
Tel line 2 :
Name : TCEQ / CHIEF CLERK

Job number : 748
Date : 10-31 10:10am
To : 94754994
Document Pages : 001
Start time : 10-31 10:10am
End time : 10-31 10:11am
Pages sent : 001
Status : OK

Job number : 748

*** SEND SUCCESSFUL ***

(Revised - 03/25/04)	FOR SOAH USE ONLY	(req. frm)
Date complete request received by SOAH:	Processing date set by SOAH	SOAH Docket Number & type of case:

REQUEST TO DOCKET CASE (Please type or print)

PLEASE CHECK ACTION(S) REQUESTED:

☒ SETTING OF HEARING

☐ ASSIGNMENT OF ALJ

☐ ALTERNATIVE DISPUTE RESOLUTION (ADR)*

REFERRING AGENCY NAME: TCEQ

AGENCY NO.:

AGENCY'S

FILE/CASE NO. 2005-1516-UCR

NAME/STYLE OF THE CASE: Tapatio Springs Service Company, Inc

DATE APPLICATION FILED AT AGENCY:

DOCKET NO SUFFIX, if applicable UCR

PROCEEDING DATE(S) REQUESTED (include range of dates if possible) January 24, 2006

EXPECTED NUMBER OF HOURS (if less than a day) OR DAYS NEEDED FOR PROCEEDING: HOURS 1 DAYS

☐ ADMIN. FINE

☐ GRIEVANCE

☐ ENFORCEMENT

☐ CONTRACT CLAIM (Gov't Code 2250)

☐ OTHER

SPECIAL NEEDS OR ACCOMMODATIONS: Hearing in Austin, Seating for 20 people

IF ADR REQUESTED PLEASE DESCRIBE PROCESS NEEDED

☐ PREHEARING CONFERENCE REQUESTED

☐ CASE FILE and/or ☐ HEARING IS CONFIDENTIAL (Specify applicable statute)

NAME OF INDIVIDUAL SENDING REQUEST FORM: Steve Brachel PHONE NO.: 239-2207 FAX NO.: 239-3311

PARTIES AND REPRESENTATIVES

PARTY REPRESENTED BY ☐ SELF ☒ ATTORNEY

☐ OTHER, if so, relationship:
REPRESENTATIVE'S NAME: Christine Walters

PARTY'S NAME:

ADDRESS:

PHONE No. (512) 239-1357
(Direct Phone Number Please)

FAX No.:

PARTY REPRESENTED BY: ☐ SELF ☐ ATTORNEY

☐ OTHER, if so, relationship:
REPRESENTATIVE'S NAME:

PARTY'S NAME:

ADDRESS:

PHONE No. (Direct Phone Number Please)

FAX No.:

PLEASE LIST ADDITIONAL PARTIES AND/OR REPRESENTATIVES ON EXTRA FORM PROVIDED.

END TO: STATE OFFICE OF ADMINISTRATIVE HEARINGS
ATTN: Deputy Clerk
William P. Clements Building
300 West 15th Street, Suite 304
Austin, Texas 78701

OR

Post Office Box 13025
Austin, Texas 78711-3025
Docket Phone No. (512) 475-3445
Fax No. (512) 475-4984

PLEASE FORWARD A COPY OF THE APPLICATION, APPEAL OR COMPLAINT WITH THIS REQUEST FORM AS WELL AS ANY OTHER PLEADING FILED IN THE CASE TO DATE IF REQUESTING ASSIGNMENT OF ALJ OR ALTERNATIVE DISPUTE RESOLUTION (ADR). A COPY OF THE NOTICE OF PROCEEDING MUST BE FORWARDED TO SOAH AT THE SAME TIME IT IS MAILED TO THE PARTIES.

OCC Faxed on 10/31/2005

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

INTEROFFICE MEMORANDUM

TO: LaDonna Castanuela, Chief Clerk

DATE: September 7, 2005

THRU: Earl Lott, Section Manager
Training & Districts Section