



Control Number: 44052



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

44052

RECEIVED

2015 JAN -5 AM 7:17

NOTICE OF INTENT TO FILE A TEXAS WATER CODE SECTION 13.255 APPLICATION WITH
THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR SINGLE CERTIFICATION IN
WILLIAMSON COUNTY(IES)

To: Jarrell Schwertner WSC
P.O. Box 369
Jarrell Texas 76537

Date Notice Mailed: August 19, 2009

CERTIFIED MAIL NUMBER: 7008 1300 0000 8683 4679

The City of Jarrell intends to provide water/sewer utility service to an incorporated area pursuant to Texas Water Code Section 13.255. If an agreement is not executed within 180 days of the date of this notice, the City of Jarrell will file an application with the Texas Commission on Environmental Quality (Commission) to grant single certification to the area within its corporate limits.

The area involved is located approximately 17 miles north of downtown Georgetown, Texas, and is generally bounded on the north by the Williamson/Bell county line; on the east CR 332; on the south by CR 144; and on the west by CR 396. See enclosed map of the affected area.

If a Texas Water Code Section 13.255 application is filed, the Commission 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, 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. The Commission shall grant single certification to the city and determine the monetary amount that it is adequate and just for the city to compensate the retail public utility.

Pursuant to Texas Water Code Section 13.242 and 30 Texas Administrative Code Section 291.103, the City of Jarrell intends to provide retail water service to an area or customers currently being served by Jarrell Schwertner WSC in the area described above. The enclosed map shows the location of the area affected where the city proposes to serve. A copy of this notice was mailed to the Commission on August 19, 2009 at the following address:

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

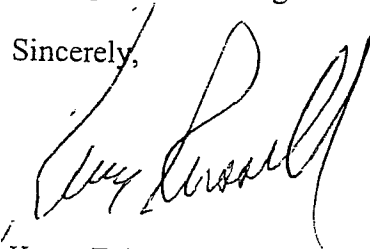
Ms. Sheila Cunningham, General Manager
Jarrell Schwertner WSC
August 19, 2009
Page 2 of 2

within the city limits, ETJ, and west of IH 35. That would relieve Jarrell-Schwertner of the current legal requirement to spend \$5-6 million for a total system replacement in this area. The City would be willing to assume residual federal debt, if any, associated with this portion of the Jarrell-Schwertner system. Either in the agreement, or by separate contract, the City should purchase long term wholesale water from Jarrell-Schwertner. Such a contract would assure current and future Jarrell-Schwertner customers of an income source to maintain reasonable retail water rates. Another part of the agreement should include joint efforts by the City and Jarrell-Schwertner to secure funding for improvements to both systems.

The City looks forward to hearing from you and is hopeful that an agreement can be finalized and executed prior to the expiration of the 180 day period. There is simply no reason for the City and Jarrell-Schwertner to incur the costs associated with a 13.255 contested case hearing. It is essentially the same citizens who would be paying the bills for both sides in such litigation.

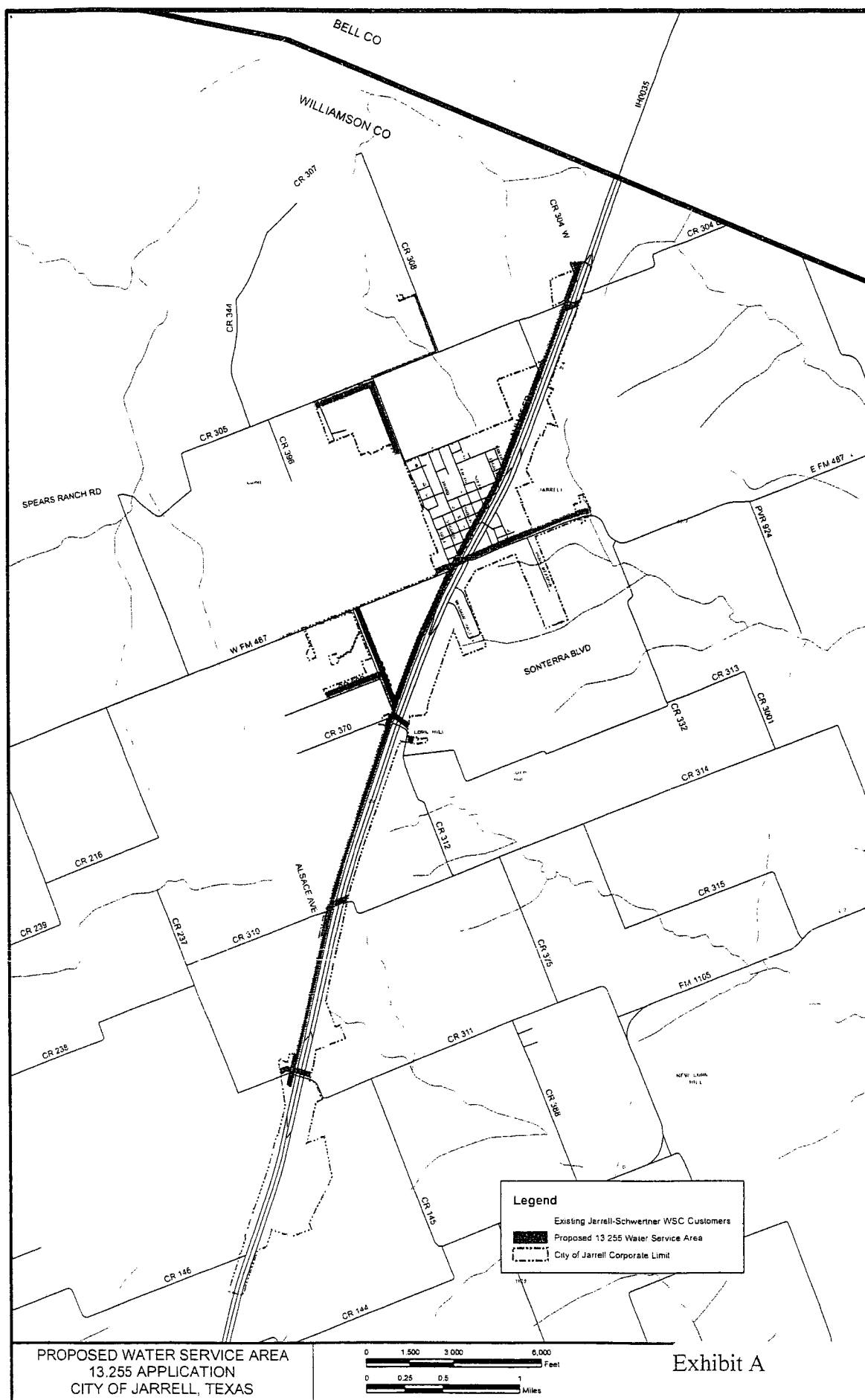
Please do not hesitate to call if you have any questions regarding this matter. Also, please feel free to contact the City directly to arrange a time to begin discussions.

Sincerely,



Kerry E. Russell

Cc: Mayor Troy Clawson
Mr. Mel Yantis
Mr. Sonny Kretzschmar
Ms. Trish Coy



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7008 1300 0000 8683 4679

Postage	\$.44	Postmark Here
Certified Fee	2.80	
Insurance Fee (if applicable)	2.80	
Total		\$ 5.54
Ms. Sheila Cunningham General Manager Jarrell Schwertner WSC Post Office Box 369 Jarrell, Texas 76537		

PS Form 3800, August 2005 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired, so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:
Ms. Sheila Cunningham
General Manager
Jarrell Schwertner WSC
Post Office Box 369
Jarrell, Texas 76537

COMPLETE THIS SECTION ON DELIVERY

A. Signature *Sheila Cunningham* Agent

B. Received by (Printed Name) *Sheila Cunningham* Addressee

C. Date of Delivery *8-20-09*

D. Is delivery address different from item 1? ☒ Yes ☐ No
If YES, enter delivery address below:

3. Service Type

☒ Certified Mail ☐ Express Mail

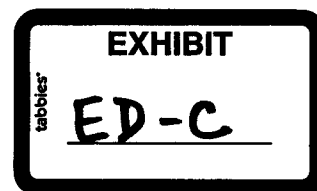
☐ Registered ☐ Return Receipt for Merchandise

☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes ☐ No

2. Article Number (Transfer from service label) 7008 1300 0000 8683 4679

PS Form 3811, February 2004 Domestic Return Receipt



R&R
RUSSELL & RODRIGUEZ, L.L.P.
ATTORNEYS AT LAW

1633 WILLIAMS DRIVE
BUILDING 2, SUITE 200
GEORGETOWN, TEXAS 78628

PHONE (512) 930-1317
FAX (866) 929-1641
WWW.TXADMINLAW.COM

Email krussell@txadminlaw.com

August 19, 2009

VIA CERTIFIED, RETURN RECEIPT REQUESTED, FIRST CLASS U.S. MAIL

Ms. Sheila Cunningham, General Manager
Jarrell Schwertner WSC
P.O. Box 369
Jarrell, Texas 76537

Re: Jarrell Schwertner WSC

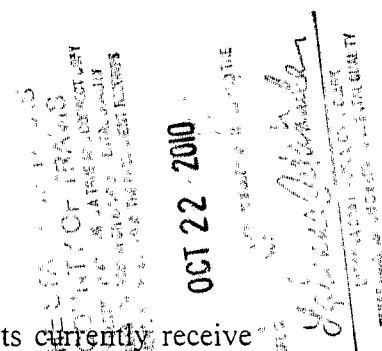
Dear Ms. Cunningham:

As you know, this firm represents the City of Jarrell. City residents currently receive retail water service from Jarrell-Schwertner WSC under CCN 10002. We understand that Jarrell-Schwertner currently has 1,458 customers and 422 of those are within the City limits. We also understand that Jarrell-Schwertner is unable to provide municipal level retail water service within the City limits.

Texas Water Code sections 13.254 and 13.255 provide the City with the option of providing retail water system within the City limits. Since the City's new sewer system is now operational, the City intends to begin providing municipal level retail water service to its residents in the near future. This issue has been the subject of extended discussions involving various parties over the past months. The City appreciates Jarrell-Schwertner's participation in those discussions. The City continues to believe a long term agreement between the City and Jarrell-Schwertner in regard to retail water service is in the best interest of everyone in the Jarrell area.

To initiate the TCEQ's CCN transfer process, the City has authorized us to file the notice required by Texas Water Code §13.255 to begin retail water service within the City limits after 180 days. A copy of the notice is attached to this letter and is also being mailed to the TCEQ Water Supply Division.

The City would like to meet with Jarrell-Schwertner as soon as possible to begin working out the details of a long term water service and supply agreement. We continue to believe the best option for everyone would be for the City to take over all of the Jarrell-Schwertner system





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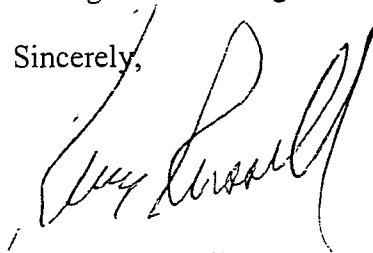
Ms. Sheila Cunningham, General Manager
Jarrell Schwertner WSC
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Please do not hesitate to call if you have any questions regarding this matter. Also, please feel free to contact the City directly to arrange a time to begin discussions.

Sincerely,

A handwritten signature in black ink, appearing to read "Kerry Russell", written over a horizontal line.

Kerry E. Russell

Cc: Mayor Troy Clawson
Mr. Mel Yantis
Mr. Sonny Kretzschmar
Ms. Trish Coy



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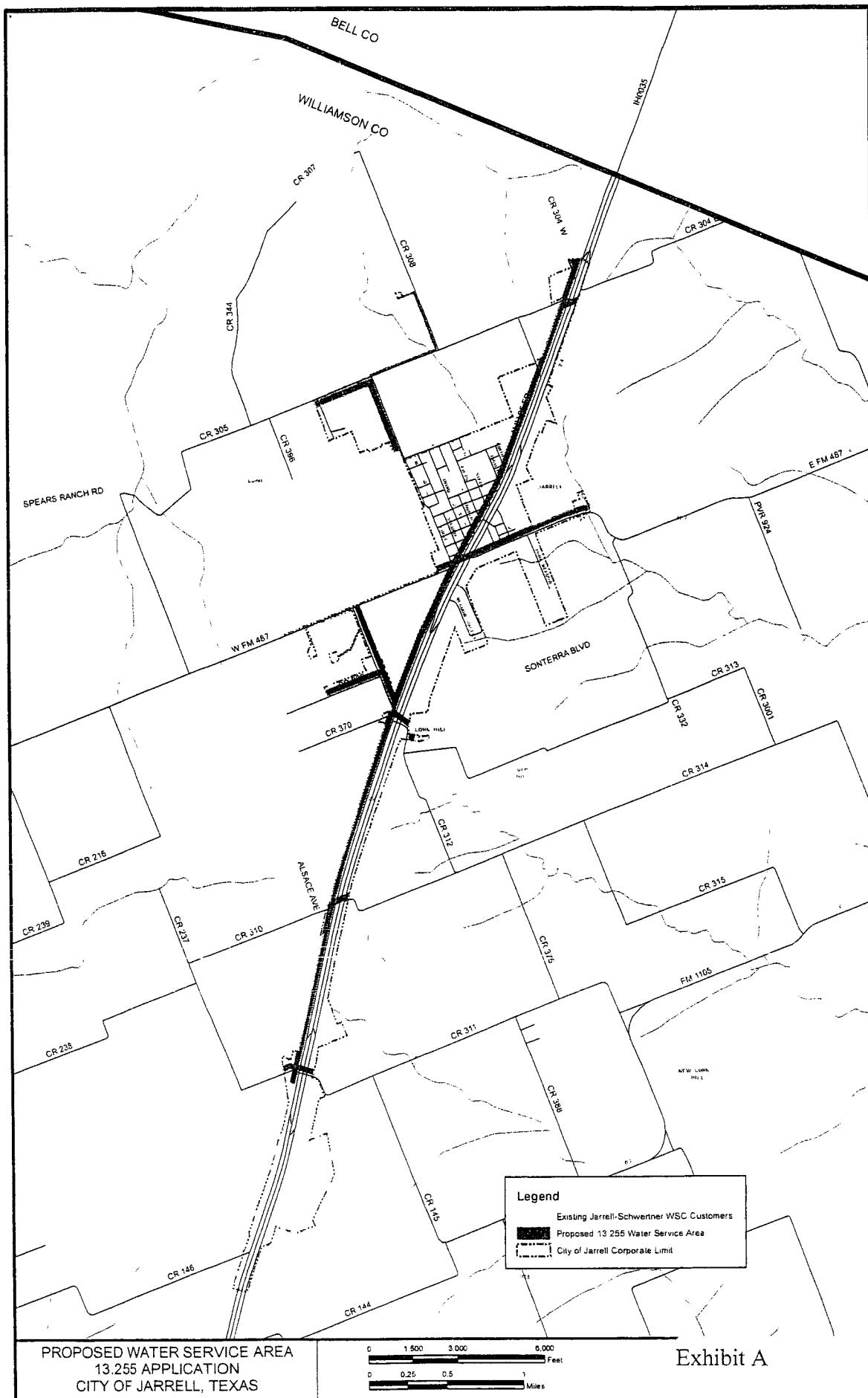


Exhibit A



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Postage	\$.44	Postmark Here
Certified Fee	2.80	
Insurance Fee (if insured for more than \$500)	2.30	
Total	\$ 5.54	08.19.09

Ms. Sheila Cunningham
General Manager
Jarrell Schwertner WSC
Post Office Box 369
Jarrell, Texas 76537

PS Form 3811, August 2008 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or of the front if space permits.

Article Addressed to:
Ms. Sheila Cunningham
General Manager
Jarrell Schwertner WSC
Post Office Box 369
Jarrell, Texas 76537

COMPLETE THIS SECTION ON DELIVERY

A. Signature *Sheila Cunningham*

B. Received by (Printed Name) *Sheila Cunningham* Agent ☒ Addressee ☐

C. Date of Delivery *08-20-09*

D. Is delivery address different from item 1? ☐ Yes ☒ No
If YES, enter delivery address below:

3. Service Type

- ☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
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(Transfer from service label) 7008 1300 0000 8683 4679

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