

Control Number: 45489



Item Number: 67

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To: Public Utility Commissioner of Texas

Central Records

1701 N Congress PO Box 13326 Austin, Texas 78711-3326

From: Hector Castaneda, LNV

Date: May 18, 2018

Re: Docket No. 45489 Application to Obtain CCN in

City of Gregory, San Patricio County, Texas

To whom it may concern;

Attached is correspondence and copies of documentation of service interest outside of the City of Gregory's City Limits but within their ETJ.

Please feel free to contact me if you have any questions or require further information.

Respectfully, LNV Engineering TBPE Firm No. F-366

Hector Castaneda, E.I.T.

Hector Castaneda

From:

Hector Castaneda

Sent:

Wednesday, May 16, 2018 10:43 AM

To: Subject:

'Meier, Kennedy' RE: Gregory CCN

Will do.

Thank You,

Hector Castaneda, Jr., EIT Deputy Project Manager

LNV

engineers | architects | surveyors

801 Navigation Blvd, Suite 300 Corpus Christi, Texas 78408 P 361-883-1984 F 361-883-1986 www.LNVINC.com

From: Meier, Kennedy [mailto:Kennedy.Meier@puc.texas.gov]

Sent: Wednesday, May 16, 2018 10:45 AM To: Hector Castaneda < hectorc@lnvinc.com>

Subject: RE: Gregory CCN

Hi Hector,

Could you please file documentation for the service requests and areas where the City is providing service along with maps/mapping information showing where the service requests and the places where service is being provided are located in relation to the City's requested area? Thanks!

Best,

-Kennedy

From: Hector Castaneda [mailto:hectorc@Invinc.com]

Sent: Wednesday, May 16, 2018 10:03 AM

To: Meier, Kennedy < Kennedy. Meier@puc.texas.gov >

Subject: RE: Gregory CCN

WARNING: EXTERNAL SENDER. Always be cautious when clicking links or opening attachments. NEVER provide your user ID or password.

Kennedy,

I spoke with the Mayor yesterday and the City would like to maintain the City Limits and its ETJ area in the CCN Application. I have attached some documentation for service requested outside the ETJ from TPCO and Martin

Marietta. Also the City is providing service to the Glades Apartments, GP Materials and backup water to Exxon which are outside the City Limits of Gregory. Also in the attachment is an agenda for Monday for other development interest. Please review and let me know if you have any questions.

Thank You,

Hector Castaneda, Jr., EIT Deputy Project Manager

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WATER AND WASTEWATER RATES AND TERMS AGREEMENT BY AND BETWEEN THE CITY OF GREGORY, TEXAS AND TPCO AMERICA CORPORATION

IN ACCORDANCE WITH RESOLUTION 11-04-02 OF THE CITY OF GREGORY, TEXAS ESTABLISHING THE WATER AND WASTEWATER RATES AND TERMS FOR TPCO AMERICA CORPORATION FACILITY TO BE LOCATED IN SAN PATRICIO COUNTY, TEXAS; RELATED TO THE UPGRADE OF THE UTILITIES; PROVIDING FOR THE MAINTENANCE AND OPERATION OF WATER AND WASTEWATER FACILITY; PROVIDING FOR COMMITMENT BY CITY TO PROVIDE UTILITIES AND ACCESS TO UTILITIES BY TPCO; THE FOLLOWING RATES AND TERMS APPLY IN THE OUTLINED AGREEMENT BY AND BETWEEN THE CITY OF GREGORY, TEXAS AND TPCO AMERICA CORPORATION.

* * * * * * * * *

The Governing Body of the City of Gregory, Texas (City) has convened at its regular meeting place at 206 W. 4th Street, at 6:00 P.M., Gregory, Texas time on April 18, 2011, and, during such meeting, the Governing Body has passed Resolution 11-04-02 establishing the water and wastewater rates and terms for TPCO facility located in San Patricio County, Texas; and

The City is in the process of upgrading and improving the water and wastewater facilities to support the TPCO facility and has been award an Economic Development Administration (EDA) grant in the amount of \$1,000,000 for such upgrades along with a commitment of no more than \$575,000 in matching funds by City to be repaid to City by TPCO (see TERMS section A); and

The City has determined that the *rates* and *terms* reflected herein are fair and equitable and necessary to fund the upgrade, proper maintenance and operation of the City's utility systems; and

The City understands the importance of providing both construction and potable water and wastewater services to the TPCO facility as a means of economic growth and vitality for the region, the City is <u>committed</u> to providing such utilities to the TPCO facility for their use in accordance with their construction and operations schedule subject to the rates and terms outlined herein; and

The following <u>rates</u> shall apply for the availability for use of the water and wastewater utilities of the City.

RATES:

- A. Potable Water Rate Per Thousand Gallons
 - 1. \$ 2.54; Purchase Price from San Patricio Municipal Water District (*F).
 - 2. \$ 0.30; Electrical Costs for Two Pump Stations (*F).
 - 3. \$ 0.65; Depreciation Expense (**H).
 - 4. \$ 0.35: 10% Markup (***I).
 - 5. S3.84 Per Thousand Gallons
- B. Domestic Sewer Rate
 - 1. \$ 203.34; First 2000 Gallons (*G).
 - 2. \$ 1.42; Per 1000 Gallons Thereafter (*G).

Note: Normal deposit fee will apply for establishing a new user account per the City's utility ordinance. Accounts due and payable by the 10th of each month. Utility rates subject to change on a yearly basis.

- C. Construction Water Rate
 - 1. \$3.00; Per Thousand Gallon (****J).
- D. Usage:

NORMAL MAXIMUM

- 1. 100,000 400,000 (*****K) gallons per day (potable water).
- 2. 90,000 120,000 gallons per day (waste water).
- E. Tax:

Under present State of Texas Sales and Use tax statues, water and sewer charges are not subject to sales or use taxes.

The following <u>terms</u> shall apply for the availability for use of the water and wastewater utilities of the City.

TERMS:

- A. This agreement on rates do NOT include matching funds to be repaid by TPCO for capital & related costs associated with EDA water and wastewater improvements to serve the plant. The matching funds (30% of costs) to be repaid by TPCO in either one-lump sum payment or in monthly (60) payments over a five (5) year period at a rate of 4.48%. This amount will be known once bids are received for the project.
- B. Contractor to provide construction meter with backflow prevention device and lock.

AGENDA

REGULAR MEETING OF THE PLANNING AND ZONING COMMISSION FOR THE CITY OF GREGORY, TEXAS

206 W. FOURTH ST 15th day of May, 2018 6:30 P.M.

- 1. Call Meeting to Order
- 2. Pledge of Allegiance
- 3. Approval of Minutes
- 4. In capacity of Planning & Zoning Commission to consider the approval of the Plat of the Glades, Block 1, Lot 3 being 7.44 acres, of the Northwest portion of Section "O" of the Geo H. Paul Subdivision of the Coleman Fulton Pasture Co.'s Land. Under the Request of Mr. Tim Torno.
- 5. Presentation by Mr. Wayne Jones owner of 250 acres of Jones Ranch of which 18 acres are inside city limits. To discuss rezoning of properties, annexation and development of the balance property not inside city limits.

POSTED: May 11, 2018 at 4:30 a.m./p.m

Norma S. Garcia, City Secretary



November 16, 2015

Robert C. Meager, Jr. Chief of Police / City Administrator City of Gregory 206 W. Fourth Street Gregory, Texas 78349

Dear Mr. Meager,

Thank you for meeting with myself and John Matthews last Friday to discuss a resolution to our water needs at the Martin Marietta Gregory Yard. As we agreed, Martin Marietta would disconnect our service from one of our existing meters and Ingram Ready Mix would apply for a water meter under their name using the same meter we are canceling. Abel and John Matthews are moving forward on this now.

ORIGINAL

Secondly, you advised Martin Marietta should ask to have our property, which is currently located in the Gregory ETJ, annexed into the City of Gregory in order to continue to receive water from the City of Gregory. It is our understanding that if Martin Marietta decides against annexation the City of Gregory will no longer be in a position to supply us water. We also understand that if we apply for annexation, there will be no fines associated with the prior meter installations. Assuming these statements to be correct, and without admitting the applicability of City ordinances to the ETJ, I would like this letter to be a formal request to move forward with annexation of our property. Please forward the required forms at the address provided below.

So I am clear on all City Ordinances, could you please have your assistant send me all City Ordinances which would affect our property in regards to construction or expansion of our facility, utilities or easements, buildings or offices and any other restrictions which may be addressed in the future.

If you have any questions or concerns, please feel free to call me at 210-415-4495.

Regards,

Wayne Skipper

Vice President/General Manager – South Texas District

5710 West Hausman Road, Suite 121

San Antonio, Texas 78249-1646