

Control Number: 45702



Item Number: 99

Addendum StartPage: 0

SOAH DOCKET NO. 473-16-5296.WS  
PUC DOCKET NO. 45702

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APPLICATION OF THE CITY OF  
CIBOLO FOR SINGLE CERTIFICATION  
IN INCORPORATED AREA AND TO  
DECERTIFY PORTIONS OF GREEN  
VALLEY SPECIAL UTILITY  
DISTRICT'S SEWER CERTIFICATE OF  
CONVENIENCE AND NECESSITY IN  
GUADALUPE COUNTY

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BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

REBUTTAL TESTIMONY

OF

RUDOLPH "RUDY" F. KLEIN, IV, P.E.

ON BEHALF OF

CITY OF CIBOLO

December 7, 2016

**REBUTTAL TESTIMONY OF  
RUDOLPH "RUDY" F. KLEIN, IV, P.E.**

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**ATTACHMENTS**

Exhibit Klein R-A      GVSUD's Response to Cibolo's Second Requests for Admission

**I. BACKGROUND/QUALIFICATIONS**

**Q. PLEASE STATE YOUR NAME.**

A. My name is Rudolph "Rudy" F. Klein, IV, P.E.

**Q. ARE YOU THE SAME RUDOLPH "RUDY" F. KLEIN, IV, P.E. WHO PRESENTED DIRECT TESTIMONY IN THIS CASE?**

A. Yes, I am.

**Q. PLEASE STATE THE PURPOSE YOUR REBUTTAL TESTIMONY IN THIS MATTER.**

A. The purpose of my rebuttal testimony is to rebut portions of the direct testimonies of Green Valley Special Utility District ("GVSUD") witnesses Joshua M. Korman, David "Pat" Allen, Garry Montgomery, P.E., CFM, and Stephen H. Blackhurst, P.E. regarding the City of Cibolo's ("City") application for single sewer certification under Texas Water Code ("TWC") § 13.255 (the "Application"); that is the subject matter of this Docket. More specifically, I rebut the following ideas or assertions:

1. Assertions by Mr. Korman, Mr. Allen, and Mr. Montgomery that GVSUD has any property that would be rendered useless or valueless, in whole or in part, by decertification of the areas sought in the Application. Specifically, my rebuttal testimony will address GVSUD's alleged planning and design documents, the real property GVSUD allegedly purchased to locate the wastewater treatment plant, and related consulting expenses.

- 1           2.     Mr. Korman's and Mr. Blackhurst's erroneous conclusions that the GVSUD  
2           Appraisal is limited to property that would be rendered useless or valueless by  
3           decertification of the area requested in the Application.
- 4           3.     Mr. Montgomery's incorrect implication that planning to construct a  
5           wastewater treatment plant is necessarily a part of planning for retail sewer  
6           service, especially in a case where a regional wastewater treatment provider  
7           exists.
- 8           4.     Mr. Montgomery's incorrect implication that GVSUD's proposed wastewater  
9           treatment plant would not serve or discharge into CCMA's regional area  
10          defined in 30 Texas Administrative Code ("TAC") §351.61(2).

11       **II.     PROPERTY IDENTIFIED BY GVSUD WITNESSES IS NOT RENDERED**  
12               **USELESS OR VALUELESS**

13       **Q.     HAVE YOU REVIEWED THE DIRECT TESTIMONY OF JOSHUA M.**  
14       **KORMAN, INCLUDING THE EXHIBITS SPONSORED BY MR. KORMAN?**

15       A.     Yes.

16       **Q.     HAVE YOU REVIEWED THE DIRECT TESTIMONY OF DAVID "PAT"**  
17       **ALLEN, INCLUDING THE EXHIBITS SPONSORED BY MR. ALLEN?**

18       A.     Yes.

19       **Q.     HAVE YOU REVIEWED THE DIRECT TESTIMONY OF GARRY**  
20       **MONTGOMERY, P.E., INCLUDING THE EXHIBITS SPONSORED BY MR.**  
21       **MONTGOMERY?**

22       A.     Yes.

1 Q. HAVE YOU FORMED ANY OPINIONS REGARDING THE TESTIMONIES  
2 OF MR. KORMAN, MR. ALLEN, AND MR. MONTGOMERY?

3 A. Yes.

4 Q. AND WHAT ARE THOSE OPINIONS?

5 A. That Mr. Korman, Mr. Allen, and Mr. Montgomery have failed to explain how  
6 certain "property" of GVSUD is rendered useless or valueless by decertification.  
7 Specifically, none of these witnesses explains how the 65-acre tract of land described  
8 in Exhibit GVSUD 1, Bates No. GVSUD 100432-100454 (the "Land"), or GVSUD's  
9 alleged planning and design efforts to provide retail service to its entire CCN area  
10 will be rendered useless or valueless by the decertification requested by the City. It is  
11 my opinion that neither the Land nor the planning/design will be rendered useless or  
12 valueless by decertification of the area requested by the City in the Application.

13 A. The Land is not Rendered Useless or Valueless

14 Q. AFTER REVIEWING GVSUD'S TESTIMONY AND EXHIBITS, HOW DID  
15 YOU REACH THE CONCLUSION THAT THE LAND WILL NOT BE  
16 RENDERED USELESS OR VALUELESS?

17 A. First, I remain certain that GVSUD cannot construct a wastewater system in the area  
18 GVSUD is planning to serve because Cibolo Creek Municipal Authority "CCMA" is  
19 the regional wastewater provider designated by the Texas Commission on  
20 Environmental Quality ("TCEQ") to provide a wastewater system for this area. But  
21 apart from that opinion, even if GVSUD could provide wastewater treatment to the  
22 region, as generally alleged in GVSUD's testimony, the Land will not be rendered  
23 useless or valueless because of the decertification requested by the City.

1     **Q.     WHY NOT?**

2     A.     From an engineering perspective, GVSUD does not currently have permits to  
3             construct a wastewater treatment plant on the Land. Based on my experience with  
4             designing and constructing wastewater treatment facilities, GVSUD will need both a  
5             Texas Pollutant Discharge Elimination System ("TPDES") permit and approval of  
6             construction plans by the TCEQ before it can use the land for constructing a  
7             wastewater treatment plant ("WWTP"). If GVSUD does not have the proper  
8             authorizations to construct a WWTP, it is my opinion that there is no way that the  
9             decertification of the area to be decertified can affect the usefulness or value of that  
10            land to GVSUD.

11    **Q.     YOU TESTIFIED PREVIOUSLY THAT YOU ARE FAMILIAR WITH THE**  
12            **TPDES PERMITTING PROCESS AND THAT YOU ARE FAMILIAR WITH**  
13            **GVSUD'S TPDES PERMIT APPLICATION. HOW DOES YOUR OPINION**  
14            **REGARDING THE LIKLIHOOD THAT THE PERMIT WILL BE ISSUED**  
15            **COMPARE TO GVSUD'S WITNESSES OPINION?**

16    A.     I completely disagree. My understanding is that the Commissioners of the TCEQ  
17             considered GVSUD's TPDES application today at its public meeting, and referred the  
18             application to contested case hearing at the State Office of Administrative Hearings  
19             on several issues, one of which was the regionalization issue as to whether GVSUD's  
20             proposed facility will serve land within CCMA's TCEQ-designated regional area.

21    **Q.     BASED ON YOUR EXPERIENCE, WHAT DOES THAT MEAN IN TERMS**  
22            **OF TIMING FOR THE DENIAL OR APPROVAL OF A TPDES PERMIT BY**  
23            **TCEQ?**

1 A. There will be an administrative hearing to determine whether the permit will be  
2 denied or approved and that the protestants have raised viable issues within the  
3 jurisdiction of the TCEQ.

4 Q. ARE YOU AWARE OF HOW LONG WILL THAT PROCESS TAKE IF THE  
5 MATTER IS NOT SETTLED BY THE PARTIES?

6 A. My understanding is that TCEQ recommended a nine-month hearing process from the  
7 date of the preliminary hearing. I would not think that the hearing date has been  
8 scheduled at this time.

9 Q. EVEN IF THE TCEQ GRANTED GVSUD THE TPDES PERMIT AS  
10 REQUESTED IN ITS APPLICATION AND ALL OTHER NECESSARY  
11 PERMITS FOR CONSTRUCTING THE PROPOSED WWTP ARE  
12 OBTAINED, WOULD THE LAND BE RENDERED USELESS OR  
13 VALUELESS BY DECERTIFICATION OF THE AREAS SOUGHT BY THE  
14 CITY?

15 A. No.

16 Q. WHY NOT?

17 A. First, it is my opinion that GVSUD's witnesses failed to provide any allegations  
18 regarding how the land would be rendered useless or valueless. Mr. Montgomery, the  
19 GVSUD witness who would have the best knowledge about GVSUD's planned use of  
20 the Land and the TPDES Permit application, does not even explain how the Land will  
21 be used. Second, regardless of whether GVSUD serves the area to be decertified or  
22 not, I believe, based on GVSUD's responses to the City's discovery requests,  
23 GVSUD can still utilize the Land for a wastewater treatment plant to serve the rest of



1 its CCN area in much the same way it intends to use the Land now, as shown in  
2 GVSUD's TPDES Application.

3 **Q. WHAT ARE YOUR OPINIONS BASED ON?**

4 A. First, regardless of the size of the facility or area served, I do not believe GVSUD will  
5 be using the entire 65 acres for the proposed facility, if it is ever built. Based on my  
6 knowledge of the area and my review of Federal Emergency Management Agency  
7 ("FEMA") floodplain maps, approximately 45 acres of the Land is within a FEMA  
8 100-year floodplain, which makes a large portion of the Land not suitable for siting  
9 the physical wastewater treatment plant. Under TCEQ rules, you cannot site parts of a  
10 facility within a floodplain without having to build in additional protections. Of the  
11 remaining 20 acres not in a floodplain, only about half of those acres would be  
12 needed to construct facility 5 million gallons per day wastewater treatment plant with  
13 the TCEQ-required buffer zones around the facility. It is unknown what the  
14 remaining land could be used for in the future, assuming GVSUD were issued a  
15 TPDES permit as requested. I think it is likely that the same amount of the Land  
16 would be used regardless of whether the area requested by the City is decertified or  
17 not. GVSUD has not indicated that it intends to revise its plans to downsize the  
18 facility. In any case, even GVSUD denied in its response to Cibolo Request for  
19 Admission 2-10 that all or any part of the Land would be rendered useless or  
20 valueless upon decertification. A copy of GVSUD's response to Cibolo Request for  
21 Admission 2-10 is attached to this rebuttal testimony as Exhibit Klein R-A.

22 **THE CITY OFFERS EXHIBIT KLEIN R-A INTO EVIDENCE.**

1 B. 2006 Wastewater Master Plan is not Rendered Useless or Valueless

2 Q. IN REVIEWING GVSUD'S APPRAISAL, DID YOU REVIEW ALL OF THE  
3 DOCUMENTS THAT WERE ATTACHED TO THE APPRAISAL?

4 A. Yes.

5 Q. I AM SHOWING YOU THE ATTACHMENT TO GVSUD'S APPRAISAL  
6 LABELED AS GVSUD-1, GVSUD BATES NOS. 100041-100139, AND  
7 ENTITLED "GREEN VALLEY SUD WASTEWATER MASTER PLAN 2006."  
8 AS AN ENGINEER WITH EXPERIENCE IN WASTEWATER PLANNING,  
9 WOULD YOU CONSIDER THIS A PLANNING DOCUMENT?

10 A. Yes.

11 Q. IN YOUR EXPERIENCE, WHAT IS THE PURPOSE OF A WASTEWATER  
12 MASTER PLAN?

13 A. It is a tool used for planning for future development and the needs of the system. A  
14 master plan is a high-level, "living" document that must be reviewed and updated  
15 continually.

16 Q. DOES THE CITY HAVE A WASTEWATER MASTER PLAN?

17 A. Yes, it is a component of our overall City Master Plan.

18 Q. HOW OFTEN DO YOU REVIEW AND UPDATE THE CITY'S MASTER  
19 PLAN?

20 A. The City reviews its Master Plan annually with high level City staff and reviews the  
21 plan every 5 years with an outside consultant. Each of these reviews can lead to  
22 amendments and updates. Every ten years, the City also contracts with a planning  
23 consulting to complete a more thorough update of the Master Plan. This continuous

1 process is necessary to reevaluate land use assumptions and other information  
2 relevant to planning.

3 **Q. IN YOUR OPINION, IS THIS A TYPICAL PROCESS FOR WASTEWATER**  
4 **SYSTEMS?**

5 A. Yes, even for a smaller system, or a more narrowly focused wastewater plan, the  
6 entity has to continually review and update land use assumptions to determine the  
7 level of service needed to properly serve the area. As new development comes into an  
8 area, it may change assumptions made in the original plans. GVSUD's own Water  
9 Master Plan from 2014 at GVSUD 1, GVSUD Bates No. 100142, states: "This  
10 document shall serve as a long-term **adaptable** guide to be used as needed to manage  
11 future service area development and projected wastewater needs."

12 **Q. I AM SHOWING YOU PAGE 10, LINE 14 THROUGH PAGE 12, LINE 2 OF**  
13 **MR. MONTGOMERY'S DIRECT TESTIMONY FILED IN THIS DOCKET.**  
14 **DO YOU GENERALLY AGREE OR DISAGREE WITH MR.**  
15 **MONTGOMERY'S ASSESSMENT OF THE PURPOSE OF A**  
16 **WASTEWATER MASTER PLAN, AND TO WHAT EXTENT?**

17 A. I generally agree with Mr. Montgomery's assessment of the purpose of a master plan.  
18 A master plan is a high-level planning tool necessary to develop long-range goals. It  
19 is important that the master plan is reviewed and updated, especially when an area is  
20 experiencing rapid growth.

21 **Q. DO YOU BELIEVE GVSUD'S WASTEWATER MASTER PLAN WOULD BE**  
22 **RENDERED USELESS OR VALUELESS BY DECERTIFICATION OF THE**  
23 **AREAS REQUESTED BY THE CITY?**

1 A. No.

2 **Q. WHY NOT?**

3 A. The master plan is a living document that changes over time. This change will happen  
4 irrespective of the decertification requested by the City. Even Mr. Montgomery's  
5 description shows it is a very high level document, meaning that it does not go into  
6 detail of specific tracts of land. Additionally, the 2006 Wastewater Master Plan is 10  
7 years old and is need of major updating. In other words, its usefulness or value is  
8 already suspect. As a side note, GVSUD, and specifically Mr. Montgomery, again  
9 fails to explain how it is useful or valuable and how its use or value is diminished by  
10 the Application. The City corporate boundaries and extraterritorial jurisdiction  
11 ("ETJ") of Cibolo and the proposed land uses under the Cibolo Updated Master Plan  
12 have changed since 2006, which would mean the GVSUD plan would need to change  
13 as well.

14 **Q. IS THERE ANY SPECIFIC PART OF GVSUD'S WASTEWATER MASTER**  
15 **PLAN THAT YOU BELIEVE SPECIFICALLY ADDRESSES TO THE AREA**  
16 **TO BE DECERTIFIED?**

17 A. No. The master plan does not address specific areas. Rather the plan looks at the  
18 entire CCN area as a whole.

19 **Q. ARE THE CALCULATIONS RELATED TO DRAINAGE BASINS**  
20 **INCLUDED IN THE WASTEWATER MASTER PLAN AS ATTACHMENT 2,**  
21 **BEGINNING AT GVSUD 1, GVSUD BATES PAGE NO. 100078, RENDERED**  
22 **USELESS OR VALUELESS BY DECERTIFICATION OF THE AREA**  
23 **REQUESTED BY THE CITY.**

1 A. No, not in my opinion. The 2006 Wastewater Master Plan was prepared assuming  
2 land densities of 1 EDU per acre and 3 EDU's per acre. If you refer to GVSUD 1,  
3 GVSUD Bates Page No. 100088, the densities were applied to the acreage for each  
4 drainage basin A through E and estimated wastewater flows were calculated using the  
5 two densities. This is a very high level method of general planning, in this case for  
6 wastewater flow calculations to be used in estimated construction costs to provide  
7 wastewater service to the entire CCN area. Land use does not appear to have been  
8 considered through the process, only assumed densities. The CCN area was broken  
9 into geographical drainage basins, acreages calculated and then assumed densities  
10 applied. In my opinion, the decertification of the areas sought by the City will have  
11 no impact on the GVSUD's 2006 Wastewater Master Plan's value or usefulness. As I  
12 have stated before, the 2006 Plan is already 10 years outdated and should be updated  
13 to reflect the current land uses as well as the planned land uses as determined by the  
14 municipalities within their planning area.

15 **Q. DO YOU BELIEVE GVSUD'S 2006 WASTEWATER MASTER PLAN WILL**  
16 **BE MORE OR LESS USEFUL OR VALUABLE TO GVSUD AS A RESULT**  
17 **OF THE REQUESTED AREA BEING DECERTIFIED?**

18 A. No, decertification of the area will not have any effect on its usefulness or value. As it  
19 stands, GVSUD's Wastewater Master Plan is outdated and in need of an update, so as  
20 drafted, it has already outlived its usefulness. In addition, if GVSUD wanted to  
21 provide wastewater service to its entire CCN area, it would have needed to have some  
22 type of high-level planning. The decertification cannot be expected to have any real  
23 impact on such a high level planning document.

1 C. 2014 Water Master Plan is not Rendered Useless or Valueless

2 Q. I AM SHOWING YOU THE ATTACHMENT TO GVSUD'S APPRAISAL  
3 LABELED AS GVSUD-1, GVSUD BATES NOS. 100140-100253, AND  
4 ENTITLED "2014 GREEN VALLEY SUD WATER MASTER PLAN." AS AN  
5 ENGINEER WITH EXPERIENCE IN WASTEWATER PLANNING, WOULD  
6 YOU CONSIDER THIS A PLANNING DOCUMENT?

7 A. Yes.

8 Q. IN YOUR OPINION, DOES GVSUD'S WATER MASTER PLAN ADDRESS  
9 ANY WASTEWATER PLANNING?

10 A. No, I could not find any reference to wastewater planning.

11 Q. WOULD ANY PART OF THE WATER MASTER PLAN BE USEFUL OR  
12 VALUABLE FOR WASTEWATER PLANNING?

13 A. No. While this plan includes GVSUD's historical connection rate for water over the  
14 past 10 years, for it to be useful to me for wastewater planning, I would need to know  
15 more about the specific locations of the connections to see where growth has  
16 occurred. Plus, the Water Master Plan contains population projections, but they are  
17 for the overall counties, and are not specific enough to their service area to be very  
18 useful for planning for wastewater service, in my opinion.

19 Q. DO YOU BELIEVE GVSUD'S WATER MASTER PLAN WOULD BE  
20 RENDERED USELESS OR VALUELESS BY DECERTIFICATION OF THE  
21 AREAS REQUESTED BY THE CITY?

22 A. No.

23 Q. WHY NOT?

1 A. It would still be fully useful and valuable to GVSUD for planning water service,  
2 which appears to be its original purpose, based on its title as a "Water Master Plan"  
3 and the language in the Introduction and Background Section on Bates Page GVSUD  
4 100142. As a wastewater engineer, I would not find this document useful for  
5 wastewater planning. It is unreliable for wastewater planning because there is no  
6 certainty that water customers will request and pay for centralized wastewater service.

7 **Q. IS THERE ANY SPECIFIC PART OF GVSUD'S WATER MASTER PLAN**  
8 **THAT YOU BELIEVE SPECIFICALLY ADDRESSES THE AREA TO BE**  
9 **DECERTIFIED WITH RESPECT TO WASTEWATER?**

10 A. No.

11 **Q. WOULD ANY OF THE INFORMATION IN GVSUD'S WATER MASTER**  
12 **PLAN REGARDING PRESSURE PLANES BE USEFUL FOR**  
13 **WASTEWATER PLANNING?**

14 A. No, pressure planes only relate to water pressure. They would not be relevant to  
15 wastewater planning. For wastewater planning, you are more concerned with gravity  
16 flows and where you might need to locate lift stations to convey the raw wastewater  
17 to the treatment facility.

18 **Q. DO YOU BELIEVE GVSUD'S WATER MASTER PLAN WILL BE MORE**  
19 **OR LESS USEFUL OR VALUABLE TO GVSUD AS A RESULT OF THE**  
20 **REQUESTED AREA BEING DECERTIFIED?**

21 A. No, decertification of the area will not have any effect on its usefulness or value to  
22 Green Valley SUD. It would still be useful as a water service planning tool. Nothing  
23 in the Water Master Plan appears to have any real use for wastewater planning.

1       **D.     Land Use Map is not Rendered Useless or Valueless**

2       **Q.     I AM SHOWING YOU THE ATTACHMENT TO GVSUD'S APPRAISAL AT**  
3       **GVSUD-1, GVSUD BATES PAGE NO. 100255, LABELED AS "EXHIBIT 1 -**  
4       **LAND USE MAP" AND DATED AUGUST 31, 2015. AS AN ENGINEER**  
5       **WITH EXPERIENCE IN WASTEWATER PLANNING, WOULD YOU**  
6       **CONSIDER THIS A PLANNING DOCUMENT?**

7       **A.     Yes.**

8       **Q.     IN YOUR EXPERIENCE, WHAT IS THE PURPOSE OF A LAND USE MAP?**

9       **A.     The purpose of a land use map is to make assumptions regarding the use of land to**  
10       **determine future service needs for the particular entity, such as water, sewer, and**  
11       **drainage. As a City, we would also use it as a tool for transportation planning and**  
12       **determining proper zoning. It is a visual tool or guide for future planning. A land use**  
13       **map is typically a visual representation of at least part of a master plan.**

14       **Q.     DO YOU BELIEVE THIS LAND USE MAP WOULD BE RENDERED**  
15       **USELESS OR VALUELESS BY DECERTIFICATION OF THE AREAS**  
16       **REQUESTED BY THE CITY?**

17       **A.     No.**

18       **Q.     WHY NOT?**

19       **A.     Much like a wastewater master plan, a land use map is a living document that requires**  
20       **periodic updating as land use assumptions change. Because large portions of**  
21       **GVSUD's CCN service are within the ETJs of a few different cities, GVSUD's land**  
22       **use map would need to reflect the land use planning maps for any of the cities whose**  
23       **ETJs GVSUD plans to serve. This means that anytime any of those cities updates its**



1 land use maps and plans. GVSUD would need to update its own map. The City of  
2 Cibolo, for example, typically updates its maps and plans at least every five years,  
3 and can amend those plans more frequently, as needed. For example, if a developer  
4 comes in and wants to develop in the City's ETJ, we might amend the plans to reflect  
5 the plans for that new development. In fact, I recently participated in the update of the  
6 City's Future Land Use Map as part of my duties as Director of Planning and  
7 Engineering for the City. The update of the Future Land Use Map was completed in  
8 conjunction with the City's update of its Master Plan. In my experience, the fact that  
9 the City updated its Future Land Use Map would mean that GVSUD should also  
10 update its land use map based on the City's changes because parts of GVSUD's water  
11 and sewer CCN areas lie within the ETJ of the City.

12 **Q. DO YOU BELIEVE GVSUD'S LAND USE MAP WILL BE MORE OR LESS**  
13 **USEFUL OR VALUABLE TO GVSUD AS A RESULT OF THE REQUESTED**  
14 **AREA BEING DECERTIFIED?**

15 A. No, because GVSUD will need to update the land use map regardless of whether the  
16 area is decertified or not. Further, the number of connections you might expect based  
17 on the land use assumptions is not an exact science. You assume a certain number of  
18 connections based on the land use, but in the end, you cannot know what the exact  
19 use or number of connections there are until the land is developed or more  
20 information about specific developments is known. At this stage, you have  
21 assumptions based on assumptions. They may be educated assumptions, but they are  
22 still assumptions and can change based on new information.

1 E. GVSUD's TPDES Application and Draft Permit are not Rendered  
2 Useless or Valueless

3 Q. I AM SHOWING YOU THE ATTACHMENT TO GVSUD'S APPRAISAL  
4 LABELED AS GVSUD-1, GVSUD BATES NOS. 100256-100342, AND  
5 ENTITLED "NOTICE OF APPLICATION AND PRELIMINARY DECISION"  
6 FOR TPDES PERMIT FOR MUNICIPAL WASTEWATER NEW." AS AN  
7 ENGINEER WITH EXPERIENCE IN WASTEWATER PLANNING, WOULD  
8 YOU CONSIDER THIS A PLANNING DOCUMENT?

9 A. No.

10 Q. WHY NOT?

11 A. The application and preliminary decision for a TPDES permit for municipal  
12 wastewater or "Draft Permit" is a product of planning, but not a planning document  
13 itself that is directed towards planning to serve an area. A Draft Permit may  
14 ultimately be obtained as a result of planning, and may reflect the desires of the  
15 applicant, but it is not used for planning. If issued, the permit itself, though also not a  
16 planning document, would be the tool that you use to implement your planning goals.  
17 The Draft Permit is a necessary step in reaching that goal.

18 Q. IN YOUR OPINION, DOES A DRAFT PERMIT HAVE ANY USE OR  
19 VALUE?

20 A. No, it would not have any real value or usefulness unless and until the TCEQ  
21 Commissioner's issue the Draft Permit and it becomes final and non-appealable.  
22 Before it is approved, it is subject to change or denial, and therefore, would not be  
23 something you could rely on for any purpose.

1    **Q.    DO YOU BELIEVE THE DRAFT TPDES PERMIT WOULD BE RENDERED**  
2           **USELESS OR VALUELESS BY DECERTIFICATION OF THE AREAS**  
3           **REQUESTED BY THE CITY?**

4    A.    No. It is a draft permit issued by the Executive Director of the TCEQ; at this point, it  
5           is just a draft. If issued, it would authorize GVSUD to discharge wastewater into the  
6           waters of the state, but it has not been approve or issued to date.

7    **Q.    IS THERE ANY OTHER REASONS YOU FEEL THE DRAFT PERMIT IS**  
8           **NOT RENDERED USELESS OR VALUELESS BY THE DECERTIFICATION**  
9           **REQUESTED BY THE CITY?**

10   A.    Yes. First, in my opinion, the Draft Permit should not be issued because CCMA is the  
11          TCEQ-designated regional provider for the area to be decertified. Second, even if  
12          TCEQ makes a decision contrary to my understanding of 30 TAC §§351.62 and  
13          351.65, the draft permit would be a necessary step for GVSUD to achieve its goal of  
14          providing wastewater treatment service, regardless of whether it serves the area to be  
15          decertified or not. Third, GVSUD's TPDES Permit Application beginning at GVSUD  
16          1, GVSUD Bates Page No. 100382, contemplates phased construction of the  
17          proposed wastewater treatment facility. This would allow GVSUD to reevaluate  
18          whether it needs the additional capacity before constructing the additional phases. In  
19          my experience, a plant of this size should be phased because, as I discussed earlier,  
20          your assumptions about growth may not hold true, either in terms of actual  
21          development or the pace of development. Nothing I can see in the Draft Permit, if  
22          issued, would bind GVSUD to any particular construction schedule. As shown on the  
23          same page of the Permit Application, the construction start dates for each phase are  
24          estimated. Even at the time the Permit Application was submitted, the final phase was

1 not even anticipated to be constructed until 2044. Between now and 2044, it seems  
2 likely that GVSUD's assumptions and plans will change. Last, GVSUD makes no  
3 allegation and provides no explanation as to whether removing the decertified land  
4 means there will be unused capacity at the plant.

5 **Q. IS THERE ANY PART OF THE DRAFT TPDES PERMIT THAT YOU**  
6 **BELIEVE SPECIFICALLY ADDRESSES THE AREA TO BE**  
7 **DECERTIFIED?**

8 A. No, the Draft Permit as currently written does not address the area to be served under  
9 the permit if it were to be issued. It generally discusses effluent quantity, quality, and  
10 point of discharge.

11 **Q. DO YOU BELIEVE GVSUD'S DRAFT PERMIT WILL BE MORE OR LESS**  
12 **USEFUL OR VALUABLE TO GVSUD AS A RESULT OF THE REQUESTED**  
13 **AREA BEING DECERTIFIED?**

14 A. No, decertification of the area will not have any impact on the Draft Permit for the  
15 reasons I discussed above.

16 **F. GVSUD's TPDES Permit Application is not Rendered Useless or**  
17 **Valueless**

18 **Q. I AM SHOWING YOU THE ATTACHMENT TO GVSUD'S APPRAISAL**  
19 **LABELED AS GVSUD-1, GVSUD BATES NOS. 100332-100418. DO YOU**  
20 **RECOGNIZE THIS DOCUMENT?**

21 A. It appears to be GVSUD's TPDES Permit Application, though based on my review of  
22 the Application from the TCEQ, it does not appear to be the complete TPDES Permit  
23 Application.

1    **Q.     AS AN ENGINEER WITH EXPERIENCE IN WASTEWATER PLANNING,**  
2       **WOULD YOU CONSIDER THIS TO BE A PLANNING DOCUMENT?**

3    A.    No, much like I discussed with the draft permit, it is a necessary step in obtaining a  
4       permit and may ultimately result from planning. but it is not the planning itself.

5    **Q.     DO YOU BELIEVE GVSUD'S TPDES PERMIT APPLICATION OR ANY OF**  
6       **THE PLANNING USED TO COMPLETE THE APPLICATION WOULD BE**  
7       **RENDERED USELESS OR VALUELESS BY DECERTIFICATION OF THE**  
8       **AREAS REQUESTED BY THE CITY?**

9    A.    No.

10   **Q.     WHY NOT?**

11   A.    For much the same reasons I discussed with regard to the draft permit or the Land.  
12       First, in my opinion, it should not be issued because CCMA is the regional provider.  
13       Second, even if TCEQ makes a decision contrary to 30 TAC §§351.62 and 351.65,  
14       the TPDES application would be a necessary step for GVSUD to achieve its goal of  
15       providing wastewater treatment service. regardless of whether it serves the area to be  
16       decertified or not. Last, GVSUD makes no allegation and provides no explanation as  
17       to whether removing the decertified land means there will be unused capacity at the  
18       plant that would affect its TPDES Permit Application.

19   **Q.     IS THERE ANY PART OF GVSUD'S TPDES PERMIT APPLICATION THAT**  
20       **YOU BELIEVE SPECIFICALLY ADDRESSES THE AREA TO BE**  
21       **DECERTIFIED?**

22   A.    No. GVSUD does not go into detail of how or when it plans to serve any particular  
23       area of GVSUD's CCN area. The details about a particular area would be more likely

1 to be in the more detailed construction plans that would not be created until after a  
2 permit is issued. The fact remains that, if GVSUD plans on serving its CCN area by  
3 constructing a wastewater treatment facility, the TPDES Permit Application would be  
4 needed and fully utilized regardless of whether GVSUD serves the area to be  
5 decertified or not.

6 Q. DO YOU BELIEVE GVSUD'S TPDES PERMIT APPLICATION WILL BE  
7 MORE OR LESS USEFUL OR VALUABLE TO GVSUD AS A RESULT OF  
8 THE REQUESTED AREA BEING DECERTIFIED?

9 A. No, as I explained above, decertification will not have any effect on its usefulness or  
10 value.

11 G. Other Documents Included with GVSUD Appraisal Are Not Planning  
12 Documents

13 Q. I AM SHOWING YOU THE ATTACHMENT TO GVSUD'S APPRAISAL  
14 LABELED AS GVSUD-1, GVSUD BATES NOS. 100419-100431. WHAT IS  
15 THIS DOCUMENT?

16 A. It appears to be a letter from the United States Department of Agriculture regarding a  
17 loan application.

18 Q. AS AN ENGINEER WITH EXPERIENCE IN WASTEWATER PLANNING,  
19 WOULD YOU CONSIDER THIS A PLANNING DOCUMENT?

20 A. No, it just appears to be a letter setting conditions for a loan to be approved.

21 Q. IS THERE ANY SPECIFIC PART OF THE LETTER THAT INDICATES  
22 THAT IT RELATES TO WASTEWATER INFRASTRUCTURE?

1 A. No, it appears to be specific to water infrastructure. In fact, based on the date stamp  
2 on the letter at GVSUD-1, GVSUD Bates No. 100419, and the date of issuance  
3 shown on GVSUD's sewer CCN shown at GVSUD-3, GVSUD Bates No. 100570,  
4 the letter appears to predate the issuance of their sewer CCN by nearly three years.

5 Q. I AM SHOWING YOU THE ATTACHMENTS TO GVSUD'S APPRAISAL  
6 LABELED AS GVSUD-1, GVSUD BATES NOS. 10459-100461. WHAT IS  
7 INCLUDED IN THIS SECTION?

8 A. It appears to be a list of paid invoices for wastewater planning. However, the invoices  
9 themselves are not included, so I can only assume they are correctly described.

10 Q. AS AN ENGINEER WITH EXPERIENCE IN WASTEWATER PLANNING,  
11 WOULD YOU CONSIDER ANY OF THESE ITEMS PLANNING  
12 DOCUMENTS OR TOOLS?

13 A. No. I would consider them reflective of payments made for professional services  
14 related to planning but not the planning itself. And assuming they are all legitimate  
15 expenses for wastewater planning, given the nature of the documents I have  
16 discussed, in my experience, they would have been incurred regardless of whether  
17 any particular area ends up being served or not.

18 H. IH 10 Industrial Park Water Feasibility Study and Woods of St. Claire  
19 Subdivision Water Service Feasibility Study are Not Rendered Useless or  
20 Valueless

21 Q. I AM SHOWING YOU THE ATTACHMENTS TO GVSUD'S APPRAISAL  
22 LABELED AS GVSUD-1, GVSUD BATES NOS. 100462-100486, WITH THE  
23 TITLES "IH 10 INDUSTRIAL PARK WATER FEASIBILITY STUDY" AND  
24 "WOODS OF ST. CLAIR SUBDIVISION WATER SERVICE FEASIBILITY

1        **STUDY.” AS AN ENGINEER WITH EXPERIENCE IN WASTEWATER**  
2        **PLANNING, WOULD YOU CONSIDER THESE STUDIES PLANNING**  
3        **DOCUMENTS?**

4        A.     Yes, but I would only consider these planning documents for those two specific sites.

5        **Q.     PLEASE EXPLAIN THE PURPOSE OF A WATER FEASIBILITY STUDY,**  
6        **BASED ON YOUR EXPERIENCE AS AN ENGINEER WITH EXPERIENCE**  
7        **IN WASTEWATER PLANNING AND SERVICE.**

8        A.     These types of feasibility studies result from specific requests for water service and  
9        help the service provider and requestor determine if service can be made available.  
10       and if so, what the cost would likely be for the water service extension.

11       **Q.     IN YOUR EXPERIENCE, WHO ULTIMATELY PAYS FOR FEASIBILITY**  
12       **STUDIES?**

13       A.     In my experience, the person or entity requesting service pays for or reimburses the  
14       potential service provider for the study.

15       **Q.     IN YOUR OPINION, DO EITHER OF THESE STUDIES ADDRESS**  
16       **WASTEWATER PLANNING?**

17       A.     The IH 10 Industrial Park study discusses wastewater service to the specific  
18       development, but I did not see anything related to wastewater service in the Woods of  
19       St. Claire study.

20       **Q.     WOULD ANY PART OF THESE STUDIES BE USEFUL OR VALUABLE**  
21       **FOR OVERALL WASTEWATER PLANNING?**

22       A.     To the extent they even address wastewater service, the studies would only be useful  
23       if those specific developments were developed.



1    **Q.    DO YOU BELIEVE EITHER OF THESE STUDIES WOULD BE RENDERED**  
2           **USELESS OR VALUELESS BY DECERTIFICATION OF THE AREAS**  
3           **REQUESTED BY THE CITY?**

4    A.    No.

5    **Q.    WHY NOT?**

6    A.    First and foremost, I am knowledgeable about the location of these two developments  
7           based on my job requirements, and neither of the sites in the studies lies within the  
8           area requested by the City for decertification. As a result, decertification of the areas  
9           requested by the City can have no impact on the usefulness of value of these studies.  
10          In any event, to the extent that these developments still wanted service from GVSUD,  
11          they would still be fully useful and valuable to GVSUD for planning water service,  
12          which appears to be its original purpose, as evidenced by their titles.

13   **Q.    ARE EITHER OF THESE SITES CLOSE TO THE AREA TO BE**  
14          **CERTIFIED?**

15   A.    The site for the Woods of St. Claire study is not close to the area. It lies within the  
16          ETJ of the City of Marion. The IH 10 Industrial park site is adjacent to part of the  
17          area to be decertified.

18   **Q.    WOULD CCN DECERTIFICATION CAUSE GVSUD TO HAVE TO**  
19          **REROUTE ANY SEWER LINES TO THE EXTENT ANY ARE PLANNED?**

20   A.    No, not in my opinion. I have not seen any plans for the routing of any sewer lines to  
21          serve the IH 10 Industrial Park and cannot see any reason the decertification would  
22          affect the location of sewer lines in the area.

1 Q. IS THERE ANY PART OF EITHER OF THESE STUDIES THAT YOU  
2 BELIEVE SPECIFICALLY ADDRESSES TO THE AREA TO BE  
3 DECERTIFIED?

4 A. No. As I explained, these areas are not even located in the area to be decertified.

5 Q. DO YOU BELIEVE THESE WATER FEASIBILITY STUDIES WILL BE  
6 MORE OR LESS USEFUL OR VALUABLE TO GVSUD AS A RESULT OF  
7 THE REQUESTED AREA BEING DECERTIFIED?

8 A. No, decertification will not have any effect on their usefulness or value for the  
9 reasons I noted above.

10 Q. IN REVIEWING GVSUD'S APPRAISAL, DID YOU IDENTIFY ANY OTHER  
11 DOCUMENTS OR TOOLS THAT YOU WOULD CONSIDER TO BE  
12 PLANNING DOCUMENTS OR PROPERTY. BASED ON YOUR  
13 EXPERIENCE AS AN ENGINEER?

14 A. No. I did not.

15 III. GVSUD'S APPRAISAL IS NOT LIMITED TO PROPERTY RENDERED  
16 USELESS OR VALUELESS

17 Q. IN YOUR REVIEW OF MR. KORMAN'S TESTIMONY, DID YOU FORM  
18 ANY OTHER OPINIONS REGARDING WHETHER GVSUD'S APPRAISAL  
19 IN LIMITED TO PROPERTY RENDERED USELESS OR VALUELESS BY  
20 DECERTIFICATION, KNOWN AS ISSUE 11 IN THIS MATTER?

21 A. Yes.

22 Q. WHAT IS YOUR OPINION?

1 A. Mr. Korman's testimony and exhibits confirmed my former opinion that GVSUD's  
2 Appraisal is not limited to property rendered useless or valueless by decertification.

3 **Q. WHAT CONFIRMED YOUR OPINION?**

4 A. As I testified above, neither the Land nor the identified "planning" documents or tools  
5 are rendered useless or valueless by the decertification. Mr. Korman places values on  
6 several of these items and continues to stand by his appraisal without showing how  
7 any of these items is rendered useless or valueless, either in whole or in part. Further,  
8 no other GVSUD witness has described how any of the so-called "property"  
9 identified will be rendered useless or valueless.

10 **Q. HAVE YOU REVIEWED THE DIRECT TESTIMONY OF STEPHEN H.**  
11 **BLACKHURST INCLUDING THE EXHIBITS SPONSORED BY MR.**  
12 **BLACKHURST?**

13 A. Yes.

14 **Q. DO YOU HAVE ANY OPINIONS REGARDING MR. BLACKHURST'S**  
15 **TESTIMONY AND EXHIBITS.**

16 A. Yes. Mr. Blackhurst came to the same conclusion as Mr. Korman that GVSUD's  
17 appraisal was limited to property that would be rendered useless or valueless by  
18 decertification. I disagree completely. Further, I could find nothing in Mr.  
19 Blackhurst's testimony that explained how he came to that conclusion.

20 **IV. CONSTRUCTION OF A WWTP IS NOT NECESSARY TO PROVIDE**  
21 **RETAIL SEWER SERVICE**

22 **Q. IN YOUR REVIEW OF MR. MONTGOMERY'S TESTIMONY, DID YOU**  
23 **FORM ANY OTHER OPINION?**

1 A. Yes.

2 **Q. WHAT IS THAT OPINION?**

3 A. Mr. Montgomery implies that construction of a wastewater treatment plant is  
4 necessary to provide retail service or that it is "typical" for districts to consider a  
5 wastewater treatment facility as a first option. I refer specifically to page 12, lines 4-9  
6 of Mr. Montgomery's Direct Testimony filed in this docket, and the testimony that  
7 follows on the remainder of page 12 and through page 14. However, in my  
8 experience, looking at multiple alternatives to service an area would include  
9 identifying any regional wastewater providers or other existing wastewater treatment  
10 plants that are in close proximity that can be expanded. Building a new wastewater  
11 treatment plant is generally a solution of last resort.

12 **Q. CAN YOU EXPLAIN WHY YOU THINK THE PROCESS HE DESCRIBES IS**  
13 **NOT TYPICAL?**

14 A. In my experience, during the permit application process, applicants are required to  
15 consider alternatives to wastewater treatment. Alternatives to consider include  
16 identifying regional wastewater treatment providers or other existing wastewater  
17 treatment operators nearby that can be expanded. Not only does this save the rate  
18 payer money, it also reduces the number of discharge points into waters of the state.

19 **Q. WHY DO YOU BELIEVE THIS IS THE CASE?**

20 A. As stated above, I believe the general reasons would be to save the ratepayers money  
21 and to reduce the number of discharge points into state waters. In addition, in my  
22 experience, most entities do not want to be in the wastewater treatment business  
23 because of the costs of operating wastewater systems and potential liabilities

1 involved. GVSUD's Proposed Wastewater Treatment Plant Would Discharge into the  
2 Cibolo Creek Watershed

3 **Q. DO YOU HAVE ANY OTHER OPINION REGARDING MR.**  
4 **MONTGOMERY'S TESTIMONY?**

5 A. Yes.

6 **Q. WHAT IS THAT OPINION?**

7 A. I believe the statements that he quotes from the Executive Director's Response to  
8 Public Comment regarding GVSUD's TPDES permit application on pages 19 and 20  
9 of his testimony are misleading.

10 **Q. IN WHAT WAY ARE THEY MISLEADING?**

11 A. In his testimony starting at page 19, line 20 through line 5 of page 20, he states that  
12 the Executive Director provided in its Response to Public Comment that "Green  
13 Valley intends to discharge into Santa Clara Creek, not Mid Cibolo Creek" and that  
14 "discharging into Santa Clara Creek will protect the regional area by keeping Green  
15 Valley SUD's effluent from entering Mid Cibolo Creek and, thereby, the regional  
16 area." However, in my opinion, based on my knowledge of the CCMA regional  
17 system, of which Cibolo is a part, the regional area that is relevant to GVSUD's  
18 TPDES permit is the CCMA regional area. As I explained in my direct testimony, the  
19 CCMA regional area is "that portion of the Cibolo Creek *Watershed* lying in the  
20 vicinity of the cities of Cibolo, Schertz, Universal City, Selma, Bracken, and  
21 Randolph Air Force Base," which is defined in both 30 TAC §§351.61 and 351.62.  
22 Based on this language, it is clear that the watershed is the critical consideration, not  
23 the particular creek. Again, as I testified before, the discharge and the area to be

1       decertified are in CCMA's regional area, as evidenced by the map I provided in  
2       Cibolo Exhibit F.

3       **Q.     AS A PROFESSIONAL ENGINEER WITH SIGNIFICANT WATER AND**  
4       **WASTEWATER UTILITY EXPERIENCE, CAN YOU EXPLAIN WHAT A**  
5       **WATERSHED IS?**

6       A.     Yes, a general description of a watershed is the area of land that catches rain and  
7       drains the runoff into a creek, river, lake or ocean. Watersheds can be large or  
8       small—as small as a local stream that drains into a lake, or as big as a major river that  
9       drains into a bay and ultimately the ocean. Each watershed can be part of a larger  
10      watershed.

11      **Q.     IS IT POSSIBLE TO HAVE SUBWATERSHEDS?**

12      A.     Yes, you may have areas that first drain to a smaller waterbody that eventually leads  
13      to another waterbody, so any area that drains into the smaller water body will be a  
14      subwatershed of the larger waterbody.

15      **Q.     DOES CIBOLO CREEK WATERSHED HAVE ANY SUBWATERSHEDS?**

16      A.     Yes, Cibolo Creek Watershed is a watershed with subwatersheds. The Santa Clara  
17      Creek Watershed, the area GVSUD would like to serve, is a subwatershed of the  
18      Cibolo Creek Watershed, specifically the Upper Cibolo Creek Watershed.

19      **Q.     HOW DID YOU REACH THIS CONCLUSION?**

20      A.     Based on my knowledge of the geography of the area, I know that Santa Clara Creek  
21      flows into the Cibolo Creek, which makes the Santa Clara Creek part of the Cibolo Creek  
22      Watershed. This is consistent with my research on the Texas Parks and Wildlife Watershed

1 Viewer and Exhibit F referred to in my direct testimony, which shows this area to be part of  
2 the Upper Cibolo Creek

3 **Q. DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?**

4 A. Yes.

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PUC DOCKET NO. 45702

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APPLICATION OF THE CITY OF  
CIBOLO FOR SINGLE CERTIFICATION  
IN INCORPORATED AREA AND TO  
DECERTIFY PORTIONS OF GREEN  
VALLEY SPECIAL UTILITY  
DISTRICT'S SEWER CERTIFICATE OF  
CONVENIENCE AND NECESSITY IN  
GUADALUPE COUNTY

§ BEFORE THE PUBLIC UTILITY  
§ PUBLIC UTILITY COMMISSION  
§ FILING CLERK  
§ COMMISSION OF TEXAS  
§  
§  
§  
§  
§  
§


**GREEN VALLEY SUD'S RESPONSE TO CIBOLO'S  
SECOND REQUESTS FOR ADMISSION**

To: City of Cibolo, Texas, by and through its attorneys of record, David Klein and Christie Dickenson, Lloyd Gosselink, 816 Congress Ave., Suite 1900, Austin, Texas 78701.

Green-Valley Special Utility District ("Green Valley SUD") provides its response to City of Cibolo's Second Requests for Admission to Green Valley SUD.

Respectfully submitted,

By:



Paul M. Terrill III  
State Bar No. 00785094  
Geoffrey P. Kirshbaum  
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**ATTORNEYS FOR GREEN VALLEY SPECIAL UTILITY  
DISTRICT**



**CERTIFICATE OF SERVICE**

I hereby CERTIFY that on October 10, 2016, a true and complete copy of the above was sent by the method indicated to counsel of record at the following addresses in accordance with P.U.C. PROC. R. 22.74:

David Klein  
Christie Dickenson  
Lloyd Gosselink  
816 Congress Ave., Suite 1900  
Austin, Texas 78701


*via fax to: (512) 472-0532*

**ATTORNEY FOR APPLICANT**

Landon Lill  
Public Utility Commission of Texas  
1701 N Congress PO Box 13326  
Austin, Texas 78711-3326

*via fax to: (512) 936-7268*

**ATTORNEY FOR COMMISSION STAFF**

  
Geoffrey P. Kirshbaum

**RESPONSE TO REQUESTS FOR ADMISSION**

**Cibolo RFA 2-1** Admit that GVSUD's 2014 Water Master Plan is the most recent comprehensive planning and/or engineering document for GVSUD's water system.

**RESPONSE:** Admit

**Cibolo RFA 2-2** Admit that GVSUD's 2006 Wastewater Master Plan is the most recent comprehensive planning and/or engineering document for GVSUD's wastewater system.

**RESPONSE:** Deny

**Cibolo RFA 2-3** Admit that GVSUD does not possess a Texas Pollutant Discharge Elimination System ("TPDES") permit that has been approved by the Texas Commission on Environmental Quality.

**RESPONSE:** Admit

**Cibolo RFA 2-4** Admit that GVSUD has not submitted designs to the Texas Commission on Environmental Quality for a wastewater treatment facility.

**RESPONSE:** Admit

**Cibolo RFA 2-5** Admit that GVSUD has not submitted designs to the Texas Commission on Environmental Quality for a wastewater collection system.

**RESPONSE:** Admit

**Cibolo RFA 2-6** Admit that GVSUD has not submitted designs to the Texas Commission on Environmental Quality for a wastewater collection system that could be installed to serve the area colored in light blue in Attachment A to the City's Application, which is attached hereto as Attachment I.

**RESPONSE:** Admit

**Cibolo RFA 2-7:** Admit that GVSUD does not have final approval from the Texas Commission on Environmental Quality of its designs for a wastewater treatment facility.

**RESPONSE:** Admit

**Cibolo RFA 2-8** Admit that GVSUD does not have final approval from the Texas Commission on Environmental Quality of its designs for a wastewater collection system.

**RESPONSE:** Admit

**Cibolo RFA 2-9** Admit that GVSUD does not have final approval from the Texas Commission on Environmental Quality of its designs for a wastewater collection system that could be installed to serve the area colored in light blue in Attachment A to the City's Application, which is attached hereto as Attachment 1.

**RESPONSE:** Admit

**Cibolo RFA 2-10** Admit that all or a portion of the 65 acres of land purchased by GVSUD outside of the area designated for single sewer CCN certification in the Application will be rendered useless and valueless upon decertification.

**RESPONSE:** Deny

**Cibolo RFA 2-11** Admit that in the event of decertification, GVSUD intends to amend its pending TPDES permit application to address the decreased service area.

**RESPONSE:** Cannot admit or deny. GVSUD will make a determination on this issue if decertification occurs before GVSUD receives the TPDES Permit.

**Cibolo RFA 2-12** Admit that GVSUD's TPDES Permit Application, styled as Application for TPDES Permit No. WQ0015360001, pending at the TCEQ, includes the area colored in light blue in Attachment A to the City's Application, which is attached hereto as Attachment 1 in the service area of that application.

**RESPONSE:** Admit

**Cibolo RFA 2-13** Admit that GVSUD intends to treat raw wastewater generated within the area colored in light blue in Attachment A to the City's Application, which is attached hereto as Attachment 1, with wastewater treatment plant that is contemplated in the GVSUD application pending at the TCEQ, styled as Application for TPDES Permit No. WQ0015360001.

**RESPONSE:** Admit

**Cibolo RFA 2-14** Admit that a portion of the bond proceeds from GVSUD's Water System Revenue Bonds, Series 2003, have been used to design or construct wastewater infrastructure.

**RESPONSE:** Deny

**Cibolo RFA 2-15** Admit that none of the bond proceeds from GVSUD's Water System Revenue Bonds, Series 2003, have been used to design or construct any wastewater infrastructure.

**RESPONSE:** Admit

**Cibolo RFA 2-16** Admit that GVSUD anticipates growth in its wastewater service area beyond that portion to be decertified.

**RESPONSE:** Admit

**Cibolo RFA 2-17** Admit that GVSUD's capital costs for planning, designing, and constructing the proposed wastewater treatment facility will be impacted upon decertification.

**RESPONSE:** Deny

**Cibolo RFA 2-18** Admit that Cibolo Creek Municipal Authority is a political subdivision of the state of Texas.

**RESPONSE:** Admit

**Cibolo RFA 2-19** Admit that on September 20, 2016, GVSUD had no existing retail sewer customers within the boundaries of its sewer CCN No 20973.

**RESPONSE:** Admit

**Cibolo RFA 2-20** Admit that on March 8, 2016, GVSUD had no existing sewer infrastructure within the area colored in light blue in Attachment A to the City's Application, which is attached hereto as Attachment 1.

**RESPONSE:** Admit

**Cibolo RFA 2-21** Admit that on September 20, 2016, GVSUD had no existing sewer infrastructure within the area colored in light blue in Attachment A to the City's Application, which is attached hereto as Attachment 1.

**RESPONSE:** Admit

**Cibolo RFA 2-22** Admit that on September 20, 2016, GVSUD had no existing retail sewer customers within the area colored in light blue in Attachment A to the City's Application, which is attached hereto as Attachment 1.

**RESPONSE:** Admit

**Cibolo RFA 2-23** Admit that on September 20, 2016, GVSUD had no existing sewer infrastructure within the area colored in light blue in Attachment 1.

**RESPONSE:** Admit

**Cibolo RFA 2-24** Admit that on March 8, 2016, GVSUD had not entered into any agreements regarding the design or construction of sewer infrastructure within the area colored in light blue in Attachment A to the City's Application, which is attached hereto as Attachment 1.

**RESPONSE:** Deny

**Cibolo RFA 2-25** Admit that on September 20, 2016, GVSUD had not entered into any agreements regarding the design or construction of sewer infrastructure within the area colored in light blue in Attachment A to the City's Application, which is attached hereto as Attachment 1.

**RESPONSE:** Deny

**Cibolo RFA 2-26** Admit that between May 31, 2016 and September 20, 2016, GVSUD did not receive any requests for retail sewer service from landowners within the area colored in light blue in Attachment A to the City's Application, which is attached hereto as Attachment 1.

**RESPONSE:** Admit

**Cibolo RFA 2-27** Admit that on March 8, 2016, GVSUD had no contracts with landowners or residents within the area colored in light blue in Attachment A to the City's

Application, which is attached hereto, as Attachment 1, to provide retail sewer service to such landowners or residents within the area colored in light blue in Attachment A to the City's Application, which is attached hereto as Attachment 1.

**RESPONSE:** Admit

**Cibolo RFA 2-28** Admit that between September 20, 2011 and September 20, 2016, GVSUD has never received a request from the City to transfer any wastewater infrastructure to the City.

**RESPONSE:** Admit

**Cibolo RFA 2-29** Admit that between September 20, 2011 and September 20, 2016, GVSUD has never received a request from the City to transfer any personal property to the City.

**RESPONSE:** Admit

**Cibolo RFA 2-30** Admit that between September 20, 2011 and September 20, 2016, GVSUD has never received a request from the City to transfer any real property to the City.

**RESPONSE:** Admit

**Cibolo RFA 2-31** Admit that Cibolo Creek Municipal Authority treats raw wastewater.

**RESPONSE:** Admit

**Cibolo RFA 2-32** Admit that GVSUD's filed an appraisal report with the Public Utility Commission on June 28, 2016.

**RESPONSE:** Admit