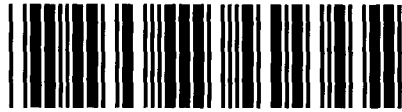




Control Number: 47280



Item Number: 1

Addendum StartPage: 0



PURSUANT TO PUC CHAPTER 24, SUBSTANTIVE RULES APPLICABLE TO WATER AND SEWER SERVICE PROVIDERS, SUBCHAPTER G: CERTIFICATES OF CONVENIENCE AND NECESSITY

Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

Docket Number: **47280**

(this number will be assigned by the Public Utility Commission after your application is filed)

7 copies of the application, including the original, shall be filed with

Public Utility Commission of Texas

Attention: Filing Clerk

1701 N. Congress Avenue

P.O. Box 13326

Austin, Texas 78711-3326

If submitting digital map data, two copies of the portable electronic storage medium (such as CD or DVD) are required.

RECEIVED
2017 JUN 16 AM
PUBLIC UTILITY COM
FILING CLERK

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Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

Purpose of Application

<input type="checkbox"/> Obtain	<input type="checkbox"/> New Water CCN	<input type="checkbox"/> New Sewer CCN
<input checked="" type="checkbox"/> Amend	<input checked="" type="checkbox"/> Water CCN# (s)	10837
<input type="checkbox"/> Amend	<input type="checkbox"/> Sewer CCN#(s)	

1. Applicant Information

Applicant

Utility name: Gastonia Scurry Special Utilities District

Certificate number: 10837

Street address (City/ST/ZIP/Code): 8560 Page Lane Scurry, Texas 75158

Mailing address(City/ST/ZIP/Code): 8560 Page Lane Scurry, Texas 75158

Utility Phone Number and Fax: (903) 452-3388

Contact information

Please provide information about the person(s) 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: Charise Chamberlain	Title: General Manager
Mailing address: 8560 Page Lane Scurry, Texas 75158	
Email: Cchamberlain2008@hotmail.com	Phone and Fax: (903) 452-3388

List all counties in which service is proposed:

Kaufman

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

- ☐ Investor Owned Utility ☐ Individual ☐ Partnership
- ☐ Home or Property Owners Association ☐ For-profit Corporation
- ☐ Non-profit, member-owned, member-controlled cooperative corporation
(Water Code Chapter 67, Water Supply or Sewer Service Corporation)
- ☐ Municipality ☒ District ☐ Other - Please explain:

B. If the applicant is a For-Profit business or corporation, please include the following information:

- i. A copy of the corporation's "Certification of Account Status" from the Texas State Comptroller of Public Accounts.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State: _____
- iii. A listing of all stockholders and their respective percentages of ownership.
- iv. A copy of the company's organizational chart, if available.
- v. A list of all directors and disclose the title of each individual.
- vi. A list of all affiliated organizations (if any) and explain the affiliate's business relationship with the applicant.

C. If the applicant is a Texas Water Code (TWC) Chapter 67 water supply or sewer service corporation please provide:

- i. A copy of the Articles of Incorporation and By-Laws.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State.
- iii. Identification of all board members including name, address, title, and telephone number.
- iv. 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? Gastonia Scurry SUD

B. Demonstrate the Need for Service by providing the following:

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

☐ Yes ☒ No

If YES, provide the following:

- i. 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
- ii. 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
- iii. 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
- iv. Provide copies of any written application(s) or request(s) for service in the requested area; and/or
- v. Provide copies of any reports and/or market studies demonstrating existing or anticipated growth in the requested area.
- vi. 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?

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

Gastonia Scurry SUD is requesting that a portion of the CCN be decertified and 26 connections be allowed to be served by West Cedar Creek SUD. This area is on the end of the Gastonia Scurry SUD system and required significant flushing to maintain the water quality. West Cedar Creek SUD can maintain the water quality easier and with less flushing.

3. Map Requirements

Attach the following hard copy maps with each copy of the application:

- A. A 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 ArcView shape file or Arc/Info E00 file may result in the delay or inability to review applicant's mapping information.

For information on obtaining a CCN base map or questions about sending digital map data, please visit the Water Utilities section of the PUC website for assistance.

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 a. 1 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.
- B. Were your requests for service denied? ☐ Yes ☐ No

i. If yes, please provide documentation of the denial of service and go to 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:

D. Date of plat approval, if required: _____
 Approved by: _____

E. Date Plans & Specifications submitted to the TCEQ for approval: _____
 Attach copy of approval letter, if available. If the letter is not available by the time your CCN application is submitted, please supplement your application with a copy of the letter once you receive it from the TCEQ.

F. Date construction is scheduled to commence: _____

G. Date service is scheduled to commence: _____

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):

1	2	9	0	0	1	5														
8	4	6	9	0	0	0														

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

TCEQ Water System			TCEQ Sewer System		
Other:	0		Other:		
Total Water	3,042		Total Sewer		

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

Sewer service is provided by on-site septic systems with leach fields.

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

NA.

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,
- ii. any retail public utility of the same kind already serving the proximate area; and
- iii. any landowner(s) in the requested area.

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. ☐ Yes, Water

Purchased on a ☐ Regular ☐ Seasonal ☐ Emergency basis?

Water Source	% of Total Treatment
	0.00%

Water Source	% of Total Treatment
	0.00%
	0.00%

iii. ☐ Yes, Sewer treatment capacity

Purchased on a ☐ Regular ☐ Seasonal ☐ Emergency basis?

Sewer Source	% of Total Treatment
	0.00%
	0.00%
	0.00%

iv. 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 water and/or sewer systems and for applicants with existing CCNs who are constructing a new stand-alone water and/or sewer 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 retail 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 water and/or sewer 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 water and/or sewer 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. Do not mail or publish the notices 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 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 for use in preparing proposed notices. (Notice forms are 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 before providing the notice.
- F. Notice For Publication:
The applicant shall publish the notice in a newspaper with general circulation in the county(ies) where a CCN is being requested. The notice must be published 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.
 - 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.

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. Authorization occurs 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 Kaufman

I, Charise Chamberlain, being duly sworn, file this application as General Manager (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 Public Utility Commission of Texas.

I further represent that the application form has not been changed, altered or amended from its original form.

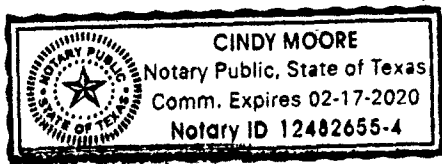
I further represent that the Applicant will provide continuous and adequate service to all customers and qualified applicants for service within its certificated service area.

Charise Chamberlain
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 22nd of May, 2017

SEAL



Cindy Moore
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

CINDY MOORE
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 2-17-2020

Notice for Publication

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO
PROVIDE WATER/SEWER UTILITY SERVICE IN

Kaufman, COUNTY(IES), TEXAS

Name of Applicant Gastonia Scurry SUD has filed an application for a
CCN to obtain or amend CCN No. (s) and to
decertify a portion(s) of with the

(Name of Decertified Utility)

Public Utility commission of Texas to provide

(specify 1) water or 2) sewer or 3) water & sewer)

utility service in

County
(ies):

The proposed utility service area is located approximately [redacted] miles [redacted] [direction] of downtown [redacted], [City or Town] Texas, and is generally bounded on the north by [redacted]; on the east by [redacted]; on the south by [redacted]; and on the west by [redacted].

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

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 file with the PUC at the following address:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

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 commission 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 "opt 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:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

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 1-888-782-8477

Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

_____ 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 obtain or amend CCN No. (s) _____ and to decertify a portion(s) of _____ with the
(Name of Decertified Utility)

Public Utility Commission of Texas to provide _____
(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 _____ current customers.

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.

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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 "opt 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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Si desea informacion en Espanol, puede llamar al 1-888-782-8477

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(IES), TEXAS

Dear Customer: [] Date Notice Mailed [] 20 []

Name of Applicant [] has filed an application for a CCN to obtain or amend CCN No. (s) [] and to decertify a portion(s) of [] with the (Name of Decertified Utility)

Public Utility commission of Texas to provide []

(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 (Utility Address and Phone Number): []

The current utility rates which were first effective on [October 1,] 20 [15]

Monthly Flat Rate of \$ [31.75] Per connection

-OR-

Monthly Base Rate Including per [1,000] gallons connection for:

5/8" meter [\$5.75]

1" meter [\$5.75]

1 1/2" meter [\$5.75]

2" meter [\$5.75]

Other\$ []

Gallage charge of \$ [1.50] Per 1,000 Gallons above minimum (same for all meters sizes)

Miscellaneous Fees

Regulatory Assessment

Tap Fee (Average Actual Cost)

Reconnecting fee:

- Non Payment (\$25.00 max)
- Transfer
- Customer's request

Late fee

Returned Check charge

Customer Deposit (\$50.00 max)

Meter test fee

(Actual Cost not Exceed \$25.00)

Other Fees

1%
\$ 3,300.00
\$ 100.00
\$
\$
\$
\$5.00 or 10%
\$ 25.00
\$ 100.00
\$ 25.00
\$

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:

Filing Clerk
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Austin, Texas 78711-3326

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 Commission 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 "opt 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:

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Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

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 1-888-782-8477

**Gastonia-Scurry Special Utility District
Board of Directors Meeting
Minutes of October 18, 2016**

Board of Directors Attending:, Carole Giddings, Bill Free, Michael Grucholski, Charles Byford.

Board of Directors Absent: Angel McKinnon, Rhonda Venable, Thomas Kintz

Employees Attending: Charise Chamberlain, Michelle Moore, Jonathan Davis

Attorney Present: None

Engineer Present: None

Visitors: None

1. **Meeting called to order at 6:55 p.m. by Bill Free**

2. **Open Discussion:** No Discussion.

3. **Approve the minutes of September 20, 2016 meeting.**

Motion was made to accept the minutes as written by Carole Giddings, 2nd Bill Free Vote: Unanimous.

4. **New Business:**

A. **Discuss and take possible action 2017 Budget:**

Charise reviewed the proposed budget with the Directors. There were a few questions regarding certain budget items. She expressed we will not have the final numbers until December for approval but she will present each month until then. The Directors felt the budget should be approved now and we can revise and re approve it at the future meetings.

Motion was made to approve 2017 Budget with revisions by Mike Grucholski 2nd by: Carole Giddings Vote: Unanimous.

5. **Old Business:**

A. **Discuss and update the Directors on CR 4077 & 2nd water source:**

Charise reviewed the 2nd water source status with the Directors. We are moving a little faster with the process and will hopefully have an agreement in place by December with Seagoville. We are currently waiting on Tony Ciardo GM from WCCMUD regarding CR 4077 once we receive the go ahead we will proceed with the release of that area to WCCMUD.

B. **Discuss and take possible action on Personnel issues:**
No Discussion

C. **Discuss and take possible action on Monthly reports:**
No Discussion

6. **Adjourn**
Meeting adjourned at 7:40 pm

Presiding Officer's Signature

Secretary/Treasurer Signature



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

July 10, 2015

Ms. Rhonda Venable, President
Gastonia Scurry Special Utility District
P O Box 68
Scurry, Texas 75158

Re: Comprehensive Compliance Investigation at:
Gastonia Scurry SUD, 8560 Page Ln., Scurry, Kaufman County, Texas
RN101436988, PWS ID No. 1290015, Investigation No. 1253239

Dear Ms. Venable:

On May 28, 2015, Mr. Imran Khawaja of the Texas Commission on Environmental Quality (TCEQ) Dallas Fort Worth (D/FW) Region Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for public water supply. No violations are being alleged as a result of the investigation.

The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions regarding these matters, please feel free to contact Mr. Khawaja in the D/FW Region Office at (817) 588-5806.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles Marshall".

Charles Marshall
Team Leader, Public Water Supply Program
D/FW Region Office

CM/ik

Section 1: Begin at the intersection of the existing CCN boundary and County Road 4077 continue north-east for approximately 1,365 feet, thence northwest approximately 3,537 feet, thence west approximately 2,946, thence south approximately 5,819 feet, thence northeast approximately 2,569 feet meeting the beginning point at the intersection of the existing CCN boundary and County Road 4077.

Section 2: Begin at the intersection of County Road 4077 and the existing CCN boundary continue east approximately 456 feet and west approximately 68 feet from the point of beginning.

Section 3: Begin at the intersection of County Road 4061 and FM 148, continue east following County Road 4061 (north side of road) for approximately 4,459 feet, from point of beginning also continue north-east following FM 148 (east side of road) for approximately 2,503 feet.

Section 4: The point of beginning being approximately 627 feet north of the intersection of County Road 4061 and FM 148, continue north-east following FM 148 (west side of road) for approximately 2,118 feet.

The applicant: By granting the desertification the applicant will avoid spending capital improvement funds, and decrease water losses due to significant flushing. There would be a minor decrease in monthly revenue by Gastonia Scurry SUD, but the loss in revenue is significantly less than the capital improvement and cost of the water losses.

Any retail public utility of the same kind already serving the proximate area: Gastonia Scurry SUD is proposing to decertify the area and release the existing connections in that area to West Cedar Creek MUD. If the desertification is granted then West Cedar Creek MUD would pick up the transferred connections therefore increasing their revenue. Gastonia Scurry SUD is planning on installing the lines for West Cedar Creek MUD to provide service to the transferred connections, so there is no capital improvement required by West Cedar Creek MUD. The additional revenue is not significant to West Cedar Creek MUD.

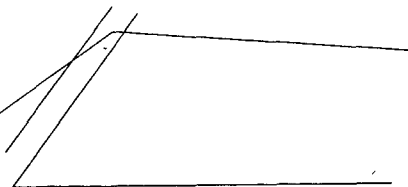
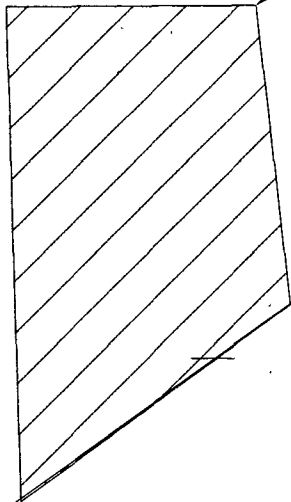
Any landowner(s) in the requested area: The land owners who will be transferred to West Cedar Creek MUD will have better water quality. The retail water rate from West Cedar Creek MUD is less than the rates from Gastonia Scurry SUD so the transferred customers will have lower monthly water bills:

Adopted July 21, 2015

NEW WATER RATE SHEET WILL TAKE EFFECT October 1st 2015

<u>GALLONS USED</u>	<u>PRICE PER 1000 GALLONS</u>
0 - 3,000	\$31.75 {min. charge}
3,001 - 7,000	\$5.75
7,001 - 10,000	\$7.25
10,001 - & UP	\$8.75

PROPOSED GASTONIA
DECERTIFICATION AREA



LEGEND

Proposed Decertification Area



0

2500

5000 FEET

