



Control Number: 49097



Item Number: 35

Addendum StartPage: 0

PUC DOCKET NO. 49097

APPLICATION OF CITY OF LORENA,	§	PUBLIC UTILITY COMMISSION
SPRING VALLEY WATER SUPPLY	§	
CORPORATION, AND CITY OF	§	
WACO FOR APPROVAL OF A	§	OF TEXAS
SERVICE AREA CONTRACT UNDER	§	
TEXAS WATER CODE § 13.248 AND	§	
TO AMEND THE CERTIFICATE OF	§	
CONVENIENCE AND NECESSITY IN	§	
MCLENNAN COUNTY		

**INTERVENORS MICHAEL AND DOUG DUTSCHMANN'S
RESPONSES TO JOINT APPLICANTS' FIRST REQUESTS FOR
ADMISSION AND FIRST REQUEST FOR INFORMATION**

Intervenors Michael and Doug Dutschmann ("Intervenors") hereby respond to The City of Lorena, Texas ("Lorena"), Spring Valley Water Supply Corporation ("Spring Valley WSC") and City of Waco, Texas ("Waco") (collectively, "Joint Applicants") First Joint Applicants' Request for Admission and First Joint Applicants' Request for Information to Intervenors.

Respectfully submitted,



Russell S. Johnson
State Bar No. 10790550
MCGINNIS LOCHRIDGE LLP
600 Congress Ave., Ste. 2100
Austin, Texas 78701
Phone: (512) 495-6030
Fax: (512) 505-6093
rjohnson@mcginnislaw.com

ATTORNEY FOR INTERVENORS
MICHAEL AND DOUG DUTSCHMANN

PUC DOCKET NO. 49097
CERTIFICATE OF SERVICE

I Russell Johnson, attorney for Protestants Michael and Doug Dutschmann, certify that a copy of this document will be served on all parties of record on January 22, 2020, in accordance with 16 TEX. ADMIN. CODE § 22.74.

A handwritten signature in black ink, appearing to read 'Russell S. Johnson', written over a horizontal line.

Russell S. Johnson

I. JOINT APPLICANTS' FIRST REQUESTS FOR ADMISSION

JA-RFA 1-1:

Admit/deny that You have requested water service for any portion of the Land from Waco prior to the Joint Applicants filing the Application?

RESPONSE:

Admit.

JA-RFA 1-2:

Admit/deny that You have requested water service for any portion of the Land from Lorena prior to the Joint Applicants filing the Application?

RESPONSE:

Admit.

JA-RFA 1-3:

Admit/deny that You have requested water service for any portion of the Land from Spring Valley WSC prior to the Joint Applicants filing the Application?

RESPONSE:

Admit.

JA-RFA 1-4:

Admit/deny that You have requested water service for any portion of the Land from Waco after the Joint Applicants filed the Application?

RESPONSE:

Deny.

JA-RFA 1-5:

Admit/deny that You have requested water service for any portion of the Land from Lorena after the Joint Applicants filed the Application?

RESPONSE:

Admit.

JA-RFA 1-6:

Admit/deny that You have requested water service for any portion of the Land from Spring Valley WSC after the Joint Applicants filed the Application?

RESPONSE:

Admit.

JA-RFA 1-7:

Admit/deny that Waco or Lorena currently has water utility infrastructure installed that can furnish retail water service to any portion of Your Land?

RESPONSE:

Admit as to City of Lorena. Deny as to City of Waco.

JA-RFA 1-8:

Admit/deny that You want the boundaries of Spring Valley WSC's water CCN to be modified to include the Land, in whole or in part.

RESPONSE:

Deny. It is not necessary to modify Spring Valley WSC's CCN. The land is within Spring Valley WSC's CCN.

JA-RFA 1-9:

Admit/deny that the Land is comprised of five (5) tracts of land (and being McLennan County Appraisal District Property Identification Numbers 129525, 129528, 129529, 129530, and 129531).

RESPONSE:

Admit.

JA-RFA 1-10:

Admit/deny that the Land is described in that certain Warranty Deed from Sheila Dutschmann to DMDC, LLC, dated November 27, 2017, and copy of which is attached hereto as **Exhibit A.**

RESPONSE:

No deed attached.

JA-RFA 1-11:

Admit/deny that DMDC LLC, a Texas limited liability company, is the record owner of the Land.

RESPONSE:

Admit. DMDC LLC is wholly owned by Michael and Doug Dutschmann.

JA-RFA 1-12:

Admit/deny that the City of Waco subdivision ordinances applies to Your Land.

RESPONSE:

Admit that it applies now. Deny that it applied when tracts were conveyed.

JA-RFA 1-13:

Admit/deny that You have applied for a preliminary plat of the Land from Waco.

RESPONSE:

Deny – none necessary.

JA-RFA 1-14:

Admit/deny that Waco has approved a preliminary plat of the Land.

RESPONSE:

N/A

JA-RFA 1-15:

Admit/deny that Waco-approved subdivision final plat of the Land has not been recorded in McLennan County, Texas.

RESPONSE:

Admit.

JA-RFA 1-16:

Admit/deny that the development of the Land is subject to the jurisdiction of McLennan County, Texas.

RESPONSE:

Admit.

JA-RFA 1-17:

Admit/deny that You have applied for a preliminary plat of the Land from McLennan County, Texas.

RESPONSE:

Deny – not necessary.

JA-RFA 1-18:

Admit/deny that McLennan County, Texas has approved a preliminary plat of the Land.

RESPONSE:

Deny.

JA-RFA 1-19:

Admit/deny that you have failed to comply with the City of Waco subdivision ordinance with respect to the subdivision of your Land.

RESPONSE:

Deny.

JA-RFA 1-20:

Admit/deny that Lorena's subdivision ordinance applies to the Land.

RESPONSE:

Deny.

JA-RFA 1-21:

Admit/deny that You have applied for a preliminary plat of the Land from Lorena under Lorena's subdivision ordinance.

RESPONSE:

Deny.

JA-RFA 1-22:

Admit/deny that Lorena has approved a preliminary plat of the Land.

RESPONSE:

Deny.

JA-RFA 1-23:

Admit/deny that a Lorena-approved subdivision final plat of your Land has not been recorded in McLennan County, Texas.

RESPONSE:

Admit.

II. JOINT APPLICANTS' FIRST REQUESTS FOR INFORMATION

JA-RFI 1-1:

If you answered admit to RFA's 1-1, 1-2, 1-3, 1-4, 1-5, and/or 1-6, then please provide a copy of your application for water service and any amendments or supplements thereto that you submitted to Waco, Lorena, and/or Spring Valley WSC.

RESPONSE:

Requests were often verbal. Written requests have been made to the City of Lorena.

JA-RFI 1-2:

If you answered admit to RFA's 1-1, 1-2, 1-3, 1-4, 1-5, and/or 1-6, then please explain whether each application(s) that you submitted to Waco, Lorena, and/or Spring Valley WSC was/is approved, denied, or pending.

RESPONSE:

Lorena has consistently denied all applications for water service, despite their previous commitment to provide water service in return for the granting of an easement for their facilities on that side of Pilgrim Road. Spring Valley WSC has never denied service, but has quoted a price to extend service that is cost prohibitive. See attached documents, including easement granted to Lorena Community Water Supply Corporation, predecessor to City of Lorena.

JA-RFI 1-3:

If you answered admit to RFA's 1-1, 1-2, 1-3, 1-4, 1-5, and/or 1-6, then please provide a copy of all water service contracts provided by Waco, Lorena, or Spring Valley WSC to you in response to any of those water service applications.

RESPONSE:

No "contracts" have been provided in response to requests for service. See correspondence attached.

JA-RFI 1-4:

If you answered admit to RFA's 1-1, 1-2, 1-3, 1-4, 1-5, and/or 1-6, then please provide a copy of any correspondence from the applicable Joint Applicant(s) indicating whether the application for water service was approved or denied by that Joint Applicant(s).

RESPONSE:

See attached.

JA-RFI 1-5:

Explain whether You are seeking standard or non-standard retail water service to the Land.

RESPONSE:

Intervenors seek standard utility service from facilities located on Pilgrim Road.

JA-RFI 1-6:

Provide any and all correspondence between You and any of the Joint Applicants requesting water service at the Land, at any time since You took ownership of the Land.

RESPONSE:

See attached.

JA-RFI 1-7:

Provide any and all correspondence between you and the Commission concerning the Application.

RESPONSE:

See attached.

JA-RFI 1-8:

Describe the level of water service you are requesting for your Land?

RESPONSE:

Intervenors seek standard (5/8" or 3/4") single customer service to the five (5) tracts owned by Intervenors.

JA-RFI 1-9:

How many water meters do You want on the Land at this time?

RESPONSE:

Five (5).

JA-RFI 1-10:

For what purpose(s) do You need potable water at the Land?

RESPONSE:

Potable residential water service.

JA-RFI 1-11:

Is the Land within the extra-territorial jurisdiction or corporate limits of a municipality? If

so, which municipality?

RESPONSE:

To the best of our knowledge, the land is within the extraterritorial jurisdiction of the City of Waco.

JA-RFI 1-12:

Is the Land within the water CCN boundaries of any Joint Applicants? If so, which Applicants?

RESPONSE:

It is currently within an area dually certificated to the City of Waco and Spring Valley WSC.

JA-RFI 1-13:

Is it Your contention that the Land is subject to the subdivision ordinances of Waco? Explain the basis for your contention.

RESPONSE:

The land is now subject to the subdivision ordinance of the City of Waco. It was not subject to such ordinance when the lots were created, to the best of Intervenor's knowledge.

JA-RFI 1-14:

Is it Your contention that the Land is subject to the subdivision ordinances of Lorena? Explain the basis for your contention.

RESPONSE:

No, based upon assertions by counsel for the City of Waco that the property is within Waco's extraterritorial jurisdiction.

JA-RFI 1-15:

If You answered admit to RFA's 1-13, 1-17, and/or 1-21, then please provide a copy of the application for a preliminary plat and any correspondence between You and (i) Waco, (ii) Lorena, and/or (iii) McLennan County concerning such preliminary plat application.

RESPONSE:

The property was not subject to the subdivision ordinance when conveyances were made, to the best of our knowledge.

JA-RFI 1-16:

Is it your position that if you receive retail water service from Spring Valley that you do not need to comply with the subdivision ordinances of Waco or Lorena? If that is Your position, then explain the basis for Your position.

RESPONSE:

All future subdivision of the property would be subject to the City of Waco's subdivision ordinance.

RESPONSE TO RFI-1-1

To Whom It May Concern,

01/10/2017

I am writing this letter for the sole purpose of receiving water service on Pilgrim Lane in Lorena Texas. Included within the letter is the history and efforts exhausted on trying to receive water at this location.

In the mid 90's, construction on a home was started at this location but was only able to complete about 95% of the build due to lack of water service. This case has since been taken to the Public Utilities Commission of Texas which initiated a case with the State of Administrative hearings. A preliminary hearing was held January 5, 2017, during which it was stated to the Public Utilities Commission that the City of Waco owns a C.C.N on both the North and South side of Pilgrim Lane. It had been the assumption by all that the South side fell within Lorena's water service and the North side Spring Valley's. That being said, Spring Valley has been denying the right for Lorena to serve water on the North side of this property for over 20 years, yet Lorena is able to serve water to neighbors on the North side and has been since the 70's. Additionally, after the request to allow Lorena serve water to this property to be able to finish construction was denied, another property located on the North side was provided water service through Lorena. Spring Valley has contested that they were unaware that Lorena was serving those properties until now.

Back in the 70's, our family paid the City of Lorena to bore a 3" water line to the North side, after Spring Valley stated that Lorena could serve us. That same 3" water line is what is currently serving the surrounding neighbors but is being denied to us. Lorena also has a 10' easement recorded and on file at Waco that covers the North side of Pilgrim Rd. This Easement states that Lorena has the right to construct, reconstruct and maintain water lines inside this easement. Until late, the Public Utility Commission was unaware of these facts.

There were a total of 4 lots (which includes the one in question that has an unfinished home) recorded along the North side of Pilgrim Rd requesting water meters as well as a 32 acre tract of property, located at 2144 Pilgrim Rd in Lorena Texas, which we were requesting two meters for. It is our knowledge that under the Public Utilities Commission rule, subchapter E. in 24.86-C/3, states that a developer is anybody that is asking for 2 or more water meters per tract of land, however we want to be clear that we are not developers. Furthermore the water meters would be placed inside Lorena's easement.

Again, the intent of this letter is to provide insight to the efforts my family and I have exhausted to receive water service. It was through the suggestion of the Texas Commission Utilities that I ask the City of Waco to provide water service to the property in question since it owns a C.C.N on both sides. Thank you for your time and consideration in this matter and request.

Respectively,

Michael Dutschmann



City of Lorena
222 N. Frontage Road
Lorena, Texas 76655
(254) 857-4641 Fax (254) 857-4118

August 3, 2007

CERTIFIED MAIL NO. 7005 1160 0005 1063 2694
RETURN RECEIPT REQUESTED

Sheila Dutschmann
P.O. Box 1000
Valley Mills, TX 76689

Dear Ms. Dutschmann:

I have reviewed your application to receive water service from the City of Lorena for your property at 2176 Pilgrim Lane. Based upon my inquiries into this situation, it has been previously determined that your property lies within the C.C.N. of the Spring Valley Water Supply, and as a result you are ineligible to receive water service from the City of Lorena. Therefore, I must respectfully decline your request to receive water service from the City of Lorena.

Please note that the Spring Valley Water Supply is available to accommodate your water supply needs.

Cordially,

John M. Moran
City Manager



RECEIVED

2016 MAY 25 PM 2:20

PUBLIC UTILITY COMMISSION
P.O. BOX 13088
AUSTIN, TEXAS 78713-0088

Appeal of the Cost of Obtaining Service from a Water Supply Corporation (WSC)

Docket No. **45995**

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

This appeal is pursuant to Texas Water Code §13.043(g) and Public Utility Commission's (PUC or commission) Substantive Rule §24.41(g)

Water Service Provider

Name: Spring Valley Water Supply Corporation
P.O. Box 20246 Waco, TX 76702 (254) 776-1999
(Address) City, State, Zip Code (Area Code/Number)

Applicant

Name: Michael Dutschmann
1085 Rivercrest Valley Mills, TX 76689 (254) 932-6866
(Address) City, State, Zip Code (Area Code/Number)

Cost of Obtaining Service

If a breakdown of the cost is available:

Membership Fee \$	<u>100.00</u>
Tap Fee \$	<u>2000.00</u>
Extension Charges \$	<u>18,000.00</u> or <u>180,000.00</u>
Capital Contribution \$	
Other Charges \$	
Total Cost of Obtaining Service \$	<u>0.00 6 meters = \$30,600.00</u> or <u>\$192,600.00</u>

Additional Information

Date application for service submitted to WSC:

4-18-16

Date written estimate of charges received:

5-6-16

72

Michael Dutschmann
Signature of Applicant

REQUEST FOR WATER SERVICE INVESTIGATION

Name of Applicant: Michael Dutschmann

Address: 1085 Rivercrest Rd. Telephone: (254) 932-6866

Service Requested: 6 # of Meters 5/8 Meter Size \$260.00 Investigation Fee

Current Water System Meter Count: 719 (to be completed by water system)

Description of Location to be served: See Attached

(Attached is a copy of a portion of Sheet 2 of 15 of the system maps which shows the location.)

The applicant and the Owner hereby request that a service investigation and written report be prepared by Tabor & Associates, Inc., the system's Engineer to assure that service to existing meters is maintained and to identify the need and cost, if any, for system improvements necessary to serve the applicant's meters. The applicant agrees to pay the fee shown below in advance which is non-refundable for the water service investigation including, but not limited to, engineering and computer hydraulic analysis. Any added cost will be at the applicant's expense. This is not a Water Service Agreement, only an application for service investigation.

A TIME OF 2 WEEKS FROM THE DATE REQUEST IS RECEIVED BY THE ENGINEER SHOULD BE ALLOWED FOR THE INVESTIGATION AND MAILING THE REPORT.

APPLICANT REQUESTING EMERGENCY THREE DAY SERVICE INVESTIGATION WILL BE CHARGED TWO TIMES THE AMOUNT SHOWN BELOW AND SHALL INITIAL HERE:

Meter Size	5/8" Meter	3/4" Meter	1" Meter	1-1/2" Meter	2" Meter
Factor	(1)	(1.5)	(2.6)	(6)	(8)
GPM	1.5 *	2.25	3.75	7.5	12
1 Meter	\$75	\$113	\$188	\$375	\$600
2 Meters	\$125	\$188	\$313	\$625	\$1,000
3 Meters	\$185	\$248	\$413	\$825	\$1,320
4 Meters	\$200	\$300	\$600	\$1,000	\$1,600
5 Meters	\$230	\$345	\$675	\$1,160	\$1,840
6 Meters	\$260	\$390	\$650	\$1,300	\$2,080
7 Meters	\$280	\$435	\$725	\$1,460	\$2,320
8 Meters	\$320	\$480	\$800	\$1,600	\$2,660
9 Meters	\$360	\$525	\$875	\$1,750	\$2,800
10 or more	\$25/additional Meter				

*Standard Minimum flow per State Rules (TOEQ) is 1.5 gpm

Signature of Applicant: [Signature] Date: 4-18-16
 Signature of Water System Owner/Operator: [Signature] Date: 4-19-16
 Name of Water System Owner: Spring Valley W.S.C.

NEW WATER SERVICE INVESTIGATION REPORT



Applicant Information:

Water System:

Spring Valley W.S.C.

Applicant Name:

Michael Duischmann

Number of Meter(s) Requested:

6 (5/8 Meter)

Page/Location:

2 of 17

Existing Line Size at Point of Service:

Hydraulic Analysis:

Existing System Meter Count:

719

Estimated Pressure Drop when Applicant's service is added to the existing system with no improvements:

Estimated Pressure during Peak Use at adjacent existing meters when Applicant's meter is added to the existing system with no improvements:

Improvements needed to meet Spring Valley W.S.C. Requirements:

Estimated Construction Cost including Engineering Fees - based on recent similar work performed by general contractors. Actual cost will fluctuate due to easements, road crossings, creek crossings, obstructions, final routing,

\$18,000

Description of Required Improvements:

Meter investigation from 8/30/2011 was used in this report using updated maps and costs. The current water line located near this property does not have capacity for any additional meters per TCEQ rules. In order to serve the requested meters the following improvements need to be made. Tie new 2" water line to an existing 2.5" water line located 800' west of the intersection of Old Lorena Rd and Pilgrim Ln, and continue along Old Lorena Rd. approximately 1,430' to a point where the new water meters are to be installed along Pilgrim Ln. Note that pressure reducing valves will need to be installed on a new service line for the proposed meters.

Improvements to meet the City of Waco Requirements:

Estimated Construction Cost including Engineering Fees - based on recent similar work performed by general contractors. Actual cost will fluctuate due to easements, road crossings, creek crossings, obstructions, final routing,

\$180,000

Description of Recommended Improvements:

Install 8" C900 PVC water line to an existing 8" water line at the intersection of FM 2113 and Old Lorena Rd. and continue along Old Lorena Rd. approximately 8,050' to a point where the new water meters are to be installed along Pilgrim Ln.

Disclaimer: This investigation was performed based on existing system maps with modeling software using TCEQ Rules and Regulations. Unless otherwise stated, the system is designed to maintain a minimum pressure of 35 psi at all points within the distribution network at flow rates of 1.5 gallons per minute per foot equivalent. The results of this analysis may change drastically with the addition or deletion of meters, particularly within the vicinity of this applicant's location. This report is valid to the water system from Tabor & Associates, Inc. not more than 60 days from the date of this report.

Water System should receive the following items from Applicant before proceeding with Design & Bidding of improvements:

Payment of Engineering Fees for plans and specifications - \$2,100 (Minimum) or \$20,000 (Waco)

Obtaining permits for TxDOT or Railroad

Copy of Approved Plat or Deed Map

Written regulatory verification of viable sewage facilities.

Water System should receive the following items from the Applicant before beginning construction and meter installation:

Payment for all system construction and meter/service charges.

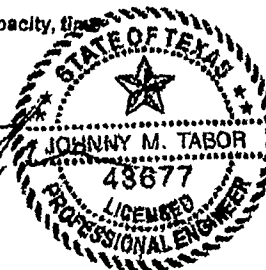
Agreements for water lines signed and filed at County Deed Records.

Written and signed agreement covering special service requirements such as reserved meters, future capacity, time of day, etc.

Signature of the system operator to stake meter location.

Prepared by: *Chris Hill*
8

Approved by: *Johnny M. Tabor*



1005 South 18th Street • P.O. Box 1788 • Waco, TX 76703
Ph. (254) 756-2118 • Fax (254) 756-2110
www.taborandassociates.com
Firm #F-3228

05/13/2016


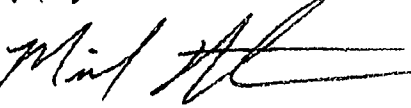
To Whom It May Concern,

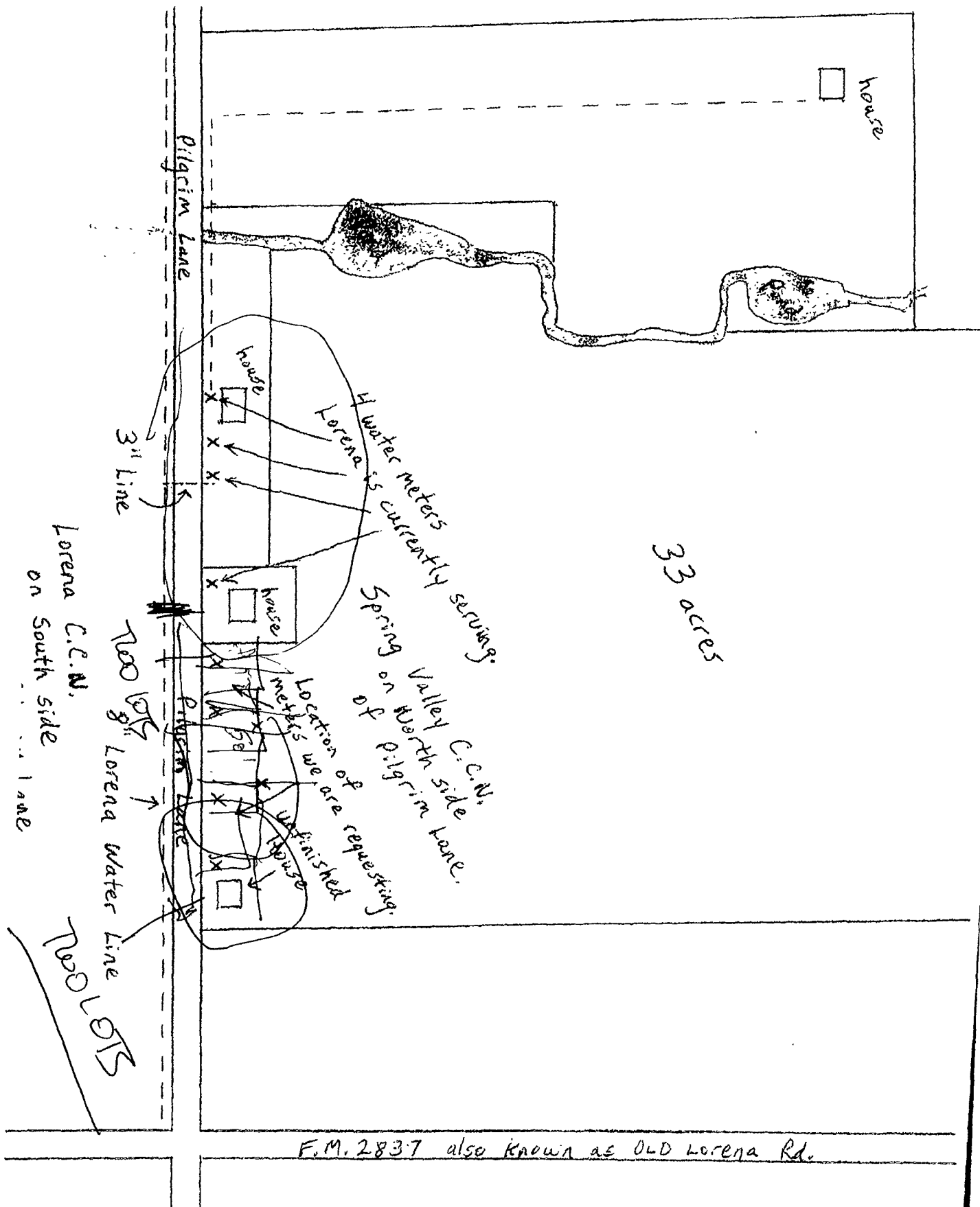
Over the past 20 years, my family as well as myself, have exhausted many efforts to obtain water at a reasonable price to a piece of property located North of Pilgrim Lane (attached is a map drawing with the 33 acres in question highlighted). Currently, this property falls under the CCN of Spring Valley Water Corporation whereas the South side of Pilgrim Lane falls under the CCN of City of Lorena Water. That being said, there are currently 3 homes located on the North side of Pilgrim Lane that the City of Lorena Water provides service for. In fact, during the 20 years that we were being denied water, the City of Lorena Water put in another meter on the North side of Pilgrim Lane.

Referring back to the map, you will notice a house on the property. This house was started in the 90's and to-date has never been completed due to the fact we were unable to obtain water. Over the years of just sitting, the house has started to deteriorate causing a loss of over \$80,000.00. I would like to notate that there is an 8 inch line that belongs to the City of Lorena Water that runs beside Pilgrim Lane in addition to a 3 inch line that ties into it that our family paid for back in the 70's. This line runs underneath Pilgrim Lane inside a 6 inch casing to the North Side of Pilgrim Lane. It is also worth mentioning that Lorena has a recorded easement on the North side of Pilgrim Lane.

Thank you in advance for your time and consideration regarding this matter, hopefully we get a resolution that benefits us all.

Michael Dutschmann and Doug Dutschmann

 5/18/16
 5-18-16



F.M. 2837 also known as Old Lorena Rd.

February 27, 2012

Subject: Letter of Assurance

Lorena Council Members:

The Dutschmann's are currently seeking a CCN decertification from Spring Valley WSC and the City of Waco. The Texas Commission on Environmental Quality (TCEQ) requires upon requesting decertification the plan review must have a letter of assurance from an alternative public water system. Which we are requesting from the City of Lorena due to:

- A portion of the Dutschmann's property is within the cities ETJ.
- The Dutschmann's will agree in writing to restriction/conditions for property zoning
- Property is in very close proximity to cities water lines
- The cities professional management of their drinking water infrastructure

Additionally, we request to be added to March's council meeting agenda if warranted to formally speak on this matter. We appreciate any attention to this matter and the Dutschmann's look forward to becoming a loyal customer and community member.

Please forward any correspondence, comment and questions to Brannon Chatham at cec.chatham@yahoo.com or PO Box 90 Moody, TX 76557.

Sincerely,

Brannon Chatham
CEC

Enclosure: (1)
Property map

November 17, 2011

Subject: New Service for 2176 Pilgrim Lane. (Doug & Shelia Dutschmann)

Spring Valley WSC Board Members:

On August 18, 2011 the Spring Valley WSC agreed with conditions to provide public drinking water to 2176 Pilgrim Lane (Doug & Shelia Dutschmann and 5 additional meters. Within 2 weeks Mr. Dutschmann received correspondence (Tabor Engineering report). After review of the attached we are requesting either condition:

A.) Relinquish/Sell the CCN for public drinking water to Mr. Dutschmann or the City of Lorena which is entitled to due to the signed easement (enclosed).

B.) Spring Valley WSC agree to share the cost with 2176 Pilgrim Lane (Doug & Shelia Dutschmann) based on the Tabor Engineering report (enclosed).

Please forward any correspondence, comment and questions to Brannon Chatham at cec.chatham@yahoo.com or PO Box 90 Moody, TX 76557.

Sincerely,

Brannon Chatham
CEC

Attached:

(1) Tabor Engineering report
(1) Water Utility easement



City of Lorena
222 N. Frontage Road
Lorena, Texas 76655
(254) 857-4641 Fax (254) 857-4118

August 3, 2007

CERTIFIED MAIL NO. 7005 1160 0005 1063 2694
RETURN RECEIPT REQUESTED

Sheila Dutschmann
P.O. Box 1000
Valley Mills, TX 76689

Dear Ms. Dutschmann:

I have reviewed your application to receive water service from the City of Lorena for your property at 2176 Pilgrim Lane. Based upon my inquiries into this situation, it has been previously determined that your property lies within the C.C.N. of the Spring Valley Water Supply, and as a result you are ineligible to receive water service from the City of Lorena. Therefore, I must respectfully decline your request to receive water service from the City of Lorena.

Please note that the Spring Valley Water Supply is available to accommodate your water supply needs.

Cordially,

John M. Moran
City Manager

Spring Valley Water Supply Corp.

P.O. Box 399
Lorena, Texas 76655
254-857-8614

October 21, 2004

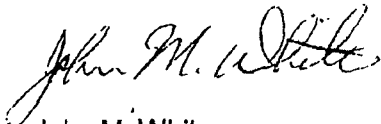
Floyd Dutschmann
2303 Pilgrim Lane
Lorena, Texas 76655

Dear Mr. Dutschmann:

At the last meeting of the board of directors of the Spring Valley Water Supply Corporation (SVWSC) on October 17, 2004, you made a request for the SVWSC to allow the city of Lorena to provide water service to your property on Pilgrim Lane. I have to inform you that the SVWSC can not honor that request. Your property falls within the CCN of the SVWSC and regardless of any prior or current agreement you have with the city of Lorena, the rules of the SVWSC will apply. Your property also lies within the ETJ of the city of Waco. Any development plans you may have for your property must comply with the requirements of that ETJ before the SVWSC can provide water service. If you want water service you need to submit a Request for Water Service Investigation to our office.

If I can be of any assistance do not hesitate to contact me.

Sincerely,



John M. White
President, SVWSC

RESPONSE TO RFI-1-2

410

723

THE STATE OF TEXAS

COUNTY OF McLENNAN

In consideration of the sum of ONE DOLLAR in cash to me in hand paid by LORENA COMMUNITY WATER SUPPLY CORPORATION, and the further consideration of the benefits to be derived by me on account of the construction, reconstruction and maintenance by said corporation of water supply or sewer service lines in and through my certain premises hereinafter described, I do hereby give and grant to the said LORENA COMMUNITY WATER SUPPLY CORPORATION The right to construct, reconstruce and perpetually maintain such lines, together with all necessary laterals in, upon and across the following described property in McLennan County, Texas:

BEING A TRACT OF LAND TEN(10') FEET WIDE ALONG THE NORTH SIDE OF LOCAL ROAD KNOWN AS THE HOLLIS LANE AND ON A 90 ACRE TRACT OF LAND, OUT OF THE NANCY BURWELL SURVEY, DEEDED TO M. D. STANFORD BY DEED RECORDED IN VOL. 954, PAGE 577 AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTER OF A PUBLIC ROAD AND THE SOUTH LINE OF SAID SURVEY SAME BEING THE S/W CORNER OF SAID 90 ACRE TRACT, THENCE N 28 DEG. 30 MINUTES WEST WITH THE WEST LINE OF SAID 90 ACRE TRACT TO A POINT WHERE THE PROPERTY LINE AND THE ROAD INTERSECT, FOR A PLACE OF BEGINNING, THENCE TEN FEET FOR A PLACE OF BEGINNING; THENCE N 61 DEG. E A DISTANCE OF 1343 FEET TO THE EAST LINE OF THE TRACT; THENCE SOUTH 28 DEG. 30 MINUTES 10 FEET TO THE INTERSECTION OF THE ROAD RIGHT OF WAY; THENCE S 61 DEGREES WEST WITH THE SAID PROPERTY LINE AND WOUTH SURVEY LINE A DISTANCE OF ~~XXX~~ 1343 FEET TO THE PLACE OF BEGINNING.

TO HAVE AND TO HOLD unto said corporation, its successors and assigns, together with the right of ingress and egress for the purpose of construction, reconstructing and maintaining said lines.

WITNESS our hands this 18 day of Oct, ~~1968~~ 1971

Floyd E. Dutschmann

FLOYD E. DUTSCHMANN

Wanda J. Dutschmann

WANDA J. DUTSCHMANN

CONDA OF McLENNAN

THE CLERK OF THE COURT

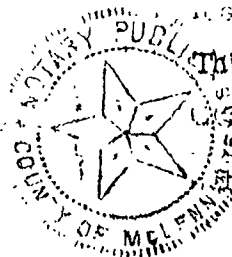
THE STATE OF TEXAS

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COUNTY OF McLENNAN

BEFORE ME, the undersigned authority, on this day personally appeared Floyd E. Dutschman and Wanda J. Dutschman, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, and the said Wanda J. Dutschman, wife of the said Floyd E. Dutschman, acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, 1972



This 18 day of October, 1972

Wanda J. Dutschman

Notary Public, McLennan County, Texas.

Notary Public, McLennan County, Texas.

Filed for Record on the 17 day of January A.D.1972, at 2⁵⁵ o'clock PM.
Duly Recorded this the 17 day of January A.D.1972, at 4⁴⁶ o'clock PM.

FRANK DENNY, County Clerk
McLennan County Texas

By Dorothy Bramlett Deputy