



## Filing Receipt

**Received - 2021-08-18 12:59:46 PM**  
**Control Number - 51407**  
**ItemNumber - 36**



August 9, 2021

**Staff 3-1** On June 3, 2021, the Texas Commission on Environmental Quality (TCEQ) sent Dos Aguas a letter conditionally approving construction of two wells and treatment plants, provided that Dos Aguas increase its water treatment plant capacity before the lots in the requested area are fully developed. In its application, Dos Aguas stated that it has secured the funding necessary to build a third well and treatment plant if necessary.

- a) Please identify the number of connections that can be continuously and adequately served by Dos Aguas' first two water treatment plants. Please provide any supporting documentation available to support this number.

Answer:

We at Dos Aguas are presently drilling on well number one. Well drilling is not an exact science as being you never know exactly how many gpm you will get. We have electronically logged the well site and designed a well that should put out between 350-1000 gallons per minute. The contract on the well guarantees at absolute minimum 175 gpm. While we expect way more than this number all calculations are based on the guaranteed absolute minimum amount of water we could get.

The drillers guarantee a minimum of 175 gpm per well. We are expecting our wells each to produce up to 350-500 gpm.

175gpm (Minimum) X 2 wells = 350gpm total.

0.6gpm total output X 583 (Number of connections) = 349.8gpm

This being said 350 gallons per minute will service up to 583 connections for both plants at the absolute pumping minimum.

8 connections per month would last at least 6.07 years, as written in the rate study performed by Water Engineers Inc. Please see exhibit A attached with rate study confirmation.



455 FM 2296 | Huntsville, TX 77340

- b) Dos Aguas' requested area includes two subdivisions in the early stages of development. Please identify any known timelines related to the buildout of the two subdivisions, including any "benchmark" or "phase completion" dates and the number of lots expected to be completed by each "benchmark" or "phase completion" date.

Answer:

The Republic Grand Ranch subdivision is made up of large acreage lots. These lots will not pop up like a homebuilder full of tract-built homes. Some lots may sit vacant for years and many are purchased for future retirement and investment property. There are not proposed dates for homes to be completed by. The roads and water plants will be completed and prepared to wait for customers as they build and move in. Per the rate study, averaging up to 8 customers a month is the hope but we may not even see that monthly. There are no benchmark or "phase completion" dates on these subdivisions due to the "build on your own lot" type sales of these lots.



- c) Please detail Dos Aguas' plans to build a third well and/or water treatment plant facility, as described in the June 3, 2021 letter from TCEQ. In your response, please address:
1. Whether plans for the third facility have been submitted to TCEQ;

Answer:

Plans for a third plant have not been submitted to TCEQ at present. TCEQ has approved plans for well one and well two that will be able to adequately handle customers for at minimum 6.07 years or more. These customers will be on acreage these are not tract-built homes popping up quickly. Some people may not build for years and lots may sit vacant. This is why the rate study averages up to 8 customers a month and not a larger number.

2. If plans have not yet been submitted to TCEQ, by what date does Dos Aguas intend to submit plans for the third facility to TCEQ; and

Answer:

Plant one and two are to be completed consecutively. Plant two is planned to begin March 2022. If the need arises at that time that customers are growing faster than the rate study produced a plan for well 3 will begin immediately and be submitted to TCEQ. Then, well 3 will follow ahead of pace of construction.

3. If available, an estimate for when construction on the third facility is expected to be complete and when the third facility is expected to be operational.

Answer:

According to the rate study from Water Engineers Inc and the well drillers well one and well two will sustain 583 customers at bare minimum over the next 6.07 years. This puts well one and well two adequately providing water well into 2027-2028 or longer. Well 3 should not be needed for quite some time. In the event it is plans will have already been submitted to TCEQ and production of well 3 will have started by 2025 or sooner if necessary.



- d) Please identify by which date, if any, the number of completed connections is expected to outpace Dos Aguas' water supply and treatment plant capacity, as well as any plans Dos Aguas has to ensure the sufficiency of the water supply.

Answer:

According to the rate study from Water Engineers Inc and the well drillers well one and well two will sustain 583 customers over the next 6.07 years at minimum. Plans for well 3 will be submitted in advance to TCEQ in preparation for the production of well 3. This will be determined at a later date.

For any Questions contact Scott Rohe 936-661-2210



455 FM 2296 | Huntsville, TX 77340