



Filing Receipt

Received - 2022-01-24 10:28:28 AM
Control Number - 52697
ItemNumber - 12

PUC DOCKET NO. 52697

PETITION OF SANGER TEXAS	§	BEFORE THE
INDUSTRIAL, LLC AND WEBB	§	
INDUSTRIAL, LLC TO AMEND	§	
BOLIVAR WATER SUPPLY	§	
CORPORATION’S CERTIFICATE	§	PUBLIC UTILITY COMMISSION
OF CONVENIENCE AND NECESSITY	§	
IN DENTON COUNTY BY	§	
EXPEDITED RELEASE	§	OF TEXAS

**PETITIONERS’ REPLY TO BOLIVAR WATER SUPPLY CORPORATION’S
RESPONSE AND COMMISSION STAFF’S
RECOMMENDATION ON FINAL DISPOSITION**

TO THE PUBLIC UTILITY COMMISSION OF TEXAS:

Sanger Texas Industrial, LLC and Webb Industrial, LLC (“Petitioners”) file this Reply to Bolivar Water Supply Corporation’s (“Bolivar”) Response and Supplemental Response to the Original Petition and to the Staff of the Public Utility Commission’s (“PUC” or “Commission”) Recommendation on Final Disposition, and would show as follows:

I. BACKGROUND

On October 12, 2021, Sanger Texas Industrial filed its Petition for Streamlined Expedited Release, seeking to decertify approximately 211 acres of real property in Denton County (the "Property") from Bolivar’s Certificate of Convenience and Necessity (“CCN”) No. 11257. On November 22, 2021, Petitioners filed their Amended Petition for Streamlined Expedited Release, clarifying Webb Industrial, LLC’s status as a joint petitioner. On December 14, 2021, the Commission’s Administrative Law Judge (“ALJ”) issued Order No. 3, finding the Petition, as amended, administratively complete and notice sufficient. Bolivar filed its Response to the Petition on November 19, 2021 and its Supplemental Response to the Petition on January 4, 2022. Commission Staff filed its Recommendation on Final Disposition on January 18, 2022,

recommending approval of the Petition. Order No. 3 set a deadline of January 24, 2022 for Petitioners to file a reply to both the CCN holder's response and Commission Staff's Recommendation on Final Disposition. This Reply is timely filed.

II. REPLY TO BOLIVAR

In its Response to the Petition, Bolivar argues that: (1) it is "fully capable of providing continuous and adequate retail water service to the Property"; (2) it has "lines readily available to provide service to the Petitioner"; and (3) that if the Commission grants the Petition, Bolivar "seeks full compensation allowed by law." Bolivar's Supplemental Response notes that Webb Industrial, LLC has been added as a Petitioner and readopts Bolivar's Response filed on November 19, 2021. Bolivar does not argue in its Response or Supplemental Response that the Petition fails to satisfy the statutory requirements, and its arguments are not relevant to the ultimate issue in this phase of the proceeding of whether the Property is receiving water service. The Petition should be granted.

The Water Code provides that the owner of a tract of land that is 25 acres or larger and located in certain counties may petition for, and is entitled to expedited release of that tract from a CCN if the tract "is not receiving water or sewer service." As Staff has concluded, the Petition satisfies the Water Code and PUC rules.¹ Petitioners are entitled to expedited release.

Even assuming the assertions made by Bolivar in its Response are accurate, they do not support the position that the Property is receiving water service. Bolivar argues that it is capable of providing water service and has the lines necessary to do so, but these types of arguments have been expressly rejected by both the PUC and the courts as a basis for concluding that a property is receiving service.² For instance, the PUC rejected a CCN holder's argument that the property at

¹ Staff's Recommendation on Final Disposition, p. 2.

² See, e.g., *Johnson Cty. Special Util. Dist. v. Pub. Util. Comm'n of Texas*, No. 03-17-00160-CV, 2018 WL 2170259 (Tex. App. – Austin May 11, 2018); *Texas Gen. Land Off. v. Crystal Clear Water Supply Corp.*, 449 S.W.3d 130 (Tex. App. – Austin 2014).

issue was receiving water service in a case in which two active water lines crossed the property, one active water line was adjacent to the property, and two inactive water meter boxes were located on the property.³ On appeal, the Austin Court upheld the PUC's conclusion that the property was not receiving water service.⁴ In a similar case, the Austin Court likewise upheld the PUC's conclusion that a property was not receiving water service and stated that "the mere existence of water lines or facilities on or near a tract would not necessarily mean that tract was 'receiving water service.'"⁵ The PUC has concluded, in an order upheld by the Austin Court of Appeals, that the "time that the petition is filed is *the only relevant time period* to consider when evaluating whether a tract of land is receiving water service."⁶ The Property is not receiving water service, and the Petition should be granted.

Bolivar's final point concerns compensation. Compensation is not at issue in this phase of the proceeding, however. Order No. 3 makes clear that the issue of compensation will be addressed only after expedited release is granted. Briefing on that issue is not necessary or appropriate at this time.

III. STAFF'S RECOMMENDATION SHOULD BE ADOPTED.

On January 18, 2022, PUC Staff filed its Recommendation on Final Disposition in this docket, concluding that the Petition meets the requirements of Chapter 13 of the Texas Water Code and Title 16, Chapter 24 of the Texas Administrative Code and should be approved. Petitioners agree with the conclusions reached by Staff. Staff's Recommendation should be adopted, and the Petition should be approved.

³ *Johnson Cty. Special Util. Dist. v. Pub. Util. Comm'n of Texas*, No. 03-17-00160-CV, 2018 WL 2170259 (Tex. App. – Austin May 11, 2018).

⁴ *Id.*

⁵ *Texas Gen. Land Off. v. Crystal Clear Water Supply Corp.*, 449 S.W.3d 130, 140 (Tex. App. – Austin 2014); *see also*, PUC Docket No. 49863.

⁶ *Johnson Cty. Special Util. Dist. v. Pub. Util. Comm'n of Texas*, No. 03-17-00160-CV, 2018 WL 2170259, at *8 (Tex. App. – Austin May 11, 2018).

IV. CONCLUSION

WHEREFORE, PREMISES CONSIDERED, Petitioners respectfully pray that the Commission grant the Petition and release the Property that is the subject of the Petition from Bolivar Water Supply Corporation's CCN No. 11257 in Denton County, and to all other such relief to which they are entitled.

Respectfully submitted,

JACKSON WALKER L.L.P.



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ATTORNEYS FOR SANGER TEXAS
INDUSTRIAL, LLC AND WEBB INDUSTRIAL,
LLC

CERTIFICATE OF SERVICE

I certify that notice of the filing of this document was provided to all parties of record via electronic mail on January 24, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

A handwritten signature in black ink, reading "Leonard Dougal". The signature is written in a cursive, flowing style.

Leonard H. Dougal



Filing Receipt

Received - 2022-02-18 02:45:02 PM
Control Number - 52697
ItemNumber - 16

PUC DOCKET NO. 52697

PETITION OF SANGER TEXAS	§	PUBLIC UTILITY COMMISSION
INDUSTRIAL, LLC AND WEBB	§	
INDUSTRIAL, LLC TO AMEND	§	
BOLIVAR WATER SUPPLY	§	OF TEXAS
CORPORATION'S CERTIFICATE	§	
OF CONVENIENCE AND NECESSITY	§	
IN DENTON COUNTY BY	§	
EXPEDITED RELEASE	§	

**BOLIVAR WATER SUPPLY CORPORATION'S
EXCEPTIONS TO PROPOSED ORDER**

Bolivar Water Supply Corporation ("Bolivar") hereby submits this its exceptions to the Proposed Order drafted herein.

The Application is for an expedited release from Bolivar. A Proposed Order was prepared with no evidentiary record. Bolivar hereby submits an exception to the Proposed Order.

Bolivar holds CCN Number 11257. It has water resources that obligates it to provide retail water throughout its CCN service area. It has planned for such service. There is no evidence in the record that Bolivar cannot serve the entirety of the service area, including the Petitioner's property. Thus, all acts Bolivar has taken to certificate the area, **acquire water resources**, and planning for service to its service area are "acts" that Bolivar has performed for and supplied to the tract in question and to all its service area. PUC Rules define service as: "Any act performed, anything furnished or supplied, and any facilities or lines committed or used by a retail public utility in the performance of its duties under TWC Chapter 13 to its patrons, employees, other retail public utilities, and the public, as well as the interchange of facilities between two or more retail public utilities."¹ Thus, the acquisition of the CCN is the act performed to provide service.

¹ PUC R. § 24.3 (33).

Further, all lines and facilities of Bolivar are utilities to serve its entire requested service area.

The record is devoid of any evidence that this is not the case. Indeed, the record is devoid of any evidence that the fact Bolivar was certificated to the tract in question and was, thus, obligated to serve that it was NOT an act for or to serve the tract in question.

As such, Finding of Fact No. 23 should be revised as follows: “23. The tract of land ~~has never received~~ water service from the CCN holder.” As the acquisition of the water resources is an act of the provision water service as defined in PUC rules, the statement should be revised.

Finding of Fact No. 24 should be revised as follows: “24. The CCN holder has ~~not~~ committed or dedicated ~~any~~ facilities or lines to the tract of land for water service.” As stated above, Bolivar is providing service and has committed resources to the provision of service to its entire service area. Absent a definition of what “committed and dedicated” means, the record is devoid of any evidence that Bolivar’s lines and facilities cannot serve the tract.

Finding of Fact No. 25 should be revised as follows: “25. The CCN holder has ~~no~~ facilities or lines that provide water service to the tract of land.” As stated above, Bolivar is providing service and has committed resources to the provision of service to its entire service area. The record is devoid of any evidence that Bolivar’s lines and facilities cannot serve the tract.

Finding of Fact No. 26 should be revised as follows: The CCN holder has ~~not~~ performed any acts or supplied anything to the tract of land.” As stated above, Bolivar has performed acts to supply water to the entirety of its service territory. The record is devoid of any evidence to the contrary.

Conclusion of Law No. 12 should be revised as follows: “12. The tract of land is ~~not~~ receiving water service under TWC §§ 13.002(21) and 13.2541(b) and 16 TAC § 24.245(h), as interpreted in *Texas General Land Office v. Crystal Clear Water Supply Corporation*, 449 S.W.3rd 130 (Tex. App. – Austin 2014, pet. denied).” As discussed above, Bolivar is providing service as defined in Commission rules.

Conclusion of Law No. 13 should be revised as follows: “13. The petitioners are not entitled under TWC § 13.2541(b) to the release of the tract of land from the CCN holder’s certificated service area.” As discussed above, Bolivar is providing service as defined in Commission rules. As such, they are not entitled to decertification of the property.

For the reasons stated above, the following Ordering Paragraphs should be revised as follows:

1. The Commission ~~releases the tract of land identified in the amended petition from the CCN holder’s certificated service area under CCN number 11257~~ denies the amended application in its entirety.
3. ~~———— The Commission amend CCN number 11257 in accordance with this Order.~~
4. ~~———— The Commission approved the map attached to this Order.~~
5. ~~———— The Commission issues the certificate attached to this Order.~~
6. ~~———— The CCN holder must file in this docket proof of the recording required in TWC § 13.257(r) and (s) within 45 days of the date of this Order.~~
7. ~~———— The proceeding to determine the amount of compensation to be awarded to the CCN holder, if any, commences with the filing of this Order in accordance with the schedule adopted in Order No. 3. Any decision on compensation will be made by a separate order.~~

Bolivar respectfully requests that the exceptions to the findings of fact, conclusions of law, and ordering paragraphs be accepted and incorporated in the Commission's Final Order.

Respectfully submitted,

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/s/ Arturo D. Rodriguez, Jr.
ARTURO D. RODRIGUEZ, JR.
State Bar No. 00791551

**ATTORNEY FOR BOLIVAR WATER
SUPPLY CORPORATION**

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on the 18th day of February, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Arturo D. Rodriguez, Jr.
ARTURO D. RODRIGUEZ, JR.



Control Number: 52697



Item Number: 21

DOCKET NO. 52697

2022 APR -4 PM 1:27

PETITION OF SANGER TEXAS	§	PUBLIC UTILITY COMMISSION
INDUSTRIAL, LLC AND WEBB	§	OF TEXAS
INDUSTRIAL, LLC TO AMEND	§	
BOLIVAR WATER SUPPLY	§	
CORPORATION'S CERTIFICATE OF	§	
CONVENIENCE AND NECESSITY IN	§	
DENTON COUNTY BY	§	
STREAMLINED EXPEDITED	§	
RELEASE	§	

ORDER

This Order addresses the amended petition of Sanger Texas Industrial, LLC and Webb Industrial, LLC for streamlined expedited release of a portion of a tract of land in Denton County from Bolivar Water Supply Corporation's service area under certificate of convenience and necessity (CCN) number 11257. For the reasons stated in this Order, the Commission releases the portion of the tract of land from Bolivar WSC's certificated service area. In addition, the Commission amends Bolivar WSC's CCN number 11257 to reflect the removal of the released portion of the tract of land from the service area.

Following entry of the Order, the Commission will determine the amount of compensation, if any, to be awarded to Bolivar WSC, which will be addressed by separate order.

I. Findings of Fact

The Commission makes the following findings of fact.

Petitioners

1. Sanger is a Texas limited liability company registered with the Texas secretary of state under filing number 804045018.
2. Webb is a Kansas limited liability company registered with the Texas secretary of state under filing number 804317307.

CCN Holder

3. Bolivar WSC is a Texas non-profit corporation registered with the Texas secretary of state under filing number 25730701.

4. Bolivar WSC holds CCN number 11257 that obligates the utility to provide retail water service in its certificated service area in Cooke, Denton, and Wise counties.

Petition and Amended Petition

5. On October 12, 2021, one of the petitioners, Sanger, filed a petition for streamlined expedited release of a portion of a tract of land from the CCN holder's service area under CCN number 11257.
6. The petition includes an affidavit, dated October 11, 2021, of Matt Moore, professional engineer and Sanger's authorized representative; maps of the tract of land; a special warranty deed dated May 7, 2021, with a metes-and-bounds description; an access and utility easement dated May 7, 2021; a certificate of formation for Sanger dated April 27, 2021; digital mapping data; and proof of notice to the CCN holder of the petition.
7. On November 22, 2021, both petitioners filed an amended petition.
8. The amended petition includes the same documents that were attached to the original petition in addition to an application for registration of a foreign limited liability company for Webb dated November 17, 2021, and an updated proof of notice to the CCN holder.
9. In Order No. 3 filed on December 14, 2021, the administrative law judge (ALJ) found the amended petition administratively complete.

Notice

10. Sanger sent a copy of the petition by certified mail to the CCN holder on October 12, 2021.
11. The petitioners sent a copy of the amended petition by certified mail to the CCN holder on November 22, 2021.
12. In Order No. 3 filed on December 14, 2021, the ALJ found the notice sufficient.

Response to the Petition

13. The CCN holder filed a response to the petition on November 19, 2021.
14. The response includes a declaration, dated November 10, 2021, of James Parkman, general manager of the CCN holder.
15. The CCN holder filed a supplemental response to the amended petition on January 4, 2022.

The Tract of Land

16. The petitioners own a tract of land in Denton County that is approximately 211 acres.
17. The portion of the tract of land for which the petitioners seek streamlined expedited release is approximately 188 acres and is located within the CCN holder's certificated service area.
18. The tract of land is located within the CCN holder's certificated service area.

Ownership of the Tract of Land

19. The petitioners acquired the tract of land by a special warranty deed dated May 7, 2021.

Qualifying County

20. Denton County abuts Dallas and Tarrant counties and has a population of more than 47,500.
21. Dallas County and Tarrant County each has a population of at least one million.

Water Service

22. The tract of land is not receiving actual water service from the CCN holder.
23. The tract of land has never received water service from the CCN holder.
24. The CCN holder has not committed or dedicated any facilities or lines to the tract of land for water service.
25. The CCN holder has no facilities or lines that provide water service to the tract of land.
26. The CCN holder has not performed any acts for or supplied anything to the tract of land.

Map and Certificate

27. On January 18, 2022, Commission Staff filed its recommendation on final disposition that included a certificate and a map on which it identified the tract of land and the portion of the tract of land for which the petitioners seek streamlined expedited release in relationship to the CCN holder's certificated service area.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has authority over this petition for streamlined expedited release under Texas Water Code (TWC) §§ 13.254 and 13.2541.

2. The petitioners provided notice of the petition in compliance with 16 Texas Administrative Code (TAC) § 24.245(h)(3)(F).
3. No opportunity for a hearing on a petition for streamlined expedited release is provided under TWC §§ 13.254 or 13.2541, and under 16 TAC § 24.245(h)(7), no hearing will be held on such a petition.
4. Petitions for streamlined expedited release filed under TWC §§ 13.254 and 13.2541 and 16 TAC § 24.245(h) are not contested cases.
5. Landowners seeking streamlined expedited release under TWC §§ 13.254 and 13.2541 and 16 TAC § 24.245(h) are required to submit a verified petition through a notarized affidavit, and the CCN holder may submit a response to the petition.
6. Under 16 TAC § 24.245(h)(7), the Commission's decision is based on the information submitted by the landowner, the CCN holder, and Commission Staff.
7. To obtain release under TWC § 13.2541(b), a landowner must demonstrate that the landowner owns a tract of land that is at least 25 acres, that the tract of land is located in a qualifying county, and that the tract of land is not receiving service of the type that the current CCN holder is authorized to provide under the applicable CCN.
8. The time that the petition is filed is the only relevant time period to consider when evaluating whether a tract of land is receiving water service under TWC § 13.2541(b). Whether a tract of land might have previously received water or sewer service is irrelevant.
9. A landowner is not required to seek the streamlined expedited release of all its property.
10. The petitioners own the tract of land that is at least 25 acres, and the petitioners seek streamlined expedited release of a portion of the tract of land through the amended petition.
11. Denton County is a qualifying county under TWC § 13.2541(b) and 16 TAC § 24.245(h)(2).
12. The tract of land is not receiving water service under TWC §§ 13.002(21) and 13.2541(b) and 16 TAC § 24.245(h), as interpreted in *Texas General Land Office v. Crystal Clear Water Supply Corporation*, 449 S.W.3d 130 (Tex. App.—Austin 2014, pet. denied).

13. The petitioners are entitled under TWC § 13.2541(b) to the release of the portion of the tract of land from the CCN holder's certificated service area.
14. After the date of this Order, the CCN holder has no obligation under TWC § 13.254(h) to provide retail water service to the released portion of the petitioners' tract of land.
15. The Commission may release only the property of the landowner from a CCN under TWC § 13.2541(b). The Commission has no authority through the streamlined-expedited-release process under TWC § 13.2541(b) to decertify any facilities or equipment owned and operated by the CCN holder to provide retail water service or retail sewer service.
16. The Commission processed the petition in accordance with the TWC and Commission rules.
17. Under TWC § 13.257(r) and (s), the CCN holder is required to record certified copies of the approved certificate and map, along with a boundary description of the service area, in the real property records of Denton County no later than the 31st day after the date the CCN holder receives this Order.
18. A retail public utility may not under TWC § 13.254(d) provide retail water service to the public within the released portion of the tract of land unless just and adequate compensation under TWC § 13.254(g) has been paid to the CCN holder.

III. Ordering Paragraphs


In accordance with these findings of fact and conclusions of law, the Commission issues the following orders.

1. The Commission releases the portion of the tract of land identified in the amended petition from the CCN holder's certificated service area under CCN number 11257.
2. The Commission does not decertify any of the CCN holder's equipment or facilities that may lay on or under the released portion of the tract of land.
3. The Commission amends CCN number 11257 in accordance with this Order.
4. The Commission approves the map attached to this Order.
5. The Commission issues the certificate attached to this Order.

6. The CCN holder must file in this docket proof of the recording required in TWC § 13.257(r) and (s) within 45 days of the date of this Order.
7. The proceeding to determine the amount of compensation to be awarded to the CCN holder, if any, commences with the filing of this Order in accordance with the schedule adopted in Order No. 3. Any decision on compensation will be made by a separate order.
8. The Commission denies all other motions and any other requests for general or specific relief not expressly granted by this Order.

Signed at Austin, Texas the 9th day of April 2022.

PUBLIC UTILITY COMMISSION OF TEXAS



PETER M. LAKE, CHAIRMAN



WILL MCADAMS, COMMISSIONER



LORI COBOS, COMMISSIONER



JIMMY GLOTFELTY, COMMISSIONER



Public Utility Commission of Texas

By These Presents Be It Known To All That

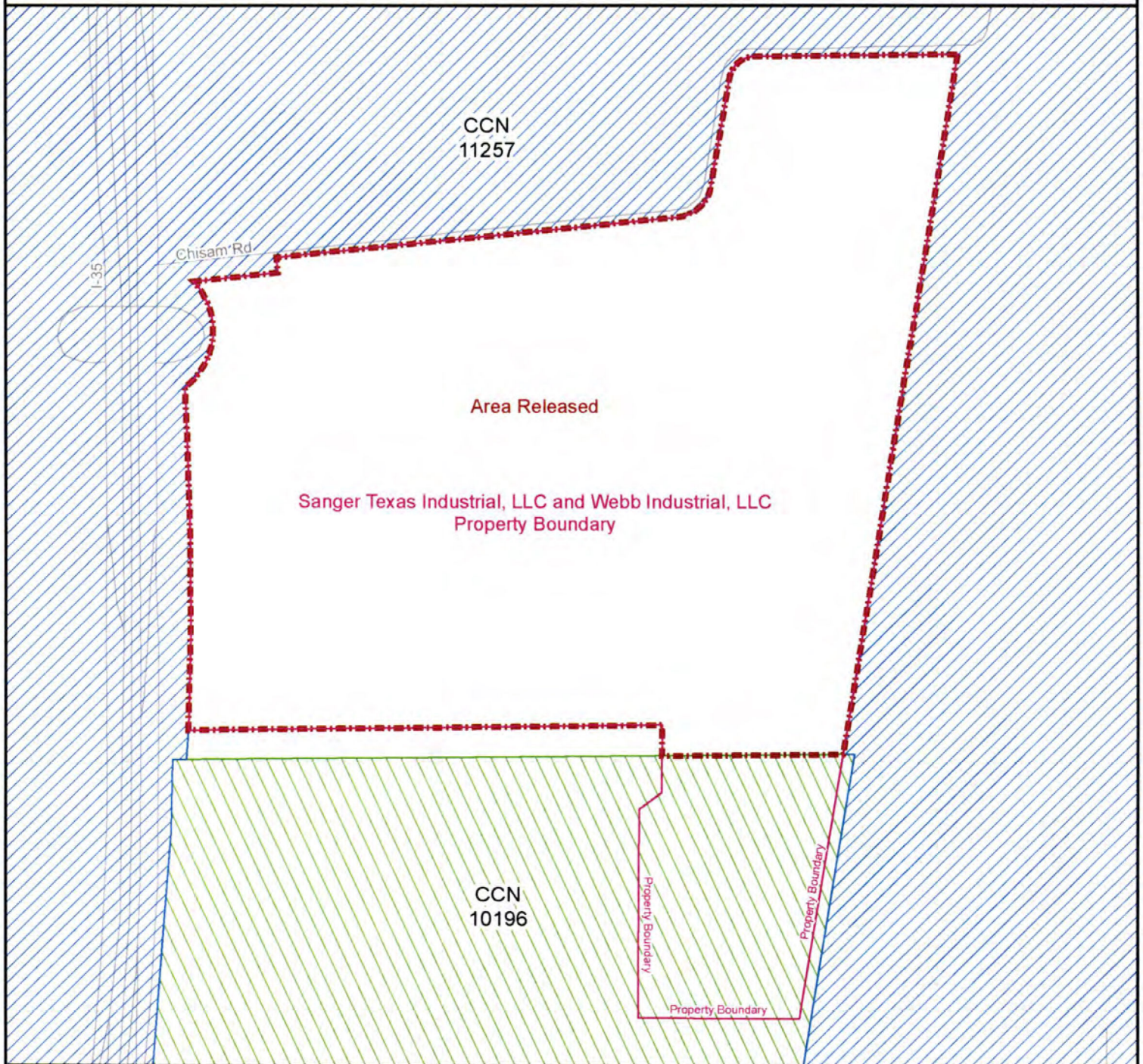
Bolivar Water Supply Corporation

having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Bolivar Water Supply Corporation is entitled to this

Certificate of Convenience and Necessity No. 11257



to provide continuous and adequate water utility service to that service area or those service areas in Cooke, Denton, and Wise Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 52697 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the Bolivar Water Supply Corporation to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.



Bolivar Water Supply Corporation
Portion of Water CCN No. 11257
PUC Docket No. 52697
Petition by Sanger Texas Industrial, LLC and Webb Industrial, LLC to Amend
Bolivar Water Supply Corporation's CCN by Expedited Release in Denton County



Public Utility Commission of Texas
1701 N. Congress Ave
Austin, TX 78701

Water CCN

-  11257 - Bolivar WSC
-  10196 - City of Sanger

-  Area Released
-  Property Boundary

0 325 650
Feet



Map by: Komal Patel
Date: January 4, 2022
Project: 52697BolivarWSC.mxd

BOLIVAR DISTRIBUTION SYSTEM

(June 2022)

PRESSURE PLANE NO. 1 (22,000 AC.) - (Acres Served 19,000)

6" Line	16,000	@ 60.00	960,000
4" Line	27,000	@ 40.00	1,080,000
3" Line	53,000	@ 30.00	1,590,000
2.5" Line	15,000	@ 25.00	375,000
2" Line	<u>39,000</u>	@ 20.00	<u>780,000</u>
	150,000		\$ 4,785,000

PRESSURE PLANE NO. 2 (24,000 AC.) - (Acres Served 16,000)

12" Line	20,000	@ 120.00	2,400,000
8" Line	10,000	@ 80.00	800,000
6" Line	75,000	@ 60.00	4,500,000
4" Line	5,000	@ 40.00	200,000
3" Line	34,000	@ 30.00	1,020,000
2.5" Line	12,000	@ 25.00	300,000
2" Line	<u>25,000</u>	@ 20.00	<u>500,000</u>
	181,000		\$ 9,720,000

PRESSURE PLANE NO. 2-A (35 AC.) - (Acres Served 35)

4" Line	3,000	@ 40.00	120,000
2" Line	<u>2,000</u>	@ 20.00	<u>40,000</u>
	5,000		\$ 160,000

PRESSURE PLANE NO. 3 (60,000 AC.) - (Acres Served 45,000)

12" Line	3,000	@ 120.00	360,000
8" Line	12,000	@ 80.00	960,000
6" Line	75,000	@ 60.00	4,500,000
4" Line	55,000	@ 40.00	2,200,000
3" Line	42,000	@ 30.00	1,260,000
2.5" Line	61,000	@ 25.00	1,525,000
2" Line	<u>56,000</u>	@ 20.00	<u>1,120,000</u>
	304,000		\$ 11,925,000

PRESSURE PLANE NO. 4 (24,000 AC.) – (Acres Served 20,000)

12" Line	25,000	@ 120.00	3,000,000
8" Line	8,000	@ 80.00	640,000
6" Line	23,000	@ 60.00	1,380,000
4" Line	92,000	@ 40.00	3,680,000
3" Line	10,000	@ 30.00	300,000
2.5" Line	31,000	@ 25.00	775,000
2" Line	<u>45,000</u>	@ 20.00	<u>900,000</u>
	234,000		\$ 10,675,000

PRESSURE PLANE NO. 5 (25,000 AC.) – (Acres Served 24,000)

6" Line	110,000	@ 60.00	6,600,000
4" Line	75,000	@ 40.00	3,000,000
3" Line	24,000	@ 30.00	720,000
2.5" Line	20,000	@ 25.00	500,000
2" Line	<u>19,000</u>	@ 20.00	<u>380,000</u>
	248,000		\$ 11,200,000

PRESSURE PLANE NO. 6 (57,000 AC.) – (Acres Served 45,000)

12" Line	20,000	@ 120.00	2,400,000
6" Line	66,000	@ 60.00	3,960,000
4" Line	38,000	@ 40.00	1,520,000
3" Line	41,000	@ 30.00	1,230,000
2.5" Line	42,500	@ 25.00	1,062,500
2" Line	<u>92,000</u>	@ 20.00	<u>1,840,000</u>
	299,500		\$ 12,012,500

TOTAL VALUE OF DISTRIBUTION SYSTEM **\$ 60,477,000**

TOTAL ACRES SERVED **169,035**

VALUE DISTRIBUTION PER ACRE SERVED **\$ 358**

From: [Art Rodriguez](#)
To: [Josh Korman](#)
Cc: [Jessica Newlin](#)
Subject: FW: Responses Requested - Expedited Release Documents
Date: Sunday, June 12, 2022 3:04:46 PM
Attachments: [image001.png](#)
[Letter of Response.pdf](#)
[Planning Report 2022-2032.pdf](#)
[Distribution Sysem Inventory.pdf](#)

See the information that you requested from Bolivar's engineer.

Also, regarding legal fees this amount is good through Friday:

Sanger: \$4,755.67

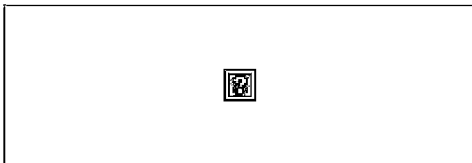
McCart: \$4,027.17

I would estimate \$1750 each for the remainder of the case.

Thanks.

Arturo D. Rodriguez, Jr.

[\(512\) 930-1317](#)



From: Kerry D. Maroney <kdm@bmiwf.com>
Date: Sunday, June 12, 2022 at 2:43 PM
To: Art Rodriguez <arodriguez@txlocalgovlaw.com>
Cc: James Parkman <james@bolivarwatersc.com>, Brandi Boggs
<brandi@bolivarwatersc.com>
Subject: Responses Requested - Expedited Release Documents

See attached as requested.

Kerry



BIGGS & MATHEWS INC.

Consulting Engineers

June 13, 2022

Art Rodriguez
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Bldg. 2, Suite 200
Georgetown, Texas 78628

RE: Letter of Engineering Review – Expedited Release Requests
McCart Tract – 251 Acres – BWSC Pressure Plane No. 5
STC Group – 202 Acres – BWSC Pressure Plane No. 2
Sanger Tract – 211 Acres – BWSC Pressure Plane No. 2
Crossland Tract – 67 Acres – BWSC Pressure Plane No. 2

Dear Mr. Rodriguez:

As requested, we have reviewed the location and the request for expedited release of the above tracts and based on our review we have provided the following responses. In support of our responses, we have attached 1) Planning Report for Water Facility Improvements and 2) Distribution System Inventory and Value.

Question No. 1: What is the size of (acreage) of CCN:

➤ 212,035 acres

Question No. 2: What is the remaining debt for CCN:

➤ Unknown

Questions Specific to Each Tract:

McCart Tract:

- BWSC Pressure Plane No. 5
- Pressure Plane Size – 25,000 Acres
- Total Value of Facilities in Pressure Plane - \$14,800,000
- Elevated Storage - \$500,000
- Pump Station - \$850,000
- Water Supply Wells - \$2,250,000
- Distribution Lines - \$11,200,000

Notes: BWSC does not have distribution lines fronting or adjacent to this property. Type of revenue fees lost due to decertification would be depended on the land use of this property. However, typical loss would be \$4,500 per platted lot and annual average water sales of approximately \$650 per platted lot.

STC Group Tract:

- *BWSC Pressure Plane No. 2*
- *Pressure Plane Size – 24,000 Acres*
- *Total Value of Facilities in Pressure Plane - \$14,170,000*
- *Elevated Storage - \$500,000*
- *Pump Station - \$1,700,000*
- *Water Supply Wells - \$2,250,000*
- *Distribution Lines - \$9,720,000*

Notes: BWSC has an existing 12" distribution line along the north frontage of this property (2,600 LF) which is served by a combination of the Woolard Elevated Tank & Well and Melton Rd. Pump Station & Well. These facilities can provide for continuous and adequate service to this tract, in addition to emergency fire flows. Value of 12" line along frontage is $2,600 \text{ LF} \times \$120/\text{LF} = \$312,000$.

Type of revenue fees lost due to decertification would be depended on the land use of this property. However, typical loss would be \$4,500 per platted lot and annual average water sales of approximately \$650 per platted lot.

Sanger Tract:

- *BWSC Pressure Plane No. 2*
- *Pressure Plane Size – 24,000 Acres*
- *Total Value of Facilities in Pressure Plane - \$14,170,000*
- *Elevated Storage - \$500,000*
- *Pump Station - \$1,700,000*
- *Water Supply Wells - \$2,250,000*
- *Distribution Lines - \$9,720,000*

Notes: BWSC has an existing 8" distribution line along the north frontage of this property (4,200 LF) which is served by the Melton Rd. & Woolard facilities. Value of 8" line along frontage is $4,200 \text{ LF} \times \$80/\text{LF} = \$336,000$.

Type of revenue fees lost due to decertification would be depended on the land use of this property. However, typical loss would be \$4,500 per platted lot and annual average water sales of approximately \$650 per platted lot.

Crossland Tract:

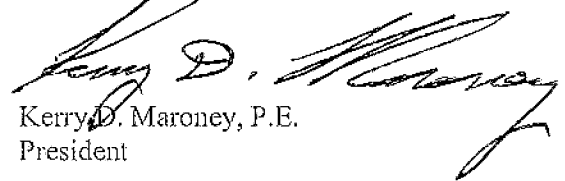
- *BWSC Pressure Plane No. 2*
- *Pressure Plane Size – 24,000 Acres*
- *Total Value of Facilities in Pressure Plane - \$14,170,000*
- *Elevated Storage - \$500,000*
- *Pump Station - \$1,700,000*
- *Water Supply Wells - \$2,250,000*
- *Distribution Lines - \$9,720,000*

Notes: BWSC does not have distribution lines fronting or adjacent to this property. Type of revenue fees lost due to decertification would be depended on the land use of this property. However, typical loss would be \$4,500 per platted lot and annual average water sales of approximately \$650 per platted lot.

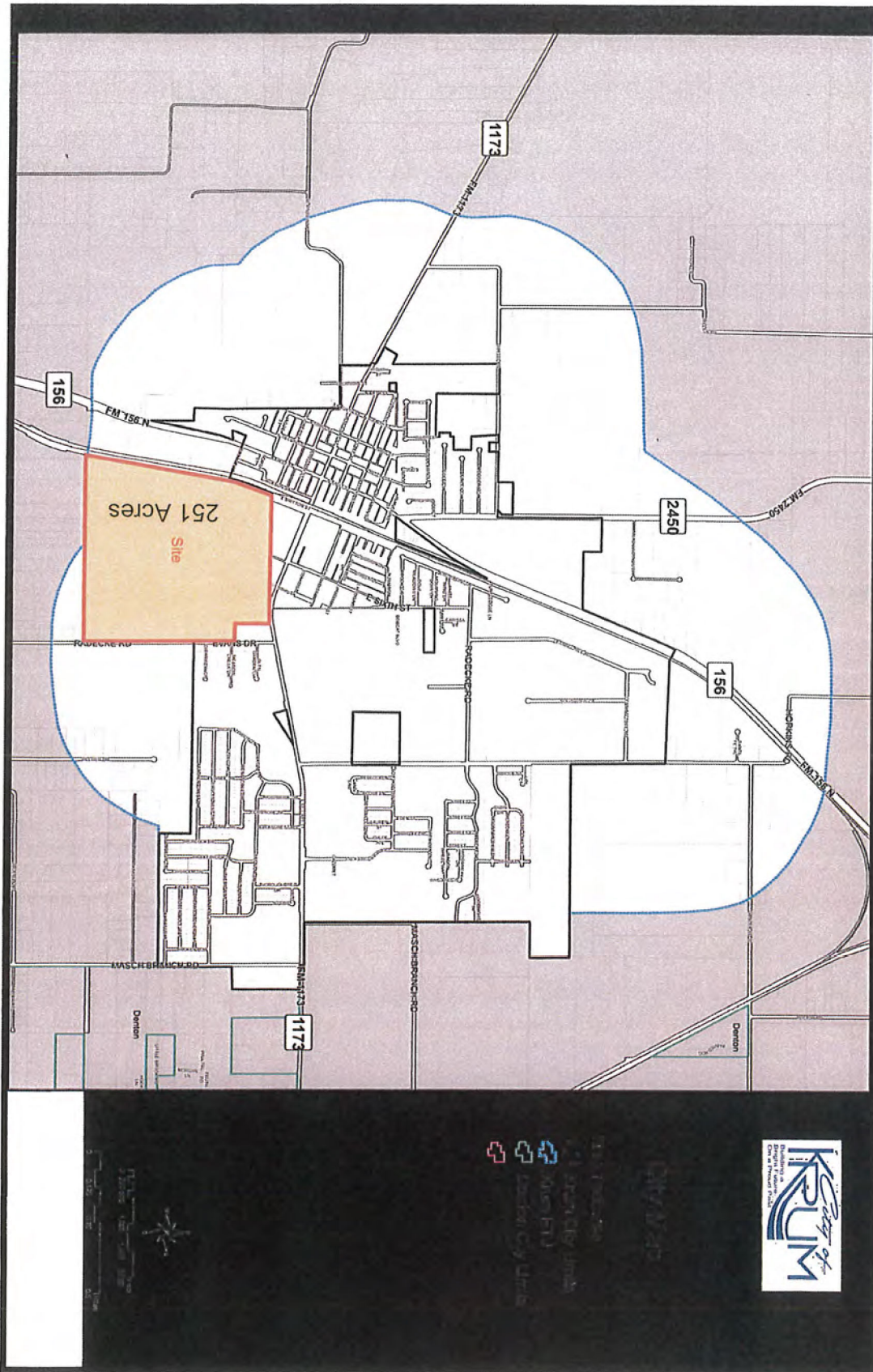
Please contact me with any additional questions or comments or if additional information is required.

Sincerely,

BIGGS & MATHEWS, INC.

A handwritten signature in black ink, appearing to read "Kerry D. Maroney". The signature is fluid and cursive, with a large, stylized "K" and "M".

Kerry D. Maroney, P.E.
President

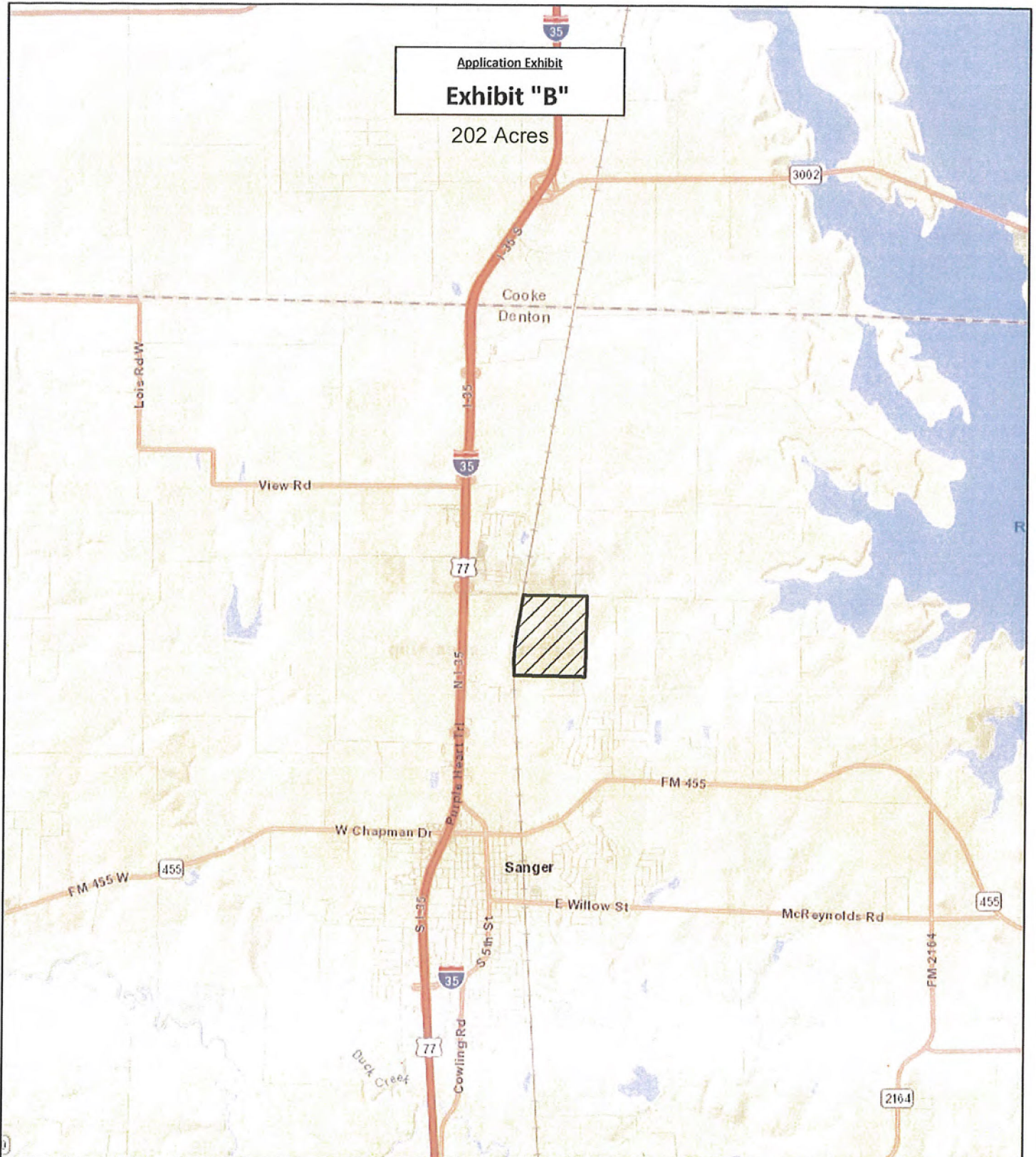


City of Krum
Denton County, Texas
2570 FM 407, Suite 209
Highland Village, Texas 75077
Ph: 972.691.6633
TBPE Firm #605

Application Exhibit

Exhibit "B"

202 Acres



Tract of Land for Streamlined Expedited Release From Bolivar WSC CCN No. 11257 (Water Only)

MAP SCALE: 1" = 5,000'

0 0.5 1 2 Miles

January 12, 2022

Tract of land for decertification is located east of
IH-35, south of Lois Road East, east of B.N.S.F.
Railroad Co., and north of Utility Road.

Denton County, TX

MAP LEGEND:

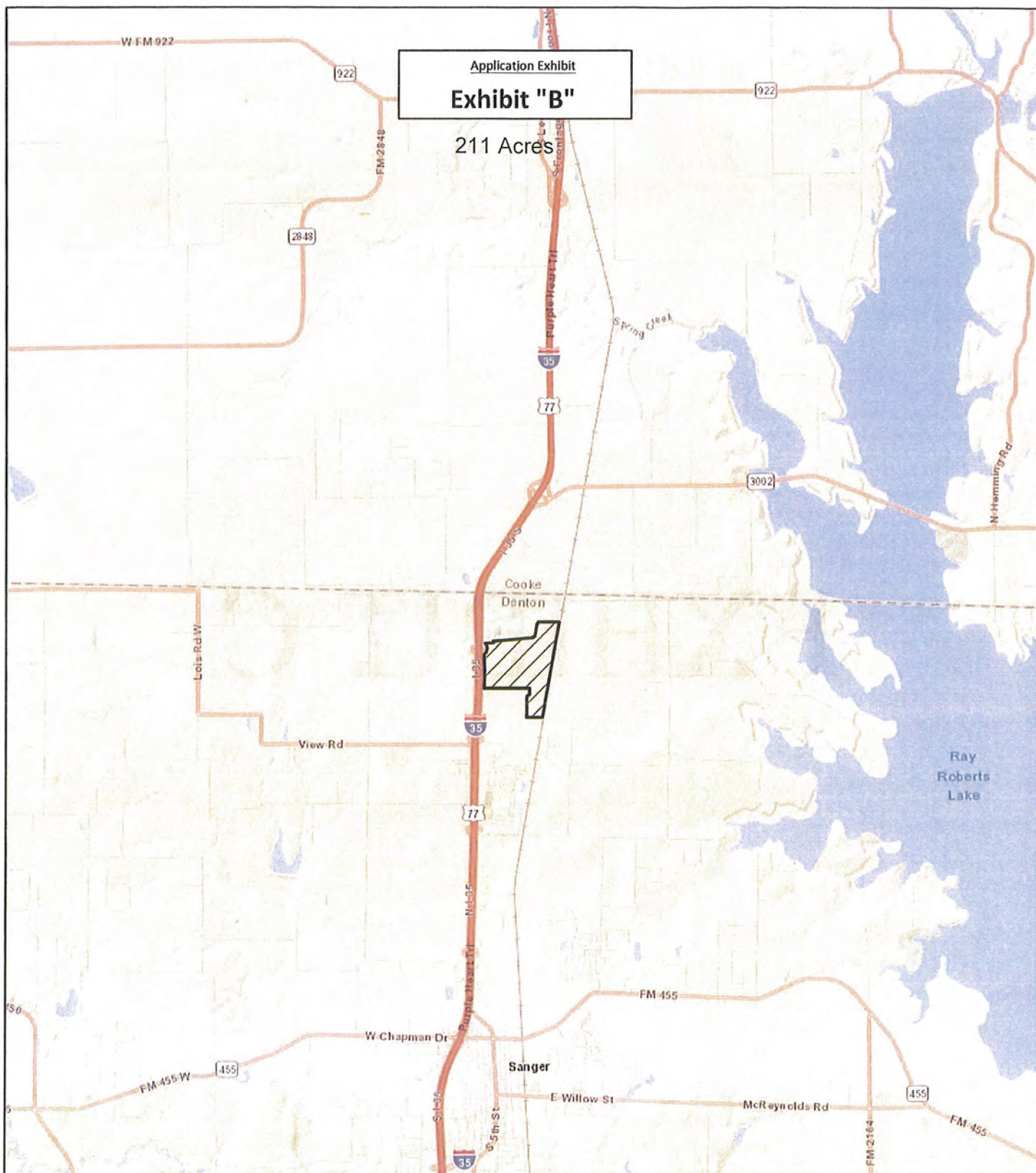


Tract of land for streamlined expedited
release from Bolivar WSC Water CCN
No. 11257

Application Exhibit

Exhibit "B"

211 Acres



Tract of Land for Streamlined Expedited Release From Bolivar WSC CCN No. 11257 (Water Only)



MAP SCALE: 1" = 6,000'

0 0.5 1 2 Miles

August 25, 2021

Tract of land for decertification is located east of
IH-35, south of Chasam Road, west of B.N.S.F.
Railroad Co. railroad, and north of Lois Road East.

Denton County, TX

MAP LEGEND:

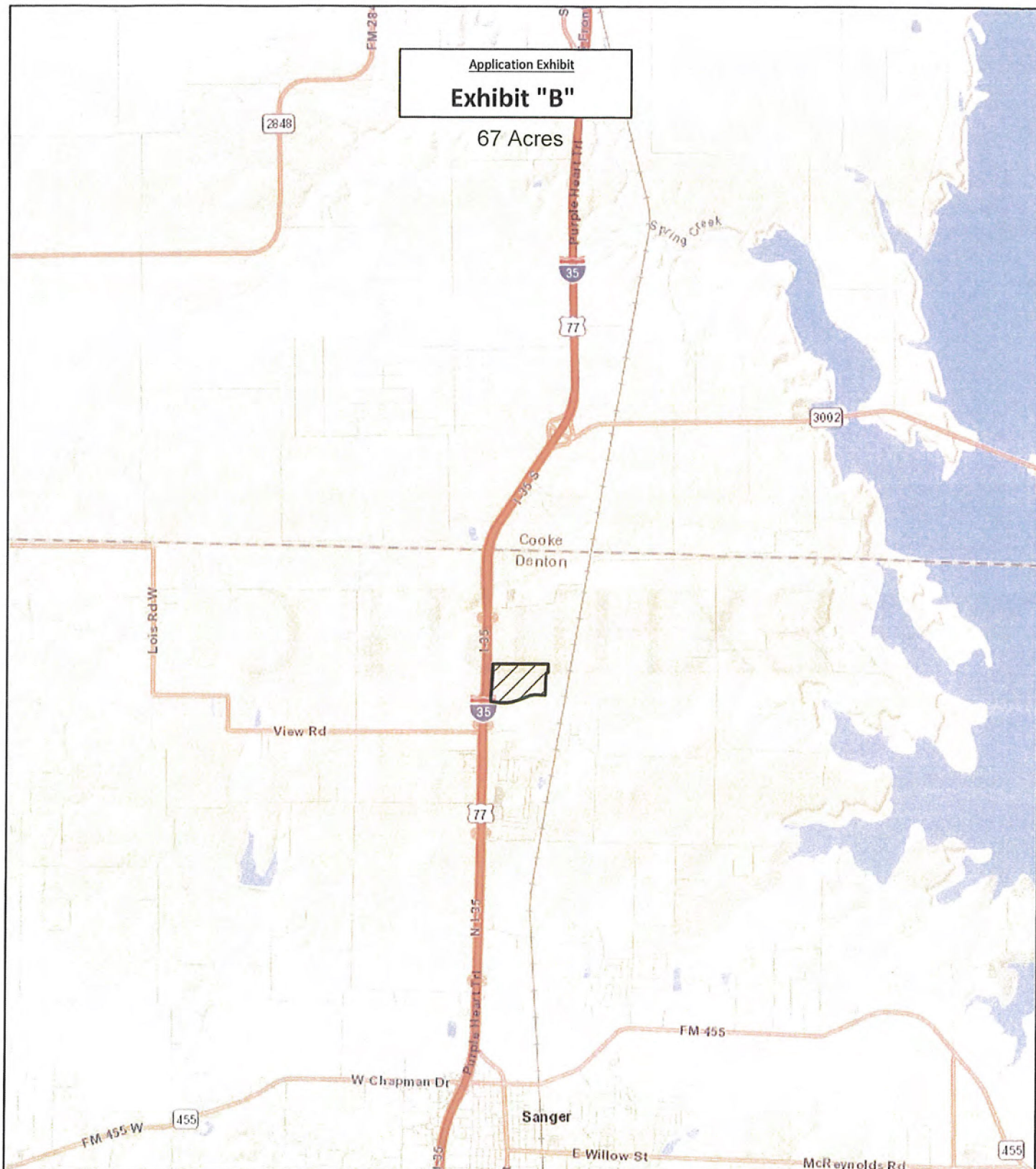


Tract of land for streamlined expedited
release from Bolivar WSC Water CCN
No. 11257

Application Exhibit

Exhibit "B"

67 Acres



Tract of Land for Streamlined Expedited Release From Bolivar WSC CCN No. 11257 (Water Only)



MAP SCALE: 1" = 5,000'

0 0.5 1 2 Miles

August 25, 2021

Tract of land for decertification is located east of
IH-35, south of Chasam Road, west of B.N.S.F.
Railroad Co. railroad, and north of Lois Road East.

Denton County, TX

MAP LEGEND:



Tract of land for streamlined expedited
release from Bolivar WSC Water CCN
No. 11257

PLANNING REPORT
FOR
WATER FACILITY IMPROVEMENTS
YEAR 2022 THROUGH 2032
BOLIVAR WATER SUPPLY CORPORATION
COOKE, DENTON & WISE COUNTY, TEXAS

June, 2022

Board of Directors

Kevin Kemplin – President
Janell Shelton – Vice-President
Freida Ashcraft – Secretary/Treasurer
D.L. Bowles – Director
Tommy J. Rhodes – Director
John Kubicek – Director
Bob Montgomery – Director
Fred Yeatts – Director
Kim Markel - Director

James Parkman – General Manager



Biggs & Mathews, Inc. (F-834)
Consulting Engineers
2500 Brook Ave.
Wichita Falls, Texas 76301

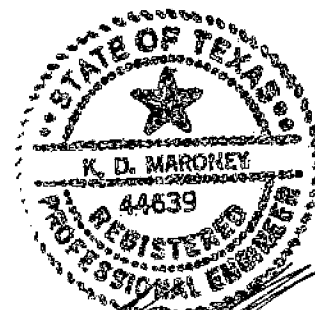


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APPENDIX A:

System Pressure Plane Map

1.0 GENERAL

Bolivar Water Supply Corporation (BWSC), Public Water System (PWS) I.D. No. TX0610049, was formed February 24, 1969 for the purpose of supplying potable water to unincorporated areas within Cooke, Denton, and Wise County. In accordance with their Certification of Convenience and Necessity (CCN No. 11257) dated November 1, 1979 BWSC was granted a service area that covers approximately 212,035 acres (331 square miles) within portions of three (3) counties. As of January 2022, the system serves 3,671 active connections with an anticipated annual system growth of approximately 100 connections per year.

In an attempt to maintain the level of service in their certificated area and to maintain compliance with the Texas Commission on Environmental Quality (TCEQ), the Board of Directors continues to evaluate and plan for the required future system expansion in a timely manner.

2.0 EXISTING SYSTEM FACILITIES

Currently the BWSC system is segmented into seven (7) pressure planes with the capability of being able to move water between selected planes on an emergency basis or when growth occurs near common pressure plane boundaries. Moving water between planes requires operator intervention, by opening and closing selected system valves as needed. Each pressure plane is served by water supply wells, ground storage facilities, pump stations and elevated storage based on the number of connections served in each plane. The following is a listing of each pressure plane and facilities serving that plane in addition to a system pressure plane map. (See Appendix A).

Pressure Plane No. 1 - 514 Connections – 22,000 Acres (Acres Served 19,000)

- 100,000 Gallon Elevated Tank - \$500,000
- Pump Station & Ground Storage - \$850,000
- 3 - Water Supply Wells – \$2,250,000
- Distribution System - \$4,785,000
- Existing Connections - 514
- Estimated Value of Facilities – \$8,385,000
- Estimated Value of Facilities per Acre Served - \$441

Pressure Plane No. 2 - 512 Connections – 24,000 Acres (Acres Served 16,000)

- 100,000 Gallon Elevated Tank - \$500,000
- 2 – Pump Stations & Ground Storage - \$ 1,700,000
- 3 - Water Supply Wells - \$2,250,000
- Distribution System - \$9,720,000
- Existing Connections – 512
- Estimated Value of Facilities - \$14,170,000
- Estimated Value of Facilities per Acre Served - \$886

Pressure Plane No. 2A - 30 Connections – 35 Acres (Acres Served 35)

- 2,500 Gallon Pressure Tank - \$30,000
- Pump Station & Ground Storage - \$100,000
- Water Supply Well – \$100,000
- Distribution System - \$160,000
- Existing Connections – 30
- Estimated Value of Facilities - \$390,000
- Estimated Value of Facilities per Acre Served - \$11,143

Pressure Plane No. 3 - 1,121 Connections – 60,000 Acres (Acres Served 45,000)

- 300,000 Gallon Elevated Tank - \$1,500,000
- 100,000 Gallon Elevated Tank - \$500,000
- 3 - Pump Station & Ground Storage - \$2,550,000
- 5 - Water Supply Wells – \$3,750,000
- Distribution System - \$11,925,000
- Existing Connections – 1,121
- Estimated Value of Facilities – 20,225,000
- Estimated Value of Facilities per Acre Served - \$449

Pressure Plane No. 4 - 607 Connections – 24,000 Acres (Acres Served 20,000)

- 100,000 Gallon Elevated Tank - \$500,000
- Pump Station & Ground Storage - \$850,000
- 4 - Water Supply Wells – \$3,000,000
- Distribution system - \$10,675,000
- Existing Connections – 607
- Estimated Value of Facilities - \$15,025,000
- Estimated Value of Facilities per Acre Served - \$752

Pressure Plane No. 5 - 569 Connections – 25,000 Acres (Acres Served 24,000)

- 100,000 Gallon Elevated Tank - \$500,000
- Pump Station & Ground Storage - \$850,000
- 3 - Water Supply Wells - \$2,250,000
- Distribution System - \$11,200,000
- Existing Connections – 589
- Estimated Value of Facilities - \$14,800,000
- Estimated Value of Facilities per Acre Served - \$617

Pressure Plane No. 6 - 298 Connections – 57,000 Acres (Acres Served 45,000)

- 100,000 Gallon Elevated Tank – \$500,000
- 2 - Pump Station & Ground Storage Tank - \$1,700,000
- 3 - Water Supply Wells – \$2,250,000
- Distribution System - \$12,012,500
- Existing Connections – 298
- Estimated Value of Facilities - \$16,462,500
- Estimated Value of Facilities per Acre Served - \$365

3.0 PROJECTIONS & DISTRIBUTION OF FUTURE GROWTH

Though it is very difficult to project which portions of the system might experience the most growth in the future, the historical growth over the last two (2) years can be an indicator of future growth distribution within each of the pressure planes as shown below:

- 3% of the growth occurred in Pressure Plane No. 1
- 4% of the growth occurred in Pressure Plane No. 2
- 0% of the growth occurred in Pressure Plane No. 2A
- 30% of the growth occurred in Pressure Plane No. 3
- 30% of the growth occurred in Pressure Plane No. 4
- 30% of the growth occurred in Pressure Plane No. 5
- 3% of the growth occurred in Pressure Plane No. 6

Assuming over the next ten (10) years that the annual system wide growth averages 100 connections per year, the total active connections for the system could grow by approximately 1,000 connections by the year 2032, for a total of 4,671 active connections. Furthermore, based on the above historical growth distribution, the estimated total connections in each pressure plane by the year 2032 would be as shown below:

- Pressure Plane No. 1 – 544 connections
- Pressure Plane No. 2 – 552 connections
- Pressure Plane No. 2A – 30 connections
- Pressure Plane No. 3 – 1,421 connections
- Pressure Plane No. 4 – 907 connections
- Pressure Plane No. 5 – 869 connections
- Pressure Plane No. 6 – 328 connections

In summary, through the year 2032, assuming all existing water supply, pressure maintenance, and storage facilities remain operational at their current capacity, 3 out of the 7 existing pressure planes will need additional pressure maintenance facilities and additional water supply sources. As shown below, new elevated storage tanks and new groundwater supply wells are proposed for Pressure Plane No. 3, Pressure Plane No. 4, and Pressure Plane No. 5.

4.0 SUMMARY OF PROPOSED SYSTEM IMPROVEMENTS 2022-2032

Pressure Plane No. 3 – Improvements \$2,200,000

- 300,000 Gallon Elevated Tank - \$1,500,000
- Water Supply Well – \$700,000

Pressure Plane No. 4 – Improvements \$2,200,000

- 300,000 Gallon Elevated Tank - \$1,500,000
- Water Supply Well – \$700,000

Pressure Plane No. 5 – Improvements \$2,200,000

- 300,000 Gallon Elevated Tank - \$1,500,000
- Water Supply Well – \$700,000

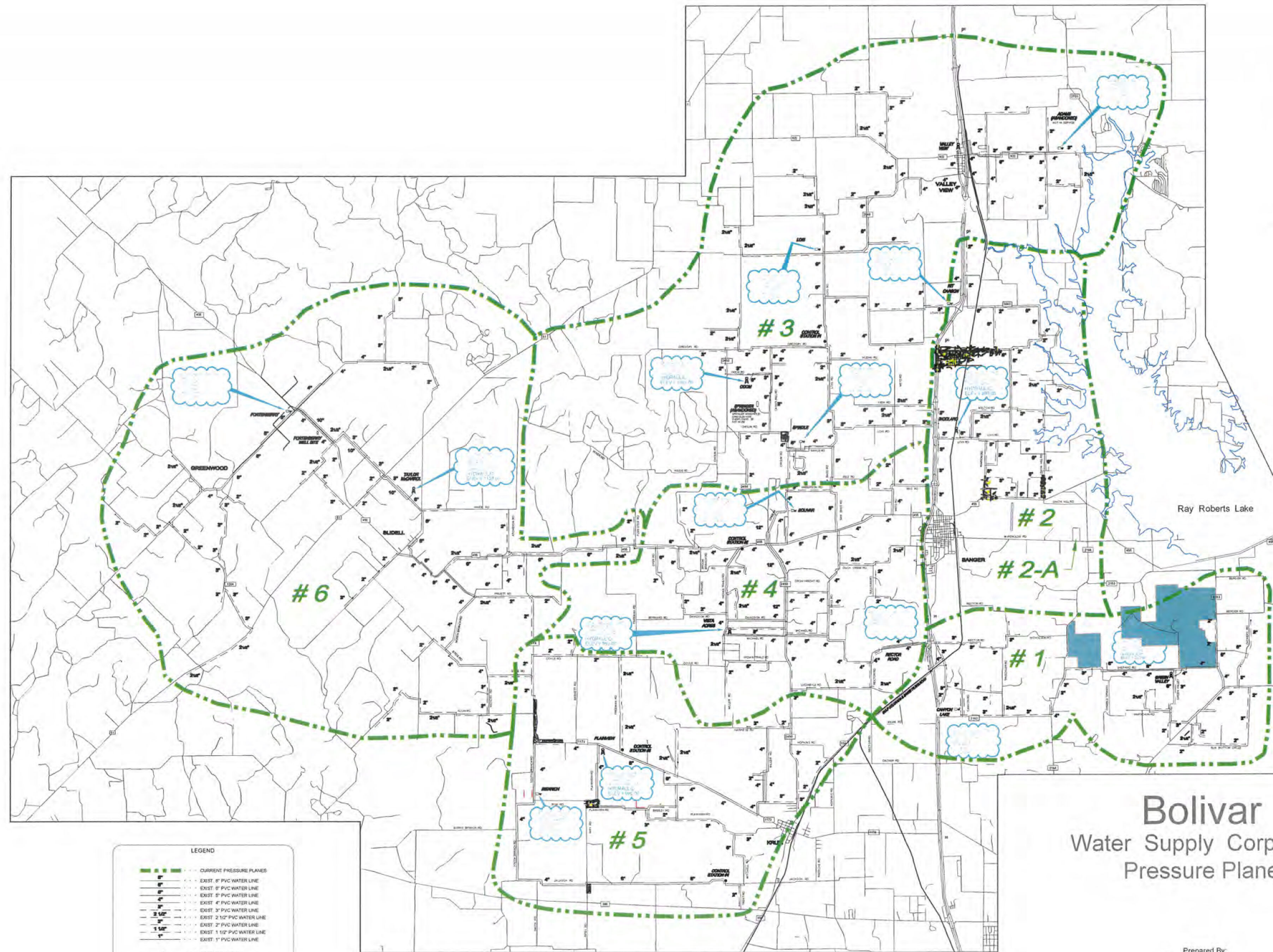
ESTIMATED CONSTRUCTION COSTS FOR IMPROVEMENTS - \$6,600,000.

5.0 REPORT CLOSURE AND RECOMMENDATIONS

BWSC should continue to closely monitor both the over-all system growth and the growth distribution within each of the seven (7) pressure planes and continue to look for opportunities to acquire additional well, pump station, and/or storage tank sites as various areas are developed and/or as existing well production capacities diminish.

Furthermore, BWSC should consider providing for the distribution line capacity to allow for some limited fire flows throughout some of the higher density developments. Typically, this capacity can be achieved by installing a minimum of 8" diameter distribution lines along with looping/interconnecting 6" diameter lines within the system.

APPENDIX A



LEGEND

	CURRENT PRESSURE PLANES
	EXIST. 8" PVC WATER LINE
	EXIST. 6" PVC WATER LINE
	EXIST. 4" PVC WATER LINE
	EXIST. 3" PVC WATER LINE
	EXIST. 2 1/2" PVC WATER LINE
	EXIST. 2" PVC WATER LINE
	EXIST. 1 1/2" PVC WATER LINE
	EXIST. 1" PVC WATER LINE
	EXIST. WELL SITE
	EXIST. ELEVATED TANK SITE
	EXIST. STANDPIPE
	EXIST. PUMP STATION

Bolivar Water Supply Corporation Pressure Planes

Prepared By:
Biggs & Mathews, Inc.

Drawn By: JMJ
Date: 08-31-2020