

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Zak Covar, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

February 6, 2014

Ms. Bridget Bohac, Chief Clerk
Office of the Chief Clerk
Texas Commission on Environmental Quality
P.O. Box 13087, MC-105
Austin, Texas 78711-3087

Re: Docket No. 2013-2015-DIS. Lake LBJ Water Control and Improvement District No.1
Application for approval of additional powers to provide wastewater services, pursuant
to Texas Water Code §§51.331-51.333; TCEQ Internal Control No. D-05152013-018
CN: 604337402; RN: 106794027

Dear Ms. Bohac:

Enclosed for filing with the Texas Commission on Environmental Quality (Commission) is the original plus seven copies of the following backup materials for the February 26, 2014, agenda item on the above-referenced matter:

1. Proposed order;
2. Technical Memorandum;
3. Lake LBJ WCID District No.1 Vicinity/Location Map;
4. Mailing List;
5. Certificate for Resolution Requesting the Additional Powers of Wastewater Service;
6. Executive Summary;
7. Notice of Hearing, and
8. Caption.

Please do not hesitate to contact me at (512) 239-4761 if you have any questions. Thank you for your attention to this matter.

Respectfully submitted,

A handwritten signature in cursive script that reads "Kayla Murray".

Kayla Murray, Staff Attorney
Environmental Law Division

Enclosure

cc: Mailing List

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



DOCKET NO. 2013-2015-DIS

AN ORDER AUTHORIZING ADDITIONAL POWERS TO LAKE LBJ WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 OF BURNET COUNTY

On February 26, 2014, the Texas Commission on Environmental Quality (Commission) met in regular session at its offices in Austin, Texas, with notice of the meeting issued in compliance with the Open Meetings Act, TEX. GOVT. CODE §§ 551.001–551.146, and the Administrative Procedure Act, TEX. GOVT. CODE §§ 2001.001–2001.902, to consider the application of Lake LBJ Water Control and Improvement District No. 1 of Burnet County (District) for additional powers to provide wastewater services within the District pursuant to TEX. WATER CODE §§ 51.331–51.333 and 30 TEX. ADMIN. CODE § 293.15.

Proper notice of the hearing was published on August 14 and August 21, 2013, in the *Fort Bend Herald*, a newspaper generally circulated in Burnet County, the county in which the District is located. Accordingly, the notice requirements of 30 TEX. ADMIN. CODE § 293.15(c) have been satisfied.

The Commission, after having considered the application as a whole and the memorandum dated November 8, 2013, from the Executive Director, a copy of which is attached and made a part hereof as Attachment A, finds that the District's request for additional powers to provide wastewater services within the District should be approved. The Commission finds that expanding the powers of the District to include wastewater facilities will give it control of its wastewater system for continued maintenance and operation. The Commission finds that the District's request for additional wastewater powers is feasible and practicable, will benefit the land, and will further public welfare.

NOW, THEREFORE, BE IT ORDERED BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY that the application of Lake LBJ Water Control and Improvement District No. 1 of Burnet County for additional powers to provide wastewater services within the District is approved pursuant to TEX. WATER CODE §§ 51.331–51.333 and 30 TEX. ADMIN. CODE § 293.15.

Issue Date: **DRAFT**

For the Commission

Texas Commission on Environmental Quality

TECHNICAL MEMORANDUM

To: Texas Commission on Environmental Quality **Date:** November 8, 2013

Thru: Tammy Benter, Manager, Utilities and Districts Section
Justin P. Taack, Acting Leader, Districts Bond Team

From: Mike Holder, Districts Bond Team

Subject: Docket No. 2013-2015-DIS. Lake LBJ Water Control and Improvement District No. 1 of Burnet County; Application for Approval of Additional Powers for Wastewater; Pursuant to Texas Water Code Sections 51.331-51.333.
TCEQ Internal Control No. D-05152013-018 (TC)
CN: 604337402 RN: 106794027

A. GENERAL INFORMATION

The Commission received an application from Lake LBJ Water Control and Improvement District No. 1 of Burnet County (District) requesting approval for additional powers to provide wastewater services to its customers as provided in Texas Water Code Sections 51.331-51.333 and 30 Texas Administrative Code (TAC) Section 293.15.

The District is located in Burnet County, approximately 11 miles northwest of downtown Marble Falls. The District is bounded on the west by Lake LBJ and is directly across the lake from the northern portion of Kingsland.

The District was created by order of the Burnet County Commissioners Court on October 11, 2011, to provide water supply, treatment, and distribution facilities for the single-family residential development of The Ranch on Lake LBJ. At the time of creation the District contained 251.73 acres. There have been no changes in the District's boundary since creation; however, the District may annex adjacent land in the future. The application projects an ultimate development of 50 equivalent single-family connections (ESFCs) for single-family development within the District's current area. The District's engineer indicates there is one existing ESFC currently in the District.

The District's voters authorized a maintenance tax not to exceed \$1.50 per \$100 assessed valuation. The District has not previously issued bonds and has no outstanding debt.

The District operates under Chapters 49 and 51 of the Texas Water Code.

B. ECONOMIC ANALYSIS

According to a Burnet Central Appraisal District certificate, the District's January 1, 2013, certified taxable assessed valuation is \$3,626,132.

Considering an estimated bond issue requirement of \$750,000 (assuming 100% financing), a bond interest rate of 7%, and a 20-year bond life, the average annual debt service requirement would be \$91,240. Assuming a 90% collection rate and an ultimate assessed valuation of \$63,900,000, a tax rate of approximately \$0.05 per \$100 valuation would be necessary to meet the annual debt service requirement. The District is not projecting any maintenance tax. The resulting combined projected tax rate of \$0.05 is less than the \$1.50 limit prescribed by 30 TAC Section 293.59(k)(3)(A).

C. ENGINEERING ANALYSIS

Water Supply

Water supply is from the District's water plant, which includes a well with a capacity of approximately 30 gpm, a 10,000-gallon ground storage tank, and a 1,000-gallon pressure tank. The existing facilities are sufficient to serve the ultimate development within the District, 50 ESFCs.

Wastewater Treatment

The District does not provide wastewater service; therefore, the District does not levy wastewater service charges. Private aerobic on-site treatment systems are installed at the expense of each landowner and are administered and serviced by the property owners association.

Storm Water Drainage

Storm water from the District generally drains through open ditches and storm sewers, which eventually outfall into Lake LBJ. Due to the size of the residential lots and minimal impervious cover, storm water detention ponds are not required for residential development.

According to the engineering report, the entire District is currently outside the 100-year floodplain.

D. SUMMARY OF COSTS

<u>Construction Costs</u>	<u>District's Share</u> ⁽¹⁾⁽²⁾
A. Developer Contribution Items	
1. Water Plant	\$ 144,325
2. Wastewater Treatment Plant	147,033
3. Underground Utilities	228,716
4. Effluent Disposal System	<u>100,800</u>
Total Developer Contribution Items	\$ 620,874
B. District Items – not applicable	
TOTAL CONSTRUCTION COSTS (100% of BIR)	\$ 620,874
<u>Nonconstruction Costs</u> – not applicable	
TOTAL BOND ISSUE REQUIREMENT	\$ 620,874

Note: (1) Projected costs based on final estimates. Assumes 100% funding of anticipated developer contribution items.

The eligible reimbursement of utility costs will be determined in accordance with the Commission's Rules at the time bond applications are reviewed.

E. CONCLUSIONS

1. Based on a review of the application and supporting documents, the District's request to have the authority to provide for the purchase, maintenance, and operation of wastewater facilities for its customers is considered feasible.
2. The recommendation is made under authority delegated by the Executive Director of the TCEQ.

F. RECOMMENDATION

Grant the District's request for additional power to provide wastewater and drainage services to its residents in accordance with Texas Water Code Sections 51.331-51.333 and 30 TAC Section 293.15.

THE RANCH ON LAKE LBJ
EXHIBIT 2 - LAND USE PLAN

BURNET COUNTY ROAD NO. 131

2425 ON SAN N. 2

SAM BOYD
DEVELOPMENT

RANCH LAND

WASTEWATER
TREATMENT

PAVED ROAD

WISSAHKI

WATER PLANT

THE RANCH ON LAKE LBJ
31 LOT SUBDIVISION

SAM BOYD
DEVELOPMENT

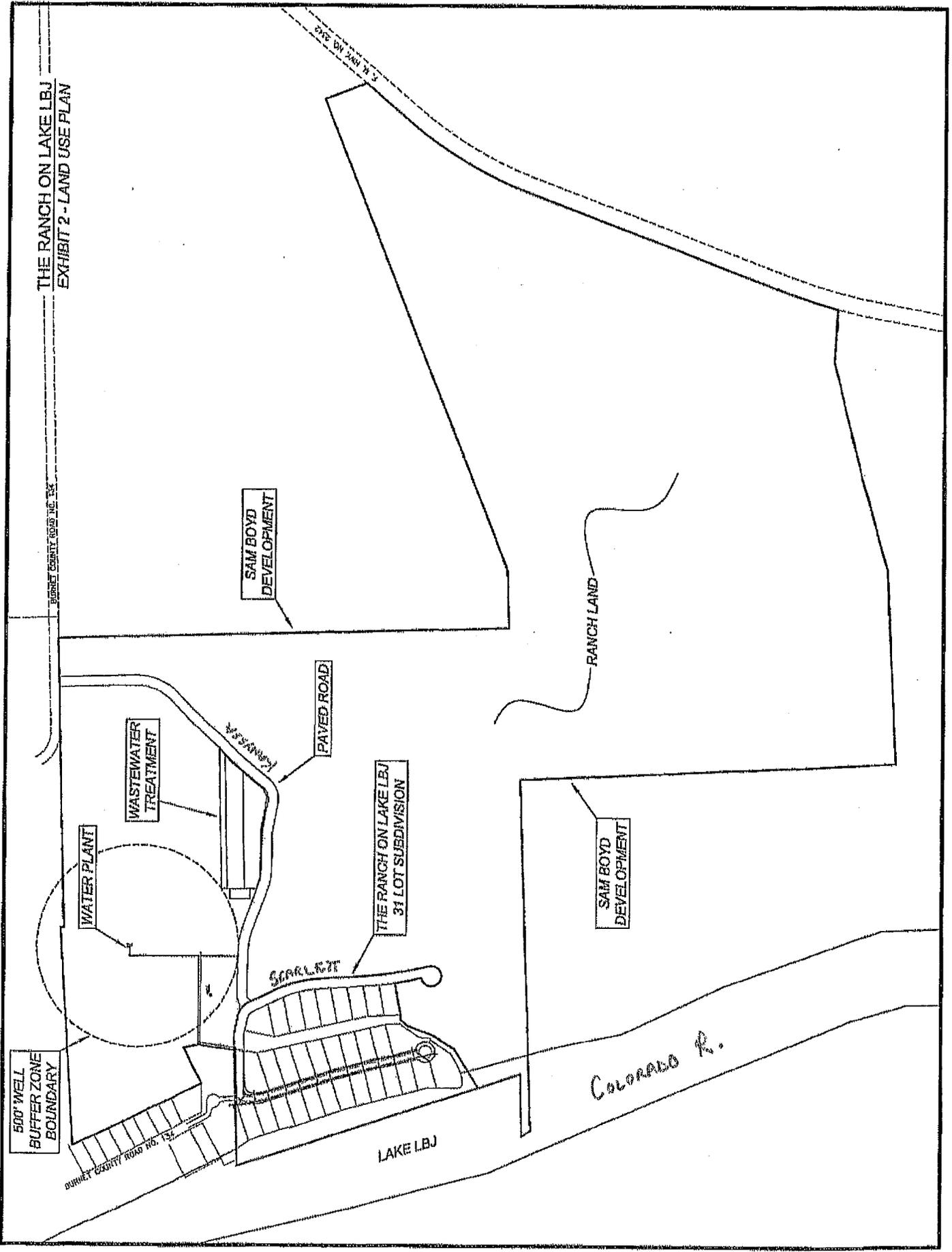
500' WELL
BUFFER ZONE
BOUNDARY

SCARLETT

COLORADO R.

BURNET COUNTY ROAD NO. 131

LAKE LBJ



THE RANCH ON LAKE LBJ
EXHIBIT 3 - WATER PLAN

BURNET COUNTY ROAD NO. 134

SAM BOYD
DEVELOPMENT

WATER PLANT

THE RANCH ON LAKE LBJ
SUBDIVISION

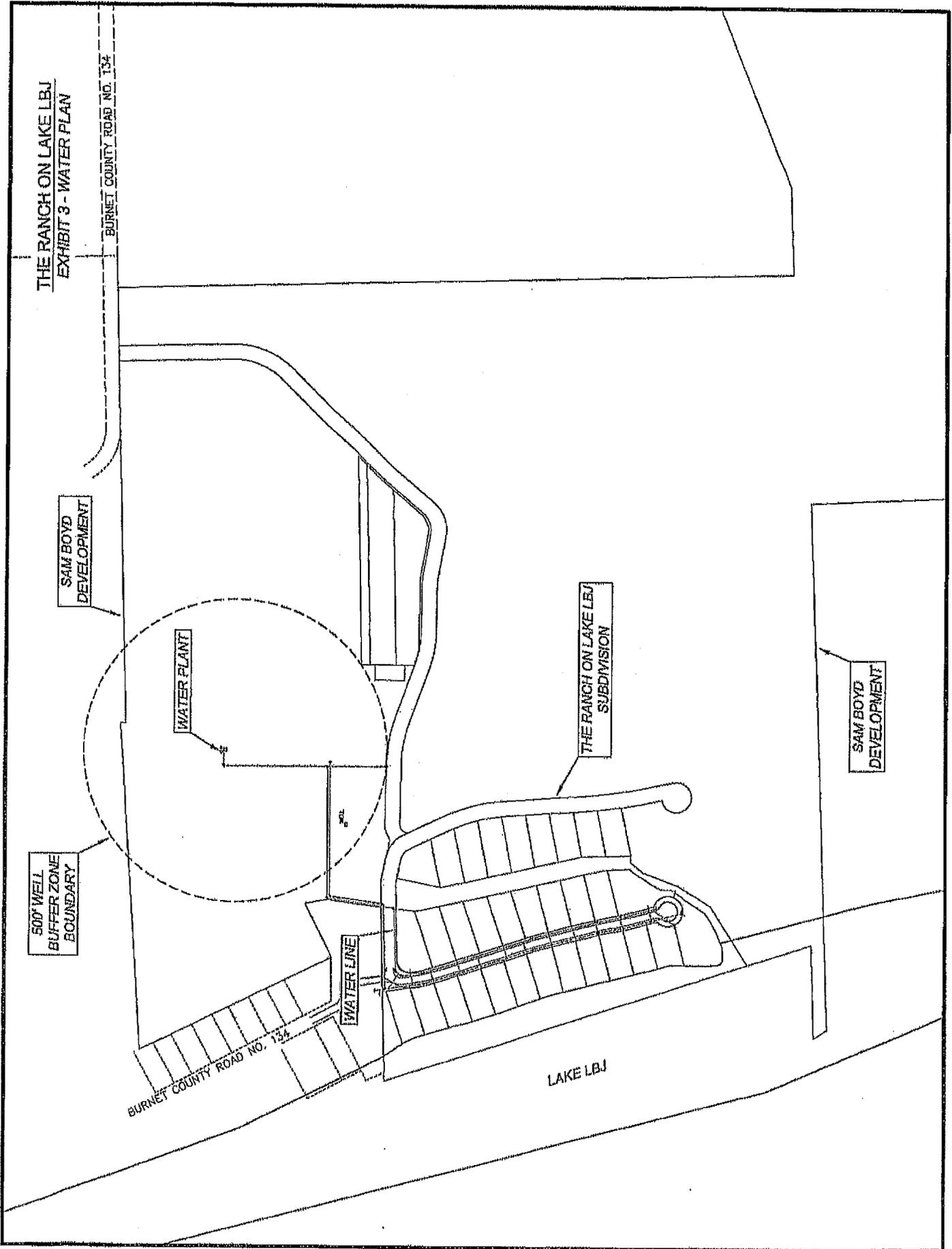
SAM BOYD
DEVELOPMENT

500' WELL
BUFFER ZONE
BOUNDARY

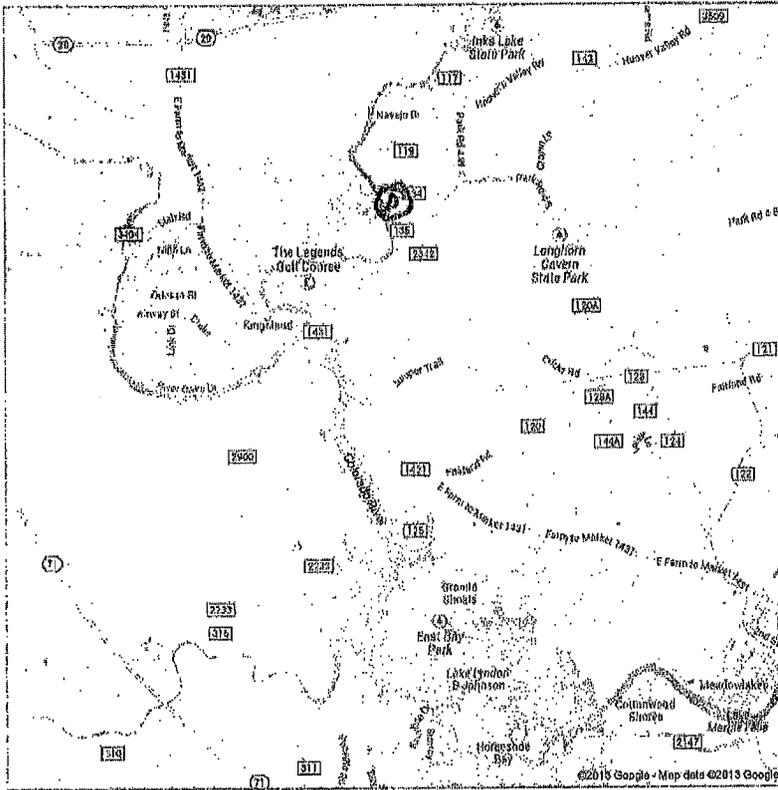
WATER LINE

BURNET COUNTY ROAD NO. 134

LAKE LBJ



Google



LAKR LBS WCID #1

Mailing List

Docket No. 2013-2015-DIS
Lake LBJ Water Control and Improvement District No. 1 of Burnet County
TCEQ Internal Control No. D-05152013-018

Mr. Philip Haag
McGinnis, Lochridge & Kilgore, L.L.P.
600 Congress Ave. – Suite 2100
Austin, Texas 78701

Mr. Larry Wilke, P.E.
Willis Environmental Engineers, Inc.
310 Main St.
Marble Falls, Texas 78654

Ms. Carolyn Runyon
TCEQ Region 11
P.O. Box 13087
Austin, Texas 78711-3087

Burnet County Clerk
Ms. Janet Parker
220 S. Pierce St.
Burnet, Texas 78611

Texas Commission on Environmental Quality
P. O. Box 13087
Austin, Texas 78711-3087

Todd Galiga, Environmental Law Division, MC-173
Mike Holder, Utilities & Districts Section, Water Supply Division, MC-152
Justin P. Taack, Utilities and Districts Section, Water Supply Division, MC-152
Komal Patel, Utilities and Districts Section, Water Supply Division, MC-153
Blas Coy, Office of the Public Interest Counsel, MC-103

EXHIBIT "A"

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS

§

COUNTY OF BURNET

§

§

I, the undersigned officer of the Board of Directors of Lake LBJ Water Control and Improvement District No. 1 hereby certify as follows:

1. The Board of Directors of Lake LBJ Water Control and Improvement District No. 1 convened in a regular meeting on February 11, 2013 (the "Meeting"), at its designated meeting place inside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Donna Barkowsky	President
Larry Beseda	Vice President
Dave Hudson	Secretary
Greg McDonnell	Treasurer
Conrad Vernon	Asst. Secretary/Treasurer

and all of said persons were present, except Director Vernon, thus constituting a quorum. Whereupon, among other business, the following was transacted at the Meeting: a written

RESOLUTION OF THE BOARD OF DIRECTORS OF LAKE LBJ WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 REGARDING INCREASING THE DISTRICT'S POWERS TO INCLUDE WASTEWATER SERVICE AND MATTERS RELATED THERETO

(the "Resolution") was introduced for the consideration of the Board. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, the motion, carrying with it the adoption of the Resolution, prevailed and carried by the following vote:

Ayes: 4 Abstentions: 0 Nays: 0

2. That a true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this certificate; that the Resolution has been duly recorded in the Board's minutes of the Meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting, that the Resolution would be introduced and considered for adoption at the Meeting, and each of the officers and members consented, in advance, to the holding of the Meeting for such purpose; that the Meeting was open to the public as required by law; and that public notice of the time, place, and subject of the Meeting was given as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code.

• SIGNED AND SEALED on this 11th day of February, 2013.



A handwritten signature in black ink, appearing to read "Dave Hudson", written over a horizontal line.

Dave Hudson
Secretary, Board of Directors
Lake LBJ WCID No. 1

[SEAL]

[SIGNATURE PAGE TO CERTIFICATE FOR RESOLUTION]

RESOLUTION NO. 13-0211-3

RESOLUTION OF THE BOARD OF DIRECTORS OF LAKE LBJ WATER CONTROL & IMPROVEMENT DISTRICT NO. 1 (THE "DISTRICT") REGARDING INCREASING THE DISTRICT'S POWERS TO INCLUDE WASTEWATER SERVICE AND MATTERS RELATED THERETO

WHEREAS, Lake LBJ Water Control & Improvement District No. 1 (the "District") was duly created by Order of the Commissioners' Court of Burnet County on October 11, 2011;

WHEREAS, the Board of Directors of the District has determined that the acquisition powers to provide wastewater services would serve the best interest of the District and would be a benefit to the land and property included in the District;

WHEREAS, the Board of Directors of the District desires to request a hearing before the Texas Commission on Environmental Quality on the question of increasing the District's powers to include the authority for provision of wastewater services throughout the District;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF LAKE LBJ WATER CONTROL & IMPROVEMENT DISTRICT NO. 1:

Section 1. The matters and facts recited in the preamble to this Resolution are hereby found to be true and correct.

Section 2: The Board of Directors of Lake LBJ Water Control & Improvement District No. 1 hereby declares that the authority to provide wastewater services would serve the best interest of the District and would be a benefit to the land and property included in the District.

Section 3. Pursuant to Section 51.233 of the Texas Water Code and 30 Texas Administrative Code Section 293.15(b), the Board of Directors hereby requests that the Texas Commission on Environmental Quality hold a hearing on the question of increasing the District's powers to include wastewater services and directs its legal counsel to submit the following along with the request for conversion:

- (a) An original copy of this Resolution;
- (b) \$700 application fee;
- (c) All plans or drawings in paper or digital format showing the location of any existing facilities, including highways, roads, and other improvements together with the location of proposed utility mains and sizing, general drainage patterns, principal drainage ditches, and structures, utility plant sites, recreational areas, commercial and school sites, areas within the 100-year flood plain, and other information pertinent to the projects;
- (d) A preliminary engineering report as required by 30 Texas Administrative Code Section 293.15;
- (e) Any and all other information required by Section 51.332 of the Texas Water Code, as amended, and 30 Texas Administrative Code Section 293.15.

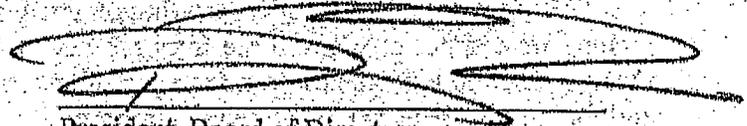
Section 4. The District shall file a copy of this Resolution with the secretary or clerk of any city in whose corporate limits or extraterritorial jurisdiction any part of the District is located pursuant to 30 Texas Administrative Code Section 293.15(c)(2).

Section 5. A notice of the hearing on the question of increasing the District's powers to include wastewater services in the form provided by the Texas Commission on Environmental Quality shall be published in a newspaper of general circulation within the county as required and for the time required by 30 Texas Administrative Code 293.15(c)(1).

Section 6. The District's legal counsel and engineer are hereby authorized to submit all required documents and any other information that may be required in connection with these requests for conversion, acquisition of road powers, and change of the District's name.

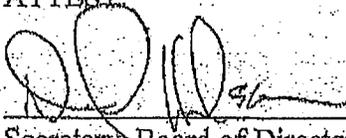
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APPROVED this 11th day of February, 2013.



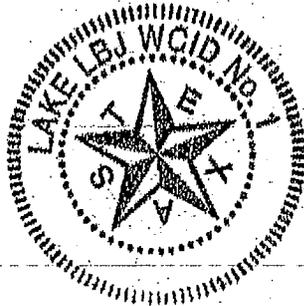
President, Board of Directors
Lake LBJ Water Control &
Improvement District No. 1

ATTEST:



Secretary, Board of Directors
Lake LBJ Water Control &
Improvement District No. 1

[SEAL]



EXECUTION PAGE FOR RESOLUTION NO.13-0211-3

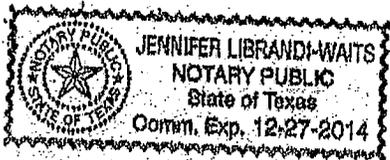
STATE OF TEXAS

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COUNTY OF BURNET

BEFORE ME, the undersigned authority, on this day personally appeared Donna Barkowsky and David Hudson, President and Secretary, respectively, of the Lake LBJ Water Control & Improvement District No. 1, each who has executed the above and foregoing Resolution for the purposes and consideration therein expressed and with full authority to so act.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 11 day of FEBRUARY 2013.



Jennifer Librandi-Waits
Notary Public in and for the State of Texas

Texas Commission on Environmental Quality

INTEROFFICE MEMORANDUM

To: Texas Commission on Environmental Quality **Date:** November 8, 2013

Thru: Justin P. Taack, Acting Leader
Districts Bond Team

From: Mike Holder
Districts Bond Team

Subject: Docket No. 2013-2015-DIS. Lake LBJ Water Control and Improvement District No. 1 of Burnet County; Application for Approval of Additional Powers for Wastewater; Pursuant to Texas Water Code Sections 51.331–51.333. TCEQ Internal Control No. D-05152013-018 (TC) CN: 604337402 RN: 106794027

DESCRIPTION OF APPLICATION

Applicant: Lake LBJ Water Control and Improvement District No. 1 of Burnet County (the “District”)

Request: Request for additional powers to provide wastewater services

Type: Additional powers to provide wastewater services

Authority: Texas Water Code Sections 51.331–51.333 and 30 TAC Section 293.15

STAFF RECOMMENDATION

Grant the District’s request for additional powers to provide wastewater and drainage services.

TECHNICAL INFORMATION

General: Expanding the powers of the District to include wastewater facilities will give it control of its wastewater systems for continued maintenance and operation. The District’s current tax rate can support the acquisition and maintenance of wastewater facilities.

ANTICIPATED RESPONSE

General agreement with staff recommendation.

CONTACT

Mike Holder, Technical Manager, Districts Bond Team – 512-239-2264

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



NOTICE OF DISTRICT HEARING TCEQ Docket No. 2013-2015-DIS

APPLICATION. The Texas Commission on Environmental Quality (TCEQ) will conduct a hearing on an application (the "Application") granting additional powers to Lake LBJ Water Control and Improvement District No. 1 of Burnet County (the "District"). The Application was filed with the TCEQ and includes the District's resolution (as follows as Exhibit "A") requesting the authority to dispose of wastewater pursuant to Texas Water Code Sections 51.331-51.333. The TCEQ will conduct this hearing under the authority of Texas Water Code Chapters 49 and 51, 30 Texas Administrative Code Chapter 293, and the procedural rules of the TCEQ. The TCEQ will conduct the hearing at:

9:30 a.m., Wednesday, February 26, 2014
Building E, Room 201S
12100 Park 35 Circle
Austin, Texas

The District was created by order of the Burnet County Commissioners Court on October 11, 2011, and organized under the terms and provisions of Article XVI, Section 59 of the Texas Constitution, and Chapters 49 and 51 of the Texas Water Code. The District contains 251.73 acres of land within Burnet County, Texas. Pursuant to 30 Texas Administrative Code Section 293.15, the resolution filed with the Application states that having the additional authority to provide wastewater services is in the best interest of the District.

HEARING. The purpose of this hearing is to provide all interested persons the opportunity to appear and offer testimony for or against the proposal contained in the Application. At the hearing, pursuant to Texas Water Code Section 51.333, the TCEQ will determine whether the District should be granted the additional authority.

INFORMATION. For information regarding the date and time this application will be heard before the TCEQ, please submit written inquiries to the Office of the Chief Clerk, MC 105, TCEQ, P.O. Box 13087, Austin, TX 78711-3087. For information concerning the hearing process, please contact the Office of Public Interest Counsel, MC 103, at the same address. For additional information, individual members of the general public may contact the Districts Review Team at 1-512-239-4691. General information regarding the TCEQ can be found at our web site at <www.tceq.texas.gov>.

Si desea información en Español, puede llamar al 1-512-239-0200.

Persons with disabilities who plan to attend this hearing and who need special accommodations at the hearing should call the TCEQ Office of Public Assistance at 1-800-687-4040 or 1-800-RELAY-TX (TDD) at least one week prior to the hearing.

Issued: November 20, 2013

CAPTION

**Lake LBJ Water Control and Improvement District No. 1
TCEQ Internal Control No. D-05152013-018**

TCEQ Docket No. 2013-2015-DIS. Consideration of an application from Lake LBJ Water Control and Improvement District No. 1 of Burnet County for wastewater authority. The District requests approval of additional powers to provide wastewater services within the District pursuant to Texas Water Code Sections 51.331–51.333. (Dinniah Tadema, Mike Holder)