



Mission del Lago

Not just home, a LIFESTYLE.

December 8, 2006

Texas Commission on Environmental Quality
 PO BOX 13087
 Austin, TX 78711-3087
 (512) 239-4691

DIS
54701

CHIEF CLERK'S OFFICE

2007 FEB -7 PM 1:28

TEXAS
COMMISSION
ON ENVIRONMENTAL
QUALITY

By this letter I withdraw the request of Mission del Lago, Ltd. for a contested case hearing on No. 05012006-D01, the Bexar Metropolitan Water District application with the TCEQ for authority to increase its impact fees.

Sincerely

James A. Mattox
 President of the corporate
 General Partner of Mission del Lago, Ltd.

CM

05012006-DD 1



Mission del Lago

Not just home, a LIFESTYLE.

July 21, 2006

To: Peggy Fox
Water Utilities Division
Texas Commission on Environmental Quality
Building F, 3rd Floor
12100 Park 35 Circle
Austin, TX 78753-3087

Jim@Jimmattox.com

From: James A. Mattox, 512-478-2900 or mobile 512-784-5541, Fax 512-708-0747

CHIEF CLERKS OFFICE

2006 SEP 21 AM 11:58

TEXAS
COMMISSION
ON ENVIRONMENTAL
QUALITY

As the developer of the Mission del Lago Sub Divisions in the ~~Bexar Metropolitan Water District~~, I am entering my protest of the proposed any increase in impact fees and requesting a contested case hearing.

I have a 135 lot subdivision, which is ready to have the plat recorded. Bexar Met has demanded a \$1500 fee per lot, calling it a Utility Service Agreement, because the impact fee request has not been approved.

Bexar Met has been through a very expensive change of Board Membership and administration that has wasted a lot of money. I do not believe that the requested impact fees are justified based on the cost of providing service, and I object to it being done without a public hearing.

Bexar Met has broken its word to developers and reneged on a promise to me. They withhold service unless the developer agrees to outlandish expenditures to get the service. The current policy of unilaterally raising impact fees is another example of the unreasonable and costly mismanagement. I have protested these actions and have been told that I must take it up with their lawyer. He has not called me back after four separate calls have been placed to him.

If SAWS can not provide the services requested, I would like to see their Certificate of Convenience and Necessity amended to take my development out, and allow me to be covered by SAWS, which already covers my sewer requirements.

If possible, I would like a determination on whether Bexar Met must allow developers to defer impact fees until the individual tap is used, which is the practice allowed by SAWS on sewer impact fees. It is clearly required by state law in the case of SAWS. Does the same provision apply to Bexar Met?

I am enclosing a previous communication with Rob Cummins of TCEQ. Please notify me when a hearing date is set.

Sincerely,

James A Mattox

M21

Sent previously to Reba Cummins

To: rcummins@tceq.state.tx.us

From: James A. Mattox, 512-478-2900 or mobile 512-784-5541, Fax 512-708-0747

On June 28, 2006 and again on June 30, 2006, we were told by Laura Stryjewski the Mains and Services Manager for Bexar Metropolitan Water District, phone 210-357-5712, that impact fees for Mission del Lago Unit 7B would be determined through a Utility Services Agreement and that the impact fees would be \$1500 rather than the \$700 plus fee that we were told when we started the project and borrowed the money for the project. I was told that Bexar Met had not had the new impact fee approved by TCEQ, but wanted to charge \$1500 per unit under a Utilities Service Agreement. I objected and was told to discuss the matter with the General Counsel of Bexar Met, Adelfo Ruiz, 210-354-6500. I have not spoken with him, but feel certain he will stand by the \$1500. I would like for TCEQ to review this matter because I do not feel that the rate increase is appropriate without being previously approved by TCEQ. I also wanted to protest any rate increase without a showing that it is justified based on actual costs to provide the service.



Mission del Lago

Not just home, a LIFESTYLE.

TEXAS
COMMISSION
ON ENVIRONMENTAL
QUALITY

AM 9:46

CHIEF CLERKS OFFICE

September 25, 2006

Texas Commission on Environmental Quality
PO BOX 13087
Austin, TX 78711-3087
(512) 239-4691

By this letter I request a contested case hearing on No. 05012006-D01, ~~the Bexar Metropolitan Water District~~ application with the TCEQ for authority to levy impact fees of \$2556 per EDU. The requested hearing is on behalf of Mission del Lago, Ltd., the developer of the Mission del Lago subdivision, that is served by water from Bexar Met.

Mailing address - PO BOX 13223
Austin, TX 78711

Daytime Phone - 512-478-2900
FAX 512-708-0747

Mission del Lago, Ltd. as the developer of the Mission del Lago subdivision with a 250 EDU application pending Bexar Met would be affected by approximately \$440,000 in increased fees for just this unit of a 2300 house development. More than a 200 percent increase in fees is not justified.

I specifically ask that the Public Interest Counsel assist in the contested hearing representing those of us that will have to pay this unmerited impact fee if it is allowed to go into effect.

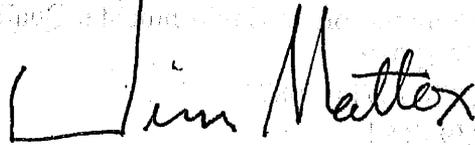
I further request that TCEQ take all steps necessary to overturn the actions outlined in the following paragraphs.

On September 25, 2006, I was told by Laura Stryjewski the Mains and Services Manager for Bexar Met, phone (210) 357-5712 that if I wanted water for Unit 8 of the Mission del Lago subdivision that I would have to pay a \$1500 (contractual) impact fee and a Bexar Met Board approved \$1000 Water Development Fee. She acknowledged that the \$1500 fee had not been approved by the TCEQ. She said they had applied for a \$2556 impact fee which had been

approved, but they still had to go through the 30 day public comment period and that there had been only one protest.

I told her that I thought that the Bexar Met fees were illegal and that the fees had not been approved or justified. She said she would have Adulfo Ruiz, General Counsel (210) 354-6502 call me back. I told her that I was ready and willing to pay the \$795 Impact Fee and wanted to pay for my EDU's. She said they would only enter into the Utility Service Agreement she described.

Sincerely



James A. Mattox
President of the corporate
General Partner of Mission del Lago, Ltd.

CC: David Earl
(210) 222-9100 (fax)
Robert Puente
(210) 532-4964 (fax)
Carlos Uresti
(210) 932-2572 (fax)

Bexar Met's published tariff is \$794.80 per EDU. In essence, this is their published impact fee per EDU. In addition to the impact fee, Bexar Met has also started charging a water supply fee in the amount of \$1,000.00 per EDU.

When we met with Laura Stryjewski this morning, she told us that they cannot publish an impact fee higher than \$794.80 per EDU, because that is the tariff that they have registered with the state. However, the \$794.80 per EDU impact fee is not enough to cover the cost of the improvements required to meet the needs of new development. So, in their USA's with the developers, they spell out an impact fee of \$1,500 per EDU, plus the \$1,000 water supply fee, for a total of \$2,500 per EDU. According to Laura, they cannot publish a tariff higher than \$794.80 per EDU, but they can structure their payment terms in their USA's with developers at whatever rate they want.

Apparently, Jim Mattox does not agree, and believes he should only be charged the published impact fee of \$794.80 per EDU. Laura Stryjewski does not want to start working on the USA until there is a meeting of the minds on this issue. She said that Bexar Met is working to raise their rates, and by December, their published rate may increase to \$1,900 per EDU (plus the system development fee of \$1,000 per EDU, for a total of \$2,900 per EDU).

After the meeting, Joe and I brainstormed for a few minutes on possible ways to approach the situation. One option would be for Jim Mattox to discuss the legal implications of the issue with Adolfo Ruiz, Bexar Met legal counsel, to hopefully reach a meeting of the minds. If this is not possible, another option would be for Jim Mattox to go ahead and pay the higher fee, but under protest. When you speak to Jim Mattox, will you please update him on this, and find out how he would like to approach the situation? Once we get his opinion, we can prepare our response to Bexar Met.

Thank you,
Elizabeth H. Chollar
Assistant Project Manager
M.W. Cude Engineers, L.L.C.
10325 Bandera Road
San Antonio, Texas 78250
Tel: 210.681.2951
Fax: 210.523.7112
echollar@mwcude.com



311 PROBANDT

SAN ANTONIO, TEXAS 78204

TEL (210) 223-5203 • FAX (210) 223-5536

WWW.HABITATSA.ORG

October 4, 2006

DIS
54701

Office of the Chief Clerk
MC 105
TCEQ
PO Box 13087
Austin, TX 78711-3087

OPA

OCT 05 2006

BY _____

CHIEF CLERK'S OFFICE

2006 OCT -5 AM 10:57

TEXAS
COMMISSION
ON ENVIRONMENTAL
QUALITY

RE: TCEQ Internal Control No. 05012006-D01

To Whom It May Concern:

On behalf of Habitat for Humanity of San Antonio, Inc., 311 Probandt San Antonio, Tx 78204 (Phone 210-223-5203 Fax 210-223-5536) I hereby request a contested case hearing in regards to the petition of Bexar Metropolitan Water District and the above referenced control number.

Habitat for Humanity is a 501(c)(3) non-profit organization that builds simple, decent, affordable homes for very low to low income families earning 25 – 60% of the area median income for San Antonio. We sell our homes at no profit and finance a 20 – 25 year mortgage at zero percent (0%) interest. Because we sell at no profit and finance with 0% interest, the low income families with whom we partner are able to afford to purchase these homes and move their families out of substandard housing. However, the assessment of impact and development fees greatly affects our ability to build affordable housing for these low income families. It also places low income families at a serious disadvantage that is not common to the general public.

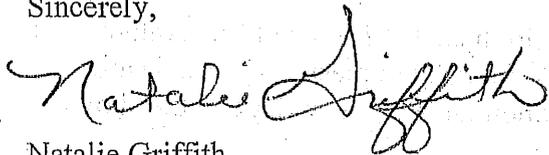
When faced with fee assessments and increases a builder has 2 choices: pass the cost along to the homebuyer or “absorb” the cost in their profit margin. Because Habitat for Humanity builds homes at no profit and finances the mortgage at 0% interest, we do not have the second option. We have no profit margin from which to pay the fees.

If we pass the cost to our low income buyer, we increase the price of the home by an amount equal to **13% or more** of the average buyer’s **annual income**. This cost increase makes the home unaffordable and will effectively exclude families from participation in our program who otherwise would be able to afford and purchase a simple, decent home. To the general public, this additional cost represents 6% or less of their annual income (based on the area median income of \$54,000) and would generally not cause them to be disqualified by a lender.

We are attempting to work with Bexar Met staff to reach an agreement whereby they will waive these fees for Habitat because we provide affordable home ownership to low income families. We would not contest the increase in impact fees if Bexar Met were to adopt a formal policy of waiving these fees for our affordable homeownership program for low income families. A fee waiver policy would actually serve to strengthen our overall community as we all partner to provide low income families truly affordable, simple, decent homes.

Please let us know the next step in the contestation process. Thank you for the opportunity to present our concerns in regards to these fees and hopefully come to a timely resolution of the matter.

Sincerely,



Natalie Griffith
Vice President



311-PROBANDT

SAN ANTONIO, TEXAS 78204

TEL (210) 223-5203 - FAX (210) 223-5536

WWW.HABITATSA.ORG

2006-1833-DIS

October 31, 2006

OPA WH

NOV 07 2006

BY _____

DIS / 547a

Office of the Chief Clerk
MC 105
TCEQ
PO Box 13087
Austin, TX 78711-3087

RE: TCEQ Internal Control No. 05012006-D01

CC: F. Gilbert Olivares, General Manager, Bexar Met Water District

CHIEF CLERKS OFFICE

NOV 06 AM 11:26

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

To Whom It May Concern:

On behalf of Habitat for Humanity of San Antonio, Inc., 311 Probandt San Antonio, Tx 78204 (Phone 210-223-5203 Fax 210-223-5536) I hereby withdraw our request for a contested case hearing in regards to the petition of Bexar Metropolitan Water District and the above referenced control number.

On October 30, 2006 the Bexar Met Board of Directors adopted a resolution to waive the water impact fees for our Palo Alto Subdivision. This will enable us to continue to provide affordable housing to Bexar County's low-income families. With this waiver, the increased impact fees will not affect the population Habitat serves.

Thank you for the opportunity to present our concerns in regards to these fees and we are glad to say that we have reached a timely resolution of the matter with the Bexar Met Board.

Sincerely,

Natalie Griffith
Vice President

RG