

SOAH DOCKET NO. 582-23-11662
TCEQ DOCKET NO. 2022-0534-DIS

APPLICATION OF HIGHLAND LAKES § BEFORE THE STATE OFFICE
MIDLOTHIAN I, LLC FOR THE § OF
CREATION OF FM 875 MUNICIPAL §
UTILITY DISTRICT OF ELLIS COUNTY § ADMINISTRATIVE HEARINGS

**APPLICANT’S REPLY TO EXCEPTIONS TO
THE PROPOSAL FOR DECISION**

TO THE HONORABLE COMMISSIONERS OF THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY:

Highland Lakes Midlothian I, LLC, the Applicant for creation of FM 875 Municipal Utility District of Ellis County (the “MUD”), Replies to the City of Midlothian (“Midlothian”) and Ellis County’s (“County”) (collectively “Protestants”) Exceptions to the Proposal for Decision (“PFD”). Accordingly, Applicant shows the following:

A. Exceptions to the PFD’s analysis and recommendations regarding the request for service.

Applicant complied with the requirement to submit a request for service where the proposed MUD would be located within the extra-territorial jurisdiction of Midlothian. Specifically, Applicant submitted the requisite petitions to Midlothian without response. Accordingly, Applicant met its burden.

B. Exceptions to the PFD’s analysis and recommendations regarding whether District is feasible, practicable, necessary, and would be a benefit to the land proposed to be included in the District.

1. Availability of comparable wastewater service

The evidence is undisputed that Midlothian does not have the existing infrastructure to provide the proposed MUD with wastewater services. This is the statutory requirement, and Applicant has met its burden.

2. Reasonableness of Projected Construction Costs, Tax Rates, and Water and Sewer Rates

Applicant has met its burden in showing through the evidence that construction costs, proposed tax rates, and water and sewer rates are reasonable. There is no evidence to the contrary, and Applicant has met its burden.

3. Effect on Groundwater Levels and Recharge within the Region

The proposed MUD will not have any greater effect on groundwater levels within the region than other typical single family development nor recharge capability. Applicant has met its burden in this respect.

4. Effect on Natural Run-off Rates and Drainage

There is no evidence that the proposed MUD will have any effect on natural run-off rates or drainage. Applicant has met its burden on this item.

5. Effect on Water Quality

Sufficient evidence was presented that the proposed MUD and its subsequent development will have no unreasonable effect on water quality. Here, Applicant has met its burden.

6. Effect on Total Tax Assessments on All Land Located within the District

Sufficient evidence was presented that the proposed MUD and its subsequent development will have no unreasonable effect on total tax assessments on all land located in the proposed MUD. Applicant has met its burden in this regard.

7. Justification for Creation of the District Supported by Evidence that the Project is Feasible, Practicable, Necessary, and Will Benefit All of the Land to be Included in the District

Applicant presented abundant evidence that creation of the proposed MUD is Feasible, Practicable, Necessary, and Will Benefit All of the Land to be Included in the proposed MUD.

CONCLUSION AND PRAYER

WHEREFORE, the Applicant respectfully requests that the Commission overrule Protestants' Exceptions to the PFD, and that the application to create FM 875 MUD of Ellis County be approved as requested by the Applicant, the ED, and OPIC.

Respectfully submitted,

COATS | ROSE

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ATTORNEYS FOR APPLICANT

CERTIFICATE OF SERVICE

I hereby certify that on January 3, 2024, a copy of the foregoing Pleading was served on all person listed either via hand delivery, facsimile transmission, electronic mail, and/or by deposit in the U.S. Mail.

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