

Randall J Hoyer
County Judge
501 E 4th Street, Suite 103
Lampasas, Tx 76550



Robert C Carroll, Commissioner, Pct 1
Jamie Smart, Commissioner, Pct 2
Lewis Bridges, Commissioner, Pct 3
Mark Rainwater, Commissioner, Pct 4

December 22, 2022

Prem Kalidindi and David Cavalier, Developers
Pitt Creek Ranch, LLC
7267 Notre Dame Drive
Irving, TX 75063
kps234@hotmail.com, dcavtexas@gmail.com

TCEQ OCC

3 JAN '23 11:18

Ref: NOTICE OF DISTRICT PETITION TCEQ INTERNAL CONTROL NO. D-07062022-010

Dear Mr. Kalidindi and Mr. Cavalier:

TCEQ has notified the Lampasas County Commissioners Court of the referenced Petition and its Preliminary Engineering Report (ER) by Pitt Creek Ranch LLC for creation of Lampasas County Municipal District No.1. Your petition states "The proposed improvements are feasible and practicable. There is an ample supply of water available, and the terrain of the territory to be included in the proposed District is such that a waterworks system, a drainage and storm sewer system, and roads can be constructed at a reasonable cost. "

Please comply with Sec. 54.0161 paragraph (a-2) of the Texas Water Code and submit to the commissioners court the relevant information requested below in support of your assertions in the petition.

The tax rate proposed to be "within the feasibility limits of TCEQ rules" (ER p.12) is based on full build-out of 421 lots at average valuation of \$850,000 (ER Table 6) in 2035 (ER Table 2). While costs will likely increase by that time, at this point there are no properties in Lampasas County on less than 10 acres with tax valuation that high. Further, the MUD will need to incur much of the infrastructure cost well before tax revenue from improved value is realized.

Please provide an annual schedule of costs incurred, bond value issuance and interest cost, forecast taxable valuation, tax rate and tax revenue for the years in ER Table 2. Please provide information on how your estimates derive from the Lampasas Central Appraisal District 2022 valuation rates for real property and improvements. Include the time delay from realizing taxable improvement to tax revenue income and apply your estimate for exemptions and uncollectable taxes.

ER p.14 states "The District will receive its water from Corix Utilities. Therefore, the proposed District will have no effect on subsidence.", "Therefore, the District should have little to no effect on ground water levels in the region." and "Therefore, development of the District is not expected to have any adverse impact on the aquifer recharge."

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The survey on ER p.21 shows at least 5 wells on the property. Please provide information on how future owners and residents are precluded from using the existing wells or otherwise accessing groundwater to realize "no effect/impact" in perpetuity.

ER p.5 proposes water use of 100gal/person/day and average 3.5 people per unit, or 350gal/unit/day, equivalent to 10,000gal/unit/month for personal use. This usage is applied to design and cost the internal water system. Owners of \$850,000 residences might demand amenities such as landscaping, a garden or a pool which could consume several thousand gallons of water per day. Please provide information on how future owners and residents are prevented from using more than the proposed unit capacity.

ER p.13 states "The proposed District will receive retail water service from Corix Utilities Texas. No other comparable water services are available in the area." An August 9 email from Corix to their Lampasas network customers said "water in the Colorado River continues to drop significantly and we anticipate that we will no longer be able to pump from the river within a few days. When we can no longer pump from the river, we estimate that there will be about 110 days of water supply available in the reservoir assuming normal water use." This implies that Corix' sole source of water for its Lampasas network is the Colorado River, administered by LCRA. Please provide information on Corix's source(s) for water supplied to their Lampasas County network, the permitted quantity for each and any planned expansion to meet future demand on their network.

Our local media reported that in 2022 Corix has struggled to supply the existing Lampasas network with sufficient water meeting minimum quality standards, resulting in many complaints from their existing customers. These are reflected in citizen comments to Corix's application to the Texas Public Utilities Commission for a rate increase, docket 53815. Part of Corix' justification for the increase is to recover "investment and updated maintenance activities" in systems they acquired "in a distressed condition". Please provide information on where the proposed Pitt Creek water distribution system will connect to Corix' Network, the available total capacity of the supplying pipeline at that point and what amount of that capacity is used by other users connected to it. If Corix considers this part of their network to be in distressed condition, or must expand the existing network to supply Pitt Creek, please provide information on how Corix will meet the need and document their commitment to do so. If you are considering more than one potential connection, please provide this information for each.

ER p.12 states "The residential water rates of the proposed District are expected to be comparable to the water rates of the City of Lampasas... The projected average monthly bill for a typical home is \$69.50 based on a water use of 10,000 gallons per month." Corix's residential water tariffs are available on their website and on the bills Pitt Creek receives for your existing connections. They indicate the cost for a 5/8" meter supplying 10,000gal/month would be \$180/month. This will increase if Texas PUC approves Corix' rate increase. Please provide information on how the Lampasas water cost will be available to Pitt Creek unit owners.

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ER p.7 states "All storm water will ultimately outfall into Pitt Creek.", "The proposed drainage system is adequate for the land uses and development plan described above.", (p.8) "no dam safety analysis will be necessary for the proposed District." and (p.14) "Development of the District may increase the natural runoff rates minimally when compared to the present undeveloped state of the land." Please provide information supporting these statements, including estimates of impervious cover area added by improvements of the MUD and private owners. Include pavement, roof area, patios etc. Show how this is consistent with the improvements forecast in your response on taxable valuation information requested above.

Immediately downstream of the MUD area, Pitt Creek flows into the Site #2 flood control structure of Lampasas County Water Control and Improvement District #1. The proposed MUD occupies a significant part of the watershed this structure controls. Please provide information about how the change in use, and particularly the increase in impervious cover, increases the natural runoff rates which this structure must control.

ER p.7 states "The proposed District will not have a public wastewater collection system. Each lot within the District will have its own on-site septic tank for wastewater treatment." This concentrates 417 septic systems supporting 1460 people in 2-10 acre lots in an area of 2300 acres. Please provide information on how the terrain, soil and underlying structure can support this septic load without affecting surface or groundwater quality, and how the MUD will monitor and enforce maintenance of its 421 septic systems in perpetuity.

The World Atlas of Artificial Sky Brightness shows that most of Lampasas County, including the Pitt Creek Watershed and surrounding area shown on ER p.37, enjoys the highest "Excellent" level of dark sky quality today. The Lampasas County Commissioners court and the Lampasas City Council have recognized the importance of preserving the natural beauty of our dark skies and of respecting our neighbors by eliminating light trespass. Please provide information on how the Pitt Creek MUD will require all lighting within its boundaries to conform to best practices to preserve this dark sky quality and preclude light trespass onto neighboring properties, in perpetuity.

Thank you in advance for your timely and complete reply with the requested information. In addition to meeting the requirements of TWC 54.0161, your response will inform the commissioners' decisions on any subdivision application you may present to the court.

Sincerely,

A handwritten signature in blue ink that reads "Randall J. Hoyer". The signature is written in a cursive style and is positioned above a horizontal line.

Randall J. Hoyer, Lampasas County Judge
501 E. 4th St., Lampasas, TX 76550
512-556-8271

TCEQ OCC

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TCEQ OCC

3 JAN '23 11:18

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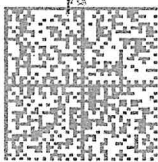
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