SOAH DOCKET NO. 582-24-15644 TCEO DOCKET NO. 2023-1588-DIS

FOR THE CREATION OF	§	BEFORE THE
HAYS COMMONS MUNICIPAL	§ §	STATE OFFICE OF
UTILITY DISTRICT	§ §	ADMINISTRATIVE HEARINGS

EXECUTIVE DIRECTOR'S EXCEPTIONS TO THE ADMINISTRATIVE LAW JUDGE'S PROPOSAL FOR DECISION

INTRODUCTION

The Executive Director of the Texas Commission on Environmental Quality (TCEQ or Commission) submits her Exceptions to the Administrative Law Judge's (ALJ) Proposal for Decision (PFD). The Executive Director supports the findings and conclusions contained in the ALJ's PFD and respectfully recommends the Commissioners adopt the Executive Director's recommended changes described below.

EXECUTIVE DIRECTOR'S EXCEPTIONS

1. As noted by the ALJ in the footnote on page 35 of the PFD, the names of the temporary directors were not included in the Petition, nor did any party address the appointment of temporary directors in its briefs. However, TCEQ's Districts Staff included the names of the proposed temporary directors in the ED's technical memo.² Texas Water Code Section 54.022 requires the Commission to appoint five temporary directors if it grants a petition for the creation of a Municipal Utility District. To ensure that the TCEQ Order complies with the relevant provisions of the Water Code, the ED recommends that the proposed Order be revised to include the names of the five temporary directors in the Findings of Fact, Conclusions of Law, and Order. Following is the ED's recommended language:

Finding of Fact:

Appointment of Temporary Directors

Applicant established that Ryan Cunningham, Philip Roush, Devon Vo, Benjamin Cude, and Tyler Jay Brown, Jr. requested to be temporary directors and (1) are each at least 18 years old; (2) are each a resident of the State of Texas; and (3) each either owns land subject to taxation within the proposed District or is a qualified voter within the proposed District. Additionally, the majority are residents of the county in which the proposed District is located, a county adjacent to the county in which the proposed District is located, or if the proposed District is located in a county that is in a metropolitan statistical area designated by the United States Office of Management and Budget or its successor agency, a county in the same metropolitan statistical area as the county in which the proposed District is located.

¹ Proposal for Decision, SOAH Docket 582-24-15644, TCEQ Docket 2023-1588-DIS, Petition of Hays Commons Land Investments, LP for Creation of Hays Commons Municipal Utility District, June 4, 2025.

² ED-JW-3 at Bates 0022 and Bates 0030.

Conclusion of Law:

Ryan Cunningham, Philip Roush, Devon Vo, Benjamin Cude, and Tyler Jay Brown, Jr qualify to be temporary directors under Texas Water Code sections 54.022 and 54.102.

Ordering Provision:

Ryan Cunningham, Philip Roush, Devon Vo, Benjamin Cude, and Tyler Jay Brown, Jr. are named and appointed as temporary directors and shall, as soon as practicable after the date of entry of this Order, execute their official bonds and take their official oaths of office. All such bonds shall be approved by the Board of Directors of the District, and each bond and oath shall be filed with the District and retained in its records.

2. The Executive Director also recommends Ordering Provision No. 6 be revised to read as follows to be consistent with prior MUD creation Orders:

TCEQ's Chief Clerk shall forward a copy of this Order to all parties and affected persons.

3. Lastly, the ED recommends adding the following Ordering Provision to be consistent with prior MUD creation Orders:

Ordering Provision:

This Order shall in no event be construed as an approval of any proposed agreements or of any particular items in any documents provided in support of the petition for creation, nor as a commitment or requirement of the TCEQ in the future to approve or disapprove any particular items or agreements in future applications submitted by the District for TCEQ consideration.

CONCLUSION

The Executive Director supports the findings and conclusions contained in the ALJ's PFD and respectfully recommends the Commission revise the Findings of Fact, Conclusions of Law, and Proposed Order, as reflected in the above Exceptions.

Respectfully submitted,

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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CERTIFICATE OF SERVICE

I hereby certify that on June 23, 2025, a copy of the foregoing document was served on all persons on the mailing list below via electronic mail.

Vayla Murray

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