#### TCEQ DOCKET NO. 2025-0082-DIS

APPLICATION FOR	§	BEFORE THE TEXAS
THE CREATION OF NORTH FORK	§	COMMISSION ON
MUNICIPAL UTILITY DISTRICT OF	§	COMMISSION ON
WILLIAMSON COUNTY	Ş	ENVIRONMENTAL OUALITY

# EXECUTIVE DIRECTOR'S RESPONSE TO A HEARING REQUEST I. SUMMARY

The Executive Director recommends that the Commission find that Wilson Springs Prairie LP is an affected person and grant its hearing request.

#### **II. INTRODUCTION**

The Executive Director (ED) of the Texas Commission on Environmental Quality (TCEQ or Commission) files this Response to a Hearing Request on the Petition by Ava Rohde, individually, and Rummel & Rohde Farms Ltd. (collectively referred to as "Petitioner"), for the creation of North Fork Municipal Utility District of Williamson County (District). The TCEQ received one hearing request from Wilson Springs Prairie LP through its general partner, Griffith Prairie Management LLC, by its managing member, Edward C. Griffith Jr.

The Petition states that: (1) the Petitioner holds title to a majority in value of the land to be included in the proposed District; (2) there are no lienholders on the property to be included in the proposed District; (3) the proposed District will contain approximately 343 acres located within Williamson County, Texas; and (4) all of the land within the proposed District is outside of the corporate limits and extraterritorial jurisdiction of any municipality and is located in Williamson County.

The proposed District is located outside the corporate limits and extraterritorial jurisdiction of any city, town, or village. Therefore, city consent is not required under Local Government Code § 42.042 and Tex. Water Code § 54.016. In accordance with Tex. Water Code § 54.0161, a certified letter, dated July 9, 2024, was sent to the Commissioners Court of Williamson County which provided notice of the proposed District's pending creation application and provided them an opportunity to make their recommendations. To date, Williamson County has not responded to this notification. Evidence of filing a copy of the petition with the Williamson County

Clerks' office, the TCEQ's Austin regional office, the Texas state representative, and the Texas state senator, was included in the application.

According to the Petition, the proposed District would contain approximately 343 acres located south of Chandler Road and west of the intersection of County Road 368 and County Road 369, north of County Road 369, east of County Road 101, west of the City of Taylor, and northeast of the City of Hutto. The proposed District is not within the corporate limits or extraterritorial jurisdiction of any city. Access to the proposed District will be provided by County Road 369 by traveling east on Chandler Road from TX-130, then south on County Road 101 and east on County Road 369.

The petition further states that the proposed District will: (1) construct, maintain, and operate a waterworks system, including the purchase and sale of water for domestic and commercial purposes; (2) construct, maintain, and operate a sanitary sewer collection, treatment, and disposal system, for domestic and commercial purposes; (3) construct, install, maintain, purchase and operate drainage and roadway facilities and improvements; and (4) construct, install, maintain, purchase, and operate facilities, systems, plants, and enterprises of such additional facilities as shall be consonant with the purposes for which the District is organized.

The proposed District will be considered a "developer project" as defined by 30 Tex. Admin. Code § 293.44(a). Therefore, in accordance with 30 Tex. Admin. Code § 293.47, developer cost participation will be required.

Included with the ED's Response to a Hearing Request is a map of the proposed District.

#### III. PROCEDURAL HISTORY

The Petitioner filed a petition with the TCEQ for the creation of the District and it was declared administratively complete on July 3, 2024. The Notice of District Petition was published in the *Williamson County Sun*, a newspaper regularly published or circulated in Williamson County, where the District is proposed to be located, on August 18 and August 25, 2024. The Notice of District Petition was also posted at the place for posting legal notices at the Williamson County Courthouse on August 13, 2024.

The TCEQ received comments opposing the creation of the district and a request for a contested case hearing from Wilson Springs Prairie LP. The period to request a contested case hearing ended on September 24, 2024. The Office of the Chief Clerk sent notice of the agenda setting for the Commission's consideration of the hearing request on January 17, 2025.

#### IV. CREATION OF MUNICIPAL UTILITY DISTRICTS

#### A. District Purpose

A municipal utility district (MUD) may be created under and subject to the authority, conditions, and restrictions of Article XVI, Section 59, of the Texas Constitution. The District in this case is proposed to be created and organized according to the terms and provisions of Article XVI, Section 59, of the Texas Constitution and Chapters 49 and 54 of the Tex. Water Code.

A MUD may be created for the following purposes:

- (1) the control, storage, preservation, and distribution of its storm water and floodwater, the water of its rivers and streams for irrigation, power, and all other useful purposes;
- (2) the reclamation and irrigation of its arid, semiarid, and other land needing irrigation;
- (3) the reclamation and drainage of its overflowed land and other land needing drainage;
- (4) the conservation and development of its forests, water, and hydroelectric power;
- (5) the navigation of its inland and coastal water;
- (6) the control, abatement, and change of any shortage or harmful excess of water;
- (7) the protection, preservation, and restoration of the purity and sanitary condition of water within the state; and
- (8) the preservation of all natural resources of the state.<sup>2</sup>

The Commission has jurisdiction to hear this case and create the District.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> TEX. WATER CODE § 54.011.

<sup>&</sup>lt;sup>2</sup> TEX. WATER CODE § 54.012.

<sup>&</sup>lt;sup>3</sup> TEX. WATER CODE § 54.014.

#### B. Required Findings

The Commission must grant or deny a MUD creation application in accordance with Tex. Water Code § 54.021. In order to grant an application, the Commission must find that organization of the district as requested is feasible and practicable and is necessary and would be a benefit to the land to be included in the district. If the Commission fails to make these findings, it shall refuse to grant the petition.

In determining if a project is feasible and practicable and if it is necessary and would be a benefit to the land included in the district, the Commission shall consider:

- (1) the availability of comparable service from other systems, including but not limited to water districts, municipalities, and regional authorities;
- (2) the reasonableness of projected construction costs, tax rates, and water and sewer rates; and
- (3) whether or not the district and its system and subsequent development within the district will have an unreasonable effect on the following:
  - (A) land elevation;
  - (B) subsidence;
  - (C) groundwater level within the region;
  - (D) recharge capability of a groundwater source;
  - (E) natural run-off rates and drainage;
  - (F) water quality; and
  - (G) total tax assessments on all land located within a district.<sup>6</sup>

The Commission, however, must exclude the areas that it finds would not be benefited by the creation of the district and must redefine the boundaries of the proposed district according to its findings.<sup>7</sup>

<sup>&</sup>lt;sup>4</sup> TEX. WATER CODE § 54.021(a); 30 TEX. ADMIN. CODE § 293.13(b)(1).

<sup>&</sup>lt;sup>5</sup> TEX. WATER CODE § 54.021(d); 30 TEX. ADMIN. CODE § 293.13(a).

<sup>&</sup>lt;sup>6</sup> TEX. WATER CODE § 54.021(b).

<sup>&</sup>lt;sup>7</sup> 30 Tex. Admin. Code § 293.13(b)(2); Tex. Water Code § 54.021(c).

#### V. EVALUATION PROCESS FOR HEARING REQUESTS

As the application was declared administratively complete after September 1, 1999, it is subject to the requirements of Title 30, Chapter 55, Subchapter G, Sections 55.250-55.256 of the Tex. Admin. Code. The Commission, the Executive Director, the Petitioner, or affected persons may request a contested case hearing on this application. The Commission must evaluate the hearing requests and may take one of the following actions:

- (1) determine that the hearing requests do not meet the rule requirements and act on the application;
- (2) determine that the hearing requests do not meet the rule requirements and refer the application to a public meeting to develop public comment before acting on the application;
- (3) determine that the hearing requests meet the rule requirements and refer the application to the State Office of Administrative Hearings ("SOAH") for a hearing; or
- (4) refer the hearing requests to SOAH for a hearing on whether the hearing requests meet the rule requirements.<sup>9</sup>

The regulations provide that a hearing request made by an affected person must be in writing and must be filed with the Office of the Chief Clerk within the time provided in the Notice of District Petition. <sup>10</sup> These two requirements are mandatory. The affected person's hearing request must also substantially comply with the following:

- (1) give the name, address, and daytime telephone number of the person who files the request;
- (2) identify the person's personal justiciable interest affected by the application, including a brief, but specific, written statement explaining in plain language the requestor's location and distance relative to the activity that is the subject of the application and how and why the requestor

<sup>&</sup>lt;sup>8</sup> 30 Tex. Admin. Code § 55.251(a).

<sup>&</sup>lt;sup>9</sup> 30 Tex. Admin. Code § 55.255(a).

<sup>&</sup>lt;sup>10</sup> 30 Tex. ADMIN. CODE § 55.251(b) and (d).

- believes he or she will be affected by the activity in a manner not common to members of the general public;
- (3) request a contested case hearing; and
- (4) provide any other information specified in the public notice of application.<sup>11</sup>

An affected person's personal justiciable interest must be related to a legal right, duty, privilege, power, or economic interest affected by the application belonging to the requestor and not an interest common to members of the general public.<sup>12</sup> The regulations give the Commission flexibility to determine affected person status by considering any relevant factor, including the following:

- (1) whether the interest claimed is one protected by the law under which the application will be considered;
- (2) distance restrictions or other limitations imposed by law on the affected interest;
- (3) whether a reasonable relationship exists between the interest claimed and the activity regulated;
- (4) likely impact of the regulated activity on the health and safety of the person, and on the use of property of the person; and
- (5) likely impact of the regulated activity on use of the impacted natural resource by the person.
- (6) For governmental entities, their statutory authority over or interest in the issues relevant to the application.<sup>13</sup>

#### VI. HEARING REQUEST

Wilson Springs Prairie LP through its general partner, Griffith Prairie Management LLC, by its managing member, Edward C. Griffith Jr., submitted a timely request which substantially complied with the requirement that the request contain the name, address, and phone number of the person filing the request, pursuant to 30 TAC § 55.251(c)(1). According to the request, Wilson Springs Prairie LP owns property

<sup>&</sup>lt;sup>11</sup> 30 Tex. Admin. Code § 55.251(c).

<sup>&</sup>lt;sup>12</sup> 30 Tex. Admin. Code § 55.256(a).

<sup>&</sup>lt;sup>13</sup> 30 Tex. Admin. Code § 55.256(c).

located immediately east of the proposed District. Wilson Springs Prairie LP requested a contested case hearing pursuant to 30 TAC § 55.251(c)(3) and included the internal control number in its request, as required notice, pursuant to 30 TAC § 55.251(c)(4).

In its request, Wilson Springs Prairie LP states that it owns approximately 305 acres located immediately east of the boundary of the proposed MUD and that the North Fork of Mustang Creek traverses the petitioner's property and the requestor's property. Wilson Springs Prairie LP is concerned that the proposed District will have an unreasonable effect on storm water runoff and the water quality in the North Fork of Mustang Creek, which correspond to the criteria in Tex. Water Code § 54.021(b)(3)(E) and (F), respectively.

Although the requestor did not provide an address for its property, it did describe the location of its property with enough specificity for the ED to determine the proximity of the requestor's property relative to the proposed MUD. <sup>14</sup> Due to Wilson Springs Prairie LP's proximity to the proposed District and its location downstream of the proposed District on the North Fork of Mustang Creek, there is an increased likelihood that Wilson Springs Prairie LP will be affected in a way not common to the general public. The location of Wilson Springs Prairie LP's property interest, in conjunction with its stated concerns, demonstrates that Wilson Springs Prairie LP has a personal justiciable interest in this matter. Accordingly, the Executive Director respectfully recommends that the Commission find that Wilson Springs Prairie LP is an affected person and grant its hearing request.

#### VII. RECOMMENDATION

The Executive Director recommends that the Commission grant the hearing request of Wilson Springs Prairie LP.

If the Commission chooses to deny the hearing request, then the Executive Director recommends that the creation petition be granted.

Executive Director's Response to a Hearing Request TCEQ Docket No. 2025-0082-DIS

<sup>&</sup>lt;sup>14</sup> Due to the lack of a physical address for the requestor's property the ED was unable to include the requestor on the map prepared for this filing.

Respectfully submitted,

Texas Commission on Environmental Quality

Kelly Keel, Executive Director

Phillip Ledbetter, Director Office of Legal Services

Charmaine Backens, Deputy Director Environmental Law Division

Bradford Eckhart, Staff Attorney Environmental Law Division

Brudford & Eckhart

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REPRESENTING THE EXECUTIVE DIRECTOR OF THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

#### VIII. CERTIFICATE OF SERVICE

I certify that on January 31, 2025, the original of the "Executive Director's Response to Hearing Requests" for Creation of North Fork Municipal Utility District of Williamson County, Internal Control No. D-07022024-003, was filed with the Texas Commission on Environmental Quality's Office of the Chief Clerk, and a copy was served to all persons listed on the attached mailing list via hand delivery, electronic delivery, inter-agency mail, or by deposit in the U.S. Mail.

Bradford Eckhart, Staff Attorney

Brudford & Eckhart

State Bar No. 24137368

#### **MAILING LIST**

## North Fork Municipal Utility District of Williamson County DOCKET NO. 2025-0082-DIS; INTERNAL CONTROL NO. D-07022024-003

#### **FOR THE APPLICANT**

Matt McPhail 600 West 5th Street, Unit 900 Austin, Texas 78701

Sarah Starkey Kimley-Horn 501 South Austin Avenue, Unit 1310 Georgetown, Texas 78626

#### FOR THE EXECUTIVE DIRECTOR

via electronic mail:

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James Walker, Technical Staff Texas Commission On Environmental Quality Water Supply Division, MC-152 P.O. Box 13087 Austin, Texas 78711

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#### FOR PUBLIC INTEREST COUNSEL

via electronic mail:

Garrett T. Arthur, Public Interest Counsel Texas Commission On Environmental Quality Public Interest Counsel, MC-103 P.O. Box 13087 Austin, Texas 78711

#### FOR ALTERNATIVE DISPUTE RESOLUTION

via electronic mail:

Kyle Lucas Texas Commission On Environmental Quality Alternative Dispute Resolution, MC-222 P.O. Box 13087 Austin, Texas 78711

#### FOR THE CHIEF CLERK:

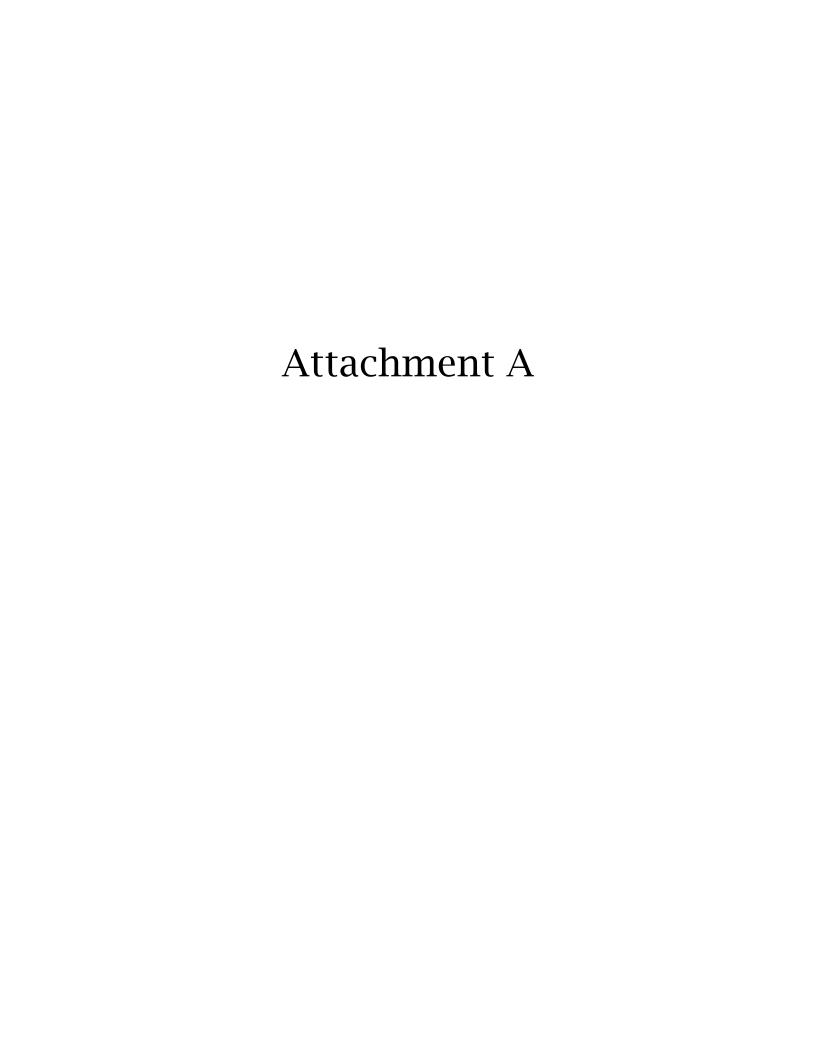
Docket Clerk
Texas Commission
On Environmental Quality
Office of Chief Clerk, MC-105
P.O. Box 13087
Austin, Texas 78711
<a href="https://www.tceq.texas.gov/goto/efilings">https://www.tceq.texas.gov/goto/efilings</a>

#### REQUESTER(S)

Edward C. Griffith Jr. PO Box 1099 Taylor, Texas 76574

#### **INTERESTED PERSON(S)**

Matthew McPhail 600 West 5<sup>th</sup> Street, Suite 900 Austin, Texas 78701



### North Fork Municipal Utility District of Williamson County



Map Requested by TCEQ Office of Legal Services for Commissioners' Agenda

Protecting Texas by Reducing and Preventing Pollution

Texas Commission on Environmental Quality GIS Team (Mail Code 197) P.O. Box 13087 Austin, Texas 78711-3087 Date: 1/23/2025 CRF 0113874

□ District Boundaries

Cartographer: MAttoh Williamson County The facility is located in Williamson County. The Circle (green) in The last map represents the approximate location of the facility. The inset map on the right represents the location of Williamson 0.8 Miles County (red) in the state of Texas

Source: The location of the facility was provided by the TCEQ Office of Legal Services (OLS).

OLS obtained the site location information from the applicant and the requestor information from the

This map was generated by the Information Resources Division of the Texas Commission on Environmental Quality. This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. For more information concerning this map, contact the Information Resource Division at (512) 239-0800.