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Mr. Klein's Direct Line: (512) 322-5818 Email:

September 12, 2025

Texas Commission on Environmental Quality Water Availability Division, MC 160 P.O. Box 13087 Austin, Texas 78711-3088 <u>VIA HAND DELIVERY</u> <u>AND ELECTRONIC MAIL</u>

Re: Application for Extension of Time to Begin and/or Complete Construction of an Authorized Project; Palo Pinto County Municipal Water District No. 1

(CN600674303); Certificate of Adjudication No. 12-4031A

Dear Sir or Madam:

My firm represents the Palo Pinto County Municipal Water District No. 1 (the "District"). Please find enclosed one (1) copy of the above-referenced Application for an Extension of Time to Begin and/or Complete Construction of an Authorized Project ("Application"), filed on behalf of the District, and a copy of the Resolution authorizing the filing of this Application.

A check in the amount of \$2,685.62 for the filing, recording, and extension fees, as well as the cost of mailed notice associated with the Application has been delivered to the Financial Administration Division Cashier's Office simultaneously with the filing of this Application (\$512.50 for the filing and recording fee, \$1,000.00 for the extension fee, and \$1,173.12 for the cost of mailed notice).

If you have any questions, please do not hesitate to contact me at (512) 322-5818 or , or Samantha Tweet at (512) 322-5894 or

David J. Klein

Sincerely,

Received

Date: 09/22/2025

By: Water Availability Division

DJK/ajl

Enclosures

cc: Howard Huffman, General Manager of Palo Pinto County Municipal Water District No. 1 Samantha Tweet, Lloyd Gosselink Rochelle & Townsend, P.C.



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Water Availability Division - MC-160, P.O. Box 13087 Austin, Texas 78711-3087 Telephone (512) 239-4691, FAX (512) 239-2214

APPLICATION FOR AN EXTENSION OF TIME TO BEGIN AND/OR COMPLETE CONSTRUCTION OF AN AUTHORIZED PROJECT Texas Water Code Section §11.145

TO BE SUBMITTED PRIOR TO EXPIRATION DATE

1.	Applicant Information			
	Permittee/Owner Name: Palo Pinto County Municipal Water District No. 1 (CN600674303)			
	Point of Contact name: David J. Klein, Attorney for the District			
	Mailing Address: Lloyd Gosselink Rochelle & Townsend, P.C.			
	816 Congress Avenue, Suite 1900, Austin, TX 78701			
	Phone Number: (512) 322-5818			
2.	Fees or penalties			
the TO accord If you	oplication will not be processed unless all delinquent fees and/or penalties owed to CEQ or the Office of the Attorney General on behalf of the TCEQ are paid in dance with the Delinquent Fee and Penalty Protocol by all applicants/co-applicants. need assistance determining whether you owe delinquent penalties or fees, please the Water Rights Permitting Team at (512) 239-4691, prior to submitting your ation.			
	Does Applicant or Co-Applicant owe any fees to the TCEQ? Yes or No: No If yes, provide the following information:			
Accou	nt number: N/AAmount past due: N/A			
	Does Applicant or Co-Applicant owe any penalties to the TCEQ? Yes or No: No If yes, please provide the following information:			
Enford	cement order number: N/AAmount past due: N/A			
3.	Project Data			
	Certificate of Adjudication No.: 12-4031A or Permit No.: N/A			
	and,			
	River Basin: Brazos			

4. **Project Dates**

BEGINNING CONSTRUCTION DATE:	COMPLETION DATE:		
Original (Date in water right): October 12, 2017	Original: October 12, 2020		
Current (From last extension granted,			
if applicable): October 12, 2025	Current: October 12, 2028		
Proposed: October 12, 2026	Proposed: October 12, 2029		
1			

5. Reason(s) for delay and why the proposed dates requested are necessary

Under 30 TAC 295.72(b) the applicant must include* why the extension should be granted and why the permit should not be forfeited if the commission finds that sufficient due diligence to begin and/or complete construction of the authorized project has not been demonstrated. Reasonable causes for delay include, but are not limited to, the operation of legal proceedings or other causes which were not within the reasonable control of the permittee and which were reasonably unforeseeable at the time of the appropriation or the last extension. Financial hardship shall not, by itself, constitute sufficient cause for the granting of an extension. Notice of the application, if required, will also indicate that the Commission will consider whether the appropriation shall be forfeited by the applicant, if the extension is denied.

Disease refer to the decument titled "Decean Why Construction Work Could Not be

"Reasons Why Construction Work Could not be Commenced or Completed."

Commenced or Completed", attached hereto as Attachment 1.			

^{*} Please provide a statement setting forth the reasons why construction work could not be commenced or completed in the space below or attach a statement entitled

6. **Application Fees**

(Please make checks payable to the Texas Commission on Environmental Quality or TCEQ)

A. All requests for extension of time require payment of the following fees:

Type	Description	Amount (\$)
	Circle fee correlating to the total amount of water requested for any new appropriation and/or impoundment. Enter corresponding fee under Amount (\$).	\$500.00
	<u>In Acre-Feet</u>	
Filing Fee	a. Less than 100 \$100.00	
	b. 100 - 5,000 \$250.00	
	c. 5,001 - 10,000 \$500.00	
	d. 10,001 - 250,000 \$1,000.00	
	e. More than 250,000 \$2,000.00	
Recording Fee		\$12.50
	TOTAL	\$ 512.50

B. Extensions of time that require mailed and published notice require additional fees. Mailed and published notice of the application is required if a new beginning date for construction is more than four years past the original issue date of the water right, or a new completion date for construction is more than five years past the original completion date. If the application requires mailed and published notice, pay the following fees in addition to the fees in section (A) above:

Type	Description	Amount (\$)
	Pursuant to 30 TAC §295.138, extension fees are equivalent to one-time use fees established under §295.133 not to exceed \$1,000 . Enter corresponding extension fee under Amount (\$). Using the one-time use fees as follows:	\$1,000.00
	Agriculture Use Fee - Only for those with an Irrigation Use.	
	Multiply 50¢ x Number of acres that will be irrigated with State Water.	
	Use Fee - Required for all Use Types, excluding Irrigation Use. Multiply $$1.00 \times 10^{-18,500}$ Maximum annual diversion of State Water in acre-feet.	
Extension Fee	Recreational Storage Fee - For those with Recreational storage. Multiply \$1.00 x acre-feet of in-place Recreational Use State Water to be stored at normal max operating level.	
	Storage Fee - For Storage, excluding Recreational Storage. Multiply $50 \text{c} \times \frac{49,792}{2}$ acre-feet of State Water to be stored at normal max operating level.	
	Note - if the total extension fees in this column above exceed \$1,000 - enter \$1,000 under Amount (\$).	
Mailed Notice	Cost of mailed notice to all water rights in the basin. Contact Staff to determine the amount (512) 239-4691. (Different for each basin and the applicant will publish the notice in a locally circulated newspaper at its expense)	\$1,173.12
		\$ 2,173.12

7. **Applicant Signature**

I, Howard Huffman, General Manager

(Typed or printed name)

certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

I further certify that I am authorized under Title 30 Texas Administrative Code §295.14 to sign and submit this document and I have submitted written evidence of my signature authority.

Signature: 74/B74/f	Date: September 11, 2025
(Use blue ink)	

Subscribed and Sworn to before me by the said

on the standary of october , 20 25.

My commission expires on the

Notary Public

Pula Pinto County, Texas

ALI RHETT WARREN Notary Public, State of Texas Comm. Expires 10-05-2028 Notary ID 130850177

If the Application includes Co-Applicants, each Applicant and Co-Applicant must submit an original, separate signature page.

County, Texas

ATTACHMENT 1

Supplement to Application, Section 5 - Basis for Request for Extension of Deadlines for Commencing and Completing Construction of Reservoir Project under Certificate of Adjudication No. 12-4031(A)

"Reasons Why Construction Work Could not be Commenced or Completed"

Under Certificate of Adjudication No. 12-4031A (the "Certificate"), the Palo Pinto County Municipal Water District No. 1 (the "District") is authorized to enlarge Lake Palo Pinto by constructing the new Turkey Peak Dam (the "Project"). The purpose of the Project is to restore and further increase the previously authorized water storage capacity in Lake Palo Pinto by 5,692 acre-feet, for a new total of 49,792 acre-feet. The Certificate originally required construction to begin within two (2) years of Certificate issuance and be completed within five (5) years of Certificate issuance. The Texas Commission on Environmental Quality ("TCEQ") has granted the District's prior requests for an extension of time, and the current deadline for commencement of construction on the Project is October 12, 2025, with such construction required to be completed no later than October 12, 2028.

While the District has not yet commenced construction, the District's actions in these past two years demonstrate that it has been advancing the Project with more than sufficient due diligence and that reasonable cause exists for such delay in commencing construction, as required under 30 Texas Administrative Code § 295.72(b). Per TCEQ regulations, "reasonable diligence does not require unusual or extraordinary effort, but it does require a steady application of effort that is usual, ordinary, and reasonable under the circumstances and evidences prosecution of such efforts in good faith." Here, since TCEQ approval of the District's most recent extension request, the District has been continuously taking critical, meaningful steps and making significant progress toward commencing construction of the Project, which is imminent.

Specifically, the District has and is engaged in activities critical to the commencement of construction of the Project. Such activities include acquisition of land necessary for the Project from both private and public landowners, completion of final design activities, implementation of a mitigation plan, conducting a cultural resources investigation, advertising the Project, and soliciting bids for construction. Since TCEQ approval of the last extension request, the District has continued implementation activities for the Clean Water Act Section 404 Mitigation Plan ("Mitigation Plan"), including conservation easement planning on downstream Palo Pinto Creek and upstream habitat management, monitoring, and coordination. The District has also engaged in (i) pre-construction aquatic life monitoring and water quality sampling in Palo Pinto Creek for fulfillment of Section 404 permit requirements, (ii) performed

pre-construction golden-cheeked warbler surveys and coordinated results with the U.S. Army Corps of Engineers ("USACE") and U.S. Fish and Wildlife Service to obtain a biological opinion and subsequent Section 404 permit modification letter dated June 9, 2025, and (iii) advanced hydraulic and hydrologic analyses and design for the low-head dam modification, as specified in the final Mitigation Plan. With regard to cultural resources, the District has coordinated revised research design for eligibility testing with USACE and the Texas Historical Commission and conducted Phase II Cultural Resources Investigation activities, including geoarchaeological investigations, hand excavations for eligibility testing, artifact analysis, and updates to site forms and draft reports on the eligibility testing investigations. In addition to these activities, the District has coordinated with multiple other stakeholders regarding the Project, including the Texas Department of Transportation, Texas Water Development Board, and Palo Pinto County and State officials. The District has also secured the significant, necessary funding to undertake the construction of the Project.

Each of these activities is a usual, ordinary, and reasonable aspect of a new dam/reservoir project, and all of these steps are necessary prerequisites to breaking ground on commencing construction of the dam itself. These accomplishments demonstrate a good faith effort by the District to construct this much-needed Project in this often drought-stricken regional area, as contemplated by the Texas Water Development Board's Regional Water Plan for Region G. Documents demonstrating these accomplishments can be provided upon request. The District appreciates the TCEQ's consideration of this Application and will continue using its best efforts to timely complete this critical Project within the requested deadlines.

RESOLUTION NO. 2025.07.18 A

A RESOLUTION OF THE BOARD OF DIRECTORS OF PALO PINTO COUNTY MUNICIPAL WATER DISTRICT NO. 1 AUTHORIZING THE FILING AND PROSECUTION OF AN APPLICATION AT THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR AN EXTENSION OF TIME TO COMMENCE AND COMPLETE CONSTRUCTION RELATED TO THE ENLARGEMENT OF LAKE PALO PINTO AND TURKEY PEAK DAM

THE STATE OF TEXAS	§
COUNTY OF PALO PINTO	§
PALO PINTO COUNTY MUNICIPAL WATER DISTRICT NO. 1	§

WHEREAS, Palo Pinto County Municipal Water District No. 1 (the "District") owns Certificate of Adjudication ("COA") 12-4031A, issued by the Texas Commission on Environmental Quality ("TCEQ") on October 12, 2015, authorizing the District to enlarge Lake Palo Pinto (so as to restore its authorized capacity) and to construct the new Turkey Peak Dam and Reservoir (the "Project");

WHEREAS, COA 12-4031A includes provisions that require the District to commence construction on the Project within two (2) years of issuance and to complete construction within five (5) years of issuance;

WHEREAS, in 2017, the District filed an application at the TCEQ for extension of time to commence and complete construction related to the enlargement of Lake Palo Pinto and the Turkey Peak Dam ("First Extension Application");

WHEREAS, on February 6, 2018, the TCEQ granted the First Extension Application, setting the deadline to commence construction to October 12, 2019 and the deadline to complete construction to October 12, 2022;

WHEREAS, in 2019, the District filed an application at the TCEQ for a second extension of time to commence and complete construction related to the enlargement of Lake Palo Pinto and the Turkey Peak Dam ("Second Extension Application");

WHEREAS, on May 19, 2020, the TCEQ granted the Second Extension Application, setting the deadline to commence construction to October 12, 2021 and the deadline to complete construction to October 12, 2024;

WHEREAS, in 2021, the District filed an application at the TCEQ for a third extension of time to commence and complete construction related to the enlargement of Lake Palo Pinto and the Turkey Peak Dam ("Third Extension Application");

WHEREAS, on March 31, 2022, the TCEQ granted the Third Extension Application, setting the deadline to commence construction to October 12, 2023, and the deadline to complete construction to October 12, 2026;

WHEREAS, in 2023, the District filed an application at the TCEQ for a fourth extension of time to commence and complete construction related to the enlargement of Lake Palo Pinto and the Turkey Peak Dam ("Fourth Extension Application");

WHEREAS, on May 9, 2024, the TCEQ granted the Fourth Extension Application, setting the deadline to commence construction to October 12, 2025, and the deadline to complete construction to October 12, 2028;

WHEREAS, since the Fourth Extension Application was approved, the District has continued to move forward with the Project, namely: (i) acquiring all the necessary real property interests for the implementation of the Project and the District's associated mitigation plan; (ii) performing the final design necessary for the Project; (iii) conducting ongoing cultural resource investigations; (iv) coordinating with stakeholders, such as the Texas Department of Transportation; (v) advertising the Project and soliciting bids for construction; and (vi) securing the next allotment of funding in part for construction of Turkey Peak Dam;

WHEREAS, under Texas Water Code § 11.145 and 30 Texas Administrative Code § 295.184, the District may file and prosecute an application (the "Application") with the TCEQ requesting an extension of time for beginning construction of a reservoir and completing construction of such reservoir; and

WHEREAS, the District now desires to file the Application and to authorize its President and/or General Manager, on behalf of the District, to prepare and execute such Application to extend the time for commencement of the construction of the Project by two (2) years and completion of the construction by two (2) years.

ROLL CALL

Dr. David Turk	() In Favor, (, , ,) Abstain, () Absent
Eugene Waddy	() In Favor, () Abstain, () Absent
Don Crawford	(V) In Favor, () Against, () Abstain, () Absent
Rich Kidwell	(V) In Favor, () Against, () Abstain, () Absent
Kelly Rawlings	() In Favor, () Against, () Abstain, () Absent

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF PALO PINTO COUNTY MUNICIPAL WATER DISTRICT NO. 1 THAT:

- 1. The recitals set forth above are true and correct and incorporated herein for all purposes.
- 2. The Board of the District hereby authorizes and directs its President and/or General Manager to prepare and file the Application and any other documents as are necessary to secure authorization from the TCEQ for an extension of time to commence and complete construction of the Project.

- 3. The Board of the District hereby authorizes and directs Lloyd Gosselink Rochelle & Townsend, P.C., to: (i) prepare and file the Application as well as appear and arrange for the appearances of persons representing the District at hearings and other proceedings on the Application before the TCEQ and other governmental entities; (ii) prosecute the Application on behalf of the District; and (iii) assist the President and Secretary with the preparation and filing of future Applications, if necessary.
- 4. This resolution shall take effect and be in full force and effect from and after the date of its adoption, and it is so resolved that all resolutions of the Board of Directors of the District in conflict herewith are hereby amended or repealed to the extent of such conflict.
- 5. The District's President and/or Secretary, and their delegates are hereby directed and authorized on behalf of the Board of Directors to implement and to take further actions as necessary that are consistent with the purposes of this resolution.

PASSED, ADOPTED, AND APPROVED this 18th day of July, 2025.

David Turk, President,

Palo Pinto County Municipal Water District No. 1

ATTEST:

Howard Huffman, General Manager,

Palo Pinto County Municipal Water District No. 1

(SEAL)