

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Bobby Janecka, *Commissioner*
Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

August 11, 2021

Mr. Ryan Harper
South Burnet County MUD No. 1
c/o Allen Boone Humphries Robinson, LLP
1108 Lavaca Street, Suite 510
Austin, Texas 78701

Re: South Burnet County Municipal Utility District No. 1, Order approving the Creation of the District

Dear Mr. Harper:

Enclosed is a certified copy of an Order issued by the Texas Commission on Environmental Quality regarding the referenced matter. This action is taken under authority delegated by the Executive Director of the Texas Commission on Environmental Quality.

Should you have a question, please contact Mr. Anand Patel at (512) 239-4734.

Sincerely,

A handwritten signature in cursive script that reads "Cari-Michel La Caille".

Cari-Michel La Caille, Deputy Director
Water Supply Division

CML/avp

Enclosures

ccs: Mailing list

MAILING LIST

South Burnet County Municipal Utility District No. 1
TCEQ Internal Control No. D-10272020-042

Mr. D Ryan Harper Allen Boone Humphries Robinson, LLP 1108 Lavaca Street, Suite 510 Austin, Texas 78701 Mr. Ken Heroy, P.E. Jones-Heroy & Associates, Inc. 13915 Mopac Expressway, Suite 408 Austin, Texas 78728 Mr. David Van Soest TCEQ Region 11 P.O. Box 13087 Austin, Texas 78711-3087 The Honorable Terry Wilson State Representative District No. 20 P.O. Box 2910 Austin, Texas 78768-2910 The Honorable Dawn Buckingham Senate District No. 24 P.O. Box 12068 Capitol Station Austin, Texas 78711 Burnet County Attn: Janet Parker, County Clerk 220 South Pierce Street Burnet, Texas 78611 City of Double Horn Attn: Karen Maxwell, City Secretary P.O. Box 727 Spicewood, Texas 78669 Capital Area Planning Council 6800 Burleson Road Building 310, Suite 165 Austin, TX 78744	Texas Commission on Environmental Quality P. O. Box 13087 Austin, Texas 78711-3087 Todd Galiga, Senior Attorney, Environmental Law Division, MC-173 Cole Malley, Attorney, Environmental Law Division, MC-173 Anand Patel, Technical Manager, Districts Creation Review Team, MC-152 Chris Ulmann, P.E., Districts Section Manager, MC-152 Chris Jones, Districts Creation Review Team, MC-152 Kent Steelman, Districts Section, Water Supply Division, MC-153 Vic McWherter, Office of the Public Interest Counsel, MC-103
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TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



THE STATE OF TEXAS
COMMISSION ON ENVIRONMENTAL QUALITY
I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY
OF A TEXAS DOCUMENT, WHICH IS FILED IN THE PUBLIC RECORDS

AUG 11 2021

OF THE COMMISSIONER, GIVEN UNDER MY HAND AND THE
SEAL OF OFFICE ON
Lauree Charles
LAUREE CHARLES, CHIEF CLERK
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

AN ORDER GRANTING THE PETITION FOR CREATION OF SOUTH BURNET COUNTY MUNICIPAL UTILITY DISTRICT NO. 1 AND APPOINTING TEMPORARY DIRECTORS

A petition by Toreador Ranch, LLC, a Texas limited liability company (Petitioner) was presented to the Executive Director of the Texas Commission on Environmental Quality (TCEQ) for approval of the creation of South Burnet County Municipal Utility District No. 1 (District) pursuant to Article XVI, Section 59 of the TEXAS CONSTITUTION and TEX. WATER CODE Chapters 49 and 54.

The TCEQ, after having considered the petition, application material, and memorandum from the Executive Director dated July 1, 2021 (Memorandum), attached as Exhibit "B," finds that the petition for creation should be approved.

The TCEQ finds that the creation of the proposed District as set out in the application is feasible, practicable, and necessary, and would be a benefit to the land to be included in the proposed District.

The TCEQ further finds that the proposed District and its system and subsequent development within the proposed District will not have an unreasonable effect on land elevation, subsidence, and groundwater level within the region, recharge capability of a groundwater source, natural runoff rates and drainage, water quality, or total tax assessments on all land located within the proposed District.

All of the land and property proposed may properly be included within the proposed District.

All statutory and regulatory requirements for creation of South Burnet County Municipal Utility District No. 1 have been fulfilled in accordance with TEX. WATER CODE § 54.021 and 30 TEX. ADMIN. CODE §§ 293.11-293.12.

NOW, THEREFORE, BE IT ORDERED BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY THAT:

1. The petition for the creation of South Burnet County Municipal Utility District No. 1 is hereby granted.
2. The District is created under the terms and conditions of Article XVI, Section 59 of the TEXAS CONSTITUTION and TEX. WATER CODE Chapters 49 and 54.
3. The District shall have, and shall be subject to, all of the rights, duties, powers, privileges, authority, and functions conferred and imposed by the TCEQ and the general laws of the State of Texas relating to municipal utility districts, including road powers under TEX. WATER CODE § 54.234, subject to the requirements of the TCEQ and the general laws of the State of Texas relating to the exercise of such powers.

FILED THIS 16th DAY OF Aug A.D. 20 21

Janet Parker
COUNTY CLERK, BURNET COUNTY, TEXAS
DEPUTY

4. The District shall be composed of the area situated partially within the extraterritorial jurisdiction of the City of Double Horn, Burnet County, Texas, described by metes and bounds in Exhibit "A" attached hereto and incorporated herein for all purposes.

5. The Memorandum dated July 1, 2021, attached as Exhibit "B," is hereby incorporated as part of this Order.

6. The persons listed in Recommendation No. 4 of the Memorandum are hereby 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.

7. 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.

8. This Order shall not constitute approval or recognition of the validity of any provision in the City of Double Horn Consent Resolution, passed and adopted June 24, 2020, and any other ordinance/resolution incorporated therein by reference to the extent that such provisions exceed the authority granted to the City, by the laws of the State of Texas.

9. The Chief Clerk of the TCEQ shall forward a copy of this Order to all affected persons.

10. If any provision, sentence, clause, or phrase of this Order is for any reason held to be invalid, the invalidity of any portion shall not affect the validity of the remaining portions of the Order.

Issue Date: August 9, 2021


For the Commission

Texas Commission on Environmental Quality

TECHNICAL MEMORANDUM

CSU 7/26/21
To: Chris S. Ulmann, P.E., Manager
Districts Section

Date: July 1, 2021

From: Anand Patel
Districts Creation Review Team

Subject: Petition by Toreador Ranch, LLC, a Texas Limited Liability Company for Creation of South Burnet County Municipal Utility District No. 1; Pursuant to Texas Water Code Chapters 49 and 54.
TCEQ Internal Control No. D-10272020-042 (TC)
CN: 605826296 RN: 111123626

A. GENERAL INFORMATION

The Texas Commission on Environmental Quality (TCEQ) received a petition within the application requesting approval for the creation of South Burnet County Municipal Utility District (MUD) No. 1 (District). The petition was signed by Greg Crone as the president of Toreador Ranch, LLC, a Texas limited liability company (Petitioner). The petition states that the Petitioner holds title to a majority in value of the land in the proposed District and it further states that there are no lienholders on the land in the proposed District.

The District 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 Texas Water Code (TWC).

Location and Access

The proposed District is located on the south side of Highway 71 and approximately 4 miles west of Highway 281 in Burnet County. The proposed District is partially within the extraterritorial jurisdiction of the City of Double Horn (City). Access to the proposed District will be provided by Highway 71.

Metes and Bounds Description

The proposed District contains 450.102 acres of land. The metes and bounds description of the proposed District has been reviewed and checked by TCEQ's staff and has been found to form an acceptable closure.

City Consent

By Resolution No. 2020-RES011, passed and adopted June 24, 2020, the City asserts that the land within the proposed District will be located partially within the extraterritorial jurisdiction of the City, and provided the City's consent to the creation of the District. Accordingly, the requirements of TWC Section 54.016 have been satisfied.

County Notification

In accordance with TWC Section 54.0161, as amended in 2013, a certified letter, dated November 23, 2020 was sent to the Commissioners Court of Burnet County which provided notice of the proposed District's pending creation application and provided them an opportunity to make their recommendations. To date, the county has not responded to this notification.

Statements of Filing Petition

Evidence of filing a copy of the petition with the Burnet County Clerk's office, the TCEQ's Austin region office, the Texas House of Representatives, and the Texas State Senate was included in the application.

Type of Project

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

Developer Qualifications

Application material indicates that Mr. Harris Baker, the president of Toreador Development Company, Inc. will lead the development of the proposed District. Mr. Baker has over 25 years of experience in home building and land development which includes landscape planning, master planned communities, single-family residential subdivisions, mixed use development, MUD creations, etc.

Certificate of Ownership

By signed certificate dated May 5, 2020, the Burnet Central Appraisal District has certified that the appraisal rolls indicate that the Petitioner is the owner of all of the land in the proposed District.

Temporary Director Affidavits

The TCEQ has received affidavits for consideration of the appointment of the following five temporary directors:

Edwina Worley
Marjorie Burciaga

Kaden Burlison
Michael Alexander

Kelsey Elliott

Each of the above persons named is qualified, as required by 30 TAC Section 293.32(a), to serve as a temporary director of the proposed District as each (1) is at least 18 years old, (2) is a resident of the State of Texas, and (3) either owns land subject to taxation within the proposed District or is a qualified voter within the proposed District. Additionally, as required by TWC Section 54.022, the majority are a resident 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.

Notice Requirements

Proper notice of the application was published on February 9, 2021 and February 16, 2021 in *The Highlander*, a newspaper regularly published or circulated in Burnet County, the county in which the district is proposed to be located. Proper notice of the application was posted on February 11, 2021, on the bulletin board used for posting legal notices in Burnet County. Accordingly, the notice requirements of 30 TAC Section 293.12(b) have been satisfied. The opportunity for the public to request a contested case hearing (comment period) expired March 18, 2021. No comments were received during this period.

B. ENGINEERING ANALYSIS

The creation engineering report indicates the following:

Availability of Comparable Service

The water and wastewater services will be provided by the District. The proposed District is not located within the water or wastewater CCN of any entity. Therefore, no other comparable water services are available in the area.

Water Supply Improvements

All water supply and distribution system improvements to serve the proposed District will be designed in accordance with criteria established by the TCEQ, Burnet County, and the City. Per the engineering report, it is estimated that the District will serve approximately 968 Equivalent Single-Family Connections (ESFCs) at ultimate development. Further, the engineering report indicates that the water supply facilities will be owned and maintained by the District. The proposed District will have a water plant, water wells, and a network of trunk water mains throughout the development.

Water Distribution Improvements

The water distribution system for full development of the proposed District will consist of approximately 50,000 linear feet (LF) of 8" to 16" polyvinyl chloride (PVC) pipes, along with all related appurtenances. The distribution system will be designed to meet TCEQ, Burnet County, and the City design criteria.

Wastewater Treatment Improvements

All wastewater treatment and collection system improvements to serve the proposed District will be designed in accordance with criteria established by the TCEQ, Burnet County, and the City. Per the engineering report, it is estimated that the District will serve approximately 968 ESFCs at ultimate development. Further, the engineering report indicates that the wastewater treatment facilities will be owned and maintained by the District. The proposed District will have a wastewater treatment plant, a lift station, and a network of sewer mains throughout the development.

Wastewater Collection Improvements

The internal wastewater collection system for full development of the proposed District will consist of approximately 50,000 LF of 8" to 12" sanitary sewer lines, along with manholes and

all related appurtenances. The collection system will be designed to meet TCEQ, Burnet County, and the City design criteria.

Storm Water Drainage System and Drainage Improvements

The storm water runoff within the proposed District will be directed along a proposed combination of street gutters and underground storm drains to convey runoff to storm sewer lines or culverts that outfall into detention facilities located within the District. The detention facilities will then release flow into Double Horn Creek. The System will consist of approximately 37,500 LF of reinforced concrete pipes ranging from 18" to 42" in size. Design of the storm sewer system and detention facilities will be based on requirements of the Burnet County, and the City.

Road Improvements

Application material indicates the proposed District will construct road improvements within the District. The City has consented by resolution to the creation of the District with road powers. The District will fund a main point of access from Highway 71 along with major collector streets, minor collector streets, and number of interior roadways. All roadway facilities will be designed in accordance with criteria established by Texas Department of Transportation, Burnet County, and the City.

Topography

The District is currently undeveloped pastureland. The average elevation within the proposed District is approximately 900 to 1,100 feet above mean sea level (msl).

Floodplain

According to Federal Emergency Management Agency Flood Insurance Rate Map No. 48053C0700G dated November 1, 2019, the District does not lie within the 100-year floodplain.

Land Elevation

The fill and/or excavation associated with development of the District's systems will not cause changes in the overall land elevations other than that normally associated with the construction of the underground utility systems, drainage facilities, plants, and paving. Therefore, development within the District is not expected to have an unreasonable effect on overall land elevations.

Subsidence

The proposed District's source of water supply will be groundwater. There is no problem of subsidence in the part of the state where the District is proposed to be located. Therefore, the proposed District will have no effect on subsidence.

Dam Safety Analysis

The TCEQ Dam Safety Program personnel reviewed the location of the District and confirmed by letter dated January 28, 2020, that there are no dam safety issues associated with the proposed District.

Groundwater Levels

The proposed District's source of water supply will be groundwater. Per the Regional Water Planning Study for Region K, the aquifer has a substantial supply of available groundwater to serve the area. The groundwater conservation district within the region regulates the groundwater pumping rates and the recharge rate for the aquifer. Therefore, the proposed District is not expected to have a significant impact on the groundwater levels in the region.

Groundwater Recharge

There are no known recharge features within the land of the proposed District. Therefore, the District is not expected to have any significant effect on recharge capabilities.

Natural Run-off and Drainage

The proposed stormwater drainage system will consist of curb and gutter collector system which will flow into onsite detention ponds. The collected stormwater will then be conveyed to Double Horn Creek. The detention ponds will be designed to mitigate the increased runoff due to the proposed development. It will be conveyed at non-erosive velocities to not significantly affect natural run-off rates and downstream flooding.

Water Quality

No adverse effect of the water quality of ground or surface water is anticipated as a result of this development. The water and wastewater treatment for the proposed District will be done in accordance with the local, state, and federal standards.

C. SUMMARY OF COSTS

WATER, WASTEWATER, AND DRAINAGE

<u>Construction Costs</u>	<u>District Share</u> ⁽¹⁾
A. Developer Contribution Items	
1. Water Facilities	\$ 3,016,862
2. Wastewater Facilities	3,687,276
3. Drainage Facilities	1,500,000
4. Lift Station	500,000
5. Contingencies (10% of Items No. 1-4)	870,414
6. Engineering (10% of Items No. 1-4)	<u>870,414</u>
Total Developer Items	\$ 10,444,966
B. District Items	
1. Water Wells	\$ 1,275,000
2. Water Treatment Plant	486,908
3. Wastewater Treatment Plant	1,825,906
4. Wastewater Irrigation	3,622,500
5. Contingencies (10% of Items No. 1-4)	721,031
6. Engineering (10% of Items No. 1-4)	721,031

7. Land Acquisition Costs		<u>75,000</u> ⁽²⁾
Total District Items	\$	<u>8,727,376</u>
TOTAL CONSTRUCTION COSTS (75.48% of BIR)	\$	19,172,342
<u>Non-Construction Costs</u>		
A. Legal Fees (3%)	\$	762,000
B. Fiscal Agent Fees (2.5%)		635,000
C. Interest Costs		
1. Capitalized Interest (2 years @ 3.5%)		1,778,000
2. Developer Interest (2 years @ 3.5% of Const. Cost)		1,342,064
D. Bond Discount (3%)		762,000
E. Bond Issuance Expenses		288,194
F. Administration and Operation Costs		221,500
G. District Creation Costs		100,000
H. Bond Application Report Costs		250,000
I. TCEQ Bond Issuance Fee (0.25%)		63,500
J. Attorney General Fees (0.1%)		<u>25,400</u>
TOTAL NONCONSTRUCTION COSTS	\$	6,227,658
TOTAL W, WW, & D BOND ISSUE REQUIREMENT	\$	25,400,000

Notes: (1) Assumes 100% funding of anticipated developer contribution items, where applicable.
(2) Land cost is based on approximately 3 acres of land at \$25,000 per acre.

Eligibility of costs for District funding and 30% developer contribution requirements will be determined in accordance with TCEQ rules in effect at the time bond applications are reviewed.

ROAD IMPROVEMENT

<u>Construction Costs</u> (Developer/District Contribution Items)		<u>District Share</u> ⁽¹⁾
1. Road Improvements	\$	13,146,910
2. Contingencies (15% of Item No. 1)		1,972,037
3. Engineering (10% of Item No. 1)		<u>1,314,691</u>
TOTAL CONSTRUCTION COSTS (78.26% of BIR)	\$	16,433,638
<u>Non-Construction Costs</u>		
A. Legal Fees (3%)	\$	630,000
B. Fiscal Agent Fees (2.5%)		525,000
C. Interest Costs		
1. Capitalized Interest (2 years @ 3.5%)		1,470,000
2. Developer Interest (2 years @ 3.5% of Const. Cost)		1,150,355
D. Bond Discount (3%)		630,000
E. Bond Issuance Expenses		90,007
F. Bond Engineering Costs		50,000

G. Attorney General Fees (0.1%)		<u>21,000</u>
TOTAL NONCONSTRUCTION COSTS	\$	4,566,362
TOTAL ROAD BOND ISSUE REQUIREMENT	\$	21,000,000

Note: (1) Assumes 100% funding of anticipated developer contribution items, where applicable.

A preliminary layout of roads proposed for funding has been provided, and they appear to benefit the proposed District and the land included within the proposed District. TCEQ's review of eligibility of costs may be determined in accordance with TCEQ rules in effect at the time bond applications are reviewed.

TOTAL BOND ISSUE REQUIREMENTS	\$	46,400,000
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D. ECONOMIC ANALYSIS

Land Use

The land use for the proposed District is intended to accommodate Single-family residential development. Planned ultimate development in the proposed District, as shown in the land use plan provided, is as follows:

<u>Land Use</u>	<u>Acreage</u>	<u>Population</u>
Single-Family	307.40	967
Parks/Recreation	71.10	0
Vineyards	18.00	0
Detention Ponds/Floodplain	50.60	0
Amenity Center	<u>3.00</u>	<u>1</u>
Total	450.10	968

Market Study

A market study, prepared in August 2020 by Metrostudy, has been submitted in support of the creation of the proposed District. The proposed District is expected to include Single-family residential development totaling approximately 307.4 acres. The market study indicates the proposed District is expected to include 77 villas, 385 45-foot wide lots, 333 55-foot wide lots, 86 60-foot wide lots, and 86 70-foot wide lots. The home values are expected to be approximately \$500,000 for villas, \$275,000 for 45-foot lots, \$325,000 for 55-foot lots, \$400,000 for 60-foot lots, and \$450,000 for 70-foot lots. The study indicates single-family homes for that price range within the study's market area are expected to be absorbed at a rate of approximately 1 villa per month, 3 homes per month for 45-foot lots, 3 homes per month for 55-foot lots, 2 homes per month for 60-foot lots, and 2 homes per month for 70-foot lots.

Project Financing

The District's ability to amortize the required bond debt is based on ultimate improvements and full development of the District. Each particular bond issue will be reviewed and justified on its own economic feasibility merits prior to the issuance of any bonds by the District. The projected taxable assessed valuation (AV) for the proposed District is as follows:

<u>Development Description</u>	<u>Lots</u>	<u>Developed Unit Value</u>	<u>Total Buildout Value</u>
Villas	77	\$500,000	\$38,500,000
45-foot single-family lots	385	\$275,000	\$105,875,000
55-foot single-family lots	333	\$325,000	\$108,225,000
60-foot single-family lots	86	\$400,000	\$34,400,000
70-foot single-family lots	86	\$450,000	<u>\$38,700,000</u>
		Total Assessed Valuation	\$325,700,000

Considering the issuance of a total of \$46,400,000 (\$25,400,000 for utilities and \$21,000,000 for roads) in bonds, a coupon bond interest rate of 3.5%, and a 25-year bond life, the average annual debt service requirement would be \$2,815,275. Assuming a 98% collection rate and an ultimate AV of \$325,700,000, a projected ultimate tax rate of approximately \$0.89 per \$100 AV was indicated to be necessary to meet the annual debt service requirements for the proposed District. An additional \$0.05 per \$100 AV is projected to be levied for maintenance and operating expenses, for a combined proposed District tax rate of \$0.94. Based on the information provided for ultimate development, the District projects combined tax rate is \$0.94 and does not exceed the provision of 30 TAC Section 293.59(k)(3)(B), which limits the projected combined tax rate to \$1.00.

Based on the information provided, the total projected overlapping tax rates on land within the proposed District are shown as follows:

<u>Taxing Jurisdiction</u>	<u>Tax Rates (Burnet County)</u> ⁽¹⁾
South Burnet County MUD No. 1 (District)	\$ 0.9400 ⁽²⁾
Emergency Service District No. 9	\$ 0.1000
Burnet County	\$ 0.3582
County Special Road and Bridge	\$ 0.0417
Marble Falls Independent School District	\$ 1.1986
Water Conservation District of Central Texas	<u>\$ 0.0074</u>
TOTAL TAX per \$100 AV:	\$ 2.6459

Notes: (1) Tax rate per \$100 assessed valuation

(2) Includes a \$0.89 debt service tax rate (utilities and road) and a \$0.05 maintenance tax rate.

Based on the proposed District tax rate and the year 2019 overlapping tax rate on land within the proposed District, the project is considered economically feasible.

Water and Wastewater Rates

According to information provided, the District will provide retail water and wastewater services to the proposed District's customers. The current water rates are as follow:

Water rate:

0 to 10,000 gallons	\$2.50 per 1000 gallons
10,001 to 15,000 gallons	\$4.50 per 1000 gallons
15,001 to 20,000 gallons	\$12.50 per 1000 gallons
20,001 to 30,000 gallons	\$43.00 per 1000 gallons
30,001 to 40,000 gallons	\$64.00 per 1000 gallons

40,001 gallons and above	\$69.00 per 1000 gallons
Wastewater rate:	
Monthly Fee	\$33.00 Flat Fee

Based on the above rates, the estimated monthly fee for 10,000 gallons of water and wastewater would be \$58.00.

Comparative Water District Tax Rates

A tax rate of \$0.94 (\$2.6459 total overlapping for Burnet County) for the proposed District is comparable to other municipalities in the target market area. Based on the requirements of 30 TAC Section 293.59, this project is considered economically feasible.

E. SPECIAL CONSIDERATION

Request for Road Powers

A request for approval of road powers was included in the petition for creation of the proposed District. Pursuant to TWC Section 54.234, approval of road powers may be requested at the time of creation. The engineering report provided with the application included a summary of the estimated costs. The proposed roads appear to benefit the proposed District, and financing appears feasible.

F. CONCLUSIONS

1. Based on TCEQ policy, compliance with TCEQ rules, and review of the engineering report and supporting documents, the proposed District is considered feasible, practicable, a benefit to the land within the proposed District, and necessary as a means to finance utilities and to provide utility service to future customers.
2. Based on a review of the preliminary engineering report; market study; the proposed District's water, wastewater, drainage facilities, and road facilities; a combined projected tax rate of \$0.94 per \$100 AV; the proposed District obtaining a 3.5% bond coupon interest rate; and other supporting data, the proposed District is considered feasible under the feasibility limits prescribed by 30 TAC Section 293.59.
3. The recommendations are made under authority delegated by the Executive Director of the TCEQ.

G. RECOMMENDATIONS

1. Grant the petition for creation of South Burnet County Municipal Utility District No. 1.
2. Grant the District's request to acquire road powers in accordance with TWC Section 54.234 and 30 TAC Sections 293.11(d)(11), 293.201 and 293.202 subject to the requirement imposed by the TCEQ and the general laws of the state relating to the exercise of such powers.

3. The Order granting the petition should include the following statements:

"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."

"This Order shall not constitute approval or recognition of the validity of any provision in the City of Double Horn Consent Resolution, passed and adopted June 24, 2020, and any other ordinance/resolution incorporated therein by reference to the extent that such provisions exceed the authority granted to the City, by the laws of the State of Texas."

4. Appoint the following five persons to serve as temporary directors until permanent directors are elected and qualified:

Edwina Worley

Kaden Burlison

Kelsey Elliott

Marjorie Burciaga

Michael Alexander

H. ADDITIONAL INFORMATION

The Petitioner's professional representatives are:

Attorney: Mr. Ryan Harper – Allen Boone Humphries Robinson, LLP
Creation Engineer: Mr. Ken Heroy, P.E. – Jones-Heroy & Associates, Inc.

EXHIBIT A

PROPERTY DESCRIPTION

BEING 450.102 ACRES OF LAND LOCATED IN THE J.T. CONN SURVEY ABSTRACT 184 AND THE EDWARD E. WILLIAMS SURVEY ABSTRACT 945 IN BURNET COUNTY, TEXAS AND BEING A PORTION OF A CALLED 1311.91 ACRE DESCRIBED AS TRACT 1 AND ALL OF A CALLED 49.99 ACRES DESCRIBED AS TRACT 2 IN DOCUMENT NUMBER 201008598 OF THE OFFICIAL PUBLIC RECORDS OF BURNET COUNTY, TEXAS (O.P.R.B.C.T); SAID 450.102 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS WITH ALL BEARINGS BASED ON THE TEXAS COORDINATE SYSTEM, CENTRAL ZONE NAD83 4203.

BEGINNING at a ½ inch iron rod found in the southerly right of way of State Highway 71 for the northwest corner of a Deed recorded in Volume 1271, Page 393 O.P.R.B.C.T, said point also being the northeast corner of said 1311.91 acre tract;

THENCE, leaving said right of way with the line common to said 1311.91 acre tract and said 300.00 acre tract with the following courses and distances:

1. S01°28'14"E, 2318.10 feet to a ½ inch iron rod found;
2. S00°43'25"E, 1248.47 feet to a 60d nail found in a fence post;
3. S00°47'13"E, 726.34 feet to a ½ inch iron rod found;
4. S03°39'13"E, 355.82 feet to a ½ inch iron rod found;
5. S02°21'06"W, 405.49 feet to a ½ inch iron rod found for the easterly southeast corner of said 1311.91 acre tract;

THENCE, leaving the east line of said 300.00 acre tract and with the south line of said 1311.91 acre tract same being the northerly line of that certain tract conveyed to Fall Creek Cattle Co. by partition deed recorded in Volume 858, Page 691 said Official Public Records, the following courses and distances:

1. S87°28'42"W, 2193.46 feet to a 60d nail found in a fence post and;
2. S87°18'38"W, 1570.19 feet to a ½ inch iron rod with cap stamped "AST" found at an interior ell corner of the 1311.91 acre tract;

THENCE, crossing said 1311.91 acre tract the following courses and distances:

1. N09°04'47"W, 532.78 feet to a calculated point;
2. N05°05'30"W, 569.01 feet to a calculated point;
3. N02°19'27"E, 377.47 feet to a calculated point;
4. N02°08'57"E, 273.16 feet to a calculated point;
5. N04°38'13"E, 867.38 feet to a calculated point at the beginning of a curve to the left;
6. with a curve to the left an arc length of 828.18 feet, having a radius of 12234.94 feet, a central angle of 03°52'42", and a chord bearing and distance of N18°59'31"E, 828.02 feet to a calculated point;
7. thence N06°47'34"W, 229.49 feet to a calculated point;

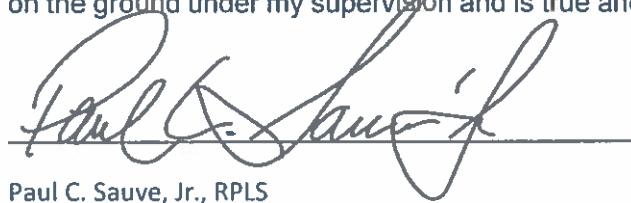
8. thence N09°24'33"E, 170.26 feet to a calculated point;
9. thence N17°28'27"E, 659.07 feet to a calculated point at the beginning of a curve to the left;
10. with a curve to the left an arc length of 714.44 feet, having a radius of 1417.20 feet, a central angle of 28°53'01", and a chord bearing and distance of N10°03'08"E, 706.90 feet to a calculated point;
11. N06°09'03"E, 214.33 feet to a calculated point;
12. N08°48'10"E, 92.89 feet to a calculated point;
13. N19°48'52"E, 500.09 feet to a calculated point on the southerly right of way line of said State Highway 71;

THENCE, with said southerly right of way line the following courses and distance:

1. S77°05'19"E, 34.15 feet to a calculated point at the northwest corner of said 49.99 acre tract;
2. S77°11'58"E, 400.12 feet to a 1/2 inch iron rod found for the northeast corner of said 49.99 acre tract;
3. S77°08'08"E, passing at 1771.50 feet a TxDOT Type 1 monument and continuing for a total distance of 2549.83 feet to the **POINT OF BEGINNING** and containing 450.102 acres of land, more or less;

SURVEYOR'S STATEMENT

I hereby state that the included field note description was prepared from an actual survey made on the ground under my supervision and is true and correct, to the best of knowledge and belief.



Paul C. Sauve, Jr., RPLS
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3815 S. Capital of Texas Hwy, Suite 300
Austin, TX 78704
Firm Registration No. 10173100
January 16, 2020

