

ENRIQUEZ



ENTERPRISES

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March 18, 2008

Luis Figueroa, AIA
Rike Ogden Figueroa Alex Architects Inc.
1007 Walnut Ave.
McAllen, Texas 78501

Re: Hidalgo County Headstart Central Kitchen

Mr. Figueroa,

Enriquez Enterprises is committed in finishing the Central Kitchen for the Hidalgo County Headstart Program in a timely manner. We have already removed the 24" of existing soil, are commencing the building pad, and have staked out the location for all new utilities.

However, there are two issues that have come to my attention that might have a substantial impact on the construction schedule.

First, our utility subcontractor had gone to the La Joya Water Supply Corporation to pay for water tap fees. However, LJWSC has attached additional fees. Aside from the projects membership fee, inspection fee, and water meter fee, there are additional fees of \$19,000.00 for water rights and \$12,240.00 for FECC. Water right fees and FECC fees are customarily handled by the owner prior to construction.

Secondly, when I delivered the plans for a construction permit, the question was raised of whether the property had been subdivided. Mr. Humberto Garza, the inspector reviewing the plans for Precint 3, will be reviewing the warranty deed to verify compliance with subdivision regulations. As you may be aware, recording a piece of property takes substantial time and resources.

As mentioned before, we quickly moved on this project to try and meet the owner's preferred construction schedule but are very concerned with these issues. Either one of these issues would definitely put a stain on the owner's budget and schedule.

We would like to request your help in both of these matters so as to avoid any delays to the project.

Respectfully,

Cesar A. Roque
Project Manager
Enriquez Enterprises, Inc.

La Joya Water Supply Corporation

Membership Prices

Residential

| Meter Size | Member Fee | Inspection Fee | Meter Fee | Water Rights | FECC | Total Cost |
|------------|------------|----------------|-----------|--------------|------------|------------|
| 3/4" | \$20.00 | \$20.00 | \$475.00 | \$1,900.00 | \$1,224.00 | \$3,639.00 |

Commercial

| Meter Size | Member fee | Inspection fee | Meter Fee | Water Rights w/LUE | FECC | Total Cost |
|-------------|------------|----------------|-------------|--------------------|--------------|--------------|
| 3/4" | \$20.00 | \$20.00 | \$475.00 | \$2,850.00 | \$1,836.00 | \$5,201.00 |
| 1" | \$20.00 | \$20.00 | \$830.00 | \$4,750.00 | \$3,060.00 | \$8,680.00 |
| 1 1/2" | \$20.00 | \$20.00 | \$1,330.00 | \$9,500.00 | \$6,120.00 | \$16,990.00 |
| 2" compound | \$20.00 | \$20.00 | \$1,500.00 | \$15,200.00 | \$9,792.00 | \$26,532.00 |
| 2" turbine | \$20.00 | \$20.00 | \$1,500.00 | \$19,000.00 | \$12,240.00 | \$32,780.00 |
| 4" compound | \$20.00 | \$20.00 | \$11,785.00 | \$47,500.00 | \$30,600.00 | \$89,925.00 |
| 4" turbine | \$20.00 | \$20.00 | \$11,785.00 | \$79,800.00 | \$51,408.00 | \$143,033.00 |
| 6" compound | \$20.00 | \$20.00 | \$17,000.00 | \$95,000.00 | \$61,200.00 | \$173,240.00 |
| 6" turbine | \$20.00 | \$20.00 | \$17,000.00 | \$174,800.00 | \$132,608.00 | \$304,448.00 |

LUEs **(Living Unit Equivalent)**

| Meter Type | Meter Size | Number of LUEs |
|---------------------------|-----------------------|---------------------------|
| Simple Residential Use | 3/4" | 1.0 |
| Simple Commercial Use | 3/4" | 1.5 |
| Simple | 1" | 2.5 |
| Simple | 1 1/2" | 5.0 |
| Simple | 2" | 8.0 |
| Compound | 2" | 8.0 |
| Turbine | 2" | 10.0 |
| Compound | 4" | 25.0 |
| Turbine | 4" | 42.0 |
| Compound | 6" | 50.0 |
| Turbine | 6" | 92.0 |

**REQUEST FOR SERVICE INVESTIGATION
(NON-STANDARD SERVICE)**

I _____ hereby submit this form, requesting a water service

Developer/Applicant

investigation on the following plat or map _____

Subdivision Name or Plat Name

officially signed and sealed by a State of Texas licensed surveyor (plat) or
professional engineer (plat/water utility design) .

I have paid the required service investigation fee based on the number of proposed LUE's
and I understand all of the conditions of " Section E Non-Standard Service
Requirements " of the La Joya Water Supply Corporation Tariff.

Signed _____

Date _____

Developer/Applicant

SECTION A: STATEMENTS

1. Organization. The La Joya Water Supply Corporation is a member owned, non-profit corporation incorporated pursuant to the provisions of Texas Water Code Chapter 67, Nonprofit Water Supply Corporations, as supplemented by the Texas Non-Profit Corporation Act, Tex. Rev. Civ. Stat. Ann., art. 1396-1.01, for the purpose of furnishing a potable water utility service.

2: Non-Discrimination Policy. Membership in the Corporation and service of water is provided to all Applicants who comply with the provisions of this Tariff regardless of race, creed, color, national origin, sex or marital status.

3. Rules Application. The rules and regulations specified herein apply to the water services furnished by La Joya Water Supply Corporation, also referred to as Corporation, La Joya, or La Joya WSC. Failure on the part of the Member, Customer, or Applicant to observe these rules and regulations of the Corporation, after due notice of such failure, automatically gives the Corporation the authority to deny or to discontinue the furnishing of service as provided herein and as may be amended from time to time by the Board of Directors.

4. Corporation Bylaws. The Corporation has adopted bylaws which establish the make-up of the Board of Directors, establish the Membership voting rights, provide for annual and regular meetings, provide for reserve accounts, and establish the rights of the Members and other important regulations of the water system. These bylaws are included by reference herein, as amended from time to time, and are on file for inspection in the Corporation's office.

* 5. Fire Protection Responsibility. Fire hydrants installed within the Corporation's distribution system are provided at the convenience of the Corporation and do not imply any responsibility on the part of the Corporation to meet fire flow requirements of local, county, state, or federal governmental agencies. Fire hydrants paid for by individuals or groups of individuals and donated to the Corporation for county volunteer fire department use shall remain in place for such use as "refill only" of fire trucks. The Corporation reserves the right to remove any fire hydrant, due to improper use or detriment to the system as determined by the Corporation, at any time without notice, refund, or compensation to the contributors.

6. Damage Liability. The La Joya WSC is not liable for damages caused by service interruptions, events beyond its control, and for normal system failures. The limit of liability of the La Joya WSC is the extent of the cost of service provided. By acceptance of Membership, Member consents to waiver of such liability.

7. Information Disclosure. The records of the Corporation shall be kept in the Corporation office in La Joya, Texas. These records may, upon request, be examined by any Member of the Corporation. To the extent Texas Public Information Act, Chapter 552 of the Texas Government Code applies to the Corporation, records will be made available to the public in accordance with that Act. A reasonable charge may be assessed anyone requesting copies of records.

8. Customer Notice Provision. The Corporation shall give written notice of monthly water rate changes by mail or hand delivery to all affected Members and customers at least 30 days prior to the effective date of the new rate. The notice shall contain the old rates, new rates, effective date of the new rate, date of Board authorization, and the name and phone number of the Corporation's contact person designated to address inquiries about the rate change. The notice may be included in the bills of the affected Members or customers.

**NOTICE OF REQUIREMENT TO COMPLY WITH THE SUBDIVISION AND
SERVICE EXTENSION POLICY OF
LA JOYA WATER SUPPLY CORPORATION**

Pursuant to Chapter 13.2502 of the Texas Water Code, La Joya Water Supply Corporation hereby gives notice that any person who subdivides land by dividing any lot, tract, or parcel of land, within the service area of La Joya Water Supply Corporation, Certificate of Convenience and Necessity No. 10559, in Hidalgo and Starr Counties, into two or more lots or sites for the purpose of sale or development, whether immediate or future, including re-subdivision of land for which a plat has been filed and recorded or requests more than two water or sewer service connections on a single contiguous tract of land must comply with [Section E NON-STANDARD SERVICE REQUIREMENTS] (the "Subdivision Policy") contained in La Joya Water Supply Corporation's tariff.

La Joya Water Supply Corporation is not required to extend retail water or sewer utility service to a service applicant in a subdivision where the developer of the subdivision has failed to comply with the Subdivision Policy.

Applicable elements of the Subdivision include:

Evaluation by La Joya Water Supply Corporation of the impact a proposed subdivision service extension will make on La Joya Water Supply Corporation's water supply/sewer service system and payment of the costs for this evaluation;

Payment of reasonable costs or fees by the developer for providing water supply/sewer service capacity;

Payment of fees for reserving water supply/sewer capacity;

Forfeiture of reserved water supply/sewer service capacity for failure to pay applicable fees;

Payment of costs of any improvements to La Joya Water Supply Corporation's system that are necessary to provide the water/sewer service;

Construction according to design approved by La Joya Water Supply Corporation and dedication by the developer of water/sewer facilities within the subdivision following inspection.

La Joya Water Supply Corporation's tariff and a map showing La Joya Water Supply Corporation's service area may be reviewed at La Joya Water Supply Corporation's office, at 3510 North Abram Road, Palmview, Texas 78560 the tariff/policy and service area map also are filed of record at the Texas Commission on Environmental Quality in Austin, Texas and may be reviewed by contacting the TCEQ, c/o Utility Rates and Services Section, Water Utilities Division, P.O. Box 13087, Austin, Texas 78711.

SECTION E: NON-STANDARD SERVICE REQUIREMENTS

The Corporation may, at its option, exercise to supervise, contract and construct any improvements consistent with this section with any Applicant.

1. Corporation's Limitations. All Applicants shall recognize that the Corporation must comply with local, state, and federal rules and regulations as promulgated from time to time, and by covenants of current indebtedness.
2. Purpose. The purpose of this Section is to govern agreements and service procedures for subdivisions, additions to subdivisions, developments or other properties where service to more than one tract is necessary, where additional piping, service facilities, etc. are required to accommodate individual, multiple, commercial, or industrial Applicants, or where the Applicant has requested service to a facility that qualifies as more than one LUE. For the purposes of this Tariff, Applications subject to this Section shall be defined as Non-Standard.
3. Application of Rules. This Section may be altered or suspended when applied to planned facility expansions for which the Corporation extends its indebtedness. The Board of Directors of the Corporation shall interpret on an individual basis whether or not the Applicant's service request shall be subject to all or part of the conditions of this Section.
4. Service Investigation.
 - a. Prior to submitting an application for service, any person who intends to seek non-standard service from the Corporation shall submit a Request for a Service Investigation and the Service Investigation Fee to the General Manager of the Corporation.
 - b. Upon receipt of a completed Request for a Service Investigation form and the Service Investigation Fee, the Corporation, or its designated engineering and legal consultants, shall investigate the Corporation's ability to serve the number of LUEs proposed to be located on the tract of land, or if a need exists for an expansion to the capacity of the production and storage or general purpose transmission facilities, or a combination of both, to serve the proposed connections.
 - c. Each Request for a Service Investigation shall include the following:
 - (1) Four copies of a map or preliminary plat showing the property indicating the location of the said property with the Corporation's CCN, and the proposed improvements to be constructed to connect such facilities to the Corporation's system. The map or plat must show the legal description and the dimensions of the property. The map or plat must be signed and sealed by a licensed surveyor or registered professional engineer.
 - (2) The intended land use of the property, including detailed information concerning the type of land uses proposed.
 - (3) The proposed number of LUEs and the projected water demand of each connection, including the average and peak demand in gallons per minute (GPM), and a projected growth schedule tied to demand for water.