

Jon Niermann, *Chairman*  
Bobby Janecka, *Commissioner*  
Catarina R. Gonzales, *Commissioner*  
Kelly Keel, *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

October 4, 2024

Ms. Emily Kolb Forswall  
Coats Rose, PC  
9 Greenway Plaza, Suite 1000  
Houston, Texas 77046

Re: Misty Lane Municipal Utility District No. 1 of Caldwell County, Order approving the  
Creation of the District

Dear Ms. Forswall:

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 Mrs. Cheyenne Connors by phone (512) 239-3583, or by email at [Cheyenne.Connors@tceq.texas.gov](mailto:Cheyenne.Connors@tceq.texas.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Michele Risko".

Michele Risko, Deputy Director  
Water Supply Division

MR/cc

Enclosures

ccs: Mailing list

## MAILING LIST

Misty Land Municipal Utility District No. 1 of Caldwell County  
TCEQ Internal Control No. D-05062024-017

Ms. Emily Kolb Forswall  
Coats Rose, PC  
9 Greenway Plaza, Suite 1000  
Houston, Texas 77046

Mr. Ben Green, P.E.  
Kimley-Horn & Associates, Inc.  
5301 Southwest Parkway, Suite 100  
Building 2  
Austin, Texas 78735

The Honorable Stan Gerdes  
Texas House District 17  
Room E2.816  
P.O. Box 2910  
Austin, Texas 78768

The Honorable Judith Zaffrini  
Texas Senate District 21  
P.O. Box 12068  
Capitol Station  
Austin, Texas 78711

Ms. Lori Wilson  
TCEQ Region 11  
MC R11  
P.O. Box 13087  
Austin, Texas 78711-3087

Ms. Teresa Rodriguez  
Caldwell County Clerk  
1703 South Colorado Street, Box 1, Suite 1200  
Lockhart, Texas 78644

The Honorable Hoppy Haden  
Caldwell County Judge  
110 Main Street, 1st Floor  
Lockhart, Texas 78644

County Line Special Utility District  
8870 Camino Real  
Uhland, Texas 78640

Texas Commission on Environmental Quality  
P. O. Box 13087  
Austin, TX 78711-3087

Todd Galiga, Senior Attorney, Environmental  
Law Division, MC-173

Cheyenne Connors, Technical Manager,  
Districts Creation Review Team, MC-152

Stephanie Desouza, Districts Creation Review  
Team, Districts Section, MC-152

Justin P. Taack, Manager, Districts Section,  
MC-152

Michelle Voytko, Drinking Water Special  
Functions Section, MC-153

Garrett Arthur, Office of the Public Interest  
Counsel, MC-103

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

OCT 04 2024



OF THE COMMISSION, GIVEN UNDER MY HAND AND THE  
SEAL OF OFFICE ON  
*Laurie Gharia*  
LAURIE GHARIA, CHIEF CLERK  
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

AN ORDER GRANTING THE PETITION FOR CREATION OF  
MISTY LANE MUNICIPAL UTILITY DISTRICT NO. 1 OF CALDWELL COUNTY  
AND APPOINTING TEMPORARY DIRECTORS

A petition by Maxwell Farms Partners, LP, a Texas limited partnership (Petitioner) was presented to the Executive Director of the Texas Commission on Environmental Quality (TCEQ) for approval of the creation of Misty Lane Municipal Utility District No. 1 of Caldwell County (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 September 20, 2024 (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, 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 Misty Lane Municipal Utility District No. 1 of Caldwell County 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 Misty Lane Municipal Utility District No. 1 of Caldwell County 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.

4. The District shall be composed of the area situated in Caldwell County, Texas and wholly outside of the corporate limits or extraterritorial jurisdiction of any city, as described by metes and bounds in Exhibit "A" attached hereto and incorporated herein for all purposes.

5. The Memorandum dated September 20, 2024, 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. The Chief Clerk of the TCEQ shall forward a copy of this Order to all affected persons.

9. 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: **October 1, 2024**



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For the Commission

EXHIBIT A

MISTY LANE MUD NO. 1 DESCRIPTION - 98.97 ACRES

BEING a tract of land situated in the Thomas Yates Survey, Abstract No. 313, Caldwell County, Texas and being all of a called 99.0812 acre tract of land conveyed to Maxwell Farms, LP by deed recorded in Document No. 2021-002684, Official Public Records of Caldwell County, Texas (O.P.R.C.C.T.), and being more particularly described as follows:

BEGINNING at a 5/8-inch iron rod found capped for the northwest corner of said 99.0812 acre tract, being in the south line of Misty Lane, and from which a 1/2-inch iron rod found capped (stamped "Hinkle Surveyors") for a southwest corner of a called 10.939 acre tract of land conveyed to John Siemering by deed recorded in Document No. 2023-005785, O.P.R.C.C.T., and for a southeast corner of a called 469.41 acre tract of land conveyed to Burkland Farms LTD by deed recorded in Document No. 2022-007926, O.P.R.C.C.T., bears North 49°24'08" East, 48.57 feet;


THENCE South 41°38'20" East, along the north line of said 99.0812 acre tract, and south line of said Misty Lane, 2,322.58 feet to a 1/2-inch iron rod set capped (stamped "KHA") for the northeast corner of said 99.0812 acre tract, being in the west line of Farmers Road;

THENCE South 47°53'18" West, along the east line of said 99.0812 acre tract, and west line of said Farmers Road, 1,856.33 feet to a 1/2-inch iron rod found for the southeast corner of said 99.0812 acre tract;

THENCE North 41°38'20" West, along the south line of said 99.0812 acre tract, 2,322.58 feet to a 1/2-inch iron found for the southwest corner of said 99.0812 acre tract, and being the southeast corner of a called 1.785 acre tract of land conveyed to Rathgeber Family Partnership by deed recorded in Volume 504, Page 445, O.P.R.C.C.T.,

THENCE North 47°53'18" East, along the west line of said 99.0812 acre tract, and east line of said 1.785 acre tract, 1,856.33 feet to the POINT OF BEGINNING and containing 4,311,327 square feet or 98.97 acres of land.

I hereby certify that the foregoing metes and bounds legal description and sketch were based on an on the ground survey prepared by Kimley-Horn.

  
Daniel Arthur  
Registered Professional Surveyor No. 5933  
Kimley-Horn  
400 North Oklahoma Drive., Suite 105  
Celina, Texas 75009

04/18/2024  
Date



MISTY LANE  
MUD NO. 1  
THOMAS YATES SURVEY  
ABSTRACT NO. 313  
CALDWELL COUNTY, TEXAS

**Kimley»Horn**

400 North Oklahoma Dr., Suite 105  
Celina, Texas 75009 FIRM # 10194503 Tel No (469) 501-2200  
www.kimley-horn.com

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
N/A	MJS	ORA	Apr 2024	069310204	1 OF 2

# Texas Commission on Environmental Quality

## TECHNICAL MEMORANDUM

**To:** Justin P. Taack, Manager *AT*  
Districts Section *For*  
*9/23/2024*

**Date:** September 20, 2024

**Thru:** Michael Briscoe, Team Lead  
Districts Creation Review Team

**From:** Cheyenne Connors  
Districts Creation Review Team

**Subject:** Petition by Maxwell Farms Partners, LP for Creation of Misty Lane Municipal Utility District No. 1 of Caldwell County; Pursuant to Texas Water Code Chapter 49 and Chapter 54.  
TCEQ Internal Control No. D-05062024-017 (TC)  
CN: 606260958 RN: 111970851

### A. GENERAL INFORMATION

The Texas Commission on Environmental Quality (TCEQ) received a petition within the application requesting approval for the creation of Misty Lane Municipal Utility District No. 1 of Caldwell County (District). The petition was signed by Brooks Willig, Manager of Maxwell Farms Partners, GP, LLC, a Texas limited liability company, general partner of Maxwell Farms Partners, LP, a Texas limited partnership (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 is one lienholder, Guaranty Bank & Trust N.A., on the property to be included in the proposed District, and the aforementioned entity has consented to the petition.

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 in the northwestern portion of Caldwell County (County), approximately 10 miles from the City of San Marcos (City). The proposed District is located at the northwest corner of Misty Lane and Farmers Road. The proposed District is located outside the corporate boundaries and extraterritorial jurisdiction of any municipality. The proposed District can be accessed from Farm-to-Market (FM) 1966 by traveling east on Farmers Road, or from Camino Real by traveling south.

#### Metes and Bounds Description

The proposed District contains one tract of land totaling 98.97 acres. The metes and bounds description of the proposed District has been checked by TCEQ staff and has been found to form an acceptable closure.

City Consent

The proposed District is located outside the corporate limits and extraterritorial jurisdiction of any city, town, or village. Therefore, the requirements of Texas Local Government Code Section 42.042 and TWC Section 54.016 are not applicable.

Statements of Filing Petition

Evidence of filing the petition with the Caldwell County Clerk's office, the TCEQ's Region 11 Austin regional office, the Texas state representative, and the Texas state senator was included in the application.

Notification of County

In accordance with TWC Section 54.0161 a certified letter dated May 10, 2024, was sent to the Caldwell Commissioners Court notifying them of the subject application. A response has not been received to date.

Type of Project

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

Developer Qualifications

The proposed District area is to be developed by D.R. Horton, Inc., which has developed property and built homes in municipal utility districts (MUDs) including eleven other districts in Texas.

Appraisal District Certificate

By signed certificate dated April 12, 2024, the Caldwell County Appraisal District has certified that the appraisal roll indicates that the Petitioner is the owner of the majority in value of the land in the proposed District.

Temporary Director Affidavits

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

Michael Brooks Benkendorfer	Wyatt Guggisberg	Jeffrey Hopkins
John Wheelock	Garrett Wagner Yarbrough	

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 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.

### Notice Requirements

Proper notice of the application was published on August 1 and August 8, 2024, in the *Lockhart Post-Register*, a newspaper regularly published or circulated in Caldwell County, the county in which the District is proposed to be located. Proper notice of the application was posted August 8, 2024, at the place for posting legal notices at the County Courthouse. 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 September 9, 2024.

### **B. ENGINEERING ANALYSIS**

The Creation engineering report indicates the following:

#### Availability of Comparable Service

The proposed District lies entirely within water Certificate of Convenience and Necessity (CCN) of County Line Special Utility District (SUD) No. 10292 and wastewater CCN No. 21119. County Line SUD will provide retail water and wastewater to the proposed District. The District will construct the internal water distribution system and wastewater collection system to serve the proposed District and convey flows to and from County Line SUD.

#### Water Supply and Water Distribution

Per the engineering report, it is estimated that the proposed District will contain 574 equivalent single-family connections (ESFCs). Average daily demand is calculated to meet 0.21 MGD with a max day and peak hour demand of 0.49 MGD and 0.90 MGD, respectively. The source of the treated water will be the County Line SUD per a service agreement and a water distribution system will be provided by the developer.

The water distribution system for full development of the proposed District will consist of approximately 8,600 linear feet of 8-inch onsite waterline along with all related appurtenances. The internal distribution system will be looped where feasible to provide alternate service routes during emergencies and maintenance periods, and to equalize pressure in the system. An offsite water distribution system will also be required to service the proposed District and will consist of approximately 3,200 linear feet of 8-inch waterline along with all related appurtenances. All water and distribution systems to serve the proposed District will be designed in accordance with applicable criteria established by the TCEQ, County, and County Line SUD.

#### Wastewater Treatment and Collection

It is estimated that the proposed District will contain 574 ESFCs at ultimate development, requiring 200,000 gallons per day of wastewater treatment capacity. County Line SUD will provide wastewater treatment plant capacity to serve the proposed District. District improvements will serve only areas within the proposed District boundaries as and will consist of approximately 3,200 linear feet of 8-inch gravity sanitary sewer lines. Offsite improvements of approximately 5,700 linear feet of 6-inch forcemain and 750 linear feet of 8-inch gravity sanitary sewer line is also expected to be required to convey sanitary sewer flow to the nearest County Line SUD connection. It is anticipated that the proposed wastewater collection system for the proposed District will consist primarily of solid wall PVC wastewater mains, with manholes and related appurtenances. The collection system will be designed to meet TCEQ, County, and County Line SUD design criteria.



### Storm Water Drainage System and Drainage Improvements

The storm water collection system for full development of the proposed District will consist of a combination of street curbs and gutters with inlets and internal storm drain conduit. Existing offsite and portions of proposed developed storm water runoff flow will be directed through the internal park space via an earthen channel. This channel will direct flow to its existing outfall near the intersection of Farmers Road and Misty Lane to the location of the proposed ponds which ultimately drains into Dry Branch. All stormwater and drainage improvements will be designed in accordance with the requirements of the County and the TCEQ.

### Road Improvements

The proposed District will construct and finance roads within the boundaries of the proposed District. All roadway improvements internal to the site will be owned, operated, and maintained by the proposed District for ownership and maintenance. All perimeter roadway improvements will be constructed by the proposed District and conveyed to the County or TxDOT as appropriate upon completion. All roadway improvements will be designed in accordance with the design criteria established by the County and TxDOT.

### Floodplain

According to Federal Emergency Management Agency Flood Insurance Rate Maps No. 48055C0100E dated June 19, 2012, no part of the proposed District is located within the 100-year Zone "AE".

### Topography/Land Elevation

The existing elevations within the proposed District range from 636 to 623 feet above mean sea level based on USGS 7.5-minute topographic maps. The fill and/or excavation associated with the development of the proposed District's systems will not cause any changes in land elevation other than that normally associated with the construction of the underground utility systems, drainage facilities, and paving. Therefore, development within the proposed District, is not expected to have an unreasonable effect on overall land elevations.

### Subsidence

No facilities are proposed that will cause or contribute to subsidence. According to the information provided, it is anticipated that there will be no unreasonable effect on ground subsidence.

### Groundwater Level/Recharge

There is one existing and active well near the proposed District with available data. The depth and flowrate of the nearby well is 32 feet (8-10 GPM). There is no indication that groundwater supply is a concern in this area; however, application material indicates that well production rates should be tested prior to development to confirm adequate groundwater is available to serve the proposed District.

It is anticipated that the proposed District will have no adverse impact on groundwater levels in this region; nor does the proposed District lie within a significant recharge zone of any aquifer. It is anticipated that there will be no unreasonable effect on recharge.

Natural Run-off and Drainage

The proposed District is located on moderately sloped farmland ultimately outfalling to the Dry Branch creek located east of the tract. The proposed development will include a storm sewer system, localized collector inlets, and a combination of detention ponds and drainage channels. Approximately 50% of the proposed District's area will be made impervious as a result of development, leaving ample area pervious to allow for recharge and filtration of the groundwater within the area. Therefore, no adverse impact on run-off rates or drainage is anticipated.

Water Quality

Utilities to serve this site will be designed, constructed, and tested in compliance with the County and TCEQ criteria. Adverse impacts on water quality are not anticipated.

Dam Safety Analysis

The Dam Safety Section of the TCEQ has conducted a review of the proposed creation of the subject District and confirmed by letter dated May 15, 2024. There are no dams associated with the proposed District; therefore, no dam safety analysis is required.

**C. SUMMARY OF COSTS**

**WATER, WASTEWATER, AND DRAINAGE**

<u>Construction Costs</u>	District's <sup>(1)</sup> <u>Share</u>
A. Developer Contribution Items	
1. On-site Distribution Improvements	\$ 743,588
2. On-site Sanitary Sewer Improvements	1,115,875
3. On-site Storm Drainage Improvements	<u>892,700</u>
Total Developer Contribution Items	\$ 2,752,163
B. District Items	
1. Major Distribution Improvements	\$ 1,571,000
2. Major Sanitary Sewer Improvements	2,060,000
3. Major Storm Drainage Improvements	<u>2,281,000</u>
Total District Items	\$ 5,912,000
 TOTAL CONSTRUCTION COSTS (73.09% of Bond Issues)	 \$ 8,664,163
 <u>Nonconstruction Costs</u>	
A. Legal Fees	\$ 296,433
B. Fiscal Agent Fees	237,146
C. Interest	
1. Capitalized Interest (12 months at 5.75%)	681,796
2. Developer Interest (24 months at 5.75%)	996,379
D. Bond Discount (3%)	355,720
E. Bond Issuance Expenses	140,627
F. Bond Application Report Costs	240,000

G. Creation and Operating Expenses	200,000
H. Attorney General Fee (0.10%)	11,857
I. TCEQ Bond Issuance Fee (0.25%)	<u>29,643</u>
TOTAL NONCONSTRUCTION COSTS	\$ 3,189,601
<b>TOTAL BOND ISSUE REQUIREMENT</b>	<b>\$ 11,853,764</b>

Note:

(1) Assumes 100.00% of the eligible Major District Facility Costs and 98.750% of eligible On-site Developer Facility Costs, where applicable.

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.

**ROADS**

<u>Construction Costs</u>	District's <sup>(1)</sup> <u>Share</u>
A. Major Roadway System: Collectors	\$ 2,291,000
B. Major Roadway System: Perimeter Roads	1,011,000
C. On-site Roadway	<u>1,487,175</u>
TOTAL CONSTRUCTION COSTS (74.87% of Bond Issues)	\$ 4,789,175
<u>Nonconstruction Costs</u>	
A. Legal Fees	\$ 159,979
B. Fiscal Agent Fees	127,983
C. Interest	
1. Capitalized Interest (12 months at 5.75%)	367,951
2. Developer Interest (24 months at 5.75%)	550,755
D. Bond Discount (3%)	191,975
E. Bond Issuance Expenses	102,096
F. Bond Application Report Costs	100,000
G. Attorney General Fee (0.10%)	<u>6,399</u>
TOTAL NONCONSTRUCTION COSTS	\$ 1,607,138
<b>TOTAL BOND ISSUE REQUIREMENT</b>	<b>\$ 6,396,313</b>

Note:

(1) Assumes 100.00% of the eligible Major District Facility Costs and 98.750% of eligible On-site Developer Facility Costs, 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. Eligibility of costs may be subject to TCEQ review to be determined in accordance with TCEQ rules in effect at the time bond applications are reviewed.

**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 in the engineering report, is as follows:

<u>Development</u>	<u>Acres</u>	<u>ESFCs</u>
Single-Family	75.27	574
Park/Open Space	12.69	0
Detention	0.85	0
Internal Collector and Perimeter ROW Dedication	<u>10.16</u>	<u>0</u>
Total	98.97	574

Market Study

A market study, prepared on April 3, 2024, by John Burns Research & Consulting, was submitted in support of the creation of the proposed District. The market study indicates that the proposed District will contain 456 single-family homes on 40-foot lots priced on average at \$279,000, on 50-foot lots priced on average at \$308,750, and 118 multi-family homes on 60-foot lots priced on average at \$235,333 and are expected to be absorbed at a rate of 15 units per month among all lot sizes.

Project Financing

The estimated total assessed valuation of the proposed district at completion is as follows:

<u>Units Planned</u>	<u>Number of Units/Acreage</u>	<u>Average Unit Value</u>	<u>Total Value at Build-Out</u>
Single-Family (40-Foot Lots)	352	\$279,000	\$98,208,000
Single-Family (50-Foot Lots)	104	\$308,750	\$32,110,000
Multi-Family (60-Foot Lots)	118	\$235,000	<u>\$27,730,000</u>
Total Assessed Valuation			\$158,048,000

The application considers an estimated bond issue requirement of \$18,250,077 (\$11,853,764 for utilities, \$6,396,313 for roads), assuming financing as indicated above, a bond coupon rate of 5.75%, and a 25-year bond life; therefore, the average annual debt service requirement would be \$1,393,908 (\$905,369 for utilities, and \$488,539 for roads). Assuming a 98% collection rate and an ultimate assessed valuation of \$158,048,000 a tax rate of approximately \$0.90 (\$0.5846 for utilities and \$0.3154 for roads) per \$100 assessed valuation would be necessary to meet the annual debt service requirement. Application material also indicates a maintenance tax of \$0.10 per \$100 assessed valuation is anticipated.

The total 2023 overlapping tax rates on land within the proposed District are shown in the following table.

<u>Taxing Jurisdiction</u>		<u>Tax Rate</u> <sup>(1)</sup>
Misty Lane MUD No. 1	\$	1.0000 <sup>(2)</sup>
Caldwell County ESD #2		0.1000
Farm to Market Road		0.0001
Caldwell County		0.5531
Lockhart ISD		0.9569
Plum Creek Conservation District		0.0145
Plum Creek Underground Water		<u>0.0149</u>
Total Tax Rate	\$	2.6395

Notes:

- (1) Represents tax rate per \$100 assessed valuation.
- (2) Includes a \$0.90 debt service tax rate (utilities and roads) and a \$0.10 maintenance tax rate.

Based on the proposed District tax rate and the year 2023 overlapping tax rate on land within the proposed District, and assuming financing as indicated above, the project is considered economically feasible.

Water and Wastewater Rates

According to information provided, the estimated monthly fee for 10,000 gallons of residential water and wastewater service would be \$166.55.

Comparative Water District Tax Rates

A combined projected tax rate of \$1.00 per \$100 assessed valuation, as indicated above, for the proposed District is comparable to other districts in the area. Based on the requirements and intent of 30 TAC Section 293.59, this project is considered economically feasible. Each particular bond issue will be evaluated based on its own economic feasibility merits and the rules and regulations in place at the time prior to the issuance of any bonds by the proposed District.

**E. SPECIAL CONSIDERATIONS**

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, would be a benefit to the land within the proposed District, and would be 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, and roads, a combined projected tax rate of \$1.00 per \$100 assessed valuation, the proposed District obtaining a 5.75% bond coupon rate, and other supporting data, the proposed District is considered feasible under the intent of 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 Misty Lane Municipal Utility District No. 1 of Caldwell County.
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 requirements imposed by the TCEQ and the general laws of the State of Texas relating to the exercise of such powers.
3. The order granting the petition should include the following statement:  
  
"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."
4. Appoint the following to serve as temporary directors until permanent directors are elected and qualified:

Michael Brooks Benkendorfer  
John Wheelock

Wyatt Guggisberg  
Garrett Wagner Yarbrough

Jeffrey Hopkins

#### **H. ADDITIONAL INFORMATION**

The petitioner's professional representatives are:

Attorney: Ms. Emily Kolb Forswall - Coats Rose, PC  
Engineer: Mr. Ben Green, P.E. - Kimley-Horn & Associates, Inc.  
Market Analyst: John Burns Research & Consulting