

**COUNTY LINE SPECIAL UTILITY DISTRICT**

**Meeting Minutes**

Board of Directors Meeting – August 18, 2025 at 6:30 P.M.

District Office-8870 Camino Real, Umland, Texas 78640

**Board Members Present:**

Toni Brewer

Tracy Scheel

William Ilse

Robert Diaz

Hunter Schuler

**Others Present:**

Mike Gershon with Lloyd Gosselink Rochelle & Townsend, P.C.

Jake Steen with Lloyd Gosselink Rochelle & Townsend, P.C. (Via Teams)

David Klein with Lloyd Gosselink Rochelle & Townsend, P.C. (Via Teams)

Samantha Tweet with Lloyd Gosselink Rochelle & Townsend, P.C. (Via Teams)

Jesse Pena with Quiddity Engineering

Nieves Alfaro with Quiddity Engineering

Marcos González with ATX Capital (Via Teams)

Jorge Canavati with ATX Capital (Via Teams)

Wayne Watts with K. Friese and Associates (Via Teams)

Adam Conner with Freese & Nichols (Via Teams)

Ronja Keyes with Plum Creek Utility-OMMS-BVRT

Justin Faure with Plummer Associates

Nicholas Saucedo with HCS Technical Services (Via Teams)

Scott Miller with Ranch Road Development (Via Teams)

Zac Vasek with DR Horton (Via Teams)

Seraiah Pineda (Unverified) (Via Teams)

Humberto Ramos, County Line Special Utility District Staff

Derrick Turley, County Line Special Utility District Staff

France Alston, County Line Special Utility District Staff  
Tracie Crowell, County Line Special Utility District Staff  
Karina Ortega, County Line Special Utility District Staff  
Farah Najdawi, County Line Special Utility District Staff  
Darlene Cisneros, County Line Special Utility District Staff  
Macey Schneider, County Line Special Utility District Staff (Via Teams)

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The following represents the actions taken by the Board of Directors (Board) of the County Line Special Utility District (CLSUD). The Board of Directors convened in a meeting at the date, time and location stated above. Item E.1 was tabled and Items E.8 – E.13 were discussed in Executive Session as authorized by Texas Government Code Sections 551.071 (consultation with attorney), 551-072 (deliberations about real property) or as otherwise authorized by law.

**A. CALL TO ORDER.** Director Brewer called the meeting to order at 6:30 P.M.

**B. ROLL CALL.** Quorum of the Board was present, with Directors Brewer, Diaz, Scheel, Ilse, and Schuller in attendance.

**C. PUBLIC COMMENT.** No public comments.

**D. CONSENT AGENDA:**

**D.1 Consider and take action to approve the minutes of the July 21, 2025 regular Board meeting.** Director Scheel made a motion to approve the minutes as stated. Director Ilse seconded the motion. Motion passed unanimously. 5 Aye, 0 Nay.

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**E. ITEMS FOR ACTION OR DISCUSSION/DIRECTION:**

**E.1 Discuss, consider, and take action to amend the CLSUD Board of Directors' bylaws.** Tracy Scheel, Board Bylaws Committee, and Mike Gershon with Lloyd Gosselink Rochelle & Townsend, P.C. Director Brewer stated the CLSUD BOD Members have until the next BOD Meeting that will be held September 15<sup>th</sup> 2025 to view the changes made. Item was tabled.

**E.2 Discuss, consider, and take action regarding matters pertaining to The Grove development, including, but not limited to:**

- a. Approval of Settlement Agreement for Water CCN Transfer Between CLSUD and ATX Capital Group, LLC.
- b. Approval of Water Service Transfer Agreement Between CLSUD and Kyle; and
- c. Approval to prepare, file, and prosecute an application at the Public Utility Commission under Texas Water Code Sec. 13.248 to transfer water CCN service area to the City of Kyle.

David Klein and Samantha Tweet with Lloyd Gosselink Rochelle & Townsend, P.C. Mr. Ramos discussed The Grove is a proposed 99-acre mixed-use development located between FM-150 and CR-158 currently within CLSUD's water CCN service area. The Developer wants CLSUD to transfer the portion of its water CCN that overlaps with The Grove to the City of Kyle. The Developer has agreed to pay CLSUD \$1,000.00 per acre, for a total of \$99,000 and proposes a two-contract approach. First a contract between CLSUD and the Developer, where CLSUD will agree to work with the City of Kyle to transfer water CCN service area and secure PUC's approval to make the transfer through a CCN transfer application and agrees to compensate CLSUD. The second contract is between CLSUD and the City of Kyle, where the parties agree that CLSUD will transfer the portion of its water CCN to the City of Kyle. Director Scheel made a motion to approve a. Approval of Settlement Agreement for Water CCN Transfer Between CLSUD and ATX Capital Group, LLC. Director Schuler seconded the motion. Motion passed unanimously. 5 Aye 0 Nay. Director Scheel made a motion to approve b. Approval of Water Service Transfer Agreement Between CLSUD and Kyle. Director Schuler seconded the motion. Motion passed unanimously. 5 Aye 0 Nay. Director Scheel made a motion to approve c. Approval to prepare, file, and prosecute an application at the Public Utility Commission under Texas Water Code Sec. 13.248 to transfer water CCN service area to the City of Kyle. Director Schuler seconded the motion. Motion passed unanimously. 5 Aye 0 Nay

**E.3 Discuss, consider, and take action to amend the District Service Policy regarding payment structure for Impact Fee payments by developers.** Humberto Ramos General Manager for County Line Special Utility District and Mike Gershon with Lloyd Gosselink Rochelle & Townsend, P.C. Mr. Ramos discussed in effort to encourage development and customers, CLSUD has been meeting with the development community to hear their concerns. CLSUD staff has conducted a presentation "Updates and Proposed Payment Structure for Impact Fees". Please see attached Presentation. Mr. Ramos explained that Developers are choosing to leave and reconsider developing in CLSUD's CCN. The cost of Impact fees is not only high, but they are also expected to pay 100% upfront. The challenge right now for CLSUD is to maintain customers and the CCN. Maxwell SUD is CLSUD's biggest competitor and at this moment there are so many open vacancies in both areas to grow, and Maxwell SUD offers 50/50. Mr. Ramos feels it's a great opportunity and business decision to offer 50/50 this will bring more development and customers to maintain CLSUD's CCN. The suggestions and changes were overlooked by the Financial Advisor (SAMCO) and Chris Eckrut with NewGen Strategies and will be monitored quarterly. Director Diaz asked Mr. Ramos what if when the developers 8 months is up and they request an extension or refuse to pay. How is CLSUD protected will there be something that states monies aren't refundable. In the past this got CLSUD in the red. Mr. Ramos said that they will lose that 50%, because that is money used for infrastructure it will be utilized by the time their eight months is up. Nothing is reimbursable nor is it transferable to another developer. Director Scheel made a motion to approve E.3. Director Schuler seconded the motion. Motion passed unanimously. 5 Aye 0 Nay

**E.4 Discuss, consider, and take action to approve a Task Order for TEC Consulting to provide inspection services for the Bobwhite Booster Pump Station and 500,000-Gallon Ground Storage Tank.** Farah Najdawi with County Line Special Utility District discussed the Bobwhite Booster Pump Station and 500,000-Gallon Ground Storage Tank Project is scheduled to begin construction November 2025 and is estimated to take 540 days for completion. This project will be constructed in parallel with the FM 2720 – Segment 3 Water Main Project and will connect directly to the Bobwhite Booster Station. TEC Consulting has been chosen to provide inspection services for this project. They are familiar with the standards and expectations of CLSUD and have also worked and successfully completed various projects in the past for

CLSUD. TEC Consulting has provided a proposal for the estimated scope of work in the amount of \$369,040.00 and is not to exceed that amount. This project is Impact Fee eligible. Director Scheel made a motion to approve Item E.4. Director Diaz seconded the motion. Motion passed unanimously. 5 Aye 0 Nay

**E.5 Discuss, consider, and take action to authorize advertisement for Bids for Bobwhite Booster Pump Station and 500,000-Gallon Ground Storage Tank Project.** Farah Najdawi with County Line Special Utility District discussed through the Bobwhite Booster Pump Station and 500,000-Gallon Ground Storage Tank project CLSUD will receive water from the Guadalupe Blanco River Authority (GBRA) and conveyed through the new 24-inch FM 2720 Water Main. The water is expected to be received in 2027. K Friese & Associates (KFA) has completed the design services for the project, including all engineering requirements, hydraulic analysis, site planning, structural and architectural design, and permitting, as seen in the attached plans and contract documents and specifications. The scope of work included construction of a new booster pump station, 500,000-gallon ground storage tank, driveway, pump building, emergency generator, and GBRA meter station, along with all associated site work, yard piping, electrical, and instrumentation. This project is ready for the bidding process. Director Scheel made a motion to approve Item E.5. Director Diaz seconded the motion. Motion passed unanimously. 5 Aye 0 Nay

**E.6 Discuss, consider, and take action to approve a Task Order for TEC Consulting to provide inspection services for the FM 2720 Water Main – Segment 3 Project.** Farah Najdawi with County Line Special Utility District discussed the FM 2720 Water Main – Segment 3 Project is scheduled to begin construction in November 2025, with an estimated duration of 170 days. To ensure quality control, compliance with project specifications, and effective oversight during construction, CLSUD staff recommend contracting with TEC Consulting LLC to provide part-time inspection and construction management services. TEC Consulting's proposal dated August 7, 2025, the scope of services includes part-time inspection (504 hours) and part-time construction management (48 hours) for the duration of the project. This Project is impact fees eligible. The proposed amount is not-to-exceed \$81,120.00, inclusive of mileage and per diem and is Impact Fee eligible. Director Scheel made a motion to approve Item E.6. Directors Ilse and Schuler seconded the motion. Motion passed unanimously. 5 Aye 0 Nay

**E.7 Discuss, consider, and take action to amend the task order with K Friese & Associates to include a Wastewater Impact Fee Study as part of the "Update of Draft Amended Land Use Assumptions and Wastewater Capital Improvements Plan, revised October 2024".** Farah Najdawi with County Line Special Utility District discussed K Friese & Associates (KFA) is currently under contract with CLSUD to update the Draft Amended Land Use Assumptions and Wastewater Capital Improvements Plan, Revised October 2024, originally prepared by Southwest Engineers. CLSUD has requested that the scope of this work be expanded to include a Wastewater Impact Fee Study in compliance with Texas Local Government Code Chapter 395. The Wastewater Impact Fee Study will incorporate updated land use assumptions, revised service area mapping, and an updated Capital Improvements Plan for the wastewater system. It will include determining the improvements needed to support projected growth over the next ten years, preparing cost estimates for these improvements, calculating wastewater impact fees, and coordinating with CLSUD staff, the Impact Fee Advisory Committee, and the Board of Directors. The study will also involve two public hearings and preparation of all required public information documents. KFA will submit the draft Wastewater Impact Fee Study on November 14, 2025. The cost for the additional scope of work will be \$88,900.00 and this is Impact Fee eligible. Mr. Ramos pointed out this is for wastewater. CLSUD must go through an engineering analysis process to determine what the developer should pay for connecting to wastewater. In the past CLSUD assigned this to Southwest, which should have been done

back in 2024, and it wasn't done. K Friese & Associates have been assigned to complete the task. The \$88,900.00 is Impact Fee eligible and can be put on the developer to reimburse CLSUD that monies. Director Scheel asked why PCU BVRT isn't paying for this because they get most of the money for wastewater. Mr. Ramos stated CLSUD is contractually obligated to do the impact fee studies. Director Scheel made a motion to approve Item E.7. Director Ilse seconded the motion. Motion passed unanimously. 5 Aye 0 Nay

**E.8 Discuss, consider, and take action regarding the Interlocal Agreement with the City of Umland related to the GLO-funded Stormwater Mitigation Project.** Mike Gershon and Andres Castillo with Lloyd Gosselink Rochelle & Townsend, PC. Item was discussed in executive session. Director Scheel made a motion to approve what was discussed in executive session. Director Diaz seconded the motion. Motion passed unanimously. 5 Aye 0 Nay

**E.9 Discuss, consider, and take action regarding the District's position on the Canyon Regional Water Authority (CRWA) Wells Ranch III project and related payments.** Humberto Ramos General Manager for County Line Special Utility District. Item was discussed in executive session. Director Scheel made a motion to approve what was discussed in executive session. Director Diaz seconded the motion. Motion passed unanimously. 5 Aye 0 Nay

**E.10 Discuss, consider, and take action regarding the Franchise Agreement with the City of Umland.** Mike Gershon and Andres Castillo with Lloyd Gosselink Rochelle & Townsend, PC. Item was discussed in executive session. Director Scheel made a motion to approve what was discussed in executive session. Director Ilse seconded the motion. Motion passed unanimously. 5 Aye 0 Nay

**E.11 Discuss, consider, and take action regarding CRWA's proposed amendments to Amended and Restated Regional (Hays/Caldwell Counties Area) Water Supply and Treatment Contract provided in furtherance of settlement of City of San Marcos v. CRWA, Maxwell Special Utility District (SUD), Crystal Clear SUD, County Line SUD and Martindale Water Supply Corporation, Cause No. 25-0782-CV-E (Guadalupe County District Court).** Humberto Ramos General Manager for County Line Special Utility District and Mike Gershon with Lloyd Gosselink Rochelle & Townsend, P.C. Item was discussed in executive session. Director Scheel made a motion to approve what was discussed in executive session. Director Diaz seconded the motion. Motion passed unanimously. 5 Aye 0 Nay

**E.12 Discuss, consider, and take action regarding above-referenced lawsuit initiated by City of San Marcos in Cause No. 25-0782-CV-E.** Mike Gershon with Lloyd Gosselink Rochelle & Townsend, PC. Item was discussed in executive session. Director Scheel made a motion to approve what was discussed in executive session. Director Ilse seconded the motion. Motion passed unanimously. 5 Aye 0 Nay

**E.13 Discuss, consider, and take action authorizing the acquisition of the following easements and property in support of the District's water pipeline infrastructure projects.**

**A. Easement, South Camino Real (State Hwy 21)**

**B. Wastewater Line Upsizing Reimbursement, South Camino Real (State Hwy 21)**

**C. Cotton Gin Road Easements:**

- a. **Tract 1**
- b. **Tract 2**
- c. **Tract 2A**

Tracie Crowell with County Line Special Utility District. Item was discussed in executive session. Director Scheel made a motion to approve a 25-foot easement on South Camino Real purchase in the amount of \$97,331.80. Director Diaz seconded the motion. Motion passed unanimously. 5 Aye 0 Nay. Director Scheel made a motion to approve a payment of \$106,552.00 for the wastewater line upsizing on South Camino Real. Director Schuler seconded the motion. Motion passed unanimously. 5 Aye 0 Nay

**F. REPORTS- The Board of Directors will receive reports regarding the following.**

**F.1 Wastewater Treatment Plant Report.** Ronja Keyes with Plum Creek Utility-OMMS-BVRT reported PCU was in compliance for the month of July. The current capacity being utilized is 190,000 gallons per day and there was only some required minor routine maintenance. There were several residential and commercial connections.

**F.2 Project(s) Management Report.** Farah Najdawi with County Line Special Utility District reported the project activity and progress since the month of July. The RFQ for Professional Engineering Services has been rescheduled for September 15<sup>th</sup> due to high volume of respondents, there were 18. For the EPA water sampling kits, they are scheduled to arrive soon to begin September's sample collections. The updates for the High Road Tank Repairs, Mr. Jonathan from TCEQ reviewed their records and they did not find any interconnection approval between ARWA and CLSUD. He located the letter approving the interconnections between ARWA and Goforth SUD with the water being received at the High Road Tank Plant G. The interconnections should now be transferred from Goforth SUD to CLSUD. TCEQ is requesting clarification as to where the water from ARWA is going to be received it is documented it will be received at Goforth SUD and it isn't it should be CLSUD it's an administrative error in this documentation that was sent. Director Scheel commented that CLSUD should not be paying for water that hasn't been received and if it's a clerical error on their (ARWA) end it doesn't make sense to pay. Mr. Ramos stated this is a take or pay contract. The progress for The Water Supply Evaluation with Freese & Nichols Task Zero Project Management is almost to be completed; Task One Existing Supply/Demand is fully completed; Task Two Water Supply Alternatives is 90% completed with ongoing evaluations; Task Three Technical Memorandum was drafted last month (July) comments have been provided. Reason equals right now they are working on those comments. Mr. Ramos commented The Water Supply Evaluation with Freese & Nichols will be discussed further in executive session. A draft was received for The Water Master Plan and a list of Water CIP Projects. CLSUD Staff has provided comments and KFA is currently working on addressing those comments to provide a final copy. For FM 2720 Segment-3 is currently waiting for Mr. Tom Walker from SWE to finalize the agreement with the landowner to acquire 15-ft easement for the project so the Archeological Surveyor can have access to the site to complete their survey. Mr. Wayne Watts proposed different options for Bobwhite for future reasons to install a 24-inch line. After evaluating the current cost of constructing that oversize line CLSUD feels its best to do a 30-inch line to avoid the high cost in the future. KFA is working to provide a detailed breakdown of what that would cost. Mr. Ramos commented this will be discussed further in executive session. The construction update for FM

2720 Water and Wastewater Line Projects with Lowden Construction as contractor with oversight by SWE and TEC Consulting for inspection is scheduled to be completed September 21, 2025.

**F.3 Capacity Report.** Humberto Ramos General Manager for County Line Special Utility District reported 845 is the targeted number for 2025. June – July there was 53 LUE's (Living Unit Equivalent) that gives a difference of 503. Current active is 6,717.2 and current reserve is 2,312, water demand is 2,487.03 (af), current total water supply is 3,3319.91(af). The difference is 836.88 (af) available which is equivalent to 3,043.2 LUE's.

**F.4 NSSA Tracking Report.** Tracie Crowell with County Line Special Utility District reported (3) new service requests for Lantana Phase 2 (Residential Development) on 2720 and County View Road, Sunset Oaks Commercial on Hwy 21 at the 1966 intersection they are proposing a convenient store and retail space. Feasibility Studies for wastewater were received for the Lovelady Duplexes & Warehouse. There were additional studies received after this report and will be presented at the next BOD Meeting. There are no new NSSA's but there were (2) signed and they were for Spanish Retail Center (Whataburger) for wastewater connection, and Gonzalez 8 Acres they also paid their Impact Fee's.

**F.5 Easement Report.** Tracie Crowell with County Line Special Utility District reported Cotton Gin Road will be discussed in executive session. Bobwhite Road was discussed by Ms. Najdawi in her report regarding the 15-ft easement with the landowner.

**F.6 Financial Report.** France Alston with County Line Special Utility District followed up on a question that was asked by Director Moore at last month's BOD meeting on the balance sheet for account 1580 (Land & Easements) why the easements from last year 2024 were more than 2025. CLSUD's auditor explained it follows construction. CLSUD was gearing up to do construction for a lot of projects in 2024, and for 2025 CLSUD was near the end of construction for most projects, therefore not many easements were needed. In 2024 there were over 10 easements needed, and for 2025 CLSUD has only needed 6 and they weren't as expensive. For Profit & Loss, interest so far this month for July was \$125,410.00. It will increase for August and show in next month's report because on July 16th the bonds funded were received and deposited. Total revenues for July were \$1,414,428.11. Total expenses were \$1,913,937.00. Bottom-line is in the red \$499,000.00 due to the bonds. They must be expensed once received they can't be spread out over any length of time. For the year CLSUD is \$451,000.00 in the black still. Mr. Ramos added NewGen & SAMCO will be coming before this board to explain how monies are received from the bonds, how CLSUD will use the bond monies, and how it is done. What impact fee projects will be eligible, what other projects are eligible, and how CLSUD will use some of those monies to pay for water supplies. Mrs. Alston moves on to the checks and explains there's nothing out of the ordinary and for budget vs. actuals it's all still in line, adjustments won't be made till third or fourth quarter.

**F.7 Productions and Operation's Report.** Derrick Turley with County Line Special Utility District reported there have been several water leaks. Three were related to service lines. One leak was on a dead-end main and required a main line shutdown, which led to the issuance of a boil water notice. All repairs were completed in-house with no external contractors required. During routine inspections there was a fault indicator on the generator at the 21 Booster Station. Genserve which is CLSUD's generator maintenance contractor, recommended involving a Cummins-certified technician for further diagnostics. A faulty relay was the root cause of the issue was identified, and the necessary repairs are currently being coordinated. As for SCADA, connection was lost July 24, 2025 systems had to be operated manually through that night Alterman came out to troubleshoot and made some repairs.

**F.8 General Manager's Report.** Humberto Ramos, General Manager for County Line Special Utility District reported Walton TX is wanting to leave CLSUD's wastewater CCN they filed an appraisal claiming that CLSUD is owed \$0, CLSUD has gone through the process and Walton owes \$37,000.00. Waterstone, which is behind CLSUD, has made an initial offer of \$20,000.00 to get out of CLSUD's wastewater CCN and the offer is in discussion to be accepted. As for CRWA, ARWA and GBRA please see attachments.

**F.9 President's Report and Committee Report.** No Report.

**F.10 General Counsel's Report.** Report discussed in executive session.

**G. BOARD MEMBER ITEMS OR FUTURE AGENDA ITEMS.** Director Scheel requested a map of CLSUD's booster stations, storage tanks, CLSUD'S CCN boundaries for water and wastewater, and neighboring CCN's.

**H. EXECUTIVE SESSION.** County Line Special Utility District reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters. Listed above as authorized by Texas Government Code Sections 551-071 (Consultation with Attorney) that includes Discuss, consider, and take action regarding the district's position on the Canyon Regional Water Authority Wells Ranch 3 project and related payments; Discuss, consider, and take action regarding the franchise agreement with the City of Umland; Discuss, consider, and take action regarding CRWA's proposed amendments to Amended and Restated Regional (Hays/Caldwell Counties Area) Water Supply and Treatment Contract provided in furtherance of settlement of City of San Marcos v. CRWA, Maxwell Special Utility District (SUD), Crystal Clear SUD, County Line SUD and Martindale Water Supply Corporation, Cause No. 25-0782-CV-E (Guadalupe County District Court); Discuss, consider, and take action regarding above reference lawsuit initiated by City of San Marcos in cause number 25-0782-CV-E. 551-072 (Deliberations about real property) that includes Discuss, consider, and take action authorizing the acquisition of the following easements and properties in support of the district water pipeline infrastructure projects or as otherwise authorized by law. The meeting entered executive session at 7:51 P.M. to discuss Items E.8 – E.13 above, as authorized by Texas Government Code Sections 551.071 (consultation with attorney); 551-072 (deliberations about real property) or as otherwise authorized by law. The meeting left executive session at 9:52 P.M. and entered regular session at 9:53 P.M.

**I. ADJOURNMENT.** Director Diaz made a motion to adjourn the meeting. Director Schuler seconded the motion. Motion passed unanimously. 5 Aye, 0 Nay. Meeting was adjourned at 9:58 P.M.



Toni Brewer  
County Line SUD, Board President

Date 9/15/25

# Updates and Proposed Payment Structure for Impact Fees

Humberto Ramos  
August 18, 2025

## Why Reevaluate the Current Impact Fee Payment Structure?



Currently CLSUD and development community have an excellent relationship and collaboration to accomplish goals of each is imperative.



At issue development community citing budgeting flexibility, phased construction schedules and timing of impact fees.



At issue CLSUD need to increase customer base and or water sales.

# History of NSSA/Impact Fees

## Impact Fees were \$3,765/LUE

- 67%/33% (First 67% due prior to plat approval, remaining 33% due when meters were requested).
- 50%/50% (First 50% due effective date of signing; developer is ready to reserve; plat approval; remaining 50% due when meters are requested).

Effective on July 18, 2011

## Impact Fee \$11,705.00

- Administrative Fee \$25.00
- Water Acquisition Fee \$610.00
- **Total Per LUE \$12,340**
- **Type:** Same as July 20, 2022 and 100% All due 90 days after NSSA is signed.

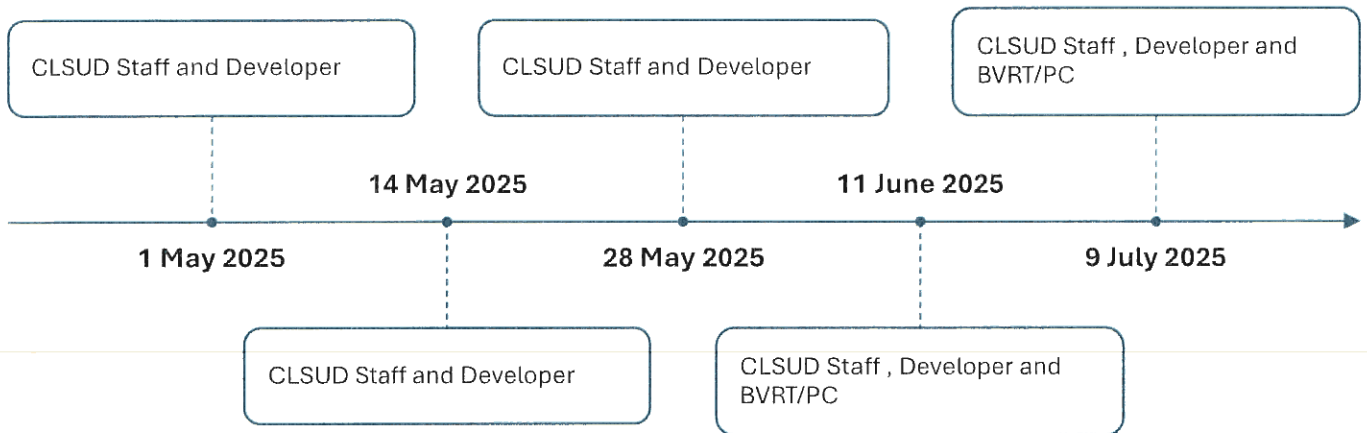
Effective on August 15, 2022

Effective on July 20, 2022

## Impact Fees were \$11,705.00

- Administrative Fee \$25.00
- **Total \$11,730.00**
- **Type:** 50%/50% (First 50% due effective date of signing; developer is ready to reserve; plat approval; remaining 50% due when meters are requested).

# Engagement with Development Community



# Current Impact Fee Payment/Proposed Payment



## Current Water Impact Fee:

Impact Fee w -\$11,705/LUE  
Administrative Fee \$25/LUE  
Water Acquisition Fee \$610/LUE  
Total Per LUE \$12,340.

**Current Practice:** 100% of impact fee, water acquisition and administration fees due after 90 days of signing NSSA



**Potential Change :** Split payments for water only impact fees— 50% 90 days after signing NSSA, 50% upon 8 months later and/or when the first meter is set which ever comes first.

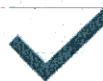


## Current Wastewater Impact Fee:

Impact Fee -\$2,500/LUE  
Inspection Fee \$75/LUE  
Total Per LUE \$2,575/LUE

And

**Current BVRT/PCU Fee :** \$5,000/LUE



**No Change :** Wastewater impact fees will remain at 100% due after 90 days of signing NSSA.

# Funding Overview: Revenue Bonds & Impact Fees

- ✓ Revenue Bonds Received: \$23,000,000
- ✓ Non-Impact Fee Eligible Costs: \$6,334,216.08
- ✓ Water Impact Fee Eligible: \$9,575,733.73
- ✓ Wastewater Impact Fee Eligible: \$4,750,294.19

Year	Impact Fees June 24, 2025	
	Water	Wastewater
2022	\$3,695,347.00	\$205,000.00
2023	\$7,517,732.50	\$1,422,500.00
2024	\$11,147,355.00	\$1,972,500.00
2025	\$152,165.00	\$0.00
<b>Total</b>	<b>\$22,512,599.50</b>	<b>\$3,600,000.00</b>

## Area Comparison

Impact Fees August 11, 2025		
Utility	Water	Arrangement/NSSA
Maxwell SUD	\$12,940/LUE	50% at plat 50% when the meter is set
Goforth SUD	\$12,657/LUE	100% (Due 10 calendar days after the effective date)
Aqua WSC	\$7,970/LUE	100% (Due when agreement signed)
City of Kyle	\$6,169/LUE	(Due at the time building permits are pulled- proposed increase to \$10,908/LUE)
<b>CLSUD</b>	<b>\$12,340/LUE</b>	<b>50% (Due 90 days after signing NSSA)</b> <b>50% (Due 8 months after signing NSSA or when the first meter is set)</b>

## Staff Recommendations & Action Plan



Utilize existing impact fees to fund construction of approved future infrastructure projects.



Conduct quarterly financial reviews to ensure sufficient cash flow is maintained.



Perform quarterly assessments of water supply to verify adequacy for current commitments and future growth.



Use the 2025 Capital Improvement Plan (CIP) and Impact Fee Study as a foundation for financing new projects.



Evaluate implementation of a water acquisition fee to reflect the true cost of current and future water supply projects.

Question?

# Project(s) Management Report

Farah Najdawi  
August 18, 2025

# Projects Overview

	Project Name	Assign to	Type	Project Status	Completion Date
1	Lead and Copper Line inventories	CLSUD	Other	Ongoing	Dec-2027
2	TCEQ Reports	CLSUD	Water	Ongoing	Dec-2027
3	<b>TWDB Reports</b>	<b>CLSUD</b>	<b>Water</b>	<b>Completed</b>	<b>Apr-2025</b>
4	High Road Tank Repairs	CLSUD	Other	Ongoing	Jan-2025
5	Diamond Map Improvement	CLSUD	Other	Ongoing	Dec-2025
6	Brooks Generator (TDEM)	CLSUD	Other	Cancelled	Dec-2024
7	Water Master Plan	KFA	Water	Ongoing Design	Jun-2025
8	Bobwhite Pump Station and GST	KFA	Water	<b>Bid/Contract</b>	Apr-2027
9	Cotton Gin Rd. Ph. 2 Water Relocation	KFA	Water	Ongoing Design	Oct-2025
10	City of Kyle-Kyle PWK and Lehman Rd	KFA	Water	Predesign	Dec-2026
11	<b>Reuse Water Retail Dispensary</b>	<b>KFA</b>	<b>Water</b>	<b>Onhold</b>	<b>Jun-2026</b>
12	Bunton Creek Road –City of Kyle	KFA	Water	Ongoing Design	Apr-2027
13	FM2720 Water Main (Phase 3)	KFA	Water	Ongoing Design	May-2026
14	<b>FM 2001 Water Line Relocation</b>	<b>SWE</b>	<b>Water</b>	<b>Completed</b>	<b>May-2025</b>
15	FM 2720 Water Main (Phase 2)	SWE	Water	<b>Ongoing Construction</b>	Aug-2025
16	Misty Lane Elevated Tank	SWE	Water	<b>Onhold</b>	Jun-2026
17	FM 2720 Wastewater Main	SWE	Wastewater	<b>Ongoing Construction</b>	Aug-2025
18	<b>Porter Creek Gravity Main</b>	<b>SWE</b>	<b>Wastewater</b>	<b>Completed</b>	<b>Apr-2025</b>
19	Porter Creek Lift Station	SWE	Wastewater	<b>Completed</b>	Jul-2025
20	Porter Creek Force Main	SWE	Wastewater	Completed	Aug-2024
21	<b>Gristmill Reuse Line</b>	<b>SWE</b>	<b>Reuse</b>	<b>Completed</b>	<b>Apr-2025</b>
22	<b>Plum Creek Reclaimed Water</b>	<b>SWE</b>	<b>Reuse</b>	<b>Completed</b>	<b>Apr-2025</b>

# Request For Qualifications Professional Engineering Services RFQ #: 06172025-002

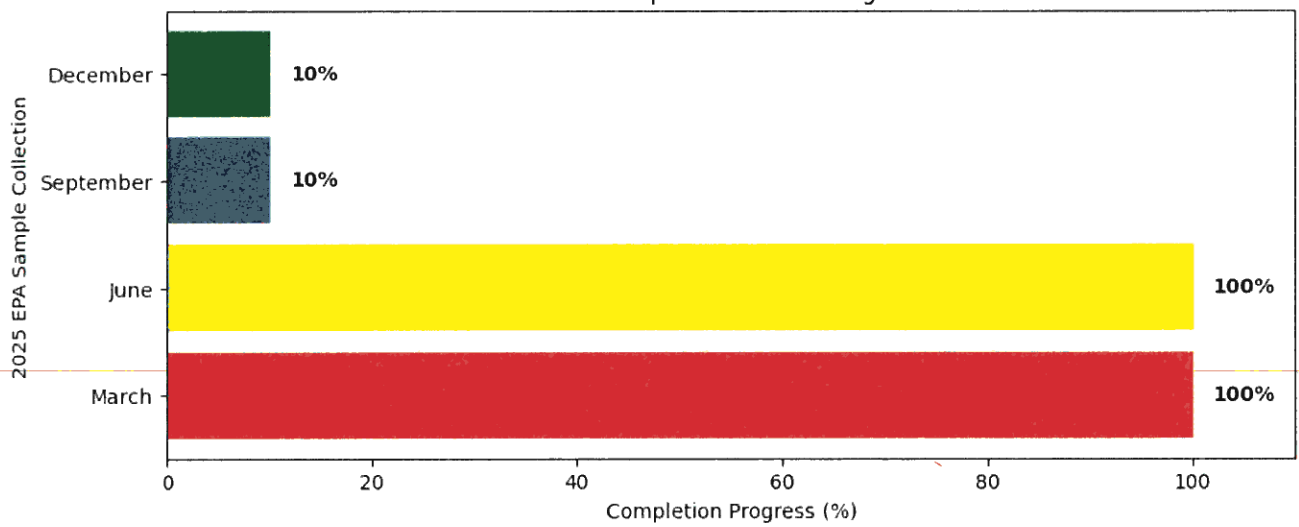
June 17, 2025-September 15,2025



# EPA Reports

January 1, 2025-December 1, 2025

EPA Sample Collection Progress



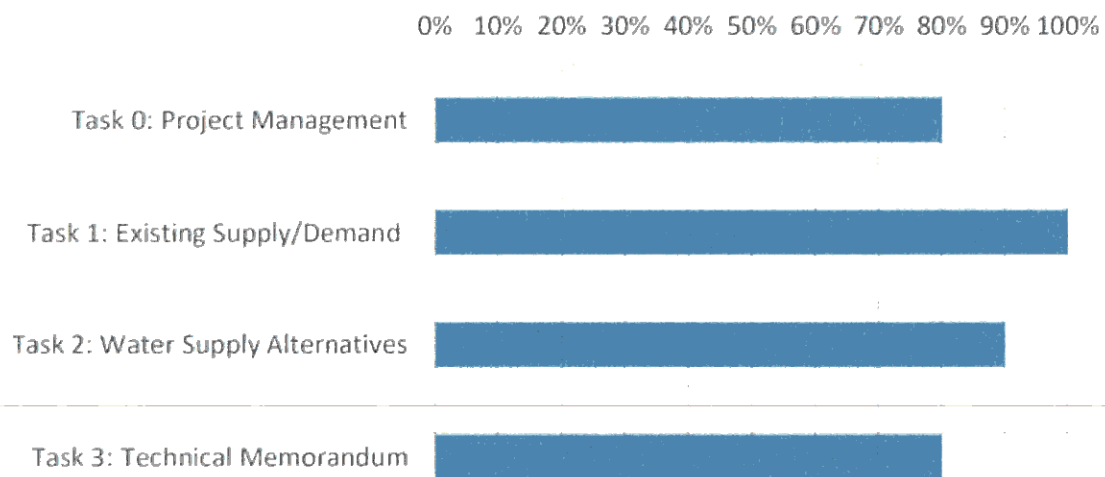
# High Road Tank Repairs

ID	Task Name	Duration	Qtr 2, 2024	Qtr 3, 2024	Qtr 4, 2024	Qtr 1, 2025	Qtr 2, 2025	Qtr 3, 2025	Qtr 4, 2025	Qtr 1, 2026	
1	<b>High Road Water Tank Repairs</b>	<b>199 days</b>									
2	✓ Confirm with ARWA the completion of line connections to the ground storage tank.	55 days									
3	✓ Inspect Gallon Ground Storage tank (Columbian TechTank)	60 days									
4	✓ <b>Two pumps and two hydraulic check valves to be serviced</b>	<b>181 days</b>									
5	✓ Disconnect the pressure tank	106 days									
6	✓ Check the lighting fixtures	46 days									
7	✓ Remove TDS meter	144 days									
8	Test SCADA Panel/Power Panels	154 days									
9	✓ Remove Westward 4ME96, 60-gallon air compressor	12 days									
10	🚧 <b>Tie-in/ Check and test the water lines connections</b>	<b>164 days</b>	<b>Waiting to receive ARWA water</b>								
11	✓ Replace one broken valve	12 days									
12	✓ <b>Tank inspection</b>	<b>134 days</b>									
13	✓ <b>Water Tank Maintenance and Repair</b>	<b>195 days</b>									

# CLSUD Projects Budget Tracking

Project	Duration	Start	Finish	Cost Breakdown	BTD
Lead and Copper Line Inventories	Ongoing	Oct-23	Ongoing	Contractor	YTD
Lead and Copper Samples	Ongoing	Sep-24	Ongoing	Testing 60 samples	\$3000.00/Q60
High Road Tank Repairs	Ongoing	May-24	Jan-25	Pumps	\$41,279.16
				Check valve	
				Security lighting	
				Replace broken valve	
				Tie in pipes	
				Tank Inspection	
Diamond Map Improvement	Ongoing	March-2025	Ongoing	GIS Analyst	YTD

# Water Supply Evaluation (FNI)



# WATER MASTER PLAN (KFA)

ID	Task Name	Duration	Start	Finish	% Complete	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter
1	CLSUD WATER MASTER PLAN	221 days	Tue 8/13/24	Tue 6/17/25	94%					
2	Progress meetings	143 days	Wed 8/14/24	Fri 2/28/25	75%					
3	Data collection / data requests / data review	119 days	Thu 9/5/24	Tue 2/18/25	100%					
4	CLSUD Inventory Assessment TM review	90 days	Wed 10/30/24	Tue 3/4/25	100%					
5	Existing system deficiencies analysis	6 days	Thu 12/5/24	Thu 12/12/24	100%					
6	Being list and cost for deficiencies	8 days	Wed 12/18/24	Fri 12/27/24	100%					
7	Future Scenario Modeling	122 days	Fri 12/27/24	Mon 6/16/25	100%					
8	List and cost for future projects	71 days	Thu 2/6/25	Mon 8/11/25	100%					
9	<b>Draft and finalize the Capital Improvement Plan and Water Master Plan.</b>	<b>27 days</b>	<b>Thu 4/17/25</b>	<b>Mon 7/7/25</b>	<b>100%</b>					

# Design Phase Projects (KFA)

ID	Task Name	Duration	Start	Finish	% Complete	Qtr. 3, 2024	Qtr. 4, 2024	Qtr. 1, 2025	Qtr. 2, 2025	Qtr. 3, 2025	Qtr. 4, 2025	Qtr. 1, 2026	Qtr. 2, 2026	Qtr. 3, 2026	Qtr. 4, 2026	Qtr. 1, 2027	Qtr. 2
1	<b>BOBWHITE PS &amp; GST</b>	<b>692 days</b>	<b>Thu 8/29/24</b>	<b>Fri 4/23/27</b>	<b>79%</b>	[Progress bar across Q3 2024 to Q1 2027]											
2	<b>Progress meetings</b>	<b>409 days</b>	<b>Wed 9/4/24</b>	<b>Mon 3/30/26</b>	<b>95%</b>	[Progress bar across Q3 2024 to Q1 2027]											
3	✓ Gupta-Electrical Design	159 days	Thu 10/31/24	Tue 6/10/25	100%	[Progress bar across Q4 2024 to Q2 2025]											
4	✓ Updated PER submittal to TCEQ	75 days	Fri 12/20/24	Thu 4/3/25	100%	[Progress bar across Q4 2024 to Q1 2025]											
5	✓ Drainage design considerations	78 days	Mon 12/30/24	Wed 4/16/25	100%	[Progress bar across Q4 2024 to Q2 2025]											
6	<b>Drafting 100% plans &amp; specifications</b>	<b>134 days</b>	<b>Thu 11/21/24</b>	<b>Tue 5/27/25</b>	<b>54%</b>	[Progress bar across Q4 2024 to Q2 2025]											
7	<b>COTTON GIN RD. PH. 2 WATER RELOCATION</b>	<b>275 days</b>	<b>Mon 9/16/24</b>	<b>Fri 10/3/25</b>	<b>66%</b>	[Progress bar across Q3 2024 to Q1 2026]											
8	<b>Progress meetings</b>	<b>270 days</b>	<b>Wed 9/18/24</b>	<b>Tue 9/30/25</b>	<b>80%</b>	[Progress bar across Q3 2024 to Q2 2026]											
9	<b>Drafting 95% plans/specifications/costs</b>	<b>161 days</b>	<b>Thu 9/19/24</b>	<b>Thu 5/1/25</b>	<b>95%</b>	[Progress bar across Q3 2024 to Q2 2025]											
10	Coordinated with SWE on ROE and ESMT survey	95 days	Mon 11/18/24	Fri 3/28/25	90%	[Progress bar across Q4 2024 to Q1 2025]											
11	<b>Continue Coordination with Bowman and County</b>	<b>290 days</b>	<b>Tue 11/19/24</b>	<b>Mon 12/29/25</b>	<b>30%</b>	[Progress bar across Q4 2024 to Q1 2026]											
12	<b>FM2720/ BOBWHITE 24 IN. WATER MAIN PH 3</b>	<b>395 days?</b>	<b>Tue 11/19/24</b>	<b>Mon 5/25/26</b>	<b>35%</b>	[Progress bar across Q4 2024 to Q2 2026]											
13	<b>Progress Meetings</b>	<b>162 days</b>	<b>Wed 11/20/24</b>	<b>Thu 7/3/25</b>	<b>50%</b>	[Progress bar across Q4 2024 to Q2 2025]											
14	✓ 95% plan preparation	157.55 day	Tue 11/19/24	Thu 7/3/25	100%	[Progress bar across Q4 2024 to Q2 2025]											
15	<b>100% plan preparation</b>	<b>54.15 days</b>	<b>Tue 12/3/24</b>	<b>Mon 2/17/25</b>	<b>85%</b>	[Progress bar across Q4 2024 to Q1 2025]											
16	<b>TxDot Permit</b>	<b>476 days</b>	<b>Fri 7/5/24</b>	<b>Fri 5/1/26</b>	<b>2%</b>	[Progress bar across Q3 2024 to Q1 2026]											

# Budgeting for the Design Phase KFA Projects

Jul 1, 2025-Aug 1, 2025

Project	Assign to	Original Engineering TO	Approved Amendment TO	Current Engineering TO	Billed to Date	BTF	% Complete
Water Master Plan	KFA	\$199,978.00	-	\$199,978.00	\$189,686.09	\$10,291.91	95%
Bobwhite PS and GST	KFA	\$657,318.00	-	\$657,318.00	\$479,049.93	\$178,268.07	72%
Cotton Gin Water Line Relocation (Ph 2)	KFA	\$353,205.00	-	\$353,205.00	\$238,397.00	\$124,988.00	67%
<b>FM2720/Bobwhite-24" Water Main PH3</b>	<b>KFA</b>	<b>\$361,003.00</b>	<b>\$26,925.00</b>	<b>\$387,928.00</b>	<b>\$ 305,498.35</b>	<b>\$82,429.65</b>	<b>78.75%</b>
Wastewater CIP	KFA	\$39,675.00	-	\$39,675.00	\$34,650.00	\$5,025.00	87%
Water Supply Evaluation	FNI	\$74,995.00	-	\$74,995.00	\$69,027.61	\$5,967.39	92.04%

**FM2720/Bobwhite-24" Water Main PH3: Cost to conduct the archeological survey is \$23,225.00**

## General Engineering Services (KFA)

### Jul 1, 2025-Aug 1, 2025

#	General Engineering Services	Provided Services	BTD(\$)
1	Project Management & Administration	Billing, admin coordination, task setup, LG coordination	\$ 3,993.75
2	Meetings	Planning, updates, board, onsite engineering meetings	\$ 2,077.50
3	Bunton Creek Rd Water Relocation	Plans review and coordination with project manager	\$ 530.00
4	Longhorn Stucco	NSSA review, WW and water studies follow-up	\$ 198.75
5	SH21 water and wastewater crossing	NSSA coordination with CLSUD and LG	\$ 795.00
6	Watermill Commercial	NSSA review, WW and water studies follow-up	\$ 861.25
7	Bollinger Phases 5 & 6	Water Study, construction plans, exhibit reviews	\$ 927.50
8	Simon & Hemphill Schools	Expansion review, plan review, CLSUD coordination	\$ 751.25
9	JD's Supermarket Kyle	Water/WW study and modeling	\$ 397.50
10	CLSUD District Boundary	PUC file requirement review and updates	\$ 807.50
11	Data Center known as Austin Assemblage	Discuss the new service requests process	\$ 1,072.50
12	Kyle Parkway and Lehman Road	Plan & easement review, utility coordination, 60% utility coordination meetings	\$ 331.25
13	Sunset Oaks Commercial	NSSA review, WW and water studies follow-up	\$ 331.25
14	CR 127 Retail Center	Reviewed SWE W/WW studies, NSSA exhibits	\$ 1,788.75
15	3915 Cotton Gin Road	NSSA review, WW and water studies follow-up	\$ 1,095.00
16	S&P Uthland	NSSA review, WW and water studies follow-up	\$ 673.75
17	Wayside Phase 2 Lift Station	Review the Pump specs	\$ 861.25
18	Hays CISD Uthland Project	NSSA review, WW and water studies follow-up	\$ 542.50
19	Walton Texas Decertification	Coordination with CLSUD and LG	\$ 132.50
20	Aqua WSC CCN Transfer	Coordination with CLSUD, Aqua and LG	\$ 1,783.75
<b>Total</b>			<b>\$ 21,706.25</b>

# Design Phase Projects (SWE)

ID	Task	Task Name	Duration	Start	Finish	%	Qtr 3, 2023	Qtr 1, 2024	Qtr 3, 2024	Qtr 1, 2025	Qtr 3, 2025	Qtr 1, 2026	Qtr 3, 2026	Qtr 1, 2027
1	+	0017-095-23_Misty Lane EST	694.88 days	Mon 12/18/23	Fri 8/14/26	41%								
2	+	Geotech Report	24 days	Mon 5/20/24	Fri 6/21/24	100%								
3	+	Design	237 days	Mon 12/18/23	Wed 11/13/24	100%								
4	+	ARWA Review	15 days	Mon 9/23/24	Mon 10/14/24	100%								
5	+	ARWA updates SPECS	42 days	Mon 11/18/24	Tue 1/14/25	100%								
6	+	Bidding	17 days	Wed 11/13/24	Thu 12/5/24	25%								
7	+	County Permitting	33 days	Wed 11/13/24	Fri 12/27/24	50%								
8	+	Award	7 days	Thu 12/5/24	Mon 12/16/24	0%								
9	+	Contract Execution & NTP	22 days	Mon 12/16/24	Wed 1/15/25	0%								
10	+	Construction	412.38 days	Wed 1/15/25	Fri 8/14/26	0%								
11	+	Record Drawings + O&M Manual	22 days	Mon 6/1/26	Tue 6/30/26	0%								

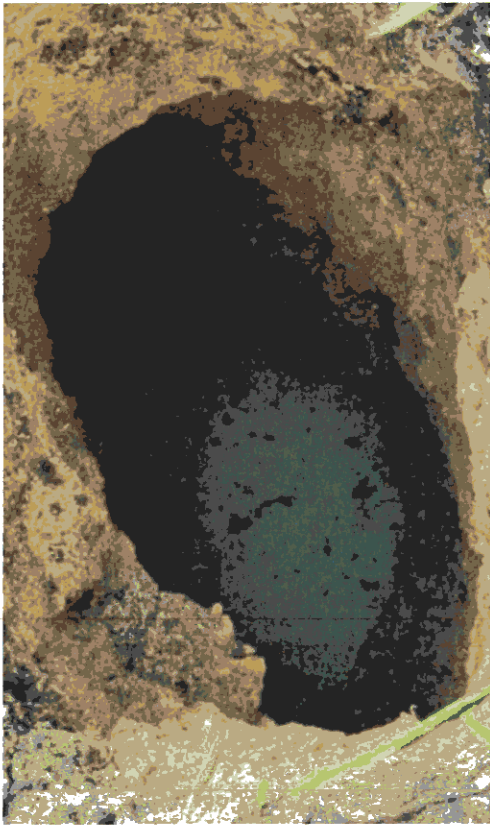
Delay 4 months  
Expected by 07/2025

# ON Hold

# Under Construction Projects (SWE)

ID	Task Name	Duration	Start	Finish	%	2023	2024	2025	2026	2027
1	<b>FM 2720 Water Main - Segment 2</b>	<b>318.88 days</b>	<b>Tue 6/25/24</b>	<b>Fri 9/12/25</b>	<b>79%</b>					
2	Design	100 days	Tue 6/25/24	Tue 11/12/24	100%					
3	Bidding	15.88 days	Wed 9/25/24	Wed 10/16/24	100%					
4	County Permitting	53 days	Wed 9/25/24	Fri 12/6/24	100%					
5	Award	2.88 days	Thu 10/17/24	Mon 10/21/24	100%					
6	Contract Execution & NTP	25 days	Tue 10/22/24	Sun 11/24/24	100%					
7	Construction	162.9 days	Mon 11/25/24	Wed 7/9/25	95%					
8	Record Drawings	10 days	Mon 8/4/25	Fri 8/15/25	0%					
9	<b>FM 2720 Wastewater Main</b>	<b>486 days</b>	<b>Mon 11/20/23</b>	<b>Mon 9/29/25</b>	<b>71%</b>					
10	Easement Acquisition	244 days	Mon 11/20/23	Thu 10/24/24	100%					
11	Survey	47 days	Mon 11/20/23	Tue 1/23/24	100%					
12	Additional Survey	1 day	Thu 4/25/24	Thu 4/25/24	100%					
13	Design	108 days	Fri 4/26/24	Tue 9/24/24	100%					
14	Bidding	16 days	Wed 9/25/24	Wed 10/16/24	100%					
15	County Permitting	53 days	Wed 9/25/24	Fri 12/6/24	100%					
16	Award	3 days	Thu 10/17/24	Mon 10/21/24	100%					
17	Contract Execution & NTP	25 days	Tue 10/22/24	Sun 11/24/24	100%					
18	Construction	147.7 days	Mon 11/25/24	Wed 6/18/25	45%					
19	Record Drawings	11 days	Mon 8/4/25	Mon 8/18/25	0%					

CO#1 Bore under TX Gas Services and KM gas lines, CO# 3 Rock Excavation



# Budgeting for the Design/Bid/Construction Assistance Phase (SWE)

Jul 1, 2025-Aug 1, 2025

Project	Assign to	Original Engineering TO	Approved Amendment TO	Current Engineering TO	Billed to Date	BTF	% Complete
Gristmill Reuse Line	SWE	\$137,500.00	\$31,000.00	\$168,500.00	\$131,311.79	\$37,188.21	78%
FM 2720 Wastewater Main	SWE	\$250,000.00	\$26,000.00	\$276,000.00	\$265,883.18	\$10,116.82	96%
FM 2720 Water Main	SWE	\$315,840.00	-	\$315,840.00	\$351,495.25	(\$35,655.25)	111%
Misty Lane Elevated Storage Tank	SWE	\$160,000.00	-	\$160,000.00	\$151,969.60	\$8,030.00	95%
FM2001 Water Line Relocation	SWE	No TO	-	No TO	\$41,856.74	-	-
Bobwhite Rd Water Line   Esmt Acquisition	SWE	\$15,000.00	-	\$15,000.00	\$7,500.00	\$7,500.00	50%
Cotton Gin Water Line Relocation Ph 2   Esmt Acquisition	SWE	\$97,000.00	-	\$97,000.00	\$97,181.00	(\$181.00)	100.1%
Porter Creek Lift Station and Force Main	SWE	\$35,500.00	-	\$35,500.00	\$35,500.00	-	100%

**FM2720 Ph 3| Esmt Acquisition is \$3,000.00**

# Budgeting for the Construction Phase (SWE)

Jul 1, 2025-Aug 1, 2025

Project	Contractor	Contractor Bid	Change Orders	Current Cost	Billed to Date	BTF	% Billed
Reuse Plant	TTE	\$1,379,000.00	(\$7,348.00)	\$1,371,652.00	\$1,371,652.00	\$0.00	100%
Porter Creek Gravity Main	EVT	\$879,586.79	\$0.00	\$879,586.79	\$879,586.79	\$0.00	100%
Gristmill Reuse Line	Travis Hobbs	\$169,350.00	(\$4,120.00)	\$165,230.00	\$165,230.00	\$0.00	100%
<b>Porter Creek Lift Station</b>	<b>Alterman</b>	<b>\$1,193,600.00</b>	<b>\$2,366.00</b>	<b>\$1,195,966.00</b>	<b>\$1,195,966.00</b>	<b>\$0.00</b>	<b>100%</b>
FM 2720 Water & WW Mains	Lowden	\$3,499,893.10	\$157,940.00	\$3,657,833.10	\$2,999,683.87	\$658,149.23	82%
<b>FM 2001 Water Line</b>	<b>Nelson Lewis</b>	<b>\$79,780.00</b>	<b>(\$28,394.32)</b>	<b>\$51,385.68</b>	<b>\$51,385.68</b>	<b>\$0.00</b>	<b>100%</b>

# General Engineering Services (SWE)

Jul 1, 2025-Aug 1, 2025

General services with Task Orders	Provided Services	Budget	
		Original T.O	BTD
Sewer CCN Amendment	Amended sewer CCN /publishing	\$20,000.00	\$2,747.50
<b>Total</b>		<b>\$2,693.75</b>	

# Inspection Budget Wastewater

Jul 1, 2025-Aug 1, 2025

Project	Billed to Date	Project Status
FM2720 Wastewater Gravity Main	-	Ongoing
Spanish Retail Center	-	Ongoing
Wayside Ph2	-	Ongoing
Bollinger Ph4	-	Ongoing
Lantana Unit 1	-	Ongoing
<b>Total</b>	<b>\$ 0.00</b>	

**CLSUD did not receive any bill this month for wastewater inspection services.**

# Budgeting for W/WW inspection services

Jul 1, 2025-Aug 1, 2025

Project	Inspector	Total Project Budget	Billed to Date	BTF	% Complete
Reuse Plant	Robert Dial	\$Hourly	\$5,495.00	N/A	N/A
Gristmill Reuse Line	Robert Dial	\$13,920.00	\$6,500.00	\$7,420.00	47%
FM 2001 Water Line	Robert Dial	\$9,850.00	\$2,170.00	\$7,680.00	22%
<b>FM 2720 WW and Water Main (Ph2)</b>	<b>TEC</b>	<b>\$82,740.00</b>	<b>\$58,734.00</b>	<b>\$24,006.00</b>	<b>71%</b>
Misty Lane EST	TEC	\$66,240.00	\$2,750.00	\$63,490.00	4.2%
Cotton Gin Water Line Relocation (Ph 2)	Doucet	\$226,125.00	\$2,070.00	\$224,055.00	0.01%

## Future Impact Fee-Eligible Projects Not Yet Constructed

#	Project Name	Description	Purpose
1A	Pressure Zone B Pump Station & Pressure reducing valve (PRVs)	Pump station (2 × 562 gpm pumps), 0.25 MG GST, and 4 PRVs (on 12", 8", and 3" mains)	Create second pressure zone and meet minimum pressure requirements
1B	Pressure Zone B Elevated Storage Tank (EST)	0.5 MG elevated storage tank	Sustain second pressure zone and maintain pressure requirements
2	Old Lockhart Rd. Water Line Upsize	1,400 LF of 8" water mains replacing 2" mains	Address low pressure; meet TCEQ minimum requirements
<b>Total</b>			<b>\$ 15,270,000.00</b>

## Future Projects (Non-Impact Fee Eligible)

#	Project Name	Description	Purpose
1	Laidley Acres Subdivision Fire Hydrants	Install 3 hydrants on existing 6" mains	Provide fire flow to 33 houses
2	Avery Park Subdivision Fire Hydrants	Install 2 hydrants on existing 6" mains	Provide fire flow to 13 houses
3	High Meadows Subdivision Water Line Upsize	9,600 LF of 8" mains replacing 4" mains	Fire flow for 84 houses
4	Misty Dr. Water Line Upsize	8" main replacing 4" mains	Fire flow for 64 houses
5	Avery Park Subdivision Water Line Upsize	3,800 LF of 8" mains replacing 4" mains	Fire flow for 35 houses
6	Oakmont Estates Subdivision Water Line Upsize	2,900 LF of 8" mains replacing 4" mains	Fire flow for 27 houses
7	Summer Sun Subdivision Water Line Upsize	1,800 LF of 8" mains replacing 4" mains	Fire flow for 25 houses
8	Sunset Ridge Water Line Upsize	2,100 LF of 8" mains replacing 4" mains	Fire flow for 24 houses
9	Ranch at Porter Creek Subdivision Water Line Upsize	2,200 LF of 8" mains replacing 4" mains	Fire flow for 23 houses
10	Flint Rd. Water Line Upsize	1,600 LF of 8" mains replacing 4" mains	Fire flow for 17 houses
11	Bunton Creek Road W.L. Relocation	Unknown yet	City of Kye
		<b>Total</b>	<b>\$ 28,425,000</b>

## **Update on CRWA, ARWA and GBRA**

### **Update on Hays Caldwell Water Treatment Plant -CRWA**

- On October 2<sup>nd</sup>, Tyler J. Hjorth (City of San Marcos) sent a letter response to CRWA Project Costs Under Amended and Restated Regional Water Supply and Treatment Contract letter dated August 9, 2024.
- At the CRWA BOT meeting held on October 7<sup>th</sup>, no discussion of this item occurred. CLSUD representatives to CRWA asked that this item be discussed at its November 12<sup>th</sup> CRWA BOT.
- On November 7<sup>th</sup> received Open Records Request for communications from CRWA and San Marcos regarding the Amended and Restated Regional (Hays/Caldwell Counties) 2021. CLSUD provided information after the request for an extension.
- CRWA has requested a meeting individually with participants Amended and Restated Regional Water Supply and Treatment Contract letter dated August 9, 2024 to seek amendment language is acceptable to all. Meeting scheduled for January 16<sup>th</sup>.
- CRWA informed participants and the CRWA BOT on February 10, that San Marcos may not participate in the HCWTP due to no progress in the Restated Regional Agreement not being able to be amended. This will result in the original participants picking up the FY 2025 Budget allocations to San Marcos.
- Based on CRWA BOT meeting, CRWA is trying to: Circulate an amendment to the Amended and Restated Regional Agreement; Coordinate a meeting with the participants to discuss the \$9,630,875 awarding of construction contract with Keeley Construction for Phase 2 Improvements.
- At the CRWA BOT meeting held on April 21<sup>st</sup> the following was approved:
  - *Resolution 25-04-009 concerning reallocation of costs related to the Hays Caldwell Project and an amendment to the CRWA FY 2025 Budget to reflect these reallocations. (Therefore CLSUD will be obligated to pay this year \$329,985.65 for increased reallocation percentage to 41.47%). This item was approved.*
  - *Resolution 25-04-005 declaring Keeley Construction as the Successful Bidder for the Hays Caldwell Water Treatment Phase 2*

*Improvements Project and authorizing the General Manager to issue a Notice of Award and execute an agreement for such work at a Not to Exceed price of \$9,630,875.*

- *Resolution 25-04-007 approving the execution of agreement with Pall Corporation for the purchase of an Aria FAST T80 mobile membrane filtration unit to service the Hays Caldwell Water Treatment Plant at a cost of \$2,300,00.*
- At the CRWA BOT meeting held May 12<sup>th</sup> it was noted: that the subcontractor for the tank did not have a complete set of plans and made two errors (external piping was placed incorrectly along with a conduit). These errors will not cost CRWA money and inspector will be required to do more inspecting. The pipeline route for the providing CLSUD water is pending 2 easements. Finally, the Wells Ranch III participation draft agreement was sent out for the participants to review.
- At the CRWA BOT meeting held on May 9, it was noted that CRWA staff has nineteen concerns associated with the GST Project site. CRWA stated they will continue to monitor the inspections more closely and any cost associated with these concerns will not be born by the entities. CLSUD representative called for a full accounting of the issues and potential remedies for the next BOT meeting in July.
- At the CRWA BOT meeting held on July 14, CRWA staff mentioned that they will be providing an update to the resolutions monthly until the issues are all addressed.
- At the CRWA BOT meeting held on August 11, CRWA staff mention that they have most of the nineteen issues resolved. There will be a conflict in schedule as the DNT tank contractor for Phase I is also the subcontractor for Phase II and Phase I is not yet completed. With regard to the pipeline to CLUSD the acquisition of the easements is almost complete expected NTP will be in October 2025. Electrical supply has a conflict due to supply chain.

CRWA BOM - Staff attended August 6<sup>th</sup> meeting.

CRWA BOT - Meeting held on August 14<sup>th</sup>. Of concern were:

Item 8 General Business

- A. Discuss, consider, and take possible action on Resolution 25-08-003 approving an amendment to the Fiscal Year 2025 Budget to reflect changes to the ARWA Budget. This item was approved and was the result of Green Valley leasing water to the City of Kyle.
- B. Discuss, consider, and take possible action on Resolution 25-08-004 approving the Fiscal Year 2026 Budget. This item results in CLSUD 2026 FY Budget to CRWA being \$2,414,007.84, the CLSUD 2025 FY Budget to CRWA was \$2,922,021.39. Additionally in the CRWA 2026 FY Budget San Marcos for the HCWTP is budgeted for \$247,975.68. Since this year since San Marcos did not pay due to litigation, CLSUD had to pay the unpaid balance of 44.98% of what San Marcos owed. For the 2026 FY Budget if San Marcos continues to not pay CLSUD will have to pay an additional amount of \$103,103.32 which is not included in the \$2,414,007.84 CRWA Budget. The 2026 FY Budget of CRWA also includes cost for repairs to the GBRA delivery line to the HCWTP of \$167,248.80 not part of the \$2,414,007.84. Also included in the 2026 FY Budget is payment in the amount of \$403,835.66 for participation in Wells Ranch III which is included in the \$2,414,007.84. As you are aware CLSUD has not paid CLSUD since October 2024 due to concerns regarding this project. There will be an agenda item at the BOT to discuss further. Finally, CLSUD portion of the ARWA for the CRWA 2025 FY Budget is \$951,860.38, also not included in the \$2,414,007.84.

Item 12 Executive Session

- A. Consultation with CRWA's attorney(s) concerning Cause No. 25-0782-CV-E; City of San Marcos vs. Canyon Regional Water Authority, County Line Special Utility District, Crystal Clear Special Utility District, Maxwell Special Utility District and Martindale Water Supply Corporation; Pending in 456<sup>th</sup> District Court of Guadalupe County, Texas pursuant to Section 551.071 of the Texas Government Code;

CRWA Wells Ranch III Project

- CLSUD GM requested that CRWA develop an agreement that codifies that CLSUD is responsible for paying CRWA for leases obtained through the Wells Ranch III project included in CRWA FY 2025 Budget. Currently CLSUD has paid approximately \$600,000 plus for the past two years and expected to pay another \$366,720.22 for FY 2025. At the end of 2025 CLSUD would have paid nearly \$1M without an agreement.

- On October 8<sup>th</sup>, CLSUD received a letter from Kerry Averyt (GM) of CRWA, regarding CLSUD's nonpayment notice to CRWA for Wells Ranch III water leases without an agreement. Recall that CLSUD has been paying approximately \$650,000.00 to CRWA for leases tied to the Wells Ranch III project for the past two years. At issue is that there is no contractual obligation or water supply agreement that binds CLSUD to this cost. October 1, 2025 is the beginning of the new Fiscal Year Budget for CRWA. On September 30, 2024, I (Humberto Ramos) sent an email notice to CRWA that CLSUD will not pay beginning October 1<sup>st</sup>, unless there is a signed agreement from CLSUD of the leases or the project associated with Wells Ranch III
- As of January 14, no agreement has been drafted for CLSUD review.
- At the CRWA BOT meeting held April 21<sup>st</sup>, two items were discussed:
  - Estimated project
    - Wells Supply & WTP -\$18,079 af or (\$257 M)
    - Hays-Caldwell Pipeline -\$44,601 af or (\$325 M)
  - Item G -Participant Agreement see below.
- At the CRWA BOT meeting held May 12<sup>th</sup> it was noted that the Wells Ranch III participation draft agreement was sent out for the participants to review.
- At the CRWA BOT meeting held on June 9 it was noted that all entities should make comments and sign within 60 days. (If you recall CLSUD engaged Freese Nichols at our May 19<sup>th</sup> Board mtg to develop a *Water Resource Plan*. This plan will analysis and make an assessment of the Wells Ranch III and other projects.
- At the CRWA Budget meeting held on July 8<sup>th</sup>, CRWA was informed that CLSUD should not be charged and will not pay for any leases for FY 2026, until this project is vetted through our process and the CLSUD agrees to enter into an agreement.
- At today's meeting of August 21, there will be an item to discuss further.

### GBRA/Gonzales Carrizo Water Supply Project

- Recall CLSUD is contracted for 2,419 AF or 27.63% of total project.
- The groundwater permit was denied at the June 10<sup>th</sup> groundwater district.

- The Gonzales County Underground Water Conservation District (GCUWCD) has not yet taken any action on GBRA's pending amendments to our production and export permits from the District. However, the hearings examiner (a SOAH administrative law judge) recommended approving GBRA's proposed production permit and denying our proposed export permit. GBRA believes that the hearing officer's proposed decision is incorrect as a matter of fact (evidence) and as a matter of law. The proposal disregards record evidence and makes recommendations that are both inconsistent with Texas law and unsupported by the District's regulations. In reaching the proposal for decision, the hearing examiner did not properly apply, and did not properly interpret, applicable law, District rules, or written District policies. Because the hearing examiner's recommendations do not accurately reflect either state law or this groundwater conservation district's regulatory scheme. At the last GCUWCD meeting (April 8<sup>th</sup>) no action was taken.

As of August 2025, following is the update: Booster Pump Station continues with construction. Header piping is installed and being hydro-tested. Permanent site security fencing is up. Eastern pipeline alignment began clearing. Northern Pipeline has been awarded and pending contract execution.

CLSUD staff attended a GBRA TX 130 project on July 23<sup>rd</sup> where no new information was obtained regarding the status of the permits. Awaiting communication from GBRA regarding the next steps.

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GBRA Water Secure Supply Project- CLSUD staff met with GBRA on April 24<sup>th</sup> to discuss the next steps for the Water Secure Supply Project to include estimated cost. Initial discussions with GBRA was CLSUD was interested in 4,144 af. GBRA is seeking all participants to enter into an MOU by June - July to gauge continued interest. CLSUD on June 16<sup>th</sup>, signed the MOU with GBRA. GBRA will be seeking the final execution of WSA by the Fall of 2025.

BVRT, Maxwell, CLSUD WMS Project – (If you recall CLSUD engaged Freese Nichols at our May 19<sup>th</sup> Board mtg to develop a *Water Resource Plan*. This plan will analysis and make an assessment of this and other projects).

Alliance Regional Water Authority (ARWA) BOT - Next ARWA BOT will be August 27<sup>th</sup>, in person at San Marcos. ARWA will adopt its 2026 FY Budget and O&M rates and financing agreements for this year's SWIFT debt issuance. CLSUD

is still awaiting TCEQ acceptance of the tank to accept the water from ARWA. ARWA is capable of providing CLSUD through bypass if needed. At this time CLSUD has declined due to sufficient supplies until the TCEQ acceptance.

*Region L* – Initially Prepared Plan was approved and sent to the TWDB to meet the deadline of March 2025 with the final 2026 Region L Plan due October 20, 2025. A Public hearing was scheduled for May 21<sup>st</sup> at SAWS Customer Service Center at 6 p.m. A public virtually meeting was held on July 2<sup>nd</sup> to discuss Plan. TWDB will provide comments on the IPP in late June or early July. The public comment period will run through July 21. Comments can be submitted at the public hearing and also in writing to the San Antonio River Authority via mail or email. Next Region L meeting will be August 28<sup>th</sup> at which time the planning group will take action to approve the plan.

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