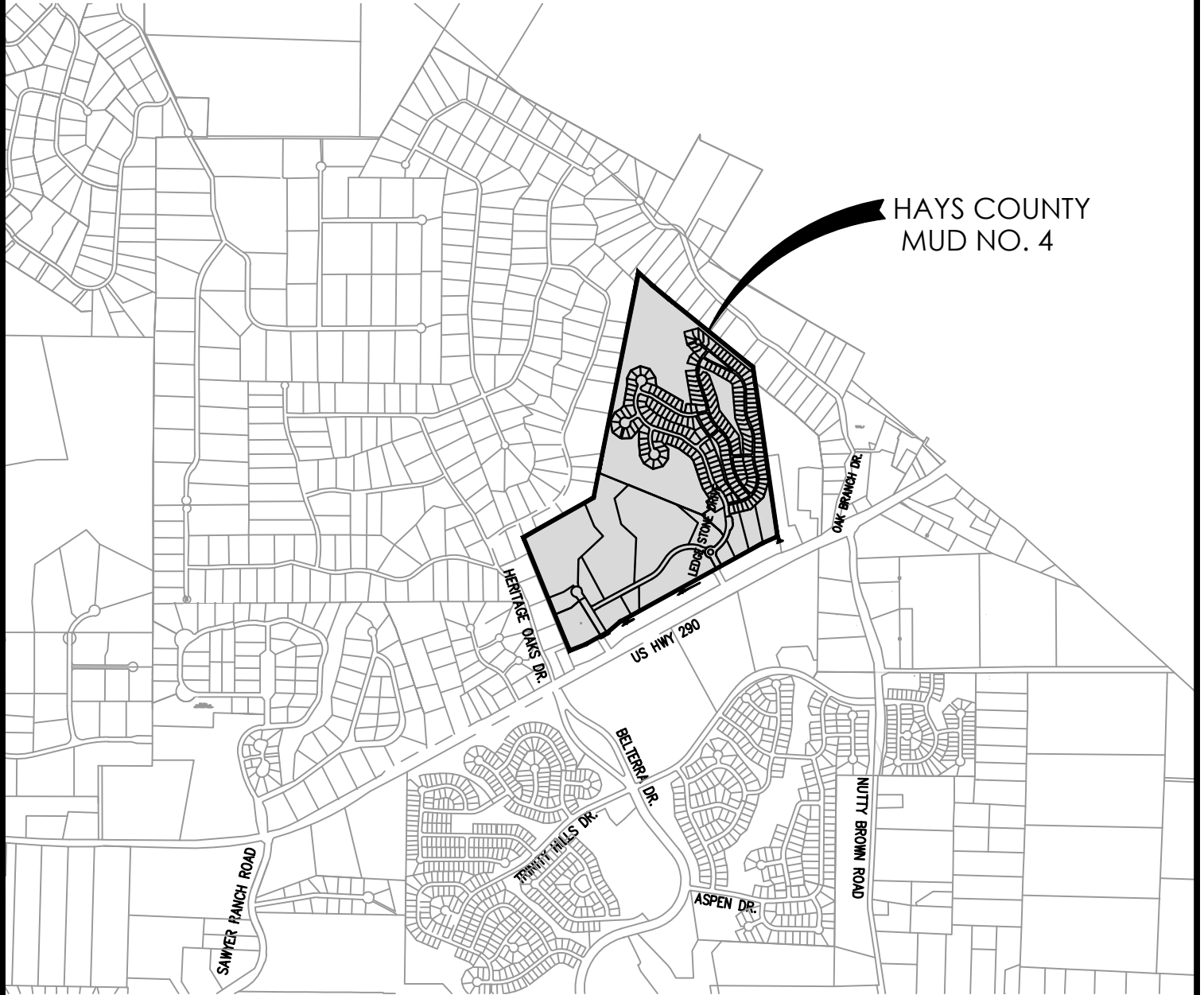


BOND APPLICATION REPORT  
\$8,000,000 BOND ISSUE NO. 4  
SERIES 2021



HAYS COUNTY  
MUD NO. 4

HAYS COUNTY MUNICIPAL UTILITY  
DISTRICT NO. 4

October 2021

CMA ENGINEERING, INC.

235 LEDGE STONE DR.  
AUSTIN, TEXAS 78737  
(512) 432-1000 Fax: (512) 432-1015

**HAYS COUNTY MUNICIPAL UTILITY DISTRICT NO. 4  
BOND APPLICATION REPORT NO. 4**

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# **TCEQ Expedited Review - Developer Projects**

## **“Certificate Justifying 60-Day Bond Application Review”**

We have reviewed the attached Bond Application and conclude that it is complete and request an expedited review in accordance with § 293.42. We understand that under an expedited review the TCEQ staff will assume that we have submitted all available documentation required pursuant to the Bond Application Report Format and will not request additional information. If documentation is found to be insufficient, the application will not be expedited and a review letter will be sent. Also, we understand that we may not be notified prior to completion of the TCEQ memorandum of items excluded from funding or recommended for escrow.

**A. The following executed documents are included in the attached Bond Application Report:**

1. Resolution and Certificate requesting approval of bonds and any special exemptions or waivers (such as 30% developer contribution, market study, or developer interest limitations);
2. Waiver of special tax exemptions as required by § 293.59(k)(8);
3. A current market study, unless exempt or inapplicable;
4. Any other items required by § 293.43;
5. Engineer's certificates of completion for streets in completed sections where either utilities are being funded in the bond issue or the section is included in the feasibility of the bond issue.
6. Provide a certificate stating whether the District intends for the financial feasibility of the proposed bond issue to be based on “no-growth” or “growth” projections. If based on growth, the certificate should indicate total number of ESFCs used for feasibility.

**B. I have reviewed the District's current status and to the best of my knowledge the following statements are true:**

1. All underground water, wastewater and drainage facilities and associated streets to be financed or necessary to serve the projected build-out to support the feasibility are 95% complete, or the District is exempt pursuant to § 293.59(k)(11) and applicable financial guarantees in compliance with Commission rules are provided. Financial guarantees are provided for the following:
2. Assessed Value necessary to meet tax rates shown in the no-growth cash flow table and all proposed exemptions is existing as documented by a certificate from the central appraisal district.
3. The District meets the applicable requirements of § 293.59(k)(6) A-E for all bond issues and § 293.59(l)(2)-(3) for second and subsequent bond issues related to completion of facilities and permits.
4. Any financial guarantees necessary for water, wastewater, and drainage facility capacities (based on the District engineer's design criteria) have been obtained, are included in the attached Bond Application Report Format and are in compliance with Commission rules.

5. The District meets the requirements of § 293.59(k)(7) and § 293.59(l)(4) as applicable related to vertical build-out.
6. The District meets the requirements of § 293.59(k)(3)-(4) related to acceptable tax rates.
7. The District is legally authorized to issue the bonds.
8. Sections and attachments in the attached Bond Application Report Format are separated by dividers or colored paper, tabbed, and labeled.
9. If the feasibility is based on growth, the build-out schedule:
  - a. Is consistent with the growth cash flow schedule.
  - b. Specifically identifies sections where growth is projected.
  - c. Includes the number of ESFCs for non single-family projections.
  - d. Includes only projections on available lots, reserves, etc. as identified in the Land Use Table in the attached Bond Application Report Format.
10. The application meets the requirements of § 293.44 related to special considerations.
11. To the best of our knowledge and belief the bond application is complete and in substantial compliance with Commission rules except for plans and specifications for the following facilities:

The District requests that the funds for these facilities be placed in escrow until such plans and specifications are complete.

Bond Counsel as to paragraph B, lines 4, 7, and 11: Julia R Houston Date 06/18/21

Financial Advisor as to paragraph B, lines 2, 5, 6, 9a, and 11: [Signature] Date 5/14/2021

Engineer as to paragraph A and B, lines 1, 3, 8, 9b-d, 10 and 11: [Signature] Date 06-07-21

CERTIFICATE FOR ORDER OR RESOLUTION

THE STATE OF TEXAS §
COUNTY OF HAYS §

The undersigned officers of the Board of Directors of Hays County Municipal Utility District No 4 of Hays County, Texas (the "District") hereby certify as follows:

The Board of Directors of Hays County Municipal Utility District No. 4 convened in special session on the 7th day of September 2021, at the regular meeting place thereof, and the roll was called of the duly constituted officers and members of the Board, to wit:

- Brent Hammond President
Craig McColloch Vice-President
Dilipkumar B. Patel Secretary
Brian Hardin Treasurer
Michelle Diegle Assistant Secretary/Treasurer

and all of said persons were present, except for the following absentees: Director Diegle, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting:

A RESOLUTION OF THE BOARD OF DIRECTORS OF HAYS COUNTY MUNICIPAL UTILITY DISTRICT NO. 4; AUTHORIZING AMENDMENT TO AN APPLICATION SUBMITTED TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR APPROVAL OF PROJECT AND BONDS FOR WATER, WASTEWATER, DRAINAGE FACILITIES; PROVIDING FINDINGS OF FACT; PROVIDING FOR OPEN MEETING; PROVIDING AN EFFECTIVE DATE

was introduced for the consideration of the Board. It was then duly moved and seconded that the Order or Resolution be adopted, and, after due discussion, the motion, carrying with it the adoption of the Order or Resolution prevailed and carried by the following vote:

AYES: All present
NOES:

That a true, full and correct copy of the aforesaid Order or Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; and that said Order or Resolution has been duly recorded in said Board's minutes of said meeting; that the persons named in the above and foregoing paragraph were duly chosen, qualified and acting officers and members of the Board as indicated therein, that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; that public notice of the time, place and subject of said meeting was given as required by the Texas Government Code, §551.043, as amended, and §49.063 of the Texas Water Code, as amended, and that the undersigned are the duly chosen, qualified and acting officers of the current Board of Directors.

SIGNED AND SEALED this 7th day of September 2021.



Secretary, Board of Directors

Signature of Brent Hammond
President, Board of Directors

**A RESOLUTION OF THE BOARD OF DIRECTORS OF HAYS COUNTY MUNICIPAL UTILITY DISTRICT NO. 4; AUTHORIZING AMENDMENT TO AN APPLICATION SUBMITTED TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR APPROVAL OF PROJECT AND BONDS FOR WATER, WASTEWATER, DRAINAGE FACILITIES; PROVIDING FINDINGS OF FACT; PROVIDING FOR OPEN MEETING; PROVIDING AN EFFECTIVE DATE**

**WHEREAS**, the Board of Directors (the “**Board**”) of Hays County Municipal Utility District No. 4 (the “**District**”), a political subdivision of the State of Texas, operating under Chapters 49 and 54, Texas Water Code, has met and organized, the District’s creation having been duly confirmed, and the District having been authorized to issue bonds at elections held for those purposes; and

**WHEREAS**, on May 18, 2021, the Board adopted a resolution (the “**Bond Application Resolution**”), authorizing the District’s application to the Texas Commission on Environmental Quality (“**TCEQ**”) “for an investigation and report upon the feasibility of the District’s purchase and construction of the water, wastewater, and drainage facilities described in the engineering report prepared by CMA Engineering, Inc. [the District’s Engineer], of Austin, Texas” and seeking TCEQ’s approval for the issuance of \$5,500,000.00 in unlimited tax bonds for the District; and

**WHEREAS**, the Bond Application Resolution is attached hereto as **Exhibit “A”** and fully incorporated for all purposes, and the Board directs that its findings and directives are valid and reasserted herein, except as otherwise specified below; and

**WHEREAS**, on June 30, 2021, the District filed its application (the “**Application**”) with the TCEQ for approval of the proposed engineering projects and the issuance of bonds; and

**WHEREAS**, on August 27, 2021, the TCEQ issued a draft order approving the Application; and

**WHEREAS**, subsequent to the District filing the Application, the Board and its consultants identified additional components of the subject project that the Board desires to add to the Application; and

**WHEREAS**, on August 31, 2021, the District’s Attorney notified the TCEQ that, on September 7, 2021, the Board would consider this resolution (the “**Amending Resolution**”), authorizing an amendment to the Application for an additional \$2,500,000.00 in the bond issuance, for a total of \$8,000,000.00 in unlimited tax bonds; and

**WHEREAS**, the Board understands and acknowledges that, by seeking amendment to the Application, the TCEQ will remove the Application from expedited review status; and

**WHEREAS**, the Board of Directors desires to secure the approval and consent of the TCEQ for the purchase and construction of the aforementioned water, wastewater, and drainage facilities, which are more completely described in the engineering report that will be submitted to the TCEQ in connection with this Amending Resolution and the Application, as amended;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF HAYS COUNTY MUNICIPAL UTILITY DISTRICT NO. 4, THAT:**

**SECTION 1. Findings of Fact.** The preceding recitals are the true and correct legislative findings of the Board and are fully incorporated herein for all purposes.

**SECTION 2.** The President and Secretary of the Board, as well as the District's consultants, are hereby authorized and directed as follows:

(a) To submit an amended application to the TCEQ for an investigation and report upon the feasibility of the District's purchase and construction of the water, wastewater, and drainage facilities described in the engineering report prepared by CMA Engineering, Inc., of Austin, Texas. In connection with this application, such project will consist generally of water, wastewater, and drainage facilities to provide service to lands within the District, and include authorization to reimburse the developer for interest accrued for a period of up to five years from completion date of construction contracts, including related professional fees and non-construction costs as deemed feasible by TCEQ; and the authorization to waive the 30% developer's contribution.

(b) To request that the TCEQ approve the bonds of the District in the principal amount of up to \$8,000,000.00, bearing interest at a net effective interest rate not to exceed five percent (5.0%) per annum, and maturing serially in accordance with the schedule provided in the aforesaid engineering report.

**SECTION 3. District's Assurances.** By the Application, amendment thereto, and this Amending Resolution, the District assures the TCEQ that it will abide by the terms and conditions prescribed upon the bond issuance, as ordered by the TCEQ.

**SECTION 4. Engineer's Report.** CMA Engineering, Inc., is authorized and directed to prepare an engineer's report in the form required by the TCEQ and to submit same to the TCEQ in support of amending the Application, together with a copy of the data, profiles, maps, plans and specifications prepared in connection with such report.

**SECTION 5.** The President and Secretary of the Board and the District's consultants are respectively authorized and directed to do any and all things necessary and proper in connection with amending the Application.

**SECTION 6. Resolution Certification.** A certified copy of this Amending Resolution constitutes an application and request on behalf of the District to the TCEQ pursuant to Section 49.181, Texas Water Code, for approval of the project described in the Application and amendments thereto.

**SECTION 7. Open Meeting.** The Board considered this Resolution during a duly noticed meeting that was open to the public, in compliance with Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code.

**SECTION 8. Effective Date.** This Resolution is effective as of the date indicated immediately below.

*[Endorsements follow.]*

PASSED AND APPROVED this 7th day of September, 2021.

/s/ Brent Hammond  
President, Board of Directors

ATTEST:

/s/ Dilipkumar B. Patel  
Secretary, Board of Directors

(SEAL)



**CERTIFICATE FOR ORDER OR RESOLUTION**

THE STATE OF TEXAS           §  
COUNTY OF HAYS               §

The undersigned officers of the Board of Directors of Hays County Municipal Utility District No 4 of Hays County, Texas (the "District") hereby certify as follows:

The Board of Directors of Hays County Municipal Utility District No. 4 convened in regular session on the 18th day of May 2021, at the regular meeting place thereof, and the roll was called of the duly constituted officers and members of the Board, to wit:

Brent Hammond	President
Craig McColloch	Vice-President
Dilipkumar B. Patel	Secretary
Brian Hardin	Treasurer
Michelle Batte	Assistant Secretary/Treasurer

and all of said persons were present, except for the following absentees: none, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting:

**A RESOLUTION OF THE BOARD OF DIRECTORS OF HAYS COUNTY MUNICIPAL UTILITY DISTRICT NO. 4: AUTHORIZING APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR APPROVAL OF PROJECT AND BONDS FOR WATER, WASTEWATER, DRAINAGE FACILITIES; PROVIDING FINDINGS OF FACT; PROVIDING FOR OPEN MEETING; PROVIDING AN EFFECTIVE DATE**

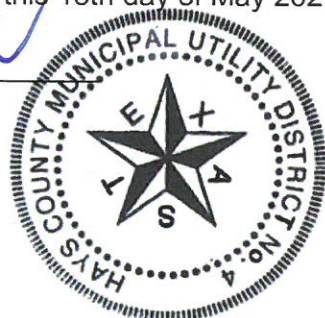
was introduced for the consideration of the Board. It was then duly moved and seconded that the Order or Resolution be adopted, and, after due discussion, the motion, carrying with it the adoption of the Order or Resolution prevailed and carried by the following vote:

AYES: all present  
NOES: none

That a true, full and correct copy of the aforesaid Order or Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; and that said Order or Resolution has been duly recorded in said Board's minutes of said meeting; that the persons named in the above and foregoing paragraph were duly chosen, qualified and acting officers and members of the Board as indicated therein, that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; that public notice of the time, place and subject of said meeting was given as required by the Texas Government Code, §551.043, as amended, and §49.063 of the Texas Water Code, as amended, and that the undersigned are the duly chosen, qualified and acting officers of the current Board of Directors.

SIGNED AND SEALED this 18th day of May 2021.

  
Secretary, Board of Directors



  
President, Board of Directors

[SEAL]

**A RESOLUTION OF THE BOARD OF DIRECTORS OF HAYS COUNTY MUNICIPAL  
UTILITY DISTRICT NO. 4: AUTHORIZING APPLICATION TO THE TEXAS  
COMMISSION ON ENVIRONMENTAL QUALITY FOR APPROVAL OF PROJECT  
AND BONDS FOR WATER, WASTEWATER, DRAINAGE FACILITIES; PROVIDING  
FINDINGS OF FACT; PROVIDING FOR OPEN MEETING; PROVIDING AN  
EFFECTIVE DATE**

**WHEREAS**, the Board of Directors (the "Board") of the Hays County Municipal Utility District No. 4, a body politic and corporate and governmental agency of the State of Texas operating under Chapters 49 and 54 of the Texas Water Code (the "District"), has met and organized, the creation of the District has been duly confirmed, and the District has been duly authorized to issue bonds at elections held for those purposes; and

**WHEREAS**, the Board desires to issue up to \$5,500,000.00 in bonds to finance the purchase and construction of water, wastewater, and drainage facilities and to reimburse the developer for advances to the District's operating account; and

**WHEREAS**, Section 49.181, Texas Water Code, requires the District, when it desires to issue bonds, to submit in writing to the Texas Commission on Environmental Quality ("TCEQ") an application for investigation of the proposed project and of the issuance of the bonds to finance such project, together with a copy of the engineer's report and data, profiles, maps, plans and specifications prepared in connection therewith; and

**WHEREAS**, the Board requests that the developer's 30% contribution be waived pursuant to Title 30, Texas Administrative Code, §293.47(a)(1) as the District anticipates a ratio of debt (including proposed debt) to certified assessed valuation of 10% or less.

**WHEREAS**, the District requests pursuant to Title 30, Texas Administrative Code, §293.50(b) for the developer to be reimbursed by the District for interest accrued for a period of more than two years after the completion date, as no interest reimbursement has occurred, and additional accrued interest up to five years from the completion date of construction contracts including related professional fees and non-construction costs as deemed feasible by the TCEQ.

**WHEREAS**, the Board of Directors desires to secure the approval and consent of the TCEQ for the purchase and construction of the aforementioned water, wastewater, and drainage facilities, which are more completely described in the engineering report submitted in connection with the application, and to the issuance of the bonds described in Section 1(2) of this Resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF  
HAYS COUNTY MUNICIPAL UTILITY DISTRICT NO. 4, THAT:**

SECTION 1. Findings of Fact. The preceding recitals are the true and correct legislative findings of the Board and are fully incorporated herein for all purposes.

SECTION 2. The President and Secretary of the Board are hereby authorized and directed as follows:

- (1) To make application to the TCEQ for an investigation and report upon the feasibility of the District's purchase and construction of the water, wastewater, and drainage facilities described in the engineering report prepared by CMA Engineering, Inc., of Austin, Texas. In connection with this application, such project will consist generally of water, wastewater, and drainage facilities to provide service to lands within the District, and include authorization to reimburse the developer for interest accrued for a period of up to five years from completion date of construction contracts, including related professional fees and non-construction costs as deemed feasible by TCEQ; and the authorization to waive the 30% developer's contribution.
- (2) To request TCEQ to approve the bonds of the District in the principal amount of up to \$5,500,000.00 bearing interest at a net effective interest rate not to exceed five percent (5.0%) per annum, and maturing serially in accordance with the schedule provided in the aforesaid engineering report.

SECTION 3. District's Assurances. By this application, the District assures the TCEQ that it will abide by the terms and conditions prescribed by the TCEQ.

SECTION 4. Engineer's Report. CMA Engineering, Inc., is authorized and directed to prepare an engineer's report in the form required by the TCEQ and to submit same to the TCEQ in support of this application, together with a copy of the data, profiles, maps, plans and specifications prepared in connection with such report.

SECTION 5. The President and Secretary of the Board, the District's engineer, financial advisor, and the attorneys for the District are authorized and directed to do any and all things necessary and proper in connection with this application.


SECTION 6. Resolution Certification. A certified copy of this resolution shall constitute an application and request on behalf of the District to the TCEQ pursuant to Section 49.181, Texas Water Code, for approval of the project described in Section 1(1) and the bonds described in Section 1(2).

SECTION 7. Open Meeting. The Board considered this Resolution during a duly noticed meeting that was open to the public, in compliance with Chapter 551, Texas Government Code.

SECTION 8. Effective Date. This Resolution is effective as of the date indicated immediately below.

PASSED AND APPROVED this 18th day of May 2021.

  
/s/ Brent Hammond  
President, Board of Directors

ATTEST:  
  
/s/ Dilipkumar B. Patel  
Secretary, Board of Directors



**HAYS COUNTY  
MUNICIPAL UTILITY DISTRICT NO. 4  
HAYS COUNTY, TEXAS  
\$8,000,000 BOND APPLICATION  
BOND ISSUE NO. 4**

**SECTION 1 – GENERAL INFORMATION**

**(A) Laws, Elections, and Acreage:**

- (i) Authority Creating District:** Hays County Municipal Utility District No. 4 was created by the Texas Commission on Environmental Quality by Order dated July 3, 2003.
- (ii) Governing Law:** The District has all the rights, powers, privileges, authority, functions, and duties provided by the general law of this state related to municipal utility districts.
- (iii) Confirmation Election:** The creation of the District was confirmed in an election held within the District on February 5, 2005, by a vote of 2 for and 0 against. A certified copy of the order calling the election with the proposition attached and the order canvassing the results of the election is enclosed as **Attachment “A”**.
- (iv) Acreage:** The District contained 193.926 acres at the time of creation. There have been no annexations or exclusions of land since creation of the District. The current District acreage remains at 193.926 acres.
- (v) Boundary Map:** A current reproducible boundary map is on file at the Texas Commission on Environmental Quality. A reduced copy is enclosed as **Attachment “B”**.

**(B) Location:**

Hays County Municipal Utility District No. 4 is located along the north side of U.S. Highway 290 and generally bound by Heritage Oaks Drive to the west and Oak Branch Drive to the east. The District lies within the extraterritorial jurisdiction of the City of Dripping Springs. A location map is enclosed as **Attachment “C”**.

## **SECTION 2 – PROPOSED BOND ISSUE**

**(A) Purpose:**

This application for \$8,000,000 in bonds represents the District’s fourth bond issue. The proceeds from this bond issue will be used to reimburse the developer for the district’s share of water, wastewater, and drainage facilities construction and engineering for Phase 2 Section 1, Phase 2 Section 2, Phase 2 Section 2 Wastewater Alternate, Phase 3 Section 1, Phase II Wastewater Treatment Plant Expansion to 150,000 GPD, Phase II 25,000 GPD Subsurface Drip Irrigation System, Subsurface Drip Irrigation Controller Replacement, and Phase III Subsurface Drip Irrigation System. The bond issue also includes land acquisition and other fees associated with the bond issuance.

Land acquisition is included in this bond issue for the purchase of land necessary for the Phase II 25,000 GPD Subsurface Drip Irrigation System and Phase III Subsurface Drip Irrigation System.

- (B) Bond and Maintenance Tax Authorization:** A certified copy of the order calling bond election with the proposition attached and the order canvassing the results of the election is enclosed as **Attachment “D”**. Certified copies of the orders calling maintenance tax elections with the proposition attached and the orders canvassing the results of the elections are enclosed as **Attachment “E”**.

**(i) Bond Authorization:**

<b>Date of Election</b>	<b>Purpose</b>	<b>Amount Approved</b>	<b>Amount Cancelled</b>
February 5, 2005	Water, Wastewater, and Drainage	\$26,280,000	N/A

**(ii) Maintenance Tax:**

<b>Date of Election</b>	<b>Purpose</b>	<b>Maximum Tax Approved (per each \$100 of AV)</b>	<b>Cancelled Prior Authorization</b>
February 5, 2005	General Operating	\$0.50	N/A
May 12, 2007	General Operating	\$1.50	Yes

(C) **Prior Bond Issues:**

<b>Type of Bonds - Water, Wastewater, and Drainage</b>			
<b>Total Amount Authorized: \$26,280,000</b>			
<b>Bond Issue No.</b>	<b>TCEQ Amount Approved</b>	<b>TCEQ Order Date Approved</b>	<b>Amount Sold</b>
1	\$2,590,000	November 20, 2009	\$2,590,000
2	\$3,000,000	July 25, 2013	\$3,000,000
3	\$5,250,000	December 5, 2017	\$5,250,000
4 (proposed) <sup>1</sup>	N/A	N/A	N/A
<b>Total Bonds Sold:</b>			<b>\$10,840,000</b>
<b>Remaining Authorized Bonds:</b>			<b>\$15,440,000</b>

Notes:

- 1) Assuming sale of this \$8,000,000 bond issue, \$7,440,000 in authorized but un-issued bonds will be available to the District. The District's Engineer estimates that the remaining bonds will be sufficient to complete development within the District.

(D) **Type:**

Voters approved unlimited tax bonds. The District seeks approval of unlimited tax bonds.

(E) **Interest Rate:**

The District requests that an interest rate of 3.5% be approved in the issuance of these bonds. The interest rate will be used in the calculation of this report.

(F) **Land Use Plan:**

A Land Use plan is included as **Attachment "F"**.

(G) **Recreational Facilities:**

There are no recreational facilities included in this bond.

(H) **Roads:**

The District does not have the authority to fund roads.

### **SECTION 3 – FACILITIES PROPOSED FOR FUNDING**

**(A) Purchasing of Existing Facilities and/or Assumption of Existing Contracts:**

<b><u>Contract Description</u></b>	<b><u>Contractor</u></b>	<b><u>% Complete Contract (Date)</u></b>	<b><u>Final Contract Amount</u></b>	<b><u>Amt. Subject District Contribution<sup>(5)</sup></u></b>
Bush Ranch Phase 2, Section 1	FTWOODS Construction	100% (6/30/2011)	\$658,636.18 <sup>(1)</sup>	\$612,265
Bush Ranch Phase 2, Section 2	Nelson Lewis, Inc.	100% (3/31/2015)	\$432,746.00 <sup>(2)</sup>	\$364,557
Bush Ranch Phase 2, Section 2 Wastewater Alternate	DNT Construction, LLC	90% (5/1/2021)	\$184,022 <sup>(3)</sup>	\$184,022
Bush Ranch Phase 3, Section 1	Smith Contracting	100% (2/2/2016)	\$102,105 <sup>(4)</sup>	\$66,591
Phase II Wastewater Treatment Plant Expansion to 150,000 GPD	TTE, LLC	100% (12/15/2020)	\$919,100	\$919,100

**Notes:**

- 2) Original Contract amount was \$641,300.00. Change Order #1 increased the project amount by \$17,336.18. The purpose of this change order was to adjust for a change in quantities for line items, per engineer's and owner's request.
- 3) Original Contract amount was \$428,873.00. Change Order #1 decreased the project amount by \$5,000.00 to adjust for removing a 36" outfall structure from the line items. Change Order #2 increased the project amount by \$8,873.00 to adjust for a change in quantities for line items due to a change in the waterline alignment and routing the treated effluent line to prevent tree from being removed.
- 4) Original Contract amount was \$186,265.75. Change Order #1 decreased the project amount by \$2,243.68 to adjust for a change in quantities for erosion and sedimentation controls.
- 5) Original Contract amount was \$97,105.00. Change Order #1 increased the project amount by \$5,000 to adjust for additional costs associated with site preparation and additional construction entrance.
- 6) See Section 4 – Summary of Costs for an explanation of the amount subject to district contribution.



(B) **Facilities to be Constructed:**

<b><u>Contract Description</u></b>	<b><u>Engineer's Estimate of Probable Cost</u></b>	<b><u>Amt. Subject District Contribution</u></b>
Phase II 25,000 GPD Subsurface Drip Irrigation System	\$2,315,000.00	\$2,315,000.00
Subsurface Drip Irrigation Controller Replacement	\$85,000.00	\$85,000.00
Phase III Subsurface Drip Irrigation System	\$2,000,000.00	\$2,000,000.00

## SECTION 4 – SUMMARY OF COSTS

<b>Construction Costs</b>	<b>Total Amount</b>	<b>District's Share</b>
<b>A. Developer Contribution Items</b>		
1. Phase 2, Section 1		
a. General	\$ 66,565	\$ 35,206
b. Water	\$ 49,441	\$ 41,185
c. Wastewater	\$ 263,569	\$ 263,569
d. Drainage	\$ 259,585	\$ 259,585
e. Clearing and Grubbing	\$ 19,476	\$ 12,720
Subtotal	\$ 658,636	\$ 19,192 (1)
2. Phase 2, Section 2		
a. General	\$ 95,730	\$ 42,610
b. Water	\$ 97,473	\$ 97,473
c. Wastewater	\$ 47,505	\$ 47,505
d. Drainage	\$ 151,803	\$ 151,803
e. Treated Effluent	\$ 21,035	\$ 21,035
f. Clearing and Grubbing	\$ 19,200	\$ 4,131
Subtotal	\$ 432,746	\$ 364,557 (2)
3. Phase 2, Section 2 Wastewater Alternate		
a. General	\$ 33,138	\$ 33,138
b. Water	\$ -	\$ -
c. Wastewater	\$ 125,221	\$ 125,221
d. Drainage	\$ -	\$ -
e. Clearing and Grubbing	\$ 25,663	\$ 25,663
Subtotal	\$ 184,022	\$ 184,022 (3)
4. Phase 3, Section 1		
a. General	\$ 35,733	\$ 11,716
b. Water	\$ 22,640	\$ 22,640
c. Wastewater	\$ 18,177	\$ 18,177
d. Drainage	\$ -	\$ -
e. Treated Effluent	\$ 11,845	\$ 11,845
f. Clearing and Grubbing	\$ 13,710	\$ 2,213
Subtotal	\$ 102,105	\$ 66,591 (4)
5. Phase II Wastewater Treatment Plant Expansion to 150,000 GPD		
a. General	\$ 115,100	\$ 115,100
b. Water	\$ -	\$ -
c. Wastewater	\$ 804,000	\$ 804,000
d. Drainage	\$ -	\$ -
e. Clearing and Grubbing	\$ -	\$ -
Subtotal	\$ 919,100	\$ 711,212 (5)
8. Subsurface Drip Irrigation Controller Replacement (FUTURE)		
a. General	\$ -	\$ -
b. Water	\$ -	\$ -
c. Wastewater	\$ -	\$ -
d. Drainage	\$ -	\$ -
e. Treated Effluent	\$ 85,000	\$ 85,000
f. Clearing and Grubbing	\$ -	\$ -
Subtotal	\$ 85,000	\$ 85,000 (6)
9. Engineering		
Phase 2, Section 2 Wastewater		
b. Alternate	\$ 43,951.68	\$ 43,952 (7)
c. Phase 3 Section 1	\$ 79,311	\$ 29,542 (7)

	Phase II Wastewater Treatment Plant and Subsurface Drip Irrigation System			
d.	Expansion	\$	267,991	\$ 267,991 (7)
	Subtotal	\$	391,254	\$ 341,485
	<b>Total Developer Contribution Items</b>	<b>\$</b>	<b>2,772,864</b>	<b>\$ 1,772,059</b>

**B. District Items**

1.	Phase II 25,000 GPD Subsurface Drip Irrigation System (FUTURE)			
a.	General	\$	-	\$ -
b.	Water	\$	-	\$ -
c.	Wastewater	\$	-	\$ -
d.	Drainage	\$	-	\$ -
e.	Treated Effluent	\$	2,315,000	\$ 2,315,000
f.	Clearing and Grubbing	\$	-	\$ -
	Subtotal	\$	2,315,000	\$ 2,315,000 (8)
	Land Acquisition for Phase II Subsurface			
2.	Drip Irrigation System	\$	253,087	\$ 253,087 (9)
3.	Phase III Subsurface Drip Irrigation System (FUTURE)			
a.	General	\$	-	\$ -
b.	Water	\$	-	\$ -
c.	Wastewater	\$	-	\$ -
d.	Drainage	\$	-	\$ -
e.	Treated Effluent	\$	2,000,000	\$ 2,000,000
f.	Clearing and Grubbing	\$	-	\$ -
	Subtotal	\$	2,000,000	\$ 2,000,000 (8)
	Land Acquisition for Phase III Subsurface			
4.	Drip Irrigation System	\$	129,571	\$ 129,571 (9)
	<b>Total District Contribution Items</b>	<b>\$</b>	<b>4,697,658</b>	<b>\$ 4,697,658</b>

**TOTAL CONSTRUCTION COSTS (81% of BIR) \$ 7,470,522 \$ 6,469,717**

**Nonconstruction Costs**

A.	Legal Fees (2.0%)			\$ 160,000 (10)
B.	Fiscal Agent Fees (2.0%)			\$ 160,000 (11)
C.	Interest Costs			
	1. Capitalized Interest (2 years @ 3.5%)		\$	560,000
	2. Developer Interest		\$	272,156 (12)
D.	Bond Discount (3.0%)		\$	240,000
E.	Bond Issuance Expenses		\$	50,127 (13)
F.	TCEQ Bond Issuance Fee (0.25%)		\$	20,000
G.	Attorney General's Fee (0.10%)		\$	8,000
H.	Bond Application Report		\$	60,000
	<b>TOTAL NON CONSTRUCTION COSTS (19% of BIR)</b>	<b>\$</b>	<b>1,530,283</b>	

**TOTAL BOND ISSUE REQUIREMENT (BIR) \$ 8,000,000**

Notes:

(1) Hays County MUD No. 4 share is \$612,265. Of this \$593,073 was included in BAR 3, and \$19,192 is included in this Bond Issue.

- (2) Hays County MUD No. 4 share is \$364,557 as shown in the Itemized Cost Breakdown for Phase 2 Section 2 included in **Attachment "G"**.
- (3) Hays County MUD No. 4 share is \$184,022 as shown in the Itemized Cost Breakdown for Phase 2, Section 2 Wastewater Alternate included in **Attachment "G"**.
- (4) Hays County MUD No. 4 share is \$66,591 as shown in the Itemized Cost Breakdown for Phase 3, Section 1 included in **Attachment "G"**.
- (5) Hays County MUD No. 4 share is \$919,100 as shown in the Itemized Cost Breakdown for Phase II Wastewater Treatment Plant Expansion to 150,000 GPD included in **Attachment "G"**. \$207,888.00 was paid with Surplus Funds; the remaining \$711,212.00 will be reimbursed with this BAR.
- (6) Hays County MUD No. 4 HAS authorized construction for Subsurface Drip Irrigation Controller Replacement not to exceed \$85,000.
- (7) Included as **Attachment "H"** is a Breakdown of Engineering Fees.
- (8) Hays County MUD No. 4 share for Phase II 25,000 GPD Subsurface Drip Irrigation System and Phase III Subsurface Drip Irrigation System is based on Engineer's Best Estimate of Probable Cost.
- (9) Included as Attachment "DD" are the closing statement (Attachment DD-1), earnest money contract (Attachment DD-2), and survey of the original purchase of Bush Ranch by the developer (Attachment DD-3). The original agreement stated that the land would be purchased for \$15,000 per acre from The C.F. Bush, Jr. Family Limited Partnership (original owner) by DH Investment Company (Developer). As seen in the Attachment DD-3 the entire tract of land has an area of 193.926 acres, therefore the contract sales price for 193.926 acres at \$15,000 per acre is \$2,908,890.00 as shown in Attachment DD-1. Using the original purchase price of \$15,000 per acre and adding interest from February 21, 2001 to the estimated bond sale of December 1, 2021, the land acquisition costs are \$253,087.17 for the 9.773 acres required for Phase II Subsurface Drip Irrigation System and \$129,571.23 for the 5.0 acres required for Phase III Subsurface Drip Irrigation System. The land acquisition for Phase II Subsurface Drip Irrigation System is for the area shown in the plat of the tract, Attachment DD-4. The land acquisition for Phase III Subsurface Drip Irrigation System is for the area shown in Attachment DD-5.
- (10) Included as **Attachment "I"** is a Breakdown of Legal Fees.
- (11) Included as **Attachment "J"** is a Breakdown of Fiscal Agent Fees.
- (12) Included as **Attachment "K"** is a Tabular Breakdown of Developer Interest.
- (13) Included as **Attachment "L"** is a Breakdown of Bond Issuance Expenses.

**SECTION 5 – DEVELOPMENT STATUS AND LAND USE**

**(A) Land Use Table:**

The following information represents development as of April 30, 2021.

LAND USES	ACREAGE	EQUIV. CONN.	
		ACTIVE	PROJECTED
<b>Developable Acreage:</b>			
Developed from prior bond issues: (See Table B below)	71.39	244	293
To be developed from the current bonds (See Table C below)	37.24	90	107
Currently developed with facilities to be funded in future bonds (See Table D below)	0	0	0
Remaining developable acreage <sup>(2)</sup> :	26.86	15	77
<b>Subtotal Developable Acreage:</b>	<b>135.49</b>	<b>349</b>	<b>516</b>
<b>Undevelopable Acreage:</b>			
Streets:	10.92	0	0
Drainage Easements: <sup>(1)</sup>	NA	0	0
Permanent Flood Plain: <sup>(1)</sup>	NA	0	0
Parks, Recreational, and Open Spaces (Includes Flood Plain and Drainage Easements):	10.53	0	0
Other:			
Wastewater Treatment Plant and Effluent Irrigation Areas (Existing and Future)	36.99	0	0
<b>Subtotal Undevelopable Acreage:</b>	<b>58.44</b>	<b>0</b>	<b>0</b>
<b>TOTALS</b>	<b>193.93</b>	<b>349</b>	<b>516</b>

(1) Floodplains and drainage easements are included in the Open Space category.

(2) The developments included are part of sections that will not be included in any Bond Application Report and are included to depict the full buildout of the District.

**(B) Development From Prior Bonds -**

SECTION	TYPE OF DEVELOPMENT	NO.OF LOTS	ACREAGE	EQUIVALENT CONNECTIONS	
				ACTIVE	AT FULL DEVELOPMENT
Phase 1, Section 1	Residential	97	20.84	97	97
	Commercial	5	10.1	1	50
	Amenity Center	1	0.75	1	1
Phase 1, Section 2	Residential	66	15.31	66	66
Phase 1, Section 3	Residential	71	19.5	71	71
Phase 2, Section 1	Restaurant	1	4.89	0	8
	<b>TOTALS</b>	<b>241</b>	<b>71.39</b>	<b>236</b>	<b>293</b>

**(C) Development From the Proposed Bonds:**

SECTION	TYPE OF DEVELOPMENT	NO.OF LOTS	ACREAGE	EQUIVALENT CONNECTIONS	
				ACTIVE	AT FULL DEVELOPMENT
Phase 2, Section 2	Apartments	1	16.72	35	48
	Commercial	1	3.06	0	3
Phase 3, Section 1	Assisted Living Facility	1	15.68	55	55
	Commercial	1	1.78	0	1
	<b>TOTALS</b>	<b>4</b>	<b>37.24</b>	<b>90</b>	<b>107</b>

**(D) Development from Future Bonds**

**At this time there is no planned future development to be included in future bonds.**

**(E) Historical Build-Out:**

<b>YEAR</b>	<b>TYPE OF DEVELOPMENT</b>	<b>NUMBER OF UNITS</b>	<b>ACREAGE/ RESERVES</b>	<b>SQUARE FOOTAGE</b>	<b>ACTIVE EQUIV. CONN.</b>	<b>ULTIMATE EQUIV. CONN.</b>
2021	Single Family	234	0	0	234	234
	Commercial	7	0	0	16	69
	Restaurant	1	0	0	0	8
	Other(Amenity Center)	1	0	0	1	1
	Assisted Living Facility	184	0	0	55	55
	Apartments	292	0	0	35	48
	Totals	719	0	0	342	415
2020	Single Family	234	0	0	234	234
	Commercial	6	0	0	1	54
	Restaurant	1	0	0	0	8
	Other(Amenity Center)	1	0	0	1	1
	Assisted Living Facility	184	0	0	55	55
	Apartments	292	0	0	30	48
	Totals	718				400
2019	Single Family	234	0	0	234	234
	Commercial	6	0	0	1	51
	Restaurant	1	0	0	0	8
	Other(Amenity Center)	1	0	0	1	1
	Assisted Living Facility	184	0	0	55	55
	Totals	426	0	0	291	349

**(F) Floodplain and Stormwater Drainage Information:**

Provided as **Attachment “N”** is the District’s Floodplain Map.

- (i) What is being done (if anything) to remove the areas of the District currently in the official floodplain?**

There are currently no residential lots or other developed area located in the FEMA Floodplain.

- (ii) Are any of the improvements proposed for purchase or construction funding through the proceeds of this bond issue currently in the official floodplain? \_\_\_ Yes X No**

(iii) Are areas currently in the official floodplain used in the build-out projections used to support this bond issue? \_\_\_ Yes  X  No

(iv) Who is charged with maintaining minimum floor slab elevations in the District area?

Hays County Environmental Health Department.

(v) Are any sites or easements to be funded in the bond issue currently in the floodplain? \_\_\_ Yes  X  No



## **SECTION 6 – SOURCE OF WATER SUPPLY AND SEWAGE TREATMENT FACILITIES**

### **(A) Water Supply:**

- (i) Water Supply Source:** The District receives retail water service from the West Travis County Public Utility Agency (WTCPUA). The District originally executed an agreement with Lower Colorado River Authority (LCRA) and 290 East Bush, Inc. on October 19<sup>th</sup>, 2006. The agreement was assigned to WTCPUA from LCRA on March 19<sup>th</sup>, 2012. According to the agreement and assignment, WTCPUA is obligated to provide retail water service to the entire District. A copy of the agreement and assignment are enclosed as **Attachment “O”**.
- (ii) Water Supply Facilities Inventory:** WTCPUA is the retail water supplier and is obligated to provide retail water services in an amount necessary to serve the District.
- (iii) Interconnects:** The District currently does not have any interconnects.
- (iv)** There are currently no other contracts for lease capacity to our knowledge.
- (v)** No special considerations or circumstances exist.
- (vi) WTCPUA is committed to serve all of the projected ESFC’s within the District.**

### **(B) Wastewater Treatment:**

- (i) Wastewater Treatment Facilities:** The District’s Texas Land Application Permit (TLAP) for treatment and disposal currently has three permit phases as follows:
  - Interim I Permit Phase - 75,000 GPD
  - Interim II Permit Phase - 100,000 GPD
  - Final Permit Phase - 150,000 GPD

The Permit is included as **Attachment “P”**.

The following facilities are constructed or approved for construction:

- 150,000 GPD wastewater treatment plant (two 75,000 GPD trains with sludge dewatering box) is constructed.
- 75,000 GPD subsurface drip irrigation system is constructed.
- Chapter 210 reuse pump station and irrigation system within the ROW of the commercial/public roadways and three other reuse customers (CMA Engineering, Trepex, and Anthem Apartments) are constructed.

- The District has construction plans and specifications approved for construction by the TCEQ for the proposed 25,000 GPD subsurface drip irrigation system expansion that is part of this BAR. After construction of the expansion, the District will be in its Interim II Permit Phase. It is expected that the expansion will take place within the next two to three years and will be funded through a bond issuance included in this BAR.
- (ii) The District proposes to use 200 GPD per ESFC to calculate wastewater treatment plant capacity. The TCEQ approval letter for this re-rating can be found as **Attachment “AA”**.
  - (iii) The District does not currently, or plan, to have any agreements for shared wastewater facilities.
  - (iv) No special conditions or circumstances exist, except that the District will be able to serve estimated buildout utilizing 30 TAC, Chapter 309, Subchapter D: Beneficial Reuse Credit.
  - (v) With the construction of the 25,000 GPD subsurface drip irrigation system, the District’s wastewater capacity will be capable of serving 500 ESFCs, which is sufficient to serve the 400 ESFCs necessary to support the feasibility of this proposed bond issue.

**(C) Storm-Water Drainage Facilities:**

- (i) **Natural Drainage Patterns:** The majority of all runoff exits the District into two natural unnamed drainage ways. These drainage ways flow into Long Branch which in turn flows into Barton Creek.
- (ii) **Drainage Systems:** All sections consist of curb and gutter drainage leading to a storm sewer system that discharges into natural drainage ways, water quality ponds, or storm water detention ponds.
- (iii) **Specific Drainage Facilities Funded in this Bond:** The facilities to be funded include the storm sewer collection facilities for Phase 2 Section 1 and 2, Phase 2 Section 2, and Phase 3 Section 1.
- (iv) **Local, State or Federal requirements for stormwater quality facilities:** Three storm water quality ponds as part of Phase 1 Sections 1 & 2 and Phase 2 Section 1 were funded with previous BARs. TCEQ’s requirements were followed when designing the storm water quality pond systems.

**SECTION 7 – BASIS OF DESIGN**

**(A) Conformity with Regulatory Requirements:**

- (i) Texas Commission on Environmental Quality: Yes  No  N/A
- (ii) City of Dripping Springs: Yes  No  N/A
- (iii) County of Hays: Yes  No  N/A
- (iv) Flood Control District: Yes  No  N/A
- (v) Commission Permit Required by V.T.C.A.,  
Water Code Section 16.236: Yes  No  N/A
- (vi) Others: None

**(B) Oversizing:**

Is the District constructing any facility with capacity in excess of that reasonably anticipated for future in-district uses?  Yes  No

**SECTION 8 – FINANCIAL INFORMATION**

**(A) Growth/No Growth:**

The economic feasibility of this bond issue is based on no growth. The highest projected taxable value shown in the cash flow schedule is \$172,886,398.

**(B) Latest Estimated Assessed Valuation: \$172,886,398 as of September 28, 2021.**

A copy of the certificate showing such valuation from the Chief Appraiser of the Hays County Appraisal District is provided as **Attachment “R”**.

**(C) Historical Tax Data:**

The following information is as of May 11, 2020.

YEAR	ASSESSED VALUATION	DEBT SERVICE TAX RATE	MAIN-TENANCE TAX RATE	AMOUNT COLLECTED	TOTAL % COLLECTED
2013	\$49,650,000	\$0.5700	\$0.2800	\$422,025	100%
2014	\$69,906,063	\$0.5000	\$0.3500	\$594,224	100%
2015	\$79,282,888	\$0.4226	\$0.4274	\$675,462	100%
2016	\$87,522,441	\$0.4708	\$0.3792	\$743,855	100%
2017	\$105,420,636	\$0.3826	\$0.4644	\$877,826	100%
2018	\$110,058,201	\$0.5500	\$0.3000	\$934,136	99.85%
2019	\$112,651,287	\$0.5500	\$0.3000	\$949,978	99.21%
2020	\$154,802,275	\$0.4930	\$0.3570	\$1,315,819	98.35%

**(D) Cash and Investment Balances:**

**CASH AND INVESTMENT BALANCES**

As of August 31, 2021

General Operating	<u>\$406,257</u>
Debt Service Fund	<u>\$266,998</u>
Capital Projects Fund	<u>\$35,858</u>
Total	<u>\$709,113</u>

**(E) Outstanding Indebtness:**

**(i) Bond Issues:**

Category	Outstanding Debt	Proposed Debt	Combined Debt	Debt Ratio based on Current Certified or Estimated Value
Water, Wastewater and Drainage	\$ 8,000,000	\$ 8,000,000	\$ 16,000,000	9.25%
Roads	\$ 0	\$ 0	\$ 0	0.00%
Firefighting	\$ 0	\$ 0	\$ 0	0.00%
Recreational	\$ 0	\$ 0	\$ 0	0.00%
<b>Total</b>	<b>\$ 8,000,000</b>	<b>\$ 8,000,000</b>	<b>\$ 16,000,000</b>	<b>9.25%</b>

Notes:

(1) Ratio based on Estimated Assessed Value of \$172,886,398

**(ii) Bond-Anticipation Notes:** None.

**(iii) Were the provisions of Commission Rule 293.54 followed in the issuance of all Bond-Anticipated Notes?** \_\_\_ Yes \_\_\_ No **X** **NA.**

**(iv) Tax-Anticipation Notes:** None.

**(v) Other Obligations:** None.

**(F) Financial Feasibility:**

**(i) Build-Out Projections: Is the feasibility of this bond issue based on growth?** \_\_\_ Yes **X** No.

**(ii) Debt Service Schedule:** A projected debt service schedule is provided as Attachment "S".

**(iii) (a) Revenue Projections: Does the District intend to use net revenues for debt service payments?** \_\_\_\_\_ Yes **X** No.

**(b) Does the District intend to use revenues received from a municipality through either a consent agreement or strategic partnership agreement for debt service payments?** \_\_\_ Yes **X** No.

- (iv) **Operating Budget:** The proposed projects will increase operating costs. However, additional maintenance tax revenue and District sewer rates from growth in the District are expected to offset the increased costs. A copy of the approved 2020/2021 operating budget is provided as **Attachment “M”**.
- (v) **Projected Cash Flow Analysis for Proposed and Existing Debt of District** Not provided. This Bond Application Report is based on No-Growth
- (vi) **No-Growth Cash Flow Analysis For Proposed and Existing Debt of District:** A projection of cash flow over the life of the proposed bond issue assuming the latest certified estimated assessed valuation remain fixed is provided as **Attachment “T”**.
- (vii) **Cash-Flow Analysis for All Overlapping Taxing Entities Specifically Attributable to Water, Wastewater, Drainage, Firefighting, Recreation or Roads:** There are no overlapping entities.
- (viii) **Combined Tax Rate:** The maximum debt service tax rate shown on the cash- flow analysis is \$0.625. The maintenance tax rate is \$0.357 for a total of \$0.982. There are no overlapping tax rates for water, wastewater, and drainage facilities. The proposed 2020/2021 budget does not include a developer advance.
- (ix) **Total Taxable Value of Area to be Taxed:** \$172,886,398 as of January 1, 2021
- (x) **Waiver of Special Appraisal:** Attachment “U” is the Agreement Executed between District and developer and any other Landowner receiving bond proceeds which permanently waives the right to claim agricultural, open-space, timberland or inventory valuation for any land, homes, or buildings with respect to taxation by the District as required by Commission Rule 293.59 (k) (8).
- (x) **Overlapping Tax Rates:**

<u>TAXING JURISDICTIONS</u>	<u>TAX YEAR</u>	<u>CURRENT TAX RATE PER \$100 VALUATION</u>	<u>PROJECTED TAX RATE PER \$100 VALUATION</u>
Hays County MUD 4	2020	\$0.9820	\$0.9820
Hays County	2020	\$0.3924	\$0.3924
Dripping Springs ISD	2020	\$1.3332	\$1.3332
North Hays County ESD #1	2020	\$0.0300	\$0.0300
Hays County ESD #6	2020	\$0.0865	\$ 0.0865
Special Road District	2020	<u>\$0.0288</u>	<u>\$0.0288</u>
		\$2.8529	\$ 2.8529

**(G) Development Status:**

**Does the district have a developer as defined by V.T.C.A. Water Code Section 49.052(d)?  X  Yes   No.**

**(i) Status of Construction:**

**(a) Does the District meet the conditions of Commission Rule 293.59(k)(6) regarding completion of facilities prior to Commission approval necessary to serve the projected development?  
 X  Yes   No.**

**1. Compliance with 293.59(k)(6)(A):  X  Yes   No   Exempt**

**2. Compliance with 293.59(k)(6)(B):  X  Yes   No   Exempt**

**3. Compliance with 293.59(k)(6)(C):  X  Yes   No   Exempt**

**4. Compliance with 293.59(k)(6)(D):  X  Yes   No   Exempt**

**5. Compliance with 293.59(k)(6)(E):  X  Yes   No   Exempt**

**(ii) Status of Growth Projected in Previous Bond Issue, if Applicable:**

Not Applicable, the district is exempt under Commission Rule 293.59(k)(11)(c) in that the combined no-growth tax rate does not exceed \$1.20 for water, wastewater, and drainage facilities.

**(H) Market Information:**

**A market study is not provided for the reason listed below:**

No growth is projected in determining the feasibility of this bond issue.

**SECTION 9 – SHARED FACILITIES**

**(A) Inventory:**

There are no shared facilities to be included in this bond application.

**(B) Calculated Pro rata Shares:**

None.

**(C) Cost Sharing Arrangements Requested for Commission Approval:**

None.

**(D) Oversizing Required by a Local Government or Other Regulatory Agency:**

None.



**SECTION 10 – PLANS, SPECIFICATIONS, OTHER CONSTRUCTION DOCUMENTS**

**(A) Plans:**

**(i) Construction Plans:**

Copies of the plans are provided separately.

**(ii) Plat:**

Copies of the plats are provided separately.

**(B) Contract Documents:**

Contract documents are provided separately.

**(C) Construction Documents:**

Construction documents are provided separately.

**(D) Check List:**

A Construction Contract Check List has been filled out and included with the Construction Documents.

## **SECTION 11 – SPECIAL CONSIDERATIONS**

### **(A) Developer Projects:**

**Are any of the projects in the proposed bond issue developer projects as defined in Commission Rule 30 TAC Section 293.44(a)(1) X Yes \_\_\_ No**

**(i) Clearing and Grubbing:** Clearing and Grubbing was a separate bid item and can be seen in **Attachment “G”** Itemized Cost Breakdown.

**(ii) Spreading and Compaction of Fill:**

**Phase 2 Section 1 - Spreading and Compaction of Fill** were included as a separate bid items and can be seen in **Attachment “G”** Itemized Cost Breakdown.

**Phase 2 Section 2 - Spreading and Compaction of Fill** were included as a separate bid items and can be seen in **Attachment “G”** Itemized Cost Breakdown.

**Phase 2 Section 2 Wastewater Alternate-** Spreading and Compaction of Fill were included as a separate bid items and can be seen in **Attachment “G”** Itemized Cost Breakdown.

**Phase 3 Section 1 - Spreading and Compaction of Fill** were included as a separate bid items and can be seen in **Attachment “G”** Itemized Cost Breakdown.

**(iii) Change in Development Plan: Do any of the projects in the proposed bond issue include the replacement or relocation of existing or designed facilities? \_\_\_ Yes X No.** There were no replacements or relocations due to a change in the development plan.

**(iv) Railroad, Pipeline or Underground Utility Relocations:** None.

**(v) Joint Use Engineering Studies:** No funding is requested for joint use engineering studies.

**(vi) Bridges and Culverts:** There are no culvert crossings included for reimbursement in this bond issue

**(vii) Proration of Dual Lake-Detention Pond: Does the project include funds for the purchase or construction of detention pond facilities which will hold water continuously for aesthetic or recreational purposes? \_\_\_Yes X No**

**(viii) Floodplain Mitigation: Does the project include funds for costs associated with the mitigation of floodplain areas? \_\_\_Yes X No**

**(B) All Projects:**

- (i) **Appraisals:** No facilities are being purchased on the basis of an appraisal.
- (ii) **Contract Review Bonds:** Are the proposed bonds contract revenue bonds?     Yes     No.
- (iii) **Impact Fees and/or Capital Recovery Fees:** Does the proposed bond issue include funding for fees calculated and collected under the provisions of V.T.C.A., Local Government Code Chapter 395 (Senate Bill 336, 1987 Regular Session)?     Yes     No.

**SECTION 12 – MISCELLANEOUS CONSIDERATIONS**

**(A) Preconstruction Documents:**

Copies of the agreements are contained in **Attachment “W”**.

**(B) Bid Advertisement:**

**Were the competitive bidding statutes complied with in each of the construction contracts executed?  X  Yes   No**

Evidence that required solicitation of written bids are included in the attached Contract Documents.

**(C) Developer’s 30% Contribution Exemption Request:**

The District has a ratio of debt (including proposed debt) to certified assessed valuation of less than 10%.

**(D) Letters of Credit, Deferment of Bond Proceeds, Other Acceptable Financial Guarantees:**

No letters of credit are required. The bond issue is no growth.

**(E) Developer Interest Reimbursement:**

A tabular breakdown of the developer interest is provided as **Attachment “K”**. The District is requesting approval to reimburse the developer for more than two years of interest. Enclosed as **Attachment “X”** is the Board order.

**(F) Land and Easement Acquisition:**

**(i) Storm Water Detention Facilities: Does the District intend to purchase easements or sites for storm water detention facilities?**  
  Yes  X  No

**(ii) Easements Outside the district’s Boundaries: Does the District intend to purchase easements outside the District’s boundaries?**  
  Yes  X  No

**(iii) Downstream Drainage Channels: Does the district intend to purchase easements to improve drainage channels downstream of the District that pass through other districts?   Yes  X  No**

**(iv) Recreational Facility Sites: Does the District intend to purchase sites for recreational facilities?   Yes  X  No**

**(G) District Participation in regional Drainage Systems:**

**Does the proposed bond issue include funds to be paid to a regional drainage authority for capacity in a regional storm water detention system?**

**Yes   X   No**

**SECTION 13 – MISCELLANEOUS INFORMATION**

**(A) Contracts with Professional Consultants:**

Executed copies of all contracts with professional consultants, whose fees are included in this bond issue, are included as **Attachment “Y”**.

**(B) Compliance with Commission Rule Section 293.111(a)(6):**

A certificate of compliance regarding wastewater connections is provided as **Attachment “Z”**.

**(C) Key Personnel:**

- |  |   |
|--|---|
| <b>(i) President,<br/>Board of Directors</b> | Brent Hammond<br>14050 Summit Drive, suite 113<br>Austin, Texas 78728<br>Phone: 512.246.0498<br>Fax: 512.716.0024   |
| <b>(ii) Attorneys</b>                        | Zachariah Evans<br>McGinnis, Lochridge<br>600 Congress Avenue<br>Suite 2100<br>Austin, Texas 78701<br>Phone: 512.495.6008<br>Fax: 512.495.6093              |
| <b>(iii) Fiscal Agent</b>                    | Christina M. Lane<br>SAMCO Capital Markets<br>6907 Capital of Texas Highway<br>Suite 230<br>Austin, Texas 78731<br>Phone: 512.343.0268<br>Fax: 512.343.0514 |
| <b>(iv) Operator</b>                         | Jesse L. Kennis II<br>Inframark<br>151 Trinity Hills Drive<br>Austin, Texas 78737<br>Phone: 512.246.0498<br>Fax: 512.716.0024                               |
| <b>(v) General Manager</b>                   | Kristi Hester<br>Inframark<br>Listed above  |

- (vi) **Tax Assessor-Collector** Jenifer O’Kane, PCC  
Hays County Tax Collector  
102 North LBJ Drive  
San Marcos, Texas 78666  
Phone: 512.393.5545  
Fax: 512.393.5517
- (vii) **Chief Appraiser,  
Hays County** Laura Raven  
Hays County Appraisal District  
21001 North IH-35  
Kyle, Texas 78640  
Phone: 512.268.2522  
Fax: 512.268.2715
- (viii) **Principal Developer** Mike Schoenfeld Sr.  
283 Clear Pond Cove  
Austin, Texas 78737  
Phone: 512.422.9243
- (ix) **Engineer** Felix J. Manka, P.E.  
CMA Engineering, Inc.  
235 Ledge Stone Dr.  
Austin, Texas 78737  
Phone: 512.432.1000  
Fax: 512.432.1015
- (x) **Bookkeeper** Megan Jones  
Inframark  
Listed Above

(D) **Reporting Requirements:**

**Has the District submitted a current Director’s Registration Form?**  
 X  Yes \_\_\_ No

**Has the District submitted a current District Information Form as required by V.T.C.A. Water Code Section 49.455?**  X  Yes \_\_\_\_\_ No

**Has the District submitted a current Audit Report or Financial Dormancy Affidavit?**  X  Yes \_\_\_ No

(F) **Name Signs:**

**Has the District posted two name signs, at two or more principal entrances to the District?**  X  Yes \_\_\_ No The District has posted a name sign at the entrance at Ledgestone Drive along with another sign at the ranch road entrance near the western boundary.

(G) **Other Information:**

**Provide any other information necessary to adequately describe or support the project:** The foregoing information should adequately support the project. Additional information will be submitted on request.