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November 9, 2020

Erik Walsh
City Manager
City of San Antonio
115 Plaza de Armas, 2nd Floor
San Antonio, Texas 78205

VIA EMAIL

Bridgett White
Planning Department Director
City of San Antonio
111 Soledad, Suite 650
San Antonio, Texas 78205

VIA EMAIL

RE: Petition for Consent to the Creation of a Fresh Water Supply District Pursuant to Chapters 49 and 53 of the Texas Water Code and Conversion to a Water Control Improvement District Pursuant to Chapter 51 of the Texas Water Code, for Property Generally Located Southwest of Tameron Valley and Legend Falls (approximately 666.69 acres), in the Extraterritorial Jurisdiction ("ETJ") of the City of San Antonio, Bexar County, Texas ("Subject Property"); *Our File No. 9059.011.*

Dear Mr. Walsh and Ms. White:

On behalf of the Petitioners, Gallagher Concourse, LP, Ltd., a Texas limited partnership, and D-W 381 Partners, LLC, a Texas limited liability company (Applicants and Property Owners), acting pursuant to the provisions of Article XVI, Section 59, Texas Constitution and Chapters 49, 51, and 53, Texas Water Code, we respectfully submit the enclosed Petition to the City of San Antonio and, pursuant to the requirements of Texas Local Government Code Section 42.042, request the written consent of the City of San Antonio to the creation of a conservation and reclamation district created and organized pursuant to the terms and provisions of Article XVI, Section 59 of the Texas Constitution and applicable chapters of the Texas Water Code including Chapters 49, 51, and 53, and the inclusion of the Subject Property therein. Please find enclosed:

1. A signed Petition submitted to Medina County for the Creation of Medina County Fresh Water Supply District No. 4 pursuant to Texas Water Code Chapters 49 and 53 (**Exhibit "1"**);
2. Layout of the Subject Property (**Exhibit "2"**);
3. FWSD District Summary and Timeline (**Exhibit "3"**); and
4. FWSD Financial Projections (**Exhibit "4"**).

Please do not hesitate to contact our office should you have any questions or need any additional information with this matter.

Thank you,

BROWN & ORTIZ, P.C.,

By: _____

Daniel Ortiz

CC: Office of the City Clerk
Rod Sanchez, Asst. City Manager

EXHIBIT "1"
**PETITION TO MEDINA COUNTY FOR THE CREATION OF MEDINA COUNTY FRESH WATER
SUPPLY DISTRICT NO. 4**

VI.

There is a necessity for the improvements above described. The territory to be included in said District is currently located within the extraterritorial jurisdiction of the City of San Antonio, Texas, and wholly within Medina County, Texas, and will be developed for primarily residential purposes. Within the area proposed to be included in the District, there is not available an adequate waterworks system, sanitary sewer system, storm sewer system, or road system, and the health and welfare of the present and future inhabitants of the District, and of the areas adjacent thereto, require the purchase, construction, acquisition, maintenance and operation of an adequate waterworks system, sanitary sewer system, storm sewer system, and road system.

VII.

The proposed improvements are feasible and practicable. There is an ample supply of water available, and the terrain of the territory to be included in the proposed District is such that a waterworks system, sanitary sewer system, storm sewer system, and road system can be constructed at a reasonable cost.

VIII.

This Petition may be executed in any number of counterparts, each of which shall constitute one and the same instrument, and either party hereto may execute this Petition by signing any such counterparts.

IX

The sum of one hundred (\$100) U.S. dollars has been deposited with the County Clerk of Medina County to cover expenses incident to the hearing on this Petition.

Wherefore, Petitioners pray:

- (1) this Petition be properly filed as provided by law;
- (2) that upon filing of this petition, the Honorable Commissioners Court of Medina County, Texas, if it is to be in session, and if not, then the Honorable County Judge of Medina County, Texas, order that a hearing be set on this Petition before said Commissioners Court or County Judge during the period beginning with the fifteenth (15th) day and ending with the thirtieth (30th) day after the date of such order;
- (3) that the County Clerk be ordered to issue notice informing all persons concerned of the time and place of such hearing and of their right to appear at the hearing and contend for or contest the creation of the District;
- (4) that such notice be given and posted as required by law by posting notice of such hearing at the courthouse door and at four (4) different places inside the proposed District for at least ten (10) days before the date of the hearing;
- (5) that said hearing be held and conducted as required by law and, if upon such hearing it be found that this Petition sets forth and conforms to the requirements of law and is signed by the owner(s) of a majority of the acreage in the proposed District, that notice of the hearing was given, that the proposed improvements are desirable, feasible, and practicable and conducive to the public health, and that the District should be created, that the Commissioners Court so find and render its judgment reciting such findings and creating and establishing the District;

RESPECTFULLY SUBMITTED this 27 day of OCTOBER, 2020.

PETITIONERS:

GALLAGHER CONCOURSE, LP, LTD.,
a Texas limited partnership

By: **Gallagher Concourse GP, LLC,**
its General Partner

By: **Gallagher Headquarters Ranch Development, Ltd.,**
its Managing Member

By: **Crockett Development, Inc.,**
its General Partner

By: 
Name: Christopher C. Hill
Title: President

D-W 381 PARTNERS, LLC,
a Texas limited liability company

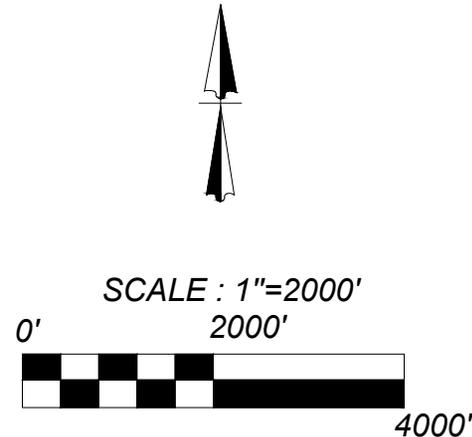
By: Dean Williams

Name: Dean N. Williams

Title: Managing Member

EXHIBIT A

EXHIBIT A



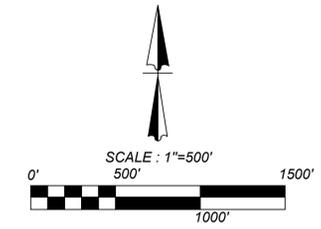
Date: Oct 22, 2020, 12:50pm User ID: cliney
File: P:\205-48-01\Design\Submittals\CAD\2021\021-Gallagher Tract Boundary.dwg



GALLAGHER TRACT MEDINA COUNTY, TEXAS BOUNDARY EXHIBIT

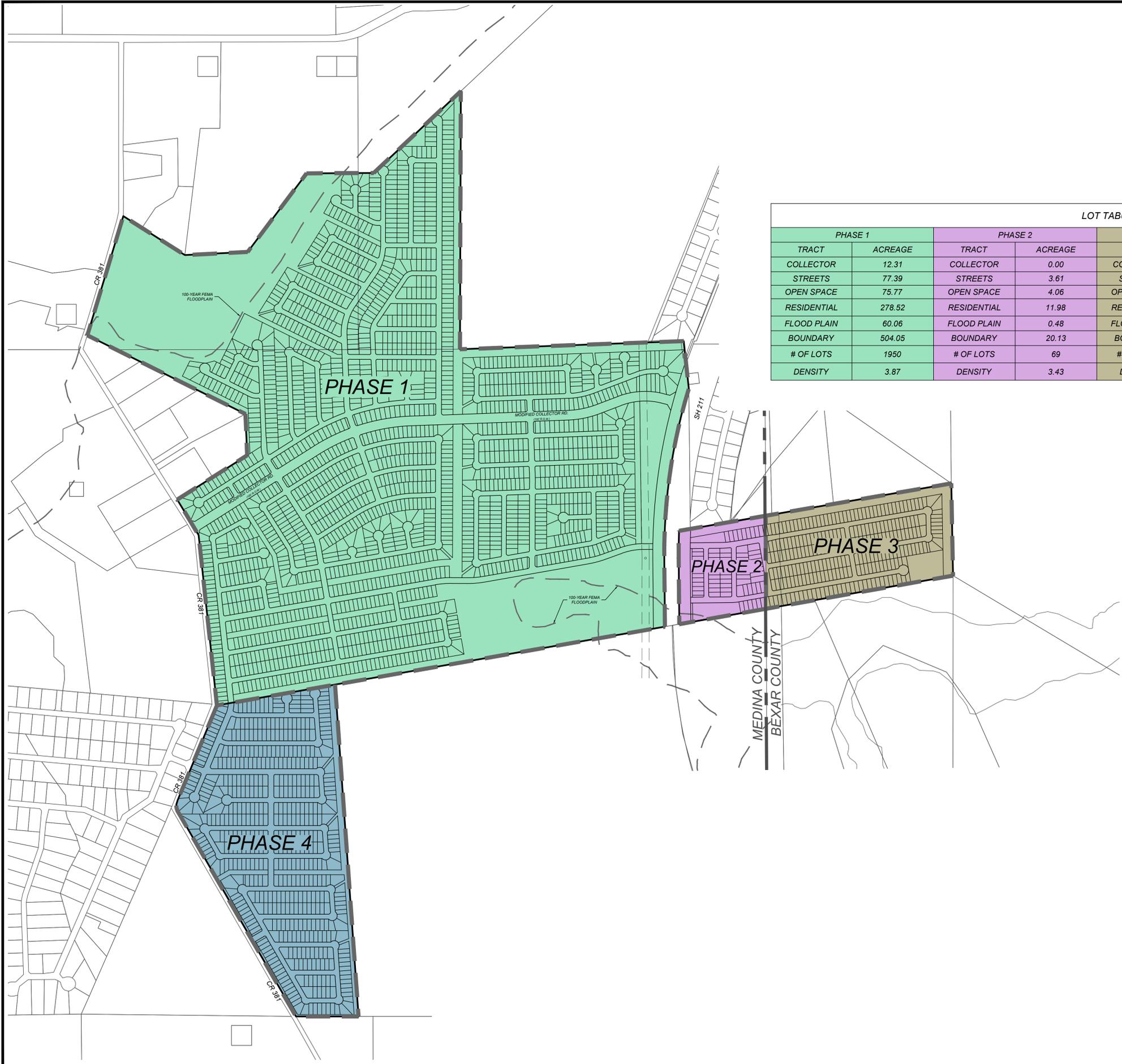
REVISIONS: JOB NO. 205-48-01 DATE: OCTOBER 2020 DESIGNER: CL DRAWN: CL CHECKED: BL	ISSUE DATE: <div style="text-align: center; font-weight: bold; font-size: 1.2em;">SHEET: 1 OF 1</div>
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EXHIBIT "2"
PROPERTY LAYOUT



LOT TABULATION TABLE

PHASE 1		PHASE 2		PHASE 3		PHASE 4		TOTALS
TRACT	ACREAGE	TRACT	ACREAGE	TRACT	ACREAGE	TRACT	ACREAGE	ACERAGE
COLLECTOR	12.31	COLLECTOR	0.00	COLLECTOR	0.00	COLLECTOR	0.00	12.31
STREETS	77.39	STREETS	3.61	STREETS	7.01	STREETS	19.96	107.97
OPEN SPACE	75.77	OPEN SPACE	4.06	OPEN SPACE	8.48	OPEN SPACE	7.74	96.05
RESIDENTIAL	278.52	RESIDENTIAL	11.98	RESIDENTIAL	27.44	RESIDENTIAL	71.88	389.82
FLOOD PLAIN	60.06	FLOOD PLAIN	0.48	FLOOD PLAIN	0.00	FLOOD PLAIN	0.00	60.54
BOUNDARY	504.05	BOUNDARY	20.13	BOUNDARY	42.93	BOUNDARY	99.58	666.69
# OF LOTS	1950	# OF LOTS	69	# OF LOTS	245	# OF LOTS	536	2800
DENSITY	3.87	DENSITY	3.43	DENSITY	5.71	DENSITY	5.38	4.20



KFW
ENGINEERS + SURVEYING
 10251
 Phone #: (210) 878-8444 • Fax #: (210) 878-8441
 TBPE Firm #: 9513 • TBPE S Firm #: 1012300

ISSUE DATE
 REVISIONS

**GALLAGHER TRACT
 LOT LAYOUT EXHIBIT**

JOB NO. M
 DATE: OCTOBER, 2020
 DRAWN: JA CHECKED: CL

SHEET NUMBER:

Date: Nov 05, 2020, 2:46pm User ID: cdimney
 File: P:\205\46\07\Marketing\VID\20201105-Overall Layout.dwg

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EXHIBIT "3"
FWSD SUMMARY AND TIMELINE

112 E. PECAN STREET
SUITE 1360
SAN ANTONIO, TEXAS 78205
TELEPHONE: 210.299.3704
FAX: 210.299.4731

**MEDINA COUNTY FRESH WATER SUPPLY DISTRICT NO. 4
SUMMARY**

1. Fresh Water Supply District

- a. Name: Medina County Fresh Water Supply District No. 4
- b. Applicant/Property Owner(s): Gallagher Concourse, LP, Ltd. and D-W 381 Partners, LLC
- c. Applicant/Developer: Daphne Development, LLC
- d. Jurisdiction: Bexar County and Medina County (City of San Antonio's Extraterritorial Jurisdiction)
- e. Bexar County Precinct: Precinct No. 1
- f. Acreage: Approximately 666.9 acres
- g. Yancey Water Supply Corporation CCN and San Antonio Water System CCN

2. Statutory Authority

- a. The Medina County Fresh Water Supply District No. 4 ("District") would be a Fresh Water Supply District created pursuant to Article 16, Section 59 of the Texas Constitution and Chapters 49 and 53 of the Texas Water Code with the power to assess ad valorem tax at a rate not to exceed the City's tax rate. Ultimately, the District will convert to a Water Control Improvement District with the authority and powers pursuant to Article 16, Section 59 of the Texas Constitution and Chapters 49 and 51 of the Texas Water Code.

3. Project

- a. Approximately 2,800 Single Family Homes
- b. Proposed On-Site Improvements: Individual Lot Improvements (onsite) and Streetscape Improvements, Regional Thoroughfare Improvements
- c. Proposed Off-Site Improvements: Offsite Regional Water Line Improvements; Electric Improvements
- d. Improvements are dependent on phasing/adjacent platting; other developer improvements, and reimbursements through the District
- e. Improvement Costs: approximately \$95,485,672 for onsite/total Improvement Cost
- f. District Revenue: approximately \$82,735,614 over 30 years



112 E. PECAN STREET
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Medina County Fresh Water Supply District No. 4 Creation Timeline

Item	Date
Submit Petition for FWSD Creation to Medina County <i>(Petition submitted electronically to County legal representative)</i>	October 29, 2020
Meet with CoSA staff to discuss FWSD and Conversion to WCID	November 5-6, 2020
Provide CoSA Courtesy Copy of Filed FWSD Petition, Summary, Timeline, Boundary Exhibit, and Estimated Project Costs	November 6, 2020
FWSD Petition Presented to Medina County Commissioners Court	November 19, 2020
Negotiate and Finalize Development Agreement/Strategic Partnership Agreement with CoSA	November 30, 2020
Notice of Commissioners Court Hearing posted at Medina County Courthouse Door (1100 16 th St., Hondo, TX 78861) and 4 locations within proposed district and possibly within San Antonio Express-News and Hondo Anvil Herald <i>(At least 10 days before Commissioners Court Hearing)</i>	December 7, 2020
Planning Commission Meeting <i>(consideration of a formal recommendation for a City resolution granting consent to FWSD/WCID establishment pursuant to TLGC §42.042)</i>	December 16, 2020
CoSA City Council Meeting <i>(consideration of a formal recommendation for a City resolution granting consent to the establishment of the FWSD and WCID and a City ordinance approving the Development Agreement and SPA)</i>	December 17, 2020
Medina County Commissioners Court Hearing to Create FWSD, and if approved, appointment of 5 Temporary Supervisors	December 17, 2020 <i>(or, if possible, a special meeting before end of the year)</i>

EXHIBIT "4"
FWSD FINANCIAL PROJECTIONS

WCID

Year #	Year	Housing Units on the Ground	Taxable Basis Per Unit	Total Taxable Basis	Ad Valorem Tax /100 * \$.558270	Cumulative	Expenses for Public Infrastructure	Cumulative WCID Fund Balance
1	2023	100	\$300,000	\$30,000,000	\$167,481	\$167,481	\$15,682,940	-\$15,515,459.00
2	2024	200	\$300,000	\$60,000,000	\$334,962	\$502,443	\$3,309,108	-\$18,489,605
3	2025	300	\$300,000	\$90,000,000	\$502,443	\$1,004,886	\$5,218,579	-\$23,205,741
4	2026	400	\$300,000	\$120,000,000	\$669,924	\$1,674,810	\$2,026,508	-\$24,562,325
5	2027	500	\$300,000	\$150,000,000	\$837,405	\$2,512,215	\$6,337,327	-\$30,062,247
6	2028	600	\$325,000	\$195,000,000	\$1,088,627	\$3,600,842	\$4,694,316	-\$33,667,937
7	2029	700	\$325,000	\$227,500,000	\$1,270,064	\$4,870,906	\$2,411,288	-\$34,809,160
8	2030	800	\$325,000	\$260,000,000	\$1,451,502	\$6,322,408	\$2,154,768	-\$35,512,426
9	2031	900	\$325,000	\$292,500,000	\$1,632,940	\$7,955,348	\$4,146,646	-\$38,026,133
10	2032	1000	\$325,000	\$325,000,000	\$1,814,378	\$9,769,725	\$2,026,508	-\$38,238,263
11	2033	1100	\$325,000	\$357,500,000	\$1,995,815	\$11,765,540	\$3,257,804	-\$39,500,252
12	2034	1200	\$325,000	\$390,000,000	\$2,177,253	\$13,942,793	\$3,796,496	-\$41,119,495
13	2035	1300	\$325,000	\$422,500,000	\$2,358,691	\$16,301,484	\$2,513,896	-\$41,274,700
14	2036	1400	\$350,000	\$490,000,000	\$2,735,523	\$19,037,007	\$2,821,720	-\$41,360,897
15	2037	1500	\$350,000	\$525,000,000	\$2,930,918	\$21,967,925	\$1,513,468	-\$39,943,448
16	2038	1600	\$350,000	\$560,000,000	\$3,126,312	\$25,094,237	\$1,256,948	-\$38,074,084
17	2039	1700	\$350,000	\$595,000,000	\$3,321,707	\$28,415,943	\$2,539,548	-\$37,291,925
18	2040	1800	\$350,000	\$630,000,000	\$3,517,101	\$31,933,044	\$4,342,242	-\$38,117,066
19	2041	1900	\$350,000	\$665,000,000	\$3,712,496	\$35,645,540	\$2,000,856	-\$36,405,427
20	2042	2000	\$350,000	\$700,000,000	\$3,907,890	\$39,553,430	\$2,847,372	-\$35,344,909
21	2043	2100	\$350,000	\$735,000,000	\$4,103,285	\$43,656,714	\$3,145,577	-\$34,387,201
22	2044	2200	\$400,000	\$880,000,000	\$4,912,776	\$48,569,490	\$2,924,328	-\$32,398,753
23	2045	2300	\$400,000	\$920,000,000	\$5,136,084	\$53,705,574	\$2,486,641	-\$29,749,310
24	2046	2400	\$400,000	\$960,000,000	\$5,359,392	\$59,064,966	\$2,308,680	-\$26,698,598
25	2047	2500	\$400,000	\$1,000,000,000	\$5,582,700	\$64,647,666	\$3,373,238	-\$24,489,136
26	2048	2600	\$400,000	\$1,040,000,000	\$5,806,008	\$70,453,674	\$3,783,670	-\$22,466,798
27	2049	2700	\$400,000	\$1,080,000,000	\$6,029,316	\$76,482,990	\$2,565,200	-\$19,002,682
28	2050	2800	\$400,000	\$1,120,000,000	\$6,252,624	\$82,735,614	\$0	-\$12,750,058
29	2051	0	\$0	\$0	\$0	\$82,735,614	\$0	-\$12,750,058
30	2052	0	\$0	\$0	\$0	\$82,735,614	\$0	-\$12,750,058
TOTALS:					\$82,735,614	\$82,735,614	\$95,485,672	

**BOND AUTHORIZATION REQUIREMENT
WATER, SANITARY SEWER, DRAINAGE, UTILITIES, DETENTION PONDS, AND FLOODPLAIN
SUMMARY OF ESTIMATED PROJECT COSTS
BEXAR COUNTY, TEXAS**

CONSTRUCTION COSTS	AMOUNT
Onsite Developer Items	
1. Water, Sanitary Sewer, Drainage Facilities, Utilities, Detention Ponds, and Floodplain	\$ 35,100,000
2. Contingencies (20% of Item 1)	\$ 7,020,000
Subtotal	\$ 42,120,000
3. Engineering (15% of Items 1-2)	\$ 6,318,000
4. Geotech and Materials Testing (3% of Items 1-2)	\$ 1,263,600
5. SWPPP Compliance (3% of Items 1-5)	\$ 1,263,600
6. Escalation of Construction Cost (10 yrs@ 6% of Items 1-5)	\$ 3,057,912
Subtotal Onsite Developer Contribution Items	\$ 54,023,112
Offsite Developer Items	
1. Sanitary Sewer	\$ 4,000,000
2. Water Main	\$ 800,000
3. Water Tower	\$ 2,000,000
4. Contingencies (20% of Item 1)	\$ 800,000
Subtotal	\$ 7,600,000
3. Engineering (15% of Items 1-2)	\$ 1,140,000
4. Geotech and Materials Testing (3% of Items 1-2)	\$ 228,000
5. SWPPP Compliance (3% of Items 1-2)	\$ 228,000
6. Escalation of Construction Cost (10 yrs@ 6% of Items 1-5)	\$ 551,760
7. Land Acquisition (7 AC @ \$65,000/acre)	\$ 420,000
Subtotal Offsite Developer Contribution Items	\$ 10,167,760
TOTAL CONSTRUCTION COSTS	\$ 64,190,872.00

**BOND AUTHORIZATION REQUIREMENT
ROAD BONDS
SUMMARY OF ESTIMATED PROJECT COSTS
BEXAR COUNTY, TEXAS**

CONSTRUCTION COSTS	AMOUNT
Onsite Roadway Construction	
1. Road Facilities	\$ 31,400,000
2. Hwy 211 Improvements	\$ 750,000
2. Right-of-Way Landscaping	\$ 1,500,000
3. Contingencies (20% of Items 1-2)	\$ 6,730,000
Subtotal	\$ 40,380,000
4. Engineering (15% of Items 1-3)	\$ 6,057,000
5. Geotech and Materials Testing (3% of Items 1-3)	\$ 1,211,400
6. SWPPP Compliance (3% of Items 1-3)	\$ 1,211,400
7. Escalation of Construction Cost (10 yrs@ 6% of Items 1-6)	\$ 2,931,588
Subtotal Onsite Developer Contribution Items	\$ 51,791,388
TOTAL CONSTRUCTION COSTS	\$ 51,791,388.00

**BOND AUTHORIZATION REQUIREMENT
RECREATIONAL FACILITIES
SUMMARY OF ESTIMATED PROJECT COSTS
BEXAR COUNTY, TEXAS**

CONSTRUCTION COSTS	AMOUNT
Onsite Developer Items	
1. Recreational Facilities	\$ 1,500,000
2. Contingencies (20% of Item 1)	\$ 300,000
Subtotal	\$ 1,800,000
3. Engineering (15% of Items 1-2)	\$ 270,000
4. Geotech and Materials Testing (3% of Items 1-2)	\$ 54,000
5. SWPPP Compliance (3% of Items 1-5)	\$ 54,000
6. Escalation of Construction Cost (10 yrs@ 6% of Items 1-5)	\$ 130,680
Subtotal Onsite Developer Contribution Items	\$ 2,308,680
TOTAL CONSTRUCTION COSTS	\$ 2,308,680.00