

# EXHIBIT 1

## RIO DE VIDA IMPROVEMENT DISTRICT NO. 1

### CITY OF AUSTIN APPLICATION FOR CONSENT TO CREATION OF A WATER DISTRICT

#### SECTION V.A – DISTRICT INFORMATION SUMMARY

1. The name of the proposed District is Rio De Vida Improvement District No. 1.
2. The acreage of the proposed District is 2,130 acres.
3. The name and phone number of the applicant is:  
  
TXI Operations, LP  
Barry Bone  
972-647-3707
4. The name and phone number of the applicant's agent is:  
  
Coats Rose Yale Ryman and Lee  
John M. Joseph  
512-541-3593
5. The name and phone number of the applicant's engineer is:  
  
Jones & Carter, Inc.  
Gregory T. Bourgeois, P.E.  
512-441-9493
6. The proposed district is located on both the east and west sides of State Highway 130 between FM 969 and the Colorado River. A location map showing the boundaries of the proposed district, the limited and full purpose City limits, and the City grid numbers is included as Exhibit A-1.
7. The existing population of the proposed district is zero. All land within the proposed district has been used as a sand and gravel mining operation for approximately the past 30 years.
8. The projected population of the proposed district is 15,530 residents and 9,000 new jobs.
9. The projected number of residential units by type is:  
  

|                                  |             |
|----------------------------------|-------------|
| Single Family Detached           | 1,370 units |
| Single Family Attached/Townhomes | 1,143 units |
| Condo Mansions                   | 1,505 units |
| Urban Apartments                 | 4,055 units |
10. The average residential density is 5.4 dwelling units/acre or 24.7% residential land use. The density was calculated using the combined area of residential tracts (366 acres) and open space adjacent to the residential tracts (1,115 acres) as the basis and 8,073 as the total number of dwelling units.
11. The projected number of LUEs of water and wastewater is 12,000.

## EXHIBIT 1

12. The nature of water and wastewater service will depend on the service provider, but it could include one or more of the following options currently available: City of Austin water service through line extensions from the City system; wastewater service through the South Austin Regional wastewater treatment plant; Hornsby Bend Utility Company water service through a 24" transmission main delivering ground water from the Carrizo Wilcox Aquifer through a contract with a 3<sup>rd</sup> party; and/or Hornsby Bend Utility Company wastewater service through an existing/expanded wastewater treatment plant just south of Austin's Colony.

The proposed district lies within the Certificates of Convenience and Necessity (CCN) of Hornsby Bend Utility Company and the City of Austin. The water CCN's are shown on Exhibit A-2, and the wastewater CCN's are shown on Exhibit A-3. Currently, the water and wastewater CCN holder is Hornsby Bend Utility Company on the east side of the electric transmission main running N-S in the District just east of SH 130. On the west side of the SH 130 and a small portion of the east side, the City of Austin is the CCN holder for both water and wastewater.

13. The options for the proposed water and wastewater rates are currently being evaluated. The district could receive service as either a wholesale or retail customer from Hornsby Bend Utility Company and the City of Austin. If the district were to be a retail customer, then the rates currently in place for each entity (as provided in Exhibit A-4) would go into effect.
14. There are no monthly surcharges or special rates proposed.
15. The projected total tax rate (operations and debt service) for the proposed district is \$1.10 per \$100 of assessed valuation. See Section H of this application for details of the rate calculation.
16. Preliminary cost estimates of the proposed improvements to be funded by the district are included in Section A in Exhibit A-5.
17. The total bond issue requirement for the District is \$405,350,000. A summary is provided as Exhibit A-5.
18. The District is necessary in order to provide adequate water distribution facilities, wastewater collection facilities, roadway system with necessary drainage and water quality facilities, and park facilities to serve the proposed development within the District's boundaries. The proposed development should have no adverse impact on land elevation, subsidence, groundwater levels, recharge capacity of groundwater sources, natural runoff rates, drainage, or water quality. The District tax rate of \$1.10 per \$100 of assessed valuation at 100% reimbursement is very reasonable and acceptable for this type of development. The total combined tax rate of \$3.36 per \$100 of assessed valuation at 100% reimbursement is also considered reasonable and acceptable for a development of this type. Based on our preliminary engineering study, the improvements planned for the District are feasible, practical and will be beneficial to all land within the District's boundaries.

