



Control Number: 42950



Item Number: 1

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83rd
Legislature, Regular Session, transferred the functions
relating to the economic regulation of water and sewer
utilities from the TCEQ to the PUC effective
September 1, 2014.

**APPLICATION FOR SALE, TRANSFER,
OR MERGER OF A RETAIL PUBLIC UTILITY**

*RN# 101527513 *CN# 603110768 *If known (See instructions)

RECEIVED

2014 SEP 22 AM 9:53

1. Proposed action of application (check all the boxes that apply):

| | | | | | |
|---|---|----------------------------------|--------|--|-------|
| <input checked="" type="checkbox"/> Sale of | <input checked="" type="checkbox"/> All | <input type="checkbox"/> Portion | of the | <input checked="" type="checkbox"/> Water system(s) under CCN No.: | 13174 |
| <input type="checkbox"/> Acquisition | | | | <input checked="" type="checkbox"/> Sewer system(s) under CCN No.: | 21037 |
| <input type="checkbox"/> Lease/Rental | | | | | |

| | | | | | |
|---|---|----------------------------------|--------|---|-------|
| <input checked="" type="checkbox"/> Transfer of | <input checked="" type="checkbox"/> All | <input type="checkbox"/> Portion | of the | <input type="checkbox"/> Certificated water service area – CCN No.: | 13174 |
| | | | | <input type="checkbox"/> Certificated sewer service area – CCN No.: | 21037 |

If only a portion of a system or certificated service area is affected by this transaction, please specify the areas or subdivision involved:

| |
|---------------------------------------|
| Entire Bender Creek Apartment Complex |
|---------------------------------------|

and to:

| | |
|--|--|
| <input checked="" type="checkbox"/> Obtain a CCN for the transferee (purchaser) – indicate if purchaser will take the seller's CCN YES | |
| <input type="checkbox"/> Amend the transferee's CCN No.: | |
| <input type="checkbox"/> Merge or consolidate public utilities | |
| <input type="checkbox"/> Cancel CCN of the transferor (seller) | |

2. Proposed effective date of this transaction: Upon Approval

(Must be at least 120 days after proper notice is provided)

**QUESTIONS 3 THROUGH 5 APPLY TO THE TRANSFEROR
(CURRENT SERVICE PROVIDER OR SELLER)**

3. For the current CCN holder or service provider please indicate:

A. Name: BCWK, L.P.

(Individual, Corporation or Other Legal Entity)

Who is a(n): of ☐ Individual ☒ Corporation ☐ WSC ☐ HOA or POA ☐ Other

B. Utility Name (if different than above):

Address: 2134 NW 7 Highway, Blue Springs, MO 64014 Telephone: (AC) 8162288222

C. Contact person. Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney or accountant.

| | |
|---|--|
| Name: Ms. Rosetta Parker | Title: Manager |
| Address: 2134 NW7 Highway, Blue Springs, MO 64014 | Telephone: (AC) 816 228-8222 |
| Fax: 816 228-1974 | Email: RosettaEParker@premiermgmt inc.net |

4. About the last rate increase for the system or facilities being transferred: None
A. What was the effective date of the last rate increase?

B. Was notice of this increase provided to the Texas Commission on Environmental Quality or its predecessors?

☒ No ☐ Yes- Application/Docket Number: Date

5. Please provide a list of all customers affected by this transaction who have deposits held by the transferor or seller utility, if any, and include the following information (attach additional sheets if necessary):

| Name and Address of Utility Customer | Date of Deposit | Amount of Deposit | Amount of Unpaid Interest on Deposit |
|--------------------------------------|-----------------|-------------------|--------------------------------------|
| None | | | |
| | | | |
| | | | |
| | | | |
| | | | |

☞ Within 30 days of the actual transaction date, and prior to the transfer of the certificate by the TCEQ, the seller must provide proof to the Commission that these customer deposits were returned to the customers or transferred to the purchasing utility. Proof should include a sworn affidavit.

☞ **QUESTIONS 6 THROUGH 16 REFER TO
THE TRANSFeree OR PURCHASER**

6. For the person or entity acquiring the facilities and/or CCN:

Applicant: BC Humble Enterprises, L.L.C.
(Individual, Corporation, or Other Legal Entity)

Utility Name:
(If different than above)

Utility Address: 7115 West Tidwell, Suite K 110 Houston, Texas 77092

Fax: 713-691-8180 Email: goldkellc@yahoo.com Telephone (AC): 281-374-0554

CCN Numbers held prior to the filing of this application: None

7. Check the appropriate box and provide information regarding the legal status of the transferee applicant:

- ☐ Individual
☐ Home or Property Owners Association
☐ Partnership; attach copy of partnership agreement
☒ Corporation; provide charter number as recorded with the Office of the Secretary of State for Texas: File No. 0801512650
☐ Non-profit, member-owned, member-controlled Cooperative Corporation (Article 1434(a) Water Supply or Sewer Service Corporation); provide charter number:
☐ Municipally-owned utility
☐ District (MUD, SUD, WCID, etc.)
☐ County
☐ Other (please explain):

8. If the applicant is an *Individual* or sole proprietorship, provide the following information. If not, skip to the next question.

| | | | |
|-----------------|--|-----------|--|
| Name: | | Email | |
| Address | | | |
| Telephone (AC): | | Fax (AC): | |

9. If the applicant is other than an *Individual* provide the following information regarding the officers or partners of the legal entity applying for the transfer. You must complete either question 8 or question 9, whichever applies to the transferee applicant.

| | | | |
|-----------|--------------------------------------|------------------------------|--------------|
| •Name: | Charles Goldsmith | Telephone (AC): | 337-781-2062 |
| Address: | 59 Wincrest Falls, Cypress, TX 77429 | | |
| Position: | Owner | Ownership % (if applicable): | 34 |

| | | | |
|-----------|--------------------------------------|------------------------------|----|
| •Name: | Bernita Goldsmith | Telephone (AC): | |
| Address: | 59 Wincrest Falls, Cypress, TX 77429 | | |
| Position: | | Ownership % (if applicable): | 33 |

| | | | |
|-----------|--------------------------------------|------------------------------|----|
| •Name: | Javon Walker | Telephone (AC): | |
| Address: | 59 Wincrest Falls, Cypress, TX 77429 | | |
| Position: | | Ownership % (if applicable): | 33 |

| | | | |
|-----------|--|------------------------------|--|
| •Name: | | Telephone (AC): | |
| Address: | | | |
| Position: | | Ownership % (if applicable): | |

| | | | |
|-----------|--|------------------------------|--|
| •Name: | | Telephone (AC): | |
| Address: | | | |
| Position: | | Ownership % (if applicable): | |

| | | | |
|-----------|--|------------------------------|--|
| •Name: | | Telephone (AC): | |
| Address: | | | |
| Position: | | Ownership % (if applicable): | |

- Attach additional sheet(s) if necessary -

- Important:** • If the applicant is a for-profit corporation, please provide a copy of the corporation's "Certification of Account Status" from the State Comptroller Office. This "Certification of Account Status" can be obtained from:

Texas Comptroller of Public Accounts

P. O. Box 13528, Capitol Station
Austin, Texas 78711
1-800-252-5555

- If the applicant is an Article 1434a water supply or sewer service corporation or other non-profit corporation, please provide a copy of the Articles of Incorporation and By-Laws.

Please see Exhibit A.

10. Contact person. Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney or accountant.

| | | | |
|-------------------------------------|--|-----------------|---------------------------------|
| Name: | Victoria Richards Harkins, Ph.D., P.E., D.WRE. | Title: | Consultant |
| Address: | 3300 Lost Oasis Hollow | Telephone (AC): | 512-784-8511 |
| Fax # | 512-280-1462 | Email | Vharkins@harkinsengineering.com |
| Relationship to the applicant: None | | | |

IF THERE ARE MORE THAN TWO PARTIES INVOLVED IN THIS TRANSACTION, PLEASE ATTACH SHEETS PROVIDING THE INFORMATION REQUIRED IN QUESTION 6 THROUGH QUESTION 10 FOR EACH PARTY

11. Please respond to each of the following questions. Attach additional sheets if necessary.

- A. Describe the experience and qualifications of the applicant to provide adequate utility service to the requested area

The applicant has retained the services of Mr. Tracy Ragsdale of Aqua Industries. Mr. Ragsdale has operated the systems for numerous years and is licensed in the state of Texas. BC Humble Enterprises, L.L.C. also has retained the services of Excellence Property Management for on-site services.

- B. Has the applicant acquiring the CCN or facilities or an affiliated interest of the applicant been under enforcement action by the TCEQ, Texas Department of Health (TDH), the Office of the Attorney General (OAG) or the Environmental Protection Agency (EPA) in the past for noncompliance with rules, orders or State Statutes? ☐ Yes ☒ No

If yes, please attach copies of any correspondence with these regulatory agencies concerning these enforcement actions and describe any actions and efforts to comply with those requirements. Attach additional sheets if needed.

None

- C. Describe the source and availability of funds required to make the planned or required improvements, if any, to meet minimum requirements of the TCEQ and ensure continuous and adequate service.

Cash on hand

- D. Describe the anticipated impact of this transaction on the quality of utility service and explain any anticipated changes in the quality of service.

There will be no change in utility service. Service is provided to an apartment complex with the same business office, same payment options, and operator.

- E. How will the transaction serve the public interest?

Service will be provided that meets or exceeds TCEQ minimum standards for service, production, and collection.

12. Please describe the nature of the proposed transaction:

Sale between two for profit entities, BCWK, L.P. to B C Humble Enterprises, L.L.C.

13. If the transferee applicant is an Investor Owned Utility (IOU) and will be under the rate jurisdiction of the TCEQ, please provide the following information. Water supply or sewer service corporations and political subdivisions of the state should mark this section N/A:

- A.
- Total Purchase Price:
 - Total Original Cost (as recorded on books of seller or merging entity):
 - Accumulated Depreciation as of the proposed effective date of the transaction:
 - Contributions in Aid of Construction:

- Specific surcharges approved by TCEQ:
- Revenues from explicit customer agreements:

- Developer Contributions (please explain):

- Other Contributions (please explain):

Total Contributions in Aid of Construction

- Net Book Value:

☞ If the Original Cost or any of the above items has been established in a rate case proceeding by the PUC, the TWC or the TCEQ, please provide the Application/Docket Number and date:

Application/Docket Number: Date:

☞ If the applicant is not under the rate jurisdiction of the TCEQ, only the purchase price and information related to Contributions in Aid of Construction is required.

- B. Please provide any other information concerning the nature of the transaction you believe should be given consideration if not explained elsewhere in the application.
[attach additional sheet(s) if necessary]:

| |
|--|
| |
|--|

C. Complete the following proposed entries listed below as shown in books of purchasing (or surviving) company. Additional entries may be made; the following are suggested only, and not intended to pose descriptive limitations.

| | |
|------------------------------------|---------|
| Utility Plant in Service: | 200,000 |
| Plant Acquisition Adjustment: | |
| Extraordinary Loss on Purchase: | |
| Accumulated Depreciation of Plant: | |
| Cash: | |
| Notes Payable: | |
| Mortgage Payable: | |
| Others (please list): | |

As the purchaser, I understand that it is **my responsibility** in any future rate proceeding to provide written evidence and support for the original cost and installation date of all facilities used and useful for providing utility service.

Purchaser's Initials: CE Date: 7/2/2013

14. ☒ Please indicate the proposed effect of this transaction on the rates to be charged to the affected customers:
☒ All the customers will be charged the same rates as they were charged before the transaction.
☐ Some ☐ All customers will be charged different rates than they were charged before the transaction.

If rates are changing, please explain:

| |
|--|
| |
|--|

☐ Applicant is an IOU and intends to file with the Commission or municipal regulatory authority an application to change rates of some/all of its customers as a result of this transaction. If so, please explain:

| |
|--|
| |
|--|

☐ Other. Please explain:

| |
|--|
| |
|--|

15. List all neighboring water and /or sewer utilities, cities, and political subdivisions providing the same service within two (2) miles of area affected by this proposed transaction. This information should be available from the water utility database (WUD) or Applicant's licensed water operator.

Please See Exhibit B.

16. Financial, Managerial and Technical information for the acquiring entity.

Section 1.01 HISTORICAL BALANCE SHEETS

| | CURRENT YEAR (A) | A-1 YEAR | A-2 YEAR | A-3 YEAR | A-4 YEAR | A-5 YEAR |
|--|---------------------|----------|----------|----------|----------|----------|
| CURRENT ASSETS | | | | | | |
| Cash | 0 | | | | | |
| Accounts Receivable | 0 | | | | | |
| Inventories | | | | | | |
| Income Tax Receivable | | | | | | |
| Other | | | | | | |
| Total | 0 | | | | | |
| FIXED ASSETS | | | | | | |
| Land | 24,041 | | | | | |
| Collection/Distribution System | 200,000 | | | | | |
| Buildings | | | | | | |
| Equipment | | | | | | |
| Other | | | | | | |
| Less: Accum. Depreciation or Reserves | | | | | | |
| Total | | | | | | |
| TOTAL ASSETS | 224,041 | | | | | |
| CURRENT LIABILITIES | | | | | | |
| Accounts Payable | 17,226 | | | | | |
| Notes Payable, Current | | | | | | |
| Accrued Expenses | 23,956 | | | | | |
| Other | | | | | | |
| TOTAL | 41,182 | | | | | |
| LONGTERM LIABILITIES | | | | | | |
| Notes Payable, Long-term | | | | | | |
| Other | | | | | | |
| TOTAL LIABILITIES | 0 | | | | | |
| OWNER'S EQUITY | | | | | | |
| Paid in Capital | | | | | | |
| Retained Equity | | | | | | |
| Other | | | | | | |
| Current Period Profit or Loss | 41,182 | | | | | |
| TOTAL OWNER'S EQUITY | 24,041 | | | | | |
| TOTAL LIABILITIES AND EQUITY | 65,223 | | | | | |
| WORKING CAPITAL | | | | | | |
| CURRENT RATIO | | | | | | |
| DEBT TO EQUITY RATIO EQUITY TO TOTAL ASSETS | | | | | | |

Section 1.02 HISTORICAL INCOME STATEMENT

| | CURRENT YEAR (A) | A-1 YEAR | A-2 YEAR | A-3 YEAR | A-4 YEAR | A-5 YEAR |
|------------------------------------|---------------------|-----------------|----------|----------|----------|----------|
| METER NUMBER | | | | | | |
| Existing Number of Taps | 110 | At build out | | | | |
| New Taps Per Year | 0 | | | | | |
| Total Meters at Year End | 110 | | | | | |
| METER REVENUE | | | | | | |
| Fees Per Meter | | | | | | |
| Cost Per Meter | | | | | | |
| Operating Revenue Per Meter | 385.00 | | | | | |
| GROSS WATER REVENUE | | | | | | |
| Fees | | | | | | |
| Other | | | | | | |
| Gross Income | 42300 | | | | | |
| OPERATING EXPENSES | | | | | | |
| General & Administrative | 41,423 | | | | | |
| Interest | | | | | | |
| Other | | | | | | |
| NET INCOME | 877 | | | | | |

Section 1.03 HISTORICAL EXPENSES STATEMENT

| | CURRENT YEAR (A) | A-1 YEAR | A-2 YEAR | A-3 YEAR | A-4 YEAR | A-5 YEAR |
|--|---------------------|----------|----------|----------|----------|----------|
| GENERAL/ADMINISTRATIVE EXPENSES | | | | | | |
| Contractor | | | | | | |
| Office Expense, Billing | 1142.53 | | | | | |
| Computer Expense | | | | | | |
| Auto Expense | | | | | | |
| Insurance Expense | | | | | | |
| Telephone Expense | 347.27 | | | | | |
| Utilities Expense | 6386 | | | | | |
| Depreciation Expense | | | | | | |
| Property Taxes | | | | | | |
| Professional Fees | 650 | | | | | |
| Other | | | | | | |
| Total | 0 | | | | | |
| % Increase Per Year | | | | | | |
| OPERATIONAL EXPENSES | | | | | | |
| Contractor | 13800 | | | | | |
| Auto Expense | | | | | | |
| Utilities Expense | | | | | | |
| Depreciation Expense | | | | | | |
| Repair & Maintenance | 14,474 | | | | | |
| Supplies | 150 | | | | | |
| Other, COH fees and TCEQ fees | 2907+156 7.50 | | | | | |
| Total | 41,423 | | | | | |
| % Increase Per Year | | | | | | |
| ASSUMPTIONS | | | | | | |
| Interest Rate/Terms | | | | | | |
| Utility Cost/gal. | | | | | | |
| Depreciation Schedule | | | | | | |
| Other | | | | | | |

Section 1.04PROJECTED BALANCE SHEETS

| | START UP | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 |
|---------------------------------------|----------|--------|--------|--------|--------|--------|
| CURRENT ASSETS | | | | | | |
| Cash | 0 | | | | | |
| Accounts Receivable | | | | | | |
| Inventories | | | | | | |
| Income Tax Receivable | | | | | | |
| Other | | | | | | |
| Total | 0 | | | | | |
| FIXED ASSETS | | | | | | |
| Land | 24,041 | | | | | |
| Collection/Distribution System | 200,00 | | | | | |
| Buildings | | | | | | |
| Equipment | | | | | | |
| Other | | | | | | |
| Less: Accum. Depreciation or Reserves | | | | | | |
| Total | 224,041 | | | | | |
| TOTAL ASSETS | 224,041 | | | | | |
| CURRENT LIABILITIES | | | | | | |
| Accounts Payable | 18,000 | | | | | |
| Notes Payable, Current | | | | | | |
| Accrued Expenses | | | | | | |
| Other | | | | | | |
| Total | 18,000 | | | | | |
| LONGTERM LIABILITIES | | | | | | |
| Notes Payable, Long-term | | | | | | |
| Other | | | | | | |
| TOTAL LIABILITIES | 0 | | | | | |
| OWNER'S EQUITY | | | | | | |
| Paid in Capital | | | | | | |
| Retained Equity | | | | | | |
| Other | | | | | | |
| Current Period Profit or Loss | | | | | | |
| TOTAL OWNER'S EQUITY | 224,041 | | | | | |
| TOTAL LIABILITIES AND EQUITY | 42,041 | | | | | |
| WORKING CAPITAL | | | | | | |
| CURRENT RATIO | | | | | | |
| DEBT TO EQUITY RATIO | | | | | | |
| EQUITY TO TOTAL ASSETS | | | | | | |

Section 1.05 PROJECTED INCOME STATEMENT

| | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 | TOTALS |
|------------------------------------|--------|--------------|--------|--------|--------|--------|
| METER NUMBER | | | | | | |
| Existing Number of Taps | 110 | At Build out | | | | |
| New Taps Per Year | 0 | | | | | |
| Total Meters at Year End | | | | | | |
| METER REVENUE | | | | | | |
| Fees Per Meter | | | | | | |
| Cost Per Meter | | | | | | |
| Operating Revenue Per Meter | | | | | | |
| GROSS WATER REVENUE | | | | | | |
| Fees | | | | | | |
| Other | | | | | | |
| Gross Income | 42,300 | | | | | |
| OPERATING EXPENSES | | | | | | |
| General & Administrative | 41,423 | | | | | |
| Interest | | | | | | |
| Other | | | | | | |
| NET INCOME | 877 | | | | | |

Section 1.06 PROJECTED INCOME STATEMENT

| | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 | TOTALS |
|--|--------------|------------------------|--------|--------|--------|--------|
| GENERAL/ADMINISTRATIVE EXPENSES | | | | | | |
| Salaries | At Build out | No foreseeable changes | | | | |
| Office Expense | | | | | | |
| Computer Expense | | | | | | |
| Auto Expense | | | | | | |
| Insurance Expense | | | | | | |
| Telephone Expense | | | | | | |
| Utilities Expense | | | | | | |
| Depreciation Expense | | | | | | |
| Property Taxes | | | | | | |
| Professional Fees | | | | | | |
| Other | | | | | | |
| Total | | | | | | |
| % Increase Per Year | | | | | | |
| OPERATIONAL EXPENSES | | | | | | |
| Salaries | | | | | | |
| Auto Expense | | | | | | |
| Utilities Expense | | | | | | |
| Depreciation Expense | | | | | | |
| Repair & Maintenance | | | | | | |
| Supplies | | | | | | |
| Other | | | | | | |
| Total | 41,423 | | | | | |
| % Increase Per Year | | | | | | |
| ASSUMPTIONS | | | | | | |
| Interest Rate/Terms | | | | | | |
| Utility Cost/gal. | | | | | | |
| Depreciation Schedule | | | | | | |
| Other | | | | | | |

Section 1.07 PROJECTED SOURCES AND USES OF CASH STATEMENTS

| | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 | TOTALS |
|------------------------------------|--------|------------------------|--------|--------|--------|--------|
| SOURCES OF CASH | | | | | | |
| Net Income | 877 | No foreseeable changes | | | | |
| Depreciation (If Funded) | | | | | | |
| Loan Proceeds | | | | | | |
| Other | | | | | | |
| Total Sources | 877 | | | | | |
| USES OF CASH | | | | | | |
| Net Loss | | | | | | |
| Principle Portion of Pmts. | | | | | | |
| Fixed Asset Purchase | | | | | | |
| Reserve | | | | | | |
| Other | | | | | | |
| Total Uses | 0 | | | | | |
| NET CASH FLOW | 0 | | | | | |
| DEBT SERVICE COVERAGE | | | | | | |
| Cash Available for Debt | | | | | | |
| SERVICE (CADS) | | | | | | |
| Net Income (Loss) | | | | | | |
| Depreciation, or Reserve Interest | | | | | | |
| Total | 0 | | | | | |
| REQUIRED DEBT SERVICE (RDS) | | | | | | |
| Principle Plus Interest | | | | | | |
| DEBT SERVICE COVERAGE RATIO | | | | | | |
| CADS Divided by RDS | | | | | | |

**PLEASE ANSWER QUESTIONS 17 THROUGH 22 ON A DIFFERENT SHEET
FOR EACH PHYSICALLY DISTINCT SYSTEM BEING
TRANSFERRED OR ACQUIRED**

17. A. For Water Systems. TCEQ Public Water System Identification Number:

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 0 | 1 | 0 | 1 | 8 | 0 |
|---|---|---|---|---|---|---|

Date of last inspection:

| | | | | | | | |
|--|--|--|--|--|--|--|--|
| | | | | | | | |
|--|--|--|--|--|--|--|--|

B. For Wastewater Systems:

-TCEQ Discharge Permit Number: W Q

| | | | | |
|---|---|---|---|---|
| 1 | 4 | 8 | 7 | 4 |
|---|---|---|---|---|

 -

| | | |
|---|---|---|
| 0 | 0 | 1 |
|---|---|---|

-Name of Permittee:

| |
|-------------------------------|
| BC Humble Enterprises, L.L.C. |
|-------------------------------|

-Date of application to transfer Discharge Permit submitted:

| |
|-----------|
| 8/16/2012 |
|-----------|

-Date of application to transfer Discharge Permit approved by TCEQ:

| |
|------------|
| 03/28/2013 |
|------------|

18. A. Are any improvements required to meet TCEQ standards? ☐ Yes ☒ No. If yes, please explain:

| |
|--|
| |
|--|

B. Is there a moratorium on new connections? ☐ Yes ☒ No. If yes, please explain:

| |
|--|
| |
|--|

C. Provide details of each required major capital improvement to correct the deficiencies and meet the TCEQ standards (attach additional sheets if necessary):

| Description of the Required Improvement | Schedule to Complete | Estimated Cost |
|---|----------------------|----------------|
| None | | |
| | | |
| | | |

19. Does the system being transferred operate within the city limits of a municipality or within district boundaries? ☒ Yes ☐ No

If yes, indicate the number of customers within the city limits or district boundaries:

| |
|-----|
| 110 |
|-----|

 Water

| |
|-----|
| 110 |
|-----|

 Sewer

Attach copy of franchise agreement or consent letter from the city or district.

20. Do you currently purchase water or sewer treatment capacity from another source? ☐ Yes ☒ No
☐ Water ☐ Sewer Purchased on a ☐ Regular ☐ Seasonal ☐ Emergency Basis

• Source:

| |
|--|
| |
|--|

 % of total supply:

| |
|--|
| |
|--|

21. List the number of existing connections to be effected by this transaction.

| Water | | | | Sewer | |
|--------------------------|---------------------|--|-----------|-------------------------|-----|
| 110 | -Non Metered | | -2"meter | -Residential Connection | 110 |
| | -5/8" or 3/4" meter | | -3" meter | -Commercial Connection | |
| | -1" meter | | -4" meter | -Industrial Connection | |
| | -1 1/2" meter | | -Other | -Other | |
| Total Water Connections: | | | 110 | Total Sewer Connections | 110 |

20. Has the system reached 85% of its capacity based on TCEQ's minimum requirements? ☐ Yes ☒ No
If yes, please explain what steps are being taken to address the capacity issues:

23. List the name, class, and license number of the operator(s) that will be responsible for the system:

| Name | Class | License# |
|--------------------|-------|----------|
| Mr. Tracy Ragsdale | WG | 0005153 |
| Mr. Tracy Ragsdale | WW | 0010349 |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

24. Attach the following maps with each copy of the application:

- a. One small scale map clearly showing affected service area with enough detail to accurately locate the area if the application is for the transfer of all or a portion of a CCN.
- b. One large scale map showing the proposed service area boundaries being sold, transferred, or merged and, if available, the existing and proposed facilities. Color coding should be used to differentiate existing from proposed facilities. Facilities and service area boundaries should be shown with such exactness that they can be located on the ground. If transferring area not currently in a CCN or a portion of an existing CCN area please attach the following hard copy maps with each copy of the application:
 1. A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
 2. A map showing only the proposed area by:
 - i. metes and bounds survey certified by a licensed state or registered professional land surveyor; or
 - ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
 - iii. following verifiable natural and man-made landmarks, or
 - iv. a copy of recorded plat map with metes and bounds.

3. A written description of the proposed service area.

The area subject to this transaction is located approximately 0 miles of downtown Humble, Texas and is generally bounded on the north by Chateau Road; on the east by Old Humble Road; on the south and west by U.S. Highway 59. The total area being requested includes approximately 7.5 acres and 1 current customer.

OATH FOR SELLER OR FORMER SERVICE PROVIDER

STATE OF New York

COUNTY OF Kings

I, Steve Weinreb, being duly sworn, file this application for sale, lease, rental or merger or consolidation as Owner (*indicate relationship to applicant*) that is, owner, member of partnership, title as officer of corporation, or other authorized representative of applicant); that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I further state that I have provided to the purchaser or transferee a written disclosure statement about any contributed property as required under Section 13.301(j) and copies of any outstanding Orders of the Commission or Attorney General and have also complied with the notice requirements in Section 13.301(k) of the Water Code.

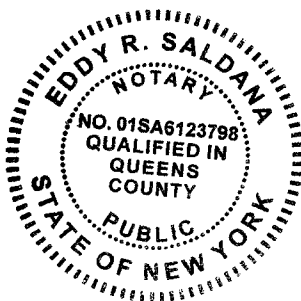


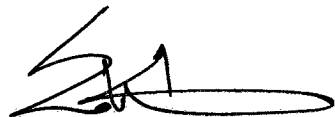
AFFIANT
(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas,
day 29 of August, 20 13.

SEAL





NOTARY PUBLIC IN AND FOR THE
STATE OF ~~TEXAS~~ New York
Eddy R. Saldana

PRINT OR TYPE NAME OF NOTARY
MY COMMISSION EXPIRES 8/26/17

One copy of this page must be submitted for each utility involved in this transaction.

OATH FOR PURCHASER OR ACQUIRING ENTITY

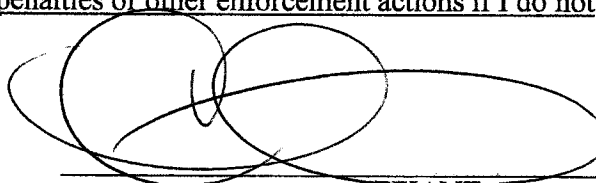
STATE OF Texas

COUNTY OF Harris

I, Charles Goldsmith, being duly sworn, file this application for

sale, lease, rental or merger or consolidation as member partner
(*indicate relationship to applicant*) that is, owner, member of partnership, title as officer of corporation, or other authorized representative of applicant); that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I am also authorized and do agree to be bound by and comply with any outstanding orders of the Commission or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.



AFFIANT

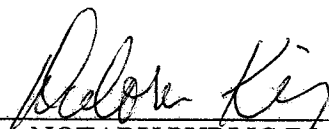
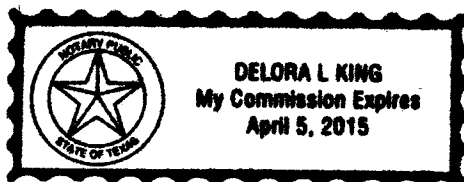
(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

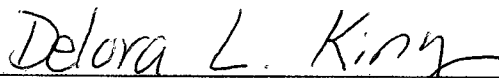
Applicant represents that all other parties to this transaction have been furnished copies of this completed application.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas,
day 1 of July, 20 13.

SEAL



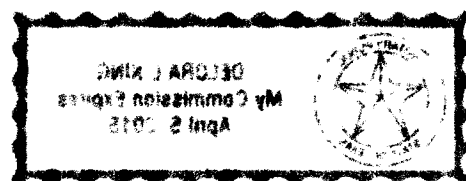
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS



PRINT OR TYPE NAME OF NOTARY

One copy of this page must be submitted for each utility involved in this transaction.

MY COMMISSION EXPIRES 4/5/2015



FORM A

Application No. _____

Notice to Current Customers, Neighboring Systems and Cities

BCWK, L.P. 'S
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND
NECESSITY (CCN) 13174 and 21037 TO BC Humble Enterprises, L.L.C.
NOS _____

IN Harris _____ (Purchaser's or Transferee's Name)
COUNTY, TEXAS

To: _____ Date Notice Mailed _____, 20 13
(Name of Customer, Neighboring System or City)

(Address)

City State Zip

| | | |
|------------------------------|--------------------------|-------------------------------|
| <u>BCWK, L.P.</u> | <u>2134 NW 7 Highway</u> | <u>Blue Springs, MO 64014</u> |
| Sellers or Transferors' Name | Address | City/State/Zip Code |

has submitted an application with the Texas Commission on Environmental Quality to sell facilities and transfer
water and sewer CCN Nos. 13174 and 21037 in Harris

County to:

| | | |
|--------------------------------------|---------------------------------|-----------------------------|
| <u>BC Humble Enterprises, L.L.C.</u> | <u>7115 West Tidwell, Suite</u> | <u>Houston, Texas 77092</u> |
| | <u>K110</u> | |

| | | |
|---------------------------------|---------|---------------------|
| Purchasers or Transferee's Name | Address | City/State/Zip Code |
|---------------------------------|---------|---------------------|

The sale is scheduled to take place as approved by the Executive Director (V.T.C.A., Water Code §13.301). The
transaction and the transfer of the CCN include the following subdivision(s) and zip codes:

77396

The area subject to this transaction is located approximately 0 miles of downtown Humble, Texas and is generally
bounded on the north by Chateau Road; on the east by Old Humble Road; on the south and west by U.S. Highway
59.

The total area being requested includes approximately 7.5 acres and 1 current customer.

This transaction will have the following effect on the current customer's rates and services:
Rates will stay the same.

Affected persons may file written protests and/or request a public hearing within 30 days of this notice.

To request a hearing, you must:

- (1) state your name, mailing address and daytime telephone number;
- (2) state the applicant's name, application number or another recognizable reference to this application;
- (3) include the statement "I/we request a public hearing";
- (4) write a brief description of how you, the persons you represent, or the public interest would be adversely affected by the proposed transaction and transfer of the CCN; and
- (5) state your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Only those persons who submit a written request to be notified of a hearing will receive notice if a hearing is scheduled. The Executive Director will issue the CCN requested in the referenced application unless a hearing is scheduled to consider the transaction. If no protests or requests for hearing are filed during the comment period, the Executive Director may issue the CCN 30 days after publication of this notice.

Persons who wish to protest or request a hearing on this application should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087, Austin, TX 78711-3087

Se desea informacion on Espanol, puede llamar al 512-239-0200.

Charles Goldsmith

Utility Representative

BC Humble Enterprises, L.L.C.

Utility Name



Franchise Tax Account Status

As of: 07/02/2013 04:05:34 PM

This Page is Not Sufficient for Filings with the Secretary of State

BC HUMBLE ENTERPRISES, LLC

Texas Taxpayer Number 32045800771

Mailing Address 7115 W TIDWELL RD STE K110
HOUSTON, TX 77092-2059

Right to Transact ACTIVE
Business in Texas

State of Formation TX

Effective SOS 11/29/2011
Registration Date

Texas SOS File Number 0801512650

Registered Agent Name CHARLES E. GOLDSMITH

Registered Office Street 7115 W. TIDWELL ROAD, SUITE K 110
Address HOUSTON, TX 77092

Exhibit B: Neighboring Utilities

City of Houston
Public Works Director
P.O. Box 1562
Houston, TX 77251-1562

1404 Properties, Ltd. (CCN No. 12868)
23535 IH 10, Suite 1201
San Antonio, Texas 78257

Champs Water Company, Inc. (10972
And 20385)
13217A CHRISMAN RD
Houston, TX 77039-4121

Quadvest, Inc. (11612)
PO BOX 409
TOMBALL, TX 77377-0409

Intercontinental WSC (12531)
13935 SMITH RD TRLR 143
HUMBLE, TX 77396-2767

Shearer Oak Knoll Water System
(Registration No. N0047)
21050 LYNDALL LN
PORTER, TX 77365-3548

Southwest Utilities, Inc. (11740)
Texas American Water
PO BOX 907
EL CAMPO, TX 77437-0907

Sunbelt FWSD (10833 And 20347)
410 W GULF BANK RD
HOUSTON, TX 77037

Sequoia ID
6363 Woodway Drive, Suite 800
Houston, Texas 77057-1766

El Dorado UD
3 Greenway Plaza, Suite 2000
Houston, Texas 77046-0307

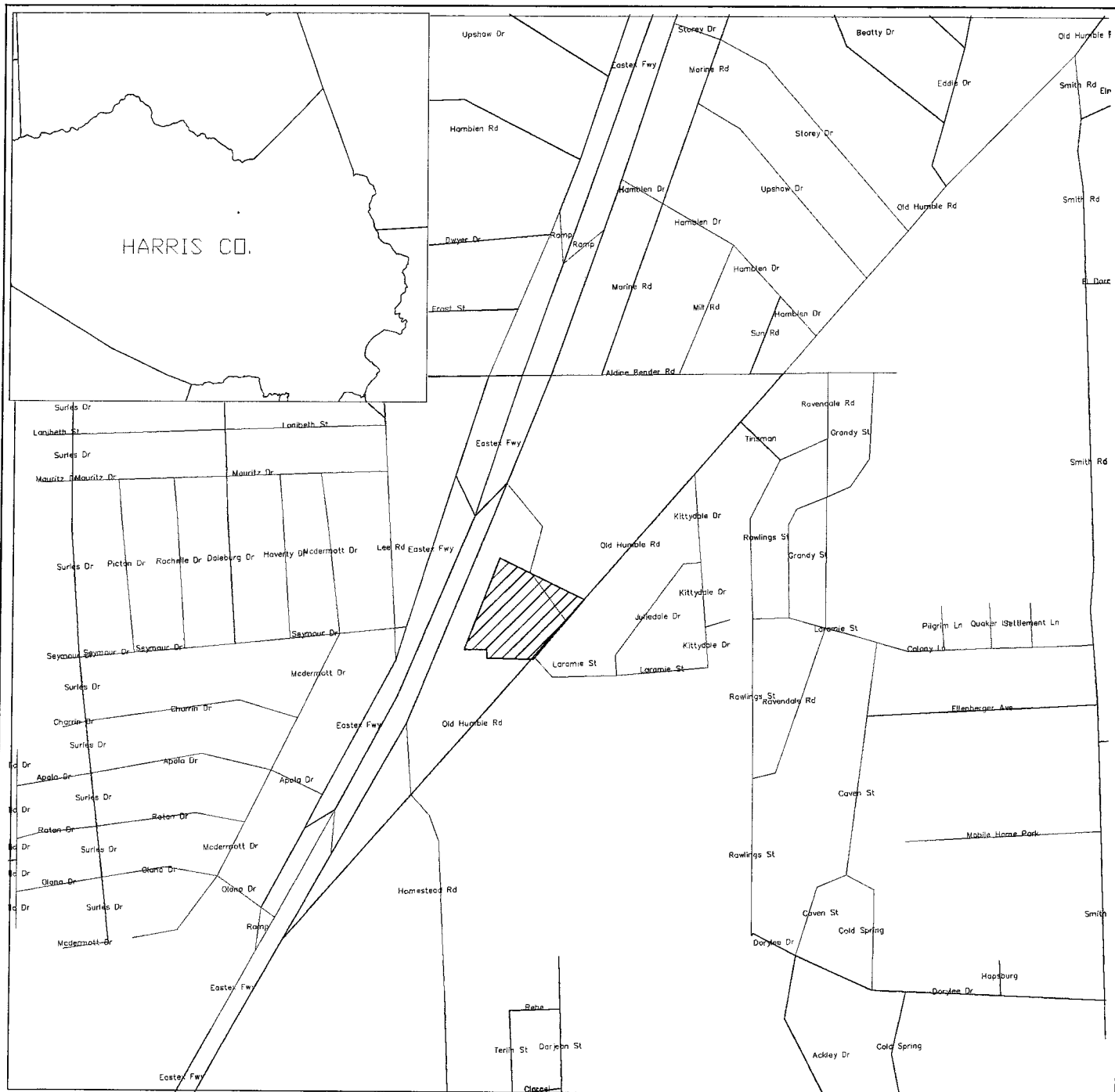
Harris County WCID No. 96
3 Greenway Plaza, Suite 2000
Houston, Texas 77046-0307

Harris County MUD No. 461
3 Greenway Plaza, Suite 2000
Houston, Texas 77046-0307

Harris County WCID No. 74
4901 Sandydale Ln.
Houston, Texas 77039-3722

Aldine PUD
1100 Louisiana St. Suite 400
Houston, Texas 77002

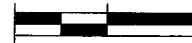
East Aldine Management District
P.O. Box 22167
Houston, Texas 77227-2167



LEGEND

 WATER CCN 13174 and
SEWER CCN 21037

0 500'



1000'



CCN BOUNDARIES ARE ESTIMATED BASED ON EXISTING CCN BOUNDARY
SHAPEFILE FROM TCEQ DATED 2/2013.
STREET CENTERLINES BASED ON GIS DATA FROM ATLAS MAPS.



JUNE 2013

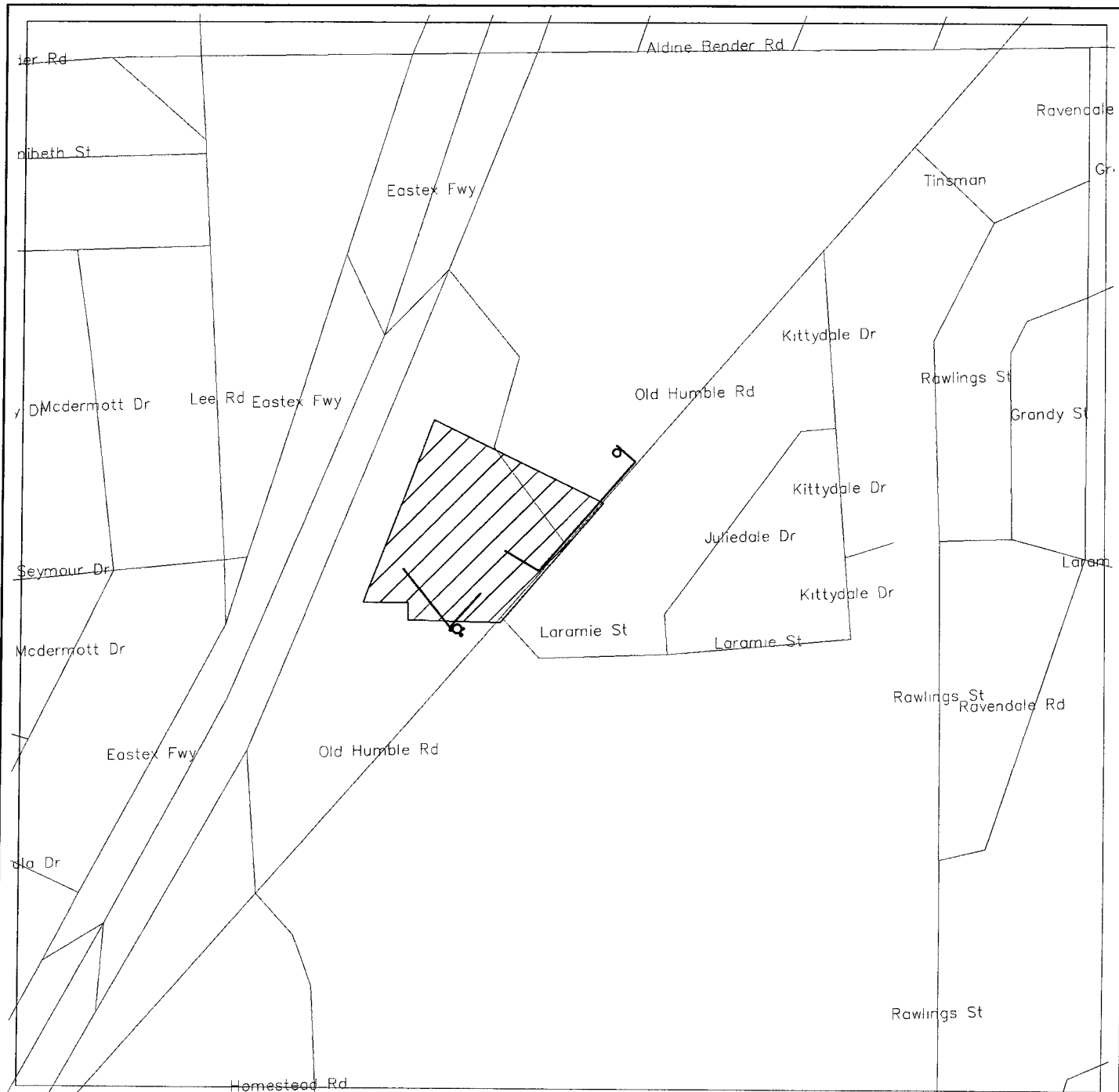
EXHIBIT 1

Water and Sewer CCN MAP

BENDER CREEK APARTMENTS

HARRIS COUNTY TEXAS

12077.01



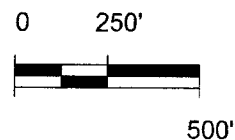
LEGEND

 WATER CCN 13174 and
SEWER CCN 21037

— WWTP

— WATER

CCN BOUNDARIES ARE ESTIMATED BASED ON EXISTING CCN BOUNDARY
SHAPEFILE FROM TCEQ DATED 2/2013.
STREET CENTERLINES BASED ON GIS DATA FROM ATLAS MAPS.



Harkins
Engineering,
Inc.

RPS Espey

JUNE 2013

EXHIBIT 2

Water and Sewer CCN MAP

BENDER CREEK APARTMENTS
HARRIS COUNTY TEXAS

12077.01

Bryan W. Shaw, Ph.D., *Chairman*
Carlos Rubinstein, *Commissioner*
Toby Baker, *Commissioner*
Zak Covar, *Executive Director*

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

May 15, 2013

CERTIFIED MAIL #701Wo 2780 0002 1568 9532
RETURN RECEIPT REQUESTED

Mr. Charles Goldsmith, Owner
BC Humble Enterprises LLC
7115 W. Tidwell
Houston, Texas 77092-2059

Re: Notice of Violation for the Compliance Evaluation Investigation at:
Bender Creek Apartments, 14219 Old Humble, Humble, Harris Co., Texas
Regulated Entity #101257525, TCEQ ID No. 1010180, Investigation No. 1085623

Dear Mr. Goldsmith:

On April 4, 2013, Mr. David W. Livings R.S., of the Texas Commission on Environmental Quality (TCEQ) Houston Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for Public Water Supply. Enclosed is a summary which lists the investigation findings. During the investigation, an outstanding alleged violation was identified for which compliance documentation is required. Please submit to this office by August 22, 2013 a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for the outstanding alleged violation.

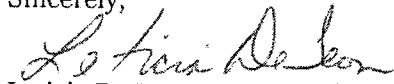
In the listing of the alleged violation, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.texas.gov> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Houston Region Office at Phone #713/767-3650 or the Central Office Publications Ordering Team at 512-239-0028.

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. We anticipate that you will resolve the alleged violation as required in order to protect the State's environment. If you have additional information that we are unaware of, you have the opportunity to contest the violation documented in this notice. Should you choose to do so, you must notify the Houston Region Office within 10 days from the date of this letter. At that time, PWS Team Leader MS Leticia Deleon, will schedule a violation review meeting to be conducted *within 21 days from the date of this letter*. However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the attached Summary of Investigation Findings until an official decision is made regarding the status of the contested violation.

Mr. Mr. Charles Goldsmith
May 15, 2013
Page 2

If you or members of your staff have any questions, please feel free to contact Mr. David W. Livings in the Houston Region Office at (713)767-3650.

Sincerely,

A handwritten signature in cursive script, appearing to read "Leticia De Leon".

Leticia De Leon, Team Leader
Public Water Supply
Houston Region Office

LD/DL/ra

Enclosures: Summary of Investigation Findings

cc: Harris County Public Health and Environmental Services

Summary of Investigation Findings

BENDER CREEK APARTMENTS

14400 HIGHWAY 59 N

HUMBLE, HARRIS COUNTY, TX 77396

Investigation #

1085623

Investigation Date: 04/04/2013

Additional ID(s): 1010180

OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 499061

Compliance Due Date: 08/22/2013

30 TAC Chapter 290.46(m)

Alleged Violation:

Investigation: 1085623

Comment Date: 05/14/2013

30 TAC, §290.46(m) Operating Practices for Public Water Systems

Failure to properly maintain the regulated entity by not:

cutting back and controlling the trees and other vegetation along the fence including maintaining the barb wire in a 45 degree angle and maintaining the grounds for proper security at the facility.

The Water System needs to:

A. Repair or replace fence post and poles along top and bottom of the fence, including the gate with three strands of barb wire extending outward from the top of the fence at a 45 degree angle with the smooth side of the fence on the outside of the wall. The fence must be maintained in good repair and close enough to surface grade to prevent intruder passage.

B. Remove heavy vegetation and trim tree branches from off the the fence line. Cut the grass and maintain grounds inside the water plant.

The maintenance and housekeeping practices used by a public water system shall ensure the good working condition and general appearance of the system's facility and equipment. The grounds and facility shall be maintained in a manner so as to provide intruder resistants and to minimize the possibilities of the harboring of rodents

Recommended Corrective Action: Submit photo, receipt, invoice, or completed work order to verify compliance.



Fence poles disconnected



Fence posts disconnected & Barb wire
in need of straighten, or replace & restoring



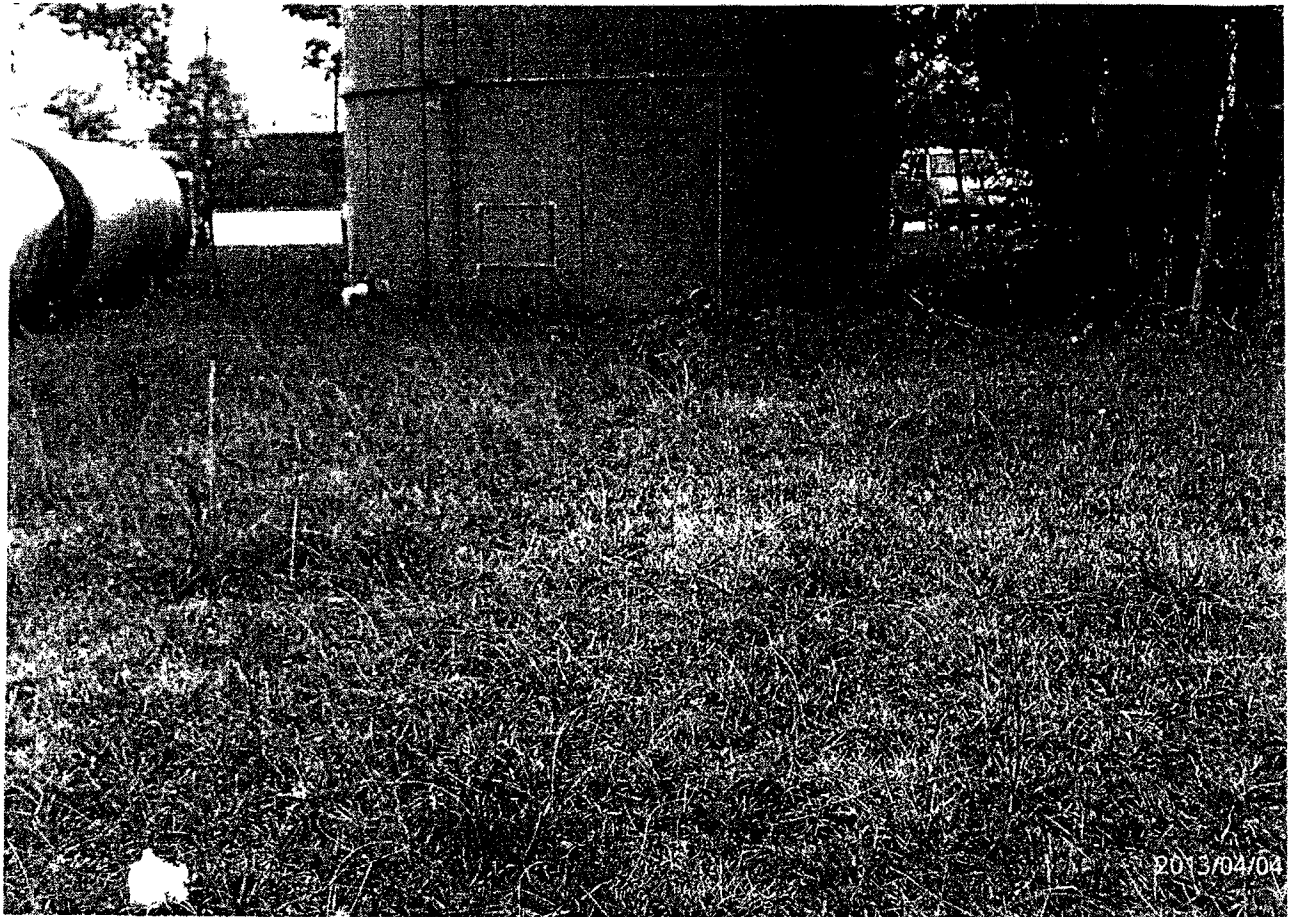
Fence piles discarded to 1.



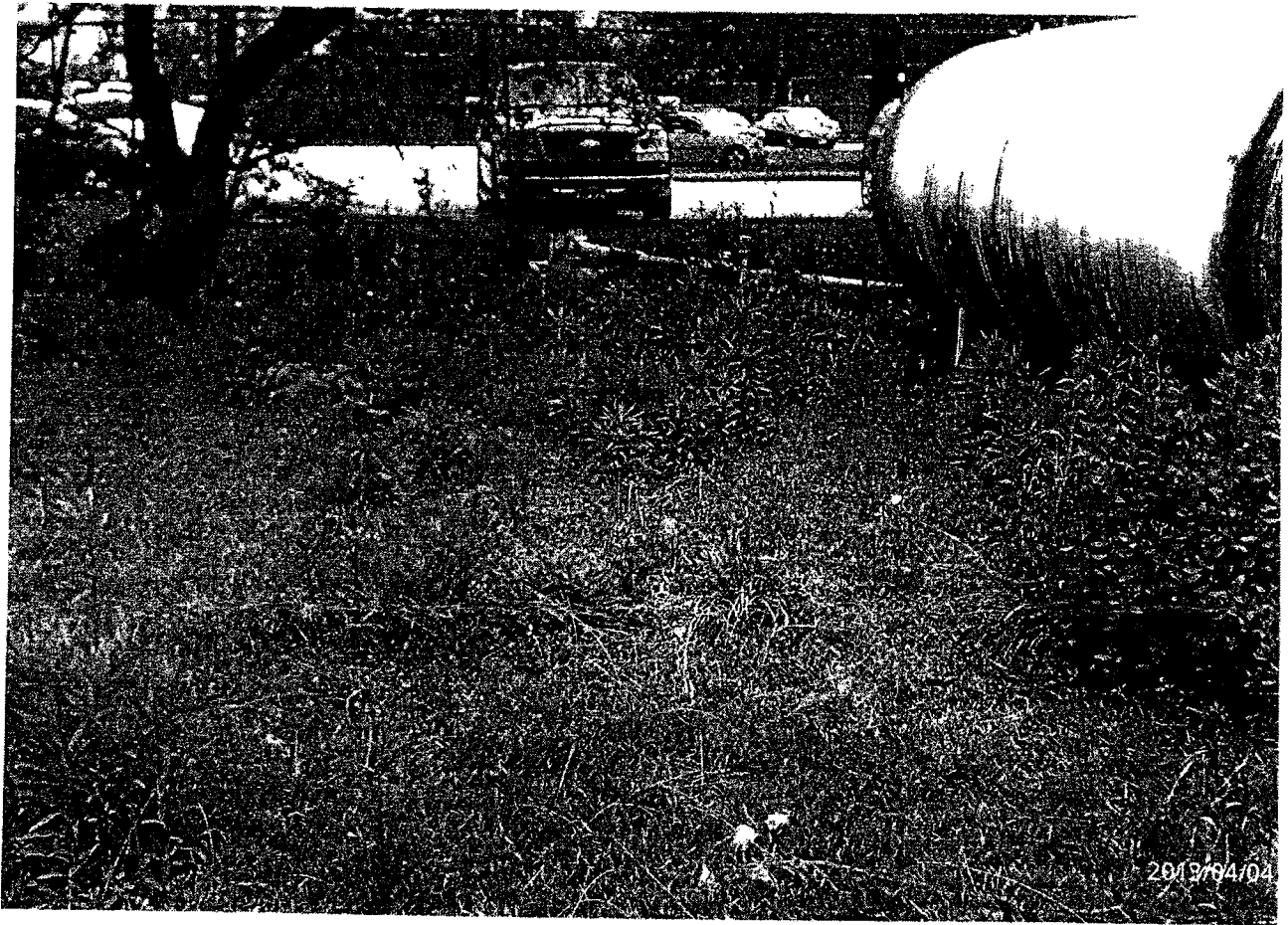
NO Barb WIRE



Vegetation Along Fence line in need of clearing



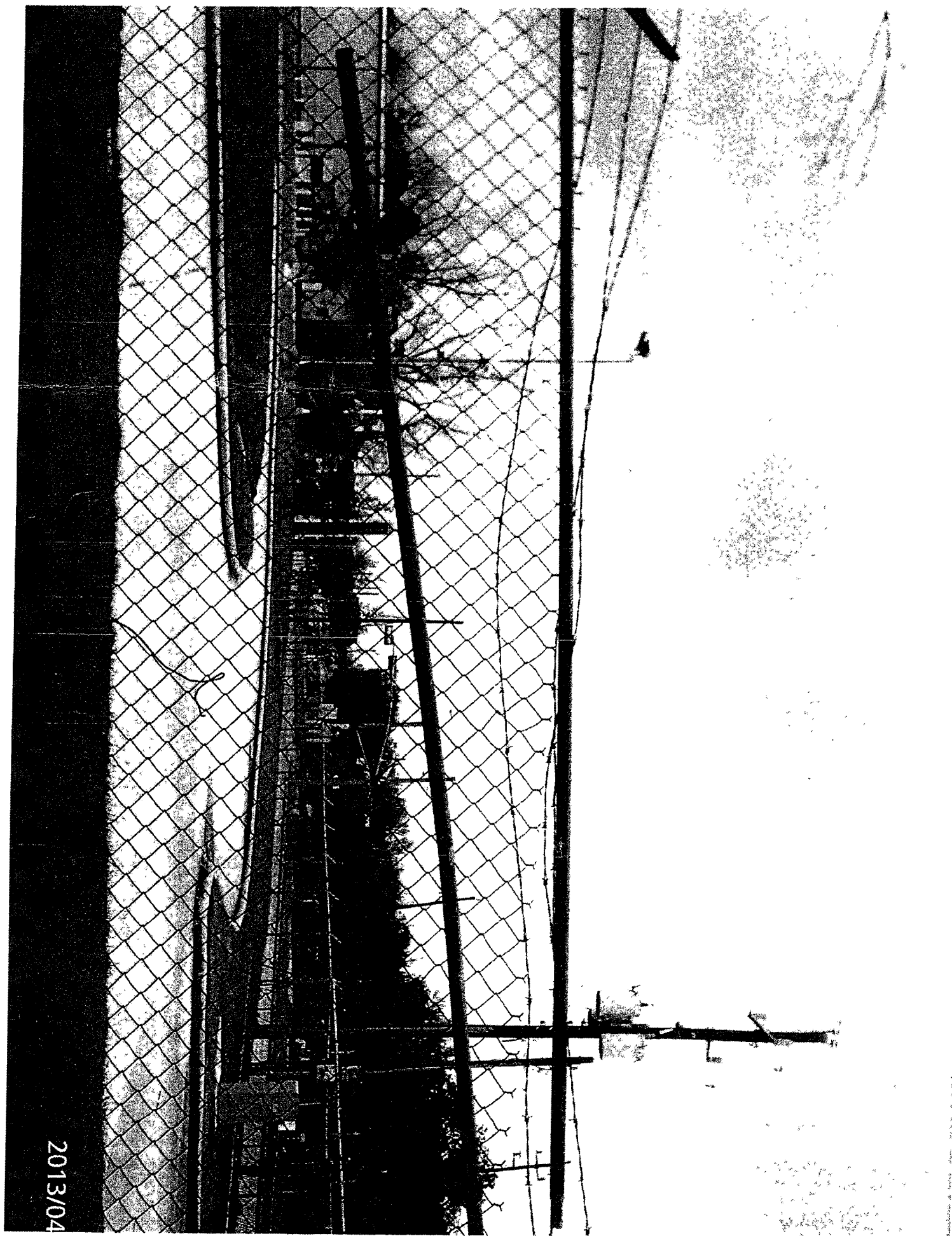
GRASS NEED CUTTING



GRASS NEED CUTTING



2013/04



2013/04

Brad W. Shaw, Ph.D., Chairman
Buddy Garon, Commissioner
Carla Rubenstein, Commissioner
Mark R. Vickery, P.C., Executive Director

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 6, 2011

CERTIFIED MAIL 7010 1870 0003 4949 2973
RETURN RECEIPT REQUESTED

Mr. Steven Weinreb
BCWK, LP
2134 North 7 Highway
Blue Springs, Missouri 64014

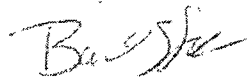
Re: Additional Compliance Documentation Needed for: Bender Creek Wastewater Treatment Plant, 14400 Highway 59 North, Humble, Harris County, Texas
TCEQ Permit No. WQ0014874-001; EPA ID No. TX0067539

Dear Mr. Weinreb:

The Texas Commission on Environmental Quality (TCEQ) Houston Region Office has received the compliance documentation that you submitted October 25, 2010 for the alleged violations noted during the investigation of the above-referenced facility conducted on July 29, 2010. The compliance documentation contained in your response appears to indicate that the majority of the problems documented during the investigation have been corrected. However, information is still needed for the alleged violation listed in the enclosed summary. Please submit to our office by May 6, 2011 a written description of corrective action taken and the required compliance documentation demonstrating that the remaining alleged violation has been resolved.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and your compliance efforts to protect the State's environment. We look forward to receiving your response for the remaining alleged violations. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. If you or members of your staff have any questions, please feel free to contact Ms. Mary Hopkins in the Houston Region Office at Phone # 713-767-3675.

Sincerely,



Barbara Sullivan
Team Leader
Water Quality Management
Region 12 Houston

BSS/MVH/cs

cc: Mr. Tracy Ragsdale, Aqua Industries, P.O. Box 5564, Kingwood Texas 77325

Summary of Investigation Findings

| | |
|---|--------------------------------|
| BENDER CREEK PLANT | Investigation # 906756 |
| , HARRIS COUNTY, | Investigation Date: 03/21/2011 |
| Additional ID(s): TX0067539 WQ0014874001 | |

OUTSTANDING ALLEGED VIOLATION(S)

Track No: 409256 Compliance Due Date: 10/29/2010
30 TAC Chapter 305.125(1)

PERMIT WQ0014874-001
Operational Requirements No. 1

Alleged Violation:

Investigation: 825781

Comment Date: 9/21/2010

Failure to properly maintain the wastewater treatment plant. The catwalk over the chlorine contact chamber was rusted. The main support beam was rusted and several sections of the catwalk were missing. The cover to the lift station was rusted through. These areas of the plant must be repaired or replaced.

Investigation: 906756

Comment Date: 3/21/2011

See the above violation.

Recommended Corrective Action: Submit documentation to the Region 12 Office that the rusted areas have been replaced or repaired.

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 409233
30 TAC Chapter 305.125(5)

Alleged Violation:

Investigation: 825781

Comment Date: 9/21/2010

Failure to maintain the chlorine contact chamber. At the time of the investigation there was 3.5 feet of sludge in the chlorine contact chamber. Sludge must be removed and disposed of properly to prevent the discharge of solids to the receiving stream.

Investigation: 906756

Comment Date: 3/21/2011

See the above violation.

Recommended Corrective Action: Submit documentation to the Region 12 Office that the sludge in the chlorine contact chamber has been removed and disposed of properly.

BENDER CREEK PLANT

Investigation # 906756

Alleged Violation:

Investigation: 825781

Comment Date: 8/11/2010

Failure to collect and analyze samples for E. coli. The new TPDES Permit No. WQ 0014874-001 issued December 29, 2008 requires a sample to be collected and analyzed for E. coli once per week.

Investigation: 906756

Comment Date: 3/21/2011

See the above violation.

Recommended Corrective Action: Submit documentation to the Region 12 Office that the required E. coli samples are being collected and analyzed at least once per week and that they are compliant with the permit limits.

Resolution: On October 25, 2010 the Region 12 Office received documentation that samples for E. coli were being collected and analyzed once per week in the month of July 2010.

Track No: 409242

30 TAC Chapter 305.125(5)

Alleged Violation:

Investigation: 825781

Comment Date: 9/21/2010

Failure to maintain a freeboard of 18 inches in the aeration basin. At the time of the investigation the freeboard in the aeration basin was about 6 inches. According to Design Criteria 30 TAC 317.4(g)(2) "All aeration tanks shall have a freeboard of no less than 18 inches at peak flow."

Investigation: 906756

Comment Date: 3/21/2011

See the above violation.

Recommended Corrective Action: Provide documentation to the Region 12 office that the freeboard in the aeration basin has been increased to at least 18 inches.

Resolution: On October 25, 2010, the Region 12 Office received a photograph of the plant with usual flow conditions, showing greater freeboard than was noted during the investigation.

AQUA INDUSTRIES
P.O. Box 5564
Kingwood Texas 77325-5564
Phone (281)359-3062
Fax (281) 359-1228

October 6, 2010

TCEQ
Mary Hopkins
5425 Polk Ave Suite H
Houston Texas 77023-1452

Re: BCWK,LP

Permit # WQ0014874-001

Dear Ms. Hopkins

This letter is in response to your inspection of the above-referenced facility. At the time of the inspection there were some items of concern.

Item # 1. The sludge that was in the contact chamber was pumped out to the digester on August 3, 2010.

Item # 2. At the time of the inspection no E. coli samples were being collected. Aqua was no aware of the new sampling due to change in ownership many times and never given a copy of the permit. Samples are now being collected. Please see enclosed copy of lab samples.

Item # 3. The plant does meet the requirement of 18 inches of freeboard. Remember the lift station was off to stop the flow to install a staff gauge. When turning the lift station on it caused a higher then average flow. Please see photo of the freeboard.

Item # 4. Please see enclosed photo of the repaired catwalk.

Item # 5. Please see enclosed photo of the debris removed in the receiving stream.

Should you or your staff have any questions please feel free to call at the number above.

Thank You,

**WATER UTILITY TARIFF
FOR**

BCWK, LP
(Utility Name)

14400 Highway 59 North
(Business Address)

Humble, Texas 77396
(City, State, Zip Code)

(281) 441-9500
(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity:

13174

This tariff is effective in the following County:

Harris

This tariff is effective in the following cities or unincorporated towns:

None

This tariff is effective in the following subdivisions and public water systems:

Bender Creek Apartments: PWS ID #1010180

TABLE OF CONTENTS

The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

| | |
|---|----|
| SECTION 1.0 -- RATE SCHEDULE | 2 |
| SECTION 2.0 -- SERVICE RULES AND POLICIES | 4 |
| SECTION 3.0 -- EXTENSION POLICY | 13 |
| SECTION 4.0 -- DROUGHT CONTINGENCY PLAN | 21 |
| APPENDIX A -- SAMPLE SERVICE AGREEMENT | |
| APPENDIX B -- APPLICATION FOR SERVICE | |

TEXAS COMM. ON ENVIRONMENTAL QUALITY
36178-S, CCN 13174, JULY 29, 2009
APPROVED TARIFF BY SP/SP

SECTION 1.0 - RATE SCHEDULE

Section 1.01 - RatesWATER RATES:Monthly Minimum Rate all Meter Sizes\$9.24 (including 2,000 gallons)Gallonge Charge\$2.39 (per 1000 gallons, 1st 1,098,000)\$4.53 (per 1000 gallons thereafter)REGULATORY ASSESSMENT 1.0%A REGULATORY ASSESSMENT, EQUAL TO ONE PERCENT OF THE CHARGE FOR RETAIL WATER SERVICE ONLY,
SHALL BE COLLECTED FROM EACH RETAIL CUSTOMER

FORM OF PAYMENT: The utility will accept the following form(s) of payment:

Cash X, Check X, Money Order X, Credit Card X, Other (specify) _____THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS
MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.Section 1.02 - Miscellaneous FeesTAP FEE \$25.00TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR
STANDARD RESIDENTIAL CONNECTION OF 5/8" or 3/4" METER PLUS UNIQUE COSTS AS PERMITTED BY TCEQ
RULE AT COST.TAP FEE (Unique costs) Actual Cost

FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

LARGE METER TAP FEE Actual CostTAP FEE IS BASED ON THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METERS LARGER THAN
STANDARD 5/8" or 3/4" METERS.

RECONNECTION FEE

THE RECONNECT FEE WILL BE CHARGED BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS
BEEN DISCONNECTED FOR THE FOLLOWING REASONSa) Non payment of bill (Maximum \$25.00) \$25.00b) Customer's request N/A

OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF

RATES LISTED ARE EFFECTIVE ONLY
IF THIS PAGE HAS TCEQ APPROVAL STAMP

TEXAS COMM. ON ENVIRONMENTAL QUALITY

36178-S, CCN 13174, JULY 29, 2009

APPROVED TARIFF BY SP/SP

SECTION 1.0 -- RATE SCHEDULE (Continued)

TRANSFER FEE \$50.00

THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED

Section 1.02 - Miscellaneous Fees (Continued)

LATE CHARGE 10%

A ONE-TIME PENALTY MAY BE MADE ON DELINQUENT BILLS BUT MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE..... \$25.00

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50)..... \$50.00

COMMERCIAL AND NON-RESIDENTIAL DEPOSIT 1/6TH EST. ANNUAL BILL

METER TEST FEE (actual cost of testing the meter up to) \$25.00

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY.

METER RELOCATION FEE Actual cost to relocate that meter

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS RELOCATION OF AN EXISTING METER

METER CONVERSION FEE..... Actual cost to convert that meter

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS CHANGE OF SIZE OF AN EXISTING METER OR CHANGE IS REQUIRED BY MATERIAL CHANGE IN CUSTOMER'S SERVICE DEMAND

LINE EXTENSION AND CONSTRUCTION CHARGES:

Refer to Section 2.20 Specific Utility Service Rules and Section 3.20 Utility Specific Extension Policy for terms, conditions, and charges.

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE CLAUSE:

Increases in inspection fees and water testing costs imposed by state or federal law may be passed through as an adjustment to the monthly base rate charge under the terms and conditions of 30 T.A.C. 291.21(k)(2) after notice to customers and upon written approval by the TCEQ.

RATES LISTED ARE EFFECTIVE ONLY
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36178-S, CCN 13174, JULY 29, 2009
APPROVED TARIFF BY SP/SP

SECTION 1.0 -- RATE SCHEDULE (Continued)

For Utilities subject to changes in costs imposed by any non-affiliated provider of purchased water or sewer or a groundwater conservation district having jurisdiction over the Utility, these increases (decreases) shall be passed through as an adjustment to the gallonage charge according to the formula:

Monthly Groundwater Reduction Plan Fee Pass Through = (GRP Fee per 1000 gallons) x (Total Usage in month in 1000 gal units)

where GRP Fee Per 1000 gallons usage by customers = $(Q \times R \times P) / GS$

Q = Quantity of groundwater pumped in billing period in 1000 gallons

R = Groundwater Reduction Plan Fee per 1000 gallons pumped

P = Percentage of total required by contract

GS = Total gallons sold during billing period in 1000 gallons

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TEXAS COMM. ON ENVIRONMENTAL QUALITY
36178-S, CCN 13174, JULY 29, 2009
APPROVED TARIFF BY SP/SP

**SEWER UTILITY TARIFF
FOR**

BCWK, LP
(Utility Name)

14400 Highway 59 North
(Business Address)

Humble, Texas 77396
(City, State, Zip Code)

(281) 441-9500
(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity:

21037

This tariff is effective in the following county:

Harris

This tariff is effective in the following cities or unincorporated towns (if any):

None

This tariff is effective in the following subdivisions or systems:

Bender Creek Apartments: WQ No. 14874-001

TABLE OF CONTENTS

The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

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| SECTION 1.0 - RATE SCHEDULE | 2 |
| SECTION 2.0 - SERVICE RULES | 4 |
| SECTION 3.0 - EXTENSION POLICY | 13 |
| APPENDIX A -- SERVICE AGREEMENTS | |

TEXAS COMM. ON ENVIRONMENTAL QUALITY
36179-S, CCN 21037, JULY 29, 2009
APPROVED TARIFF BY SP/SP

SECTION 1.0 - RATE SCHEDULESection 1.01 - RatesMonthly Flat Rate of \$6,882.00

REGULATORY ASSESSMENT..... 1.0%
 A REGULATORY ASSESSMENT, EQUAL TO ONE PERCENT OF THE CHARGE FOR RETAIL WATER SERVICE ONLY, SHALL BE COLLECTED FROM EACH RETAIL CUSTOMER

FORM OF PAYMENT: THE UTILITY WILL ACCEPT THE FOLLOWING FORM(S) OF PAYMENT:

Cash___, Check___, Money Order___, Discovery___, MasterCard___, Visa___

THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS

TAP FEE \$25.00
 TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL CONNECTION. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Large Connection Tap) Actual Cost
 TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR TAP SIZE INSTALLED.

RECONNECTION FEE

THE RECONNECT FEE WILL BE CHARGED BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS:

- a) Non payment of bill (Maximum \$25.00) \$25.00
- b) Customer's request Actual Cost
 OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF

TRANSFER FEE \$50.00
 THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED

LATE CHARGE 10%
 A ONE-TIME PENALTY MAY BE MADE ON DELINQUENT BILLS BUT MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE \$25.00

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TEXAS COMM. ON ENVIRONMENTAL QUALITY
 36179-S, CCN 21037, JULY 29, 2009
 APPROVED TARIFF BY SP/SP

SECTION 1.0 - RATE SCHEDULE (CONT.)

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50)\$50.00

COMMERCIAL AND NON-RESIDENTIAL DEPOSIT.....1/6TH EST. ANNUAL BILL

SERVICE RELOCATION FEE.....Actual cost to relocate that service connection
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS RELOCATION OF AN EXISTING SERVICE CONNECTION

LINE EXTENSION AND CONSTRUCTION CHARGES:

Refer to Section 2.20 Specific Utility Service Rules and Section 3.20 Utility Specific Extension Policy for terms, conditions, and charges.

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE CLAUSE:

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