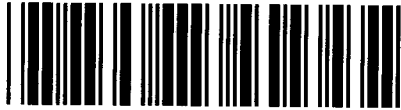


Control Number: 43005



Item Number: 1

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83<sup>rd</sup>  
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# 107197303 \*CN# 601570773 \*If known (See instructions)

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

☒ Sale of ☒ All ☐ Portion of the ☒ Water system(s) under CCN No.: 12809  
☐ Acquisition ☒ Sewer system(s) under CCN No.: 20814  
☐ Lease/Rental

☒ Transfer of ☒ All ☐ Portion of the ☒ Certificated water service area – CCN No.: 12809  
☒ Certificated sewer service area – CCN No.: 20814

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

and to:

☐ Obtain a CCN for the transferee (purchaser) – indicate if purchaser will take the seller's CCN  
☐ Amend the transferee's CCN No.: \_\_\_\_\_  
☐ Merge or consolidate public utilities \_\_\_\_\_  
☒ Cancel CCN of the transferor (seller) 12809 & 20814

2. Proposed effective date of this transaction: Earliest date allowed by law  
(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: Texas H2O, Inc.

(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: P. O. Box 613, Mansfield, Texas 76063

Telephone: (AC) 817-473-6080

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: Wallace E. Hardie, Jr.

Title: Chief Operating Officer

Address: P. O. Box 613, Mansfield, Texas 76063

Telephone: (AC) 817-473-6080

Fax: \_\_\_\_\_

Email: Bhardie11@tx.rr.com

4. About the last rate increase for the system or facilities being transferred: \_\_\_\_\_
- A. What was the effective date of the last rate increase? 6/23/13
- B. Was notice of this increase provided to the Texas Commission on Environmental Quality or its predecessors?

☐ No ☒ Yes Application/Docket Number: 2013-0510-UCR Date: August, 2012

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
<b>All deposits will be refunded prior to closing</b>			

- ☞ 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: Aqua Texas, Inc.

(Individual, Corporation, or Other Legal Entity)

Utility Name: \_\_\_\_\_

(If different than above)

Utility Address: 1106 Clayton Lane, Suite 400W, Austin, Texas 78723

Fax: 512-990-4410 Email: \_\_\_\_\_ Telephone (AC): 512-990-4400

CCN Numbers held prior to the filing of this application: 13201 and 21059

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: 32014405503

☐ 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. **SEE ATTACHMENT 1**

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

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

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

•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

**SEE ATTACHMENT 2**

- 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.

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:	<b>Glen E. Lewis</b>	Title:	<b>Director of Corporate Dev.</b>
Address:	<b>1106 Clayton Ln, Suite 400W, Austin, TX 78723</b>	Telephone (AC):	<b>512-990-4400 xt 56104</b>
Fax #	<b>512-990-4410</b>	Email	<b>gelewis@aquaamerica.com</b>
Relationship to the applicant:			

**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

**Aqua Texas is a subsidiary of Aqua America, Inc., one of the largest publicly traded water and wastewater utilities in America. Aqua Texas currently operates more than 375 water systems and 44 wastewater systems in Texas. The Company has the financial ability to make all necessary repairs and improvements to the systems to keep them in full compliance with all TCEQ regulations. The Company's experienced operators are thoroughly knowledgeable about water and sewer operations, as well as the requirements for continuous and adequate service required by the TCEQ rules of operation of utility systems.**

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.

**Aqua Texas, Inc. d/b/a Aqua Texas has received only a few notices of violation which were resolved or are in the process of resolution. Aqua Texas, Inc., Aqua Utilities, Inc., and Aqua Development, Inc. d/b/a Aqua Texas implemented action items required under an extensive Agreed Compliance Order for utility systems under enforcement or compliance orders inherited from AquaSource Utility, Inc. and AquaSource Development Company in 2003. That work is now complete. Aqua Texas systems receive periodic inspections and reports from TCEQ Staff. Records documenting all compliance and/or enforcement matters for Aqua Texas, Inc. and its affiliates are voluminous and available from TCEQ files. Waiver of production is requested.**

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.

**Aqua Texas has the financial ability through customer collections and infusions of capital from lenders, as well as capital contributions from its parent Aqua America, Inc., to make any required improvements necessary to meet TCEQ minimum requirements for continuous and adequate service.**

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

The quality of service will remain at a high level due to the experienced operators employed by Aqua Texas. The quality of service will meet or exceed current levels. The Texas H2O Systems currently provide continuous and adequate service to all customers. Aqua Texas will deal promptly with any service issues which may arise.

E. How will the transaction serve the public interest?

Aqua Texas owns several water and sewer utilities in the area of the systems being acquired in this transaction. Economies of scale and regional methods of operation will be used to help keep expenses down in order to achieve lower customer rates.

12 Please describe the nature of the proposed transaction:

Aqua Texas will acquire the water and sewer assets owned by Texas H2O, Inc. through an asset purchase and will acquire the existing service areas of the Transferor. See copy of Purchase Agreement in ATTACHMENT 3.

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:	<u>*\$2,720,000</u>
	• Total Original Cost (as recorded on books of seller or merging entity):	<u>**</u>
	• Accumulated Depreciation as of the proposed effective date of the transaction:	<u>**</u>
	• Contributions in Aid of Construction: ***	
	- Specific surcharges approved by TCEQ:	<u>\$0.00</u>
	- Revenues from explicit customer agreements:	<u>\$0.00</u>
	- Developer Contributions (please explain):	<u>\$0.00</u>
	- Other Contributions (please explain):	<u>\$0.00</u>
	<hr/>	
	Total Contributions in Aid of Construction	<u>\$0.00</u>
	• Net Book Value:	<u>**</u>

\* Please see Asset Purchase Agreement ("APA") included as Attachment 3. The purchase price stated above represents the agreed upon cash consideration portion of the sale/acquisition transaction and is subject to change at closing per the APA. Aqua Texas ("Buyer") also expects to pay 5%-10% of the cash consideration amount as closing costs. Other consideration and responsibilities agreed upon by Aqua Texas and Texas H2O, Inc. ("Seller") as part of the acquisition transaction are described in the APA and are not liquidated amounts. Seller and Buyer represent and warrant that the agreed upon consideration to be exchanged for the Texas H2O, Inc. assets is not the original cost, less depreciation, value (*i.e.*, net book value) of the acquired assets.

\*\*Applicant requests waiver of production for these items. Buyer and Seller represent and warrant that complete reliable and verifiably accurate records of the total original cost, accumulated depreciation, and net book value of the assets to be transferred are not available. Buyer has not agreed to accept the values on Seller's books without further analysis which will be conducted if the APA transaction described in Attachment 3 is approved and closes. Further, the effective date of the transaction will be the closing

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date and is not yet known. The values for the items listed must be established as of that date. The Buyer will determine these values for acquired system assets after the transaction is closed through either available reliable and verifiably accurate documentation or a report of trended original cost (i.e., a trending study) prepared by a qualified engineering firm. These values will be recorded and used in future rate proceedings that incorporate the acquired assets into rate base.

\*\*\* Seller represents and warrants that the assets it will transfer to Aqua Texas were not and will not be funded with customer or developer contributions and has not recorded any such amounts on its books.

- ☐ 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: \_\_\_\_\_

N/A - The Seller represents and warrants that the above items have not been established in a rate case proceeding by the PUC, TWC, or the TCEQ for the assets it will transfer to Aqua Texas. The TCEQ did not establish the items requested in the 2012 water/sewer rate application filed by Texas H2O, Inc. (TCEQ Docket No. 2013-0510-UCR).

- ☐ 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]:

**The transaction strictly involves an asset sale/acquisition/transfer between Texas H2O, Inc. and Aqua Texas, Inc. d/b/a Aqua Texas. This is not a stock purchase transaction. Legal ownership and responsibility for the assets will be transferred to Aqua Texas, but day-to-day utility operations will improve under Aqua Texas' experienced management and operations personnel."**

- 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:	*
Plant Acquisition Adjustment:	*
Extraordinary Loss on Purchase:	*
Accumulated Depreciation of Plant:	*
Cash:	*

- 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: \*

Notes Payable: \*

Mortgage Payable: \*

Others (please list): \*

**\*Applicant requests waiver of production for these items. Buyer and Seller represent and warrant that complete reliable and verifiably accurate records needed to determine these items, such as the total original cost, accumulated depreciation, and net book value of the assets to be transferred, are not available. Buyer has not agreed to accept the values on Seller's books without further analysis which will be conducted if the APA transaction described in Attachment 3 is approved and closes. Further, the effective date of the transaction will be the closing date and is not yet known. The values for the items listed must be established as of that date. The Buyer will determine these values for acquired system assets after the transaction is closed through either available reliable and verifiably accurate documentation or a report of trended original cost (i.e., a trending study) prepared by a qualified engineering firm. As appropriate, these values will be recorded and used in future rate proceedings that incorporate the acquired assets into rate base. However, some of the specific suggested items listed above may not be shown in the books of the Buyer or used in future rate proceedings. For example, TCEQ has determined that "Plant Acquisition Adjustment" amounts will not be used for rate base determinations in rate proceedings, but these amounts may be shown on the Buyer's books. As another example, "Extraordinary Loss on Purchase" is not an issue for this transaction.**

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: Aqua-Texas Date: \_\_\_\_\_

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.

**SEE TARIFFS IN ATTACHMENT 4**

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.

**SEE ATTACHMENT 5**

**Aqua Texas respectfully requests that the TCEQ Executive Director specifically identify any additional entities for which notice is requested if the notice is otherwise approved.**

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

**WAIVER OF PRODUCTION REQUESTED EXCEPT FOR DOCUMENTS INCLUDED IN ATTACHMENT 6**

## HISTORICAL BALANCE SHEETS

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>CURRENT ASSETS</b>						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
<b>Total</b>						
<b>FIXED ASSETS</b>						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
<b>Total</b>						
<b>TOTAL ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
<b>TOTAL</b>						
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term						
Other						
<b>TOTAL LIABILITIES</b>						
<b>OWNER'S EQUITY</b>						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>						
<b>TOTAL LIABILITIES AND EQUITY</b>						
<b>WORKING CAPITAL</b>						
<b>CURRENT RATIO</b>						
<b>DEBT TO EQUITY RATIO EQUITY TO TOTAL ASSETS</b>						

## HISTORICAL INCOME STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>METER NUMBER</b>						
Existing Number of Taps						
New Taps Per Year						
<b>Total Meters at Year End</b>						
<b>METER REVENUE</b>						
Fees Per Meter						
Cost Per Meter						
<b>Operating Revenue Per Meter</b>						
<b>GROSS WATER REVENUE</b>						
Fees						
Other						
<b>Gross Income</b>						
<b>OPERATING EXPENSES</b>						
General & Administrative						
Interest						
Other						
<b>NET INCOME</b>						

## HISTORICAL EXPENSES STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
<b>Total</b>						
<b>% Increase Per Year</b>						
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
<b>Total</b>						
<b>% Increase Per Year</b>						
<b>ASSUMPTIONS</b>						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

## PROJECTED BALANCE SHEETS

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

### PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>METER NUMBER</b>						
Existing Number of Taps						
New Taps Per Year						
<b>Total Meters at Year End</b>						
<b>METER REVENUE</b>						
Fees Per Meter						
Cost Per Meter						
<b>Operating Revenue Per Meter</b>						
<b>GROSS WATER REVENUE</b>						
Fees						
Other						
<b>Gross Income</b>						
<b>OPERATING EXPENSES</b>						
General & Administrative						
Interest						
Other						
<b>NET INCOME</b>						

## PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
<b>Total</b>						
<b>% Increase Per Year</b>						
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
<b>Total</b>						
<b>% Increase Per Year</b>						
<b>ASSUMPTIONS</b>						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

## PROJECTED SOURCES AND USES OF CASH STATEMENTS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>SOURCES OF CASH</b>						
Net Income						
Depreciation (If Funded)						
Loan Proceeds						
Other						
<b>Total Sources</b>						
<b>USES OF CASH</b>						
Net Loss						
Principle Portion of Pmts.						
Fixed Asset Purchase						
Reserve						
Other						
<b>Total Uses</b>						
<b>NET CASH FLOW</b>						
<b>DEBT SERVICE COVERAGE</b>						
Cash Available for Debt						
<b>SERVICE (CADS)</b>						
Net Income (Loss)						
Depreciation, or Reserve Interest						
<b>Total</b>						
<b>REQUIRED DEBT SERVICE (RDS)</b>						
Principle Plus Interest						
<b>DEBT SERVICE COVERAGE RATIO</b>						
CADS Divided by RDS						



## BOYNTON WATER

1	1	1	0	0	4	2
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Date of last inspection: 12/14/11

### B. For Wastewater Systems:

-TCEQ Discharge Permit Number: W Q 

--	--	--	--	--

 - 

--	--	--	--	--

**-Name of Permittee:**

**-Date of application to transfer Discharge Permit submitted:**

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

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

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:



**Water**



**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 ☐ SewerPurchased 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	
	-Non Metered		-2" meter	-Residential Connection	
72	-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:			72	Total Sewer Connections	

22. 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:  
**Parent company is a large multi-state water and wastewater utility system. Individual systems are operated by in-house operators. All operators are licensed by the TCEQ. Adequate vehicles, tools, equipment and repair parts are on site or available locally. SEE ATTACHMENT 7.**

Name	Class	License#

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.

**SEE ATTACHMENT 8**

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

**CANYON CREEK ADDITION**

17. A. For Water Systems. TCEQ Public Water System Identification Number: 1 1 1 0 0 7 0

Date of last inspection: 3/21/13

B. For Wastewater Systems:

-TCEQ Discharge Permit Number: W Q 1 3 7 8 6 - 0 0 1

-Name of Permittee: Texas H2O, Inc.

-Date of application to transfer Discharge Permit submitted: Pending

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

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

**Well capacity – well pumps will be serviced or replaced. Install additional isolation valves. All improvements necessary to bring the system up to TCEQ specifications will be completed before transfer of ownership to purchaser.**

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

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:

                     Water                      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: Acton MUD % of total supply: Emergency only

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

Water			Sewer	
	-Non Metered		-Residential Connection	<b>154</b>
<b>441</b>	-5/8" or 3/4" meter		-Commercial Connection	
<b>2</b>	-1" meter		-Industrial Connection	
	-1 1/2" meter		-Other	
Total Water Connections:		<b>443</b>	Total Sewer Connections	<b>154</b>

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

**All improvements necessary to bring the system up to TCEQ specifications will be completed before transfer of ownership to purchaser.**

23. List the name, class, and license number of the operator(s) that will be responsible for the system:  
**Parent company is a large multi-state water and wastewater utility system. Individual systems are operated by in-house operators. All operators are licensed by the TCEQ. Adequate vehicles, tools, equipment and repair parts are on site or available locally. SEE ATTACHMENT 7.**

Name	Class	License#

24. Attach the following maps with each copy of the application:
- 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.
  - 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:
    - A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
    - A map showing only the proposed area by:
      - metes and bounds survey certified by a licensed state or registered professional land surveyor; or
      - projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
      - following verifiable natural and man-made landmarks, or
      - a copy of recorded plat map with metes and bounds.
    - A written description of the proposed service area.



Water			Sewer	
2	-Non Metered		-2"meter	-Residential Connection
47	-5/8" or 3/4" meter		-3" meter	-Commercial Connection
23	-1" meter		-4" meter	-Industrial Connection
	-1 1/2" meter		-Other	-Other
Total Water Connections:			72	Total Sewer Connections

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

**Replace 5.5 hp well pump with 10 hp pump to increase production. All improvements necessary to bring the system up to TCEQ specifications will be completed before transfer of ownership to purchaser.**

23. List the name, class, and license number of the operator(s) that will be responsible for the system:  
**Parent company is a large multi-state water and wastewater utility system. Individual systems are operated by in-house operators. All operators are licensed by the TCEQ. Adequate vehicles, tools, equipment and repair parts are on site or available locally. SEE ATTACHMENT 7.**

Name	Class	License#

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.
- d. 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:
  7. A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
  8. A map showing only the proposed area by:
    - ix. metes and bounds survey certified by a licensed state or registered professional land surveyor; or
    - x. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
    - xi. following verifiable natural and man-made landmarks, or
    - xii. a copy of recorded plat map with metes and bounds.
  9. A written description of the proposed service area.

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

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

1	1	1	0	1	2	7
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Date of last inspection: 3/26/14

B. For Wastewater Systems:

-TCEQ Discharge Permit Number: W Q 

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-Name of Permittee: \_\_\_\_\_

-Date of application to transfer Discharge Permit submitted: \_\_\_\_\_

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

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

**Install 10,000 gallon ground storage tank and 3000 gallon pressure tank. All improvements necessary to bring the system up to TCEQ specifications will be completed before transfer of ownership**

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

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:

                     Water                      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	
	-Non Metered		-2"meter	
72	-5/8" or 3/4" meter		-3" meter	
	-1" meter		-4" meter	
	-1 1/2" meter		-Other	
Total Water Connections:			72	
			Total Sewer Connections	

22. 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:

**Resubmitting plans to TCEQ for installation of a 10,000 gallon ground storage tank and 3000 gallon pressure tank. All improvements necessary to bring the system up to TCEQ specifications will be completed before transfer of ownership to purchaser.**

23. List the name, class, and license number of the operator(s) that will be responsible for the system:  
**Parent company is a large multi-state water and wastewater utility system. Individual systems are operated by in-house operators. All operators are licensed by the TCEQ. Adequate vehicles, tools, equipment and repair parts are on site or available locally. SEE ATTACHMENT 7.**

Name	Class	License#

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.
  - e. 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:
    - 10. A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
    - 11. A map showing only the proposed area by:
      - xiii. metes and bounds survey certified by a licensed state or registered professional land surveyor; or
      - xiv. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
      - xv. following verifiable natural and man-made landmarks, or
      - xvi. a copy of recorded plat map with metes and bounds.
    - 12. A written description of the proposed service area.



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

**HERITAGE OAKS ADDITION**

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

2	2	0	0	0	9	0
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Date of last inspection: 11/13/13

B. For Wastewater Systems:

-TCEQ Discharge Permit Number: W Q 

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-Name of Permittee: \_\_\_\_\_

-Date of application to transfer Discharge Permit submitted: \_\_\_\_\_

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

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

**Submitted an Alternate Capacity Requirement application – awaiting response from TCEQ.**

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

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:

\_\_\_\_\_ Water \_\_\_\_\_ 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	
	-Non Metered		-2"meter	
30	-5/8" or 3/4" meter		-3" meter	
	-1" meter		-4" meter	
	-1 1/2" meter		-Other	
Total Water Connections:		30	Total Sewer Connections	

22. 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:  
**Parent company is a large multi-state water and wastewater utility system. Individual systems are operated by in-house operators. All operators are licensed by the TCEQ. Adequate vehicles, tools, equipment and repair parts are on site or available locally. SEE ATTACHMENT 7.**

Name	Class	License#

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.
- f. 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:
  13. A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
  14. A map showing only the proposed area by:
    - xvii. metes and bounds survey certified by a licensed state or registered professional land surveyor; or
    - xviii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
    - xix. following verifiable natural and man-made landmarks, or
    - xx. a copy of recorded plat map with metes and bounds.
  15. A written description of the proposed service area.

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

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

1	1	1	0	0	1	7
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Date of last inspection: 12/21/11

B. For Wastewater Systems:

-TCEQ Discharge Permit Number: W Q 

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 -Name of Permittee: \_\_\_\_\_  
 -Date of application to transfer Discharge Permit submitted: \_\_\_\_\_  
 -Date of application to transfer Discharge Permit approved by TCEQ: \_\_\_\_\_

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

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:

                     Water                      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	
	-Non Metered		-2"meter	
118	-5/8" or 3/4" meter		-3" meter	
	-1" meter		-4" meter	
	-1 1/2" meter		-Other	
Total Water Connections:			118	
			Total Sewer Connections	

22. 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:  
**Parent company is a large multi-state water and wastewater utility system. Individual systems are operated by in-house operators. All operators are licensed by the TCEQ. Adequate vehicles, tools, equipment and repair parts are on site or available locally. SEE ATTACHMENT 7.**

Name	Class	License#

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.
  - g. 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:
    - 16. A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
    - 17. A map showing only the proposed area by:
      - xxi. metes and bounds survey certified by a licensed state or registered professional land surveyor; or
      - xxii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
      - xxiii. following verifiable natural and man-made landmarks, or
      - xxiv. a copy of recorded plat map with metes and bounds.
    - 18. A written description of the proposed service area.



Water			Sewer	
	-Non Metered		-2"meter	
65	-5/8" or 3/4" meter		-3" meter	
	-1" meter		-4" meter	
	-1 1/2" meter		-Other	
Total Water Connections:		65	Total Sewer Connections	

22. 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:

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23. List the name, class, and license number of the operator(s) that will be responsible for the system:  
**Parent company is a large multi-state water and wastewater utility system. Individual systems are operated by in-house operators. All operators are licensed by the TCEQ. Adequate vehicles, tools, equipment and repair parts are on site or available locally. SEE ATTACHMENT 7.**

Name	Class	License#

24. Attach the following maps with each copy of the application:
- 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.
  - 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:
    - A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
    - A map showing only the proposed area by:
      - metes and bounds survey certified by a licensed state or registered professional land surveyor; or
      - projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
      - following verifiable natural and man-made landmarks, or
      - a copy of recorded plat map with metes and bounds.
    - A written description of the proposed service area.

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

**RIDGE UTILITIES**

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

1	1	1	0	0	8	4
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Date of last inspection: 12/14/11

B. For Wastewater Systems:

-TCEQ Discharge Permit Number: W Q 

1	3	0	2	5
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0	0	1
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-Name of Permittee: Texas H2O, Inc.

-Date of application to transfer Discharge Permit submitted: Pending

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

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

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:

                     Water                      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	
2	-Non Metered	-2" meter	-Residential Connection	88
108	-5/8" or 3/4" meter	-3" meter	-Commercial Connection	
3	-1" meter	-4" meter	-Industrial Connection	
	-1 1/2" meter	-Other	-Other	
Total Water Connections:		113	Total Sewer Connections	88

22. 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:  
**Parent company is a large multi-state water and wastewater utility system. Individual systems are operated by in-house operators. All operators are licensed by the TCEQ. Adequate vehicles, tools, equipment and repair parts are on site or available locally. SEE ATTACHMENT 7.**

Name	Class	License#

24. Attach the following maps with each copy of the application:
- 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.
  - 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:
    - A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
    - A map showing only the proposed area by:
      - metes and bounds survey certified by a licensed state or registered professional land surveyor; or
      - projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
      - following verifiable natural and man-made landmarks, or
      - a copy of recorded plat map with metes and bounds.
    - A written description of the proposed service area.



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

**SUNSET CANYON WATER – MOORE ESTATES**

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

1	1	1	0	1	0	2
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Date of last inspection: 12/21/11

B. For Wastewater Systems:

-TCEQ Discharge Permit Number: W Q 

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-Name of Permittee: \_\_\_\_\_

-Date of application to transfer Discharge Permit submitted: \_\_\_\_\_

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

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

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:

                     Water                      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	
	-Non Metered		-2" meter	-Residential Connection	
37	-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:			37	Total Sewer Connections	

22. 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:  
**Parent company is a large multi-state water and wastewater utility system. Individual systems are operated by in-house operators. All operators are licensed by the TCEQ. Adequate vehicles, tools, equipment and repair parts are on site or available locally. SEE ATTACHMENT 7.**

Name	Class	License#

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.
  - j. 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:
    - 25. A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
    - 26. A map showing only the proposed area by:
      - xxxiii. metes and bounds survey certified by a licensed state or registered professional land surveyor; or
      - xxxiv. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
      - xxxv. following verifiable natural and man-made landmarks, or
      - xxxvi. a copy of recorded plat map with metes and bounds.
    - 27. A written description of the proposed service area.

# OATH FOR SELLER OR FORMER SERVICE PROVIDER

STATE OF TEXAS

COUNTY OF Tarrant

I, **Wallace E. Hardie, Jr.**, being duly sworn, file this application for sale, lease, rental or merger or consolidation as **Chief Operating Officer of Texas H2O, Inc.** (*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.



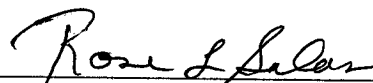
AFFIANT

(Utility's Authorized Representative)

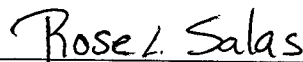
If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas,  
day 12<sup>th</sup> of May, 20 14.

SEAL



NOTARY PUBLIC IN AND FOR THE  
STATE OF TEXAS



PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 6-7-2017

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 TRAVIS

I, Robert L. Laughman, being duly sworn, file this application for

sale, lease, rental or merger or consolidation as President of Aqua Texas, Inc.  
(*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.

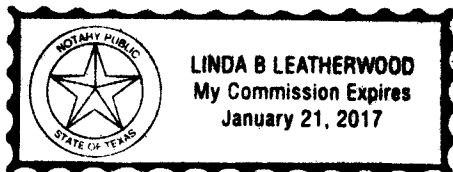
  
AFFIANT  
(Utility's Authorized Representative)

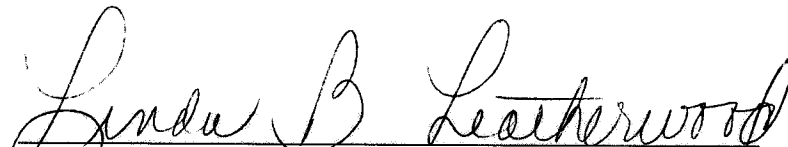
If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

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 9th of May, 20 14.

SEAL



  
NOTARY PUBLIC IN AND FOR THE  
STATE OF TEXAS

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

**Notice to Current Customers, Neighboring Systems and Cities**

**Texas H2O, Inc.** 'S  
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND  
NECESSITY (CCN) NO **12809 & 20814** TO **Aqua Texas, Inc.**

(Purchaser's or Transferee's Name)

IN **Hood, Johnson & Tarrant** COUNTIES, TEXAS

To: \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_, 20 **14**  
(Name of Customer, Neighboring System or City)

\_\_\_\_\_  
(Address)

City State Zip

<u><b>Texas H2O, Inc.</b></u>	<u><b>P. O. Box 613</b></u>	<u><b>Mansfield, Texas 76063</b></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 & sewer CCN Nos. **12809 & 20814** in **Hood, Johnson & Tarrant**

Counties to:

<u><b>Aqua Texas, Inc.</b></u>	<u><b>1106 Clayton Ln, 400W</b></u>	<u><b>Austin, Texas 78723</b></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:

**Boynton Water (Hood County):**

The area subject to this transaction is located approximately **4** miles **SSE** [direction] of  
downtown **Granbury**, [City or Town] Texas, and is **generally** bounded on the north by  
**Rhea Court**; on the east by **Davis Rd**  
;on the south by **Brazos River**; and on the west by **Jackson Ln**

**Canyon Creek Addition (Hood County):**

The area subject to this transaction is located approximately **3.6** miles **SSE** [direction] of  
downtown **Granbury**, [City or Town] Texas, and is **generally** bounded on the north by  
**Brazos River**; on the east by **Brazos River**  
;on the south by **Williamson Rd**; and on the west by **Contrary Creek Rd**

**Forest Acres Gardens (Tarrant County):**

The area subject to this transaction is located approximately **4.8** miles **NW** [direction] of

downtown Mansfield, [City or Town] Texas, and is **generally** bounded on the north by  
Dick Price Rd; on the east by Bennett Lawson Rd  
;on the south by Forest Acre Cir; and on the west by Teague Rd

**Granbury Industrial Park (Hood County):**

The area subject to this transaction is located approximately 6.4 miles NE [direction] of  
downtown Granbury, [City or Town] Texas, and is **generally** bounded on the north by  
Old Granbury Rd; on the east by West Sunchase  
;on the south by E Hwy 377; and on the west by Gateway Hills Ln

**Heritage Oaks Water (Tarrant County):**

The area subject to this transaction is located approximately 1.2 miles E [direction] of  
downtown Rowley, [City or Town] Texas, and is **generally** bounded on the north by  
Shelby Rd; on the east by Whipcorwill  
;on the south by Mitchell Saxon; and on the west by Banks Rd

**Long Creek Water (Hood County):**

The area subject to this transaction is located approximately 5 miles NNW [direction] of  
downtown Granbury, [City or Town] Texas, and is **generally** bounded on the north by  
Long Creek Ct; on the east by Weatherford Hwy  
;on the south by Thomas Rd; and on the west by Brazos River

**Rancho Villa Water (Johnson County):**

The area subject to this transaction is located approximately 6.6 miles E [direction] of  
downtown Alvarado, [City or Town] Texas, and is **generally** bounded on the north by  
CR 119; on the east by FM 157  
;on the south by FM 1807; and on the west by CR 214

**Ridge Utilities (Hood County):**

The area subject to this transaction is located approximately 6 miles SE [direction] of  
downtown Granbury, [City or Town] Texas, and is **generally** bounded on the north by  
Power Plant Ct.; on the east by Lake Granbury  
;on the south by Mambrino Hwy; and on the west by Mambrino Hwy

**Sunset Canyon Water Moore Estates (Hood County):**

The area subject to this transaction is located approximately 4.4 miles NNW [direction] of  
downtown Granbury, [City or Town] Texas, and is **generally** bounded on the north by  
Berry Rd; on the east by Peveler Rd  
;on the south by Killough Rd; and on the west by Brazos River

The total area being requested includes approximately 3227 acres and serves 1088 current customers.  
This transaction will have the following effect on the current customer's rates and services:

None

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.**

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Utility Representative

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Aqua Texas, Inc.

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Utility Name

**Notice to Current Customers, Neighboring Systems, Landowner and Cities**

\_\_\_\_\_  
(Seller's or Transferor's Name) 'S NOTICE OF INTENT TO SELL FACILITIES TO

\_\_\_\_\_  
(Purchaser's or Transferee's Name) AND FOR \_\_\_\_\_  
Purchaser's or Transferee's Name)

TO OBTAIN OR AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) IN  
\_\_\_\_\_  
COUNTY, TEXAS

To: \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_, 20 \_\_\_\_  
(Name of Customer, Neighboring System, Landowner or City)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

\_\_\_\_\_  
Sellers or Transferors' Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City/State/Zip Code

has submitted an application with the Texas Commission on Environmental Quality to sell water or sewer (please select) Facilities in \_\_\_\_\_ [County Name] County to:

\_\_\_\_\_  
Purchasers or Transferee's Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City/State/Zip Code

The transferee has also requested to obtain/amend a CCN in this application. 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 proposed service area include the following subdivision(s) and zip codes:

The area subject to this transaction is located approximately \_\_\_\_\_ miles \_\_\_\_\_ [direction] of downtown \_\_\_\_\_, [City or Town] Texas, and is **generally** bounded on the north by \_\_\_\_\_; on the east by \_\_\_\_\_; on the south by \_\_\_\_\_; and on the west by \_\_\_\_\_

The total area being requested includes approximately \_\_\_\_\_ acres and serves \_\_\_\_\_ current customers. This transaction will have the following effect on the current customer's rates and services:



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
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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.**

---

Utility Representative

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Utility Name

APPLICATION BY TEXAS H2O, INC. TO SELL  
FACILITIES IN HOOD, JOHNSON AND TARRANT  
COUNTIES, TEXAS TO AQUA TEXAS, INC.

ATTACHMENT SCHEDULE

Attachment 1	Officers of Aqua Texas, Inc.
Attachment 2	Certificates of Account Status
Attachment 3	Assets Purchase Agreement (W/O Attachments)
Attachment 4	Tariff Rate Pages
Attachment 5	Utilities, Cities & Political Subdivisions
Attachment 6	Financial Information
Attachment 7	Operators
Attachment 8	Maps
Attachment 9	Inspection Reports

APPLICATION BY TEXAS H2O, INC. TO SELL  
FACILITIES IN HOOD, JOHNSON AND TARRANT  
COUNTIES, TEXAS TO AQUA TEXAS, INC.

ATTACHMENT 1

OFFICERS OF AQUA TEXAS, INC.

## OFFICERS OF AQUA TEXAS, INC.

Nicholas DeBenedictis	Chairman and Chief Executive Officer
Christopher H. Franklin	Executive Vice President and Chief Operating Officer
David P. Smeltzer	Executive Vice President and Chief Financial Officer
Karl M. Kyriss	Executive Vice President
William C. Ross	Senior Vice President, Engineering and Environmental Affairs
Christopher P. Luning	Senior Vice President, General Counsel and Assistant Secretary
Robert L. Laughman	President
Richard S. Fox	Regional President
Daniel Rimann	Vice President, Operations
Robert A. Kopas	Regional Controller – Midwest and Southern Division
Crandal McDougall	Controller
Diana Moy Kelly	Treasurer
Robert A. Rubin	Assistant Treasurer
Stan Szczgiel	Assistant Treasurer
Maria Gordiany	Secretary
Jacqueline Peyreferry	Assistant Secretary

Texas H2O, Inc. to Aqua Texas, Inc.  
1106 Clayton Lane, Suite 400W  
Austin, Texas 78723  
(512) 990-4400

**ATTACHMENT 1 - Officers of Aqua Texas, Inc.**

APPLICATION BY TEXAS H2O, INC. TO SELL  
FACILITIES IN HOOD, JOHNSON AND TARRANT  
COUNTIES, TEXAS TO AQUA TEXAS, INC.

ATTACHMENT 2

CERTIFICATES OF ACCOUNT STATUS



## Franchise Tax Account Status

As of: 05/19/2014 10:29:22 AM

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

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### AQUA TEXAS, INC.

Texas Taxpayer Number 32014405503  
Mailing Address 1106 CLAYTON LN STE 400W  
AUSTIN, TX 78723-2476  
Right to Transact Business in Texas ACTIVE  
State of Formation TX  
Effective SOS Registration Date 02/13/2004  
Texas SOS File Number 0800304878  
Registered Agent Name CORPORATION SERVICE COMPANY D/B/A CSC-  
LAWYERS INCO  
Registered Office Street Address 211 E. 7TH STREET SUITE 620  
AUSTIN, TX 78701

Texas H2O, Inc. to Aqua Texas, Inc.  
1106 Clayton Lane, Suite 400W  
Austin, Texas 78723  
(512) 990-4400

ATTACHMENT 2 - Certificates of Account Status



## Franchise Tax Account Status

As of: 04/09/2014 12:02:34 PM

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

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TEXAS H2O, INC.	
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Texas Taxpayer Number	17526323500
Mailing Address	2401 CALLENDER RD STE 105 MANSFIELD, TX 76063-8869
Right to Transact Business in Texas	ACTIVE
State of Formation	TX
Effective SOS Registration Date	01/03/1996
Texas SOS File Number	0138395600
Registered Agent Name	JESS W. LEWELLYN SR
Registered Office Street Address	208 E. BROAD ST., STE 109 MANSFIELD, TX 76063

APPLICATION BY TEXAS H2O, INC. TO SELL  
FACILITIES IN HOOD, JOHNSON AND TARRANT  
COUNTIES, TEXAS TO AQUA TEXAS, INC.

ATTACHMENT 3

ASSETS PURCHASE AGREEMENT  
WITHOUT ATTACHMENTS



## **ASSET PURCHASE AGREEMENT**

THIS ASSETS PURCHASE AGREEMENT, dated as of the 31<sup>st</sup> day of March, 2014, is entered into by and between **Texas H2O, Inc.** ("Seller"), a Texas corporation, and **Aqua Texas, Inc.**, a Texas corporation ("Aqua" or "Buyer"). Seller and Aqua are sometimes referred to herein individually as Party or collectively as Parties.

### **RECITALS**

A. Seller is a public utility that owns, maintains and operates water and wastewater utility systems (the "Systems") that provide retail water and/or wastewater utility service to residents within the Counties of Hood, Tarrant, Parker and Johnson in the State of Texas ("Service Area").

B. The Systems are comprised of the following water and wastewater systems and include a total of 1088 active water and wastewater connections receiving services from Seller: Canyon Creek Water, Canyon Creek Wastewater, Ridge Water, Ridge Sewer, Forest Acres Water, Long Creek Water, Boynton Water, Granbury Industrial Park Water, Rancho Villa Water, Moore Estates Water and Heritage Oaks Water.

C. Aqua is a public utility that furnishes retail water and wastewater services to the public in various portions of the State of Texas.

D. Seller desires to sell, and Aqua desires to purchase, certain assets, properties and rights of Seller owned and used in connection with its Systems, all upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the recitals and the covenants, representations, warranties and agreements herein contained, and intending to be legally bound hereby, the parties hereto agree as follows:

#### **1. SALE AND PURCHASE OF THE SELLER'S WATER SYSTEMS ASSETS**

Subject to the terms and conditions hereinafter set forth, Aqua shall purchase from Seller, and Seller shall sell, assign, transfer, grant, convey and deliver to Aqua at Closing (hereinafter defined), all of the Systems assets, properties and rights of Seller (whether tangible or intangible, real, personal or mixed) which are held, used or useful in connection with the production, treatment and distribution of water and wastewater within the Service Area (the "Assets").

The Assets are being sold free and clear of all mortgages, liens, pledges, security interest, charges, taxes, claims, restrictions and encumbrances of any nature whatsoever.

##### **1.1 Assets Further Defined**

Page Texas H2O, Inc. to Aqua Texas, Inc.  
1106 Clayton Lane, Suite 400W  
Austin, Texas 78723  
(512) 990-4400

ATTACHMENT 3 - Assets Purchase Agreement

The Assets shall, without limitation to the definition stated above, include the specific assets, properties and rights of Seller set forth on Schedule 1.1, and the following:

- (a) all the land, buildings, pipes, pipelines, wells, pumping stations, lift stations, storage tanks, standpipes, fire hydrants, plants, storage ponds, spray fields, structures, improvements, fixtures, rights-of-way, rights, uses, licenses and easements owned by Seller, or in which Seller has an interest, and all hereditaments, tenements and appurtenances belonging or appertaining thereto;
- (b) all machinery owned by Seller listed in Schedule 1.1 as well as all leasehold improvements in which Seller has an interest.
- (c) all supplies and inventories relating to the Systems listed in Schedule 1.1;
- (d) all rights of Seller under any written or oral contract, easement, license, agreement, lease, plan, instrument, registration, permit, certificate, CCN, or other authorization or approval, of any nature, or other document, commitment, arrangement, undertaking, practice or authorization, relating to the Systems;
- (e) all rights and choses in action of Seller arising out of occurrences before or after the Closing relating to the Systems;
- (f) all information, files, records, data, plans, contracts and recorded knowledge, including customer and supplier lists and property records, related to the foregoing.

#### 1.2 Excluded Assets

Notwithstanding the foregoing, the Assets shall not include any of the following:

- (a) any and all customer water service lines that run from outside the meter box to each individual residence, commercial or industrial structure served by the Assets;
- (b) all piping and fixtures internal to each individual customer's structure;
- (c) Seller's cash and receivables as of the date of Closing; and
- (d) any assets listed in Schedule 1.2(d) which is attached hereto and incorporated herein by reference.
- (e) all equipment, tools, vehicles, furniture, furnishings, goods, and other tangible personal property not listed on Schedule 1.1.

#### 1.3 Consideration

- (a) The total purchase price ("Purchase Price") for the Assets is **Two Million, Seven Hundred Twenty Thousand Dollars (\$2,720,000.00)** payable at Closing. The total