



Control Number: 43041



Item Number: 62

Addendum StartPage: 0

SOAH DOCKET NO. 473-16-3809.WS
PUC DOCKET NO. 43041

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APPLICATION OF THE CITY OF
DORCHESTER TO AMEND A
CERTIFICATE OF CONVENIENCE
AND NECESSITY IN GRAYSON
COUNTY (37917-C)

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BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS

PUBLIC UTILITY COMMISSION
FILING CLERK

**CITY OF DORCHESTER'S RESPONSES TO REQUESTS FOR INFORMATION
FROM THE PUBLIC UTILITY COMMISSION OF TEXAS**

COMES NOW, the City of Dorchester (City) and files this its responses to requests for information from the Public Utility Commission of Texas. The requests and responses are addressed below:

1. Provide documentation that demonstrates the need for service. Please refer to page 10 of 31 of the application.
 - A. Describe the service area and circumstances driving the need for service in the requested area. Indicate the name(s) and address(es) of landowner(s), prospective landowner(s), tenant(s) or resident(s) that have requested service; and/or
 - B. Describe the economic need(s) for service in the requested area; and/or
 - C. Discuss in detail the environmental need(s) for service in the requested area; and/or
 - D. Provide copies of any written applications or request for service in the requested area; and/or
 - E. Provide copies of any reports and/or market studies demonstrating existing or anticipated growth in the requested area; and/or

- F. If none of these items exist or are available, please justify the need for service in the proposed area in writing.

ANSWER:

The area proposed to be added to the City's CCN includes one customer, the Robert L. Catching Sr. and Joyce A. Catching Revocable Living Trust, that is currently receiving water service from the City. The remainder of the area consists of land owned by Walton Texas, LP (mailing address: 5420 LBJ Freeway, Suite 790, Dallas, Texas 75240), which has requested that the City provide water service. Walton Texas, LP intends to develop its land as a master-planned residential community, and the development will require water service. No water service is currently available in the amendment area. As shown by Attachment No. 1 hereto, the City submitted the CCN amendment application in response to Walton Texas, LP's request for water service.

2. Provide the effect of granting a Certificate Amendment. Please refer to page 14 of 31 of the application. Explain in detail the effect of granting the certificate or an amendment, including but not limited to regionalization, compliance and economic effects on the follows:
- A. The applicant.
 - B. Any retail public utility of the same kind already serving the proximate area; and
 - C. Any landowner(s) in the requested area.

ANSWER:

Granting the CCN amendment will provide the City with a larger customer base, thereby allowing economies of scale and potential lowering of costs to customers and regionalizing water service over a larger area. No other retail public utility will be

affected; the City is the only retail public utility serving in the area sought by the amendment. Walton Texas, LP owns most of the land that will be added to the City's CCN and has requested that the City provide water service. The City's provision of centralized water service will allow Walton Texas, LP's land to be developed as a master-planned residential community. One other landowner, the Robert L. Catching Sr. and Joyce A. Catching Revocable Living Trust, owns property within the amendment area and is already receiving water service from the City.

3. Provide written documentation of consent from King's Crossing MUD allowing the City of Dorchester to provide retail water service within the district's boundary.

ANSWER:

There is no overlap of the CCN amendment requested by Dorchester with the actual boundaries of King's Crossing MUD. The overlap created when overlaying TCEQ's district's shapefile with the shapefiles for the Dorchester CCN appears to be a result of the use of different base maps by the TCEQ and PUC. The base map used to input districts in TCEQ's system is different than the base map used by PUC to input CCN boundaries. These two separate files have not been reviewed or corrected to fit together as one seamless boundary file. The use of different base maps has the effect of shifting the shapefile of King's Crossing MUD to the north and west. When the district's boundaries are overlaid onto an aerial map, it is readily apparent that they are not in the proper location, as it is more likely that the district's boundaries abut Matthews, Farmington, and Hall Cemetery roads and are coterminous with the property boundaries that run along those roads. See Attachment No. 2. With an alleged overlap of only 57 feet, it is apparent there is a mapping error with respect to the district's boundaries.

Moreover, even if there is an overlap, the City is not required to obtain consent from the district. Texas Water Code § 13.244(c) states:

Each applicant for a certificate of public convenience and necessity or for an amendment shall file with the utility commission evidence required by the utility commission to show that the applicant has received the *required* consent, franchise, permit of the proper municipality or other public authority.

This provision requires an entity to provide evidence of a municipal consent, franchise, or similar authorization when such consent or franchise *is required* by a city or other public authority. Municipal utility districts do not have authority to require consent or otherwise regulate the provision of utility services by a city. A municipal utility district only has the authority to require consent when another *district* seeks to provide service within the municipal utility district's boundaries. *See* Tex. Water Code § 49.215(d).

4. Provide a copy of the contract with the City of Sherman.

ANSWER:

The City's contract with the City of Sherman is attached hereto as Attachment No. 3.

5. It appears as though some of the proposed area has customers currently being served by the City of Dorchester and other parts of the area are under development. Will new facilities be required for the area under development? If yes, have the plans been approved by the Texas Commission on Environmental Quality (TCEQ)?

ANSWER:

One customer is currently being served by the City in the proposed area. The City has entered into a development agreement with the owners of the remaining property that is being certificated. The owner is required pursuant to that agreement to install the infrastructure needed to serve the development for the property in accordance with state law.

6. The system has an unresolved violation for Lead & Copper in TCEQ's Drinking Water Watch. Has the City contacted TCEQ to find out how to resolve this violation?

ANSWER:

Yes. The City is in contact with the TCEQ and is taking corrective action, which involves obtaining sampling information and providing that information to the TCEQ. The City's water supply does not exceed the lead and copper limits.

7. Provide a copy of the most recent TCEQ Comprehensive Compliance Investigation (CCI).

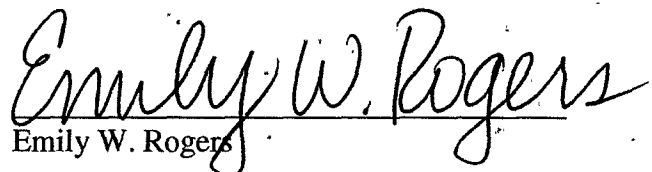
ANSWER:

Attachment No. 4 is an April 9, 2015 letter from the TCEQ outlining alleged violations found during its September 20, 2014 compliance investigation, the proposed actions to correct the alleged violations, and the actions taken by the City to resolve the alleged violations.

Respectfully submitted,

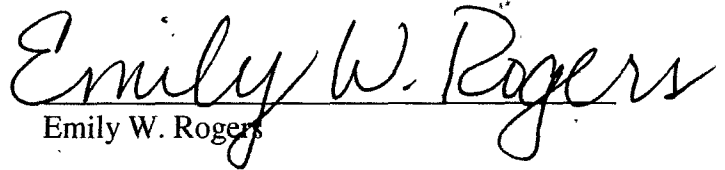
Emily W. Rogers
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erogers@bickerstaff.com
Bickerstaff Heath Delgado Acosta LLP
3711 S. MoPac Expressway
Building One, Suite 300
Austin, TX 78746
Telephone: (512) 472-8021
Facsimile: (512) 320-5638

BY:


Emily W. Rogers

CERTIFICATE OF SERVICE

I hereby certify by my signature below that on the 27th day of September, 2016, a true and correct copy of the above and foregoing document was forwarded via hand delivery, facsimile, U.S. mail or electronic mail to all parties of record.


Emily W. Rogers

Attachment No. 1

**CITY OF DORCHESTER
DORCHESTER, TEXAS**

Regular meeting
City Council

City Hall
373 Main St.
Dorchester, TX 75459

**November 12th, 2012
6:30 P. M**

AGENDA

CALL MEETING TO ORDER:

Visitors may address the council with a 5-minute time limit.

CONSENT ITEMS: These items consist of non-controversial or "housekeeping" items required by law. Items may be considered individually by any Council member making such request prior to a motion and vote on the Consent Items.

1. Approve Minutes of Regular City Council Meeting , **October 8th, 2012**
2. Approve the bills being paid for the month.

ACTION ITEMS:

1. Consider/Discuss/Action on Resolution No. 1204 Approving Submittal of Applications to Texas Commission on Environmental Quality To Amend the City's Certificate of Convenience and Necessity (continued for October 8, 2012 meeting)
2. Consider/Discuss/Action on Agreement Concerning Water Certificate of Convenience and Necessity Rights between the City of Dorchester, Double Platinum Ranch Water Control and Improvement District No. 1 of Grayson County, and Walton Texas, LP .
3. Consider/Discuss/Action on an amount to donate to Grayson County Precinct 1 Spring Clean up
4. Consider/Discuss/Action to support the Texoma Council of Governments effort to apply for assessment funding from the Environmental Protection Agency's Brownfield Program.

DISCUSSION ITEMS:

1. Mayor Comments...
2. Discuss any problems with the water utility or city..

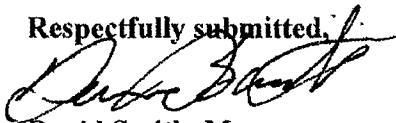
REPORTS:

1. Water loss report & leak report.
2. Delinquent water bill report

ADJOURNMENT:

The Council may enter executive sessions at any time during the meeting as permitted under the Open Meetings Act.

Respectfully submitted,

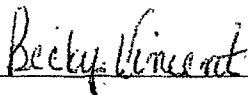


David Smith, Mayor
City of Dorchester

I the undersigned authority, do hereby certify that the above Notice of Meeting of the City Council of the City of Dorchester, is a true and correct copy of said Notice: and that I posted a true and correct copy of said notice on a bulletin board, located at a place convenient and readily accessible to the general public at all times at **DORCHESTER TOWN HALL** located at **373 MAIN STREET Dorchester, Texas** a place convenient to the public, and said Notice was posted on **9th** day of **November, 2012** at **4:00 P. M.** and remained so posted for at least 72 hours preceding the scheduled time of said meeting.

Dated this 9th day of November, 2012

City Secretary Becky Vincent



CITY OF DORCHESTER
REGULAR COUNCIL MEETING
November 12, 2012

DAVID CALLED MEETING TO ORDER AT 6:38 PM.

WILLIES BALLOU ABSENT

GUESTS : MATT TORBIT(WALTON DEVELOPMENT) AND VARIOUS VISITORS FOR THANKSGIVING DINNER.

DISCUSSION/ACTION ITEMS:

CONSENT ITEMS: BILLS PAID AND MINUTES OF OCTOBER 8TH MEETING. BOYD MADE THE MOTION, JIMMY SECOND, ALL IN FAVOR.

MOTION WAS MADE TO APPROVE RESOLUTION NO. 1204 TO APPROVE SUBMITTAL OF APPLICATIONS TO TEXAS COMMISSION ON ENVIRONMENTAL QUALITY TO AMEND THE CITY'S CERTIFICATE OF CONVENIENCE AND NECESSITY(HAD BEEN TABLED FROM OCTOBER 8TH MEETING). BOYD MADE THE MOTION, STANLEY SECOND, ALL IN FAVOR.

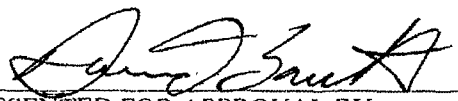
MOTION WAS MADE TO APPROVE THE AGREEMENT CONCERNING WATER CERTIFICATE OF CONVENIENCE AND NECESSITY RIGHTS BETWEEN THE CITY OF DORCHESTER, DOUBLE PLATINUM RANCH WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 OF GRAYSON COUNTY, AND WALTON TEXAS, LP. STANLEY MADE THE MOTION, CHARLES SECOND, ALL IN FAVOR.

MOTION WAS MADE TO DONATE \$500 TO THE GRAYSON COUNTY PRECINT 1 FALL CLEANUP. JIMMY MADE THE MOTION, STANLEY SECOND, ALL IN FAVOR.

MOTION WAS MADE TO SUPPORT THE TEXOMA COUNCIL OF GOVERNMENTS EFFORT TO APPLY FOR ASSESSMENT FUNDING FROM THE ENVIRONMENTAL PROTECTION AGENCY'S BROWFIELD PROGRAM. BOYD MADE THE MOTION, STANLEY SECOND, ALL IN FAVOR.

WORKING ON COUPLING BOTH PRESSURE TANKS AT 902 PUMP STATION, EDDIE RESUBMITTING TCEQ PAPERWORK AND CONTRACTORS WORKING ON TANKS.

JIMMY MADE A MOTION TO ADJOURN, BOYD SECOND, ALL IN FAVOR.


PRESENTED FOR APPROVAL BY


APPROVED BY

RESOLUTION NO. 1209

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DORCHESTER, TEXAS, APPROVING SUBMITTAL OF APPLICATIONS TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY AMENDING CERTIFICATE OF CONVENIENCE AND NECESSITY NO. 12013 HELD BY THE CITY OF DORCHESTER FOR RETAIL WATER SERVICE; AUTHORIZING EXECUTION OF ALL DOCUMENTS RELATED TO SUCH SUBMITTALS

WHEREAS, Walton Texas I.P, a Texas limited partnership ("Walton") owns, operates and/or manages certain property located in Grayson County, Texas; and

WHEREAS, a portion of Walton's property is located in an area for which no certificate of convenience and necessity ("CCN") has been issued by the Texas Commission on Environmental Quality ("TCEQ") for retail water service; and

WHEREAS, approximately 4.04 acres owned by Robert Catching is located in an area for which no CCN has been issued by the TCEQ for water service; and

WHEREAS, the Walton property and the Catching property consist of approximately 369.689 acres described and generally depicted in Exhibit A attached hereto and incorporated herein by reference; and

WHEREAS, a portion of Walton's property is located within CCN No. 12013 issued to the City by the TCEQ for retail water service, consisting of approximately 753.90 acres described and generally depicted in Exhibit B attached hereto and incorporated herein by reference; and

WHEREAS, the City and Walton agree that it is mutually beneficial for the City to amend CCN No. 12013 to include the property described and generally depicted in Exhibit A

WHEREAS, the City and Walton agree that it is mutually beneficial for the City to amend CCN No. 12013 to include the property described and generally depicted in Exhibit A and to transfer the water CCN rights for the property described and generally depicted in Exhibit B to a CCN to be held by Double Platinum Ranch Water Control and Improvement District No. 1 of Grayson County on the terms set out below: and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DORCHESTER, TEXAS, THAT:


Section 1. The City Council of the City of Dorchester, Texas, authorizes Mayor David Smith to submit an application to the TCEQ to amend CCN No. 12013 to include the property described and generally depicted in Exhibit A (save and except any portion of such property located in facilities CCN held by Elmont-Farmington Water Supply Corporation), consisting of approximately 369.689 acres.

Section 2. The City Council authorizes Mayor David Smith to submit an application to the TCEQ to transfer the City's water CCN rights for the property described and generally depicted in Exhibit B, consisting of approximately 753.90 acres, to a CCN to be held by Double Platinum Water Control and Improvement District No. 1 of Grayson County, upon receipt by the City of payment from Walton in the amount of \$50,000 as consideration for transfer of such water CCN rights.

Section 3. Mayor Smith is authorized and directed to execute such documents and perform such further acts on behalf of the City as may reasonably be required to submit the applications described in Sections 1 and 2 to the TCEQ.

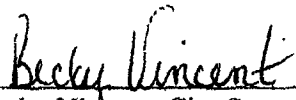
Section 4. This resolution shall be effective immediately on the date passed and approved.

PASSED AND APPROVED this 12th day of November, 2012.



David Smith, Mayor

ATTEST:



Becky Vincent, City Secretary

APPROVED AS TO FORM:

Special Counsel

EXHIBIT A
LEGAL DESCRIPTION
369.689 ACRES

BEING A 369.689 ACRE TRACT OF LAND SITUATED IN THE DANIEL LLOYD SURVEY, ABSTRACT NO. 706, THE JOHN M. HILLIS SURVEY, ABSTRACT NO. 534, THE JAMES McKINNEY SURVEY, ABSTRACT NO. 777 AND THE ELIHU REYNOLDS SURVEY, ABSTRACT NO. 1008, GRAYSON COUNTY, TEXAS, SAID 369.689 ACRE TRACT BEING ALL OF A CALLED 99.012 ACRE TRACT OF LAND CONVEYED TO WALTON TEXAS, L.P., AS RECORDED IN COUNTY CLERK'S FILE NO. 2009-00018804, OFFICIAL RECORDS, GRAYSON COUNTY, TEXAS, PART OF A CALLED 502.182 ACRE TRACT OF LAND CONVEYED AS "TRACT 1" TO WALTON TEXAS, L.P., AS RECORDED IN COUNTY CLERK'S FILE NO. 2007-00025070, OFFICIAL RECORDS, GRAYSON COUNTY, TEXAS AND PART OF A CALLED 266.200 ACRE TRACT OF LAND CONVEYED TO WALTON TEXAS, L.P., AS RECORDED IN COUNTY CLERK'S FILE NO. 2007-00028862, OFFICIAL RECORDS, GRAYSON COUNTY, TEXAS. SAID 369.689 ACRE TRACT WITH BEARING BASIS BEING GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE, NAD83 (CORS96, EPOCH DATE 2002), DETERMINED BY GPS OBSERVATIONS BETWEEN JULIAN DAY 253, 2004 AND JULIAN DAY 259, 2004, CALCULATED FROM COLLIN CORS ARP (PID-DF8982) AND DENTON CORS ARP (PID-DF8986), BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A P.K. NAIL SET FOR THE SOUTHEAST CORNER OF SAID 99.012 ACRE TRACT, SAID POINT BEING ON THE NORTH LINE OF A TRACT OF LAND CONVEYED TO WAYNE CAVENDER, AS RECORDED IN VOLUME 953, PAGE 529, DEED RECORDS, GRAYSON COUNTY, TEXAS AND IN HALL CEMETERY ROAD (A VARIABLE WIDTH PRESCRIPTIVE RIGHT-OF-WAY);

THENCE, ALONG THE SOUTH LINE OF SAID 99.012 ACRE TRACT AND GENERALLY ALONG SAID HALL CEMETERY ROAD, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 89 DEGREES 18 MINUTES 15 SECONDS WEST, A DISTANCE OF 524.30 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AT AN ANGLE POINT ON THE EAST LINE OF A TRACT OF LAND CONVEYED TO DAVID CATCHING, AS RECORDED IN VOLUME 1438, PAGE 765, DEED RECORDS, GRAYSON COUNTY, TEXAS;

NORTH 29 DEGREES 20 MINUTES 45 SECONDS WEST, ALONG THE EAST LINE OF SAID DAVID CATCHING TRACT, A DISTANCE OF 590.10 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR THE NORTHEAST CORNER OF SAID DAVID CATCHING TRACT;

NORTH 89 DEGREES 57 MINUTES 45 SECONDS WEST, ALONG THE NORTH LINE OF SAID DAVID CATCHING TRACT, A DISTANCE OF 734.90 FEET TO A P.K. NAIL SET FOR THE SOUTHWEST CORNER OF SAID 99.012 ACRE TRACT AND THE SOUTHEAST CORNER OF A TRACT OF LAND CONVEYED TO MURRY H. AKINS, AS RECORDED IN VOLUME 2352, PAGE 350, DEED RECORDS, GRAYSON COUNTY, TEXAS;

THENCE, NORTH 01 DEGREES 20 MINUTES 45 SECONDS WEST, ALONG THE WEST LINE OF SAID 99.012 ACRE TRACT AND THE EAST LINE OF SAID MURRY H. AKINS TRACT, PASSING AT A DISTANCE OF 25.01 FEET A 1/2 INCH IRON ROD FOUND AT A FENCE CORNER POST, CONTINUING IN ALL A TOTAL DISTANCE OF 2134.20 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR A NORTHWEST CORNER OF SAID 99.012 ACRE TRACT, SAID POINT BEING ON THE SOUTH LINE OF A TRACT OF LAND CONVEYED TO ERNEST B. STRAWN, AS RECORDED IN VOLUME 1094, PAGE 234, DEED RECORDS, GRAYSON COUNTY, TEXAS;

THENCE, NORTH 88 DEGREES 41 MINUTES 48 SECONDS EAST, ALONG A NORTH LINE OF SAID 99.012 ACRE TRACT AND THE SOUTH LINE OF SAID ERNEST B. STRAWN TRACT, A DISTANCE OF 752.93 FEET TO A 5/8 INCH IRON ROD FOUND FOR THE SOUTHEAST CORNER OF SAID ERNEST B. STRAWN TRACT;

THENCE, NORTH 00 DEGREES 34 MINUTES 58 SECONDS WEST, ALONG A WEST LINE OF SAID 99.012 ACRE TRACT AND THE EAST LINE OF SAID ERNEST B. STRAWN TRACT, PASSING AT A DISTANCE OF 869.39 FEET A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR THE NORTHWEST CORNER OF SAID 99.012 ACRE TRACT, CONTINUING IN ALL A TOTAL DISTANCE OF 915.93 FEET TO A POINT FOR CORNER ON THE SOUTH LINE OF AFORESAID 502.182 ACRE TRACT;

THENCE, SOUTH 89 DEGREES 19 MINUTES 53 SECONDS WEST, ALONG THE SOUTH LINE OF SAID 502.182 ACRE TRACT, A DISTANCE OF 34.32 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR THE SOUTHWEST CORNER OF SAID 502.182 ACRE TRACT, SAID POINT BEING ON THE EAST LINE OF SAID ERNEST B. STRAWN TRACT;

THENCE, NORTH 00 DEGREES 40 MINUTES 07 SECONDS WEST, ALONG THE WEST LINE OF SAID 502.182 ACRE TRACT AND THE EAST LINE OF SAID ERNEST B. STRAWN TRACT, A DISTANCE OF 1947.25 FEET TO A 1/2 INCH IRON ROD FOUND FOR THE NORTHEAST CORNER OF SAID ERNEST B. STRAWN TRACT, SAID POINT BEING AT THE INTERSECTION OF BRADSHAW ROAD (A VARIABLE WIDTH PRESCRIPTIVE RIGHT-OF-WAY) AND McBEE ROAD (A VARIABLE WIDTH PRESCRIPTIVE RIGHT-OF-WAY), SAID POINT ALSO BEING ON THE SOUTH LINE OF THE CERTIFICATE OF CONVENIENCE AND NECESSITY (C.C.N.) NO. 12013 FOR THE CITY OF DORCHESTER, AS DESCRIBED IN COUNTY CLERK'S FILE NO. 2006-00031428, OFFICIAL RECORDS, GRAYSON COUNTY, TEXAS AND BEING THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 04 DEGREES 38 MINUTES 22 SECONDS, A RADIUS OF 7665.00 FEET, AND A LONG CHORD THAT BEARS NORTH 87 DEGREES 10 MINUTES 12 SECONDS EAST A DISTANCE OF 620.51 FEET;

THENCE, OVER AND ACROSS SAID 502.182 ACRE TRACT, ALONG THE SOUTH LINE OF SAID CITY OF DORCHESTER C.C.N. AND GENERALLY ALONG SAID McBEE ROAD, THE FOLLOWING COURSES AND DISTANCES:

ALONG SAID NON-TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 620.68 FEET TO A POINT FOR CORNER;

NORTH 89 DEGREES 29 MINUTES 23 SECONDS EAST, PASSING AT A DISTANCE OF 1727.49 FEET THE EAST LINE OF SAID 502.182 ACRE TRACT AND THE WEST LINE OF AFORESAID 266.200 ACRE TRACT, CONTINUING

OVER AND ACROSS SAID 266.200 ACRE TRACT, IN ALL A TOTAL DISTANCE OF 4184.96 FEET TO A POINT FOR CORNER;

THENCE, CONTINUING OVER AND ACROSS SAID 266.200 ACRE TRACT AND ALONG THE SOUTH LINE OF SAID CITY OF DORCHESTER C.C.N., THE FOLLOWING COURSES AND DISTANCES:

NORTH 01 DEGREES 03 MINUTES 09 SECONDS WEST, A DISTANCE OF 384.31 FEET TO A POINT FOR CORNER;

NORTH 89 DEGREES 12 MINUTES 50 SECONDS EAST, A DISTANCE OF 608.94 FEET TO A POINT FOR CORNER ON THE EAST LINE OF SAID 266.200 ACRE TRACT AND THE WEST LINE OF A TRACT OF LAND CONVEYED TO C.J. MATTHEWS, AS RECORDED IN VOLUME 1180, PAGE 590, DEED RECORDS, GRAYSON COUNTY, TEXAS, SAID POINT BEING IN FARMINGTON ROAD (A VARIABLE WIDTH PRESCRIPTIVE RIGHT-OF-WAY);

THENCE, ALONG THE EAST LINE OF SAID 266.200 ACRE TRACT, THE WEST LINE OF SAID C.J. MATTHEWS TRACT AND GENERALLY ALONG SAID FARMINGTON ROAD, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 00 DEGREES 41 MINUTES 51 SECONDS EAST, A DISTANCE OF 386.15 FEET TO A 1/2 INCH IRON ROD FOUND FOR CORNER;

SOUTH 02 DEGREES 13 MINUTES 13 SECONDS EAST, A DISTANCE OF 845.92 FEET TO A RAILROAD SPIKE FOUND FOR THE SOUTHWEST CORNER OF SAID C.J. MATTHEWS TRACT, SAID POINT BEING AT THE INTERSECTION OF SAID FARMINGTON ROAD AND MATTHEWS ROAD (A VARIABLE WIDTH PRESCRIPTIVE RIGHT-OF-WAY);

THENCE, SOUTH 89 DEGREES 44 MINUTES 34 SECONDS EAST, ALONG THE NORTH LINE OF SAID 266.200 ACRE TRACT, THE SOUTH LINE OF SAID C.J. MATTHEWS TRACT AND GENERALLY ALONG SAID MATTHEWS ROAD, A DISTANCE OF 450.97 FEET TO A POINT FOR CORNER ON THE WEST LINE OF THE CERTIFICATE OF CONVENIENCE AND NECESSITY (C.C.N.) NO. 11011 FOR THE CITY OF HOWE, AS DESCRIBED IN COUNTY CLERK'S FILE NO. 2006-00031429, OFFICIAL RECORDS, GRAYSON COUNTY, TEXAS;

THENCE, SOUTH 00 DEGREES 50 MINUTES 53 SECONDS EAST, OVER AND ACROSS SAID 266.200 ACRE TRACT AND ALONG THE WEST LINE OF SAID CITY OF HOWE C.C.N., A DISTANCE OF 1496.92 FEET TO A POINT FOR CORNER ON THE SOUTH LINE OF SAID 266.200 ACRE TRACT AND THE NORTH LINE OF A TRACT OF LAND CONVEYED TO AP HOWE LIMITED PTN., AS RECORDED IN VOLUME 3705, PAGE 905, DEED RECORDS, GRAYSON COUNTY, TEXAS;

THENCE, SOUTH 34 DEGREES 46 MINUTES 41 SECONDS WEST, ALONG THE SOUTH LINE OF SAID 266.200 ACRE TRACT AND THE NORTH LINE OF SAID AP HOWE LIMITED PTN. TRACT, A DISTANCE OF 767.38 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR A SOUTHWEST CORNER OF SAID 266.200 ACRE TRACT, SAID POINT BEING ON THE EAST LINE OF A TRACT OF LAND CONVEYED TO RICHARD HUNSINGER, AS RECORDED IN VOLUME 3717, PAGE 251, DEED RECORDS, GRAYSON COUNTY, TEXAS AND ALSO BEING IN AFORESAID FARMINGTON ROAD;

THENCE, NORTH 01 DEGREES 01 MINUTES 56 SECONDS WEST, ALONG A WEST LINE OF SAID 266.200 ACRE TRACT, GENERALLY ALONG SAID FARMINGTON ROAD AND ALONG THE EAST LINES OF THE FOLLOWING TRACTS; SAID RICHARD HUNSINGER TRACT, A TRACT OF LAND CONVEYED TO FREDDY HOLCOMB, AS RECORDED IN VOLUME 1317, PAGE 403, DEED RECORDS, GRAYSON COUNTY, TEXAS, A TRACT OF LAND CONVEYED TO FREDDY HOLCOMB, AS RECORDED IN VOLUME 1510, PAGE 642 AND A TRACT OF LAND CONVEYED TO JIMMY RODGERS, AS RECORDED IN VOLUME 1417, PAGE 737, DEED RECORDS, GRAYSON COUNTY, TEXAS, A DISTANCE OF 992.91 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR THE NORTHEAST CORNER OF SAID JIMMY RODGERS TRACT;

THENCE, SOUTH 89 DEGREES 46 MINUTES 07 SECONDS WEST, ALONG THE SOUTH LINE OF SAID 266.200 ACRE TRACT AND THE NORTH LINES OF THE FOLLOWING TRACTS; SAID JIMMY RODGERS TRACT, A TRACT OF LAND CONVEYED JACK HOLCOMB, AS RECORDED IN VOLUME 2290, PAGE 392, DEED RECORDS, GRAYSON COUNTY, TEXAS AND A TRACT OF LAND CONVEYED TO CHARLES ANGEL, AS RECORDED IN VOLUME 3929, PAGE 231, DEED RECORDS, GRAYSON COUNTY, TEXAS, A DISTANCE OF 3091.30 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR THE SOUTHWEST CORNER OF SAID 266.200 ACRE TRACT AND THE SOUTHEAST CORNER OF AFORESAID 502.182 ACRE TRACT;

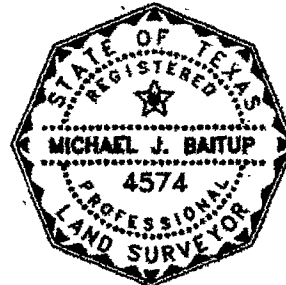
THENCE, SOUTH 89 DEGREES 19 MINUTES 53 SECONDS WEST, ALONG THE SOUTH LINE OF SAID 502.182 ACRE TRACT AND THE NORTH LINE OF SAID CHARLES ANGEL TRACT, A DISTANCE OF 1543.37 FEET TO A POINT FOR CORNER;

THENCE, SOUTH 01 DEGREES 21 MINUTES 45 SECONDS EAST, PASSING AT A DISTANCE OF 52.91 FEET A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR THE NORTHEAST CORNER OF AFORESAID 99.012 ACRE TRACT, CONTINUING ALONG THE EAST LINE OF SAID 99.012 ACRE TRACT, IN ALL A TOTAL DISTANCE OF 3585.11 FEET TO THE POINT OF BEGINNING, CONTAINING 369.689 ACRES OR OF LAND MORE OR LESS.

Michael J. Baitup

10/23/24

Michael J. Baitup, R.P.L.S.
Registered Professional Land Surveyor
Texas Registration No. 4574
Jacobs Engineering Group, Inc.
7950 Elmbrook Dr
Dallas, Texas 75429
214-638-0145



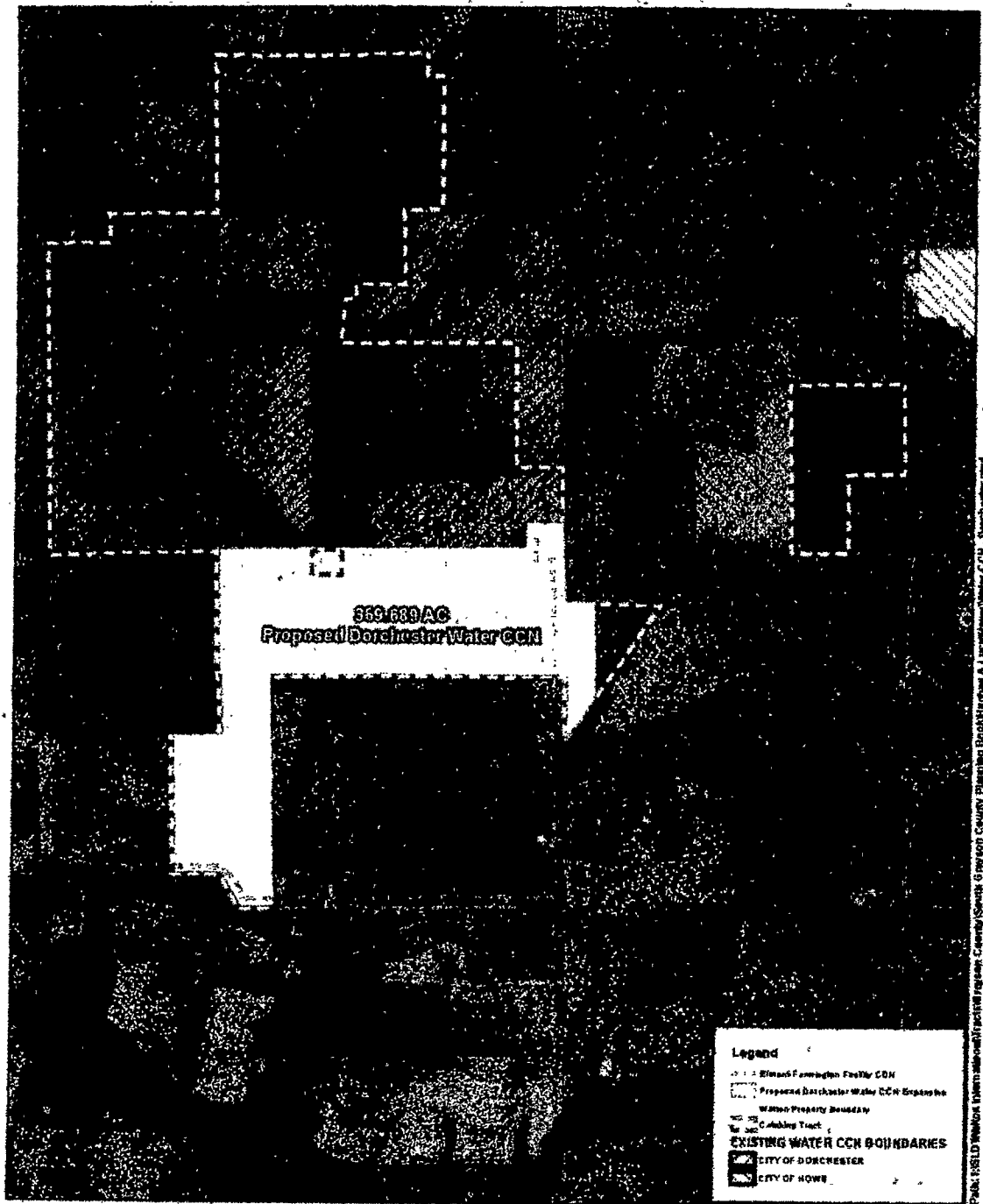


EXHIBIT B

Being a 243.74 acre tract of land situated in the John Palms Survey, Abstract No. 926, and being that certain called 245.67 acre tract of land to Gordon W. Goodier, et ux, as recorded in Volume 1179, Page 63, Deed Records, Grayson County, Texas, save and except that called 0.488 acre irregular shaped strip or parcel of land for right-of-way purposes for F.M. Highway 902, and being more particularly described as follows:

BEGINNING at a concrete highway monument found for the northwest corner of the herein described tract, said point being in the south right-of-way line of F.M. Highway 902, same being South 02 deg. 45 min. 02 sec. West, 42.00 feet from the original northwest corner of said Goodier tract, same being in the west line of said Goodier tract, same being in the east line of that certain called 107.00 acre tract of land to Susan Touchstone Campbell, by deed recorded in Volume 3671, Page 918, said Deed Records;

THENCE along the south right-of-way line of said F.M. Highway 902 as follows:

South 89 deg. 08 min. 03 sec. East, a distance of 144.60 feet to a concrete highway monument found for an angle point;

South 89 deg. 04 min. 54 sec. East, a distance of 893.80 feet to a 1/2 inch iron rod set with "PEISER SURVEYING" red plastic cap for an angle point;

South 86 deg. 51 min. 00 sec. East, a distance of 1317.47 feet to a 1/2 inch iron rod found for the northeast corner of the herein described tract, same being the northeast corner of said Goodier tract, same being the most northerly northwest corner of that certain called 1022.20 acre tract of land to 1022 Grayson Partners, Ltd., by deed recorded in Instrument No. 2006-00009180, said Deed Records;

THENCE South 03 deg. 09 min. 39 sec. West, along the common line of said Goodier tract, and said 1022 Grayson Partners tract, and generally along a wire fence, a distance of 4542.15 feet to a 1/2 inch iron rod found for the southeast corner of said Goodier tract, same being the northeast corner of that certain called 197.793 acre tract of land to 1022 Grayson Partners, Ltd., by deed recorded in Volume 4151, Page 798, said Deed Records;

THENCE North 87 deg. 08 min. 19 sec. West, along the common line of said Goodier tract, and said called 197.793 acre tract, and generally along a wire fence, a distance of 2322.79 feet to a 1/2 inch iron rod set with "PEISER SURVEYING" red plastic cap for the southwest corner of said Goodier tract, same being the southeast corner of aforesaid Campbell tract;

THENCE North 02 deg. 45 min. 02 sec. East, along the common line of said Goodier tract, and said Campbell tract, and generally along a wire fence, a distance of 4513.40 feet to the POINT OF BEGINNING and containing 10,617,147 square feet or 243.74 acres of computed land, more or less.

Metes and Bounds Description
510.16 Acres
John D. Nelson Survey, Abstract No. 902 and
John Palms Survey, Abstract No. 926
Grayson County, Texas

BEING a tract of land situated in the John D. Nelson Survey, Abstract No. 902 and the John Palms Survey, Abstract No. 926, Grayson County, Texas, and being a portion of a 1,022.20 acre tract of land, conveyed to 1022 Grayson Partners, Ltd., as evidenced in a deed recorded in Instrument No. 2006-00009180, a portion of a called 197.793 acre tract of land, conveyed to 1022 Grayson Partners, Ltd., as evidenced in a deed recorded in Volume 4151, Page 798 and all of a called 5.000 acre tract of land, conveyed to Marvin F. Hunt, Jr., as evidenced in a deed recorded in Volume 4437, Page 137, all of the Deed Records of Grayson County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a railroad spike found for the northeast corner of said 1,022.20 acre tract, same being the intersection of the occupied south right of way line of F. M. Highway No. 902 with the approximate centerline of McDonald Road;

THENCE South 02°47'31" West, departing said F. M. Highway No. 902 and along the east line of said 1,022.20 acre tract, a distance of 7,056.41 feet to the called common line of the Dorchester CCN and the Marilee SUD CCN;

THENCE North 89°39'37" West, departing the east line of said 1,022.20 acre tract, crossing said 1,022.20 acre tract, crossing said 197.793 acre tract and along the common line of said Dorchester CCN and said Marilee SUD CCN, a distance of 6,574.31 feet to a corner on the west line of said 1,022.20 acre tract;

THENCE in a northerly direction, along the west line of said 1,022.20 acre tract, the following:

North 02°33'45" East, a distance of 280.32 feet to a 1/2-inch iron rod found for a corner;

South 87°09'16" East, a distance of 149.97 feet to a 1/2-inch iron rod found for a corner;

North 02°38'21" East, a distance of 2,497.25 feet to a 1/2-inch iron rod found for the most westerly, northwest corner of said 1,022.20 acre tract;

THENCE South 87°12'03" East, along a north line of said 1,022.20 acre tract, the north line of aforesaid 5.000 acre tract, a distance of 1,908.00 feet to the most westerly, southwest corner of aforesaid 197.793 acre tract;

THENCE North 02°52'48" East, along the most westerly line of said 197.793 acre tract, a distance of 29.55 feet to a 5/8-inch "CLSC 4577" capped iron rod found for the northwest corner of said 197.793 acre tract;

THENCE South 87°08'19" East, along the north line of said 197.793 acre tract, a distance of 3,369.59 feet to the northeast corner of said 197.793 acre tract, same being on the easterly, west line of aforesaid 1,022.20 acre tract;

THENCE North 03°09'39" East, along the west line of said 1,022.20 acre tract, a distance of 4,542.15 feet to a 1/2-inch iron rod found for the most northerly, northwest corner of said

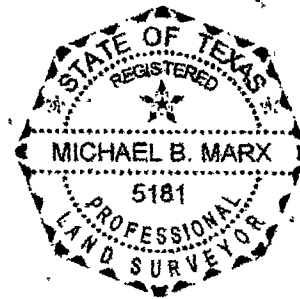
1,022.20 acre tract, same being on the south right of way line of aforesaid F. M. Highway no. 902;

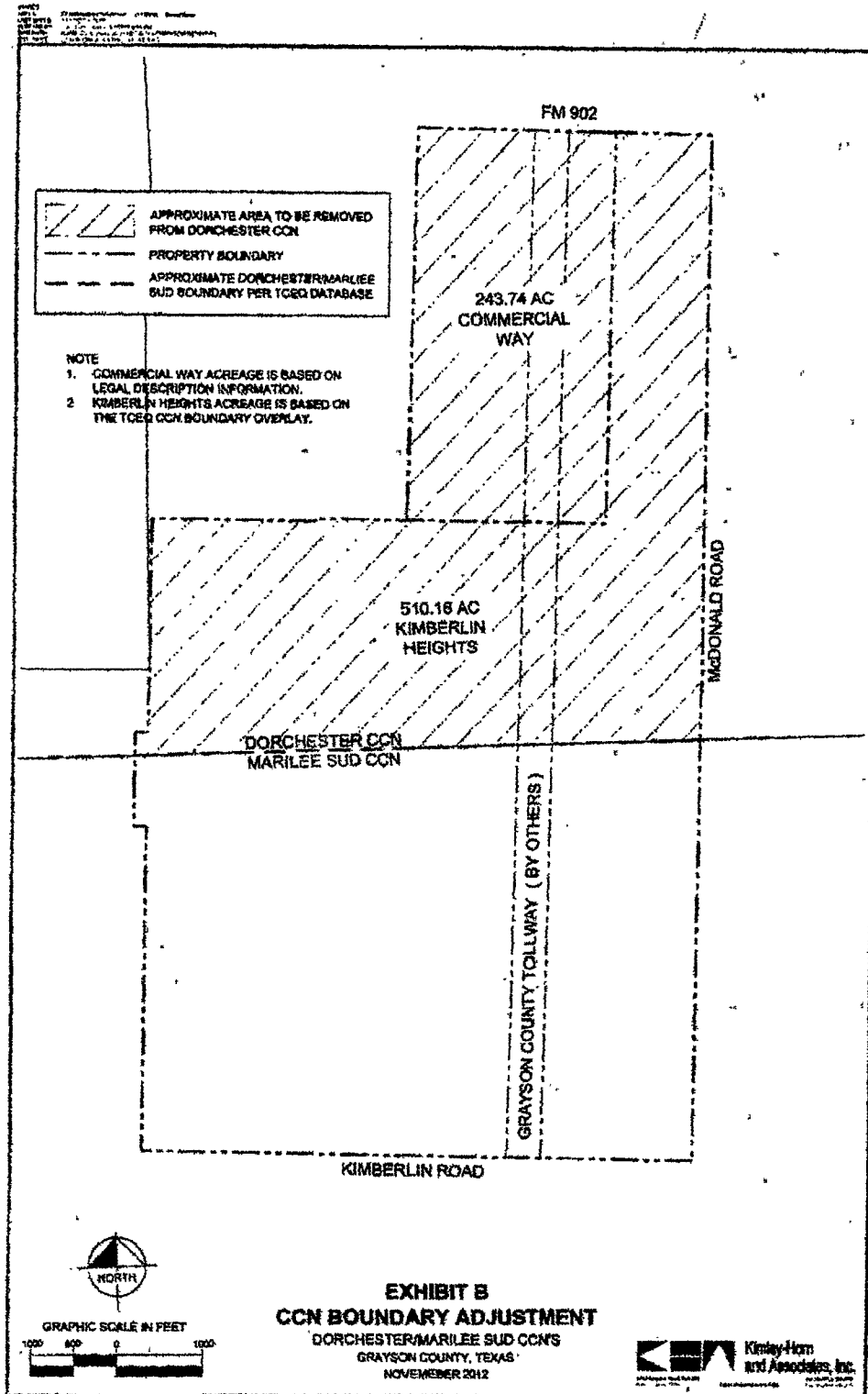
THENCE South 86°51'00" East, along the north line of said 1,022.20 acre tract and the south right of way line of said F. M. Highway No. 902, a distance of 1,119.25 feet to the POINT OF BEGINNING and containing 510.16 acres of land, more or less.

Bearings based upon the east line of a called 1,022.20 acre tract of land conveyed to 1022 Grayson Partners, Ltd., as evidenced in a deed recorded in Instrument No. 2006-00009180 of the Deed Records of Grayson County, Texas, said bearing being South 02°47'31" West

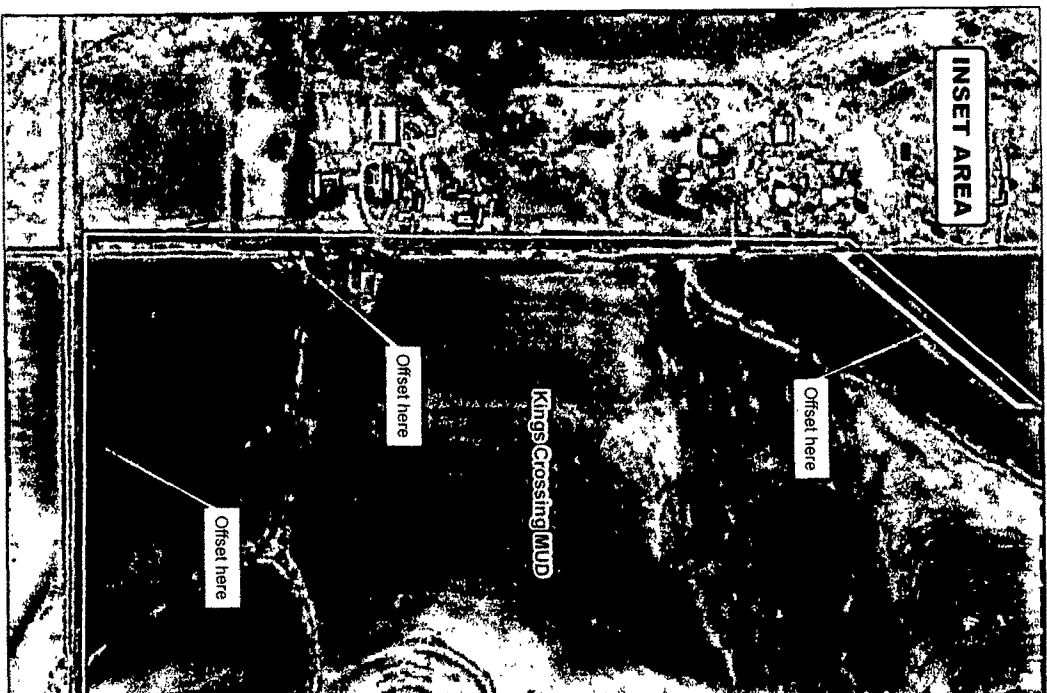
This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

Michael B. Marx
Registered Professional Land Surveyor No. 5181
Kimley-Horn and Associates, Inc.
5750 Genesis Court, Suite 200
Frisco, Texas 75034
Ph. 972-335-3580
michael.marx@kimley-horn.com





Attachment No. 2



Legend

— Requested Area CCN Docket No 43041

Kings Crossing MUD

0 0.04 0.08 0.16 Miles

Coordinate System: GCS North American 1983;
Datum: North American 1983; Created: 9/15/2016

ATTACHMENT 2

City of Dorchester Water and Sewer CCN

Map Identifying Base Map Offset of Kings Crossing MUD

Attachment No. 3

WATER SUPPLY CONTRACT

THE STATE OF TEXAS

§

COUNTY OF GRAYSON

§

KNOW ALL MEN BY THESE PRESENTS:

§

That **CITY OF SHERMAN, TEXAS**, a municipal corporation under the laws of the State of Texas within Grayson County, Texas, hereinafter referred to as "CITY", acting by and through its City Manager, and the **CITY OF DORCHESTER, TEXAS**, a municipal corporation under the laws of the State of Texas, hereinafter referred to as "CUSTOMER", acting by and through its Mayor and Council, do enter into this Water Supply Contract. This Contract supersedes the previous Contract dated November 1, 2004, pursuant to the following terms and conditions, to-wit;

WATER SYSTEM

I.

CITY agrees to furnish the CUSTOMER with water, meeting the applicable purity standards of the State of Texas at the point of delivery, which is currently the well site at Dorchester, Texas. CITY reserves the right to change the water source, at the CITY's discretion, to meet the needs of the CITY; and

CITY provides the lines to the CITY'S master meter and the CUSTOMER will maintain the CITY'S meter and its own water distribution system. CUSTOMER will also maintain their own meter(s).

USE

II.

The water furnished by the CITY may be provided to Residential, Commercial and Public Authority customers within the CUSTOMER's service area. CUSTOMER agrees that he shall not sell water to any other water systems or water customers unless specifically identified herein. Any and all connections made to this water main will be subject to the CITY's inspection. The CITY is under no obligation to approve additional connections. Any unauthorized taps, extensions or other connections outside the CUSTOMER'S service area are subject to the remedies found in Article 13.07 Section 13.07.038 of the Code of Ordinances of the City of Sherman, and may result in immediate termination of this contract at the CITY's sole determination.

QUANTITY

III.

CUSTOMER is entitled to the delivery of a maximum of 5,000,000 (five million) gallons per month delivered through the existing water line at the Point of Delivery, subject to the unavailability of an adequate supply of water because of drought, water shortage, or emergency. In the event that CUSTOMER requires a larger quantity of water, CUSTOMER and CITY agree that the rate will be three and a half (3.5) times the rate in effect at the time of overage, for the overage amount. The provision of such additional service on a regular or routine basis as determined by either party is not governed by the terms of this contract and would require modification of the contract.

METER

IV.

CITY agrees to deliver water to the master meter owned by the CITY. CUSTOMER is responsible for the maintenance, repair and replacement of the master meter. In addition, CUSTOMER is responsible for the annual verification of the master meter. A copy of the verification report shall be submitted to the CITY within 10 days of completion. CITY shall have the right and in its sole discretion, to the exclusion of any right by the CUSTOMER, to investigate the state of repair and condition of the water meter and to test, verify, adjust, repair, or require replacement of the meter. CITY agrees to notify the CUSTOMER at least twenty-four (24) hours in advance of the date and time of any investigation, test, repairs, verification or replacement. If the master meter is found to be registering in excess of standard allowances, readings shall be corrected for the three (3) months previous in accordance with the percentage of inaccuracy found. The metering equipment will be read monthly, following the Customer & Utility Services read and billing schedule.

RATE CHARGED

V.

CITY agrees to provide and sell water to the CUSTOMER at the current rate of \$0.88 per thousand gallons used in any one month. An incremental rate increase will apply annually with the first increase on October 1, 2016, as detailed below, for the term of this contract.

Year 1	\$1.00 per 1,000 gallons
Year 2	\$1.15 per 1,000 gallons
Year 3	\$1.30 per 1,000 gallons
Year 4	\$1.45 per 1,000 gallons
Year 5	\$1.53 per 1,000 gallons

BILLING

VI.

CITY will bill the CUSTOMER directly for all water delivered to the CUSTOMER through the master meter and the CITY shall not be required to make any adjustments for any increases in water volume due to leaks or breaks on the CUSTOMER's side of the water meter not caused by or attributed to any negligence of the CITY. CITY agrees to provide an itemized statement of the amount of water furnished to CUSTOMER at Point of Delivery during the preceding month.

CUSTOMER agrees to remit the value of the water services within fifteen (15) days of receipt of the utility statement, such payment to be payable at the Municipal Building, 400 N. Rusk Street, Post Office Box 1106, Sherman, Texas 75091-1106. CUSTOMER's failure to timely pay in full the amount billed or any draft returned by the bank indicating insufficient funds will result in applicable fees, including late fees for payments not received by the Customer & Utility Services Department by the due date designated on the monthly utility statement. CUSTOMER shall have thirty (30) days to cure its default. If such default is not cured within the above specified period, services will be discontinued and the default will be cause for termination of this contract.

LIMITATION OF LIABILITY

VII.

THE CUSTOMER understands and agrees that all water connections and water supplied by the CITY shall be upon the express condition that the CITY shall not be liable to nor shall any claim be filed against it by the CUSTOMER for property damage or personal injury caused directly or indirectly by reason of breaks of any CITY water lines, service pipes or apparatus connected with the CITY's water system or water plant, or any part or portion of such water system or water plant; for any interruption of the CITY's water supply or service; for any malfunction of the water plant or service machinery; for any water stoppages or for any alterations, repairs, construction or extensions to the CITY's water system. CITY specifically does not waive any official or governmental immunity or defenses it might have in law or in equity.

WATER CONSERVATION & DROUGHT

VIII.

Contingency Plan - Chapter 13, Article 13.02 of the Code of Ordinances Sherman, Texas entitled "Water Conservation and Drought Contingency Plan" is made a part of this contract for all purposes as if fully set forth herein.

WATER SERVICE INDEMNIFICATION

IX.

To the maximum extent permitted by law, the CUSTOMER agrees to fully indemnify and save harmless the City of Sherman, Texas, its Mayor, City Council, Officers, Agents and Employees, from all suits, actions, claims or demands and from any and all liability, damages, expenses, attorney fees, pre judgement and post judgement interest and from any and all personal injuries (including death) or property damage (including loss of use) not caused by the negligence of CITY, sustained directly or indirectly by any person or property arising from the CUSTOMER's water system or use thereof. This indemnification and save harmless shall apply to any imputed or actual joint enterprise liability.

CANCELLATION

X.

THE CUSTOMER may cancel this agreement with or without cause by delivering written notice of the intent to so cancel to the CITY sixty (60) days prior to the date of the cancellation. CITY may cancel this agreement with or without cause by delivering written notice of the intent to so cancel to the CUSTOMER one hundred twenty (120) days prior to the date of the cancellation.

WATER SYSTEM

XI.

CUSTOMER's water system constitutes a water system subject to rules and regulations of the State of Texas and the United States Environmental Protection Agency. CUSTOMER specifically agrees that notice of unsatisfactory conditions uncorrected from either above authority will constitute just cause for CITY to immediately discontinue service and terminate this agreement without notice and without liability to the CUSTOMER whatsoever of any kind or nature.

CUSTOMER expressly agrees to deliver to CITY any and all notices or claims related to Federal, State or individual claims, including notices from the EPA or TECQ, asserting environmental health or safety violations related to the CUSTOMER's private water system. Such notices to CITY are required by registered return receipt mail to be posted to the CITY at the address provided herein not later than the 3rd business day following the CUSTOMER's receipt of same.

TRANSFERABILITY

XII.

This agreement shall not be transferred, conveyed or assigned to another without first obtaining the prior written consent of CITY. Failure to obtain such prior consent shall make the transfer, conveyance or assignment void and shall terminate this agreement. This agreement shall be binding upon the parties hereto, their heirs and legal representatives.

TERM

XIII.

The term of this agreement shall be for one (1) year with four (4) automatic one (1) year renewals under these terms and conditions, except as to water rates, unless earlier terminated as provided for herein. All automatic renewals shall be deemed to include the new water rates detailed under section RATE CHARGED V.

ACT OF DEFAULT

XIV.

CITY's or CUSTOMER's failure to adhere to and follow any one (1) of the terms and conditions of this agreement shall be an act of default permitting the non-defaulting party to immediately terminate this agreement upon thirty (30) days written notice to cure the default and upon the failure to fully and timely cure the default.

SEVERABILITY

XV.

In case of one (1) or more of the provisions contained in this agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions hereof, and this agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

ENTIRE AGREEMENT

XVI.

This agreement embodies the complete agreement of the parties hereto, superseding all oral or written, previous and contemporary, agreements, between the parties relating to matters in this agreement; and except as otherwise provided herein, this agreement cannot be modified or amended without a written agreement of the parties.

EFFECTIVE DATE

XVII.

This agreement shall take effect from and after the last date entered below.

WTNESS OUR HANDS this day 7th of the SEPTEMBER, 2016.

CITY OF DORCHESTER, TEXAS

CITY OF SHERMAN, TEXAS

BY: David Smith
DAVID SMITH, MAYOR

BY: Robby Hefton
ROBBY HEFTON, CITY MANAGER

DATE: 9/7/2016

DATE: 9/7/2016

APPROVED AS TO FORM:

BY: Brandon Shelby
BRANDON SHELBY, CITY ATTORNEY

Attachment No. 4

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Zak Covar, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 9, 2015

The Honorable David Smith
Mayor of Dorchester
373 Main St.
Dorchester, TX 75459

Re: Notice of Compliance with Notice of Violation (NOV) dated December 1, 2014:
City of Dorchester Public Water Supply, 373 Main St. Dorchester, Grayson County, Texas
RN 101388585, PWS ID No. 0910028, Investigation No. 1198329

Dear Mayor Smith:

This letter is to inform you that Texas Commission on Environmental Quality (TCEQ) Dallas/Fort Worth (D/FW) Regional Office has received adequate compliance documentation on December 30, 2014, and February 18, 2015, to resolve the alleged violations documented during the investigation of the above-referenced regulated entity conducted on September 30, 2014. Based on the information submitted, no further action is required concerning this investigation.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions, please feel free to contact Mr. Steve Zawrotny at the D/FW Regional Office at (817) 588-5859.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles Marshall", is written over a horizontal line.

Charles Marshall
Team Leader, Public Water Supply Program
Texas Commission on Environmental Quality
D/FW Regional Office

CM/sz

cc: Gary Bennett, Operator
373 Main St.
Dorchester, TX 75459

Enclosure: Summary of Investigation Findings

Summary of Investigation Findings

CITY OF DORCHESTER

12429 FM 902

DORCHESTER, GRAYSON COUNTY, TX 75459

Investigation #

1241042

Investigation Date: 03/30/2015

Additional ID(s): 0910028

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 364926

30 TAC Chapter 290.45(f)(3)

Alleged Violation:

Investigation: 745330

Comment Date: 05/12/2009

Failure to provide purchase contract that establishes the maximum rate at which water may be drafted on a daily and hourly basis or a uniform purchase rate for the contract period.

The City of Dorchester's purchase contract with the City of Sherman specifies neither a maximum purchase rate at which water may be drafted on a daily or hourly basis nor a uniform purchase rate for the contract period.

290.45(f)

(f) Purchased water systems. The following requirements apply only to systems which purchase treated water to meet all or part of their production, storage, service pump, or pressure maintenance capacity requirements.

(1) The water purchase contract must be available to the executive director in order that production, storage, service pump, or pressure maintenance capacity may be properly evaluated. For purposes of this section, a contract may be defined as a signed written document of specific terms agreeable to the water purchaser and the water wholesaler, or in its absence, a memorandum or letter of understanding between the water purchaser and the water wholesaler.

(2) The contract shall authorize the purchase of enough water to meet the monthly or annual needs of the purchaser.

(3) The contract shall also establish the maximum rate at which water may be drafted on a daily and hourly basis. In the absence of specific maximum daily or maximum hourly rates in the contract, a uniform purchase rate for the contract period will be used.

(4) The maximum authorized daily purchase rate specified in the contract, or a uniform purchase rate in the absence of a specified daily purchase rate, plus the actual production capacity of the system must be at least 0.6 gpm per connection.

(5) For systems which purchase water under direct pressure, the maximum hourly purchase authorized by the contract plus the actual service pump capacity of the system must be at least 2.0 gpm per connection or provide at least 1,000 gpm and be able to meet peak hourly demands, whichever is less.

(6) The purchaser is responsible for meeting all production requirements. If additional capacity to meet increased demands cannot be attained from the wholesaler through a new or amended contract, additional capacity must be obtained from water purchase contracts with other entities, new wells, or surface water treatment facilities. However, if the water purchase contract prohibits the purchaser from securing water from sources other than the wholesaler, the wholesaler is responsible for meeting all production requirements.

(7) All other minimum capacity requirements specified in this section shall apply.

Failure to provide purchase contract that establishes the maximum rate at which water may be drafted on a daily and hourly basis or a uniform purchase rate for the contract period.

Investigation: 1198329

Comment Date: 11/22/2014

Failure to provide a purchase contract, which specifies a purchase rate.

30 TAC §290.45(f)(3) The contract shall also establish the maximum rate at which water may be drafted on a daily and hourly basis. In the absence of specific maximum daily or maximum hourly rates in the contract, a uniform purchase rate for the contract period will be used.

On the day of the investigation, it was noted that Dorchester has the same purchase contract with Sherman that was in place when this violation was alleged in 2009. The contract does not specify a purchase rate sufficient to supply the South Pressure Plane with 0.6 gallons per minute per connection.

Investigation: 1241042

Comment Date: 03/30/2015

Failure to provide a purchase contract, which specifies a purchase rate.

30 TAC §290.45(f)(3) The contract shall also establish the maximum rate at which water may be drafted on a daily and hourly basis. In the absence of specific maximum daily or maximum hourly rates in the contract, a uniform purchase rate for the contract period will be used.

During the investigation, it was noted that Dorchester submitted compliance documentation, which appears to resolve the alleged violation.

Recommended Corrective Action: Obtain a purchase contract with Dorchester's supplier, the City of Sherman, which specifies a purchase rate sufficient to supply 0.6 gallons per minute for each connection on the South Pressure Plane. Submit a copy of this contract to the TCEQ Region 4 Office for review.

Resolution: On December 30, 2014, Dorchester submitted compliance documentation, which included a statement from the Mayor. This statement clearly stated the routine and maximum purchase rates established between Dorchester and the City of Sherman. This statement, in combination with the existing contract, appears to resolve the outstanding alleged violation.

Track No: 364971

30 TAC Chapter 290.45(b)(1)(D)(i)

Alleged Violation:

Investigation: 745330

Comment Date: 05/12/2009

Failure to provide 0.6 GPM per connection.

The City of Dorchester purchase contract with the City of Sherman specifies neither a maximum rate at which water may be drafted on a daily or hour basis nor a uniform purchase rate for the contract period. Because of this, only the well production has been included in the system's production capacity for the total number of connections in both pressure planes. In that regard, the City of Dorchester water system requirements has exceeded production capacity. Capacity is considered to be the overall rated capacity in number of residential connection equivalents based on the most restrictive criteria for production, treatment, storage, or pumping. The reported 603 total service connections require a minimum production capacity of 361.8 GPM (0.521 MGD). On the day of the investigation the well produced 330 GPM (0.475 MGD). Based on the number of connections as reported on the day of the investigation and the method of calculation, the provided production capacity is 18.43% deficient.

Investigation: 957867

Comment Date: 10/26/2011

Failure to provide 0.6 GPM per connection.

Only the system's well production has been included in the system's production capacity for the total number of connections in both pressure planes. The reported 576 total service connections require a minimum production capacity of 345.6 gpm. On the day of the investigation, the well produced 260 gpm.

Failure to provide 0.6 gallons per minute per connection total production capacity.

30 TAC §290.45(b)(1)(D)(i) two or more wells having a total capacity of 0.6 gpm per connection. Where an interconnection is provided with another acceptable water system capable of supplying at least 0.35 gpm for each connection in the combined system under emergency conditions, an additional well will not be required as long as the 0.6 gpm per connection requirement is met for each system on an individual basis. Each water system must still meet the storage and pressure maintenance requirements on an individual basis unless the interconnection is permanently open. In this case, the systems' capacities will be rated as though a single system existed;

On the day of the investigation, it was noted that Dorchester has the same purchase contract with Sherman that has been in place since this violation was alleged in 2009. While Dorchester has not had any reports of outages due to lack of supply, the contract does not specify purchase rates, and therefore production capacity for the South Pressure Plane is deemed to be non-compliant with the 0.6 gallons per minute per connection requirement.

Investigation: 1241042

Comment Date: 03/30/2015

Failure to provide 0.6 gallons per minute per connection total production capacity.

30 TAC §290.45(b)(1)(D)(i) two or more wells having a total capacity of 0.6 gpm per connection. Where an interconnection is provided with another acceptable water system capable of supplying at least 0.35 gpm for each connection in the combined system under emergency conditions, an additional well will not be required as long as the 0.6 gpm per connection requirement is met for each system on an individual basis. Each water system must still meet the storage and pressure maintenance requirements on an individual basis unless the interconnection is permanently open. In this case, the systems' capacities will be rated as though a single system existed;

During the investigation, it was noted that Dorchester submitted compliance documentation, which appears to resolve the alleged violation.

Recommended Corrective Action: Obtain a purchase contract with Dorchester's supplier, the City of Sherman, which specifies a purchase rate sufficient to supply 0.6 gallons per minute for each connection on the South Pressure Plane. Submit a copy of this contract to the TCEQ Region 4 Office for review.

Resolution: On December 30, 2014, Dorchester submitted compliance documentation, which included a statement from the Mayor. This statement clearly stated the routine and maximum purchase rates established between Dorchester and the City of Sherman. The purchase rate is sufficient in volume to supplement the total production deficiency and appears to resolve the outstanding alleged violation.

Track No: 554802

30 TAC Chapter 290.46(m)(4)

Alleged Violation:

Investigation: 1198329

Comment Date: 11/22/2014

Failure to maintain distribution system pipes in a leak-free condition.

30 TAC §290.46(m)(4) All water treatment units, storage and pressure maintenance facilities, distribution system lines, and related appurtenances shall be maintained in a watertight condition and be free of excessive solids.

On the day of the investigation, it was noted that there was a leak coming from a joint on the distribution pipe connecting to the wellhead at the elevated storage tower facility located on FM 903. Algal accumulation on the sealing block beneath the joint indicated the leak had been present for some time.

Investigation: 1241042

Comment Date: 03/30/2015

Failure to maintain distribution system pipes in a leak-free condition.

30 TAC §290.46(m)(4) All water treatment units, storage and pressure maintenance facilities, distribution system lines, and related appurtenances shall be maintained in a watertight condition and be free of excessive solids.

During the investigation, it was noted that Dorchester submitted compliance documentation, which appears to resolve the alleged violation:

Recommended Corrective Action: Repair the leak and submit photographs and purchase receipts to the TCEQ Region 4 Office for review.

Resolution: On February 18, 2015, Dorchester submitted compliance documentation, which included photographs and an invoice for the repair work performed to fix the leaking pressure release valve on the well head. This appears to resolve the alleged violation.