

Control Number: 43405



Item Number: 1

Addendum StartPage: 0

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

43405



APPLICATION FOR SALE, TRANSFER,

OR MERGER OF A RETAIL PUBLIC UTILITY

*RN# RN102670783

*CN# CN601356124

*If known (See instructions)

2014 OCT -1 AM 10:34

PUBLIC UTILITY COMMISSION
FILING CLERK

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

☒ Sale of ☒ All of the ☒ Water system(s) under CCN No.: 12794
☐ Acquisition ☐ Portion ☐ Sewer system(s) under CCN No.: 12794
☐ Lease/Rental

☒ Transfer of ☒ All of the ☒ Certificated water service area – CCN No.: 12794
☐ Portion ☐ Certificated sewer service area – CCN No.: 12794

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

WE DO NOT HAVE A SEWER CCN

RECEIVED
FEB 28 2014

UTILITIES & DISTRICTS
SECTION

and to:

☒ Obtain a CCN for the transferee (purchaser) – indicate if purchaser will take the seller's CCN
☐ Amend the transferee's CCN No.: PURCHASER WILL TAKE SELLER'S CCN
☐ Merge or consolidate public utilities
☐ Cancel CCN of the transferor (seller)

2. Proposed effective date of this transaction: 05/2014
 (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: ENGLISH ACRES

(Individual, Corporation or Other Legal Entity)

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

B. Utility Name (if different than above):

Address: PO BOX 721025, MCALLEN, TX-78504 Telephone: (AC) 956-960-3201

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: DON ENGLISH Title: OWNER
 Address: PO BOX 314, MAGNOLIA TEXAS 78061 Telephone: (AC)
 Fax: Email:

4. About the last rate increase for the system or facilities being transferred: N/A
- A. What was the effective date of the last rate increase? NO KNOWN DATE OF INCREASE
- B. Was notice of this increase provided to the Texas Commission on Environmental Quality or its predecessors?

 No Yes Application/Docket Number: _____ Date: _____

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

Name and Address of Utility Customer	Date of Deposit	Amount of Deposit	Amount of Unpaid Interest on Deposit
N/A (NO DEPOSITS ARE COLLECTED)			

☛ 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: DARIO V. GUERRA III (INDIVIDUAL)

(Individual, Corporation, or Other Legal Entity)

Utility Name: **DERBY ING.**

(If different than above)

Utility Address: PO BOX 721025, MCALLEN, TX-78504

Fax: 956-383-2148

Email:

Telephone (AC): 956-960-3201

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

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

x 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:

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: DARIO V. GUERRA III Telephone (AC): 956-960-3201
Fax: 956-383-2148 Email: bgdwar3@aol.com
Address: PO BOX 721025, MCALLEN, TX-78504

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

•Name: _____ 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): _____

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

- Attach additional sheet(s) if necessary -

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

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

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

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: **DARIO V. GUERRA III**

Title: **OWNER/OPERATOR**

Address: **PO BOX 721025, MCALLEN, TX-78504**

Telephone (AC): **956-960-3201**

Fax # **956-383-2148**

Email **bgdwar3@aol.com**

Relationship to the applicant: **N/A**

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:

DARIO V. GUERRA IS A REGISTERED PROFESSIONAL ENGINEER WITH 25 YEARS OF EXPERIENCE IN WATER AND WASTEWATER 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.

WE ARE MAKING EFFORTS TO ACQUIRE AND CORRECT THE DEFFICIENCIES. COPY OF INJUNCTION ORDER ATTACHED.

- 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.

FUNDING IS SOUGHT FROM DWSRF-2014, SEE ATTACHED A COPY OF THE FUNDING APPLICATION

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

COMPLIANCE TO TCEQ REGULATIONS IS THE PRIORITY WHICH WILL ENABLE QUALITY WATER WITH MECHANISMS TO PROVIDE CLEAN DRINKING WATER

COMPLIANCE WITH THE TCEQ REGULATIONS, CONTINUOUS OPERATION OF THE SYSTEM, IMPROVEMENTS AS DIRECTED BY TCEQ, EXPANSION OF SERVICE TO NEW DEVELOPMENTS

TRANSFER OF CCN AND ASSETS

A.	• Total Purchase Price:	\$1.00
	• Total Original Cost (as recorded on books of seller or merging entity):	
	• Accumulated Depreciation as of the proposed effective date of the transaction:	
	• Contributions in Aid of Construction:	
	- Specific surcharges approved by TCEQ:	NONE
	- Revenues from explicit customer agreements:	NONE
	- Developer Contributions (please explain):	NONE
	- Other Contributions (please explain):	NONE
	NONE	

- **Net Book Value:**

Application/Docket Number: _____ Date: _____

THE SYSTEM HAS TO RELY ONLY ON REVENUE GENERATED BY SELLING WATER TO THE CUSTOMERS, NO OTHER SOURCES OF INCOME IS AVAILABLE.

- 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:	NO INFORMATION AVAILABLE UNDER THIS SECTION
Plant Acquisition Adjustment:	
Extraordinary Loss on Purchase:	
Accumulated Depreciation of Plant:	
Cash:	
Notes Payable:	
Mortgage Payable:	
Others (please list):	

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

Purchaser's Initials: _____ 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.

If rates are changing, please explain:

LACK OF SUFFICIENT FUNDS FROM THE ENTITY TO RESOLVE THE OUTSTANDING ISSUES WITH TCEQ WILL PROMPT THE OWNER TO INCREASE RATES

☒ 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:

THE SYSTEM NEEDS TO SUSTAIN ON THE REVENUE GENERATED BY SELLING WATER, NO OTHER SOURCE OF INCOME IS AVAILABLE. TO RESOLVE THE ISSUES WITH TCEQ AND PROVIDE MUCH NEEDED IMPROVEMENTS AND SERVICE, EXTERNAL SOURCES OF FUNDING IN LOANS AND INCREASE IN RATES IS WARRANTED.

☐ 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.

10552 - CITY OF ALICE, 11375-JIM WELLS CO FWSD 1.

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

HISTORICAL BALANCE SHEETS

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
CURRENT ASSETS						
Cash	NO INFORMATION AVAILABLE					
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
Total						
FIXED ASSETS						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
TOTAL ASSETS						
CURRENT LIABILITIES						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
TOTAL						
LONGTERM LIABILITIES						
Notes Payable, Long-term						
Other						
TOTAL LIABILITIES						
OWNER'S EQUITY						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
TOTAL OWNER'S EQUITY						
TOTAL LIABILITIES AND EQUITY						
WORKING CAPITAL						
CURRENT RATIO						
DEBT TO EQUITY RATIO EQUITY TO TOTAL ASSETS						

HISTORICAL INCOME STATEMENT

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

HISTORICAL EXPENSES STATEMENT

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

PROJECTED BALANCE SHEETS

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

PROJECTED INCOME STATEMENT

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

PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year						
OPERATIONAL EXPENSES						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year						
ASSUMPTIONS						
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
SOURCES OF CASH						
Net Income						
Depreciation (If Funded)						
Loan Proceeds						
Other						
Total Sources						
USES OF CASH						
Net Loss						
Principle Portion of Pmts.						
Fixed Asset Purchase						
Reserve						
Other						
Total Uses						
NET CASH FLOW						
DEBT SERVICE COVERAGE						
Cash Available for Debt						
SERVICE (CADS)						
Net Income (Loss)						
Depreciation, or Reserve Interest						
Total						
REQUIRED DEBT SERVICE (RDS)						
Principle Plus Interest						
DEBT SERVICE COVERAGE RATIO						
CADS Divided by RDS						

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

17. A. For Water Systems. TCEQ Public Water System Identification Number: 1250033

Date of last inspection: 12/22/2009

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? X Yes. If yes, please explain No

REPORTING, TESTING REQUIREMENTS, LAB TEST RESULTS, CHLORINATION, METERS, WELL AND STORAGE TANK REPAIR/REPLACEMENT AND MANUALS.

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

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
TESTING, REPORTING, LAB TESTING AND CHLORINATION, WELL AND TANK REPAIRS	JUNE 2014	954,000

19. Does the system being transferred operate within the city limits of a municipality or within district boundaries? Yes X 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 X 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	
37	-Non Metered		-2"meter	-Residential Connection	
	-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:

Name	Class	License#
ISIDRO	CLASS B	WS001100

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.

OATH FOR SELLER OR FORMER SERVICE PROVIDER

STATE OF TEXAS

COUNTY OF JIM WELLS

I, DON L ENGLISH, being duly sworn, file this application for sale, lease, rental or merger or consolidation as SYSTEM UNDER TEMPORARY INJUNCTION (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 14 of April, 2011.

SEAL

NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES _____

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 HIDALGO

I, DARIO V. GUERRA III, being duly sworn, file this application for

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

I 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 _____ of _____, 20 _____.

SEAL

NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES _____

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

Notice to Current Customers, Neighboring Systems and Cities

DON L ENGLISH, OWNER, ENGLISH ACRES 'S
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND
NECESSITY (CCN) NO 12794 TO DARIO V. GUERRA III
(Purchaser's or Transferee's Name)

IN JIM WELLS COUNTY, TEXAS

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

(Address)

City State Zip

<u>DON L ENGLISH</u>	<u>PO BOX 314</u>	<u>MAGNOLIA/ TEXAS/78061</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 (please select) CCN No. 12794 in JIM WELLS [County Name] County
to:

<u>DARIO V. GUERRA III</u>	<u>PO BOX 721025</u>	<u>MCALLEN/TEXAS/77353</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:

THE COMMUNITY OF ENGLISH ACRES AND AS SHOWN IN THE CCN MAP

The area subject to this transaction is located approximately 3 miles SOUTH [direction] of
downtown ALICE, [City or Town] Texas, and is **generally** bounded on the north by
ALICE ;on the east by US-281
;on the south by FM-625 ;and on the west by CO RD 137

The total area being requested includes approximately 95 acres and serves 37 current customers.
This transaction will have the following effect on the current customer's rates and services:
THE RATES WILL INCREASE SLIGHTLY TO ACCOMODATE FOR THE IMPROVEMENTS REQUIRED TO THE SYSTEM

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.

DARIO V. GUERRA III

Utility Representative

DERBY ING.

Utility Name

Notice to Current Customers, Neighboring Systems, Landowner and Cities

DON L ENGLISH, OWNER, ENGLISH ACRES 'S NOTICE OF INTENT TO SELL FACILITIES TO
(Seller's or Transferor's Name)

DARIO V. GUERRA III AND FOR N/A
(Purchaser's or Transferee's Name) (Purchaser's or Transferee's Name)

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

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

(Address)

City State Zip

<u>DON L ENGLISH</u>	<u>PO BOX 314</u>	<u>MAGNOLIA TEXAS 78061</u>
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 JIM WELLS [County Name] County to:

<u>DARIO V. GUERRA III</u>	<u>PO BOX 721025</u>	<u>MCALLEN/TEXAS/78504</u>
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 COMMUNITY OF ENGLISH ACRES AND AS SHOWN IN THE CCN MAP

The area subject to this transaction is located approximately 3 miles SOUTH [direction] of downtown ALICE, [City or Town] Texas, and is **generally** bounded on the north by ALICE; on the east by US-281; on the south by FM-625; and on the west by CO RD 137

The total area being requested includes approximately 95 acres and serves 37 current customers. This transaction will have the following effect on the current customer's rates and services:
THE RATES WILL INCREASE SLIGHTLY TO ACCOMODATE FOR THE IMPROVEMENTS REQUIRED TO THE SYSTEM

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.

DARIO V. GUERRA III

Utility Representative

DERBY ING

Utility Name

INJUNCTION ORDER

STATE OF TEXAS, and on behalf of the
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

v.

DON ENGLISH, individually and d.b.a.
English Acres Water Supply a.k.a.
COYOTE WATER

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§

IN THE DISTRICT COURT

TRAVIS COUNTY, TEXAS

419th JUDICIAL DISTRICT

Filed in The District Court
of Travis County, Texas

**AGREED ORDER OF TEMPORARY INJUNCTION AND
AGREED ORDER APPOINTING RECEIVER**

1. On this day, this matter came before the Court on the Motion of the State of Texas on behalf of the Texas Commission on Environmental Quality ("TCEQ" or the "Commission") and Defendant is Don English, individually and d.b.a. English Acres Water Supply, also known as Coyote Water and represent to the Court that the parties have reached an agreement regarding a temporary injunction and the appointment of a Receiver to collect the assets of and carry on the water business of English Acres Water Supply and to sell those assets. Currently, the system is being operated by a temporary manager, Lonzo Gale, who was appointed by the TCEQ on December 29, 2009. The temporary manger's term was originally set expire on June 27, 2010. The temporary manager's term has since been extended for six additional months pending resolution of the appointment of a receiver.
2. The parties represent to the Court that Defendant Don English, individually and d.b.a. English Acres Water Supply, also known as Coyote Water, has, or has had, an ownership interest in the property on which are located the facilities to provide water service and/or was the operator for the public water system for the customers of English Acres Water Supply. The public water system (hereinafter referred to as the "English Acres Water Supply") is located off of Highway 44 at the intersection of Farm-to-Market Road 1554 and County

JUL DEC 20 2010
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Road 136, west of Alice, Jim Wells County, Texas ("System"). The System has thirty-seven service connections and serves at least twenty-five people per day for at least sixty days per year. The System consists of three wells, two service pumps, and two ground storage tanks, chlorination equipment, and distribution system. Defendant holds a Certificate of Convenience and Necessity No. 12794, issued by the TCEQ. As the certificate holder, Defendant is responsible for operating the English Acres Water Supply water treatment facilities in compliance as required by 30 TEX. ADMIN. CODE Chapter 290.

3. All parties agree and represent to the Court that the appointment of a Receiver for the said public water system is necessary to improve the system so that customers can reliably receive continuous and adequate water service as required by TEX. WATER CODE § 13.250.
4. In addition, all parties jointly request the Court to direct the Receiver promptly to sell the public water system and all of its assets to a new owner.
5. The Court, having read the pleadings and the papers on file, is of the opinion that this Order of Temporary Injunction and Order Appointing Receiver should be granted, and orders as follows:
6. **IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED** that Defendant, Don English, individually and d.b.a. English Acres Water Supply, also known as Coyote Water, all his agents, servants, employees, and all persons acting in concert with him or English Acres Water Supply are hereby mandatorily **ENJOINED** to turn over exclusive possession and control of all of the following assets to the Receiver appointed herein:
 - (1) the said English Acres Water Supply public water system located in Jim Wells County, Texas;
 - (2) all real property and easements as specifically noted in the attached survey field notes

of the public water system as designated in the below mentioned tracts:

- A) Well Tract 1, 0.0092 acre;
 - B) Well Tract 1 Sanitary Control Easement, 1.62 acres;
 - C) Well Tract 2, 0.1435 acre;
 - D) Well Tract 2 Sanitary Control Easement, 0.9824 acre;
 - E) Water Plant (Well 3), 0.49acre;
 - F) Well 3 Sanitary Control Easement, 1.45 acres;
 - G) Water Line Easement, 0.63 acre;
 - H) Ingress and Egress Easement, 0.3925 acre,
- (3) any water wells, tanks, pipes, fittings, chlorinators and housings that are attached to the said public water system;
 - (4) any and all monies generated by the said public water system, including all bank accounts and all current accounts receivable and all future accounts receivable of Defendant, Don English, individually and d.b.a. English Acres Water Supply, also known as Coyote Water as they come due; and all water and other assets of Defendant, Don English, individually and d.b.a. English Acres Water Supply, also known as Coyote Water that in any way are produced by or used in connection with the said public water system, including all records of customer bills and payments, all records of accounts receivable or payable, all lists of customers, all maps showing the location of pipelines, valves, or meters, and all real estate records that in any way pertain to the public water system or the tracts on which they are located; AND
 - (5) all CCNs and permits issued by the Commission in connection with the said public water system.

7. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendant, Don English, individually and d.b.a. English Acres Water Supply, also known as Coyote Water is hereby mandatorily **ENJOINED** to deliver to the Receiver and to Plaintiff's attorney, within seven (7) days after the date that this order is signed by the Court, a written accounting of any property (including checks and cash) received by Defendant or anyone on their behalf on or after the date this order is signed by the Court, which property is in any way related to the said public water system.

8. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendant, Don English, individually and d.b.a. English Acres Water Supply, also known as Coyote Water is hereby mandatorily **ENJOINED** to cooperate with the said Receiver to ensure continued water service to all customers of the said utilities.
9. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendant, Don English, individually and d.b.a. English Acres Water Supply, also known as Coyote Water is hereby prohibitively **ENJOINED** not to interfere in any way with the Receiver's sole right of possession and control of any of the assets hereby ordered to be turned over to the Receiver and not to interfere with any efforts by the Receiver to determine the nature, location, and amount of any of those assets.
10. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendant, Don English, individually and d.b.a. English Acres Water Supply, also known as Coyote Water is hereby mandatorily **ENJOINED** to cooperate and assist the Receiver by providing, upon request by the Receiver, any records they may possess or control that may assist the Receiver in performing his duties under this order.
11. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Lonzo Gale is hereby appointed Receiver of all property described above in this Order and that upon taking the oath required by law the Receiver shall be authorized, subject to the control of the Court, to do any and all acts necessary to the proper and lawful conduct of the receivership, including, but not limited to, the following:
- (1) collect the assets (including, but not limited to, all real property, easements, wells, tanks, treatment facilities, pipes, fittings, chlorinators, housings, and other appurtenances and other property attached to or used in the said public water system; all monies generated by the said public water system, including all bank accounts and

all current accounts receivable and all future accounts receivable as they come due, and all water and other assets that in any way are produced by or used in connection with the said public water system, including all records of customer bills and payments, all records of accounts receivable or payable, all lists of customers, all maps showing the location of pipelines, valves, or meters, all CCNs and permits issued by the Commission in connection with the said public water system and utilities, and all real estate records that in any way pertain to the public water system or the tracts on which they are located), and carry on the business of the public water system and utilities;

- (2) provide continuous and adequate water utility service to customers; hire a certified operator(s) for the systems and pay the operator(s) and pay all other reasonably necessary operating expenses out of income from the public water system at a reasonable rate as wages or bills come due; and bill and collect monies for water service;
- (3) hire accountants, attorneys, engineers, consultants, or others, as necessary, and pay them out of income from the public water system as its bills come due; and have performed any necessary evaluation, maintenance, improvement, or repair on the said public water system;
- (4) accept and receive funds for the continuation of utility service, open and close bank accounts, and take measures necessary to designate or change signatories on any such accounts;
- (5) receive all payments due and owing for water service provided to customers of Defendant;
- (6) file and pursue applications for all necessary permits, licenses, and certificates as required by law, including, but not limited to, CCNs under Chapter 13 of the Texas Water Code;
- (7) incur risks, liabilities, and obligations ordinarily incurred by owners, managers, and operators of similar business enterprises (no such risk, liability, or obligation shall be the personal risk, liability, or obligation of the Receiver, but rather a risk, liability, or obligation of the receivership estate);
- (8) in cooperation with representatives of TCEQ, prepare a schedule of repairs and improvements to bring the water and waste water systems into compliance with applicable statutes and regulations in the shortest possible time with the funds available;
- (9) provide quality control, operating procedure review, and financial and accounting services in compliance with good business practices and generally accepted

accounting principles, and engineering services in conformance with good engineering practices;

- (10) upon request provide information requested by TCEQ and perform such other tasks as the Court or TCEQ may require for proper operation of the receivership;
 - (11) negotiate a private sale of the utility or the assets of the utility placed in receivership hereunder, subject to final approval by the Court; and/or
 - (12) offer the utility or the assets of the utility placed in receivership hereunder for sale and negotiate the terms of any successful purchase of the System, subject to final approval by the Court. The Receiver is authorized to sell the System and all assets of the System, upon approval by the Court.; and
 - (13) perform such other duties as may be prescribed by the Court.
12. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Receiver shall take all steps necessary to initiate bidding or negotiate a sale of the utility.
13. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Receiver will provide not less than ten (10) days written notice to the Attorney General's office and the TCEQ, of any hearing to approve the public or private sale of the utility or any substantial portion of its assets to all parties.
14. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that for any public sale the Receiver shall promptly publish in a newspaper(s) having county-wide distribution in Jim Wells County, Texas, a solicitation for bids for the sale of the said water system, utilities, CCN, and all other properties used in connection with the water system, and diligently pursue the sale of all said properties as a single unit to a new owner, and after approval and confirmation of the sale by the Court and after approval by TCEQ of the sale and transfer of the System and CCN, close that sale.
15. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that any money coming

- into the possession of the Receiver and not expended for any of the purposes authorized herein shall be held by the Receiver subject to such orders as this Court may hereafter issue.
16. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Receiver, within thirty (30) days after taking his oath, shall file in this cause an inventory of all property of the receivership estate of which he shall have possession, and if the Receiver comes into possession of additional property, he shall file a supplemental inventory as soon as practicable.
17. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that within thirty (30) days after taking his oath, the Receiver shall provide written notification to all known customers and creditors of the public water system that he has been appointed Receiver. This notice shall include a telephone number and address where the Receiver can be contacted.
18. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that on or before the last calendar day of each month, the Receiver shall file with the Clerk of this Court a complete report for the prior month's activities. The first such report shall be due on January 1, 2011. Each monthly report shall contain, at a minimum, records of all business transacted in relation to the public water system and the status of all accounts. When the Receiver files each monthly report he shall simultaneously mail a copy of the report to Plaintiff's attorney of record and to the TCEQ Receivership Coordinator.
19. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Receiver shall limit expenditures to those reasonably necessary to accomplish the Receiver's duties and that the Receiver is not obligated to pay bills, debts, or claims associated with the public water system or utility that accrued before the date this Order is signed that have not been approved

by the Court. Additionally, as part of reasonably necessary expenditures, any legal fees incurred on behalf of the public water system exceeding a cumulative total of \$10,000.00 [Ten Thousand Dollars] from the date this Order was signed will require Court Approval.

20. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Receiver's bond shall be set in the amount of \$5,000.00. Receiver shall within seven (7) days of taking his oath and qualifying as a Receiver file a copy of his bond, as well as any subsequent bond contracts to: Attorney General's Office, Environmental Protection and Administrative Law Division; Attention Laura Miles-Valdez, P.O. Box 12548, Austin, Texas 78711.
21. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Receiver's compensation shall consist of a monthly fee equal to \$15.00 per water system connection per month of the Receiver's service, subject to final review of the Court upon the Receiver's filing of a Final Accounting for the Receivership. Receiver's service compensation shall include, but is not limited to, any costs associated with administrative, secretarial, book-keeping, records retention, and general management services of the Receiver. Receiver's service compensation does not include any of the items or services in ¶11 item 3, listed above.
22. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that all payments that the Receiver makes to himself before a final accounting and the Court's approval and discharge of the Receiver shall be materially less than the actual value of his services and shall not exceed seventy (70) percent of the actual value of his services. The remaining thirty (30) percent shall be subject to the review and confirmation of the Court upon the Receiver's filing of his Final Accounting.

23. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Defendant, the Receiver, and anyone on their behalf shall not make and this Court will not approve any claim against the State of Texas or any of its agencies, agents, servants, or employees, for any fees, costs, expenses, damages, or any other monetary claims incurred in relation to this receivership.
24. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Plaintiff is allowed such writs and processes as may be needed for the enforcement of this Order.
25. **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that this receivership shall continue until further order of the Court. The Court retains jurisdiction of this cause and may make other orders as warranted.

SIGNED this 20th day of December, 2010.



JUDGE PRESIDING

AGREED TO AS TO FORM AND SUBSTANCE:


GREG ABBOTT
Attorney General of Texas

DANIEL T. HODGE
First Assistant Attorney General

BILL COBB
Deputy Attorney General for Civil Litigation

BARBARA B. DEANE
Chief, Environmental Protection and
Administrative Law Division


DAVID PREISTER
Chief, Environmental Protection Section



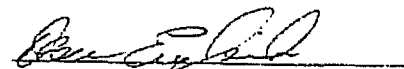
LAURA E. MILES-VALDEZ
Assistant Attorney General
State Bar No. 24035551

Environmental Protection and
Administrative Law Division
P. O. Box 12548, Capitol Station
Austin, Texas 78711-2548
Tel: (512) 463-2012
Fax: (512) 320-0052

ATTORNEYS FOR THE
STATE OF TEXAS



Lonzo Gale, RECEIVER
P.O. Box 314
Magnolia, TX 77353-0314



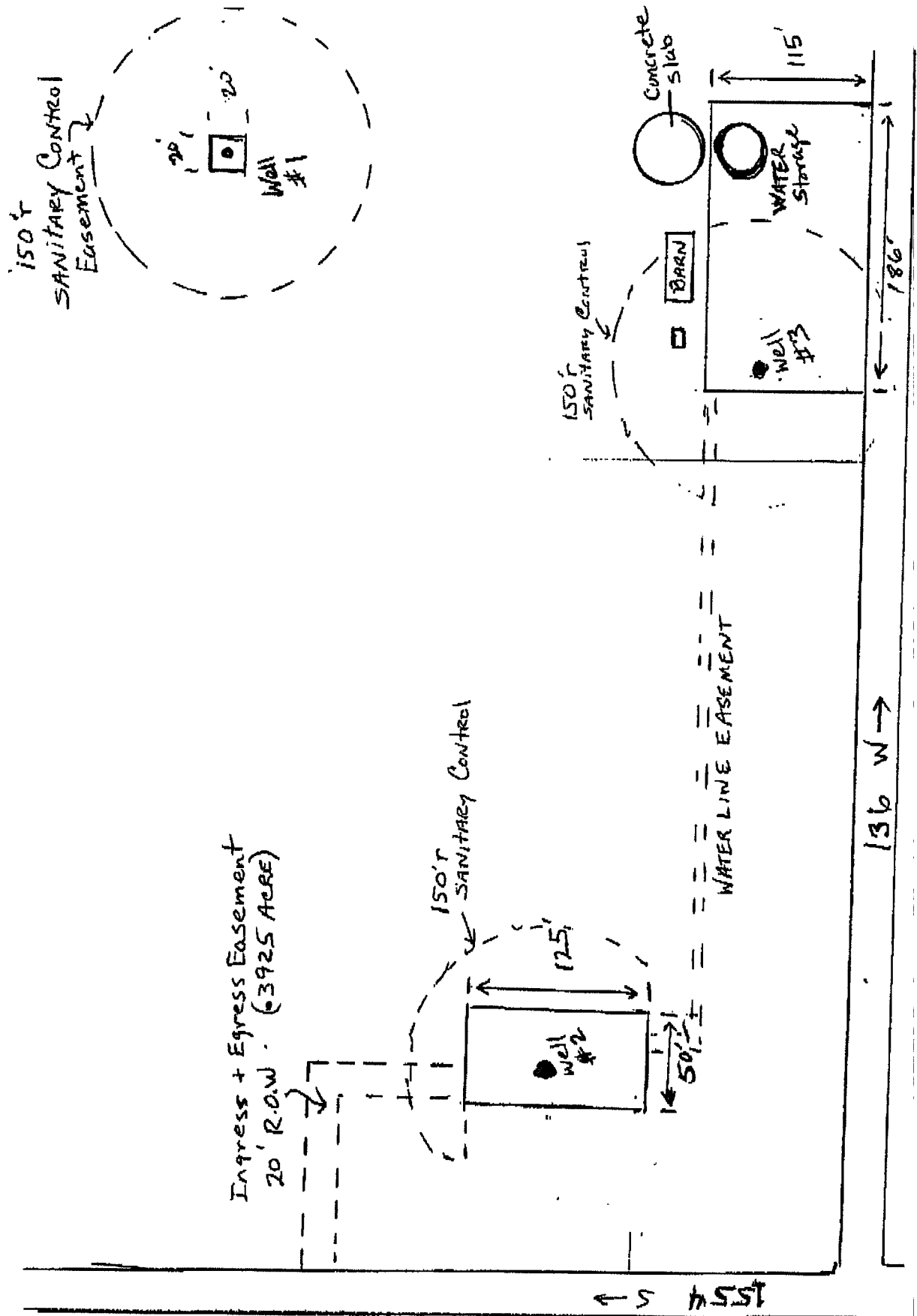
Mr. Don English
3117 Silverton Drive
Dallas, Texas 75229-3753

DEFENDANT Pro Se

ATTACHMENT

FIELD SURVEY NOTES

WATER System - Alice
(not to scale)



WELL TRACT 2
SANITARY CONTROL EASEMENT
FIELD NOTES
0.9824 ACRE

Being 0.9824 of an acre of land situated approximately four miles Southwest of Alice, Jim Wells County, Texas, being out of Block 9 of the Subdivision by Philip Welhausen, William Green and G. A. Lowrance as shown by map or plat thereof dated March 28, 1927, and of record in Volume 32, Page 66-69 of the Deed Records, of Jim Wells County, Texas; and being out of the "LA VACA" Grant, Abstract 166. Also being out of that same land called 320 acres and described in a Deed to Gerald English et ux, recorded in Volume 115, Page 223 of the Deed Records of Jim Wells County, Texas. Said 0.9824 of an acre of land being more particularly described by metas and bounds as follows:

BEGINNING at a point, for the center of a 150 foot radius circle and center of this sanitary control easement, from whence the northeast corner of said Block No. 9 and the northeast corner of said 320 acre tract bears East 442.42 feet, North, 593.48 feet, then East, 20 feet;

The circle has a radius of 150.00 feet, a delta angle of $199^{\circ} 11' 14''$; the long chord bears South, 295.82 feet and contains 0.9824 of an acre.

The bearings recited herein are based on previous surveys and corners found. The above field notes do not constitute an on the ground survey.

David L. Potter
Registered Professional Land Surveyor
P. O. Box 90
Jourdanton, Texas 78026
210-710-4006

WATER PLANT (well 3)
FIELD NOTES
0.49 ACRE

Being 0.49 of an acre of land situated approximately four miles Southwest of Alice, Jim Wells County, Texas, being out of Block 9 of the Subdivision by Philip Weihausen, William Green and G. A. Lowrance as shown by map or plat thereof dated March 28, 1927, and of record in Volume 32, Page 66-69 of the Deed Records, of Jim Wells County, Texas; and being out of the "LA VACA" Grant, Abstract 166. Also being out of that same land called 320 acres and described in a Deed to Gerald English et ux. recorded in Volume 115, Page 223 of the Deed Records of Jim Wells County, Texas. Said 0.49 of an acre of land being more particularly described by metes and bounds as follows:

BEGINNING at a point in the south R. O. W. of County Road 136, for the northeast corner of this tract, from whence the northwest corner of said Block No. 9 bears S 89° 56' 15" W, 186.00 feet and N 89° 53' 00" W, 780.00 feet;

Thence S 00° 06' 20" E, a distance of 115.00 feet to a point, for the southeast corner of this tract;

Thence S 89° 56' 15" W, a distance of 186.00 feet to a point, for the southwest corner of this tract;

Thence N 00° 06' 20" W, a distance of 115.00 feet to a point on the south line of County Road 136, for the northwest corner of this tract.

Thence N 89° 56' 15" E, a distance of 186.00 feet along the south line of County Road 136, to the POINT OF BEGINNING, more or less.

The bearings recited herein are based on previous surveys and corners found. The above field notes do not constitute an on the ground survey.

David L. Potter
Registered Professional Land Surveyor
P. O. Box 90
Jourdanton, Texas 78026
210-710-4006

**WELL 3
SANITARY CONTROL EASEMENT
FIELD NOTES
1.45 ACRES**

Being 1.45 acres of land situated approximately four miles Southwest of Alice, Jim Wells County, Texas, being out of Block 9 of the Subdivision by Philip Welhausen, William Green and G. A. Lowrance as shown by map or plat thereof dated March 28, 1927, and of record in Volume 32, Page 66-69 of the Deed Records, of Jim Wells County, Texas; and being out of the "LA VACA" Grant, Abstract 166. Also being out of that same land called 320 acres and described in a Deed to Gerald English et ux. recorded in Volume 115, Page 223 of the Deed Records of Jim Wells County, Texas. Said 1.45 acres of land being more particularly described by metes and bounds as follows:

BEGINNING at a point, for the center of a 150 foot radius circle and center of this sanitary control easement, from whence the northwest corner of said Block No. 9 bears N 00° 06' 20" W, 100.00 feet, S 89° 56' 15" W, 176.00 feet and N 89° 53' 00" W, 780.00 feet;

The circle has a radius of 150.00 feet, a delta angle of 263° 37' 14", long chord bears N 89° 56' 15" E 225.81 and contains 1.45 acres

The bearings recited herein are based on previous surveys and corners found. The above field notes do not constitute an on the ground survey.

David L. Potter
Registered Professional Land Surveyor
P. O. Box 90
Jourdanton, Texas 78026
210-710-4006

~~LINE~~
WATER/EASEMENT
FIELD NOTES
0.63 ACRE

Being 0.63 of an acre of land situated approximately four miles Southwest of Alice, Jim Wells County, Texas, being out of Block 9 of the Subdivision by Philip Welhausen, William Green and G. A. Lowrance as shown by map or plat thereof dated March 28, 1927, and of record in Volume 32, Page 66-69 of the Deed Records, of Jim Wells County, Texas; and being out of the "LA VACA" Grant, Abstract 166. Also being out of that same land called 320 acres and described in a Deed to Gerald English et ux. recorded in Volume 115, Page 223 of the Deed Records of Jim Wells County, Texas. Said 0.63 of an acre of land being more particularly described by metes and bounds as follows:

BEGINNING at a point, for the northwest corner of this easement, from whence the northwest corner of said Block No. 9 bears N 00° 06' 20" W, 270.00 feet, S 89° 56' 15" W, 696.00 feet and N 89° 53' 00" W, 780.00 feet;

Thence N 89° 56' 15" E, a distance of 640.29 feet to a point, for the northeast corner of this easement.

Thence South, a distance of 753.38 feet to a point, for the southeast corner of this easement.

Thence West, a distance of 20.00 feet to a point, for the lower southwest corner of this easement.

Thence North, a distance of 733.36 feet to a point, for a corner of this easement.

Thence S 89° 56' 15" W, a distance of 620.25 feet to a point, for the southwest corner of this easement.

Thence N 00° 06' 20" W, a distance of 20.00 feet, to the POINT OF BEGINNING.

The bearings recited herein are based on previous surveys and corners found. The above field notes do not constitute an on the ground survey.

David L. Potter
Registered Professional Land Surveyor
P. O. Box 90
Jourdanton, Texas 78026
210-710-4006

INGRESS AND EGRESS EASEMENT
FIELD NOTES
0.3925 ACRE

Being 0.3925 of an acre of land situated approximately four miles Southwest of Alice, Jim Wells County, Texas, being out of Block 9 of the Subdivision by Philip Welhausen, William Green and G. A. Lowrance as shown by map or plat thereof dated March 28, 1927, and of record in Volume 32, Page 66-69 of the Deed Records, of Jim Wells County, Texas; and being out of the "LA VACA" Grant, Abstract 166, Also being out of that same land called 320 acres and described in a Deed to Gerald English et ux, recorded in Volume 115, Page 223 of the Deed Records of Jim Wells County, Texas. Said 0.3925 of an acre of land being more particularly described by metes and bounds as follows:

BEGINNING at a point on the west line of F. M. Hwy. No. 1554, for the northeast corner of this easement, from whence the northeast corner of said Block No. 9 and the northeast corner of said 320 acre tract bears North, 1080.90 feet, then East, 20 feet;

Thence South, a distance of 20.00 feet along the west line of F. M. Hwy. No. 1554 to a point, for the southeast corner of this easement.

Thence West, a distance of 437.42 feet to a point, for the southwest corner of this easement.

Thence North, a distance of 437.42 feet to a point, for the northwest corner of this easement.

Thence East, a distance of 20.00 feet to a point, for the upper northeast corner of this easement.

THENCE South, a distance of 417.42 feet to a point, for a corner of this easement.

THENCE East, a distance of 417.42 feet to the POINT OF BEGINNING.

The bearings recited herein are based on previous surveys and corners found. The above field notes do not constitute an on the ground survey.

David L. Potter
Registered Professional Land Surveyor
P. O. Box 90
Jourdanton, Texas 78026 210-710-4006

CWSRF-2014 FUNDING APPLICATION

**Texas Water Development Board
DWSRF IUP Solicitation Packet**

Project Information Form

Submission Deadlines:

SFY 2013: January 4, 2013, 5:00 PM CT

SFY 2014: March 1, 2013, 5:00 PM CT

10085
Submitted by
Mr. Guerra in
anticipation of
his ownership
of the system
by June 2013

This form must be completed in full to be considered for rating and inclusion in the DWSRF IUP. Incomplete forms may prevent projects from being rated. **Note: Information submitted after the deadline will not be considered.**

For questions, contact: Marvin Chaney, 512-463-8750, marvin.chaney@twdb.texas.gov

PREVIOUS PLANNING, ACQUISITION, AND/OR DESIGN RECIPIENTS ONLY: CHECK THIS BOX if you received a SFY 2011 or later DWSRF loan for the planning, acquisition, and/or design phase of the project AND the scope, budget, schedule, or other information has changed since that time. Please fill out Sections 1, 9, 10, 11, and any other sections where information has changed. **Projects that received planning, acquisition, and/or design funding from a TWDB state financial assistance program must also check this box AND fill out ALL sections of this Project Information Form.** ☐

Section 1. GENERAL INFORMATION

Name of Entity (City, Town, County, District, PWS, WSC, etc.)		County	
ENGLISH ACRES (DERBY ING)		Jim Wells	
PWS ID No.		CCN No.	
1250033		12794	
Name of Project (Provide a brief and descriptive name of the proposed project.)		Proposed Total Project Costs (Section 10, Line P.)	
English Acres Water system Upgrade		\$954,000	
Entity Contact Information		Engineering Firm Contact Information	
Contact Person	Dario V. Guerra	Name of Firm	BIG D Engineering
Title	Owner	Contact Person	Dario V. Guerra III
Mailing Address	PO Box 721025, McAllen, TX-78504	Title	Engineer
Phone Number	956-960-3201	Mailing Address	PO Box 721025, McAllen, TX-78504
Fax Number	956-383-2148	Phone Number	956-960-3201
Email Address	bgdwar3@aol.com	Fax Number	956-383-2148
		Email Address	bgdwar3@aol.com

Section 2. SERVICE AREA INFORMATION

Submit a map of the entity's current and, if applicable, proposed service area(s).

To determine population served:

- For an **incorporated entity** (i.e., a city or town), indicate the number of people who reside within the service area of, or receive wholesale or retail water service from, the entity based on the most recent data available from the U.S. Census Bureau.
- For an **unincorporated entity** (i.e., a county, district, river authority, system, or corporation), indicate the number of people who reside within the service area of, or receive wholesale or retail water service from, the entity based on the most recent data available from the U.S. Census Bureau. Provide a table that 1) identifies the number of household connections within each block group that covers the entity's service area and 2) prorates the population accordingly. See example table in [Census Data Search \(WRD-284\)](#). The map of the service area must be overlaid by a map of the census boundary(ies) identified in the table.

Population Served	111	Total Household Connections	37
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Section 3. PROJECT CATEGORY

From the drop down menu, select the ONE category that best describes the project. Projects that involve multiple categories must be submitted separately.

Public Water System (PWS)

**Texas Water Development Board
DWSRF IUP Solicitation Packet**

Project Information Form

Submission Deadlines:
SFY 2013: January 4, 2013, 5:00 PM CT
SFY 2014: March 1, 2013, 5:00 PM CT

This form must be completed in full to be considered for rating and inclusion in the DWSRF IUP. Incomplete forms may prevent projects from being rated. **Note: Information submitted after the deadline will not be considered.**

For questions, contact: Marvin Chaney, 512-463-8750, marvin.chaney@twdb.texas.gov

PREVIOUS PLANNING, ACQUISITION, AND/OR DESIGN RECIPIENTS ONLY: CHECK THIS BOX if you received a SFY 2011 or later DWSRF loan for the planning, acquisition, and/or design phase of the project AND the scope, budget, schedule, or other information has changed since that time. Please fill out Sections 1, 9, 10, 11, and any other sections where information has changed. **Projects that received planning, acquisition, and/or design funding from a TWDB state financial assistance program must also check this box AND fill out ALL sections of this Project Information Form.** ☐

Section 1. GENERAL INFORMATION

Name of Entity (City, Town, County, District, PWS, WSC, etc.)		County	
ENGLISH ACRES (DERBY ING)		Jim Wells	
PWS ID No.		CCN No.	
1250033		12794	
Name of Project (Provide a brief and descriptive name of the proposed project.)		Proposed Total Project Costs (Section 10, Line P.)	
English Acres Water system Upgrade		\$954,000	
Entity Contact Information		Engineering Firm Contact Information	
Contact Person	Dario V. Guerra	Name of Firm	BIG D Engineering
Title	Owner	Contact Person	Dario V. Guerra III
Mailing Address	PO Box 721025, McAllen, TX-78504	Title	Engineer
Phone Number	956-960-3201	Mailing Address	PO Box 721025, McAllen, TX-78504
Fax Number	956-383-2148	Phone Number	956-960-3201
Email Address	bgdwar3@aol.com	Fax Number	956-383-2148
		Email Address	bgdwar3@aol.com

Section 2. SERVICE AREA INFORMATION

Submit a map of the entity's current and, if applicable, proposed service area(s).

To determine population served:

- For an incorporated entity (i.e., a city or town), indicate the number of people who reside within the service area of, or receive wholesale or retail water service from, the entity based on the most recent data available from the U.S. Census Bureau.
- For an unincorporated entity (i.e., a county, district, river authority, system, or corporation), indicate the number of people who reside within the service area of, or receive wholesale or retail water service from, the entity based on the most recent data available from the U.S. Census Bureau. Provide a table that 1) identifies the number of household connections within each block group that covers the entity's service area and 2) prorates the population accordingly. See example table in *Census Data Search (WRD-284)*. The map of the service area must be overlaid by a map of the census boundary(ies) identified in the table.

Population Served	111	Total Household Connections	37
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Section 3. PROJECT CATEGORY

From the drop down menu, select the ONE category that best describes the project. Projects that involve multiple categories must be submitted separately.	Public Water System (PWS)
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**Texas Water Development Board
DWSRF IUP Solicitation Packet**

Project Information Form

Name of Entity: **ENGLISH ACRES (DERBY ING)**

PWS ID No.: **1250033**

Section 4. PROJECT DESCRIPTION

A project may consist of one or more projects that are intended to address specific system conditions.

Briefly describe the proposed project and how it will address the items in Section 5 to which the entity responds "Yes." If the proposed project is the result of a disaster, describe any public health or water quality problems consequent to the disaster that will be addressed by the proposed project.

Current Health and Compliance Factor and/or MCL Violations and Physical Deficiencies	Proposed Project Solutions	Cost Category (See Guidelines.)
Lack of Registered Water Well, Lack of chlorination and water losses in the system due to lack of water meters.	upgrade the water system which includes Install new Chlorine system, well repair and registration and well meter replacement, new Advaced meter reading infrastructure with leak detection, prepare monitoring plan, replace water storage tank and accessories, prepare drought contingency plan, prepare plant operations manual	

Section 5. RATING CRITERIA FOR PWS PROJECTS

- PWS projects: Fill out Section 5.
- Source Water Protection projects: Proceed to Section 6.

Total Storage Capacity (in gallons)	7,000	Total Production Capacity (MGD)	0.36
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Attach any documentation that supports the responses to the following questions. (Refer to TCEQ notice of violation letter, if applicable.)		Yes	No
A.	Has the entity's system experienced documented instances of water contaminants exceeding the primary or secondary maximum contaminant level (MCL)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
B.	Has the entity's system experienced documented outages in the water distribution system?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
C.	Is the system's documented water production capability less than 85% of the minimum required by TCEQ?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
D.	Is the system's documented treated water storage capacity less than 85% of the minimum required by TCEQ (including total storage, elevated storage, and/or pressure tank)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
E.	Has the system experienced distribution system disinfection residuals of less than 0.2 mg/l free chlorine or 0.5 mg/l chloramines as applicable?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
F.	Has the system experienced documented instances of water distribution pressures:	Yes	No
1.	less than 20 PSI?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.	less than 35 PSI?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
G.	Is the system experiencing documented water distribution losses of greater than 25%?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Benefits to Other Public Water Systems – Consolidation Projects		Yes	No
H.	Will the proposed project benefit any other public water systems (i.e., one the entity is currently serving or proposes to serve)? • If "Yes," the entity must also submit the Consolidation Project Worksheet (DW-009) for each water system that will benefit from this project. • If "No," proceed to Section 6.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Name of Public Water System that Will Benefit from This Project	PWS ID No.	Currently Served		Proposed to Serve*	
		Yes	No	Yes	No
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* Attach written documentation of the agreement with the PWS that the entity proposes to serve.

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Project Information Form

Name of Entity: **ENGLISH ACRES (DERBY ING)**

PWS ID No.: **1250033**

Section 6. RATING CRITERIA FOR ALL PROJECTS – EFFECTIVE MANAGEMENT

Note: Information that is not submitted as requested will not be considered. For more information on Effective Management, see www.twdb.texas.gov/publications/doc/Effective_Management_Criteria.pdf.

A. Asset Management		Yes	No
1.	<p>a. In the past 5 years, has an asset management plan been adopted by the entity's governing body that incorporates an inventory of all assets, an assessment of the criticality and condition of the assets, a prioritization of capital projects needed, and a budget? If "Yes," attach 1) the cover page and table of contents of the entity's adopted or approved asset management plan and 2) the highlighted pages from the plan that clearly identify each of the above referenced elements. Note: A Capital Improvement Plan (CIP) alone does not constitute an asset management plan.</p> <p>b. If "No" to Question A.1.a., is the entity planning to prepare an asset management plan as part of the proposed project? If so, include language in the Project Description (Section 4) that states this.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Assistance with establishing an asset management plan is offered through TCEQ's FMT contract. Contact Stacy Foster, TCEQ, at 512-239-3105 or stacy.foster@tceq.texas.gov to schedule a meeting.</p>			
2.	<p>Has asset management training been administered to the entity's governing body and employees? If "Yes," attach the following information for each trainee: name, title/position, date of training, course name, and name of organization that conducted the training.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
B. Water Conservation		Yes	No
<p>Does the proposed project address specific targets, goals, or measures in a water conservation or drought contingency plan that has been adopted by the entity's governing body within the past five years?</p> <p>If "Yes," 1) list the targets, goals, or measures to be supported; 2) describe how they will be addressed by the proposed project;</p> <p>AND 3) attach the cover page, table of contents, and highlighted pages from the plan that clearly identify the project-related targets, goals, or measures.</p> <p>• For questions regarding water conservation plans, contact Ethan Ham at ethan.ham@twdb.texas.gov or 512-463-4292, or visit the Municipal Water Conservation Plans web page at www.twdb.state.tx.us/conservation/municipal/plans/</p> <p>• Information on drought contingency planning can be found online at www.tceq.texas.gov/permitting/water_supply/water_rights/contingency.html</p> <p>• Note: Entities seeking financial assistance in excess of \$500,000 must submit a water conservation plan during the application phase.</p>		<input checked="" type="checkbox"/>	<input type="checkbox"/>
C. Reclaimed Water		Yes	No
<p>Does the proposed project involve the use of reclaimed water?</p> <p>If "Yes," describe how:</p>		<input type="checkbox"/>	<input checked="" type="checkbox"/>
D. Energy Efficiency		Yes	No
<p>Does the proposed project address a specific goal(s) in a system-wide or plant-wide energy assessment, audit, or optimization study that has been conducted within the past three years? If "Yes," attach the highlighted pages from the energy assessment, audit, or optimization study that clearly identify the goals to be addressed by the project.</p>		<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Texas Water Development Board
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Project Information Form

Name of Entity: **ENGLISH ACRES (DERBY ING)**

PWS ID No.: **1250033**

Section 6. (Continued) RATING CRITERIA FOR ALL PROJECTS – EFFECTIVE MANAGEMENT

E. Implementation of Water Plans	Yes	No
Does the proposed project implement elements contained in a state or regional water plan, watershed protection plan, integrated water resource management plan, regional facility plan, regionalization or consolidation plan, finalized Economically Distressed Areas Program (EDAP) facility plan, or a total maximum daily loads (TMDL) implementation plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," 1) list the plan name and sponsor; 2) list the elements of the plan to be implemented; AND 3) attach the cover page, table of contents, and highlighted pages featuring the relevant information from the plan that clearly identify the element(s) to be implemented.		

Section 7. GREEN PROJECT INFORMATION

For assistance in responding to this section, see the DWSRF Green Project Information Worksheets (TWDB-0163) available online at www.twdb.state.tx.us/financial/instructions/doc/TWDB-0163.docm		Yes	No
A.	Does the proposed project contain, either partially or completely, green elements as defined by the Green Project Information Worksheets?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If "No," proceed to Section 8. If "Yes," proceed to Question 7.B.			
B.	Enter the estimated cost of the green portion of the proposed project.	\$50,000	
C.	Describe and justify in the space below the green elements of the proposed project and, if available, attach a green business case.		
currently the water system does not have a fully functional water meter which is detrimental in resolving the extent of water waste. a new water meter will enable the utility to assess the water loss and take preventive actions to reduce the percentage loss. new advanced water meters will be installed at each connection.			

Section 8. REFINANCING

DWSRF funds may be used to refinance completed projects only.	Yes	No
Will DWSRF funds be used to refinance existing debt related to this project and received from a source other than the TWDB?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reminder: Submit information that documents that the project meets the refinancing eligibility criteria identified in the Project Submission Guidelines.		

Section 9. READINESS TO PROCEED

A. Permitting	
Have all applicable permitting aspects of the project, including acquisition of water rights and/or Certificate of Convenience and Necessity (CCN), or TCEQ approval and completion of piloting been achieved?	<input checked="" type="checkbox"/> Yes
• If "Yes," please provide the permit name(s) • If "No," identify in the space below each federal, state or local permit, license or other authorizations needed for the project and the status of each.	<input type="checkbox"/> No
CCN 12794	
B. Land Acquisition	
Have all land acquisitions and easements necessary to complete the project been obtained?	<input checked="" type="checkbox"/> Yes
	<input type="checkbox"/> No
If "No," please explain in the space below and provide an anticipated completion date.	Completion Date (mm/dd/yyyy)

**Texas Water Development Board
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Project Information Form

Name of Entity: **ENGLISH ACRES (DERBY ING)**

PWS ID No.: **1250033**

Section 9 (Continued) READINESS TO PROCEED

C. Design

1. Have you completed the design process including full development of plans and specifications? (If "No," proceed to Question 2. If "Yes," proceed to Question 4.)	<input type="checkbox"/> Yes
	<input checked="" type="checkbox"/> No
2. Has design work progressed beyond preliminary design? If so, please provide the completion date. Completed preliminary design documents must consist of the following:	<input type="checkbox"/> Yes
<ul style="list-style-type: none"> Design criteria, preliminary drawings, outline of specifications, written descriptions of the project, and updated opinion of probable cost. Project Sites are plotted on site maps, the site has been surveyed, geotechnical analysis of the site is complete, facility sizing is complete, and process schematics are complete. For rehab projects, the above is complete, meaning the details as to what linework portions and what plant components to be rehabed are well defined. 	<input checked="" type="checkbox"/> No
Completion Date (mm/dd/yyyy) 12-30-2013	
3. Will design work be initiated after the TWDB releases design funds for this project?	<input checked="" type="checkbox"/> Yes
	<input type="checkbox"/> No
4. For membrane plants, SWTP, water wells, treatment changes, or intake structures, has TCEQ approved plans and specs?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A

D. Environmental Review

Only answer "Yes" to ONE of the following four questions:	1. Have you received a Finding of No Significant Impact (FNSI), Categorical Exclusion (CE), a Record of Decision (ROD), or an environmental determination prepared by another entity in compliance with the National Environmental Policy Act (NEPA) for this project? For projects that may qualify for a FNSI, please review 31 TAC §371.43; or that require a CE, review 31 TAC §371.42; or that require a ROD, review 31 TAC §371.46; or that have a determination by another entity, review 31 TAC §371.50.	<input type="checkbox"/> Yes
		<input checked="" type="checkbox"/> No
	If "Yes," provide Issuer (Agency) and date of issuance(s):	Issuer Date of Issuance (mm/dd/yyyy)
	2. If an environmental finding has not been issued, does your project meet the criteria to receive Categorical Exclusion as defined at 31 TAC §371.42?	<input checked="" type="checkbox"/> Yes
		<input type="checkbox"/> No
	3. Can you submit an environmental report with the completed loan application that documents coordination with agencies has proceeded sufficiently to determine that no major issues remain?	<input checked="" type="checkbox"/> Yes
	<input type="checkbox"/> No	
4. Will the environmental review be initiated after the TWDB releases planning funds for this project?	<input checked="" type="checkbox"/> Yes	
	<input type="checkbox"/> No	

E. Construction Phase (Estimated start date for first contract and estimated completion date for last contract)	Start Date (mm/dd/yyyy) 02-01-2014	Completion Date (mm/dd/yyyy) 06-01-2014
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F. Project Bidding and Contracts

Will the proposed project be ready to advertise for construction bids immediately following a funding commitment for construction costs?	<input checked="" type="checkbox"/> Yes
	<input type="checkbox"/> No
If you are seeking reimbursement for eligible planning and/or design costs, was the work performed in compliance with applicable state law and federal crosscutters, including procurement following Disadvantaged Business Enterprise (DBE) requirements? For more information on DBE, please visit www.twdb.state.tx.us/financial/programs/DBE/index.asp .	<input checked="" type="checkbox"/> Yes
	<input type="checkbox"/> No
How many months will it take to close the loan after receiving a funding commitment? Projects deemed ready to proceed to construction must be able to expend funds quickly after receiving a funding commitment.	3 Months

**Texas Water Development Board
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Project Information Form

Name of Entity: ENGLISH ACRES (DERBY ING)

PWS ID No.: 1250033

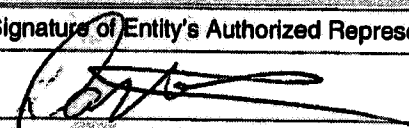
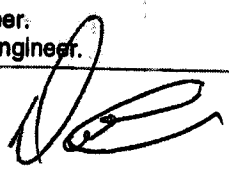
Section 10. ESTIMATED COSTS

Cost Category		(a) Planning	(b) Acquisition	(c) Design	(d) Construction	(e) Total (a)+(b)+(c)+(d)
Check the phase(s) for which DWSRF finding is desired for SFY 2014 (9/1/2013 – 8/31/2014)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
A.	Treatment	\$40,000.00		\$60,000.00	\$700,000.00	\$800,000.00
B.	Transmission and Distribution					
C.	Source					
D.	Storage					
E.	Purchase of System					
F.	Restructuring					
G.	Land Acquisition					
H.	Source Water Protection					
I.	Engineering			\$20,000.00	\$30,000.00	\$50,000.00
J.	General, Legal, Financial				\$10,000.00	\$10,000.00
K.	Contingency				\$70,000.00	\$70,000.00
L.	Other (Describe cost)	align="right">\$24,000.00				align="right">\$24,000.00
	Plant Manual, Drought Plan, Monitoring Plan					
M.	Subtotal (Add Lines A-L)	\$64,000.00		\$80,000.00	\$810,000.00	\$954,000.00
N.	Financing from Local Funds					
O.	Financing from Other Sources					
P.	Subtotal, SRF-Funded Amount (Subtract Lines N and O from Line M)	\$64,000.00		\$80,000.00	\$810,000.00	\$954,000.00

Note: A loan origination fee of 2.25% will be applied to any committed loan amount.

Q.	Identify the estimated cost of the green portion (from Question 7.B.) as a percentage of Line P.	5.24
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Section 11. AUTHORIZATION AND SIGNATURE

Printed Name and Title of Entity's Authorized Representative	Telephone Number
Signature of Entity's Authorized Representative	Date (mm/dd/yyyy)
	02/25/2013
If the grand total (Section 10, Line R) is less than or equal to \$100,000, include: • Statement establishing the basis for the project cost. • Signature of system operator.	If the grand total (Section 10, Line R) is greater than \$100,000, include: • Seal of registered Professional Engineer. • Signature of registered Professional Engineer.
	 2/25/13

**Texas Water Development Board
DWSRF IUP Solicitation Packet**

Disadvantaged Community Worksheet

Submission Deadlines:

SFY 2013: January 4, 2013, 5:00 PM CT

SFY 2014: March 1, 2013, 5:00 PM CT

Name of Entity: ENGLISH ACRES (DERBY ING)

PWS ID No.: 1250033

A Disadvantaged Community Worksheet must be submitted to be considered for for DWSRF Disadvantaged Community Funding. This worksheet involves the use of socioeconomic data to determine if the service area meets adjusted annual median household income (AMHI) and affordability criteria. **Note:** Information that is not submitted as requested will not be considered.

Do not submit this worksheet if your service area or portion of service area's annual median household income is above \$51,968¹.

For questions, contact: Marvin Chaney, 512-463-8750, marvin.chaney@twdb.texas.gov

Section 1. ELIGIBILITY CRITERIA

Eligibility for the entire service area: The entity's service area meets the criteria for a disadvantaged community if the adjusted AMHI for the entity's service area is less than or equal to 75% of the state adjusted AMHI and

- A. the household cost factor is greater than or equal to 1.0% if the service area is charged for either water or sewer service (whichever is applicable), or
- B. the combined household cost factor is greater than or equal to 2.0% if the service area is charged for both water and sewer service.

Eligibility for a portion of service area: A portion of an entity's service area meets the criteria for a disadvantaged community if the proposed project meets the TWDB's Disadvantaged – Portion of a Service Area Policy (Program-Disadvantaged-2000), the adjusted AMHI for the portion of an entity's service area is less than or equal to 75% of the state adjusted AMHI, and

- A. the household cost factor is greater than or equal to 1.0% if the entire service area is charged for either water or sewer service (whichever is applicable), or
- B. the combined household cost factor is greater than or equal to 2.0% if the entire service area is charged for both water and sewer service.

TWDB staff will utilize the information provided on this worksheet to determine if the entity meets the eligibility criteria.

Section 2. SERVICE AREA

Indicate whether the entity is pursuing disadvantaged status for either the entire service area or a portion of its service area. For entire service area projects, a map depicting the service area boundaries with major features (highways, census boundaries, city limit boundaries, etc.) must be included for eligibility. Entities are allowed disadvantaged eligibility for a portion of a service area if the portion meets adjusted annual median household income (AMHI) and household cost factor (HCF) calculations pursuant to the Disadvantaged – Portion of a Service Area Policy (Program-Disadvantaged-2000), SRF rules, and other applicable criteria found in the IUP. For portion of a service area eligibility, a map depicting the location of proposed new household connections (to existing homes) within the portion of an entity's service area must be included for eligibility.

Entire Service Area



Portion of a Service Area



Section 3. SOURCE OF SOCIOECONOMIC DATA

Identify the source(s) for the socioeconomic data to be entered in Section 4.

Follow the steps in Census Data Search (WRD-284) to find data. Note that it may be necessary to obtain data from multiple sources (e.g. where a city's CCN extends beyond its city limits).

U.S. Census Bureau Data	County, City, Town, or Census Designated Place: If using multiple data sources, provide a table that shows prorated data according to the example table in <u>Census Data Search (WRD-284)</u>	2007-2011 (5-year) American Community Survey	<input checked="" type="checkbox"/>	
		2009-2011 (3-year) American Community Survey	<input type="checkbox"/>	
		2011 (1-year) American Community Survey	<input type="checkbox"/>	
	Incongruous Census and Service Area Boundaries	Summary File 5-year block group data: Must provide a table that shows prorated data according to the example table in <u>Census Data Search (WRD-284)</u> .	<input checked="" type="checkbox"/>	
TWDB-Approved Survey	An entity must submit documentation that substantiates the inadequate or absent census data that led to the need to conduct a survey. All entities must obtain prior approval to use survey data instead of the most recent available American Community Survey data. If the survey was completed over three years ago, please contact Marvin Chaney (information above) to determine if the survey is acceptable. Previously completed surveys, including surveys completed for funding from other sources, will be rejected if they do not follow survey methods listed in the latest version of the <u>Socioeconomic Survey Guidelines (WRD-285)</u> .			<input type="checkbox"/>
	Date of Survey:			

¹ This number represents the estimated Statewide Annual Median Household Income as of March 2013. It is derived using the U.S. Census Bureau's American Community Survey information.

**Texas Water Development Board
DWSRF IUP Solicitation Packet**

Disadvantaged Community Worksheet

Name of Entity: ENGLISH ACRES (DERBY ING)

PWS ID No.: 1250033

Section 4. SOCIOECONOMIC DATA

Using a source(s) identified in Section 3, enter the following socioeconomic data. This data will be adjusted by TWDB staff utilizing the applicable Texas Consumer Price Indices.

Annual Median Household Income (AMHI) (for the entire service area or a portion of the service area, whichever is applicable)	\$44,237	If the AMHI is above \$51,968 ² , the service area does not qualify for disadvantaged status. Do not submit this form.
Average Household Size (for the entire service area or a portion of the service area, whichever is applicable)	3.44	

Section 5. AVERAGE ANNUAL WATER AND SEWER COSTS

Using the Average Household Size entered in Section 4 and the entity's current rate structure, calculate the entity's average annual water and sewer costs. This information will be factored into the entity's affordability calculations.

Average Monthly Water Flow per Household				Average Monthly Sewer Flow per Household			
A. Avg. monthly gallons per person	2,325			L. Avg. monthly gallons per person	1,279		
B. Avg. household size (for the entire service area)	3.44			M. Avg. household size (for the entire service area)			
C. Avg. monthly water flow per household (A×B)	7,998			N. Avg. monthly sewer flow per household (L×M)			
Average Monthly Water Bill				Average Monthly Sewer Bill			
D. Avg. monthly water flow per household (C)	7,207			O. Avg. monthly sewer flow per household (N)			
E. Initial base water rate (first	all	gallons)	\$80.00	P. Initial base sewer rate (first		gallons)	
F. Additional rate (each addtl.	0	gallons)	\$0.00	Q. Additional rate (each addtl.		gallons)	
If system utilizes a tiered billing structure, attach with worksheet. Base Line H on tiered structure.				If system utilizes a tiered billing structure, attach with worksheet. Base Line S on tiered structure.			
G. Other charges (e.g., taxes, surcharges, or other fees) used to subsidize the water system	\$0.00			R. Other charges (e.g., taxes, surcharges, or other fees) used to subsidize the sewer system			
H. Calculate avg. monthly water bill	\$80.00			S. Calculate avg. monthly sewer bill			
Average Annual Water Bill				Average Annual Sewer Bill			
I. Avg. monthly water bill (H)	\$80.00			T. Avg. monthly sewer bill (S)			
J. Number of months in a year	12			U. Number of months in a year	12		
K. Avg. annual water bill (I×J)	\$960.00			V. Avg. annual sewer bill (T×U)			

Section 6. ANNUAL LOAN COST

Using the current market rate of 3.57% (as of October 2012) and a loan term of 20 years, amortize the requested grand total and submit a copy of the amortization schedule with this form. This information will be factored into the entity's affordability calculations.

W. Annual payment on SRF loan (from amortization schedule)	\$66,806.31
X. Total household connections (from Section 2 of Project Information Form)	37
Y. Annual loan cost per customer (W/X)	\$1,805.58

Section 7. HOUSEHOLD COST FACTOR

If your utility provides water or sewer service, the minimum required Household Cost Factor (HCF) must be greater than or equal to 1.00%. If your utility provides water and sewer service, the minimum required HCF must be greater than or equal to 2.00%. If the HCF does not meet the minimum required HCF, do not submit this worksheet.

Z. Household Cost Factor [(K+V+Y)/AMHI from Section 4]	6.25%
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To access the Disadvantaged – Portion of a service area document, visit www.twdb.state.tx.us/financial/doc/shared/Disadvantaged-POSA_Policy_FINAL.pdf. To find the other guidance documents listed on the worksheet, visit www.twdb.texas.gov/financial/instructions/ and type the form code into the "search table" field.

² This number represents the estimated Statewide Annual Median Household Income as of March 2013. It is derived using the U.S. Census Bureau's American Community Survey information.
Form SRF-008 (12/12)