

JUL 03 1975

James B. Crote
Deputy Director, Corporation Division

ARTICLES OF INCORPORATION
OF

THE MUSTANG VALLEY WATER SUPPLY CORPORATION

THE STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF BOSQUE §

WE, the undersigned natural persons of the age of twenty-one (21) years or more, at least three of whom are citizens of the State of Texas, acting as incorporators of a Corporation, do hereby adopt the following Articles of Incorporation for such Corporation:

ARTICLE I.

The name of the Corporation is The Mustang Valley Water Supply Corporation.

ARTICLE II.

The Corporation is a non-profit Corporation organized under Article 1434a of the Revised Civil Statutes of Texas of 1925, as amended, supplemented by the Texas Non-Profit Corporation Act, Article 1.01 et seq., as amended, and is authorized to exercise all powers and rights and privileges conferred on a Corporation by these Acts, and all powers and rights incidental in carrying out the purposes for which the Corporation is formed, except such as are inconsistent with the express provisions of these Acts.

ARTICLE III.

The period of its duration is perpetual.

ARTICLE IV.

The Corporation is formed for the purpose of furnishing a water supply for general farm use and domestic purposes to individuals in the rural community of Mustang, Texas, and the surrounding rural areas. The places where the business of the Corporation is to be transacted shall be the Cranfills Gap Community in Bosque County, Texas, and the surrounding rural areas.

ARTICLE V.

The Street address of the initial registered office of the Corporation is Rt. #.2, Meridian, Texas, 76665, and the name of its initial registered agent at such address is Mr. Lonnie C. Tergerson.

ARTICLE VI.

The number of directors constituting the initial Board of Directors of the Corporation is Five (5), and the name and address of the persons who are to serve as the initial directors are:

Ray Pine Mr. H. C. Tucker	P.O. Box 244 Rt. # 2	Meridian Tx Meridian, Texas 76
Joe Birdwell Mr. William O. Hanson	838 CR 4125 Rt. # 2	Meridian Tx Meridian, Texas 76
Charles Goodwin Mr. Roland R. Millsap	336 CR 4147 Rt. # 1	Cranfills Gap Tx Iredell, Texas 76
Bill Williams Mr. Lonnie C. Tergerson	338 PR 2132 Rt. # 2	Meridian Tx Meridian, Texas 76
Billy Masangiel Mr. John A. Hastings, Jr.	369 CR 4265 Rt. # 2	Clifton Tx Meridian, Texas 76

ARTICLE VII.

The name and street address of each incorporator is:

Mr. H. C. Tucker	Rt. # 2	Meridian, Texas 76665
Mr. William O. Hanson	Rt. # 2	Meridian, Texas 76665
Mr. Roland R. Millsap	Rt. # 1	Iredell, Texas 76649
Mr. Lonnie C. Tergerson	Rt. # 2	Meridian, Texas 76665
Mr. John A. Hastings, Jr.	Rt. # 2	Meridian, Texas 76665

Each incorporator shall be a member of the Board of Directors who are to serve as directors until the first annual meeting of the members, or until their successors are elected and qualified.

ARTICLE VIII.

The Corporation is and shall continue to be a Corporation without capital stock, and membership in the Corporation shall be deemed personal estate and shall be transferable only on the books of the Corporation in such manner as the By-Laws may prescribe.

IN WITNESS WHEREOF, we have hereunto set our hands, this the 28 day of June, 1975.

John A. Hastings Jr
William O. Hanson
Lonnie C. Tergerson
Roland R. Millsap
H C Tucker

THE STATE OF TEXAS |

COUNTY OF TEXAS |

I, J. Albert Hastings, a Notary Public, do hereby certify that on this 28 day of June, 1975 personally appeared before me Mr. H. C. Tucker, Mr. William O. Hanson, Mr. Roland R. Millsap, Mr. Lonnie C. Tergerson, and Mr. John A. Hastings, Jr. who each being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year above written.

J. Albert Hastings
Notary Public in and for
Bosque County, Texas

Seal

My commission expires 6-1-77.

CERTIFICATE OF CORPORATE RESOLUTION

DATE: ^{September} July 7, 1995 02624
CORPORATION: **MUSTANG VALLEY WATER SUPPLY CORPORATION**
PRESIDENT: Ernest Greenwade
SECRETARY: Vern Hardin
DATE OF MEETING OF BOARD OF DIRECTORS: *October 17, 1995*

We, President and Secretary of the corporation, certify the following facts:

1. The corporation is organized and operating under the laws of Texas, is qualified to do business here, and is in good standing.

2. No proceedings for forfeiture of the certificate of incorporation or for voluntary or involuntary dissolution of the corporation are pending.

3. Neither the articles of incorporation nor bylaws of the corporation limit the power of the Board of Directors to pass the resolution below.

4. The President and Secretary are the persons authorized to make and sign this resolution.

5. The Secretary keeps the records and minutes of the proceedings of the Board of Directors of the corporation, and the resolution below is an accurate reproduction of the one made in those proceedings; it has not been altered, amended, rescinded, or repealed; and it is now in effect.

6. The resolution below was legally adopted on the date of the meeting of the Board of Directors, which was called and held in accordance with the law and the bylaws of the corporation, at which a quorum was present.

7. This resolution has been adopted by the Board of Directors:

BE IT RESOLVED that the corporation convey 0.093 acres, Adam Kuykendall Survey, Bosque County, Texas back to Mr. Doland Olson in cancellation of the Sanitary Control Easement and the President of the Corporation is authorized to sign all documents necessary to complete the conveyance.

Ernest O. Greenwade
Ernest Greenwade, President

Vern Hardin
Vern Hardin, Secretary

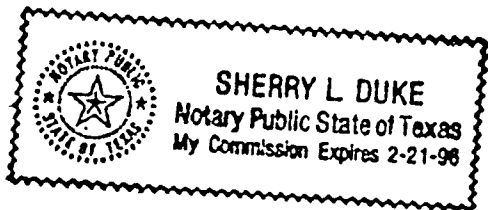
(Acknowledgment)

State of Texas
County of Bosque

This instrument was acknowledged before me on ^{September} July 7, 1995 by Ernest Greenwade, President of Mustang Valley Water Supply Corporation, a Texas corporation, on behalf of said corporation.

Sherry L. Duke
Notary Public, State of Texas
My commission expires: _____

Name of notary, typed or printed

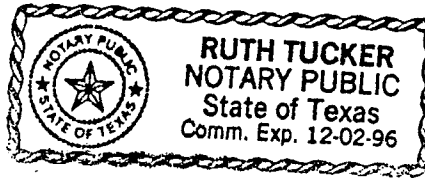


(Acknowledgment)

State of Texas
County of Bosque

This instrument was acknowledged before me on ^{Nov.} July 21, 1995 by Vern Hardin, Secretary of Mustang Valley Water Supply Corporation, a Texas corporation, on behalf of said corporation.

Ruth Tucker
Notary Public, State of Texas
My commission expires: 12-02-96
Ruth Tucker
Name of notary, typed or printed



CLERK'S NOTICE: ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE, IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

FILED
AT 11:10 O'CLOCK A M
ON THE 29 DAY OF Nov
A.D., 19 95

STATE OF TEXAS
COUNTY OF BOSQUE
I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Volume and Page of the Official Public Records of Bosque County, Texas.



Denell O'Donald
County Clerk, Bosque County, Texas
VOL. 382 PAGE 142

Denell O'Donald
COUNTY CLERK, BOSQUE CO., TEXAS
BY Trone Bridges
DEPUTY

RECORDED 11-30-95
Ronan. BAWAZA

Return to:
Robertson. Robertson

MUSTANG VALLEY WATER SUPPLY CORPORATION

Comparative Balance Sheets
June 30, 2005 & 2004

Assets	2005	2004
Current Assets		
Cash in Bank	\$133,909.52	\$46,297.39
Time Deposits	76,424.16	54,153.84
Accounts Receivable - Trade	28,336.91	30,247.66
Accounts Receivable - Other	970.00	1,890.00
Prepaid Expenses	929.98	854.14
Supplies Inventory	18,167.21	14,737.33
Total Current Assets	<u>258,737.78</u>	<u>148,180.36</u>
Restricted Assets		
Savings Account - Reserve	24,653.60	20,428.38
Time Deposits - Reserve	50,053.64	48,425.62
Total Restricted Assets	<u>74,707.24</u>	<u>68,854.00</u>
Fixed Assets		
Plant & Distribution System	3,210,258.14	3,210,830.52
Equipment	18,702.97	18,702.97
Buildings	3,325.86	3,325.86
Construction in Progress	7,960.00	3,460.00
	<u>3,240,246.97</u>	<u>3,236,319.35</u>
Less: Accumulated Depreciation	(1,230,277.93)	(1,141,684.93)
	<u>2,009,969.04</u>	<u>2,094,634.42</u>
Land & Rights-of-Way	23,319.61	23,319.61
Total Fixed Assets	<u>2,033,288.65</u>	<u>2,117,954.03</u>
Other Assets		
Capital Credit Allocation	25,210.62	25,094.27
Total Assets	<u>\$2,391,944.29</u>	<u>\$2,360,082.66</u>
Liabilities & Equity		
Current Liabilities		
Accounts Payable	\$13,414.32	\$8,837.47
Accrued Expenses	2,605.85	2,941.48
Unearned Water Revenue	4,288.57	2,461.03
Customer Deposits	85,400.00	18,450.00
Current Portion of Long Term Liabilities	26,201.53	24,882.86
Total Current Liabilities	<u>131,910.27</u>	<u>57,572.84</u>

MUSTANG VALLEY WATER SUPPLY CORPORATION

Comparative Balance Sheets June 30, 2005 & 2004 (Continued)

	<u>2005</u>	<u>2004</u>
Long Term Liabilities		
Notes Payable - GMAC Commercial Mtg. Corp	\$295,332.52	\$311,119.11
Note Payable - USDA Rural Development	688,281.74	697,458.06
Less Current Portion	(26,201.53)	(24,882.86)
Total Long Term Liabilities	<u>957,412.73</u>	<u>983,694.31</u>
Total Liabilities	<u>1,089,323.00</u>	<u>1,041,267.15</u>
Equity		
Grant Funds - U.S. Government	1,474,600.00	1,474,600.00
Members Investment	63,800.00	62,800.00
Retained Earnings	(235,778.71)	(218,584.49)
Total Equity	<u>1,302,621.29</u>	<u>1,318,815.51</u>
Total Liabilities & Equity	<u>\$2,391,944.29</u>	<u>\$2,360,082.66</u>

The accompanying notes are an integral part of the financial statements.

MUSTANG VALLEY WATER SUPPLY CORPORATION

Comparative Statements of Income & Retained Earnings For the Years Ended June 30, 2005 & 2004

	2005	2004
Operating Income	\$275,465.43	\$269,489.45
Water Sales		7,136.00
Meter Surcharge	23,900.00	25,350.00
Meters & Installations		
	299,365.43	301,975.45
Total Operating Income		
Operating Expenses	35,859.87	36,932.44
Labor	54,981.78	51,971.21
Utilities & Telephone	23,189.34	28,793.81
Repairs & Maintenance	33,384.25	15,927.65
Supplies	1,760.02	2,613.47
Office Expense	4,554.16	4,708.97
Insurance	5,045.00	6,275.00
Professional Services		135.00
Miscellaneous	4,669.05	5,855.27
Water Samples & Fees	51,969.46	53,399.00
Interest	2,517.28	1,717.12
Rentals	100,441.00	100,067.00
Depreciation		
	318,371.21	308,395.94
Total Operating Expenses		
Net Operating Income (Loss)	(19,005.78)	(6,420.49)
Other Income (Expense)		
Interest Income	3,954.56	1,300.41
Patronage Dividends	1,346.88	3,750.72
Equipment Gains (Losses)	(3,489.88)	516.50
Land Sale Gains (Losses)		327.32
	1,811.56	5,894.95
Total Other Income (Expense)		
Net Income (Loss)	(\$17,194.22)	(\$525.54)
Retained Earnings		
Beginning of the Year	(218,584.49)	(218,058.95)
Net Income (Loss)	(17,194.22)	(525.54)
End of the Year	(\$235,778.71)	(\$218,584.49)

The accompanying notes are an integral part of the financial statements.

MUSTANG VALLEY WATER SUPPLY CORPORATION

Comparative Statements of Cash Flows
For the Years Ended June 30, 2005 & 2004

	2005	2004
Cash Flows From Operating Activities		
Net Income (Loss)	(\$17,194.22)	(\$525.54)
Adjustments To Reconcile Net Income to Net Cash Provided by Operating Activities		
Depreciation	100,441.00	100,067.00
(Increase) Decrease in Accounts Receivable - Trade	1,910.75	(2,291.24)
(Increase) Decrease in Accounts Receivable - Other	920.00	6,631.56
(Increase) Decrease in Prepaid Expenses	(75.84)	(77.03)
(Increase) Decrease in Inventory	(3,429.88)	573.15
Increase (Decrease) in Accounts Payable	4,576.85	(7,177.61)
Increase (Decrease) in Accrued Expenses	(335.63)	460.75
Increase (Decrease) in Unearned Water Revenue	1,827.54	865.20
Increase (Decrease) in Customer Deposits	66,950.00	1,950.00
Excess Noncash Patronage Dividends	(116.35)	(2,615.22)
Equipment (Gains) Losses	3,489.88	(516.50)
Land Sale (Gains) Losses		(327.32)
Total Adjustments	176,158.32	97,542.74
Net Cash Provided (Used) by Operating Activities	158,964.10	97,017.20
Cash Flows From Investing Activities		
Purchase of System Equipment	(26,507.89)	(19,819.66)
Purchase of Office Equipment		(2,119.63)
System Improvements		(3,386.63)
Construction in Progress	(4,500.00)	(3,460.00)
Insurance Proceeds on Equipment Damage	11,742.39	11,400.20
Proceeds from Sale of Land		500.00
Net Cash Provided (Used) by Investing Activities	(19,265.50)	(16,885.72)
Cash Flows From Financing Activities		
Payment on Debt (GMAC Commercial Mtg. Corp.)	(15,786.59)	(15,621.77)
Payment on Debt (USDA Rural Development)	(9,176.32)	(8,707.98)
Members Investment	1,000.00	1,100.00
Net Cash Provided (Used) by Financing Activities	(23,962.91)	(23,229.75)
Net Increase (Decrease) in Cash & Cash Equivalents	115,735.69	56,901.73
Cash & Cash Equivalents - Beginning of Year	169,305.23	112,403.50
Cash & Cash Equivalents - End of Year	\$285,040.92	\$169,305.23
Supplemental Disclosures of Cash Flow Information:		
Interest Paid	\$52,305.09	\$52,938.25

The accompanying notes are an integral part of the financial statements.

MUSTANG VALLEY WATER SUPPLY CORPORATION
Notes to the Financial Statements
(Continued)

5) Long Term Liabilities (Continued)

Principal maturities of these loans are as follows:

Year Ended	
6/30/06	\$26,201.53
6/30/07	27,818.95
6/30/08	29,283.61
6/30/09	30,825.54
6/30/10	32,448.74
Subsequent	837,035.89
	\$983,614.26

6) Federal Income Taxes

The corporation is exempt from federal income taxes under Section 501(c)(12) of the Internal Revenue Code.

7) Local Property Taxes

The corporation has qualified for exemption from local property taxes under Section 11.30 of the Texas Property Tax Code.

8) Concentrations of Credit Risk

Mustang Valley Water Supply Corporation maintains cash balances at one financial institution in Central Texas. Accounts at the institution are insured by the Federal Deposit Insurance Corporation up to \$100,000.00. At June 30, 2005, the corporation's uninsured balances totaled \$183,935.30. The financial institution has pledged bonds of local governments with a face value of \$210,000.00, as collateral for the cash balances it holds, in accordance with the policy of Mustang Valley Water Supply Corporation.

9) Construction In Progress

Mustang Valley Water Supply Corporation has engaged an engineering firm to prepare cost estimates for construction of a standpipe in the Crossbow Addition and installation of new water lines to provide capacity to serve 62 additional members. Total cost of the project will be approximately \$360,000.00 with \$260,000.00 of that amount to be provided by loans; starting date is anticipated to be mid 2006.

United States Department of Agriculture
Statement of Budget, Income and Equity

Name: Mustang Valley Water Supply Corporation	Address: P.O. Box 6; Cranfills Gap, Texas 76637
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(1)	Prior Year Actual	Annual Budget BEG 07/01/05 END 06/30/06
OPERATING INCOME		
1. Water Sales	275,465.43	286,500.00
2. Meters and Installations	23,900.00	24,000.00
3.		
4.		
5. Miscellaneous		
6. Less: Allowances and Deductions		
7. Total Operating Income	299,365.43	310,500.00
OPERATING EXPENSES		
8. Labor	35,859.87	35,400.00
9. Utilities and Telephone	54,981.78	57,200.00
10. Repair and Maintenance	23,189.34	24,100.00
11. Supplies	33,384.25	34,700.00
12. Water Sample and Fees	4,669.05	4,850.00
13. Insurance	4,554.16	4,700.00
14. Other	9,322.30	9,700.00
15. Interest - USDA	36,377.24	35,904.00
Interest - Other Loans	15,592.22	15,162.00
16. Depreciation	100,441.00	98,961.00
17. Total Operating Expense	318,371.21	320,677.00
18. NET OPERATING INCOME (LOSS) (Line 7 Less 17)	(19,005.78)	(10,177.00)
NON OPERATING INCOME		
19. Interest Income, Patron Div	5,301.44	6,300.00
20. Equip & Land Gains (Losses)	(3,489.88)	
21. Total Nonoperating Income (Add 10-20)	1,811.56	6,300.00
22. NET INCOME (LOSS) (Add Lines 18 and 21)	(17,194.22)	(3,877.00)
23. Equity		
Beginning of the Period	1,318,815.51	1,302,621.29
24. Net Income (Line 22)	(17,194.22)	(3,877.00)
25. Other (Specify): Membership	1,000.00	1,000.00
26. Equity End of the Period (Add Lines 23-25)	1,302,621.29	1,299,744.29

PROJECTED CASH FLOW

For the Year Beginning 07/01/05 and Ending 06/30/06

(Same as Page 1, Column 2)

A. Line 22 from Page 1, Column 2-NET INCOME (LOSS).....	(\$3,877.00)
Add	
B. Items on Operations not Requiring Cash:	
1. Depreciation (Line 16, Page 1).....	98,961.00
2. Others.....	0.00
C. Cash Provided From:	
1. Proceeds from loan/grant.....	0.00
2. Proceeds from others.....	0.00
3. Increase (Decrease) in Accounts Payable, Accruals and other Current Liabilities.....	0.00
4. Decrease (Increase) in Accounts Receivable, Inventories and.....	0.00
Other Current Assets (Exclude Cash).....	0.00
5. Other: Memberships.....	1,000.00
6. Capital Improvements.....	0.00
D. Total all A, B, and C Items.....	96,084.00
E. Less: Cash Expended for:	
1. All Construction, Equipment and New Capital Items (loan and grant funds).....	20,000.00
2. Replacement and Additions to Existing Property, Plant and Equipment.....	35,000.00
3. Principal Payment (formerly FmHA).....	9,672.00
4. Principal Payment Other Loans.....	16,530.00
5. Other: _____.....	0.00
6. Total E 1 through 5.....	81,202.00
Add	
F. Beginning Cash Balances.....	285,040.92
G. Ending Cash Balances (Total of D minus E 6 plus F).....	\$299,922.92
Item G Cash Balances Composed of:	
Construction Account.....	\$0.00
Revenue Account.....	0.00
Debt Payment Account.....	0.00
O & M Account.....	217,679.39
Reserve Account.....	82,243.53
Funded Depreciation Account.....	0.00
Others: _____.....	0.00
_____.....	0.00
Total-Agrees with Item G.....	\$299,922.92

Supplemental Data

1. **ALL BORROWERS**

- a. Are deposited funds in institutions insured by the Federal Government? (Yes) No
- b. Are ou exempt from Federal Income Tax? (Yes) No
- c. Are Local, State and Federal Taxes paid current? (Yes) No
- d. Is corporate status in good standing with State? (Yes) No
- e. List kinds and amounts of insurance and fidelity bond: Complete only when submitting annual budget information

Insurance Coverage and Policy Number	Insurance Company	Amount of Coverage	Expiration Date
Property Policy # TP1787108-24	Continental Western Ins.	\$656,346.00	09/01/2005
Liability Policy # TP1787108-24	Continental Western Ins.	\$600,000.00	09/01/2005
Fidelity Policy # 18259305	CNA Surety Co.	\$45,000.00	10/09/2005

2. **RECREATION AND GRAZING ASSOCIATION BORROWERS ONLY**

a. Number of Members _____

3. **WATER AND/OR SEWER UTILITY BORROWERS ONLY**

- a. Water purchased or produced (CU.FT.GAL) 90,817,300
- b. Water sold (CU.FT.GAL.) _____
- c. Treated waste (CU.FT.GAL.) _____
- d. Number of users-water 635
- e. Number of users-sewer _____

4. **OTHER UTILITIES**

- a. Number of users _____
- b. Product purchased _____
- c. Product sold _____

5. **HEALTH CARE BORROWERS ONLY**

- a. Number of beds _____
- b. Total patient days of care _____
- c. Percentage of occupancy _____
- d. Number of outpatient visits _____

6. **DISTRIBUTION OF ALL CASH AND INVESTMENTS**

Indicate balances in the following accounts:

	Operation and Maint	Reserve	Grand Total
Cash	\$133,909.52		\$133,909.52
Savings and Interest	\$76,424.16	\$74,707.24	\$151,131.40
Totals	\$210,333.68	\$74,707.24	\$285,040.92

7. **AGE ACCOUNTS RECEIVABLE AS FOLLOWS:**

		0-30	31-60	61 and Over	Total
Dollar Values	\$	\$22,645.82	\$1,695.75	\$3,995.34	\$28,336.91
Number of Accounts		422	61	44	527

LIST OF ORGANIZATION'S BOARD OF DIRECTORS, OFFICERS AND ADMINISTRATORS

Name	Title	Address	Telephone
1. Ray Piner	President	182 CR 2300 Meridian, TX 76665	254/435-2240
Joe Birdwell	Vice President	838 CR 4125 Meridian, TX 76665	254/597-1748
Charles Goodwin	Sec-Treas	336 CR 4147 Cranfills Gap, TX 76637	254/675-3558
Bill Williams	Board Member	338 CR 2132 Meridian, TX 76665	254/435-8827
Patsy Basham	Board Member	661 CR 4220 Clifton, TX 76634	254/675-4291
Ted Bronstad	Board Member	1658 CR 4155 Cranfills Gap, TX 76637	254/675-8484

Contact Person: Ruth Tucker

Address: P.O. Box 6; Cranfills Gap, Texas 76637

Phone: 254/597-2445

2. Amount of Insurance Coverage:
- | | |
|-----------------|--------------|
| Property | \$656,346.00 |
| Liability | \$600,000.00 |
| Workman's Comp. | \$0.00 |
| Fidelity Bond | \$45,000.00 |
3. Amount of Funds in RHS Required Reserve: \$74,707.24

C MAC Commercial Mortgage

650 Dresher Road
 PO Box 1657
 Horsham, PA 19044-6657
 Attn: Financial Statement Department

CLIENT COPY

Account Number:
 Fiscal Year End:

10550303
 10550304
 10550305
06/30/2006

OPERATING BUDGET FORECAST

(Please complete all pages in their entirety)

Name of Association

Mustang Valley Water Supply Corporation

Address (Including Zip Code)

P.O. Box 6; Cranfills Gap, Texas 76637

Association Fiscal Year From 07/04 to 6/30/05	Fiscal Year Just Ended Actual (Column 1)	Next Fiscal Year Estimated Budget (Column 2)
OPERATING INCOME		
1. Water Sales	275,465.43	286,500.00
2. Meters and Installations	23,900.00	24,000.00
3.		
4.		
5. Miscellaneous	0.00	
6. Less: Allowances and Deductions	0.00	
7. Total Operating Income	299,365.43	310,500.00
OPERATING EXPENSES		
8. Labor	35,859.87	35,400.00
9. Utilities and Telephone	54,981.78	57,200.00
10. Repair and Maintenance	23,189.34	24,100.00
11. Supplies	33,384.25	34,700.00
12. Water Sample and Fees	4,669.05	4,850.00
13. Insurance	4,554.16	4,700.00
14. Other	9,322.30	9,700.00
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Interest - Other Loans	15,592.22	15,162.00
16. Depreciation	100,441.00	98,961.00
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NON OPERATING INCOME		
19. Interest Income, Patron Div	5,301.44	6,300.00
20. Equip & Land Gains (Losses)	(3,489.88)	
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23. Retained Earnings Beginning of the Period	(218,584.49)	(235,778.71)
24. Net Income (Line 22)	(17,194.22)	(3,877.00)
25. Other (Specify):	0.00	0.00
26. Retained Earnings End of the Period (Add Lines 23-25)	(235,778.71)	(239,655.71)

Supplemental Data

The Following Data Should Be Supplied Where Applicable.
If information has been supplied on an MS-1 form, please disregard.

Fiscal Year to Date

1. WATER AND/OR SEWER UTILITY BORROWERS ONLY

a. Water purchased or produced (CU.FT.GAL)	90,817,300
b. Water sold (CU.FT.GAL.)	_____
c. Treated waste (CU.FT.GAL.)	_____
d. Number of users-water	635
e. Number of users-sewer	_____

2. OTHER UTILITIES

a. Number of users	_____
b. Product purchased	_____
c. Product sold	_____

3. HOSPITALS

a. Number of beds	_____
b. Total patient days of care	_____
c. Total Medicare days	_____
d. Total Medicaid days	_____
e. Number of admissions	_____
f. Number of outpatient visits	_____

4. NURSING HOMES

a. Number of beds	_____
b. Patient days of occupancy	_____
c. Percentage of occupancy	_____

Texas Commission on Environmental Quality
Investigation Report
MUSTANG VALLEY WSC
CN600662522

INFORMATION COPY

MUSTANG VALLEY WSC

RN101457620

Investigation # 451644

Incident #

Investigator: JOSEPHS ANUDOKEM

Site Classification

GW 251-1K CONNECTION

Conducted: 01/12/2006 -- 01/12/2006

SIC Code: 4941

NAIC Code: 221310

Program(s): PUBLIC WATER SYSTEM/SUPPLY

Investigation Type : Compliance Investigation

Location :

Additional ID(s) : 0180038

Address: ; ,

Activity Type : REGION 09 - WACO

PWSCCIDS - PWS CCI- Comprehensive compliance investigation of Discretionary Groundwater, Purchase

Principal(s) :

Role	Name
RESPONDENT	MUSTANG VALLEY WSC

Contact(s) :

Role	Title	Name	Phone
Participated in Investigation	CERTIFIED OPERATOR	MR THOMAS POGUE	Work (254) 597-2445
Participated in Investigation	CERTIFIED OPERATOR	MR ROBERT BRUNNER	Fax (254) 597-2445 Cell (254) 253-0703
Regulated Entity Contact	CERTIFIED OPERATOR	MR GENE LEE	Work (254) 597-0399 (254) 579-2445 Cell (254) 386-6191
Regulated Entity Mail Contact	PRESIDENT	MR RAY PINER	Home (254) 435-2240

Other Staff Member(s) :

Role	Name
Supervisor	FRANK BURLESON
QA Reviewer	RICHARD MONREAL

Associated Check List

<u>Checklist Name</u>	<u>Unit Name</u>
PWS DISINFECTION	Mustang Dis
PWS DISTRIBUTION	Mustang Dis
PWS GENERAL INFORMATION	Mustang Gen Info
PWS GENERIC VIOLATIONS	Mustang Gen Vio
PWS GROUND WATER SOURCE- SANITARY	Mustang Sani
PWS GROUND WATER SOURCE-CONSTRUCTION	Mustang Const
PWS MICRO AND CHEMICAL INFORMATION	Mustang Micro & C
PWS OPERATION AND MAINTENANCE	Mustang Op & Maint.
PWS PRESSURE TANK	Mustang PT
PWS STORAGE TANKS	Mustang ST
PWS SYSTEM CAPACITIES	Mustang Sys Cap

Investigation Comments :

INTRODUCTION:

A comprehensive compliance investigation was scheduled for January 12, 2006 at the Mustang Valley Water Supply Corporation. The investigation was conducted with the chief certified operator, Mr. Robert Brunner and Mr. Thomas Pogue, certified operator. The exit interview was conducted with Mr. Brunner. All of the violations noted during the investigation were discussed during the exit interview.

Summary/General Information

1. Mustang Valley Water Supply Corporation, PWS 0180038, CCN 11175
2. No Superior or Approved Status
3. Community Water System
4. Retail Meters: 588, Retail Connections: 588, Retail Population: 1614
5. Wholesale Meters: 0, Wholesale Connections: 0, Wholesale Population: 0
6. Interconnections with other systems: 0
7. Maximum daily demand: 314,300 gallons on September 24, 2005
8. Average daily demand: 277,900 gallons for previous 12 months
9. The Mustang Valley Water Supply Corporation (WSC) is a community water system that obtains water from seven wells. The distribution system consists of six pressure planes that are normally valved off from one another. In all sections, the wells pump to a standpipe with gas chlorination prior to storage and gravity feed to the distribution system. Well No. 1 pumps to a seventy foot standpipe and supplies approximately one hundred eleven connections. Wells 2 and 2B pump to a ninety foot standpipe and supply approximately one hundred fifty connections. In addition, one service pump takes suction from the standpipe and pumps to five connections with a pressure tank floating on the system. Wells 3 and 3B pump to a one hundred ten foot standpipe and supply approximately one hundred twenty-seven connections. Well 5 pumps to a one hundred foot standpipe and supplies approximately one hundred eighty-two connections. Well 7 pumps to a sixty foot standpipe and supplies thirteen connections.

GENERAL FACILITY AND PROCESS INFORMATION:

A. Exceptions and Alternative Capacity Requirements

1. There are no alternative capacity requirements.
2. There are no rule exceptions granted to the Mustang Valley Water Supply Corporation.

B. System Facilities

1. Wells/ Groundwater Sources

1.1 A. Entry Point: 1

- B. Source Code: G0180038A
- C. Owner's designation: well No. 1
- D. Location: well No. 1 is at plant 1 (Mustang off FM 1473)
- E. Status: operational
- F. Depth: 898'
- G. Pump Type: submersible
- H. Gallons per minute: 91

1.2 A. Entry Point: 2

- B. Source Code: G0180038B/ G0180038F
- C. Owner's designation: well No. 2/well No. 2B
- D. Location: well No. 2 is at plant 2 (Meridian off FM 1473)/ well No. 2B is at plant 2 (.5 mile east of well No. 2)
- E. Status: operational/operational
- F. Depth: 978'/980'
- G. Pump Type: submersible/submersible
- H. Gallons per minute: 42/88

1.3 A. Entry Point: 3

- B. Source Code: G0180038C/G0180038D
- C. Owner's designation: well No. 3/well No. 3B
- D. Location: well No. 3 is at plant 3 (Nose off FM 182)/well No. 3B is about 1 mile east of well No. 3
- E. Status: operational/operational

- F. Depth: 940/700'
- G. Pump Type: submersible/submersible
- H. Gallons per minute: 65/110

1.4 A. Entry Point: 4

- B. Source Code: G0180038G
- C. Owner's designation: well No. 5
- D. Location: well No. 5 is at the Junction of FM 219 and 1873
- E. Status: operational
- F. Depth: 910'
- G. Pump Type: submersible
- H. Gallons per minute: 52

1.5 A. Entry Point: 5

- B. Source Code: G0180038H
- C. Owner's designation: well No. 7
- D. Location: well No. 7 is at the County Road 219, 8 miles southwest of Clifton
- E. Status: operational
- F. Depth: 960'
- G. Pump Type: submersible
- H. Gallons per minute: 50

2. Ground Storage Tanks (5 STPs)

- A. Volume: 41,000 gallons (14,000 gallons as elevated)/171,000 gallons (38,080 gallons as elevated)/78,000 gallons(16,920 gallons as elevated)/169,800 gallons (33,960 gallons as elevated)/50,000 gallons (50,000 gallons as elevated)
- B. Material of a tank: welded steel/welded steel/welded steel/welded steel/welded steel
- C. Location: Plant 1/Plant 2/ Plant 3/Plant 5/Plant 7

3. Pressure Tanks (PT, Pressure plane 2)

- A. Volume: 800 gallons
- B. Material of a tank: welded steel
- C. Location: Plant 2

4. Service Pumps

- A. Number of pumps: 1
- B. Pumping capacity per pump: 30 gpm
- C. Location: Plant 2

D. System Capacities

1. Production Capacities

- A. Required: 0.60 GPM x 588 connections = 352.8 GPM
- B. Provided: 498 GPM

2. Ground Storage Capacity

- A. Required: 200 gallons per connection X 588 connections = 117,600 gallons
- B. Provided: 509,800 gallons

3. Pressure Tank Capacity (pressure plane 2 only)

- A. Required: 20 gallons per connection x 5 connections = 100 gallons (PT)
- B. Provided: 800 gallons

3A. Elevated Tank Capacity

- A. Required: 100 gallons per connection x 583 connections = 58,300 gallons (PT)
- B. Provided: 152,960 gallons

4. Service Pumping Capacity

Pressure plane 2A

- A. Required: 2.0 GPM per connection x 5 connections = 10 GPM

B. Provided: 30 GPM

5. Service Pump Peaking Factor: Max. Daily Demand x 1.25 (ET) or 1.85 (PT)/ 1,440 = NA

BACKGROUND INFORMATION:

The previous comprehensive compliance investigation at the Mustang Valley Water Supply Corporation was conducted on July 19, 2001. As a result, a notice of violation dated August 30, 2001 was sent to the Mustang Valley Water Supply Corporation for two outstanding alleged violations. The violations noted include: failure to post a legible sign at water plant No. 7 and failure to design and maintain a water distribution system to provide at all times a minimum pressure of 35 pounds per square inch (psi).

ADDITIONAL INFORMATION:

1. Conclusion: The Mustang Valley Water Supply Corporation system will be sent a notice of violation as a result of this comprehensive compliance investigation.
2. Areas of Concern: failure to maintain the residual disinfectant concentration in the far reaches of the distribution system at a minimum of 0.2 mg/L free chlorine or 0.50 mg/L total chlorine as per agency regulations.
3. Additional Issues: NA

<u>NOV Date</u>	<u>Method</u>
01/12/2006	AREA OF CONCERN
03/08/2006	WRITTEN

OUTSTANDING ALLEGED VIOLATIONS

Track No: 226368 Compliance Due Date: 04/10/2006

30 TAC Chapter 290.46(f)(2)

Alleged Violation:
Investigation: 451644

Comment Date: 01/30/2006

Failure to provide water system records that needed to be reviewed at the time of the investigation. It must be noted that some of these records are required by rule to be available to TCEQ staff for review during an investigation. Those records that were not available for review are as follows:

- a. Bacteriological analysis test results, and
- b. Customer service agreements

It was noted during this investigation that the bacteriological analysis test results for October 2005, September 2005, August 2005, July 2005, May 2005, April 2005, March 2005, and February 2005 were missing.

Copies of these records must be submitted to the Waco Regional Office at the address shown on the bottom of the accompanying cover letter for our review. After our review of these records, you will be notified if any additional alleged violations are found.

Recommended Corrective Action: Submit copies of the records listed.

Resolution:

Track No: 226385 Compliance Due Date: 04/10/2006

30 TAC Chapter 290.42(l)

Alleged Violation:
Investigation: 451644

Comment Date: 01/18/2006

Failure to provide a plant operations manual. A thorough plant operations manual

must be compiled and kept up-to-date for operator review and reference. This manual should be of sufficient detail to provide the operator with routine maintenance and repair procedures, with protocols to be utilized in the event of a natural or man-made catastrophe, as well as provide telephone numbers of water system personnel, system officials, and local/state/federal agencies to be contacted in the event of an emergency. It was noted during this investigation that this water system does not have a plant operations manual.

Recommended Corrective Action: Submit a plant operations manual.

Resolution:

Track No: 226392 Compliance Due Date: 04/10/2006

30 TAC Chapter 290.46(m)(1)

Alleged Violation:
Investigation: 451644

Comment Date: 01/30/2006

Failure to inspect the pressure tank annually. The pressure tanks must be inspected annually to determine that the pressure release device and pressure gauge are working properly, the air-water ratio is being maintained at the proper level, the exterior coating systems are continuing to provide adequate protection to all metal surfaces, and that the tank remains in a watertight condition. Pressure tanks provided with an inspection port must have the interior surface inspected every five years. It was noted during this investigation that the pressure tank was not inspected during the year 2005. The tank must be inspected as required.

Recommended Corrective Action: Submit a copy of the inspection report.

Resolution:

Track No: 226396 Compliance Due Date: 04/10/2006

30 TAC Chapter 290.46(n)(2)

Alleged Violation:
Investigation: 451644

Comment Date: 01/17/2006

Failure to maintain an accurate and up-to-date map of the distribution system so that valves and mains can be easily located during emergencies. The map of the distribution system must be kept up-to-date so that valves and mains may be easily located during emergencies. It was noted during this investigation that the distribution system map was not up-to-date. Flush and gate valves were not labeled on the distribution system map.

Recommended Corrective Action: Submit a copy of an up-to-date map of the distribution system.

Resolution:

Track No: 227545 Compliance Due Date: 04/10/2006

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

Alleged Violation:
Investigation: 451644

Comment Date: 02/06/2006

Failure to provide two or more service pumps at each pump station or pressure plane. Your water system fails to meet this Agency's "Minimum Water System Capacity Requirements." These requirements include a service pumping capacity of two or more pumps that have a total capacity of two gallons per minute per connection at each pump station or pressure plane. At the time of this investigation, pressure plane 2A (plant 2) had only one service pump instead of the two or more service pumps required in each pressure plane. An additional service pump must be obtained in pressure plane 2A.

Recommended Corrective Action: Submit documentation showing that an additional

service pump has been acquired for pressure plane 2A.

Resolution:

ALLEGED VIOLATIONS NOTED AND RESOLVED

Track No: 226363

Resolution Date: 1/30/2006

30 TAC Chapter 290.110(b)(4)

Alleged Violation:


Investigation: 451644

Comment Date: 01/30/2006

Failure to maintain the residual disinfectant concentration in the far reaches of the distribution system at a minimum of 0.2 mg/L free chlorine or 0.50 mg/L total chlorine as per agency regulations. A Field test conducted during this investigation revealed that the level is not being maintained throughout the system. The free chlorine test revealed 0.02 mg/L on pressure plane 2 (1110 Highway 6 at Rudy Fencing). As a result of the test, the system must inject enough chlorine to meet the agency's minimum chlorine requirements. It should be noted that failure to submit documentation showing compliance as required or a repeat of this violation may require this agency to initiate enforcement action against the water system.

Recommended Corrective Action: Submit documentation within twenty-four hours showing that an adequate chlorine level is being maintained throughout the distribution system.

Resolution: On January 13, 2006, documentation was received showing that the required disinfection residual was achieved.

Signed 
Environmental Investigator

Date 3/9/06

Signed 
Supervisor

Date 3/8/06

Attachments: (in order of final report submittal)

Enforcement Action Request (EAR)

Maps, Plans, Sketches

Letter to Facility (specify type) : _____

Photographs

Investigation Report

Correspondence from the facility

Sample Analysis Results

Other (specify) : _____

Manifests

NOR

Kathleen Hartnett White, *Chairman*
R. B. "Ralph" Marquez, *Commissioner*
Larry R. Soward, *Commissioner*
Glenn Shankle, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

March 8, 2006

CERTIFIED MAIL 70042890000262441010
RETURN RECEIPT REQUESTED

Mr. Ray Piner, President
Mustang Valley Water Supply Corporation
P.O. Box 6
Cranfills Gap, Texas 76637

Re: Notice of Violation for the Comprehensive Compliance Investigation at:
Mustang Valley Water Supply Corporation, Bosque County
TCEQ ID No.: PWS 0180038, RN 101457620

Dear Mr. Piner:

On January 12, 2006, Mr. Josephs Anudokem of the Texas Commission on Environmental Quality (TCEQ) Waco Regional Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for a public water supply. Enclosed is a summary which lists the investigation findings. During the investigation, a concern was noted which was an alleged noncompliance that has been resolved as an Area of Concern and subsequent corrective action. In addition, certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by April 10, 2006 a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for each of the outstanding alleged violations.

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

Reply To: REGION 9 • 6801 SANGER AVE., STE. 2500 • WACO, TEXAS 76710-7826 • 254/751-0335 • FAX 254/772-9241

P.O. Box 13087 • Austin, Texas 78711-3087 • 512/239-1000 • Internet address: www.tceq.state.tx.us

Mr. Ray Piner, President
Page 2
March 8, 2006

If you or members of your staff have any questions, please feel free to contact Mr. Josephs Anudokem in the Waco Regional Office at (254) 751-0335.

Sincerely,



Frank Burleson
Water Section Manager
Waco Regional Office

FB/ja/ps

Enclosures: Summary of Investigation Findings
Obtaining TCEQ Rules

Summary of Investigation Findings

MUSTANG VALLEY WSC

Investigation # 451644

, BOSQUE COUNTY,

Investigation Date: 01/12/2006

Additional ID(s): 0180038

OUTSTANDING ALLEGED VIOLATIONS

Track No: 226368 Compliance Due Date: 04/10/2006

30 TAC Chapter 290.46(f)(2)

Alleged Violation:

Investigation: 451644

Comment Date: 1/30/2006

Failure to provide water system records that needed to be reviewed at the time of the investigation. It must be noted that some of these records are required by rule to be available to TCEQ staff for review during an investigation. Those records that were not available for review are as follows:

- a. Bacteriological analysis test results, and
- b. Customer service agreements

It was noted during this investigation that the bacteriological analysis test results for October 2005, September 2005, August 2005, July 2005, May 2005, April 2005, March 2005, and February 2005 were missing.

Copies of these records must be submitted to the Waco Regional Office at the address shown on the bottom of the accompanying cover letter for our review. After our review of these records, you will be notified if any additional alleged violations are found.

Recommended Corrective Action: Submit copies of the records listed.

Track No: 226385 Compliance Due Date: 04/10/2006

30 TAC Chapter 290.42(l)

Alleged Violation:

Investigation: 451644

Comment Date: 1/18/2006

Failure to provide a plant operations manual. A thorough plant operations manual must be compiled and kept up-to-date for operator review and reference. This manual should be of sufficient detail to provide the operator with routine maintenance and repair procedures, with protocols to be utilized in the event of a natural or man-made catastrophe, as well as provide telephone numbers of water system personnel, system officials, and local/state/federal agencies to be contacted in the event of an emergency. It was noted during this investigation that this water system does not have a plant operations manual.

Recommended Corrective Action: Submit a plant operations manual.

Track No: 226392 Compliance Due Date: 04/10/2006

30 TAC Chapter 290.46(m)(1)

Alleged Violation:

Investigation: 451644

Comment Date: 1/30/2006

Failure to inspect the pressure tank annually. The pressure tanks must be inspected annually to determine that the pressure release device and pressure gauge are working properly, the air-water ratio is being maintained at the proper level, the exterior coating systems are continuing to provide adequate protection to all metal surfaces, and that the tank remains in a watertight condition. Pressure tanks provided with an inspection port must have the interior surface inspected every five years. It

was noted during this investigation that the pressure tank was not inspected during the year 2005. The tank must be inspected as required.

Recommended Corrective Action: Submit a copy of the inspection report.

Track No: 226396 **Compliance Due Date:** 04/10/2006

30 TAC Chapter 290.46(n)(2)

Alleged Violation:

Investigation: 451644

Comment Date: 1/17/2006

Failure to maintain an accurate and up-to-date map of the distribution system so that valves and mains can be easily located during emergencies. The map of the distribution system must be kept up-to-date so that valves and mains may be easily located during emergencies. It was noted during this investigation that the distribution system map was not up-to-date. Flush and gate valves were not labeled on the distribution system map.

Recommended Corrective Action: Submit a copy of an up-to-date map of the distribution system.

Track No: 227545 **Compliance Due Date:** 04/10/2006

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

Alleged Violation:

Investigation: 451644

Comment Date: 2/6/2006

Failure to provide two or more service pumps at each pump station or pressure plane. Your water system fails to meet this Agency's "Minimum Water System Capacity Requirements." These requirements include a service pumping capacity of two or more pumps that have a total capacity of two gallons per minute per connection at each pump station or pressure plane. At the time of this investigation, pressure plane 2A (plant 2) had only one service pump instead of the two or more service pumps required in each pressure plane. An additional service pump must be obtained in pressure plane 2A.

Recommended Corrective Action: Submit documentation showing that an additional service pump has been acquired for pressure plane 2A.

ALL LEGAL VIOLATIONS NOTED AND RESOLVED

Track No: 226363

30 TAC Chapter 290.110(b)(4)

Alleged Violation:

Investigation: 451644

Comment Date: 1/30/2006

Failure to maintain the residual disinfectant concentration in the far reaches of the distribution system at a minimum of 0.2 mg/L free chlorine or 0.50 mg/L total chlorine as per agency regulations. A Field test conducted during this investigation revealed that the level is not being maintained throughout the system. The free chlorine test revealed 0.02 mg/L on pressure plane 2 (1110 Highway 6 at Rudy Fencing). As a result of the test, the system must inject enough chlorine to meet the agency's minimum chlorine requirements. It should be noted that failure to submit documentation showing compliance as required or a repeat of this violation may require this agency to initiate enforcement action against the water system.

Recommended Corrective Action: Submit documentation within twenty-four hours showing that an adequate chlorine level is being maintained throughout the distribution system.

Resolution: On January 13, 2006, documentation was received showing that the required disinfection residual was achieved.

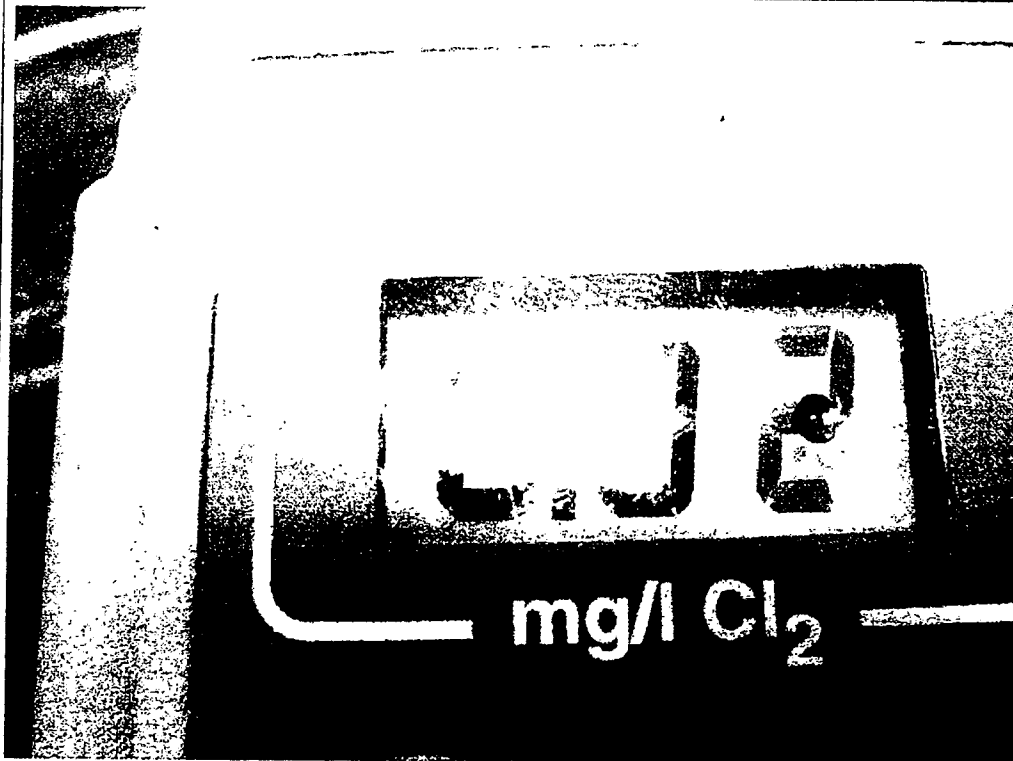
Photographic Documentation

- ▶ Regulated Entity Name : Mustang Valley WSC
- ▶ Regulated Entity # : PWS: 0180038
- ▶ Site Name : Main Plant
- ▶ County : Bosque
- ▶ Investigation # : 451644
- ▶ Incident # : NA
- ▶ Investigation Date : 01/12/2006
- ▶ Photos Taken By : Josephs Anudokem
- ▶ Number of Photos Attached : 1



TCEQ
WACO

This photograph shows that the Mustang Valley Water Supply Corporation is not meeting the minimum chlorine residual requirement. (0.02 mg/L free pressure plane 2).



intentionally
blank

**TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
WATER UTILITIES DIVISION
MONITORING AND ENFORCEMENT
PUBLIC DRINKING WATER SUPPLY**

Operator Certification and Employment Information

Date January 12, 2006 System Name Mustang Valley WSC
System I.D. # PWS 0180038 County Bosque

Water Source(s) for System? (Check all that apply)	Ground Water: X Surface Water: Purchase Water:
Certified Operator Required? (Charge for water?)	Yes No <input checked="" type="checkbox"/> <input type="checkbox"/>
Certified Operator(s) currently employed by this system?	Yes No X
System address and responsible official information on Certification printout correct?	Yes No Unknown X

List of Certified Operators to be added or deleted:

Operator's Number	Operator's Full Name			Action?	
	Last,	First,	MI	Add	Delete
WO0017015	Brunner,	Robert	M.	X	
WG0000722	Pogue,	Thomas	L	X	

1/12/06

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

ROBERT M BRUNNER

Is hereby licensed as a
WATER OPERATOR

Class	License Number	Expires
D	W00017015	11/10/2006

R Brunner
LICENSEE SIGNATURE

[Signature]
SECTION MANAGER

Mustang Valley Well #2

Retest on 1-13-06 7:45 A.M

At Rudy Fence Co. Cl_2 residue

was up to 0.65

RECEIVED

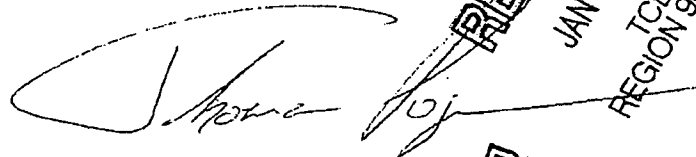
JAN 13 2006

TCEQ
REGION 9-WACO

RECEIVED

JAN 13 2006

TCEQ
REGION 9-WACO



RECEIVED

JAN 13 2006

TCEQ
REGION 9-WACO

RECEIVED

JAN 13 2006

TCEQ
REGION 9-WACO

Mustang Valley Water Supply Corp.
c/o H C Tucker
Box 6
Cranfills Gap, TX 76637

blank

Facsimile

To: Mustang Valley Water Supply Corp.
@ Fax:
From: **RODNEY ADAMEK**
cc:
Date: 1/11/2006
Re: Plant Capacities
Pages: **1**, including this

Robert:

The following is the information that you requested.

Plant No. 1 - 111 Connections

— 41,125 gallons of total storage

Plant No. 2 - 155 Connections

171,360 gallons of total storage

~~171~~ 38,080 gallons of elevated storage

5 Connections
30 gpm @ 47ft

Plant No. 3 - 127 Connections

78,210 gallons of total storage

— 16,920 gallons of elevated storage

Plant No. 5 - 182 Connections

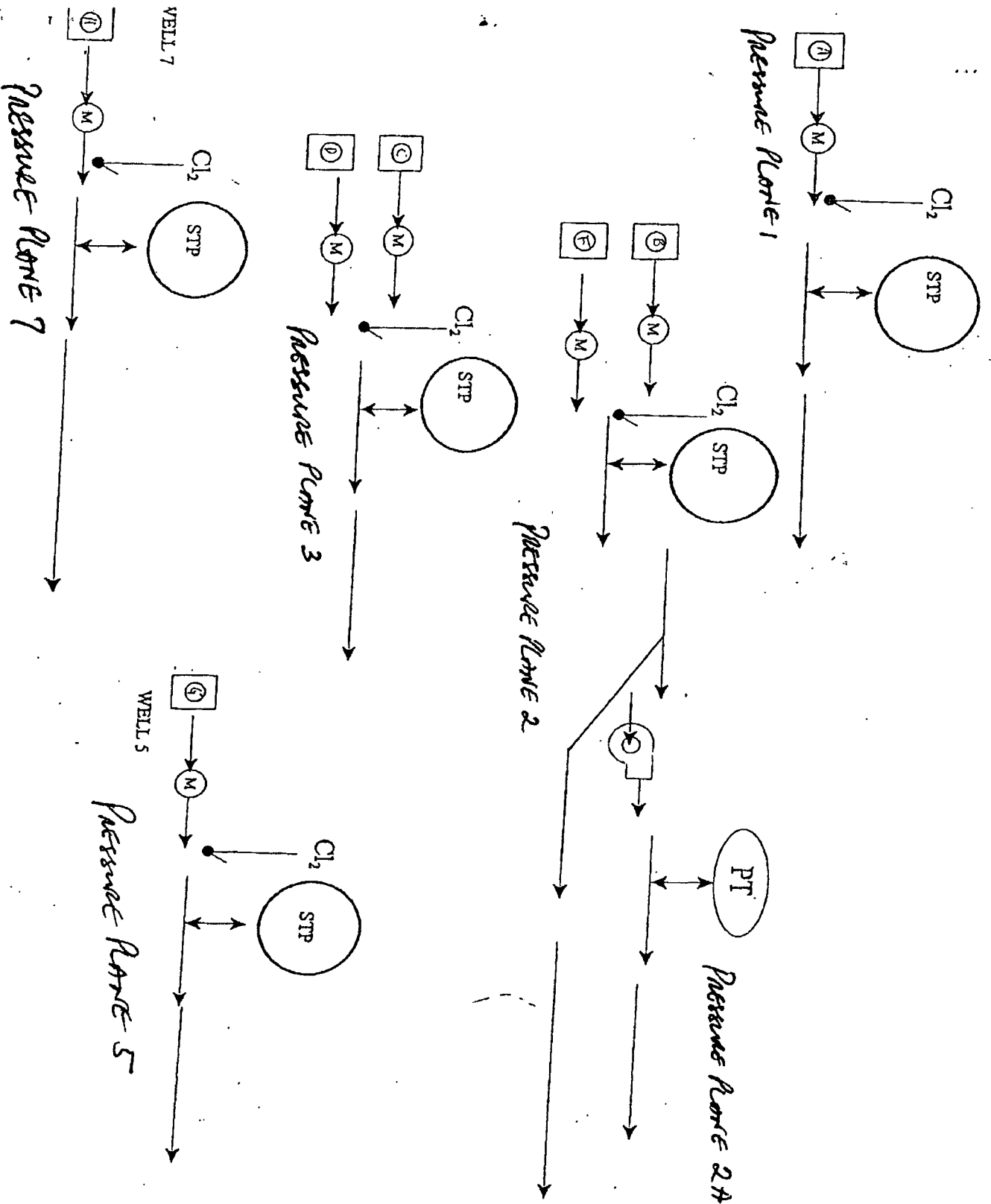
169,800 gallons of total storage

— 33,960 gallons of elevated storage

Grandecom

578

Plant No. 7 - Connections Not Available *13 Connections*
50,760 gallons of total storage



blank

02/02/2006
4:52:21PM

Texas Commission on Environmental Quality
Water System Data Sheet

WSDSR

PWS ID:	0180038
PWS Name:	MUSTANG VALLEY WSC

Organization/Mailing Name			
MUSTANG VALLEY WSC			
Address	City	St	Zip
PO BOX 6	CRANFILLS GAP	TX	76637 - 0006

Responsible Official	Job Title	Phone / E-Mail / Pager
RAY PINER	PRESIDENT	(254) 435-2240 BUSPHONE

Owner Type	Owner Type Options: COUNTY, DISTRICT/AUTHORITY, EXEMPT, FEDERAL GOVERNMENT, INVESTOR, MUNICIPALITY, NATIVE AMERICAN, PRIVATE, STATE GOVERNMENT, WATER SUPPLY CORPORATION, MISC/UNKNOWN
WATER SUPPLY CORPORATION	

System Type	System Type Options: COMMUNITY, TRANSIENT/NON-COMMUNITY, NON-PUBLIC, NON-TRANSIENT/NON-COMMUNITY
COMMUNITY	

Customer Class	Customer Category	Population Served	# of Connect	# of Meters	# I/C w/other PWS
RESIDENTIAL	RESIDENTIAL AREA	1,614	545	545	0

528 588

Total Product (MGD)	Average Daily Consump.	Total Storage (MG)	Elev. Storage (MG)	Booster Pump Cap. (MGD)	Aux.Prod.Cap. Max.Pur.Cap.(MGD)	Pressure Tank Cap.(MG)
0.811	0.204	0.510	0.395	0.086	0.000	0.00080

0.717 0.277 0.509 0.152

Activity Status	Deactivation Date	Reason
ACTIVE		

Operator Grade	Number
WATER GRADE C GROUND	1

Last Survey Date	Surveyor	Survey Type	Code	Region	County	Def.Score
07/19/2001	RICHARD MONREAL	SURVEY		9	BOSQUE	4
05/25/1999	MELISSA MULLINS	SURVEY	F22	9	BOSQUE	6

1/12/06 Josephs Amudokem

18

(Entry Point)						
Entry Point	EP Name/Source Summation (Activity Status)	Plant Name (Activity Status)	WUD Plant Num	DBP Mon Type	Mon Chem Mon Type	Sample Point
001	MUSTANG PLT 1 / 2ND TRINITY(A)	MUSTANG PLT 1(A)	1074	G		Yes

Train: (Unnamed)

(Treatments)				
Disinfection Zone	Treatment Sequence	Objective	Process	Treatment
	1	D	403	GASEOUS CHLORINATION(PRE)

(Active Sources)						
Source Number	Source Name (Activity Status)	Operational Status	Source Type	Depth	Tested GPM	Rated GPM
G0180038A	1-MUSTANG OFF FM 1473(A)	0	G	890	70	100
Drill Date		Well Data				
3/0/1976		TRAVIS PEAK FORMATIO				
GPS Latitude (decimal)	GPS Longitude (decimal)	GPS Elevation	GPS Date	GPS Cert. No.	Seller	
0	0	0			Not a Purchased Source	

(Inactive/Offline Sources)
(No inactive Sources associated with this EP/Plant)

(Entry Point)						
Entry Point	EP Name/Source Summation (Activity Status)	Plant Name (Activity Status)	WUD Plant Num	DBP Mon Type	Mon Chem Mon Type	Sample Point
002	MERIDIAN / 2ND TRINITY(A)	MERIDIAN(A)	1075	G		Yes

Train: (Unnamed)

(Treatments)				
Disinfection Zone	Treatment Sequence	Objective	Process	Treatment
	1	D	403	GASEOUS CHLORINATION(PRE)

(Active Sources)							
Source Number	Source Name (Activity Status)	Operational Status	Source Type	Depth	Tested GPM	Rated GPM	
G0180038B	2-MERIDIAN OFF FM 1473(A)	O	G	978	54	100	
Drill Date		Well Data					
5/0/1978		TRAVIS PEAK FORMATIO					
GPS Latitude (decimal)	GPS Longitude (decimal)	GPS Elevation	GPS Date	GPS Cert. No.	Seller		
0	0	0			Not a Purchased Source		
Source Number	Source Name (Activity Status)	Operational Status	Source Type	Depth	Tested GPM	Rated GPM	
G0180038F	2B-1/2 MI W OF WELL 2(A)	O	G	980	94	116	
Drill Date		Well Data					
6/30/1995		TRAVIS PEAK FORMATIO					
GPS Latitude (decimal)	GPS Longitude (decimal)	GPS Elevation	GPS Date	GPS Cert. No.	Seller		
0	0	0			Not a Purchased Source		

(Inactive/Offline Sources)
(No Inactive Sources associated with this EP/Plant)

(Entry Point)						
Entry Point	EP Name/Source Summation (Activity Status)	Plant Name (Activity Status)	WUD Plant Num	DBP Mon Type	Mon Chem Mon Type	Sample Point
003	NORSE / 2ND TRINITY(A)	NORSE(A)	1077	G		Yes

Train: (Unnamed)

(Treatments)				
Disinfection Zone	Treatment Sequence	Objective	Process	Treatment
	1	D	403	GASEOUS CHLORINATION(PRE)

(Active Sources)							
Source Number	Source Name (Activity Status)	Operational Status	Source Type	Depth	Tested GPM	Rated GPM	
G0180038C	3-NORSE OFF 182(A)	O	G	900	25	190	
Drill Date		Well Data					
7/8/1978		TRAVIS PEAK FORMATIO					
GPS Latitude (decimal)	GPS Longitude (decimal)	GPS Elevation	GPS Date	GPS Cert. No.	Seller		
0	0	0			Not a Purchased Source		
Source Number	Source Name (Activity Status)	Operational Status	Source Type	Depth	Tested GPM	Rated GPM	
G0180038D	3B-NORSE-1 MI E OF W3(A)	O	G	680	120	190	
Drill Date		Well Data					
5/1/1984							
GPS Latitude (decimal)	GPS Longitude (decimal)	GPS Elevation	GPS Date	GPS Cert. No.	Seller		
0	0	0			Not a Purchased Source		

(Inactive/Offline Sources)
(No inactive Sources associated with this EP/Plant)

(Entry Point)						
Entry Point	EP Name/Source Summation (Activity Status)	Plant Name (Activity Status)	WUD Plant Num	DBP Mon Type	Mon Chem Mon Type	Sample Point
004	CLIFF OAKS / 2ND TRINITY(A)	CLIFF OAKS(A)	1080	G		Yes

Train: (Unnamed)

(Treatments)				
Disinfection Zone	Treatment Sequence	Objective	Process	Treatment
	1	D	403	GASEOUS CHLORINATION(PRE)

(Active Sources)						
Source Number	Source Name (Activity Status)	Operational Status	Source Type	Depth	Tested GPM	Rated GPM
G0180038G	5-JCT FM 219 & FM 1873(A)	O	G	910	100	115
Drill Date		Well Data				
7/15/1995		TRAVIS PEAK FORMATIO				
GPS Latitude (decimal)	GPS Longitude (decimal)	GPS Elevation	GPS Date	GPS Cert. No.	Seller	
0	0	0			Not a Purchased Source	

(Inactive/Offline Sources)			
SourceNumber	Name	Status	Depth
G0180038E	4-CLIFF OAK/FM 219	A	812

(Entry Point)						
Entry Point	EP Name/Source Summation (Activity Status)	Plant Name (Activity Status)	WUD Plant Num	DBP Mon Type	Mon Chem Mon Type	Sample Point
005	VIERTEL / 2ND TRINITY(A)	VIERTEL(A)	1079	G		Yes

Train: (Unnamed)

(Treatments)				
Disinfection Zone	Treatment Sequence	Objective	Process	Treatment
	1	D	403	GASEOUS CHLORINATION(PRE)

(Active Sources)						
Source Number	Source Name (Activity Status)	Operational Status	Source Type	Depth	Tested GPM	Rated GPM
G0180038H	7(A)	O	G	960	40	100
Drill Date		Well Data				
0/0/1995		50				
GPS Latitude (decimal)	GPS Longitude (decimal)	GPS Elevation	GPS Date	GPS Cert. No.	Seller	
0	0	0			Not a Purchased Source	

(Inactive/Offline Sources)
(No inactive Sources associated with this EP/Plant)

Code Explanations
Monitoring Type Codes: (G) GROUND WATER , (S) SURFACE WATER , (U) GROUND WATER UNDER THE INFLUENCE
Activity Status Codes:
Operational Status Codes: (C) CAPPED , (D) DEMAND , (E) EMERGENCY , (F) FORMER PWS SOURCE , (I) INACTIVE PWS SYSTEM , (N) NON-DRINKING WATER , (O) OPERATING , (P) PLUGGED , (T) TEST , (Y) PWS NOT ACTIVE AND NOT EXPECTED TO BE SO
Source Types: (G) GROUND WATER , (S) SURFACE WATER , (U) GROUND WATER UNDER THE INFLUENCE

- End of Report -

At the time of your query this data was the most current information available from our database, which is in real time. Every effort was made to retrieve it according to your query. Thank-you for using WUD.

TCEQ EXIT INTERVIEW FORM: Potential Violations and/or Records Requested

Regulated Entity/Site Name		MUSTANG VALLEY WSC		TCEQ Add. ID No. RN No (optional)	0186038
Investigation Type	Contact Made In-House (Y/N)	Purpose of Investigation		CC1	
Regulated Entity Contact	ROBERT BRUNN SR	Telephone No.	(281) 253 0703	Date Contacted	6/12/06
Title	CHIEF CEITH @ OPERATOR	Fax No.	281 572 2445	Date Faxed	

NOTICE: The information provided in this Note is intended to provide clarity to issues that have arisen to the date of this Note during the investigation process between the agency and the company and does not represent agency findings related to violations. Any potential or alleged violations discovered after the date of this Note will be communicated by telephone to the regulated entity representative prior to the issuance of a notice of violation or enforcement. Conclusions drawn from this investigation, including additional violations or potential violations discovered (if any) during the course of this investigation, will be documented in this investigation's final report.

Issue No.	Type ¹	Rule Citation (if known)	Description of Issue
1		296.10 (b)(4)	Failure to maintain the residual disinfectant in the free chlorine of the distribution system at a minimum of 0.2 mg/l per agency regulations.
2		296.46(f)(2)	Failure to provide a water system records log needed to be reviewed at the time of the investigation; (a) bacteriological records for months of October, September, August, July, May, April, March and February.
3			

Note 1: Issue Type Can Be One or More of: AV (Alleged Violation), PV (Potential Violation), O (Other), or RR (Records Request)

Document Acknowledgment. Signature on this document establishes only that the regulated entity (company) representative received a copy of this document and associated continuation pages on the date noted. If contact was made by telephone, document will be faxed to regulated entity representative, signature not required.

Investigator Name (Signed & Printed)	JOSEPHS TRUDOLEM	Date	11/2/06	Regulated Entity Representative Name (Signed & Printed)	Robert Brunner	Date	11/2/06
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TCEQ EXIT INTERVIEW FORM: Potential Violations and/or Records Requested

Regulated Entity/Site Name	MUSTANG VALLEY WSC		TCEQ Add. ID No. RN No. (optional)	0180038
Investigation Type	Contact Made In-House (Y/N)	Purpose of Investigation	CCI	
Regulated Entity Contact	ROBERT BUNNBR	Telephone No.	254 2530703	Date Contacted 01/12/06
Title	CHIEF CERTIFIED OPERATOR	Fax No.	254 597 2445	Date Faxed

NOTICE: The information provided in this Note is intended to provide clarity to issues that have arisen to the date of this Note during the investigation process between the agency and the company and does not represent agency findings related to violations. Any potential or alleged violations discovered after the date of this Note will be communicated by telephone to the regulated entity representative prior to the issuance of a notice of violation or enforcement. Conclusions drawn from this investigation, including additional violations or potential violations discovered (if any) during the course of this investigation, will be documented in this investigation's final report.

Issue	For Records Request, identify the necessary records, the company contact and date due to the agency. For Alleged and Potential Violation issues, include the rule in question with the clearly described potential problem. Other type of issues: fully describe.		Description of Issue
No.	Type ¹		
2		24 Rule (a)(3) (as known)	
3			(b) Customer service inspection reports
4		290.46 (P)(2)	Failure to provide plant operations manual.
5		290.46 (P)(2)	Failure to inspect pressure tank annually Failure to maintain and make available an accurate and up-to-date map of the distribution system so that valves and mains can be easily located during emergencies.

Note 1: Issue Type Can Be One or More of: AV (Alleged Violation), PV (Potential Violation), O (Other), or RR (Records Request)

Document Acknowledgment. Signature on this document establishes only that the regulated entity (company) representative received a copy of this document and associated continuation pages on the date noted. If contact was made by telephone, document will be faxed to regulated entity. Therefore, signature not required.

Investigator Name (Signed & Printed)	Date	Regulated Entity Representative Name (Signed & Printed)	Date
Josephs Anudoken	1/12/06	Robert Bunbr	1/12/06

NOV TRACKING

3/8

DATE NOV LETTER MAILED

DATE GREEN CARD RETURNED

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**MR. RAY PINER, PRESIDENT
MUSTANG VALLEY WATER
SUPPLY CORPORATION
P.O. BOX 6
CRANFILLS GAP, TEXAS 76637**

COMPLETE THIS SECTION ON DELIVERY

A. Signature *Ray Piner* Agent Addressee

B. Received by (Printed Name) *Ruth Locker*

C. Date of Delivery *3/9/06*

D. Is delivery address different from item 17 Yes No
If YES, enter delivery address below:

3. Service Type Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes No

2. Article Number *7004 2890 0002 6244 1010*
(transfer from service label)

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

OFFICIAL

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only. No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

7004 2890 0002 6244 1010

Start To

Signature, Zip No.,
or PO Box No.
City, State, ZIP+4

Postage \$

Certified Fee

Return Receipt Fee
(Endorsement Required)

Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees \$

MR. RAY PINER, PRESIDENT
MUSTANG VALLEY WATER
SUPPLY CORPORATION
P.O. BOX 6
CRANFILLS GAP, TEXAS 76637

TCEQ
WACO, REGION 9
6801 SANGER AVENUE
WACO, TX 76710
(254) 751-0335

MUSTANG VALLEY WSC CUSTOMER LIST

CHARLIE AARS 7047 FM 219 CLIFTON TX 76634	2	ROYCE ALLEN P.O. BOX 186 SANDERSON TX 79848	16	CLINTON BAKKE 589 CR 4150 CLIFTON TX 76634	30
ROSALIE AARS 1343 FM 182 CLIFTON TX 76634	3	WAYNE ALLEN 1395 CR 4155 CLIFTON TX 76634	18	OLEE BAKKE 403 N AVE R CLIFTON TX 76634	31
JOHN ABERCROMBIE 216 N AVE M CLIFTON TX 76634	4	W. BRETT AMUNDSON 260 CR 4260 CLIFTON TX 76634	19	JAMES BALLARD 4008 SPRINGHOLLOW COLLEYVILLE TX 76034	32
JAMES ADAMS HC 65 BOX 6 CLIFTON TX 76634	5	JERRY ANDERSON P.O. BOX 183 CLIFTON TX 76634	21	MARIE BALLARD 169 CR 4265 CLIFTON TX 76634	33
MYRTLE AGUIRRE 4924 FM 219 CLIFTON TX 76634	7	LARRY ANDERSON 2399 FM 182 CLIFTON TX 76634	22	Bar G Ranch 1903 CR 4100 MERIDIAN TX 76665	121
GENE ALBRECHT 475 CR 3265 CLIFTON TX 76634	9	ROLAND ANDERSON 2338 FM 182 CLIFTON TX 76634	24	Bar G Ranch #2 1903 CR 4100 MERIDIAN TX 76665	322
GENE ALBRECHT 475 CR 3265 CLIFTON TX 76634	52	SUSAN ANDERSON 157 CR 4232 CLIFTON TX 76634	49	BAR RRC LTD P.O. BOX 148 VALLEY MILLS TX 76689	247
EUGENE ALLEN TRUCKING 8542 STATE HWY 22 MERIDIAN TX 76665	11	WADE ANDERSON 2336 FM 182 CLIFTON TX 76634	25	GARRETT BARKER P.O. BOX 594 MERIDIAN TX 76665	35
EUGENE (RANC H) ALLEN 8542 STATE HWY 22 MERIDIAN TX 76665	10	CLARENCE ANZ 350 CR 4150 CLIFTON TX 76634	26	BARKER, KYLE P.O BOX 335 CLIFTON TX 76634	36
ROYCE ALLEN P.O. BOX 186 SANDERSON TX 79848	15	TERRY ATKINS P.O. BOX 115 CRANFILLS GAP TX 76637	28	GILBERT BARNETT 2270 FM 182 CLIFTON TX 76634	38

MIGUEL BARRAZA P.O. BOX 808 MERIDIAN TX 76665	40	REBECCA BEEMAN 912 CR 2357 MERIDIAN TX 76665	123	CW BLEDSOE 731 CR 4145 CRANFILLS GAP TX 76637	56
ROBERT BARRON % FIRST NATIONAL BANK P.O. BOX 278 VALLEY MILLS TX 76689	634	EDGAR BELL 518 FM 182 CLIFTON TX 76634	47	MELBA BLOCKER 3419 FM 1473 MERIDIAN TX 76665	57
BARRY BASHAM P.O. BOX 136 CLIFTON TX 76634	41	E.J. BELVIN P.O. BOX 546 CLIFTON TX 76634	48	HARRY BLUE P.O. BOX 115 CRANFILLS GAP TX 76634	58
DAVID BASHAM 8875 CR 219 CLIFTON TX 76634	42	NIELS BENTSEN 173 CR 4135 MERIDIAN TX 76665	50	STEVE BOLSINS 1567 FM 182 CLIFTON TX 76634	59
WILEY BASHAM 661 CR 4220 CLIFTON TX 76634	43	CLINTON BERGMAN 406 OAK CREST CLIFTON TX 76634	51	BOSQUE APPRAISAL OFFICE P.O. BOX 393 MERIDIAN TX 76665	61
WILEY BASHAM 661 CR 4220 CLIFTON TX 76634	44	STORMY BERTLSEN 6801 FM 219 CLIFTON TX 76634	434	BOSQUE BUILDERS CLAY COCKRELL 512 S AVE G CLIFTON TX 76634	410
JOHN BASKETT 412 CR 2135 MERIDIAN TX 76665	45	CHARLES BILLMAN 163 PR 4151 CLIFTON TX 76634	53	BOSQUE PARTNERS 177 CR 340 CLIFTON TX 76634	62
HOWARD BASKIN 13306 CHAPEL RD LORENA TX 76655	472	JOE BIRDWELL 838 CR 4125 MERIDIAN TX 76665	54	EVELYN BOSTICK 440 CR 4120 MERIDIAN TX 76665	60
THOMAS BECK 2269 FM 2136 CLIFTON TX 76634	262	PAM BIXBY P.O. BOX 29 LILLIAN TX 76061	55	CAROLYN BOSWORTH P.O. BOX 59 MERIDIAN TX 76665	63
WILFRED BECK 2031 FM 2136 CLIFTON TX 76634	46	JE BLANTON 39 FM 247 D2 HUNTSVILLE TX 77320	657	JAMES BOWDEN 2925 MAPLE WACO TX 76707	64