

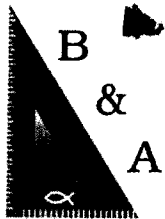


Control Number: 43895



Item Number: 1

Addendum StartPage: 0



Bleyl & Associates
Planning • Engineering • Management

43895
318 W. Highland
San Angelo, Texas 76903
Tex. Reg. No. F-678

December 2, 2014

PUC Tracking
Code R7XXJZ2J

Public Utility Commission of Texas
Ms. Lisa Fuentes
Work Leader
Water Utilities Division
1701 N. Congress Avenue
Austin, Texas 78711-3326

Reference: Concho Rural Water Corporation – CCN No. 11361
CCN Amendment/Expansion
B&A Project No. 11203

Dear Ms. Fuentes:

On behalf of our client, Concho Rural Water Corporation (“CRWC”), we request approval of the proposed Certificate of Convenience and Necessity (“CCN”) to cover the proposed Arden Road Public Water System (the “PWS”). The proposed PWS will include one (1) master meter and backflow prevention device and distribution line. The system will be constructed in accordance with the TCEQ Chapter 290 guidelines and regulations. A separate application for CRWC’s proposed PWS and construction plan approval has been submitted to the TCEQ (see attached transmittal).

The commercial properties along the north and south side of Arden Road are beginning to be developed and potential water customers have requested water supply from the City and CRWC. Included with this application are copies of water service applications made to CRWC.

The proposed CCN Amendment will allow CRWC to bill existing and future water customers for the water delivered by the new PWS. CRWC will not need to modify their existing rate order. The current rates are sufficient to support the proposed PWS.

Although this CCN will be within the City of San Angelo’s ETJ, the City has stated that it will not provide public water to this area without annexation. A letter explaining the City’s refusal to supply water is attached.

We have enclosed the following as part of our request for review and approval:

1. Application to Obtain or Amend a Water or Sewer CCN;
2. TCEQ Plan Approval Transmittal;
3. Copy of the written denial of service from the City of San Angelo;
4. Copies of written requests for service;
5. Construction plans approved by the City of San Angelo;
6. Location Map;
7. Metes & Bounds and Surveyed Map (paper and digital copies);
8. Copy of most recent TCEQ PWS Inspection Report;

San Angelo
(325) 262-4082
(325) 480-0451

Bryan
(979) 268-1125
(979) 260-3849 Fax

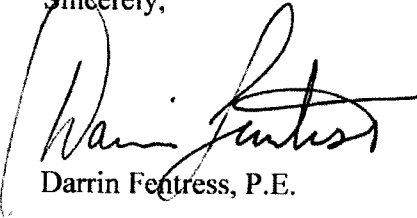
Austin
(512) 328-7878
(512) 328-7884 Fax

Conroe
(936) 441-7833
(936) 760-3833 Fax

9. Copy of Water Purchase Agreement between CRWC and the UCRA;
10. CRWC 2013 Year End Financial Report;

If you have any questions or need additional information please contact me at (325) 262-4082 or by e-mail at dfentress@bleylengineering.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Darrin Fentress", is written over the typed name.

Darrin Fentress, P.E.

Enclosures

cc: Concho Rural Water Corporation

Mr. Ben Wiese, Owner



PURSUANT TO PUC CHAPTER 24, SUBSTANTIVE RULES APPLICABLE TO WATER AND SEWER
SERVICE PROVIDERS, SUBCHAPTER G: CERTIFICATES OF CONVENIENCE AND NECESSITY

Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

Docket Number: _____

(this number will be assigned by the Public Utility Commission after your application is filed)

7 copies of the application, including the original, shall be filed with

Public Utility Commission of Texas
Attention: Filing Clerk
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

If submitting digital map data, two copies of the portable electronic storage medium (such as CD or DVD) are required.

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Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

Purpose of Application

<input type="checkbox"/> Obtain	<input type="checkbox"/> New Water CCN	<input type="checkbox"/> New Sewer CCN
<input checked="" type="checkbox"/> Amend	<input checked="" type="checkbox"/> Water CCN# (s) 11361	
<input type="checkbox"/> Amend	<input type="checkbox"/> Sewer CCN#(s)	

1. Applicant Information

Applicant

Utility name: Concho Rural Water Corporation

Certificate number: 11361

Street address (City/ST/ZIP/Code): 8174 N US Highway 87, San Angelo, TX 76901

Mailing address(City/ST/ZIP/Code): 8174 N US Highway 87, San Angelo, TX 76901

Utility Phone Number and Fax: (325) 658-2961

Contact information

Please provide information about the person(s) to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant manager, or other title related to the applicant.

Name: Mr. Darrin Fentress, P.E.

Title: Engineer

Mailing address: 318 W. Highland, San Angelo, Texas 76903

Email: dfentress@bleylengineering.com

Phone and Fax: (325) 262-4082

List all counties in which service is proposed:

Tom Green County

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

- ☒ Investor Owned Utility ☐ Individual ☐ Partnership
☐ Home or Property Owners Association ☐ For-profit Corporation
☐ Non-profit, member-owned, member-controlled cooperative corporation
(Water Code Chapter 67, Water Supply or Sewer Service Corporation)
☐ Municipality ☐ District ☐ Other - Please explain:

N.A.

B. If the applicant is a For-Profit business or corporation, please include the following information:

- i. A copy of the corporation's "Certification of Account Status" from the Texas State Comptroller of Public Accounts.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State: N.A.
- iii. A listing of all stockholders and their respective percentages of ownership.
- iv. A copy of the company's organizational chart, if available.
- v. A list of all directors and disclose the title of each individual.
- vi. A list of all affiliated organizations (if any) and explain the affiliate's business relationship with the applicant.

C. If the applicant is a Texas Water Code (TWC) Chapter 67 water supply or sewer service corporation please provide:

- i. A copy of the Articles of Incorporation and By-Laws.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State.
- iii. Identification of all board members including name, address, title, and telephone number.
- iv. A copy of the corporation's *Certificate of Account Status* from the Texas Comptroller of Public Accounts.

2. Location Information

- A. Are there people already living in the proposed area? ☒ Yes ☐ No
If YES, are any currently receiving utility service? ☐ Yes ☐ No
If YES, from WHOM? Concho Rural Water Corporation

B. Demonstrate the Need for Service by providing the following:

Have you received any requests for service in the requested service area?

☒ Yes ☐ No

If YES, provide the following:

- i. Describe the service area and circumstances driving the need for service in the requested area. Indicate the name(s) and address(es) of landowner(s), prospective landowner(s), tenant(s), or resident(s) that have requested service; and/or
- ii. Describe the economic need(s) for service in the requested area (i.e. plat approvals, recent annexation(s) or annexation request(s), building permits, septic tank permits, hospitals, etc.); and/or
- iii. Discuss in detail the environmental need(s) for service in the requested area (i.e. failing septic tanks in the requested area, fueling wells, etc.); and/or
- iv. Provide copies of any written application(s) or request(s) for service in the requested area; and/or
- v. Provide copies of any reports and/or market studies demonstrating existing or anticipated growth in the requested area.
- vi. If none of these items exist or are available, please justify the need for service in the proposed area in writing.

Note: Failure to demonstrate a need for additional service in the proposed service area may result in the delay and /or possible denial of the application.

C. Is any portion of the proposed service area inside an incorporated city or district?

☐ Yes ☒ No

If YES, within the corporate limits of: N.A.

Provide a copy of any franchise, permit, or consent granted by the city or district. If not available please explain:

N.A.

D. Is any portion of the proposed service area inside another utility's CCN area?

☐ Yes ☒ No

If YES, has the current CCN holder agreed to decertify the proposed area?

If NO, are you seeking dual or single certification of the area? Explain why decertification of the area is in the public interest:

N.A.

3. Map Requirements

Attach the following hard copy maps with each copy of the application:

- A. A location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
- B. A map showing only the proposed area by:
 - i. metes and bounds survey certified by a licensed state or register professional land surveyor; or
 - ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled). Also, a data disk labeled with the applicant's name must be provided; or
 - iii. following verifiable natural and man-made landmarks; or
 - iv. a copy of recorded plat map with metes and bounds.
- C. A written description of the proposed service area.
- D. Provide separate and additional maps of the proposed area(s) to show the following:
 - i. all facilities, illustrating separately facilities for production, transmission, and distribution of the applicant's service(s); and
 - ii. any facilities, customers or area currently being served outside the applicant's certificated area(s).

Note: Failure to provide adequate mapping information may result in the delay or possible denial of your application.

Digital data submitted in a format other than ArcView shape file or Arc/Info E00 file may result in the delay or inability to review applicant's mapping information.

For information on obtaining a CCN base map or questions about sending digital map data, please visit the Water Utilities section of the PUC website for assistance.

4. New System Information or Utilities Requesting a CCN for the First Time

- A. Please provide the following information:
 - i. a list of public drinking water supply system(s) or sewer system(s) within a 2 mile radius of the proposed system;
 - ii. copies of written requests seeking to obtain service from each of the public drinking water systems or sewer systems listed in a. 1 above or documentation that it is not economically feasible to obtain service from each entity;
 - iii. copies of written responses from each system or evidence that they did not reply; and
 - iv. for sewer utilities, documentation showing that you have obtained or applied for a wastewater discharge permit.
- B. Were your requests for service denied? ☒ Yes ☐ No

i. If yes, please provide documentation of the denial of service and go to c.

ii. If no, please provide a detailed analysis which justifies your reasons for not accepting service. A separate analysis must be prepared and submitted for each utility that granted your request for service.

C. Please summarize how the proposed utility system will be constructed and describe each projected construction phase, if any:

The proposed PWS consists of approximately 4,000 L.F. of 8-inch waterline and 330 L.F. of 16-inch waterline. The PWS will be supplied water from the UCRA through the City of San Angelo's water system and will be metered (see included water purchase agreement).

D. Date of plat approval, if required: _____
 Approved by: Not Required

E. Date Plans & Specifications submitted to the TCEQ for approval:
11/11/2014 Attach copy of approval letter, if available. If the letter is not available by the time your CCN application is submitted, please supplement your application with a copy of the letter once you receive it from the TCEQ.

F. Date construction is scheduled to commence: 12/1/2014

G. Date service is scheduled to commence: 5/1/2015

5. Existing System Information

A. Please provide the following information for each water and/or sewer system, attach additional sheets if necessary.

i. Water system(s): TCEQ Public Water System identification number(s):

2	2	6	0	0	6	7	2	2	6	0	0	0	8	2	2	6	0	0	2	0
2	2	6	0	0	5	7	2	2	6	0	0	9	3	2	2	6	0	1	0	2
2	2	6	0	0	6	0														

ii. Sewer system(s): TCEQ Discharge Permit number(s)

W Q - ;	W Q - ;
W Q - ;	W Q - ;
W Q - ;	W Q - ;

- iii. Date of last TCEQ water and/or sewer system inspection(s): _____
- iv. Attach a copy of the most recent TCEQ water and/or sewer inspection report letter(s).
- v. For each system deficiency listed in the TCEQ inspection report letter; attach a brief explanation listing the actions taken or being taken by the utility to correct the listed deficiencies, including the proposed completion dates.

B. Provide the following information about the utility's certified water and/or sewer operators

Name	Classes	License Number
Ben Wiese	C	WG009136
Danny Sears	C	WG0004870
Charles Kuhn	C	WG0003722

- Attach additional sheet(s) if necessary -

- C. Using the current number of customers, is any facility component in systems named in #5A above operating at 85% or greater of minimum standard capacity?
- ☐ Yes
- ☒ No

Attach a copy of the 85% rule compliance document filed with the TCEQ if the system is operating at 85% or greater of the TCEQ's minimum standard capacity requirements.

- D. In the table below, the number of existing and/or proposed metered and non-metered connections (by size). The proposed number should reflect the information presented in the business plan or financial **documentation** and reflect the number of service requests identified in Question 2.b in the application.

TCEQ Water System			TCEQ Sewer System		
Connection	Existing	Proposed	Connection	Existing	Proposed
5/8" or 3/4" meter	0	0	Residential	0	0
1" meter or larger	0	25	Commercial	0	0
Non-Metered	0	0	Industrial	0	0

TCEQ Water System			TCEQ Sewer System		
Other:	0	0	Other:	0	0
Total Water	0	25	Total Sewer	0	0

- E. If this application is for a water CCN only, please explain how sewer service is or will be provided:

Sewer service is composed of existing or proposed OSSF's.

- F. If this application is for a sewer CCN only, please explain how water service is or will be provided:

N.A.

- G. Effect of Granting a Certificate Amendment.

Explain in detail the effect of granting of a certificate or an amendment, including, but not limited to regionalization, compliance and economic effects on the following:

- the applicant,
- any retail public utility of the same kind already serving the proximate area; and
- any landowner(s) in the requested area.

- H. Do you currently purchase or plan to purchase water or sewer treatment capacity from another source?

i. ☐ No, (skip the rest of this question and go to #6)

ii. ☒ Yes, Water

Purchased on a ☒ Regular ☐ Seasonal ☐ Emergency basis?

Water Source	% of Total Treatment
Upper Colorado Regional Water Authority	100.00%

Water Source	% of Total Treatment
	0.00%
	0.00%

iii. ☐ Yes, Sewer treatment capacity

Purchased on a ☐ Regular ☐ Seasonal ☐ Emergency basis?

Sewer Source	% of Total Treatment
N.A.	0.00%
	0.00%
	0.00%

iv. Provide a signed and dated copy of the most current water or sewer treatment capacity purchase agreement or contract.

I. Ability to Provide Adequate Service.

Describe the ability of the applicant to provide adequate service, including meeting the standards of the commission, taking both of the following items into consideration:

- i. the current and projected density; and
- ii. the land use of the requested area.

J. Effect on the Land. Explain the effect on the land to be included in the certificated area.

The CCN expansion and subsequent waterline (PWS) construction will allow the land to be developed into commercial properties.

6. Financial Information

A. For new water and/or sewer systems and for applicants with existing CCNs who are constructing a new stand-alone water and/or sewer system:

- i. the applicant must provide an analysis of all necessary costs for constructing, operating, and maintaining the system, and the source of that capital (such as a financial statement for the developing entity) for which the CCN is requested for at least the first five years. In addition, if service has been offered by an existing retail water service provider as stated in #4.A., but the applicant has determined that the cost of service as finally offered renders the project not economically feasible, the applicant must provide a comparison analysis of all necessary costs for acquiring and continuing to receive service from the existing system for the same period.
- ii. Attach projected profit and loss statements, cash flow worksheets, and balance sheets (projected five year financial plan worksheet is attached) for each of the first five years of operation. Income from rates

should correlate to the projected growth in connections, shown on the projected profit and loss statement.

- iii. Attach a proposed rate schedule or tariff. Describe the procedure for determining the rates and fees and indicate the date of last change, if applicable. Attach copies of any cost of service studies or rate analysis worksheets.

B. For existing water and/or sewer systems:

- i. Attach a profit and loss statement and current balance sheet for existing businesses (end of last fiscal year is acceptable). Describe sources and terms for borrowed capital such as loans, bonds, or notes (profit and loss and balance sheet worksheets are attached, if needed).
- ii. Attach a proposed rate schedule or tariff.

❖ **Note: An existing water and/or sewer system may be required to provide the information in 6.A.i. above during the technical review phase if necessary for staff to completely evaluate the application**

C. Identify any funds you are required to accumulate and restrict by lenders or capital providers.

- D. In lieu of the information in #6.A. thru #6.C., you may provide information concerning loan approvals within the last three (3) years from lending institutions or agencies including the most recent financial audit of the applicant.

❖ **Note: Failure to provide adequate financial information may result in the delay or possible denial of your application.**

7. Notice Requirements

- A. All proposed notice forms must be completed and submitted with the application. Do not mail or publish the notices until you receive written approval from the commission to do so.
- B. The commission cannot grant a CCN until proper notice of the application has been given. Commission rules do not allow a waiver of notice requirements for CCN applicants.
- C. It is the applicant's responsibility to ensure that proper notice is given to all entities that are required to receive notice.
- D. Recommended notice forms for publication, neighboring cities and systems, landowners with 25 acres or more, and customers are included with this application for use in preparing proposed notices. (Notice forms are available in Spanish upon request.)
- E. After reviewing and, if necessary, modifying the proposed notice, the commission will send the notice to the applicant after the application is accepted for filing along with instructions for publication and/or mailing. Please review the notice carefully before providing the notice.
- F. **Notice For Publication:**
The applicant shall publish the notice in a newspaper with general circulation in the county(ies) where a CCN is being requested. The notice must be published once each week for two consecutive weeks beginning with the week after the notice is received from the commission. Proof of publication in the form of a publisher's affidavit shall be submitted to the commission within 30 days of the last publication date. The affidavit shall state with specificity each county in which the newspaper is of general circulation.
- G. **Notice To Neighboring Utilities:**
 - i. List all neighboring retail public utilities and cities providing the same utility service within the following vicinities of the applicant's proposed certificate area.
 - ii. For applications for the issuance of a NEW CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within five (5) miles of the requested service area.

- iii. For applications for the AMENDMENT of a CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within two (2) miles of the requested service area.
- H. Notice to Customers:
Investor Owned Utilities (IOUs) that are currently providing service without a CCN must provide individual mailed notice to all current customers. The notice must contain the current rates, the date those rates were instituted and any other information required in the application.
- I. The commission may require the applicant to deliver notice to other affected persons or agencies.

Do not publish or send copies of the proposed notices to anyone at the time you submit the application to the commission. Wait until you receive written authorization to do so. Authorization occurs after the commission has reviewed the notices for completeness, and your application has been accepted for filing. Once the application is accepted for filing, you will receive written authorization to provide notice. Please check the notices for accuracy before providing them to the public. It is the applicant's burden to ensure that correct and accurate notice is provided.

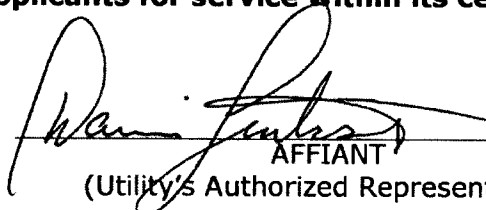
OATH

STATE OF Texas
COUNTY OF Tom Green

I, Darrin Fentress, P.E., being duly sworn,
file this application as Owner's Engineer (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 maps and financial information
filed with this application, and have complied with all the requirements contained in this
application; and, that all such statements made and matters set forth therein are true and
correct. I further state that the application is made in good faith and that this application
does not duplicate any filing presently before the Public Utility Commission of Texas.

I further represent that the application form has not been changed, altered or amended
from its original form.

**I further represent that the Applicant will provide continuous and adequate
service to all customers and qualified applicants for service within its certificated
service area.**


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,
This day 2nd of Dec. 20 14

SEAL


NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS



JANE Elizabeth Fentress
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES Feb. 11, 2018

Notice for Publication

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

Tom Green

COUNTY(IES), TEXAS

Name of Applicant Concho Rural Water Corporation has filed an application for a CCN to obtain or amend CCN No. (s) 11361 and to decertify a portion(s) of None with the
(Name of Decertified Utility)

Public Utility commission of Texas to provide

Water

(specify 1) water or 2) sewer or 3) water & sewer)

utility service in

Tom Green

County
(ies).

The proposed utility service area is located approximately 6 miles West
[direction] of downtown San Angelo, [City or Town] Texas, and is
generally bounded on the north by FM 853; on the east by
FM 2288; on the south by FM 853; and on the west by FM 853

See enclosed map of the proposed service area.

The total area being requested includes approximately 28 acres and 5
current customers.

A copy of the proposed service area map is available at (Utility Address and Phone Number): Bleyl & Associates: 318 W. Highland, San Angelo Texas 76903

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

Persons who wish to intervene or comment should file with the PUC at the following address:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea informacion en Espanol, puede llamar al 1-888-782-8477

Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

Tom Green

COUNTY(IES), TEXAS

To: City of San Angelo Date Notice Mailed 20
(Neighboring System, Landowner or City)

52 West College

(Address)

San Angelo	Texas	76903
City	State	Zip

Name of Applicant Concho Rural Water Corporation has filed an application for a CCN to obtain or amend CCN No. (s) 11361 and to decertify a portion(s) of None with the
(Name of Decertified Utility)

Public Utility Commission of Texas to provide Water
(specify 1) water or 2) sewer or 3) water & sewer)
utility service in Tom Green County(ies).

The proposed utility service area is located approximately 6 miles West
[direction] of downtown San Angelo, [City or Town] Texas, and is
generally bounded on the north by FM 853; on the east by
FM 2288; on the south by FM 853; and on the west by FM 853

See enclosed map of the proposed service area.

The total area being requested includes approximately 28 acres and 5
current customers.

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

Persons who wish to intervene or comment should write the:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea informacion en Espanol, puede llamar al 1-888-782-8477

Notice to Customers of IOUs in Proposed Area

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

Tom Green

COUNTY(IES), TEXAS

Dear Customer: _____ Date Notice Mailed _____ 20 _____

Name of Applicant Concho Rural Water Corporation has filed an application for a CCN to obtain or amend CCN No. (s) 11361 and to decertify a portion(s) of None with the _____
(Name of Decertified Utility)

Public Utility commission of Texas to provide _____
utility service in _____ Tom Green _____
(specify 1) water or 2) sewer or 3) water & sewer) _____
County(ies).

The proposed utility service area is located approximately 6 miles West
[direction] of downtown San Angelo _____, [City or Town] Texas.

A copy of the proposed service area map is available at (Utility Address and Phone Number): Bleyl & Associates: 318 W. Highland, San Angelo Texas 76903

The current utility rates which were first effective on October 1 _____ 20 11

Monthly Flat Rate of \$ _____ Per connection

-OR-

Monthly Base Rate Including per 0 _____ gallons connection for:

5/8" meter	\$ 30.00
1" meter	\$ 42.41
1 1/2" meter	\$ 80.59
2" meter	\$ 126.59

Other\$ _____

Gallage charge of \$ 1.75 Per 1,000
Gallons above minimum (same for all meters sizes)

Miscellaneous Fees

Regulatory Assessment

Tap Fee (Average Actual Cost)

Reconnecting fee:

- Non Payment (\$25.00 max)
- Transfer
- Customer's request

Late fee

Returned Check charge

Customer Deposit (\$50.00 max)

Meter test fee

(Actual Cost not Exceed \$25.00)

Other Fees

1%
\$ 750.00
\$
\$ 25.00
\$ 25.00
\$ 35.00
\$5.00 or 10%
\$ 20.00
\$ 50.00
\$ 25.00
\$

Your utility service rates and fees cannot be changed by this application. If you are currently paying rates, those rates must remain in effect unchanged. Rates may only be increased if the utility files and gives notice of a separate rate change application.

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

Persons who wish to intervene or comment should write the:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the Commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

IF A HEARING IS HELD, it is important that you or your representative attend to present your concerns. Your request serves only to cause a hearing to be held and is not used during the hearing.

If you are a landowner with a tract of land at least 25 acres or more, and is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea informacion en Espanol, puede llamar al 1-888-782-8477

HISTORICAL BALANCE SHEETS

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
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						

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	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
OPERATIONAL EXPENSES						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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 EXPENSES 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						

Z:\CLIENT FILES\Jensen\11203 - Arden Rd Waterline\CCN\Transmittal - TCEQ



The City Of

San Angelo, Texas

P. O. Box 1751 – Zip 76902

Department of Water Utilities

Phone: 325-657-4209

Fax: 325-655-6397

October 22, 2014

Concho Rural Water Corporation
Ben Wiese
8174 U.S. Highway 87
San Angelo, Texas 76901

Re: Water Utility Availability
One mile west of Arden Road and FM 2288 intersection
San Angelo, Texas

Dear Mr. Wiese,

The City of San Angelo currently cannot provide water service within the extraterritorial jurisdiction (ETJ) without annexation. Water mains currently exist approximately one mile east of this location. Your location is outside city limits and the process to extend city services outside of the city limits is listed in the following paragraph.

Developers of new subdivisions, owners of property within existing subdivisions, and owners of unplatted property, whose land is located outside of the city limits but within the city's extraterritorial jurisdiction and who request extension of city water service to said property or properties, shall voluntarily request in writing that the City of San Angelo annex the area proposed to be serviced. If the City Council agrees to initiate proceedings on the requested annexation, such annexation shall be completed prior to, or concurrent with, approval of the new subdivision and/or extension of City utilities to the existing subdivisions and/or unplatted properties. (Chapter 12, Exhibit "C" Land Development and Subdivision Ordinance, Chapter 11 Water Facilities...Annexation Required When Water Service Extended Within the City's Extraterritorial Jurisdiction).

Should you have any further questions or comments please do not hesitate to contact me, 325-657-4261.

Sincerely,

A handwritten signature in cursive script that reads "Russell J. Pehl".

Russell J. Pehl, P.E.
Engineering Manager
Water Utilities Department

Cc: file

CRWC
APPLICATION FOR WATER SERVICE

NAME OF APPLICANT John Brinkman
(CUSTOMER) Print

DATE APPLIED: 5/1/94
DATE DESIRED: 5/1/94
OFFICE USE

HOME PHONE NUMBER: 315 626 7714
DRIVERS LICENSE #: 248767
SOCIAL SECURITY #: _____
WORK PLACE: _____
WORK PHONE #: _____
CELL PHONE #: 315 626 7714

SPOUSE & OR OTHER: _____
DRIVERS LICENSE #: _____
SOCIAL SECURITY #: _____
WORK PLACE: _____
WORK PHONE #: _____
CELL NUMBER #: _____

EMAIL ADDRESS brinkmanhouse@earthlink.net

HAVE YOU HAD SERVICE WITH US BEFORE ☒ yes ☐ no If so, where? _____

NEXT OF KIN ADDRESS-PHONE NUMBER _____

SERVICE ADDRESS:

STREET: 6696 [REDACTED]
ST. DIVISION: _____

MAILING ADDRESS:

STREET/BOX #: RM 853
CITY, ZIP CODE: San Angelo TX 76901

Previous address: _____ City _____ State _____ approx. dates _____

BUYING LAND FROM: _____	ADDRESS & PHONE #: _____
PROOF OF OWNERSHIP PROVIDED BY: _____	LEGAL DESCRIPTION OF PROPERTY: _____
Lot _____ Tract _____ Block _____ Section _____	

RENTING LAND FROM:

ADDRESS & PHONE #

(for office) See contract: _____ Monthly _____ Lease _____ how long _____

DESIRED WATER METER SIZE WILL BE A 3/4" BY 5/8" UNLESS OTHERWISE SPECIFIED
A COPY OF CUSTOMER DRIVERS LICENSE REQUIRED

PURPOSE: Concho Rural Water (CRWC) is responsible for protecting the drinking water supply from contamination or pollution which could result from improper private water distribution system construction or configuration and for providing water service in accordance with Texas Commission on Environmental Quality (TCEQ) rules and regulations. This service agreement is intended to notify each applicant of applicable plumbing restrictions to protect the public's health and welfare and to establish the terms under which retail water service will be provided.

AGREEMENT BETWEEN CRWC AND APPLICANT/CUSTOMER:

- A. Each applicant must sign this agreement before CRWC will begin water service. In addition, when service to an existing connection has been suspended or terminated, CRWC will not reestablish service unless it has a signed copy of this agreement from the customer seeking to be reconnected and the customer has met all other lawful conditions required for the restoration of utility service.
- B. CRWC agrees to sell and deliver water to the applicant/customer and the applicant/customer agrees to purchase and receive water from CRWC accordance with the rules and regulations of CRWC in its approved tariff on file with the TCEQ, Chapter 291 Regulations of TCEQ.
- C. The applicant/customer grants CRWC the right to install the water meter and the pipe and appurtenances necessary to connect the meter on the property of the applicant/customer at a point mutually agreeable to CRWC and the applicant/customer. The applicant/customer will allow CRWC access at all reasonable times to its property and equipment located upon the applicant/customer's premises for the purpose of reading the water meter, repairing or replacing existing facilities.
- D. The applicant/customer will install, at his own expense, a service line from water meter including a cutoff valve on the applicant/customer's side of the meter. The applicant/customer will be responsible for the maintenance and repair of this service line and will hold CRWC harmless from any claims/demands for damage to real or personal occurring beyond the point the applicant/customer connects to the water meter.
- E. If the applicant/customer's property does not have a designated easement, the applicant/customer agrees to grant CRWC an easement/right of way for the purpose of installing, maintaining and operating such pipe lines, meter valves and any other equipment which may be deemed necessary for the provision of the utility and service to that applicant/customer. CRWC will restore the applicant/customer's property as nearly as possible to its original condition after installations or repairs. The applicant/customer agrees not to interfere with CRWC's employees in the discharge of their duties. The applicant/customer agrees not to tamper with or interfere with any of the equipment installed on the applicant/customer's premises.
- F. Applicants for the water service where service has not been previously provided must submit a complete Customer Service Inspection certificate signed by a licensed inspector within 30 days after service is initiated to certify that there are no cross connections or other potential sources of contamination. Failure to submit the completed form is grounds for termination of service.
- G. The applicant/customer shall grant CRWC access to his property during regular business hours to check the applicant/customer's facilities for illegal connections, unsafe plumbing practices, or cross connections in compliance with the Chapter 290- Regulations of the TCEQ when there is reason to believe that cross connection or other potential contamination hazards exist, or after any alterations to the applicant/customer's plumbing system.
- H. If CRWC notifies a applicant/customer in writing of any cross-connection or potential contamination hazard; the customer shall immediately remove or adequately isolate any cross-connections or potential contamination hazards. If a applicant/customer chooses to isolate potential hazard, the customer/applicant shall, at his/her expense, properly install, test and maintain a back-flow prevention device required by CRWC. Copies of all required testing and maintenance records shall be provided to CRWC for TCEQ review.
- I. No application, agreement, or contract for service may be assigned or transferred without the written consent of CRWC.
- J. Enforcement : If the applicant/customer fails to comply with terms of this Service Agreement, CRWC may terminate service in accordance with the Chapter 291 TCEQ Rules. If the customer violates the "RESTRICTIONS" below or if there are potential cross connections or other potential contamination hazards that the customer refuse to immediately remove or adequately isolate, CRWC at its option, may terminate service or install, test and maintain a back-flow prevention device at the service connection. Any cost with the installation, testing or maintenance of a back-flow device must be paid by the applicant/customer.
- K. All water will be measured and billed by meters, furnished, installed, owned and maintained by CRWC. The meter and/or connection are for the sole use of the applicant/customer to serve water to one dwelling, business or property. The applicant/customer shall not share, resell, or sub-meter water to another dwelling business, property, etc without specific written authorization of CRWC and in compliance with applicable laws and regulations. All meters and water lines and other equipment furnished by CRWC (excepting the applicant/customer's individual service line from the point of connection to the applicant/customer's point of ultimate use) are and shall remain the sole property of CRWC. All Tap charges are for the privilege of receiving retail service from CRWC, not purchase of meters or lines.

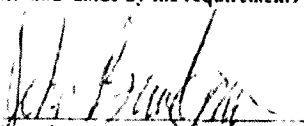
RESTRICTIONS: The following unacceptable practices are prohibited by CRWC and Chapter 290, TCEQ regulations.


- A. No direct connection between the public-drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by air-gap or an appropriate back-flow prevention device.
- B. No cross connection between the public-drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection of an air-gap or a reduced pressure-zone back-flow prevention device.
- C. No connection which allows water to be returned to the public-drinking water supply, is permitted.
- D. No pipe or pipe-fitting which contains more than 8.0% lead may be used for the installation or repair of plumbing connection, which provides water for human use.
- E. No solder or flux which contains more than 0.2% lead can be used for the installation or repair of plumbing at any connection, which provides water for human use.

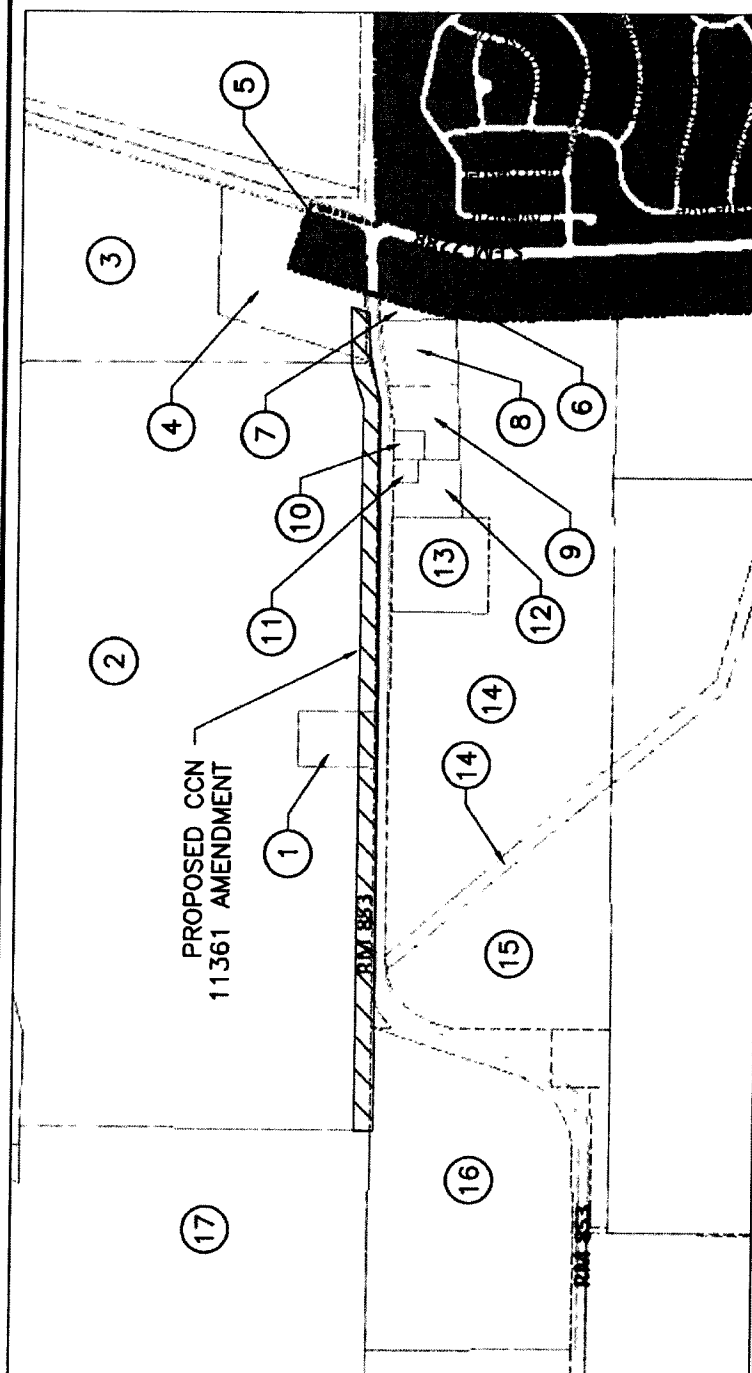
LIMITATION OF PRODUCT/SERVICE LIABILITY: Public water utilities are required deliver water to the customer's side of the meter or service connection which meets potability and pressure standards of TCEQ. CRWC will not be damaged by disruption of or fluctuations in water service whatever the cause. CRWC will not accept liability for injuries or damages persons or property due to disruption of water service caused by (1) acts of god (2) acts of third parties not subject to the control of the Utility if the Utility has undertaken such preventive measures as are required by TCEQ rules, (3) electrical power failures, or (4) termination of water service pursuant to its tariff and TCEQ rules.

FIRE PROTECTION: CRWC is not required by law and does not provide fire protection or firefighting services and does not accept liability for fire-related injuries or damages to persons or properties caused or aggravated by the availability (or lack thereof) of water or water pressure (or lack thereof) during fire emergencies. CRWC may (but is not required to) contract with individual applicants to provide water services capacities to their properties in excess of TCEQ's domestic water system regulations so that such water volumes and additional water service capacities shall be provided only in response to and according to plans and specifications prepared by the applicant's registered professional engineer. CRWC does not profess, state, warrant, guarantee, or imply that such additional water service capability is compliant with any state or local fire code or is adequate or sufficient for firefighting.

The applicant has been shown a copy of the Utility's T.E.C.Q.'s approved tariff and agrees to pay the rates in the tariff and abide by the requirements in this application including Drought Contingency Plan.


Applicant's Signature


Date



CCN Expansion Adjacent Landowners Address Map

#	Name	Tax #	R#	Mailing Address	City	State	Zip	DEED DATE	Legal	Tax
1	GTE ENERGY LLC	44-00024-0001-100-00	R000101777	3201 VALLEYVIEW BLVD	SAN ANGELO	TX	76904-7532	5/9/2013	Abst. A-0024 S-0003, Survey: A B & M, 5.000 ACRES	C2
2	JENSEN DAVID	44-00024-0001-000-00	R000070618	PO BOX 1669	SAN ANGELO	TX	76902-1669	5/9/2013	bst. A-0024 S-0003, Survey: A B & M, 517.900 ACRES	C2
3	JENSEN DAVID	44-00101-0001-100-00	R000101266	PO BOX 1669	SAN ANGELO	TX	76902-1669	5/9/2013	Abst. A-0101 S-0005, Survey: B S & F, 170.705 ACRES	E
4	WISNIEWSKI SCOTT	44-00101-0001-000-00	R000070692	801 S ABE ST	SAN ANGELO	TX	76903-6771	9/12/2013	Abst. A-0101 S-0005, Survey: B S & F, 16.045 ACRES	E
5	WISNIEWSKI SCOTT	38-00101-0001-000-00	R000073684	801 S ABE ST	SAN ANGELO	TX	76903-6771	9/12/2013	Abst. A-0101 S-0005, Survey: B S & F, 4.650 ACRES	F1
6	ANGELO MINI STORAGE INC & BOOK	38-05908-0006-050-00	R000071535	4052 ARDEN RD	SAN ANGELO	TX	76901-2606	6/3/2009	Abst. A-5908 S-0011, Survey: T J MOORE, 4.920 ACRES	F1
7	ANGELO MINI STORAGE INC & BOOK	44-05908-0006-001-00	R000069348	4052 ARDEN RD	SAN ANGELO	TX	76901-2606	6/3/2009	Abst. A-5908 S-0011, Survey: T J MOORE, 1.080 ACRES BEING 0.880 ACRES IN SUR 11 & 0.200 ACRES IN SUR 5	F1
8	SMITH WILLIAM D & RHODA S	44-05908-0006-010-00	R000069349	6329 RM HIGHWAY 853	SAN ANGELO	TX	76901-9731	4/28/2009	Abst. A-5908 S-0011, Survey: T J MOORE, 5.2870 ACRES	F1
9	WHIPPLE JOHN DAVID	44-05908-0004-000-00	R000069351	9613 INDIAN CREEK	SAN ANGELO	TX	76901-9733	12/30/2003	Abst. A-5908 S-0011, Survey: T J MOORE, 4.880 ACRES	D2
10	NARRO WILLIAM J & ADA L	44-05908-0008-000-01	R000069354	1013 HUNTERS GLEN RD	SAN ANGELO	TX	76901-5012	5/19/2011	Abst. A-5908 S-0011, Survey: T J MOORE, 1.000 ACRES	F1
11	MILLER JARRETT	44-05908-0008-000-01	R000069354	16411 RM HIGHWAY 853	SAN ANGELO	TX	76901-9999	3/19/2012	Abst. A-5908 S-0011, Survey: T J MOORE, 0.6026 ACRE TRACT	F1
12	ABEL CLARK & SHERRY	44-05908-0007-000-00	R000069352	PO BOX 348	SAN ANGELO	TX	76901-0348	4/20/2003	Abst. A-5908 S-0011, Survey: T J MOORE, 3.7000 ACRES	F1
13	MESA REAL ESTATE PARTNERS LP	44-05908-0002-100-00	R000069341	1900 ST JAMES PLACE STE 110	HOUSTON	TX	77056-4129	3/12/2012	Abst. A-5908 S-0011, Survey: T J MOORE, 10.000 ACRES	F1
14	REICHERT JACK - DECEASED	44-05908-0002-050-00	R000069341	PO BOX 1591	SAN ANGELO	TX	76902-1591	7/5/2012	Abst. A-5908 S-0011, Survey: T J MOORE, 110.643 ACRES	F1
15	REICHERT JACK - DECEASED	44-05908-0002-050-10	R000101070	PO BOX 1591	SAN ANGELO	TX	76902-1591	7/5/2012	Abst. A-5908 S-0011, Survey: T J MOORE, 36.875 ACRES	F1
16	SHAHAN ANNE BLEAKLEY W	44-08165-0013-000-00	R000069060	2805 DENA DR	SAN ANGELO	TX	76904-5019	7/8/2013	Abst. A-8165 S-0001, Survey: J B DALE, 63.0000 ACRES	F1
17	JENSEN DAVID	44-00023-0004-000-00	R000070613	PO BOX 1669	SAN ANGELO	TX	76902-1591	5/9/2013	Abst. A-0023 S-0001, Survey: A B & M, 204.300 ACRES	F1

SCALE: N.T.S.
 DATE: 9-30-14
 DRAWN BY: JPH
 CHECKED BY: DMF

PREPARED FOR:
 CONCHO RURAL WATER CORP.
 8174 N. US HWY 87
 SAN ANGELO, TEXAS 76901
 (325) 658-2961

B & A
Bleyl & Associates
Project Engineering • Management
 www.bleylengineering.com

318 W. HIGHLAND
 SAN ANGELO, TX. 76903
 325-282-4082 PHONE
 325-480-0451 FAX
 TEX. FIRM REG. No. 878

LANDOWNERS ADDRESS MAP

JOB NO.

SHEET 1 OF 1

BART E. JOHNSON
Registered Professional Land Surveyor

16110 Fitzgerald Drive ~ San Angelo, Texas 76904
Phone 325 835-2164 ~ Fax 325 835-2253 ~ Firm # 10017500

This is a special purpose description intended strictly for use in conjunction with obtaining a
Certificate of Convenience and Necessity
on behalf of
Concho Rural Water Corporation

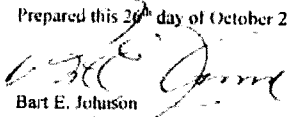
Being a 210 foot wide strip of land including part of T.J. Moore Survey 11, part of B.S. & F. Survey 5 and part of A.B. & M. Survey 3 in Tom Green County, Texas, said strip, which also includes area within F.M. 853 and encloses 28.3 acres of land, is described by metes and bounds as follows:

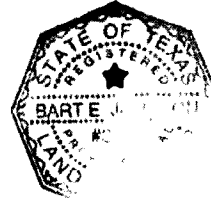
Beginning at a point in Survey 5 from which a Texas Department of Transportation aluminum cap at the S.W. corner of a "20.695" acre tract described as a save & except tract in Document # 736511 of the Official Public Records of Tom Green County bears S.66°18'46"W. 571.21 feet; said point, which has coordinates on the Texas Coordinate System of 1983 - Central Zone of Y=10490883.5 feet and X=2238111.3 feet, is located about 500 feet west northwest of the centerline intersection of F.M. Highway 853 and F.M. Highway 2288.

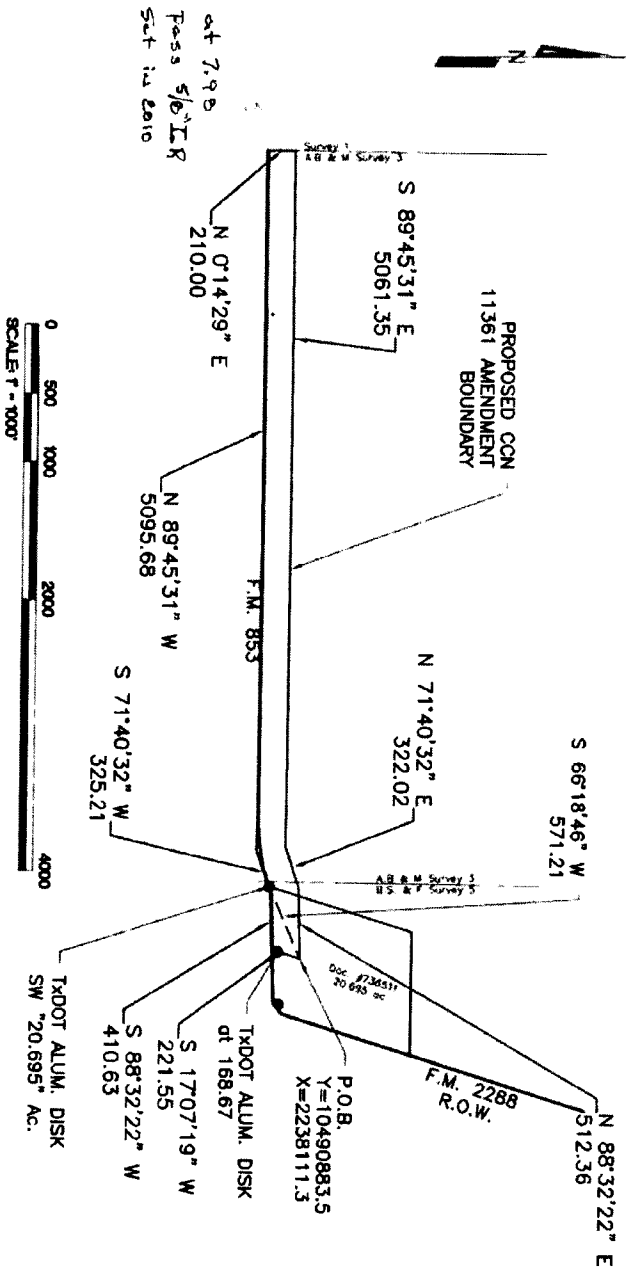
Thence S.17°07'19"W., at 168.67 feet pass a Texas Department of Transportation aluminum cap, and continuing in all 221.55 feet to a point.
Thence S.88°32'22"W. 410.63 feet to a point.
Thence S.71°40'32"W. 325.21 feet to a point.
Thence N.89°45'31"W. 5095.68 feet to a point.
Thence N.0°14'29"E., at 7.98 feet pass a 5/8" iron rod set in 2010 for the S.W. corner of Survey 3 per said Document # 736511, and continuing in all 210.00 feet to a point.
Thence S.89°45'31"E. 5061.35 feet to a point.
Thence N.71°40'32"E. 322.02 feet to a point.
Thence N.88°32'22"E. 512.36 feet to the point of beginning.

Courses, distances, coordinates and area are of the Texas Coordinate System of 1983 - Central Zone per GPS observations and a National Geodetic Survey (NGS) Online Positioning Users Service (OPUS) solution.

Prepared this 26th day of October 2014 from a previous ground survey


Bart E. Johnson
R.P.L.S. # 3895





Bart E. Johnson, R.P.L.S. #3895
16110 Fitzgerald Drive
San Angelo, Texas 76904
(325) 835-2164
Job #214050-East

SCALE: N.T.S.
DATE: 9-30-14
DRAWN BY: JPH
CHECKED BY: DMF
PREPARED FOR:
CONCHO RURAL WATER CORP.
8174 N. US HWY 87
SAN ANGELO, TEXAS 76901
(325) 658-2861

METES & BOUNDS MAP

BASED ON GROUND SURVEY MADE OCTOBER 2013
Brey & Associates
A Project Engineering & Management
www.breyassociates.com
318 W. HIGHLAND
SAN ANGELO, TX 76903
325-282-4083 PHONE
325-480-0451 FAX
TEL: 1000 405 46 678
JOB NO. SHEET 1 OF 1

WATER PURCHASE AGREEMENT

This *Water Purchase Agreement* ("Agreement") is between the Upper Colorado River Authority, a Conservation and Reclamation District and a subdivision of the State of Texas ("the Authority"), and Concho Rural Water Corporation, a Texas corporation ("CRWC"), sometimes collectively referred to as "the Parties" or individually as "Party".

Recitals

WHEREAS, the Authority is a water conservation and reclamation district organized and operating under, *inter alia*, Chapter 49 of the Texas Water Code charged with the control, storage, preservation, and distribution of the waters of the upper Colorado River and its tributaries for irrigation, power, and other useful purposes, the reclamation and irrigation of arid, semi-arid, and other land needing irrigation, and the conservation and development of the forests, water, and hydro-electric power of the State of Texas and has authority to operate and to serve the goals of water distribution and conservation in Tom Green and Coke Counties, and areas adjacent thereto; and

WHEREAS, CRWC is a Texas Corporation seeking a water source for resale; and

WHEREAS, by one or more separate agreements with one or more third parties, the Authority has the right to acquire water from other resources within the jurisdiction of the Authority, including but not limited to the City of San Angelo and the United States Army Corps of Engineers; and

WHEREAS, by one or more separate agreements with the City of San Angelo, the Authority has the right to acquire the treated water referenced below in this Agreement; and

WHEREAS, it is in the best interests of both the Authority and CRWC as well as their constituents, customers, and principals to enter into this Agreement to facilitate the access by the public to readily available water resources at reasonable prices.

NOW THEREFORE, the Authority and CRWC do hereby agree and enter into this Agreement to provide and receive water as more fully set forth below.

ARTICLE 1

TERM

1.1 This Agreement shall begin on the Effective Date and shall continue until April 1, 2031 ("the Term") whereupon this Agreement shall terminate automatically unless renewed or extended by mutual agreement in writing; provided, however, that in no event shall the Authority be obligated to renew or extend the Term of this Agreement unless all of the Authority's contracts for water with the City of San Angelo and/or the United States Army Corps of Engineers are also renewed and extended for an equal or longer term.

1.2 During the Term, this Agreement is further subject to termination, curtailment, or abatement as set forth below:

1.2.1 The Authority may curtail or reduce the amount of water to be sold under this Agreement, or may temporarily suspend its obligation to provide water under this Agreement if, in the sole discretion of the Authority, the Authority's ability to obtain the requisite quantity of water necessary to comply with the terms of this Agreement is negatively affected by any action of the City of San Angelo, the United States Army Corps of Engineers, or by virtue of an existing term or a material change in any other contract, permit, or condition related to the Authority's contracts or relationships with the City of San Angelo or the U.S. Army Corps of Engineers. This sub-paragraph is stipulated to include rationing, conservation requirements, or other restrictions imposed by any third party or third party contract that may affect the Authority's ability to provide water under this Agreement. Furthermore, this sub-paragraph is also expressly stipulated to permit the Authority to curtail deliveries of water of any type under this Agreement if the City of San Angelo curtails its delivery of water to the Authority. In such event, the Authority may curtail its deliveries of water to CRWC, in at least a percentage equal to the percentage of water reduced by the City of San Angelo.

1.2.2 The Authority may terminate this Agreement if, in the sole discretion of the Authority, the Authority's ability to obtain the requisite quantity of water necessary to comply with the terms of this Agreement is negatively affected by any action of the City of San Angelo, the United States Army Corps of Engineers, or by virtue of an existing term or a material change in any other contract, permit, or condition related to the water provided under this Agreement. In such event, the Authority shall, in good faith, use its best efforts to provide as much advance notice of termination under this sub-paragraph as is practical in the circumstances, not exceeding 90 days prior to termination.

1.2.3 This Agreement will automatically terminate if providing water under the terms of this Agreement would violate any state, federal, or local law, agency rule, regulation, drought contingency plan, conservation plan, or best practices applicable to the Authority.

1.2.4 This Agreement will automatically terminate upon the occurrence of any Force Majeure outlined in Section 8.16 below, or upon the occurrence of any event which makes it impossible or illegal for the Authority to comply with the terms of this Agreement.

ARTICLE 2

PAYMENT

2.1 *Raw Water:* Subject to the terms and restrictions set forth elsewhere in this Agreement, including the right to increase the price of raw water in sub-paragraph 2.3.2, the Authority agrees to deliver and CRWC agrees to pay for ten (10) acre-feet of raw water per year from the Authority at a rate of \$350.00 per acre-foot of water. The annual purchase price for raw

water shall be paid in no more than 12 monthly installments, with the first payment being due upon the installation of the Meter described in Section 2.5, below.

2.1.1 *Required Minimum Purchase Quantity:* CRWC will pay for the full ten (10) acre-feet allotment of raw water ("the Minimum Purchase Quantity") during each 12-month period following the Effective Date; provided, however, that in any instance when the Authority is unable to furnish the Minimum Purchase Quantity of water or curtails delivery of such raw water under the authority of this Agreement, then the Minimum Purchase Quantity requirement under this sub-paragraph 2.1.1 shall not apply.

2.1.2 If there are less than 12 months remaining in the Term of this Agreement after the anniversary of the Effective Date in 2030 or 2031, CRWC may acquire and/or pay for a smaller quantity of water and pay the price established under this Agreement in equal monthly payments over the remaining Term.

2.1.3 Payment is due under this Section 2.1 without regard to whether CRWC takes delivery of water, unless delivery is curtailed under the terms of this Agreement or pursuant to the discretion of the Authority.

2.2 *Treated Water:* At the option of CRWC, the Authority agrees to sell treated water to CRWC. The cost for treated water shall be an additional \$2.25 per one thousand gallons over and above the cost of raw water, subject to adjustment as set forth elsewhere in this Agreement.

2.3 *Rate Adjustments:* The Authority may increase the price of water under this Agreement as follows:

2.3.1 If the price for treated water charged to the Authority by the City of San Angelo is increased or notice is given to the Authority by San Angelo that the price for treated water will be increased on a date certain then, in such event, the Authority may adjust the price it charges to CRWC for water under this Agreement; provided, however, that any adjustment to the price charged to CRWC under this Agreement shall be no more than the amount of any increase by the City of San Angelo.

2.3.2 In addition to adjustments under subparagraph 2.3.1, the Authority may increase the price of raw water provided in this Agreement each fifth anniversary of the Effective Date; provided, however, than any such adjustment shall not exceed five percent when compared to the price of water in the year preceding the adjustment.

2.3.3 The Authority agrees to provide 60 days prior notice of a price increase under Section 2.3.

2.4 Subject to the contingencies set forth in this Agreement, the Authority agrees to furnish ten (10) acre-feet of water to CRWC during each 12-month period following the Effective Date for the Term of this Agreement. The Authority has no obligation to provide more than ten (10) acre-feet of water of any type to CRWC in any 12-month period.

2.5 *Meter and Point of Delivery:*

2.5.1 The amount of treated water furnished to CRWC shall be determined by reference to the meter located at the physical address set forth on the attached Exhibit "A", incorporated herein, located in Tom Green County, Texas ("the Meter") which shall constitute the Point of Delivery. The Parties agree that the specific location of the Meter must be set forth in writing in this Agreement before water is delivered. The Meter is under the control of the City of San Angelo who will read the Meter and bill the Authority based upon the water delivered. The Authority will then bill CRWC for the water delivered along with a copy of the invoice or other documentation supporting the cost of water submitted to the Authority by the City of San Angelo and which references the amount of treated water furnished to CRWC according to the Meter.

2.5.2 The amount of raw water furnished to CRWC may be determined by reference to the Meter described in sub-paragraph 2.5.1 above, or located at a different physical address or location. The location of this Meter shall also be set forth on the attached Exhibit "A", incorporated herein, will be located in Tom Green County, Texas and shall also be included in the term "the Meter". In each instance, the Meter shall constitute the Point of Delivery of water. The Parties agree that the specific location of the Meter must be set forth in writing in this Agreement before water is delivered. The Meter used to measure raw water may be under the control of the City of San Angelo.

2.5.3 The Authority and CRWC may change the Point of Delivery set forth in Section 2.5 or may establish additional Points of Delivery by describing such mutually agreed upon Points of Delivery on Exhibit "A", attached hereto and incorporated herein. The physical location and maximum rate of delivery of water at all Points of Delivery shall also be set forth in this Agreement or in Exhibit "A". Each change to Exhibit "A" shall be initialed by both Parties. If any new Point of Delivery is under the ownership, possession, or control of a third party, CRWC shall acquire the consent of such third party prior to amendment.

2.6 *Reimbursement:* In addition to the charges set forth above, CRWC shall reimburse the Authority for any additional charges assessed to it by any third party or the City of San Angelo, including:

2.6.1 charges for CRWC's proportionate use of the electricity used to pump water delivered under this Agreement; and

2.6.2 all costs associated with the installation of taps, valves, or meters at the Meter or Point of Delivery between the Authority and CRWC.

2.7 *Billing:*

2.7.1 CRWC shall pay the raw water charges under Section 2.1, above automatically without receiving an invoice or billing from the Authority.

2.7.2 The Authority will render bills to CRWC once each month for the payments required for treated water under Section 2.2, above. The Authority shall, until further notice, render such bills on or before the 10th day of each month and such bills shall be due and payable at the Authority's office indicated below by the 20th day of each month or fifteen (15) days after such bill is deposited into the United States mail, properly stamped, addressed and postmarked to CRWC, whichever is later. The Authority may, however, by sixty (60) days written notice, change the monthly date by which it shall render bills, and all bills shall thereafter be due and payable ten (10) days after such date or fifteen (15) days after such bill is deposited into the United States mail, properly stamped, addressed and postmarked to CRWC, whichever is later.

ARTICLE 3

EXPRESS OBLIGATIONS

3.1 *Easements and Interests:* CRWC shall be solely responsible for constructing and maintaining all pipelines and connections necessary to facilitate the transportation and delivery of water under this Agreement, as well as obtaining any necessary easements or other interests in land necessary for all points located between CRWC and the Point of Delivery.

3.2 *Point of Delivery:* Subject to the terms and conditions of this Agreement, the Authority agrees to make the treated water available to CRWC at the Meter which shall constitute the Point of Delivery under this Agreement. The maximum rate of delivery of treated water made available by the Authority during the Term shall not exceed 300 gallons per minute (gpm).

3.3 *Contingencies:* The Authority's obligation to supply water to CRWC shall at all times be contingent upon CRWC obtaining and maintaining all approvals necessary for it to accept and deliver the water provided hereunder. In addition, any emergency failures of pressure or supply due to water line breaks; power failure; repairs to the applicable facilities or equipment, lack of supply, or distribution lines; flood; fire; use of water to fight fire; earthquake; or other catastrophe shall excuse the Authority from its obligation to deliver water under this provision for such reasonable period of time as may be necessary to restore service. Any and all costs incident to additional disinfection of the water at the Meter shall be borne by CRWC.

3.4 *Title to Water:* Title to and responsibility for all water supplied hereunder shall be in the Authority prior to delivery to CRWC at the Meter, at which point any right of title to and responsibility for such water that may exist in the Authority shall pass to CRWC.

ARTICLE 4

DISCLAMERS

4.1 *No Representations or Warranties by the Authority:* CRWC agrees that the Authority makes no guarantee or warranty as to the quality of water provided under this Agreement. Notwithstanding the foregoing, the Authority agrees to notify CRWC if the

Authority determines or is advised that the water is not potable by customary and reasonable industry standards.

4.2 Disclaimer of UCC and other Warranties:

CRWC ACKNOWLEDGES AND AGREES THAT ANY WATER PROVIDED UNDER OR IN CONNECTION WITH THIS AGREEMENT IS PROVIDED ON AN "AS IS" AND "WHERE IS" BASIS AND IS CONVEYED AND/OR LICENSED SOLELY ON AN "AS IS, WHERE IS, WITH ALL FAULTS" BASIS.

THERE ARE NO WARRANTIES PERTAINING TO ANY WATER, GOODS, OR SERVICES PROVIDED UNDER THIS AGREEMENT, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, EVEN IF THE AUTHORITY HAS BEEN INFORMED OF SUCH PURPOSE.

NO AGENT OF THE AUTHORITY IS AUTHORIZED TO ALTER OR AMEND THIS DISCLAIMER OR MAKE ANY WARRANTY EXCEPT AS IS FULLY SET FORTH IN WRITING IN THIS AGREEMENT.

ARTICLE 5
INDEMNITIES AND LIMITATIONS OF LIABILITY

5.1 CRWC ACKNOWLEDGES AND AGREES THAT THE CONSIDERATION WHICH THE AUTHORITY IS CHARGING HEREUNDER DOES NOT INCLUDE ANY CONSIDERATION FOR ASSUMPTION BY THE AUTHORITY OF THE RISK OF CRWC FOR CONSEQUENTIAL DAMAGES WHICH MAY ARISE IN CONNECTION WITH CRWC'S USE OF THE WATER OR DERIVATIVE PRODUCTS OR MATERIALS. ACCORDINGLY, CRWC AGREES THAT THE AUTHORITY SHALL NOT BE RESPONSIBLE TO CRWC FOR ANY LOSS-OF-PROFIT, INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT.

5.2 Notwithstanding any provision herein to the contrary, the maximum liability of the Authority to any person, firm or corporation whatsoever arising out of or in connection with this Agreement or any water provided hereunder, whether such liability arises from any claim based on breach or repudiation of Agreement, warranty, tort or otherwise, such claim shall in no case exceed the compensation paid to the Authority by CRWC in this Agreement. The essential purpose of this provision is to limit the potential liability of the Authority in connection with this Agreement and the Parties acknowledge that the limitations set forth in this Article 5 are integral

to the consideration anticipated by the Authority herein and that, were the Authority to assume any further liability other than as set forth herein, such consideration would of necessity be set substantially higher. Furthermore, CRWC acknowledges that the Authority has no responsibility for the treatment of the water by the City of San Angelo.

5.3 *Release of the Authority for Environmental Conditions:* To the extent permitted by law, CRWC hereby releases and waives any future claims against the Authority for indemnity or contribution in the event CRWC becomes liable for environmental cleanup or other costs under any environmental protection law and agrees to indemnify and hold harmless the Authority against any and all claims, loss, damages, penalties, and expenses which the Authority may directly or indirectly sustain or suffer resulting from a breach of this Agreement or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release of hazardous materials by CRWC, whether or not the same was or should have been known to CRWC. The provisions of this Section 5.3, including the obligation to indemnify, will survive the termination of this Agreement and/or the payment of the water rates and prices described herein. The terms "hazardous waste," "hazardous material," "hazardous substance," "disposal," "release," and "threatened release," as used in this Agreement shall have the same meanings as set forth in the "CERCLA," "SARA," the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 49 U.S.C. Section 6901, et. seq., or other applicable state or federal law, rules, or regulations adopted pursuant to any of the foregoing.

5.4 *General Releases and Indemnities:* To the extent permitted by law, the Parties hereby waive and hereby release the other, its predecessors, successors and assigns, subsidiaries and affiliates, agents, counsel, officers, directors, employees, attorneys, and agents of each of the foregoing (collectively, the "Released Parties") from any and all such claims, offsets, defenses and counterclaims of any type, whether now known or unknown, such waiver and release being with full knowledge and understanding of the circumstances and effects of such waiver and release and after having consulted counsel with respect thereto, including but not limited to:

5.4.1 any and all losses, liabilities, claims, damages, costs and expenses (including reasonable attorney's fees) to which any of them may become subject which arise from or relate to this Agreement, any water sold or provided under this Agreement or any action or alleged action or effort taken or alleged to have been taken by either Party in connection with the use of the water provided hereunder; and

5.4.2 all of the risks and hazards involved in the fulfillment of this Agreement such that neither Party expressly assumes all risks of any harm, injury, death, or damage, foreseen or unforeseen, including all liability, claims, demands, and lawsuits arising out of or resulting from any harm, personal injury, death, or damage, foreseen or unforeseen, that may befall either Party, its employees, agents, or property in connection with this Agreement.

5.5 To the extent permitted by law, CRWC hereby agrees to hold the Released Parties harmless of and from any liability or cause of action occasioned by any action of CRWC in

relation to water sold under this Agreement and shall indemnify such Parties of same. Such hold harmless and indemnity shall include and shall not be limited to any liability, claims, demands, lawsuits, costs or damages (including, but not limited to attorney's fees, court costs, expert witness fees, and other expenses of litigation) claimed against or incurred by the Released Parties arising out of any harm, personal injury, death, property damage (including damage to any pipelines, meters, pumps, or other transmission facilities utilized, owned or operated by CRWC), or any other damage, foreseen or unforeseen, occurring in connection with or occasioned by the activities of CRWC in connection with this Agreement, whether such injury, death or damage occurs on the premises of CRWC or elsewhere and regardless of whether the liability, claims, demands, or lawsuits are founded or allegedly caused, in whole or in part, upon the actual or alleged negligence, gross negligence, statutory fault, strict liability, or other torts of CRWC or the Authority or which results from any alleged breach of any duty of CRWC or the Authority.

5.6 The representations, indemnities, and other obligations of CRWC under this Article 5 shall survive the termination of this Agreement.

ARTICLE 6

CONSERVATION AND LAWS

6.1 The Parties agree that no part of this Agreement shall be construed to contradict or relieve either Party from any obligation established by any state, federal, or locally mandated laws or regulations, including but not limited to laws, rules, or regulations pertaining to water conservation or drought contingency plans and CRWC agrees to use any water provided under this Agreement in a manner consistent with such laws, regulations, or other directives. Accordingly, the terms of this Agreement are expressly subject to the directives, mandates, agreements, and best practices set out in any such applicable plan. When any such plan is placed in effect or when conditions require the conservation, modification, curtailment, or restriction of the use of water or the practices of any Party in relation to water, CRWC agrees to comply with the water conservation and drought contingency plans of both the City of San Angelo and the Authority, where applicable.

6.2 Neither Party shall be required to take any action that would violate any restriction, or agreement which governs the place of use, volume, or diversion rate of water which is the subject of this Agreement.

ARTICLE 7

NEGATIVE COVENANTS

7.1 Notwithstanding the foregoing, CRWC agrees that none of the water acquired by CRWC pursuant to this Agreement will be sold or transferred to any third party for any of the following uses or purposes:

7.1.1 For use in the exploration or production of oil, gas, or other hydrocarbons; save and except for normal retail water service to the offices and related facilities of an

entity engaged in such exploration or production and in such case, only in a quantity and fashion similar to other retail customers of CRWC; or

7.1.2 For resale to parties who are also in the business of selling water, unless those parties are already customers of the Authority and, in such event, such resale shall be at the same or lower price as that established in Article 2 of this Agreement.

ARTICLE 8

MISCELLANEOUS

8.1 *Entire Agreement:* This Agreement embodies the entire agreement between the Parties and supersedes all previous agreements, covenants, and contracts between them. There are no oral representations, express or implied warranties, agreements, or promises pertaining to this Agreement which are not expressly incorporated in writing in this Agreement.

8.2 *Amendment of Agreement:* This Agreement may not be modified or amended except by an instrument in writing signed by both Parties.

8.3 *Written Contract:* The Parties agree that all payments called for in this Agreement are charged pursuant to this Agreement and none other, and that this Agreement is a "written contract" within the meaning of Section 291.131(d) of Title 30 of the Texas Administrative Code.

8.4 *No Assignment:* This Agreement may not be assigned nor any obligation hereunder delegated unless expressly agreed in writing between the Parties; provided, however, that CRWC may assign this Agreement to a Municipal Utility District organized by CRWC and specifically related to the rights granted under this Agreement.

8.5 *No Third Party Agreements:* This Agreement is entered into for the exclusive benefit of the Authority and CRWC and no other person or party. No third party shall have any authority to seek to enforce this Agreement or to obtain benefits from it.

8.6 *No Partnership or Joint Venture:* Nothing in this Agreement shall constitute or be held as evidence of a joint venture, partnership, or other combination between the Authority and CRWC.

8.7 *Effective Date:* The Effective Date of this Agreement is the date it is first fully signed by all Parties.

8.8 *Attorney's Fees:* If either Party retains an attorney to enforce this Agreement, the party prevailing in litigation is entitled to recover reasonable attorney's fees and court and other costs. The term "Prevailing Party" means that party which the court finds and/or declares is the prevailing party, whether or not that party obtains monetary, declaratory, injunctive, equitable or nominal relief. With respect to any monetary claim, no award of damages shall be necessary in order for a party to be found by the court to have prevailed. With respect to any non-monetary

claim, no equitable relief shall be necessary in order for a party to be found by the court to have prevailed.

8.9 *Notices:* Any notice to be given under this Agreement by either Party to the other shall be in writing and may be effected by certified mail, electronic mail, or facsimile transmission with confirmation of delivery addressed as follows:

To the Authority:

The Upper Colorado River Authority
512 Orient
San Angelo, TX 76903
Fax: 325.655.1371
Attn: Chuck Brown

To CRWC:

Concho Rural Water Corporation
P.O. Box 62394
San Angelo, TX 76906
Ph.: 325.658-2961
Fax: 325.658.2962
Attn: Benjamin F. Wiese
Email – Bfwiese4@aol.com

All notices will be deemed to have been given on the date of mailing or transmission of such notice. Any Party may change its address upon five days' written notice to the other.

8.10 *No Waiver:* If either Party fails to insist on strict performance of any provision of this Agreement, such failure shall not be deemed a waiver by such Party of its right to insist on strict performance of such provision in the future or strict performance of any other provision of this Agreement.

8.11 *Headings:* The section headings are not to be considered part of this Agreement and are included solely for convenience and are not intended to be full or accurate descriptions of the contents thereof.

8.12 *Choice of Law and Venue:* All amounts due under this Agreement and all obligations of either Party, including, but not limited to, payments due under this Agreement or damages for the breach of this Agreement, shall be paid and be due in Tom Green County, Texas, which is the county in which the principal administrative offices of the Authority are located. It is further specifically agreed that Tom Green County, Texas, is a principal place of performance of this Agreement. In the event that any legal proceeding is brought to enforce this Agreement or any provision hereof, the same shall be brought in Tom Green County, Texas. This Agreement is governed by the laws of the State of Texas.

8.13 *Severability:* The provisions of this Agreement are severable and in the event that any one or more provisions are deemed illegal or unenforceable, the remaining provisions shall remain in full force and effect.

8.14 *Due Authorization and Binding Obligation:* Each Party represents to the other that this Agreement has been duly authorized, executed and delivered by all necessary action of the Party, including approval of the Party's governing board or council, and is enforceable against the Party in accordance with its terms.

8.15 *Additional Documents:* The Authority and CRWC each agree to execute any additional documents before or after the closing as reasonably necessary to accomplish the intent of this Agreement.

8.16 *Force Majeure:* In the event either Party is rendered unable, in whole or in part, by force majeure to carry out any of its obligations under this Agreement, other than the obligation of CRWC to make the payments required under the terms of this Agreement, then the obligations of that Party, to the extent affected by the force majeure, shall be suspended during the continuance of the inability. The term "force majeure" includes acts of God, strikes, lockouts or other industrial disturbances, acts of terrorism, acts of the public enemy, orders of the government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakage, or accidents to dams, equipment, pipelines, canals, or other structures, ~~partial or complete failure of water supply including pollution (accidental or intentional)~~, and any other inability of either Party, whether similar to those enumerated or otherwise, that are not within the control of the Party claiming the inability and that could not have been avoided by the exercise of due diligence and care.

8.17 *Counterparts:* This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

8.18 *Time is of the Essence:* Time is of the essence in the performance of this Agreement.

IN WITNESS WHEREOF, the Parties hereto, acting under authority of their respective directors, officers, or governing entities, have caused this Agreement to be duly executed to be effective as of the day and year agreed, and in multiple counterparts, each of which shall constitute an original.

{signatures appear on the following page}

THE UPPER COLORADO RIVER AUTHORITY

By: Jeffie H. Roberts
Jeffie H. Roberts
(name printed)
Its: CHAIRPERSON
(title)
(Dated: 9.30.14)

Attest:

By: William Hood
William Hood, Secretary
(Dated: 9.30.14)

CONCHO RURAL WATER CORPORATION

By: Benjamin F. Weiss
Benjamin F. Weiss
(name printed)
Its: President
(title)
(Dated: 9-9-14)

CONCHO RURAL WATER CORPORATION
Carlsbad, Texas

Financial Statements
December 31, 2013
Restated