

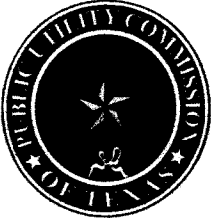


Control Number: 44512



Item Number: 1

Addendum StartPage: 0



## Application for Sale, Transfer, or Merger of a Retail Public Utility

Pursuant to Chapter 13.251 of the Texas Water Code

**Docket Number:** 44512

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

7 copies of the application, including the original, along with one copy of the portable electronic storage medium (such as CD or DVD) containing the GIS data shall be filed with

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

No later than seven days after filing the application for the boundary change, provide a copy of each paper map and a portable electronic storage medium (such as CD, flash drive or DVD) containing complete and identical data to the portable electronic storage medium submitted above to

Texas Natural Resources Information System  
1700 N. Congress Ave, Room B40  
Austin, Texas 78701

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Part A – General Information

\*RN# 101187755 \*CN# 600634380 \* (PRIOR TCEQ ID numbers)

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

Form with checkboxes for Sale of (All/Portion), Acquisition, Lease/Rental, Water system(s) under CCN No.: 12086, and Sewer system(s) under CCN No.:

Form with checkboxes for Transfer of (All/Portion), Certified water service area – CCN No., and Certified sewer service area – CCN No.:

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

Large empty rectangular box for specifying affected areas or subdivisions.

and to:

Form with checkboxes for Obtain a CCN for the transferee (purchaser), Amend the transferee's CCN No., Merge or consolidate public utilities, and Cancel CCN of the transferor (seller).

2. Proposed effective date of this transaction: 8/1/2015 (Must be at least 120 days after proper notice is provided)

Part B – Current Service Provider or Seller Information

Questions 3 through 5 apply to the transferor (current service provider or seller)

3. For the current CCN holder or service provider please indicate:

A. Name: OAK FOREST HIGHLANDS, INC (Individual, Corporation or Other Legal Entity)

Who is a(n): of Individual Corporation WSC HOA or POA Other

B. Utility Name (if different than above): Address: Telephone: (AC)

C. Contact person. Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney or accountant.

Name: Delores Griffin Title: Co-Owner Address: PO Box 9, Manchaca, TX 78652-0009 Telephone: (AC) (512) 497-5049

Fax: [ ]

Email: [deleongrif@sbcglobal.net](mailto:deleongrif@sbcglobal.net)

4. About the last rate increase for the system or facilities being transferred:

A. What was the effective date of the last rate increase?

9/9/1987 Initial Rate. There have been no increases.

B. Was notice of this increase provided to the Public Utility Commission of Texas (commission or PUC) or a predecessor regulatory authority?

No  Yes- Application/Docket Number: [ ] Date [ ]

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

Name and Address of Utility Customer	Date of Deposit	Amount of Deposit	Amount of Unpaid Interest on Deposit
See attached list			

**Part C – Purchaser or Transferee Information**

Questions 6 through 16 refer to the transferee or purchaser.

6. For the person or entity acquiring the facilities and/or CCN:

Applicant: **Forest Oaks Mobile Homes, LLC**  
(Individual, Corporation, or Other Legal Entity)

Utility Name: **Village Water Supply**  
(If different than above)

Utility Address: **724 W FM1626, TRLR 4, Austin, Texas 78748**

Fax: [ ] Email: [forestoaksvillage@gmail.com](mailto:forestoaksvillage@gmail.com) Telephone (AC): **(512) 282-7188**

CCN Numbers held prior to the filing of this application: [ ]

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

- Individual
- Home or Property Owners Association
- Partnership; attach copy of partnership agreement
- Corporation; provide charter number as recorded with the Office of the Secretary of State for Texas: **File Number: 802067368; Texas Taxpayer ID: 32055206851**

Non-profit, member owned, member-controlled Cooperative Corporation (Article 1434(a) Water Sewer Service Corporation); provide charter number:

<input type="checkbox"/>	Municipally-owned utility
<input type="checkbox"/>	District (MUD, SUD, WCID, etc.)
<input type="checkbox"/>	County
<input type="checkbox"/>	Other (please explain): <input type="text"/>

8. If the applicant is an *Individual* or sole proprietorship, provide the following information. If not, skip to the next question.

Name:	<input type="text"/>	Email:	<input type="text"/>
Address:	<input type="text"/>		
Telephone (AC):	<input type="text"/>	Fax (AC):	<input type="text"/>

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

•Name:	Palmer K. Stevens	Telephone (AC):	(248) 867-3581
Address:	724 W FM1626, Unit #4, Austin, Texas 78748		
Position:	General Manager	Ownership % (if applicable):	60.00%

•Name:	Steven R. Ureel	Telephone (AC):	(248) 601-8400
Address:	1120 N Main Street, Rochester, MI 48307		
Position:	Co-General manager	Ownership % (if applicable):	15.00%

•Name:	Gail E. Stevens	Telephone (AC):	(954) 463-5266
Address:	412 NE 4th Street, Fort Lauderdale, FL 33301		
Position:	Passive Investor	Ownership % (if applicable):	10.00%

•Name:	The Michael L. Laber Trust dated 7/7/2003	Telephone (AC):	(810) 650-4946
Address:	4699 Desmond Beach, Fort Gratiot, MI 48059		
Position:	Passive Investor	Ownership % (if applicable):	7.50%

•Name:	The Ricky L. Laber and Brenda R. Laber Trust 7/10/2003	Telephone (AC):	(517) 622-1204
Address:	11549 Stone Bluff Drive, Grand Ledge, MI 48837		
Position:	Passive Investor	Ownership % (if applicable):	7.50%

•Name:	<input type="text"/>	Telephone (AC):	<input type="text"/>
Address:	<input type="text"/>		
Position:	<input type="text"/>	Ownership % (if applicable):	0.00%

- Attach additional sheet(s) if necessary -

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

Texas Comptroller of Public Accounts

P. O. Box 13528, Capitol Station

Austin, Texas 78711

1-800-252-5555

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

10. Contact person. Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney or accountant.

Name:	Palmer K. Stevens	Title:	Owner/Operator/Engineer
Address:	724 W FM1626, TRLR #4, Austin, Texas 78748	Telephone (AC):	(248) 867-3581
Fax #		Email	palmer.stevens@gmail.com
Relationship to the applicant:	Co-Manager / Same		

IF THERE ARE MORE THAN TWO PARTIES INVOLVED IN THIS TRANSACTION, PLEASE ATTACH SHEETS PROVIDING THE INFORMATION REQUIRED IN QUESTION 6 THROUGH QUESTION 10 FOR EACH PARTY

11. Please respond to each of the following questions. Attach additional sheets if necessary.

A. Describe the experience and qualifications of the applicant to provide adequate utility service to the requested area

Passed Class D Waterworks Operator License 1/12/2015 , Professional Mechanical Engineer (Michigan current), former utility consultant, certification for operating and maintaining the engine room systems for seagoing vessels up to 250 tons, Masters in Business Administration and BS in Mechanical Engineering from Tulane University. On-site property manager at the Utility's equipment and service location.

B. Has the applicant acquiring the CCN or facilities or an affiliated interest of the applicant been under enforcement action by the PUC, TCEQ, Texas Department of Health (TDH), the Office of the Attorney General (OAG) or the Environmental Protection Agency (EPA) in the past for noncompliance with rules, orders or State Statutes?  Yes  No

If yes, please attach copies of any correspondence with these regulatory agencies concerning these enforcement actions and describe any actions and efforts to comply with those requirements. Attach additional sheets if needed.

C. Describe the source and availability of funds required to make the planned or required improvements, if any, to meet minimum requirements of the TCEQ and PUC and ensure continuous and adequate service.

The operations will be funded from the ongoing water sales and lot rents. There is a \$20,000 account escrowed to be setup as initial working capital directly for the utility operations and another backup account \$30,000 setup for the community at large.

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

The quality of service will increase as the new management and operators will be more professionally trained to operate and maintain the equipment and business operations. The operator will live on-site.

E. How will the transaction serve the public interest?

The operations will have continuity, as the current owner/operators are in their 70's and wish to retire. The operations will be more professionally run.

12. Please describe the nature of the proposed transaction:

Transfer of the CCN to the owners of the land with registered PWS (#2270271) onsite.

13. If the transferee applicant is an Investor Owned Utility (IOU) and will be under the rate jurisdiction of the PUC, please provide the following information. Water supply or sewer service corporations and political subdivisions of the state should mark this section N/A:

A.

• Total Purchase Price:

• Total Original Cost (as recorded on books of seller or merging entity):

• Accumulated Depreciation as of the proposed effective date of the transaction:

• Contributions in Aid of Construction:

- Specific surcharges approved by TCEQ or PUC:

- Revenues from explicit customer agreements:

- Developer Contributions (please explain):

The original developer of the property as a mobile home park, invested \$32,500 and provided labor and equipment from the owner's construction company to build the water system.

- Other Contributions (please explain):

Proceeds from operations of the manufactured home park supplemented miscellaneous costs when necessary.

Total Contributions in Aid of Construction

• Net Book Value:

- If the Original Cost or any of the above items has been established in a rate case proceeding by the PUC, the TWC or the TCEQ, please provide the Application/Docket Number and date:

Application/Docket Number:  Date:

- If the applicant is not under the rate jurisdiction of the TCEQ, only the purchase price and information related to Contributions in Aid of Construction is required.

Please provide any other information concerning the nature of the transaction you believe should be given consideration if not explained elsewhere in the application.

[attach additional sheet(s) if necessary]:

This transfer will assure the continuity of service and better care of the water system. The current owners/operators are experiencing some health challenges, live off-site and no longer have a financial interest in the customers served.

- C. Complete the following proposed entries listed below as shown in books of purchasing (or surviving) company. Additional entries may be made; the following are suggested only, and not intended to pose descriptive limitations.

Utility Plant in Service:	\$ 39,603.00
Plant Acquisition Adjustment:	
Extraordinary Loss on Purchase:	
Accumulated Depreciation of Plant:	\$ 0.00
Cash:	\$ 20,000.00
Notes Payable:	\$ 0.00
Mortgage Payable:	\$ 0.00
Others (please list):	

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

Purchaser's Initials: *PJL* Date:

14. Please indicate the proposed effect of this transaction on the rates to be charged to the affected customers:

All the customers will be charged the same rates as they were charged before the transaction.  
 Some  All customers will be charged different rates than they were charged before the transaction.



If rates are changing, please explain:

Applicant is an IOU and intends to file with the commission or municipal regulatory authority an application to change rates of some/all of its customers as a result of this transaction. If so, please explain:

**Not now. (The rates are low and subsidised by lot rents. They need adjustment to encourage conservation, cover the true cost of operations, and be competitive with surrounding communities. We will address this request at a later time. )**

Other. Please explain:

15. List all neighboring water and /or sewer utilities, cities, and political subdivisions providing the same service within two (2) miles of area affected by this proposed transaction. This information should be available from the water utility database (WUD) or Applicant's licensed water operator.

**See the attached document - Exhibit 15**

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

The acquiring entity is well suited to operate and manage this public water system. The current CCN is held by entity owned and run by an off-site husband and wife team in their 70's with some serious health impediments developing. The new CCN holder will be primarily managed on-site by a professional mechanical engineer and MBA with Class D operator's license. The new holder will have access to significant financial reserves to operate and repair well and distribution infrastructure. In our judgment, this situation will clearly be an improvement in safety and operation of this PWS.

Part D – Historical Financial Information

<b>BALANCE SHEETS</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>CURRENT ASSETS</b>						
Cash [5]	5,000	5,000	5,000	5,000	5,000	5,000
Accounts Receivable			286	1,054	300	n/a
Inventories	0	30	40	40	40	40
Income Tax Receivable						
Other						
<b>Total</b>		5,170	5,326	6,094	5,380	5,040
<b>FIXED ASSETS</b>						
Land [2]	0	0	n/a	n/a	n/a	n/a
Collection/Distribution System [7]	61,797	62,056	62,856	62,646	62,646	62,646
Buildings			2,282	2,282	2,282	2,282
Equipment	14,231	16,206	16,750	17,620	18,320	14,820
Other						
Less: Accum. Depreciation or Reserves	63,245	65,136	63,404	60,491	57,610	55,130
<b>Total</b>	12,783	13,006	15,484	19,057	24,938	24,618
<b>TOTAL ASSETS</b>	17,763	18,176	20,810	25,151	30,318	29,658
<b>CURRENT LIABILITIES</b>						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
<b>TOTAL</b>						
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term [3]						
Other						
<b>TOTAL LIABILITIES</b>						
<b>OWNER'S EQUITY</b>						
Paid in Capital [4]						
Retained Equity						
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>						
<b>TOTAL LIABILITIES AND EQUITY</b>						
<b>WORKING CAPITAL</b>	7,000	7,000	7,000	7,000	7,000	7,000
<b>CURRENT RATIO</b>	n/a	n/a	n/a	n/a	n/a	n/a
<b>DEBT TO EQUITY RATIO</b>	n/a	n/a	n/a	n/a	n/a	n/a
<b>EQUITY TO TOTAL ASSETS</b>	n/a	n/a	n/a	n/a	n/a	n/a

<b>INCOME STATEMENT</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>METER NUMBER</b>						
Existing Number of Taps	30	30	30	30	30	30
New Taps Per Year	0	0	0	0	0	0
Total Meters at Year End	30	30	30	30	30	30
<b>METER REVENUE</b>						
Fees Per Meter [6]	297.0	198.6	192.1	184.7	197.1	201.9
Cost Per Meter	631.1	486.5	603.2	742.6	561.1	616.0
Operating Revenue Per Meter	(474.2)	(267.0)	(411.2)	(557.9)	(367.0)	(314.1)
<b>GROSS WATER REVENUE</b>						
Fees [6]	8,910	5,958	5,762	5,540	5,913	6,058
Other (Rent Subsidies)	14,228	8,635	12,335	16,738	11,010	9,423
Gross Income	20,433	14,594	18,097	22,278	16,923	15,481
<b>OPERATING EXPENSES</b>						
General & Administrative	20,433	14,594	18,097	22,278	16,923	15,481
Interest	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>NET INCOME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>EXPENSE DETAIL</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries			2,762	2,540	2,513	2,810
Office Expense (Postage)		150	180	167	172	182
Computer Expense			388	465		
Auto Expense (mileage)	107	156	141	178	160	168
Insurance Expense	207	458	478	482	448	458
Telephone Expense (Cell 24x7)	155	498	498	238	230	200
Utilities Expense (Internet)						
Depreciation Expense						
Property Taxes (Personal)				64	78	71
Professional Fees	1,730					
Other						
<b>Total</b>	<b>2,199</b>	<b>1,261</b>	<b>4,447</b>	<b>4,105</b>	<b>4,021</b>	<b>3,714</b>
<b>% Increase Per Year</b>	<b>12.7%</b>	<b>3.7%</b>	<b>8.3%</b>	<b>2.1%</b>	<b>8.3%</b>	<b>10.0%</b>
<b>OPERATIONAL EXPENSES</b>						
Salaries	3,000	3,000	3,000	3,000	3,000	3,000
Auto Expense					1,151	1,010
Utilities Expense (Electric PEC)	717	717	722	943	1,151	1,010
Depreciation Expense	2,167	2,167	2,167	2,167	2,167	2,167
Repair & Maintenance	7,524	2,850	3,782	10,441	5,053	4,010
Supplies	184	48	374	210	150	170
Other (Testing/Permits)	1,230	933	3,005	612	735	810
<b>Total</b>	<b>15,735</b>	<b>10,313</b>	<b>13,650</b>	<b>18,173</b>	<b>12,907</b>	<b>11,767</b>
<b>% Increase Per Year</b>	<b>47.2%</b>	<b>24.1%</b>	<b>24.8%</b>	<b>40.8%</b>	<b>9.6%</b>	<b>10.0%</b>
<b>ASSUMPTIONS</b>						
Interest Rate/Terms	n/a	n/a	n/a	n/a	n/a	n/a
Utility Cost/gal.	2.43 ¢	1.46 ¢	1.53 ¢	1.61 ¢	1.35 ¢	1.55 ¢
Depreciation Schedule	SI	SI	SI	SI	SI	SI
Other (Inflation)	n/a	n/a	n/a	n/a	n/a	n/a
PUCT						

Part E – Projected Information

<b>BALANCE SHEETS</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>CURRENT ASSETS</b>						
Cash [5]	23,715	24,974	14,768	14,840	14,119	11,310
Accounts Receivable	500	800	800	800	800	800
Inventories	40	40	40	40	40	40
Income Tax Receivable						
Other						
<b>Total</b>	<b>24,255</b>	<b>25,614</b>	<b>15,608</b>	<b>15,680</b>	<b>14,959</b>	<b>12,150</b>
<b>FIXED ASSETS</b>						
Land [2]	n/a	n/a	n/a	n/a	n/a	n/a
Collection/Distribution System [7]	84,767	84,767	84,767	84,767	84,767	84,767
Buildings	3,192	3,192	3,192	3,192	3,192	3,192
Equipment	26,954	26,954	26,954	27,554	27,554	27,554
Other						
Less: Accum. Depreciation or Reserves	73,000	76,739	68,620	71,120	74,625	76,925
<b>Total</b>	<b>41,913</b>	<b>38,174</b>	<b>45,293</b>	<b>44,393</b>	<b>40,888</b>	<b>38,588</b>
<b>TOTAL ASSETS</b>	<b>66,168</b>	<b>63,787</b>	<b>61,901</b>	<b>60,072</b>	<b>55,847</b>	<b>50,738</b>
<b>CURRENT LIABILITIES</b>						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
<b>TOTAL</b>						
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term [3]						
Other						
<b>TOTAL LIABILITIES</b>						
<b>OWNER'S EQUITY</b>						
Paid in Capital [4]						
Retained Equity						
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>						
<b>TOTAL LIABILITIES AND EQUITY</b>						
<b>WORKING CAPITAL</b>	<b>23,715</b>	<b>24,974</b>	<b>14,768</b>	<b>14,840</b>	<b>14,119</b>	<b>11,310</b>
<b>CURRENT RATIO</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>DEBT TO EQUITY RATIO</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>EQUITY TO TOTAL ASSETS</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

<b>INCOME STATEMENT</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>METER NUMBER</b>						
Existing Number of Taps	31	32	33	33	33	33
New Taps Per Year	2	1	0	0	0	0
Total Meters at Year End	32	33	33	33	33	33
<b>METER REVENUE</b>						
Fees Per Meter [6]	303.0	303.0	303.0	303.0	303.0	303.0
Cost Per Meter	309.3	303.4	309.3	331.2	355.2	381.5
Operating Revenue Per Meter	(17.3)	(1.3)	(6.2)	(28.6)	(52.1)	(78.5)
<b>GROSS WATER REVENUE</b>						
Fees [6]	10,000	10,000	10,000	10,000	10,000	10,000
Other (Rent Subsidies)	0	0	0	0	0	0
Gross Income	10,000	10,000	10,000	10,000	10,000	10,000
<b>OPERATING EXPENSES</b>						
General & Administrative	10,135	9,742	10,205	10,928	11,721	12,588
Interest						
Other						
<b>NET INCOME</b>	<b>(135)</b>	<b>259</b>	<b>(205)</b>	<b>(928)</b>	<b>(1,721)</b>	<b>(2,588)</b>



<b>EXPENSE DETAIL</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries	1,900	1,854	1,947	2,102	2,271	2,452
Office Expense (Postage)	180	180	180	180	180	180
Computer Expense	115	115	115	115	115	115
Auto Expense (mileage)	240	240	240	240	240	240
Insurance Expense	1,294	1,294	1,294	1,294	1,294	1,294
Telephone Expense (Cell 24x7)	366	366	366	366	366	366
Utilities Expense (Internet)	390	390	390	390	390	390
Depreciation Expense	-	-	-	-	-	-
Property Taxes (Personal)	-	-	-	-	-	-
Professional Fees	700	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total</b>	<b>5,065</b>	<b>4,439</b>	<b>4,532</b>	<b>4,667</b>	<b>4,856</b>	<b>5,037</b>
<b>% Increase Per Year</b>	<b>-1.8%</b>	<b>12.7%</b>	<b>2.1%</b>	<b>3.4%</b>	<b>3.6%</b>	<b>3.7%</b>
<b>OPERATIONAL EXPENSES</b>						
Salaries	3,000	3,090	3,245	3,504	3,784	4,087
Auto Expense	-	-	-	-	-	-
Utilities Expense (Electric PEC)	800	840	899	989	1,088	1,196
Depreciation Expense	-	-	-	-	-	-
Repair & Maintenance	-	-	-	-	-	-
Supplies	150	158	169	185	204	224
Other (Testing/Permits)	1,100	1,155	1,236	1,359	1,495	1,645
<b>Total</b>	<b>5,050</b>	<b>5,303</b>	<b>5,674</b>	<b>6,241</b>	<b>6,865</b>	<b>7,552</b>
<b>% Increase Per Year</b>	<b>-66.9%</b>	<b>5.0%</b>	<b>7.0%</b>	<b>10.0%</b>	<b>10.0%</b>	<b>10.0%</b>
<b>ASSUMPTIONS</b>						
Interest Rate/Terms	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%
Utility Cost/gal.	1.17 ¢	1.14 ¢	1.21 ¢	1.32 ¢	1.42 ¢	1.53 ¢
Depreciation Schedule	SL	SL	SL	SL	SL	SL
Other (Inflation)	4%	5%	7%	10%	10%	10%
PUCT						

<b>SOURCES AND USES OF CASH</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>SOURCES OF CASH</b>						
Net Income		259				
Depreciation (If Funded)						
Loan Proceeds						
Other (Capital Funding from Lot Rent)	4,000	4,000	4,000	4,000	4,000	4,000
<b>Total Sources</b>	<b>4,000</b>	<b>4,259</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>
<b>USES OF CASH</b>						
Net Loss	13		206	926	1,721	2,589
Principle Portion of Pmts.						
Fixed Asset Purchase [1]	1,120		(1,000)			1,220
Reserve	3,000	3,000	3,000	3,000	3,000	3,000
Other						
<b>Total Uses</b>	<b>4,265</b>	<b>3,000</b>	<b>(1,206)</b>	<b>3,926</b>	<b>4,721</b>	<b>6,809</b>
<b>NET CASH FLOW</b>	<b>(265)</b>	<b>1,259</b>	<b>(10,206)</b>	<b>72</b>	<b>(721)</b>	<b>(2,809)</b>
<b>DEBT SERVICE COVERAGE</b>						
Cash Available for Debt [3]						
<b>SERVICE (CADS)</b>						
Net Income (Loss)						
Depreciation, or Reserve Interest						
<b>Total</b>						
<b>REQUIRED DEBT SERVICE (RDS)</b>						
Principle Plus Interest						
<b>DEBT SERVICE COVERAGE RATIO</b>						
CADS Divided by RDS	n/a	n/a	n/a	n/a	n/a	n/a

- [1] Replacement of main storage tank anticipated in 2017  
Replacement of a well pump anticipated in 2019
- [2] The land belongs to the mobile home park, not the Utility entity.
- [3] The utility has no debt and is subsidized by the mobile home park rental revenue.
- [4] Utility value not yet determined as a standalone entity. Only to serve the residents of mobile home community.
- [5] \$20,000 set aside as reserve working capital by the buyer.
- [6] Request for rate increase on tariffs to be filed in 2016
- [7] Based on re-evaluation on physical assets in 2014 using the RG-501a tool. Not the historical \$32,500 from original investment.



**Part F – TCEQ Public Water or Sewer System Information**

☛ Please answer questions 17 through 22 on a different sheet for each physically Distinct system being transferred or acquired.

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

2	2	7	0	2	7	1
---	---	---	---	---	---	---

Date of last inspection: 

9/17/2014
-----------

B. For Wastewater Systems:

-TCEQ Discharge Permit Number: W Q 

--	--	--	--	--	--

 - 

--	--	--

  
 -Name of Permittee: 

--

  
 -Date of application to transfer Discharge Permit submitted: 

--

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

--

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

--

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

--

C. Provide details of each required major capital improvement to correct the deficiencies and meet the TCEQ or PUC standards (attach additional sheets if necessary):

Description of the Required Improvement	Schedule to Complete	Estimated Cost
{none}		

19. Does the system being transferred operate within the city limits of a municipality or within district boundaries?  Yes  No

If yes, indicate the number of customers within the city limits or district boundaries:  
 Water                  Sewer

☛ Attach copy of franchise agreement or consent letter from the city or district.

20. Do you currently purchase water or sewer treatment capacity from another source?  Yes  No  
 Water  Sewer Purchased on a  Regular  Seasonal  Emergency Basis

• Source: \_\_\_\_\_ % of total supply: **0.00%**

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

Water			Sewer	
0	-Non Metered		-2" meter	-Residential Connection
30	-5/8" or 3/4" meter		-3" meter	-Commercial Connection
	-1" meter		-4" meter	-Industrial Connection
	-1 1/2" meter		-Other	-Other
Total Water Connections:			Total Sewer Connections	
			0	

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

23. List the name, class, and license number of the operator(s) that will be responsible for the system:

Name	Class	License#
Leon Griffin	Class D	WO0022407 - expires 2/28/2015
Delores Griffin	Class D	WO0022406 - expires 2/28/2015
Palmer Stevens	Class D	WO0036496 - expires 1/30/2018

24. Attach the following maps with each copy of the application:

- a. One small scale map clearly showing affected service area with enough detail to accurately locate the area if the application is for the transfer of all or a portion of a CCN.
- b. One large scale map showing the proposed service area boundaries being sold, transferred, or merged and, if available, the existing and proposed facilities. Color coding should be used to differentiate existing from proposed facilities. Facilities and service area boundaries should be shown with such exactness that they can be located on the ground. If transferring area not currently in a CCN or a portion of an existing CCN area please attach the following hard copy maps with each copy of the application:
  1. A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
  2. A map showing only the proposed area by:
    - i. metes and bounds survey certified by a licensed state or registered professional land surveyor; or
    - ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
    - iii. following verifiable natural and man-made landmarks, or
    - iv. a copy of recorded plat map with metes and bounds.
  3. A written description of the proposed service area.

Part G – Oaths and Notices

**OATH FOR SELLER OR FORMER SERVICE PROVIDER**

STATE OF Texas

COUNTY OF Travis

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

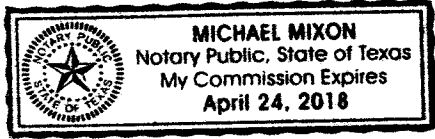
I further state that I have provided to the purchaser or transferee a written disclosure statement about any contributed property as required under Section 13.301(j) and copies of any outstanding Orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas, or Attorney General and have also complied with the notice requirements in Section 13.301(k) of the Texas Water Code.

*Leon Griffin*  
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 19 of February, 20 15.

SEAL



*Michael Mixon*  
NOTARY PUBLIC IN AND FOR THE  
STATE OF TEXAS

Michael Mixon  
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 04/24/2018

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

**OATH FOR PURCHASER OR ACQUIRING ENTITY**

STATE OF Texas

COUNTY OF Travis

I, Palmer Stevens, being duly sworn, file this application for

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

I am also authorized and do agree to be bound by and comply with any outstanding orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.



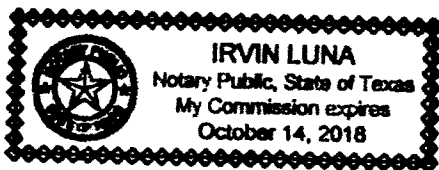
AFFIANT  
(Utility's Authorized Representative)

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

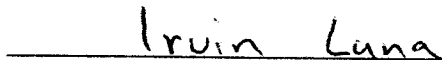
Applicant represents that all other parties to this transaction have been furnished copies of this completed application.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas, this day 19 of February, 20 15.

SEAL



NOTARY PUBLIC IN AND FOR THE  
STATE OF TEXAS



PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES

10-14-18

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

Notice to Current Customers, Neighboring Systems and Cities

OAK FOREST HIGHLANDS INC 'S  
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO 12086 TO Forest Oaks Mobile Homes, LLC (Purchaser's or Transferee's Name)  
IN Travis COUNTY, TEXAS

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

\_\_\_\_\_  
(Address)  
\_\_\_\_\_  
City State Zip

OAK FOREST HIGHLANDS INC, PO BOX 9, MANCHACA, TEXAS 78652-0009  
Sellers or Transferors' Name Address City/State/Zip Code

has submitted an application with the Public Utility Commission of Texas to sell facilities and transfer water or sewer (please select) CCN No. 12086 in Travis [County Name]

County to:

Forest Oaks Mobile Homes, LLC, 724 W FM 1626, Austin, Texas 78748  
Purchasers or Transferee's Name Address City/State/Zip Code

The sale is scheduled to take place as approved by the Commission (V.T.C.A., Water Code §13.301). The transaction and the transfer of the CCN include the following subdivision(s):

FOREST OAKS VILLAGE Mobile Home Community

The area subject to this transaction is located approximately 9 miles Southwest [direction] of downtown Austin, [City or Town] Texas, and is generally bounded on the north by Slaughter Creek in Travis County; on the east by Town of San Leanna; on the south by FM1626; and on the west by Missouri Pacific Railroad

The total area being requested includes approximately 6.7 acres and serves 30 current customers. This transaction will have the following effect on the current customer's rates and services:

None

Affected persons may file written protests and/or request a public hearing within 30 days of this notice.

To request a hearing, you must:

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

Only those persons who submit a written request to be notified of a hearing will receive notice if a hearing is scheduled. The Commission will issue the CCN requested in the referenced application unless a hearing is scheduled to consider the transaction. If no protests or requests for hearing are filed during the comment period, the Commission may issue the CCN 30 days after publication of this notice.

Persons who wish to protest or request a hearing on this application should write the:

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

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

---

Utility Representative

---

Utility Name

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

WWW.WINDOW.STATE.TX.US



October 03, 2014

FOREST OAKS MOBILE HOMES LLC  
 724 WEST FM ROAD 1426 TRAILER 4  
 AUSTIN TX 78748

Taxpayer number	32055206851
File number	0802067368
WebFile number	FQ640719

**Now that you're a registered Texas entity...**

The Texas Secretary of State has notified us that this entity has registered with their office. As a result of the filing, we have created a franchise tax account for the entity in accordance with Section 171.0002, Texas Tax Code.

The first franchise tax report for this entity is due on 05/15/2015. You will receive a letter with filing instructions prior to the due date.

To assist us in properly setting up the entity's franchise tax account, please complete an online Franchise Tax Accountability Questionnaire within 30 days. The questionnaire is available at [www.window.state.tx.us/webfile](http://www.window.state.tx.us/webfile), under Other Electronic Reporting Tools. Once you have registered as a WebFile user, you will be directed to the questionnaire where you will be prompted for the WebFile number contained in this letter.

Need more information? Visit us online at [www.franchisetax.tx.gov](http://www.franchisetax.tx.gov) or call 1-800-252-1381 or 512-463-4600.

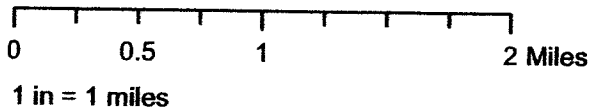
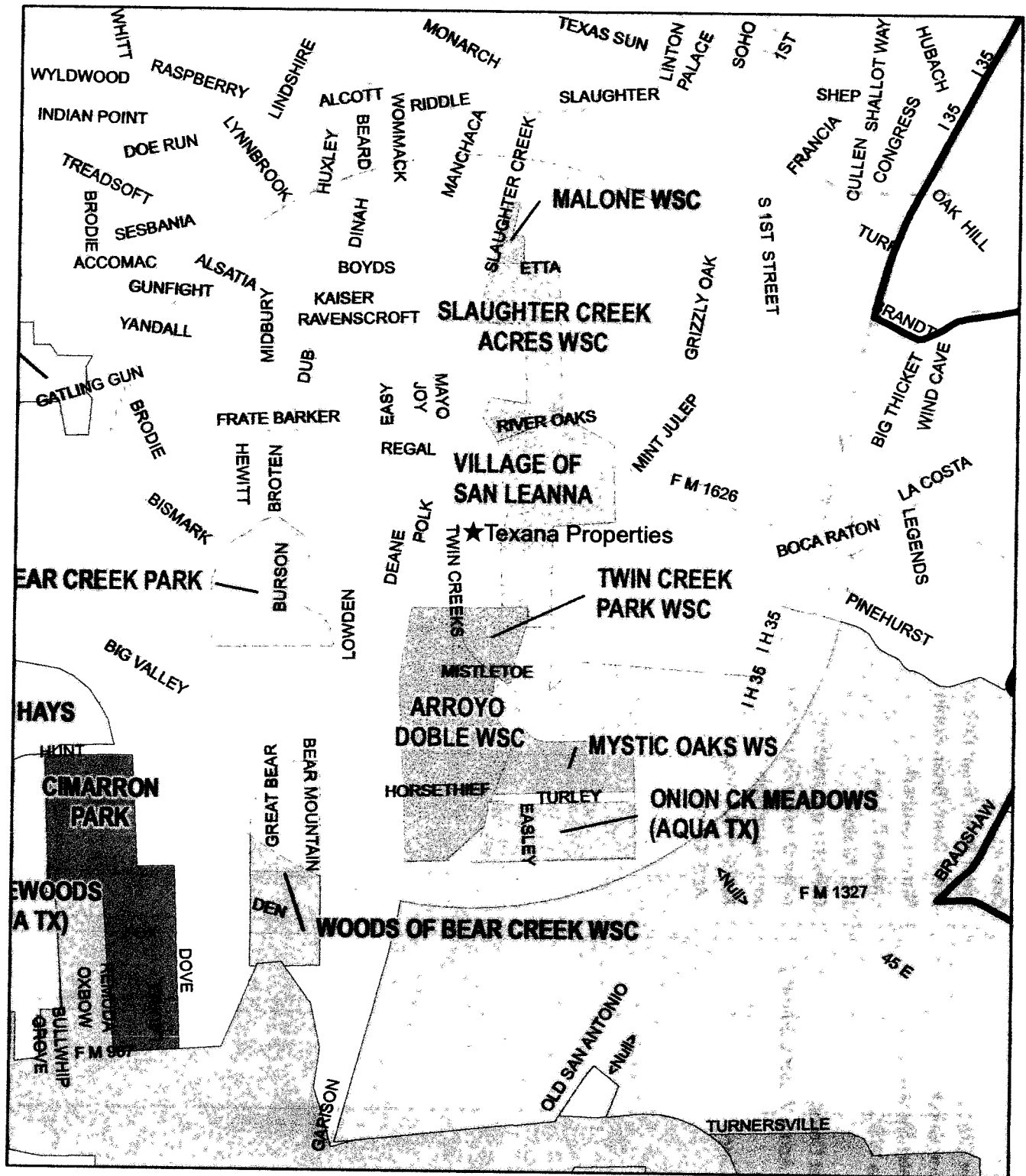
# Public Water Suppliers

# Exhibit 15 - Water Utilities within 2 miles

Permittee	Contact	MailAddress	City	TX Zip
1 Aqua Texas (Bear Creek)	Brent Reeh/Brian Robinson	1106 Clayton Lane Suite 400w	Austin	TX 78723
2 Aqua Texas (Onlon Creek)	Brent Reeh/Brian Robinson	1106 Clayton Lane Suite 400w	Austin	TX 78723
3 Arroyo Doble Water System	Norma Grubert	P.O. Box 733	Manchaca	TX 78652
4 Creedmoor-Maha WSC	Charles P. Laws	1699 Laws Road	Buda	TX 78610
5 Malone WSC	J. D. Malone	10207 Slaughter Creek Dr.	Austin	TX 78748
6 Mystic Oak Water Co-op	Constance Norwood	12704 Encino Dr.	Manchaca	TX 78652
7 Slaughter Creek Acres Water Company	Mike Dorsey/Glen Larkin	10620 Creekview Dr.	Austin	TX 78748
8 Twin Creek Park	John Anderson	2507 Timber Ridge Drive	Temple	TX 76502
9 Village of San Leanna	Kathleen Lessing	P. O. Box 1107	Manchaca	TX 78652
10 City of Austin	Mark Garner	3907 South Industrial Dr Ste 100	Austin	TX 78744

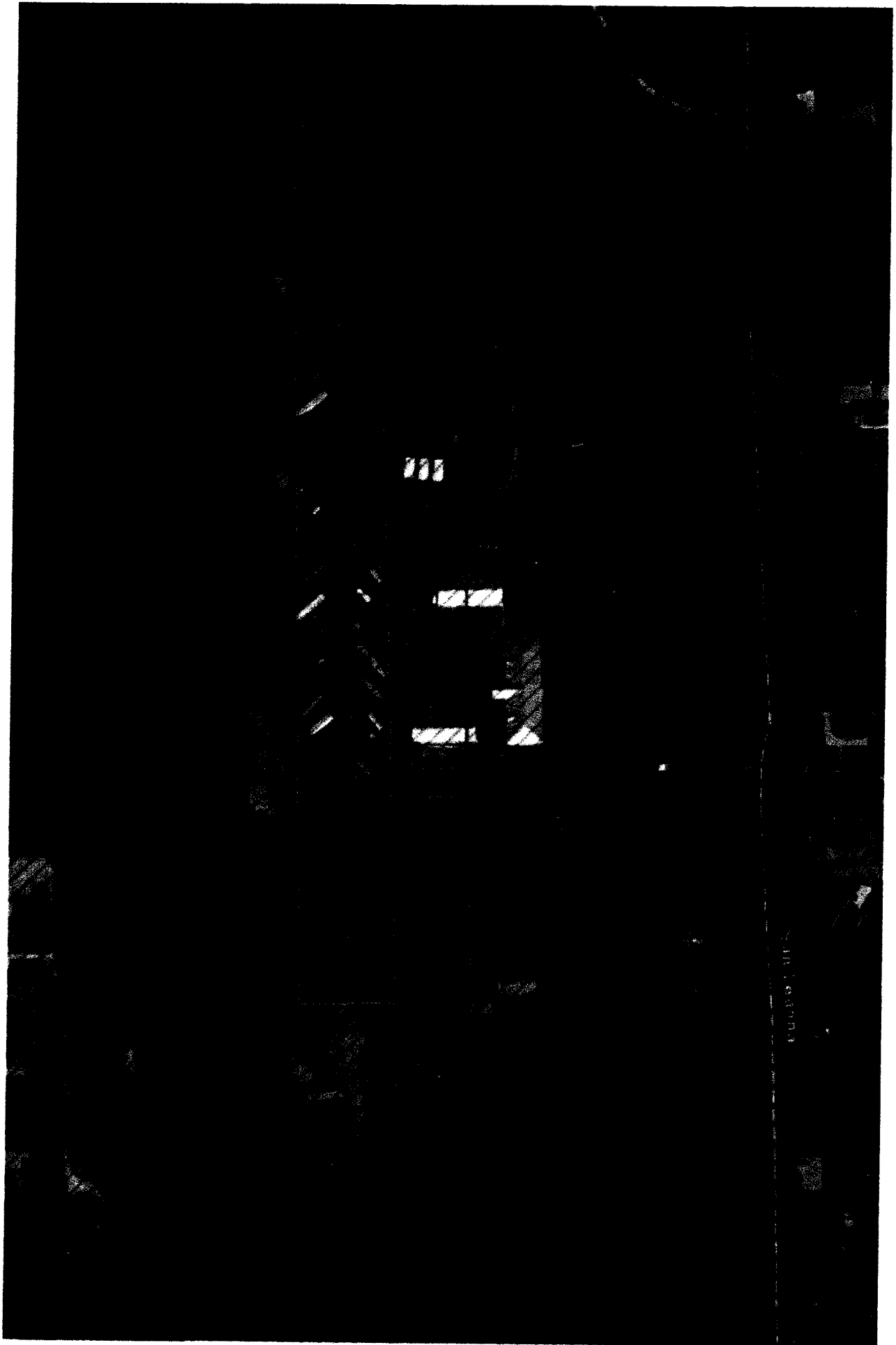


# Public Water Suppliers in 2mi Radius of Texana Property

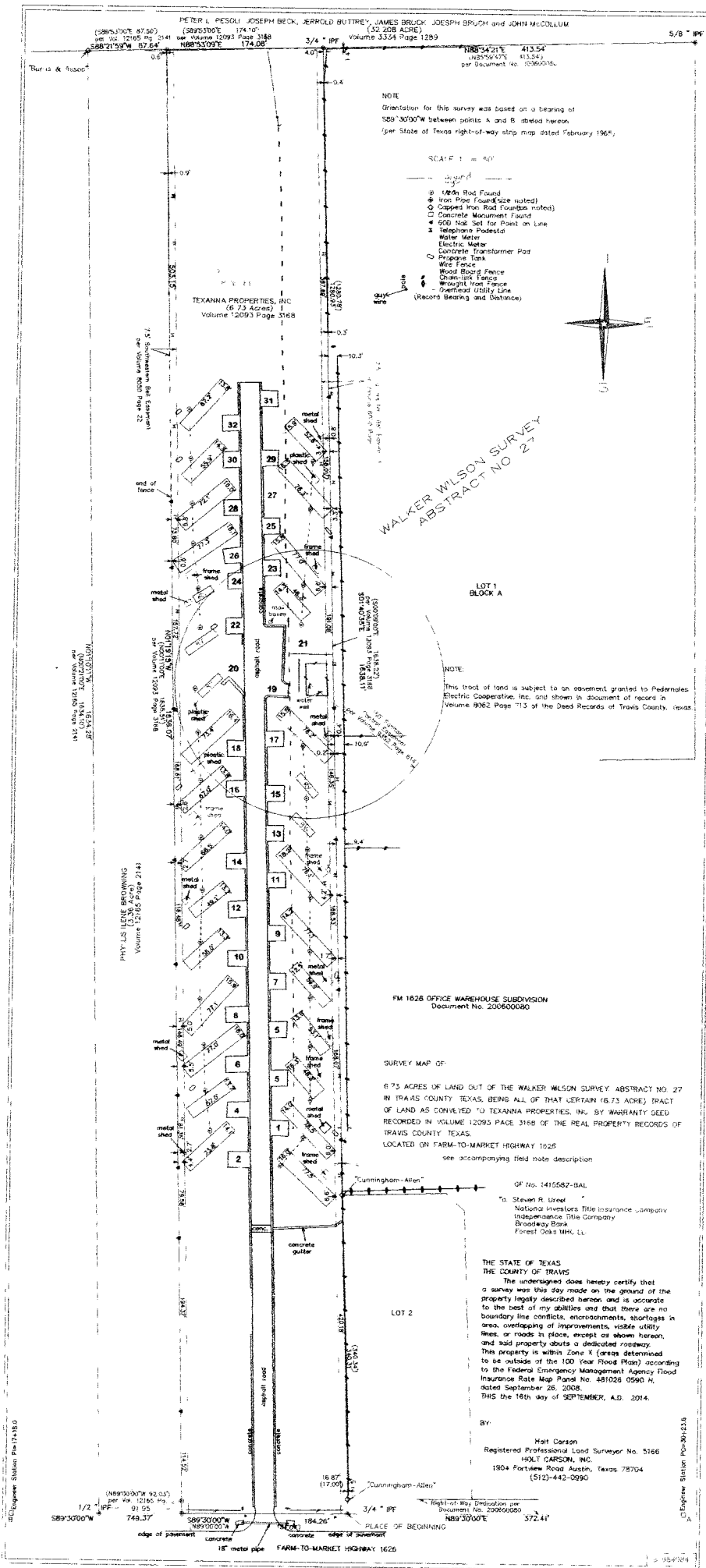


**Public Water Suppliers in 2mi Radius**

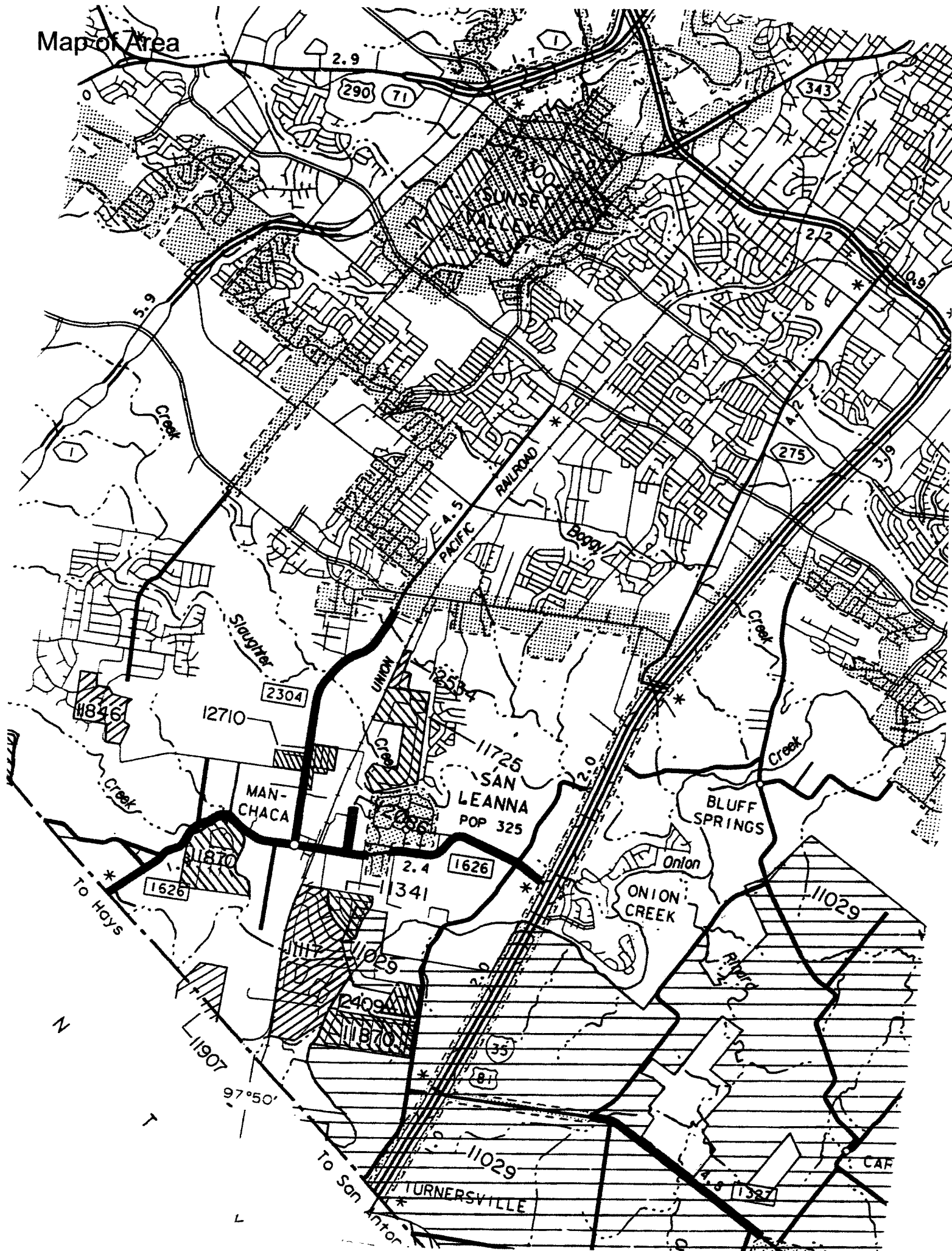
- ★ Texana Property
- 2 mi radius



The Service area is the 6.73 acres of the Mobile Home Community as shown on the plat here.



Map of Area



2.9

290 71

343

5.9

Creek

2.2

0.5

275

3.9

Slaughter

2304

12710

1846

UNION

1253

11725  
SAN  
LEANNA  
POP 325

MAN-  
CHACA

BLUFF  
SPRINGS

Onion  
ONION  
CREEK

11029

To Hoys

1626

11870

2.4

1626

1341

11029

12409

11907

35

81

N

97°50'

To San Antonio

11029  
TURNERSVILLE

CAF

11387

## Forest Oaks Village Residents Water Deposits

Lot ID	Name	Deposit Date [1]	Water Deposit
Lot #1	Thames, JoAnn		-
Lot #2	Terrazos, Gloria	Aug-26-2013	25.00
Lot #3	Breitkreutz , Thomas	Feb-23-2011	25.00
Lot #4	{Property Office}		
Lot #5	Hebel , Marie		
Lot #6	Hilton, Janet		
Lot #7	Miller, Keith	Mar-29-2012	25.00
Lot #8	Mujaddidi, V	Aug-26-2013	25.00
Lot #9	Torres, Nancy	Sep-15-2014	25.00
Lot #10	Ingels, Richard & Robin	Apr-08-2013	25.00
Lot #11	{Vacant}		
Lot #12	Bigsby, Linda		
Lot #13	Vargas, Adam & Belinda		
Lot #14	Norman, Allen	Apr-08-2013	25.00
Lot #15	Nunez, Anna	Aug-26-2013	25.00
Lot #16	McCann, Buddy		
Lot #17	Windequeth	Feb-15-2014	25.00
Lot #18	Perez, Silva	Sep-04-2014	25.00
Lot #19	Blackford, Richard	Sep-29-2014	25.00
Lot #20	Hernandez, Lucia	Aug-26-2013	25.00
Lot #21	WELL SITE		
Lot #22	Oglesbey , Bryan	May-29-2012	25.00
Lot #23	Diaz , Bertaldo		
Lot #24	Carroway		
Lot #25	Lucas , Kent		
Lot #26	King , Melba		
Lot #27	{Not Used}		
Lot #28	{Vacant}		
Lot #29	Johnson , Shirley		
Lot #30	Anderson, Brandt		
Lot #31	Marek, Donna		
Lot #32	McConnell, Scot		
Lot #33	{Not Used}		
<b>Total</b>			325.00

[1] Residents with excellent credit and/or a 2 year history of paying on time are not required to have a deposit.

## Water Utility Equipment

Item Type	Description	Size / Spec	Qty	Installed Year	Remaining Life		Replacement Parts	Replacement Labor	Repair Cost	Annual Depreciation	Depreciated	
					Life Yrs	Yrs						
<b>Well #1 &amp; Appurtenances</b>												
Well	Aquifer Well - PVC casing	450'	1	1982	45	12	\$ 3,000	\$ 27,000	\$ 30,000	666.7	22,000	
Well Pad	Cement skirting around well head	6'x6'	1	1982	40	7	\$ 1,000	\$ 800	\$ 1,800	45.0	1,485.0	
Well Pump	High performance well pump in well	18gpm	1	2009	12	6	\$ 800	\$ 2,000	\$ 2,800	233.3	1,400.0	
Flow Meter	{Missing}		1	2015	10	10	\$ 550	\$ 600	\$ 1,150	-	1,150.0	
Pump Control	Electrical Switch/Control Box	3 HP, 230V	1	2009	8	2	\$ 250	\$ 200	\$ 450	56.3	337.5	
Pressure Switch	Turns on pump when pressure goes low		1	2009	8	2	\$ 135	\$ 120	\$ 255	31.9	191.3	
Pressure Gage	Measures Pressure out of the well	0-100psi	1	2009	13	7	\$ 20	\$ 20	\$ 40	3.1	18.5	
Gate Valve	From well to water tanks/system	2"	1	2014	40	39	\$ 25	\$ 100	\$ 125	3.1	3.1	
Relief Valve	Pressure relief valve		1	2009	35	29	\$ 25	\$ 50	\$ 75	2.1	12.9	
Insulation	Protects from freezing		1	2014	7	6	\$ 50	\$ 50	\$ 100	14.3	14.3	
Electric Wiring	Conduited wiring to well		30	2014	10	9	\$ 2	\$ 3	\$ 150	15.0	15.0	
<b>Well #2 &amp; Appurtenances</b>												
Well	Aquifer Well - PVC casing	450'	1	1986	45	16	\$ 3,000	\$ 27,000	\$ 30,000	666.7	19,333.3	
Well Pad	Cement skirting around well head	6'x6'	1	1986	40	11	\$ 1,000	\$ 800	\$ 1,800	45.0	1,305.0	
Well Pump	High performance well pump in well	3.5" x 44"	1	2011	12	8	\$ 800	\$ 2,000	\$ 2,800	233.3	933.3	
Flow Meter	Main Well Meter		1	2012	10	7	\$ 500	\$ 300	\$ 800	80.0	240.0	
Pump Control	Electrical Switch/Control Box	3 HP, 230V	1	2014	8	7	\$ 230	\$ 310	\$ 540	67.5	67.5	
Pressure Switch	Turns on pump when pressure goes low	amp DPDT?	1	2014	8	7	\$ 135	\$ 120	\$ 255	31.9	31.9	
Pressure Gage	Measures Pressure out of the well - Glycerin	0-100psi	1	2014	13	12	\$ 20	\$ 20	\$ 40	3.1	3.1	
Gate Valve	From well to water tanks/system	2"	1	2014	40	39	\$ 25	\$ 100	\$ 125	3.1	3.1	
Relief Valve	Pressure relief valve		1	2009	35	29	\$ 25	\$ 50	\$ 75	2.1	12.9	
Insulation	Protects from freezing		1	2014	7	6	\$ 50	\$ 50	\$ 100	14.3	14.3	
Electric Wiring	Conduited wiring to well	guage-feet	20	2014	10	9	\$ 2	\$ 1	\$ 60	6.0	6.0	
<b>Pressurized Water Storage &amp; Appurtenances</b>												
Steel Tank	Big storage tank	26'4"x47"dia	1	1987	30	2	\$ 8,000	\$ 3,000	\$ 11,000	366.7	10,266.7	
Pressure Gage	Measures Pressure into main storage tank		1	1987	30	2	\$ 25	\$ 100	\$ 125	4.2	116.7	
Air Compressor	Manually Run To recharge the Level		1	2012	12	9	\$ 120	\$ 100	\$ 220	18.3	55.0	
Air Tubing	Copper tubing	1/4" x12'	1	2013	12	10	\$ 45	\$ 20	\$ 65	5.4	10.8	
Gate Valve	Brass Valve to air compressor	1.25"	1	2013	35	33	\$ 20	\$ 50	\$ 70	2.0	4.0	
Diaphragm Tank	36 gal drawdown at 30/50psi	116 gal	3	2014	30	29	\$ 1,251	\$ 100	\$ 4,053	135.1	135.1	
Piping	PVC	2" & 1.5"	1	2014	30	29	\$ 225	\$ 450	\$ 675	22.5	22.5	

## Water Utility Equipment

Item Type	Description	Size / Spec	Qty	Install Year	cted Remain			Total Repair Cost	Annual Depreciation	Depreciated	
					Life Yrs	Replacment Parts	Replacment Labor				
Integration Hardware	Electric Pipe Heater		1	2014	10	9	\$ 550	\$ 120	\$ 670	67.0	67.0
Electric Box	Circuit Breaker Box		1	2014	10	9	\$ 150	\$ 100	\$ 250	25.0	25.0
Pipes-Iron		2"	40	1987	30	2	\$ 1.6	\$ 2.0	\$ 144	4.8	134.4
Pipes-PVC		2"	110	2014	30	29	\$ 1.6	\$ 2.0	\$ 396	13.2	13.2
Valves-Brass		2"	3	1987	30	2	\$ 14.0	\$ 20.0	\$ 102	3.4	95.2
Valves-PVC		2"	5	2014	30	29	\$ 14.0	\$ 20.0	\$ 170	5.7	5.7
Gravel Bed			900	2014	30	29	\$ 0.4	\$ 0.1	\$ 450	15.0	15.0
Boundary Fence		25'x36'	122	1995	25	5	\$ 7.0	\$ 3.0	\$ 1,220	48.8	976.0
<b>Water Chlorination &amp; Appurtenances</b>											
Shed	Small room wooden shed	8'x8'	1	1983	35	3	\$ 500	\$ 500	\$ 1,000	28.6	914.3
Chlorination Tank	55 gallon plastic drum		1	2012	10	7	\$ 60	\$ 10	\$ 70	7.0	21.0
Clorination Pump			1	2013	15	13	\$ 251	\$ 50	\$ 301	20.1	40.1
Piping	Insulated pipe into system	1/4"	25	2014	30	29	\$ 3.0	\$ 1.0	\$ 100	3.3	3.3
Tubing	Plastic tube to draw chlorine solution	1/8"	10	2013	15	13	\$ 1.0	\$ 1.0	\$ 20	1.3	2.7
Electrical	Electrical outlets for pump		1	1987	35	7	\$ 2.0	\$ 20	\$ 22	0.6	17.6
Electrical	Light fixture and mounting		1	1987	35	7	\$ 20	\$ 20	\$ 40	1.1	32.0
Heater(s)	FreezeProof Bldg		1	2012	6	3	\$ 40	\$ -	\$ 40	6.7	20.0
<b>Residential Distribution</b>											
Flow Meter	Residential Water Meters	5/8"-3/4"	30	1989	40	14	\$ 175	\$ 100	\$ 8,250	206.3	5,362.5
Valve	Residential Water Valve	5/8"-3/4"	27	1989	40	14	\$ 50	\$ 20	\$ 1,890	47.3	1,228.5
Valve	Residential Water Valve	5/8"-3/4"	3	2012	40	37	\$ 50	\$ 20	\$ 210	5.3	15.8
Water Box	Residential Groud box for meter/valve		30	1989	40	14	\$ 30	\$ 30	\$ 1,800	45.0	1,170.0
Piping	PVC 2.5" pipe	2.5"	900	1987	40	12	\$ 2.0	\$ 2.0	\$ 3,600	90.0	2,520.0
Piping	PVC 2" pipe	2"	900	1987	40	12	\$ 1.0	\$ 2.0	\$ 2,700	67.5	1,890.0
Valves	Main Distribution Valves	2.5"	4	1987	40	12	\$ 80	\$ 60	\$ 560	14.0	392.0
<b>Total</b>	<b>Net Remaining Value</b>								<b>113,753</b>	<b>3,504.8</b>	<b>74,149.9</b>
											<b>39,603.4</b>

## Water Utility Equipment

Item Type	Description	Size / Spec	Qty	Install ed Year	cted Remaining Life Yrs	Replacem ent Parts	Replacem ent Labor	Total Repair Cost	Annual Deprecia tion	Depreciat ed
Equipment Recommended										
Well Water Gage	Plastic tubing to bottom of well	420"x1/4"	2	2018	20	\$ 50	\$ 250	\$ 600		Put in w/
Pump Protector	Highly Recommended by Inspector		2	2015	15	\$ 250	\$ 100	\$ 700		
Amp Meter			2	2015	15	\$ 30	\$ -	\$ 60		
Site Tube	Visualize Air/Water level in the big tank		1	2015	10	\$ 100	\$ 100	\$ 200		
Annodes	Attach to Steel Tank and other metal to contr	l corrosion	3	2015	5	\$ 15	\$ 35	\$ 150		
Labeling	Sigange/diagrams labels on valves		1	2015	5	\$ 20	\$ -	\$ 20		
Signage	Emergency Contact Sign	16"x24"	1	2015	2	\$ 30	\$ -	\$ 30		
								\$ 1,760		



# TEXAS WATER COMMISSION



## CERTIFICATE OF CONVENIENCE AND NECESSITY

To Provide Water Service Under V.T.C.A., Water Code  
and Texas Water Commission Substantive Rules

Certificate No. 12086

### I. Certificate Holder:

Name: Oak Forest Highlands, Inc.

Address: P. O. Box 184

Manhaca, Texas, 78652

### II. General Description and Location of Service Area:

The area covered by this certificate is located approximately 2 miles south of the City of Austin, Texas on Farm to Market Road 1626. The service area is generally bounded on the east by the Town of San Leanna, on the south by Farm to Market Road 1626, on the west by the Missouri Pacific Railroad and on the north by Slaughter Creek in Travis County.

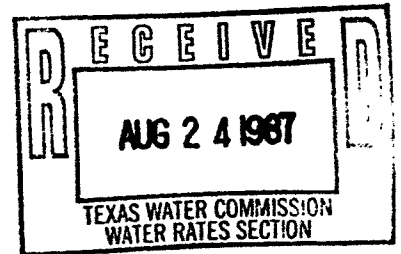
### III. Certificate Maps:

The certificate holder is authorized to provide water service in the area identified on the Commission's official water service area map, WRS-227, maintained in the offices of the Texas Water Commission, 1700 North Congress, Austin, Texas with all attendant privileges and obligations.

This certificate is issued subject to the rules and orders of the Commission, the laws of the State of Texas, conditions contained herein and may be revoked for violations thereof. The certificate is valid until amended or revoked by the Commission.

ISSUED this 20th day of January, 1988.

ATTEST: *Kevin A. Phillips* *B. V. H.* *[Signature]*  
For the Commission



WATER UTILITY TARIFF

FOR

Oak Forest Highlands, Inc. (Utility Name) 724 West F.M. 1626, P. O. Box 9, Manchaca, Texas 78652 (Business Address)
Manchaca (City) Texas (State) 78652 (Zip Code) (512) (Area Code) 282-3686 (Telephone No.)

This tariff is effective for utility operations under the following Certificate(s) of Convenience and Necessity:

Applied For CCN 12086

This tariff is effective in the following counties:

Travis County

This tariff is effective in the following cities or unincorporated towns (if any):

None -near the unincorporated town of Manchaca

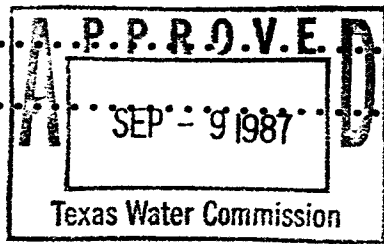
This tariff is effective in the following subdivisions or systems:

Serving the Forest Oaks Mobile Home Community

TABLE OF CONTENTS

The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

SECTION PAGE
1.0 RATE SCHEDULE... 2
2.0 SERVICE RULES... 3
3.0 EXTENSION POLICY... 9
4.0 WATER RATIONING PLAN... 11
APPENDIX A SERVICE AGREEMENTS... 15



FILMED APR 21 1988 SYSTEM 200

FILMED APR 21 1988 SYSTEM 200

SECTION 1.0--RATE SCHEDULE

Section 1.01--Rates

METER SIZE	Monthly Minimum Charge including <u>3,000</u> gallons	Gallonge Charge
5/8" or 3/4"	\$ <u>18.00</u> per month	\$ <u>**</u> . <u>    </u> per 1000 gallons
1"	\$ <u>25.00</u> per month	SAME FOR ALL SIZES
1 1/2"	\$ <u>35.00</u> per month	
2"	\$ <u>45.00</u> per month	
3" none	\$ <u>    .    </u> per month	
4" none	\$ <u>    .    </u> per month	

\*\* \$2.50 per thousand gallons over 3,000 gallons; \$3.00 per thousand gallons over 7,000 gallons; \$4.00 per thousand gallons over 15,000 gallons.

Section 1.2--Miscellaneous Fees

TAP FEE.....\$ 00 .       
 Tap fee is limited to the average of the Utility's actual costs for materials and labor for standard residential connections of 5/8" or 3/4" meter

RECONNECTION FEE.....\$ 15 . 00  
 The reconnect fee will be charged before service can be restored to a customer who has been disconnected at a) the customer's request, b) reasons listed under Section 2.0 of this tariff, or c) reasons listed in the Commission's Substantive Rules.

LATE CHARGE  
 A one-time penalty of \$1.00 or 5.0% whichever is larger may be made on delinquent bills. The penalty on delinquent bills may not be applied to any balance to which the penalty was applied in a previous billing.

RETURNED CHECK CHARGE.....\$ 15 . 00

CUSTOMER DEPOSIT (Maximum \$50).....\$ 25 . 00

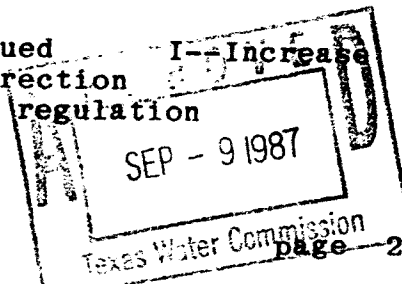
TO BECOME EFFECTIVE, THIS PAGE MUST BE STAMPED APPROVED BY THE TEXAS WATER COMMISSION

Key to Codes

- C--Regulation Change
- R--Reduction
- T--Change in text, but no change in regulation
- D--Discontinued
- E--Error Correction
- I--Increase
- N--New

FILMED

APR 21 1988  
 SYSTEM 200



## **WATER UTILITY / CCN ESCROW AND TRANSFER AGREEMENT**

This WATER UTILITY / CCN ESCROW AND TRANSFER AGREEMENT ("Agreement") is made and entered into this 2<sup>nd</sup> day of January, 2015 ("Effective Date") by and between OAK FOREST HIGHLANDS, INC., a Texas corporation ("OFH") and FOREST OAKS MOBILE HOMES, LLC, a Texas limited liability company ("FOM").

Whereas OFH currently holds and has held since 1988 a Certificate of Convenience and Necessity License (CCN), having a license #12086 and more specifically described on Exhibit "A" and attached hereto; And

Whereas OFH, with the CCN license, currently provides for water service, and has done so since 1988, to residents at Forest Oaks Mobile Home Community (MHC), located at 724 West FM 1626, Austin, TX 78748, and more specifically described on Exhibit "B" legal description attached hereto; AND

Whereas OFH desires and agrees to transfer the CCN license to FOM and FOM desires and agrees to receive from OFH the CCN license; AND

Whereas OFH and FOM jointly desire to complete the application and transfer process of the CCN license with expediency.

1. Water Utility and CCN. The property being conveyed and transferred is the water service that services MHC, including the transfer of that certain CCN held by OFH described on Exhibit "A" attached hereto and incorporated herein.

2. Escrow Transfer Deposit. FOM has deposited \$20,000.00 with Ishmael Law Firm, P.C. ("Escrow Agent") and FOM and Escrow Agent agrees to release these funds to OFH upon the official transfer of the CCN by the Public Utility Commission.

3. Water Utility. Prior to the Effective Date, OFH has provided water service since 1988 to the MHC pursuant to the CCN. Subject to the terms and conditions set forth in this Agreement: (i) from the Effective Date until the date the CCN is transferred to FOM (the "Transfer Date"), OFH will continue to provide water service to MHC and (ii) from the Effective Date until the Transfer Date, OFH and FOM will use best efforts to obtain Public Utility Commission approval for transferring the CCN from OFH to FOM.

4. Water Utility Operation. From and after the Effective Date, OFH will promptly and in good faith complete and file all necessary documents with the appropriate agencies, including the submittal of the required monthly bacteriological samples to the State Health Department. FOM will reimburse OFH or pay for all cost and expense, including, but not limited to, meter reading, billing, testing and monitoring. Each party will provide to the other party written evidence of the performance of such tasks assigned to such party. FOM will indemnify, defend and protect OFH and hold OFH harmless from and against any and all obligations, liabilities, claims, losses, damages, demands, actions, causes of action, costs, and expenses (including, without limitation, reasonable attorneys' fees, charges and disbursements) arising out of or in connection with or in any way related to the water utility from and after the Effective Date. OFH will cooperate with

FOM, at no cost to OFH, to assist FOM in the transferring of the CCN to FOM.

5. Closing Date. The date upon which the CCN is transferred to FOM shall be the Closing Date, provided however the transfer shall take place no later than September 1, 2015, unless agreed to in writing by and between OFH and FOM, which request to extend the closing date shall not be unreasonably withheld.

6. Notices. Any notice, communication, request, reply or advice (severally and collectively referred to as "Notice") in this Agreement provided or permitted to be given, made or accepted by either party to the other must be in writing. Notice may, unless otherwise provided herein, be given or served: (i) by depositing the same in the United States Mail, certified, with return receipt requested, addressed to the party to be notified and with all charges prepaid; or (ii) by depositing the same with Federal Express or another service guaranteeing "next day delivery", addressed to the party to be notified and with all charges prepaid; or (iii) by delivering the same to such party, or an agent of such party by telecopy or by hand delivery. Notice deposited in the United States mail in the manner hereinabove described shall be deemed effective from and after the earlier of the date of actual receipt or three (3) days after the date of such deposit. Notice given in any other manner shall be effective only if and when received by the party to be notified. For the purposes of notice, the addresses of the parties shall, until changed as provided below, be as follows:

If to OFH:                      Oak Forest Highlands, Inc.  
   P.O. Box 9  
   Manchaca, Texas 78652  
   Attn: Mrs. Delores  
   Griffin, Vice President  
   [deleongrif@sbcglobal.net](mailto:deleongrif@sbcglobal.net)

With a copy to:                Kimberly S. Beckham  
   Armbrust & Brown, PLLC  
   100 Congress, Suite 1300  
   Austin, Texas 78701  
   Telecopy No.: (512) 435-  
   2360

If to FOM:                        Forest Oaks Mobile Homes  
   LLC  
   1120 N. Main Street  
   Rochester, Michigan 48307  
   Attn: Mr. Steven R. Ureel  
   Telecopy No.: (248) 601-8404  
   [sureel@webuyparks.com](mailto:sureel@webuyparks.com)

If to FOM: Forest Oaks Mobile Homes LLC  
724 W. FM 1626, Lot #4  
Austin, TX 78748  
Attn: Mr. Palmer Stevens  
[palmer.stevens@gmail.com](mailto:palmer.stevens@gmail.com)

With a copy to: Ishmael Law Firm, PC  
3009 N. Lamar Blvd.  
Austin, Texas 78705  
Ralph Edward Ishmael, Jr.  
Email: [ed.ishmael@ilawpc.com](mailto:ed.ishmael@ilawpc.com)

The parties hereto shall have the right from time to time to change their respective addresses, and each shall have the right to specify as its address any other address within the United States of America by at least five (5) days written notice to the other party. If any date or any period provided in this Agreement ends on a Saturday, Sunday or legal holiday, the applicable period shall be extended to the first business day following such Saturday, Sunday or legal holiday..

7. Choice of Laws; Cumulative Rights. This Agreement shall be construed and regulated under, and their validity and effect shall be determined by, the laws of the State of Texas, including its conflict of law rules.

8. Severability. If one or more of the provisions hereof shall for any reason be held to be invalid, illegal or unenforceable in any respect under applicable law, such invalidity, illegality or unenforceability shall not affect any other provisions hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

9. General. The section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The terms and provisions of this Agreement constitute the entire agreement between the parties hereto. This Agreement or any provision hereof may be amended, modified, waived or terminated only by written instrument duly signed by the parties hereto or their successors and assigns. This Agreement shall inure to the benefit of and be binding upon the parties hereto, and their respective heirs, devisees, executors, administrators, personal representatives, successors, trustees, receivers and assigns. Nothing in this Agreement, express or implied, is intended to confer upon any other person rights or remedies under or by reason of this Agreement. This Agreement is intended to be performed in the State of Texas and shall be construed and enforced in accordance with the laws of such State.

*(the remainder of this page is intentionally left blank)*

IN WITNESS WHEREOF, the parties have executed this Agreement in multiple counterparts, each of which is and shall be considered an original for all intents and purposes, effective as of the date above.

**OAK FOREST HIGHLANDS, INC.,**  
a Texas corporation

By:   
Leon Griffin, President

**FOREST OAKS MOBILE HOMES LLC,**  
a Texas limited liability company

By:   
Palmer Stevens, Manager

By:   
Steve Ureel, Manager

**EXHIBIT "A"**

Certificate of Convenience and Necessity Number 12086 dated January 20, 1988.

**TEXAS WATER COMMISSION**



**CERTIFICATE OF CONVENIENCE AND NECESSITY**

To Provide Water Service Under V.T.C.A., Water Code  
and Texas Water Commission Substantive Rules

Certificate No. 12086

**I. Certificate Holder:**

Name: Oak Forest Highlands, Inc.

Address: P. O. Box 184

Manchaca, Texas, 78652

**II. General Description and Location of Service Area:**

The area covered by this certificate is located approximately 2 miles south of the City of Austin, Texas on Farm to Market Road 1626. The service area is generally bounded on the east by the Town of San Leanna, on the south by Farm to Market Road 1626, on the west by the Missouri Pacific Railroad and on the north by Slaughter Creek in Travis County.

**III. Certificate Maps:**

The certificate holder is authorized to provide water service in the area identified on the Commission's official water service area map, WRS-227, maintained in the offices of the Texas Water Commission, 1700 North Congress, Austin, Texas with all attendant privileges and obligations.

This certificate is issued subject to the rules and orders of the Commission, the laws of the State of Texas, conditions contained herein and may be revoked for violations thereof. The certificate is valid until amended or revoked by the Commission.

ISSUED this 20th day of January, 19 88.

ATTEST: Karen A. Phillips D.V.H.  
For the Commission



**EXHIBIT "B"**

Forest Oaks Village Mobile Home Community consists of a tract of land containing 6.73 acres. It is situated in the WALKER WILSON LEAGUE, SURVEY NO. 2, ABSTRACT NO. 27, in Travis County, Texas, and being the same property conveyed in Warranty Deed recorded in Volume 12093, Page 3168, Real Property Records, Travis County.

