

Control Number: 44950



Item Number: 8

Addendum StartPage: 0



140 East Tyler Street, Suite 600 Longview, TX 75601 903.236.7700

7015 SEP 17 AHII: 39

via email and UPS delivery

September 17, 2015

Central Records **Public Utility Commission of Texas**1701 N. Congress Ave.

Austin, TX 78701

Re: City of Mount Pleasant

CCN Amendment Application, Docket No. 44950

Request for Additional Information

To Whom It May Concern:

The purpose of this letter is to respond to your request memorandum dated August 17, 2015 for the referenced CCN amendment application. A copy of the memorandum has been attached for your reference. Enclosed are one unbound original, one unbound copy and eight (8) bound copies of the responses to your request for additional information regarding the referenced CCN amendment application, Docket No. 44950, for your review.

If you have any questions or require additional information, please advise.

Sincerely,

KSA

Christopher B. Aylor, P.E. Senior Project Engineer

CBA/AMA/ss

Enclosures

pc: Mike Ahrens CPM, City of Mount Pleasant

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PUC-TEXAS

Aug 17 2015 12:04:57 512-936-7069

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CONTINJATION OF INTERRUPTED FACSIMILE TRANSMISSION Job Number: 1657472234-008-1

4 of 6 pages (excluding this cover sheet) were previously delivered at: Mon 17 Aug 2015 12:02:47 PM EDT

PUC Interoffice Memorandum

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To:

Alexander Petak

Legal Division

Thru:

Lisa Fuentes, Team Leader Water Utilities Division

From:

Fred Bednarski, Financial & Managerial Review Specialist

Tracy Harbour, GIS Specialist

Water Utilities Division

Date:

August 17, 2015

Subject:

Docket No. 44950; Application of City of Mount Pleasant to amend its

Water and Sewer Certificate of Convenience and Necessity (CCN) Nos. for TRI Special Utility District (SUD) to decertify a portion of their Water

CCN No. 10402 held in Titus County.

The City of Mount Pleasant (Applicant) filed an application to amend its Water and Sewer Certificate of Convenience and Necessity (CCN) Nos. 10509 and 20196 and TRI SUD to decertify a portion of their Water CCN No 10402 held in Titus County. The application was reviewed pursuant to 16 Tex. Admin. Code §§ 24.8 and 24.102-24.106 (TAC) and Tex. Water Code § 13.246(c) (TWC).

The purpose of the application is for the Applicant to add uncertificated water and sewer service area to their CCN boundaries and to decertify a portion of water service area of

Based upon staff's review of the information in the application, the application is deficient in mapping and application content. In order to continue processing the application, we recommend the Applicant provide the requested information within 30 days from the date of the Commission order.

Mapping Content

Portions of the proposed water and sewer service areas requested in this application include service areas already certificated to the Applicant. The Applicant should use the PUC's official CCN data to verify their existing water and sewer certificated areas. The Applicant must submit revised small and large scale maps and digital data for the proposed water and sewer service areas that do not include the area the Applicant is already certificated to. The Applicant should be ordered to provide the following:

- 1. Revised small scale (general location) maps for both the proposed water and sewer service areas only delineating proposed service areas with enough detail to accurately locate the service areas in the vicinity of the nearest city, town or
 - o One small scale map showing the entire proposed water service areas; and
 - o One small scale map showing the entire proposed sewer service areas.

2. Revised large scale (detail) maps only delineating the proposed water and sewer service areas with enough detail to accurately locate the proposed service areas in the vicinity of surrounding roads, streets and highways.

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- o Clearly label the proposed service areas to be amended to the City of Mount Pleasant's water and sewer CCN as either the "proposed water," "proposed sewer," or "water CCN to transfer" from Tri County SUD's to the City of Mount Pleasant.
- o Clearly mark the proposed water and sewer service areas with the same colored outer boundary. Do not show city limit boundaries on any maps.
- 3. Revised digital data including both the proposed water and sewer service areas in either a drawing (DWG) or shapefile (SHP) format on a data disk (CD), which corresponds to the same proposed water and sewer service areas as shown on all hard copy maps.
 - o The proposed digital data must include the projection or coordinate system used to create the digital data.
 - If submitting an AutoCAD drawing (DWG) formatted file, include the coordinate system in a text file or add to the label on the CD.
 - If submitting a SHP formatted file, include the projection (PRJ) file.
 - Submit two CD's labeled with the utility name and docket number assigned.
 - o Label the polygons or polylines as either "proposed water," "proposed sewer," or "water CCN to transfer" from Tri County SUD's to the City of Mount Pleasant.
 - Submit the updated acreage for the entire proposed water and sewer service areas, after the removal of service areas already certificated to the City of Mount Pleasant.

Application Content

The application did not include the required information listed below. The Applicant should be ordered to provide the following:

- 4. The Signed agreement between the City of Mount Pleasant and TRI SUD.
- 5. A detailed map indicating the location of existing customers in the proposed, uncertificated service areas.

Technical Review

The following information will be necessary for the Staff's technical review. The Applicant should be ordered to provide the following:

- 6. Approval documentation, such as board meeting minutes, from TRI SUD agreeing to the decertification.
- 7. Documentation indicating the City of Mount Pleasant has the capacity to serve the additional 47 customers.
- 8. Documentation regarding the status of the outstanding Texas Commission on Environmental Quality (TCEQ) water system violations.
- 9. Documentation regarding how the wastewater plant parameter exceedances will be resolved with TCEO.
- 10. Missing pages of the financial report submitted (odd numbered pages)
- 11. 5 year projected financial statements or an approved budget.

ATTACHMENT 1

PROPOSED SEWER AND WATER SERVICE AREAS

GENERAL LOCATION MAPS

(Reference Item 1)

OVERSIZED DOCUMENTS

MAPS

TO VIEW OVERSIZED DOCUMENTS PLEASE GO TO CENTRAL RECORDS

512-936-7180

ATTACHMENT 2

PROPOSED SEWER AND WATER SERVICE AREA MAPS

(Reference Item 2)

OVERSIZED DOCUMENTS

MAPS

TO VIEW OVERSIZED DOCUMENTS PLEASE GO TO CENTRAL RECORDS

512-936-7180

ATTACHMENT 3
PROJECTABLE DIGITAL DATA
TWO (2) CD'S ATTACHED

(Reference Item 3)

City of Mount Pleasant

CCN Amendment Application, Docket No. 44950 Water CCN No. - 10509 Sewer CCN No. - 20196

Item 3 – Revised digital data including <u>both</u> the proposed water and sewer service areas in either a drawing (DWG) or shapefile (SHP) format on a data disk (CD), which corresponds to the same proposed water and sewer service areas as shown on all hard copy maps.

Included on each data disk (CD) are a drawing (DWG) file and a shapefile (SHP) with the proposed water and sewer service areas shown as requested in the official PUC Memorandum.

ATTACHMENT 4

EXECUTED AGREEMENTS BETWEEN THE CITY OF MOUNT PLEASANT AND TRI SUD FOR ANNEXATION OF THE PROPOSED AREAS

(Reference Items 4 and 6)

CITY OF MOUNT PLEASANT

ANNEXED AREA WATER SERVICE AGREEMENT

THIS AGREEMENT is entered into by and between TRI SPECIAL UTILITY DISTRICT, hereinafter called "TRI-SUD", and CITY OF MOUNT PLEASANT, a municipality located in Titus County, Texas, hereinafter called "CITY".

NOW, THEREFORE, in consideration thereto, the parties agree as follows:

- Purchase of Assets. CITY shall purchase from TRI-SUD the right to serve that area described in Exhibit "A", hereinafter called "annexed area", with water along with water lines, meters, valves, fire hydrants, meter boxes and easements belonging to TRI-SUD located in the annexed area.
- 2. Purchase Price. The purchase price for all those items described in section 1 shall be the sum of \$179,215.00. In the event additional customers are added by TRI-SUD prior to the consummation of this agreement, the purchase price shall be adjusted by the number of customers added, multiplied by \$1,600.00 per customer. The purchase price for those items described in section 1 shall be payable in cash at closing or, at the option of the parties, may be satisfied by giving credit on those amounts owed by TRI-SUD to the CITY for payment for water sales between the parties.
- 3. <u>Warranties and Representations of TRI-SUD</u>. TRI-SUD hereby warrants and represents to the CITY that:
 - (a) Any financial records or representations of financial position which are provided to the CITY shall truthfully set forth all liabilities, assets and other matters pertaining to TRI-SUD's operations in the annexed area. Furthermore, that there have been no material changes in the financial condition of TRI-SUD limited to that area of water service in the annexed area.
 - (b) TRI-SUD has good and marketable title to all the assets described in section 1 which are being transferred and has full right to sell or dispose of those items as TRI-SUD may choose, and no other person or entity whatsoever have any claim, right, title, interest or lien in, to or on those assets or items described in section 1.
 - (c) This purchase by the CITY has been approved by the governing body of TRI-SUD at a meeting of its governing body in which proper notice was given to the public and appropriate officials of TRI-SUD were authorized to sign all documents of conveyance.
 - (d) No litigation, actions or proceedings, legal, equitable, administrative, through arbitration or otherwise, are pending or threatened which might affect those items described in section 1, or the consummation of the purchase and sale described in this agreement.
 - (e) TRI-SUD owes no obligations and has contracted no liabilities affecting said items listed in section 1 or which might affect the consummation of the purchase and sale described in this agreement, and there are not liens, whether recorded or unrecorded, which would affect those items described in section 1.

- 4. Warranties and Representations of CITY. CITY hereby warrants and represents to TRI-SUD that:
 - (a) This purchase by CITY has been approved by the governing body of the CITY at a meeting of its governing body in which proper notice was given to the public and appropriate officials of CITY were authorized to sign all documents of conveyance.
 - (b) The annexed areas were duly annexed and incorporated into the corporate limits of the CITY by Ordinance No. <u>2014-15</u>, approved <u>October 20</u>, <u>2014</u>, by the City Council of the City of Mount Pleasant.
- 5. <u>Consummation of Sale</u>. The sale and purchase described in this agreement shall be consummate at City Hall, City of Mount Pleasant, Texas, at <u>10:00 am</u>, on <u>March 17</u>, <u>2015</u>, or, if necessary, may be extended by agreement of the parties.
- Condition of Assets. CITY agrees with and represents to TRI-SUD that the assets as described in section 1 have been inspected by CITY and/ or its agents; and CITY has communicated no objection to the condition of any of the assets of TRI-SUD.
- 7. Indemnity by CITY. CITY shall indemnify and hold TRI-SUD and the property of TRI-SUD free and harmless from any and all claims, losses, damages, injuries and liabilities, including reasonable attorney's fees arising from the CITY's use of those items described in section 1, after the consummation of the purchase and sale described in this agreement.
- 8. Indemnity by TRI-SUD. TRI-SUD shall indemnify and hold CITY and the property of CITY free and harmless from any and all claims, losses, damages, injuries and liabilities, including reasonable attorney's fees arising from or on account of TRI-SUD's use and ownership of any of those items described in section 1, which occur prior to the consummation of the purchase and sale described in this agreement.
- 9. Assignment of Easements by TRI-SUD. TRI-SUD shall transfer and assign all its right, title and interest in those water line easements presently owned by it in the annexed area. A summary of those easements is attached to this agreement as Exhibit "B". CITY shall pay all recording fees incurred in the transfer of easements.
- 10. Satisfaction of All Regulatory Requirements Necessary to Transfer Service Area to CITY. It is the intent of this agreement to satisfy all the notice and filing requirements of Section 13.255 of the Texas Water Code regarding a single certification in incorporated or annexed areas. This agreement shall serve under the respective Water Code sections and regulations accompanying those sections as an amendment to the respective Certificates of Convenience and Necessity of each party. TRI-SUD presently serves the area under CCN No. 10402 and the CITY is the holder of CCN No. 10509, which serves the area adjacent to the annexed area. TRI-SUD, upon the consummation of this agreement, relinquishes all rights to serve the annexed area with water and gives its approval and permission for the CITY to serve the area with water services. The parties agree that the CITY shall be the sole provider for water services in the annexed area and that TRI-SUD shall have no further interest under its present Certificate of Convenience and Necessity to service this area.
- 11. <u>Sole Agreement</u>. This agreement constitutes the sale and only agreement between TRI-SUD and CITY respecting the sale and purchase described in this agreement, and correctly sets forth the obligations of TRI-SUD and CITY to each other as of its date. Any agreements or representations respecting the items described in section 1 not expressly set forth herein are null and void.

- 12. <u>Notices</u>. Any and all notices or other communications required or permitted by this agreement or by law to be served on or given to either party hereto, CITY or TRI-SUD, by the other party to this agreement, shall be in writing and shall be deemed duly served on the date personally served at the addresses shown by the signatures hereto. Either party may change the party's address for the purpose of this section by giving the other party written notice of the new address in the manner set forth above.
- 13. Attorney's Fees. Should any litigation be commenced between the parties to this agreement concerning said purchase, this agreement, or the rights and duties of either in relation thereto, the party, either CITY or TRI-SUD, prevailing in such litigation, shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for attorney's fees in such litigation which shall be determined by the court in such litigation, or in a separate action for that purpose.
- 14. <u>Binding Effect</u>. This agreement shall be binding on and shall inure to the benefit of the successors and assigns of the parties hereto.
- 15. <u>Governing Law</u>. This agreement shall be governed by and construed in accordance with the laws of the State of Texas.
- 16. <u>Authority</u>. Each party executing this agreement warrants his authority to execute this agreement.
- 17. Severability and Reformation. Any provisions of this agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. If any provision of this agreement is held to be invalid or unenforceable under present or future laws effective during the terms hereof, in lieu of such invalid of unenforceable provision, there shall be added automatically as a part of this agreement a provision similar in terms to such invalid or unenforceable provision as may be possible and be legal, valid and enforceable.
- 18. <u>Amendments</u>. This agreement may be amended only by a written agreement executed by all of the parties hereto.
- 19. <u>Counterparts</u>. This agreement may be executed in several counterparts, and it shall not be necessary for each party to execute each of such counterparts, but when each of the parties shall have executed and delivered one of such counterparts, the counterparts, when taken together, shall be deemed to constitute one and the same instrument, enforceable against each party in accordance with its terms.
- 20. <u>Extension of Warranties and Representations</u>. All warranties and representations made by the parties shall extend beyond the date of closing and shall be binding on the parties.
- 21. <u>Effective Date</u>. For purposes of this agreement, the effective date for transfer of water service to the CITY shall be <u>March 17</u>, <u>2015</u>.

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| IN WITNESS WHEREOF, the parties hereto have cause <u>March</u> , <u>2015</u> . | ed this agreement to be executed on the 17 th day of |
|---|--|
| By: Puthalisson Keitha Nilsson | Board President |
| AFJEST: SUNDE CLYMB Brenda Reynolds, City Secretary | BY: Paul Meriwether, Mayor |
| THE STATE OF TEXAS * COUNTY OF TITUS * | |
| SUBSCRIBED AND SWORN TO BEFORE ME, the of April 2015, by Cい・Forsyt Utility District, for and on behalf of said corporation, ar | h Prosident of Tri Special |
| THE STATE OF TEXAS * COUNTY OF TITUS * | NOTARY PUBLIC AARON GANN Notary Public State of Texas Commission Expires MARCH 30, 2017 |
| SUBSCRIBED AND SWORN TO BEFORE ME, the of <u>March</u> , 2015, by <u>Paul O, Me</u> Utility District, for and on behalf of said corporation, and the Pleasant | undersigned authority, on this the 16th day riwether, Mayor of Tri Special City of d in the capacity for the purpose stated. |
| DARLEEN D. DENMAN Notary Public State of Texas Commission Expires OCTOBER 11, 2016 | NOTARY PUBLIC |

EXHIBIT "A"

DESCRIPTION



LEGAL DESCRIPTION - TRACT NO. 1

Being a lot, tract, or parcel of land situated in Titus County, Texas, and being all of Titus Co Appraisal District ID Numbers: 7903, 11937, 297777, 7899, 7898, 7900, 12364, 12374, 7906, 7910, 7909, 7907, 9268, 4825, 255531, 255532, 251075, 291223, 4827, 4824, 8537, 4831, 9269, 4832, 4834, 4835, 8534, 10056, 10058, 9270, 8533, 8530, 293536, 3645, 3647, 103577, 3648, 3650, 3652, 3653, 3651, 3649, 105241, 3656, 3658, 3659, 3658, 3660, 3654, 7062, 7058, 4059, 7060, 3673, 3672, 3675, 3676, 7063, 7064, 4768, 4767, 105275, 4766, 4764, 4765, 4762, 290703, 4761, 4759, 4760, 4905, 4904, and being part Titus Co Appraisal District ID Numbers: 7901, 12360, 12359, 610027089, 610027118, 610027120, 9272, 9271, 8533, 104395, 104610, 3669, 3671, 10046, 3674, 7063, 5361, US 271 Bypass, Farm To Market No. 899, Farm To Market No. 127, and a railroad right of way, and being based on existing deeds and appraisal district locations of tract lines, no field work was performed to described this tract of land, and being more particularly described by metes and bounds as follows:

BEGINNING at a point for corner at an ell corner of the existing city limits line just South of W. Ferguson Rd, said point being in the East line of the remainder of a called 6 acre tract conveyed to J.C. Capel et ux, by deed as recorded in Volume 468, Page 689, Deed Records, Titus County, Texas;

THENCE, with said existing city limits, the following courses and distances, (there is no monument found or set at the end of each call):

THENCE, South 02 Degrees 42 Minutes 55 Seconds West, a distance of 353.69 feet; THENCE, South 00 Degrees 29 Minutes 09 Seconds East, a distance of 1066.95 feet; THENCE, North 77 Degrees 34 Minutes 00 Seconds East, a distance of 109.18 feet; THENCE, South 11 Degrees 50 Minutes 40 Seconds West, a distance of 717.90 feet; THENCE, North 87 Degrees 57 Minutes 03 Seconds West, a distance of 204.28 feet; THENCE, South 01 Degrees 13 Minutes 57 Seconds West, a distance of 553.87 feet; THENCE, North 88 Degrees 08 Minutes 51 Seconds West, a distance of 301.00 feet; THENCE, South 11 Degrees 53 Minutes 03 Seconds West, a distance of 640.11 feet; THENCE, South 76 Degrees 14 Minutes 35 Seconds East, a distance of 3657.05 feet; THENCE, South 06 Degrees 37 Minutes 03 Seconds West, a distance of 629.70 feet; THENCE, South 47 Degrees 40 Minutes 59 Seconds West, a distance of 131.75 feet; THENCE, North 87 Degrees 32 Minutes 28 Seconds West, a distance of 992.47 feet; THENCE, South 00 Degrees 29 Minutes 25 Seconds West, a distance of 789.78 feet; THENCE, South 60 Degrees 01 Minutes 16 Seconds West, a distance of 492.46 feet; THENCE, South 01 Degrees 12 Minutes 41 Seconds West, a distance of 2072.06 feet; THENCE, South 88 Degrees 09 Minutes 01 Seconds East, a distance of 1920.32 feet; THENCE, South 02 Degrees 44 Minutes 54 Seconds West, a distance of 39.96 feet; THENCE, South 87 Degrees 47 Minutes 30 Seconds East, a distance of 411.59 feet; THENCE, South 02 Degrees 45 Minutes 12 Seconds West, a distance of 2120.00 feet; THENCE, South 88 Degrees 42 Minutes 56 Seconds East, a distance of 1362.91 feet; THENCE, South 01 Degrees 40 Minutes 57 Seconds West, a distance of 1600.00 feet; THENCE, South 49 Degrees 08 Minutes 41 Seconds West, a distance of 2211.30 feet;

December 11, 2014

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THENCE, South 88 Degrees 13 Minutes 23 Seconds West, a distance of 53.32 feet; THENCE, South 87 Degrees 02 Minutes 50 Seconds West, a distance of 276.29 feet; THENCE, South 87 Degrees 25 Minutes 45 Seconds East, a distance of 646.59 feet; THENCE, South 21 Degrees 04 Minutes 56 Seconds East, a distance of 627.24 feet; THENCE, South 88 Degrees 14 Minutes 46 Seconds East, a distance of 492.05 feet; THENCE, South 02 Degrees 17 Minutes 12 Seconds East, a distance of 6914.54 feet; THENCE, South 16 Degrees 23 Minutes 39 Seconds West, a distance of 917.99 feet; THENCE, North 89 Degrees 01 Minutes 05 Seconds West, a distance of 843.44 feet to a point for corner in the South line of a called 136.03 acre tract, called Exhibit A-3, conveyed to PMCI Properties II, LP, by deed as recorded in File No. 201300000034, Real Property Records, Titus County, Texas, and the North line of the remainder of a called 84.574 acre tract conveyed to The City of Mt. Pleasant, TX Industrial Development Corporation, by deed as recorded in Volume 1841, Page 429, Real Property Records, Titus County, Texas;

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THENCE, North 01 Degrees 01 Minutes 16 Seconds East, with a division line, and passing an ell corner of said 136.03 acre tract, and the Southeast corner of a called 50 acre tract, called Second Tract, conveyed to William Priefert, by deed as recorded in Volume 929, Page 166, Real Property Records, County, Texas, and continuing on and passing the Northeast corner of said 50 are tract, and the Southeast corner of a called 72 acre tract, called Third Tract, conveyed to William Priefert, by deed as recorded in Volume 929, Page 166, Real Property Records, County, Texas, and continuing on for a total distance of 3672.16 feet to a point for corner at the Southwest corner of App Dist ID No. 3680;

THENCE, South 88 Degrees 36 Minutes 21 Seconds East, with the South line of said 3680, a distance of 234.68 feet to a point for corner;

THENCE, North 02 Degrees 54 Minutes 58 Seconds East, with the East line of said 3680, a distance of 261.19 feet to a point for corner;

THENCE, North 88 Degrees 36 Minutes 10 Seconds West, with the North line of said 3680, a distance of 242.31 feet to a point for corner in the East line of said 72 acre tract;

THENCE, North 01 Degrees 14 Minutes 30 Seconds East, with the East line of said 723 acre tract, and passing the Northeast corner of said 72 acre tract, and the Southeast corner of a called 16.74 are tract conveyed to The 2005 Edward Dean Priefert PMC Trust, by deed as recorded in File No. 20103940, Real Property Records, Titus County, Texas, and continuing on for a total distance of 610.54 feet to a point for corner at the Northwest corner of a called 5.152 acre tract, called Second Tract, conveyed to PMCI Properties II, LP, by deed as recorded in File No. 20130034, Real Property Records, Titus County, Texas, and the Southwest corner of a called 31.49 acre tract, called Case Farm – First Tract, conveyed to William Priefert, Trustee, by deed as recorded in Volume 1498, Page 124, Real Property Records, Titus County, Texas;

December 11, 2014
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THENCE, South 88 Degrees 37 Minutes 24 Seconds East, with the North line of said 5.152 acre tract, and the South line of said 31.49 acre tract, a distance of 452.82 feet to a point for corner at the Southern most Southeast corner of said 31.49 acre tract, and the Southwest corner of a called Case Farm – First Tract (B), conveyed to William Priefert, Trustee, by deed as recorded in Volume 1498, Page 124, Real Property Records, Titus County, Texas;

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THENCE, North 00 Degrees 22 Minutes 02 Seconds East, with an East line of said 31.49 acre tract, and the West line of said First Tract, and passing the Northwest corner of said First Tract, and continuing on for a total distance of 876.89 feet to a point for corner just South of County Road No. 2042;

THENCE, North 87 Degrees 48 Minutes 18 Seconds West, a distance of 439.50 feet to a point for corner in the West line of said 31.49 acre tract, and the East line of the remainder of a called 49.593 acre tract conveyed to The 2005 Edward Dean Priefert PMC Trust, by deed as recorded in File No. 20112524, Real Property Records, Titus County, Texas;

THENCE, North 43 Degrees 04 Minutes 14 Seconds West, across said 49.593 acre tract, and passing the North line of said 49.593 acre tract, and continuing on for a total distance of 4565.52 feet to a point for corner in the North line of a called 279 acre tract, called Anderson Farm — Fourth Tract, conveyed to William Priefert, Trustee, by deed as recorded in Volume 1498, Page 124, Real Property Records, County, Texas, and the South line of a called 73.50 acre tract conveyed to Manuel Copeland, by deed as recorded in Volume 1510, Page 234, Real Property Records, Titus County, Texas;

THENCE, North 87 Degrees 58 Minutes 54 Seconds West, with the South line of said 73.50 acre tract, and the North line of said 279 acre tract, a distance of 636.50 feet to a point for corner at the Southwest corner of said 73.50 acre tract, and the Southeast corner of a called 31.99 acre tract conveyed to William Priefert, by deed as recorded in Volume 1588, Page 164, Real Property Records, Titus County, Texas;

THENCE, North 03 Degrees 01 Minutes 58 Seconds East, with the West line of said 73.50 acre tract, and the East line of said 31.99 acre tract, a distance of 257.07 feet to a point for corner;

THENCE, North 43 Degrees 04 Minutes 14 Seconds West, across said 31.99 acre tract, a distance of 397.61 feet to a point for corner;

THENCE, North 39 Degrees 49 Minutes 30 Seconds West, across said 31.99 acre tract, and passing the North line of said 31.99 acre tract, and the South line of a called 73.50 acre tract conveyed to William Priefert, by deed as recorded in Volume 1558, Page 184, Real Property Records, Titus County, Texas, and continuing on for a total distance of a distance of 668.09 feet to a point for corner;

December 11, 2014
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THENCE, North 33 Degrees 24 Minutes 42 Seconds West, across said 73.50 acre tract, Priefert, a distance of 652.00 feet to a point for corner;

THENCE, North 29 Degrees 36 Minutes 27 Seconds West, across said 73.50 acre tract, and passing the North line of said 73.50 acre tract, Priefert, and the South line of the remainder of a called 25.00 acre tract conveyed to James Crabb et ux, by deed as recorded in Volume 842, Page 130, Real Property Records, Titus County, Texas, and continuing on for a total distance of 913.03 feet to a point for corner in the West line of the remainder of said 25.00 acre tract, and the East line of a called 118 acre tract, called Tract No. 3, conveyed to Thomas Caldwell III, by deed as recorded in Volume 295, Page 439, Deed Records, Titus County, Texas;

THENCE, North 02 Degrees 21 Minutes 56 Seconds East, with the West line of the remainder of said 25.00 acre tract, and the East line of said 118 acre tract, and passing the Northwest corner of the remainder of said 25.00 acre tract, and the Southwest corner of a tract of land conveyed to William Priefert, by deed as recorded in File No. 20112019, Real Property Records, Titus County, Texas, and continuing on for a total distance of 744.08 feet to a point for corner at the Northeast corner of said 118 acre tract, and the Northwest corner of said File No. 20112019, said point being in the South line of a called 191.598 acre tract conveyed to Preifert Development Corporation, by deed as recorded in Volume 1084, Page 245, Real Property Records, Titus County, Texas;

THENCE, North 88 Degrees 54 Minutes 32 Seconds West, with the South line of said 191.598 acre tract, and the North line of said 118 acre tract, a distance of 458.22 feet to a point for corner;

THENCE, North 29 Degrees 36 Minutes 27 Seconds West, across said 191.598 acre tract, and passing a North line of said 191.598 acre tract, and a South line of a called 70.000 acre tract conveyed to Pilgrim's Pride Corporation, by deed as recorded in Volume 1122, Page 096, Real Property Records, Titus County, Texas, and continuing on for a total distance of 2086.78 feet to a point for corner in a North line of said 70.000 acre tract, and the South line of Farm To Market No. 127;

THENCE, South 76 Degrees 11 Minutes 25 Seconds West, with a North line of said 70.000 acre tract, and the South line of said Farm To Market No. 127, a distance of 325.95 feet to a point for corner in Tankersley Creek;

THENCE, with the meanderings of said Tankersley Creek, the following courses and distances, (there is no monument set or found at the end of each call):

THENCE, North 13 Degrees 32 Minutes 04 Seconds West, a distance of 405.41 feet; THENCE, North 71 Degrees 53 Minutes 56 Seconds West, a distance of 304.49 feet; THENCE, North 24 Degrees 11 Minutes 38 Seconds East, a distance of 187.96 feet; THENCE, North 22 Degrees 44 Minutes 12 Seconds West, a distance of 182.08 feet; THENCE, North 27 Degrees 15 Minutes 37 Seconds East, a distance of 372.03 feet; THENCE, North 51 Degrees 07 Minutes 08 Seconds West, a distance of 214.65 feet;

December 11, 2014

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THENCE, North 08 Degrees 13 Minutes 37 Seconds East, a distance of 265.11 feet; THENCE, North 34 Degrees 57 Minutes 58 Seconds West, a distance of 324.88 feet; THENCE, North 15 Degrees 42 Minutes 03 Seconds West, a distance of 971.53 feet; THENCE, North 58 Degrees 20 Minutes 15 Seconds East, a distance of 253.00 feet; THENCE, North 06 Degrees 46 Minutes 25 Seconds West, a distance of 657.65 feet; THENCE, North 39 Degrees 03 Minutes 36 Seconds East, a distance of 108.82 feet; THENCE, North 33 Degrees 13 Minutes 16 Seconds West, a distance of 146.28 feet; THENCE, North 27 Degrees 46 Minutes 19 Seconds West, a distance of 248.19 feet; THENCE, North 81 Degrees 39 Minutes 10 Seconds West, a distance of 573.56 feet to a point for corner in said creek in the West line of a called 70 acre tract, called Tract Four, conveyed to John Hargrove et al, by deed as recorded in Volume 410, Page 468, Deed Records, Titus County, Texas;

THENCE, North 02 Degrees 31 Minutes 53 Seconds East, across said 70 acre tract, a distance of 720.39 feet to a point for corner;

THENCE, North 08 Degrees 54 Minutes 27 Seconds East, across said 70 acre tract, and passing the North line of said 70 acre tract, and the South line of a railroad, and continuing on for a total distance of 532.10 feet to a point for corner;

THENCE, North 11 Degrees 11 Minutes 16 Seconds East, and crossing Farm To Market No. 899, and continuing on for a total distance of 1213.61 feet to a point for corner;

THENCE, North 08 Degrees 24 Minutes 03 Seconds East, a distance of 399.37 feet to a point for corner;

THENCE, North 02 Degrees 34 Minutes 40 Seconds East, a distance of 433.62 feet to a point for corner;

THENCE, North 02 Degrees 27 Minutes 58 Seconds West, a distance of 288.01 feet to a point for corner;

THENCE, North 06 Degrees 15 Minutes 57 Seconds East, a distance of 930.34 feet to a point for corner at the Southeast corner of a called 1.121 acre tract, Second Tract, conveyed to Timothy Dale, by deed as recorded in Volume 1406, Page 313, Real Property Records, Titus County, Texas, and an ell corner of the remainder of a called 203 acre tract conveyed to Shelton Family Partnership, by deed as recorded in Volume 1506, Page 255, Real Property Records, Titus County, Texas;

THENCE, North 09 Degrees 43 Minutes 30 Seconds East, with the East line of said 1.121 acre tract, and a West line of the remainder of said 203 acre tract, a distance of 340.23 feet to a point for corner in the South line of Spur 134;

THENCE, South 71 Degrees 39 Minutes 13 Seconds East, with the South line of said Spur 134, a distance of 514.81 feet to a point for corner at the Northwest corner of the

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remainder of a called 2.00 acre tract, called Tract One, conveyed to Angela Bradford et al, by deed as recorded in Volume 1111, Page 101, Real Property Records, Titus County, Texas;

THENCE, South 20 Degrees 33 Minutes 45 Seconds West, with the West line of the remainder of said 2.00 acre tract, a distance of 138.25 feet to a point for corner;

THENCE, South 69 Degrees 33 Minutes 18 Seconds East, across the remainder of said 2.00 acre tract, and passing the East line of the remainder of said 2.00 acre tract, and the West line of U.S. Highway No. 271 Bypass, and continuing on and passing the East line of said U.S. Highway No. 271 Bypass, the Southwest corner of the remainder of a called 1.09 acre tract conveyed to William Priefert et al, Trustees, by deed as recorded in Volume 801, Page 324, Real Property Records, Titus County, Texas, and the Northwest corner of a called 7.36 acre tract conveyed to Dennis Cameron, by deed as recorded in File No. 20134167, Real Property Records, Titus County, Texas, and continuing on and passing the Northern most Northeast corner of said 7.36 acre tract, and the West line of a called 1.515 acre tract conveyed to Wade Hill et ux, by deed as recorded in Volume 687. Page 138, Real Property Records, Titus County, Texas, and continuing on and passing the East line of said 1.515 acre tract, and the West line of a called 3.464 acre tract conveyed to Sandlin Motors Inc., by deed as recorded in Volume 1506, Page 251, Real Property Records, Titus County, Texas, and continuing on and passing the East line of said 3.464 acre tract, and the West line of the remainder of said 6 acre tract, and continuing on for a total distance of 2011.60 feet to the POINT OF BEGINNING and CONTAINING 59,178,598 square feet or 1,358.56 acres of land.

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

LEGAL DESCRIPTION - TRACT NO. 2

Being a lot, tract, or parcel of land situated in the J. Henly Survey, Abstract No. 289, the R. Nabors Survey, Abstract No. 407, and the I. Jones Survey, Abstract No. 302, Titus County, Texas, and being all of Titus Co Appraisal District ID Numbers: 4746, 4744, 4907, 4906, 4908, 8793, and being part Titus Co Appraisal District ID Numbers: 6790, and part of U.S. Highway No.271, and being based on existing deeds and appraisal district locations of tract lines, no field work was performed to described this tract of land, and being more particularly described by metes and bounds as follows:

BEGINNING at a Northwest corner of the existing city limits, the Northwest corner of a called 16.353 acre tract conveyed to the City of Mt. Pleasant, by deed as recorded in Volume 1591, Page 130, Real Property Records, Titus County, Texas, and the Northeast corner of that certain called 30.35 acres conveyed to David Bynum, by Contract of Sale and Purchase in Volume 386, Page 704, Deed Records, Titus County, Texas, said point being in a county road;

THENCE, South 01 Degrees 07 Minutes 28 Seconds West, with the said existing city limits line, the West line of said 16.353 acre tract, and the East line of said 30.35 acre tract, and passing the Southwest corner of said 16.353 acre tract, and the Northwest corner of a called 112.506 acre tract conveyed to the City of Mt. Pleasant, by deed as recorded in Volume 1091, Page 163, Real Property Records, Titus County, Texas, and continuing on for a total distance of 2017.26 feet to a point for corner at the Southeast corner of said 30.35 acre tract, and an ell corner of a called 157.953 acres tract, Tract 3, conveyed to Mivi Real Estate Partners, LP, by deed as recorded in Volume 1380, Page 006, Real Property Records, Titus County, Texas;

THENCE, South 06 Degrees 44 Minutes 48 Seconds East, with the East line of said 157.953 acre tract, a distance of 1011.55 feet to a point for corner at a Southeast corner of said 157.953 acre tract;

THENCE, South 83 Degrees 04 Minutes 10 Seconds West, with a South line of said 157.953 acre tract, a distance of 554.44 feet to a point for corner;

THENCE, South 01 Degrees 02 Minutes 53 Seconds West, with the East line of said 157.953 acre tract, a distance of 1887.42 feet to a point for corner at the Southeast corner of said 157.953 acre tract, said point being in a county road;

THENCE, North 87 Degrees 57 Minutes 21 Seconds West, with said road and the South line of said 157.953 acre tract, a distance of 799.27 feet to a point for corner in the East line of the original U.S. Highway No. 271;

THENCE, North 03 Degrees 17 Minutes 51 Seconds West, with the East line of said U.S. Highway No. 271, and said existing city limits line, a distance of 5085.01 feet to a point for corner in said road;

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THENCE, South 88 Degrees 40 Minutes 18 Seconds East, with said road, said existing city limits line, and the North line of the remainder of a called 60 acre tract conveyed to Micki Bynum, by deed as recorded in Volume 653, Page 110, Real Property Records, Titus County, Texas, a distance of 1142.51 feet to a point for corner at a Southeast corner of said existing city limits line;

THENCE, South 77 Degrees 12 Minutes 51 Seconds East, a distance of 466.28 feet to the **POINT OF BEGINNING** and **CONTAINING** 6,384,880 square feet or 146.58 acres of land.

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

LEGAL DESCRIPTION - TRACT NO. 3

Being a lot, tract, or parcel of land situated in Titus County, Texas, and being all of Titus Co Appraisal District ID Numbers: 101291, 6797, 1000055, 6795, 105941, 102817, 6800, 10327, and 10330, and being part Titus Co Appraisal District ID Numbers: 10325, 10331, 6823, 6798, 101167, and 532, and also being part of U.S. Highway No. 271, a railroad right of way, and a county road, and being based on existing deeds and appraisal district locations of tract lines, no field work was performed to described this tract of land, and being more particularly described by metes and bounds as follows:

BEGINNING at the Southwest corner of the existing city limits line on the East side of U.S. Highway No. 271 at the Southwest corner of a called 136.838 acre tract conveyed to the City of Mt. Pleasant, by deed as recorded in Volume 1098, Page 043, Real Property Records, Titus County, Texas, and the Southeast corner of the remainder of several tracts conveyed to Barbara Beth Joyner and Thomas Stephens Joyner by deed as recorded in Volume 898, Page 110, Real Property Records, Titus County, Texas, said point being in the North line of a called 6.590 acre tract conveyed to the City of Mt. Pleasant, by deed as recorded in File No. 20140950, Public Records, Titus County, Texas;

THENCE, South 07 Degrees 19 Minutes 13 Seconds East, crossing said 6.590 acre tract, and passing the South line of said 6.590 acre tract, and the North line of a called 2,874.9 acres conveyed to the Titus County Fresh Water Supply District, by deed as recorded in File No. 20093346, Real Property Records, Titus County, Texas, and continuing on for a total distance of 3855.48 feet to a point for corner in the Big Cypress Creek;

THENCE, with the meanderings of said Big Cypress Creek, the following courses and distances, (there is no monument set or found at the end of each call):

THENCE, North 64 Degrees 31 Minutes 03 Seconds West, a distance of 97.77 feet; THENCE, North 73 Degrees 36 Minutes 18 Seconds West, a distance of 118.93 feet; THENCE, South 89 Degrees 36 Minutes 04 Seconds West, a distance of 102.48 feet; THENCE, South 51 Degrees 58 Minutes 11 Seconds West, a distance of 61.19 feet; THENCE, South 16 Degrees 12 Minutes 59 Seconds West, a distance of 72.93 feet: THENCE, South 54 Degrees 11 Minutes 23 Seconds West, a distance of 68.56 feet: THENCE, North 81 Degrees 18 Minutes 21 Seconds West, a distance of 56.09 feet; THENCE, North 18 Degrees 09 Minutes 02 Seconds West, a distance of 189.15 feet: THENCE, North 78 Degrees 39 Minutes 45 Seconds West, a distance of 129.23 feet; THENCE, South 64 Degrees 40 Minutes 13 Seconds West, a distance of 188.77 feet; THENCE, South 62 Degrees 52 Minutes 37 Seconds West, a distance of 144.43 feet; THENCE, South 49 Degrees 12 Minutes 12 Seconds West, a distance of 125.06 feet; THENCE, South 78 Degrees 02 Minutes 36 Seconds West, a distance of 99.50 feet; THENCE, North 72 Degrees 27 Minutes 06 Seconds West, a distance of 72.35 feet; THENCE, North 19 Degrees 01 Minutes 28 Seconds West, a distance of 93.95 feet; THENCE, North 70 Degrees 30 Minutes 32 Seconds West, a distance of 81.66 feet; THENCE, South 89 Degrees 10 Minutes 27 Seconds West, a distance of 466.80 feet: THENCE, South 55 Degrees 35 Minutes 08 Seconds West, a distance of 107.07 feet;

; ; THENCE, South 71 Degrees 04 Minutes 27 Seconds West, a distance of 141.32 feet; THENCE, North 79 Degrees 10 Minutes 31 Seconds West, a distance of 175.80 feet; THENCE, North 70 Degrees 56 Minutes 31 Seconds West, a distance of 463.27 feet to a point for corner in said creek in the South line of a called 87.525 are tract, Tract One, conveyed to Bill Priefert et ux, by deed as recorded in Volume 900, Page 220, Real Property Records, Titus County, Texas;

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THENCE, North 07 Degrees 19 Minutes 13 Seconds West, crossing said 87.525 acre tract, and passing the North line of said 87.525 acre tract, and the South line of a called 268.606 acre tract conveyed to William Priefert et ux, by deed as recorded in Volume 835, Page 090, Deed Records, Titus County, Texas, and continuing on for a total distance of 3253.73 feet to a point for corner in the North line of said 268.606 acre tract;

THENCE, South 87 Degrees 44 Minutes 05 Seconds East, with the North line of said 268.606 acre tract, a distance of 654.16 feet to a point for corner in the West line of a railroad right of way;

THENCE, North 01 Degrees 06 Minutes 18 Seconds East, with the West line of said railroad, a distance of 1767.07 feet to a point for corner;

THENCE, North 07 Degrees 07 Minutes 09 Seconds West, with the West line of said railroad, a distance of 537.47 feet to a point for corner at the Southeast corner of a called 89.0416 acre tract conveyed to B-BarC, LLC, by deed as recorded in File No. 20144113, Public Records, Titus County, Texas;

THENCE, North 88 Degrees 03 Minutes 38 Seconds West, with the South line of said 89.0416 acre tract, a distance of 917.78 feet to a point for corner;

THENCE, North 07 Degrees 19 Minutes 13 Seconds West, crossing said 89.0416 acre tract, a distance of 2696.49 feet to a point for corner in a county road at the Northwest corner of said 89.0416 acre tract, the Southwest corner of a called 14.151 acre tract, called Third Tract, conveyed to Mt. Pleasant Industrial Foundation, Inc., by deed as recorded in Volume 457, Page 594, Deed Records, Titus County, Texas, and the Southeast corner of a called 6.700 acre tract conveyed to Road Clipper Enterprises, Inc., by deed as recorded in Volume 684, Page 256, Real Property Records, Titus County, Texas, said point being in said existing city limits line;

THENCE, South 87 Degrees 54 Minutes 41 Seconds East, with the North line of said 89.0416 acre tract, said existing city limits line, and the South line of said 14.151 acre tract, a distance of 950.96 feet to a point for corner at the Southeast corner of said 14.151 acre tract, and the Northeast corner of said 89.0416 acre tract, said point being in the West line of said railroad;

THENCE, North 03 Degrees 15 Minutes 09 Seconds West, with the West line of said railroad, said existing city limits line, and the East line of said 6.700 acre tract, a distance of 729.49 feet to a point for corner in the South line of Farm To Market No. 3417;

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THENCE, South 89 Degrees 33 Minutes 55 Seconds East, with said existing city limits line, and crossing said railroad and said U.S. Highway No. 271, a distance of 1060.12 feet to a point for corner at the Northwest corner of a called 25.48 acre tract conveyed to the City of Mt. Pleasant, by deed as recorded in File No. 20134054, Real Property Records, Titus County, Texas;

;

THENCE, South 01 Degrees 02 Minutes 38 Seconds West, with the West line of said 25.48 acre tract, a distance of 518.13 feet to a point for corner;

THENCE, South 06 Degrees 49 Minutes 43 Seconds East, with the West line of said 25.48 acre tract, a distance of 1389.76 feet to a point for corner;

THENCE, North 83 Degrees 10 Minutes 17 Seconds East, with the South line of said 25.48 acre tract, a distance of 672.77 feet to a point for corner at the Southeast corner of said 672.77 acre tract, said point being in the West line of said 136.838 acre tract;

THENCE, South 06 Degrees 55 Minutes 50 Seconds East, with the West line of said 136.838 acre tract, a distance of 3376.11 feet to the **POINT OF BEGINNING** and **CONTAINING** 19,872,244 square feet or 456.21 acres of land.

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

EXHIBIT "B"

EASEMENTS

Tri Special Utility District Cost Estimate of Facilities to be Annexed

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|---|--|----------|---------------------------------------|---------------|--|
| | L UTILITY DISTRICT | <u> </u> | | | |
| February 5, | | | | | |
| LIST OF CH | ATTELS TO BE ANNEXED BY MOUN | TPLEA | SANT | 1 | |
| | | 1:: | | | <u> </u> |
| | | | | 1 | |
| DISTRIBUT | ION SYSTEM : | | | 1 | |
| 1,22 | 0 L.F. of 8" P.V.C. Pipe | @\$ | 11.00 | Per Ft.=\$ | 13,420.0 |
| 5,95 | @L.F. of 6" P.V.C. Pipe | @\$ | | Per Ft =\$ | 44,625.0 |
| 4,22 | OLE. of Z" P.V.C. Pipe | @\$ | , , , , , , , , , , , , , , , , , , , | Per Ft.=\$ | 18,990.0 |
| 42 | 0 L.F. of 10" Steel Pipe Enc. | @\$ | | Per Ft =S | 44,100.0 |
| | (Highway - Wet Bore) | | | | 1,3270 |
| 8 | L.F. of 2" PVC Bore | @\$ | 25.00 | Per Ft. =\$ | 2,000.0 |
| | (County Road) | | | - | |
| 270 | L.F. of 1" PVC Service Bore | @\$ | 24,00 | Per Ft. =\$ | 6,480.0 |
| | (County Road) | | • | | |
| 54 | Ea. Service with 5/8" x 3/4" meter | @\$ | 850.0Ò | Ea. =S | 45,900.0 |
| | Ea. Service with 2" meter | @\$ | 1,750.00 | Ea. =5 | 3,500.00 |
| | TOTAL DISTRIBUTION S | YSTEM | | <u>≓</u> \$. | 179,015.00 |
| | the state of the s | 1 | 17 June 2 | the statement | - CONTRACTOR OF THE PARTY OF TH |
| 41,5 | the state of the s | | A1 | 1 | |
| THER COST | | | | | |
| • | Engineering Fees: | @\$ | 200.00 | L.S. =\$ · | 200.00 |
| | TOTAL COSTS | | | =\$ | 179,215.00 |

COPY

CITY OF MOUNT PLEASANT

ANNEXED AREA WATER SERVICE AGREEMENT

THIS AGREEMENT is entered into by and between TRI SPECIAL UTILITY DISTRICT, hereinafter called "TRI-SUD", and CITY OF MOUNT PLEASANT, a municipality located in Titus County, Texas, hereinafter called "CITY".

NOW, THEREFORE, in consideration thereto, the parties agree as follows:

- 1. <u>Purchase of Assets</u>. CITY shall purchase from TRI-SUD the right to serve that area described in Exhibit "A", hereinafter called "annexed area", with water along with water lines, meters, valves, fire hydrants, meter boxes and easements belonging to TRI-SUD located in the annexed area.
- 2. Purchase Price. The purchase price for all those items described in section 1 shall be the sum of \$108,255.00. In the event additional customers are added by TRI-SUD prior to the consummation of this agreement, the purchase price shall be adjusted by the number of customers added, multiplied by \$1,600.00 per customer. The purchase price for those items described in section 1 shall be payable in cash at closing or, at the option of the parties, may be satisfied by giving credit on those amounts owed by TRI-SUD to the CITY for payment for water sales between the parties.
- 3. <u>Warranties and Representations of TRI-SUD</u>. TRI-SUD hereby warrants and represents to the CITY that:
 - (a) Any financial records or representations of financial position which are provided to the CITY shall truthfully set forth all liabilities, assets and other matters pertaining to TRI-SUD's operations in the annexed area. Furthermore, that there have been no material changes in the financial condition of TRI-SUD limited to that area of water service in the annexed area.
 - (b) TRI-SUD has good and marketable title to all the assets described in section 1 which are being transferred and has full right to sell or dispose of those items as TRI-SUD may choose, and no other person or entity whatsoever have any claim, right, title, interest or lien in, to or on those assets or items described in section 1.
 - (c) This purchase by the CITY has been approved by the governing body of TRI-SUD at a meeting of its governing body in which proper notice was given to the public and appropriate officials of TRI-SUD were authorized to sign all documents of conveyance.
 - (d) No litigation, actions or proceedings, legal, equitable, administrative, through arbitration or otherwise, are pending or threatened which might affect those items described in section 1, or the consummation of the purchase and sale described in this agreement.
 - (e) TRI-SUD owes no obligations and has contracted no liabilities affecting said items listed in section 1 or which might affect the consummation of the purchase and sale described in this agreement, and there are not liens, whether recorded or unrecorded, which would affect those items described in section 1.

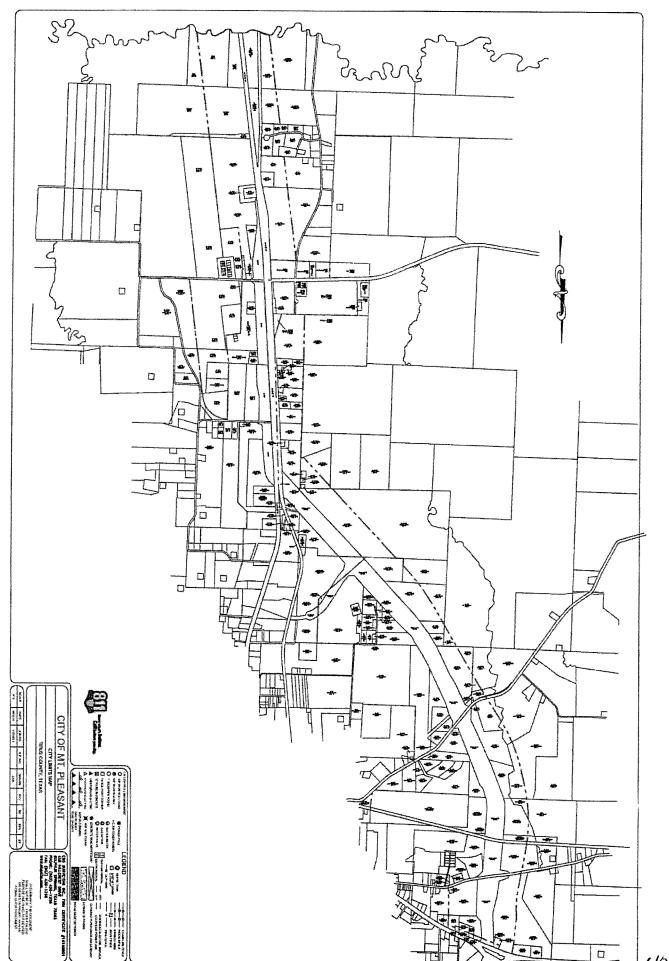
- 4. Warranties and Representations of CITY. CITY hereby warrants and represents to TRI-SUD that:
 - (a) This purchase by CITY has been approved by the governing body of the CITY at a meeting of its governing body in which proper notice was given to the public and appropriate officials of CITY were authorized to sign all documents of conveyance.
 - (b) The annexed areas were duly annexed and incorporated into the corporate limits of the CITY by Ordinance No. <u>2014-17</u>, approved <u>December 15</u>, <u>2014</u> by the City Council of the City of Mount Pleasant.
- 5. <u>Consummation of Sale</u>. The sale and purchase described in this agreement shall be consummate at City Hall, City of Mount Pleasant, Texas, at <u>10:00 am</u>, on <u>March 17</u>, <u>2015</u>, or, if necessary, may be extended by agreement of the parties.
- Condition of Assets. CITY agrees with and represents to TRI-SUD that the assets as described in section 1 have been inspected by CITY and/ or its agents; and CITY has communicated no objection to the condition of any of the assets of TRI-SUD.
- 7. Indemnity by CITY. CITY shall indemnify and hold TRI-SUD and the property of TRI-SUD free and harmless from any and all claims, losses, damages, injuries and liabilities, including reasonable attorney's fees arising from the CITY's use of those items described in section 1, after the consummation of the purchase and sale described in this agreement.
- 8. <u>Indemnity by TRI-SUD</u>. TRI-SUD shall indemnify and hold CITY and the property of CITY free and harmless from any and all claims, losses, damages, injuries and liabilities, including reasonable attorney's fees arising from or on account of TRI-SUD's use and ownership of any of those items described in section 1, which occur prior to the consummation of the purchase and sale described in this agreement.
- 9. <u>Assignment of Easements by TRI-SUD</u>. TRI-SUD shall transfer and assign all its right, title and interest in those water line easements presently owned by it in the annexed area. A summary of those easements is attached to this agreement as Exhibit "B". CITY shall pay all recording fees incurred in the transfer of easements.
- 10. Satisfaction of All Regulatory Requirements Necessary to Transfer Service Area to CITY. It is the intent of this agreement to satisfy all the notice and filing requirements of Section 13.255 of the Texas Water Code regarding a single certification in incorporated or annexed areas. This agreement shall serve under the respective Water Code sections and regulations accompanying those sections as an amendment to the respective Certificates of Convenience and Necessity of each party. TRI-SUD presently serves the area under CCN No. 10402 and the CITY is the holder of CCN No. 10509, which serves the area adjacent to the annexed area. TRI-SUD, upon the consummation of this agreement, relinquishes all rights to serve the annexed area with water and gives its approval and permission for the CITY to serve the area with water services. The parties agree that the CITY shall be the sole provider for water services in the annexed area and that TRI-SUD shall have no further interest under its present Certificate of Convenience and Necessity to service this area.
- 11. <u>Sole Agreement</u>. This agreement constitutes the sale and only agreement between TRI-SUD and CITY respecting the sale and purchase described in this agreement, and correctly sets forth the obligations of TRI-SUD and CITY to each other as of its date. Any agreements or representations respecting the items described in section 1 not expressly set forth herein are null and void.

- 12. <u>Notices</u>. Any and all notices or other communications required or permitted by this agreement or by law to be served on or given to either party hereto, CITY or TRI-SUD, by the other party to this agreement, shall be in writing and shall be deemed duly served on the date personally served at the addresses shown by the signatures hereto. Either party may change the party's address for the purpose of this section by giving the other party written notice of the new address in the manner set forth above.
- 13. Attorney's Fees. Should any litigation be commenced between the parties to this agreement concerning said purchase, this agreement, or the rights and duties of either in relation thereto, the party, either CITY or TRI-SUD, prevailing in such litigation, shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for attorney's fees in such litigation which shall be determined by the court in such litigation, or in a separate action for that purpose.
- 14. <u>Binding Effect</u>. This agreement shall be binding on and shall inure to the benefit of the successors and assigns of the parties hereto.
- 15. <u>Governing Law</u>. This agreement shall be governed by and construed in accordance with the laws of the State of Texas.
- 16. <u>Authority</u>. Each party executing this agreement warrants his authority to execute this agreement.
- 17. Severability and Reformation. Any provisions of this agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. If any provision of this agreement is held to be invalid or unenforceable under present or future laws effective during the terms hereof, in lieu of such invalid of unenforceable provision, there shall be added automatically as a part of this agreement a provision similar in terms to such invalid or unenforceable provision as may be possible and be legal, valid and enforceable.
- 18. <u>Amendments</u>. This agreement may be amended only by a written agreement executed by all of the parties hereto.
- 19. <u>Counterparts</u>. This agreement may be executed in several counterparts, and it shall not be necessary for each party to execute each of such counterparts, but when each of the parties shall have executed and delivered one of such counterparts, the counterparts, when taken together, shall be deemed to constitute one and the same instrument, enforceable against each party in accordance with its terms.
- 20. Extension of Warranties and Representations. All warranties and representations made by the parties shall extend beyond the date of closing and shall be binding on the parties.
- 21. <u>Effective Date</u>. For purposes of this agreement, the effective date for transfer of water service to the CITY shall be <u>March 17</u>, 2015.

| IN WITNESS WHEREOF, the March, 2015. | parties hereto have cau | used this agreement to be executed on the <u>17th</u> day of |
|---|--|--|
| ATTEST: By: Flothalls Kentha Nols | 5M 5010 | Written: C.W. Forsyth Board President |
| ATTEST: SUNDA LLYM Brenda Reynolds, City Secre | Mb | BY: Paul Meriwether, Mayor |
| THE STATE OF TEXAS * COUNTY OF TITUS * | | |
| of April | 2015, by C.W. For | the undersigned authority, on this the 21 day syth procedent of Tri Special n, and in the capacity for the purpose stated. |
| THE STATE OF TEXAS * COUNTY OF TITUS * | Name of the second seco | NOTARY PUBLIC AARON GANN lotary Public State of Texas Commission Expires MARCH 30, 2017 |
| of March | 2015, by Paul O. 1 | the undersigned authority on this the <u>loth</u> day <u>Meriwethor</u> , <u>Mayor</u> of Tri Special City of and in the capacity for the purpose stated. |
| DARLEEN D. Notary Public Sta Commission OCTOBER 1 | ate of Texas Expires | NOTARY PUBLIC |

EXHIBIT "A"

DESCRIPTION



40.

LEGAL DESCRIPTION -ANNEXATION - TRACT NO. 1

Being a proposed annexation situated in the Daniel McCall Survey, Abstract No. 357, Titus County, Texas, and being all of that certain called 10.19 acre tract conveyed to Templo Cristiano Asableas De Dios, by deed as recorded in Volume 1287, Page 270, Real Property Records, Titus County, Texas, all of that certain called 0.717 acre tract conveyed to Benjamin Thompson et ux, by deed as recorded in Volume 433, Page 228, Deed Records, Titus County, Texas, all of that certain called 0.717 acre tract conveyed to Edward Tippit, by deed as recorded in Volume 1287, Page 042, Real Property Records, Titus County, Texas, all of that certain called 2.00 acre tract, called Tract One, conveyed to Edward Tippitt et ux, by deed as recorded in Volume 1253, Page 126, Real Property Records, Titus County, Texas, all of that certain called 2.302 acre tract, called Tract Two, conveyed to Edward Tippitt et ux, by deed as recorded in Volume 1253, Page 126, Real Property Records, Titus County, Texas, all of that certain called 0.983 acre tract conveyed to Ronald Lee Jr., by deed as recorded in File No. 20110739, Real Property Records, Titus County, Texas, all of that certain called 2.110 acre tract conveyed to Glenn Griffith et ux, by deed as recorded in Volume 1555, Page 193, Real Property Records, Titus County, Texas, all of that certain called 18.52 acre tract, called Tract Four, all of the remainder of that certain called 18.52 acre tract, called Tract One, all of the remainder of that certain called 5 acre tract, called First Tract, and all of the remainder of that certain called 18.52 acre tract, called Tract Three, conveyed to James Spann, by deed as recorded in Volume 1594, Page 237, Real Property Records, Titus County, Texas, all of that certain called First Tract and Second Tract conveyed to Carr Denman Jr., by deed as recorded in Volume 382, Page 227, Deed Records, Titus County, Texas, part of that certain called 1.432 acre tract conveyed to Patricia Pittman, by deed as recorded in File No. 20087160, Real Property Records, Titus County, Texas, all of that certain tract of land conveyed to Roy Rhea et ux, by deed as recorded in Volume 1551, Page 045, Real Property Records, Titus County, Texas, all of the remainder of that certain called First Tract, and all of the Second Tract conveyed to James Hunnicutt, by deed as recorded in Volume 945, Page 225, Real Property Records, Titus County, Texas, part of that certain called 16.6 acre tract conveyed to Michael Price et al, by deed as recorded in Volume 1839, Page 251, Real Property Records, Titus County, Texas, part of that certain called 148.13 acre tract, called Tract Three, conveyed to Charles Hess, by deed as recorded in File No. 20083736, Real Property Records, Titus County, Texas, all of that certain called 15.1672 acre tract conveyed to To The Top Inc., by deed as recorded in Volume 1815, Page 038, Real Property Records, Titus County, Texas, this tract also being part of the right of way of U.S. Highway No. 67, (Variable Width R.O.W.), and being more particularly described by metes and bounds as follows:

BEGINNING at a point for corner at the Northwest corner of said 10.19 acre tract, an ell corner of the remainder of a called 104.040 acre tract conveyed to The City of Mt. Pleasant Texas Industrial Development Corporation, by deed as recorded in Volume 1709, Page 089, Real Property Records, Titus County, Texas, and an ell corner of the existing city limits as shown in City Ordinance 2006-20, Volume 1891, Page 239, Real Property Records, Titus County, Texas;

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THENCE, South 89 Degrees 55 Minutes 06 Seconds East, with the North line of said 10.19 acre tract, a South line of the remainder of said 104.040 acre tract, and a South line of said existing city limits, a distance of 438.29 feet to a point for corner in County Road No. 3010 at the Northeast corner of said 10.19 acre tract, a Southeast corner of the remainder of said 104.040 acre tract, the Southwest corner of a called 50.252 acre tract conveyed to George Batte et ux, by deed as recorded in Volume 1832, Page 154, Real Property Records, Titus County, Texas, and the Northwest corner of a called 23.00 acre tract conveyed to James Simmons, by deed as recorded in Volume 748, Page 158, Real Property Records, Titus County, Texas;

THENCE, South 18 Degrees 11 Minutes 55 Seconds East, with the East line of said 10.19 acre tract, the West line of said 23.00 acre tract, and said County Road No. 3010, a distance of 495.93 feet to a point for corner at a Southwest corner of said 23.00 acre tract, and a Northwest corner of a called 2.00 acre tract conveyed to James Simmons et ux, by deed as recorded in Volume 411, Page 734, Deed Records, Titus County, Texas;

THENCE, South 17 Degrees 15 Minutes 54 Seconds East, a distance of 208.63 feet to a point for corner at the Southwest corner of said 2.00 acre tract, (411/734), and a Northwest corner of said 23.00 acre tract;

THENCE, South 14 Degrees 36 Minutes 55 Seconds East, with the East line of said 10.19 acre tract, the West line of said 23.00 acre tract, and said County Road No. 3010, and passing the Southeast corner of said 10.19 acre tract, and the Northeast corner of said 0.717 acre tract, (483/228), and continuing on and passing the Southeast corner of said 0.717 acre tract, (483/228), and the Northeast corner of said 0.717 acre tract, (1287/042), and continuing on for a total distance of 261.64 feet to a point for corner;

THENCE, South 12 Degrees 11 Minutes 55 Seconds East, with the East line of said 0.717 acre tract, (1287/042), the West line of said 23.00 acre tract, and said County Road No. 3010, and passing the Southeast corner of said 0.717 acre tract, (1287/042), and the Southern most Northeast corner of said 2.00 acre tract, (1253/126), and continuing on and passing the Southeast corner of said 2.00 acre tract, (1253/126), and the Northeast corner of said 2.302 acre tract, and continuing on for a total distance of 214.00 feet to a point for corner at the Southeast corner of said 2.302 acre tract, the Southwest corner of said 23.00 acre tract, the Northwest corner of said 2.110 acre tract, and the Northeast corner of the remainder of said 5 acre tract;

THENCE, South 89 Degrees 40 Minutes 55 Seconds East, with the South line of said 23.00 acre tract, and the North line of said 2.110 acre tract, a distance of 367.80 feet to a point for corner at the Northeast corner of said 2.110 acre tract, and an ell corner of said 23.00 acre tract;

THENCE, South 00 Degrees 07 Minutes 55 Seconds East, with a West line of said 23.00 acre tract, and the East line of said 2.110 acre tract, a distance of 271.47 feet to a point for corner at the Southeast corner of said 2.110 acre tract, and the Southwest corner of said 23.00 acre tract, said point being in the North line of said 18.52 acre tract, Tract Four;

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THENCE, South 89 Degrees 42 Minutes 55 Seconds East, with the South line of said 23.00 acre tract, and the North line of said 18.52 acre tract, Tract Four, a distance of 368.73 feet to a point for corner at the Southeast corner of said 23.00 acre tract, and the Southwest corner of the remainder of a called 103.29 acre tract, called Tract I, conveyed to J.M. McKellar Partnership LTD, by deed as recorded in File No. 20113555, Real Property Records, Titus County, Texas;

THENCE, South 88 Degrees 54 Minutes 16 Seconds East, with the North line of said 18.52 acre tract, Tract Four, and the South line of the remainder of said 103.29 acre tract, and passing the Northeast corner of said 18.52 acre tract, Tract Four, and the Northwest corner of the remainder of said 18.52 acre tract, Tract One, and continuing on for a total distance of 394.15 feet to a point for corner at the Northeast corner of the remainder of said 18.52 acre tract, Tract One, and the Northwest corner of a called 9.52 acre tract, called Tract II, conveyed to J.M. McKellar Partnership LTD, by deed as recorded in File No. 20113555, Real Property Records, Titus County, Texas;

THENCE, South 24 Degrees 26 Minutes 25 Seconds East, with the East line of the remainder of said 18.52 acre tract, Tract One, and the West line of said 9.52 acre tract, and passing the Southeast corner of the remainder of said 18.52 acre tract, Tract One, and the Northeast corner of the remainder of said 18.52 acre tract, Tract Three, and continuing on for a total distance of 806.89 feet to a point for corner at the Southeast corner of the remainder of said 18.52 acre tract, Tract Three, and the Southwest corner of said 9.52 acre tract, said point being in the North line of said U.S. Highway No. 67;

THENCE, South 63 Degrees 49 Minutes 35 Seconds West, with the South line of the remainder of said 18.52 acre tract, Tract Three, and the North line of said U.S. Highway No. 67, a distance of 312.26 feet to a point for corner;

THENCE, South 49 Degrees 47 Minutes 35 Seconds West, with the South line of the remainder of said 18.52 acre tract, Tract Three, and the North line of said U.S. Highway No. 67, a distance of 103.10 feet to a point for corner;

THENCE, South 63 Degrees 49 Minutes 35 Seconds West, with the South line of the remainder of said 18.52 acre tract, Tract Three, and the North line of said U.S. Highway No. 67, a distance of 341.34 feet to a point for corner;

THENCE, South 26 Degrees 10 Minutes 25 Seconds East, crossing said highway, a distance of 99.97 feet to a point for corner in the South line of said highway at the Northeast corner of said 15.1672 acre tract, and the Northwest corner of the remainder of a called 18.24 acre tract, called Tract I, conveyed to Lee McKellar, by deed as recorded in Volume 1110, Page 248, Real Property Records, Titus County, Texas;

THENCE, South 37 Degrees 27 Minutes 55 Seconds East, with the East line of said 15.1672 acre tract, and the West line of the remainder of said 18.24 acre tract, a distance of 346.71 feet to a point for corner;

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THENCE, South 30 Degrees 20 Minutes 18 Seconds East, with the East line of said 15.1672 acre tract, and the West line of the remainder of said 18.24 acre tract, and passing the Southwest corner of the remainder of said 18.24 acre tract, and the Northwest corner of the remainder of a called 18.24 acre tract, called Tract II, conveyed to Lee McKellar, by deed as recorded in Volume 1110, Page 248, Real Property Records, Titus County, Texas, and continuing on for a total distance of 610.66 feet to a point for corner at the Southeast corner of said 15.1672 acre tract, said point being in the North line of a called 148.13 acre tract, called Tract Three, conveyed to Gary Hess, by deed as recorded in File No. 20083736, Real Property Records, Titus County, Texas;

THENCE, North 88 Degrees 47 Minutes 04 Seconds West, with the South line of said 15.1672 acre tract, and the North line of said 148.13 acre tract, a distance of 800.25 feet to a point for corner at a Southwest corner of said 15.1672 acre tract, and an ell corner of said 148.13 acre tract;

THENCE, South 00 Degrees 22 Minutes 42 Seconds West, a distance of 342.45 feet to a point for corner in said existing city limits;

THENCE, North 81 Degrees 31 Minutes 54 Seconds West, with said existing city limits, a distance of 852.05 feet to a point for corner;

THENCE, North 65 Degrees 13 Minutes 03 Seconds West, with said existing city limits, a distance of 410.00 feet to a point for corner;

THENCE, North 27 Degrees 09 Minutes 22 Seconds West, with said existing city limits, and passing the Northwest line of said 148.136 acre tract, and the East line of East 14th Street, and continuing on and passing the West line of said East 14th Street, and the East line of said 1.432 acre tract, and continuing on for a total distance of 166.10 feet to a point for corner in the North line of said 1.432 acre tract, and the South line of said U.S. Highway No. 67;

THENCE, North 26 Degrees 16 Minutes 08 Seconds West, with said existing city limits, and crossing said highway, a distance of 129.13 feet to a point for corner in the North line of said highway, and the South line of said 16.6 acre tract;

THENCE, North 23 Degrees 03 Minutes 50 Seconds West, with said existing city limits, a distance of 358.22 feet to a point for corner;

THENCE, North 68 Degrees 04 Minutes 21 Seconds East, with said existing city limits, a distance of 187.30 feet to a point for corner at an ell corner of said 16.6 acre tract, and a Southwest corner of a called 11.285 acre tract conveyed to Dennis Cameron, by deed as recorded in File No. 20083862, Real Property Records, Titus County, Texas;

THENCE, North 80 Degrees 10 Minutes 11 Seconds East, with said existing city limits, a North line of said 16.6 acre tract, and a South line of said 11.285 acre tract, and passing a

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Northeast corner of said 16.6 acre tract, and a Northwest corner of said Hunnicutt Second Tract, and continuing on for a total distance of 109.35 feet to a point for corner at the Northeast corner of said Hunnicutt Second Tract, and an ell corner of said 11.285 acre tract;

THENCE, South 32 Degrees 35 Minutes 43 Seconds East, with said existing city limits, a West line of said 11.285 acre tract, and the East line of said Hunnicutt Second Tract, and passing the Southeast corner of said Hunnicutt Second Tract, and the Northeast corner of the remainder of said Hunnicutt First Tract, and continuing on and passing the Southeast corner of the remainder of said Hunnicutt First Tract, and the Northeast corner of said Rhea tract, and continuing on for a total distance of 413.95 feet to a point for corner at the Southeast corner of said Rhea tract, and the Southwest corner of said 11.285 acre tract, said point being in a curve to the left in the North line of said U.S. Highway No. 67, with a radius of 1,859.86 feet, a delta angle of 07 Degrees 15 Minutes 23 Seconds, the chord of which bears North 67 Degrees 07 Minutes 24 Seconds East, for a chord distance of 235.39 feet;

THENCE, along the arc of said curve, said existing city limits, the North line of said U.S. Highway No 67, and the South line of said 11.285 acre tract, for an arc length of 235.55 feet to a point for corner;

THENCE, North 63 Degrees 34 Minutes 19 Seconds East, with said existing city limits, the North line of said U.S. Highway No. 67, and the South line of said 11.285 acre tract, a distance of 76.01 feet to a point for corner at the Southeast corner of said 11.285 acre tract, and the Southwest corner of said Denman Second Tract;

THENCE, North 15 Degrees 58 Minutes 58 Seconds West, with said existing city limits, the East line of said 11.285 acre tract, and the West line of said Denman Second Tract, a distance of 257.51 feet to a point for corner at the Northwest corner of said Denman Second Tract, and the Southwest corner of said Denman First Tract;

THENCE, North 11 Degrees 25 Minutes 16 Seconds West, with said existing city limits, the East line of said 11.285 acre tract, and the West line of said Denman First Tract, a distance of 218.30 feet to a point for corner;

THENCE, North 84 Degrees 37 Minutes 06 Seconds East, with said existing city limits, a South line of said 11.285 acre tract, and a North line of said Denman First Tract, a distance of 67.75 feet to a point for corner;

THENCE, North 10 Degrees 05 Minutes 15 Seconds West, with said existing city limits, the East line of said 11.285 acre tract, and the West line of said Denman First Tract, a distance of 342.67 feet to a point for corner at the Northeast corner of said 11.285 acre tract, and the Northwest corner of said Denman First Tract, said point being in the South line of said 18.52 acre tract, Tract Four;

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THENCE, South 89 Degrees 39 Minutes 31 Seconds West, with said existing city limits, the North line of said 11.285 acre tract, and the South line of said 18.52 acre tract, Tract Four, a distance of 519.15 feet to a point for corner at the Southwest corner of said 18.52 acre tract, Tract Four, and the Southeast corner of the remainder of said 104.040 acre tract;

THENCE, North 00 Degrees 03 Minutes 57 Seconds West, with said existing city limits, the West line of said 18.52 acre tract, Tract Four, and the East line of the remainder of said 104.040 acre tract, and passing the Northwest corner of said 18.52 acre tract, Tract Four, and the Southwest corner of the remainder of said 5 acre tract, and continuing on and passing the Northwest corner of the remainder of said 5 acre tract, and the Southwest corner of said 2.302 acre tract, and continuing on and passing the Northwest corner of said 2.302 acre tract, and the Southwest corner of said 2.00 acre tract, (1253/126), and continuing on and passing the Northwest corner of said 2.00 acre tract, (1253/126), and the Southwest corner of said 10.19 acre tract, and continuing on for a total distance of 2,165.18 feet to the **POINT OF BEGINNING** and **CONTAINING** 4,717,282 square feet or 108.29 acres of land more or less.

LEGAL DESCRIPTION -ANNEXATION - TRACT NO. 2

Being a proposed annexation situated in the Daniel McCall Survey, Abstract No. 357, the A. Neville Survey, Abstract No. 411, the W. Pirtle Survey, Abstract No. 432, and the R. Lincecum Survey, Abstract No. 348, Titus County, Texas, and being part of a called 50.252 acre tract conveyed to George Batte et ux, by deed as recorded in Volume 1832, Page 154, Real Property Records, Titus County, Texas, all of that certain called 1.00 acre tract conveyed to Hector Zelaya, by deed as recorded in Volume 1250, Page 211, Real Property Records, Titus County, Texas, all of the remainder of that certain called 10 acre tract conveyed to Jackie Holt et ux, by deed as recorded in Volume 978, Page 092, Real Property Records, Titus County, Texas, all of that certain called 2.42 acre tract conveyed to Oscar Cruz et al, by deed as recorded in File No. 200900004672, Real Property Records, Titus County, Texas, all of that certain called 3.684 acre tract conveved to Denny Ragsdale et ux, by deed as recorded in Volume 597, Page 280, Real Property Records, Titus County, Texas, all of that certain called 17.638 acre tract, called Tract No. 1, part of that certain called 17.660 acre tract, called Tract No. 2, conveyed to Michael Norfleet et ux, by deed as recorded in Volume 1104, Page 317, Real Property Records, Titus County, Texas, part of that certain called 3.40 acre tract conveyed to William Justice et ux, by deed as recorded in Volume 702, Page 185, Real Property Records, Titus County, Texas, part of the right of way of Interstate Highway No. 30, part of that certain called 18.5394 acre tract conveyed to RPJJ Properties, LLC, by deed as recorded in Volume 1939, Page 149, Real Property Records, Titus County, Texas, part of that certain called 9.00 acre tract conveyed to Santiago Zavalla et ux, by deed as recorded in Volume 1648, Page 172, Real Property Records, Titus County, Texas, all of that certain called 2.208 acre tract conveyed to Jackie Campbell, by deed as recorded in Volume 1875, Page 154, Real Property Records, Titus County, Texas, part of that certain called 7.44 acre tract, called Second Tract, and part of the remainder of that certain called First Tract. conveyed to Inez Stroman, by deed as recorded in Volume 458, Page 476, Deed Records. Titus County, Texas, part of the remainder of that certain called 12.636 acre tract conveyed to Lonnie Hedges et ux, by deed as recorded in File No. 200900004864, Real Property Records, Titus County, Texas, and part of that certain called 3.531 acre tract, called Tract Two, conveyed to Billy Eagan et ux, by deed as recorded in Volume 1895. Page 178, Real Property Records, Titus County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a point for corner at a Southeast corner of the existing city limits, the a Southeast corner of a called 104.040 acre tract conveyed to The City of Mt. Pleasant Texas Industrial Development Corporation, by deed as recorded in Volume 1709, Page 098, Real Property Records, Titus County, Texas, the Northeast corner of a called 10.19 acre tract conveyed to Templo Cristiano Asableas De Dios, by deed as recorded in Volume 1287, Page 270, Real Property Records, Titus County, Texas, the Northwest corner of a called 23.00 acre tract conveyed to James Simmons et ux, by deed as recorded in Volume 748, Page 158, Real Property Records, Titus County, Texas, and the Southwest corner of said 50.252 acre tract, said point being in County Road No. 3010:

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THENCE, North 47 Degrees 22 Minutes 24 Seconds East, crossing said 50.252 acre tract, a distance of 2,079.16 feet to a point for corner at the Northeast corner of said 50.252 acre tract, the Southeast corner of said 3.684 acre tract, and the Southwest corner of said 17.638 acre tract;

THENCE, North 89 Degrees 47 Minutes 58 Seconds East, with the South line of said 17.638 acre tract, and passing the Southeast corner of said 17.638 acre tract, and the Southwest corner of said 17.660 acre tract, and continuing on for a total distance of 1,337.96 feet to a point for corner;

THENCE, North 00 Degrees 00 Minutes 00 Seconds West, across said 17.638 acre tract, and passing the North line of said 17.638 acre tract, and the South line of said 3.40 acre tract, and continuing on and passing the North line of said 3.40 acre tract, and the South line of said Interstate Highway No. 30, and continuing on across said highway, and passing the North line of said Interstate Highway No. 30, and the South line of said 18.5394 acre tract, and continuing on for a total distance of 2,659.65 feet to a point for corner in the North line of said 15.5394 acre tract;

THENCE, South 89 Degrees 59 Minutes 12 Seconds West, with the North line of said 18.5394 acre tract, a distance of 203.60 feet to a point for corner at the Northwest corner of said 18.5394 acre tract, and the Northeast corner of the remainder of a called 25.888 acre tract conveyed to Juan Mata et ux, by deed as recorded in Volume 1894, Page 215, Real Property Records, Titus County, Texas;

THENCE, South 19 Degrees 44 Minutes 01 Seconds West, with the West line of said 18.5394 acre tract, and the East line of the remainder of said 25.888 acre tract, a distance of 380.44 feet to a point for corner;

THENCE, South 33 Degrees 36 Minutes 40 Seconds West, with the West line of said 18.5394 acre tract, and the East line of the remainder of said 25.888 acre tract, a distance of 360.97 feet to a point for corner;

THENCE, South 04 Degrees 18 Minutes 07 Seconds West, with the West line of said 18.5394 acre tract, and the East line of the remainder of said 25.888 acre tract, a distance of 87.76 feet to a point for corner at the Southeast corner of the remainder of said 25.888 acre tract, and the Northeast corner of said 9.00 acre tract;

THENCE, South 71 Degrees 42 Minutes 06 Seconds West, across said 9.000 acre tract, a distance of 887.25 feet to a point for corner in the West line of said 9.000 acre tract, at the Northeast corner of said 2.208 acre tract, and the Southeast corner of a called 1.162 acre tract conveyed to Debbie Beagle, by deed as recorded in Volume 1071, Page 036, Real Property Records, Titus County, Texas;

THENCE, South 59 Degrees 33 Minutes 58 Seconds West, with the South line of said 1.162 acre tract, and the North line of said 2.208 acre tract, a distance of 198.18 feet to a point for corner;

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THENCE, South 66 Degrees 41 Minutes 18 Seconds West, with the South line of said 1.162 acre tract, and the North line of said 2.208 acre tract, a distance of 390.72 feet to a point for corner at the Northwest corner of said 2.208 acre tract, and the Southwest corner of a tract of land conveyed to Jackie Campbell et ux, by deed as recorded in Volume 411, Page 799, Deed Records, Titus County, Texas, said point being in an East line of said Interstate Highway No. 30;

THENCE, North 31 Degrees 09 Minutes 55 Seconds West, with the East line of said Interstate Highway No. 30, a distance of 107.09 feet to a point for corner at a Northeast corner of said Interstate Highway No. 30;

THENCE, South 38 Degrees 51 Minutes 30 Seconds West, with the North line of said Interstate Highway No. 30, a distance of 55.79 feet to a point for corner;

THENCE, South 17 Degrees 46 Minutes 48 Seconds West, with the North line of said Interstate Highway No. 30, a distance of 83.89 feet to a point for corner;

THENCE, South 05 Degrees 02 Minutes 03 Seconds West, with the North line of said Interstate Highway No. 30, a distance of 228.73 feet to a point for corner;

THENCE, South 61 Degrees 16 Minutes 33 Seconds West, being approximately 1,000 feet from and approximately parallel to the center line of said Interstate Highway No. 30, and passing a West line of said 7.44 acre tract, and the East line of the remainder of said Stroman tract, and continuing on for a total distance of 984.07 feet to a point for corner;

THENCE, South 63 Degrees 20 Minutes 13 Seconds West, being approximately 1,000 feet from and approximately parallel to the center line of said Interstate Highway No. 30, and crossing the West line of the remainder of said 12.636 acre tract, and continuing on and passing the West line of the remainder of said 12.636 acre tract, and the East line of said 3.531 acre tract, and continuing on for a total distance of 1,568.44 feet to a point for corner at the Southwest corner of said 3.531 acre tract;

THENCE, North 89 Degrees 48 Minutes 43 Seconds East, with the South line of said 3.531 acre tract, a North line of said existing city limits, and a North line of said 83.386 acre tract, and passing the Southeast corner of said 3.531 acre tract, and the Southwest corner of the remainder of said 12.636 acre tract, and continuing on for a total distance of 351.00 feet to a point for corner at a Northeast corner of said existing city limits;

THENCE, South 13 Degrees 13 Minutes 20 Seconds East, with an East line of said existing city limits, and passing the South line of said 83.386 acre tract, and the North line of said Interstate Highway No. 30, a distance of 471.62 feet to a point for corner in the South line of said Interstate Highway No. 30, and the Northwest line of said 104.040 acre tract;

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THENCE, North 63 Degrees 24 Minutes 43 Seconds East, with the South line of said Interstate Highway No. 30, and the Northwest line of said 104.040 acre tract, a distance of 284.70 feet to a point for corner at a Northeast corner of said 104.040 acre tract, and the Northwest corner of the remainder of said 10 acre tract:

THENCE, South 03 Degrees 36 Minutes 08 Seconds West, with an Eat line of said 104.040 acre tract, and the West line of the remainder of said 10 acre tract, a distance of 269.72 feet to a point for corner at an ell corner of said 104.040 acre tract, and the Southwest corner of the remainder of said 10 acre tract;

THENCE, North 89 Degrees 59 Minutes 07 Seconds East, with the South line of the remainder of said 10 acre tract, and a North line of said 104.040 acre tract, a distance of 696.43 feet to a point for corner;

THENCE, South 03 Degrees 31 Minutes 34 Seconds West, with an East line of said 104.040 acre tract, and the West line of said 50.252 acre tract, a distance of 310.78 feet to a point for corner at the Northeast corner of said 1.00 acre tract;

THENCE, South 72 Degrees 43 Minutes 36 Seconds West, with the North line of said 1.00 acre tract, and a South line of said 104.040 acre tract, a distance of 239.37 feet to a point for corner;

THENCE, South 01 Degrees 09 Minutes 08 Seconds East, with the West line of said 1.00 acre tract, and an East line of said 104.040 acre tract, a distance of 189.36 feet to a point for corner;

THENCE, North 72 Degrees 45 Minutes 55 Seconds East, with the South line of said 1.00 acre tract, and a North line of said 104.040 acre tract, a distance of 239.37 feet to a point for corner;

THENCE, South 00 Degrees 57 Minutes 55 Seconds East, with an East line of said 104.040 acre tract, and the West line of said 50.252 acre tract, a distance of 143.96 feet to a point for corner;

THENCE, South 06 Degrees 38 Minutes 20 Seconds East, with an East line of said 104.040 acre tract, and the West line of said 50.252 acre tract, a distance of 114.08 feet to the **POINT OF BEGINNING** and **CONTAINING** 6,647,959 square feet or 152.62 acres of land.

EXHIBIT "B"

EASEMENTS

Tri Special Utility District Cost Estimate of Facilities to be Annexed

| TRI SPECIA | L UTILITY DISTRICT | | - | | · _ · |
|--------------|--|-----------|---------------------------------------|---------------------------------------|---|
| February 25, | 2015 | | | | - |
| LIST OF CH | ATTELS TO BE ANNEXED BY MOU | NT PLEASA | INT | | . |
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| | on system : | | · · · · · · · · · · · · · · · · · · · | | |
| 4,55(| L.F. of 6" P.V.C. Pipe | @s . | 7.50 | Per Ft. =\$ | 34,125. |
| 620 | L.F. of 10" Steel Pipe Enc. | @\$ | | Per Ft. =\$ | 65,100.0 |
| · | (Highway - Wet Bore) | | • | | 05,700. |
| 100 | L.F. of 2" Steel Pipe Enc. | @\$ | 25.00 | Per Ft. =\$ | 2,500.0 |
| | (Highway - Wet Bore) | | | | |
| 120 | L.F. of 1" PVC Service Bore | @\$ | 24.00 | Per Ft. =\$ | 2,880.0 |
| | (F.M. Road 899) | . T . T | | | 2,00010 |
| 2 | Ea. Service with 5/8" x 3/4" meter | @\$ | 850.00 | Ea. =\$ | 1,700.0 |
| . 1 | Ea. Fire Hydrant | @\$ | 1,750.00 | | 1,750.0 |
| | TOTAL DISTRIBUTION | | | -S . | 108,055.0 |
| | | | | | 100,000.0 |
| | | | | | · · · · · · · · · · · · · · · · · · · |
| THER COST | ************************************** | | | · · · · · · · · · · · · · · · · · · · | |
| | Engineering Fees: | @\$ | 200.00 | L.S. =\$ | 200.00 |
| | TOTAL COSTS | | | =\$ | 108,255.00 |

