

UPPER TRINITY REGIONAL WATER DISTRICT
 SCHEDULE 10 - MEMBER / CUSTOMER POPULATION
 LAST TEN FISCAL YEARS

	Notes	Fiscal Year									
		2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Argyle WSC	(2)	6,724	6,758	6,758	6,476	6,417	5,966	5,783	5,783	5,580	5,295
Argyle		3,510	3,420	3,350	3,400	3,400	3,300	3,250	3,100	3,050	2,900
Aubrey		2,870	2,810	2,810	2,610	2,600	2,550	2,500	2,350	2,200	2,000
Bartonville		1,630	1,630	1,590	1,580	1,400	1,380	1,350	1,350	1,300	1,300
Blackrock WSC	(2)	1,287	1,287	1,143	1,143	1,143	950	950	950	950	950
Celina		6,660	6,480	6,260	6,240	5,355	4,900	4,850	4,650	5,000	4,500
Copper Canyon		1,350	1,340	1,330	1,350	1,350	1,350	1,350	1,350	1,350	1,300
Corinth		20,520	20,420	20,573	20,605	20,605	19,700	19,650	19,500	20,000	20,000
Cross Timbers WSC	(2)	6,733	6,668	6,625	6,634	6,834	6,800	6,800	6,420	6,420	6,170
Denton		120,820	116,950	115,810	114,440	110,300	107,250	106,050	105,550	100,950	98,200
Denton County	(3)	30,324	28,676	32,351	38,178	25,258	52,000	14,000	14,000	14,000	14,000
DCFWSD #1A	(1)	9,973	9,650	10,213	8,481	8,270	4,650	4,650	4,650	4,200	3,700
DCFWSD #7	(1)	9,710	9,555	8,215	7,300	7,300	6,000	5,900	5,000	3,850	3,850
DCFWSD #8A	(1)	4,070	3,980	3,567	3,363	3,444	3,144	2,873	2,424	2,073	1,419
Providence Village		5,400	5,674	5,674	5,500	5,232	4,947	4,425	3,700	2,904	2,431
DCFWSD #10	(1)	5,160	5,059	4,396	4,275	4,107	3,999	2,862	2,400	1,514	856
DCFWSD #11	(1)	4,288	4,204	3,534	3,237	3,219	2,691	1,701	1,500	248	N/A
Double Oak		2,920	2,890	2,880	2,880	2,600	2,600	2,550	2,500	2,500	2,500
Flower Mound		66,130	66,095	65,080	65,474	62,950	62,866	62,450	62,350	61,550	61,000
Highland Village		16,500	16,500	15,500	16,500	16,500	15,200	15,100	15,000	15,000	15,000
Irving		227,030	220,750	218,850	216,970	213,700	212,250	210,150	206,600	201,950	197,400
Juatin		3,250	3,429	3,250	3,631	3,555	3,150	3,100	3,050	2,900	2,600
Krum		4,750	4,420	4,250	4,190	4,000	3,825	3,800	3,550	3,250	3,000
Lake Cities MUA		14,697	14,211	14,211	14,526	14,526	14,610	14,229	14,229	14,394	14,144
Lewisville		88,330	97,140	96,000	98,450	96,450	95,250	92,850	91,550	89,100	86,650
Lincoln Park		487	627	627	618	517	517	517	517	517	517
Mustang SUD		15,603	15,603	17,050	17,050	14,700	14,700	14,700	14,700	14,700	14,700
Oak Point		3,040	2,930	2,820	2,900	2,700	2,525	2,500	2,450	2,200	2,050
Pilot Point		3,880	3,870	3,870	4,100	4,100	4,050	4,000	3,950	3,950	3,850
Ponder		1,460	1,420	1,410	1,400	1,150	1,150	1,050	1,050	900	900
Prosper		14,710	13,380	12,190	10,580	9,350	7,100	6,350	-	-	-
Sanger		7,480	7,170	6,970	7,300	7,300	6,950	6,700	6,700	6,000	6,000

Sources:

North Central Texas Council of Governments (NCTCOG)
 UTRWD Annual Survey

Notes:

1 DCFWSD - Denton County Fresh Water Supply District
 2 WSC - Water Supply Corporation

3 Includes only unincorporated areas within the County

UPPER TRINITY REGIONAL WATER DISTRICT

SCHEDULE 11 - FUNDED DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Administration	9	9	9	9	9	8	9	9	9	7
Business/Finance	17	17	17	17	17	17	16	15	15	16
Operations	37	34	33	34	34	35	31	30	30	26
Maintenance	14	14	14	14	14	14	14	12	12	12
Engineering/Construction	14	18	18	17	17	17	17	17	17	18
Total	91	92	91	91	91	91	87	83	83	79

Source: UTRWWD Business Department

**UPPER TRINITY REGIONAL WATER DISTRICT
SCHEDULE 12 - OPERATING INDICATORS BY SYSTEM
LAST TEN FISCAL YEARS**

SYSTEM	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Regional Treated Water System										
Wholesale Customers Contracted (See Note)	20	20	20	20	19	19	19	19	19	19
Total Town, Cities and Others Served (See Note)	30	30	29	29	29	29	29	29	29	29
Total Customer Delivery Points	25	25	24	24	24	24	24	24	24	24
Total Yearly Billed Flows (millions of gallons)	8,146	8,020	8,183	8,989	7,231	7,412	7,530	5,982	8,183	6,411
Lakeview Regional Water Reclamation System										
Wholesale Customers Contracted (See Note)	6	6	6	6	6	6	6	6	6	6
Total Town, Cities and Others Served (See Note)	9	9	8	8	8	8	8	8	8	8
Customer Points of Entry	10	10	8	8	8	8	8	8	8	8
Total Yearly Billed Flows (millions of gallons)	1,333	1,256	1,343	1,272	1,547	1,278	1,307	1,540	1,021	1,084
Northeast Regional Water Reclamation System										
Wholesale Customers Contracted (See Note)	9	9	8	8	8	8	8	8	7	7
Total Town, Cities and Others Served (See Note)	11	11	8	8	8	8	8	8	7	7
Customer Points of Entry	14	13	13	13	13	13	13	13	9	9
Total Yearly Billed Flows (millions of gallons)	610	533	480	442	451	365	316	291	186	136

Note: Some contracting parties provide service to more than one town or city

Source: UTRWD Operations & Engineering Department

UPPER TRINITY REGIONAL WATER DISTRICT

SCHEDULE 13 - CAPITAL ASSET (IN SERVICE) STATISTICS BY SYSTEM
LAST TEN FISCAL YEARS

SYSTEM	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<u>Regional Treated Water System</u>										
Raw Water Intake Capacity	200mgd	200mgd	200mgd	200mgd	200mgd	200mgd	200mgd	200mgd	200mgd	200mgd
Water Treatment Plant Capacity	70mgd	70mgd	70mgd	70mgd	70mgd	70mgd	70mgd	70mgd	70mgd	70 mgd
Treated Water Pumping Capacity (est)	130mgd	130mgd	130mgd	130mgd	130mgd	130mgd	130mgd	130mgd	130mgd	130 mgd
<u>Transmission Pipelines (miles):</u>										
12" to 20"	30.18	30.18	30.18	30.18	30.18	30.18	30.18	30.18	30.18	30.18
24" to 36"	40.27	40.27	40.27	40.27	40.27	40.27	39.83	39.83	33.77	33.77
48" to 60"	18.88	18.88	18.88	18.88	18.07	18.07	18.07	18.07	12.77	12.77
<u>Treated Water Storage Tanks:</u>										
Treatment Plant	4	4	4	4	4	4	4	3	3	3
Other	6	6	6	6	6	6	6	6	6	6
<u>Tom Harpool Water Treatment Plant</u>										
Raw Water Intake Capacity	45mgd	45mgd	45mgd	45mgd	45mgd	45mgd	45mgd	45mgd	45mgd	45mgd
Water Treatment Plant Capacity	20mgd	20mgd	20mgd	20mgd	20mgd	20mgd	20mgd	20mgd	20mgd	20mgd
Treated Water Pumping Capacity (est)	16mgd	16mgd	16mgd	16mgd	16mgd	16mgd	16mgd	16mgd	16mgd	16mgd
<u>Lakeview Regional Water Reclamation System</u>										
Water Reclamation Plant Capacity	5.5mgd	5mgd	5mgd	5mgd	5mgd	5mgd	5mgd	5mgd	5mgd	5mgd
<u>Interceptor Pipeline (miles):</u>										
8" to 10"	1.82	1.82	1.82	1.82	1.82	1.82	1.82	1.82	1.79	1.79
14"	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
18" & 20"	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.55
24" & 27"	4.72	4.72	4.72	4.72	4.72	4.70	3.88	3.36	3.36	3.36
Wastewater Lift Stations	5	5	5	5	5	5	5	5	5	5
<u>Northeast Regional Water Reclamation System</u>										
Riverbend Water Reclamation Plant Capacity	2.0mgd	2.0mgd	1.5mgd	1.5mgd	1.5mgd	1.5mgd	1.5mgd	1.5mgd	1.5mgd	1.5mgd
Peninsula Water Reclamation Plant Capacity	0.94mgd	0.94mgd	0.94mgd	0.94mgd	0.94mgd	0.94mgd	0.44mgd	0.375mgd	0.375mgd	0.375mgd
<u>Interceptor Pipeline (miles):</u>										
8" to 20"	4.63	4.63	4.63	4.63	4.63	4.63	4.63	4.36	4.63	4.63
24" to 36"	6.30	6.30	6.30	6.30	6.30	6.30	4.36	4.36	4.36	2.57
Wastewater Lift Stations	1	1	1	1	1	1	1	1	1	1

Note: mgd is million gallons per day

Source: UTRWMD Operations & Engineering Department

UPPER TRINITY REGIONAL WATER DISTRICT

SCHEDULE 14 - SUBSCRIBED CAPACITY BY PARTICIPANTS
September 30, 2014

Participant	Treated Water		Lakeview		Northeast		Non-Potable Water	
	MGD	%	MGD	%	MGD	%	MGD	%
Argyle Water Supply Corp.	1.50	2.10	-	-	-	-	-	-
City of Aubrey	0.10	0.14	-	-	-	-	-	-
Town of Bartonville	-	-	0.0378	0.72	-	-	-	-
City of Celina	2.50	3.49	-	-	-	-	-	-
City of Corinth	7.50	10.48	1.6080	30.78	-	-	-	-
Cross Timbers WSC	2.50	3.49	-	-	-	-	-	-
City of Denton	-	-	-	-	-	-	-	-
Denton County Fresh Water Supply Dist #1A	3.00	4.19	-	-	-	-	-	-
Denton County Fresh Water Supply Dist #7	3.00	4.19	0.8440	16.15	-	-	-	-
Denton County Fresh Water Supply Dist #8A	2.17	3.03	-	-	0.4538	15.43	-	-
Providence Village (DCFWS Dist #9)	2.40	3.35	-	-	0.3600	12.24	-	-
Denton County Fresh Water Supply Dist #10	2.40	3.35	-	-	0.5480	18.64	-	-
Denton County Fresh Water Supply Dist #11	3.00	4.19	-	-	0.4538	15.43	-	-
Town of Double Oak	-	-	0.0080	0.15	-	-	-	-
Town of Flower Mound	30.00	41.93	-	-	-	-	-	-
City of Highland Village	3.00	4.19	1.6500	31.58	-	-	-	-
City of Justin	0.85	1.19	-	-	-	-	-	-
City of Krum	0.40	0.56	-	-	-	-	-	-
Lake Cities Municipal Utility Authority	3.80	5.31	1.0772 (2)	20.62	-	-	-	-
City of Lewisville	-	-	-	-	-	-	-	-
City of Lincoln Park	0.10	0.14	-	-	0.060	2.04	-	-
Mustang Special Utility District	2.80	3.91	-	-	0.853	29.01	-	-
City of Northlake	0.04	0.05	-	-	-	-	-	-
City of Oak Point	-	-	-	-	0.212	7.21	-	-
City of Sanger	0.50	0.70	-	-	-	-	-	-
Upper Trinity Regional Water District	-	-	-	-	-	-	-	-
Total Subscriptions	71.56	100.00	5.2250	100.00	2.941	100.00	All	100.00

(1) Service is provided according to need -- no specific capacity.
(2) Includes a 0.1038 mgd contracted plant capacity credit

Source: UTRWD Operations Department

**SUPPLEMENTAL SCHEDULES
REQUIRED BY THE
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
(UNAUDITED)**

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UPPER TRINITY REGIONAL WATER DISTRICT

SERVICES AND RATES YEAR ENDED SEPTEMBER 30, 2014

1. Services Provided by the District:

- | | | |
|---|--|-------------------------------------|
| <input type="checkbox"/> Retail Water | <input checked="" type="checkbox"/> Wholesale Water | <input type="checkbox"/> Drainage |
| <input type="checkbox"/> Retail Wastewater | <input checked="" type="checkbox"/> Wholesale Wastewater | <input type="checkbox"/> Irrigation |
| <input type="checkbox"/> Parks/Recreation | <input type="checkbox"/> Fire Protection | <input type="checkbox"/> Security |
| <input type="checkbox"/> Solid Waste/Garbage | <input type="checkbox"/> Flood Control | <input type="checkbox"/> Roads |
| <input type="checkbox"/> Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect) | | |
| <input checked="" type="checkbox"/> Other (specify): <u>Household Hazardous Waste Disposal, Non-Potable Water</u> | | |

2. Retail Rates Based on 5/8" Meter: Retail Rates Not Applicable

Most prevalent type of meter (if not a 5/8"). _____

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1000 Gallons Over Minimum	Usage Levels
WATER:	\$ _____	_____	_____	\$ _____	_____ to _____
				\$ _____	_____ to _____
WASTEWATER:	\$ _____	_____	_____	\$ _____	_____ to _____
				\$ _____	_____ to _____
SURCHARGE:	\$ _____	_____	_____	\$ _____	_____ to _____

District employs winter averaging for wastewater usage? Yes No

Total water and wastewater charges per 10,000 gallons usage (including surcharges). \$ _____

3. Retail Service Providers: Number of retail water and/or wastewater* connections within the District as of the fiscal year end. Provide actual numbers and single family equivalents (ESFC) as noted:

	Active Connections	Active ESFC	Inactive Connections (ESFC)**
Single Family	_____	_____	_____
Multi-Family	_____	_____	_____
Commercial	_____	_____	_____
Other - recreational centers government & VFD	_____	_____	_____
TOTAL	=====	=====	=====

* Number of connections relates to water service, if provided. Otherwise, the number of wastewater connections should be provided.

** "Inactive" means that water and wastewater connections were made, but service is not being provided.

4. **Total Water Consumption (In Thousands) During The Fiscal Year:**

Gallons pumped into system: 8,480,316

Gallons billed to customers: 8,145,601

5. **Standby Fees: Does the District assess standby fees?** Yes No

For the most recent full fiscal year, FYE _____,

Debt Service:	Total levy	\$ _____
	Total Collected	\$ _____
	Percentage Collected	_____ %

Operation & Maintenance:	Total levy	\$ _____
	Total Collected	\$ _____
	Percentage Collected	_____ %

Have standby fees been levied in accordance with Water Code Section 49.231, thereby constituting a lien on property? Yes No

6. **Anticipated sources of funds to be used for debt service payments in the district's following fiscal year:**

- a. Debt Service Tax Receipts \$ _____
- b. Surplus Construction Funds \$ _____
- c. Water and/or Wastewater Revenue

\$ 4,165,810	Wastewater
<u>\$18,414,720</u>	<u>Water</u>
- d. Standby Fees \$ _____
- e. Debt Service Fund Balance To Be Used \$ _____
- f. Interest Revenues \$ _____
- g. Other (Describe)

<u>Non-Potable Revenue</u>	\$ <u>265,725</u>
_____	\$ _____
_____	\$ _____

TOTAL ANTICIPATED FUNDS TO BE USED* \$22,846,255

* This total should equal the district's total annual debt service for the fiscal year following the fiscal year reported or in the audited financial statements.

7. **Location of District:**

County(ies) in which district is located. Denton, Collin, Dallas

Is the District located entirely within one county? Yes No

Is the District located within a city? Entirely Partly Not at all

City(ies) in which district is located. _____ *See List of Board Members and Entity Represented

Is the District located within a city's extra territorial jurisdiction (ETJ)?
Entirely Partly Not at all

ETJ's in which district is located. _____ *See List of Board Members and Entity Represented

Is the general membership of the Board appointed by an office outside the district?
Yes No

If Yes, by whom? Governing Body of Member Entities, plus Denton County Commissioners Court

UPPER TRINITY REGIONAL WATER DISTRICT

SCHEDULE OF TEMPORARY INVESTMENTS SEPTEMBER 30, 2014

Systems	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
Lakeview Water Reclamation System					
FHLMC Agency Security	3134G42G2	1.05%	04/30/18*	\$ 590,940	\$ 2,643
FHLMC Agency Security	3134G43F3	1.02%	04/30/18*	\$ 786,640	\$ 3,423
Non-Potable Water System					
FHLMC Agency Security	3134G42G2	1.05%	04/30/18*	\$ 246,225	\$ 1,101
Regional Treated Water System					
FHLMC Agency Security	3134G42G2	1.05%	04/30/18*	\$ 1,132,635	\$ 5,065
FHLMC Agency Security	3134G43F3	1.02%	04/30/18*	\$ 3,146,560	\$ 13,691

*Next call date is 10/30/2014

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UPPER TRINITY REGIONAL WATER DISTRICT

COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES
TWO YEARS ENDED SEPTEMBER 30, 2014

	Amount		% of Fund Total Revenues	
	2014	2013	2014	2013
REVENUES:				
Charges for services	\$ 43,626,393	\$ 41,789,296	99.7%	99.7%
Miscellaneous income	125,263	118,061	0.3%	0.3%
Total revenues	43,751,656	41,907,357	100.0%	100.0%
EXPENSES:				
Operation and maintenance:				
Salaries and benefits	3,046,912	2,434,148	7.0%	5.8%
Water and wastewater treatment	6,183,927	6,021,130	14.1%	14.4%
Lab chemicals and supplies	1,046,790	1,073,818	2.4%	2.6%
Maintenance materials service	886,875	675,277	2.0%	1.6%
Utilities	2,371,989	2,529,313	5.4%	6.0%
Equipment and tools	54,194	37,700	0.1%	0.1%
Sludge removal	295,864	413,987	0.7%	1.0%
Disposal service	12,524	6,679	0.0%	0.0%
Miscellaneous	165,631	167,172	0.4%	0.4%
Depreciation and amortization	8,982,059	9,225,989	20.5%	22.0%
Administrative other	2,934,975	2,996,562	6.7%	7.2%
Total expenses	25,981,740	25,581,775	59.4%	61.0%
EXCESS REVENUES OVER EXPENSES	\$ 17,769,916	\$ 16,325,582	40.6%	39.0%

UPPER TRINITY REGIONAL WATER DISTRICT
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Complete District Mailing Address: P. O. Drawer 305, 900 N. Kealy, Lewisville, TX 75067

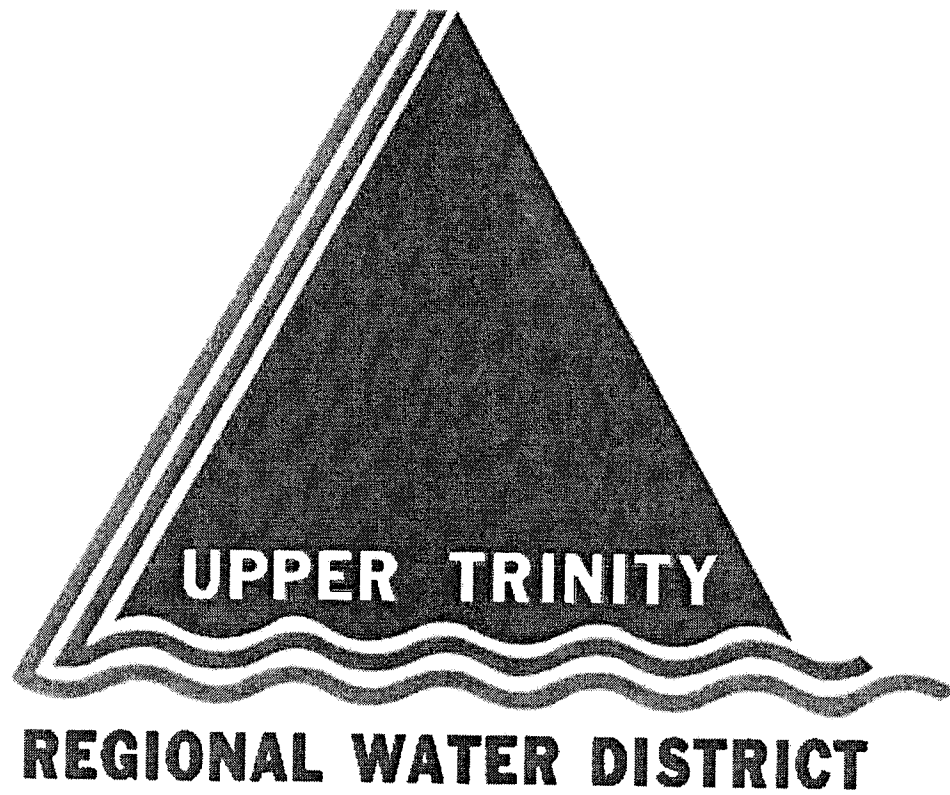
District Business Telephone Number: (972) 219-1228 Fax: (972) 221-9896

Names and Addresses	Term of Office (Elected or Appointed) or Date Hired	Appointing Entity	Expense Reimbursements Year Ended September 30, 2014	Title	Resident of District
Board Officers					
Todd Madison 624 W. University Dr., #423 Denton, TX 76201	Elected by Board on June 1, 2013 Appointed: 03/00 – 05/15	Lincoln Park	\$0.00	President Board of Directors	Yes
Lance Vanzant 1317 Hunter Lane Celina, TX 75009	Elected by Board on June 1, 2013 Appointed: 08/99 – 05/17	City of Celina	\$0.00	Vice President Board of Directors	Yes
Chris Boyd General Manager Mustang Special Utility District 7985 F.M. 2931 Aubrey, TX 76227	Elected by Board on June 1, 2013 Appointed: 03/07 – 05/15	Mustang SUD	\$570.61	Treasurer Board of Directors	Yes
Gary Calmes 1421 N. Elm St. Ste. 102 Denton, TX 76201	Elected by Board on June 1, 2013 Appointed: 10/09 – 5/17	Krum	\$0.00	Secretary Board of Directors	Yes
Board Members					
Charles West Town Manager Town of Argyle P.O. Box 609 Argyle, TX 76226	Appointed 01/13 - 05/17	Argyle	\$0.00	Director	Yes
Kenneth Faulkner 731 Stephanie Dr. Celina, TX 75009	Appointed 12/09 – 5/15	Aubrey	\$0.00	Director	Yes
Del Knowler 739 Seals Rd. Bartonville, TX 76226	Appointed 08/13 - 05/17	Bartonville	\$0.00	Director	Yes
Janet Aune 1313 Copper Canyon Rd. Argyle, TX 76226-9401	Appointed 06/07 - 05/17	Copper Canyon	\$0.00	Director	Yes
Justin Brown Director of Public Works City of Corinth 3300 Corinth Parkway Corinth, TX 76208	Appointed 12/08 – 5/17	Corinth	\$0.00	Director	Yes
Timothy S Fisher Asst. Director of Water Utilities City of Denton 901A Texas St. Denton, TX 76201	Appointed 06/01 – 05/17	City of Denton	\$0.00	Director	Yes
Johnny Harris P.O. Box 994 Lake Dallas, TX 75065	Appointed 03/10 – 05/15	Denton County	\$0.00	Director	Yes

Names and Addresses	Term of Office (Elected or Appointed) or Date Hired	Appointing Entity	Expense Reimbursements Year Ended September 30, 2014	Title	Resident of District
Jean Campbell 405 Canyon Oaks Dr Argyle, TX 76226	Statutory 03/10 - 05/17	Denton County At-Large	\$0.00	Director	Yes
Jerry Benetato DCFWS #1-A 2540 King Arthur Blvd., Ste. 220 Lewisville, TX 75056	Appointed: 6/14 - 05/15	Denton County FWSD #1-A	\$0.00	Director	Yes
Kevin Mercer General Manager DCFWS #7 2652 FM 407 East, Suite 215 Bartonville, TX 76226	Appointed: 11/02 - 05/15	Denton County FWSD #7	\$0.00	Director	Yes
Dick Cook 170 Oak Trail Double Oak, TX 75077	Appointed 07/12 - 05/17	Double Oak	\$0.00	Director	Yes
Ken Parr Director of Public Works Town of Flower Mound 2121 Cross Timbers Road Flower Mound, TX 75028	Appointed 11/06 - 05/15	Flower Mound	\$0.00	Director	Yes
Richard A. Lubke 2700 Gentle Dr. Flower Mound, TX 75022	Appointed 04/00 - 05/15	Highland Village	\$0.00	Director	Yes
Ramiro Lopez Assistant City Manager City of Irving 825 W. Irving Blvd. Irving, TX 75060	Appointed 2/09 - 5/17	Irving	\$0.00	Director	Yes
Virginia Blevins 22858 Indian Trail Justin, TX 76247	Appointed 06/03 - 5/17	Justin	\$0.00	Director	Yes
Mike Fairfield General Manager Lake Cities MUA P.O. Box 2017 Lake Dallas, TX 75065	Appointed 12/09 - 5/15	Lake Cities MUA	\$0.00	Director	Yes
Lathan Watts 1412 Berne Ln. Lewisville, TX 75067	Appointed 08/13 - 05/17	Lewisville	\$0.00	Director	Yes
Leslie Maynard 1209 Yacht Club Rd. Oak Point, TX 76258	Appointed 10/08 - 05/15	Oak Point	\$0.00	Director	Yes
Scott Ingalls 2700 Sir Patrice Lane Lewisville, TX 75056	Appointed 03/13 - 05/15	Pilot Point	\$0.00	Director	Yes
Richard A. Huckaby 924 Ridgecrest Circle Denton, TX 76205	Appointed 11/10 - 5/17	Ponder	\$0.00	Director	Yes
George E. Dupont 1400 Harvest Ridge Lane Prosper, TX 75078	Appointed 11/11 - 05/15	Prosper	\$0.00	Director	Yes

Names and Addresses	Term of Office (Elected or Appointed) or Date Hired	Appointing Entity	Expense Reimbursements Year Ended September 30, 2014	Title	Resident of District
Mike Brice City Manager City of Sanger P.O. Box 1729 Sanger, TX 76266	Appointed 08/13 - 05/15	Sanger	\$0.00	Director	Yes
Key Administrative Personnel					
Thomas E. Taylor, P.E. 900 N. Kealy P.O. Drawer 305 Lewisville, TX 75067	Contract 05/01/89 Employee 03/01/92 - Present	UTRWD	\$16,398	Executive Director	No
Larry N. Patterson, P.E. 900 N. Kealy P.O. Drawer 305 Lewisville, TX 75067	Hired 08/12/02 - Present	UTRWD	\$12,018	Deputy Executive Director	Yes
William A. Greenleaf 900 N. Kealy P.O. Drawer 305 Lewisville, TX 75067	Hired 09/28/98 - Present	UTRWD	\$5,913	Director - Business Services	Yes
Thomas W. Snyder, P.E. 900 N. Kealy P.O. Drawer 305 Lewisville, TX 75067	Hired 07/01/93 - Present	UTRWD	\$5,913	Assistant Director - Construction and Engineering	Yes
Jody Zabolio, P.E. 900 N. Kealy P.O. Drawer 305 Lewisville, TX 75067	Hired 12/13/04 - Present	UTRWD	\$5,913	Assistant Director - Operations	No
Consultants					
Dave Medanich Senior Vice President First Southwest Company 777 Main St., Suite 1200 Fort Worth, TX 76102	Contracts 09/07/89 - Present	UTRWD	N/A	Financial Advisor	N/A
John F. Boyle, Jr. Boyle & Lowry LLP Attorneys and Counselors 4201 Wingren, Suite 108 Irving, TX 75062-2763	Contracts 02/02/95 - Present	UTRWD	N/A	General Counsel	N/A
Rob Collins, III - Partner Bracewell & Giuliani LLP 1445 Ross Avenue Suite 3800 Dallas, TX 75202-2711	Contracts 04/07/95 - Present	UTRWD	N/A	Bond Counsel	N/A
Richard H. Kelsey, P. C. Kelsey and Kelsey, L.L.P. Attorneys At Law 2225 East McKinney Denton, TX 76209	Contracts 11/12/92 - Present	UTRWD	N/A	Real Estate Counsel	N/A
Alan R. Tucker, P. E. - President Ms. Ellen McDonald, Ph D., P.E - Principal Alan Plummer & Assoc., Inc. 1320 S. University Dr., Ste. #300 Fort Worth, TX 76107	Contracts 02/20/91 - Present	UTRWD	N/A	Engineering	N/A
Robert Brandes, P. E. Atkins North America, Inc. 6504 Bridge Point Parkway Ste.200 Austin, TX 78730	Contracts 03/19/12 - Present	UTRWD	N/A	Engineering	N/A
Samir S. Mathur, P. E. CDM Smith Inc. 8140 Walnut Hill Lane, Ste.1000 Dallas, TX 75231	Contracts 08/03/06 - Present	UTRWD	N/A	Engineering	N/A

Names and Addresses	Term of Office (Elected or Appointed) or Date Hired	Appointing Entity	Expense Reimbursements Year Ended September 30, 2014	Title	Resident of District
Edward M. Motley P. E. - VP CH2M Hill, Inc. 12750 Merit Drive, Suite 1100 Dallas, TX 75251	Contracts 09/16/93 - Present	UTRWD	N/A	Engineering	N/A
James Gallovich, P. E. - Associate VP Carollo Engineers 100 E. 15 th St., Suite 415 Fort Worth, TX 76102	Contracts 10/06/00 - Present	UTRWD	N/A	Engineering	N/A
Pete Patel, President, CEO CP&Y Inc. 1820 Regal Row, Ste. #200 Dallas, TX 75235	Contracts 09/16/93 - Present	UTRWD	N/A	Engineering	N/A
J.A. Sosebee, P. E. - Sr VP Huitt-Zollars, Inc. 1717 McKinney Ave, Suite 1400 Dallas, TX 75202	Contracts 05/05/11 - Present	UTRWD	N/A	Engineering	N/A
Antonio Almeida, P.E. Program Manager Half Associates, Inc. 12225 Greenville Ave., Suite 200 Dallas, TX 75243	Contracts 02/02/11 - Present	UTRWD	N/A	Engineering	N/A
Justin Reeves, P.E., LEED, AP Lockwood, Andrews and Newnam, Inc. 1320 S University Dr. Suite 450 Fort Worth, TX 76107	Contracts 05/01/14 - Present	UTRWD	N/A	Engineering	N/A
Timothy J. Smith Senior Project Manager Michael Baker Jr, Inc 810 Hester's Crossing., Suite 163 Round Rock, TX 78681	Contracts 10/02/08 - Present	UTRWD	N/A	Engineering	N/A
Independent Auditor					
Terry Kile Deloitte & Touche LLP Chase Tower, Ste. #1600 2200 Ross Avenue Dallas, TX 75201-6778	Contracts 11/12/93 - Present	UTRWD	N/A	Auditor	N/A
Investment Officers					
Thomas E. Taylor 900 N. Kealy P. O. Drawer 305 Lewisville, TX 75067	Contract 05/01/89 Employee 03/01/92 - Present	UTRWD	N/A	Executive Director	No
William A. Greenleaf 900 N. Kealy P.O. Drawer 305 Lewisville, TX 75067	Hired 09/28/98 - Present	UTRWD	N/A	Director - Business Services	Yes
Lester T. Harris Jr. 900 N. Kealy P. O. Drawer 305 Lewisville, TX 75067	Hired 05/05/03 - Present	UTRWD	N/A	Accounting Manager	No



Mustang Special Utility District
 Summary of capitalized assets relating to UTRWD Facilities pulled from AP and other records
 Prepared 9/18/15

Equity Fees	Peninsula	Riverbend	Wastewater Doe Branch	Water Harpool	Regional
	3/5/2003	9/28/2005		12/20/2007	2001
	93,557.95	127,503.67	70,000.00	257,522.22	218,739.95
	5/1/2007	2/24/2011	9/30/2006	7/18/2006	
	2,342,329.30	435,695.41	73,092.97	81,000.00	
	5/1/2007	8/18/2011	11/29/2006		
	43,500.00	217,847.71	633,600.00		
	9/30/2007	8/29/2011	11/29/2006		
	2,123,576.95	217,847.70	353,925.00		
		1/31/2012	7/3/2007		
			9/26/2007		
			662,475.00		
			1/18/2008		
			992,000.00		
			4/1/2014		
			1,230,882.00		
			9/30/2014		
			27,111.01		
total	4,602,964.20	1,047,894.49	4,043,085.98	338,522.22	218,739.95
retotal	4,602,964.20	5,090,980.47		338,522.22	218,739.95
GL balance	4,325,507.84	4,259,346.65		338,522.22	218,739.95
variance	277,456.36	831,633.82			

MSUD CCN Valuation

10/22/2015

Factors:

Year to compute (straight line) depreciated value:

2015

Water Facility	MSUD % Ownership of Total Asset	Estimated Construction Completion Year	MSUD Cost in Construction Year \$	Expected Life	MSUD Depreciated value (constr. year \$)
Capitalized Interest relating to UTRWD Joint Facilities	35.00%	1998	\$ 231,372	30	\$ 100,261
Well #6	100.00%	2002	25,072	25	12,035
FM 720 (Approx. 5,867 l.f. of 36" D.I.P.)	35.00%	2005	346,536	25	207,921
US380 (Approx. 2,933 l.f. of 30" D.I.P.)	35.00%	2005	183,880	25	110,328
US380 (Approx. 23,760 l.f. of 24" D.I.P.)	35.00%	2005	668,015	25	400,809
FM1385S Waterline	35.00%	2005	174,860	25	104,916
FM1385N/FM428 Waterline	40.00%	2005	236,513	25	141,908
Temple Dane Ground Storage & Pump Station - initial construction	35.00%	2005	1,040,278	25	624,167
Byran Road 2.25 MG Elevated Storage Tank	55.60%	2009	1,981,062	25	1,505,607
Temple Dane Pump Station - replace pump & electrical	35.00%	2012	270,081	30	243,073
Byran Road chlorine analyzer	55.60%	2013	5,360	25	4,931
Temple Dane Ground Storage Tank - floor replacement	35.00%	2013	5,577	10	4,461
Temple Dane Pump Station - replace pumps & electrical (4)	35.00%	2016	383,755	30	383,755
			\$ 5,552,360		\$ 3,844,172

MSUD CCN Valuation

11/10/2015

Water Facility	MSUD % Ownership of Total Asset	Facility Capacity LUEs	MSUD Capacity LUEs	Stranded Capacity LUEs in Docket 45151
Capitalized Interest relating to UTRWD Joint Facilities	35.00%	13,333	4,667	1,426
Well #6	100.00%	83	83	62
FM 720 (Approx. 5,867 l.f. of 36" D.I.P.)	35.00%	21,149	7,402	1,426
US380 (Approx. 2,933 l.f. of 30" D.I.P.)	35.00%	14,687	5,140	1,426
US380 (Approx. 23,760 l.f. of 24" D.I.P.)	35.00%	9,400	3,290	1,426
FM1385S Waterline	35.00%	9,400	3,290	1,426
FM1385N/FM428 Waterline	40.00%	9,400	3,760	1,426
Temple Dane Ground Storage & Pump Station -initial construction	35.00%	9,167	3,208	1,426
Byran Road 2.25 MG Elevated Storage Tank	55.60%	11,250	6,255	1,426
Temple Dane Pump Station - replace pump & electrical	35.00%	9,167	3,208	1,426
Byran Road chlorine analyzer	55.60%	11,250	6,255	1,426
Temple Dane Ground Storage Tank - floor replacement	35.00%	20,000	7,000	1,426
Temple Dane Pump Station - replace pumps & electrical (4)	35.00%	13,333	4,667	1,426
			Total LUEs in Docket	1,488

Mustang SUD
Summary of Legal Costs Related to Defending CCN
as of 11/10/15

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
Gay, McDall, Isaacks...	CADG Sutton Fields	\$ 1,026.27
Jackson Walker LLP	CADG Sutton Fields	823.50
Jackson Walker LLP	CADG Sutton Fields	942.00
Jackson Walker LLP	CADG Sutton Fields	710.00
Jackson Walker LLP	CADG Sutton Fields	948.88
Jackson Walker LLP	CADG Sutton Fields	1,510.00
Jackson Walker LLP	CADG Sutton Fields	750.40
		\$ 6,711.05

Mustang SUD
 Summary of Other Costs Related to Defending CCN
 as of 11/10/15

<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
Steger Bizzell	asset review relating to decertification of Jackson Ridge (Comanche - 2 tracts) and Sutton Fields	3,634.25
Steger Bizzell	asset review relating to decertification of Jackson Ridge (Comanche - 2 tracts) and Sutton Fields	1,999.00
		5,633.25
	Sutton Fields Portion of Expenses Above	33.3%
	Costs not isolated to Sutton Fields so conservatively divided total by 3 (# of tracts considered)	
	Sutton Fields Total for Related Expenses	\$ 1,877.75

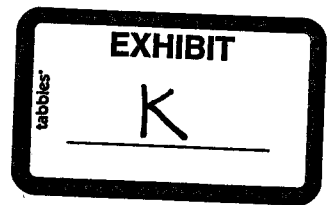
Mustang Special Utility District
UTRWD Available Capacity
Prepared 11/11/15

	<u>Water</u>	<u>Riverbend</u>	<u>Doe Branch</u>	<u>Total WW</u>
original contract capacity	2,800,000		200,000	
contract increases 9/14		-		
contract increases 9/15		25,000		
contract increases 9/16		25,000		
contract increases 9/17		25,000		
contract increases 9/18		25,000		
added - Oak Point		60,000		
owned capacity	<u>2,800,000</u>	<u>185,000</u>	<u>200,000</u>	385,000
last usage - avg gal/day (September metered usage)	(2,234,625)	(6,027)	(88,889)	(94,916)
add Glenbrooke - 393 homes - going away June 2016	339,552	78,600		78,600
Available Capacity	<u>904,927</u>			368,684
committed pending usage:				
Union Park - 300 lots (Nov 2015)	259,200	60,000		
The Mansions - 431 apartment units	260,755	64,650		
The Grand Estates - 400 apartment units	242,000	60,000		
Denton High School #4 - 2,000 students	60,000	40,000		
Committed Pending Capacity	<u>821,955</u>	<u>224,650</u>		224,650
Uncommitted Capacity	82,972			144,034

ASSUMPTIONS

single family residence	864 gpd	200 gpd
apartment	605 gpd	150 gpd
school	30 gpd	20 gpd

assumptions have been verified by the engineers at Steger Bizzell



PUC DOCKET NO. 45151

CITY OF CELINA NOTICE OF	§	BEFORE THE
INTENT TO PROVIDE RETAIL WATER	§	
AND SEWER SERVICE TO 494.819-	§	
ACRE AREA DECERTIFIED FROM	§	PUBLIC UTILITY COMMISSION
MUSTANG SPECIAL UTILITY	§	
DISTRICT IN DENTON COUNTY	§	OF TEXAS

AFFIDAVIT OF PERRY C. STEGER, P.E., IN SUPPORT OF MUSTANG SPECIAL UTILITY DISTRICT'S APPRAISAL

STATE OF TEXAS §

COUNTY OF WILLIAMSON §

BEFORE ME, the undersigned notary, personally appeared Perry C. Steger, P.E., the affiant, a person who is known to me. After administering an oath, the affiant testified that:

1. "My name is Perry C. Steger. I am over the age of eighteen years, of sound mind, and am capable of making this affidavit. The facts stated in this affidavit are within my personal knowledge and are true and correct.
2. I am a registered professional engineer in the State of Texas and have been so licensed since April 1989. My license number is 65772. I am the President of Steger Bizzell, an engineering firm located in Georgetown, Texas. Since 1984, I have been involved in water and wastewater design projects.
3. I was first appointed by Mustang Special Utility District ("Mustang SUD") as the engineer of record in 2010. Since then, I have been involved in multiple projects for Mustang SUD, including, but not limited to, the Temple Dane Pump Station Improvements, FM 455 Water Line Replacement Project, Water and Wastewater GIS Mapping System, and preparation of a 5-Year Water and Wastewater Capital Improvement Plan. In my capacity as the engineer of record for Mustang SUD, I am familiar with Mustang SUD's water and wastewater operations, facilities, and management.
4. In PUC Docket No. 44629, the PUC granted a petition for expedited release of an approximately 494.819-acre tract of land from Mustang SUD's water and sewer CCNs (the "Subject Tract"). In the above-captioned proceeding, the City of Celina filed a notice of intent to serve the Subject Tract. Along with the filing of this affidavit, Mustang SUD will file an appraisal entitled *Analysis and Opinion of Previously Decertified CCN from Mustang Special Utility District in PUC Dockets 45151* and prepared by Mustang SUD's consultant, NewGen Strategies & Solutions, on behalf of

Mustang SUD (the "Analysis"). I have reviewed the Analysis, including the attachments to the Analysis.

5. In my capacity as the engineer of record for Mustang SUD and due to my participation in the preparation the 5-Year Capital Improvements Plan and associated growth projections, I am aware that the annual growth projection in the Temple Dane Area is 5.36%. Growth demands in the Temple Dane area will be adequately met by existing capacities until 2020.
6. In my capacity as the engineer of record for Mustang SUD, I am familiar with Mustang SUD's membership in the Upper Trinity Regional Water District ("UTRWD"). I am aware that Mustang SUD's UTRWD capacities support 3,241 LUEs for water based on 864 gallons per day ("GPD") per connection for water supply and, after excluding the Peninsula Water Reclamation Plant, 1,625 LUEs for wastewater based on 200 GPD. I also reviewed the assumptions used in Attachment J and noted at the bottom of Attachment J of the Analysis, and those are accurate usage assumptions.
7. Attachment F to the Analysis is a document identifying the water facilities impacted by this proceeding. Included in Attachment F are the following facilities/assets:
 - Capitalized interest relating to UTRWD Joint Facilities refers to monetary value of capitalized interest from partial ownership of facilities in an agreement between Upper Trinity Regional Water District and Mustang Special Utility District.
 - FM 720 refers to 5,867 linear feet of 36" ductile iron pipe used as a portion of the transmission lines from Temple Dane Ground Storage and Pump Station to Byran Road Elevated Storage Tank.
 - US 380 30" D.I.P. Waterline refers to 2,933 linear feet of 30" ductile iron pipe used as a portion of the transmission lines from Temple Dane Ground Storage and Pump Station to Byran Road Elevated Storage Tank..
 - US 380 24" D.I.P. Waterline refers to 23,760 linear feet of 24" ductile iron pipe used as a portion of the transmission lines from Temple Dane Ground Storage and Pump Station to Byran Road Elevated Storage Tank..
 - FM 1385 S Waterline refers to 12,400 linear feet of 24" ductile iron pipe used as a portion of the transmission lines from Temple Dane Ground Storage and Pump Station to Byran Road Elevated Storage Tank..
 - FM 1385 N/FM 428 Waterline refers to 19,100 linear feet of 24" ductile iron pipe from the intersection of Byran Road and FM1385 north along FM1385 and FM 428..
 - Temple Dane Ground Storage & Pump Station, initial construction, refers to costs associated with installing the storage tank and pumps at Temple Dane to provide water to Byran Road Elevated Storage Tank.

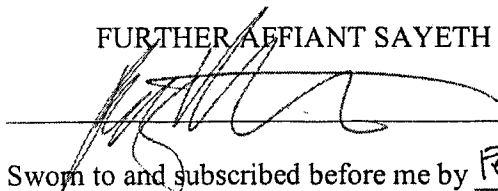
- Bryan Road 2.25 MG Elevated Storage Tank refers to the elevated storage capacity serving the area which includes the subject tract.
- Temple Dane Pump Station, replacement pump & electrical, refers to maintenance and/or upgrade required in order to adequately serve the Temple Dane and Byran Road service areas.
- Bryan Road chlorine analyzer refers to addition of chlorine analyzer at Byran Road Elevated Storage Tank to provide adequate drinking water per the Texas Commission on Environmental Quality requirements.
- Temple Dane Ground Storage Tank, floor replacement, refers to maintenance and/or rehabilitation required in order to adequately serve the Temple Dane and Byran Road service areas.
- Temple Dane Pump Station, replacement pumps & electrical refers to maintenance and/or upgrade required in order to adequately serve the Temple Dane and Byran Road service areas.

8. Further, the percentage of Mustang SUD's ownership of each asset, the estimated year construction was completed, the cost to Mustang SUD in the year construction was completed, the expected life of each asset, and the depreciated value to Mustang SUD as shown in Attachment F are true and correct.

9. In my capacity as the engineer of record for Mustang SUD and due to my participation in the preparation the 5-Year Capital Improvements Plan and associated growth projections, I am familiar with the utilization of Mustang SUD's assets by the Subject Tract, including those assets identified in Paragraph 7 above. In part based on the location of the assets identified above in relation to the Subject Tract and in part based on naturally uneven distribution of future growth and growth projections of the 5-Year Capital Improvements Plan for the planned service area, it is my opinion that 1,488 LUEs will be stranded due to the decertification of the Subject Tract. Attachment G to the Analysis identifies the same facilities described in Paragraph 7 above. The percentage of Mustang SUD's ownership of each asset, the facility capacity in LUEs, Mustang SUD's capacity in LUEs, and the stranded capacity in LUEs resulting from the decertification of the Subject Tract as shown in Attachment G are true and correct.

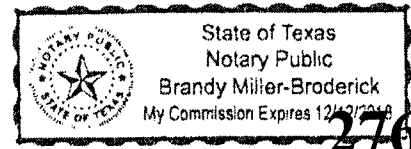
10. Attached to this affidavit are true and correct copies of maps which I prepared identifying some of the assets related to the provision of water service to the Subject Tract."

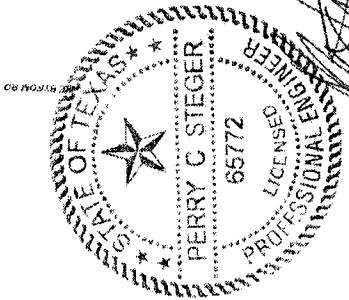
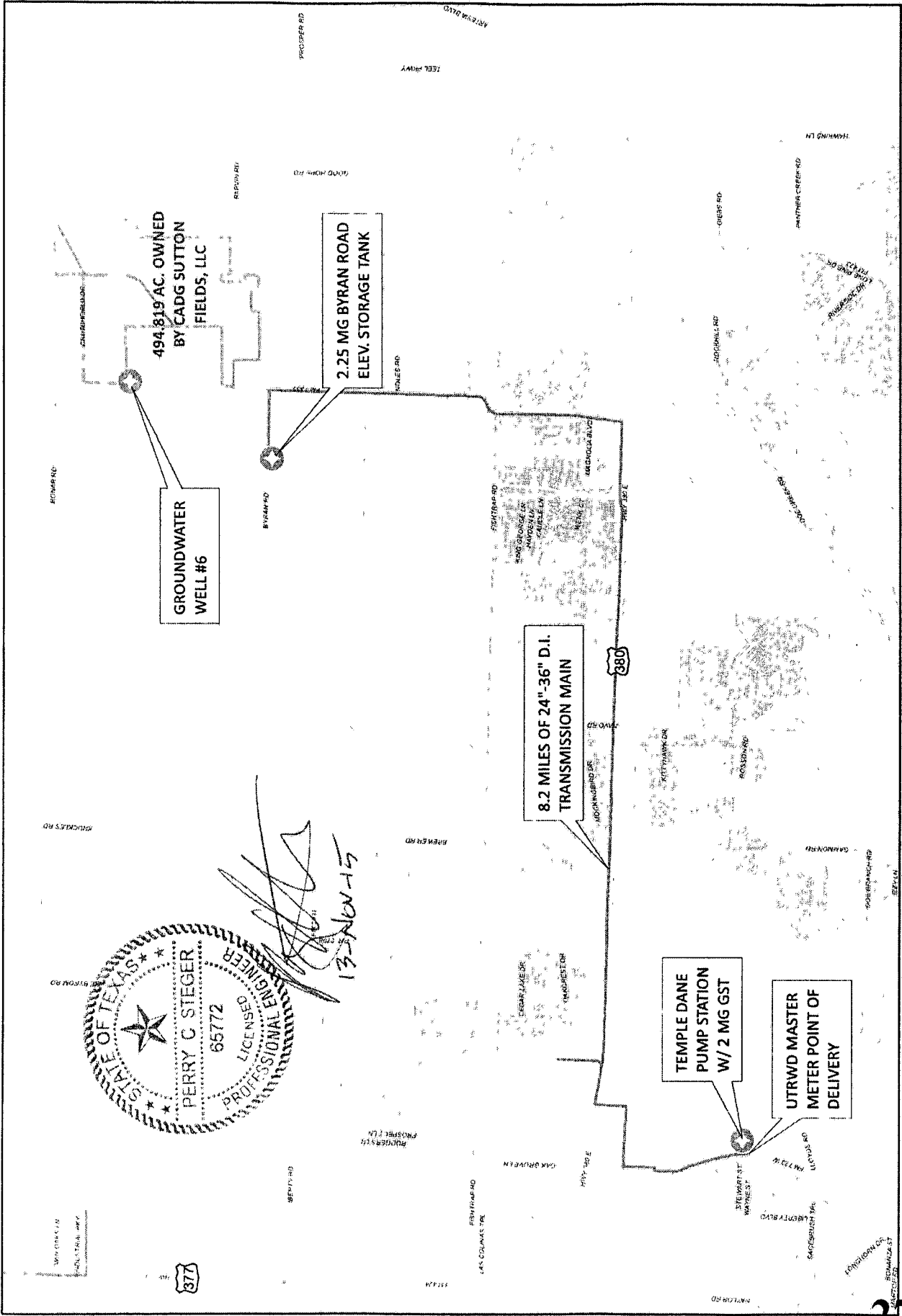
FURTHER AFFIANT SAYETH NAUGHT.


 Sworn to and subscribed before me by Perry Steger on November 13, 2015.

Brandy Miller-Broderick
 Notary Public, State of Texas

My commission expires: 12/12/18



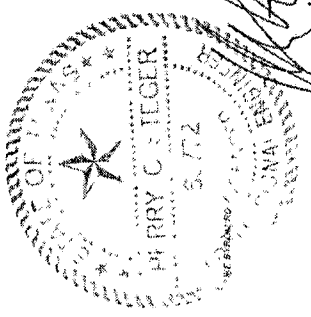
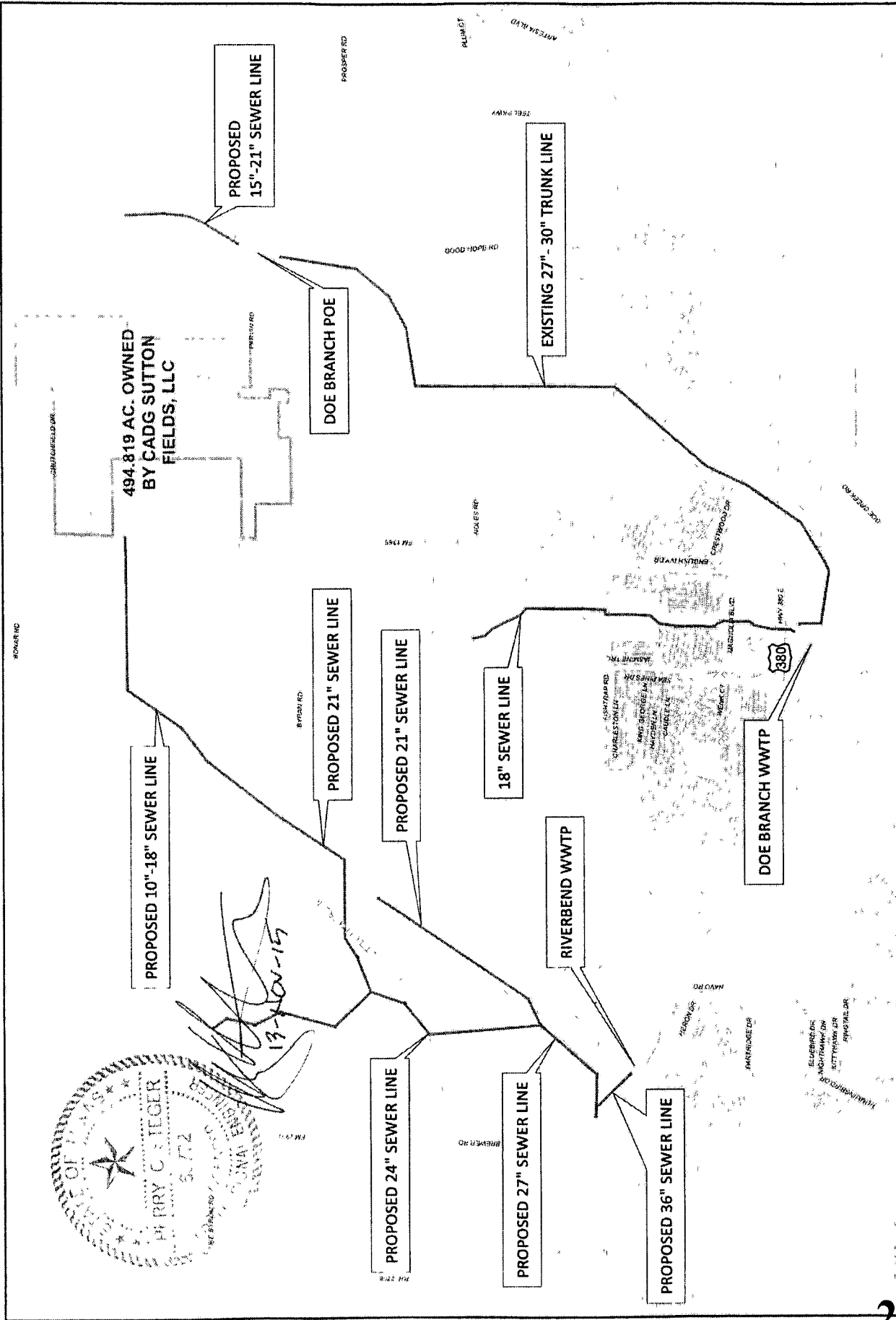


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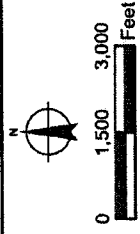


WATER SERVICE TO 494.819 ACRES
 November 12, 2015

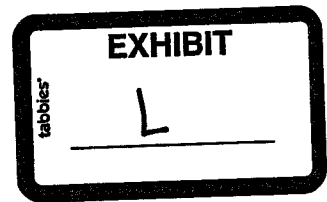
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 13-NOV-15



WASTEWATER SERVICE TO 494.819 ACRES
 May 18, 2015



PUC DOCKET NO. 45151

CITY OF CELINA NOTICE OF	§	BEFORE THE
INTENT TO PROVIDE RETAIL WATER	§	
AND SEWER SERVICE TO 494.819-	§	
ACRE AREA DECERTIFIED FROM	§	PUBLIC UTILITY COMMISSION
MUSTANG SPECIAL UTILITY	§	
DISTRICT IN DENTON COUNTY	§	OF TEXAS

AFFIDAVIT OF CHRISTIAN (CHRIS) BOYD IN SUPPORT OF MUSTANG SPECIAL UTILITY DISTRICT'S APPRAISAL

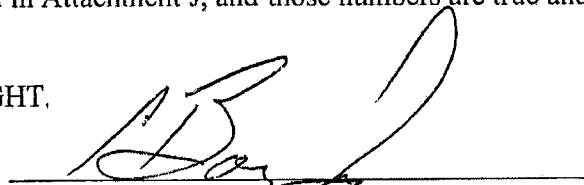
STATE OF TEXAS §
COUNTY OF DENTON §

BEFORE ME, the undersigned notary, personally appeared Christian (Chris) Boyd, the affiant, a person who is known to me. After administering an oath, the affiant testified that:

1. "My name is Christian (Chris) Boyd. I am over the age of eighteen years, of sound mind, and am capable of making this affidavit. The facts stated in this affidavit are within my personal knowledge and are true and correct.
2. I am the General Manager of Mustang Special Utility District ("Mustang SUD"). Since 2007, I have been directly involved in the day-to-day operations of Mustang SUD. In addition, I represent Mustang SUD as a member of the board of directors of the Upper Trinity Regional Water District ("UTRWD"). Mustang SUD has been a member utility of UTRWD since 2000. Attached hereto as Exhibit 1 are Mustang SUD's membership contracts with UTRWD related to both water and wastewater, including amendments thereto.
3. In PUC Docket No. 44629, the PUC granted a petition for expedited release of an approximately 494.819-acre tract of land from Mustang SUD's water and sewer CCNs (the "Subject Tract"). In the above-captioned proceeding, the City of Celina filed a notice of intent to serve the Subject Tract. Along with the filing of this affidavit, Mustang SUD will file an appraisal entitled *Analysis and Opinion of Previously Decertified CCN from Mustang Special Utility District in PUC Docket 45151* and prepared by Mustang SUD's consultant, NewGen Strategies & Solutions, on behalf of Mustang SUD (the "Analysis"). I have reviewed the Analysis, including the attachments to the Analysis.
4. Mustang SUD completed an agreement with UTRWD for an additional take point which will be used to provide service directly to the northeast of the Subject Tract.

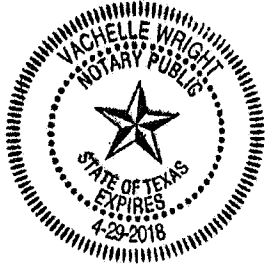
5. Attachment B to the Analysis is a true and correct copy of the 5 Year Capital Improvement Program for Mustang SUD addressing fiscal years 2015-2019 and prepared on August 22, 2014.
6. Attachment C to the Analysis is a true and correct copy of Mustang SUD's Comprehensive Annual Financial Report for the fiscal year ended September 30, 2014.
7. Attachment D to the Analysis is a true and correct copy of UTRWD's 2014 Comprehensive Annual Financial Report. For its capacity through UTRWD, Mustang SUD pays an annual demand charge per subscribed capacity in million gallons per day ("MGD") which is currently \$400,710 per MGD for water and \$390,000 per MGD for wastewater. The UTRWD had an additional increase to the annual demand charge for water after issuing Attachment D which increased the charge from \$398,000 to \$400,710. As described in Attachment D, the unit rate for water averages a 6.36 percent increase per year, compounded, over the past twelve years, and the unit rate for wastewater averages a 10.3 percent per year, compounded, over the past twelve years. Mustang SUD currently pays for 2.8 MGD of treated water and 0.285 MGD of wastewater treatment, including uncommitted capacities of 0.083 MGD for water and 0.144 MGD for wastewater.
8. Attachment E to the Analysis accurately reflects Mustang SUD's historical UTRWD equity buy-in fees. The amount of those fees are amortized by Mustang SUD with an annual equity amortization of \$434,732, which is further shown on page 27 of Attachment C. The amount of this annual equity amortization attributable to water service is 5.4%.
9. Attachment H to the Analysis accurately reflects the invoices received by Mustang SUD from Mustang SUD's legal advisors related to the decertification of the Subject Tract. The amounts identified in Attachment H are true and correct and have been or will be paid by Mustang SUD.
10. Attachment I to the Analysis accurately reflects the invoices received by Mustang SUD from Mustang SUD's engineering and professional consultants related to the decertification of the Subject Tract. The amounts identified in Attachment I are true and correct and have been or will be paid by Mustang SUD.
11. Attachment J to the Analysis identifies Mustang SUD's uncommitted water and wastewater capacities. I have reviewed the owned, available, committed, and uncommitted capacities provided in Attachment J, and those numbers are true and correct."

FURTHER AFFIANT SAYETH NAUGHT.



Christian (Chris) Boyd

Sworn to and subscribed before me by Christian (Chris) Boyd on the 13 day of November, 2015.



W Wright

Notary Public, State of Texas

**UPPER TRINITY REGIONAL WATER DISTRICT
NORTHEAST REGIONAL WATER RECLAMATION SYSTEM**

**AMENDMENT TO
PARTICIPATING MEMBER CONTRACT
WITH
MUSTANG SPECIAL UTILITY DISTRICT**

THE STATE OF TEXAS §
 §
COUNTY OF DENTON §

This **AMENDMENT** (the "Amendment") to the **NORTHEAST REGIONAL WATER RECLAMATION SYSTEM CONTRACT** is made and entered into this 19 day of May, 2015, ("Effective Date"), by and between **UPPER TRINITY REGIONAL WATER DISTRICT** (the "District"), a conservation and reclamation district created pursuant to Article XVI, Section 59 of the Constitution of the State of Texas, and **MUSTANG SPECIAL UTILITY DISTRICT** ("Mustang"), a special district and political subdivision of the State of Texas, to amend the Participating Member Contract dated June 1, 2006 (the "Contract"), which contract provides for Mustang to participate in the District's Riverbend Water Reclamation Plant ("Plant").

WITNESSETH:

WHEREAS, Mustang entered into the Contract for wastewater treatment services for its service area, for which it holds a Certificate of Convenience and Necessity ("CCN") issued by the Texas Commission on Environmental Quality ("TCEQ"); and

WHEREAS, Mustang is participating in the Northeast Regional Water Reclamation System (Riverbend Plant) and has subscribed to 125,000 gallons of Plant capacity; and

WHEREAS, a master planned community within Mustang's CCN, known as Union Park, has requested retail wastewater service from Mustang, which development is generally located north of US Hwy 380 and east of Navo Road; and

WHEREAS, Mustang will use its existing subscribed capacity in the Plant to provide for initial wastewater service to Union Park; however, additional capacity will be needed by Mustang to serve future phases of Union Park and other developments within the Mustang's service area at its sole discretion; and

WHEREAS, Mustang is planning to construct certain facilities needed by both Mustang and the District in order to provide wastewater service to Union Park, including a new Point of Entry and a District trunk main to connect Union Park to the System; and

WHEREAS, Mustang proposes to arrange for the benefitting developer(s) to design and construct the necessary facilities for both Mustang and the District to enable wastewater service for Union Park and other potential future Mustang customers; and

WHEREAS, Mustang has requested that a new Point of Entry be established for Mustang near the entrance to the Plant on Navo Road, and proposes to construct a new trunk main for the District from said Point of Entry to the District's South Interceptor to the Plant, the location of which is noted in Exhibit A attached hereto; and

WHEREAS, the District has specified the oversizing of capacity for said trunk main from the Point of Entry to the Riverbend Plant based on the potential Mustang service area for said trunk main; and

WHEREAS, to serve future Mustang customers near Union Park, the District has requested that Mustang oversize its planned internal interceptor(s), which interceptor(s) will transport Wastewater from Union Park, and may transport Wastewater from other Mustang service area to the new Point of Entry; and

WHEREAS, both parties desire to amend the Contract to provide for Mustang's new internal interceptor(s), new Point of Entry and the associated District trunk main according to the provisions contained in the Contract and this Amendment, which facilities may be designed and constructed in phases, according to the needs of both parties; and

WHEREAS, Mustang proposes to construct an initial interceptor to serve the first phase of Union Park and, as needed, a second interceptor to provide for the build-out needs of Union Park.

NOW, THEREFORE, in consideration of mutual covenants and agreements herein contained, the District and Mustang agree to the following additional or amended provisions to the terms and conditions set forth in the Contract, to wit:

Section 1. Definitions. Capitalized terms not otherwise defined herein shall have the same meaning as those set forth in the Contract.

Section 2. Preamble. The parties agree and represent that all of the matters stated in the preamble of this Agreement are true and correct and are hereby incorporated into the body of this Amendment as if fully set forth in their entirety herein.

Section 3. Point of Entry. Exhibit A of the Contract, as amended, is hereby replaced with the attached Revised Exhibit A, which depicts the authorized Points of Entry for Mustang, including the requested new Point of Entry and the location of the proposed trunk main to connect to the District's South Interceptor to the Plant.

Section 4. Construction of New Point of Entry and Associated Trunk Main. The Contract is hereby amended to authorize a new Point of Entry for Mustang and an

associated new District trunk main, generally according to the provisions contained herein.

A. To serve Union Park and other potential future Mustang customers, Mustang has requested and District agrees to establish a new Point of Entry, generally at the entrance to the Plant near Navo Road. Mustang further agrees to design and construct a new District trunk main from said Point of Entry to the District's South Interceptor to the Plant.

B. Mustang shall be responsible, either directly or through the beneficiary developer(s) (the "Developer"), for the design and construction, including the costs thereof, for the new Point of Entry, trunk main, metering facilities and associated appurtenances and SCADA equipment. If requested by the District, and with Mustang's consent, said metering facilities may be constructed at a location other than the Point of Entry. Said design shall be completed according to District standards and generally accepted engineering practices. Before the new Point of Entry may be constructed by Mustang or the Developer, the final plans and specifications shall be submitted to the District for review and approval, which approval shall not be unreasonably withheld or delayed. Mustang shall be responsible for field engineering and other activities to assure said new Point of Entry and new trunk main are constructed according to said plans and specifications. The District shall have the right to inspect construction of said facilities as the work progresses and shall have the right of final acceptance or rejection of completed work. Upon completion of construction and final acceptance by District, fee simple ownership of the new Point of Entry and trunk main (including metering facilities and associated appurtenances and SCADA equipment) shall be vested in the District without any further action by the parties. Mustang may install SCADA equipment at the metering facilities to enable it to monitor the Wastewater flow through said meter.

C. As part of the design and construction of the new Point of Entry and metering facilities, Mustang agrees to install certain required SCADA equipment for the safe and efficient operation of said Point of Entry and metering facilities. Mustang agrees to coordinate with the District prior to the installation of the SCADA and telemetry equipment; and, for reliable operation of the new Point of Entry and the System, Mustang shall make provision for appropriate SCADA equipment to monitor and coordinate the operation of Mustang's new pump station within Union Park.

D. The District will incur certain limited costs related to Mustang's design and construction of the new facilities specified herein, which costs include engineering, inspection and coordination services (herein "Project Costs"). Mustang agrees to reimburse to the District its actual Project Costs, which amount shall not exceed \$50,000, except with prior written approval of both parties. District shall provide an accounting of said costs. Accordingly, within sixty (60) days of the new facilities (the trunk main, new Point of Entry, and metering facilities), Mustang agrees to reimburse said Project Costs to District.

E. A portion of the new District trunk main from the Point of Entry to the existing South Interceptor is proposed to be constructed on or across property owned by the United States Army Corps of Engineers ("Corps"). A permit / easement is required from the Corps to construct said trunk main. To help expedite an application to obtain said permit / easement, District agrees to use its best efforts to assist in coordinated efforts in obtaining the necessary permit / easement from the Corps, generally in accordance with the provisions contact in Exhibit B of this Amendment.

Section 5. Capacity for Adjacent Areas.

A. In the design of facilities set forth in this Amendment, Mustang may provide for future Wastewater flows from adjacent areas which, by reason of topography or sound engineering practices, may flow within Mustang's service area. Accordingly, the District hereby requests, and Mustang does hereby agree, to oversize the following facilities generally described below:

1. The internal interceptor serving initial phase of Union Park (one pipe size above Union Park requirements).
2. The second phase interceptor from Union Park along Navo Road to Mustang's Point of Entry (one pipe size above Union Park requirements).
3. The District trunk main from the Point of Entry to the connection with the South Interceptor to the Plant (two pipe sizes above Union Park requirements).

The metering manhole as specified by District during design shall have design features to accurately measure low flow and adequate capacity for full flow of the District's trunk main.


B. In the future, any party other than Union Park that desires to receive wastewater service from Mustang using the facilities described in the preceding Paragraph A, which facilities were designed and constructed by Union Park (for Mustang), shall pay appropriate prior costs based on the benefit received from said facilities. Mustang hereby commits to collect the said prior cost from any future party and remit the same to Union Park as a reimbursement of funds previously provided for said facilities for a period of ten (10) years from the Effective Date.

Section 6. Convey Easements. In order to construct the new District trunk main and the new Point of Entry, it will be necessary to obtain easements (or fee property) for said facilities, particularly near the Plant entrance at Navo Road. Mustang agrees to obtain said easements or property and to convey same without cost to District. Said easements shall provide for full rights of ingress and egress for District to operate and maintain the trunk main and new Point of Entry. Any easements or property shall be acquired in the District's name or conveyed upon final acceptance of said facilities by the District. Said easement shall be for the exclusive use of District and shall be conveyed using the


District's standard easement documents. Alternatively, fee ownership shall be conveyed by warranty deed.

IN WITNESS WHEREOF, the parties hereto acting under authority of their respective governing bodies have caused this agreement to be duly executed in several counterparts, each of which shall constitute an original, all as of the day and year first above written, which is the Effective Date of this Amendment.

UPPER TRINITY REGIONAL WATER DISTRICT


By: 
Todd Madison, President, Board of Directors

ATTEST:


Gary Calmes, Secretary, Board of Directors

(DISTRICT SEAL)

APPROVED AS TO FORM AND LEGALITY:


John F. Boyle, Jr., Counsel for the District

MUSTANG SPECIAL UTILITY DISTRICT

By: Brie Hathaway
President, Board of Directors

ATTEST:

[Signature]
Secretary, Board of Directors

(MUSTANG SEAL)

APPROVED AS TO FORM AND LEGALITY:

[Signature]
Counsel for Mustang Special Utility District

REVISED EXHIBIT A

UPPER TRINITY REGIONAL WATER DISTRICT NORTHEAST REGIONAL WATER RECLAMATION SYSTEM

AMENDMENT TO PARTICIPATING MEMBER CONTRACT WITH MUSTANG SPECIAL UTILITY DISTRICT

Mustang's Service Area and Points of Entry

The map attached hereto shows Mustang's retail service area, the approved Points of Entry and the location of the proposed trunk main to connect to the District's South Interceptor to the Plant.

[MAP TO BE INSERTED LATER]

EXHIBIT B

UPPER TRINITY REGIONAL WATER DISTRICT NORTHEAST REGIONAL WATER RECLAMATION SYSTEM

AMENDMENT TO PARTICIPATING MEMBER CONTRACT WITH MUSTANG SPECIAL UTILITY DISTRICT

Required Permit to Cross U. S. Army Corps of Engineers Property

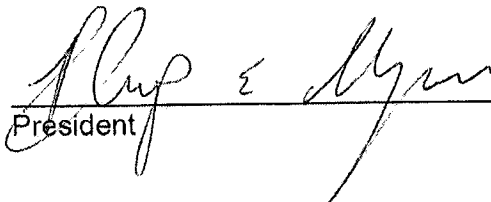
It is necessary to obtain a special permit / easement from the Corps in order to construct a portion of the new District trunk main across a narrow portion of Corps property adjacent to the Plant. The Highway 380 Municipal Management District No. 1 ("MMD"), a special district in which Union Park is located, has agreed to assist the District in obtaining said permit / easement. The MMD is a party to this Exhibit for limited purposes more particularly described below.

1. Obtaining approval from the Corps is the sole responsibility of the District. District agrees to use its best efforts to assist in obtaining said permit / easement from the Corps and to pay its reasonable cost associated therewith.
2. MMD agrees to provide to the District the necessary plans, specifications and profiles required by the Corps in support of the District's permit / easement application.
3. If approval of the permit / easement is not received from the Corps by April 30, 2015:
 - a. Upon request, District will authorize Mustang, and / or the MMD, to construct the new District trunk main using an alternative alignment outside of the Corps property; or
 - b. If needed and until construction of the new District trunk main is completed and accepted by the District, the District may authorize Mustang to temporarily pump wastewater from Union Park across District property through a completed portion of said trunk main to the Plant. Mustang will maintain ownership of the wastewater until it enters the District's South Interceptor, and will be responsible for any spill and clean-up that could occur in connection with said pumping.

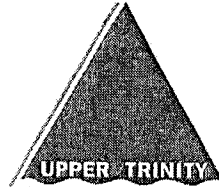
- c. However, if a permit / easement has not been issued by the Corps by December 31, 2015, Mustang and the MMD, acting jointly, have the option to proceed with the construction of the trunk main, using the alternative alignment provided in (a) above.

AGREED AND ACCEPTED for the limited purpose stated herein:

Highway 380 Municipal Management District No. 1



President



REGIONAL WATER DISTRICT

P.O. Drawer 305 • Lewisville, TX 75067

(972) 219-1228 • Fax (972) 221-9896

May 7, 2015

Mr. Chris Boyd, General Manager
Mustang Special Utility District
7985 F.M. 2931
Aubrey, TX 76227

RE: Amendment to NERWRS Participating Member Contract

Dear Mr. Boyd:

Enclosed are six (6) originals of the Amendment to the Northeast Regional Water Reclamation System Participating Member Contract between Mustang Special Utility District and Upper Trinity Regional Water District. The Amendment has been executed by Upper Trinity's Board of Directors; and, Exhibit B has been executed by Highway 380 Municipal Management District No. 1 ("MMD").

After your Board has executed all six originals, please keep two of them for your records and return four originals to me. We will keep two for our records and forward two originals to the MMD.

If you have any questions, please call me at 972-219-1228. Thanks for your assistance in this matter.

Sincerely,

Jason Pierce
Manager of Watershed and Contract Services

JP/nka

Enclosures: Six (6) originals of Amendment to Participating Member Contract

Z:\Jason I\MSUD UTRWD Riverbend Amendment Trans Ltr 0515.Doc

**UPPER TRINITY REGIONAL WATER DISTRICT
NORTHEAST REGIONAL WATER RECLAMATION SYSTEM
FIRST AMENDMENT TO PARTICIPATING MEMBER CONTRACT
MUSTANG SPECIAL UTILITY DISTRICT**

**THE STATE OF TEXAS §
 §
COUNTY OF DENTON §**

This **AGREEMENT** (the "Amendment") is made and entered into this 6th day of December, 2007, ("Effective Date") by and between **UPPER TRINITY REGIONAL WATER DISTRICT**, (the "District") and **MUSTANG SPECIAL UTILITY DISTRICT** ("Mustang") to amend the Participating Member Contract dated June 1, 2006, (the "Contract"), which Contract provides for Mustang to participate in the District's Northeast Regional Water Reclamation System (the "System").

WITNESSETH:

WHEREAS, Mustang is a political subdivision of the State of Texas operating under the Constitution and laws of the State of Texas; and

WHEREAS, Mustang entered into the Contract with the District to participate in the System for wholesale wastewater treatment services for Wastewater collected by Mustang in its service area within and without its corporate boundaries; and

WHEREAS, Mustang participated with the District and others in the Preliminary Design Study of the proposed Doe Branch Water Reclamation Plant that included a review of available alternatives, a phased implementation schedule and other matters related to the construction of said plant; and

WHEREAS, in accordance with the Preliminary Design Study, the parties hereby agree that Mustang's subscribed capacity in the initial phase of the Doe Branch Plant shall remain at 0.2 MGD until changed by mutual agreement of the parties; and

WHEREAS, the District is proceeding with planned construction of the Doe Branch Plant and related facilities, pipeline, metering facilities and associated improvements in accordance with the discharge permit issued by the Texas Commission on Environmental Quality, and as generally described by the Preliminary Design Study and the prior Engineering Report, which plant will be constructed in phases; and

WHEREAS, in addition, the District is preparing to extend the Doe Branch trunk line to Mustang's Point of Entry, including the construction thereof, near the intersection of Parvin Road and Good Hope Road as previously planned, which location is confirmed by the completed Preliminary Design Study; and

WHEREAS, both Mustang and the District mutually agree to initiate the construction of an extension of the District's existing Doe Branch trunk line to Mustang's Point of Entry and the construction of the Doe Branch Plant to accommodate Mustang's expected wastewater needs in the Doe Branch Service Area; and

WHEREAS, Mustang desires to revise Exhibit B of the Contract to assign certain capacity in the Phase 2 Doe Branch trunk line to Mustang; and

NOW, THEREFORE, the District and Mustang agree as follows:

Section 1. Adoption of Preamble. All of the matters stated in the preamble of this Amendment are true and correct and are hereby incorporated into the body of this Amendment as though fully set forth in their entirety herein.

Section 2. Definitions. Capitalized terms not otherwise defined herein shall have the same meaning as those set forth in the Contract.

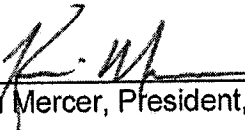
Section 3. Subscribed Capacity in Phase 2 Trunk Line. Exhibit B of the Contract provides for Mustang's initial subscribed capacity in the Northeast Regional Water Reclamation System (0.20 MGD). Said exhibit is hereby revised to assign a share of the capacity in the Phase 2 trunk line to Mustang, which revised exhibit is attached hereto and incorporated into the Contract.

Section 4. Cost Elements. Mustang agrees to be responsible for, as its share of the Annual Requirement, certain costs as detailed in Paragraph 6 of Exhibit D of the Contract. The District's existing wastewater trunk line from the Doe Branch Plant to Fishtrap Road ("Phase 1") has been oversized to accommodate future wastewater needs, including Mustang and others, and is hereby considered to be a Common-To-All Facility. Therefore, Paragraph 6 (b) of Exhibit D is amended to designate Phase 1 trunk line as Common-To-All and to allocate the capital costs among the benefiting parties based on the parties then subscribed capacity in the Doe Branch Plant. As such, subscriptions may change in the future.

Section 5. Contract Provisions. All other provisions of the Contract, as amended, shall continue in full force and effect.

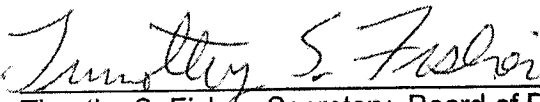
IN WITNESS WHEREOF, the parties hereto acting under authority of their respective bodies have caused this Amendment to be duly executed in several counterparts, each of which shall constitute an original, all as of the day and year first written above, which is the Effective Date.

UPPER TRINITY REGIONAL WATER DISTRICT



Kevin Mercer, President, Board of Directors

ATTEST:



Timothy S. Fisher, Secretary, Board of Directors

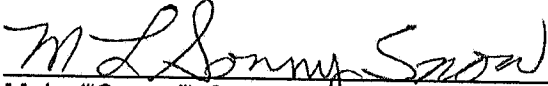
[District Seal]

APPROVED AS TO FORM AND LEGALITY:

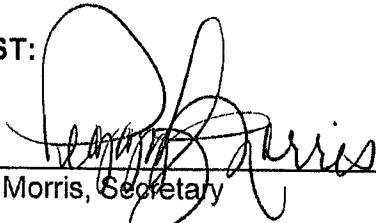


John F. Boyle, Jr., Counsel for the District

MUSTANG SPECIAL UTILITY DISTRICT

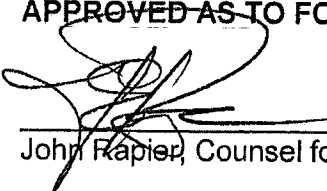


M. L. ("Sonny") Snow, President

ATTEST:


Peggy Morris, Secretary

[Seal]

APPROVED AS TO FORM AND LEGALITY:


John Rapier, Counsel for Mustang

REVISED EXHIBIT B

**UPPER TRINITY REGIONAL WATER DISTRICT
 NORTHEAST REGIONAL WATER RECLAMATION SYSTEM**

**PARTICIPATING MEMBER CONTRACT
 MUSTANG SPECIAL UTILITY DISTRICT**

Subscribed Capacity Minimum Flow and Average Flow According to Article II of the Contract

The provisions of this Exhibit B form a part of the Contract and are applicable to the District and to Mustang as if set forth in their entirety in the body of the Contract. The following quantities are mutually agreed to for the purposes noted.

Phase	Minimum Flow (MGD) For Financial Purposes	Average Annual Flow (MGD) For Subscribed Capacity
Riverbend Plant	0.10 MGD	0.28 MGD
Doe Branch Plant	0.08 MGD (1)	0.20 MGD
Mustang's assigned share of the Phase 2 Doe Branch trunk line is 40%.		

(1) Exception – pending completion of the Doe Branch Plant, while Celina's Wastewater flows are being treated at the Riverbend Plant the Minimum Flow for Financial Purposes will be 0.04 MGD.

Phased Construction. Expansion of the existing Riverbend Treatment Plant and construction of the Doe Branch Treatment Plant are expected to be accomplished in two (2) or more phases. When Mustang desires additional capacity to provide for future growth requirements, Mustang shall give appropriate notice to the District to allow adequate time for coordination with other participants in the System and for financing, design and construction. The District then will use such increased capacity as the new subscribed capacity for allocation of cost to Mustang as provided in the Contract. It is mutually agreed that other Members and Customers may participate in the System to allow the District to fulfill its responsibility of providing adequate service to the region.

Doe Branch Trunk Line. A portion of the trunk line that will serve Mustang and others has been constructed from the existing lift station to Fishtrap Road ("Phase 1"). However, to enable Mustang to have wastewater service available at its Point of Entry, the Phase 1 trunk line must be extended from Fishtrap Road to Parvin Road and a Point of Entry constructed for Mustang ("Phase 2"), collectively herein referred to as the "Doe Branch Trunk Line". Phase 1 of the Doe Branch Trunk Line has been oversized to

accommodate future wastewater needs. Phase 2 also is being designed to accommodate future wastewater needs. The capacity of Phase 2 of the Doe Branch Trunk Line shall be allocated between the benefiting parties based on a projection of future needs, with Mustang's share noted in the table above. Pursuant to the provisions of this Contract, Mustang has paid certain prior costs associated with the Phase 1 trunk line based on initial subscribed capacity in the Plant. Subscribed capacity in the System by Mustang and other participants may change in the future. The cost of the Phase 1 trunk line shall be allocated as a Common-To-All cost among the benefiting parties in accordance with Exhibit D based on the then respective subscribed capacity in the Doe Branch Plant; however, it is recognized that Denton County Fresh Water Supply District No. 10, at the time of initial construction, paid their pro rata share of the Phase 1 trunk line based on expected build-out needs.

Coordination Between Plants. Both the Riverbend Treatment Plant and the Doe Branch Treatment Plant are being planned to serve certain portions of the service area of Mustang. To enable the District to make orderly plans for adequate capacity in each plant, Mustang agrees to subscribe to a specific capacity in each plant. However, in providing service to Mustang pursuant to the Contract, the District may use either or both plants to whatever degree the District determines, in its sole discretion to be prudent in providing for the treatment of the Wastewater delivered by Mustang to the System. Notwithstanding the foregoing provision, at all times following completion of the Doe Branch Plant, save and except times of operational curtailment due unforeseen temporary mechanical malfunctions, Mustang will have and enjoy full utilization of its subscribed capacity as stated herein. Further, regardless which plant the District selects for treatment of Wastewater delivered by Mustang to the System, such selection by the District will not have a negative economic impact on Mustang due to a difference in treatment rates among the District's plants.

**UPPER TRINITY REGIONAL WATER DISTRICT
REGIONAL TREATED WATER SUPPLY SERVICE
CONTRACT FOR ADDITIONAL PARTICIPATING MEMBER
WITH
MUSTANG SPECIAL UTILITY DISTRICT**

THE STATE OF TEXAS §
 §
COUNTY OF DENTON §

THIS REGIONAL TREATED WATER SUPPLY CONTRACT (the "Contract") made and entered into as of the 16th day of February 2003 (the "Contract Date"), by and between **UPPER TRINITY REGIONAL WATER DISTRICT**, (the "District"), a conservation and reclamation district created pursuant to Article XVI, Section 59 of the Constitution of the State of Texas, and **MUSTANG SPECIAL UTILITY DISTRICT** ("Mustang"), which party may be referred to herein as "Additional Participating Member" or "Member".

WITNESSETH:

WHEREAS, the District previously entered into a Participating Utility Contract dated November 19, 1998, with Mustang Water Supply Corporation to participate in the District's Regional Treated Water System ("Utility Contract"), as amended, to supply treated water to substantially the same area that is now to be served by Mustang; and

WHEREAS, Mustang Water Supply Corporation successfully converted to a special utility district on May 4, 2002 and is now operating under Chapters 49 and 65 of the Texas Water Code; and

WHEREAS, the Utility Contract contemplates in Exhibit C, Number 15, that upon the successful conversion to a public entity and upon favorable consideration by the District's Board of Directors, Mustang would be entitled to all the benefits and rights of a Participating Member of the District, including representation on the Board of Directors; and

WHEREAS, Mustang desires to become an "Additional Participating Member" as defined in this Contract; and

WHEREAS, the District's Board of Directors finds it mutually beneficial for Mustang to become a Participating Member of the District and enjoy the benefits and rights of full membership, including representation on the District's Board of Directors; and