



Control Number: 45627



Item Number: 1

Addendum StartPage: 0



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

Pursuant to Chapter 13.251 of the Texas Water Code

Docket Number: 45627

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

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

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

2016 FEB 17 AM 9:46
FILED
CLERK

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

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

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Part A – General Information

*RN# N/A *CN# 2290004 * (PRIOR TCEQ ID numbers)
2290021, 2290039, 2290040, 2290041, 2290042

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

☒ Sale of ☒ All ☐ Portion of the ☒ Water system(s) under CCN No.: 12001
☐ Acquisition ☐ Sewer system(s) under CCN No.: N/A
☐ Lease/Rental

☒ Transfer of ☒ All ☐ Portion of the ☒ Certificated water service area – CCN No.: 12001
☐ Certificated sewer service area – CCN No.: N/A

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

N/A

and to:

☒ Obtain a CCN for the transferee (purchaser) – indicate if purchaser will take the seller's CCN Yes
☐ Amend the transferee's CCN No.:
☐ Merge or consolidate public utilities
☐ Cancel CCN of the transferor (seller)

2. Proposed effective date of this transaction: June 11th, 2016
(Must be at least 120 days after proper notice is provided)

Part B – Current Service Provider or Seller Information

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

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

A. Name: Charles Branch
(Individual, Corporation or Other Legal Entity)

who is a(n):of ☒ Individual ☐ Corporation ☐ WSC ☐ HOA or POA ☐ Other

B. Utility Name (if different than above): Doucette Water System, Lakeside Water Supply
Address: P.O. Box 697, Doucette, Tx 75942 Telephone: (AC) 409-837-5660

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

Name: Charles or Kay Branch Title: owners
Address: P.O. Box 697, Doucette, Tx 75942 Telephone: (AC) 409-837-5660

Fax: 1-409-837-5660 Call first to tax

Email: kbranch82@yahoo.com

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

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

Doucette Water System - January 19, 2004
Lakeside Water Supply - June 25, 2003

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

☐ No ☒ Yes- Application/Docket Number: 33967-G/2002-1005-UCR Date January 19, 2004
Lakeside Water Supply 34058-R/2002-0205-UCR June 25, 2003

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

Name and Address of Utility Customer	Date of Deposit	Amount of Deposit	Amount of Unpaid Interest on Deposit
Billy Cloud	10/15/15	50.00	
Michael D. Taylor	12/15/15	50.00	
Amy Balsimo	12/04/15	50.00	

Part C – Purchaser or Transferee Information

Questions 6 through 16 refer to the transferee or purchaser.

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

Applicant: Thomas Kain Rawls and Danasa Rawls
(Individual, Corporation, or Other Legal Entity)

Utility Name: Doucette Water System and Lakeside Water Supply
(If different than above)

Utility Address: Same

Fax: NONE Email: nyadstar@gmail.com Telephone (AC): 409-289-9915

CCN Numbers held prior to the filing of this application: NONE

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

- ☒ Individual
☐ Home or Property Owners Association
☐ Partnership; attach copy of partnership agreement
☐ Corporation; provide charter number as recorded with the Office of the Secretary of State for

Texas: _____

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

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

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

Name:	<u>Thomas Kain and Danasa Rawls</u>		Email:	<u>yaya3star@gmail.com</u>
Address:	<u>1430 CR 2800, Colmesneil, TX 75938</u>			
Telephone (AC):	<u>409-289-9915</u>	Fax (AC):	<u>NONE</u>	

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

N/A

•Name:		Telephone (AC):	
Address:			
Position:		Ownership % (if applicable):	0.00%

•Name:		Telephone (AC):	
Address:			
Position:		Ownership % (if applicable):	0.00%

•Name:		Telephone (AC):	
Address:			
Position:		Ownership % (if applicable):	0.00%

•Name:		Telephone (AC):	
Address:			
Position:		Ownership % (if applicable):	0.00%

•Name:		Telephone (AC):	
Address:			
Position:		Ownership % (if applicable):	0.00%

•Name:		Telephone (AC):	
Address:			
Position:		Ownership % (if applicable):	0.00%

- Attach additional sheet(s) if necessary -

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

N/A

Texas Comptroller of Public Accounts

P. O. Box 13528, Capitol Station

Austin, Texas 78711

1-800-252-5555

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

N/A

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

Name:	Thomas Rain Rawls	Title:	Owner
Address:	1430 CR 3800, Colmesneil, Tx 75938	Telephone (AC):	409-571-3319
Fax #	NONE	Email	yaya2star@gmail.com
Relationship to the applicant:	Self		

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

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

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

I have been employed with these companies at least part time or contractually since 2000. Assisted with operations and maintenance. Assisted with repairs or replacement of meters and tanks and repairs to main water lines. I have made sites ready for inspection, and I read customers meters for billing.

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

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

N/A

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

Income generated by customers billing as well as opening a \$50,000 Reserve Account.

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

We will continue to provide quality water service with expediate repairs and continually upgrade as needed.

E. How will the transaction serve the public interest?

New, younger, energetic owners would provide quality water to Lakeside and Doucette water company customers.

12. Please describe the nature of the proposed transaction:

To obtain ownership from current owners whom are in good standing for a fair price.

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

A.

- Total Purchase Price: 625,000
- Total Original Cost (as recorded on books of seller or merging entity): 147,950.
- Accumulated Depreciation as of the proposed effective date of the transaction: 343,525.

• Contributions in Aid of Construction:

- Specific surcharges approved by TCEQ or PUC:

NONE

- Revenues from explicit customer agreements:

NONE

- Developer Contributions (please explain):

NONE

- Other Contributions (please explain): Investor - Charles Branch

Improvements and Equipment

397,147

Total Contributions in Aid of Construction

397,147

• Net Book Value:

625,000

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

Application/Docket Number: 33967-G/2003-1005-UCR Date: January 19, 2004
34058-R/2002-0205-UCR June 25, 2003

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

Please provide any other information concerning the nature of the transaction you believe should be given consideration if not explained elsewhere in the application.
[attach additional sheet(s) if necessary]:

Current owners are wanting to sell. The owners wife / secretary is not in good health.

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

Utility Plant in Service:	625,000
Plant Acquisition Adjustment:	N/A
Extraordinary Loss on Purchase:	NONE
Accumulated Depreciation of Plant:	NONE
Cash:	N/A
Notes Payable:	NONE
Mortgage Payable:	4500. monthly
Others (please list):	- N/A

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

Purchaser's Initials: TRR QR Date: 2-10-16

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

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

If rates are changing, please explain:

N/A

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

N/A

☐ Other. Please explain:

N/A

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

City of Woodville
City of Colmesneer
Tyler County Water Supply

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

on Next pages

Part D - Historical Financial Information

2015

HISTORICAL BALANCE SHEETS	CURRENT YEAR (A)	A-1 YEAR 2014	A-2 YEAR 2013	A-3 YEAR 2012	A-4 YEAR 2011	A-5 YEAR 2010
CURRENT ASSETS						
Cash	5624	732	2,086	2,343	6,412	21,919
Accounts Receivable	15,463	16,872	13,614	14,796	16,091	14,543
Inventories						
Income Tax Receivable						
Other						
Total	21,087	17,604	15,700	17,139	22,503	36,462
FIXED ASSETS						
Land	5,430	5,430	5,430	5,430	5,430	5,430
Collection/Distribution System	245,610	245,610	230,356	230,356	230,356	230,356
Buildings						
Equipment	151,537	151,537	151,537	186,068	127,872	127,872
Other						
Less: Accum. Depreciation or Reserves	<343,525>	<330,773>	<300,899>	<310,740>	<256,553>	<237,800>
Total	59,052	71,804	86,424	111,114	107,105	125,858
TOTAL ASSETS	80,139	89,408	102,124	128,253	129,608	162,320
CURRENT LIABILITIES						
Accounts Payable						
Notes Payable, Current	21,612	21,061	14,042	18,994	4,189	17,289
Accrued Expenses	1,323	1,392	1,424	1,436	1,484	1,463
Other						
TOTAL	22,935	22,453	15,466	20,430	5,673	18,752
LONGTERM LIABILITIES						
Notes Payable, Long-term	37,787	56,259	69,401	85,723	51,022	50,807
Other						
TOTAL LIABILITIES	60,722	78,712	84,867	106,153	56,695	69,559
OWNER'S EQUITY						
Paid in Capital						
Retained Equity	10,696	17,257	22,100	72,913	92,761	123,944
Other	<39,006>	<12,450>	<18,382>	<17,727>	22,945	<6,252>
Current Period Profit or Loss	47,727	5,889	13,539	<33,086>	<42,793>	<24,931>
TOTAL OWNER'S EQUITY	19,417	10,696	17,257	22,100	72,913	92,761
TOTAL LIABILITIES AND EQUITY	80,139	89,408	102,124	128,253	129,608	162,320
WORKING CAPITAL	<1,848>	<4,849>	234	<3,291>	16,830	17,710
CURRENT RATIO	.92	.78	1.01	.84	3.97	1.94
DEBT TO EQUITY RATIO / EQUITY TO TOTAL ASSETS	3.13:1 .24	7.35:1 .12	4.92:1 .17	4.80:1 .17	7.8:1 .56	7.4:1 .57

2015

HISTORICAL INCOME STATEMENT	CURRENT YEAR (A)	A-1 YEAR 2014	A-2 YEAR 2013	A-3 YEAR 2012	A-4 YEAR 2011	A-5 YEAR 2010
METER NUMBER						
Existing Number of Taps	305 / 421	309 / 421	316 / 421	312 / 421	322 / 421	319 / 421
New Taps Per Year	0	0	0	0	0	3
Total Meters at Year End	305 / 421	309 / 421	316 / 421	312 / 421	322 / 421	322 / 421
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees	132,351	139,178	142,461	143,551	148,433	146,306
Other	750		786	784		4,739
Gross Income	133,101	139,178	143,247	144,335	148,433	151,045
OPERATING EXPENSES						
General & Administrative	22,091	26,012	32,411	30,681	33,070	44,195
Interest	3,917	4,718	5,102	11,940	4,442	2,945
Other	59,366	102,559	92,195	134,800	153,414	128,836
NET INCOME	47,727	5,889	13,539	<33,086>	<42,493>	<24,931>

2015

HISTORICAL EXPENSE DETAIL	CURRENT YEAR (A)	A-1 YEAR 2014	A-2 YEAR 2013	A-3 YEAR 2012	A-4 YEAR 2011	A-5 YEAR 2010
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries				3,100	4,840	12,751
Office Expense	11,232	16,715	16,994	19,230	15,923	19,636
Computer Expense						
Auto Expense						
Insurance Expense	2,269	2,279	7,815	2,526	7,344	5,980
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes	7,928	5,812	4,747	4,798	3,938	3,977
Professional Fees	334	996	2,745	1,018	846	1,085
Other	328	210	110	9	179	766
Total	22,091	26,012	32,411	30,681	33,070	44,195
% Increase Per Year	<15.1%>	<19.7%>	5.6%	<7.3%>	<25.2%>	
OPERATIONAL EXPENSES						
Salaries	6,100	7,634	3,815	5,020	7,100	6,565
Auto Expense	11,652	18,746	23,107	31,544	40,299	22,638
Utilities Expense	5,211	5,549	4,850	5,498	6,109	5,322
Depreciation Expense	12,752	29,894	19,964	55,116	21,638	15,635
Repair & Maintenance	15,810	32,306	28,193	25,986	68,642	71,899
Supplies	1,187	1,541	1,436	1,494	570	1,303
Other	10,571	11,627	15,932	22,082	13,498	8,439
Total	63,283	107,277	97,297	146,740	157,856	131,781
% Increase Per Year	<41.0%>	10.3%	<33.7%>	<7.0%>	19.8%	
ASSUMPTIONS						
Interest Rate/Terms	7 1/2%	10.5%	14.5%	10.5%	10.5%	10.5%
Utility Cost/gal.						
Depreciation Schedule	VARIOUS	VARIOUS	VARIOUS	VARIOUS	VARIOUS	VARIOUS
Other	N/A	N/A	N/A	N/A	N/A	N/A

Part E – Projected Information

PROJECTED BALANCE SHEETS

	2016	2017	2018	2019	2020	2021
	START UP	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
CURRENT ASSETS						
Cash	10,000	24,000	48,000	60,000	72,000	84,000
Accounts Receivable	15,000	15,000	15,000	15,000	15,000	15,000
Inventories						
Income Tax Receivable						
Other						
Total	25,000	39,000	63,000	75,000	87,000	99,000
FIXED ASSETS						
Land	5430	5430	5430	5430	5430	5430
Collection/Distribution System	485,000	485,000	485,000	485,000	485,000	485,000
Buildings						
Equipment	151,537	151,537	151,537	151,537	151,537	151,537
Other						
Less: Accum. Depreciation or Reserves						
Total						
TOTAL ASSETS	651,967	680,967	704,967	779,967	866,967	965,967
CURRENT LIABILITIES						
Accounts Payable	0	0	0	0	0	0
Notes Payable, Current	0	4800	4800	4800	4800	4800
Accrued Expenses	1420	1420	1420	1420	1420	1420
Other						
Total	1420	6220	6220	6220	6220	6220
LONGTERM LIABILITIES						
Notes Payable, Long-term	60,000	60,000	60,000	60,000	60,000	60,000
Other						
TOTAL LIABILITIES	61,420	66,220	66,220	66,220	66,220	66,220
OWNER'S EQUITY						
Paid in Capital						
Retained Equity	Unknown					
Other						
Current Period Profit or Loss						
TOTAL OWNER'S EQUITY						
TOTAL LIABILITIES AND EQUITY						
WORKING CAPITAL						
CURRENT RATIO						
DEBT TO EQUITY RATIO						
EQUITY TO TOTAL ASSETS						

PROJECTED INCOME STATEMENT

2014 2017 2018 2019 2020

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
METER NUMBER						
Existing Number of Taps	305/421	306/422	306/422	307/423	307/423	308/424
New Taps Per Year	1	0	1	0	1	0/1
Total Meters at Year End	306/422	306/422	307/423	307/423	308/424	308/424
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees	130,200	130,200	130,620	130,620	131,040	652,680
Other	450		450		450	1,350
Gross Income	130,650	130,200	131,070	130,620	131,490	654,030
OPERATING EXPENSES						
General & Administrative						
Interest	29,423	28,115	26,726	25,251	23,686	133,201
Other						
NET INCOME	40,000	40,000	40,000	40,000	40,000	200,000

PROJECTED EXPENSE DETAIL

	2016	2017	2018	2019	2020	
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries						
Office Expense						
Computer Expense	3000	2000	2000	2000	2000	11,000
Auto Expense	3000	500	500	500	3000	7500
Insurance Expense						
Telephone Expense	2400	2400	2400	2400	2400	12,000
Utilities Expense	360	360	360	360	360	1800
Depreciation Expense						
Property Taxes						
Professional Fees	7928	7928	8007	8007	8089	39957
Other	500	1500	800	1000	500	4,300
Total	270	270	270	270	270	1350
% Increase Per Year	17,458	14,958	14,337	14,537	16,617	17,907
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
OPERATIONAL EXPENSES						
Salaries						
Auto Expense						
Utilities Expense	N/A	4800	4800	4800	4800	19,200
Depreciation Expense	5300	5300	5300	5300	5300	26,500
Repair & Maintenance						
Supplies	16,000	16,000	14,000	14,000	15,000	75,000
Other	1200	1200	1200	1200	1200	6,000
Total	7000	7000	7000	7000	7000	35,000
% Increase Per Year	29,500	34,300	33,300	32,300	33,300	16,700
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ASSUMPTIONS						
Interest Rate/Terms						
Utility Cost/gal.	6%	6%	6%	6%	6%	6%
Depreciation Schedule						
Other	25yr	25yr	25yr	25yr	25yr	25yr

PROJECTED SOURCES AND USES OF CASH STATEMENTS 2016 2017 2018 2019 2020

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
SOURCES OF CASH						
Net Income						
Depreciation (If Funded)	40,000	40,000	40,000	40,000	40,000	200,000
Loan Proceeds						
Other						
Total Sources	40,000	40,000	40,000	40,000	40,000	200,000
USES OF CASH						
Net Loss						
Principle Portion of Pmts.						
Fixed Asset Purchase						
Reserve						
Other						
Total Uses						
NET CASH FLOW	40,000	40,000	40,000	40,000	40,000	200,000
DEBT SERVICE COVERAGE						
Cash Available for Debt	60,000	60,000	60,000	60,000	60,000	300,000
SERVICE (CADS)						
Net Income (Loss)						
Depreciation, or Reserve Interest						
Total						
REQUIRED DEBT SERVICE (RDS)						
Principle Plus Interest	50,631	50,631	50,631	50,631	50,631	253,155
DEBT SERVICE COVERAGE RATIO						
CADS Divided by RDS						

Part F – TCEQ Public Water or Sewer System Information

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

17. A. For Water Systems. TCEQ Public Water System Identification Number: 2290004

Date of last inspection: 7-16-2014

B. For Wastewater Systems:

N/A

-TCEQ Discharge Permit Number:

W Q

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

-Name of Permittee:

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

-Date of application to transfer Discharge Permit submitted:

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

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

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

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

--

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

--

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

Description of the Required Improvement	Schedule to Complete	Estimated Cost
<i>NONE</i>		

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

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

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

N/A

Part F – TCEQ Public Water or Sewer System Information

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

17. A. For Water Systems. TCEQ Public Water System Identification Number: 2290021

Date of last inspection: 9-30-2015

B. For Wastewater Systems: *N/A*

-TCEQ Discharge Permit Number: W Q -
 -Name of Permittee:
 -Date of application to transfer Discharge Permit submitted:
 -Date of application to transfer Discharge Permit approved by TCEQ:

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

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

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

Description of the Required Improvement	Schedule to Complete	Estimated Cost
<i>NONE</i>		

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

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

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

N/A

Part F – TCEQ Public Water or Sewer System Information

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

17. A. For Water Systems. TCEQ Public Water System Identification Number: 2290039

Date of last inspection: 9-30-2015

B. For Wastewater Systems: *N/A*

-TCEQ Discharge Permit Number: W Q -

-Name of Permittee:

-Date of application to transfer Discharge Permit submitted:

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

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

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

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

Description of the Required Improvement	Schedule to Complete	Estimated Cost
<i>NONE</i>		

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

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

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

N/A

Part F – TCEQ Public Water or Sewer System Information

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

17. A. For Water Systems. TCEQ Public Water System Identification Number: 2290040

Date of last inspection: 9-30-2015

B. For Wastewater Systems: *N/A*

-TCEQ Discharge Permit Number: W Q -
 -Name of Permittee:
 -Date of application to transfer Discharge Permit submitted:
 -Date of application to transfer Discharge Permit approved by TCEQ:

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

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

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

Description of the Required Improvement	Schedule to Complete	Estimated Cost
<i>NDNE</i>		

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

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

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

N/A

Part F – TCEQ Public Water or Sewer System Information

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

17. A. For Water Systems. TCEQ Public Water System Identification Number: 2290041

Date of last inspection: 9-30-2015

B. For Wastewater Systems:

N/A

-TCEQ Discharge Permit Number: W Q -

-Name of Permittee:

-Date of application to transfer Discharge Permit submitted:

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

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

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

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

Description of the Required Improvement	Schedule to Complete	Estimated Cost
<i>NONE</i>		

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

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

Water

Sewer

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

N/A

Part F – TCEQ Public Water or Sewer System Information

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

17. A. For Water Systems. TCEQ Public Water System Identification Number: 2290042

Date of last inspection: 9-30-2015

B. For Wastewater Systems:

N/A

-TCEQ Discharge Permit Number: W Q -

-Name of Permittee:

-Date of application to transfer Discharge Permit submitted:

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

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

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

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

Description of the Required Improvement	Schedule to Complete	Estimated Cost
<i>NONE</i>		

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

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

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

N/A

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

• Source: % of total supply: 0.00%

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

Water				Sewer			
0	-Non Metered	0	-2" meter		-Residential Connection		
305	-5/8" or 3/4" meter	0	-3" meter		-Commercial Connection		
0	-1" meter	0	-4" meter		-Industrial Connection		
0	-1 1/2" meter	0	-Other		-Other		
Total Water Connections:		305		Total Sewer Connections		N/A	

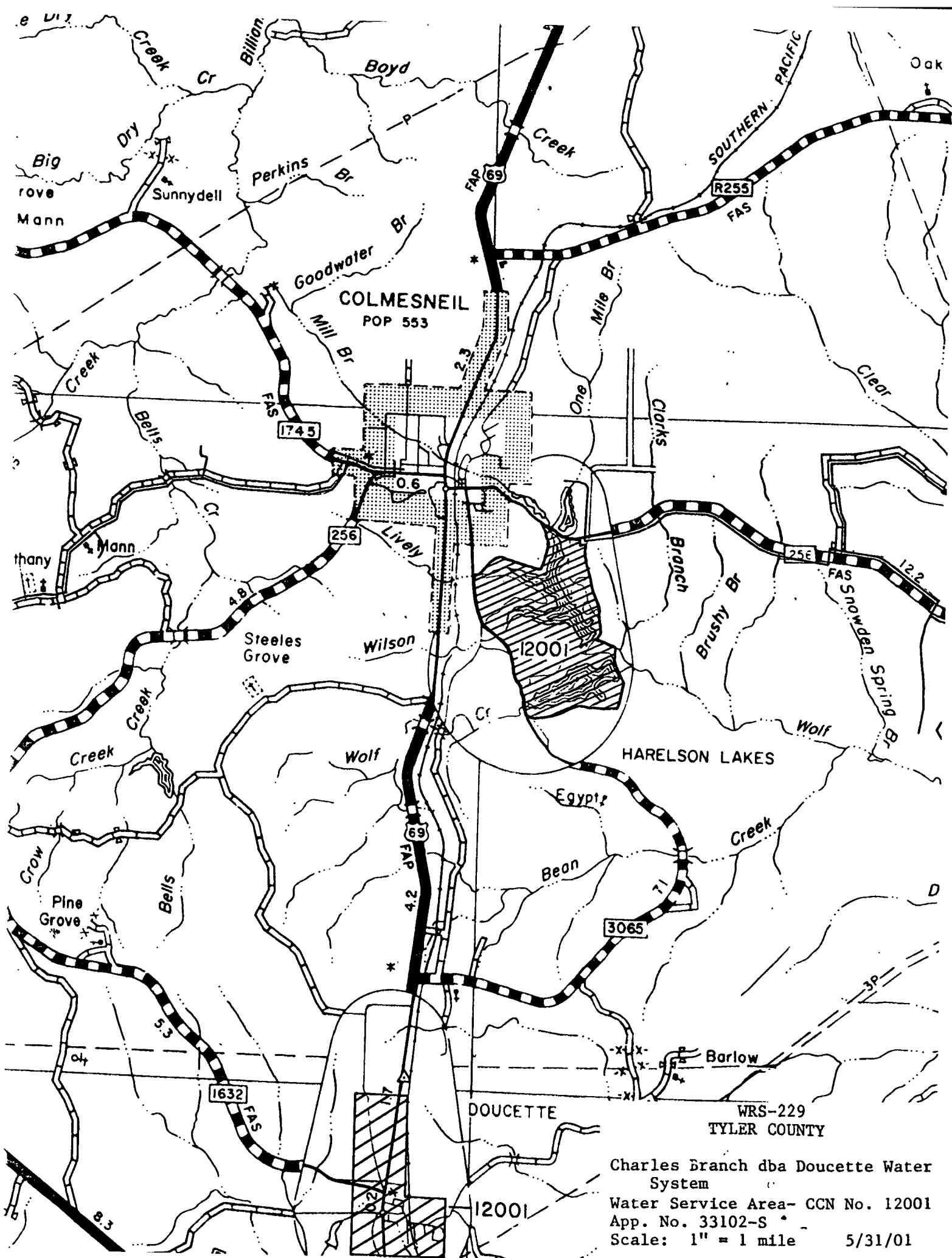
20. Has the system reached 85% of its capacity based on TCEQ's minimum requirements? ☐ Yes ☒ No
If yes, please explain what steps are being taken to address the capacity issues:

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

Name	Class	License#
Thomas Kain Rawls		
	He will be getting his	License in February 2016

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

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



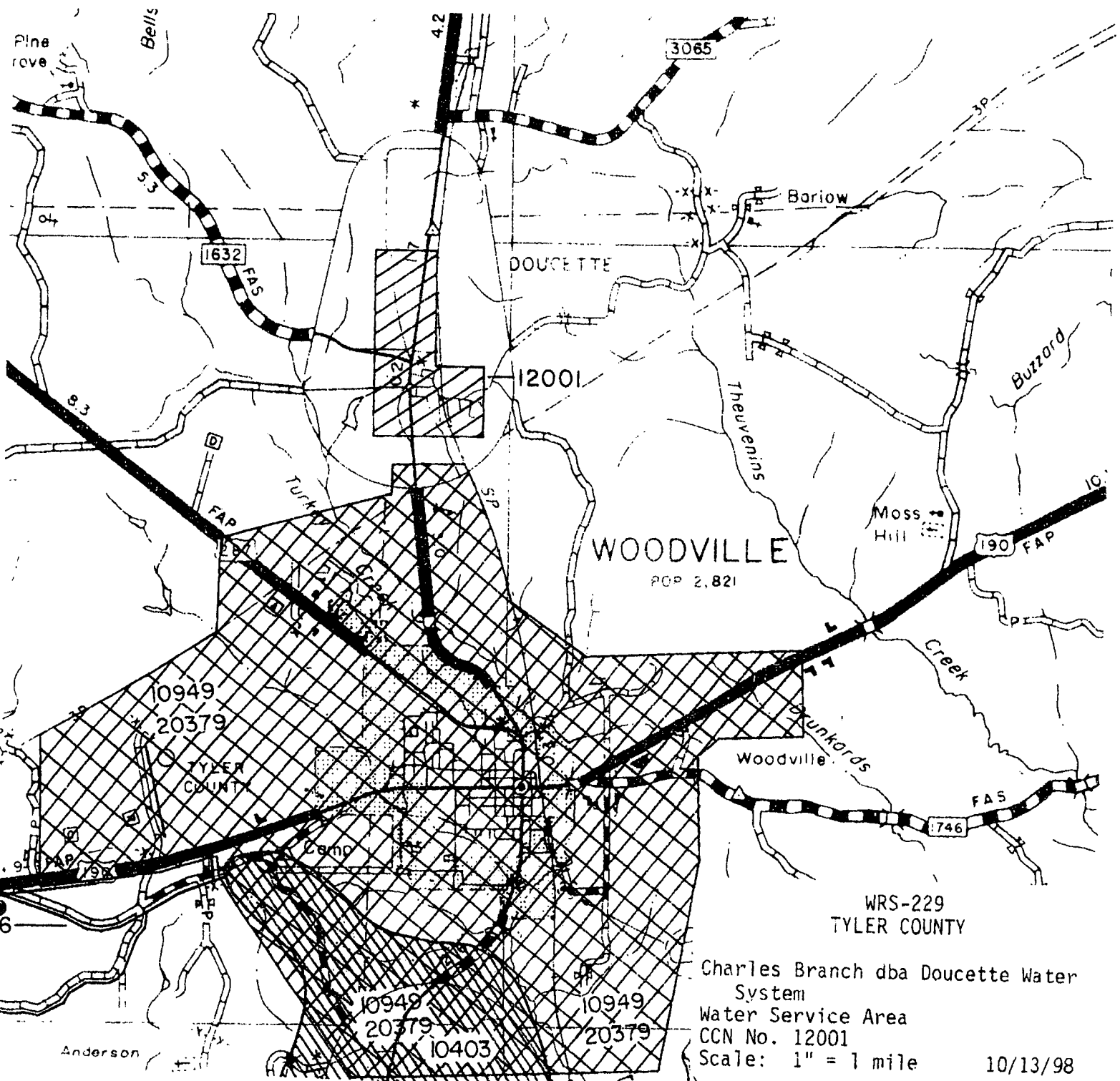
AREA 1

Doucette Water System CCN 12001, Doucette, Texas, Tyler County.

Northern boundary is FM 3065 east and northwest boundary is CR 2775.

West boundary is CR 2775 and CR 2770 and FM 1632. South boundary is Woodville, Texas Hwy 69.

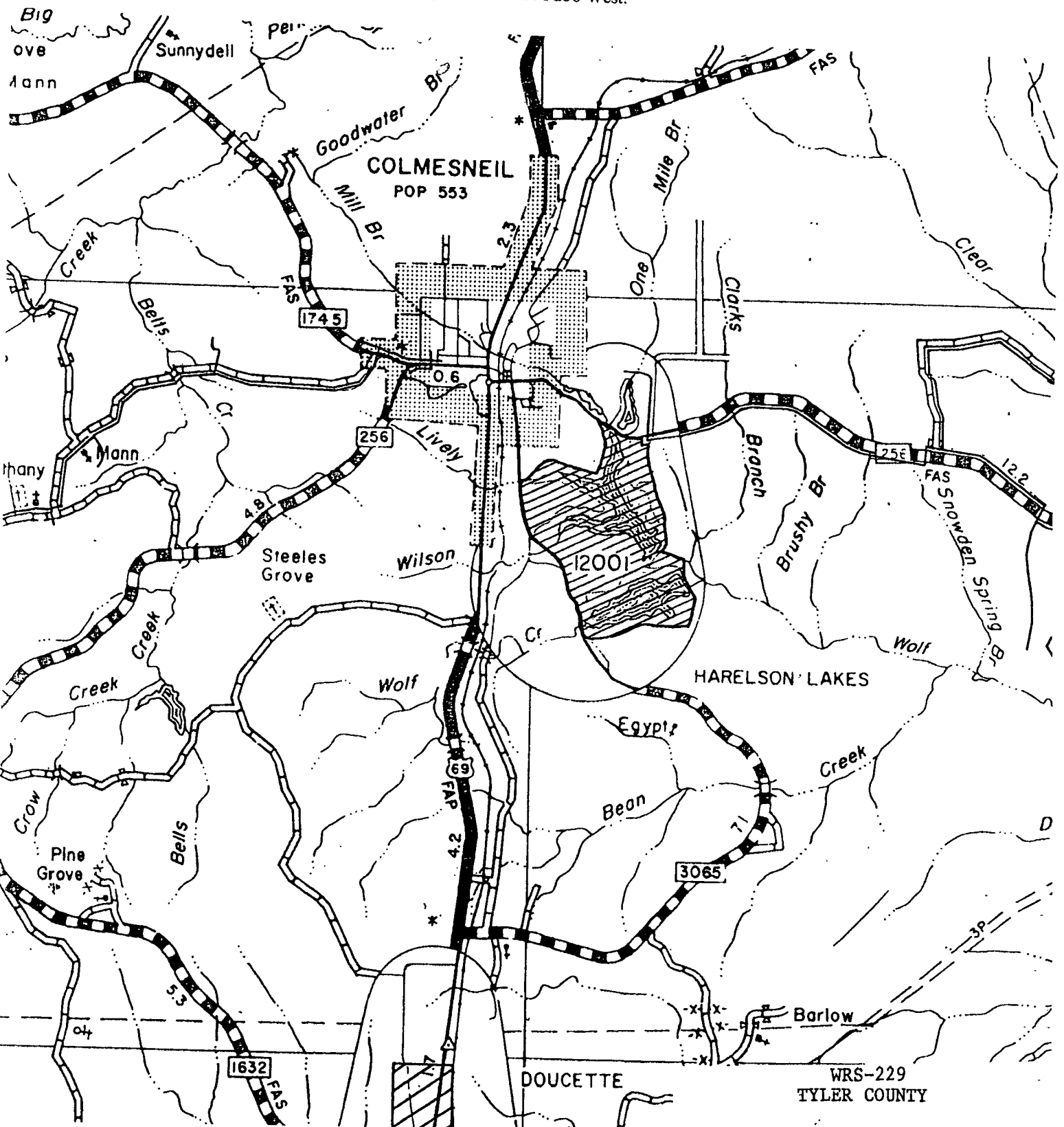
East boundary is CR 3050 and CR 3065.



Doucette Water System CCN 12001 Lakeside Water Supply, Colmesneil, Texas, Tyler County.

West boundary is FM 3065 until CR 3150. South boundary is CR 3150 continuing in west then north .
East boundary CR 3000 .

East boundary CR 3220 which brings you back to FM 256 West.



Part G – Oaths and Notices

OATH FOR SELLER OR FORMER SERVICE PROVIDER

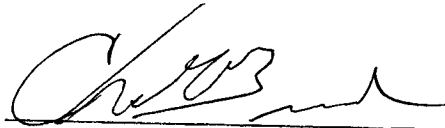
STATE OF Texas

COUNTY OF Tyler

I, Charles D. Branch, being duly sworn, file this application for sale, lease, rental or merger or consolidation as owner

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

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



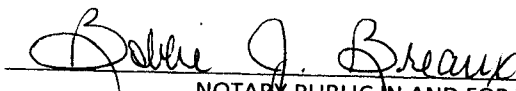
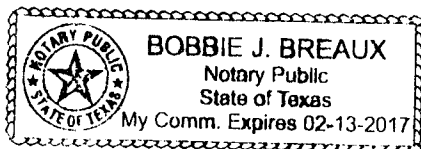
AFFIANT

(Utility's Authorized Representative)

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

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas, this day 8 of February, 20 16.

SEAL



NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Bobbie J Breaux
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES

2-13-2017

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

Doucette Water System - Charles Branch
P.O. Box 697
Doucette, Tx 75942

PWS# 2290004
CCN 12001

Part G – Oaths and Notices

OATH FOR SELLER OR FORMER SERVICE PROVIDER

STATE OF

Texas

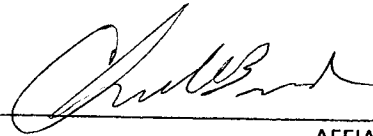
COUNTY OF

Tyler

I, Charles D. Branch, being duly sworn, file this application for sale, lease, rental or merger or consolidation as owner

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

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



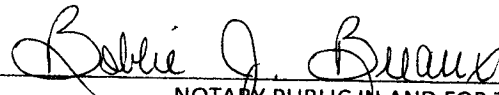
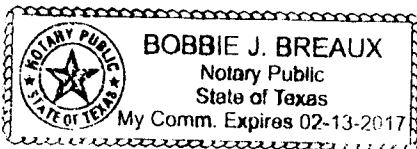
AFFIANT

(Utility's Authorized Representative)

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SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas, this day 8 of February, 20 16.

SEAL



NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Bobbie J Breaux

PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES

2-13-2017

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

Lakeside Water Supply 1, 2, 3, 4, 5 - Charles Branch
P.O. Box 699
Doucette, Tx 75942

PWS# 2290021
PWS# 2290039
PWS# 2290040
PWS# 2290041
PWS# 2290042
CCN 12001

OATH FOR PURCHASER OR ACQUIRING ENTITY

STATE OF Texas

COUNTY OF Tyler

I, Thomas Kain Rawls, being duly sworn, file this application for

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

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

Thomas Kain Rawls

AFFIANT

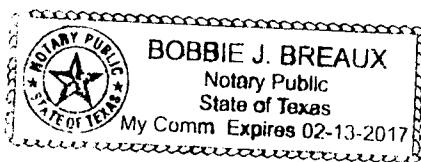
(Utility's Authorized Representative)

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

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

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas, this
day 8 of February, 20 16.

SEAL



Bobbie J. Breaux

NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Bobbie J Breaux

PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES

2-13-2017

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

Doucette Water System - Charles Branch
P.O. Box 694 PWS# 2290004
Doucette, Tx 75942 CCN 12001

OATH FOR PURCHASER OR ACQUIRING ENTITY

STATE OF

Texas

COUNTY OF

Tyler

I, Thomas Kain Rawls

, being duly sworn, file this application for

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

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Thomas Rawls

AFFIANT

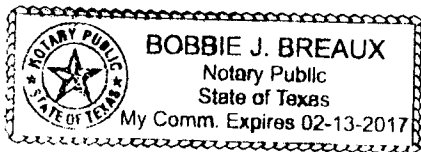
(Utility's Authorized Representative)

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

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

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas, this
day 8 of February, 20 16.

SEAL



Bobbie J. Breaux

NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Bobbie J Breaux

PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES

2-13-2017

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

Lakeside Water Supply 1, 2, 3, 4, 5 - Charles Branch
P.O. Box 699
Doucette, TX 75942

PWS# 2290021
PWS# 2290039
PWS# 2290040
PWS# 2290041
PWS# 2290042
ANN 12001

Notice to Current Customers, Neighboring Systems and Cities

Doucette Water System, Charles Branch 's
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO

12001

TO Thomas Kain Rawls and Danasa Rawls
(Purchaser's or Transferee's Name)

IN Tyler COUNTY, TEXAS

To: _____ Date Notice Mailed _____, 20 16
(Name of Customer, Neighboring System or City)

(Address)

City State Zip

Charles and Kay Branch, PO Box 529, Colmesneil, Texas 75938
Sellers or Transferors' Name Address City/State/Zip Code

has submitted an application with the Public Utility Commission of Texas to sell facilities and transfer
(water or sewer (please select)) CCN No. 12001 in Tyler [County Name]

County to:

Thomas Kain Rawls and Danasa Rawls, 1430 CR 2800, Colmesneil, Texas 75938
Purchasers or Transferee's Name Address City/State/Zip Code

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

Community of Doucette, Texas

The area subject to this transaction is located approximately 4 miles NORTH [direction] of
downtown Woodville on Hwy 69, [City or Town] Texas, and is generally bounded on the north by
Colmesneil, Texas; on the east by FM 1632
; on the south by Woodville, Texas; and on the west by FM 3065

The total area being requested includes approximately 400 acres and serves 133 current customers.
This transaction will have the following effect on the current customer's rates and services:
NO effect

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

To request a hearing, you must:

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

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

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

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

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

Charles Branch

Utility Representative

Doucette Water System

Utility Name

Notice to Current Customers, Neighboring Systems and Cities

Charles Branch, Lakeside Water Supply 's
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO

12001 TO Thomas Kain Rawls and Danasa Rawls
(Purchaser's or Transferee's Name)

IN Tyler COUNTY, TEXAS

To: _____ Date Notice Mailed _____, 20 16
(Name of Customer, Neighboring System or City)

(Address)

City State Zip

Charles and Kay Branch, P.O. Box 529, Colmesneil, Texas 75938
Sellers or Transferors' Name Address City/State/Zip Code

has submitted an application with the Public Utility Commission of Texas to sell facilities and transfer
water or sewer (please select) CCN No. 12001 in Tyler [County Name]

County to:

Thomas Kain Rawls and Danasa Rawls, 1430 CR 2800, Colmesneil, Texas 75938
Purchasers or Transferee's Name Address City/State/Zip Code

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

Community of Lake Amanda and Frog Pond, Colmesneil, Texas

The area subject to this transaction is located approximately 4 miles East [direction] of downtown Colmesneil, [City or Town] Texas, and is generally bounded on the north by FM 356 East; on the east by CR 3220; on the south by CR 3150; and on the west by FM 3065

The total area being requested includes approximately 600 acres and serves 172 current customers.
This transaction will have the following effect on the current customer's rates and services:

no effect

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

To request a hearing, you must:

- (1) state your name, mailing address and daytime telephone number;
- (2) state the applicant's name, application number or another recognizable reference to this application;
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1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

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

Charles Branch

Utility Representative

Lakeside Water Supply 1, 2, 3, 4, + 5

Utility Name

Notice to Current Customers, Neighboring Systems and Cities

Doucette Water System, Charles Branch's
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO

12001

TO Thomas Kain Rawls and Danasa Rawls
(Purchaser's or Transferee's Name)

IN Tyler COUNTY, TEXAS

To: City of Woodville
(Name of Customer, Neighboring System or City)

Date Notice Mailed _____, 20 16

400 W. Bluff Street
(Address)

Woodville, Tx 75979
City State Zip

Charles and Kay Branch, PO Box 529, Colmesneil, Texas 75938
Sellers or Transferors' Name Address City/State/Zip Code

has submitted an application with the Public Utility Commission of Texas to sell facilities and transfer
water or sewer (please select) CCN No. 12001 in Tyler [County Name]

County to:

Thomas Kain Rawls and Danasa Rawls, 1430 CR 2800, Colmesneil, Texas 75938
Purchasers or Transferee's Name Address City/State/Zip Code

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

Community of Doucette, Texas

The area subject to this transaction is located approximately 4 miles NORTH [direction] of downtown Woodville on Hwy 69, [City or Town] Texas, and is generally bounded on the north by Colmesneil, Texas; on the east by FM 1632; on the south by Woodville, Texas; and on the west by FM 3065

The total area being requested includes approximately 400 acres and serves 133 current customers.
This transaction will have the following effect on the current customer's rates and services:

NO effect

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

- (1) state your name, mailing address and daytime telephone number;
- (2) state the applicant's name, application number or another recognizable reference to this application;
- (3) include the statement "I/we request a public hearing";
- (4) write a brief description of how you, the persons you represent, or the public interest would be adversely affected by the proposed transaction and transfer of the CCN; and
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Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

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

Charles Branch

Utility Representative

Doucette Water System

Utility Name

Notice to Current Customers, Neighboring Systems and Cities

Doucette Water System, Charles Branch's
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO

12001

TO Thomas Kain Rawls and Danasa Rawls
(Purchaser's or Transferee's Name)

IN Tyler COUNTY, TEXAS

To: City of Colmesneil
(Name of Customer, Neighboring System or City)

Date Notice Mailed _____, 20 16

P.O. Box 144
(Address)

Colmesneil, Texas 75938
City State Zip

Charles and Kay Branch, PO Box 529, Colmesneil, Texas 75938
Sellers or Transferors' Name Address City/State/Zip Code

has submitted an application with the Public Utility Commission of Texas to sell facilities and transfer
water or sewer (please select) CCN No. 12001 in Tyler [County Name]

County to:

Thomas Kain Rawls and Danasa Rawls, 1430 CR 2800, Colmesneil, Texas 75938
Purchasers or Transferee's Name Address City/State/Zip Code

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

Community of Doucette, Texas

The area subject to this transaction is located approximately 4 miles NORTH [direction] of downtown Woodville on Hwy 69, [City or Town] Texas, and is generally bounded on the north by Colmesneil, Texas; on the east by FM 1632; on the south by Woodville, Texas; and on the west by FM 3065

The total area being requested includes approximately 400 acres and serves 133 current customers.
This transaction will have the following effect on the current customer's rates and services:
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Persons who wish to protest or request a hearing on this application should write the:

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

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

Charles Branch

Utility Representative

Doucette Water System

Utility Name

Notice to Current Customers, Neighboring Systems and Cities

Doucette Water System, Charles Branch's
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO

12001 TO Thomas Kain Rawls and Danasa Rawls
(Purchaser's or Transferee's Name)

IN Tyler COUNTY, TEXAS

To: Tyler County Water Date Notice Mailed _____, 20 16
(Name of Customer, Neighboring System or City)

12139 FM 92 North
(Address)

Spurger, Texas 77660
City State Zip

Charles and Kay Branch, PO Box 529, Colmesneil, Texas 75938
Sellers or Transferors' Name Address City/State/Zip Code

has submitted an application with the Public Utility Commission of Texas to sell facilities and transfer
water or sewer (please select) CCN No. 12001 in Tyler [County Name]

County to:

Thomas Kain Rawls and Danasa Rawls, 1430 CR 2800, Colmesneil, Texas 75938
Purchasers or Transferee's Name Address City/State/Zip Code

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

Community of Doucette, Texas

The area subject to this transaction is located approximately 4 miles NORTH [direction] of
downtown Woodville on Hwy 69, [City or Town] Texas, and is generally bounded on the north by
Colmesneil, Texas; on the east by FM 1632
; on the south by Woodville, Texas; and on the west by FM 3065

The total area being requested includes approximately 400 acres and serves 133 current customers.
This transaction will have the following effect on the current customer's rates and services:
no effect

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

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

Utility Representative

Doucette Water System

Utility Name

Notice to Current Customers, Neighboring Systems and Cities

Charles Branch Lakeside Water Supply 's
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO

12001

TO Thomas Kain Rawls and Danasa Rawls
(Purchaser's or Transferee's Name)

IN Tyler COUNTY, TEXAS

To: City of Woodville
(Name of Customer, Neighboring System or City)

Date Notice Mailed _____, 20 16

400 W. Bluff Street
(Address)

Woodville, Tx 75979
City State Zip

Charles and Kay Branch, P.O. Box 529, Colmesneil, Texas 75938
Sellers or Transferors' Name Address City/State/Zip Code

has submitted an application with the Public Utility Commission of Texas to sell facilities and transfer
water or sewer (please select) CCN No. 12001 in Tyler [County Name]

County to:

Thomas Kain Rawls and Danasa Rawls, 1430 CR 2800, Colmesneil, Texas 75938
Purchasers or Transferee's Name Address City/State/Zip Code

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

Community of Lake Amanda and Frog Pond, Colmesneil, Texas

The area subject to this transaction is located approximately 4 miles East [direction] of downtown Colmesneil, [City or Town] Texas, and is generally bounded on the north by FM 356 East; on the east by CR 3220; on the south by CR 3150; and on the west by FM 3065

The total area being requested includes approximately 600 acres and serves 172 current customers.
This transaction will have the following effect on the current customer's rates and services:

no effect

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

- (1) state your name, mailing address and daytime telephone number;
- (2) state the applicant's name, application number or another recognizable reference to this application;
- (3) include the statement "I/we request a public hearing";
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Charles Branch
Utility Representative
Lakeside Water Supply 1, 2, 3, 4, + 5
Utility Name

Notice to Current Customers, Neighboring Systems and Cities

Charles Branch, Lakeside Water Supply 's
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO

12001TO Thomas Kain Rawls and Danasa Rawls
(Purchaser's or Transferee's Name)IN Tyler COUNTY, TEXASTo: City of Colmesneil
(Name of Customer, Neighboring System or City)Date Notice Mailed _____, 20 16P.O. Box 144
(Address)Colmesneil, Tx 75938
City State Zip

Charles and Kay Branch, P.O. Box 529, Colmesneil, Texas 75938
Sellers or Transferors' Name Address City/State/Zip Code

has submitted an application with the Public Utility Commission of Texas to sell facilities and transfer
water or sewer (please select) CCN No. 12001 in Tyler [County Name]

County to:

Thomas Kain Rawls and Danasa Rawls, 1430 CR 2800, Colmesneil, Texas 75938
Purchasers or Transferee's Name Address City/State/Zip Code

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

Community of Lake Amanda and Frog Pond, Colmesneil, Texas

The area subject to this transaction is located approximately 4 miles East [direction] of downtown Colmesneil, [City or Town] Texas, and is generally bounded on the north by FM 256 East; on the east by CR 3220; on the south by CR 3150; and on the west by FM 3065

The total area being requested includes approximately 600 acres and serves 172 current customers.
This transaction will have the following effect on the current customer's rates and services:

no effect

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

To request a hearing, you must:

- (1) state your name, mailing address and daytime telephone number;
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Charles Branch

Utility Representative

Lakeside Water Supply 1, 2, 3, 4 + 5

Utility Name

Notice to Current Customers, Neighboring Systems and Cities

Charles Branch Lakeside Water Supply
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO

12001

TO Thomas Kain Rawls and Danasa Rawls
(Purchaser's or Transferee's Name)

IN Tyler COUNTY, TEXAS

To: Tyler County Water
(Name of Customer, Neighboring System or City) Date Notice Mailed _____, 20 16

12139 FM 92 North
(Address)

Spurger, TX 77660
City State Zip

Charles and Kay Branch, P.O. Box 529, Colmesneil, Texas 75938
Sellers or Transferors' Name Address City/State/Zip Code

has submitted an application with the Public Utility Commission of Texas to sell facilities and transfer
(water or sewer (please select)) CCN No. 12001 in Tyler [County Name]

County to:

Thomas Kain Rawls and Danasa Rawls, 1430 CR 2800, Colmesneil, Texas 75938
Purchasers or Transferee's Name Address City/State/Zip Code

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

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FM 256 East; on the east by CR 3220
; on the south by CR 3150; and on the west by FM 3065

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Charles Branch

Utility Representative

Lakeside Water Supply 1, 2, 3, 4, + 5

Utility Name

**SALE AGREEMENT FOR
LAKESIDE WATER SUPPLY AND DOUCETTE WATER SYSTEM**

This Agreement dated February 2, 2016 between Charles D. Branch and Kendra K. Branch, husband and wife ("Seller") and Thomas Kain Rawls and Danasa Wilkinson Rawls, husband and wife ("Buyer").

RECITALS

The parties wish to convey assets of Seller to Buyer under this Agreement ("Agreement") on the date and at the time provided for herein (the "Closing Date"); and

The parties desire to set forth certain representations, warranties and covenants made by each to the other as an inducement to the consummation of the sale and certain additional Agreements related to the sale.

Now, therefore, in consideration of these premises and of the mutual representations, warranties and covenants contained in this Agreement, the parties agree as follows:

1. SALE

1.1 CLOSING DATE AND LOCATION

Subject to the terms and conditions of this Agreement, on the earlier of: (i) seven (7) days following Buyer's receipt from the relevant authorities with the State of Texas of approval to complete the purchase, or (ii) June 1, 2016, the following closing shall occur at Tyler County Title, LLC, 318 West Dogwood, Woodville, Texas at 10:00 a.m.

1.2 DESCRIPTION AND PRICE OF ASSETS; ASSUMPTION OF LIABILITIES

The Seller shall sell the following assets of Lakeside Water Supply and Doucette Water System (the "Assets") for a total price to be paid to Seller of \$625,000.00 (the "Purchase Price"). Such total purchase price of \$625,000.00 shall be allocated among such assets as follows:

Plant and Lines (as set forth on Exhibit A)	\$ 485,000.00
Land (as set forth on Exhibit A)	\$ 5,000.00
Fixtures and Equipment (as set forth on Exhibit A)	\$ 87,254.00
Goodwill (as set forth in Exhibit A)	\$ 47,746.00

Each of the parties agrees to report the sale and purchase of the above-listed assets for federal income tax purposes in accordance with the allocation set forth above.

1.3 SELLER'S CLOSING DOCUMENTS

At the closing the Seller shall tender the following fully executed documents to the Buyer:

- (a) A bill of sale for all fixtures, equipment, inventory and accounts receivable in the form mutually agreeable by the Seller and the Buyer.
- (b) A deed for the real estate in the form mutually agreeable by the Seller and the Buyer.
- (c) An assignment of Seller's business name and the appropriate discontinuance of use of such name.

1.4 PURCHASE PRICE

At the closing, the Buyer shall deliver the Purchase Price in immediately available lawful money of the United States of America.

1.5 CLOSING COSTS

The Seller shall pay for one-half of any escrow fee charged by a title company to close this transaction, the cost to prepare and record the deed of conveyance and bill of sale, tax certificates, and Seller's attorney's fees. All other costs shall be paid for by the Buyer.

2. SELLER'S REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer as of the date of this Agreement as follows:

- (a) To the best knowledge and belief, Seller has good and marketable title to all property, assets and leasehold estates to be transferred under this Agreement. Such assets are not subject to any mortgage, pledge, lien, conditional sales agreement, encumbrance or charge, except for: liens securing Citizens State Bank to which no default exists; liens for current taxes and assessments not in default; and liens arising by operation of law. The lien to Citizens State Bank will be released at the Closing.
- (b) Seller is not in default under any law or regulation, or under any order of any court or federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality wherever located, and to the best of Seller's knowledge, there are no claims, actions, suits or proceedings threatened, instituted or filed against or affecting Seller at law or in equity, or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality wherever located.
- (c) Seller has filed all requisite federal, state and other tax returns due for all fiscal periods of years 2014 and prior. There are no claims against Seller for federal, state or other taxes which may be due and owing through the date of this Agreement.

(d) Seller makes no representations or warranty that Seller's existing customers shall continue as customers of Buyer. However, Seller will not, directly or indirectly, ask, induce, or influence any of Seller's existing customers to leave Buyer.

(e) The warranties in this Agreement exclude and are in lieu of all other warranties, whether express or implied.

3. COVENANTS OF SELLER

Between the date of this Agreement and the Closing Date, Seller warrants that it will:

(a) Carry on Seller's business in substantially the same manner as it has heretofore and not introduce any materially new method of management, operation or accounting;

(b) Maintain Seller's properties and facilities in as good working order and condition as at present, ordinary wear and tear excepted;

(c) Perform all material obligations under Agreements relating to or affecting its assets, properties and rights;

(d) Keep in full force and effect present insurance policies or other comparable insurance coverage;

(e) Pay all taxes for the fiscal period ending 2015; and

(f) Use Seller's best efforts to maintain and preserve its business organization intact, retain its present employees and maintain its relationships with suppliers, customers and others having business relations with it.

The Seller represents that it will not, without Buyer's prior written consent:

(a) Enter into any contract or commitment to, incur or agree to incur any liability or, make any capital expenditures except in the normal course of business;

(b) Increase the compensation payable or to become payable to any employee or agent, or make any bonus payment to any such person;

(c) Create, assume or permit to exist any mortgage, pledge or other lien or encumbrance upon any assets or properties, whether now owned or hereafter acquired, other than the current lien held by Citizens State Bank that will be released at the Closing; or

(d) Sell, assign, lease or otherwise transfer or dispose of any property or equipment except in the normal course of business.

4. CONDITIONS TO OBLIGATIONS OF PARTIES

4.1 CONDITIONS TO PERFORMANCE OF SELLER'S OBLIGATIONS

The obligations of Seller hereunder are at Seller's option, subject to Seller's satisfaction, on or prior to the Closing Date of the following conditions:

- (a) The Seller shall receive the full Purchase Price in immediately available funds.

4.2 CONDITIONS TO PERFORMANCE OF BUYER'S OBLIGATIONS

The obligations of Buyer hereunder are at Buyer's option, subject to the Buyer's satisfaction, on or prior to Closing Date of the following conditions:

- (a) The representations and warranties made by Seller in this agreement shall be substantially correct on the Closing Date, except as affected by transactions contemplated in this agreement and changes occurring in the ordinary course of business, with the same force and effect as though the representations and warranties had been made on the Closing Date.
- (b) The instruments executed and delivered to the Buyer by the Seller pursuant to this agreement are valid in accordance with their terms and effectively vest in Buyer good and marketable title to the assets and business as contemplated by this agreement, free and clear of any liabilities, obligations, and encumbrances, except those liabilities and obligations which are expressly assumed by Buyer.
- (c) Buyer shall have received from the authorities of the State of Texas governing a transaction of this type approval to purchase and/or own the Assets.
- (d) Seller shall have performed and complied in all material respects with all agreements, covenants and conditions required by this agreement to be performed or complied with by Seller on or prior to the Closing Date.

5. BUYER'S REPRESENTATIONS AND WARRANTIES

Buyer shall diligently and expeditiously seek approval from the authorities of the State of Texas governing a transaction of this type to purchase and/or own the Assets contemplated by this Agreement. Buyer shall keep Seller apprised of the Buyer's progress in working toward receiving such approval to purchase and/or own the Assets.

6. GENERAL

6.1 ADDITIONAL INSTRUMENTS

The parties shall deliver such additional instruments as any party may reasonably request for the purpose of carrying out this Agreement. Seller will cooperate (and use its best efforts to have