



Control Number: 45959



Item Number: 1

Addendum StartPage: 0



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

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

**Docket Number:** 45959

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

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

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

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

RECEIVED  
2006 MAY 12 PM 2:36  
PUBLIC UTILITY COMMISSION  
FILING CLERK

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

### Purpose of Application

☒ Obtain                      ☒ New Water CCN                      ☒ New Sewer CCN

☒ Amend                      ☒ Water CCN# (s) 11856

☒ Amend                      ☒ Sewer CCN#(s) 20930

and cancel Water CCN 13020 and Sewer CCN 20922

### 1. Applicant Information

#### Applicant

Utility name: Town of Providence Village

Certificate number: No CCN issued currently to Applicant

Street address (City/ST/ZIP/Code): 1745 FM 2931, Providence Village, TX 76227

Mailing address(City/ST/ZIP/Code): 1745 FM 2931, Providence Village, TX 76227

Utility Phone Number and Fax: Telephone: 940-365-9333 Fax: 940-365-9373

#### Contact information

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

Name: Stephen Dickman

Title: Attorney

Mailing address: 303 Colorado, Suite 2000, Austin, TX 78701

Email: [stephen.dickman@kellyhart.com](mailto:stephen.dickman@kellyhart.com)

Phone and Fax: 512-495-6413 (Telephone)

512-495-6613 (Fax)

List all counties in which service is proposed: Denton County

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

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

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

N/A

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

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

N/A

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

## 2. Location Information

- A. Are there people already living in the proposed area?      ☒ Yes      ☐ No
- If YES, are any currently receiving utility service?      ☒ Yes      ☐ No
- If YES, from WHOM? See Supplemental Information, Attachment A

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

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

☒ Yes    No    **See Supplemental Information, Attachment A**

If YES, provide the following:

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

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

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

☒ Yes    ☐ No

If YES, within the corporate limits of: **Town of Providence Village (Applicant)**

Provide a copy of any franchise, permit, or consent granted by the city or district. If not available please explain:  
**See Supplemental Information, Attachment A.**

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

☒ Yes    ☐ No

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

**Yes. Pursuant to a December 21, 2015 Compromise Settlement Agreement and Mutual Release of Claims entered into between the Town of Providence Village and Mustang S.U.D., Mustang S.U.D. has agreed to allow Applicant to become the sole certificated provider of retail water and sewer service within the incorporated limits of the Town of Providence Village. A copy of the settlement agreement is not being provided with this application, but upon request of PUC staff, a copy of the settlement agreement will be provided under a claim of confidentiality. See also the Joint Motion to Dismiss filed by Town of Providence Village and Mustang in PUC Docket No. 43733 on January 7, 2016.**

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

**See Supplemental Information, Attachment A.**

### 3. Map Requirements

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

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

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

Digital data submitted in a format other than ArcView shape file or Arc/Info E00 file may result in the delay or inability to review applicant's mapping information. **See Attachment G (Digital Mapping Data).**

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

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

**N/A – See Supplemental Information, Attachment A.**

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

- i. If yes, please provide documentation of the denial of service and go to c.
  - ii. If no, please provide a detailed analysis which justifies your reasons for not accepting service. A separate analysis must be prepared and submitted for each utility that granted your request for service.
- C. Please summarize how the proposed utility system will be constructed and describe each projected construction phase, if any:

D. Date of plat approval, if required: \_\_\_\_\_  
 Approved by: \_\_\_\_\_

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

F. Date construction is scheduled to commence: \_\_\_\_\_

G. Date service is scheduled to commence: \_\_\_\_\_

## 5. Existing System Information

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

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

0	6	1	0	2	4	4	;													
							;													
							;													
							;													

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

**N/A – Wholesale wastewater service is obtained from Upper Trinity Water Management District.**





TCEQ Water System			TCEQ Sewer System		
Other:			Other:		
Total Water	2,232	2,232	Total Sewer	2,219	2,219

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

**This Application is for both water and sewer CCNs. Sewer service is provided through a wholesale wastewater treatment contract with Upper Trinity Regional Water District ("UTRWD").**

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

**The Application is for both water and sewer CCNs. Treated water service is provided through a wholesale water treatment contract with UTRWD.**

- G. Effect of Granting a Certificate Amendment. **See Supplemental Information, Attachment A.**

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

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

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

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

ii. ☒ Yes, Water

Purchased on a ☒ Regular ☐ Seasonal ☐ Emergency basis?

Water Source	% of Total Treatment
Upper Trinity Regional Water District	100%

Water Source	% of Total Treatment

iii. ☒ Yes, Sewer treatment capacity

Purchased on a ☒ Regular ☐ Seasonal ☐ Emergency basis?

Sewer Source	% of Total Treatment
Upper Trinity Regional Water District	100%

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

I. Ability to Provide Adequate Service.

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

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

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

**See Supplemental Information, Attachment A.**

## 6. Financial Information

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

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

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

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

B. For existing water and/or sewer systems:

- i. Attach a profit and loss statement and current balance sheet for existing businesses (end of last fiscal year is acceptable). Describe sources and terms for borrowed capital such as loans, bonds, or notes (profit and loss and balance sheet worksheets are attached, if needed). **See Attachment L.**
- ii. Attach a proposed rate schedule or tariff. **See Attachment M. The Town currently operating under the same water and sewer rates as adopted by the former WCID.**

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

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

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

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

## 7. Notice Requirements

A. All proposed notice forms must be completed and submitted with the application. Do not mail or publish the notices until you receive written approval from the commission to do so.

B. The commission cannot grant a CCN until proper notice of the application has been given. Commission rules do not allow a waiver of notice requirements for CCN applicants.

C. It is the applicant's responsibility to ensure that proper notice is given to all entities that are required to receive notice.

D. Recommended notice forms for publication, neighboring cities and systems, landowners with 25 acres or more, and customers are included with this application for use in preparing proposed notices. (Notice forms are available in Spanish upon request.)

E. After reviewing and, if necessary, modifying the proposed notice, the commission will send the notice to the applicant after the application is accepted for filing along with instructions for publication and/or mailing. Please review the notice carefully before providing the notice.

F. Notice For Publication:

The applicant shall publish the notice in a newspaper with general circulation in the county(ies) where a CCN is being requested. The notice must be published once each week for two consecutive weeks beginning with the week after the notice is received from the commission. Proof of publication in the form of a publisher's affidavit shall be submitted to the commission within 30 days of the last publication date. The affidavit shall state with specificity each county in which the newspaper is of general circulation.

G. Notice To Neighboring Utilities: **See Supplemental Information, Attachment A.**

- i. List all neighboring retail public utilities and cities providing the same utility service within the following vicinities of the applicant's proposed certificate area.
- ii. For applications for the issuance of a NEW CCN; the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within five (5) miles of the requested service area.

- iii. For applications for the AMENDMENT of a CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within two (2) miles of the requested service area.

H. Notice to Customers:

Investor Owned Utilities (IOUs) that are currently providing service without a CCN must provide individual mailed notice to all current customers. The notice must contain the current rates, the date those rates were instituted and any other information required in the application.

- I. The commission may require the applicant to deliver notice to other affected persons or agencies.

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

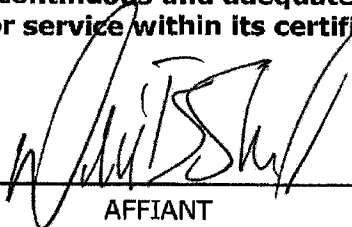
## OATH

STATE OF Texas  
COUNTY OF Denton

I, David Shuck, being duly sworn, file this application as Mayor of the Town of Providence Village (indicate relationship to Applicant, that is, owner, member of partnership, title as officer of corporation, or other authorized representative of Applicant); that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the maps and financial information filed with this application, and have complied with all the requirements contained in this application; and, that all such statements made and matters set forth therein are true and correct. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Public Utility Commission of Texas.

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

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

  
\_\_\_\_\_  
AFFIANT  
(Utility's Authorized Representative)

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

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas,  
This day 3rd of May 20 16



  
\_\_\_\_\_  
NOTARY PUBLIC IN AND FOR THE  
STATE OF TEXAS

CONNIE S. HANSEN  
\_\_\_\_\_  
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 3/1/19

## Notice for Publication

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO  
PROVIDE WATER/SEWER UTILITY SERVICE IN  
Denton COUNTY(IES), TEXAS

Name of Applicant Town of Providence Village has filed an application for new water and sewer CCNs, and to amend CCN Nos. 11856 and 20930 to decertify a portion(s) of Mustang Special Utility District, and to cancel CCN Nos. 13020 and 20922 of Providence Village W.C.I.D. No. 1 of Denton County with the

Public Utility Commission of Texas to provide water and sewer  
(specify 1) water or 2) sewer or 3) water & sewer)

utility service in Denton County  
(ies).

The proposed utility service area consists of the incorporated area of the Town of Providence Village and is located approximately 10 miles east  
[direction] of downtown Denton, [City or Town Texas, and is generally bounded on the north by Liberty Road ; on the east by Lake Lewisville and Bridgeport Drive; on the south by State Highway 380 ; and on the west by Dr. Sanders Road.

The total area being requested includes approximately \_\_\_\_\_ acres and 2,012  
current customers.

A copy of the proposed service area map is available at (Utility Address and Phone Number): 1745 FM 2931, Providence Village, Texas 76227

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

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

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

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

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

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

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

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

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

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

## Notice to Neighboring Systems, Landowners and Cities

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

Denton COUNTY(IES), TEXAS  
and to decertify a portion of CCN Nos. 11856 and 20930 held by Mustang Special Utility District and to cancel CCN Nos. 13020 and 20922 of Providence Village W.C.I.D. No. 1 of Denton County.

To: (See attached list.) \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_ 20 \_\_\_\_  
(Neighboring System, Landowner or City)

See attached list.

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
City State Zip

Name of Applicant Town of Providence Village has filed an application for new water and sewer CCNs, and to amend CCN Nos. 11856 and 20930 to decertify a portion of Mustang Special Utility District, and to cancel CCN Nos. 13020 and 20922 of providence Village W.C.I.D. No. 1 of Denton County with the

Public Utility Commission of Texas to provide water and sewer  
utility service in Denton \_\_\_\_\_ County(ies).  
(specify 1) water or 2) sewer or 3) water & sewer

The proposed utility service area is located approximately 10 miles east  
[direction] of downtown Denton, [City or Town] Texas, and is  
generally bounded on the north by Liberty Road; on the east by Lake Lewisville and Bridgeport Drive; on the south by State Highway 380; and on the west by Dr. Sanders Road.

**See enclosed map of the proposed service area.**

The total area being requested includes approximately \_\_\_\_\_ acres and 2,012  
current customers.

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



**Persons who wish to intervene or comment should write the:**

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

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

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

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

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

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Austin, Texas 78711-3326

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

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

## Notice to Customers of IOUs in Proposed Area

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

\_\_\_\_\_ COUNTY(IES), TEXAS

Dear Customer: \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_ 20 \_\_\_\_\_

Name of Applicant \_\_\_\_\_ has filed an application for a  
CCN to obtain or amend CCN No. (s) \_\_\_\_\_ and to  
decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility commission of Texas to provide

utility service in \_\_\_\_\_ (specify 1) water or 2) sewer or 3) water & sewer) \_\_\_\_\_ County(ies).

The proposed utility service area is located approximately \_\_\_\_\_ miles \_\_\_\_\_  
[direction] of downtown \_\_\_\_\_, [City or Town] Texas.

A copy of the proposed service area map is available at (Utility Address and Phone  
Number): \_\_\_\_\_

The current utility rates which were first effective on \_\_\_\_\_ 20 \_\_\_\_\_

Monthly Flat Rate of \$ _____	Per connection	<b>Miscellaneous Fees</b>	
<b>-OR-</b>		<b>Regulatory Assessment</b>	1%
Monthly Base Rate Including per	gallons	<b>Tap Fee (Average Actual Cost)</b>	\$ _____
connection for:		<b>Reconnecting fee:</b>	\$ _____
5/8" meter \$ _____		- Non Payment (\$25.00 max)	\$ _____
1" meter \$ _____		- Transfer	\$ _____
1 1/2" meter \$ _____		- Customer's request	\$ _____
2" meter \$ _____		<b>Late fee</b>	\$5.00 or 10%
Other\$ _____		<b>Returned Check charge</b>	\$ _____
		<b>Customer Deposit (\$50.00 max)</b>	\$ _____
Gallonage charge of \$ _____	Per 1,000	<b>Meter test fee</b>	\$ _____
Gallons above minimum (same for all meters sizes)		(Actual Cost not Exceed \$25.00)	\$ _____
		<b>Other Fees</b>	\$ _____

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

**NOT APPLICABLE**

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

**Persons who wish to intervene or comment should write the:**

Filing Clerk  
Public Utility Commission of Texas  
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Austin, Texas 78711-3326

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

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

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

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

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

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

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

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

**HISTORICAL BALANCE SHEETS**

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>CURRENT ASSETS</b>						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
Total						
<b>FIXED ASSETS</b>						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
<b>TOTAL ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
Total						
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term						
Other						
<b>TOTAL LIABILITIES</b>						
<b>OWNER'S EQUITY</b>						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>						
<b>TOTAL LIABILITIES AND EQUITY</b>						
<b>WORKING CAPITAL</b>						
<b>CURRENT RATIO</b>						
<b>DEBT TO EQUITY RATIO</b>						
<b>EQUITY TO TOTAL ASSETS</b>						

NOT APPLICABLE

## HISTORICAL INCOME STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
METER NUMBER						
Existing Number of Taps						
New Taps per Year						
Total Meters at Year End						
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						

**HISTORICAL EXPENSES STATEMENT**

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year						
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year						
<b>ASSUMPTIONS</b>						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

NOT APPLICABLE

## PROJECTED BALANCE SHEETS

	START UP	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>CURRENT ASSETS</b>						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
Total						
<b>FIXED ASSETS</b>						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
<b>TOTAL ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
Total						
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term						
Other						
<b>TOTAL LIABILITIES</b>						
<b>OWNER'S EQUITY</b>						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>						
<b>TOTAL LIABILITIES AND EQUITY</b>						
<b>WORKING CAPITAL</b>						
<b>CURRENT RATIO</b>						
<b>DEBT TO EQUITY RATIO</b>						
<b>EQUITY TO TOTAL ASSETS</b>						

NOT APPLICABLE

### PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
METER NUMBER						
Existing Number of Taps						
New Taps per Year						
Total Meters at Year End						
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						



**PROJECTED EXPENSES STATEMENT**

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year						
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year						
<b>ASSUMPTIONS</b>						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

**PROJECTED SOURCES AND USES OF CASH STATEMENTS**

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>SOURCES OF CASH</b>						
Net Income						
Depreciation (if Funded)						
Loan Proceeds						
Other						
Total Sources						
<b>USES OF CASH</b>						
Net Loss						
Principle Portion of Pmts.						
Fixed Asset Purchase						
Reserve						
Other						
TOTAL USES						
<b>NET CASH FLOW</b>						
<b>DEBT SERVICE COVERAGE</b>						
Cash Available for Debt						
Service (CADS)						
Net Income (Loss)						
Depreciation , or Reserve						
Interest						
TOTAL						
<b>REQUIRED DEBT SERVICE (RDS)</b>						
Principle Plus Interest						
<b>DEBT SERVICE COVERAGE RATIO</b>						
CADS Divided by RDS						

## **ATTACHMENT A**

**Attachment A**  
**Supplemental Information to The Town of Providence Village's Application  
to Obtain New Water and Sewer CCNs;  
to Amend Water CCN 11856 and Sewer CCN 20930;  
and to Cancel Water CCN 13020 and Sewer CCN 20922.**

**Question 2.A.**

As successor-in-interest to Providence Village W.C.I.D. No. 1 of Denton County (the "WCID") which was dissolved by operation of law effective August 15, 2015, the Applicant Town of Providence Village owns and operates the water and sewer facilities formerly owned and operated by the WCID. Therefore the Town of Providence Village currently provides retail water and sewer service to the residents of the Town of Providence Village and is seeking by this Application to obtain a water and sewer CCN for the area within its incorporated limits.

**Question 2.B.**

The Town of Providence Village currently has over 5,000 persons residing within its incorporated limits who are currently receiving retail water and sewer service from the Town of Providence Village. The residents were formerly served by the WCID until the WCID was dissolved by operation of Section 43.075 Tx. Local Gov't Code effective August 15, 2015. Upon dissolution of the WCID, the Applicant commenced providing water and sewer service using the facilities previously owned and operated by the WCID and now owned by the Applicant pursuant to Section 43.075 Tx. Local Gov't Code. See the copy of Ordinance No. 2015-077 provided with this Application as Attachment B. The area within the Town of Providence Village was also located within the water and sewer CCN areas of Mustang Special Utility District ("Mustang"), but Mustang and the Applicant have entered into an agreement calling for Mustang to voluntarily and cooperatively relinquish the area within the Town of Providence Village from Mustang's water and sewer CCNs. (A copy of the December 21, 2015 Compromise Settlement Agreement and Mutual Release of Claims entered into between the Town of Providence Village and Mustang is not being provided with this application, but upon request of PUC staff, a copy of the settlement agreement will be provided under a claim of confidentiality. See also the Joint Motion for Dismissal filed by Town of Providence Village and Mustang in PUC Docket No. 43733 on January 7, 2016.) Therefore, there is a need for the Applicant to continue to provide retail water and sewer service to the residents of the Town of Providence Village.

**Question 2.C.**

The Town of Providence Village adopted Ordinance No. 2015-077 on August 15, 2015 (see Attachment B). That ordinance annexed the last remaining acreage within the Providence Village WCID No. 1 of Denton County and thereby effectuated a dissolution of the WCID under Section 43.075 Tx. Local Gov't Code. As provided in that statute and as evidenced in Ordinance No. 2015-077, the Town of Providence Village became the successor-in-title to all the water and

sewer facilities of the WCID and became obligated to perform all water and sewer service functions formerly conducted by the WCID, including the providing of retail water and sewer service within the Town of Providence Village. The adoption of Ordinance No. 2015-077 evidences both the consent, and the obligation, of the Town of Providence Village to be the retail provider of water and sewer service within its incorporated limits.

Question 2.D.

Cancellation of the WCID's CCN Nos. 13020 and 20922 is in the public interest because the WCID was dissolved effective August 15, 2015 and no longer exists.

Decertification of Mustang Special Utility District (holder of CCN Nos. 11856 and 20930) from the area within the incorporated limits of the Town of Providence Village is in the public interest because (1) Mustang and the Town have entered into an agreement calling for Mustang to give up that area from its water and sewer CCN service areas and to allow the Town to serve the area within its incorporated limits; (2) it is not cost effective for both Mustang and the Town to be dually-certified to provide retail water and sewer service within the Town; (3) it is confusing for residents of the Town to have two certified providers of retail water and sewer service; and (4) the residents of the Town, as taxpayers of the former WCID, paid for the construction of the water and service facilities and it is reasonable and appropriate to allow the Town, acting through its duly elected municipal office holders, to control the provision of retail water and sewer services within its incorporated limits.

Question 3.C.

The proposed service area consists of all land located within the incorporated limits of the Town of Providence Village (see map provided as Attachment D showing the geographic limits of the Town).

Question 4.

This Question is not applicable because the water and sewer systems serving the Town of Providence Village are not new systems, but rather are existing systems. Even though the Town of Providence Village is requesting a CCN for the first time, it is the successor-in-interest to the WCID and the CCNs being requested in this Application replace the WCID's CCNs that need to be canceled due to the August 15, 2015 dissolution of the WCID under which service has historically been provided to the residents within the Town. No new water or sewer systems, or extensions thereof, are proposed to be constructed under this Application.

Question 5.A.v.

The TCEQ inspection report letter dated November 17, 2014 (provided as Attachment H) identifies the results of a public water system investigation that occurred on February 18, 2014 and a records review conducted on October 6, 2014. The only non-compliance noted was inadequate total storage tank capacity. Specifically, with 2,012 service connections, the former WCID's water system now owned by the Town of Providence Village is required to provide a minimum total storage capacity of 402,400 gallons whereas at the time of the inspection the water system provided only 275,000 gallons of total storage capacity. To resolve the alleged violation, on June 11, 2015 the WCID entered into an agreed enforcement order with TCEQ. See copy of Agreed Order provided as Attachment I.

To address the storage deficiency problem, the Town of Providence Village entered into a settlement agreement with Mustang Special Utility District as part of its resolution of the Town's Texas Water Code Section 13.255 action against Mustang in PUC Docket No. 43733 (among other disputes between the Town and Mustang). Under the settlement agreement, the Town of Providence Village acquired all capacity owned by Mustang in the one million gallon elevated storage tank located adjacent to the Providence Village administrative office on the west side of FM 2931 and north of Fishtrap Road. Prior to the settlement agreement, Mustang owned 725,000 gallons of storage capacity in the elevated storage tank and the Town owned 275,000 gallons of storage capacity in the elevated storage tank. Following the settlement agreement, the Town of Providence Village now owns the full 1,000,000 gallons of storage capacity in the elevated storage tank. Therefore the Town has more-than-enough storage capacity to address the deficiency cited by TCEQ in its inspection report.

#### Question 5.G.

The effect of granting the water and sewer CCNs will be to formally recognize that the Town of Providence Village as the provider of retail water and sewer service within the Town's incorporated limits. The Town took over as retail water and sewer provider from the WCID upon dissolution of the WCID and acquisition by operation of law of the WCID's water and sewer systems on August 15, 2015. With the dissolution of the WCID and the agreement of Mustang to allow the Town to be the sole certificated provider of retail water and sewer service within the incorporated limits of the Town, the issuance of new water and sewer CCNs to the Town will (1) eliminate confusion in the minds of the rate-paying residents of the Town about which entity provides and controls retail water and sewer service; (2) allow for orderly administration of municipal water and sewer services within the Town; and (3) eliminate the dual certification status of the eastern area of the Town that has existed since 2001.

There will be no adverse regionalization impacts on the applicant, proximate retail public utilities, or landowners since the Town's residents will be served by the same water and sewer facilities as they currently are.

Compliance with TCEQ public water system requirements will be improved because the settlement with Mustang enabled the Town to obtain Mustang's capacity in the elevated water tower as discussed in Question 5.A.v.

There will be no adverse economic effects on the applicant, proximate retail public utilities, or landowners since the retail water and sewer rates charged by the Town will be the same as the rates charged by the WCID.

Question 5.I.

The Town of Providence Village is able to provide retail water and sewer service in compliance with TCEQ requirements as the Town utilizes the contracted licensed operator services of Severn Trent, a very experienced water and sewer system operations company. The current population of the Town is approximately 5,500 residents and future job growth over the next ten years within the Town is predicted to be 42.6%. The current and projected land uses within the Town are primarily residential, with some limited commercial land uses as well as open space. These population densities and land uses are consistent with the level and quality of service that has been provided in the past when service was provided by the former WCID. The same high level of retail water and sewer service will continue to be provided by the Town.

Question 5.J.

The effect on the land will be to enable it to be developed for economically valuable purposes as a benefit to current and future residents of the Town. There will be no adverse effect on the land within the Town other than the fact that the land will continue to be able to be developed as a result of retail water and sewer service being provided by the Town. As a municipality serving its own residents, the Town can be expected to provide service that is more sensitive to the needs of its local residents than when service was provided by the WCID which used Mustang S.U.D. as its contract operator.

Question 7.G.

The following have been identified as cities and neighboring entities within five (5) miles of the requested service area:

<b>WATER</b>		
<b>CCN No.</b>	<b>Utility</b>	<b>Mailing Address</b>
11856	Mustang SUD	7985 FM 2931 Aubrey, TX 76227
13018	Denton County FWSD 8A	19 E Briar Hollow Lane, Suite 245, Houston, TX 77027-2919
13019	Denton County FWSD 8B	19 E Briar Hollow Lane, Suite 245, Houston, TX 77027-2919
13143	Denton County FWSD 8C	600 N. Pearl St., Suite 900, Dallas, TX 75201-2872
13021	Denton County FWSD 10	19 E Briar Hollow Lane, Suite 245, Houston, TX 77027-2919

13022	Denton County FWSD 11	* No address could be located per TCEQ or PUC records.
13138	Valencia on the Lake WCID	* No address could be located per TCEQ or PUC records.
11202	Town of Little Elm	100 W. Eldorado Parkway Little Elm, TX 75068
12015	Town of Hackberry	119 Maxwell Road B-7 Frisco, TX 75034
13201	Aqua Texas Inc.	12501 Morris Dido Newark Rd Fort Worth, TX 76179
10201	City of Lakewood Village	100 Highridge Drive Lakewood Village, TX 75068
10091	Community Water Service Inc.	10901 Seagoville Dallas, TX 75217 (972-286.8051)
12503	Last Resort Properties	* No address could be located per TCEQ or PUC records.
11608	Terra Southwest Inc.	P.O. Box 140 505 W. Franklin St. Alvord, TX 76225
11414	Knob Hill Water System	2861 High Meadow Dr. Little Elm, TX 75068-2865
10166	Lake Cities MUA	501 N. Shady Shores Dr. Lake Dallas, TX 75065
11524	Vacation Village Water Co.	*No address could be located per TCEQ or PUC records.
10195	City of Denton	1701 Spencer Rd. Ste. B, Denton, TX 76205-1129
11257	Bolivar WSC	4151 FM 455, Sanger, TX 76266
11234	City of Aubrey	107 S. Main St., Aubrey, TX 76227
12667	City of Celina	142 North Ohio, Celina, TX 75009
12967	City of Prosper	P.O. Box 307, Prosper, TX 75078
11772	City of Frisco	6101 Frisco Square Blvd., Frisco, TX 75034
12983	Monarch Utilities I LP	Southwest Water Company 12535 Reed Road Sugar Land, TX 77478
12198	Water Assn. of North Lake, Inc. (City of Prosper)	2094 Dove Creek Circle Aubrey, TX 76227
<b>SEWER</b>		
20930	Mustang SUD	
20908	City of Oak Point	100 Naylor Rd., Oak Point, TX 75068
20931	Town of Little Elm	100 W. Eldorado Parkway, Little Elm, TX 75068
20075	City of Lakewood Village	100 Highridge Drive, Lakewood Village, TX 75068
20060	Lake Cities MUA	501 N. Shady Shores Dr.



		Lake Dallas, TX 75065
20072	City of Denton	1701 Spencer Rd. Ste. B Denton, TX 76205-1129
20591	City of Frisco	6101 Frisco Square Blvd. Frisco, TX 75034
21059	Aqua Texas Inc.	
20764	City of Celina	142 North Ohio Celina, TX 75009
20923	Denton County FWSD 10	
20491	City of Aubrey	107 S. Main St. Aubrey, TX 76227
20888	City of Prosper	P.O. Box 307 Prosper, TX 75078

**List of Attachments Provided:**

Attachment A: Supplemental Information as requested in Application.

Attachment B: Town of Providence Village Ordinance No. 2015-077.

Attachment C: Location map for Town of Providence Village.

Attachment D: Map showing only the proposed water and sewer service area.

Attachment E: Map of proposed retail water service area showing all water production, transmission and distribution lines and facilities.

Attachment F: Map of proposed retail sewer service area showing all sewer service treatment, transmission and collection lines and facilities.

Attachment G: CD diskette containing projectable digital data for map (with metadata) showing only the proposed retail water and sewer service area.

Attachment H: TCEQ water system inspection report of November 17, 2014. (There are no sewer facilities inspections by TCEQ.)

Attachment I: June 11, 2015 TCEQ agreed enforcement order resolving alleged water non-compliance.

Attachment J: Copy of wholesale treated water contracts with Upper Trinity Regional Water District.

Attachment K: Copy of wholesale wastewater service contracts with Upper Trinity Regional Water District.

Attachment L: Most recent Financial Statement for Town of Providence Village.

Attachment M: Current water and sewer rate schedules adopted by Town of Providence Village.

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## **ATTACHMENT B**

**ORDINANCE NO. 2015-077**

**AN ORDINANCE ADOPTED UNDER THE AUTHORITY OF TEXAS LOCAL GOVERNMENT CODE SECTION 43.075 TO DESIGNATE THE EFFECTIVE DATE ON WHICH THE TOWN OF PROVIDENCE VILLAGE, TEXAS (THE "TOWN") SHALL COMMENCE PERFORMING THE DUTIES AND ASSUMING THE ASSETS, RIGHTS, DUTIES AND OBLIGATIONS OF THE PROVIDENCE VILLAGE WATER CONTROL AND IMPROVEMENT DISTRICT OF DENTON COUNTY ("PVWCID") AS SPECIFIED UNDER SECTION 43.075(d) AND (e); PRESCRIBING CERTAIN RIGHTS, DUTIES, TERMS AND CONDITIONS RELATING TO THE CARRYING OUT OF THE TOWN'S OBLIGATIONS UNDER SECTION 43.075; ASSUMING THE AUTHORITY TO ISSUE AND SELL MUNICIPAL BONDS AS SPECIFIED UNDER TEXAS LOCAL GOVERNMENT CODE SECTION 43.080; CONTAINING MISCELLANEOUS TRANSITION PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, under Ordinance No. 2015-074 effective July 21, 2015, the Town has annexed that certain 10.006-acre tract of land more particularly described on Exhibit "A" attached hereto and incorporated herein for all purposes; and

**WHEREAS**, as a result of such annexation, the entire area within PVWCID is now included within the incorporated limits of the Town as also shown on Exhibit "A"; and

**WHEREAS**, Section 43.075 of the Texas Local Government Code (the "Code") provides that if a municipality annexes all of the area in a water control and improvement district not located in more than one municipality, then the municipality succeeds to the powers, duties, assets and obligations of the district and shall (1) take over all property and other assets of the district; (2) assume all the debts, liabilities and obligations of the district; and (3) perform all the functions of the district, including the provision of services; and

**WHEREAS**, Section 43.075(e) of the Code provides that the governing body of such a municipality by ordinance shall designate the date on which the duties and assumption of liabilities and obligations of the district shall take effect and as of which date the district is abolished, which date must be set for a day within 90 days after the date all the area within the district becomes part of the municipality; and

**WHEREAS**, on or about October 25, 2010, the Town adopted, by at least two-thirds vote of its governing body, Ordinance No. 2010-07, which makes Section 43.075 of the Code applicable to the Town; and

**WHEREAS**, on or about September 15, 2014, the Town and PVWCID entered into the Second Amended and Restated Interim Allocation Agreement (the "Interim Allocation Agreement") which provides for a certain allocation of rights and obligations between the Town and PVWCID and contemplates a process for orderly transition of management and ownership of the PVWCID's assets and liabilities to the Town; and

**WHEREAS**, pursuant to Section 43.080(b) of the Code, the Town may issue and sell municipal bonds in an amount not to exceed the amount of the unissued bonds authorized by the voters of PVWCID to provide waterworks, sanitary sewer and drainage facilities to carry out the purposes for which the bonds were voted; and

**WHEREAS**, the Town intends to issue and sell such bonds as needed to carry out the stated purposes under Section 43.080 of the Code;

**WHEREAS**, the Town intends to fully carry out its rights and duties under Section 43.075 of the Code.

**NOW THEREFORE, BE IT ORDAINED BY THE TOWN OF PROVIDENCE VILLAGE, TEXAS, THAT:**

**Section 1.     Validity of Premises.**

The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

**Section 2.     Effective Date of Assumption of Assets, Duties, Rights and Obligations Under Section 43.075 of the Code.**

Effective August 15, 2015, the Town shall assume its obligations and duties under Sections 43.075(d) and 43.080(b) of the Code to (1) take over all property and other assets of PVWCID, including all funds, general funds, capital project funds, debt service funds, water and sewer revenues, property tax revenues, accounts receivable and other accounts of PVWCID; (2) assume all the valid debts, liabilities and obligations of PVWCID, including accounts payable and all bonds, notes and other obligations issued by PVWCID; (3) assume the authority to issue and sell municipal bonds in an amount not to exceed the amount of the unissued PVWCID bonds to carry out the purposes for which the PVWCID bonds were voted, including waterworks, sanitary sewer and drainage purposes; and (4) perform all the functions of PVWCID, including the provision of services that are currently being provided by PVWCID.

**Section 3.     Levy of Tax Sufficient to Pay PVWCID Ad Valorem Tax Bonds.**

As required by Section 43.075(h) of the Code, the Town shall levy and collect taxes on all taxable property within the Town in an amount sufficient to pay the principal of and interest on all bonds, warrants or other obligations of PVWCID that are due and payable in whole or in part from ad valorem taxes. The Town may issue refunding bonds or warrants to refund such PVWCID tax bonds, warrants, or other obligations, including unpaid earned interest on them, that are assumed by the Town. The tax on property within the Town to pay or refund the PVWCID bonds is authorized by the Texas Constitution and the home-rule charter of the Town and shall be levied by the Town on September 15, 2015 and collected in the current tax year in an amount sufficient to pay the principal of and interest on all bonds, warrants or other obligations of PVWCID that are due and payable in whole or in part from property taxes. The Town shall notify the Paying Agent for PVWCID's outstanding debt obligations of the Town's assumption of such obligations, engage consultants to provide arbitrage rebate calculations for the PVWCID obligations, provide any necessary disclosure filings to the Municipal Securities Rulemaking Board and the Town Manager

is hereby authorized to take any other actions necessary for the assumption of the PVWCID obligations.

**Section 4.     Transition of Accounts and Records**

To effectuate the transfer of assets and obligations pursuant to Section 43.075(d) of the Code, the Town hereby authorizes the immediate transfer of assets and accounts upon the Effective Date of this Ordinance and authorizes the Mayor, Town Manager and Town consultants to take any actions necessary to effectuate such transfer. The Town requests that all PVWCID documents, records, bank statements, paying agent statements and delinquent tax accounts (collectively, "District Records") be transferred to the Town within thirty (30) days of the date of delivery of a certified copy of this Ordinance to "President, Board of Directors, Providence Village Water Control and Improvement District of Denton County" c/o Crawford & Jordan LLP, 3100 McKinnon Street, Suite 1100, Dallas, Texas 75201, or as soon as reasonably possible thereafter. The Town hereby further authorizes the payment of all reasonable costs and expenses of such transfer. The current custodians of any District Records may rely upon a certified copy of this Ordinance in making the transfer of District Records as requested herein.

**Section 5.     Application of Net Revenues to Payment of Outstanding Revenue Bonds of PVWCID.**

As may be required by Section 43.075(i) of the Code, the Town shall take over and operate the water and sewer utility systems or property of PVWCID and shall apply the net revenues from the operation of such utility service systems or property to the payment of any outstanding revenue bonds, warrants or other obligations of PVWCID that are payable solely from net revenues of such utility systems.

**Section 6.     Termination of Interim Allocation Agreement.**

The Town will continue to carry out and meet all applicable terms and conditions of the Interim Allocation Agreement until the date on which PVWCID is abolished as referenced in Section 43.075(e) of the Code. As of the date PVWCID is abolished, the Interim Allocation Agreement will be terminated by operation of law under Section 43.075(e) of the Code, but the Town will assume responsibility for providing all municipal services and performing all functions that would be provided by PVWCID under the Interim Allocation Agreement.

**Section 7.     Severability.**

If any section, paragraph, subdivision, clause, part or provision hereof shall be adjudged invalid, illegal or unconstitutional, the same shall not affect the validity hereof as a whole or any part of provision other than the part or parts held invalid or unconstitutional.

**Section 8.     Open Meetings.**

It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public, and public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, *Chapter 551, Texas Government Code*.

**Section 9. Authorization for Further Action in Implementation Hereof, Transition Matters.**

The Mayor is authorized and empowered to take all steps necessary to carry out the terms of this Ordinance and to effectuate the will of the Town Council that Section 43.075 and 43.080 of the Code be complied with and PVWCID be abolished as of the effective date hereof.


**Section 10. Effective Date.**

This Ordinance shall take effect immediately from and after its passage.

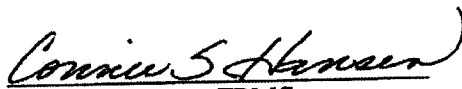
PASSED AND APPROVED on this the 15<sup>th</sup> day of August, 2015.



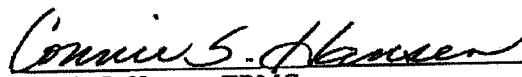
Town of Providence Village, Texas

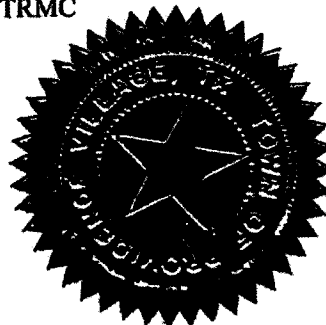
  
\_\_\_\_\_  
David B. Shuck, Mayor

Attest:

  
\_\_\_\_\_  
Connie S. Hansen, TRMC  
Town Secretary

The caption of the foregoing Ordinance was published in the newspaper of general circulation within the Town on the 18<sup>th</sup> day of August, 2015.

  
\_\_\_\_\_  
Connie S. Hansen, TRMC  
Town Secretary



**EXHIBIT A**

**District 9 Commercial Land Property Description**

**TRACT 1**

**DESCRIPTION  
D.C.F.W.S.D. NO. 9  
10.068 ACRES**

**BEING** a tract of land situated in the MARBELLA JONES SURVEY, ABSTRACT NO. 882 in Denton County, Texas, and being all of Lot 1, Block X of Providence Phase I, an addition to Denton County according to the 3<sup>rd</sup> amending plat thereof recorded in Cabinet V, Page 802 of the Real Property Records of Denton County, Texas, all of a called 0.773 acre tract of land described in a deed from David W. Ogles to Valarian Properties Associates, L.P., recorded as Document 2005-13118 in said Real Property Records, all of a called 0.230 acre tract of land described in a deed from Valarian Properties Associates, L.P., to Chris Londer recorded as Document 2004-180320 of said Real Property Records, and a portion of a called 237.578 acre tract of land described in a deed from Enlden/440 Ranch, L.P., to Valarian Properties Associates, L.P., recorded in Volume 4597, Page 2208 of said Real Property Records, and being more particularly described as follows:

**BEGINNING** at the intersection of the east line of Providence Boulevard (a 100' right-of-way at this point) with the north line of U.S. Highway 380, said point also being the southeast corner of said Lot 1;

**THENCE** North 01 degree 27 minutes 09 seconds East, along the east line of said Providence Boulevard, a distance of 200.02 feet to the northwest corner of said Lot 1;

**THENCE** South 87 degrees 45 minutes 48 seconds East, a distance of 58.40 feet to the beginning of a tangent curve to the left;

**THENCE** Northeasterly, along the tangent curve to the left which has a chord that bears North 72 degrees 24 minutes 12 seconds East for 193.38 feet, a central angle of 28 degrees 40 minutes 00 seconds and a radius of 265.00 feet, for an arc distance of 197.31 feet to the end of said curve and the beginning of a reverse curve to the right;

**THENCE** Northeasterly, along the reverse curve to the right which has a chord that bears North 72 degrees 23 minutes 58 seconds East for 135.68 feet, a central angle of 26 degrees 39 minutes 27 seconds and a radius of 200.00 feet, for an arc distance of 139.43 feet to the end of said curve;

**THENCE** South 57 degrees 48 minutes 21 seconds East, a distance of 1330.06 feet;

THENCE South 02 degrees 22 minutes 36 seconds West, a distance of 97.77 feet;

THENCE North 88 degrees 14 minutes 22 seconds West, a distance of 214.16 feet to a point on the south line of said 0.230 acre tract;

THENCE South 01 degree 45 minutes 38 seconds West, along the southwest line of said 0.230 acre tract a distance of 18.16 feet;

THENCE North 88 degrees 14 minutes 22 seconds West, continuing along the south line of said 0.230 acre tract a distance of 114.75 feet to the northeast corner of said 0.773 acre tract;

THENCE South 02 degrees 12 minutes 41 seconds West, along the east line of said 0.773 acre tract a distance of 188.15 feet;

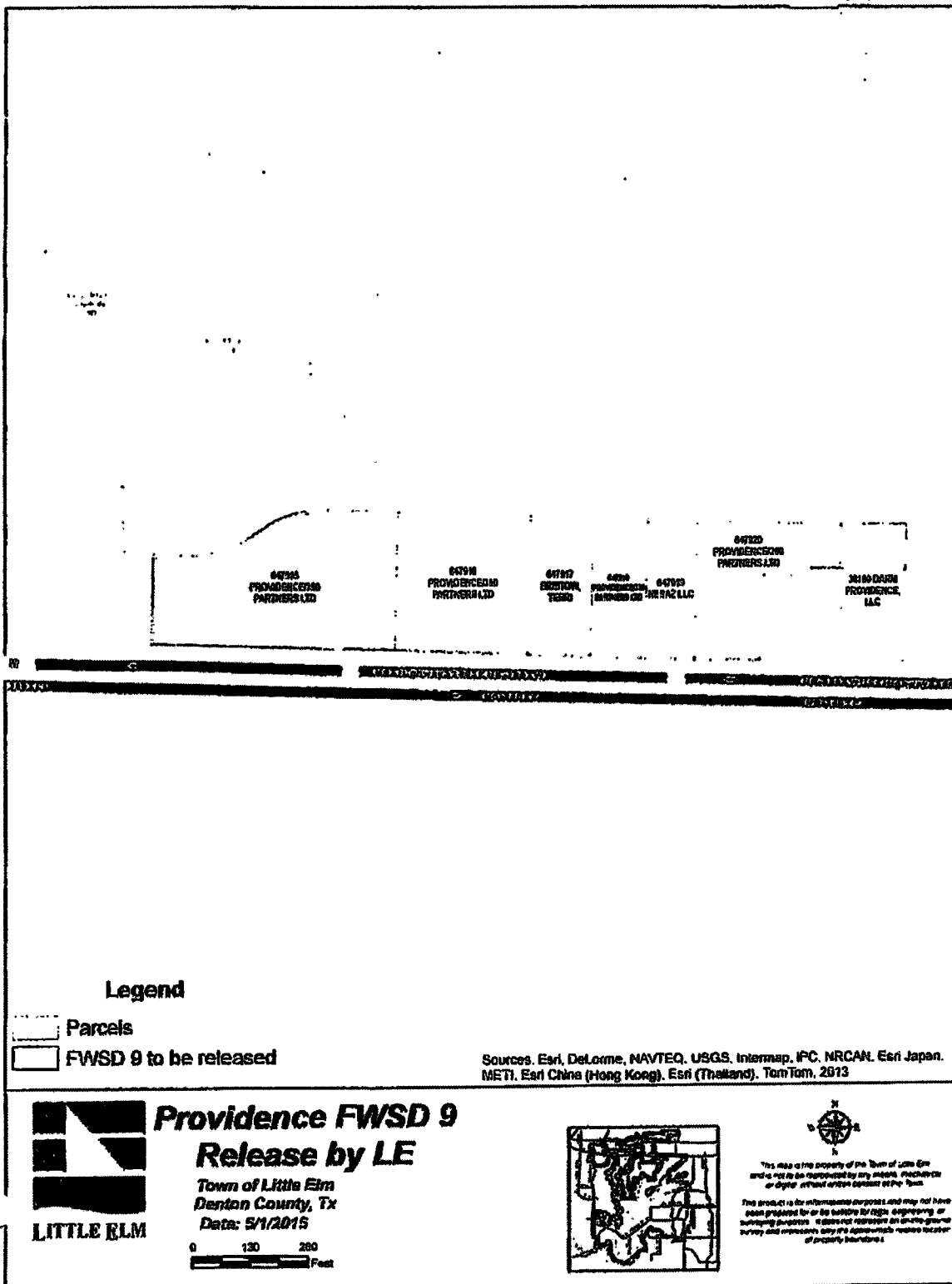
THENCE South 00 degrees 01 minute 53 seconds West, continuing along the east line of said 0.773 acre tract a distance of 4.04 feet to a point on the north line of said U.S. Highway 380;

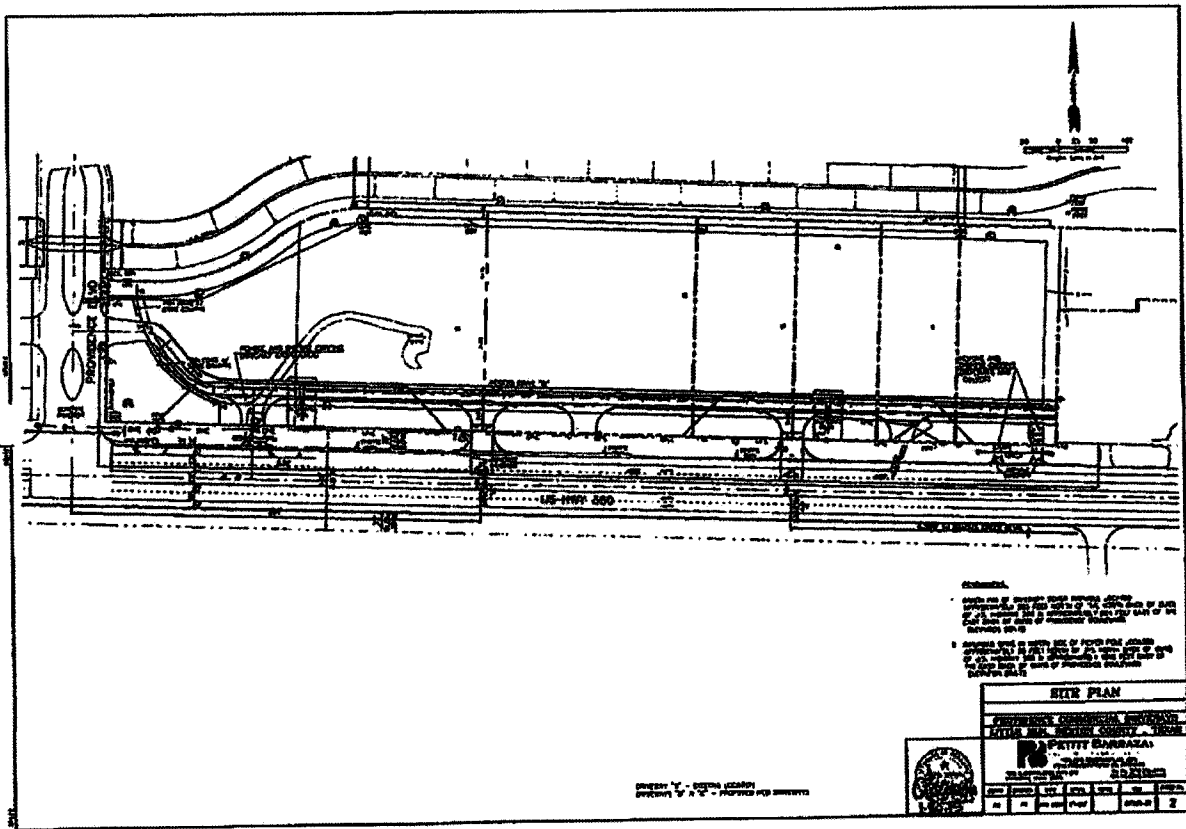
THENCE North 87 degrees 52 minutes 36 seconds West, along the north line of U.S. Highway No. 380, a distance of 185.93 feet;

THENCE South 02 degrees 46 minutes 19 seconds East, a distance of 0.70 feet to the most southerly southeast corner of said Providence Phase 1;

THENCE North 87 degrees 45 minutes 48 seconds West, continuing along the north line of U.S. Highway No. 380 and along the south line of said Providence Phase 1, a distance of 1200.84 feet to a point in the east line of Providence Boulevard (100' right-of-way at this point) to the POINT OF BEGINNING and containing 435,871 square feet, or 10.000 acres of land, more or less.



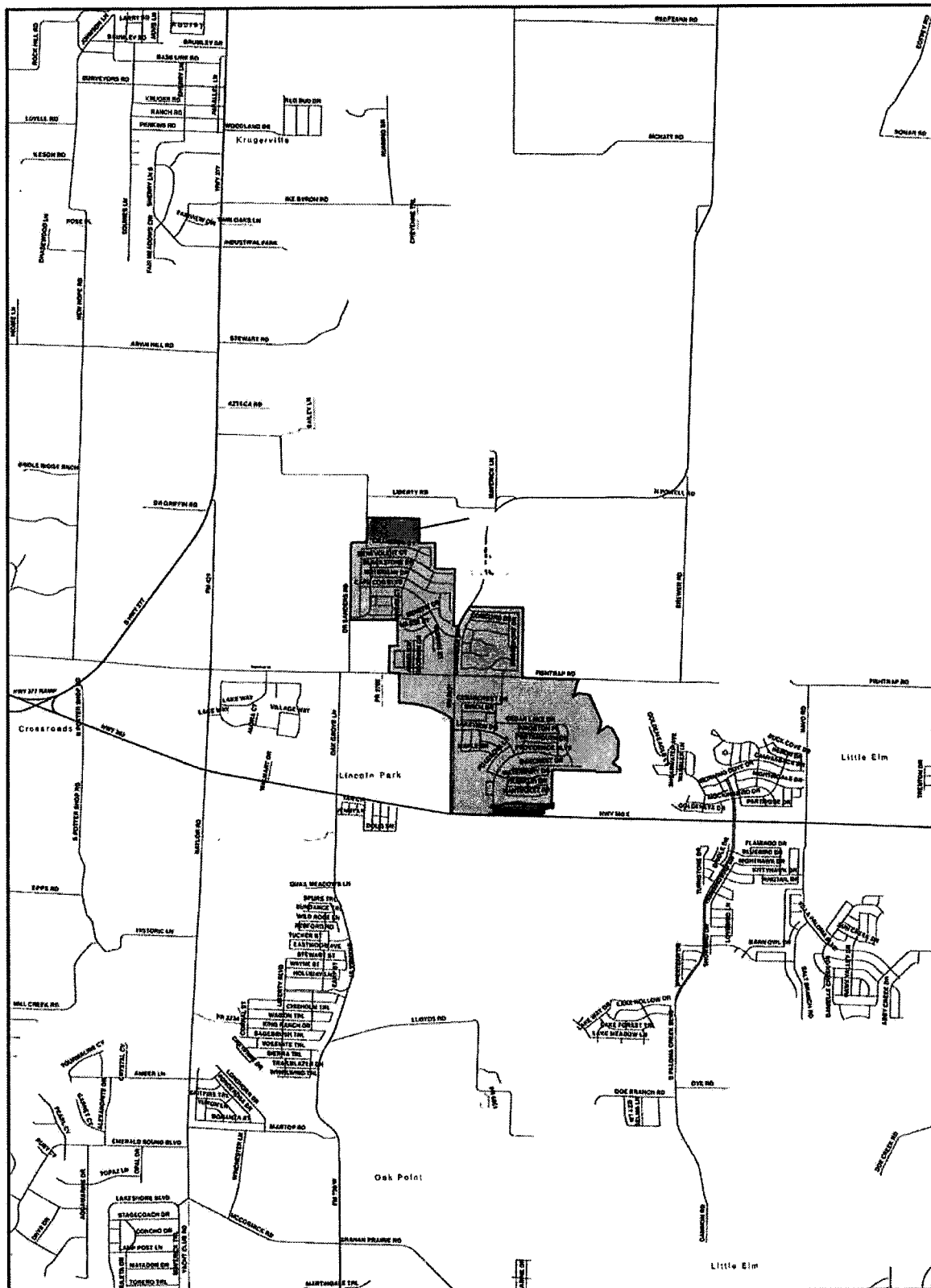




NOTES:  
 1. THE SITE PLAN IS A GENERAL INDICATION OF THE LOCATION OF THE STRUCTURE AND DOES NOT REPRESENT THE EXACT LOCATION OF THE STRUCTURE.  
 2. THE SITE PLAN IS A GENERAL INDICATION OF THE LOCATION OF THE STRUCTURE AND DOES NOT REPRESENT THE EXACT LOCATION OF THE STRUCTURE.

SITE PLAN				
PROJECT: [REDACTED]				
DATE: [REDACTED]				
DRAWN BY: [REDACTED]				
CHECKED BY: [REDACTED]				
APPROVED BY: [REDACTED]				
[REDACTED]				

## **ATTACHMENT C**



General Location Map



1 inch = 2,640 feet

MAP PROJECTION : NAD\_1983\_StatePlane\_Texas\_North\_Central\_FIPS\_4202\_Feet

Legend

-  Providence Town Limits
-  Proposed Water & Sewer Service Area



## **ATTACHMENT D**

Hugh Coleman, Coleman's Owner, Products 1  
 Brian Warrick, Coleman's Owner, Products 2  
 Dale J. Hill, Hill's Coleman's Owner, Products 3  
 Andy Eagle, Eagle's Owner, Products 4

 INTERSTATE  
 US HIGHWAY  
 BYPASS ROUTE  
 MAJOR THRUWAY  
 BELTWAY  
 AIRPORT  
 BYPASS ROUTE  
 BELTWAY  
 INTERCHANGE

**City Population**  
 Denton > 100,000  
 Lewisville 40,000-100,000  
 Carroll 10,000-39,999  
 Source: 2000 Census, 9/99

MAD 1943 Studies/Papers  
(Zone 5351)  
Texas North Central  
Lumber & Construction Combs



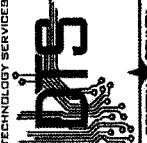
1 inch = 0.1 mile  
March 29, 1981

This product is for informational purposes only and may not have been prepared for or be suitable for your specific application. No warranty is made by the manufacturer or distributor. The user assumes all responsibility for the use of the product. The user should consult the manufacturer's literature for proper use and handling. The user should also consult the local health department for any special requirements. The user should also consult the local health department for any special requirements. The user should also consult the local health department for any special requirements.

CONTACT INFORMATION  
AMSTERDAM: 020 485 2040, info@erica.eu.org

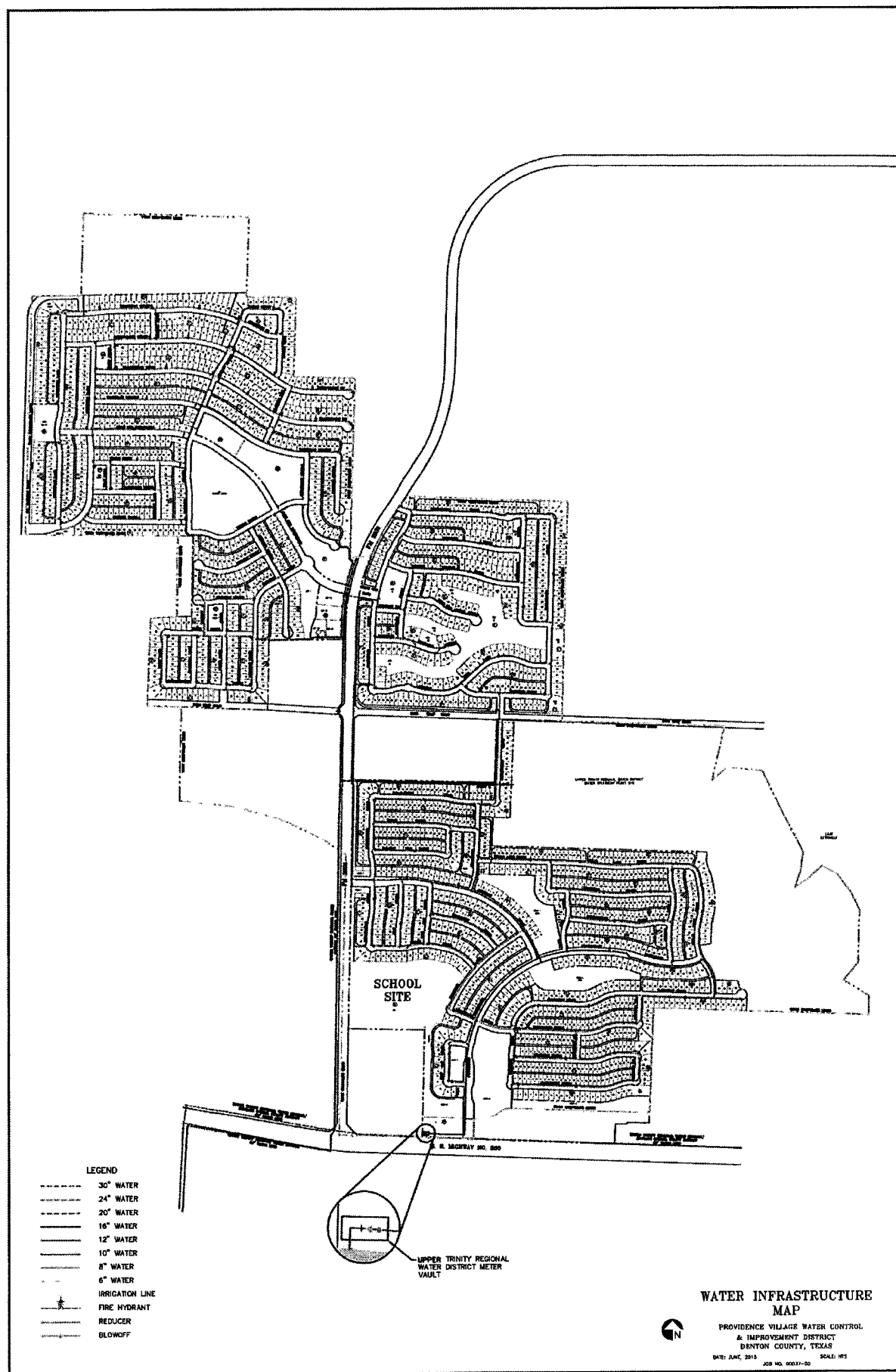


DEPARTMENT OF



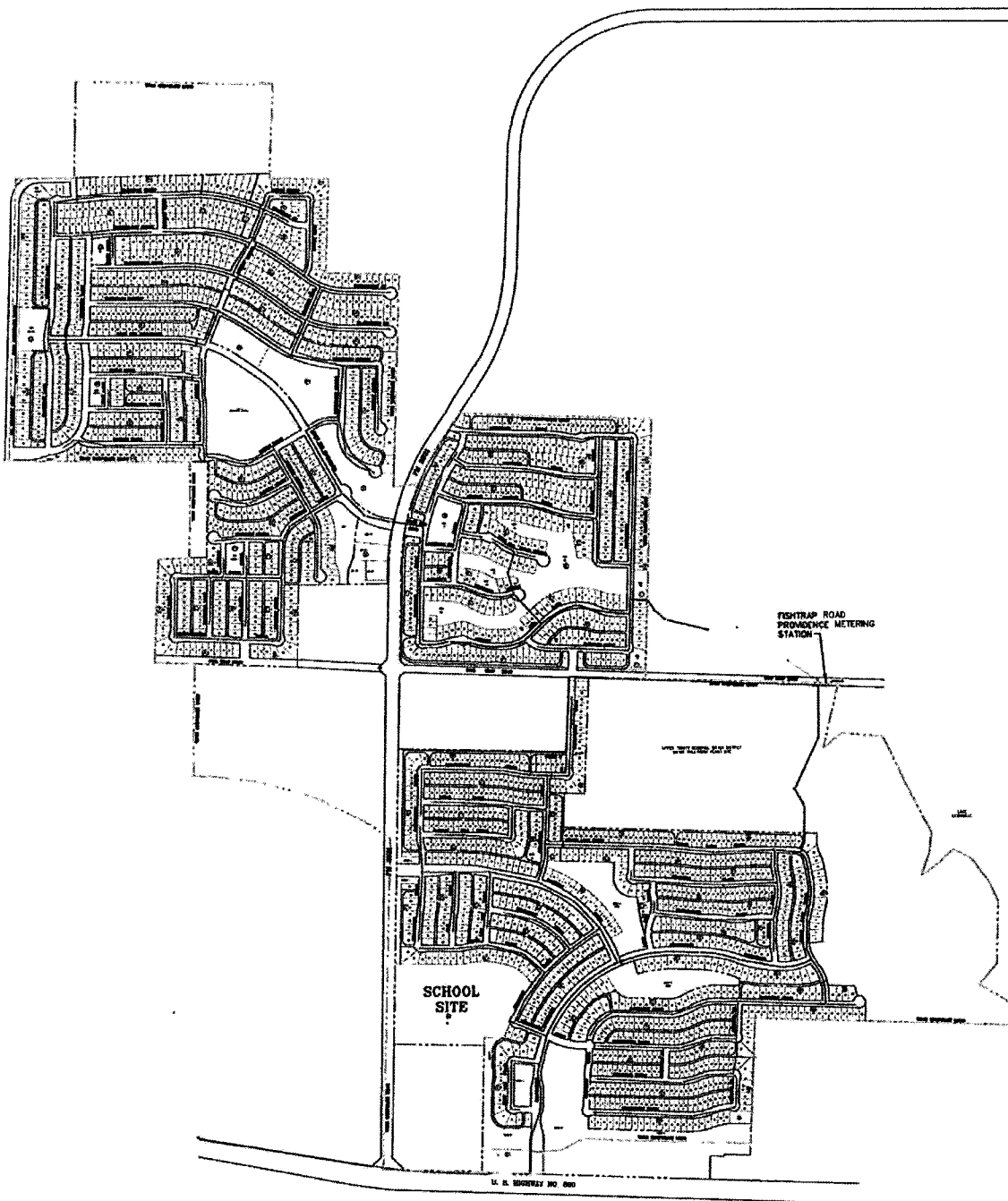
**Little Elm**

## **ATTACHMENT E**





## **ATTACHMENT F**



- LEGEND
- 24" SEWER
  - 21" SEWER
  - 18" SEWER
  - 12" SEWER
  - 10" SEWER
  - 8" SEWER
  - 6" SEWER
  - ⊙ MANHOLE
  - CLEANOUT



**SANITARY SEWER  
INFRASTRUCTURE MAP**  
 PROVIDENCE VILLAGE WATER CONTROL  
 & IMPROVEMENT DISTRICT  
 DENTON COUNTY, TEXAS  
 DATE: JUNE, 2015      JOB NO. 900217.05      SCALE: NPS