Bryan W. Shaw, Ph.D., P.E., Chairman Toby Baker, Commissioner Richard A. Hyde, P.E., Executive Director



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

November 16, 2015

Mr. Simon Sequeira, President Quadvest, L.P. PO Box 409 Tomball, TX 77377-0409

Re:

Comprehensive Compliance Investigation at:

Rocky Creek Estates, 13114 Sunrise Bluff Dr., Hockley, Harris County, Texas

Regulated Entity No.: 105173900,TCEQ ID No.: 1013393 Investigation No.: 1259427

Dear Mr. Sequiera:

On October 15, 2015 Ms. LaTrichia Spikes of the Texas Commission on Environmental Quality (TCEQ) Houston Region Office conducted an investigation of the above-referenced facility to evaluate compliance with the applicable requirements for public water supply systems. No violations are being alleged as a result of the investigation. In addition, please be advised that a violation could be issued upon further review of your system's records or self-reported documentation.

The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions regarding these matters, please feel free to contact Ms. LaTrichia Spikes in the Houston Region Office at (713) 767-3650.

Sincerely,

Julia Thorp, Team Leader Public Water Supply Houston Region Office

JT/LS/ra

cc: Harris County Public Health and Environmental Services

Attachment 'F'

Effects of Granting CCN

- 1. The applicant
 - a. The applicant is an established utility with over 7500 +/- connections. This proposed development will not affect current customers.
- 2. Any Landowner in the requested area.
 - b. The landowner in the requested area is the developer requesting service. The granting of the CCN will allow the developer to develop his property.

Attachment 'G'

Ability to Provide Adequate Service

The applicant has a long history providing water service to thousands in Texas. The current project of 97 lots should be built out over a couple of years.

Attachment 'H'
Will be sent confidential



WATER UTILITY INTERIM TARIFF

Docket Number: 44809

Quadvest, L.P. (Utility Name)

26926 FM 2978 (Business Address)

Magnolia, Texas 77354 (City, State, Zip Code) 281/356-5347 (Area Code/Telephone)

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

11612

This tariff is effective in the following counties:

Aransas, Brazoria, Fort Bend, Harris, Jackson, Liberty, Matagorda, Montgomery and Waller

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

Richmond (portion of Bridlewood Estates only - same rates)

This tariff is effective in the following subdivisions or systems:

See attached chart.

TABLE OF CONTENTS

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

SECTION 1.0 RATE SCHEDULE	2
SECTION 2.0 SERVICE RULES AND POLICIES	
SECTION 3.0 EXTENSION POLICY	10

APPENDIX A - DROUGHT CONTINGENCY PLAN APPENDIX B - SAMPLE SERVICE AGREEMENT

APPENDIX C - APPLICATION FOR SERVICE

SUBDIVISION	PWS ID NUMBER	COUNTY
Bauer Landing	1013526	Harris
Bayer Utility (Old Town Spring)	1010212	Harris
Bella vista	1460175	Liberty
Benders Landing I, II	1700678	Montgomery
Benders Landing Estates	1700678	Montgomery
Bridlewood Estates	0790350	Fort Bend
Brazos Lakes	0790363	Fort Bend
Canterbury Ranch	1700624	Montgomery
Campwood	1700624	Montgomery
Clear Creek Forest	1700576	Montgomery
Chenango Ranch	0200656	Brazoria
The Colony	1011806	Harris
Creekside Village	1700742	Montgomery
Decker Oaks Subdivision	1700605	Montgomery
Estates of Clear Creek	1700576	Montgomery
Grande San Jacinto	1460179	Liberty
Indigo Lakes Estates	1700576	Montgomery
Jacobs Reserve	1700609	Montgomery
Lake Windcrest	1700624	Montgomery
Live Oak Landing	1610129	Matagorda
Lone Star Ranch	1700655	Montgomery
Magnolia Lakes	1700736	Montgomery
McCall Sound	1700763	Montgomery
Montgomery Trace	1700577	Montgomery
Mostyn Manor I, II, III	1700669	Montgomery
Northcrest Ranch Section I, II, III	1700623	Montgomery
Oaks of Suncreek	0200640	Brazoria
Red Oak Ranch	1700609	Montgomery
Rocky Creek	1013393	Harris
Sawmill Estates	1700576	Montgomery
Sendera Ranch	1700577	Montgomery
Shaw Acres	1013468	Harris
Sierra Woods	1700624	Montgomery

SUBDIVISION	PWS ID NUMBER	COUNTY
Sonoma Ridge	1700763	Montgomery
Stonecrest Ranch	1700611	Montgomery
Summerset Estates	1700655	Montgomery
Suncreek Estates	0200640	Brazoria
Suncreek Ranch	0200616	Brazoria
Sunrise Bay	1200037	Jackson
Sunset Bay	0040055	Aransas
Telge Terrace	1011805	Harris
Timberdale	1011810	Harris
Vaquero River Estates	1610129	Matagorda
Village of Decker Oaks	1700605	Montgomery
Waterstone Estates	1013389	Harris
Waypoint Landing	1610137	Matagorda
Westwood	2370042	Waller
Windcrest Farms	1700577	Montgomery
Yesterdays Crossing	1700758	Montgomery

The rates set or approved by the city for the systems entirely within its corporate boundary are not presented in this tariff. Those rates are not under the original jurisdiction of the PUC and will have to be obtained from the city or utility.

SECTION 1.0 - INTERIM RATE SCHEDULE

Section 1.01 - Rates

Meter Size	Monthly Minimum Charge	Gallonage Charge
5/8" or 3/4"	\$28.75 (Includes 0 gallons)	\$1.75 per 1000 gallons for the first 10,000 gallons
1"	<u>\$71.88</u>	\$2.00 per 1,000 gallons from 10,001 to 20,000 gallons
1½"	<u>\$143.75</u>	\$2.25 per 1,000 gallons from 20,001 to 30,000 gallons
2"	<u>\$230.00</u>	\$2.93. per 1,000 gallons thereafter
3"	<u>\$431.25</u>	<u> </u>
4"	<u>\$718.75</u>	
6"	<u>\$1,437.50</u>	

An additional pass through gallonage charge of \$2.39 per 1,000 gallons of water will be added for fees imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the utility. Bluebonnet GRP, Brazoria GRP, City of Rosenburg GRP, North Fort Bend GRP, West Harris Regional, Harris-Galveston Subsidence District, San Jacinto River Authority GRP (Docket No. 45548). SEE PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE.

FORM OF PAYMENT: The utility will accept the following forms of payment:

Cash X, Check X, Money Order X, Credit Card X, Other (specify) Bank Draft THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

Section 1.02 - Miscellaneous Fees

TAP FEE (Large meter) Actual Cost TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

SECTION 1.0 -- RATE SCHEDULE (CONTINUED)

OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF

SEASONAL RECONNECTION FEE:

BASE RATE TIMES NUMBER OF MONTHS OFF THE SYSTEM NOT TO EXCEED SIX MONTHS WHEN LEAVE AND RETURN WITHIN A TWELVE MONTH PERIOD.

Customer's request that service be disconnected......\$50.00

RETURNED CHECK CHARGE \$25.00

RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50)\$50.00

COMMERCIAL & NON-RESIDENTIAL DEPOSIT1/6TH OF ESTIMATED ANNUAL BILL

METER CONVERSION FEE. Actual Cost to Convert the existing Meter
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS CHANGE OF SIZE OF AN EXISTING METER OR
CHANGE IS REQUIRED BY MATERIAL CHANGE IN CUSTOMERS SERVICE DEMAND.

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

WHEN AUTHORIZED IN WRITING BY PUC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASERATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [PUC Subst. R. 24.21(K)(2)]

LINE EXTENSION AND CONSTRUCTION CHARGES:

REFER TO SECTION 3.0--EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

SECTION 1.0 -- RATE SCHEDULE (CONTINUED)

TEMPORARY WATER RATE:

Unless otherwise superseded by PUC order or rule, if the Utility is ordered by a court or government body of competent jurisdiction to reduce its pumpage, production or water sales, the Utility shall be authorized to increase its approved gallonage charge according to the formula:

 $TGC = \underline{cgc+(prr)(cgc)(r)}$ (1.0-r)

Where:

TGC = temporary gallonage charge cgc = current gallonage charge

r = water use reduction expressed as a decimal fraction (the pumping restriction)

prr = percentage of revenues to be recovered expressed as a decimal fraction, for this tariff prr shall equal 0.5

To implement the Temporary Water Rate, the Utility must comply with all notice and other requirements of 16 TAC 24.21(1).

PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE:

Changes in fees imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the Utility shall be passed through as an adjustment to the water gallonage charge according to the following formula:

 $RVP = (E+(AP-AC))/(JC \times AU)$, Where:

RVP = Adjusted gallonage charge, rounded to the nearest cent

E = Estimated sum of upcoming 12 months of purchase water and groundwater conservation district costs

AP = Actual payments up to 12 months (February through January of previous year)

AC = Actual collections up to 12 months (February through January of previous year)

JC = January month end customer connections

AU= Average annual usage per connection from most recent rate case

The adjusted gallonage charge must be trued up and adjusted every twelve months.

To implement, all notice requirements must be met.

With the annual true up report adjusting the pass through for the next 12 months, the utility shall provide a five year report showing the annual and accumulated difference between pass through amounts collected from customers and amounts actually paid to the entities whose charges are included in the pass through and the formula for the estimates included in the pass through charge, the definition of all variables used in the estimate, the basis for any projections and any standard operating procedures of the utility for estimating.

SECTION 2.0 -- SERVICE RULES AND POLICIESError! Bookmark not defined.

The utility will have the most current Public Utility Commission of Texas (PUC or Commission) Commission Rules, Chapter 24, available at its office for reference purposes. The Rules and this tariff shall be available for public inspection and reproduction at a reasonable cost. The latest Rules or Commission approved changes to the Rules supersede any rules or requirements in this tariff.

Section 2.01 - Application for Water Service

All applications for service will be made on the utility's standard application or contract form (attached in the Appendix to this tariff), will be signed by the applicant, any required fees (deposits, reconnect, tap, extension fees, etc. as applicable) will be paid and easements, if required, will be granted before service is provided by the utility. A separate application or contract will be made for each service location.

Section 2.02 - Refusal of Service

The utility may decline to serve an applicant until the applicant has complied with the regulations of the regulatory agencies (state and municipal regulations) and for the reasons outlined in the PUC Rules. In the event that the utility refuses to serve an applicant, the utility will inform the applicant in writing of the basis of its refusal. The utility is also required to inform the applicant that a complaint may be filed with the Commission.

Section 2.03 - Fees and Charges & Easements Required Before Service Can Be Connected

(A) Customer Deposits

If a residential applicant cannot establish credit to the satisfaction of the utility, the applicant may be required to pay a deposit as provided for in Section 1.02 - Miscellaneous Fees of this tariff. The utility will keep records of the deposit and credit interest in accordance with PUC Rules.

Residential applicants 65 years of age or older may not be required to pay deposits unless the applicant has an outstanding account balance with the utility or another water or sewer utility which accrued within the last two years.

Nonresidential applicants who cannot establish credit to the satisfaction of the utility may be required to make a deposit that does not exceed an amount equivalent to one-sixth of the estimated annual billings.

Refund of deposit. - If service is not connected, or after disconnection of service, the utility will promptly refund the customer's deposit plus accrued interest or the balance, if any, in excess of the unpaid bills for service furnished. The utility may refund the deposit at any time prior to termination of utility service but must refund the deposit plus interest for any customer who has paid 18 consecutive billings without being delinquent.

(B) Tap or Reconnect Fees

A new customer requesting service at a location where service has not previously been provided must pay a tap fee as provided in Section 1. A customer requesting service where service has previously been provided must pay a reconnect fee as provided in Section 1. Any applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be given a written explanation of such costs prior to request for payment and/or commencement of construction. If the applicant or existing customer does not believe that these costs are reasonable or necessary, the applicant or existing customer shall be informed of their right to appeal such costs to the PUC or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's or existing customer's property(ies) is located.

SECTION 2.0 -- SERVICE RULES AND POLICIESError! Bookmark not defined.

Fees in addition to the regular tap fee may be charged if listed specifically in Section 1 to cover unique costs not normally incurred as permitted by 16 TAC 24.86(a)(1)(C). For example, a road bore for customers outside a subdivision or residential area could be considered a unique cost.

(C) Easement Requirement

Where recorded public utility easements on the service applicant's property do not exist or public road right-of-way easements are not available to access the applicant's property, the Utility may require the applicant to provide it with a permanent recorded public utility easement on and across the applicant's real property sufficient to provide service to that applicant. Such easement(s) shall not be used for the construction of production, storage, transmission or pressure facilities unless they are needed for adequate service to that applicant.

Section 2.04 - Utility Response to Applications for Service

After the applicant has met all the requirements, conditions and regulations for service, the utility will install tap, meter and utility cut-off valve and/or take all necessary actions to initiate service. The utility will serve each qualified applicant for service within 5 working days unless line extensions or new facilities are required. If construction is required to fill the order and if it cannot be completed within 30 days, the utility will provide the applicant with a written explanation of the construction required and an expected date of service.

Except for good cause where service has previously been provided, service will be reconnected within one working day after the applicant has met the requirements for reconnection.

Section 2.05 - Customer Responsibility

The customer will be responsible for furnishing and laying the necessary customer service pipe from the meter location to the place of consumption. Customers will not be allowed to use the utility's cutoff valve on the utility's side of the meter. Existing customers may install cutoff valves on their side of the meter and are encouraged to do so. All new customers may be required to install and maintain a cutoff valve on their side of the meter.

No direct connection between a public water supply system and any potential source of contamination or between a public water supply system and a private water source (ex. private well) will be allowed. A customer shall not connect, or allow any other person or party to connect, onto any water lines on his premises.

Section 2.06 - Customer Service Inspections

Applicants for new service connections or facilities which have undergone extensive plumbing modifications are required to furnish the utility a completed customer service inspection certificate. The inspection certificate shall certify that the establishment is in compliance with the Texas Commission on Environmental Quality (TCEQ) Rules and Regulations for Public Water Systems, Section 290.46(j). The Utility is not required to perform these inspections for the applicant/customer, but will assist the applicant/customer in locating and obtaining the services of a certified inspector.

SECTION 2.0 -- SERVICE RULES AND POLICIES

Section 2.07 - Back Flow Prevention Devices

No water connection shall be allowed to any residence or establishment where an actual or potential contamination hazard exists unless the public water facilities are protected from contamination by either an approved air gap, backflow prevention assembly, or other approved device. The type of device or backflow prevention assembly required shall be determined by the specific potential hazard identified in 290.47(i) Appendix I, Assessment of Hazards and Selection of Assemblies of the TCEQ Rules and Regulations for Public Water Systems.

The use of a backflow prevention assembly at the service connection shall be considered as additional backflow protection and shall not negate the use of backflow protection on internal hazards as outlined and enforced by local plumbing codes. When a customer service inspection certificate indicates that an adequate internal cross-connection control program is in effect, backflow protection at the water service entrance or meter is not required.

At any residence or establishment where it has been determined by a customer service inspection, that there is no actual or potential contamination hazard, as referenced in Section 290.47(i) Appendix I, Assessment of Hazards and Selection of Assemblies of the TCEQ Rules and Regulations for Public Water Systems, then a backflow prevention assembly or device is not required. Outside hose bibs do require, at a minimum, the installation and maintenance of a working atmospheric vacuum breaker. All backflow prevention assemblies or devices shall be tested upon installation by a TCEQ certified backflow prevention assembly tester and certified to be operating within specifications. Backflow prevention assemblies which are installed to provide protection against health hazards must also be tested and certified to be operating within specifications at least annually by a certified backflow prevention assembly tester.

If the utility determines that a backflow prevention assembly or device is required, the utility will provide the customer or applicant with a list of TCEQ certified backflow prevention assembly testers. The customer will be responsible for the cost of installation and testing, if any, of backflow prevention assembly or device. The customer should contact several qualified installers to compare prices before installation. The customer must pay for any required maintenance and annual testing and must furnish a copy of the test results demonstrating that the assembly is functioning properly to the utility within 30 days after the anniversary date of the installation unless a different date is agreed upon.

Section 2.08 - Access to Customer's Premises

The utility will have the right of access to the customer's premises at all reasonable times for the purpose of installing, testing, inspecting or repairing water mains or other equipment used in connection with its provision of water service, or for the purpose of removing its property and disconnecting lines, and for all other purposes necessary to the operation of the utility system including inspecting the customer's plumbing for code, plumbing or tariff violations. The customer shall allow the utility and its personnel access to the customer's property to conduct any water quality tests or inspections required by law. Unless necessary to respond to equipment failure, leak or other condition creating an immediate threat to public health and safety or the continued provision of adequate utility service to others, such entry upon the customer's property shall be during normal business hours and the utility personnel will attempt to notify the customer that they will be working on the customer's property. The customer may require any utility representative, employee, contractor, or agent seeking to make such entry identify themselves, their affiliation with the utility, and the purpose of their entry.

SECTION 2.0 -- SERVICE RULES AND POLICIES

All customers or service applicants shall provide access to meters and utility cutoff valves at all times reasonably necessary to conduct ordinary utility business and after normal business hours as needed to protect and preserve the integrity of the public drinking water supply.

Section 2.09 - Meter Requirements, Readings, and Testing

One meter is required for each residential, commercial, or industrial connection. All water sold by the utility will be billed based on meter measurements. The utility will provide, install, own and maintain meters to measure amounts of water consumed by its customers.

Meters will be read at monthly intervals and as nearly as possible on the corresponding day of each monthly meter reading period unless otherwise authorized by the Commission.

Meter tests. The utility will, upon the request of a customer, and, if the customer so desires, in his or her presence or in that of his or her authorized representative, make without charge a test of the accuracy of the customer's meter. If the customer asks to observe the test, the test will be made during the utility's normal working hours at a time convenient to the customer.

Whenever possible, the test will be made on the customer's premises, but may, at the utility's discretion, be made at the utility's testing facility. If within a period of two years the customer requests a new test, the utility will make the test, but if the meter is found to be within the accuracy standards established by the American Water Works Association, the utility will charge the customer a fee which reflects the cost to test the meter up to a maximum \$25 for a residential customer. Following the completion of any requested test, the utility will promptly advise the customer of the date of removal of the meter, the date of the test, the result of the test, and who made the test.

Section 2.10 - Billing

(A) Regular Billing

Bills from the utility will be mailed monthly unless otherwise authorized by the Commission. The due date of bills for utility service will be at least sixteen (16) days from the date of issuance. The postmark on the bill or, if there is no postmark on the bill, the recorded date of mailing by the utility will constitute proof of the date of issuance. Payment for utility service is delinquent if full payment, including late fees and the regulatory assessment, is not received at the utility or the utility's authorized payment agency by 5:00 p.m. on the due date. If the due date falls on a holiday or weekend, the due date for payment purposes will be the next workday after the due date.

(B) Late Fees

A late penalty of either \$5.00 or 10.0% will be charged on bills received after the due date. The penalty on delinquent bills will not be applied to any balance to which the penalty was applied in a previous billing. The utility must maintain a record of the date of mailing to charge the late penalty.

(C) Information on Bill

Each bill will provide all information required by the PUC rules. For each of the systems it operates, the utility will maintain and note on the monthly bill a local or toll-free telephone number (or numbers) to which customers can direct questions about their utility service.

SECTION 2.0 -- SERVICE RULES AND POLICIESError! Bookmark not defined.

(D) Prorated Bills

If service is interrupted or seriously impaired for 24 consecutive hours or more, the utility will prorate the monthly base bill in proportion to the time service was not available to reflect this loss of service.

Section 2.11- Payments

All payments for utility service shall be delivered or mailed to the utility's business office. If the business office fails to receive payment prior to the time of noticed disconnection for non-payment of a delinquent account, service will be terminated as scheduled. Utility service crews shall not be allowed to collect payments on customer accounts in the field. Payment of an account by any means that has been dishonored and returned by the payer or payee's bank, shall be deemed to be delinquent. All returned payments must be redeemed with cash or valid money order. If a customer has two returned payments within a twelve month period, the customer shall be required to pay a deposit if one has not already been paid.

Section 2.12 - Service Disconnection

(A) With Notice

Utility service may be disconnected if the bill has not been paid in full by the date listed on the termination notice. The termination date must be at least 10 days after the notice is mailed or hand delivered.

The utility is encouraged to offer a deferred payment plan to a customer who cannot pay an outstanding bill in full and is willing to pay the balance in reasonable installments. However, a customer's utility service may be disconnected if a bill has not been paid or a deferred payment agreement entered into within 26 days from the date of issuance of a bill and if proper notice of termination has been given.

Notice of termination must be a separate mailing or hand delivery in accordance with the PUC Rules.

(B) Without Notice

Utility service may also be disconnected without notice for reasons as described in the PUC Rules.

Section 2.13 - Reconnection of Service

Utility personnel must be available during normal business hours to accept payments on the day service is disconnected and the following day unless service was disconnected at the customer's request or due to a hazardous condition.

Service will be reconnected within 36 hours after the past due bill, reconnect fees and any other outstanding charges are paid or the conditions which caused service to be disconnected are corrected.

Section 2.14 - Service Interruptions

The utility will make all reasonable efforts to prevent interruptions of service. If interruptions occur, the utility will re-establish service within the shortest possible time. Except for momentary interruptions due to automatic equipment operations, the utility will keep a complete record of all interruptions, both emergency and scheduled and will notify the Commission in writing of any service interruptions affecting the entire system or any major division of the system lasting more than four hours. The notice will explain the cause of the interruptions.

SECTION 2.0 -- SERVICE RULES AND POLICIESError! Bookmark not defined.

Section 2.15 - Quality of Service

The utility will plan, furnish, and maintain production, treatment, storage, transmission, and distribution facilities of sufficient size and capacity to provide a continuous and adequate supply of water for all reasonable consumer uses. Unless otherwise authorized by the Commission, the utility will maintain facilities as described in the TCEQ Rules and Regulations for Public Water Systems.

Section 2.16 - Customer Complaints and Disputes

If a customer or applicant for service lodges a complaint, the utility will promptly make a suitable investigation and advise the complainant of the results. Service will not be disconnected pending completion of the investigation. If the complainant is dissatisfied with the utility's response, the utility must advise the complainant that he has recourse through the PUC complaint process. Pending resolution of a complaint, the Commission may require continuation or restoration of service.

The utility will maintain a record of all complaints which shows the name and address of the complainant, the date and nature of the complaint and the adjustment or disposition thereof, for a period of two years after the final settlement of the complaint.

In the event of a dispute between a customer and a utility regarding any bill for utility service, the utility will conduct an investigation and report the results to the customer. If the dispute is not resolved, the utility will inform the customer that a complaint may be filed with the Commission.

Section 2.17 - Customer Liability

Customer shall be liable for any damage or injury to utility-owned property shown to be caused by the customer.

SECTION 3.0 -- EXTENSION POLICYError! Bookmark not defined.

Section 3.01 - Standard Extension Requirements

Line Extension and Construction Charges: No Contribution in Aid of Construction may be required of any customer except as provided for in this approved extension policy.

The Utility is not required to extend service to any applicant outside of its certified service area and will only do so under terms and conditions mutually agreeable to the Utility and the applicant, in compliance with PUC rules and policies, and upon extension of the Utility's certified service area boundaries by the PUC.

The applicant for service will be given an itemized statement of the costs, options such as rebates to the customer, sharing of construction costs between the utility and the customer, or sharing of costs between the customer and other applicants prior to beginning construction.

Section 3.02 - Costs Utilities and Service Applicants Shall Bear

Within its certified area, the utility will pay the cost of the first 200 feet of any water main or distribution line necessary to extend service to an individual residential customer within a platted subdivision.

However, if the residential customer requesting service purchased the property after the developer was notified in writing of the need to provide facilities to the utility, the utility may charge for the first 200 feet. The utility must also be able to document that the developer of the subdivision refused to provide facilities compatible with the utility's facilities in accordance with the utility's approved extension policy after receiving a written request from the utility.

Residential customers will be charged the equivalent of the costs of extending service to their property from the nearest transmission or distribution line even if that line does not have adequate capacity to serve the customer. However, if the customer places unique, non-standard service demands upon the system, the customer may be charged the additional cost of extending service to and throughout their property, including the cost of all necessary transmission and storage facilities necessary to meet the service demands anticipated to be created by that property.

Unless an exception is granted by the PUC, the residential service applicant shall not be required to pay for costs of main extensions greater than 2" in diameter for water distribution and pressure wastewater collection lines and 6" in diameter for gravity wastewater lines.

Exceptions may be granted by the PUC if:

- adequate service cannot be provided to the applicant using the maximum line sizes listed due to distance or elevation, in which case, it shall be the utility's burden to justify that a larger diameter pipe is required for adequate service;
- or larger minimum line sizes are required under subdivision platting requirements or building codes of municipalities within whose corporate limits or extraterritorial jurisdiction the point of use is located; or the residential service applicant is located outside the CCN service area.

If an exception is granted, the Utility shall establish a proportional cost plan for the specific extension or a rebate plan which may be limited to seven years to return the portion of the applicant's costs for overriding as new customers are added to ensure that future applicants for service on the line pay at least as much as the initial service applicant.

SECTION 3.0 -- EXTENSION POLICY (Continued)

For purposes of determining the costs that service applicants shall pay, commercial customers with service demands greater than residential customer demands in the certified area, industrial, and wholesale customers shall be treated as developers. A service applicant requesting a one inch meter for a lawn sprinkler system to service a residential lot is not considered nonstandard service.

If an applicant requires service other than the standard service provided by the utility, such applicant will be required to pay all expenses incurred by the utility in excess of the expenses that would be incurred in providing the standard service and connection beyond 200 feet and throughout his property including the cost of all necessary transmission facilities.

The utility will bear the full cost of any over-sizing of water mains necessary to serve other customers in the immediate area. The individual residential customer shall not be charged for any additional production, storage, or treatment facilities. Contributions in aid of construction may not be required of individual residential customers for production, storage, treatment or transmission facilities unless otherwise approved by the Commission under this specific extension policy.

Section 3.03 - Contributions in Aid of Construction

Developers may be required to provide contributions in aid of construction in amounts sufficient to furnish the development with all facilities necessary to provide for reasonable local demand requirements and to comply with TCEQ minimum design criteria for facilities used in the production, transmission, pumping, or treatment of water or TCEQ minimum requirements. For purposes of this subsection, a developer is one who subdivides or requests more than two meters on a piece of property. Commercial, industrial, and wholesale customers will be treated as developers.

Any applicant who places unique or non-standard service demands on the system may be required to provide contributions in aid of construction for the actual costs of any additional facilities required to maintain compliance with the TCEQ minimum design criteria for water production, treatment, pumping, storage and transmission.

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 16 TAC 24.86(d). When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge for facilities which must be committed to such extension compliant with the TCEQ minimum design criteria. As provided by 16 TAC 24.85(e)(3), for purposes of this section, commercial, industrial, and wholesale customers shall be treated as developers.

A utility may only charge a developer standby fees for unrecovered costs of facilities committed to a developer's property under the following circumstances:

- Under a contract and only in accordance with the terms of the contract; or
- if service is not being provided to a lot or lots within two years after installation of facilities necessary to provide service to the lots has been completed and if the standby fees are included on the utility's approved tariff after a rate change application has been filed. The fees cannot be billed to the developer or collected until the standby fees have been approved by the commission.
- For purposes of this section, a manufactured housing rental community can only be charged standby
 fees under a contract or if the utility installs the facilities necessary to provide individually metered
 service to each of the rental lots or spaces in the community.

SECTION 3.0 -- EXTENSION POLICY (Continued)

Section 3.04 - Appealing Connection Costs

The imposition of additional extension costs or charges as provided by Sections 3.0 - Extension Policy of this tariff shall be subject to appeal as provided in this tariff, PUC rules, or the rules of such other regulatory authority as may have jurisdiction over the utility's rates and services. Any applicant required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be given a written explanation of such costs prior to payment and/or commencement of construction. If the applicant does not believe that these costs are reasonable or necessary, the applicant shall be informed of the right to appeal such costs to the PUC or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's property(is) is located.

Section 3.05 - Applying for Service

The Utility will provide a written service application form to the applicant for each request for service received by the Utility's business offices. A separate application shall be required for each potential service location if more than one service connection is desired by any individual applicant. Service application forms will be available at the Utility's business office during normal weekday business hours. Service applications will be sent by prepaid first class United States mail to the address provided by the applicant upon request. Completed applications should be returned by hand delivery in case there are questions which might delay fulfilling the service request. Completed service applications may be submitted by mail if hand delivery is not possible.

Where a new tap or service connection is required, the service applicant shall be required to submit a written service application and request that a tap be made. A diagram, map, plat, or written metes and bounds description of precisely where the applicant desires each tap or service connection is to be made and, if necessary, where the meter is to be installed, along the applicant's property line may also be required with the tap request. The actual point of connection and meter installation must be readily accessible to Utility personnel for inspection, servicing, and meter reading while being reasonably secure from damage by vehicles and mowers. If the Utility has more than one main adjacent to the service applicant's property, the tap or service connection will be made to the Utility's nearest service main with adequate capacity to service the applicant's full potential service demand. Beyond the initial 200 feet, the customer shall bear only the equivalent cost of extending from the nearest main. If the tap or service connection cannot be made at the applicant's desired location, it will be made at another location mutually acceptable to the applicant and the Utility. If no agreement on location can be made, the applicant may refer the matter to the PUC for resolution.

Section 3.06 - Qualified Service Applicant

A "qualified service applicant" is an applicant who has: (1) met all of the Utility's requirements for service contained in this tariff, PUC rules and/or PUC order, (2) has made payment or made arrangement for payment of tap fees, (3) has provided all easements and rights-of-way required to provide service to the requested location, (4) delivered an executed customer service inspection certificate to the Utility, if applicable, and (5) has executed a customer service application for each location to which service is being requested.

SECTION 3.0 -- EXTENSION POLICY (Continued)

The Utility shall serve each qualified service applicant within its certified service area as soon as practical after receiving a completed service application. All service requests will be fulfilled within the time limits prescribed by PUC rules once the applicant has met all conditions precedent to achieving "qualified service applicant" status. If a service request cannot be fulfilled within the required period, the applicant shall be notified in writing of the delay, its cause and the anticipated date that service will be available. The PUC service dates shall not become applicable until the service applicant has met all conditions precedent to becoming a qualified service applicant as defined by PUC rules.

Section 3.07 - Developer Requirements

As a condition of service to a new subdivision, the Utility shall require a developer (as defined by PUC rule) to provide permanent recorded public utility easements as a condition of service to any location within the developer's property.

APPENDIX A -- DROUGHT CONTINGENCY PLANError! Bookmark not defined.

"This page incorporates by reference the utility's Drought Contingency Plan, as approved and periodically amended by the Texas Commission on Environmental Quality."

APPENDIX B -- SAMPLE SERVICE AGREEMENTError! Bookmark not defined.

From 30 TAC Chapter 290.47(b), Appendix B

SERVICE AGREEMENT

- I. PURPOSE. The NAME OF WATER SYSTEM is responsible for protecting the drinking water supply from contamination or pollution which could result from improper private water distribution system construction or configuration. The purpose of this service agreement is to notify each customer of the restrictions which are in place to provide this protection. The utility enforces these restrictions to ensure the public health and welfare. Each customer must sign this agreement before the NAME OF WATER SYSTEM will begin service. In addition, when service to an existing connection has been suspended or terminated, the water system will not re-establish service unless it has a signed copy of this agreement.
- II. RESTRICTIONSError! Bookmark not defined. The following unacceptable practices are prohibited by State regulations.
 - A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
 - B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.
 - C. No connection which allows water to be returned to the public drinking water supply is permitted.
 - D. No pipe or pipe fitting which contains more than 8.0% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.
 - E. No solder or flux which contains more than 0.2% lead can be used for the installation or repair of plumbing at any connection which provides water for human use.
- III. SERVICE AGREEMENTError! Bookmark not defined. The following are the terms of the service agreement between the NAME OF WATER SYSTEM (the Water System) and NAME OF CUSTOMER (the Customer).
 - A. The Water System will maintain a copy of this agreement as long as the Customer and/or the premises is connected to the Water System.
 - B. The Customer shall allow his property to be inspected for possible cross-connections and other potential contamination hazards. These inspections shall be conducted by the Water System or its designated agent prior to initiating new water service; when there is reason to believe that cross-connections or other potential contamination hazards exist; or after any major changes to the private water distribution facilities. The inspections shall be conducted during the Water System's normal business hours.
 - C. The Water System shall notify the Customer in writing of any cross-connection or other potential contamination hazard which has been identified during the initial inspection or the periodic re-inspection.
 - D. The Customer shall immediately remove or adequately isolate any potential cross-connections or other potential contamination hazards on his premises.

- E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the Water System. Copies of all testing and maintenance records shall be provided to the Water System.
- IV. ENFORCEMENTError! Bookmark not defined. If the Customer fails to comply with the terms of the Service Agreement, the Water System shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Customer.

CUSTOMER'S SIGNATURE:	
DATE:	

SEWER UTILITY TARIFF FOR

Ranch Utilities, Inc. (Utility Name)

P.O. Box 409 (Business Address)

Tomball, Texas 77377 (City, State, Zip Code)

281/351-4380 (Area Code/Telephone)

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

21064

This tariff is effective in the following county:

Montgomery

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

<u>None</u>

This tariff is effective in the following subdivisions and water quality permit numbers:

Caddo Village: Discharge Permit No. WQ0012670-001;

TABLE OF CONTENTS

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

SECTION 1.0 RATE SCHEDULE	9
SECTION 2.0 SERVICE RULES AND POLICIES	,
SECTION 3.0 EXTENSION POLICY	-

APPENDIX A -- SAMPLE SERVICE AGREEMENT

SECTION 1.0--RATE SCHEDULE (Continued)

Meter Size	Monthly Minimum Charge	Gallonage Charge	
Residential (Flat Rate)	<u>\$53.50</u>	Including all gallons for all meters	
Commercial (based upon wa	ater meter size):		
Flat rates including all gallo	ns for all meters		
1 1/2" 2" 3" 4" 6" 8" 10"	\$267.50 \$428.00 \$802.50 \$1,337.50 \$2,675.00 \$4,280.00 \$6,152.50		
FORM OF PAYMENT: The utility will accept the following forms of payment: Cash X , Check X , Money Order X, Credit Card X , Other (THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.)			
REGULATORY ASSESSMENT FEE			
RESIDENTIAL TAP FEE (Sugar Tree)			
RESIDENTIAL TAP FEE (Caddo Village)			
TAP FEE (Large meter) TAP FEE IS THE UTILITY		DR FOR TAP SIZE INSTALLED.	

SECTION 1.0--RATE SCHEDULE (Continued)

Continuou)
Section 1.02Miscellaneous Fees
TAP FEE (Pressure Sewer) any water meter size
RECONNECTION FEE THE RECONNECT FEE WILL BE CHARGED BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS:
a) Non payment of bill (Maximum \$25.00)
TRANSFER FEE\$45.00 THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHERE THE SERVICE IS NOT DISCONNECTED.
LATE CHARGE
RETURNED CHECK CHARGE\$25.00 RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY=S DOCUMENTABLE COST.
CUSTOMER DEPOSIT (Maximum \$50.00
NON-RESIDENTIAL DEPOSIT1/6TH ESTIMATED ANNUAL BILL
SEASONAL RECONNECTION FEE: BASE RATE FOR METER SIZE TIMES NUMBER OF MONTHS OFF THE SYSTEM NOT TO EXCEED SIX MONTHS WHEN LEAVE AND RETURN WITHIN A TWELVE MONTH PERIOD.
GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE: WHEN AUTHORIZED IN WRITING BY TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [30 TAC 291.21(K)(2)]
LINE EXTENSION AND CONSTRUCTION CHARGES: REFER TO SECTION 3.0EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

RATES LISTED ARE EFFECTIVE ONLY IF THIS PAGE HAS TCEQ APPROVAL STAMP

SEWER UTILITY TARIFF FOR

Ranch Utilities, Inc. (Utility Name)

P.O. Box 409 (Business Address)

Tomball, Texas 77377 (City, State, Zip Code)

<u>281/351-4380</u> (Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and

20627

This tariff is effective in the following county:

Parker

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

<u>None</u>

This tariff is effective in the following subdivisions and water quality permit numbers:

Sugar Tree WQ0014163-001 (TX0122271)

TABLE OF CONTENTS

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

SECTION 2.0 SERVICE BLUES AND DOLLARS A	
SECTION 2.0 SERVICE RULES AND POLICIES	2
SECTION OF EXEMPTION OF THE PROPERTY OF THE PR	4
SECTION 3.0 EXTENSION POLICY	10

APPENDIX A -- SAMPLE SERVICE AGREEMENT

Ranch Utilities, Inc. Sugar Tree only

Sewer Utility Tariff Page No. 2

SECTION 1.0 - RATE SCHEDULE

Section 1.01--Rates

Motor Ci--

Phase I (Effective March 5, 2013)

Meter Size	Monthly Minimum Charge	Gallonage Charge
Residential (Flat Rate) Commercial (based upon wa	<u>\$70.00</u> ter meter size):	Including all gallons for all meters
5/8" x 3/4" 3/4" 1" 1 1/2" 2" 3" 4" 6" 8" 10"	\$29.00 (Including -o- Gallons) \$44.00 \$73.00 \$146.00 \$233.00 \$438.00 \$875.00 \$1,823.00 \$5,600.00 \$8,050.00	\$2.33 per 1000 gallons same for all meter sizes

Phase II (Effective September 5, 2013)

Meter Size	Monthly Minimum Charge	Gallonage Charge
Residential (Flat Rate) Commercial (based upon wat	\$85.00 ter meter size):	Including all gallons for all meters
5/8" x 3/4" 3/4" 1" 1 1/2" 2" 3" 4" 6" 8" 10"	\$35.00 (Including -o- Gallons) \$53.00 \$89.00 \$177.00 \$283.00 \$531.00 \$1,063.00 \$2,214.00 \$6,800.00 \$9,775.00	\$2.83 per 1000 gallons same for all meter sizes
HODAK OF THE		

FORM OF PAYMENT: The utility will accept the following forms of payment:

Cash X , Check X , Money Order X, Credit Card X , Other

THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

A REGULATORY ASSESSMENT, EQUAL TO ONE PERCENT OF THE CHARGE FOR RETAIL SEWER SERVICE ONLY, SHALL BE COLLECTED FROM EACH RETAIL CUSTOMER.

RATES LISTED ARE EFFECTIVE ONLY IF THIS PAGE HAS TCEQ APPROVAL STAMP

SECTION 1.0--RATE SCHEDULE (Continued)

Section 1.02Miscellaneous Fees	

RESIDENTIAL TAP FEE (Sugar Tree)
THE TAP FEE IS BASED ON THE AVERAGE OF THE UTILITY'S ACTUAL COST FOR MATERIALS AND
LABOR FOR STANDARD DESIDENTIAL CONVENTION ACTUAL COST FOR MATERIALS AND
LABOR FOR STANDARD RESIDENTIAL CONNECTION PLUS ROAD BORES AND OTHER
EXTRAORDINARY COST PERMITTED BY 30 TAC291.86(a)(1)(A)-(C).

RESIDENTIAL TAP FEE (Caddo Village)
THE ALLE AND TO DESCRIPT OF THE WARRENCE OF THE HILLIANS OF THE EVENT MEDICAL OF VICE
LABOR FOR STANDARD RESIDENTIAL CONNECTION DITIE DOAD DODGE AND OFFICE
EXTRAORDINARY COST PERMITTED BY 30 TAC291.86(a)(1)(A)-(C).

AP FEE (Large meter)
Actual Cost
TAP FEE IS THE ITTI ITY'S ACTUAL COST FOR MATERIAL GAMES A DOST TO THE ITTI ITY'S ACTUAL COST
TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR TAP SIZE INSTALLED.

TAP FEE (Pressure Sewer) any water meter size	a. t
THE ID THE UTILLET SACTUAL COST FOR MATERIALS AND LABOR TOD TAR INTOMERADO	
CUSTOMER SHALL OWN AND MAINTIAN ALL REQUIRED GRINDER PUMPS AND APPURTENANCES.	

RECONNECTION FEE

THE RECONNECT FEE WILL BE CHARGED BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS:

a) Non payment of bill (Maximum \$25.00)\$25.00	`
b) Customer's request	<u>)</u>
OR OTHER REASONS LISTED UNDER SECTION 2.2 OF THIS TABLES)

TRANSFER FEE	1
THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT TH	<u>\$45.00</u>
LOCATION WHERE THE SERVICE IS NOT DISCONNECTED.	1E SAME SERVICE

LATE CHARGE
LATE CHARGE
A ONE TIME PENALTY MAY BE MADE ON DELINQUENT BILLS BUT MAY NOT BE APPLIED TO ANY
21 ONE TIME I ENACTI MAY BE MADE ON DELINQUENT BILLS BUT MAY NOT BE APPLIED TO ANY
BALANCE TO WHICH THE PENALTY WAS ADDITED IN A DEFINITION OF THE MILE HED TO ANY
BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING

RETURNED CHECK CHARGE\$25.	0.0
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST	<u>.00</u>

CUSTOMER DEPOSIT (Maximum \$50)	\$50	വ
	りつい.	

NON-RESIDENTIAL DEPOSIT......1/6TH ESTIMATED ANNUAL BILL

RATES LISTED ARE EFFECTIVE ONLY IF THIS PAGE HAS TCEQ APPROVAL STAMP

SECTION 1.0--RATE SCHEDULE (Continued)

SEASONAL RECONNECTION FEE:

BASE RATE FOR METER SIZE TIMES NUMBER OF MONTHS OFF THE SYSTEM NOT TO EXCEED SIX MONTHS WHEN LEAVE AND RETURN WITHIN A TWELVE MONTH PERIOD.

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

WHEN AUTHORIZED IN WRITING BY TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [30 TAC 291.21(K)(2)]

LINE EXTENSION AND CONSTRUCTION CHARGES:

REFER TO SECTION 3.0--EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

RATES LISTED ARE EFFECTIVE ONLY IF THIS PAGE HAS TCEQ APPROVAL STAMP

152.06 ACRES

THE STATE OF TEXAS; THE COUNTY OF JACKSON

BEING a 152 06 acre tract of and situated partially in the William J. Wickman Survey, Abstract No 273 and partially in the George Trapnell Survey, Abstract No. 263, Jackson County, Texas, said 152 06 acre tract of land being comprised of that certain tract of land described as 148.97 acres as conveyed by S Trull L. P. #1, a Texas limited partnership to Shorebird Ventures, LP according to document recorded in Volume 342, Page 54 of the Official Records of said County, said 148 97 acre tract of land being all of the Fractional Northwest Quarter of Fractional Section No. 18, all of Fractional Section No.19, and all that portion of the Fractional Southwest Quarter of Fractional Section 18 lying north of Five Mile Creek, all out of the Theodore F. Koch Subdivision in Jackson County, Texas, according to document recorded in Volume 7, Page 492 of the Deed Records of said County, that certain tract of land described as 2.41 acres as conveyed by Anita F. Roomson to Shorebird Ventures, LP according to document recorded in Volume 342, Page 48 of the Official Records of said County, said 2.41 acre tract being out of Lot 4 of the A. W. I ewis Subdivision, as recorded in Volume 2, Page 16, Slide 21A of the Plat Records of said County, and that certain tract of land described as 0.68 acres as conveyed by Lucille A. Kvech, Marjorie Pratt Sonia E. Patten, Gary C. Gustavson and Charles Gustavson to Shorebird Ventures, LP according to document recorded in Volume 342, Page 30 of the Official Records of said County, said 0.68 acre tract being part of the West half of the Fractional Northeast Quarter of Section 18 of said Theodore F. Koch Subdivision, said 152.06 acre tract of land being more fully described by metes and bounds as follows.

BEGINNING at a 5/8 inch diameter steel rebar found marking the southwest corner of Lot 6, Block 1, D.F. Prankson Carancahua Bay Subdivision No 1 according to document recorded in Volume 3, Page 46, Slide 93B of the Deed Records of said County, marking the southeast right-of-way line of 1st Street, marking the northeast corner of that certain tract of land conveyed to R.B. Trull according to instrument recorded in Volume 66, Page 951 of the Official Records of said County,

THENCE, South, at 2.00 feet passing the southeast corner of the afore mentioned R B Trull tract, continuing in all a distance of 2.33 feet to a 5/8 inch diameter steel rebar found in fence line;

THENCE along a north line of said 148 97 acre tract with fence as follows:

North 89 deg 17'59" East, 453 62 feet to a 5/8 inch diameter rebar with yellow plastic cap stamped "URBAN SURVEYING, INC" set for angle point in the fence;

North \$9 deg. 06 50" East, a distance of 903 81 feet to a 5/8 inch diameter rebar with yellow plastic cap stamped 'URBAN SURVEYING, INC." set for angle point in the south line of that certain 40 59 acre tract of land conveyed to Joe Marek and wife, Barbara Marek according to instrument recorded in Volume 241, Page 265 of the Official Records of said County;

THENCE, North 89 deg 10'56" East, continuing with the south line of said Marek tract, at 109.95 feet pass a 5/8 meh diameter steel rebar with yellow plastic cap stamped "URBAN SURVEYING, INC" found marking a common corner of said 148.96 acre tract and that certain 46.7 acre tract of land conveyed to Lucille A. Kvech, Trustee of the Lucille A. Kvech Revocable Living Trust, et al, described in instrument recorded in Volume 85, Page 536, of the Official Records of said County and continuing along the south line of said Marek tract and the north line of said 46.7 acre tract for an overall distance of 149.92 feet to a 5/8 inch diameter rebar with yellow plastic cap stamped "URBAN SURVEYING, INC." set to mark the southeast corner of said Marek tract, the southwest corner of the remainder of a called 141.319 acre tract as conveyed by D. F. Frankson and wife, Mae Frankson to Roy R. Robinson and Wife, Anita F. Robinson according to document recorded in Volume 382, Page 450 of the Deed Records of said County and further said rebar marks the southwest corner of the aforesaid 2.41 acre tract.

THENCE, Nortl 00 deg. 33' 34" West, along the common line of said Marek tract and said Robinson tract and the west line of said 2.41 acre tract, at 1592.57 feet pass a 5/8 inch diameter rebar with yellow plastic cap stamped "URBAN SURVEYING, INC" set for reference and continuing for an overall distance of 1612.57 feet to a point for corner in the middle of County Road 471, said point also being a common corner of said Marek tract and said Robinson tract and the northwest corner of said 2.41 acre tract,

THENCE North 89 deg 07' 24" East, along said middle of County Road 471 and the north line of said 2.41 acre tract, a distance of 65 00 feet to a point for corner,

THENCE Solute 36 deg. 33° 32" West, along the east line of said 2.41 acre tract, at 20 00 feet pass a 5'8 men diameter rebar with yellow plastic cap stamped "URBAN SURVEYING, INC" set for reference, at 1612 50 feet pass the common line of said Robinson tract and said 46 7 acre tract, same being the southeast corner of the aforesaid 2.41 acre tract and the northeast corner of the aforesaid 0.68 acre tract, and continuing along the east line of said 0.68 acre tract for an overall distance of 1895.21 feet to a 5/8 inch diameter rebar with yellow plastic cap stamped "URBAN SURVEYING, INC" set to mark the southeast corner of said 0.68 acre tract,

HENCE, South 89 deg. 29' 45" West, along the south line of said 0.68 acre tract, a distance of 105.24 feet to a 5/8 inch diameter rebar with yellow plastic cap stamped "URBAN SURVEYING, INC." set to mark the southwest corner of said 0.68 acre tract in the east line of said 148.97 acre tract;

THENCE, South 00 deg 30°15" East, continuing with the west line of afore mentioned 46.7 acre tract and the west line of that certain tract of land conveyed to Norbert Eggemeyer, et al, according to document recorded in Volume 179, Page 1037, of the Official Records of said County, passing at 2071.45 feet a 5/8 inch diameter rebar found for reference and continuing for an overall distance of 2121.45 feet to the shoreline of Five Mile Creek for the southeast corner of the herein described tract;

THENCE, with the meanders of the shoreline of Five Mile Creek and Carancahua Bay as follows:

```
South 82 deg 09'48" West, a distance of 69 13 feet,
 South 82 deg 21'12" West, a distance of 87 90 feet,
 South 85 deg 22'53" West, a distance of 74.37 feet;
 North 89 deg 27'47" West, a distance of 67.06 feet,
 North 85 deg 15'43" West, a distance of 79 92 feet;
 North 80 deg 59'05" West, a distance of 91 81 feet;
 North 87 deg 35'15" West, a distance of 62 23 feet;
 North 82 deg 46'33" West, a distance of 81.96 feet;
 North 75 deg 32'31" West, a distance of 76 49 feet,
 North 75 deg. 01'33" West, a distance of 88.52 feet,
North 74 deg 59'32" West, a distance of 73 45 feet,
North 78 deg 00'00" West, a distance of 78.93 feet;
 North 44 deg. 24'44" West, a distance of 48.92 feet;
 South 88 deg 37'18" West, a distance of 39.27 feet;
 North 56 deg 32'24" West, a distance of 98 81 feet,
North 12 deg 10'01" East, a distance of 140.29 feet;
 North 48 deg 54'41" East, a distance of 80 18 feet;
North 35 deg. 05'37" West, a distance of 58 05 feet;
North 55 deg 10'02" West, a distance of 102.23 feet,
South 73 deg. 08'05" West, a distance of 72 78 feet;
South 60 deg 11'28" East, a distance of 63 70 feet;
South 12 deg. 44'18" West, a distance of 78.25 feet;
South 82 deg. 56'13" West, a distance of 61.82 feet;
South 61 deg 36'57" West, a distance of 25 39 feet,
South 49 deg. 57'56" West, a distance of 26.88 feet,
North 49 deg. 36'24" West, a distance of 62.18 feet,
North 74 deg. 46'52" West, a distance of 28.39 feet,
South 87 deg 14'23" West, a distance of 48.23 feet,
North 81 deg. 20'28" West, a distance of 78 90 feet,
North 47 deg. 20'00" West, a distance of 51 45 feet,
South 35 deg. 27'27" West, a distance of 24.35 feet;
South 47 deg. 17'22" West, a distance of 23.67 feet,
South 22 deg. 41'33" West, a distance of 48 32 feet,
South 67 deg 41'09" West, a distance of 49 02 feet,
North 56 deg. 18'30" West, a distance of 107 49 feet;
North 64 deg 19'03" West, a distance of 27.91 feet,
North 80 deg 50'41" West, a distance of 31 65 feet,
South 76 deg 00'49" West, a distance of 45 06 feet,
South 73 deg 47'19" West, a distance of 45.67 feet,
South 69 deg. 32'15" West, a distance of 32 50 feet,
South 41 deg 24'40" West, a distance of 25 95 feet;
South 40 deg 14'00" West, a distance of 32 43 feet,
South 60 deg 40'02" West, a distance of 29 80 feet;
South 76 deg 47'35" West, a distance of 38 71 feet,
South 59 deg 45'04" West, a distance of 53 83 feet;
```

```
South 70 deg 57'19" West, a distance of 34.84 feet,
  South 77 deg 25'45" West, a distance of 48 64 feet.
  South 83 deg 57'22" West, a distance of 65.09 feet;
 North 89 deg. 00'51" West, a distance of 29.76 feet;
 North 79 deg 25'56" West, a distance of 60 48 feet;
 North 77 deg. 50'35" West, a distance of 98.54 feet,
 North 73 deg. 51'59" West, a distance of 94.57 feet;
 North 76 deg 08'48" West, a distance of 97 30 feet,
 North 79 deg 23'16" West, a distance of 54.59 feet;
 North 84 deg 22'31" West, a distance of 68 07 feet;
 North 60 deg. 46'34" West, a distance of 26.91 feet;
 North 68 deg 20'16" West, a distance of 174 29 feet,
 North 72 deg 07'08" West, a distance of 74.57 feet,
 North 81 deg 16'33" West, a distance of 56 28 feet;
 North 77 deg. 59'21" West, a distance of 80 41 feet,
 North 73 deg 53'28" West, a distance of 104.12 feet,
 North 75 deg. 46'21" West, a distance of 79.09 feet;
 North 72 deg 56'11" West, a distance of 79.07 feet,
 North 75 deg. 57'02" West, a distance of 116.55 feet;
 North 65 deg 11'04" West, a distance of 56.89 feet,
 North 70 deg 41'14" West, a distance of 42.04 feet,
 North 62 deg. 08'12" West, a distance of 146.52 feet,
 North 39 deg 21'32" West, a distance of 115.45 feet;
 North 09 deg 27'39" West, a distance of 45.19 teet
 North 13 deg 56'11" East, a distance of 44 58 feet;
 North 09 deg 49'52" East, a distance of 42.23 feet,
 North 35 deg 45'50" West, a distance of 28.21 feet,
 North 07 deg 06'13" West, a distance of 17.69 feet,
 North 10 deg. 21'39" East, a distance of 25.62 feet
 North 20 deg 08'45" East, a distance of 54 39 feet.
 North 14 deg. 28'39" West, a distance of 24 64 feet;
North 18 deg. 54'45" West, a distance of 44.84 feet;
North 28 deg 07'27" West, a distance of 27.28 feet;
North 30 deg 01'38" West, a distance of 22 84 feet,
North 01 deg. 01'34" West, a distance of 43.78 feet,
North 16 deg 57'55" East, a distance of 51 63 feet,
North 50 deg 24'09" East, a distance of 55 13 feet,
North 73 deg 24'13" East, a distance of 91.88 feet,
North 74 deg 32'03" bast, a distance of 50 74 feet,
North 75 deg 20'29" Hast, a distance of 51.68 feet,
North 74 deg 52'51" East, a distance of 52.43 feet,
North 73 deg 54'41" East, a distance of 50.32 feet:
North 73 deg. 18'02" East, a distance of 51.41 feet;
North 73 deg 32'02" East, a distance of 50 69 feet;
North 71 deg. 45'15" East, a distance of 51.05 feet;
North 71 deg 54'33" East, a distance of 53.01 feet,
North 70 deg. 53'03" East, a distance of 51 88 feet;
North 70 deg 03'43" East, a distance of 54.56 feet;
North 69 deg. 22'53" East, a distance of 54 78 feet,
North 68 deg. 27'40" East, a distance of 54 44 feet,
North 67 deg. 25'07" East a distance of 51.26 feet,
North 66 deg 05'06" East, a distance of 50 84 feet,
North 65 deg. 10'40" East, a distance of 49.86 feet,
North 63 deg. 00'17" East, a distance of 52 41 feet,
North 55 deg 54'29" East, a distance of 47 33 feet,
North 27 deg. 35'38" East, a distance of 40 50 feet;
North 56 deg 05'10" East, a distance of 92.52 feet,
North 31 deg. 34'07" East, a distance of 31.15 feet,
North 25 deg 14'21" East, a distance of 59 56 feet,
North 25 deg. 32'20" East, a distance of 50 84 feet,
North 23 deg. 52'40" East, a distance of 89 88 feet.
North 09 deg 11'36" East, a distance of 76 26 feet,
North 05 deg. 47'13" East, a distance of 33 33 feet,
North 26 deg. 22'00" East, a distance of 40.27 feet,
North 47 deg. 20'16" East, a distance of 119.81 feet
North 58 deg. 59'07" East, a distance of 72 20 feet,
North 58 deg 50'19" East, a distance of 82.17 feet,
North 57 deg 56'32" East, a distance of 63 28 feet,
```

North 60 deg. 30'34" East, a distance of 28 84 feet, North 57 deg. 37'05" East, a distance of 60.17 feet, North 55 deg. 54'15" East, a distance of 68 08 feet; North 62 deg. 18'53" East, a distance of 62 19 feet. North 64 deg. 53'45" East, a distance of 60 05 feet; North 60 deg. 56'14" East, a distance of 61 42 feet,

and North 55 deg. 57')9" East, a distance of 42.75 feet to a point in a fence for the northwest corner of the herein described tract;

THENCE, North 88 deg. 56'53" East, passing at 50.00 feet a 5/8 inch diameter rebar found for reference, and continuing for an overall distance of 362.49 feet to a 5/8 inch diameter rebar found for angle point.

THENCE, North possing at 0.85 feet the southwest corner of the aforesaid R.B.Trull tract, and continuing for an overall distance of 2.85 feet to a 1/2 inch iron rod found, marking the southeast corner of Lot 5 of the afore mentioned Block 1, and marking the northwest right-of-way line of the afore mentioned 1° Street.

THENCE, North 89 deg. 30'00" Fast (Basis of Bearings), with the afore mentioned R B Trull tract, 50.00 feet to the POINT OF BEGINNING, containing within these metes and bounds a 152.06 acres of land, more or less

Bearings based on that certain Block 1, D.F. Frankson Carancahua Bay Subdivision No.1, according to instrument recorded in Volume 3, Page 46, Slide 93B of the Deed Records of Jackson County Texas

The foregoing legal description and accompanying survey plut was prepared from an actual survey made on the ground under my supervision in November 2016 and are true and correct to the best of my knowledge and belief

Urhan Surveying, Inc. By Terry T Ruddick

Registered Professional Land Surreyor

Texas No 49-3

E20575.01