



Control Number: 46451



Item Number: 14

Addendum StartPage: 0

DOCKET NO. 46451

RECEIVED

APPLICATION OF THE CITY OF  
ROYSE CITY TO AMEND ITS WATER  
AND SEWER CERTIFICATES OF  
CONVENIENCE AND NECESSITY  
(CCN) AND CANCEL VERANDAH  
MUNICIPAL UTILITY DISTRICT'S  
CCNS IN HUNT AND ROCKWALL  
COUNTIES

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BEFORE THE

2017 FEB -2 AM 11:57  
PUBLIC UTILITY COMMISSION  
FILING CLERK

PUBLIC UTILITY COMMISSION

OF TEXAS

**NOTICE OF SUPPLEMENTAL FILING**

The City of Royse City ("Royse City") files the attached Supplement to the CCN Application previously filed herein. This Supplement consists of Affidavits from counsel for Royse City and Verandah Municipal Utility District attesting to the execution of the Development Agreement, attached to the Application as Attachment 2.B. These affidavits are attached to this Notice as "Supplement to Attachment 2.B."

Respectfully submitted,

**LLOYD GOSSELINK ROCHELLE  
& TOWNSEND, P.C.**

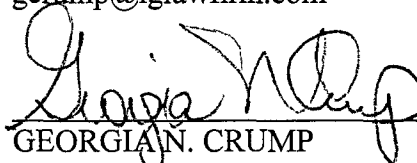
816 Congress Avenue, Suite 1900

Austin, Texas 78701

(512) 322-5800

(512) 472-0532 (Fax)

gcrump@lglawfirm.com



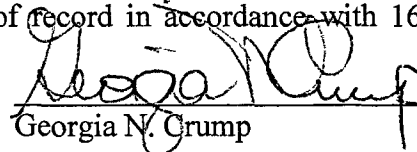
GEORGIA N. CRUMP

State Bar No. 05185500

ATTORNEY FOR THE CITY OF  
ROYSE CITY

**CERTIFICATE OF SERVICE**

I hereby certify that on February 2, 2017, a true and correct copy of the foregoing document has been served on all parties of record in accordance with 16 Tex. Admin. Code § 22.74.



Georgia N. Crump

14

**DOCKET NO. 46451**

<b>APPLICATION OF THE CITY OF</b>	<b>§</b>	<b>BEFORE THE</b>
<b>ROYSE CITY TO AMEND ITS WATER</b>	<b>§</b>	
<b>AND SEWER CERTIFICATES OF</b>	<b>§</b>	
<b>CONVENIENCE AND NECESSITY</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>(CCN) AND CANCEL VERANDAH</b>	<b>§</b>	
<b>MUNICIPAL UTILITY DISTRICT'S</b>	<b>§</b>	
<b>CCNS IN HUNT AND ROCKWALL</b>	<b>§</b>	<b>OF TEXAS</b>
<b>COUNTIES</b>	<b>§</b>	

**AFFIDAVIT OF JASON DAY**

**STATE OF TEXAS**       §  
                                  §  
**COUNTY OF TRAVIS**   §

BEFORE ME, the undersigned authority, on this day personally appeared Jason Day, City Attorney of the City of Royse City ("City"), who, after being by me duly sworn, stated under oath the following:

1. "My name is Jason Day. I am over eighteen years of age, I have personal knowledge of all statements contained herein; all statements are true and correct.
2. In my capacity as City Attorney, I have personal knowledge of the negotiation and final approval by the City of the Development Agreement – Union Square ("Development Agreement"), effective on April 28, 2015, between the City and D.R. Horton – Texas, Ltd.
3. The Verandah Municipal Utility District of Hunt County (the "MUD") is also a party to the Development Agreement, for limited purposes, as stated in the Development Agreement.
4. The Development Agreement was attached as Attachment 2.B. to the Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN) filed by the City with the Public Utility Commission on October 18, 2016 (the "Application").

5. The Development Agreement was approved by a unanimous vote (7-0) of the City Council on April 28, 2015, at a regular meeting of the City Council. I was present at that meeting and have personal knowledge of the vote taken by the Council to approve the Development Agreement.

6. I have attached as Attachment A to this Affidavit a true and correct copy of the Minutes of the City Council meeting, approved by the City Council on May 26, 2015, and attested by the City Secretary, documenting the action taken by the City Council.

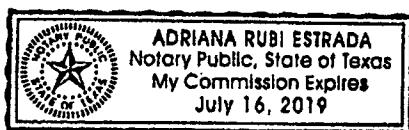
7. After diligent search, the City has been unable to locate a signed copy of the Development Agreement. However, the unexecuted copy attached to the Application is an accurate copy of the Development Agreement that was actually approved by the City on April 28, 2015, as described above.

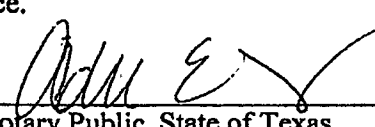
FURTHER, AFFIANT SAYETH NOT."

SIGNED on this 29 day of December 2016.

  
JASON DAY

SWORN TO AND SUBSCRIBED BEFORE ME this 29 day of December 2016, to certify which witness my hand and seal of office.



  
Notary Public, State of Texas



## City Council of Royse City, Texas

### **MINUTES-REGULAR COUNCIL MEETING**

Tuesday, April 28, 2015 – 7:00 pm  
Police and Courts Building, 100 West Main Street  
Royse City, Texas

#### **A. CALLED TO ORDER BY MAYOR BALEY AT 7PM**

Announced the presence of a quorum.

Members Present: Mayor, Jerrell Baile  
Council Member Place 1, Janet Nichol, Mayor Pro Tem  
Council Member Place 2, Clay Ellis  
Council Member Place 3, Bill Bell  
Council Member Place 4, Matt Wheatley  
Council Member Place 5, James Branch  
Council Member Place 6, Tom Crowley

Staff Present: City Manager, Carl Alsbrook  
City Attorney, Jason Day  
City Secretary, Brenda Craft  
Ex. Director of Development & Community Services, Janet McPherson  
Ex. Director of Community Development Corp., Larry Lott  
Sr. Project Coordinator, Thomas Fry  
Fire Chief, Richard Bell  
Police Chief, Jeff Stapleton  
Public Works Director, Dario Lopez  
CFO, Shannon Raymond  
Director of HR, Tauna Ratliff  
Main St. Manager, Paula Morris

#### **B. INVOCATION AND PLEDGE OF ALLEGIANCE**

Invocation by Mayor Pro Tem Ellis.

#### **C. RECESS REGULAR COUNCIL MEETING AT 7:04PM**

#### **D. EXECUTIVE SESSION AT 7:04PM**

Recess into Closed Session in compliance with Section 551.001 et seq. Texas Government Code, to wit:

Section 551.071. Private consultation with the City Attorney and §551.087 – Discussing economic development negotiations:

1. Discussion concerning legal issues with Development Agreement with DR Horton Homes regarding Union Station subdivision.

**E. CLOSE EXECUTIVE SESSION AT 7:30PM**

**F. RECONVENE REGULAR COUNCIL MEETING AT 7:30PM**

Action as a result of Executive Session.

1. Consider and act concerning acceptance of DR Horton petition for the creation of a public improvement district, and any matters related thereto.

Motion was made by Mayor Pro Tem Ellis, second by Council Member Houk to approve acceptance of DR Horton petition for the creation of a public improvement district. **Motion carried: 7 Ayes, 0 Nays, and 0 Abstentions.**

2. Consider and act concerning Certificate of Convenience and Necessity (CCN) issue with DR Horton, and any matters related thereto.

No action.

3. Consider and act concerning authorization of a Development Agreement with DR Horton concerning approximately 117 acres, with joinder by the Verandah Municipal Utility District of Hunt County for the limited purposes set forth in such Development Agreement, and any matters related thereto.

Motion was made by Mayor Pro Tem Ellis, second by Council Member Branch to approve authorization of a Development Agreement with DR Horton concerning approximately 117 acres, with joinder by the Verandah Municipal Utility District of Hunt County for the limited purposes set forth in such Development Agreement. **Motion carried: 7 Ayes, 0 Nays, and 0 Abstentions.**

4. Consider and act concerning acceptance of a Petition for Consent to the Addition of Lands in Verandah Municipal Utility District of Hunt County, made by 165 Howe, L.P. and CTMGT Verandah 138, LLC, for the addition of approximately 69.052 acres of land and 138.183 acres of land, respectively, to the boundaries of the District, and any matters related thereto.

Motion was made by Mayor Pro Tem Ellis, second by Council Member Crowley to approve acceptance of a Petition for Consent to the Addition of Lands in Verandah Municipal Utility District of Hunt County, made by 165 Howe, L.P. and CTMGT Verandah 138, LLC, for the addition of approximately 69.052 acres of land and 138.183 acres of land, respectively, to the boundaries of the District contingent upon exclusion of DR Horton tract from the MUD, annexation of the DR Horton tract, and adding strip through Verandah to the northern limits. **Motion carried: 7 Ayes, 0 Nays, and 0 Abstentions.**

**G. CITIZENS PARTICIPATION**

*This Period is reserved for citizens to discuss items not listed on the listed Agenda, (persons may have three (3) minutes to address the council) however, by law, no action or discussion may be taken on these items.*

Capheart-903 Peterson: budget consideration-CIP-grants- for repairs to streets in the Heritage District. Counted 200 repairs from Josephine to Walnut and Church to County Line.

For David Jones: consider repairing streets in Heritage District, many repairs to vehicles, sewer system problems, Heritage District oldest part of town, feels sewer system and streets have been neglected.

## **H. CONSENT AGENDA**

*All items under Consent Agenda Minutes are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.*

1. City Council Minutes: March 10, 2015 Sp Called 6pm Council and P&Z Commission; March 17, 2015 Sp Called 7pm Council and CDC Board; and March 24, 2015 Regular Meeting

Motion was made by Council Member Branch, second by Council Member Crowley to approve the Consent Agenda. **Motion carried: 7 Ayes, 0 Nays, and 0 Abstentions.**

## **I. BUSINESS**

1. Consideration and act concerning an Ordinance on a preliminary plat application by owner representative: Buc-ee's #38 Subdivision Preliminary Plat (a 42.70 acre tract of land situated in the Richard Mead Survey, Abstract #141, Rockwall County and Abstract #1226, Hunt County, Royse City, Texas, and any matters related thereto.

**Ms. McPherson:** SW corner of FM 2642 and I-30 – subdivide-easements-ROW-dedicated plat.

Motion was made by Council Member Branch, second by Council Member Wheatley to approve an Ordinance on a preliminary plat application by owner representative: Buc-ee's #38 Subdivision Preliminary Plat (a 42.70 acre tract of land situated in the Richard Mead Survey, Abstract #141, Rockwall County and Abstract #1226, Hunt County, Royse City, Texas. **Motion carried: 7 Ayes, 0 Nays, and 0 Abstentions.**

2. Consider and act concerning a Community Development Corporation Board request for a substantial upgrade to Collin Co. Rd. 1031 not to exceed \$22,984.00 (City responsible for the half \$22,984.00, total construction \$45,968.00), and any matters related thereto.

**Mr. Lott:** last council meeting approved ½ costs contingent on CDC paying the other ½. From Hwy 66 to the Hunt County line. Possible Hunt County will have the road all the way to IH-30.

Motion was made by Council Member Branch, second by Council Member Wheatley to approve a Community Development Corporation Board request for a substantial upgrade to Collin Co. Rd. 1031 not to exceed \$22,984.00 (City responsible for the half \$22,984.00, total construction \$45,968.00). **Motion carried: 7 Ayes, 0 Nays, and 0 Abstentions.**

3. Discussion concerning monthly revenue and expenditure report for March 2015, and any matters related thereto.

**Ms. Raymond:** into 50% of the budget year. A few line items to adjust. March sales tax down, April's up 7%.

4. Discussion concerning information received from the Public Utility Commission (PUC) that the Municipal Utility District (MUD) application was approved, and any matters related thereto. WITHDRAWN.

5. Discussions concerning City Manager Carl Alsabrook update:

Development: Buc-ee's incentive approved; contacted by Urgent Care for property

Main St. Car Show May 9<sup>th</sup>

KidFish at City Lake Park May 30<sup>th</sup>

Main St. Board clean-up day on Main St. May 3<sup>rd</sup>

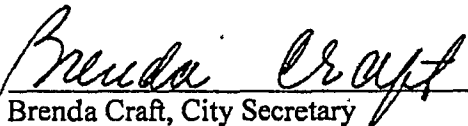
**J. FUTURE AGENDA ITEMS - NONE**

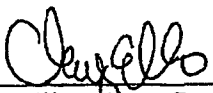
1. Consider and/or action to determine and direct City Staff in scheduling topics for discussion at future City Council Meetings, and any matters related thereto.

**K. ADJOURNED AT 7:45PM**

Motion was made by Council Member Branch, second by Council Member Crowley to adjourn the meeting at 7:45 pm. **Motion carried: 7 Ayes, 0 Nays, and 0 Abstentions.**

ATTEST:

  
Brenda Craft, City Secretary

  
Clay Ellis, Mayor Pro Tem





## City Council of Royse City, Texas

# MINUTES-REGULAR COUNCIL MEETING

Tuesday, May 26, 2015 – 7:00 pm  
Police and Courts Building, 100 West Main Street  
Royse City, Texas

### A. CALL TO ORDER AT 7:03PM

Announced the presence of a quorum.

Members Present: Mayor, Janet Nichol  
Council Member Place 1, Charles Houk  
Council Member Place 2, Clay Ellis, Mayor Pro Tem  
Council Member Place 3, Bruce Bradley  
Council Member Place 4, Matt Wheatley  
Council Member Place 5, James Branch  
Council Member Place 6, Tom Crowley

Staff Present: City Manager, Carl Alsabrook  
City Attorney, Jason Day  
Interim City Secretary, Kandi Jackson  
Fire Chief, Richard Bell  
Police Chief, Jeff Stapleton  
Public Works Director, Dario Lopez  
CFO, Shannon Raymond  
Main St Manager, Paula Morris

### B. INVOCATION AND PLEDGE OF ALLEGIANCE

Invocation by Mayor Nichol.

### C. CITIZENS PARTICIPATION - none

*This Period is reserved for citizens to bring forward to council items of interest, (persons may have three (3) minutes to address the council) however, by law, no action or discussion may be taken on these items. Council may only respond with specific factual information, recite existing policy, direct citizen to city staff or have the item placed on a future agenda*

### D. RECESS REGULAR COUNCIL MEETING AT 7:06PM

### E. PUBLIC HEARING AT 7:06PM

1. \* Accept comments, in accordance with Chapter 372 of the Texas Local Government Code, to accept comments and discuss the petition filed by D.R. Horton-Texas, LTD., a Texas limited partnership on April 28, 2015 requesting that the City create a public improvement district to include the property consisting of 117.332 acres and located within the Extra-Territorial Jurisdiction of the City; regarding the advisability of the improvements to be made for the benefit of the property within the public improvement district.

**Mr. Day:** State law requires a public hearing before we form that public improvement district.

No citizens for or against.

2. Accept comments concerning a rezoning application by owner representative requesting the rezoning of Tract 2 of the J Thompson Survey, Abstract 229, Rockwall County, Royse City, Texas (also known as 501 E. Old Greenville Rd., Royse City, Texas) from Single Family 2 (SF2) to Commercial 2 (C2).

No citizens for or against.

3. Accept comments concerning a rezoning application by owner representative rezoning Tracts R3 and R3-2 of the Richard Mead Survey, Abstract 1226, Hunt County, Royse City, Texas, and Tracts 3, 3-2, 3-3 and 3-4 of the Richard Mead Survey, Abstract 141, Rockwall County, Royse City, Texas from Agricultural (AG) to Planned Development (PD) (based on Commercial 2 zoning) on 19.31 acres and Commercial 2 on 21.203 acres (located at the southwest quadrant of Interstate 30 and FM 2642).

**Ms. McPherson:** It is in conformance with future land use map. Property to the west requesting straight C2 zoning. The corner property would be PD based on C2 zoning.

No citizens for or against.

4. Accept comments concerning a development plan/rezoning application (complete rezoning) by owner for Planned Development (PD) (based on Single Family 2 Zoning) from Agricultural (AG) for the property described as tract 4 of the Turner Odell Survey (Abstract 0683) and tract 9 of the James McBride Survey (Abstract 0631), Royse City, Collin County, Texas.

**Ms. McPherson:** It would be zoned straight single family 2 with no alleys. Alleys are not in the ordinance but they are in the subdivision standards.

No citizens for or against.

**F. CLOSE PUBLIC HEARING AT 7:13PM**

**G. RECONVENE REGULAR COUNCIL MEETING AT 7:13PM**

**H. CONSENT AGENDA**

*All items under Consent Agenda Minutes are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.*

1. City Council Minutes: April 14, 2015 and April 28, 2015.

Motion was made by Council Member Branch, second by Council Member Wheatley to approve the Consent Agenda. **Motion carried: 7 Ayes, 0 Nays, and 0 Abstentions.**

**I. BUSINESS**

1. Discussion concerning monthly revenue and expenditure report for April 2015, and any matters related thereto.

**Ms. Raymond:** We're about 7 months into the budget year. Everything is on track expenditure wise. We're within the thresholds just or about 1% above right now. Streets and Parks both have additional funding requirements that will be covered by excess revenues. All revenues are on track or far above what was projected. Sales tax was 6.7% higher in April than it was the April prior.

2. Consider and act concerning a Resolution in accordance with Chapter 372 of the Texas Local Government Code, authorizing the creation of a Public Improvement District related to the petition filed by D.R. Horton, Ltd., a Texas limited partnership on April 28, 2015 regarding the property consisting of 117.332 acres and located with the Extra-Territorial Jurisdiction of the City; including, but not limited to, findings as to the advisability of the proposed improvement(s), the nature of such improvements, the estimated cost of such improvement(s), the boundaries of the public improvement district, the method of assessment(s) and the apportionment of costs between the district and the City, and any matters related thereto.

**Mr. Day:** This is the next step in bringing D.R. Horton into the city. It is currently in the Verandah MUD district. Once the Attorney General approves the public improvement district the city will annex the property. If the Attorney General does not approve the petition then the public improvement district dissolves.

Motion was made by Council Member Bradley, second by Council Member Ellis to approve a resolution in accordance with Chapter 372 of the Texas Local Government Code, authorizing the creation of a Public Improvement District related to the petition filed by D.R. Horton, Ltd., a Texas limited partnership on April 28, 2015 regarding the property consisting of 117.332 acres and located with the Extra-Territorial Jurisdiction of the City; including, but not limited to, findings as to the advisability of the proposed improvement(s), the nature of such improvements, the estimated cost of such improvement(s), the boundaries of the public improvement district, the method of assessment(s) and the apportionment of costs between the district and the City.  
**Motion carried: 7 Ayes, 0 Nays, and 1 Abstention (Branch).**

3. Consider and act concerning an Ordinance rezoning of Tract 2 of the J Thompson Survey, Abstract 229, Rockwall County, Royse City, Texas (also known as 501 E. Old Greenville Rd., Royse City, Texas) from Single Family 2 (SF2) to Commercial 2 (C2); and any matters related thereto.

**Ms. McPherson:** It is conformance with the future land use map. AG property needs to be rezoned. Property on the west side is straight C2 zoning while corner property is PD based on C2 zoning.

Motion was made by Council Member Branch, second by Council Member Crowley to approve an Ordinance rezoning of Tract 2 of the J Thompson Survey, Abstract 229, Rockwall County, Royse City, Texas (also known as 501 E. Old Greenville Rd., Royse City, Texas) from Single Family 2 (SF2) to Commercial 2 (C2).  
**Motion carried: 7 Ayes, 0 Nays, and 0 Abstentions.**

4. Consider and act concerning an Ordinance rezoning Tracts R3 and R3-2 of the Richard Mead Survey, Abstract 1226, Hunt County, Royse City, Texas, and Tracts 3, 3-2, 3-3 and 3-4 of the Richard Mead Survey, Abstract 141, Rockwall County, Royse City, Texas from Agricultural (AG) to Planned Development (PD) (based on Commercial 2 zoning) on 19.31 acres and Commercial 2 on 21.203 acres (located at the southwest quadrant of Interstate 30 and FM 2642), and any matters related thereto.

**Mr. Day:** If Buc-ee's doesn't go through then development agreement will expire and revert back to C2.

Motion was made by Council Member Branch, second by Council Member Houk to approve an Ordinance rezoning Tracts R3 and R3-2 of the Richard Mead Survey, Abstract 1226, Hunt County, Royse City, Texas, and Tracts 3, 3-2, 3-3 and 3-4 of the Richard Mead Survey, Abstract 141, Rockwall County, Royse City, Texas from Agricultural (AG) to Planned Development (PD) (based on Commercial 2 zoning) on 19.31 acres and Commercial 2 on 21.203 acres (located at the southwest quadrant of Interstate 30 and FM 2642. **Motion carried: 7 Ayes, 0 Nays, and 0 Abstentions.**

5. Consider and act concerning an Ordinance regarding development plan/rezoning application (complete rezoning) by owner for Planned Development (PD) (based on Single Family 2 Zoning) from Agricultural (AG) for the property described as tract 4 of the Turner Odell Survey (Abstract 0683) and tract 9 of the James McBride Survey (Abstract 0631), Royse City, Collin County, Texas, and any matters related thereto.

**Mr. Day:** This would be straight zoning with the exception of alleys.

Motion was made by Council Member Crowley, second by Council Member Branch to approve rezoning and modify the agenda from AG to SF2 **Motion carried: 7 Ayes, 0 Nays, and 0 Abstentions.**

6. Consider and act concerning a master plat of Ridge Park Estates, 100.3 acres of land of the James Rhodes Survey, Abstract No.872, Royse City, Hunt County, Texas, and any matters related thereto.

Motion was made by Council Member Branch, second by Council Member Bruce Bradley to table the item until June 9, 2015. Vote for motion was unanimous.

7. Consider and act concerning a preliminary plat of Highlands of McKamy, Phase 2, Tract 4 of the Turner Odell Survey, Abstract 0683 and Tract 9 of the James McBride Survey Abstract 0631, Royse City, Collin County, Texas, and any matters related thereto.

Motion was made by Council Member Houk, second by Council Member Branch to approve a preliminary plat of Highlands of McKamy, Phase 2, Tract 4 of the Turner Odell Survey, Abstract 0683 and Tract 9 of the James McBride Survey Abstract 0631, Royse City, Collin County, Texas, with the alley requirement being waived. **Motion carried: 7 Ayes, 0 Nays, and 0 Abstentions.**

8. Consider and act concerning a preliminary plat multi-family development to be located on the 28.97 acres of land situated in the Burrell B. Parker Survey, Abstract No. 176 and George M. Parker Survey, Abstract No. 177, Rockwall County, Royse City, Texas, and any matters related thereto.

Motion was made by Council Member Ellis, second by Council Member Bradley to approve a preliminary plat multifamily development to be located on the 28.97 acres of land situated in the Burrell B. Parker Survey, Abstract No. 176 and George M. Parker Survey, Abstract No. 177, Rockwall County, Royse City, Texas. **Motion carried: 7 Ayes, 0 Nays, and 0 Abstentions.**

9. Consider and act concerning a Resolution regarding the site/design as it pertains to the Interstate 30 Corridor Overlay, Chapter 14, Zoning, Section 5-3 of the Royse City Code of Ordinances, for the future multifamily development (Cypress Creek at Park Boulevard), 28.97 acres of land situated in the Burrell B. Parker Survey, Abstract No. 176 and the George M. Parker Survey, Abstract No. 177, City of Royse City, Rockwall County, and any matters related thereto.

Motion was made by Council Member Branch, second by Council Member Crowley to approve a Resolution regarding the site/design as it pertains to the Interstate 30 Corridor Overlay, Chapter 14, Zoning, Section 5-3 of the Royse City Code of Ordinances, for the future multifamily development (Cypress Creek at Park Boulevard), 28.97 acres of land situated in the Burrell B. Parker Survey, Abstract No. 176 and the George M. Parker Survey, Abstract No. 177, City of Royse City, Rockwall County. **Motion carried: 5 Ayes, 0 Nays, and 0 Abstentions.**

10. Consider and act concerning a Resolution approving a negotiated settlement between the Atmos cities steering committee ("ACSC") and ATMOS ENERGY CORP., Mid-Tex DIVISION regarding the company's 2014 and 2015 rate review mechanism filings, and any matters related thereto.

Motion was made by Council Member Crowley, second by Council Member Bradley to approve a Resolution approving a negotiated settlement between the Atmos cities steering committee ("ACSC") and ATMOS ENERGY CORP., Mid-Tex DIVISION regarding the company's 2014 and 2015 rate review mechanism filings. **Motion carried: 7 Ayes, 0 Nays, and 0 Abstentions.**

11. Discussions concerning City Manager Carl Alsabrook update: Development, KIDFISH on Saturday, May 30<sup>th</sup> and Hot Summer Nights at City Lake Park, any matters related thereto.

**J. FUTURE AGENDA ITEMS-none**

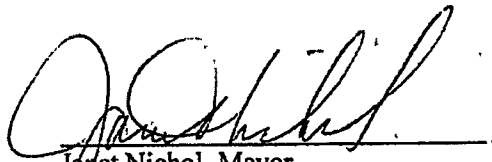
1. Consider and/or action to determine and direct City Staff in scheduling topics for discussion at future City Council Meetings, and any matters related thereto.

**K. ADJOURN AT 7:51PM**

Motion was made by Council Member Branch, second by Council Member Crowley to adjourn at 7:51pm. Vote for motion was unanimous.

**ATTEST:**

  
Kandi Jackson, Interim City Secretary

  
Janet Nichol, Mayor

**DOCKET NO. 46451**

<b>APPLICATION OF THE CITY OF</b>	<b>§</b>	<b>BEFORE THE</b>
<b>ROYSE CITY TO AMEND ITS WATER</b>	<b>§</b>	
<b>AND SEWER CERTIFICATES OF</b>	<b>§</b>	
<b>CONVENIENCE AND NECESSITY</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>(CCN) AND CANCEL VERANDAH</b>	<b>§</b>	
<b>MUNICIPAL UTILITY DISTRICT'S</b>	<b>§</b>	
<b>CCNS IN HUNT AND ROCKWALL</b>	<b>§</b>	<b>OF TEXAS</b>
<b>COUNTIES</b>	<b>§</b>	

**AFFIDAVIT OF ROSS MARTIN**

**STATE OF TEXAS       §**  
**§**  
**COUNTY OF TRAVIS   §**

BEFORE ME, the undersigned authority, on this day personally appeared Ross Martin, who, after being by me duly sworn, stated under oath the following:

1.     “My name is Ross Martin. I am over eighteen years of age, I have personal knowledge of all statements contained herein; all statements are true and correct.

2.     In my capacity as general counsel for the Verandah Municipal Utility District of Hunt County (the “MUD”), I have personal knowledge of the negotiation and final approval by the MUD of the Development Agreement – Union Square (“Development Agreement”), effective on April 28, 2015, between the City of Royse City (“City”) and D.R. Horton – Texas, Ltd.

3.     The MUD is also a party to the Development Agreement, for limited purposes, as stated in the Development Agreement.

4.     The Development Agreement was attached as Attachment 2.B. to the Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN) filed by the City with the Public Utility Commission on October 18, 2016 (the “Application”).

5. The Development Agreement was approved by a unanimous vote (3-0) of the MUD Board of Directors on February 17, 2016, at a regular meeting of the Board of Directors. I was present at that meeting and have personal knowledge of the vote taken by the Board of Directors to approve the Development Agreement.

6. I have attached as Attachment A to this Affidavit a true and correct copy of the Minutes of the Board of Directors Meeting of the MUD, approved by the Board on February 17, 2016, and attested by the Assistant Secretary of the MUD Board of Directors, documenting the action taken by the Board of Directors.

7. After diligent search, the MUD has been unable to locate a signed copy of the Development Agreement. However, the unexecuted copy attached to the Application is an accurate copy of the Development Agreement that was actually approved by the MUD on February 17, 2016, as described above.

8. When the MUD Board of Directors approved the Development Agreement, it also understood and intended that all of the territories then within the Certificates of Convenience and Necessity for water (CCN No. 13101) and sewer (CCN No. 20958) held by the MUD would be transferred to the City, and both CCNs held by the MUD would be cancelled, as they would no longer contain any territory that had not been transferred to the City.

9. It is also the intention of the MUD Board of Directors that the City provide to all the territory within the MUD retail water and sewer utility services, and that the MUD would no longer be a retail utility provider to any territory.

10. As noted in Article XI of the Development Agreement, the MUD does not contest, but rather agrees with, the Application filed in PUC Docket No. 46451 by the City.

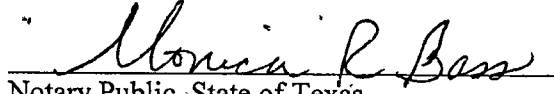
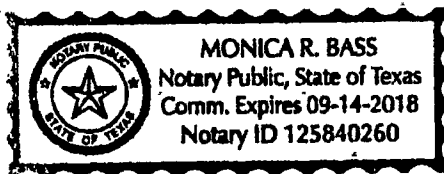
FURTHER, AFFIANT SAYETH NOT."

SIGNED on this 20<sup>th</sup> day of January, 2017.



ROSS MARTIN

SWORN TO AND SUBSCRIBED BEFORE ME this 20<sup>th</sup> day of January, 2017, to  
certify which witness my hand and seal of office.

  
Notary Public, State of Texas



ATTACHMENT A

MINUTES OF THE MEETING  
OF THE  
BOARD OF DIRECTORS

STATE OF TEXAS §  
COUNTIES OF HUNT AND ROCKWALL §  
VERANDAH MUNICIPAL UTILITY DISTRICT OF HUNT COUNTY §

The Board of Directors (the "Board") of Verandah Municipal Utility District of Hunt County (the "District") met in regular session, open to the public, at 1800 Valley View Lane, Suite 300, February 17, 2016 and the roll was called of the members of the Board, to-wit:

Joseph Counter	President
Glenn Austin Purcell	Vice President
Scott Arney	Secretary
Jeff Dean	Assistant Secretary
Kurt Schmitz	Assistant Secretary

All members of the Board were present at the commencement of the meeting except Directors Dean and Schmitz. All Directors present voted on all matters that came before the Board. Also present were Ms. Lisa Bloomfield of Dye & Bloomfield, LLC ("Dye & Bloomfield"), bookkeeper for the District and Mr. Ross Martin, attorney, and Ms. Rebecca Daniels, legal assistant, both of Winstead PC ("Winstead"), attorneys for the District.

The meeting was called to order, and evidence was presented that public notice of such meeting had been given as required by law.

1. The Board called for public communications and comments. There being none and upon motion by Director Purcell, seconded by Director Arney and unanimously carried, the Board adjourned the public comment segment of the meeting.

2. The Board next acknowledged receipt of the Minutes from the Board's January 21, 2016 Board meeting. Following a full review and upon motion by Director Arney, seconded by Director Purcell and unanimously carried, the Board approved the Minutes of said meeting.

3. The Board then recognized Mr. Ross Martin of Winstead PC who presented an Order Calling Director Election, a copy of which is attached hereto as Exhibit "A". It was noted that Joseph Counter and Glenn Purcell were up for re-election. Upon motion by Director Purcell, seconded by Director Arney and unanimously carried the Board approved the order as presented.

4. There were no development or engineering related matters to be discussed at the present time.

5. The Board then recognized Mr. Ross Martin of Winstead PC who presented a Development Agreement by and between the City of Royse City, Texas and D.R. Horton Texas, Ltd., a copy of which is attached hereto as Exhibit "B". Mr. Martin noted that there were only 2 sections of the agreement that were relevant to the District. Following a full discussion and upon motion by Director Arney, seconded by Director Purcell and unanimously carried, the Board ratified and approved the agreement as presented.

6. Mr. Martin next presented a Second Amendment to Development and Facilities Agreement between the City of Royse City, Texas, One Verandah, L.P., Megatel Homes, Inc., and the District, a copy of which is attached hereto as Exhibit "C". Following a full discussion and upon motion by Director Purcell, seconded by Director Arney and unanimously carried the Board approved the agreement as presented.

7. Next, Mr. Martin presented an Amended Rate Order, a copy of which is attached hereto as Exhibit "D". Mr. Martin noted that the only change was the builder tap fees from \$100.00 to \$1,000.00 as it has been the practice of the builders to pay \$1,000.00 for quite some time. Following a full discussion and upon motion by Director Arney, seconded by Director Purcell, and unanimously carried the Board approved the Rate Order as presented.

8. The Board next recognized Ms. Lisa Bloomfield of Dye & Bloomfield who presented her firm's February 17, 2016 bookkeeping report to the District, a copy of which is attached hereto as Exhibit "E". Ms. Bloomfield noted that check numbers 2610 to Jeff Dean and 2612 to Kurt Schmitz were being voided and for the current meeting as they were not presented. Upon motion by Director Purcell, seconded by Director Arney and unanimously carried the Board approved the bookkeeping report and payment of checks listed thereon as presented.

9. Lastly, the Board reviewed the District's current investment policy. After a full review and upon motion by Director Purcell, seconded by Director Arney and unanimously carried, the Board approved a Resolution Acknowledging Annual Review of Investment Policy and Investment Strategies, a copy of which is attached hereto as Exhibit "F", and noted that no changes were necessary at the present time.

There being no further business to conduct, Director Purcell motioned that the meeting be adjourned, which motion was seconded by Director Arney and unanimously approved, whereupon the Board adjourned until further call.

APPROVED AND ADOPTED THIS 16<sup>th</sup> day of March, 2016.

VERANDAH MUNICIPAL UTILITY DISTRICT  
OF HUNT COUNTY

By: \_\_\_\_\_

Jeff Dean, Assistant Secretary  
Board of Directors

