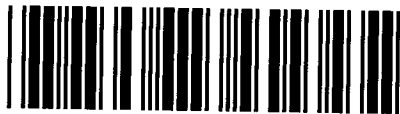


Control Number: 46452



Item Number: 1

Addendum StartPage: 0



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

Pursuant to Chapter 13.251 of the Texas Water Code

**Docket Number: 46452**

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

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

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

RECEIVED  
2016 OCT 18 PM 1:15  
PUBLIC UTILITY COMMISSION  
FILING CLERK

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

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

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### Part A – General Information

\*RN# RN101458552 \*CN# CN605048206 \* (PRIOR TCEQ ID numbers)

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

<input type="checkbox"/> Sale of	<input checked="" type="checkbox"/> All	<input type="checkbox"/> Portion of the	<input checked="" type="checkbox"/> Water system(s) under CCN No.:	<u>12580</u>
<input checked="" type="checkbox"/> Acquisition			<input type="checkbox"/> Sewer system(s) under CCN No.:	
<input type="checkbox"/> Lease/Rental				

<input checked="" type="checkbox"/> Transfer of	<input checked="" type="checkbox"/> All	<input type="checkbox"/> Portion of the	<input checked="" type="checkbox"/> Certificated water service area – CCN No.:	<u>12580</u>
			<input type="checkbox"/> Certificated sewer service area – CCN No.:	

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

and to:

<input type="checkbox"/> Obtain a CCN for the transferee (purchaser) – indicate if purchaser will take the seller's CCN	
<input checked="" type="checkbox"/> Amend the transferee's CCN No.:	<u>11035</u>
<input type="checkbox"/> Merge or consolidate public utilities	
<input type="checkbox"/> Cancel CCN of the transferor (seller)	

2. Proposed effective date of this transaction: \_\_\_\_\_  
(Must be at least 120 days after proper notice is provided)

### Part B – Current Service Provider or Seller Information

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

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

A. Name: Altoaga Water Supply Corporation  
(Individual, Corporation or Other Legal Entity)

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

B. Utility Name (if different than above): \_\_\_\_\_  
Address: 4365 FM 75, P.O Box 547, Princeton TX 75407 Telephone: (AC) (972) 529-9595

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

Name: Billy Boone Title: President  
Address: 4365 FM 75, Princeton TX 75407 Telephone: (AC) (972) 529-9595

Fax: Email: 

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

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

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

☒ No ☐ Yes- Application/Docket Number:  Date

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

Name and Address of Utility Customer	Date of Deposit	Amount of Deposit	Amount of Unpaid Interest on Deposit
N/A			

### Part C – Purchaser or Transferee Information

Questions 6 through 16 refer to the transferee or purchaser.

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

Applicant:

(Individual, Corporation, or Other Legal Entity)

Utility Name:

(If different than above)

Utility Address:

Fax:  Email:  Telephone (AC):

CCN Numbers held prior to the filing of this application:

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

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

Texas:

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

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

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

Name:	N/A	Email	
Address			
Telephone (AC):		Fax (AC):	

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

•Name:	Duke Monson	Telephone (AC):	(972) 837-2331
Address:	P.O. Box 343, 2333 Sam Rayburn Hwy., Melissa TX 75454-2930		
Position:	President and Board Member	Ownership % (if applicable):	0.00%

•Name:	Rick Hoenigman	Telephone (AC):	(972) 837-2331
Address:	P.O. Box 343, 2333 Sam Rayburn Hwy., Melissa TX 75454-2930		
Position:	Vice-President and Board Member	Ownership % (if applicable):	0.00%

•Name:	Ellen Hartley	Telephone (AC):	(972) 837-2331
Address:	P.O. Box 343, 2333 Sam Rayburn Hwy., Melissa TX 75454-2930		
Position:	Secretary and Board Member	Ownership % (if applicable):	0.00%

•Name:	James Smith	Telephone (AC):	(972) 837-2331
Address:	P.O. Box 343, 2333 Sam Rayburn Hwy., Melissa TX 75454-2930		
Position:	Board Member	Ownership % (if applicable):	0.00%

•Name:	Debbie Herbst	Telephone (AC):	(972) 837-2331
Address:	P.O. Box 343, 2333 Sam Rayburn Hwy., Melissa TX 75454-2930		
Position:	Board Member	Ownership % (if applicable):	0.00%

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

– Attach additional sheet(s) if necessary –

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

Texas Comptroller of Public Accounts  
P. O. Box 13528, Capitol Station  
Austin, Texas 78711  
1-800-252-5555

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

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

Name:	John Rapier	Title:	
Address:	777 East 15th Street, Plano, TX 75074	Telephone (AC):	(972) 424-8501
Fax #	(972) 423-3116	Email	jrapier@gmigr.com
Relationship to the applicant:	Attorney		

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

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

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

North Collin SUD originated in 1970 and has provided continuous and adequate water service to its customers. NCSUD currently serves 2250 customers and has five ground storage tanks, three pump stations, one 200K overhead storage tank, one 500K overhead storage tank, and seven full time professional employees.

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

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

N/A

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

No improvements are necessary to meet the minimum requirements of the TCEQ and PUC to ensure continuous and adequate service.

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

This transaction will increase the quality of service for customers through North Collin SUD's experienced, licensed, full time employees, as well as the additional alternate source of water.

- E. How will the transaction serve the public interest?

North Collin SUD will provide high quality service and water to the customers under its professional management and licensed operators.

12. Please describe the nature of the proposed transaction:

See Attachment No. 1, a true and correct copy of the Transfer Agreement By and Between Altoga Water Supply Corporation and North Collin Special Utility District, filed herewith.

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

A.

- Total Purchase Price:
- Total Original Cost (as recorded on books of seller or merging entity):
- Accumulated Depreciation as of the proposed effective date of the transaction:
- Contributions in Aid of Construction:
  - Specific surcharges approved by TCEQ or PUC:
  - Revenues from explicit customer agreements:

- Developer Contributions (please explain):

N/A

- Other Contributions (please explain):

N/A

Total Contributions in Aid of Construction

- Net Book Value:

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

Application/Docket Number:  Date:

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

Please provide any other information concerning the nature of the transaction you believe should be given consideration if not explained elsewhere in the application.

[attach additional sheet(s) if necessary]:

For a number of years, North Collin SUD has provided Altoga WSC with financial or operational assistance from time to time. Recently, Altoga's long time general manager retired and Altoga contracted with North Collin to operate and maintain Altoga's water system pending the merger of the Altoga into North Collin.

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

Utility Plant in Service:	<input type="text"/>
Plant Acquisition Adjustment:	<input type="text"/>
Extraordinary Loss on Purchase:	<input type="text"/>
Accumulated Depreciation of Plant:	<input type="text"/>
Cash:	<input type="text"/>
Notes Payable:	<input type="text"/>
Mortgage Payable:	<input type="text"/>
Others (please list):	<input type="text"/>

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

Purchaser's Initials:  Date:

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

☐ All the customers will be charged the same rates as they were charged before the transaction.

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



If rates are changing, please explain:

North Collin SUD's rates are lower than Altoga's current rates. Former Altoga WSC customers' rates will not increase and may be decreased. See Attachment No. 2 for a list of current rates for North Collin SUD.

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

☐ Other. Please explain:

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

See Attachment No. 3.

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

See Attachment No. 4

# Part D – Historical Financial Information

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

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

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

**Part E – Projected Information**
**PROJECTED BALANCE SHEETS**

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

**PROJECTED INCOME STATEMENT**

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

## PROJECTED EXPENSE DETAIL

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
<b>Total</b>						
<b>% Increase Per Year</b>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
<b>Total</b>						
<b>% Increase Per Year</b>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>ASSUMPTIONS</b>						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

## PROJECTED SOURCES AND USES OF CASH STATEMENTS

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



# Part F – TCEQ Public Water or Sewer System Information

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

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

0	4	3	0	0	5	5
---	---	---	---	---	---	---

Date of last inspection: June 2016

B. For Wastewater Systems:

-TCEQ Discharge Permit Number:

W Q

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

-Name of Permittee:

--

-Date of application to transfer Discharge Permit submitted:

--

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

--

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

--

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

--

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

Description of the Required Improvement	Schedule to Complete	Estimated Cost
N/A		

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

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

Water

Sewer

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

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

• Source: North Texas Municipal Water District % of total supply: 100.00%

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

Water			Sewer		
	-Non Metered		-2" meter	-Residential Connection	
364	-5/8" or 3/4" meter		-3" meter	-Commercial Connection	
	-1" meter		-4" meter	-Industrial Connection	
	-1 1/2" meter		-Other	-Other	
Total Water Connections:			364	Total Sewer Connections	

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

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

Name	Class	License#
Leslie A Knight	Water Distribution, Customer Service Inspector	WD0001870, CI0002799
Michael Vance Cottle	Water Distribution	WD0001402
Austin Scott	Water Distribution	WD0011714

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

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

## Part G – Oaths and Notices

### OATH FOR SELLER OR FORMER SERVICE PROVIDER

STATE OF TEXASCOUNTY OF COLLIN

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

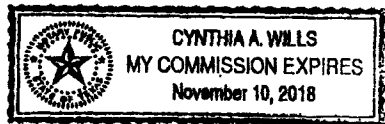
I further state that I have provided to the purchaser or transferee a written disclosure statement about any contributed property as required under Section 13.301(j) and copies of any outstanding Orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas, or Attorney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

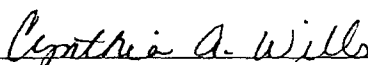
  
 AFFIANT  
 (Utility's Authorized Representative)

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

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas, this  
 day 14 of Oct, 20 16.

SEAL



  
 NOTARY PUBLIC IN AND FOR THE  
 STATE OF TEXAS

Cynthia A. Wills  
 PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES

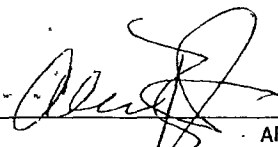
11/10/18

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

OATH FOR PURCHASER OR ACQUIRING ENTITYSTATE OF TEXASCOUNTY OF COLLINI, ALLEN KNIGHT, being duly sworn, file this application for

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

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

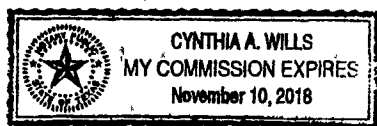
  
 AFFIANT  
 (Utility's Authorized Representative)

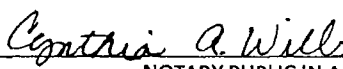
If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

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

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas, this  
 day 14 of oct, 20 16.

SEAL



  
 NOTARY PUBLIC IN AND FOR THE  
 STATE OF TEXAS

  
 PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES

11/10/18

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

FORM A

Docket No. \_\_\_\_\_

**Notice to Current Customers, Neighboring Systems and Cities**

Altoga Water Supply Corporation \_\_\_\_\_ '5  
 (Seller's or Transferor's Name)

**NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND**

**NECESSITY (CCN) NO** 12580 **TO** North Collin Special Utility District  
 (Purchaser's or Transferee's Name)

**IN** COLLIN **COUNTY, TEXAS**

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

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

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

Altoga Water Supply Corporation	4365 FM 75, Princeton TX 75407
Sellers or Transferors' Name	Address City/State/Zip Code

has submitted an application with the Public Utility Commission of Texas to sell facilities and transfer  
 water or sewer (please select) CCN No. 12580 in Collin [County Name]

County to:

North Collin Special Utility District	P.O. Box 343, 2333 Sam Rayburn Hwy., Melissa TX 75454-2930
Purchasers or Transferee's Name	Address City/State/Zip Code

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

The area subject to this transaction is located approximately 4.3 miles east/northeast [direction] of  
 downtown McKinney, [City or Town] Texas, and is **generally** bounded on the north by

Hatler Branch; on the east by Sister Grove Creek  
 ; on the south by County Rd 408 and County Rd 461; and on the west by Stiff Creek, County Rd 989 and Dale Drive

The total area being requested includes approximately 4,160 acres and serves 338 current customers.

This transaction will have the following effect on the current customer's rates and services:

North Collin SUD's rates are lower than Altoga's current rates. Former Altoga WSC customers' rates will not increase and may be decreased.

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

To request a hearing, you must:

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

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

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

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

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

Allen Knight, General Manager

Utility Representative

Altoga Water Supply Corporation

Utility Name

**TRANSFER AGREEMENT BY AND BETWEEN  
ALTOGA WATER SUPPLY CORPORATION  
AND  
NORTH COLLIN SPECIAL UTILITY DISTRICT**

**THIS AGREEMENT** by Altoga Water Supply Corporation ("Altoga" or "the Corporation") and North Collin Special Utility District (the "District") is based on the following recitals:

**WHEREAS**, Altoga is a Texas nonprofit corporation incorporated pursuant to Article 1434a of the Revised Texas Civil Statutes, now Chapter 67 of the Texas Water Code;

**WHEREAS**, Altoga operates a public water system for its members in Collin County, Texas, that provides potable water from two water wells to approximately 400+ members (the "System");

**WHEREAS**, Altoga operates the System pursuant to a Certificate of Convenience and Necessity ("CCN") No. 12580 issued by a predecessor agency of the Public Utilities Commission of Texas ("PUC");

**WHEREAS**, the Altoga Board of Directors find that the Corporation does not have sufficient resources to improve the System so that it will provide continuous and adequate service to its members in accordance with the complex regulations that govern the System;

**WHEREAS**, the board of directors of Altoga find that it is in the best long term interests of the members of the System to transfer all of Altoga's assets and CCN to the District which has the financial, managerial and technical ability to provide continuous and adequate water service to its customers, including the members of Altoga;

**WHEREAS**, the District is a conservation and reclamation district created under the authority of Article XVI, Section 59, Texas Constitution and governed by Chapters 65 and 49 of the Texas Water Code;

**WHEREAS**, effective June 10, 2016, the District assumed the responsibility to operate and maintain the System, pursuant to an Operation and Maintenance Agreement; and

**WHEREAS**, the District's Board of Directors find that it is in the best interests of the District and its customers to acquire the assets of Altoga and assume the operating responsibility of the System.

**NOW THEREFORE**, based on the foregoing recitals, Altoga and the District agree on the following terms and conditions:

### **1. TRANSFER OF ASSETS**

- 1.1 On the Effective Date, Altoga will transfer all of its interest in real property to the District by it's president executing the following documents:
  - a. A special warranty deed attached hereto as Exhibit A which, following execution, will be filed in the real property records of Collin County, Texas; and
  - b. An assignment of easements attached hereto as Exhibit B which, following execution, will be filed in the real property records of Collin County, Texas.
- 1.2 On the Effective Date, Altoga will transfer all of its plant, equipment, tools, furniture, fixtures and all other tangible personal property owned by Altoga to the District by it's president executing the Bill of Sale attached hereto as Exhibit C and delivering the same to the District.
- 1.3 On the Effective Date, Altoga will transfer all its intangible personal property in the form of cash or cash equivalents held, owned or controlled by Altoga to the District, including but not limited to all accounts in any financial institutions, accounts receivables owed by members or third parties by executing the Assignment of Accounts attached hereto as Exhibit D and delivering the same to the District.
- 1.4 On the Effective Date, the District, as the owner of the System, will assume direct responsibility for the operation and maintenance of the System for the benefit of it's customers, and the Operation and Maintenance Agreement between Altoga and the District will terminate.
- 1.5 All asset transfers will be subject to perfected security interest of the Texas Water Development Board and the United States of America, acting through the Rural Utilities Service of the United States Department of Agriculture
- 1.6 The District will take any and all steps necessary to assume Altoga's promissory notes payable to the Texas Water Development Board and the United States of America, acting through the Rural Utilities Service of the United States Department of Agriculture.
- 1.7 When fully prepared, Altoga will execute with the District the PUC Sale Merger Transfer form and fully cooperate with the District to obtain the PUC's approval for the transfer of CCN No. 12580 to the District.



## 2. ALTOGA'S REPRESENTATIONS

In order to induce the District to execute this Agreement, Altoga makes the following representation to the District on which the District has fully relied:

- 2.1 Exhibit E attached hereto is true and correct list of all members or customers of Altoga;
- 2.2 Altoga has full negotiable title to all of the assets described in this Agreement and its Attached exhibits, all of which are free and clear of any lien or encumbrance;
- 2.3 Altoga is not a party to and has not been notified or threatened with any litigation, complaint, enforcement proceedings, administrative proceeding of any kind;
- 2.4 Altoga's board of directors have approved this Agreement at a regular meeting of the Board of Directors by the vote required by Altoga's Articles of Incorporation and Bylaws; and
- 2.5 Altoga's membership has approved this Agreement and authorized its execution by Altoga's president by an appropriate resolution approved by a least two-thirds of Altoga's membership present in person or by proxy at an annual or special called meeting of Altoga's membership.

## 3. THE DISTRICT'S REPRESENTATIONS

In order to induce Altoga to execute this Agreement, the District makes the following representations:

- 3.1 The District is authorized to execute this Agreement pursuant to a resolution adopted by its Board of Directors and pursuant to §49.211 of the Texas Water Code;
- 3.2 The District agrees that all membership fees paid by Altoga's current members, to the extent that the membership fees can be identified and confirmed in Altoga's books and records, will be accounted for and maintained by the District in the same manner as the District maintains accounts for customer deposits;
- 3.3 The District agrees to increase the number of directors on its board from six (6) to seven (7) directors. After the Effective Date of the transfer of the Altoga's assets and liabilities to the District, the District will appoint a qualified individual that resides in the Altoga service area to the District's board of directors. The

appointee will have the opportunity to run for re-election at the appropriate time; and

- 3.4 The District will take all reasonable and necessary actions to complete the transfer of Altoga's assets to the District, assume the responsibility of operating the System, preparation and filing PUC Sale Merger Transfer form and all other actions required by the PUC to obtain PUC's approval of the transfer of Altoga's assets and CCN to the District.

#### 4. GENERAL PROVISIONS

- 4.1 This Agreement shall be governed by and construed and enforced under the laws of the State of Texas.
- 4.2 The obligations and undertakings of each of the parties to this Agreement shall be performed in Collin County, Texas. Except for matters within the jurisdiction of the TCEQ or its successor, the parties expressly agree that all judicial proceedings to enforce any of the provisions of this Agreement shall take place in Collin County or Travis County, Texas, as appropriate.
- 4.3 This Agreement contains the entire agreement of Altoga and the District with respect to the subject matter of the agreement. No agreement, statement, or promise made by any party or to any employee, agent, or officer of any party, that is not contained in this Agreement shall be valid, binding, or of any force or effect. Any amendments to this Agreement must be in writing and signed by the party or parties to be charged.
- 4.4 This Agreement shall be binding upon the parties hereto and their respective successors, heirs, representatives, and assigns.
- 4.5 This Agreement shall be deemed drafted equally by the Parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against either Party shall not apply.
- 4.6 Should any provision of this Agreement be declared void by a court of competent jurisdiction, the remaining provisions of this Agreement shall remain in full force and effect.
- 4.7 In the event that the terms and conditions of this Agreement are breached by either party, and the parties participate in a proceeding before any state or federal tribunal because the terms and conditions of this Agreement are not being complied with by one of the parties, the prevailing party shall recover its

fees, damages, costs, attorneys' fees, and such other and further relief from the non-prevailing party, general or special, at law or in equity, to which the prevailing party may show itself justly entitled.

- 4.8 The respective signatories to this Agreement represented that they are authorized to sign this Agreement on behalf of their respective party.
- 4.9 The Effective Date of this Agreement is the earlier of 120 days following the events specified in 30 TAC §291.109 (a) or January 1, 2017.
- 4.10 The Closing Date will be Friday, August 26, 2016.

**ALTOGA WATER SUPPLY CORPORATION**

By: 

Billy Boone, President

Date Signed: 8/29/16

**NORTH COLLIN SPECIAL UTILITY DISTRICT**

By: 

Duke Monson, President

Date Signed: Aug 25 2016

**EXHIBIT A  
SPECIAL WARRANTY DEED TO BE EXECUTED BY ALTOGA  
TO CONVEY OF THE ALL REAL PROPERTY OWNED BY ALTOGA  
TO THE DISTRICT**

**AFTER RECORDING RETURN TO:**

North Collin Special Utility District  
P.O. Box 343  
Melissa, Texas 75454-0343

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**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.**

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**SPECIAL WARRANTY DEED**

**Effective Date:** January 1, 2017

**Grantor:** Altoga Water Supply Corporation, a Texas nonprofit corporation

**Grantor's Mailing Address:**

Altoga Water Supply Corporation  
4365 FM 75  
Princeton, Texas 75407  
Collin County

**Grantee:** North Collin Special Utility District, a Texas a political subdivision of the State of Texas

**Grantee's Mailing Address:**

North Collin Special Utility District  
P.O. Box 343  
Melissa, Texas 75454-0343  
Collin County

**Consideration:**

Pursuant to the terms and conditions of a Transfer Agreement by and between the Grantor and Grantee.

**Property (including any improvements):**

As described in Exhibit A attached hereto, together with any and all other real property or any interest in real property, now owned, held, leased, or claimed by Grantor.

**Personal Property:** The property constituting personal property located in or on and used by the Grantor.

All groundwater, being all underground water, percolating water, artesian water, and other waters from any and all reservoirs, formations, depths, and horizons beneath the surface of the earth in and under or that may be produced from the property more particularly described in Exhibit A attached to this deed and incorporated by this reference in it, together with all rights, titles, and interests appurtenant to the water estate and that are necessary or useful in Grantee's operations to find, protect, produce, sever, save, care for, measure, store, treat, and transport water from and over the water estate.

All personal property, including but not limited to permits, licenses, consents, and contracts, if any, pertaining to the water estate.

**Reservations from Conveyance:**

None

**Exceptions to Conveyance and Warranty:**

Subject to the following liens:

That certain Installment Loan from the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, secured by a Real Estate Deed of Trust for Texas, dated December 1, 2004, and being recorded in Volume 5808 at Page 6 of the Real Property Records of Collin County, Texas; and

That certain ARRA Loan from the Texas Water Development Board, secured by a Deed of Trust and Security Agreement dated January 15, 2010, and being recorded as Instrument Number 20100309000223930, in the Real Property Records of Collin County, Texas.

Validly existing easements, rights-of-way, and prescriptive rights, whether of record or not; all presently recorded and validly existing instruments, other than conveyances of the surface fee estate, that affect the Property; and taxes for 2016, if any, which Grantee assumes and agrees to pay, and subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantee assumes.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and

assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

As a material part of the Consideration for this deed, Grantor and Grantee agree that Grantee is taking the Property "AS IS" with any and all latent and patent defects and that there is no warranty by Grantor that the Property has a particular financial value or is fit for a particular purpose. Grantee acknowledges and stipulates that Grantee is not relying on any representation, statement, or other assertion with respect to the Property condition but is relying on Grantee's examination of the Property. Grantee takes the Property with the express understanding and stipulation that there are no express or implied warranties.

For the same Consideration, Grantor sells, transfers, and delivers the Personal Property to Grantee and warrants and agrees to defend title to the Personal Property to Grantee and Grantee's successors and assigns against all lawful claims. Title in the Personal Property passes at the time this deed is delivered.

THE PERSONAL PROPERTY TRANSFERRED TO GRANTEE IS SOLD, TRANSFERRED, AND DELIVERED "AS IS" AND "WITH ALL FAULTS"; FURTHER, GRANTOR EXCLUDES ALL WARRANTIES AND REPRESENTATIONS, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Grantor, for the same Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee, without express or implied warranty, the strips or gores, if any, between the Property and abutting properties and land lying in or under any public thoroughfare, opened or proposed, abutting or adjacent to the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. All warranties that might arise by common law as well as the warranties in section 5.023 of the Texas Property Code (or its successor) are excluded as to the property conveyed by this paragraph.

Grantor assigns to Grantee all funds held in escrow for payment of taxes and insurance premiums. If the casualty insurance policy is to be assigned to Grantee, the transfer will be handled by separate instrument.

Grantor has been paid in full for as described on Exhibit A attached hereto, and any lien, expressed or implied, in favor of Grantor against as described on Exhibit A attached hereto is waived. Grantor's liens are against as described on Exhibit A attached hereto only.

As part of the consideration for this deed, Grantor and Grantee agree that, as between Grantor and Grantee, the risk of liability or expense for environmental problems,

even if arising from events before closing, is the sole responsibility of Grantee, regardless of whether the environmental problems were known or unknown at closing. Grantee indemnifies, holds harmless, and releases Grantor from liability for any latent defects and from any liability for environmental problems affecting the property, including liability under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the Resource Conservation and Recovery Act (RCRA), the Texas Solid Waste Disposal Act, or the Texas Water Code. Grantee indemnifies, holds harmless, and releases Grantor from any liability for environmental problems affecting the property arising as the result of Grantor's own negligence or the negligence of Grantor's representatives. Grantee indemnifies, holds harmless, and releases Grantor from any liability for environmental problems affecting the property arising as the result of theories of products liability and strict liability, or under new laws or changes to existing laws enacted after the effective date that would otherwise impose on Grantor in this type of transaction new liabilities for environmental problems affecting the property.

When the context requires, singular nouns and pronouns include the plural.

**ALTOGA WATER SUPPLY CORPORATION, a**  
Texas nonprofit corporation,

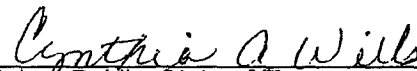
  
\_\_\_\_\_  
**BILLY BOONE**, President

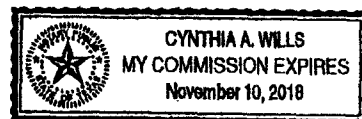
STATE OF TEXAS )

COUNTY OF COLLIN )

Before me, Notary Public, on this day personally appeared **Billy Boone**, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that **Billy Boone** executed the same as the act of Altoga Water Supply Corporation, a Texas nonprofit corporation, as its President and for the purposes and consideration therein expressed.

Given under my hand and seal of office this 29 day of August, 2016.

  
\_\_\_\_\_  
Notary Public, State of Texas





TRACT 1:

Situated in the Rufus Sewall Survey, A-873, Collin County, Texas, said 0.13 acre being out of a tract conveyed to Woodrow Walker by Deed from George B. Russell and recorded in Volume 638, Page 411, of the Deed Records of Collin County and filed on July 28, 1964; the above mentioned 0.13 acre tract being more specifically described by metes and bounds as follows:

BEGINNING at the point where the west right-of-way line of Farm Road No. 75 intersects the north line of the above mentioned Rufus Sewall Survey; said point being further identified as being located at Highway Station No. 155 + 36.4; said point also lying in the south right-of-way line of Farm Road No. 1827; the above described point being the northeast corner of the herein described 0.13 acre tract and the place of beginning of this description;

THENCE North 88° 25' West along the south line of Farm Road No. 1827 a distance of 75.0 feet;

THENCE leaving said right-of-way South 00° 45' West a distance of 75.0 feet;

THENCE South 88° 25' East a distance of 75.0 feet to the west right-of-way of the above mentioned Farm Road No. 75;

THENCE North 00° 45' East along the west line of said Farm Road a distance of 75.0 feet to the place of beginning, containing 0.13 acre, more or less.

TRACT 2(a):

Being situated in Collin County, Texas, in the J. Stiff Survey, Abstract No. 792, being a survey of part of the 27.63 acre tract described in a Deed from Scott O. Stiff to Rynell S. Novak, dated June 19, 1997, recorded in Volume 3940, Page 1658, of the Collin County Deed Records, being described by metes and bounds as follows:

COMMENCING at an iron pin set at the northeast corner of said 27.63 acre tract, an iron pin found bears South 1° 58' 51" West, 0.91 feet;

THENCE North 88° 20' 26" West, with the north line of said 27.63 acre tract, 20.0 feet to an iron pin set at the beginning point;

THENCE South 1° 58' 51" West, 304.93 feet to an iron pin set;

THENCE North 88° 20' 26" West, 300.0 feet to an iron pin set;

THENCE North 1° 58' 51" East, 304.93 feet to an iron pin set in the north line of said 27.63 acre tract;

THENCE South 88° 20' 26" East, with the north line of said 27.63 acre tract, 300.0 feet to the beginning point and containing 2.10 acres.

TRACT 2(b):

TOGETHER with that certain 20 foot permanent road and utility easement created in Easement and Right-of-way executed by Rynell S. Novak to Altoga Water Supply Corporation, dated May 8, 2002, filed May 17, 2002, recorded in Volume 5171, Page 2970, Land Records of Collin County, Texas, said easement located on, over and across the following described tract of land;

BEING situated in Collin County, Texas, in the J. Stiff Survey, Abstract No. 792, being a survey of part of the 27.63 acre tract described in a Deed from Scott O. Stiff to Rynell S. Novak, dated June 19, 1997, recorded in Volume 3940, Page 1658, of the Collin County Deed Records, being described by metes and bounds as follows:

BEGINNING at an iron pin set at the northeast corner of said 27.63 acre tract, an iron pin found bears South 1° 58' 51" West, 0.91 foot;  
 THENCE South 1° 58' 51" West, with the east line of said 27.63 acre tract, 941.68 feet to an iron pin set at the southeast corner of said 27.63 acre tract;  
 THENCE North 88° 38' 06" West, with the south line of said 27.63 acre tract, 20.0 feet to an iron pin set;  
 THENCE North 1° 58' 51" East, 941.79 feet to an iron pin set in the north line of said 27.63 acre tract;  
 THENCE South 88° 20' 26" East, with the north line of said 27.63 acre tract, 20.0 feet to the beginning point and containing 0.432 acre.

TRACT 2(c):

TOGETHER with that certain 10 foot temporary construction easement created in Easement and Right-of-way executed by Rynell S. Novak to Altoga Water Supply Corporation, dated May 8, 2002, filed May 17, 2002, recorded in Volume 5171, Page 2970, Deed Records of Collin County, Texas, located on, over and across the following described tract of land;

BEING situated in Collin County, Texas, in the J. Stiff Survey, Abstract No. 792, being a survey of part of the 27.63 acre tract described in a Deed from Scott O. Stiff to Rynell S. Novak, dated June 19, 1997, recorded in Volume 3940, Page 1658, of the Collin County Deed Records, being described by metes and bounds as follows:

COMMENCING at an iron pin set at the northeast corner of said 27.63 acre tract, an iron pin found bears South 1° 58' 51" West, 0.91 foot;

THENCE North 88° 20' 26" West, with the north line of said 27.63 acre tract, 20.0 feet to an iron pin set; THENCE South 1° 58' 51" West, 304.93 feet to an iron pin set for the beginning point; THENCE South 1° 58' 51" West, 636.86 feet to an iron pin set at the south line of said 27.63 acre tract; THENCE North 88° 38' 06" West, with the south line of said 27.63 acre tract, 10.0 feet to a point; THENCE North 1° 58' 51" East, 636.91 feet to a point; THENCE South 88° 20' 26" East, 10.0 feet to the beginning point and containing 0.146 acre.

TRACT 2(d):

TOGETHER with that certain 30 foot easement for ingress, egress and utilities as created in Distribution Deed dated March 29, 1995, filed May 4, 1995, executed by Johnnie Young, as Independent Executrix under the Last Will and Testament of Lee Stiff, Deceased, to R. O. Stiff, recorded under County Clerk's File No. 95-0030258, Deed Records, Collin County, Texas, located on, over and across the following described tract of land:

BEING situated in the Jesse Stiff Survey, Abstract No. 792 in Collin County, Texas, and being part of a called 52.55 acre tract of land that was conveyed to Lee Stiff in Deed recorded in Volume 281, Page 39 of the Deed Records of Collin County, Texas, being more particularly described by metes and bounds, to-wit:

BEGINNING at an iron pin set at the intersection of the south line of said tract and the west right of way line of FM Hwy. 1827;

THENCE South 88° 51' 30" West with the south line of said tract 787.65 feet to an iron pin found;

THENCE South 89° 22' 29" West at 866.98 feet to an iron pin being the northwest corner of a 15 acre tract, then continuing a total of 916.98 feet to a point;

THENCE North 30 feet to a point;

THENCE North 89° 22' 29" East 917 feet to a point;

THENCE North 88° 51' 30" East 788.17 feet to a point in the west right of way line of FM Hwy. 1827;

THENCE South 1° 01' West with said R.O.W. line 30 feet to the place of beginning.

SAVE AND EXCEPT that portion of the above-described easement which lies within Tracts 2(b) and (c) described above.

**EXHIBIT B  
ASSIGNMENT OF EASEMENTS  
TO BE EXECUTED BY ALTOGA IN ORDER TO TRANSFER  
TO THE DISTRICT ALL PIPELINE EASEMENTS HELD BY ALTOGA**

AFTER RECORDING RETURN TO:

North Collin Special Utility District  
P.O. Box 343  
Melissa, Texas 75454-0343

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**ASSIGNMENT OF EASEMENTS**

**Effective Date:** January 1, 2017

**Assignor:** Altoga Water Supply Corporation, a Texas nonprofit corporation ("Altoga")

**Assignor's Mailing Address:**

Altoga Water Supply Corporation  
4365 FM 75  
Princeton, Texas 75407  
Collin County

**Assignee:** North Collin Special Utility District (the "North Collin")

**Assignee's Mailing Address:**

North Collin Special Utility District  
P.O. Box 434  
Melissa, Texas 75454-0343  
Collin County

Pursuant to the terms and conditions of a Transfer Agreement by and between Altoga and North Collin of even date, Altoga hereby assigns to North Collin all of Altoga's right, title and interest in any and all easements, including but not limited to the easements shown on Exhibit A.

This assignment binds, benefits, and may be enforced by the successors in interest of the parties. When the context requires, singular nouns and pronouns include the plural.

**Altoga Water Supply Corporation,**  
a Texas nonprofit corporation,

By *Billy Boone*  
**Billy Boone, President**

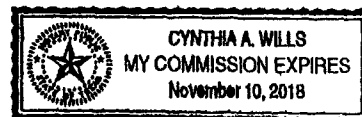
STATE OF TEXAS )

COUNTY OF COLLIN )

Before me, Notary Public, on this day personally appeared **Billy Boone**, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that Billy Boone executed the same as the act of Altoga Water Supply Corporation, a Texas nonprofit corporation, as its President and for the purposes and consideration therein expressed.

Given under my hand and seal of office this 29 day of August, 2016.

*Cynthia A. Wills*  
Notary Public, State of Texas



## LIST OF EASEMENTS

<u>Grantor</u>	<u>Vol/Pg</u>
Vernon Woody	658/11
W.L. Thomas	658/21
Joe Thomas	658/9
Willie Thomas	658/13
Woodrow Walker	658/55
Woodrow Walker	658/57
V.L. Watkins	658/37
Roy J. Wilson	658/69
Homer Trimble	658/25
E. Slaughter	658/27
Ray Stevenson	658/31
E. Slaughter	658/41
Lee Stiff	658/23
Bob Ogle	658/19
J.J. Payne	658/15
Hubert Prince	658/47
W.O. Ramsey	658/43
J.F. Ray	658/51
L.V. Reid	658/5
T.T. Lawson	658/33
J.L. Leake	658/3
J.L. Leake	658/1
Ernest Milligan	658/71
Jewel Lewis	658/7

## LIST OF EASEMENTS

J.W. Miller	658/17
C.L. Miller	658/61
C.L. Miller	658/63
D.T. Miller	658/67
Homer Jay	658/35
J.C. Jewell	658/29
George Jones	658/65
W.P. Cameron	658/39
A.H. Dillard	658/49
Carl Dunn	658/53
Dunn Baptist Church	658/59
Altoga Baptist Church	658/45
James Odom	658/312
L.E. Pelt	658/314
Glen Lawson	658/216
Billy Moore	658/318
W.O. Ramsey	658/378
W.H. Farley	658/378
C.L. Trammell	658/380
Russell Mantooth	658/382
W.O. Ramsey	658/384
D. Houston	658/386
Mack Bomar	658/388
W.O. Ramsey	658/392
Ray Walker	659/11



## LIST OF EASEMENTS

A.D. Florence	659/13
Rolf Olson	659/15
John Hunter	659/17
George Moreland	659/23
H.D. Florence	660/305
Bessie Bomar	666/365
Donnie Vermillion	666/363
Donnie Vermillion	666/361
Rynell Novak	CC# 20020517000715270
Rynell Novak	CC# 20020905001269710
Ralph Plumlee	CC# 20060612000803670
McKinney Meadows	CC# 20060612000803700
McKinney Meadows	CC# 20060612000803680
McKinney Meadows	CC# 20060612000803690
Ralph Plumlee	CC# 20071112001535500

**EXHIBIT C**  
**BILL OF SALE TO BE EXECUTED BY ALTOGA**  
**TO TRANSFER ALL OF ALTOGA'S PLANT, EQUIPMENT, INVENTORY AND**  
**FIXTURES TO THE DISTRICT**

**BILL OF SALE**

**Effective Date:** January 1, 2017

**Seller:** Altoga Water Supply Corporation, a Texas nonprofit corporation

**Seller's Mailing Address:**

Altoga Water Supply Corporation  
4365 FM 75  
Princeton, Texas 75407  
Collin County

**Buyer:** North Collin Special Utility District, a Texas a political subdivision of the State of Texas

**Buyer's Mailing Address:**

North Collin Special Utility District  
P.O. Box 343  
Melissa, Texas 75454-0343  
Collin County

**Consideration:**

Pursuant to the terms and conditions of a Transfer Agreement by and between the Seller and Buyer.

**Transferred Properties:**

All the plant, equipment, inventory, furniture and fixtures described on Exhibit A attached hereto

**Reservations from Transfer:**

None.

**Exceptions to Transfer and Warranty:**

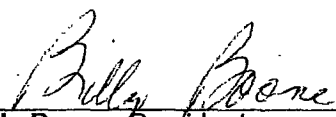
None.

Seller, for the Consideration and subject to the Reservations from Transfer and the Exceptions to Transfer and Warranty, sells, transfers, and delivers the Transferred Properties to Buyer, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Buyer and Buyer's heirs, successors, and assigns forever. Seller binds Seller and Seller's heirs and successors to warrant and forever defend all and singular the Transferred Properties to Buyer and Buyer's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Seller but not otherwise, except as to the Reservations from Transfer and the Exceptions to Transfer and Warranty.

WITH THE EXCEPTION OF THE WARRANTIES OF TITLE, INCLUDING THE WARRANTY THAT NO LIENS EXIST ON THE TRANSFERRED PROPERTIES EXCEPT AS RECITED, SELLER HAS MADE NO AFFIRMATION OF FACT OR PROMISE RELATING TO THE TRANSFERRED PROPERTIES THAT HAS BECOME ANY BASIS OF THIS BARGAIN, AND FURTHER, SELLER HAS MADE NO AFFIRMATION OF FACT OR PROMISE RELATING TO THE TRANSFERRED PROPERTIES THAT WOULD CONFORM TO ANY SUCH AFFIRMATION OR PROMISE. SELLER DISCLAIMS ANY WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE WHATEVER WITH RESPECT TO THE TRANSFERRED PROPERTIES. THE TRANSFERRED PROPERTIES ARE SOLD ON AN "AS IS" BASIS.

When the context requires, singular nouns and pronouns include the plural.

**Altoga Water Supply Corporation, a Texas  
nonprofit corporation,**

By:   
**Billy Boone, President**

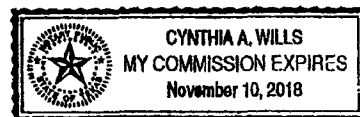
STATE OF TEXAS )

COUNTY OF COLLIN )

Before me, Notary Public, on this day personally appeared **Billy Boone**, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that **Billy Boone** executed the same as the act of Altoga Water Supply Corporation, a Texas nonprofit corporation, as its President and for the purposes and consideration therein expressed.

Given under my hand and seal of office this 29 day of August, 2016.

Cynthia A. Wills  
Notary Public, State of Texas



**EXHIBIT A**  
**LIST OF ALL THE PLANT, EQUIPMENT, INVENTORY, FURNITURE AND FIXTURES**  
**TRANSFERRED FROM**  
**ALTOGA WATER SUPPLY CORPORATION TO**  
**NORTH COLLIN SPECIAL UTILITY DISTRICT**

**WATER UTILITY PLANT PERSONALTY  
EXHIBIT A**

1. 2 water wells with pumps, master meters, related control equipment
2. 3 service booster pumps of approx. 300 GPM@50 psi each with related controls
3. 2 ground storage tank of 40,000 gallon capacity
4. 3 pressure tank of 3,400 gallon capacity
5. Water distribution system with related shut off and flush valves
6. 211 water service connections (more or less) with related piping fittings, meters, and meter boxes
7. 1 structure office
8. 1 overhead storage tank of 150,000 gallon capacity,
9. fencing
10. air conditioner at office
11. copy machine
12. fax machine
13. other plant and miscellaneous equipment
14. all inventories of chemicals, supplies, and fittings
15. all customer billing records
16. governmental permits (CCN) and correspondence
17. utility system maps and diagrams
18. utility tariffs
19. lab and engineering reports
20. vendor and utility deposits
21. operating expense invoice copies and property accounts and utility construction/plant invoices in Altoga Water Supply Corporation's possession
22. 2 chlorination equipment

**EXHIBIT D**

**ASSIGNMENT OF ACCOUNTS  
TO EXECUTED BY ALTOGA IN ORDER TO TRANSFER  
ALL OF ALTOGA'S DEPOSITORY ACCOUNTS, INVESTMENT ACCOUNTS  
AND ACCOUNTS RECEIVABLE DUE FROM  
ALTOGA'S MEMBERS OR THIRD PARTIES**



### ASSIGNMENT OF ACCOUNTS

**Effective Date:** January 1, 2017

**Assignor:** Altoga Water Supply Corporation, a Texas nonprofit corporation ("Altoga")

**Assignor's Mailing Address:**

Altoga Water Supply Corporation  
4365 FM 75  
Princeton, Texas 75407  
Collin County

**Assignee:** North Collin Special Utility District (the "North Collin")

**Assignee's Mailing Address:**

North Collin Special Utility District  
P.O. Box 343  
Melissa, Texas 75454-0343  
Collin County

Pursuant to the terms and conditions of a Transfer Agreement by and between Altoga and North Collin of even date, Altoga has conveyed the following accounts to North Collin:

1. The checking account at Citizen's State Bank and all funds contained in such account, including all deposits in transient, subject to all outstanding checks, bank fees or charges; and
2. All of Altoga's accounts receivable for water service from its members and any other receivables, accounts, notes, charges or claims due Altoga from any third party.

This assignment binds, benefits, and may be enforced by the successors in interest of the parties. When the context requires, singular nouns and pronouns include the plural.

**Altoga Water Supply Corporation, a Texas  
nonprofit corporation,**

By: *Billy Boone*  
Billy Boone, President

STATE OF TEXAS )

COUNTY OF COLLIN )

Before me, Notary Public, on this day personally appeared **Billy Boone**, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that Billy Boone executed the same as the act of Altoga Water Supply Corporation, a Texas nonprofit corporation, as its President and for the purposes and consideration therein expressed.

Given under my hand and seal of office this 29 day of August, 2016.

*Cynthia A. Wills*  
Notary Public, State of Texas



**EXHIBIT E**  
**ALTOGA'S MEMBERSHIP LIST**

Friday, August 12, 2016

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**SHORT CUSTOMER LIST**

Altoga Water Supply Corp.

ACCT #	ROUTE #	NAME	BILLING ADDRESS		PHONE
1	1	McMahan, J. D.	2012 FM 75	Princeton TX 75407	(972)736-2896
2	1	Pease, Betty I.	2052 FM 75	Princeton TX 75407	(972)809-0119
3	1	Robinson, John	P.O. Box 8	Princeton TX 75407	(972)734-2591
4	1	Robinson, Raymond	P. O. Box 8	Princeton TX 75407	(972)734-2591
5	1	Rigid Concepts, LLC	Attn: Johnny Dickson	McKinney TX 75069	(214)504-4575
6	5	Van Derveer, Karen	717 High Point Drive, Pri	Princeton TX 75407	(803)736-2325
7	1	Harwell, Fisher D., Sr.	2564 FM 75	Princeton TX 75407	(214)202-1089
8	4	Knighton, Randy/Heather	7818 Lake Ridge Ln	McKinney TX 75071	(480)559-0721
9	1	Arciniegz, Tiburcio	1211 Lassen Lane	McKinney TX 75069	(972)302-1715
10	1	Redden, Douglas	7953 CR 464	Princeton TX 75407-	(972)736-6254
11	1	Redden, Douglas	7953 CR 464	Princeton TX 75407	(972)736-6254
12	1	Bachran, Terry	P. O. Box 6	Princeton TX 75407-	(972)734-1481
13	1	Bewley, Dustin	3040 Fm 75	Princeton TX 75407-	(903)715-2401
14	1	Armstrong, David	3060 FM 75	Princeton TX 75407	(817)343-4743
15	4	Murillo, Leovardo	6220 FM 1827	McKinney TX 75071	(972)838-8014
16	1	James, Donald A.	3350 FM 75	Princeton TX 75407-	(972)736-2792
17	1	Chapman, Jackie	Lanier	Princeton TX 75407	(469)569-6349
18	1	James, Dave	7674 CR 831	Princeton TX 75407-	(972)736-3656
19	1	Brown, Robert	7865 CR 831	Princeton TX 75407	(972)736-3685
20	1	Freeman, Danny	7881 CR 831	Princeton TX 75407-	(214)502-7883
21	1	Smith, Randy	7955 CR 831	Princeton TX 75407-	(972)898-1481
22	1	Lopez, Sandy	7911 CR 831	Princeton TX 75407	(214)729-7684
23	1	Bridges, Misty	7988 CR 831	Princeton TX 75407	(214)215-1015
24	1	Alaniz, David	8012 CR 831	Princeton TX 75407-	(469)396-6808
25	1	Stroup, John	8068 CR 831	Princeton TX 75407-	(972)734-6343
26	1	Stroup, John	8068 CR 831	Princeton TX 75407	(214)578-0402
27	10	Morris, Judy	Morris, Mark	Princeton TX 75407	(972)330-3510
28	1	Mitchell, Margaret C.	4132 FM 546	Princeton TX 75407	(972)734-3269
29	10	Aziz, Tariq	c/o Khalid Aziz	Stanford CA 94305-	(650)723-9116
30	4	Skylar, Bryan	117 Meadow Crossing Drive	McKinney TX 75071	(214)394-7830
31	1	Collins, Cory	P.O. Box 382	Princeton TX 75407-	(214)551-1182
32	1	Villalba, Marcos	4310 FM 75	Princeton TX 75407	(972)589-4074
33	1	Gaspar, Jamie L.	Miller, Joanie	Princeton TX 75407	
34	1	Thomas, Linda	4376 FM 75	Princeton TX 75407-	(972)658-3832
35	2	Pearce, Adam	5045 FM 1827	McKinney TX 75071	(469)396-2229
36	2	Walker Family Farms, Ltd	Lou Ann Peacock	Beaumont TX 77706-	(888)835-2999
37	2	Walker Family Farms.LTD	Lacy, Robert Arthur	McKinney TX 75071	
38	2	Vaughan, Randy	4418 FM 1827	McKinney TX 75071-	(214)592-7375
39	10	Walker Family Farms, Ltd	Lou Ann Peacock	Beaumont TX 77706	
40	2	Ferguson, Susan	4046 FM 1827	McKinney TX 75071	(214)435-2184
41	2	New Hope Community Ch	3849 FM 1827	McKinney TX 75071-	(972)542-0715
42	2	Miller, Jackie Don	6168 CR 988	McKinney TX 75071-	(214)533-1896
43	2	Miller, Blaine	P.O. Box 2991	McKinney TX 75070-	(972)562-7302

Attachment No. 1 - Question 12

North Collin SUD

P. O. Box 343, 2333 Sam Rayburn Hwy.,  
Melissa, Texas 75454

Friday, August 12, 2016

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**SHORT CUSTOMER LIST**

Altoga Water Supply Corp.

ACCT #	ROUTE #	NAME	BILLING ADDRESS			PHONE
44	2	Miller, Jackie Don	6168 CR 988	McKinney	TX 75071	(972)562-7302
45	2	Richardson, Jackie	113 Springfield Dr.	Cooper	TX 75432	(972)542-1445
46	2	Richardson, Brad	3333 FM 1827	McKinney	TX 75071	
47	2	Frazier, Chad	3181 FM 1827	McKinney	TX 75071-	(972)544-3916
48	2	McKinnis, Jo Ann	3147 FM 1827	McKinney	TX 75071-	(972)562-6874
49	2	Boone, Billy	2141 Broken Arrow Lane	McKinney	TX 75071-	(972)548-1560
50	4	Brinkley, David	207 Meadow View Dr	McKinney	TX 75071	(214)507-9079
51	2	Jones, Rex	2967 FM 1827	McKinney	TX 75071-	(972)529-2950
52	2	Guffey, Hoyt	2931 FM 1827	McKinney	TX 75071-	(972)542-5735
53	2	Minshew, Gary	2813 FM 1827	McKinney	TX 75071-	(972)542-6339
54	5	Tom Robertson/Century 21	1389 Alamo Court	Frisco	TX 75033	(972)741-6006
55	2	Minshew, Gary	2813 FM 1827	McKinney	TX 75071	(972)542-6339
56	2	Odle, Mrs. J. O.	2662 FM 1827	McKinney	TX 75071-	(972)542-1913
57	2	Ellis, Terry	2621 FM 1827	McKinney	TX 75071-	(972)979-8526
58	2	Shin, Mimi	2529 FM 1827	McKinney	TX 75071	(214)693-9049
59	2	Carlson, Donald	2447 FM 1827	McKinney	TX 75071-	(972)562-6614
60	4	Ellis, Cindy	5995 FM 1827	McKinney	TX 75071-	(214)592-6750
61	4	Hawley, Carmesha	7060 CR 1218	McKinney	TX 75071	(469)684-8005
62	4	Armstrong, Melissa	7610 McKinney Meadows Dr.	McKinney	TX 75071	(214)254-8372
63	5	Monzingo, Robert	4997 CR 465	McKinney	TX 75071-	(972)731-5151
64	3	Kemp, Suzy O.	5450 CR 412	McKinney	TX 75071-	(972)837-2663
65	3	Gross, Steve	5273 CR 412	McKinney	TX 75071	(972)837-2348
66	3	Gross, Steve	5273 CR 412	McKinney	TX 75071	(972)837-2348
67	3	Brewer, Claude	501 Keith Drive	Allen	TX 75002	(972)390-9881
68	5	Smith, Kevin	7422 CR 466	Princeton	TX 75407	(972)562-0583
69	3	Brewer, Claude	501 Keith Drive	Allen	TX 75002	(972)390-9881
70	3	Angell, Deanna	5653 CR 469	McKinney	TX 75071	(214)497-4669
71	3	Webb, Kevin-Altura Home	5763 S. State HWY 205	Rockwall	TX 75032	(214)771-0943
72	4	Robinson, Matt	110 Meadow View Dr.	McKinney	TX 75071	(972)670-3426
73	4	Acosta, Ricardo	6250 FM 1827	McKinney	TX 75071	(214)551-0889
74	3	Bacon, Brad	6967 FM 1827	McKinney	TX 75071	(281)303-6052
75	3	Chambers, Erwin	7072 CR 469	McKinney	TX 75071	(214)543-6844
76	3	Marshall, Keith	6977 FM 1827	McKinney	TX 75071-	(972)542-2934
77	3	Francis, Glynn	117 Topic Street	Monroe	LA 71203	(214)422-7768
78	3	Nauta, Tiffanie	6777 CR 1038	McKinney	TX 75071-	(203)217-4743
79	3	Wolgamott, Lisa/Michel	7459 FM 1827	McKinney	TX 75071	(972)984-1772
80	3	Marshall, Keith	6977 FM 1827	McKinney	TX 75071-	(972)542-2934
81	3	Yowell, Kelley	6884 FM 1827	McKinney	TX 75071	(806)236-5508
82	3	Owen's Ranches, Inc	c/o Randy Kaiser	Melissa	TX 75454	(972)838-2988
83	3	Berghauser, Dorothy	6805 FM 1827	McKinney	TX 75071	(972)658-0258
84	3	Alexander, Thomas	5904 Dorset Dr.	Plano	TX 75093	(469)441-2465
85	4	Wilson, Rhonda	6786 FM 1827	McKinney	TX 75071	(469)450-2330
86	4	Lawson, Marty	1904 Meandering Way	McKinney	TX 75071	(972)542-7026

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North Collin SUD

P. O. Box 343, 2333 Sam Rayburn Hwy.,  
Melissa, Texas 75454

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**SHORT CUSTOMER LIST**

Altoga Water Supply Corp.

ACCT #	ROUTE #	NAME	BILLING ADDRESS		PHONE
87	4	Davis, John	6767 FM 1827	McKinney TX 75071	
88	4	Wilson-Taylor, Corie	239 Tickey Drive	Princeton TX 75407	(972)439-4970
89	4	Fuller, Shawn	6736 FM 1827	McKinney TX 75071-	(972)322-5666
90	4	Lawson, Marty	1904 Meandering Way	McKinney TX 75071	(972)542-7026
91	4	White, Mrs. Doyle	6697 FM 1827	McKinney TX 75071	(972)562-1980
92	4	Moore, Rebekah	6694 FM 1827	McKinney TX 75071	(972)302-2277
93	4	Darnell, Gary	606 Lincoln Court	Arlington TX 76006	(817)303-7477
94	4	Altoga Baptist Church	6594 FM 1827	McKinney TX 75071	(972)542-2727
95	4	Fowles, Paula	6570 FM 1827	McKinney TX 75071	(972)548-8325
96	4	Paschali, Grant	6554 FM 1827	McKinney TX 75071-	(214)704-3614
97	4	Darnell, William D.	6537 FM 1827	McKinney TX 75071	(972)548-7358
98	5	Riley, James	4233 CR 463	Princeton TX 75407	(972)569-7307
99	4	Gray, Greg	6476 FM 1827	McKinney TX 75071	(214)585-0791
100	4	Zolczer, Pam	P. O. Box 516	Princeton TX 75407	(972)965-5887
101	4	Driver, William	6398 FM 1827	McKinney TX 75071	(972)727-2883
102	4	Fitzhugh, Shirley	Gilbert, Walter	McKinney TX 75071	(972)569-9594
103	4	Mills, Clifton	6261 FM 1827	McKinney TX 75071	(972)303-1882
104	4	Hathcock, Leroy	6241 FM 1827	McKinney TX 75071	(972)542-7826
105	4	Taylor, Ross	7110 CR 1218	McKinney TX 75071	(972)977-6297
106	4	Arreola, Lucia	P.O. Box 1333	Princeton TX 75407	
107	4	Acosta, Jorge	6140 FM 1827	McKinney TX 75071	
108	4	Jones, Greg	208 Meadow View Dr.	McKinney TX 75071	(469)450-1450
109	4	Eshelman, Cherie	6079 FM 1827	McKinney TX 75071	
110	4	Saldivar, Ann M.	PO Box 742	McKinney TX 75070	(214)471-4961
111	4	Fisher, Debbie	6053 FM 1827	McKinney TX 75071	(972)838-7407
112	4	Hughes, Jimmy	5974 FM 1827	McKinney TX 75071	(972)542-4495
113	4	Miller, Darrell	5890 FM 1827	McKinney TX 75071	(972)542-4978
114	4	Petit, Michael	107 Meadow View Dr.	McKinney TX 75071	(214)709-7602
115	10	Patterson, Michael	8010 CR 466	Princeton TX 75407	(972)734-1040
116	4	Treadway, Mark	7507 CR 995	McKinney TX 75071	(580)318-4193
117	4	Cox, Adam M.	6800 CR 995	McKinney TX 75071	(214)544-8899
118	4	Treadway, Betina	6877 CR 995	McKinney TX 75071	
119	4	Kurzaj, John	Kurzaj, Laura	McKinney TX 75071	(512)618-1568
120	5	Cramer, Joel	4320 CR 463	Princeton TX 75407-	(214)578-2678
121	5	O'Dell, Mark	4390 CR 463	Princeton TX 75407	(972)548-4994
122	4	Pineda, Ramon	5278 FM 1827	McKinney TX 75071-	(214)469-6783
123	5	Blencowe, Jr., Robert	7391 CR 466	Princeton TX 75407	(972)542-0432
124	5	Baker, David	7855 CR 466	Princeton TX 75407	(972)276-5161
125	5	Rogers, Patsy Lawson	8370 CR 466	Princeton TX 75407	(972)542-1113
126	5	Lawson, Jimmy	8370 CR 466	Princeton TX 75407	(972)542-1113
127	5	Torres, Justo	4373 CR 465	Princeton TX 75071	(469)667-3807
128	5	Campbell, John	4437 CR 465	McKinney TX 75071	(972)542-3187
129	4	Preneta, Denise	7612 Lake Ridge Lane	McKinney TX 75071	(214)995-4922

Attachment No. 1 - Question 12

North Collin SUD

P. O. Box 343, 2333 Sam Rayburn Hwy.,  
Melissa, Texas 75454

Friday, August 12, 2016

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**SHORT CUSTOMER LIST**

Altoga Water Supply Corp.

ACCT #	ROUTE #	NAME	BILLING ADDRESS		PHONE
130	5	Santana, Antonio	1004 Baker St	McKinney TX 75069	(214)274-5346
131	5	Starnes, Brenda	124 West Burke Ave	Lufkin TX 75904	(936)639-3539
132	5	Kulak, Michael	4792 CR 465	McKinney TX 75071-	(469)740-4596
133	5	Watkins, Billy	4786 CR 465	McKinney TX 75071	(972)542-3613
134	5	Snow, Elaine	4996 Paint Horse Trail	McKinney TX 75071	(972)542-7880
135	5	Dueer, Gary	4960 Paint Horse Trail	McKinney TX 75071	(972)838-0161
136	5	Addis, Marjorie	5211 CR 465	McKinney TX 75071	(469)742-9694
137	5	Ragsdale, Stan	Ragsdale, Zodi	Allen TX 75013	(214)437-0963
138	4	Garza, Josh	201 Meadow View Dr.	McKinney TX 75071	(806)236-6955
139	5	Dowling, Angela	5109 CR 468	McKinney TX 75071-	(469)422-8659
140	4	Johnson, Kim	7519 McKinney Meadows Dr.	McKinney TX 75071	(214)670-2241
141	5	Scaif, Wallace	5311 CR 465	McKinney TX 75071	(972)542-2010
142	5	Mawi, Saki	5314 CR 465	McKinney TX 75071	(972)529-6408
143	5	Zorb Trade LLC	5192 CR 465	McKinney TX 75071	(214)332-8750
144	5	Thomas, Phillip	7382 CR 466	Princeton TX 75407	(972)542-7912
145	4	Scalise, Tony	P.O. Box 221	McKinney TX 75070	(972)838-5118
146	4	Stephens, Joy	909 McKinney Avenue	Princeton TX 75407	(972)757-6042
147	4	Willett, Paul	4196 CR 1001	McKinney TX 75071	(972)548-2129
148	5	Evans, Royce	3928 CR 463	Princeton TX 75407	(214)733-0095
149	4	Medrano, Yolanda	5918 FM 1827	McKinney TX 75071	(469)952-1911
150	1	Sparks, Tim	4143 CR 1001	McKinney TX 75071	(903)355-4523
151	1	Leflar, Richard	4142 CR 1001	McKinney TX 75071	(972)542-3164
152	1	Willett, Jeff	4195 CR 1001	McKinney TX 75071	(469)396-9973
153	2	Thomas, Zina	5063 FM 1827	McKinney TX 75071	(972)838-8962
154	1	Purser, William R.	P.O.Box 1033	Princeton TX 75407	(214)733-0482
155	1	McDaniel, Rodney	8842 CR 863	Princeton TX 75407	
156	4	Treadway, Shane	7040 CR 995	McKinney TX 75071	(972)542-5726
157	2	Queen, Kay	507 E College Ave	Clarksville TX 75426	(469)999-8093
158	1	Anderson, Jill	P. O. Box 411	Princeton TX 75407	(972)569-7046
159	3	Buckner, Robert L.	5274 CR 412	McKinney TX 75071	(972)838-9396
160	1	McDaniel, Rodney A.	8842 CR 863	Princeton TX 75407	(972)736-6550
161	4	Gomez, Augustine	6058 FM 1827	McKinney TX 75071	(469)499-4503
162	2	Bewley, Jim	5521 Bomar Lane	McKinney TX 75071	(817)265-1370
163	4	Johnson, Gerald	123 Meadow View	McKinney TX 75071	(214)601-4116
164	4	Frias, Cosme	6088 FM 1827	McKinney TX 75071	(214)556-7505
165	4	McIntire, J. W.	5190 FM 1827	McKinney TX 75070	(972)548-9873
166	5	Morris, Mark	7560 CR 466	Princeton TX 75407	(214)733-2247
167	5	Auldrige, Mikel	7382 CR 466	Princeton TX 75407	(469)396-3916
168	2	Lacy, James A.	P.O. Box 657	McKinney TX 75070	(214)402-1240
169	3	Kurlinski, Joshua	5565 CR 469	McKinney TX 75071	(702)688-9424
170	3	Womack, Kevin	5343 CR 469	McKinney TX 75071	(214)202-5957
171	1	Green, Becky	4350 FM 75	Princeton TX 75407	(972)542-1817
172	4	Delgado, Hilario	6270 FM 1827	McKinney TX 75071	(469)334-8042

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North Collin SUD

P. O. Box 343, 2333 Sam Rayburn Hwy.,  
Melissa, Texas 75454

Friday, August 12, 2016

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**SHORT CUSTOMER LIST**

Altoga Water Supply Corp.

ACCT #	ROUTE #	NAME	BILLING ADDRESS		PHONE
173	4	Rios, Jesus	6240 FM 1827	McKinney TX 75071	
174	4	Trejo, Jose	6260 FM 1827	McKinney TX 75071	(972)542-9890
175	5	Gilliam, Lynn	7504 CR 466	Princeton TX 75407	(214)796-3436
176	5	Davidson, Jane	4949 CR 465	McKinney TX 75071	(214)415-5137
177	5	Tenbrink, John	4911 CR 465	McKinney TX 75071	(303)506-8962
178	5	Cosby, Karen	8004 CR 466	Princeton TX 75407	(469)742-0810
179	2	Miller, Jackie Don	6168 CR 988	McKinney TX 75071	(214)533-1896
180	5	Mitchell, Chad	Mitchell, Jenny	Princeton TX 75407	(214)600-3526
181	5	Baker, Robert	7871 CR 972	McKinney TX 75071	(214)505-9288
182	5	Zundel, Lee	787 High Point	Princeton TX 75407	
183	5	Caldwell, Leland	7916 CR 466	Princeton TX 75407-	(469)853-7585
184	4	Segura, Magali	7614 McKinney Meadows Dr.	McKinney TX 75071	(361)523-9381
185	5	Miyahira, Lourdes	4383 CR 463	Princeton TX 75407-	(214)663-3994
186	5	CHR Stiff Creek, LLC	2355 Edmonson Drive	Lucas TX 75002	(972)658-2597
187	4	Trejo, Jose	1512 Chester Drive	Plano TX 75025	(469)853-8856
188	4	Leach, Ann	7615 McKinney Meadows Dr.	McKinney TX 75071	(214)688-2051
189	5	Staten, Jesse	4337 CR 463	Princeton TX 75407	(215)680-5695
190	5	Merry Norwood	4255 CR 463	Princeton TX 75407	(972)877-8567
191	1	Telles, Crystal	8850 CR 464	Princeton TX 75407	(972)989-2758
192	5	Rhodes, Mark	4996 Paint Horse Trail	McKinney TX 75071	(972)542-7880
193	5	Lockhart, Robert	7862 CR 972	McKinney TX 75071	(972)658-5998
194	5	Barker, Joli	7870 CR 972	McKinney TX 75071	(972)569-8404
195	1	Bult, Diane	8249 CR 464	Princeton TX 75407	(972)533-7018
196	1	Secondine, Glenn A.	1310 N. Graves	McKinney TX 75069	(972)897-2687
197	1	Foster, Franklin	8543 CR 464	Princeton TX 75407	(972)734-3885
198	1	Adamson, Roger	P.O. Box 830308	Richardson TX 75083	(214)342-0299
199	1	McMahan, Jackie D.	2012 FM Road 75	Princeton TX 75407	(972)736-2896
200	1	Guinn, Sheli	2780 CR 463	Princeton TX 75407-	(214)491-7615
201	1	Templeman, Wayne B.	c/o Tom Opal Templeman	Princeton TX 75407	(214)679-3722
202	1	Templeman, Opal Tom	3034 CR 463	Princeton TX 75407	(972)736-2201
203	10	Massmann, Calvin	197 Lantana Vista	Spring Branch TX 78070	(830)438-7125
204	5	Bagshaw, Donavan	714 Highpoint Dr	Princeton TX 75407	(801)420-0111
205	5	Patterson, Micheal	8010 CR 466	Princeton TX 75407-	(214)384-6326
206	1	McGuffin, Harold	7463 CR 831	Princeton TX 75407	(469)952-4478
207	4	McElroy, Sean	7607 McKinney Meadows Dr.	McKinney TX 75071	(405)824-1069
208	5	Sheppard, Doug	755 High Point Dr.	Princeton TX 75407	(972)849-1640
209	4	Guarro, Eric		McKinney TX 75071	(386)785-4949
210	5	Washington, Yulia	750 High Point Drive	Princeton TX 75407	(214)454-2508
211	4	Mycke, Kristin	312 Meadow View Dr.	McKinney TX 75071	(469)261-7019
212	4	Towner, David	220 Meadow View Dr	McKinney TX 75071	(214)773-8095
213	4	Niehaus, Carolyn	Niehaus, Michael	McKinney TX 75071	(214)703-4068
214	4	Heslink, John	7815 Lake Ridge Lane	McKinney TX 75071	(214)533-6783
215	4	Day, Stefani	Day, Travis	McKinney TX 75071	(214)714-6931

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P. O. Box 343, 2333 Sam Rayburn Hwy.,  
Melissa, Texas 75454



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**SHORT CUSTOMER LIST**

Altoga Water Supply Corp.

ACCT #	ROUTE #	NAME	BILLING ADDRESS			PHONE
216	4	Starrett, Shawn	7817 Stiff Point Circle	McKinney	TX 75071	(214)537-8405
217	4	Whitlow, Linda	5976 FM 1827	McKinney	TX 75071	(972)658-6104
218	5	Devine, Otis	4464 CR 463	Princeton	TX 75407	(469)766-9725
219	3	Vacant			0	(916)532-7167
220	5	Haskin, Carol	7552 CR 466	Princeton	TX 75407	(214)649-9726
221	4	Snyder, Wendy	6302 Mesquite Trail	McKinney	TX 75071	(214)908-7709
222	4	McDowell, Jason	6608 Mesquite Trail	McKinney	TX 75071	(903)240-9291
223	4	Hall, Darla	6604 Mesquite Trail	McKinney	TX 75071	(214)493-1947
224	4	Gideon, Jeremy	6506 Mesquite Trail	McKinney	TX 75071	
225	4	Allen, Jean	Allen, Micheal	McKinney	TX 75071-	(214)215-6163
226	4	Orr, Dewayne	6201 Mesquite Trail	McKinney	TX 75071	(512)826-0353
227	4	Martin-Mellus, J	6205 Mesquite Trail	McKinney	TX 75071	
228	4	Garner, Hunter	Garner, Ashley	McKinney	TX 75071	(469)400-4992
229	4	Lyon, Kimberly	6609 Mesquite Trail	McKinney	TX 75071	(972)540-5893
230	4	Schmertman, Douglas	Schmertman, Theresa	McKinney	TX 75071	(763)458-5708
231	4	Stacher, Heath	6306 Mesquite Trail	McKinney	TX 75071	(972)369-6018
232	4	Burke, Chris	6209 Mesquite Trail	McKinney	TX 75071	(469)422-0989
233	4	Walsh, Margaret	6605 Mesquite Trail	McKinney	TX 75071	(908)574-8218
234	4	Ganio, Gino	6303 Mesquite Trail	McKinney	TX 75071	(615)830-5890
235	1	Simmons, Howard	300 Booker Court	Prosper	TX 75078	(850)376-9333
236	4	Koval, Elaine	6501 Mesquite Trail	McKinney	TX 75071	(908)453-3519
237	4	Hooser, Derrek	226 Meadow View Dr.	McKinney	TX 75071	(214)802-4289
238	4	Koval, Alison	6507 Mesquite Trail	McKinney	TX 75071	(908)892-3450
239	4	Ladd, Shelley	205 Meadow Crossing	McKinney	TX 75071	(469)628-2617
240	4	Humke, Julia/Robert	6810 Co RD 995	McKinney	TX 75071	(719)238-3396
241	4	Maldonado, April	315 Meadow Crossing	McKinney	TX 75071	(214)533-7245
242	4	Murphy, Keith	115 Meadowview Drive	McKinney	TX 75071	(903)714-7820
243	4	Contreras, Esmael	109 Meadow Crossing Dr.	McKinney	TX 75071	(214)564-6798
244	4	Calvert, Lynn	125 Meadow Crossing Dr	McKinney	TX 75071	(469)323-4307
245	4	Eddings, Holly	219 Meadow Crossing Drive	McKinney	TX 75071	(469)500-7690
246	4	Wright, Eric	126 Meadow View Drive	McKinney	TX 75071	(469)525-7027
247	4	Burkham, Dawn	7816 Stiff Point Circle	McKinney	TX 75071-	(972)922-1041
248	5	Bardin, Johnny	4476 CR 465	McKinney	TX 75071	(469)247-5639
249	4	Shelley, Justin	7819 Lake Ridge Lane	McKinney	TX 75071	(214)733-4738
250	4	Welch, Mark	7807 Lake Ridge Lane	McKinney	TX 75071	(918)724-4166
251	10	WOPAC COMSTRUCTIC	Leach, Adam	Prosper	TX 75078	(972)562-8316
252	3	Kemp, Suzy O	5450 CR 412	McKinney	TX 75071	(972)529-0749
253	4	Rhea, John	118 Meadow View Drive	McKinney	TX 75071	(972)571-1026
254	4	Lewis, Elvin	Lewis, Hope	McKinney	TX 75071	(318)418-0563
255	4	Pucket, Travis	Stacey Puckett	McKinney	TX 75071	(309)945-6490
256	4	Felix, Frank	6208 Mesquite Trail	McKinney	TX 75071	(214)856-9014
257	4	Styles, Karen	204 Meadow View Drive	McKinney	TX 75071	(214)842-4638
258	4	Newton, Mathew	225 Meadow Crossing Drive	McKinney	TX 75071	(817)680-3447

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North Collin SUD

P. O. Box 343, 2333 Sam Rayburn Hwy.,  
Melissa, Texas 75454

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**SHORT CUSTOMER LIST**

Altoga Water Supply Corp.

ACCT #	ROUTE #	NAME	BILLING ADDRESS	PHONE
259	4	McDonald, Robert	McDonald-May, Marilyn	McKinney TX 75071 (903)217-6405
260	4	Clipperton, Chad	Clipperton, Amy	McKinney TX 75071 (469)247-8000
261	4	Pospisil, Jimmie	Pospisil, Amy	McKinney TX 75071 (214)564-3414
262	4	Genton, Van	Genton, Amy	McKinney TX 75071 (972)922-2136
263	4	Stafford, Matthew	Stafford, Trishia	McKinney TX 75071 (972)979-1738
264	4	Chen, Henry	414 Overland	McKinney TX 75071 (626)233-0378
265	4	1st Choice Home Centers	720 Valley Ridge Circle	Lewisville TX 75057 (972)221-9800
266	4	Robertson, Jennifer	Robertson, Erhard	McKinney TX 75071 (717)515-0054
267	4	Santana, Mario	311 Meadow Crossing Drive	McKinney TX 75071 (678)215-6632
268	4	Corona, Andres	Judkins, Casey	McKinney TX 75071 (214)984-0343
269	4	Christian, Mark	8008 Meadow Glen Drive	McKinney TX 75071 (940)256-0351
270	4	Segleski, Matt	Po Box 614	Melissa TX 75454 (903)918-6175
271	4	Hicks, Gerald	Hicks, Sandy	McKinney TX 75071 (972)743-1906
272	4	Clow, Laura	7417 McKinney Meadows	McKinney TX 75071 (972)322-4312
273	4	Hill, Brandon	7401 McKinney Meadows	McKinney TX 75071 (214)686-2902
274	4	Cox, Russell	811 Poney Express Trail	McKinney TX 75071 (972)333-0345
275	4	Cloidt, Justin	501 Pony Express Trail	McKinney TX 75071 (940)999-3047
276	4	Townsend, Mark	514 Pony Express Trail	McKinney TX 75071-
277	4	Barbee, Jason	7818 Meadow Grove Drive	McKinney TX 75071
278	4	Ray, Travis	Ray, Valerie	McKinney TX 75071
279	1	Massmann, Calvin	197 Lantana Vista	Spring Branch TX 78070 (830)438-7125
280	1	Massmann, Calvin	197 Lantna Vista	Spring Branch TX 78070
281	10	Massmann, Calvin	197 Lantana Vista	Spring Branch TX 78070
282	10	Massmann, Calvin	197 Lantana Vista	Spring Branch TX 78070
283	10	Massmann, Calvin	197 Lantana Vista	Spring Branch TX 78070
284	10	Massmann, Calvin	197 Lantana Vista	Spring Branch TX 78070
285	10	Massmann, Calvin	197 Lantana Vista	Spring Branch TX 78070
286	10	Massmann, Calvin	197 Lantana Vista	Spring Branch TX 78070
287	10	Massmann, Calvin	197 Lantana Vista	Spring Branch TX 78070
288	10	Massmann, Calvin	197 Lantana Vista	Spring Branch TX 78070
289	10	Massmann, Calvin	197 Lantana Vista	Spring Branch TX 78070
290	10	Massmann, Calvin	197 Lantana Vista	Spring Branch TX 78070
291	10	Massmann, Calvin	197 Lantana Vista	Spring Branch TX 78070
292	4	Spinelli, Brenda K	7909 Meadow Grove Drive	McKinney TX 75071- (214)878-9524
293	4	Bruner, Hope	Bruner, Erich	McKinney TX 75071
294	4	Moore, Danny	Moore, Kathleene	McKinney TX 75071
295	4	Cross, Micheal	8015 Meadow Glen Drive	McKinney TX 75071- (972)215-6428
296	4	Byard, Eric	7919 Meadow Grove Dr	McKinney TX 75071 (214)395-2430
297	4	Needham, Ron	Needham, Karla	McKinney TX 75071 (214)763-4065
298	4	Waters, Gerald	8017 Meadow Grove Drive	McKinney TX 75071- (214)546-9188
299	4	Kintz, Kevin	Kintz, Jane	McKinney TX 75071 (214)923-5088
300	4	Mitchell, Chanley	7817 Meadow Grove Drive	McKinney TX 75071 (214)354-7485
301	4	Barker, Chad & Misty	8007 Meadow Glen Drive	McKinney TX 75071 (972)832-9279

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Melissa, Texas 75454

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**SHORT CUSTOMER LIST**

Altoga Water Supply Corp.

ACCT #	ROUTE #	NAME	BILLING ADDRESS	PHONE
302	4	Terzian, David	Terzian, Kelli	McKinney TX 75071- (281)222-2069
303	4	Stinde, Mark	Stinde, Niki	McKinney TX 75071 (804)627-2000
304	4	Seepaul, Kendra	8018 Meadow Grove Drive	McKinney TX 75071 (214)789-1317
305	1	Auldridge, JD	4070 CR 1001	McKinney TX 75071
306	1	Stroup, John	Stroup, LouAnn	Princeton TX 75407
307	4	Ham, Patsy	Beliver, Kristen	McKinney TX 75071
308	4	Hasenauer, Paul	5404 Old Spanish Trail	McKinney TX 75071 (940)208-9826
309	4	Reynolds, Rick	734 Bear Run	Grapevine TX 76051
310	4	McLain, Gregory J	McLain, Bethany A	McKinney TX 75071 (262)993-0171
311	4	Markarian, Micheal	5412 Oakfield Drive	McKinney TX 75071 (972)814-6671
312	4	East, Steve	East, Dawn	McKinney TX 75071 (916)825-1901
313	4	Cole, Folkert/Tammy	715 Pony Express Trail	McKinney TX 75071 (972)834-4066
314	4	Diaz, David	7819 Meadow Dr	McKinney TX 75071 (469)396-2898
315	4	Stone Hollow	905 Market Street	ALLEN TX 75013
316	4	Flannery, Linda/ Timothy	7814 Meadow Glen Dr	McKinney TX 75071 (214)585-7404
317	4	Travis, Jeffrey	317 Meadow View Dr	McKinney TX 75071 (469)585-3906
318	4	McGinnis, Josh/ Krystal	306 Meadow View Dr	McKinney TX 75071 (214)394-7659
319	4	GROFF, HEATHER	311 MEADOW VIEW	MCKINNEY TX 75071 (214)385-5588
320	4	Segura, Jose Angel	915 Pony Express Trail	McKinney TX 75071- 9(971)283-9917
321	4	Miller, Jeremy/ Jennifer	7411 McKinney Meadows Dr	McKinney TX 75071 (214)805-8461
322	4	Dulock, Joseph/ Stefani	7604 McKinney Meadow Dr	McKinney TX 75071 (940)736-1609
323	4	McKinney, Greg	7511 McKinney Meadows Dr	McKinney TX 75071 (214)755-5904
324	4	Hughes, Arthur	7915 Meadow Grove Dr	McKinney TX 75071 (214)884-8652
325	4	Otmani, Najib	7806 Meadow Grove Dr	McKinney TX 75071 (972)859-9342
326	4	Syndergaard, Heidi	323 Meadow View Dr	McKinney TX 75075 (817)575-7588
327	4	Van Natta, Scott	7917 Meadow Glen Dr	McKinney TX 75071 (603)801-5845
328	4	Simmers, Wendi	7804 MEADOW GLEN DR	MCKINNEY TX 75071 (469)693-1811
329	4	Curry IV, Bishop & Tenia	7090 CR 1218	McKinney TX 75071 (903)771-9214
330	4	Hughes, Sean/Crystal	106 Meadow View Dr	McKinney TX 75071 (214)578-4392
331	4	Kailbourne, Brian	7805 Meadow Glen Dr	McKinney TX 75071 (214)562-0230
332	4	Torres, Jorge/ Matitza	901 Pony Express Trail	McKinney TX 75071 (786)334-9159
333	4	Walton, Ben/Stephanie	7150 CR 1218	McKinney TX 75071 (469)734-7181
334	4	Richards, David/Shannell	7170 CR 1218	McKinney TX 75071 (214)454-3985
335	4	Achimov, Matthew & Mag	7916 Meadow Grove Dr	McKinney TX 75071 (214)882-1178
336	4	COX, DEBRA/ MICHAEL	512 OVERLAND TRAIL	McKinney TX 75071 (972)965-8522
337	4	GARTIN, KENT	606 OVERLAND TRAIL	MCKINNEY TX 75071 (214)326-4805
338	4	Carpenter, Dean	607 Pony Express Lane	McKinney TX 75071 (248)977-8068
339	4	West, Bryan	509 Pony Express Trail	McKinney TX 75071 (816)509-4433
340	5	Jones, Corey	P O Box 382988	Duncanville TX 75138 (469)231-2327
341	5	DOWLING, CODY	5115 CR 468	MCKINNEY TX 75071 (214)714-2077
342	4	Campbell, Terry	5701 Old Spanish Trail	McKinney TX 75071 (214)934-5251
343	5	Cryer, Dakota	2560 Lonesome Dove	Farmersville TX 75442 (972)533-3143
344	10	Morrell, Michael	5903 Santa Fe Trail	McKinney TX 75071 (541)321-0464

Attachment No. 1 - Question 12

North Collin SUD

P. O. Box 343, 2333 Sam Rayburn Hwy.,  
Melissa, Texas 75454

Friday, August 12, 2016

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**SHORT CUSTOMER LIST**

Altoga Water Supply Corp.

ACCT #	ROUTE #	NAME	BILLING ADDRESS				PHONE
345	10	Hernandez, Miguel	5906 Santa Fe Trail	McKinney	TX	75071	(972)814-6671
346	10	Reasor, Anthony	613 Overland Trail	McKinney	TX	75071	(972)880-5090
347	10	WEXFIELD	PO BOX 2524	MCKINNEY	TX	75070	(972)814-6671
348	10	WEXFIELD	PO BOX 2524	MCKINNEY	TX	75070	(972)814-6671
349	10	WEXFIELD	PO BOX 2524	MCKINNEY	TX	75070	(972)814-6671
350	4	House, Ricky	PO Box 343	McKinney	TX	75070	(469)450-2102
351	4	1st Choice Homes	720 Valley Ridge Cir #5	Lewisville	TX	75057	(972)221-9800
352	4	Wind & Water Constructio	17330 Preston Road	Dallas	TX	75252	(214)514-5255
352	4	Wind & Water Constructio	17330 Preston Road	Dallas	TX	75252	(214)514-5255
353	5	Baker, William	15526 SW 11 Terrace Road	Ocala	FL	34473	(407)399-5989
354	4	1st Choice Homes	720 Valley Ridge Cir #5	Lewisville	TX	75057	(214)893-4691
355	4	Wind & Water Constructio	17330 Preston Rd.	Dallas	TX	75252	(214)514-5255

356 Accounts Listed

Qualified By: All Customers

Altoga Water Supply Corp.

Attachment No. 1 - Question 12  
North Collin SUD  
P. O. Box 343, 2333 Sam Rayburn Hwy.,  
Melissa, Texas 75454

**ORDINANCE NO. 2016-001**

**AN ORDINANCE OF NORTH COLLIN SPECIAL UTILITY DISTRICT (THE "DISTRICT"), COLLIN COUNTY, TEXAS, RELATING TO THE RATES CHARGED BY THE DISTRICT TO ITS CUSTOMERS FOR WATER SERVICE AND PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.**

**WHEREAS**, the District's Board of Directors have a fiduciary duty to maintain the financial integrity of the District;

**WHEREAS**, the Board of Directors find that the rates stated on Exhibit A attached hereto are in the best interests of the District and its customers; and

**WHEREAS**, the Board of Directors approved the rates stated on Exhibit A at their September 8, 2016 board meeting to be effective October 1, 2016.

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF NORTH COLLIN SPECIAL UTILITY DISTRICT AS FOLLOWS:**

**SECTION 1. WATER SERVICE RATES**

The Board of Directors approve of and adopt the water service rates stated on Exhibit A attached hereto.

**SECTION 2. CONFLICTS**

All ordinances and provisions of ordinances of the District that are in conflict with this ordinance are hereby repealed, and all ordinances and provisions of ordinances of the District not so repealed are hereby retained in full force and effect.

**SECTION 3. SEVERABILITY**

It is the intent of the District that each paragraph, sentence, subdivision, clause, phrase, or section of this ordinance be deemed severable and, should any such paragraph, sentence, subdivision, clause, phrase, or section be declared invalid or unconstitutional for any reason, such declaration of invalidity or unconstitutionality shall not be construed to affect the validity of those provisions of this ordinance left standing.

**SECTION 4. EFFECTIVE DATE**

The rates contained in Exhibit "A" attached hereto, are effective as of October 1, 2016.

**ADOPTED** by the Board of Directors of North Collin Special Utility District, Collin County, Texas, on this 13<sup>th</sup> day of October, 2016.

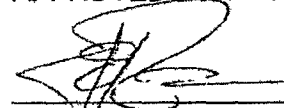
**NORTH COLLIN SPECIAL UTILITY  
DISTRICT**

  
Duke Monson, President

ATTEST:

  
Ellen Hartley, Secretary

APPROVED AS TO FORM:

  
John Rapier, Attorney

**EXHIBIT A****RATES AND SERVICE FEES**

c. Gallonage Charge - In addition to the Service Availability Charge, a gallonage charge shall be added at the following rates for usage during any one (1) billing period.

(1) Water-

Minimum.....	\$25.00
0 to 10,000 gallons.....	\$4.90 per 1,000 gallons
10,001 to 20,000 gallons.....	\$5.21 per 1,000 gallons
All over 20,000 gallons.....	\$5.54 per 1,000 gallons





LIST OF NEIGHBORING WATER AND / SEWER UTILITIES,  
CITIES AND POLITICAL SUBDIVISION

City of Blue Ridge  
200 South Main  
Blue Ridge, Texas 75424

City of McKinney  
P. O. Box 517  
McKinney, Texas 75070

City of Melissa  
P. O. Box 409  
Melissa, Texas 75454

City of Princeton  
306 N Front Street  
Princeton, Texas 75407-7449

Town of Lowry Crossing  
1405 S. Bridgefarmer Road  
McKinney, Texas 75069

Town of New Hope  
P. O. Box 562  
McKinney, Texas 75070-0562

Culleoka WSC  
P. O. Box 909  
Princeton, Texas 75407

Desert WSC  
5588 Highway 160  
Whitewright, Texas 75491

Milligan WSC  
1400 S Bridgefarmer Rd  
McKinney, Texas 75069

Verona SUD  
800 Shinn Circle  
Farmersville, Texas 75442-2434

Windmill Estates Water  
3001 Portside Dr  
Rockwall, Texas 75087

Westminster SUD  
103 W. College Street  
Westminster, Texas 75485

North Texas MWD  
P.O. Box 2408  
Wylie, Texas 75098-2408

North Texas Groundwater  
Conservation District  
P.O. Box 508  
Gainesville, Texas 76241-0508

County Judge Keith Self  
Collin County Administration Building  
2300 Bloomdale Rd., Suite 4192  
McKinney, Texas 75071

South Grayson WSC  
1521 S Waco Street  
Van Alstyne, Texas 75495

City of Anna  
101 N. Powell Pkwy  
Anna, Texas 75409

Attachment No. 3 - Question 15  
North Collin SUD  
P. O. Box 343, 2333 Sam Rayburn Hwy.,  
Melissa, Texas 75454



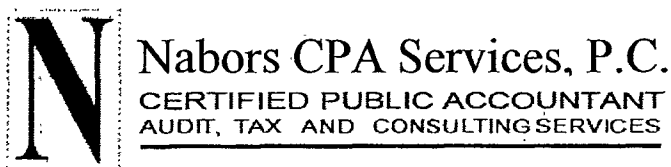
**NORTH COLLIN WATER  
SUPPLY CORPORATION**

Financial Statements  
(With Auditor's Report Thereon)

December 31, 2011

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**(972) 464-1226**  
 5566 Main Street  
 Frisco, Texas 75053

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**INDEPENDENT AUDITOR'S REPORT**

The Board of Directors  
**North Collin Water Supply Corporation**  
 Melissa, Texas

I have audited the accompanying statement of financial position of the North Collin Water Supply Corporation as of December 31, 2011, and the related statement of activities, and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that I plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly in all material respects, the financial position of the North Collin Water Supply Corporation as of December 31, 2011, and changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued our report dated April 12, 2012 on my consideration of North Collin Water Supply Corporation's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

*Nabors CPA Services, P.C.*

April 12, 2012

Member of:  
 American Institute of CPAs  
 Texas Society of CPAs

-1-

Attachment No. 4 - Question 16  
 North Collin SUD  
 P. O. Box 343, 2333 Sam Rayburn Hwy.,  
 Melissa, Texas 75454

**FINANCIAL SECTION**

**NORTH COLLIN WATER SUPPLY CORPORATION**  
Statement of Financial Position  
December 31, 2011

**ASSETS:**

Cash and cash equivalents	\$ 400,800
Investments	413,785
Accounts receivable	116,722
Prepaid insurance	7,757
Capital assets, (net of accumulated depreciation)	<u>5,733,739</u>
Total assets	<u>\$ 6,672,803</u>

**LIABILITIES and NET ASSETS:**

## Current liabilities:

Accounts payable	\$ 48,319
Payroll tax liabilities	4,867
Note payable - USDA - current portion	16,516
Note payable - Ford Credit - current portion	<u>5,089</u>
Total current liabilities	<u>74,791</u>

## Long-term liabilities:

Note payable - USDA	1,343,163
Note payable - Ford Credit	<u>23,294</u>
Total long-term liabilities	<u>1,366,457</u>

## Net assets:

Unrestricted	<u>5,231,555</u>
Total net assets	<u>5,231,555</u>

Total liabilities and net assets	<u>\$ 6,672,803</u>
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The accompanying notes are an integral part of these statements.

**NORTH COLLIN WATER SUPPLY CORPORATION**  
Statement of Activities  
For the Year Ended December 31, 2011

**OPERATING REVENUES:**

Water sales, memberships and extensions	\$ <u>1,676,329</u>
Total revenues	<u>1,676,329</u>

**OPERATING EXPENSES:**

Cost of water	462,538
General and administrative	65,481
Insurance	74,836
Materials and supplies	42,207
Professional fees	62,689
Repairs and maintenance	4,054
Utilities	102,193
Payroll expenses	276,255
Other operating expenses	15,456
Depreciation	<u>319,719</u>
Total expenses	<u>1,425,429</u>

Operating income/(loss)	250,900
-------------------------	---------

**OTHER INCREASES/(DECREASES) IN NET ASSETS:**

Capital contributions	65,168
Interest income	4,533
Interest expense	<u>(64,684)</u>
Total other increases/(decreases) in net assets	<u>5,017</u>

Increase/(decrease) in net assets	255,917
-----------------------------------	---------

Net assets at beginning of year	<u>4,975,638</u>
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Net assets at end of year	\$ <u><u>5,231,555</u></u>
---------------------------	----------------------------

The accompanying notes are an integral part of these statements.



# **NORTH COLLIN WATER SUPPLY CORPORATION**

## **Statement of Cash Flows For the Year Ended December 31, 2011**

Cash flow from operating activities:	
Cash received from customers and others	\$ 2,014,807
Cash paid to vendors	(821,639)
Cash paid to employees	<u>(276,255)</u>
Net cash provided/(used) by operating activities	<u>\$ 916,913</u>
Cash flow from capital and related financing activities:	
Payments on long-term debt	(400,794)
Purchase of fixed assets	(429,242)
Proceeds from long-term debt	153,383
Interest paid on debt	(64,684)
Capital contributions	<u>65,168</u>
Net cash used in capital and related financing activities	<u>(676,169)</u>
Cash flow from investing activities:	
Purchase of investments	(4,017)
Interest on deposits and investments	<u>4,533</u>
Net cash used by investing activities	<u>516</u>
Increase/(decrease) in cash	241,260
Cash and cash equivalents at beginning of year	<u>159,540</u>
Cash and cash equivalents at end of year	<u>\$ 400,800</u>

### Reconciliation of Increase in Net Assets to Net Cash Provided/(Used) by Operating Activities:

Operating income/(loss)	\$ 250,900
Adjustment to reconcile operating income/(loss) to net cash provided/(used) by operating activities:	
Depreciation	319,719
(Increase)/decrease in accounts receivable	338,478
(Increase)/decrease in prepaid insurance	(1,444)
Increase/(decrease) in accounts payable	4,393
Increase/(decrease) in payroll tax liabilities	<u>4,867</u>
Net cash provided/(used) by operating activities	<u>\$ 916,913</u>

The accompanying notes are an integral part of these statements.

# **NORTH COLLIN WATER SUPPLY CORPORATION**

Notes to Financial Statements

December 31, 2011

## **(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the North Collin Water Supply Corporation (Corporation) conform to accounting principles generally accepted in the United States of America. The following is a summary of the significant policies.

### **A. Basis of Accounting**

The financial statements of the Corporation were prepared using the accrual basis of accounting. Material amounts of goods and services are recorded as assets or expenses at the time the liabilities arise, which is normally when title to the goods pass or when the services are received. Encumbrances representing outstanding purchase orders and other commitments for materials or services not yet received are not liabilities as of the reporting date.

### **B. Basis of Presentation**

In order to comply with accounting principles generally accepted in the United States of America, the Corporation must prepare its external financial statements in accordance with statements issued by the Financial Accounting Standards Board. The Board requires that all not-for-profit organizations provide a statement of financial position, a statement of activities, and a statement of cash flows. It requires reporting amounts for the Corporation's total assets, liabilities, and net assets in a statement of financial position; reporting the change in the Corporation's net assets in a statement of activities; and reporting the change in its cash and cash equivalents in a statement of cash flows.

### **C. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

### **D. Income Tax Status**

The Corporation is exempt from federal income tax under Section 501(c)(12) of the Internal Revenue Service.

## **(2) CASH AND CASH EQUIVALENTS**

For the purposes of the statement of cash flows, cash equivalents include time deposits, certificates of deposit, and highly liquid debt instruments with original maturities of three months or less from date of purchase.

-continued-

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# **NORTH COLLIN WATER SUPPLY CORPORATION**

Notes to Financial Statements

December 31, 2011

-continued-

## **(2) CASH AND CASH EQUIVALENTS (continued)**

At December 31, 2011, the Corporation's carrying amount of deposits was \$400,370 and the bank balance of the Corporation's deposits was \$423,754. Of the bank balance \$423,754 was covered by federal depository insurance.

## **(3) INVESTMENTS**

Investments consist of four certificate-of-deposits at Independent Bank as follows:

<u>Balance</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
\$ 99,431	02/09/12	.89599%
107,904	02/09/12	.89599%
100,000	03/29/12	.89599%
<u>106,450</u>	05/10/12	.89599%
<u>\$ 413,785</u>		

All certificates of deposit are managed by Independent Bank, however the deposits are placed with multiple institutions providing FDIC coverage for the full carrying value of deposits.

## **(4) CAPITAL ASSETS**

Activity in capital assets for the year ended December 31, 2011, was as follows:

	<u>Balance December 31, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance December 31, 2011</u>
Land	\$ 35,305			35,305
Storage facilities	2,049,934			2,049,934
Water lines	5,252,701	303,625		5,556,326
Buildings	122,189			122,189
Office equipment	51,117			51,117
Heavy equipment	158,717			158,717
Equipment	586,549	60,120		646,669
Software		<u>65,497</u>		<u>65,497</u>
Total cost	8,256,512	429,242		8,685,754
Less: accumulated depreciation	<u>(2,632,296)</u>	<u>(319,719)</u>		<u>(2,952,015)</u>
Land buildings and equipment	<u>\$ 5,624,216</u>	<u>109,523</u>		<u>5,733,739</u>

-continued-

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# **NORTH COLLIN WATER SUPPLY CORPORATION**

Notes to Financial Statements

December 31, 2011

-continued-

## **(4) CAPITAL ASSETS (continued)**

Assets are valued at cost and are being depreciated using the straight-line method, over the following estimated lives:

	<u>Estimated Life</u>
Wells, storage and distribution system	40 years
Heavy equipment	40 years
Buildings	35 years
Office equipment	5 years
Equipment	5 years
Software	5 years

It is the Corporation's policy to capitalize expenditures of \$500 or more for assets with a useful life exceeding one year or that extend the life of another asset.

## **(5) LONG-TERM DEBT**

On November 21, 2006 the Corporation entered into a loan agreement with the United States Department of Agriculture for \$1,420,000. The purpose of the loan was to fund construction of the Chambersville overhead storage tank and associated water lines. The loan requires monthly payments of \$6,447 beginning on January 21, 2008 for a period of forty years. Payments include an interest rate of 4.5%.

On October 21, 2010 the Corporation entered into an agreement with Independent Bank for a line of credit in the amount of \$400,000. Annualized interest of 2.90% is charged on the outstanding balance at the end of each month. The line of credit is secured by certificates of deposit. There was no balance outstanding as of December 31, 2011.

On December 15, 2011 the Corporation entered in a loan agreement with Ford Credit in the amount of \$28,383. The purpose of the loan was to finance the purchase of a 2011 Ford Super Duty F-250 truck. The loan requires monthly payments of \$540 beginning January 29, 2012 for a period of five years. Payments include an interest rate of 5.24%.

Long-term debt activity for the year ended December 31, 2011, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Note payable - USDA	\$ 1,375,473		(15,794)	1,359,679	16,516
Note payable - Independent Bank	260,000	125,000	(385,000)		
Note Payable - Ford Credit		28,383		28,383	5,089
	<u>\$ 1,635,473</u>	<u>153,383</u>	<u>(400,794)</u>	<u>1,388,062</u>	<u>21,605</u>

-continued-

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# **NORTH COLLIN WATER SUPPLY CORPORATION**

Notes to Financial Statements

December 31, 2011

-continued-

## **(5) LONG-TERM DEBT (continued)**

Annual requirements to amortize the debt are as follows:

Note Payable - USDA			
<u>Fiscal</u> <u>Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 16,516	60,848	77,364
2013	17,275	60,089	77,364
2014	18,069	59,295	77,364
2015	18,899	58,465	77,364
2016	19,767	57,597	77,364
Thereafter	<u>1,269,153</u>	<u>1,039,345</u>	<u>2,308,498</u>
Total	<u>\$ 1,359,679</u>	<u>1,335,639</u>	<u>2,695,318</u>

Note Payable - Ford Credit			
<u>Fiscal</u> <u>Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 5,089	1,389	6,478
2013	5,367	1,112	6,479
2014	5,661	818	6,479
2015	5,970	509	6,479
2016	<u>6,296</u>	<u>183</u>	<u>6,479</u>
Total	<u>\$ 28,383</u>	<u>4,011</u>	<u>32,394</u>

## **(6) SUBSEQUENT EVENTS**

Subsequent events have been evaluated through April 12, 2012, which is the date the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.

## **(7) RETIREMENT ARRANGEMENT**

The Corporation offers full-time employees the opportunity to participate in a 401(k) plan. The Corporation makes a discretionary match up to 3% of the employee's compensation for the calendar year ended December 31, 2011. The Corporation incurred expense of \$7,138 for retirement plan match during the year ended December 31, 2011.

REPORT OF COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*



**Nabors CPA Services, P.C.**  
**CERTIFIED PUBLIC ACCOUNTANT**  
**AUDIT, TAX AND CONSULTING SERVICES**

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 5566 Main Street  
 Frisco, Texas 75053

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REPORT OF COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors  
 North Collin Water Supply Corporation

I have audited the financial statements of North Collin Water Supply Corporation as of and for the year ended December 31, 2011, and have issued my report thereon dated April 12, 2012. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether North Collin Water Supply Corporation's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered North Collin Water Supply Corporation's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Directors, management, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Nabors CPA Services, P.C.*

April 12, 2012

**Member of:**  
**American Institute of CPA's**  
**Texas Society of CPA's**

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Attachment No. 4 - Question 16  
 North Collin SUD  
 P. O. Box 343, 2333 Sam Rayburn Hwy.,  
 Melissa, Texas 75454

**NORTH COLLIN WATER  
SUPPLY CORPORATION**

Financial Statements  
(With Auditor's Report Thereon)

December 31, 2012



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**Nabors CPA Services, P.C.**  
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**AUDIT, TAX AND CONSULTING SERVICES**

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 Frisco, Texas 75033

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### INDEPENDENT AUDITOR'S REPORT

The Board of Directors  
**North Collin Water Supply Corporation**  
 Melissa, Texas

I have audited the accompanying statement of financial position of the North Collin Water Supply Corporation as of December 31, 2012, and the related statement of activities, and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that I plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly in all material respects, the financial position of the North Collin Water Supply Corporation as of December 31, 2012, and changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued our report dated April 19, 2012 on my consideration of North Collin Water Supply Corporation's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

*Nabors CPA Services, P.C.*

February 27, 2013

Member of:  
 American Institute of CPAs  
 Texas Society of CPAs

-1-

Attachment No. 4 - Question 16  
 North Collin SUD  
 P. O. Box 343, 2333 Sam Rayburn Hwy.,  
 Melissa, Texas 75454

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**FINANCIAL SECTION**

**NORTH COLLIN WATER SUPPLY CORPORATION**  
Statement of Financial Position  
December 31, 2012

**ASSETS:**

Cash and cash equivalents	\$ 527,551
Investments	516,654
Accounts receivable	137,087
Prepaid insurance	8,101
Capital assets, (net of accumulated depreciation)	<u>6,092,667</u>
Total assets	<u>\$ 7,282,060</u>

**LIABILITIES and NET ASSETS:**

## Current liabilities:

Accounts payable	\$ 66,014
Payroll tax liabilities	1,574
Note payable - USDA - current portion	<u>17,275</u>
Total current liabilities	<u>84,863</u>

## Long-term liabilities:

Note payable - USDA	1,325,886
Note payable - Independent Bank	<u>399,400</u>
Total long-term liabilities	<u>1,725,286</u>

## Net assets:

Unrestricted	<u>5,471,911</u>
Total net assets	<u>5,471,911</u>

Total liabilities and net assets	<u>\$ 7,282,060</u>
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The accompanying notes are an integral part of these statements.

# NORTH COLLIN WATER SUPPLY CORPORATION

## Statement of Activities

For the Year Ended December 31, 2012

### OPERATING REVENUES:

Water sales, memberships and extensions	\$ <u>1,733,469</u>
Total revenues	<u>1,733,469</u>

### OPERATING EXPENSES:

Cost of water	522,037
General and administrative	93,483
Insurance	82,779
Materials and supplies	38,783
Professional fees	21,550
Repairs and maintenance	16,396
Utilities	108,729
Payroll expenses	278,885
Other operating expenses	16,694
Depreciation	<u>293,138</u>
Total expenses	<u>1,472,474</u>

Operating income/(loss)	260,995
-------------------------	---------

### OTHER INCREASES/(DECREASES) IN NET ASSETS:

Capital contributions	37,838
Interest income	2,959
Interest expense	<u>(61,436)</u>
Total other increases/(decreases) in net assets	<u>(20,639)</u>

Increase/(decrease) in net assets	240,356
-----------------------------------	---------

Net assets at beginning of year	<u>5,231,555</u>
---------------------------------	------------------

Net assets at end of year	<u>\$ 5,471,911</u>
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The accompanying notes are an integral part of these statements.

# **NORTH COLLIN WATER SUPPLY CORPORATION**

## **Statement of Cash Flows**

**For the Year Ended December 31, 2012**

Cash flow from operating activities:	
Cash received from customers and others	\$ 1,713,104
Cash paid to vendors	(883,100)
Cash paid to employees	<u>(282,178)</u>
Net cash provided/(used) by operating activities	<u>547,826</u>
Cash flow from capital and related financing activities:	
Payments on long-term debt	(144,301)
Purchase of fixed assets	(652,066)
Proceeds from long-term debt	498,800
Interest paid on debt	(61,436)
Capital contributions	<u>37,838</u>
Net cash used in capital and related financing activities	<u>(321,165)</u>
Cash flow from investing activities:	
Purchase of investments	(102,869)
Interest on deposits and investments	<u>2,959</u>
Net cash used by investing activities	<u>(99,910)</u>
Increase/(decrease) in cash	126,751
Cash and cash equivalents at beginning of year	<u>400,800</u>
Cash and cash equivalents at end of year	\$ <u><u>527,551</u></u>

### Reconciliation of Increase in Net Assets to Net Cash Provided/(Used) by Operating Activities:

Operating income/(loss)	\$ 260,995
Adjustment to reconcile operating income/(loss) to net cash provided/(used) by operating activities:	
Depreciation	293,138
(Increase)/decrease in accounts receivable	(20,365)
(Increase)/decrease in prepaid insurance	(344)
Increase/(decrease) in accounts payable	17,695
Increase/(decrease) in payroll tax liabilities	<u>(3,293)</u>
Net cash provided/(used) by operating activities	\$ <u><u>547,826</u></u>

The accompanying notes are an integral part of these statements.

# **NORTH COLLIN WATER SUPPLY CORPORATION**

## **Notes to Financial Statements**

**December 31, 2012**

### **(1) NATURE OF ACTIVITIES**

North Collin Water Supply Corporation originated in 1970 with a mission to deliver water to rural customers. Treated water is purchased from Lake Lavon through the North Texas Municipal Water District in Wylie, Texas for delivery to customers in rural northern Collin County.

### **(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the North Collin Water Supply Corporation (Corporation) conform to accounting principles generally accepted in the United States of America. The following is a summary of the significant policies.

#### **A. Basis of Accounting**

The financial statements of the Corporation were prepared using the accrual basis of accounting. Material amounts of goods and services are recorded as assets or expenses at the time the liabilities arise, which is normally when title to the goods pass or when the services are received. Encumbrances representing outstanding purchase orders and other commitments for materials or services not yet received are not liabilities as of the reporting date.

#### **B. Basis of Presentation**

In order to comply with accounting principles generally accepted in the United States of America, the Corporation must prepare its external financial statements in accordance with statements issued by the Financial Accounting Standards Board. The Board requires that all not-for-profit organizations provide a statement of financial position, a statement of activities, and a statement of cash flows. It requires reporting amounts for the Corporation's total assets, liabilities, and net assets in a statement of financial position; reporting the change in the Corporation's net assets in a statement of activities; and reporting the change in its cash and cash equivalents in a statement of cash flows.

#### **C. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

#### **D. Income Tax Status**

The Corporation is exempt from federal income tax under Section 501(c)(12) of the Internal Revenue Service.

-continued-

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**NORTH COLLIN WATER SUPPLY CORPORATION**

Notes to Financial Statements

December 31, 2012

-continued-

**(3) CASH AND CASH EQUIVALENTS**

For the purposes of the statement of cash flows, cash equivalents include time deposits, certificates of deposit, and highly liquid debt instruments with original maturities of three months or less from date of purchase.

At December 31, 2012, the Corporation's carrying amount of deposits was \$526,951 and the bank balance of the Corporation's deposits was \$543,716. Of the bank balance \$543,716 was covered by federal depository insurance.

**(4) INVESTMENTS**

Investments consist of four certificate-of-deposits at Independent Bank as follows:

<u>Balance</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
\$ 108,587	02/07/13	.59822%
100,061	02/07/13	.59822%
106,806	06/06/13	.49876%
101,131	03/26/15	1.19288%
<u>100,068</u>	NONE	.300000%
<u>\$ 516,653</u>		

All certificates of deposit are managed by Independent Bank, however the deposits are placed with multiple institutions providing FDIC coverage for the full carrying value of deposits.

-continued-

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Attachment No. 4 - Question 16  
North Collin SUD  
P. O. Box 343, 2333 Sam Rayburn Hwy.,  
Melissa, Texas 75454



# NORTH COLLIN WATER SUPPLY CORPORATION

## Notes to Financial Statements

December 31, 2012

-continued-

### (5) CAPITAL ASSETS

Activity in capital assets for the year ended December 31, 2012, was as follows:

	Balance December 31, <u>2010</u>	<u>Additions</u>	<u>Retirements</u>	Balance December 31, <u>2012</u>
Land	\$ 35,305	2,754		38,059
Storage facilities	2,049,934	93,419		2,143,353
Water lines	5,556,326	518,188		6,074,514
Buildings	122,189			122,189
Office equipment	51,117			51,117
Heavy equipment	158,717	5,064		163,781
Equipment	646,669	32,641		679,310
Software	<u>65,497</u>	<u>          </u>		<u>65,497</u>
Total cost	8,685,754	652,066		9,337,820
Less: accumulated depreciation	<u>(2,952,015)</u>	<u>(293,138)</u>		<u>(3,245,153)</u>
Land buildings and equipment	<u>\$ 5,733,739</u>	<u>358,928</u>		<u>6,092,667</u>

Assets are valued at cost and are being depreciated using the straight-line method, over the following estimated lives:

	<u>Estimated Life</u>
Wells, storage and distribution system	40 years
Heavy equipment	40 years
Buildings	35 years
Office equipment	5 years
Equipment	5 years
Software	5 years

It is the Corporation's policy to capitalize expenditures of \$500 or more for assets with a useful life exceeding one year or that extend the life of another asset.

### (6) LONG-TERM DEBT

On November 21, 2006 the Corporation entered into a loan agreement with the United States Department of Agriculture for \$1,420,000. The purpose of the loan was to fund construction of the Chambersville overhead storage tank and associated water lines. The loan requires monthly payments of \$6,447 beginning on January 21, 2008 for a period of forty years. Payments include an interest rate of 4.5%.

-continued-

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# **NORTH COLLIN WATER SUPPLY CORPORATION**

Notes to Financial Statements

December 31, 2012

-continued-

## **(6) LONG-TERM DEBT (continued)**

On October 21, 2010 the Corporation entered into an agreement with Independent Bank for a line of credit in the amount of \$400,000. Annualized interest of 2.90% is charged on the outstanding balance at the end of each month. The line of credit is secured by certificates of deposit.

On December 15, 2012 the Corporation entered in a loan agreement with Ford Credit in the amount of \$28,383. The purpose of the loan was to finance the purchase of a 2012 Ford Super Duty F-250 truck. The loan requires monthly payments of \$540 beginning January 29, 2012 for a period of five years. Payments include an interest rate of 5.24%. There was no balance outstanding as of December 31, 2012.

Long-term debt activity for the year ended December 31, 2012, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Note payable - USDA	\$ 1,359,679		(16,518)	1,343,161	17,275
Note payable - Independent Bank		498,800	(99,400)	399,400	
Note Payable - Ford Credit	<u>28,383</u>	<u>      </u>	<u>(28,383)</u>	<u>      </u>	<u>      </u>
	<u>\$ 1,388,062</u>	<u>498,800</u>	<u>(144,301)</u>	<u>1,742,561</u>	<u>17,275</u>

Annual requirements to amortize the debt are as follows:

Note Payable - USDA			
<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 17,275	60,089	77,364
2014	18,069	59,295	77,364
2015	18,899	58,465	77,364
2016	19,767	57,597	77,364
2017	20,675	56,689	77,364
Thereafter	<u>1,248,476</u>	<u>982,656</u>	<u>2,231,132</u>
Total	<u>\$ 1,343,161</u>	<u>1,274,791</u>	<u>2,617,952</u>

-continued-

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Attachment No. 4 - Question 16  
North Collin SUD  
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Melissa, Texas 75454

**NORTH COLLIN WATER SUPPLY CORPORATION**

Notes to Financial Statements

December 31, 2012

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-continued-**(7) SUBSEQUENT EVENTS**

Subsequent events have been evaluated through February 27, 2013, which is the date the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.

**(8) RETIREMENT ARRANGEMENT**

The Corporation offers full-time employees the opportunity to participate in a 401(k) plan. The Corporation makes a discretionary match up to 3% of the employee's compensation for the calendar year ended December 31, 2012. The Corporation incurred expense of \$7,645 for retirement plan match during the year ended December 31, 2012.

REPORT OF COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*



**Nabors CPA Services, P.C.**  
 CERTIFIED PUBLIC ACCOUNTANT  
 AUDIT, TAX AND CONSULTING SERVICES

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 5566 Main Street  
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REPORT OF COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
 REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
 IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors  
 North Collin Water Supply Corporation

I have audited the financial statements of North Collin Water Supply Corporation as of and for the year ended December 31, 2012, and have issued my report thereon dated February 27, 2013. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether North Collin Water Supply Corporation's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered North Collin Water Supply Corporation's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Directors, management, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Nabors CPA Services, P.C.*

February 27, 2013

Member of:  
 American Institute of CPA's  
 Texas Society of CPA's

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Attachment No. 4 - Question 16  
 North Collin SUD  
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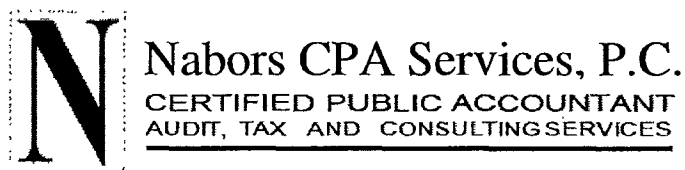
**NORTH COLLIN WATER  
SUPPLY CORPORATION**

Financial Statements  
(With Auditor's Report Thereon)

December 31, 2013

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### INDEPENDENT AUDITOR'S REPORT

The Board of Directors  
North Collin Water Supply Corporation  
Melissa, Texas

I have audited the accompanying statement of financial position of the North Collin Water Supply Corporation as of December 31, 2013, and the related statement of activities, and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that I plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly in all material respects, the financial position of the North Collin Water Supply Corporation as of December 31, 2013, and changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued our report dated March 4, 2014 on my consideration of North Collin Water Supply Corporation's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

*Nabors CPA Services, P.C.*

March 4, 2014

Member of:  
American Institute of CPAs  
Texas Society of CPAs

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Attachment No. 4 - Question 16  
North Collin SUD  
P. O. Box 343, 2333 Sam Rayburn Hwy.,  
Melissa, Texas 75454



**FINANCIAL SECTION**

**NORTH COLLIN WATER SUPPLY CORPORATION**  
**Statements of Financial Position**  
**December 31, 2013**

	<u>2013</u>	<u>2012</u>
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 508,944	527,551
Investments	594,120	516,654
Accounts receivable	131,820	137,087
Prepaid insurance	8,821	8,101
Capital assets, (net of accumulated depreciation)	<u>6,176,146</u>	<u>6,092,667</u>
Total assets	<u>\$ 7,419,851</u>	<u>7,282,060</u>
 <b>LIABILITIES and NET ASSETS:</b>		
Current liabilities:		
Accounts payable	\$ 74,845	66,014
Payroll tax liabilities	70	1,574
Note payable - USDA - current portion	<u>18,069</u>	<u>17,275</u>
Total current liabilities	<u>92,984</u>	<u>84,863</u>
Long-term liabilities:		
Note payable - USDA	1,307,815	1,325,886
Note payable - Independent Bank	<u>169,400</u>	<u>399,400</u>
Total long-term liabilities	<u>1,477,215</u>	<u>1,725,286</u>
Net assets:		
Unrestricted	<u>5,849,652</u>	<u>5,471,911</u>
Total net assets	<u>5,849,652</u>	<u>5,471,911</u>
Total liabilities and net assets	<u>\$ 7,419,851</u>	<u>7,282,060</u>

The accompanying notes are an integral part of these statements.

# **NORTH COLLIN WATER SUPPLY CORPORATION**

## **Statement of Activities**

**For the Year Ended December 31, 2013**

	<u>2013</u>	<u>2012</u>
<b>OPERATING REVENUES:</b>		
Water sales, memberships and extensions	\$ <u>1,929,954</u>	<u>1,733,469</u>
Total revenues	<u>1,929,954</u>	<u>1,733,469</u>
<b>OPERATING EXPENSES:</b>		
Cost of water	620,309	522,037
General and administrative	100,783	93,483
Insurance	76,088	82,779
Materials and supplies	21,771	38,783
Professional fees	32,273	21,550
Repairs and maintenance	20,749	16,396
Utilities	110,257	108,729
Payroll expenses	268,513	278,885
Other operating expenses	16,283	16,694
Depreciation	<u>269,247</u>	<u>293,138</u>
Total expenses	<u>1,536,273</u>	<u>1,472,474</u>
Operating income/(loss)	393,681	260,995
<b>OTHER INCREASES/(DECREASES) IN NET ASSETS:</b>		
Capital contributions	50,948	37,838
Interest income	4,531	2,959
Interest expense	<u>(70,811)</u>	<u>(61,436)</u>
Total other increases/(decreases) in net assets	<u>(15,332)</u>	<u>(20,639)</u>
Increase/(decrease) in net assets	378,349	240,356
Net assets at beginning of year (as restated)	<u>5,471,303</u>	<u>5,231,555</u>
Net assets at end of year	<u>\$ 5,849,652</u>	<u>5,471,911</u>

The accompanying notes are an integral part of these statements.

**NORTH COLLIN WATER SUPPLY CORPORATION**

Statement of Cash Flows  
For the Year Ended December 31, 2013

	<u>2013</u>	<u>2012</u>
Cash flow from operating activities:		
Cash received from customers and others	\$ 1,935,221	1,713,104
Cash paid to vendors	(990,402)	(883,100)
Cash paid to employees	<u>(270,017)</u>	<u>(282,178)</u>
Net cash provided/(used) by operating activities	<u>674,802</u>	<u>547,826</u>
Cash flow from capital and related financing activities:		
Payments on long-term debt	(477,277)	(144,301)
Purchase of fixed assets	(353,334)	(652,066)
Proceeds from long-term debt	230,000	498,800
Interest paid on debt	(70,811)	(61,436)
Capital contributions	<u>50,948</u>	<u>37,838</u>
Net cash used in capital and related financing activities	<u>(620,474)</u>	<u>(321,165)</u>
Cash flow from investing activities:		
Purchase of investments	(77,466)	(102,869)
Interest on deposits and investments	<u>4,531</u>	<u>2,959</u>
Net cash used by investing activities	<u>(72,935)</u>	<u>(99,910)</u>
Increase/(decrease) in cash	(18,607)	126,751
Cash and cash equivalents at beginning of year	<u>527,551</u>	<u>400,800</u>
Cash and cash equivalents at end of year	\$ <u>508,944</u>	<u>527,551</u>

Reconciliation of Increase in Net Assets to Net Cash Provided/(Used) by Operating Activities:

Operating income/(loss)	\$ 393,681	260,995
Adjustment to reconcile operating income/(loss) to net cash provided/(used) by operating activities:		
Depreciation	269,247	293,138
(Increase)/decrease in accounts receivable	5,267	(20,365)
(Increase)/decrease in prepaid insurance	(720)	(344)
Increase/(decrease) in accounts payable	8,831	17,695
Increase/(decrease) in payroll tax liabilities	<u>(1,504)</u>	<u>(3,293)</u>
Net cash provided/(used) by operating activities	<u>\$ 674,802</u>	<u>547,826</u>

The accompanying notes are an integral part of these statements.