

Control Number: 46835



Item Number: 46

Addendum StartPage: 0

### **PUC DOCKET NO. 46835**

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NORTH COLLIN SPECIAL UTILITY DISTRICT AND ALTOGA WATER SUPPLY CORPORATION'S REQUEST FOR CONTESTED CASE HEARING AND MOTION TO INTERVENE

### TO THE PUBLIC UTILITY COMMISSION:

North Collin Special Utility District ("North Collin SUD") and Altoga Water Supply Corporation ("Altoga WSC") file this Request for Contested Case Hearing and Motion to Intervene and shows the following:

## I. INTRODUCTION

On April 16, 2018, North Collin SUD received written notice (the "Notice") that the City of Princeton ("Princeton") had filed an application (the "Application") with the Public Utility Commission of Texas ("Commission" or "PUC") to amend its Certificate of Convenience and Necessity ("CCN") for water and sewer services. Altoga WSC did not receive the Notice.

A copy of the Notice is attached hereto as **Exhibit A**. The Notice included the requested area to be added to the existing Princeton Water CCN No. 13195, and such requested area is found in Water Exhibit-1 of the Notice (the "Requested Area").

Both North Collin SUD and Altoga WSC have a justiciable interest that may be adversely affected by this proceeding. As a result, North Collin SUD and Altoga WSC request that the Commission conduct a contested case hearing with respect to the CCN Application and designate North Collin SUD and Altoga WSC as parties.

## II. ALTOGA WATER SUPPLY CORPORATION CURRENTLY HAS FACILITIES AND PROVIDES WATER SERVICE TO PRINCETON'S REQUESTED AREA

## A. Background

In 2006, Princeton filed Application Nos. 35072-C and 35073-C with the Texas Commission on Environmental Quality to obtain CCNs to provide water and sewer utility service in Collin County, Texas (the "2006 CCN Applications"). Altoga WSC protested the 2006 CCN Applications because Altoga WSC had existing retail water customers and facilities within Princeton's proposed areas in the 2006 CCN Applications, and Altoga WSC was admitted into that related proceeding.

## B. 2009 Settlement Agreement between Princeton and Altoga WSC

On December 15, 2009, Princeton and Altoga WSC entered into and executed a Settlement Agreement, attached hereto as **Exhibit B** (the "2009 Settlement Agreement"). The 2009 Settlement Agreement included terms where Princeton agreed not to interfere with Altoga's provision of retail water service to existing or future members, among other service provisions. Additionally, Paragraphs 4-6 of the 2009 Settlement Agreement specified areas of single certification to Altoga WSC only and areas of dual certification to both Altoga WSC and Princeton, in addition to each party's consent to the amendment of the other's CCN according to those terms. Exhibit B of the 2009 Settlement Agreement shows such areas of single and dual certification pursuant to said Paragraphs 4-6.

Princeton has violated the 2009 Settlement Agreement by filing the Application and requesting to amend its water CCN to include areas in which the parties formerly agreed, including Area 1 found on Exhibit B of the 2009 Settlement Agreement, which is to be certificated only to Altoga WSC and as a single certification.

## C. Altoga WSC currently serves portions of the Requested Area

Prior to the 2006 CCN Applications and continuing presently, Altoga WSC maintains its facilities and provides water service to the Requested Area. Altoga WSC's water facilities that provide current water service can be seen in the system map prepared by Altoga WSC's consulting engineer and attached hereto as **Exhibit C**. This system map is based off of the Water Exhibit-1 of the Notice, showing portions of the Requested Area that Altoga WSC currently serves.

## III. NORTH COLLIN SPECIAL UTILITY DISTRICT TO ACQUIRE ALTOGA WSC

## A. Acquisition and transfer of Altoga WSC's CCN and amendment of North Collin SUD's CCN in PUC Docket No. 46452

On October 18, 2016, Altoga WSC and North Collin SUD filed an application with the Commission for the Sale, Transfer, or Merger of Facilities and Certificate Rights in Collin County, which is currently pending in PUC Docket No. 46452 ("STM Application"). On April 25 and 26, 2018, Commission Staff filed a Joint Motion to Admit Evidence and Joint Proposed Notice of Approval, in addition to a Supplemental Certificate Filing, respectively Item Nos. 53 and 54 of Docket No. 46452. The parties are awaiting approval by the Commission, transfer of Altoga WSC's CCN and amendment of North Collin SUD's CCN, and cancellation of Altoga WSC's CCN. North Collin SUD will then serve Altoga WSC's current customers, including the portions of the Requested Area in which Altoga WSC currently serves.

## B. Terms of the 2017 Settlement Agreement among Princeton, North Collin SUD, and Altoga WSC also states specifications of certification for the Requested Area

Princeton, North Collin SUD, and Altoga WSC entered into and executed a settlement agreement ("2017 Settlement Agreement"), attached hereto as **Exhibit D**, as a result of filing the

STM Application. The 2017 Settlement Agreement specified an area within Princeton's ETJ boundary and Altoga WSC's CCN ("CCN Acquisition Area") which would be certificated to both North Collin SUD and Princeton for single certification by customer class, as specified in Section 2.01 of the 2017 Settlement Agreement<sup>1</sup>. The CCN Acquisition Area is part of the Requested Area in the Application.

## C. Commission Staff recommended Princeton to file the Notice after Altoga WSC's CCN was transferred to North Collin SUD

In Commission Staff's Supplemental Recommendation on Administrative Completeness and Proposed Notice, Item No. 37 of this Docket, "Staff recommend[ed] that [Princeton] be ordered to wait to file notice until the transfer of Altoga's CCN to North Collin SUD is completed." As mentioned above, the transfer of Altoga WSC's CCN to North Collin SUD has not been completed.

## IV. PRINCETON DID NOT MAIL NOTICE TO ALTOGA WATER SUPPLY CORPORATION

Pursuant to PUC Proc. R. 24.104, Commission Staff's Supplemental Recommendation (Item No. 37 of this Docket), and Order No. 11, Princeton was required to provide notice by mail to neighboring retail public utilities proving the same utility service whose corporate boundaries or certificated service area are located within two miles from the outer boundary of the Requested Area. Altoga WSC did not receive the Notice by mail. Additionally, Princeton's Proof of Notice and First Amended Proof of Notice (respectively, Item Nos. 41 and 42 of this Docket) does not provide that Princeton mailed the Notice to Altoga WSC.

<sup>&</sup>lt;sup>1</sup> Princeton has amended the Application to include this term. See Item No. 26 of this Docket.

Not only is Altoga WSC's CCN within two miles of the Requested Area, but also part of the Requested Area is currently in Altoga WSC's CCN. The hearing request period should not commence at least until Princeton issues proper notice to Altoga WSC by mail as required by PUC Proc. R. 24.104.

### V. REQUEST FOR CONTESTED CASE HEARING

## A. Request for Hearing

North Collin SUD and Altoga WSC (collectively, "Requestors") request a public hearing regarding the Application filed in this Docket by Princeton. Requestors submit the following information in support of its Request for Hearing:

## i. Contact information:

Name of Requestor: North Collin Special Utility District

Mailing address:

P.O. Box 343, Melissa, Texas 75454

Phone number:

(972) 837-2331

Name of Requestor: Altoga Water Supply Corporation

Mailing address:

P.O. Box 547, Princeton, Texas 75407

Phone number:

(972) 529-9595

## ii. Utility Name, Docket Number, or other reference:

The Applicant is the City of Princeton, Texas. The Docket No. is 46835.

## B. Requestors would be adversely affected by approval of the Application

According to the Notice, Princeton seeks amendment to its water CCN for areas currently served by Altoga WSC, which will be transferred to North Collin SUD in PUC Docket No. 46452, and subsequently served by North Collin SUD. The Requested Area includes areas where Altoga WSC has its facilities and currently provides water service, as seen in Exhibit C, which will transfer to North Collin SUD who will continue to provide water service.

Additionally, the Requested Area, as shown in the Notice, contradicts the 2009 Settlement Agreement, where Princeton agreed that certain portions of the Requested Area would be singly certificated to Altoga WSC only, as seen in the attached **Exhibit B**. Princeton also entered into and executed the 2017 Settlement Agreement, where Princeton agreed that certain portions of the Requested Area would be certificated to North Collin SUD through the STM Application and also to Princeton, both being single certification by customer class, with the specific terms of such agreement found in the attached **Exhibit D**.

For these reasons, Altoga WSC and North Collin SUD would be adversely affected by approval of the Application and amendment of Princeton's water CCN.

## C. Proposed Changes to the Application

The Requestors propose that Princeton amends the Application according to the following:

- remove the portion of the Requested Area to be certificated as single certification to only Altoga WSC, and thus North Collin, according to the terms of the 2009 Settlement Agreement; and
- ii. indicate the portions of the Requested Area that will have dual certification according to the 2009 Settlement Agreement.

#### VI. MOTION TO INTERVENE

To the extent that formal intervention is required for North Collin SUD and Altoga WSC to obtain party status in this proceeding, North Collin SUD and Altoga WSC move that they be admitted as parties in this docket. For the reasons set forth above, North Collin SUD and Altoga WSC would be adversely affected by approval of Princeton's CCN Application. North Collin SUD

and Altoga WSC therefore have a justiciable interest and are entitled to participate in this proceeding as parties.

#### **VII. AUTHORIZED REPRESENTATIVE**

Pursuant to PUC Proc. R. 22.101(c), Maria Huynh enters an appearance as lead counsel on behalf of North Collin SUD and Altoga WSC, and James W. Wilson and Anthony S. Corbett enters an appearance as co-counsel on behalf of North Collin SUD and Altoga WSC in this docket. Accordingly, documents filed in this docket, orders, service and correspondence to North Collin SUD and Altoga WSC should be directed to:

Maria Huynh James W. Wilson Gay, McCall, Isaacks & Roberts, P.C. 777 East 15th Street Plano, Texas 75074

Telephone: (972) 424-8501 Facsimile: (972) 423-3116 Email: mhuynh@gmigr.com Email: jwilson@gmigr.com Anthony S. Corbett McLean & Howard, L.L.P. Barton Oaks Plaza, Building II 901 South Mopac Expressway, Suite 225 Austin, Texas 78746

Telephone: (512) 328-2008 Facsimile: (512) 328-2409

Email: tcorbett@mcleanhowardlaw.com

#### VIII. CONCLUSION AND PRAYER

North Collin SUD and Altoga WSC respectfully request that the Commission (i) require Princeton to issue proper and accurate Notice to Altoga WSC by mail as required by PUC Proc. R. 24.104, and file affidavit of such to commence the hearing request period; (ii) refer the Application to the State Office of Administrative Hearings for a contested case hearing; and (iii) admit North Collin Special Utility District and Altoga Water Supply Corporation as parties to such proceeding.

Respectfully submitted,

By:

Maria Huynh

State Bar No. 24086968

James W. Wilson

State Bar No. 00791944

Gay, McCall, Isaacks & Roberts, P.C.

777 East 15th Street Plano, Texas 75074

Telephone: (972) 424-8501 Facsimile: (972) 423-3116 Email: mhuynh@gmigr.com

Email: jwilson@gmigr.com

ATTORNEYS FOR NORTH COLLIN SPECIAL UTILITY DISTRICT AND ALTOGA WATER **SUPPLY CORPORATION** 

## **CERTIFICATE OF SERVICE**

I, Maria Huynh, legal counsel to North Collin Special Utility District and Altoga Water Supply Corporation, certify that a true and correct copy of this document was served on all parties of record in this proceeding on May 22, 2018, in accordance with 16 TAC § 22.74.

Maria Huyhh

## **MAILING LIST**

PARTIES/RECIPIENTS	REPRESENTATIVE(S)/ADDRESS	
Public Utility Commission of Texas	Landon J. Lill	
	Attorney – Legal Division	
	Public Utility Commission of Texas	
	1701 N. Congress Avenue	
	P.O. Box 13326	
	Austin, Texas 78711-3326	
	Tel: (512) 936-7228	
	Fax: (512) 936-7268	
	Email: Landon.Lill@puc.texas.gov	
City of Princeton	Arturo D. Rodriguez	
	Russell & Rodriguez, LLP	
	1633 Williams Drive, Building 2, Suite 200	
	Georgetown, Texas 78628	
	Tel: (512) 930-1317	
	Fax: (866) 929-1641	
	Email: arodriguez@txadminlaw.com	
North Collin Special Utility District	Anthony S. Corbett	
and Altoga Water Supply Corporation	McLean & Howard, LLP	
	Barton Oaks Plaza, Building II	
	901 South MoPac Expressway, Suite 225	
	Austin, Texas 78746	
	Tel: (512) 328-2008	
	Fax: (512) 328-2409	
	Email: tcorbett@mcleanhowardlaw.com	





## Notice to Neighboring Systems, Cities and Landowners

NOTICE OF APPLICATION TO AMEND CERTIFICATES OF CONVENIENCE AND NECESSITY (CCN) FOR THE PROVISION OF WATER AND SEWER SERVICES IN COLLIN COUNTY, TEXAS

To: North Collin SUD

2333 Sam Rayburn Hwy Melissa, TX 75454 Date Notice Mailed: April 12, 2018

The City of Princeton filed an application with the Public Utility Commission of Texas to amend its Certificate of Convenience and Necessity (CCN) Nos. 13195 and 21057 for the provision of water and sewer service in Collin County.

The requested water and sewer areas are located approximately between 2 and 6 miles north of downtown Princeton, Texas, and is generally bounded on the north by <u>CR 471</u>; on the east by <u>CR500 and CR 494</u>; on the south by <u>Monte Carlo Blvd</u>; and on the west by <u>CR 409</u>, <u>FM 1827</u>, and <u>CR 406</u>. The requested water service area includes approximately <u>2633</u> acres. The requested sewer service area includes approximately <u>1636</u> acres.

## See enclosed map showing the requested area.

Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date.

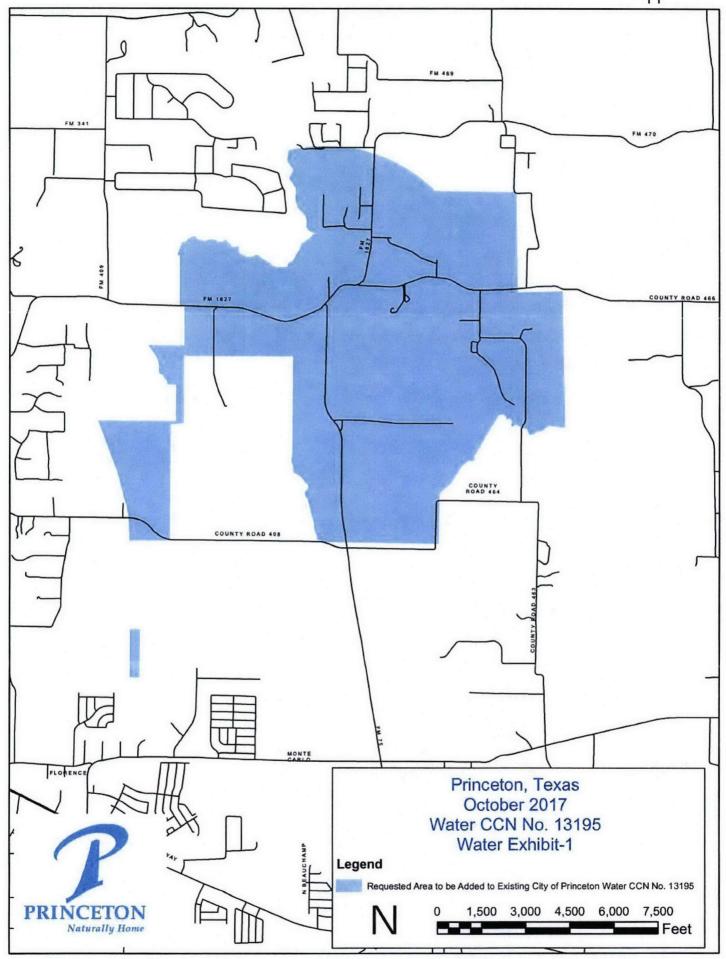
If a public hearing is requested, the Commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, SOAH will submit a recommendation to the Commission for final decision.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

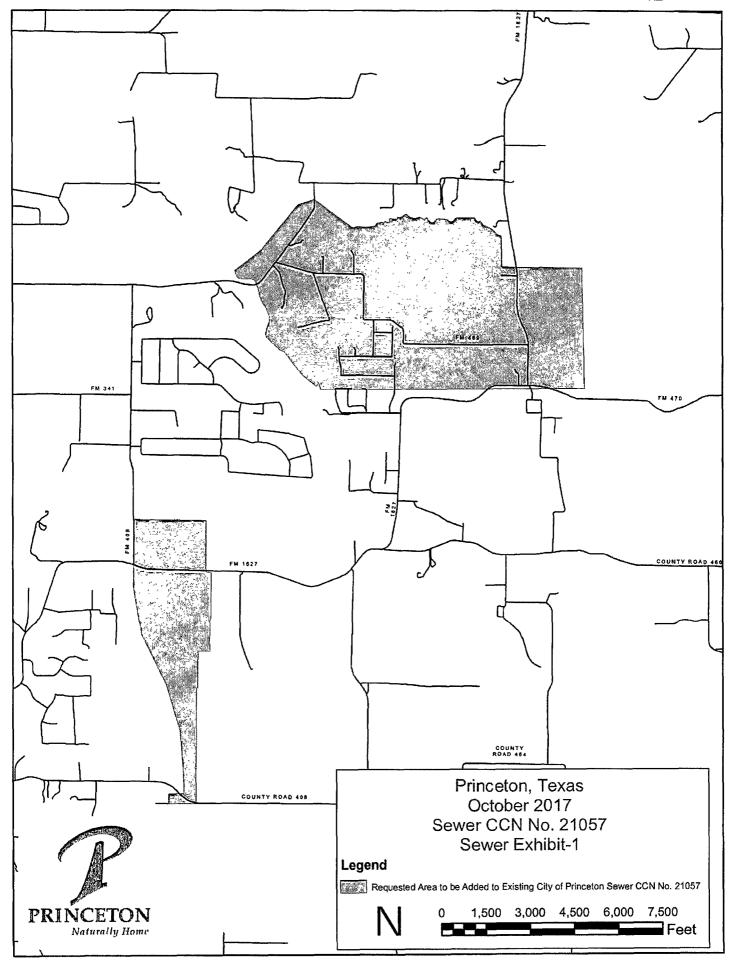
If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed service area, you may request to be excluded from the proposed service area (or "opt out") by providing written notice to the Commission within (30) days from the date that notice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

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

Public Utility Commission of Texas Central Records 1701 N. Congress, P. O. Box 13326 Austin, TX 78711-3326

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





## SOAH DOCKET NO. 582-08-0128 TCEQ DOCKET NO. 2007-1208-UCR

APPLICATION TIM BENNETT	§	BEFORE THE STATE OFFICE
ENGINEERING & CONSTRUCTION,	§	
INC. D/B/A/ TBEC TO AMEND SEWER	§	
CERTIFICATE OF CONVENIENCE	§	OF
AND NECESSITY (CCN) NO. 20947 IN	§	
COLLIN COUNTY, TEXAS	§	
	Š	ADMINISTRATIVE HEARINGS

## SOAH DOCKET NO. 582-06-1641 TCEQ DOCKET NO. 2006-0044-UCR

§	BEFORE THE STATE OFFICE
§	
§	OF
§	
§	ADMINISTRATIVE HEARINGS
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## SETTLEMENT AGREEMENT BETWEEN THE CITY OF PRINCETON AND ALTOGA WATER SUPPLY CORPORATION

The parties to this Settlement Agreement are the Applicant, City of Princeton, Texas ("Princeton"), and Altoga Water Supply Corporation ("Altoga").

## **RECITALS**

WHEREAS, Princeton is a Texas municipal corporation and a retail public utility, as defined by Texas Water Code § 13.002(19), providing retail water and sewer service within its corporate limits; and

WHEREAS, Princeton filed Application Nos. 35072-C and 35073-C with the Texas Commission on Environmental Quality ("TCEQ" or "Commission") to obtain Certificates of Convenience and Necessity ("CCN") to provide retail water and sewer utility service in Collin County, Texas (collectively, the "Applications"); and

WHEREAS, the water service area requested by Princeton in Application No. 35072-C (the "Water CCN Application") is shown on the *City of Princeton, TX Proposed Water CCN Map (April 2008)* attached hereto as Exhibit "A" and incorporated herein by reference (the "Requested Area"); and

WHEREAS, Altoga is a member-owned retail public utility providing retail water utility service under CCN No. 12580 in north-central Collin County, Texas, and any reference in this agreement to "Altoga's CCN" is a reference to CCN No. 12580; and

WHEREAS, Altoga also has facilities serving members located outside and to the south of Altoga's CCN adjacent to F.M. 1827 and C.R. 989 and within the Requested Area, which external facilities and connections are shown in the red cross-hatched areas labeled ALTOGA WSC CCN FACILITIES +200' on the map attached hereto as Exhibit "B" and incorporated herein by reference (the "External Facilities");

WHEREAS, Altoga also has facilities serving members located outside and to the south of Altoga's CCN along F.M. 75 (Longneck Rd.) and within the Requested Area as shown on the map attached hereto as Exhibit "B" (the "Longneck Customers");

WHEREAS, Altoga protested the Applications and requested that they be referred to the State Office of Administrative Hearings (SOAH) for public hearing; and

WHEREAS, the TCEQ referred the Applications to SOAH for public hearing and Altoga was admitted as a party to this proceeding pursuant to Order No. 2 issued by the Administrative Law Judge on June 8, 2006 under SOAH Docket No. 582-06-1641 (TCEQ Docket No. 2006-0044-UCR); and

WHEREAS, Princeton represents and warrants that Altoga's CCN is wholly excluded from the Requested Area and that Princeton does not seek to serve or to decertify any portion of Altoga's CCN area by the above proceedings or by the Applications; and

WHEREAS, Princeton acknowledges that Altoga is serving existing customers through the External Facilities, and Princeton represents and warrants that it does not and will not seek to acquire the External Facilities or to interfere with the service provided by Altoga through the External Facilities by the above proceedings or by the Applications; and

WHEREAS, Altoga has an outstanding 40 year term loan from the United States Department of Agriculture/Rural Development (USDA/RD) pursuant to the Consolidated Farm and Rural Development Act of 1961, 7 U.S.C. §§ 1921, et seq., to finance construction and improvement of Altoga's public water system; and

WHEREAS, the USDA/RD must approve any transfer of Altoga's CCN area, whether single or dual, during the term of such indebtedness; and

WHEREAS, Princeton acknowledges that Altoga has agreements with landowners to serve existing and proposed subdivisions in the Requested Area and Princeton has agreed to amend the Water CCN Application to accordingly.

NOW THEREFORE, in consideration of the mutual promises and agreements contained in this Settlement Agreement, including the Recitals set forth above, the parties agree as follows:

1. <u>Exclusion of Altoga's Existing CCN</u>. Princeton hereby agrees to exclude Altoga's existing retail water service area described in CCN No. 12580 from the Applications, including any amendments thereto, and from any administrative proceeding concerning or related to the Applications.

- 2. <u>Exclusion of Existing Facilities</u>. Princeton also agrees that it will not interfere with Altoga's provision of retail water service to existing or future members through the External Facilities. Princeton also consents to Altoga filing an application with the TCEQ to add or incorporate the External Facilities into Altoga's CCN as "External Facilities plus 200 feet" as shown in Exhibit "B" attached to this agreement.
- 3. <u>Continued Service to Longneck Customers</u>. Princeton also agrees that it will not interfere with Altoga continuing to provide retail water service to the Longneck Customers through Altoga's existing waterline until such time as Princeton has facilities in place to provide water service to the Longneck Customers and has compensated Altoga for the Longneck Customers to be released and any related facilities that will be abandoned or stranded as a result.
- 4. <u>Area 1: Single Certification to Altoga.</u> Area 1 appears as a red cross-hatched area on the map attached hereto as Exhibit "B." Area 1 is not certificated to any retail public utility. The parties agree that Area 1 will be singly certified to Altoga for the provision of retail water service subject to TCEQ approval. Within five (5) days of the effective date of this agreement or five (5) days prior to any final hearing in the above proceedings, whichever occurs first, Princeton shall amend its Water CCN Application to remove Area 1 from the Requested Area. Princeton will provide a file-stamped copy of the amendment to the undersigned legal counsel for Altoga within three (3) business days of the filing date. Princeton also consents to Altoga filling an application with the TCEQ to add or incorporate Area 1 into Altoga's CCN. Altoga will be responsible for all costs associated with said application.
- 5. Area 2: Dual Certification to Altoga and Princeton. Area 2 appears as a green cross-hatched area on the map attached hereto as Exhibit "B." Area 2 is not certificated to any retail public utility. The parties agree that Area 2 will be dually certified to Altoga and Princeton for the provision of retail water service subject to TCEQ approval. Area 2 is included in the Requested Area and shall added or incorporated into Princeton's water CCN pursuant to the Water CCN Application filed in the above proceedings. Princeton also consents to Altoga filing an application with the TCEQ for dual certification of Area 2 under CCN No. 12580. Altoga will be responsible for all costs associated with said application.
- 6. Area 3: Dual Certification Conditioned on USDA/RD Approval. Area 3 appears as a blue cross-hatched area on the map attached hereto as Exhibit "B." Area 3 is contained within Altoga's CCN and its disposition by Altoga is restricted by the terms and conditions of Altoga's USDA/RD loan agreement. The parties agree that Area 3 will be dually certified to Altoga and Princeton for the provision of retail water service subject to USDA/RD approval, the terms and conditions of Altoga's USDA/RD loan agreement, and Altoga's receipt of any compensation for loss of service area and/or facilities required by the USDA/RD or any other governmental entity with jurisdiction. Following receipt of said USDA/RD approval and payment of any required compensation, Altoga consents to Princeton filing an application with the TCEQ to amend Princeton's CCN to obtain dual certification over Area 3 together with Altoga. Princeton will be responsible for all costs associated with Princeton obtaining dual certification over Area 3.

- 7. Withdrawal of Altoga's Protest. Within five (5) business days of Princeton delivering to the undersigned counsel a file-stamped copy of the Area 1 amendment described in paragraph 3 above, Altoga will file a motion with the Clerks of the TCEQ and SOAH withdrawing its protest of the Applications and requesting that Altoga be dismissed as a party in the above proceedings ("Motion to Withdraw"). Altoga's dismissal from the above proceedings shall be contingent on the presiding ALJ issuing an order granting Altoga's withdrawal and declaring that Princeton's Water CCN Application will not be granted in a manner that conflicts with this settlement agreement. Thereafter, Altoga shall not take any other action to oppose the Applications. This agreement is void if the ALJ does not grant the Motion to Withdraw prior to a final hearing on the above proceedings.
- 8. <u>Mutual Release</u>. The parties hereby forever release, acquit, and discharge each other and their respective officers, agents, attorneys, employees, successors, assigns, and representatives from any and all claims, demands, charges, costs of court, attorney's fees, causes of action, liability, or damages of whatever nature, on any legal theory, known or unknown, past, present, or future, that have been or could have been asserted in the above administrative proceeding, other than claims for breach of the provisions of this Settlement Agreement.
- 9. <u>Applicable Law; Venue.</u> This Settlement Agreement is made in accordance with the laws of the State of Texas. The parties agree that this Settlement Agreement is governed by, and will be construed and enforced in accordance with Texas law. Exclusive venue for any lawsuit related in any way to this Settlement Agreement is in Collin County, Texas; however, if the lawsuit involves the enforcement by the TCEQ of any obligations under the parties' respective CCNs issued by the TCEQ, venue is in Travis County, Texas, to the extent required by law.
- 10. Entire Agreement. This Settlement Agreement contains the entire agreement between the parties with respect to the subject matter hereof. It supersedes any and all prior agreements, arrangements, or understandings between the parties on all subjects in any way related to the transactions or occurrences described in the Applications or in this Settlement Agreement. No oral understandings, statements, promises, or inducements contrary to or consistent with the terms of this Settlement Agreement exist. This Settlement Agreement is not subject to any oral modification, waiver, or addition, and any modification, waiver, or addition must be made in writing and signed by all parties.
- 11. <u>Assignability</u>. This Settlement Agreement is binding on and inures to the benefit of the undersigned parties and their respective administrators, legal representatives, officers, agents, employees, successors, and assigns.
- 12. <u>Severability</u>. If any provision contained in this Settlement Agreement shall for any reason be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Settlement Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
  - Litigation Costs. The parties agree to assume their own respective costs

regarding the Applications and this Settlement Agreement including engineering fees, attorney's fees, and any other costs related to same.

- 14. <u>Counterparts</u>. This Settlement Agreement may be executed in multiple counterparts, each of which shall be deemed an original for all purposes.
- 15. <u>Equal Construction</u>. This Settlement Agreement has been prepared and drafted by the joint efforts of the respective attorneys for each of the parties and thus shall not be construed against any party by reason of who prepared or drafted it.
- 16. <u>Covenant of Authority</u>. By their signatures below, the individuals signing this Settlement Agreement covenant that they have fill authority to bind and otherwise compromise the interests of the party they represent.
- 17. <u>Future Cooperation</u>. The parties agree to cooperate fully and execute any and all supplementary documents and to take all additional actions that may be necessary or appropriate to give full force and effect to the terms and intent of this Settlement Agreement.
- 18. <u>No Admission</u>. This Settlement Agreement is entered into for the sole purpose of resolving the parties' dispute in the above-numbered and entitled administrative proceeding and to avoid further costs of litigation, and is not an admission of either party on any issue of fact or law related to said proceeding.
- 19. <u>Ratification</u>. Princeton and Altoga agree to bring this Settlement Agreement before their respective governing bodies for consideration and approval at the earliest opportunity subject to the requirements of the Texas Open Meetings Act, Texas Government Code, Chapter 551.
- 20. <u>Effective Date</u>. This Settlement Agreement is effective upon execution by authorized representatives of Princeton and Altoga.

(Remainder of page intentionally left blank.)

APPROVED AND AGREED TO on this 10 day of www. 2009.

ALTOGA WATER SUPPLY CORP.

: KANA

Richard Leflar, President

ATTEST:

Billy Boone, Secretary/Treasurer

APPROVED AS TO FORM:

James W. Wilson

RAPIER, WILSON & WENDLAND, P.C.

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ATTORNEYS FOR PROTESTANT,

Altoga Water Supply Corporation

CITY OF PRINCETON, TEXAS

Ву:

Ken Bowers, Mayor
PRINCE OF PRINCE O

APPROVED AS TO FORM:

Arturo D. Rodriguez, Ir.
RUSSELL & RODRIGUEZ, L.L.P. 102 West Morrow Street, Suite 103 Georgetown, Texas 78626 (512) 930-1317

(512) 930-7742 - fax

arodriguez@txadminlaw.com

ATTORNEY FOR APPLICANT, City of Princeton, Texas

## **CERTIFICATE OF SERVICE**

I hereby certify that on <u>Dl (Om On 10)</u>, 2009, a true and correct copy of the above and foregoing instrument was sent via facsimile, electronic mail, or regular U.S. mail, postage prepaid, to the following persons:

## State Office of Administrative Hearings

Honorable Cassandra J. Church Administrative Law Judge State Office of Administrative Hearings 300 West 15<sup>th</sup> Street, Suite 502 P.O. Box 13025 Austin, Texas 78711-3025

Austin, Texas 78711-3029 Fax: (512) 475-4994

### **TCEQ Docket Clerk**

LaDonna Castanuela, Docket Clerk Office of the Chief Clerk TCEQ - MC 105 P.O. Box 13087 Austin, Texas 78711-3087 Fax: (512) 239-3311

### **TCEQ Executive Director**

Shana Horton, Staff Attorney Environmental Law Division TCEQ – MC 173 P.O. Box 13087 Austin, Texas 78711-3087 Fax: (512) 239-0606 shorton@tceq.state.tx.us

## **TCEQ Public Interest Counsel**

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shumphrey@tceq.state.tx.us

### **SOAH Docket Clerk**

Holly Wise, Docket Clerk State Office of Administrative Hearings 300 West 15<sup>th</sup> Street P.O. Box 13025 Austin, Texas 78711-3025 Fax: (512) 475-4994

Robert Gammenthaler on behalf of Aligned Group of Property Owners and David Strawn, on behalf of himself, the Felicia Saigling Estate, and W.N. Saigling, Jr.

Robert Gammenthaler 9637 County Road 867 Princeton, Texas 75407 scottygamm@dfwair.net

## Tim Bennett Engineering & Const., Inc. Billy Jo Donihoo

Philip S. Haag McGinnis, Lochridge & Kilgore, L.L.P. 600 Congress Ave., Suite 2100 Austin, Texas 78701 Fax: (512) 505-6308 phaag@mcginnislaw.com

#### City of Princeton, Applicant

Arturo D. Rodriguez, Jr. Russell & Rodriguez, L.L.P. 1633 Williams Drive, Building 2, Suite 200 Georgetown, Texas 78628 Fax: (866) 929-1641 arodriguez@txadminlaw.com

James W. Wilson, Attorney for Protestant,

**Altoga Water Supply Corporation** 

Exhibit "A"

City of Princeton, TX Proposed Water CCN Map

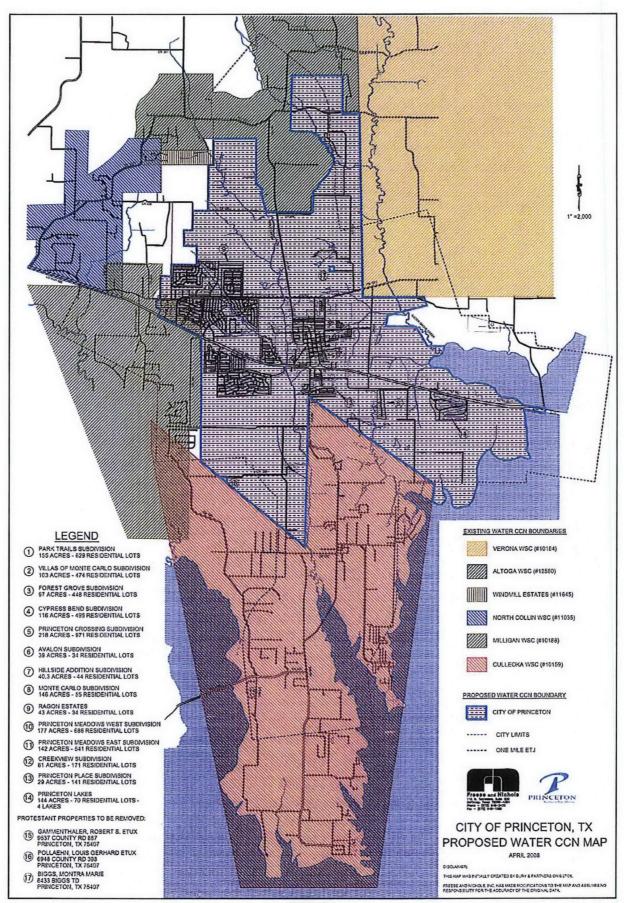
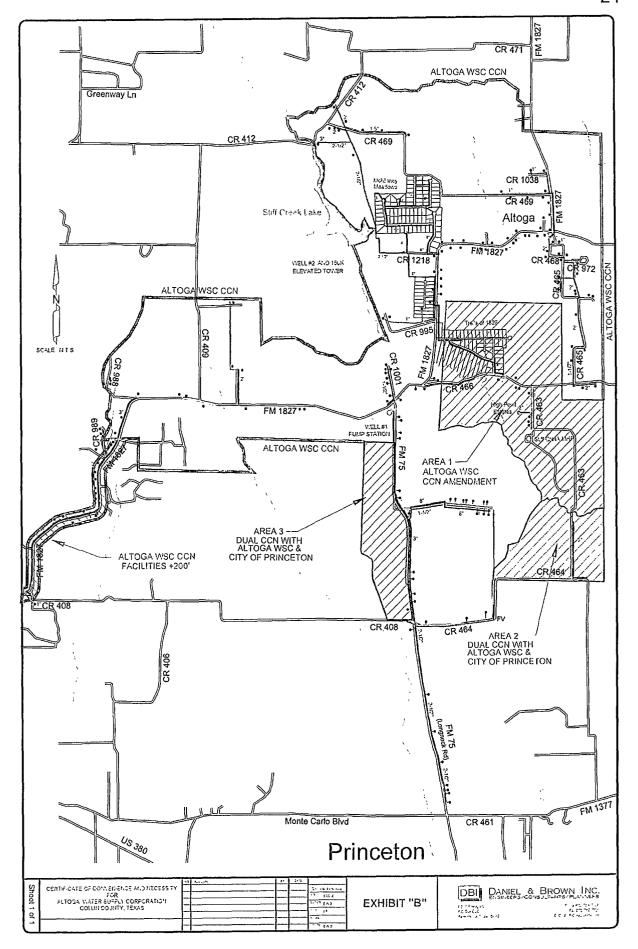


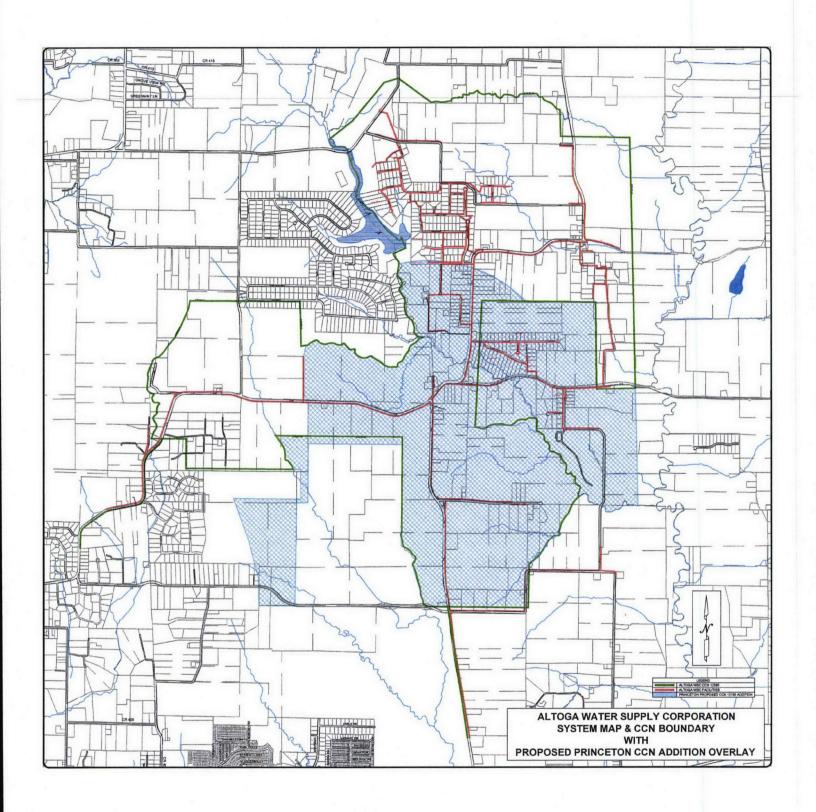
EXHIBIT "A" (Princeton/Altoga Settlement Agreement)

## Exhibit "B"

Map of External Facilities & Single/Dual CCN Areas 1-3



# EXHÎBIT C





## SETTLEMENT AGREEMENT TO RESOLVE WATER CCN DISPUTE

The parties to this Settlement Agreement to Resolve Water CCN Dispute ("Settlement Agreement") are North Collin Special Utility District ("North Collin"), Altoga Water Supply Corporation ("Altoga"), and the City of Princeton, Texas ("Princeton"), hereinafter individually referred to as a "Party" and collectively as the "Parties".

# SECTION 1 RECITALS

- 1.01 North Collin is a political subdivision of the State of Texas created under the authority of Section 59, Article XVI, Texas Constitution, and operating pursuant to Chapters 49 and 65, Texas Water Code. North Collin holds Certificate of Convenience and Necessity ("CCN") No. 11035 by Order of the Texas Commission on Environmental Quality ("TCEQ"), or its predecessor agency, granting to North Collin the exclusive right to own and operate a retail public water utility system (a/k/a "water system") serving persons located inside a defined geographical service area in north-central Collin County. North Collin is a rural water system so North Collin does not possess a sewer CCN nor does it intend to provide sewer service in the future.
- 1.02 Altoga is a nonprofit rural water supply corporation organized under Texas Water Code, Chapter 67, for the purposes stated in Water Code § 67.002. Altoga holds CCN No. 12580 issued by the TCEQ, or its predecessor agency, granting to Altoga the exclusive right to own and operate a retail public water utility system serving persons located inside a defined geographical service area in north-central Collin County (the "Altoga System"). Altoga's water service area is located immediately to the east of North Collin's service area. Altoga is a rural water system so Altoga does not possess a sewer CCN nor does it intend to provide sewer service in the future.
- 1.03 Princeton is a Type-A general law municipal corporation organized and existing under the laws of the State of Texas and located wholly within Collin County, Texas. Princeton holds CCN No. 13195 to provide retail water utility service and CCN No. 21057 to provide retail sewer service to defined service areas covering Princeton's corporate limits and portions of its extra-territorial jurisdiction ("ETJ"). Princeton owns and operates a municipal water system and a municipal sewer system. Princeton's water service area is located immediately to the south of Altoga's water service area. Princeton's sewer service area covers approximately one-third of Altoga's water service area as shown on the map attached hereto as Exhibit "A" and incorporated herein by reference for all purposes.
- 1.04 Altoga has entered into a contract to convey its water system and to transfer CCN No. 12580 to North Collin. To effect the transfers, on October 18, 2016, Altoga and North Collin filed an application with the Texas Public Utility Commission ("PUC") entitled, Application of Altoga Water Supply Corporation and North Collin Special Utility District for Sale, Transfer, or Merger of Facilities and Certificate Rights in Collin County; PUC Docket No. 46452 ("STM Application"). Princeton subsequently filed a request for public contested case hearing on the STM Application. On January 11, 2017, the PUC issued an order referring the STM Application to the State Office of

Administrative Hearings ("SOAH") where it was assigned SOAH Docket No. 473-17-2085.WS ("STM Proceeding"). Princeton filed a motion to intervene as a party to the STM Proceeding, which was granted on February 6, 2017.

- 1.05 On February 6, 2017, Princeton filed an application with the PUC entitled, Application of City of Princeton to Amend its Water and Sewer Certificates of Convenience and Necessity and to Decertify a Portion of Altoga Water Supply Corporation's Water Service Area in Collin County; PUC Docket No. 46835 ("CCN Application"). The PUC has not declared the CCN Application to be administratively complete.
- 1.06 The Parties acknowledge that the STM Proceeding and the CCN Application described above (collectively, the "PUC Proceedings") reflect bona fide disputes and controversies between the Parties. The PUC Proceedings concern identifying whether North Collin or Princeton will provide water service to different classes of new customers in a certain portion of Altoga's water service area that is also located in Princeton's ETJ.
- 1.07 Altoga and North Collin are currently indebted to the United States Department of Agriculture/Rural Development (<u>USDA/RD</u>) under the Consolidated Farm and Rural Development Act of 1961, 7 U.S.C. §§ 1921, et seq., for water system improvement loans and have pledged water service revenue and water system facilities as security for the loans. Altoga and North Collin maintain that their state law right to provide water service within Altoga's certificated water service area may not be altered, curtailed or limited by any state court or administrative proceeding, because local and state law is preempted by 7 U.S.C. § 1926(b).
- 1.08 Following the conveyance of Altoga's water system and CCN No. 12580 to North Collin, North Collin intends to continue operating as rural water system so long as there exists sufficient rural area and a rural customer base to maintain operational effectiveness, fiscal stability, and reasonable water rates. Princeton agrees that North Collin should continue to operate as a rural water system and potable water delivery entity inside Altoga's water service area after taking ownership and control of Altoga's water system.
- 1.09 For the foreseeable future North Collin intends to operate Altoga's water system separate and apart from North Collin's water system, except for an emergency interconnection between the two water systems.
- 1.10 Princeton is experiencing rapid development of single-family residential subdivisions within its ETJ and especially to the immediate south of Altoga's water service area. Princeton desires to provide both water and sewer service to certain single-family residential subdivisions located within its ETJ, including that portion of its ETJ that overlaps Altoga's water service area as shown on the map attached hereto as <a href="Exhibit "A"">Exhibit "A"</a> (the "CCN Acquisition Area"). North Collin and Altoga agree that Princeton should serve developments located in its ETJ that require sewer service, including within the CCN Acquisition Area.
  - 1.11 The Parties desire to avoid the annoyance, cost, delay, and uncertainty associated

with contested legal and administrative proceedings by settling all disputed water service matters between the Parties with regard to Altoga's water service area defined by CCN No. 12580. Therefore, in order to fully and finally compromise and settle all claims that have been or could have been asserted, and all applications regarding water and sewer service that have been submitted, in the PUC Proceedings - as well as all other matters in controversy between them - the Parties hereby enter into this Settlement Agreement.

## **SECTION 2**

## **TERMS OF AGREEMENT**

In full consideration of the mutual promises and agreements contained in this Settlement Agreement, including the Recitals set forth in Section 1 above, as well as the financial consideration to be paid by Princeton to North Collin for the acquisition of portions of the CCN Acquisition Area by Princeton under Section 2.04 below, if any, the Parties agree as follows:

- **2.01 CCN Acquisition Area.** All territory located inside the CCN Acquisition Area will be geographically certificated to both North Collin and Princeton for single certification by customer class, as follows:
  - (a) North Collin's CCN will be amended to reflect that it will have the right and duty to serve, pursuant to its Rate Order, and to the exclusion of Princeton, all new retail water customers in the CCN Acquisition Area except those that: (i) are located within the city limits of Princeton as now or hereafter existing; (ii) request sanitary sewer service and are located in a subdivision containing lots of less than one acre; or (iii) request sanitary sewer service for property that contains or will contain uses allowed by Princeton's Comprehensive Zoning Ordinance for Non-Residential Zoning Districts or Special Zoning Districts, regardless of whether the property is within Princeton's corporate limits at the time sewer service is requested.
  - (b) Princeton's water CCN will be amended to reflect that it has the right and duty to serve, pursuant to its ordinances, and to the exclusion of North Collin, all new retail water customers in the CCN Acquisition Area who: (i) are located within the city limits of Princeton as now or hereafter existing; (ii) request sanitary sewer service and are located in a subdivision containing lots of less than one acre; or (iii) request sanitary sewer service for property that contains or will contain uses allowed by Princeton's Comprehensive Zoning Ordinance for Non-Residential Zoning Districts or Special Zoning Districts, regardless of whether the property is within Princeton's corporate limits at the time sewer service is requested.
  - (c) The territory presently located inside North Collin's CCN No. 11035 will remain singly certificated to North Collin and is not subject to being acquired by Princeton under this Settlement Agreement.

- (d) The map designating the CCN Acquisition Area and attached to this Settlement Agreement as Exhibit "A" is incorporated herein by reference for all purposes.
- **2.02 USDA Approval.** Any acquisition of territory, customers, or facilities located in the CCN Acquisition Area to Princeton must comply with applicable regulations of the USDA/RD, if any apply.
- 2.03 PUC Proceedings: Amended CCNs. Immediately upon approval of this Settlement Agreement by the Parties, the Parties will withdraw objections or opposition to the STM Application and CCN Application, if any, and Princeton will amend the pending CCN Application to request (i) PUC approval of this Settlement Agreement pursuant to Texas Water Code §§ 13.248 and 13.255, (ii) the issuance of amended CCNs consistent with the terms of this Settlement Agreement, and incorporation of the this Settlement Agreement into each Party's amended water CCN to reflect the CCN Acquisition Area and the customer classes that the Parties are entitled to serve within the CCN Acquisition Area. Princeton shall bear the costs to amend and prosecute the CCN Application before the PUC, and also the State Office of Administrative Hearings should another entity object to the application and be allowed to intervene. The Parties will take all acts necessary to expedite PUC approval of this Settlement Agreement together with the issuance of amended CCNs including, but not limited to, preparation of a proposed agreed final order for submission to the Commissioners for approval under Texas Water Code §§ 13.248 and 13.255, and preparation of maps, forms, or other necessary documents. The Parties expressly waive their rights to file a motion for reconsideration or rehearing of any order entered by the PUC in the PUC Proceedings consistent with this Settlement Agreement.
- 2.04 Territory and Customer Acquisition. From time-to-time Princeton will acquire territory located in the CCN Acquisition Area so Princeton may facilitate or regulate utility infrastructure for proposed commercial and residential developments that require sewer service. Princeton agrees to pay to North Collin a price of \$200.00 per acre for territory acquired by Princeton under this Section 2. Should the PUC grant expedited release of property located in the CCN Acquisition Area under Texas Water Code § 13.254, Princeton agrees that it remains obligated to pay the \$200 per acre CCN acquisition fee to North Collin provided the owner requests Princeton provide water service to the affected property. Princeton will pay to North Collin the foregoing amount for each acre and partial acre contained within a plat or tract within 10 days of (i) approving a final plat affecting land in the CCN Acquisition Area or (ii) entering into a water and sewer service agreement with the owner of a tract of land in the CCN Acquisition Area that is or will be put to commercial use and that does not require plat approval.

## 2.05 Area Utility and Service Cooperation.

(a) North Collin shall maintain the water supply and transmission system components of the Altoga System to preserve the Altoga System's integrity, subject to coordination with Princeton when necessary. In the event Princeton approves a development or subdivision having infrastructure that conflicts or interferes with existing waterlines of the Altoga System, Princeton agrees to either (i) relocate the affected

waterlines in a manner that maintains the Altoga System's continuing operations and water pressure, or (ii) to provide North Collin with additional connections to maintain the Altoga System's continuing operations and water pressure. The relocation of an affected waterline shall be at no cost to North Collin unless the affected waterline is located within the public right-of-way of a state highway or farm-to-market road maintained by the Texas Department of Highways and Public Transportation (TxDOT) and relocation is required to accommodate expansion or reconstruction of a state highway or farm-to-market road, in which case North Collin shall be responsible for the cost of relocation as provided for in the Texas Transportation Code and TxDOT regulations.

(b) In the event Princeton desires to acquire a large or vital waterline from the Altoga System as part of a CCN territory acquisition, Princeton shall work with North Collin to identify and implement an acceptable plan to maintain Altoga System operations and water pressure; under this circumstance, Princeton shall pay to North Collin (i) the cost for territory taken from the CCN Acquisition Area as provided for in Section 2.04(a) above, (ii) the cost of any customers acquired from North Collin as provided for in Section 2.04(b), and (iii) the cost to construct a replacement waterline with appurtenances.

## 2.06 Construction/Waterline/Fire-flow Standards.

- (a) It is agreed by the Parties that North Collin will comply with Princeton subdivision regulations and public works construction standards/specifications for the construction of new waterlines and appurtenances and for the replacement of damaged waterlines and appurtenances located, or to be located, within the CCN Acquisition Area. After the PUC issues an order approving this Settlement Agreement, all new or replacement waterlines in the CCN Acquisition Area shall have a minimum diameter of six inches (6") unless Princeton agrees in writing to allow North Collin to install a smaller diameter waterline. It is the intent of Princeton that the 6" minimum diameter standard is for the purpose of insuring that adequate water volume and pressure is available in growth areas and to provide fire flows as transmission lines are upgraded. It is not the intent to prevent the extension of water service or improvement of water service to existing customers in rural areas of the CCN Acquisition Area that are not experiencing or are not anticipated to experience urban development activity. The Parties agree to meet periodically as needed to discuss development trends and line size issues.
- (b) At the request of Princeton, North Collin agrees to cooperate with Princeton to prepare a projected waterline size map for the CCN Acquisition Area to delineate areas where waterline size is of significant concern.
- (c) All water utility infrastructure to be constructed for new residential and commercial developments in the CCN Acquisition Area and designated for service by North Collin under the terms of this Settlement Agreement must comply with the fire-flow standards set forth in North Collin's duly adopted Rate Order.

**2.07 Effective Date.** This Settlement Agreement shall be effective on the date that this Settlement Agreement is executed by authorized representatives of the Parties hereto.

#### **SECTION 3**

### **ADDITIONAL TERMS OF AGREEMENT**

- **3.01** This Settlement Agreement is solely for the benefit of the Parties hereto. There are no third party beneficiaries of this Settlement Agreement.
- **3.02** This Settlement Agreement may be recorded in the real property records or official records of Collin County, Texas.
- 3.03 Any reference to a state or federal administrative agency in this Settlement Agreement, such as the TCEQ or USDA/RD, includes the named agency's predecessor and successor agencies, if any.
- 3.04 In executing this Settlement Agreement, the Parties acknowledge that they are not relying on any statement or representation of any other Party regarding the matters in dispute. Each of the Parties is relying on their own judgment and each is represented by attorneys in this matter.
- 3.05 This Settlement Agreement is a compromise of doubtful and disputed claims. Nothing in this Settlement Agreement is an admission of liability by any of the Parties hereto, and nothing in this Settlement Agreement may be interpreted as an admission of liability. Each Party to this Settlement Agreement expressly denies liability to the other Parties to this Settlement Agreement.
- **3.06** Without being forced to elect remedies, each Party is entitled to exercise all rights and remedies allowed in equity and under applicable law to enforce this Settlement Agreement. Notwithstanding the foregoing, the Parties expressly have the right to file an action or claim for injunctive relief and/or specific performance to enforce the terms of this Settlement Agreement.
- **3.07** This Settlement Agreement is made in accordance with the laws of the State of Texas. The Parties agree that this Settlement Agreement is governed by, and will be construed and enforced in accordance with Texas law. Exclusive venue for any lawsuit related in any way to this Settlement Agreement is in Collin County, Texas; however, if the lawsuit involves the enforcement by the TCEQ or PUC of any obligations under the Parties' respective CCNs issued by the TCEQ or PUC, venue is in Travis County, Texas, to the extent required by law.
- **3.08** This Settlement Agreement is binding on and inures to the benefit of the Parties and their respective administrators, legal representatives, officers, agents, employees, successors and assigns.
- 3.09 This Settlement Agreement contains the entire agreement between the Parties and it supersedes any and all prior agreements, arrangements or understandings between the Parties

on all subjects in any way related to the transactions or occurrences described in the PUC Proceedings. No oral understandings, statements, promises or inducements contrary to or inconsistent with the terms of this Settlement Agreement exist. This Settlement Agreement is not subject to any oral modification, waiver, addition or deletion, and any modification, waiver, addition or deletion of any provision in this Settlement Agreement must be made in writing and signed by the Parties.

**3.10** For purposes of notice, the addresses, email addresses and fax numbers of the Parties are as follows:

## To North Collin and Altoga:

North Collin SUD Attn: General Manager 2333 Sam Rayburn Hwy. Melissa, Texas 75454 Fax: (972) 837-2930

Email: aknight@northcollinsud.com

## with copy to:

James W. Wilson
Gay, McCall, Isaacks & Roberts, P.C.
777 East 15th Street
Plano, Texas 75074
Email: jwilson@gmigr.com

## **To Princeton:**

City of Princeton Attn: City Manager 123 West Princeton Drive Princeton, TX 75407 Fax: (972) 734-2548

Email: dborg@princetontx.us.

## with copy to:

Arturo D. Rodriguez, Jr. 1633 Williams Drive, Suite 200 Georgetown, Texas 787628

Email: arodriguez@txadminlaw.com

For purposes of notice under this Settlement Agreement, any Party that desires to change its address, email address or fax number must give the other Parties at least seven (7) days prior notice of the change. All notices given pursuant to this Settlement Agreement must be in writing.

- **3.11** This Settlement Agreement may be executed in multiple counterparts, each of which shall be deemed an original for all purposes.
- 3.12 This Settlement Agreement has been prepared and drafted by the joint efforts of the respective attorneys for each Party and thus shall be construed equally against all Parties.
- 3.13 If, after the date of its approval by the PUC or USDA/RD, any provision of this Settlement Agreement is held to be illegal, invalid or unenforceable under present or future laws effective during the term of this Settlement Agreement, such provision(s) shall be fully severable.
- **3.14** The Parties agree to cooperate fully and to execute any and all supplementary documents and to take all additional actions that may be necessary or appropriate to give full force and effect to the terms and intent of this Settlement Agreement.
- 3.15 The failure of any Party to enforce at any time any provision of this Settlement Agreement shall not be construed to be a waiver of such provision, or to affect the validity of this Settlement Agreement or any part thereof, or to affect any right of any of the Parties to enforce its provisions. No waiver of any breach of this Settlement Agreement shall be held to constitute a waiver of any other breach.
- 3.16 This Settlement Agreement must be approved by the Princeton City Council and by the Boards of Directors of North Collin and Altoga to become effective, which approval shall be expressly affirmed upon execution of this Settlement Agreement by the respective Mayor and Board Presidents of said Parties.
  - 3.17 The attached Exhibit "A" is incorporated herein by reference for all purposes.

[SIGNATURE PAGES TO FOLLOW.]

APPROVED AND AGREED TO on the 29th day of August 2017, by:

NORTH COLLIN SPECIAL UTILITY DISTRICT, a

Texas political subdivision

Duke Monson, President

## **ACKNOWLEDGMENT**

STATE OF TEXAS §

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COUNTY OF COLLIN §

Before me, the undersigned notary public, on this day personally appeared Duke Monson, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act of North Collin Special Utility District, a Texas political subdivision, as President of its Board of Directors, for the purposes and consideration therein expressed.

Given under my hand and seal of office this 29 day of August 2017.

Notary Public, State of Texas

CYNTHIA WILLS

Notary Public

STATE OF TEXAS

Notary ID # 125907544

My Comm. Exp. November 10, 2018

APPROVED AND AGREED TO on the 29 day of August 2017, by:

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

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Billy Boone, President

### **ACKNOWLEDGMENT**

STATE OF TEXAS §

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COUNTY OF COLLIN §

Before me, the undersigned 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 he executed the same as the act of Altoga Water Supply Corporation, a Texas nonprofit corporation, as President of its Board of Directors, for the purposes and consideration therein expressed.

Given under my hand and seal of office this 29 day of August 2017.

Notary Public. State of Texas

CYNTHIA WILLS

Notary Public

STATE OF TEXAS

Notary ID # 125907844

My Corren. Exp. Neverther 19, 1818

APPROVED AND AGREED TO on the 23 day of August 2017, by:

**CITY OF PRINCETON, TEXAS**, a Texas municipal corporation

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John-Mark Caldwell, Mayor

## **ACKNOWLEDGMENT**

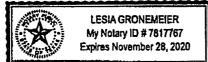
STATE OF TEXAS §

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COUNTY OF COLLIN §

Before me, the undersigned notary public, on this day personally appeared John-Mark Caldwell, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act of the City of Princeton, Texas, a Texas municipal corporation, as its Mayor, for the purposes and consideration therein expressed.

Given under my hand and seal of office this 23 day of Aunst, 2017.



Modery Public, Atate of Texas

37 EXHIBIT "A"

