



Control Number: 46867



Item Number: 7

Addendum StartPage: 0

RECEIVED

PETITION OF CELINA PARTNERS, §  
LTD. TO AMEND MARILEE SPECIAL §  
DISTRICT'S CERTIFICATE OF §  
CONVENIENCE AND NECESSITY IN §  
COLLIN COUNTY BY EXPEDITED §  
RELEASE §

PUBLIC UTILITY COMMISSION  
OF TEXAS

APR 15 11:27 AM  
PUBLIC UTILITY COMMISSION  
FILING CLERK

**MARILEE SPECIAL UTILITY DISTRICT'S  
RESPONSE TO PETITION FOR EXPEDITED DECERTIFICATION**

Marilee Special Utility District (the "District") files this Response to the Petition for Expedited Decertification dated February 17, 2017 (the "Petition") filed on behalf of Celina Partners, Ltd. ("Petitioner").

**Overview**

1. In the Petition, Petitioner requests that the Public Utility Commission of Texas (the "PUC") decertify 279.09 acres of real property (the "Property") from the certificated water service territory of the District pursuant to Texas Water Code § 13.254(a-5) and 16 Texas Administrative Code § 24.113(r).

2. The Property is not eligible for expedited decertification under TWC § 13.254(a-5) because the statute does not authorize expedited decertification of lands that receive "service." The District provides "service" to the Property, as defined by TWC § Sec. 13.002(21).

**Discussion**

3. The District is a political subdivision of the State of Texas and the holder of Certificate of Convenience and Necessity No. 10150 (the "CCN"). The District is the successor of the CCN and all plant, equipment and customers of the former Gunter Rural Water Supply Corporation. The District currently provides retail water service to approximately 2,409 active connections.

4. Tex. Water Code § 13.254(a-5) authorizes expedited decertification only for property “that is not receiving water or sewer service.” TWC § 13.002(21) defines “service” as follows:

**Any act performed, anything furnished or supplied; and any facilities or lines committed or used by a retail public utility in the performance of its duties under this chapter. . . (emphasis added).**

The District has performed many acts in furtherance of the provision of retail water service to the Property, including without limitation, the following:

a. The District previously installed a 6-inch waterline *directly on* a portion of the west side of the Property and an 8-inch waterline adjacent to a portion of the east side of the Property for the purpose of providing retail water service to the Property;

b. In 2001, at the request of Jody M. O’Donnell, a partner of the Petitioner, the District initiated water service to a 93.492 acre tract of the Property (Account #1344);

c. In 2002, at the request of the Petitioner, the District transferred water service to the Property from Reba Hundley to the Petitioner (Account #365) to provide water service to a 85 acre tract of the Property. *See* attached Exhibit B, at 12;

d. The District maintains two (2) active water meters as shown on Exhibit A attached hereto, in which the District provides water service to 93.492 acres of the Property<sup>1</sup> pursuant to Petitioner's applications for water service. *See* attached Exhibit B, at 3; and

e. Water usage by the Property is reflected in the current billing statements for Account #1344 and #365. *See* attached Exhibit B, at 18-19. Although the billing statement for Account #365 shows a usage of “0” gallons, the amount due is the minimum due for an active water service meter.

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<sup>1</sup> The Court in *Tex. Gen. Land Office v. Crystal Clear Water Supply Corp.*, 449 S.W.3d 13, 104 (Tex. App.—Austin 2014, no writ) stated that “[c]ertainly an active water tap on the Decertified Property would constitute a facility or line ‘used’ to supply water to the tract on which it was located.”

5. Attached as **Exhibit "A"** is a true and correct map that identifies the Property, the 6-inch waterline on the Property, the 8-inch waterline adjacent to the Property, and the location of two (2) active District water meters that provide water service to the Property labeled "#1344 LMI Tree Farm" and "#365 Celina Partners".

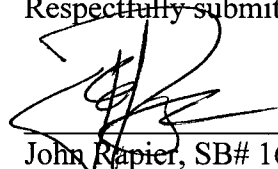
6. Attached as **Exhibit "B"** is the supporting affidavit of Donna Loiselle, the general manager of the District.

### **Conclusion**

7. The Property is not eligible for expedited decertification under Tex. Water Code § 13.254(a-5) because the District provides "service" to the Property, as defined under TWC § 13.002(21). Specifically, the District has constructed a 6-inch waterline on the Property, has constructed a 8-inch waterline adjacent to the Property, has installed two water meters on or adjacent to the Property, and is providing water service to the Property through the two active water meters.

8. Since the requisite statutory criteria for decertification under TWC § 13.254(a-5) have not been met, Marilee Special Utility District respectfully requests that the Petition be denied in its entirety. If the PUC intends to proceed with processing the Petition notwithstanding the fact that the Property is not eligible for expedited decertification, then Marilee Special Utility District requests the opportunity to present evidence in an appropriate hearing.

Respectfully submitted,



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John Rapier, SB# 16550500  
Maria Huynh, SB# 24086968  
James W. Wilson, SB #00791944  
Gay, McCall, Isaacks & Roberts, P.C  
777 East 15<sup>th</sup> Street  
Plano, Texas 75074

Tel: (972) 424-8501  
Fax: (972) 423-3116  
jrapier@gmigr.com  
mhuynh@gmigr.com  
jwilson@gmigr.com

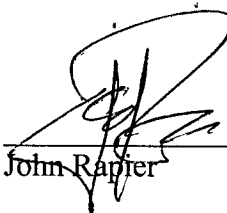
Anthony S. Corbett, SB# 04811760  
McLean & Howard, L.L.P.  
901 South MoPAC Expy., Suite 225  
Austin, TX 78746  
Tel: (512) 799-6405  
Fax: (512) 328-2409  
tcorbett@mcleanhowardlaw.com

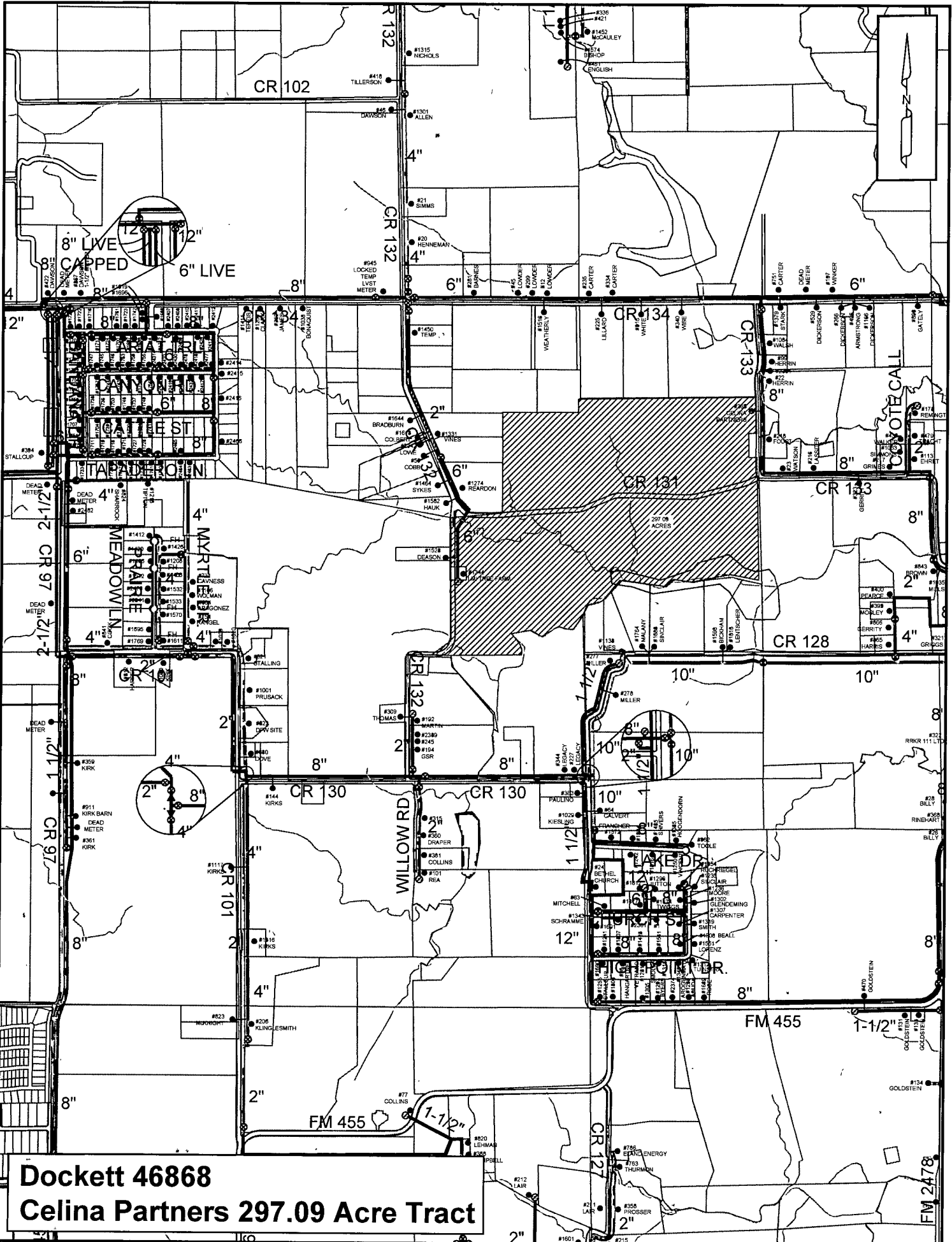
ATTORNEYS FOR MARILEE SPECIAL  
UTILITY DISTRICT

### CERTIFICATE OF SERVICE

I certify that a true and correct copy of this document will be served on the following parties of record on March 14, 2017, in accordance with 16 TAC § 22.74.

Via electronic mail – mkoehne@coatsrose.com  
Mindy L. Koehne  
Attorney for Petitioner,  
Coats Rose, P.C.  
14755 Preston Road, Suite 600  
Dallas, Texas 75254

  
\_\_\_\_\_  
John Rapier



**Docket 46868  
 Celina Partners 297.09 Acre Tract**

**EXHIBIT A**

**EXHIBIT B**

**SUPPORTING AFFIDAVIT OF DONNA LOISELLE**

**STATE OF TEXAS**

§

§

**COUNTY OF COLLIN**

§

**BEFORE ME** the undersigned authority on this date personally appeared Donna Loiselles who being by me first duly sworn states as follows:

"My name is Donna Loiselles. I am more than 18 years of age and I am of sound mind and qualified to make this affidavit. I have personal knowledge of all facts stated herein.

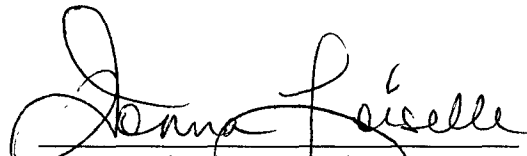
Since 1996, I have been the duly appointed general manager of Marilee Special Utility District (the "District") and I am the custodian of the records of the District. The District is the successor to Gunter Rural Water Supply Corporation a/k/a Gunter Water Supply Corporation.

I have read Marilee Special Utility District's Response to Petition for Expedited Decertification in Docket No. 46867 and each and every factual statement contained therein is true and correct.

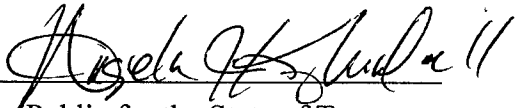
Attached to District's Response as Exhibit A is a true and correct copy of a portion of the District's water system map prepared by the District's engineer of record, Eddy Daniel, P.E. The Property that is the subject matter of Docket No. 46867 is accurately located on the map.

Pursuant to Account #1344; the District provides water service to a 93.492 acre tract through a 6-inch waterline and a water meter. Pursuant to Account #365, the District provides water service to an 85 acre tract of the Property through a 8-inch waterline and a water meter.

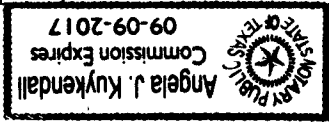
Attached to this Affidavit is a true and correct copy of the contents of the District files for Celina Partners, Ltd., Account #1344 and #365 (the "Records"). The Records were made at or near the time of each act, event or condition set forth. The Records were made by, or from information transmitted by, persons with knowledge of the matters set forth. The Records were kept in the course of regularly conducted business activity of the District. It is the regular practice of the District activity to make the Records."

  
Donna Loiselles, General Manager  
Marilee Special Utility District

**SUBSCRIBED AND SWORN TO** before me on the 14 day of March, 2017, by Donna Loiselle, personally known to me to be the general manager of Marilee Special Utility District.

  
\_\_\_\_\_  
Notary Public for the State of Texas

[seal]





USDA Form RUS-TX 1942-11 (8/96)

CORPORATION USE ONLY	
Date Approved	_____
Service Classification	_____
Cost	_____
Work Order Number	_____
Eng. Update	_____
Account Number	_____
Service Inspection Date	_____

001344

# GUNTER RURAL

## WATER SUPPLY CORPORATION

### SERVICE APPLICATION AND AGREEMENT

Please Print: DATE 8/20/01

APPLICANT'S NAME Jody M. O'Connell

CO-APPLICANT'S NAME \_\_\_\_\_

CURRENT BILLING ADDRESS: FUTURE BILLING ADDRESS:

1437 Halsan Way Same  
Carrollton, TX 75007-9410

PHONE NUMBER - Home (972) 838-2570 Work (972) 446-0020

PROOF OF OWNERSHIP PROVIDED BY \_\_\_\_\_

DRIVER'S LICENSE NUMBER OF APPLICANT  
[Redacted] Texas

LEGAL DESCRIPTION OF PROPERTY (Include name of road, subdivision with lot and block number) See attached  
9260 County Road 132 Celina, TX 75009

PREVIOUS OWNER'S NAME AND ADDRESS (If transferring Membership)  
\_\_\_\_\_  
\_\_\_\_\_

ACREAGE 93.495 HOUSEHOLD SIZE \_\_\_\_\_

NUMBER IN FAMILY \_\_\_\_\_ LIVESTOCK & NUMBER \_\_\_\_\_

SPECIAL SERVICE NEEDS OF APPLICANT: \_\_\_\_\_

**NOTE: FORM MUST BE COMPLETED BY APPLICANT ONLY. A MAP OF SERVICE LOCATION REQUEST MUST BE ATTACHED.**

The following information is requested by the Federal Government in order to monitor compliance with Federal laws prohibiting discrimination against applicants seeking to participate in this program. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you choose not to furnish it, we are required to note the race/national origin of individual applicants on the basis of visual observation or surname.

<input type="checkbox"/> White, Not of Hispanic Origin	<input type="checkbox"/> Black, Not of Hispanic Origin	<input type="checkbox"/> American Indian or Alaska Native	<input type="checkbox"/> Hispanic	<input type="checkbox"/> Asian or Pacific Islander	<input type="checkbox"/> Other (Specify)	<input type="checkbox"/> Male	<input type="checkbox"/> Female
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USDA Form RUS-TX 1942-11 (8/96)

Service Application and Agreement  
page 2 of 4

AGREEMENT made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between Gunter Rural Water Supply Corporation, a corporation organized under the laws of the State of Texas (hereinafter called the corporation) and \_\_\_\_\_ (hereinafter called the Applicant and/or Member),

Witnesseth:

The Corporation shall sell and deliver water and/or wastewater service to the Applicant and the Applicant shall purchase, receive, and/or reserve service from the Corporation in accordance with the bylaws and tariff of the Corporation as amended from time to time by the Board of Directors of the Corporation. Upon compliance with said policies, including payment of a Membership Fee, the Applicant qualifies for Membership as a new applicant or continued Membership as a transferee and thereby may hereinafter be called a Member.

The Member shall pay the Corporation for service hereunder as determined by the Corporation's tariff and upon the terms and conditions set forth therein, a copy of which has been provided as an information packet, for which Member acknowledges receipt hereof by execution of this agreement. A copy of this agreement shall be executed before service may be provided to the Applicant.

The Board of Directors shall have the authority to discontinue service and cancel the Membership of any Member not complying with any policy or not paying any utility fees or charges as required by the Corporation's published rates, fees, and conditions of service. At any time service is discontinued, terminated or suspended, the Corporation shall not re-establish service unless it has a current, signed copy of this agreement.

If this agreement is completed for the purpose of assigning utility service as a part of a rural domestic water and/or wastewater system loan project contemplated with the Rural Development, an Applicant shall pay an Indication of Interest Fee in lieu of a Membership Fee for the purposes of determining

- a. The number of taps to be considered in the design and
- b. The number of potential ratepayers considered in determining the financial feasibility of constructing
  - 1) a new water system or
  - 2) expanding the facilities of an existing water system.

The Applicant hereby agrees to obtain, utilize, and/or reserve service as soon as it is available. Applicant, upon qualification for service under the terms of the Corporation's policies, shall further qualify as a Member and the Indication of Interest Fee shall then be converted by the Corporation to a Membership Fee. Applicant further agrees to pay, upon becoming a Member, the monthly charges for such service as prescribed in the Corporation's tariff. Any breach of this agreement shall give cause for the Corporation to liquidate, as damages, the fees previously paid as an indication of interest. In addition to any Indication of Interest Fees forfeited, the Corporation may assess a lump sum of \$300.00 as liquidated damages to defray any losses incurred by the Corporation. If delivery of service to said location is deemed infeasible by the Corporation as a part of this project, the Applicant shall be denied Membership in the Corporation and the Indication of Interest Fee, less expenses, shall be refunded. The Applicant may re-apply for service at a later date under the terms and conditions of the Corporation's policies. For the purposes of this agreement, an Indication of Interest Fee shall be of an amount equal to the Corporation's Page 4

2USDA Form RUS-TX 1942-11 (8/96)

Service Application and Agreement  
page 3 of 4**Membership Fees.**

All water shall be metered by meters to be furnished and installed by the Corporation. The meter and/or wastewater connection is for the sole use of the Member or customer and is to provide service to only one (1) dwelling or one (1) business. Extension of pipe(s) to transfer utility service from one property to another, to share, resell, or submeter water to any other persons, dwellings, businesses, or property, etc., is prohibited.

The Corporation shall have the right to locate a water service meter and the pipe necessary to connect the meter on the Member's property at a point to be chosen by the Corporation, and shall have access to its property and equipment located upon Member's premises at all reasonable and necessary times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service the Corporation shall have the right to remove any of its equipment from the Member's property. The Member shall install at their own expense any necessary service lines from the Corporation's facilities and equipment to the point of use, including any customer service isolation valves, backflow prevention devices, clean-outs, and other equipment as may be specified by the Corporation. The Corporation shall also have access to the Member's property for the purpose of inspecting for possible cross-connections and other undesirable plumbing practices.

The Corporation is responsible for protecting the drinking water supply from contamination or pollution which could result from improper plumbing practices. This service agreement serves as notice to each customer of the plumbing restrictions which are in place to provide this protection. The Corporation shall enforce these restrictions to ensure the public health and welfare. The following undesirable plumbing practices are prohibited by state regulations:

- a. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an airgap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices must be in compliance with state plumbing codes.
- b. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the proper installation of an airgap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for annual inspection and testing by a certified backflow prevention device tester.
- c. No connection which allows condensing, cooling or industrial process water to be returned to the public drinking water supply is permitted.
- d. No pipe or pipe fitting which contains more than 3.0 % lead may be used for the installation or repair of plumbing on or after July 1, 1988, at any connection which provides water for human consumption.
- e. No solder or flux which contains more than 0.2 % lead may be used for the installation or repair of plumbing on or after July 1, 1988, at any connection which provides water for human consumption.

The Corporation shall maintain a copy of this agreement as long as the Member and/or premises is connected to the public water system. The Member shall allow his property to be inspected for possible cross-connections and other undesirable plumbing practices. These inspections shall be conducted by the Corporation or its designated agent prior to initiating service and periodically thereafter. The inspections shall be conducted during the Corporation's normal business hours.

3USDA Form RLS-TX 1942-11 (8/96)

Service Application and Agreement  
page 4 of 4

The Corporation shall notify the Member in writing of any cross-connections or other undesirable plumbing practices which have been identified during the initial or subsequent inspection. The Member shall immediately correct any undesirable plumbing practice on their premises. The Member shall, at his expense, properly install, test, and maintain any backflow prevention device required by the Corporation. Copies of all testing and maintenance records shall be provided to the Corporation as required. Failure to comply with the terms of this service agreement shall cause the Corporation to either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Member.

In the event the total water supply is insufficient to meet all of the Members, or in the event there is a shortage of water, the Corporation may initiate the Emergency Rationing Program as specified in the Corporation's Tariff. By execution of this agreement, the Applicant hereby shall comply with the terms of said program.


By execution hereof, the Applicant shall hold the Corporation harmless from any and all claims for damages caused by service interruptions due to waterline breaks by utility or like contractors, tampering by other Member/users of the Corporation, normal failures of the system, or other events beyond the Corporation's control.

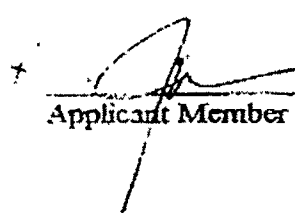
The Member shall grant to the Corporation, now or in the future, any easements of right-of-way for the purpose of installing, maintaining, and operating such pipelines, meters, valves, and any other equipment which may be deemed necessary by the Corporation to extend or improve service for existing or future Members, on such forms as are required by the Corporation.

By execution hereof, the Applicant shall guarantee payment of all other rates, fees, and charges due on any account for which said Applicant owns a Membership Certificate. Said guarantee shall pledge any and all Membership Fees against any balance due the Corporation. Liquidation of said Membership Fees shall give rise to discontinuance of service under the terms and conditions of the Corporation's tariff.

By execution hereof, the Applicant agrees that non-compliance with the terms of this agreement by said Applicant shall constitute denial or discontinuance of service until such time as the violation is corrected to the satisfaction of the Corporation.

Any misrepresentation of the facts by the Applicant on any of the four pages of this agreement shall result in discontinuance of service pursuant to the terms and conditions of the Corporation's tariff.

 Applicant acknowledges that the Corporation's water distribution system provides potable water for domestic consumption only and does not provide "fire flows" as defined by the Uniform Fire Code or similar code or regulation to fight structure fires.

  
\_\_\_\_\_  
Applicant Member

\_\_\_\_\_  
Approved and Accepted

\_\_\_\_\_  
Date Approved

EXHIBIT "A"

BEING a tract of land situated in the Hezekiah Culwell Survey, Abstract No. 186 and the John Culwell Survey, Abstract No. 208, Collin County, Texas and also all of the tract conveyed to Joe V. Godbey and wife, Jewel L. Godbey as recorded in County Clerks No. 95-0057584 of the County Clerks Records of Collin County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a concrete marker found for corner at the Southwest corner of said H. Culwell Survey:

THENCE North 0 deg. 31 min. 01 sec. East following the West line of said Culwell Survey and the County Road No. 132 a distance of 2095.60 feet to a 1/2 inch iron rod set for corner at the Northwest corner of said survey;

THENCE North 87 deg. 35 min. 45 sec. East following the North line of said survey and County Road No. 131 a distance of 1879.52 feet to a 1/2 inch iron set for corner;

THENCE South 5 deg. 24 min. 15 sec. East a distance of 606.04 feet to a point in a creek;

THENCE following said creek the following calls:

North 74 deg. 30 min. 28 sec.	East,	36.57 feet;
South 26 deg. 04 min. 21 sec.	East,	316.23 feet;
South 46 deg. 25 min. 24 sec.	East,	126.42 feet;
North 86 deg. 27 min. 40 sec.	East,	224.47 feet;
North 47 deg. 06 min. 11 sec.	East,	122.09 feet;
South 07 deg. 01 min. 39 sec.	East,	204.77 feet;
South 41 deg. 45 min. 56 sec.	West,	345.84 feet;
South 58 deg. 23 min. 25 sec.	West,	110.54 feet;
South 75 deg. 50 min. 13 sec.	West,	187.74 feet;
South 29 deg. 19 min. 05 sec.	West,	334.78 feet;
South 43 deg. 41 min. 40 sec.	West,	95.55 feet;
North 77 deg. 33 min. 31 sec.	West,	224.39 feet;
South 56 deg. 02 min. 43 sec.	West,	301.69 feet;
North 66 deg. 58 min. 50 sec.	West,	39.15 feet;
North 45 deg. 14 min. 07 sec.	West,	49.03 feet;
North 54 deg. 00 min. 36 sec.	West,	84.10 feet;
North 89 deg. 21 min. 33 sec.	West,	115.44 feet;
South 75 deg. 49 min. 50 sec.	West,	108.05 feet;
South 59 deg. 07 min. 49 sec.	West,	70.13 feet;
South 06 deg. 03 min. 25 sec.	East,	20.97 feet;
South 45 deg. 53 min. 33 sec.	East,	31.25 feet;
South 26 deg. 23 min. 10 sec.	East,	146.30 feet;
South 05 deg. 51 min. 41 sec.	West,	89.51 feet to a point in the South line of said survey;

THENCE North 89 deg. 41 min. 13 sec. West following the South line of said survey passing at 153.14 feet a concrete marker and continuing in all a distance of 1053.34 feet to the POINT OF BEGINNING and containing 4,372,507 square feet or 93.492 acres of land.

INCORPORATED IN



No. 12192

ONE  
MEMBERSHIP  
1344

GUNTER  
WATER SUPPLY CORPORATION

(Limitation as to transferability set forth on reverse side)

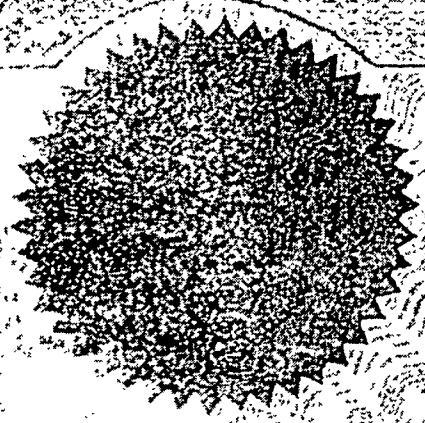
This Certifies that \_\_\_\_\_ is the owner of

One Membership of \_\_\_\_\_ at an initial

GUNTER  
WATER SUPPLY CORPORATION

Membership Fee of \_\_\_\_\_ Dollars

\_\_\_\_\_ a corporation organized under the laws of the State of Texas, transferable only on the books of the Corporation by the holder hereof in person or by duly authorized Attorney, upon surrender of this Certificate properly endorsed IN WITNESS WHEREOF the said Corporation has caused this Certificate to be signed by its duly authorized officers and to be sealed with the Seal of the Corporation this \_\_\_\_\_ day of \_\_\_\_\_ A.D. 2002.



\_\_\_\_\_  
President

EXHIBIT "A"

BEING a tract of land situated in the Hezekiah Culwell Survey, Abstract No. 196 and the John Culwell Survey, Abstract No. 208, Collin County, Texas and also all of the tract conveyed to Joe J. Godbey and wife, Jewel L. Godbey as recorded in County Clerks No. 95-0057584 of the County Clerks Records of Collin County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a concrete marker found for corner at the Southwest corner of said H. Culwell Survey;

THENCE North 0 deg. 31 min. 01 sec. East following the West line of said Culwell Survey and the County Road No. 132 a distance of 2095.60 feet to a 1/2 inch iron rod set for corner at the Northwest corner of said survey;

THENCE North 87 deg. 35 min. 45 sec. East following the North line of said survey and County Road No. 131 a distance of 1879.52 feet to a 1/2 inch iron set for corner;

THENCE South 5 deg. 24 min. 15 sec. East a distance of 606.04 feet to a point in a creek;

THENCE following said creek the following calls:

North 74 deg. 30 min. 29 sec. East, 36.57 feet;  
 South 26 deg. 04 min. 21 sec. East, 316.23 feet;  
 South 46 deg. 25 min. 24 sec. East, 126.42 feet;  
 North 86 deg. 27 min. 40 sec. East, 224.47 feet;  
 North 47 deg. 06 min. 11 sec. East, 122.09 feet;  
 South 07 deg. 01 min. 38 sec. East, 204.77 feet;  
 South 41 deg. 45 min. 56 sec. West, 345.84 feet;  
 South 58 deg. 28 min. 25 sec. West, 110.54 feet;  
 South 75 deg. 50 min. 13 sec. West, 187.74 feet;  
 South 29 deg. 19 min. 05 sec. West, 334.78 feet;  
 South 43 deg. 41 min. 40 sec. West, 95.55 feet;  
 North 77 deg. 33 min. 31 sec. West, 224.39 feet;  
 South 56 deg. 02 min. 43 sec. West, 301.69 feet;  
 North 66 deg. 58 min. 50 sec. West, 39.15 feet;  
 North 45 deg. 14 min. 07 sec. West, 49.03 feet;  
 North 34 deg. 00 min. 36 sec. West, 84.10 feet;  
 North 89 deg. 21 min. 33 sec. West, 115.44 feet;  
 South 75 deg. 49 min. 50 sec. West, 108.05 feet;  
 South 59 deg. 07 min. 49 sec. West, 70.13 feet;  
 South 06 deg. 03 min. 25 sec. East, 20.87 feet;  
 South 45 deg. 53 min. 33 sec. East, 91.28 feet;  
 South 26 deg. 23 min. 10 sec. East, 146.30 feet;  
 South 05 deg. 51 min. 41 sec. West, 99.51 feet to a point in the South line of said survey;

THENCE North 39 deg. 41 min. 13 sec. West following the South line of said survey passing at 153.14 feet a concrete marker and continuing in all a distance of 1051.34 feet to the POINT OF BEGINNING and containing 4,072,607 square feet or 92.492 acres of land.

## MEMBERSHIP TRANSFER AUTHORIZATION

Transferor hereby surrenders Membership in the Gunter Rural Water Supply Corporation ("GRWSC") by execution of the attached Stock Certificate. Water service rights granted by Membership and other qualification hereby cease contingent upon further qualification of the Transferee in accordance with the policies of the GRWSC.

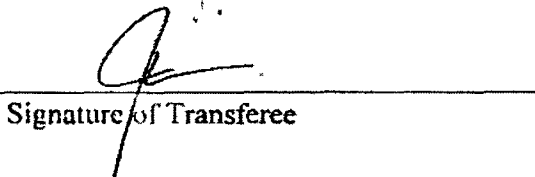
By execution hereof, the undersigned hereby acknowledges that the Membership Transfer complies with the terms of one of the following items (1) through (4), thereby qualifying for transfer of Membership in accordance with the laws of the State of Texas.

1. The Membership is transferred by will to a person related to the Transferor within the second degree by consanguinity; or
2. The Membership is transferred without compensation to a person related to the Transferor within the second degree by consanguinity; or
3. The Membership is transferred without compensation or by sale to the Corporation; or
4. The Membership is transferred as a part of the conveyance of real estate from which the Membership arose.

Transferee understands that qualification for Membership is not binding on the Corporation and does not qualify Member for continued water service unless the following terms and conditions are met:

1. This Membership Transfer Authorization Form is completed by the Transferor and Transferee;
2. The Transferee has completed the required Application Packet;
3. All indebtedness due the Corporation has been paid;
4. The Membership Certificate has been surrendered, properly endorsed, by the record Transferor;
5. The Transferee demonstrates satisfactory evidence of ownership of the property designated to receive service and from which the Membership originally arose; and
6. Any other terms and conditions of the Corporation's Tariff are properly met.

  
Signature of Transferor

  
Signature of Transferee



MEMBERSHIP TRANSFER AUTHORIZATION (CONTINUED)

Reba Hundley

Transferor's Name

305 E Pecan

Forwarding Address

Celina, TX 75009

City, State, Zip Code

972-382-2070

Phone

Celina Partners, Ltd

Transferee's Name

1437 HAUBBY WAY

Current Address

CARROLLTON, TX 75007

City, State, Zip Code

(972) 446-0020

Phone

Account Number 365 Final Reading 2164 Reading Date 4-9-02

Location of Meter CR#133

Note: A fee of \$25.00 is charged to the Transferee on all transfers.

Transferor may be due a refund of the Membership Fee, and Transferee understands that he/she must place on deposit a refundable Membership Fee with the Corporation.

ACKNOWLEDGMENT

The State of Texas

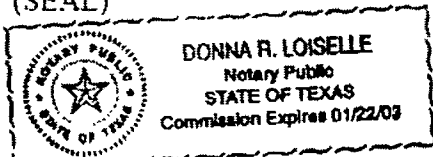
County of Collin

IN WITNESS WHEREOF the said Transferor and ~~Transferee~~ have executed this instrument this 30<sup>th</sup> day of May, 2002.

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Reba Hundley, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledge to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 3<sup>rd</sup> day of May, 2002.

(SEAL)



Donna R. Loielle  
Notary Public in and for the State of Texas

GUNTER RURAL WATER SUPPLY CORPORATION  
STANDARD AGREEMENT

Please Print:

DATE: 5/13/02

APPLICANT'S NAME: Celina Partners, Ltd.

CO-APPLICANT'S NAME: \_\_\_\_\_

CURRENT BILLING ADDRESS:  
1437 Halsen Way  
Corcullton, TX 75007-4410

FUTURE BILLING ADDRESS:  
same

PHONE NUMBER - Home (972) 838-2570 Work (972) 446-0050

PROOF OF OWNERSHIP PROVIDED BY warranty Deed with Vendor's Lien

DRIVER'S LICENSE NUMBER OF APPLICANT: 

LEGAL DESCRIPTION OF PROPERTY (Include name of road, subdivision with lot and block number): See attached

PREVIOUS OWNER'S NAME AND ADDRESS (If transferring Membership):

Reba Hundley  
305 E. Pecon, Celina, TX 75009

ACREAGE: 85 HOUSE SIZE: NONE

NUMBER IN FAMILY: 0

LIVESTOCK TYPE & NUMBER: 0

SPECIAL SERVICE NEEDS OF APPLICANT: 0

NOTE: FORM MUST BE COMPLETED BY APPLICANT ONLY. A MAP OF SERVICE  
LOCATION REQUEST MUST BE ATTACHED.

**THIS AGREEMENT** is between Gunter Rural Water Supply Corporation, a corporation organized under the laws of the State of Texas (hereinafter called the Corporation) and Celina Partners Ltd. (hereinafter called the Applicant and/or Member).

The Corporation shall sell and deliver water and/or wastewater service to the Applicant and the Applicant shall purchase, receive, and/or reserve service from the Corporation in accordance with the bylaws and Tariff of the Corporation as amended from time to time by the Board of Directors of the Corporation. Upon compliance with the Corporation's Tariff, including payment of a Membership Fee, the Applicant qualifies for Membership as a new applicant or continued Membership as a transferee and thereby may hereinafter be called a Member.

The Member shall pay the Corporation for service hereunder as determined by the Corporation's Tariff and upon the terms and conditions set forth therein, a copy of which has been provided in the information packet, for which Member acknowledges receipt hereof by execution of this Agreement. A copy of this Agreement shall be executed before service may be provided to the Applicant.

The Board of Directors shall have the authority to discontinue service and cancel the Membership of any Member not complying with any policy or not paying any utility fees or charges as required by the Corporation's published rates, fees, and conditions of service. At any time service is discontinued, terminated or suspended, the Corporation shall not re-establish service unless it has a current, signed copy of this Agreement.

If this Agreement is completed for the purpose of assigning utility service as a part of a rural domestic water and/or wastewater system loan project, an Applicant shall pay an Indication of Interest Fee in lieu of a Membership Fee for the purposes of determining: 1. The number of taps to be considered in the design and 2. The number of potential ratepayers considered in determining the financial feasibility of constructing a new water system or expanding the facilities of an existing water system. The Applicant hereby agrees to obtain, utilize, and/or reserve service as soon as it is available. Applicant, upon qualification for service under the terms of the Corporation's Tariff, shall further qualify as a Member and the Indication of Interest Fee shall then be converted by the Corporation to a Membership Fee. Applicant further agrees to pay, upon becoming a Member, the monthly charges for such service as prescribed in the Corporation's Tariff. Any breach of this Agreement shall give cause for the Corporation to liquidate, as damages, the fees previously paid as an indication of interest. In addition to any Indication of Interest Fees forfeited, the Corporation may assess a lump sum of \$300.00 as liquidated damages to defray any losses incurred by the Corporation. If delivery of service to said location is deemed infeasible by the Corporation as a part of this project, the Applicant shall be denied Membership in the Corporation and the Indication of Interest Fee, less expenses, shall be refunded. The Applicant may re-apply for service at a later date under the terms and conditions of the Corporation's Tariff. For the purposes of this Agreement, an Indication of Interest Fee shall be of an amount equal to the Corporation's Membership Fees.

All water shall be metered by 5/8" X 3/4" meters to be furnished and installed by the Corporation. The meter and/or wastewater connection is for the sole use benefit of the Member and is to provide service to only one (1) dwelling or one (1) business. Extension of pipe(s) to transfer utility service from one property to another, to share, resell, or submeter water to any other persons, dwellings, businesses, or property, is strictly prohibited.

The Corporation shall have the right to locate a water service meter and the pipe necessary to connect the meter at a point to be chosen by the Corporation, and shall have access to its equipment that may be located upon Member's premises at all reasonable and necessary times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service the Corporation shall have the right to remove any of its equipment that may be located on a Member's property. The Member shall install at their own expense any necessary service lines from the Corporation's facilities and equipment to the point of use, including any customer service isolation valves, backflow prevention devices, clean-outs, and other equipment as may be specified by the Corporation. The Corporation shall also have access to the Member's property for the purpose of inspecting for possible cross-connections and other unauthorized plumbing practices.

The Corporation is responsible for protecting the drinking water supply from contamination, or pollution which could result from improper plumbing practices. This service Agreement serves as notice to each customer of the plumbing restrictions which are in place to provide this protection. The Corporation shall enforce these restrictions to ensure the public health and welfare. The following unauthorized plumbing practices are prohibited by state regulations:

1. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an airgap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices must be in compliance with state plumbing codes.

2. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the proper installation of an airgap or a reduced pressure-zone backflow prevention assembly and a service Agreement must exist for annual inspection and testing by a certified backflow prevention device tester.

3. No connection which allows condensing, cooling or industrial process water to be returned to the public drinking water supply is permitted.

4. No pipe or pipe fitting which contains more than 8.0 % lead may be used for the installation or repair of plumbing on or after July 1, 1988, at any connection which provides water for human consumption.

5. No solder or flux which contains more than 0.2 % lead may be used for the installation or repair of plumbing on or after July 1, 1988, at any connection which provides water for human consumption.

6. No plumbing fixture is installed which is not in compliance with a state-approved plumbing code.

The Corporation shall maintain a copy of this Agreement as long as the Member and/or premises is connected to the public water system. The Member shall allow his property to be inspected for possible cross-connections and other unauthorized plumbing practices. These inspections shall be conducted by the Corporation or its designated agent prior to initiating service and periodically thereafter. The inspections shall be conducted during the Corporation's normal business hours.

The Corporation shall notify the Member in writing of any cross-connections or other unauthorized plumbing practices which have been identified during the initial or subsequent inspection. The Member shall immediately correct any unauthorized plumbing practice on their premises. The Member shall, at his expense, properly install, test, and maintain any backflow prevention device required by the Corporation. Copies of all testing and maintenance records shall be provided to the Corporation as required. Failure to comply with the terms of this service Agreement shall cause the Corporation to either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this Agreement shall be billed to the Member.

In the event the total water supply is insufficient to meet all of the Members, or in the event there is a shortage of water, the Corporation may initiate the Emergency Rationing Program as specified in the Corporation's Tariff. By execution of this Agreement, the Applicant hereby shall comply with the terms of said program.

By execution hereof, the Applicant shall hold the Corporation harmless from any and all claims for damages caused by service interruptions due to waterline breaks by utility or like contractors, tampering by other Members of the Corporation, normal failures of the system, or other events beyond the Corporation's control.

The Member shall grant to the Corporation, now or in the future, any utility easements for the purpose of installing, maintaining, and operating such pipelines, meters, valves, and any other equipment which may be deemed necessary by the Corporation to extend or improve service for existing or future Members, on such forms as are required by the Corporation.

By execution hereof, the Applicant fully guarantees payment of all rates, fees, and charges due on any account for which said Applicant owns a Membership Certificate. This guarantee pledges any and all Membership Fees against any balance due the Corporation. Liquidation of any Membership Fee shall authorize discontinuance of service under the terms and conditions of the Corporation's Tariff.

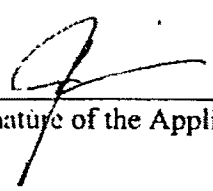
By execution hereof, the Applicant agrees that non-compliance with the terms of this Agreement by the Applicant shall constitute denial or discontinuance of service until such time as the violation(s) are corrected to the satisfaction of the Corporation.

Any misrepresentation of the facts by the Applicant on any of the four pages of this Agreement shall result in discontinuance of service pursuant to the terms and conditions of the Corporation's Tariff.

(Please initial in the space below upon reading the following)

*AK* Applicant acknowledges that the Corporation's water distribution system provides potable water for domestic consumption only and does not provide "fire flows" as defined by the Uniform Fire Code or similar code or regulation to fight structure fires.

SIGNED this the 13<sup>th</sup> day of May, 2005.

  
\_\_\_\_\_  
Signature of the Applicant

Accepted and Approved  
Gunter Rural Water Supply Corporation

Printed Name Jody N. O'Donnell  
Title President

CELINA PARTNERS, LTD.  
27 TRAILRIDGE DR.  
MELISSA, TX 75454

1067

DATE 5/13/03

88-123/1119  
BRANCH 00

PAY TO THE  
ORDER OF

Gunter Rural Water Supply \$ 225

Two hundred twenty-five dollars + 00/100 DOLLARS

**LEGACY BANK**  
OF TEXAS

Legacy Bank  
P.O. Box 808111  
Plano, TX 75088  
1-800-899-7228

FOR Membership + transfer fee

© HARLAND 1999



MARILEE SPECIAL UTILITY DISTRICT  
PO BOX 1017  
CELINA TX 75009



\*\*\*AUTOMATED FOR AADC 750 & AADC 100180AA23-A-1  
1841 1 0 400



LMI TREES  
1437 HALSEY WAY  
CARROLLTON TX 75007-4410

### ACCOUNT STATEMENT

Service from 01/20/2017 to 02/20/2017

ACCOUNT NUMBER	DUE DATE	AMOUNT DUE NOW
1344	03/15/2017	\$22.79
BILL DATE		AMOUNT DUE AFTER 03/15/2017
02/23/2017		\$32.79
SERVICE ADDRESS		
9260 CR# 132		

### QUESTIONS ABOUT YOUR STATEMENT

Customer Service 972-382-3222  
Visit us online <http://marileewater.com/home>

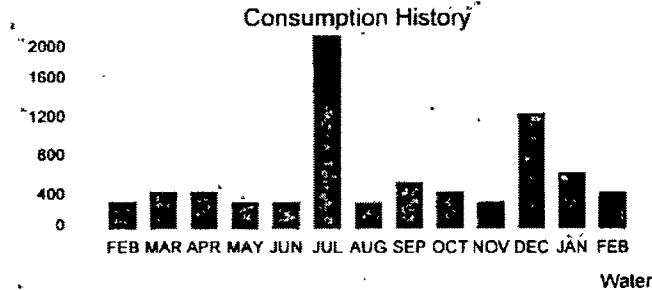
### OFFICE HOURS

Monday-Friday 8:00 a.m. - 4:30 p.m.

### CURRENT CHARGE DETAIL

WATER	\$22.64
GW CON FEE	\$0.04
TAX	\$0.11
PAST DUE AMOUNT	\$0.00
<b>TOTAL CURRENT CHARGES</b>	<b>\$22.79</b>
Total amount due after 03/15/2017	\$32.79
<b>PAY ON-TIME AND SAVE</b>	<b>\$10.00</b>

SERVICE TYPE	PREVIOUS READING	CURRENT READING	METER READ DATE	USAGE
WATER	532400	532800	02/20/2017	400



### IMPORTANT MESSAGE

Visit <http://ccrwater.net/marileewater-17375> to download this year's Marilee-Elmont water quality report.  
Visit <http://ccrwater.net/marileewater-17374> to download this year's Marilee water quality report.

- PLEASE FOLD ON PERFORATION. DETACH AND RETURN THIS PORTION WITH YOUR PAYMENT



MARILEE SPECIAL UTILITY DISTRICT  
PO BOX 1017  
CELINA TX 75009

LMI TREES  
1437 HALSEY WAY  
CARROLLTON TX 75007-4410

COMPLETE THE FOLLOWING IF ABOVE ADDRESS IS INCORRECT:

STREET ADDRESS \_\_\_\_\_ APT NO \_\_\_\_\_  
CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

ACCOUNT NUMBER	DUE DATE	AMOUNT DUE
1344	03/15/2017	\$22.79

Total amount due after 03/15/2017 \$32.79

AMOUNT ENCLOSED \$

Please write account number on check and remit payment to

MARILEE SPECIAL UTILITY DISTRICT  
PO BOX 1017  
CELINA TX 75009-1017





MARILEE SPECIAL UTILITY DISTRICT  
PO BOX 1017  
CELINA TX 75009



\*\*AUTO\*\*ALL FOR AADC 750 & AADC 100180AA23-A-1  
2842 3 AB 0.4DD



CELINA PARTNERS  
C/O JODY O'DONNELL  
1437 HALSEY WAY  
CARROLLTON TX 75007-4410

## ACCOUNT STATEMENT

Service from 01/24/2017 to 02/22/2017

ACCOUNT NUMBER	DUE DATE	AMOUNT DUE NOW
365	03/15/2017	\$21.71
BILL DATE		AMOUNT DUE AFTER 03/15/2017
02/23/2017		\$31.71
SERVICE ADDRESS		
CR# 133 read meter.		

### QUESTIONS ABOUT YOUR STATEMENT

Customer Service 972-382-3222  
Visit us online <http://marileewater.com/home>

### OFFICE HOURS

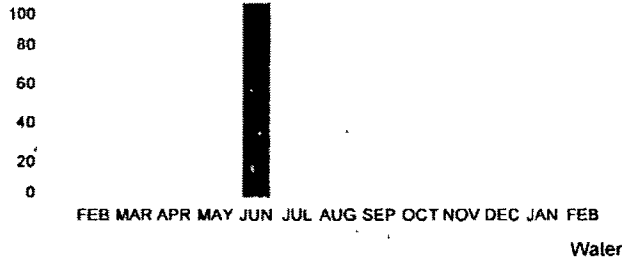
Monday-Friday 8:00 a.m. - 4:30 p.m.

### CURRENT CHARGE DETAIL

WATER	\$21.60
TAX	\$0.11
PAST DUE AMOUNT	\$0.00
<b>TOTAL CURRENT CHARGES</b>	<b>\$21.71</b>
Total amount due after 03/15/2017	\$31.71
<b>PAY ON-TIME AND SAVE</b>	<b>\$10.00</b>

SERVICE TYPE	PREVIOUS READING	CURRENT READING	METER READ DATE	USAGE
WATER	82900	82900	02/22/2017	0

Consumption History



### IMPORTANT MESSAGE

Visit <http://ccrwater.net/marileewater-17375> to download this year's Marilee-Elmont water quality report.  
Visit <http://ccrwater.net/marileewater-17374> to download this year's Marilee water quality report.

- PLEASE FOLD ON PERFORATION, DETACH AND RETURN THIS PORTION WITH YOUR PAYMENT



MARILEE SPECIAL UTILITY DISTRICT  
PO BOX 1017  
CELINA TX 75009

CELINA PARTNERS  
C/O JODY O'DONNELL  
1437 HALSEY WAY  
CARROLLTON TX 75007-4410

COMPLETE THE FOLLOWING IF ABOVE ADDRESS IS INCORRECT:

STREET ADDRESS \_\_\_\_\_ APT NO \_\_\_\_\_  
CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

ACCOUNT NUMBER	DUE DATE	AMOUNT DUE
365	03/15/2017	\$21.71

Total amount due after 03/15/2017 \$31.71

AMOUNT ENCLOSED \$

Please write account number on check and remit payment to:



MARILEE SPECIAL UTILITY DISTRICT  
PO BOX 1017  
CELINA TX 75009-1017

MEAN120815MLK101 - 100180AA23 A 1 1842 3 3 0 400 www.marilee.com