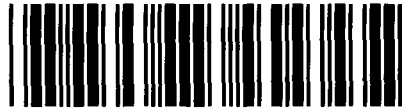


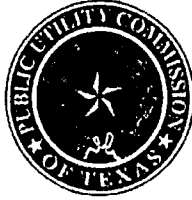
Control Number: 47925



Item Number: 1

Addendum StartPage: 0

**COPY**  
RECEIVED



PURSUANT TO PUC CHAPTER 24, SUBSTANTIVE RULES APPLICABLE TO WATER AND SEWER  
SERVICE PROVIDERS, SUBCHAPTER G: CERTIFICATES OF CONVENIENCE AND NECESSITY

## Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

Docket Number: **47925**

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

7 copies of the application, including the original, shall be filed with

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

If submitting digital map data, two copies of the portable electronic storage medium (such as CD or DVD) are required.

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### Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

#### Purpose of Application

<input type="checkbox"/> Obtain	<input type="checkbox"/> New Water CCN	<input type="checkbox"/> New Sewer CCN
<input checked="" type="checkbox"/> Amend	<input checked="" type="checkbox"/> Water CCN# (s) <u>11356 (Goforth SUD) 13116 (Sunfield)</u>	
<input type="checkbox"/> Amend	<input type="checkbox"/> Sewer CCN#(s) _____	

#### 1. Applicant Information

##### Applicant

**Utility name:** Sunfield Municipal Utility District No. 4

**Certificate number:** 13116

**Street address (City/ST/ZIP/Code):** 14755 Preston Road, Suite 600, Dallas, Texas 75254

**Mailing address(City/ST/ZIP/Code):** 14755 Preston Road, Suite 600, Dallas, Texas 75254

**Utility Phone Number and Fax:** (972) 419-4717

##### Contact information

Please provide information about the person(s) to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant manager, or other title related to the applicant.

**Name:** Scott Eidman

**Title:** Attorney

**Mailing address:** 14755 Preston Road, Suite 600, Dallas, Texas 75254

**Email:** seidman@coatsrose.com

**Phone and Fax:** (972) 419-4717

List all counties in which service is proposed:

Hays and Travis

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

- ☐ Investor Owned Utility      ☐ Individual      ☐ Partnership
- ☐ Home or Property Owners Association      ☐ For-profit Corporation
- ☐ Non-profit, member-owned, member-controlled cooperative corporation  
(Water Code Chapter 67, Water Supply or Sewer Service Corporation)
- ☐ Municipality      ☒ District      ☐ Other - Please explain:

B. If the applicant is a For-Profit business or corporation, please include the following information:

- i. A copy of the corporation's "Certification of Account Status" from the Texas State Comptroller of Public Accounts.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State: \_\_\_\_\_
- iii. A listing of all stockholders and their respective percentages of ownership.
- iv. A copy of the company's organizational chart, if available.
- v. A list of all directors and disclose the title of each individual.
- vi. A list of all affiliated organizations (if any) and explain the affiliate's business relationship with the applicant.

C. If the applicant is a Texas Water Code (TWC) Chapter 67 water supply or sewer service corporation please provide:

- i. A copy of the Articles of Incorporation and By-Laws.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State.
- iii. Identification of all board members including name, address, title, and telephone number.
- iv. A copy of the corporation's *Certificate of Account Status* from the Texas Comptroller of Public Accounts.

## 2. Location Information

- A. Are there people already living in the proposed area?      ☒ Yes      ☐ No
- If YES, are any currently receiving utility service?      ☐ Yes      ☐ No
- If YES, from WHOM? Goforth Special Utility District



**B. Demonstrate the Need for Service by providing the following:**

Have you received any requests for service in the requested service area?

☒ Yes    ☐ No

If YES, provide the following: *Attachment A*

- i. Describe the service area and circumstances driving the need for service in the requested area. Indicate the name(s) and address(es) of landowner(s), prospective landowner(s), tenant(s), or resident(s) that have requested service; and/or
- ii. Describe the economic need(s) for service in the requested area (i.e. plat approvals, recent annexation(s) or annexation request(s), building permits, septic tank permits, hospitals, etc.); and/or
- iii. Discuss in detail the environmental need(s) for service in the requested area (i.e. failing septic tanks in the requested area, fueling wells, etc.); and/or
- iv. Provide copies of any written application(s) or request(s) for service in the requested area; and/or
- v. Provide copies of any reports and/or market studies demonstrating existing or anticipated growth in the requested area.
- vi. If none of these items exist or are available, please justify the need for service in the proposed area in writing.

Note: Failure to demonstrate a need for additional service in the proposed service area may result in the delay and /or possible denial of the application.

**C. Is any portion of the proposed service area inside an incorporated city or district?**

☒ Yes    ☐ No

If YES, within the corporate limits of: Sunfield MUD Nos. 1, 3 and 4, City of Buda ETJ

Provide a copy of any franchise, permit, or consent granted by the city or district. If not available please explain:

Sunfield MUD 4 files this application on behalf of Goforth SUD for dual certification to serve Sunfield MUD Nos. 1, 3 and 4 pursuant to agreements between the parties. Please see the agreements included in Attachment B.

**D. Is any portion of the proposed service area inside another utility's CCN area?**

☒ Yes    ☐ No

If YES, has the current CCN holder agreed to decertify the proposed area?

If NO, are you seeking dual or single certification of the area? Explain why decertification of the area is in the public interest:

Goforth Special Utility District and Sunfield MUD Nos. 1, 3 and 4 executed agreements whereby Goforth SUD would provide service to Sunfield Nos. 1, 3 and 4 and Sunfield MUD No. 4 would file an application for dual certification for the Proposed Service Area on behalf of the parties. Please see agreements in Attachment B.

### 3. Map Requirements

Attach the following hard copy maps with each copy of the application:

- A. A location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county. (Attachment C)
- B. A map showing only the proposed area by:
  - i. metes and bounds survey certified by a licensed state or register professional land surveyor; or
  - ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled). Also, a data disk labeled with the applicant's name must be provided; or (Attachment D)
  - iii. following verifiable natural and man-made landmarks; or
  - iv. a copy of recorded plat map with metes and bounds.
- C. A written description of the proposed service area. (Attachment E)
- D. Provide separate and additional maps of the proposed area(s) to show the following:
  - i. all facilities, illustrating separately facilities for production, transmission, and distribution of the applicant's service(s); and (Attachment F)
  - ii. any facilities, customers or area currently being served outside the applicant's certificated area(s).

**Note:** Failure to provide adequate mapping information may result in the delay or possible denial of your application.

Digital data submitted in a format other than ArcView shape file or Arc/Info E00 file may result in the delay or inability to review applicant's mapping information.

For information on obtaining a CCN base map or questions about sending digital map data, please visit the Water Utilities section of the PUC website for assistance.

### 4. New System Information or Utilities Requesting a CCN for the First Time

- A. Please provide the following information:
  - i. a list of public drinking water supply system(s) or sewer system(s) within a 2 mile radius of the proposed system;
  - ii. copies of written requests seeking to obtain service from each of the public drinking water systems or sewer systems listed in a. 1 above or documentation that it is not economically feasible to obtain service from each entity;
  - iii. copies of written responses from each system or evidence that they did not reply; and
  - iv. for sewer utilities, documentation showing that you have obtained or applied for a wastewater discharge permit.
- B. Were your requests for service denied? ☐ Yes ☐ No





TCEQ Water System			TCEQ Sewer System		
Other:			Other:		
Total Water	960		Total Sewer		

- E. If this application is for a water CCN only, please explain how sewer service is or will be provided:

The Proposed Service Area is within the Sunfield MUD 4 sewer CCN and will be served by Sunfield MUD 4.

- F. If this application is for a sewer CCN only, please explain how water service is or will be provided:

- G. Effect of Granting a Certificate Amendment. (Attachment H)  
Explain in detail the effect of granting of a certificate or an amendment, including, but not limited to regionalization, compliance and economic effects on the following:

- i. the applicant,
- ii. any retail public utility of the same kind already serving the proximate area; and
- iii. any landowner(s) in the requested area.

- H. Do you currently purchase or plan to purchase water or sewer treatment capacity from another source?

i. ☒ No, (skip the rest of this question and go to #6)

ii. ☐ Yes, Water

Purchased on a ☐ Regular ☐ Seasonal ☐ Emergency basis?

Water Source	% of Total Treatment
	0.00%

Water Source	% of Total Treatment
	0.00%
	0.00%

iii. ☐ Yes, Sewer treatment capacity

Purchased on a ☐ Regular ☐ Seasonal ☐ Emergency basis?

Sewer Source	% of Total Treatment
	0.00%
	0.00%
	0.00%

iv. Provide a signed and dated copy of the most current water or sewer treatment capacity purchase agreement or contract.

I. Ability to Provide Adequate Service. (Attachment H)

Describe the ability of the applicant to provide adequate service, including meeting the standards of the commission, taking both of the following items into consideration:

- i. the current and projected density; and
- ii. the land use of the requested area.

J. Effect on the Land. Explain the effect on the land to be included in the certificated area.

Granting the dual certification will allow water service to be provided to the land in an orderly fashion in accordance with the agreements between Applicant and Goforth Special Utility District.

## 6. Financial Information

- A. For new water and/or sewer systems and for applicants with existing CCNs who are constructing a new stand-alone water and/or sewer system:
  - i. the applicant must provide an analysis of all necessary costs for constructing, operating, and maintaining the system, and the source of that capital (such as a financial statement for the developing entity) for which the CCN is requested for at least the first five years. In addition, if service has been offered by an existing retail water service provider as stated in #4.A., but the applicant has determined that the cost of service as finally offered renders the project not economically feasible, the applicant must provide a comparison analysis of all necessary costs for acquiring and continuing to receive service from the existing system for the same period.
  - ii. Attach projected profit and loss statements, cash flow worksheets, and balance sheets (projected five year financial plan worksheet is attached) for each of the first five years of operation. Income from rates



should correlate to the projected growth in connections, shown on the projected profit and loss statement.

- iii. Attach a proposed rate schedule or tariff. Describe the procedure for determining the rates and fees and indicate the date of last change, if applicable. Attach copies of any cost of service studies or rate analysis worksheets.
- B. For existing water and/or sewer systems: (Attachment I)
  - i. Attach a profit and loss statement and current balance sheet for existing businesses (end of last fiscal year is acceptable). Describe sources and terms for borrowed capital such as loans, bonds, or notes (profit and loss and balance sheet worksheets are attached, if needed).
  - ii. Attach a proposed rate schedule or tariff.
- ❖ **Note: An existing water and/or sewer system may be required to provide the information in 6.A.i. above during the technical review phase if necessary for staff to completely evaluate the application**
- C. Identify any funds you are required to accumulate and restrict by lenders or capital providers.
- D. In lieu of the information in #6.A. thru #6.C., you may provide information concerning loan approvals within the last three (3) years from lending institutions or agencies including the most recent financial audit of the applicant.
- ❖ **Note: Failure to provide adequate financial information may result in the delay or possible denial of your application.**

## 7. Notice Requirements

- A. All proposed notice forms must be completed and submitted with the application. Do not mail or publish the notices until you receive written approval from the commission to do so.
- B. The commission cannot grant a CCN until proper notice of the application has been given. Commission rules do not allow a waiver of notice requirements for CCN applicants.
- C. It is the applicant's responsibility to ensure that proper notice is given to all entities that are required to receive notice.
- D. Recommended notice forms for publication, neighboring cities and systems, landowners with 25 acres or more, and customers are included with this application for use in preparing proposed notices. (Notice forms are available in Spanish upon request.)
- E. After reviewing and, if necessary, modifying the proposed notice, the commission will send the notice to the applicant after the application is accepted for filing along with instructions for publication and/or mailing. Please review the notice carefully before providing the notice.
- F. **Notice For Publication:**

The applicant shall publish the notice in a newspaper with general circulation in the county(ies) where a CCN is being requested. The notice must be published once each week for two consecutive weeks beginning with the week after the notice is received from the commission. Proof of publication in the form of a publisher's affidavit shall be submitted to the commission within 30 days of the last publication date. The affidavit shall state with specificity each county in which the newspaper is of general circulation.
- G. **Notice To Neighboring Utilities:**
  - i. List all neighboring retail public utilities and cities providing the same utility service within the following vicinities of the applicant's proposed certificate area.
  - ii. For applications for the issuance of a NEW CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within five (5) miles of the requested service area.

- iii. For applications for the AMENDMENT of a CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within two (2) miles of the requested service area. (Attachment J)
- H. Notice to Customers:
  - Investor Owned Utilities (IOUs) that are currently providing service without a CCN must provide individual mailed notice to all current customers. The notice must contain the current rates, the date those rates were instituted and any other information required in the application.
- I. The commission may require the applicant to deliver notice to other affected persons or agencies.

**Do not publish or send copies of the proposed notices to anyone at the time you submit the application to the commission. Wait until you receive written authorization to do so. Authorization occurs after the commission has reviewed the notices for completeness, and your application has been accepted for filing. Once the application is accepted for filing, you will receive written authorization to provide notice. Please check the notices for accuracy before providing them to the public. It is the applicant's burden to ensure that correct and accurate notice is provided.**

## OATH

STATE OF Texas  
COUNTY OF Dallas

I, Scott Eidman, being duly sworn, file this application as Attorney, Sunfield Municipal Utility District No. 4 (indicate relationship to Applicant, that is, owner, member of partnership, title as officer of corporation, or other authorized representative of Applicant); that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the maps and financial information filed with this application, and have complied with all the requirements contained in this application; and, that all such statements made and matters set forth therein are true and correct. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Public Utility Commission of Texas.

I further represent that the application form has not been changed, altered or amended from its original form.

**I further represent that the Applicant will provide continuous and adequate service to all customers and qualified applicants for service within its certificated service area.**

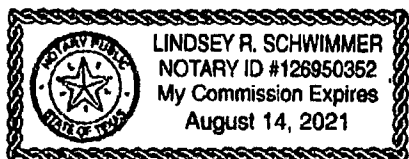
  
AFFIANT  
(Utility's Authorized Representative)

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

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas,  
This day 3rd of January 20 18

SEAL

  
NOTARY PUBLIC IN AND FOR THE  
STATE OF TEXAS



Lindsey Schwimmer  
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES August 14, 2021

## Notice for Publication

### NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

Hays and Travis COUNTY(IES), TEXAS

Name of Applicant Sunfield Municipal Utility District No. 4 has filed an application for a CCN to obtain or amend CCN No. (s) 11356 and to decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility commission of Texas to provide

water

(specify 1) water or 2) sewer or 3) water & sewer)

utility service in Hays and Travis

County  
(ies).

The proposed utility service area is located approximately 15 miles south  
[direction] of downtown Austin, [City or Town] Texas, and is  
generally bounded on the north by Turnersville RD; on the east by  
S. Turnersville RD; on the south by Satterwhite RD; and on the west by CR-118

The total area being requested includes approximately 2,136 acres and 960  
current customers.

A copy of the proposed service area map is available at (Utility Address and Phone  
Number): Sunfield Municipal Utility District No. 4, C/O Coats Rose, P.C. 14755 Preston Road, Suite 600, Dallas, Texas 75254 972-419-4717

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

**Persons who wish to intervene or comment should file with the PUC at the following address:**

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

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

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, the 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 area, you may request to be excluded from the proposed 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 scaled, general location 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:**

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

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

## Notice to Neighboring Systems, Landowners and Cities

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN**

Hays and Travis COUNTY(IES), TEXAS

TO: North Hays County #1 Date Notice Mailed                      20         
(Neighboring System, Landowner or City)

8500 Bluffstone CV Suite B104

(Address)

Austin TX 78759-7811

City	State	Zip
------	-------	-----

Name of Applicant Sunfield Municipal Utility District No. 4 has filed an application for a CCN to obtain or amend CCN No. (s) 11356 and to decertify a portion(s) of \_\_\_\_\_ with the \_\_\_\_\_  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide water  
utility service in Hays and Travis (specify 1) water or 2) sewer or 3) water & sewer) County(ies).

The proposed utility service area is located approximately 15 miles south  
[direction] of downtown Austin, [City or Town] Texas, and is  
generally bounded on the north by Turnersville RD; on the east by  
S Turnersville RD; on the south by Satterwhite RD; and on the west by CR-118

***See enclosed map of the proposed service area.***

The total area being requested includes approximately 2,136 acres and 960 current customers.

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



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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 area, you may request to be excluded from the proposed 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 scaled, general location map and a metes and bounds description of the tract of land.

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1701 North Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

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## Notice to Neighboring Systems, Landowners and Cities

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN**

Hays and Travis COUNTY(IES), TEXAS

To: Monarch Utilities Date Notice Mailed                      20         
(Neighboring System, Landowner or City)

8100 Lomo Alto Dr., Suite 218

(Address)

Dallas TX 75225

TX 75225

75225

City

State

Zip

Name of Applicant Sunfield Municipal Utility District No. 4 has filed an application for a  
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decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide  
utility service in      Hays and Travis      water  

(specify 1) water or 2) sewer or 3) water & sewer)  
County(ies).

The proposed utility service area is located approximately 15 miles south [direction] of downtown Austin, [City or Town] Texas, and is generally bounded on the north by Turnersville RD; on the east by S. Turnersville RD; on the south by Satterwhite RD; and on the west by CR-118

***See enclosed map of the proposed service area.***

The total area being requested includes approximately 2,136 acres and 960 current customers.

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

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

## Notice to Neighboring Systems, Landowners and Cities

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN**

Hays and Travis COUNTY(IES), TEXAS

To: Lower Colorado River Authority Date Notice Mailed                      20         
(Neighboring System, Landowner or City)

**PO Box 220**

(Address)

**Austin TX 78767-220**

City State Zip

Name of Applicant Sunfield Municipal Utility District No. 4 has filed an application for a  
CCN to obtain or amend CCN No. (s) 11356 and to  
decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide  
utility service in      Hays and Travis      water  

(specify 1) water or 2) sewer or 3) water & sewer)  
County(ies).

The proposed utility service area is located approximately 15 miles south  
[direction] of downtown Austin, [City or Town] Texas, and is  
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P.O. Box 13326  
Austin, Texas 78711-3326

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

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, the 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 area, you may request to be excluded from the proposed 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 scaled, general location 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:**

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

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

## Notice to Neighboring Systems, Landowners and Cities

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN**

Hays and Travis COUNTY(IES), TEXAS

To: Goforth SUD Date Notice Mailed                      20         
(Neighboring System, Landowner or City)

8900 Niederwald Strasse

(Address)

Kyle	TX	78640
City	State	Zip

Name of Applicant Sunfield Municipal Utility District No. 4 has filed an application for a CCN to obtain or amend CCN No. (s) 11356 and to decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

**Public Utility Commission of Texas to provide**

**utility service in      Hays and Travis**

**water**  
(specify 1) water or 2) sewer or 3) water & sewer)  
**County(ies).**

The proposed utility service area is located approximately 15 miles south  
[direction] of downtown Austin, [City or Town] Texas, and is  
generally bounded on the north by Turnersville RD; on the east by  
S. Turnersville RD; on the south by Settlerwhite RD; and on the west by CR-118

***See enclosed map of the proposed service area.***

The total area being requested includes approximately 2,136 acres and 960 current customers.

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



**Persons who wish to intervene or comment should write the:**

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

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

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

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

## Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO  
PROVIDE WATER/SEWER UTILITY SERVICE IN

Hays and Travis \_\_\_\_\_ COUNTY(IES), TEXAS

To: Creedmoor-Maha WSC Date Notice Mailed \_\_\_\_\_ 20 \_\_\_\_  
(Neighboring System, Landowner or City)

12100 Laws Rd  
\_\_\_\_\_  
(Address)  
Buda TX 78610-9607  
\_\_\_\_\_  
City State Zip

Name of Applicant Sunfield Municipal Utility District No. 4 has filed an application for a  
CCN to obtain or amend CCN No. (s) 11356 and to  
decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide water  
(specify 1) water or 2) sewer or 3) water & sewer  
utility service in Hays and Travis County(ies).

The proposed utility service area is located approximately 15 miles south  
[direction] of downtown Austin, [City or Town] Texas, and is  
generally bounded on the north by Turnersville RD; on the east by  
S. Turnersville RD; on the south by Satterwhite RD; and on the west by CR-118

**See enclosed map of the proposed service area.**

The total area being requested includes approximately 2,136 acres and 960  
current customers.

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

**Persons who wish to intervene or comment should write the:**

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

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

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

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

## Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO  
PROVIDE WATER/SEWER UTILITY SERVICE IN

Hays and Travis COUNTY(IES), TEXAS

To: City of Buda Date Notice Mailed                      20         
(Neighboring System, Landowner or City)

**PO Box 1218**

(Address)

Buda	TX	78610
City	State	Zip

Name of Applicant Sunfield Municipal Utility District No. 4 has filed an application for a CCN to obtain or amend CCN No. (s) 11356 and to decertify a portion(s) of \_\_\_\_\_ with the \_\_\_\_\_  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide water  
(specify 1) water or 2) sewer or 3) water & sewer)  
utility service in Hays and Travis County(ies).

The proposed utility service area is located approximately 15 miles south  
[direction] of downtown Austin, [City or Town] Texas, and is  
generally bounded on the north by Turnersville RD; on the east by  
S. Turnersville RD; on the south by Settlerwhite RD; and on the west by CR-118

***See enclosed map of the proposed service area.***

The total area being requested includes approximately 2,136 acres and 960 current customers.

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

**Persons who wish to intervene or comment should write the:**

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

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

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

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

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

## Notice to Neighboring Systems, Landowners and Cities

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN**

Hays and Travis COUNTY(IES), TEXAS

To: Aqua Development Inc Date Notice Mailed \_\_\_\_\_ 20 \_\_\_\_  
(Neighboring System, Landowner or City)

1106 Clayton Lane 400W			
(Address)			
Austin		TX	78723-2476
City		State	Zip

Name of Applicant Sunfield Municipal Utility District No. 4 has filed an application for a CCN to obtain or amend CCN No. (s) 11356 and to decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide  
utility service in Hays and Travis County(ies).  
water  
(specify 1) water or 2) sewer or 3) water & sewer

The proposed utility service area is located approximately 15 miles south  
[direction] of downtown Austin, [City or Town] Texas, and is  
generally bounded on the north by Turnersville RD; on the east by  
S Turnersville RD; on the south by Satterwhite RD; and on the west by CR-118

***See enclosed map of the proposed service area.***

The total area being requested includes approximately 2,136 acres and 960 current customers.

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



**Persons who wish to intervene or comment should write the:**

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

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

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

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

## Notice to Neighboring Systems, Landowners and Cities

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN**

**Hays and Travis** COUNTY(IES), TEXAS

To: Plum Creek Water Co. Date Notice Mailed            20         
(Neighboring System, Landowner or City)

6116 N. Central Expwy Suite 1300  
(Address)

Dallas	TX	75206
City	State	Zip

Name of Applicant Sunfield Municipal Utility District No. 4 has filed an application for a  
CCN to obtain or amend CCN No. (s) 11356 and to  
decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide water  
(specify 1) water or 2) sewer or 3) water & sewer)  
utility service in Hays and Travis County(ies).

The proposed utility service area is located approximately 15 miles south  
[direction] of downtown Austin ,[City or Town] Texas, and is  
generally bounded on the north by Turnersville RD ;on the east by  
S. Turnersville RD ;on the south by Satterwhite RD ;and on the west by CR-118

***See enclosed map of the proposed service area.***

The total area being requested includes approximately 2,136 acres and 960 current customers.

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

**Persons who wish to intervene or comment should write the:**

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

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

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

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

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

## Notice to Neighboring Systems, Landowners and Cities

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN**

**Hays and Travis** COUNTY(IES), TEXAS

To: Sandy Creek Utilities Date Notice Mailed                      20         
(Neighboring System, Landowner or City)

11100 Brittnore Park Dr

(Address)

Houston	TX	77041
City	State	Zip

Name of Applicant Sunfield Municipal Utility District No. 4 has filed an application for a  
CCN to obtain or amend CCN No. (s) 11356 and to  
decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide water  
utility service in Hays and Travis (specify 1) water or 2) sewer or 3) water & sewer)  
County(ies).

The proposed utility service area is located approximately 15 miles south  
[direction] of downtown Austin, [City or Town] Texas, and is  
generally bounded on the north by Turnersville RD; on the east by  
S. Turnersville RD; on the south by Satterwhite RD; and on the west by CR-118

***See enclosed map of the proposed service area.***

The total area being requested includes approximately 2,136 acres and 960 current customers.

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

**Persons who wish to intervene or comment should write the:**

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

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

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

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

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

## Notice to Neighboring Systems, Landowners and Cities

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN**

**Hays and Travis** COUNTY(IES), TEXAS

To: South Buda WCID #1 Date Notice Mailed \_\_\_\_\_ 20 \_\_\_\_  
(Neighboring System, Landowner or City)

9511 Ranch RD 620 N

(Address)

Austin	TX	78726
City	State	Zip

Name of Applicant Sunfield Municipal Utility District No. 4 has filed an application for a CCN to obtain or amend CCN No. (s) 11356 and to decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide  
utility service in Hays and Travis water  
(specify 1) water or 2) sewer or 3) water & sewer)  
County(ies).

The proposed utility service area is located approximately 15 miles south [direction] of downtown Austin, [City or Town] Texas, and is generally bounded on the north by Turnersville RD; on the east by S. Turnersville RD; on the south by Satterwhite RD; and on the west by CR-118

***See enclosed map of the proposed service area.***

The total area being requested includes approximately 2,136 acres and 960 current customers.

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

**Persons who wish to Intervene or comment should write the:**

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

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

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

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

## Notice to Neighboring Systems, Landowners and Cities

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN**

Hays and Travis COUNTY(IES), TEXAS

To: Sweetwater Utility LLC Date Notice Mailed                      20         
(Neighboring System, Landowner or City)

PO Box 2167

(Address)

Kyle	TX	78640-1806
City	State	Zip

Name of Applicant Sunfield Municipal Utility District No. 4 has filed an application for a  
CCN to obtain or amend CCN No. (s) 11356 and to  
decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide  
utility service in      Hays and Travis      water  
(specify 1) water or 2) sewer or 3) water & sewer)  
County(ies).

The proposed utility service area is located approximately 15 miles south  
[direction] of downtown Austin, [City or Town] Texas, and is  
generally bounded on the north by Turnersville RD; on the east by  
S. Turnersville RD; on the south by Satterwhite RD; and on the west by CR-118

***See enclosed map of the proposed service area.***

The total area being requested includes approximately 2,136 acres and 960 current customers.

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



**Persons who wish to intervene or comment should write the:**

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

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

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

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

## Notice to Customers of IOUs in Proposed Area

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO  
PROVIDE WATER/SEWER UTILITY SERVICE IN

\_\_\_\_\_ COUNTY(IES), TEXAS

Dear Customer: \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_ 20 \_\_\_\_\_

Name of Applicant \_\_\_\_\_ has filed an application for a  
CCN to obtain or amend CCN No. (s) \_\_\_\_\_ and to  
decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility commission of Texas to provide \_\_\_\_\_  
(specify 1) water or 2) sewer or 3) water & sewer)  
utility service in \_\_\_\_\_ County(ies).

The proposed utility service area is located approximately \_\_\_\_\_ miles \_\_\_\_\_  
[direction] of downtown \_\_\_\_\_, [City or Town] Texas.

A copy of the proposed service area map is available at (Utility Address and Phone  
Number): \_\_\_\_\_

The current utility rates which were first effective on \_\_\_\_\_ 20 \_\_\_\_\_

Monthly Flat Rate of \$ \_\_\_\_\_ Per connection

-OR-

Monthly Base Rate Including per \_\_\_\_\_ gallons  
connection for:

5/8" meter	\$ _____
1" meter	\$ _____
1 1/2" meter	\$ _____
2" meter	\$ _____

Other\$ \_\_\_\_\_

Gallonge charge of \$ \_\_\_\_\_ Per 1,000  
Gallons above minimum (same for all meters sizes)

### Miscellaneous Fees

#### Regulatory Assessment

**Tap Fee** (Average Actual Cost)

#### Reconnecting fee:

- Non Payment (\$25.00 max)
- Transfer
- Customer's request

#### Late fee

#### Returned Check charge

**Customer Deposit** (\$50.00 max)

#### Meter test fee

(Actual Cost not Exceed \$25.00)

#### Other Fees

1%
\$ _____
\$ _____
\$ _____
\$ _____
\$ _____
\$5.00 or 10%
\$ _____
\$ _____
\$ _____
\$ _____

**Your utility service rates and fees cannot be changed by this application. If you are currently paying rates, those rates must remain in effect unchanged. Rates may only be increased if the utility files and gives notice of a separate rate change application.**

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

**Persons who wish to intervene or comment should write the:**

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

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

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, the 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 A HEARING IS HELD,** it is important that you or your representative attend to present your concerns. Your request serves only to cause a hearing to be held and is not used during the hearing.

If you are a landowner with a tract of land at least 25 acres or more, and is partially or wholly located within the proposed area, you may request to be excluded from the proposed 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 scaled, general location 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:**

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

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

**ATTACHMENT A**

2. B.i. & 2.B.ii.

SERVICE AREA DESCRIPTION,  
CIRCUMSTANCES DRIVING NEED FOR SERVICE  
& COPY OF SPREADSHEET WITH ALL THE SUNFIELD PROPOSED LOTS TO DATE

**2.B.i. Describe service area and circumstances driving the need for service in the requested area:**

Applicant is a municipal utility district created to provide services and facilities to the land within its boundaries. The land within Applicant is currently within the water CCN held by Sunfield Municipal Utility District No. 4. Applicant and Goforth Special Utility District entered into the attached Agreement, which specifies that Sunfield Municipal Utility District No. 4 shall submit, on behalf of the parties, an appropriate application to accomplish dual certification.

**2.B.ii. Describe the economic need(s) for service in the requested area (i.e. plat approvals, recent annexation(s) or annexation request(s), building permits, septic tank permits, hospitals, etc.):**

A copy of a spreadsheet with all the Sunfield proposed lots to date is attached.

<b>Name</b>	<b>Total Lots</b>	<b>Residential Lots</b>
Phase 1 Sec 1	165	159
Phase 1 Sec 2	191	189
Phase 1 Sec 3	1	0
<del>Phase 1 Sec 4</del>	<del>2</del>	<del>33</del>
Phase 1 Sec 5	74	73
Phase 1 Sec 6	46	46
<del>Phase 2 Sec 1</del>	<del>76</del>	<del>73</del>
Phase 2 Sec 2	22	22
Phase 2 Sec 3	42	36
Phase 2 Sec 4	224	214
Phase 2 Sec 5	89	84
Phase 2 Sec 6	167	150
Phase 2 Sec 7	101	97
Phase 2 Sec 8	118	109
Phase 2 Sec 9	52	44
Phase 2 Sec 10	63	57
Phase 2 Sec 11	244	230
Phase 3 Sec 1	1	0
Phase 3 Sec 3	217	206
Phase 3 Sec 4	103	96
Exeter Phase 1	2	0
Amenity Center & Campo Del Sol	1	0
Campo Del Sol to Turnersville Ext.	0	0
Buda Health Hub	1	0
Tuscany Apartments	176 units	
Huntington Senior Living	120 units	

road extension w/ water line crossing only.  
this phase was never built (replaced with 1-6)

this phase was never built (replaced with 2-2)

line extension to serve future fire station (commercial meter)

line extension to serve future warehouses (commercial meter)

line extension to serve future phases/units

line extension along proposed road

commercial meter for proposed hospital

Total includes landscape and drainage easements (lots)

**ATTACHMENT B**

2. C.

**CONSENT GRANTED BY CITY OR DISTRICT**

**Amended and Restated Non-Standard Water Utility Service Agreement by and Between Goforth Special Utility District and Sunfield Municipal Utility District Nos. 1, 3 and 4 (“Agreement 1”)**

**Amendment No. 2 to Agreement Concerning Creation and Operation of Sunfield Municipal Utility District No. 1 Formerly Winfield Municipal Utility District No. 1 (“Agreement 2”)**

**“Agreement 1”**



**AMENDED AND RESTATED  
NON-STANDARD WATER UTILITY SERVICE AGREEMENT  
BY AND BETWEEN GOFORTH SPECIAL UTILITY DISTRICT,  
SUNFIELD MUNICIPAL UTILITY DISTRICT NOS. 1, 3 AND 4.**

THE STATE OF TEXAS     §  
                                      §  
COUNTY OF HAYS         §

This Amended and Restated Non-Standard Water Utility Service Agreement by and between Goforth Special Utility District and Sunfield Municipal Utility District Nos. 1, 3, and 4 (this "Agreement") is entered into as of the Effective Date (hereinafter defined), by and among Goforth Special Utility District, a special utility district operating under Chapters 49 and 65 of the Texas Water Code and Chapter 7212 of the Texas Special District Local Laws Code ("Goforth"), Sunfield Municipal Utility District No. 1, a conservation and reclamation district created and operating under Chapters 49 and 54 of the Texas Water Code ("District No. 1"), Sunfield Municipal Utility District No. 3, a conservation and reclamation district created and operating under Chapters 49 and 54 of the Texas Water Code ("District No. 3"), and Sunfield Municipal Utility District No. 4, a conservation and reclamation district created and operating under Chapters 49 and 54 of the Texas Water Code ("District No. 4"). District No. 1, District No. 3, District No. 4 and Goforth are sometimes collectively referred to herein as the "Parties" and individually as a "Party."

**RECITALS**

A.     **WHEREAS**, the Texas Legislature, during its 79<sup>th</sup> Legislative Session, enacted Section 54.2351 of the Texas Water Code, which authorizes a municipal utility district to enter into a contract with a water supply corporation or an authorized water district to acquire through the issuance of debt or other means, and convey to the water supply corporation or authorized water district, all or part of a water supply, treatment, or distribution system. The statute provides that the contract may require the water supply corporation or authorized water district to operate the water system conveyed by the municipal utility district, may require the municipal utility district to make available to the water supply corporation or authorized water district all or part of the raw or treated water to be used for the provision of service within the municipal utility district, and further provides that the contract may authorize the municipal utility district to convey to the water supply corporation or authorized water district at no cost the water system and require the water supply corporation or authorized water district to use all or part of the system to provide retail service to customers within the municipal utility district; and

B.     **WHEREAS**, Goforth Water Supply Corporation, predecessor in interest to Goforth Special Utility District, and District Nos. 1, 3, and 4 entered into that certain Non-Standard Water Utility Service Agreement dated October 1, 2007 (the "Original Agreement"), pursuant to and in accordance with Section 54.2351 of the Texas Water Code; and

C. **WHEREAS**, District No. 4 serves as the Master District for Sunfield Municipal Utility District Nos. 1, 2, 3 and 4 (collectively the “Sunfield Districts”); and

D. **WHEREAS**, pursuant to various agreements with the Guadalupe-Blanco River Authority, District No. 4 has reserved treated water supply in an amount estimated to serve 4,630 Living Unit Equivalents; and

E. **WHEREAS**, District No. 4 represents that it holds retail water CCN No. 13116, which covers a portion of the area within the Sunfield Districts; and

F. **WHEREAS**, a portion of the land within the boundaries of District Nos. 1, 3, and 4 is located within the certificated water service area of CCN No. 11356 held by Goforth; and

G. **WHEREAS**, the Parties desire to amend and restate the Original Agreement to address changes in service needs and conditions.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements hereafter set forth, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

## **I.**

### **DEFINITIONS**

When used in this Agreement, the following terms will have the meanings set forth below:

1.1 **“Agreement”** means this Amended and Restated Non-Standard Water Utility Service Agreement entered into by the Parties dated effective as of the Effective Date.

1.2 **“Capacity Fee”** means the fee to be collected by Goforth as consideration for Goforth making available capacity in the Goforth System for service to the Property. The Capacity Fee shall be paid to Goforth and calculated as described in Section 5.3.

1.3 **“Closing”** means the execution and delivery by Goforth and each District of all documents conveying, selling, transferring, or assigning the interests and property of that District in any *Interests to be Acquired* to Goforth, and the performance of all acts necessary to complete such execution and delivery.

1.4 **“Closing Date”** means the date on which a Closing occurs.

1.5 **“Commission”** means the Texas Commission on Environmental Quality or its successor agency.

1.6 **“Contracts”** means the contracts, leases, permits, franchises, and licenses relating to or arising out of the acquisition, construction, and operation of the *Interests to be Acquired*.

1.7 **“Developer”** means 2428 Partners, L.P., a Texas limited partnership, its successors and assigns or any other party developing land within the Property.

1.8 **“District No. 1”** means Sunfield Municipal Utility District No. 1.

1.9 **“District No. 3”** means Sunfield Municipal Utility District No. 3.

1.10 **“District No. 4”** means Sunfield Municipal Utility District No. 4.

1.11 **“District”** means District Nos. 1, 3 or 4 and **“Districts”** means District Nos. 1, 3 and 4 collectively.

1.12 **“Effective Date”** means February 15, 2012.

1.13 **“GBRA”** means the Guadalupe-Blanco River Authority.

1.14 **“GBRA Agreements”** means those agreements described in Section 6.1 between District No. 4 and GBRA related to treated water supply and raw water supply for the Property, portions of which are contemplated to be assigned to Goforth from time to time as set forth in Article VI.

1.15 **“Goforth”** means Goforth Special Utility District, and its successors or assigns.

1.16 **“Goforth System”** means the water system now owned by Goforth to serve the real property currently located within Certificate of Convenience and Necessity No. 11356, and any expansions, improvements, enlargements, additions and replacements thereto, including the Interests to be Acquired, subject to the terms of this Agreement.

1.17 **“Goforth’s Service Area”** means the retail water service area certificated to Goforth under CCN No. 11356, including any modifications thereto.

1.18 **“Interests to be Acquired”** means the Internal Facilities, the Real Property, the Contracts and all other interests, if any, that the Districts have constructed or will construct and will convey to Goforth as provided in this Agreement, and the Major Facilities, Internal Facilities, the Real Property, if any, the Contracts and all other interests, if any, that District No. 4 has constructed or will construct and will convey to Goforth as provided in this Agreement.

1.19 **“Internal Facilities”** means the water subdivision infrastructure which will be constructed within the Property to provide retail water service to customers within the Property, including, but not limited to, the existing 500,000-gallon elevated storage tank, existing 250,000-gallon ground storage tank, the GBRA water supply takepoint and related appurtenances (**“GBRA Takepoint”**), two proposed 16” Promag Meters (**“Meters”**), a proposed Liquid Ammonia Sulfate (LAS) System (**“LAS System”**), and a proposed interconnect with the existing Goforth System (**“Interconnect”**), each as more particularly described in Exhibit “A”. The Internal Facilities shall not include the Major Facilities listed in Exhibit “F”.

1.20 **“Living Unit Equivalent”** or **“LUE”** means one single-family residential unit, or its equivalent, calculated in accordance with the methodology set forth in Goforth’s Rate Order. For purposes of the water supply requirements in this Agreement, an LUE shall be considered to require a rate of not less than 0.6 gallons per minute (“GPM”) per connection and an annual volume of 130,000 gallons.

1.21 **“Major Facilities”** means the water facilities and improvements that have been constructed, or will be constructed, by Goforth to serve customers of the Goforth System, a portion of which has been or will be paid for by or on behalf of District No. 4, to provide water service to customers within the Property, said Major Facilities are set forth in Exhibit “F.”

1.22 **“Major Facilities Costs”** means those certain costs that have been paid for by or on behalf of District No. 4 as contributions in aid of construction of the Major Facilities, all as more particularly described in Article VI and Exhibit “F.”

1.23 **“Original Agreement”** has the meaning set forth in Recital B.

1.24 **“Paid Connection”** means an active water service connection to a customer (or LUE equivalent) (including residential, commercial, non-profit and all other types of connections) for which all connection fees have been paid and which is receiving monthly water service from Goforth.

1.25 **“Party”** or **“Parties”** means Goforth, District No. 1, District No. 3, and District No. 4, individually or collectively, as applicable.

1.26 **“Property”** means that certain tract of real property more particularly described on Exhibit “B” hereto.

1.27 **“Rate Order”** means the Rate Order and Service Policies or similar document adopted by Goforth from time to time that sets forth its fees, rates and charges, rules and policies relating to water service by Goforth, a copy of which Rate Order is available at the Goforth office.

1.28 **“Real Property”** means any of the Interests to be Acquired that constitute real property or real property interests.

1.29 **“Reserved Water Supply”** has the meaning set forth in Section 6.1(a).

1.30 **“Security Amount”** means the amount of the Developer Security posted on behalf of the District to secure District No. 4’s obligation to pay certain monies hereunder, as more particularly described in Article IV of this Agreement.

1.31 **“Security Termination Date”** means the date on which District No. 4’s obligation to post the Developer Security with Goforth terminates, as provided in Section 4.2 hereof.

## II.

### SERVICE AREA TRANSFERS

**2.1 Service Area.** The Parties acknowledge that a portion of the Property currently is located inside Goforth's Service Area and a portion currently is located outside Goforth's Service Area, both as depicted on Exhibit "C".

#### **2.2 Transfer of CCNs.**

(a) The Districts, at their sole cost, have obtained the Lower Colorado River Authority's release of its dual certification over any land located within the boundaries of the Districts, and the Districts have obtained from the Commission the final release of such dual certification. After the Effective Date, Goforth shall have the right to become dually certificated to provide retail water service for all land located within the boundaries of the Districts that currently is not included in Goforth's Service Area. Within sixty (60) days after the Effective Date of this Agreement, District No. 4 shall submit, on behalf of the Parties, an appropriate application (the "Application") with the Commission to accomplish such dual certification. The Parties shall endeavor to obtain Commission approval in an expeditious manner and will support and cooperate with each other to accomplish this goal. District No. 4 agrees to diligently pursue approval of the Application. Goforth shall provide necessary signatures and information to support the Application. All costs associated with preparing, filing, and prosecuting the Application shall be borne by District No. 4.

(b) In addition to the right to dual certification as provided in Section 2.2(a) above, Goforth shall have the right to obtain single certification of the Property in phases as follows:

i. In conjunction with the Application, Goforth shall have the right to be designated the sole retail water provider to that portion of District No. 1 currently developed with water service (approximately 217 acres).

ii. Beginning two (2) years after the Effective Date, Goforth shall have the right to become the sole retail water provider to customers located within any phase of construction within the Property that is platted and receiving water service from Goforth or within any area within the Property for which an application has been filed requesting water service from Goforth. To accomplish single certification of such areas, Goforth shall have the right to apply to the Commission from time to time to release the Districts' right to provide water service to such areas so long as Goforth is not in material default of this Agreement. The Parties agree to support and cooperate with each other to accomplish this goal. The Districts shall provide necessary signatures and information to support such applications.

**2.3 Modification of Goforth Boundaries.** Following Commission approval of the Application, Goforth shall have the right to modify its district boundaries within the Property to conform the district boundaries to Goforth's Service Area, as modified by the Application. The Districts hereby consent to the inclusion of the Property within Goforth's district boundaries after approval of the Application. The Districts agree to cooperate in any action by Goforth to

accomplish the boundary modification and to execute any petitions or other documents which may be necessary to accomplish the task.

### **III.**

#### **WATER SERVICE**

##### **3.1 Service Commitment/Commitment Letter.**

(a) Subject to the satisfaction of the terms and conditions set forth in this Agreement, Goforth agrees to provide retail water service to the portion of the Property currently located within Goforth's Service Area in a quantity not to exceed two thousand ninety-one (2,091) total LUEs. Upon Goforth being dually certificated to be the retail water provider to the remainder of the Property, Goforth agrees to provide to the Property retail water service in a quantity not to exceed four thousand six hundred thirty (4,630) LUEs in accordance with the terms of this Agreement. At all times Goforth shall provide retail water service to customers within Goforth's Service Area in the Property in accordance with its standard rules and policies, as set forth in its Rate Order, except as modified by the terms of this Agreement. Upon the request of the applicable District, the Developer or the purchaser of a tract of land within a District, Goforth shall provide a utility commitment letter stating the availability and conditions of water service for the requested tract of land, except as provided in Section 6.5(b) regarding default in payments.

(b) The Districts acknowledge that Goforth shall be obligated to provide water service to the Property only to the extent water is available pursuant to the GBRA Agreements. Goforth acknowledges that the quantity of water utilized to serve the Property will be to the extent it has water available under the GBRA Agreements.

(c) To provide for the orderly development of the Property and the timely construction of facilities by the Districts and Goforth for service to individual subdivisions, the Districts agree to provide Goforth on an annual basis not later than July 1 of each year with an updated schedule of service that identifies the number of LUEs the Districts, to the best of their knowledge, expect to become Paid Connections in the following five (5) calendar years. The schedule of service is for informational and planning purposes only and shall not be binding on the Districts.

##### **3.2 Sanitary Sewer, Trash Collection, Drainage, and Other Services.**

(a) Goforth will have no obligation with regard to the construction, ownership, operation or maintenance of sanitary sewer, trash collection, drainage, water quality or other non-water service facilities. Goforth agrees that the Districts may provide sanitary sewer service, trash collection, drainage, water quality and other services to the Property that are authorized by law. The Districts acknowledge and agree that they shall not provide retail water services to customers or land located in Goforth's Service Area.

(b) In addition to billing for its water service, on the same bill, Goforth shall provide billing and collection services for sanitary sewer services to be provided by District No. 4 pursuant to the agreement contained in Exhibit "D," which shall be executed by District No. 4 and Goforth simultaneously with the execution of this Agreement. In the event District No. 4 requests that Goforth provide additional billing services, the parties will negotiate in good faith the additional fees to be charged by Goforth.

**3.3 Goforth Operations.** Goforth will be responsible for operating and maintaining the Goforth System in good working order; for making all needed replacements, additions and improvements as required for the operation of the facilities; for reading meters, billing and collecting from all customers within the Property which are located within its certificated area; and for performing all other usual and customary services and administrative functions associated with water utility systems.

**3.4 Source of Water Supply.** The parties agree that Goforth will endeavor to use water purchased from the GBRA pursuant to the GBRA Agreements as the primary source for the provision of retail water service to the Property. Goforth shall not supply water to the Property from any new groundwater wells drilled into the Barton Springs Segment of the Edwards Aquifer. Notwithstanding the foregoing, Goforth shall not be prevented from supplying water to the Property from other sources, including its existing groundwater wells in the Edwards Aquifer, so long as the Districts have made water available pursuant to the GBRA Agreements or from other sources in a quantity sufficient to meet all the needs of the Property as those needs exist from time to time. The Districts acknowledge that Goforth is not a party to that certain "Agreement Concerning Creation and Operation of Winfield Municipal Utility Districts Nos. 1, 2, 3 and 4" entered into between the City of Austin and the Winfield Municipal Utility Districts Nos. 1, 2, 3 and 4 (predecessors in interest to the Districts) dated effective April 17, 2006 ("Consent Agreement"). The Districts, and not Goforth, shall be responsible for ensuring compliance with such agreement and shall be responsible for any claims, damages, costs, remedies, penalties, judgments, or liabilities arising out of or relating to such agreement. In the event any of the Districts advises Goforth that its actions are in violation of the Consent Agreement, Goforth shall promptly cease such prohibited actions.

**3.5 Service Subject to State and Local Approvals.** Notwithstanding other provisions in this Agreement, Goforth will not provide water services in the manner described in this Agreement unless the Districts obtain at their sole cost and expense, all necessary permits, certificates, and approvals required for such service from Hays County, the Commission, EPA and applicable local government bodies. This provision shall not be construed to obligate the Districts to secure permits or approvals applicable to Goforth.

**3.6 Water Conservation.** The Districts agree to request builders who purchase lots, or construct homes, within the Property to provide, to the maximum extent practicable, for the incorporation of water conservation measures into the selection of plumbing and water fixtures for use in the homes, and to encourage the selection of grasses and landscaping vegetation on residential lots which are drought tolerant and which minimize the need for landscape irrigation.

3.7 **Drought Contingency Plan.** Goforth agrees that the Drought Contingency Plan that will be applicable to customers located within the Districts which is also in its Service Area shall be the Drought Contingency Plan adopted from time to time by Goforth except that the restrictions to be placed on customers who are utilizing water for construction purposes will be the restrictions then being imposed by the GBRA.

#### IV.

#### SECURITY

4.1 **Requirement for Financial Security.** Goforth's service obligations under this Agreement, and its obligation to accept assignments of portions of the GBRA Agreements, are subject to the receipt by Goforth of financial security (the "Developer Security") in the amount of TWO HUNDRED FIFTY THOUSAND AND NO/100 dollars (\$250,000) (the "Security Amount") consisting of a letter of credit in the form reasonably acceptable to Goforth (the "Letter of Credit"). Subject to Section 4.2 herein, in the event that a District fails to timely pay Goforth the Reserved Water Supply Costs in accordance with this Agreement, or any Insured Obligation under Article 7, then Goforth shall be entitled to draw upon the Letter of Credit and utilize the Developer Security in an amount necessary to pay the delinquent sum. Anytime the Developer Security is reduced below the Security Amount, District No. 4 shall promptly restore, or cause to be restored, the letter of credit to bring the Developer Security total up to the Security Amount. The failure of District No. 4 to restore, or cause to be restored, the letter of credit within fifteen (15) days of a written request by Goforth shall be a material breach of this Agreement by District No. 4. The failure of District No. 4 to renew or cause to be renewed the Letter of Credit within forty-five (45) days prior to its expiration date shall entitle Goforth to draw upon the Letter of Credit in the full amount of the Security Amount.

4.2 **Termination of Security.** District No. 4's obligation to maintain the Developer Security shall terminate after District No. 4 has completed construction and transferred ownership to Goforth of the Interconnect and LAS System (the "Security Termination Date"). Upon the Security Termination Date, Goforth shall provide written notice thereof to District No. 4 and to the financial institution that issues the Letter of Credit. Said notice shall state that District No. 4's obligation to post the Letter of Credit shall have terminated, and Goforth agrees to otherwise reasonably cooperate with District No. 4 and Developer for purposes of releasing District No. 4 from its obligation to post the Letter of Credit.

#### V.

#### RATES, FEES, AND CHARGES

5.1 **Rates.** Except as provided in Sections 5.3 and 5.4 below with respect to capital contribution fees, connection fees and water reservation fees, all retail water customers within the Property will pay Goforth's standard fees, charges and rates for water service to similar type customers, as set forth in the Rate Order.



**5.2 Customer Deposits.** Each applicant for service within the Property shall be required to pay Goforth's customer deposit (which amount for residential customers is \$100 as of the Effective Date), for each meter for that applicant, to be entitled to service.

**5.3 Capacity Fees.**

(a) As consideration for capacity in the Goforth System required for Goforth to provide retail water service to each lot or LUE, District No. 4 agrees to pay, or cause to be paid, to Goforth a fee (the "Capacity Fee") equal to \$325.00 for each lot within the Property. If the lot is for non-residential use, then the amount of the Capacity Fee owed shall be multiplied times the number of LUEs allocated to such lot. The Capacity Fee shall be paid by or on behalf of District No. 4, at the time a customer requests a water tap for the lot.

(b) As further consideration for District No. 4's payments of the Capacity Fee, the Major Facilities and payment for the Reserved Water Supply and except as otherwise provided in Section 5.3(c) below, the Parties agree that neither the Districts, the Developer, nor applicants for service within the portion of the Property that is receiving water service from Goforth shall be subject to any capital contribution fee, impact fee, or similar charge currently in effect or adopted by Goforth during a period commencing as of the Effective Date and continuing until October 1, 2022 (the "Fixed Charge Period"). In the event that Goforth adopts or increases a capital contribution fee, impact fee, or similar charge during the Fixed Charge Period, neither the District, the Developer, nor any applicant for service within the Property will be subject to payment of such new or increased fee or charge for those Paid Connections established during the Fixed Charge Period.

(c) Upon expiration of the Fixed Charge Period, District No. 4 will be required to pay or cause to be paid at the time an application for water service is received for a lot within the Property an amount (in addition to the Capacity Fee) equal to the amount by which Goforth has increased the total of its impact fee plus the connection fee (as stated in the Rate Order) above \$2,750. The "lock-in" period and "fee cap" established in Sections 5.2(a) and (b) shall apply only to the impact fee or similar charge and shall not apply to the volumetric water rate, monthly minimum, deposit, or any other rate, charge, fee or tax collected or imposed by Goforth, or to any request by the owner of a lot after the initial sale of such lot by the Developer for an additional water meter or connection, such as for irrigation.

**5.4 Reservation Fees.** The Parties acknowledge and agree that by payment of the Reserved Water Supply, District No. 4 will pay for all of the costs of reserving a water supply to serve up to 4,630 LUEs within the Property. As a result, Goforth agrees that, so long as District No. 4 complies with its payment obligations for the Reserved Water Supply as set forth in Article VI, neither the Districts, the Developer, nor retail utility customers within the Property shall be subject to payment of any type of water reservation fee or similar fee that may be charged or adopted by Goforth to obtain or reserve a water supply to serve the first 4,630 LUEs. The foregoing restriction shall not restrict Goforth's ability to change its volumetric system wide water rates from time to time or to charge a minimum monthly charge for water service.

**5.5 Water Purchased through a Temporary Meter.** In consideration of the Districts' reservation of the Reserved Water Supply, Goforth agrees that, beginning on the Effective Date, Goforth will not charge Goforth's construction water charge to the Districts for water that is: (i) purchased through a temporary meter for construction water, (ii) delivered for use within the Property, and (iii) supplied from that portion of the Districts' Reserved Water Supply that has not yet been transferred to Goforth. Instead, such water will be billed to the customer at the price per 1,000 gallons Goforth is paying to GBRA for variable costs for water, plus \$0.25 per 1,000 gallons for administrative costs. Currently Goforth is paying the GBRA \$0.947 per 1,000 gallons for variable costs for water.

## **VI.**

### **DISTRICT PAYMENTS**

#### **6.1 GBRA Water Supply and Transfer and Assignment.**

(a) **Reserved Water Supply.** District No. 4 represents and warrants that it is a party to contracts with GBRA for reservation of treated water supply in an amount equal to 4.00 million gallons per day ("MGD") and raw water supply from Canyon Reservoir in an amount of up to 3,136 acre-feet per year (collectively, the "GBRA Agreements"). District No. 4 agrees to pledge and assign to Goforth the following amounts from time to time, as set forth in Section 6.1(b) below (the "Reserved Water Supply"): (i) for purposes of water service to the portion of the Property within Goforth's Service Area as of the Effective Date, 2.056 MGD of District No. 4's treated water supply capacity and delivery entitlement (including, all related rights to receive treated water supply and the necessary underlying raw water supply of at least 1,515 acre-feet per year from the Contract for Raw Water Service); and (ii) upon completion of the transfer to Goforth of the dual CNN rights in accordance with Article 2 of this Agreement, all of District No. 4's remaining rights to water under the GBRA Agreements.

(b) **Transfer of Reserved Water Supply.** The transfer and assignment by District No. 4 to Goforth of the Reserved Water Supply shall occur in quarterly increments to be effective on January 1, April 1, July 1, and October 1 of each year, as follows, beginning when the Interconnect is complete. Such transfer and assignment shall be based upon the number of LUEs added to the Goforth Service Area within the Property which are Paid Connections during the preceding quarter and shall be in a sufficient rate and volume for the necessary water supply to serve such LUEs. Goforth shall initiate the transfer by supplying to District No. 4, not later than 10 days after the close of the quarter, a letter stating the number of new LUEs which are Paid Connections (and the month in which each such LUE became a Paid Connection), and the rate and volume of water to be transferred (the "Added LUE Count Letter"). Based upon the Added LUE Count Letter, the Parties shall notify the GBRA of the rate and volume of the Reserved Water Supply to be transferred and assigned to Goforth for the subject quarterly period by jointly signing the letter attached hereto as Exhibit "E." After the transfer and assignment is approved by GBRA, all billings and responsibility for the rate and volume of water transferred and assigned for the quarterly period shall be in Goforth. Following the issuance of each new Added LUE Count Letter, District No. 4 shall work with the GBRA to calculate the portion of the payment(s) made by District No. 4 to the GBRA during the most recent quarterly period

described in the Added LUE Count Letter that are attributable to a new Paid Connection for the month(s) after such customer became a Paid Connection (the "Clawback Amount"). At the next monthly billing by the GBRA to District No. 4 and Goforth for their respective Reserved Water Supply the GBRA shall reduce the amount to be paid by District No. 4 by the Clawback Amount and bill Goforth for the Clawback Amount. The Clawback Amount does apply to any quarterly period prior to the most recent quarter before the Effective Date of this Agreement. If District No. 4 defaults on any payment required under the GBRA Agreements, Goforth may, at its sole option, seek early transfer of Reserved Water Supply in an amount necessary to serve the land or lots platted within the Property as of the date of the default.

On an annual basis, Goforth shall provide to District No. 4 a summary that includes Goforth's meter readings showing the amount of water utilized by Goforth under the GBRA Agreements, the amount of water sold to customers located within the Property, and the average percentage of "produced to sold" water throughout the Goforth System. In the event that such summary reflects that Goforth is selling water from the Reserved Water Supply in amounts greater than are necessary to serve the Property, after taking into account any adjustments for line flushing, fire protection use, water leaks and other sources of water use within the Property, the Districts may exercise their remedies under Section 13.2 of this Agreement.

The Parties agree to cooperate in negotiating an agreement with GBRA to implement this Section.

(c) **Cooperation.** The Parties agree that the transfer and assignment of Reserved Water Supply as set forth in this Section is beneficial to the Parties to minimize the administrative accounting for water and reserved water costs which would be required for any transfer of supply occurring prior to the connection of customers within the Property, and the Parties agree to cooperate with each other to facilitate the smooth transfer and assignment of such supply.

(d) **Obligation to Maintain GBRA Agreements.** District No. 4 represents and warrants that it shall maintain in place, including making or otherwise causing to be made all necessary payments to GBRA, the GBRA Agreements, as District No. 4's commitment to maintain such agreements is a critical and necessary part of this Agreement. Failure to maintain the GBRA Agreements or the failure to transfer in quarterly increments portions of the Reserved Water Supply shall be considered a material breach of this Agreement by District No. 4.

(e) **Failure to Maintain or Transfer the Reserved Water Supply.** Without limiting other remedies and rights of Goforth in this Agreement, the Parties agree that in the event that District No. 4 fails to maintain the Reserved Water Supply, Goforth shall be entitled to a payment equal to 24 months of fees and charges otherwise owed by District No. 4 to GBRA for District No. 4's then Reserved Water Supply (the "Reserved Water Supply Costs") as payment for Goforth's costs and expenses associated with attempts to secure alternative water supply and to otherwise address the District's failure to maintain the Reserved Water Supply.

(f) **Notice of Changes in the GBRA Agreements.** District No. 4 agrees to provide Goforth written notice of any amendment, modification, cancellation, or change in the GBRA

Agreements. Such notice shall be provided to Goforth at the same time as District No. 4 corresponds with GBRA regarding any such changes.

(g) **Delay or Failure of GBRA Supply.** The Parties are aware that District No. 4's rights to treated water supply are premised upon conditions set forth in the GBRA Agreements. In the event of any delay or other failure by GBRA to supply water, the Parties agree to work to seek additional or alternative water supplies to serve Goforth's Service Area within the Property, but Goforth shall have no obligation to supply water to the Property from its other water resources.

(h) **Assignment of Reserved Water Supply by District No. 4.** To the extent permitted by the GBRA Agreements, District No. 4 may enter into short-term assignments of any portion of the Reserved Water Supply not currently needed to serve the Property and not needed for any development within the Property for which an application for service has been submitted to Goforth. District No. 4 shall insure that such assignments provide for the water supply to be available to serve the Property as needed. In the event that District No. 4 is unable to reacquire any assigned water supply, Goforth shall have no obligation to provide a replacement source of water supply and its obligation to serve customers within the Districts shall be limited to the amount of water available under the GBRA Agreements.

(i) **Additional Water Supply.** In the event there is not sufficient water available pursuant to the GBRA Agreements to fully serve customers located within the Districts, the Districts shall, at their sole cost, acquire and make available to Goforth the needed water before Goforth will extend service to additional customers within the Districts. Goforth agrees to cooperate with the Districts to acquire the needed water, but shall not be responsible for any costs or expenses to acquire such water. Until sufficient supplies are acquired, the Districts shall not take any action to proceed with or approve any plats for lots in excess of 4,630 LUEs within Goforth's Service Area and shall not advertise or represent (either by itself or through any officer, employee, or agent) to any person that retail water is available, or may be supplied.

(j) **Service to Sunfield Municipal Utility District No. 2.** District No. 4 currently has the water CCN over all of the land located within the boundaries of Sunfield Municipal Utility District No. 2 ("District No. 2"). In the event District Nos. 2 and 4 request Goforth become the retail provider of water to customers located within District No. 2, Goforth agrees to cooperate with the Sunfield Districts to add District No. 2 as an additional party to this Agreement and Goforth become such retail provider; provided, however, that District No. 2 identifies a source of water supply that is acceptable to Goforth and sufficient to serve the proposed customers within District No. 2 and that District Nos. 2 and 4 shall be responsible for all costs and expenses associated with adding such customers.

## **6.2 Major Facilities Costs.**

(a) District No. 4 has paid to Goforth a share of the costs of the Major Facilities in accordance with this Section 6.2, to provide service to the Property. A description of the Major Facilities and the costs paid by District No. 4 and Goforth, respectively is attached hereto as Exhibit "F". For those Major Facilities identified in Exhibit "F" as "Proposed", Sunfield agrees

to pay Sunfield's share of the estimated cost within thirty (30) days of receipt of a written request for payment from Goforth. The capacity funded by District No. 4 in the Major Facilities is dedicated to serve the Property.

(b) **True-up of Costs.** After completion of construction of each Major Facility and following Goforth's acceptance for service of such facility, Goforth shall compute the actual cost of the Major Facility and refund to District No. 4 any excess payment (based upon the District's Contribution Percent) or invoice District No. 4 for any amount in excess of the District's payment (based upon the District's Contribution Percent). The District agrees to pay any such invoice within thirty (30) days of receipt.

6.3 **Consultant Fees.** Within thirty (30) days after the execution of this Agreement, District No. 4 agrees to reimburse Goforth for the legal, engineering, and administrative fees incurred by Goforth in connection with the preparation and negotiation of this Agreement in a total amount not to exceed \$75,000. Goforth shall provide an invoice to District No. 4 evidencing the costs for which it seeks reimbursement.

6.4 **Engineering Reviews.** At the time of submittal of the design of each phase of the Internal Facilities, the District in whose boundaries the Internal Facilities are to be located shall submit, or cause to be submitted, a payment to Goforth for the purpose of compensating Goforth for the costs of legal, engineering and administrative review. For phases designed to serve 75 or more residential lots, such payment shall be in the amount of Twenty Five Dollars (\$25) per lot to be served by such phase. For all other phases, such payment shall be Fifty Dollars (\$50) per lot (or for a non-residential lot, per LUE) to be served by such phase.

#### 6.5 **Default in Payments.**

(a) All amounts due and owing by any of the Districts to Goforth shall, if not paid when due, bear interest at the Texas post-judgment interest rate as set out in Section 304.002, Texas Finance Code, or any successor statute, from the date when due until paid, provided that such rate shall never be usurious or exceed the maximum rate as permitted by law.

(b) In the event of, and for so long as there is, any failure to provide a required payment hereunder by any District which remains uncured by the District, the Districts agree that Goforth shall not be obligated to sign any additional plats for subdivisions within that portion of the Property located within such District, or provide any other statement of commitment to serve, until payment in full is made to Goforth. In such an event, District shall not take any actions to proceed with or approve such a plat and Goforth shall not be obligated to provide water service to any such future subdivisions with that portion of the Property, until the monetary default is cured. Additionally, as to any failure by a District to provide timely payment which remains uncured by the District for six (6) months after receipt of notice of default by Goforth, shall entitle Goforth to terminate its commitment to serve new subdivisions within that portion of the Property located within the defaulting District.

6.6 **Disputed Payment.** If a District at any time disputes the amount to be paid by it to Goforth, that District shall nevertheless promptly make the disputed payment or payments,

but such District shall thereafter have the right to seek a determination whether the amount charged by Goforth is in accordance with the terms of this Agreement.

**6.7 Payments Non-refundable.** Except for a charge or fee which is expressly stated to be refundable in this Agreement and subject to the provisions of Section 6.6 regarding disputed payments, all payments made pursuant to this Agreement are non-refundable.

## **VII.**

### **INTERNAL FACILITIES**

**7.1 Internal Facilities.** The District has or will construct, or cause to be constructed, all Internal Facilities within the boundaries required for Goforth to provide retail water service to the customers within the Property in accordance with this Article. All references to the "District" in this Article VII shall mean the District in whose boundary the particular Internal Facilities are located. Upon completion of construction of each phase of the Internal Facilities and acceptance by Goforth, Goforth and the District will agree upon a date to conduct a Closing in accordance with the procedures set forth in Article XI, at which the District will convey, or cause the conveyance of, the phase to Goforth. It is understood and agreed between the Parties that conveyance of the Internal Facilities to Goforth will be subject to an existing security interest retained by the developer funding the costs of the Internal Facilities. Such security interest and collateral will be limited to the proceeds of bonds issued by the District from time to time for reimbursement of such costs.

**7.2 Design of the Internal Facilities.** All physical facilities constructed, to be constructed or acquired as a part of the Internal Facilities has been or will be designed by a qualified engineer selected by the District. The design will be subject to the approval of Goforth and all governmental agencies with jurisdiction. The design shall comply with the criteria of all governmental entities with jurisdiction, with Goforth's written "Specifications and Conditions for Water Line Extensions" and such other requirements reasonably required by Goforth's engineer. Goforth agrees to use its best efforts to review all plans and specifications and either approve the plans and specifications or provide written comments specifically identifying the required changes within 21 working days of submittal. The Internal Facilities shall be tapped with the entire service connection necessary to enable a meter to be installed at each of the lots within the Property (consistent with Goforth's specifications), including all valves and fittings, and the meter tap and meter box necessary for each lot in the Property. However, the District will not install the water meter itself, and Goforth shall install the water meter in accordance with the terms of the Rate Order.

### **7.3 Bidding and Construction of Internal Facilities.**

(a) The Internal Facilities have been or will be constructed, and all related easements, equipment, materials and supplies have been or will be acquired by the District or the Developer, and all construction contracts and other agreements will contain provisions, to the effect that any contractor, materialman or other party thereto will look solely to the District or the Developer for payment of all sums coming due thereunder and that Goforth will have no obligation whatsoever

to any such party. Contractors used to construct the Internal Facilities have been or shall be experienced in such construction and shall be approved in accordance with the requirements of the Commission.

(b) All construction contracts and change orders have been or will be prepared in compliance with any applicable rules and regulations of the Commission and any other governmental entity with jurisdiction. All construction contracts have been or will be competitively bid and awarded in the manner provided by State laws and Commission rules and regulations applicable to municipal utility districts, as set forth in Section 49.273(d) of the Texas Water Code, as amended or superseded from time to time.

(c) The construction contracts for the Internal Facilities, including the bid tabulation and recommended award, have been or will be submitted to Goforth for review prior to execution.

(d) The District through the Developer warrants to Goforth that the Internal Facilities have been or will be constructed in a good and workmanlike manner, consistent with best industry practices, and all material used in such construction has been or will be new, not used, and will be free from defects and fit for their intended purpose. Goforth may have an on-site inspector, at the District's cost, to inspect and approve the construction, which approval will not be unreasonably withheld or delayed. Inspections have been or will be conducted in a timely manner, and not unreasonably delay or interfere with the construction. In the event that Goforth hires a third-party inspector, Goforth shall charge reasonable inspection fees based on the hourly rate charged by the inspectors in the same manner and in the same amounts charged to other non-standard service projects, taking into consideration that the District will be employing its own inspectors. Goforth will notify the District of any construction defects coming to its attention as soon as practicable.

**7.4 Cost of Internal Facilities to be Funded by the District or the Developer.** The District through the Developer has or will promptly pay, or cause to be paid, the costs of the Internal Facilities as they become due, including, without limitation, all costs of design, engineering, materials, labor, construction and inspection arising in connection with the Internal Facilities; all payments arising under any contracts entered into by the District or its developer for the construction of the Internal Facilities; all costs incurred by the District or its developer in connection with obtaining governmental approvals, certificates, permits, easements, rights-of-way, or sites required as a part of the construction of the Internal Facilities; and all out-of-pocket expenses incurred in connection with the construction of the Internal Facilities. Goforth will not be liable to any contractor, engineer, attorney, materialman or other party employed or contracted with in connection with the construction of the Internal Facilities.

#### **7.5 Acceptance of Internal Facilities.**

(a) Within sixty (60) days after completion of construction of a phase of the Internal Facilities and prior to acceptance by Goforth, the District has provided or will provide to Goforth a concurrence letter from the project engineers certifying that the construction of such facilities has been completed in accordance with the plans and specifications approved by Goforth, that

the facilities have been tested and approved for use in accordance with the approved contract documents and Commission rules, and that such facilities are properly located within required easements. At the same time, the District will provide Goforth with a copy of the final "record" drawings of the completed facilities in mutually agreeable format. Upon receipt by Goforth of written notice of proper completion of the facilities, inspection and receipt of the engineer's concurrence letter, Goforth will accept the completed phase of the Internal Facilities for operation and maintenance within fifteen (15) working days of receipt of such written notice. Thereafter, Goforth will operate, maintain, and provide water service through the completed phase of the Internal Facilities pursuant to the terms set forth herein.

(b) Goforth will accept each completed phase of the Internal Facilities for operation and maintenance, and such acceptance will be evidenced by Goforth's written approval of the concurrence letter from the District's engineer, which approval will not be unreasonably withheld or delayed. Subject to the terms of Article XI, the Parties will agree on a Closing Date for conveyance to Goforth of ownership of the completed phase of the Internal Facilities, along with all easements in the Project that are reasonably required for the operation of the Internal Facilities in question, including any access easements reasonably required to provide access to and from public roads.

**7.6 Construction by Developer.** Goforth acknowledges and agrees that the District may enter into one or more agreements with the Developer or any other developer of land within the Property pursuant to which such party shall construct the Internal Facilities on behalf of the District, and the District shall reimburse the developer's costs with the proceeds of bonds issued at such time as there is sufficient assessed valuation within the District to support the issuance of such bonds. The District agrees that any such agreement with a developer shall obligate the developer to comply with the terms and conditions applicable to the District under this Article VII with respect to the design and construction of the Internal Facilities, and shall provide for the ownership and operation of such facilities by Goforth upon completion of construction and acceptance by Goforth. The District further agrees that it shall cause the completed Internal Facilities to be conveyed to Goforth at a Closing scheduled by the Parties under Article XI.

**7.7 Insurance Covenants.** Each District agrees to fully reimburse Goforth for any and all claims, demands, debts, suits, causes of action, losses, damages, judgments, fines, penalties, liabilities, and costs, including reasonable attorney fees and defense costs incurred by Goforth arising out: a) the breach of any warranty, or representation of the District, or b) the design, construction, installation or conveyance of the Internal Facilities within the District (collectively, the "Insured Obligations"). The Districts shall maintain insurance coverage in amounts not less than set forth in Exhibit "G" hereto. In the event the insurance maintained by a District does not fully cover any of the Insured Obligations, the District shall nevertheless be obligated to fully reimburse Goforth. This section shall equally apply to any successor and assigns of Goforth, and shall survive the termination of this Agreement.



**7.8 Performance, Payment and Maintenance Bonds.**

**(a) General Requirements.**

i. To ensure that the Internal Facilities are satisfactorily completed and operate in accordance with this Agreement, the Districts shall require the general contractor ("Contractor") constructing such Facilities to post a payment bond, performance bond and maintenance bond in forms reasonably acceptable to Goforth for all Internal Facilities.

ii. All performance bonds and payment bonds shall be issued by the applicable contractor in the amount of the cost of construction provided in the construction contract with such contractor as security for the faithful performance and/or payment of the Contractor. Each bond shall be issued by a solvent U.S. corporate surety acceptable to the District and authorized to do business in the State of Texas, and shall meet any other requirements established by law applicable to districts organized under Article XVI, Section 59 of the Texas Constitution. The bonds shall be executed or countersigned by a Texas resident agent.

iii. All bonds shall be in a form that complies with this Agreement and is approved by counsel for Goforth, which approval shall not be unreasonably withheld. All bonds shall be executed by such sureties as are named in the then current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (amended) by the Financial Management Services, Surety Bond Branch, U.S. Department of the Treasury. All bonds signed by an agent must be accompanied by a certified copy of such agent's authority to act. Any surety duly authorized to do business in Texas may write performance and payment bonds on a project without reinsurance to the limit of 10 percent of its capital and surplus. Such surety must reinsure any obligations over 10 percent.

iv. If the surety on any bond furnished by the construction contractor is declared bankrupt or becomes insolvent or its right to do business in the State of Texas is terminated or it ceases to meet the requirements of this Agreement, the Contractor shall within thirty (30) days thereafter substitute another bond and surety, both of which shall comply with the requirements of this Agreement.

v. All maintenance bonds shall extend and remain in effect through the expiration of the Warranty Period; provided that the foregoing shall not limit the time period within which Goforth may file suit or make any claim under or concerning any such bond. For any Internal Facilities for which construction commenced prior to the Effective Date, each bond shall meet the provisions of this Section, including the requirement of a maintenance extending through the Warranty Period.

**(b) Performance Bond.** The Districts shall require the Contractor to provide a performance bond in compliance with the provisions of subsection (a)(ii-v) above. The performance bond shall provide that the District may assign, without notice to the surety, its rights under the performance bond to Goforth at Closing. The District shall execute at Closing a written instrument in a form approved by counsel for the District to assign its rights under the performance bond to the District.

(c) **Payment Bond.** The Districts shall require the Contractor to provide a payment bond for all Internal Facilities in compliance with the provisions of subsection (a)(ii-v) above. The payment bond shall remain in effect until proof that all of the Contractor's due payment in connection with construction of the Internal Facilities, or portion thereof as appropriate, pursuant to this Agreement have been properly paid, or until the statutory time for notice of unpaid bills has expired, whichever is later. Claims on payment bonds must be sent directly to the Districts and its surety in accordance with Section 2253.041, Texas Government Code. Goforth is not responsible in any manner to a claimant for collection of unpaid bills, and accepts no responsibility because of any representation by an agent or employee.

(d) **Duty to Repair and Warranty; Maintenance Bond.** Except as otherwise authorized in this subsection, the Districts agree to cause their contractors to repair all defects in materials, equipment or workmanship for the Internal Facilities appearing or becoming known within two (2) years from the completion of the constructed facilities (the "Warranty Period"). Upon receipt of written notice from Goforth of the discovery of any defects, the Districts shall promptly and at their own cost or their developer's cost cause their contractors to remedy the defects and replace any property damaged therefrom. In case of emergency where delay would cause serious risk of loss or damage to Goforth or its customers, or if the Districts, after notice, fail to cause the contractor to proceed promptly and remedy within 30 days or within another period of time which has been agreed to in writing, in compliance with the terms of the warranty and guarantee, Goforth may have the defects corrected and the Districts' contractor shall be liable for all expenses incurred. Goforth agrees that the Districts may satisfy their obligations under this subsection by having Goforth named as co-beneficiary under a maintenance bond in an amount and form agreed to by Goforth, and otherwise in compliance with subsection (a) above, issued by the contractor to ensure proper construction and operation of the Internal Facilities for a period not less than two (2) years following completion of the constructed facilities. The maintenance bond shall provide that the District may assign, without notice to the surety, its rights under the maintenance bond to Goforth at Closing. The District shall execute at Closing a written instrument in a form approved by counsel for Goforth to assign its rights under the maintenance bond to Goforth.

## **VIII.**

### **OPERATION AND MAINTENANCE OF MAJOR FACILITIES**

8.1 **Operation and Maintenance Responsibility.** Except as otherwise agreed upon in writing by the Parties, Goforth will be responsible for ownership, operation and maintenance of the Major Facilities. Goforth will not guarantee the delivery or availability of water for fire protection purposes and will not be responsible for meeting local, county, state or federal standards pertaining to fire protection; provided, however, Goforth agrees that the Major Facilities and Internal Facilities shall be designed to provide sufficient capacity for such purposes.

8.2 **SCADA System Programming.** The Parties acknowledge that the Districts installed a supervisory control and data acquisition (SCADA) system as part of the Internal

Facilities. The Districts agree to cooperate with Goforth to accomplish the integration of the Districts' SCADA system with the existing SCADA system for the Goforth System, to the reasonable satisfaction of Goforth's consulting engineer, at the Districts' sole cost prior to the transfer of ownership of the Interconnect to Goforth and prior to delivery of water through the Interconnect.

## **IX.**

### **REAL PROPERTY ACQUISITION**

9.1 **Easements.** All Internal Facilities located within the Property shall be constructed within public right of way or within easements conveyed to Goforth, at no cost to Goforth.

9.2 **Off-Site Real Property Interests.** Except as otherwise provided herein, Goforth is responsible for securing, at its sole cost and expense, all easements or other real property interests required for construction of any improvements to the Goforth System. The Districts agree to reasonably cooperate and assist Goforth in connection with its efforts to secure all necessary off-site real property interests required for the construction of facilities to serve the Property.

## **X.**

### **DISTRICT MATTERS**

10.1 **Retail Water Service.** The Districts agree that under the laws of the State of Texas they are prohibited from providing retail water service within those portions of Goforth's Service Area that are singly certificated to Goforth, and that Goforth shall be entitled to provide retail water service to that portion of the Property currently located within Goforth's Service Area and those areas that are singly certificated to Goforth under Section 2.2(b). Districts covenant and agree that they will not request, apply for, or contract for retail water service within that portion of the Property singly certificated to Goforth from any entity other than Goforth (or its successor or assigns), and shall not sponsor, request, lobby for, or secure the adoption of any legislation that impairs, undermines, restricts, eliminates or otherwise affects the exclusive right of Goforth (or its successors and assigns), to provide retail water service to the singly certificated portions of the Property so long as Goforth or its successor or assigns complies with its obligations under this Agreement.

10.2 **Reimbursement of Costs.** Goforth agrees to reasonably cooperate with the Districts and the Developer for purposes of allowing the Districts to issue bonds (tax-exempt, if possible under federal tax laws) for purposes of reimbursing any costs paid by Developer on behalf of the Districts under this Agreement ("Districts Costs"). Without limitation, Goforth agrees as follows:

i. The facilities constructed by or on behalf of the Districts under this Agreement will be used by Goforth for purposes of serving the Property and customers within the Districts;

ii. The Districts Costs are directly related to the provision of retail potable water service by Goforth to the Property, and have been calculated in an amount required for service to the Property and not to other lands;

iii. In consideration for the Districts' construction of facilities and payment of the Districts Costs under this Agreement, Goforth agrees to make retail potable water service available to the Property; and

iv. Goforth agrees that the Districts may own capacity in the facilities to be constructed under this Agreement if necessary for the Districts to issue bonds for purposes of reimbursing costs paid by the Districts.

## **XI.**

### **CLOSING**

#### **11.1 Closing.**

(a) Upon completion of construction of each phase of the Internal Facilities by a District or its developer and acceptance by Goforth, then the District and Goforth shall agree upon a date to conduct a Closing in accordance with the procedures set forth in this Article XI, at which the District shall convey or cause to be conveyed the completed phase to Goforth. All references to a "District" in this Article XI shall mean the District in whose boundaries the particular Internal Facilities are located.

(b) In the event that the Developer constructs all or any portion of the Internal Facilities on behalf of the District pursuant to a reimbursement agreement, then the District agrees to convey or cause the Developer to convey the completed phase of facilities to Goforth at a Closing to be scheduled by the Parties immediately upon acceptance of the facilities by Goforth after completion of construction.

#### **11.2 Manner of Transfer.**

(a) Transfer by the District (or Developer) to Goforth of all Real Property that constitutes the Interests to be Acquired will be by Special Warranty Deed in a form reasonably approved by Goforth and shall be free of all liens and encumbrances.

(b) Transfer by the District (or Developer) to Goforth of all personal property that constitutes Interests to be Acquired will be by Bill of Sale and Assignment in a form reasonably approved by Goforth.

(c) All of the District's (or Developer's) rights, title and interest in and to the Contracts included within or pertaining to the Interests to be Acquired will be transferred subject to the terms and conditions upon which they were acquired and are held by the District.

**11.3 Possession.** Possession of the applicable component of the Interests to be Acquired at a particular Closing will be delivered to Goforth at the Closing.

**11.4 Costs and Expenses.** All costs and expenses in connection with the Closings under this Agreement will, except as otherwise expressly provided in this Agreement, be borne by the District and Goforth in the manner in which such costs and expenses are customarily allocated between the parties at closings of the purchase or sale of real property in the Austin, Texas area.

**11.5 Risks Pending Closing.**

(a) The District agrees that, from the date of this Agreement to the final Closing Date under this Agreement, it will not, except as otherwise authorized by this Agreement or as approved by Goforth, enter into contracts in connection with operation of the Interests to be Acquired unless such contracts can be terminated upon thirty (30) days written notice.

(b) If, on any Closing Date, any proceeding is pending before any court or administrative agency of competent jurisdiction, challenging the legal right of either the District or Goforth to make and perform this Agreement, the District and Goforth, respectively, will have the right, at any time prior to the Closing Date, to suspend and postpone the Closing until such right will have been sustained by a final judgment of a court of competent jurisdiction.

(c) The District agrees that, until each Closing, it will maintain, or cause to be maintained, insurance in such amounts as are reasonable and prudent, based on the nature of the facilities, on those components of the Interests to be Acquired that have not already been conveyed to Goforth. If, between the Effective Date and any Closing, any part, whether substantial or minor, of the Interests to be Acquired to be conveyed are destroyed or rendered useless by fire, flood, wind, or other casualty, Goforth will not be released from its obligations hereunder but any delay in performance by Goforth shall be excused during the period of time required to remedy the loss caused by the casualty, however, as to any portion of the Interests to be Acquired so damaged or destroyed, the District will make repairs and replacements to restore the Interests to be Acquired to their prior condition, regardless of whether the insurance obtained by the District covers such repair or replacement, at the expense of the party identified in this Agreement.

## **XII.**

### **REPRESENTATIONS AND WARRANTIES**

**12.1 Representations of Conveying Parties.** With respect to the Interests to be Acquired to be conveyed by it, each District acknowledges, represents and agrees that, except as provided in this Agreement:

(a) It is a conservation and reclamation district qualified in all respects to conduct business within the State of Texas;

(b) The contemplated transfer of the Interests to be Acquired to Goforth will not violate any term, condition or covenant of any agreement to which it is a party;

(c) Execution of this Agreement and the consummation of the transactions contemplated hereunder will not constitute an event of default under any contract, covenant or agreement binding upon it;

(d) The contemplated transfer of the Interests to be Acquired to Goforth will not violate the provisions of the United States Constitution, the Texas Constitution, or any federal, state or local law, ordinance or regulation;

(e) Except as provided herein, it has not previously entered into any agreement or caused or otherwise authorized any action that would diminish, eliminate or adversely affect Goforth's contemplated ownership or use of the Interests to be Acquired or the value of same;

(f) It has been notified of the terms of Texas Water Code Section 13.2502 and understands its duties to comply therewith; and

(g) The execution, delivery and performance of this Agreement have been duly authorized by all necessary action on the part of the District and the person executing this Agreement on behalf of the District has been fully authorized and empowered to bind the District to the terms and provisions of this Agreement.

Goforth is executing this Agreement in reliance on each of the warranties and representations set forth above and each such representation and warranty will survive the execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement.

**12.2 Representations of Goforth.** Goforth represents and warrants to the Districts that:

(a) Goforth is a special utility district operating under the authority of Chapter 65 of the Texas Water Code and Chapter 7212 of the Special District Local Laws Code, and has the requisite power and authority to take all necessary action to authorize the purchase of the Interests to be Acquired from the District and to execute and deliver this Agreement and to perform all obligations hereunder; and

(b) The execution, delivery and performance of this Agreement have been duly authorized by all necessary action on the part of Goforth and the person executing this Agreement on behalf of Goforth has been fully authorized and empowered to bind Goforth to the terms and provisions of this Agreement.

The Districts are executing this Agreement in reliance on each of the warranties and representations set forth above and each such representation and warranty of Goforth will survive the execution and delivery of this Agreement and the consummation of each of the transactions contemplated by this Agreement.

**12.3 Survival of Covenants.** The covenants contained in this Agreement, including but not limited to Article VII and this Article XII, will survive the conveyance, transfer and assignment of the Interests to be Acquired at all Closings and will continue to bind Goforth and the Districts as provided herein.

### **XIII.**

#### **REMEDIES**

##### **13.1 Goforth's Remedies.**

(a) If one of the Districts fails or refuses to timely comply with its material obligations hereunder, or if, prior to any Closing, that District's representations, warranties or covenants contained herein are not true or have been breached, Goforth will have the right, along with any other remedy at law or in equity, to (i) enforce this Agreement against such District by specific performance, injunction, or any other remedy available at law or in equity in a court of competent jurisdiction including but not limited to an action for damages; (ii) waive prior to or at Closing as applicable, the applicable objection or condition and to proceed to close the transaction in accordance with the remaining terms; or (iii) invoke the remedies provided by Water Code Section 13.2502, including retaining the retail water CCN for the Property and delaying the extension of retail water service to that portion of the Property located within the defaulting District until such time as defaulting District complies with this Agreement and the provisions set forth in Section F (Service Extension Policy) of Goforth's Rate Order.

(b) If, after any Closing, Goforth determines that any of a District's representations, warranties or covenants which applied to the Closing are not true, then Goforth may avail itself of any remedy at law or in equity to which it may be entitled, including but not limited to enforcing the terms of the performance, payment and maintenance bonds or the applicable insurance coverage.

##### **13.2 Districts' Remedies.**

(a) If Goforth fails or refuses to timely comply with Goforth's material obligations to any of the Districts under this Agreement or is unable to do so as a result of Goforth's acts or failure to act, the Districts' remedies will include but not be limited to the following: (i) to enforce this Agreement by writ of mandamus, specific performance, injunction, or any other remedy available at law or in equity in a court of competent jurisdiction including but not limited to an action for damages, or (ii) to waive prior to or at Closing as applicable, the applicable objection or condition and proceed to carry out this transaction in accordance with the remaining terms.

(b) If, after Closing, any District determines that any of Goforth's representations, warranties or covenants which applied to the Closing are not true, then the District may avail itself of any remedy at law or in equity to which it may be entitled.

(c) In addition to all other remedies provided by law, if Goforth is found to be in material breach of this Agreement and such material breach results in a material adverse effect

on District No. 4, at the option of District No. 4, District No. 4 may stop assigning to Goforth any water under the GBRA Agreements in excess of those amounts necessary to serve the then-current needs of the Property and may utilize such water to serve wholesale or retail customers of the Districts located outside of that portion of Goforth's Service Area wherein Goforth is designated to sole retail provider or has the right to become the sole retail provider pursuant to Section 2.2(b).

**13.3 Notice and Opportunity to Cure.** Except for District No. 4's payment obligations in Article 6, if any Party (referred to herein as the "Defaulting Party") fails to comply with its obligations under this Agreement or is otherwise in breach or default under this Agreement (collectively, a "Default") then the other Parties (referred to herein as the "Non-Defaulting Party") shall not have any right to invoke any rights or remedies with respect to any Default until and unless: (i) the Non-Defaulting Party delivers to the Defaulting Party a written notice (the "Default Notice") which specifies the particulars of the Default and specifies the actions necessary to cure the Default; and (ii) the Defaulting Party fails to cure, within ten (10) days after the Defaulting Party's receipt of the Default Notice, any matters specified in the Default Notice which may be cured solely by the payment of money or the Defaulting Party fails to commence the cure of any matters specified in the Default Notice which cannot be cured solely by the payment of money within a reasonable period of time after the Defaulting Party's receipt of the Default Notice or fails to thereafter pursue curative action with reasonable diligence to completion.

**13.4 Attorney's Fees.** If any Party hereto is the prevailing party in any legal proceedings against the other brought under or with relation to this Agreement, such prevailing party shall additionally be entitled to recover court costs and reasonable attorney's fees from the non-prevailing party to such proceedings.

**13.5 Enforceability.** The Districts and Goforth acknowledge and agree that under this Agreement, the Districts are each providing goods and services to Goforth, and Goforth is providing goods and services to the Districts, pursuant to Section 271.151, Texas Local Government Code and that the Parties intend to waive any right of sovereign immunity to liability and suit for the sole purpose of adjudicating a claim for breach of this Agreement.

## **XIV.**

### **APPROVALS**

Whenever the term "approve" or "approval" is used in this Agreement, the Party whose approval is required will not unreasonably withhold or delay it. Where approval is necessary, the Party seeking approval may request approval in writing, and the approving Party will have ten (10) business days to provide approval or request modification for the matter subject to approval. If the matter has not been approved or deemed approved and the Parties are unable to agree on a modification, the Parties will mediate a resolution of the matter. Mediation will be conducted within ten (10) business days of the date approval is requested before mediators at the Travis County Dispute Resolution Center or a similar organization if the Travis County Dispute



Resolution Center ceases to exist, as though it had been referred through the operation of the Texas Alternative Dispute Resolution Procedures Act, Title 7, Chapter 154, TEX. CIV. PRAC. & REM. ANN. (Vernon's 1986). The Parties will enter an agreement with the Travis County Dispute Resolution Center to perform mediation services, and Goforth will be responsible for 50% of any costs and fees and the applicable District will be responsible for 50% of any costs and fees associated with the mediation. If the Parties fail to agree on resolution following mediation, the dispute will be settled by binding arbitration administered by the American Arbitration Association under its Construction Industry Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction.

## **XV.**

### **NOTICES**

All notices hereunder will be sufficient if sent by certified mail or facsimile transmission with confirmation of delivery, addressed to:

**If to Goforth Special Utility District:**

ATTN: General Manager  
Goforth Special Utility District  
8900 Niederwald Strasse  
Niederwald, Texas 78640  
Facsimile: (512) 376-7631

with a copy to:

Leonard H. Dougal  
Jackson Walker L.L.P.  
100 Congress Avenue, Suite 1100  
Austin, Texas, 78701  
Facsimile: (512) 391-2112

**If to the Districts:**

Sunfield Municipal Utility District No. 1  
Coats/Rose  
3 East Greenway Plaza, Suite 2000  
Houston, Texas, 77046  
Facsimile: (713) 651-0220

Sunfield Municipal Utility District No. 2  
Coats/Rose  
3 East Greenway Plaza, Suite 2000  
Houston, Texas, 77046  
Facsimile: (713) 651-0220

Sunfield Municipal Utility District No. 3  
Coats|Rose  
3 East Greenway Plaza, Suite 2000  
Houston, Texas, 77046  
Facsimile: (713) 651-0220

Sunfield Municipal Utility District No. 4  
Coats|Rose  
3 East Greenway Plaza, Suite 2000  
Houston, Texas, 77046  
Facsimile: (713) 651-0220

With a copy to:

Timothy G. Green  
Coats|Rose  
3 East Greenway Plaza, Suite 2000  
Houston, Texas, 77046  
Facsimile: (713) 651-0220.

All notices will be deemed to have been given on the date of mailing or sending of such notice. Any Party may change its address upon five (5) days' written notice to the other Party.

## **XVI.**

### **ASSIGNABILITY**

**16.1 Assignment by the Districts.** Except as provided herein, the Districts may not assign their rights under this Agreement without the prior written consent of Goforth, such consent not to be unreasonably withheld or delayed. In connection with any proposed assignment hereunder, Goforth may require, as a condition to consent to assignment, that the Districts be in compliance with this Agreement, that no fees or charges due to Goforth are unpaid, and that the assignee provide a form of financial security in an amount and form equivalent to the Developer Security. Any assignments under this Section will be effective only after the approval by Goforth of the assignment and provided that the assignee agrees to assume and perform all of the duties and obligations of the Districts under this Agreement. The assignee shall execute an instrument evidencing its assumption of all terms and obligations of this Agreement in a form reasonably acceptable to Goforth's counsel and shall provide such instrument to Goforth immediately following such assignment.

**16.2 Assignment by Goforth.** Goforth may assign this Agreement if it sells or transfers the Goforth System in substantially its entirety, and such assignee assumes all rights, duties and obligations of Goforth under this Agreement. Any such assignment will be effective only after notice to the Districts of the assignment and provided that the assignee agrees to assume and perform any duties of Goforth under this Agreement, and provided further that any outstanding reimbursement or payment due to the District is paid in full at or prior to the transfer.

## **XVII.**

### **MISCELLANEOUS**

17.1 **Execution.** This Agreement may be simultaneously executed in any number of counterparts, each of which will serve as an original and, will constitute one and the same instrument.

17.2 **Costs and Expenses.** Except as otherwise expressly provided herein, each Party will be responsible for all costs and expenses incurred by such Party in connection with the transaction contemplated by this Agreement.

17.3 **Governing Law.** This Agreement will be governed by the Constitution and laws of the State of Texas, except as to matters exclusively controlled by the Constitution and Statutes of the United States of America.

17.4 **Successors and Assigns.** Except as provided in Article XVI, the assignment of this Agreement by any Party is prohibited without the prior written consent of the other Parties, which consent will not be unreasonably withheld. All of the respective covenants, undertakings, and obligations of each of the Parties will bind that Party and will apply to and bind any successors or assigns of that Party.

17.5 **Headings.** The captions and headings appearing in this Agreement are inserted merely to facilitate reference and will have no bearing upon its interpretation.

17.6 **Partial Invalidity.** If any of the terms, covenants or conditions of this Agreement, or the application of any term, covenant, or condition, is held invalid as to any person or circumstance by any court with jurisdiction, the remainder of this Agreement, and the application of its terms, covenants, or conditions to other persons or circumstances, will not be affected.

17.7 **Waiver.** Any waiver by any Party of its rights with respect to a default or requirement under this Agreement will not be deemed a waiver of any subsequent default or other matter.

17.8 **Amendments.** This Agreement may be amended or modified only by written agreement duly authorized by the governing body of Goforth and executed by the duly authorized representatives of each Party.

17.9 **Cooperation.** Each Party agrees to execute and deliver all such other and further instruments and undertake such actions as are or may become necessary or convenient to effectuate the purposes and intent of this Agreement.

17.10 **Venue.** All obligations of the Parties are performable in Hays County, Texas and venue for any action arising hereunder will be in Hays County.

17.11 **Third Party Beneficiaries.** Except as otherwise expressly provided herein and except with respect to the Contracts assumed by Goforth, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the Parties, any rights, benefits, or remedies under or by reason of this Agreement.

17.12 **Representations.** Unless otherwise expressly provided, the representations, warranties, covenants, indemnities, and other agreements will be deemed to be material and continuing, will not be merged, and will survive the closing of this transaction and the conveyance and transfer of the Interests to be Acquired to Goforth.


17.13 **Exhibits.** All exhibits attached to this Agreement are hereby incorporated in this Agreement as if the same were set forth in full in the body of this Agreement.

17.14 **Entire Agreement.** This Agreement, including the attached exhibits, contains the entire agreement between the Parties with respect to the Interests to be Acquired and supersedes all previous communications, representations, or agreements, either verbal or written, between the Parties with respect to such matters.

17.15 **Restatement.** This Agreement amends and replaces in its entirety the Original Agreement entered into by the Parties. Except for a charge or fee which is expressly stated to be refundable in this Agreement, all payments made pursuant to the Original Agreement are non-refundable.


IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be signed, sealed and attested in duplicate by their duly authorized officers, as of the Effective Date.

GOFORTH SPECIALTY UTILITY DISTRICT

By:   
Debbie Sandoval, President  
Board of Directors

SUNFIELD MUNICIPAL UTILITY DISTRICT  
NO. 1

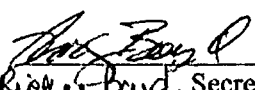
ATTEST:

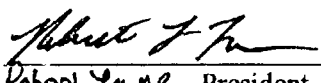
  
Chip Wray, Secretary  
Board of Directors

By:   
Matt Ruck, President  
Board of Directors

SUNFIELD MUNICIPAL UTILITY DISTRICT  
NO. 3

ATTEST:

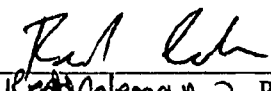
  
Ricky Boyd, Secretary  
Board of Directors

By:   
Robert Lane, President  
Board of Directors

SUNFIELD MUNICIPAL UTILITY DISTRICT  
NO. 4

ATTEST:

  
Nicole Peterson, Secretary  
Board of Directors

By:   
Paul Coleman, President  
Board of Directors

**ACKNOWLEDGMENTS**

THE STATE OF TEXAS     §  
COUNTY OF HAYS         §

This instrument was acknowledged before me on the 23<sup>rd</sup> day of March, 2012  
by Debbie Sandoval, President of Goforth Special Utility District, on behalf of said district.

(SEAL)

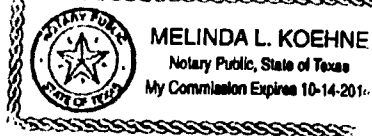


Stephanie Ann Stephens  
Notary Public, State of Texas

THE STATE OF TEXAS     §  
COUNTY OF Hays         §

This instrument was acknowledged before me this 23<sup>rd</sup> day of March, 2012  
by Matt Ruchey of Sunfield Municipal Utility District No. 1, a conservation  
and reclamation district, on behalf of said district.

(SEAL)

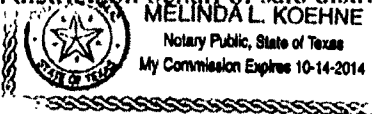


Melinda L. Koehne  
Notary Public, State of Texas

THE STATE OF TEXAS     §  
COUNTY OF Hays         §

This instrument was acknowledged before me this 23<sup>rd</sup> day of March, 2012  
by Robert Lane of Sunfield Municipal Utility District No. 3, a conservation and  
reclamation district, on behalf of said district.

(SEAL)

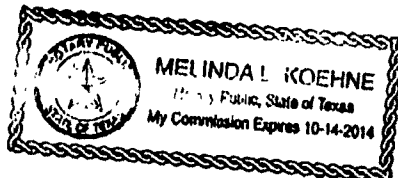


Melinda L. Koehne  
Notary Public, State of Texas

THE STATE OF TEXAS     §  
COUNTY OF Hays         §

This instrument was acknowledged before me this 23<sup>rd</sup> day of March, 2012  
by Reed Coleman of Sunfield Municipal Utility District No. 4, a  
conservation and reclamation district, on behalf of said district.

(SEAL)



Melinda L. Koehne  
Notary Public, State of Texas

## **LIST OF EXHIBITS**

- A Descriptions of the GBRA Takepoint, LAS System and Interconnect
- B Legal Description of the Property
- C Map of CCN Boundary and Proposed Service Area Transfer
- D Billing and Collections Agreement
- E Added LUE Count Transfer Letter
- F Description of Major Facilities
- G Insurance Covenants

## **EXHIBIT "A"**

### **INTERNAL FACILITIES – COMPLETED:**

#### **Elevated Storage Tower:**

500,000 Elevated Water Storage Facility	\$1,422,322.00
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#### **Ground Storage Tank and Pump Station:**

250,000 Ground Storage Tank Facility	\$1,541,127.85
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#### **Transmission Mains:**

Sixteen (16) and Twenty-four (24) Water Transmission Facilities	\$1,041,204.85
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### **INTERNAL FACILITIES – TO BE BUILT:**

#### **Liquid Ammonia Sulfate (LAS) System:**

Fiberglass chemical building - dimensions twelve (12) foot by six (6) foot - to house LAS chemical feed systems, including a chlorine analyzer, single loop control system, chemical tanks, and water system. Work will include incidental site work to the existing pump station and ground storage tank site, constructing a concrete slab for the building, and necessary mechanical and SCADA systems.

LAS must be completed prior to completion of the Interconnect between the District's system and that of the Goforth System.

\$75,000.00

#### **District/Goforth Interconnect:**

Interconnect will consist of engineering, surveying and construction services for approximately 4,000 linear foot of sixteen (16) inch waterline and appurtenances. The Interconnect will tie-in to the existing waterline located immediately adjacent to Main Street, then parallel the southern right-of-way line of said street west crossing Fire Cracker Drive. The waterline will then turn south and parallel western right-of-way line of Fire Cracker Drive and connect to the existing waterline at the north end Sunfield Phase 1 Section 1.

\$450,000.00



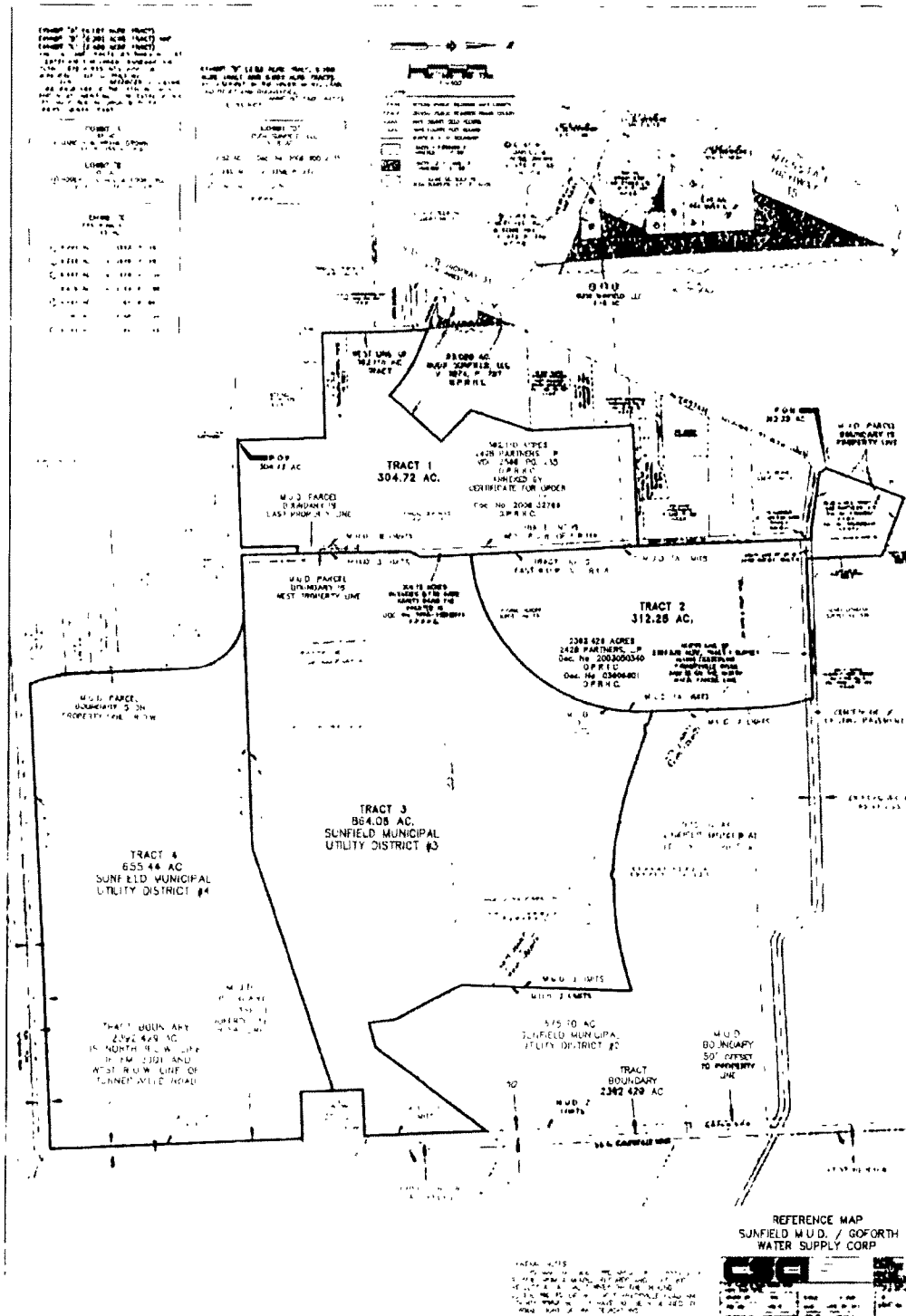
**Discharge "Pumpage" Meter and Vault:**

Provide and install two (2) sixteen (16) inch Promag meters and provide the necessary mechanical work to retrofit and connect the meters to the existing pump station and ground storage tank facilities. Mechanical work will also accommodate the future addition of two (2) additional sixteen (16) inch meters.

\$39,000.00

**EXHIBIT "B"**

Legal Description of the Property



Tract 1  
304.72 Acres  
Page 1 of 3

Trinidad Varcinas Survey No. 9, Abst. No. 465  
Josephus S. Irvine Survey No. 4, Abst. No. 255  
June 29, 2011  
09519.15

STATE OF TEXAS                   §  
   §  
COUNTY OF HAYS               §

DESCRIPTION, based on record information (courses given are calculated based on the information compiled from the noted deeds) of a tract or parcel of land containing 304.72 acres situated in the Trinidad Varcinas Survey No. 9, Abstract No. 465 and the Josephus S. Irvine Survey No. 4, Abstract No. 255, Hays County, Texas, being a portion of that certain 362.110 acre tract described in a deed to 2428 Partners, L.P. by the deed record in Volume 2566, Page 235 of the Official Public Records of Hays County, Texas, and all of that 5.739 acre tract, being a portion of Hays County Road No. 118, vacated by the deed recorded in Document No. 2010-10000114 of the said Official Public Records, the said 304.72 acre tract being more particularly described as follows:

BEGINNING at a calculated point in the north right-of-way line of State Highway FM 2001, for the southeast corner of that 41.973 acre tract described in a substitute trustee's deed recorded in Volume 757, Page 478 of the Deed Records of Hays County, Texas, and the most southerly southwest corner of the said 362.110 acre tract described above;

THENCE, N01°57'22"W, with the common line between the 41.931 acre tract and the 362.110 acre tract, 1359.06 feet to a calculated point for the northeast corner of the 41.973 acre tract described above and an interior corner of the said 362.110 acre tract, being the southeast corner of that 13.000 acre tract conveyed to Buda Tuscany Partners, Ltd. by deed recorded in Volume 3272, Page 27 of the said Official Public Records;

THENCE, S88°08'03"W, with the north line of the 41.973 acre tract, at 683.20 feet pass the most northerly northwest corner of the said 41.973 acre tract, for a total distance of 1626.06 feet to a point in the east right-of-way line of said State Highway FM 2001, being a southwest corner of the 362.110 acre tract and the southwest corner of the said 13.000 acre tract;

THENCE, along the common east right-of-way line of State Highway FM 2001 and west line of the said 362.110 acre tract, with the following three (3) courses;

- 1) N01°28'57"W, 1130.03 feet to the point of curvature of a non-tangent curve to the left;
- 2) With the said curve to the left, having a central angle of 5°06'10", a radius of 3859.72 feet, a long chord of 343.63 feet (chord bears N03°51'35"W), for an arc distance of 343.74 feet to a point;
- 3) N06°17'11"W, 148.31 feet to the most westerly corner of that 63.020 acre tract conveyed to Buda Sunfield, LLC by the deed recorded in Volume 3074, Page 797 of the said Official Public Records;

THENCE, leaving the east line of State Highway FM 2001, and crossing through the said 362.110 acre tract, along the southerly and easterly lines of the 63.020 acre tract, with the following eight (8) courses:

- 1) S68°03'02"E, 377.48 feet to a calculated point;

- 2) S64°23'20"E, 108.29 feet to a calculated point of curvature of a curve to the right;
- 3) With said curve to the right, having a central angle of 16°19'02", a radius of 2560.00 feet, a long chord of 726.60 feet (chord bears S55°40'46"E), for an arc distance of 729.06 feet to a calculated point on of a curve to the right;
- 4) With said curve to the right, having a central angle of 88°32'01", a radius of 25.00 feet, a long chord of 34.90 feet (chord bears N03°13'40"W), for an arc distance of 38.63 feet to a calculated point of tangency;
- 5) N41°02'19"E, 447.64 feet to a calculated point;
- 6) N42°29'11"E, 605.06 feet to a calculated point;
- 7) N47°34'36"W, 661.14 feet to a calculated point;
- 8) N18°37'29"E, 971.31 feet to a calculated point for the northeast corner of said 63.020 acre tract, being the southeast corner of that 20.697 acre tract conveyed to Robert Johnson, Curt Johnson and Brook Broesche by deed recorded in Volume 1160, Page 657 of the Deed Records of Hays County, Texas and being and angle point in the westerly line of said 362.110 acre tract;

THENCE, N02°36'05"W, with the westerly line of said 362.110 acre tract, at a distance of 651.02 feet pass the northeast corner of the said 20.697 acre tract being the southeast corner of "Leif Johnson Ford Commercial", a subdivision of record in Volume 5, Page 105 of the Plat Records of Hays County, Texas, continuing, at a distance of 1001.02 feet pass the northeast corner of "Leif Johnson Ford Commercial", and the southeast corner of Lot 7, "Dorsett Industrial Subdivision No. 2, Final Plat", a subdivision of record in Volume 9, Page 31 of the said Plat Records, and continuing, for a total distance of 1613.97 feet to a calculated point in the east line of said "Dorsett Industrial Subdivision No. 2, Final Plat", and being in the south right-of-way line of the Old Buda - Creedmoor Road as shown on the above noted subdivision plats;

THENCE, N87°11'18"E, with the south line of the Old Buda - Creedmoor Road, 1795.46 feet to a point in the west right-of-way line of Hays County Road No. 118, for the northwest corner of the above said 5.739 acre tract;

THENCE, N87°18'45"E, 43.56 feet to the northeast corner of the said 5.739 acre tract, being in the west line of that 2392.429 acre tract conveyed to 2428 Partners, L.P. by the deed recorded in Document No. 03006801 of the said Official Public Records of Hays County, Texas, and in Document No. 2003050340 of the Official Public Records of Travis County, Texas;

THENCE, along the common line between the said 5.739 acre tract and the 2392.429 acre tract, being the original east line of said Hays County Road No. 118, with the following four (4) courses:

- 1) S02°10'24"E, 1554.99 feet to a point for corner;
- 2) S02°11'25"E, 1835.03 feet to a point for corner;

Tract 1  
304.72 Acres  
Page 3 of 3

Trinidad Varcinas Survey No. 9, Abst. No. 465  
Josephus S. Irvine Survey No. 4, Abst. No. 255  
June 29, 2011  
09519.15

- 3) S19°29'49"W, 277.25 feet to a point for corner;
- 4) S01°37'25"E, 1961.36 feet to a calculated point in the west line Hays County Road No. 118, being in the east line of the 362.11 acre tract described above, for the southwest corner of the said 5.739 acre tract;

THENCE, N78°10'46"W, 47.54 feet to a calculated point in the west line of said Hays County Road No. 118, being in the east line of the 362.110 acre tract, for the southwest corner of the said 5.739 acre tract;

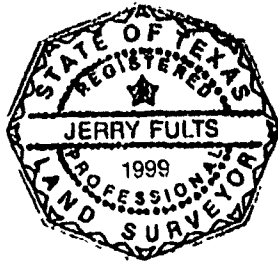
THENCE, S01°16'27"E, along the west line of said Hays County Road No. 118, for a distance of 545.18 feet to a calculated point in the north right-of-way line of State Highway FM 2001, for the southeast corner of the said 362.110 acre tract;

THENCE, S87°33'30"W, with the north line of said State Highway FM 2001, a distance of 1653.23 feet to the POINT OF BEGINNING, CONTAINING 304.72 acres of land area.

Bearing Basis Note: The bearings noted herein are record deed bearings for the 362.110 acre tract described above.

Note: THIS DOCUMENT WAS PREPARED UNDER 22 TAC §663.21, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE BOUNDARY OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.

WITNESS MY HAND AND SEAL at Austin, Travis County, Texas this the 29th day of June, 2011.



*Jerry Fults*  
JERRY FULTS  
Registered Professional Land Surveyor  
No. 1999 - State of Texas

Tract 2  
312.25 Acres  
Page 1 of 3

George Herder Survey No. 537  
Henry Dowman Survey No. 536  
Josephus S. Irvine Survey No. 4  
January 23, 2006  
02549.12

STATE OF TEXAS                   §  
   §  
COUNTIES OF HAYS AND TRAVIS   §

DESCRIPTION based on record information (courses given are those of record in Document No. 2003050340 noted below or calculated), of a tract or parcel of land containing 312.25 acres prepared from record information, being situated in the George Herder Survey No. 537, the Henry Dowman Survey No. 536 and the Josephus S. Irvine Survey No. 4 in Hays and Travis Counties, Texas, being all of Tract 2, of 35.00 acres and a portion of Tract 1 of 2392.429 acres conveyed to 2428 Partners L.P. by the deed recorded in Document No. 2003050340 of the Official Public Records of Travis County, and Document No. 03006801 of the Official Public Records of Hays County, Texas; the said 312.25 acre tract being more particularly described by metes and bounds as follows:

BEGINNING at a point on the easterly right-of-way line of Interstate Highway 35 (R.O.W. Varies) at the northeasterly cut-back line of Turnersville Road (R.O.W. Varies), also being on the west line of the said 35.00 acre tract;

THENCE, along the easterly line of Interstate Highway 35, being the westerly line of the said 35.00 acre tract, the following two (2) courses:

- 1) N20°42'24"E, a distance of 1159.28 feet to an angle point;
- 2) N21°36'29"E, passing the Hays-Travis County line at an approximate distance of 6.06 feet and continuing for a total distance of 170.51 feet to the northwesterly corner hereof, from which an angle point in the easterly line of Interstate Highway 35, bears N21°36'29"E, a distance of 177.38 feet;

THENCE, leaving the westerly line of Interstate Highway 35, along the northerly and easterly line of the said 35.00 acre tract, the following two (2) courses:

- 1) S68°24'18"E, a distance of 957.34 feet to a point for a northeasterly corner hereof;
- 2) S01°39'10"E, passing the Travis-Hays County line at an approximate distance of 542.40, feet at a distance of 1125.16 feet pass the northerly line of Turnersville Road and continuing for a total distance of 1162.03 feet to a point in the centerline of Turnersville Road; being a point on the northerly line of the aforesaid 2392.529 acre tract;

Tract 2  
312.25 Acres  
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THENCE, along the centerline of Turnersville Road, being the northerly line of the 2392.529 acre tract, the following two (2) courses:

- 1) N88°17'00"E, passing the Hays-Travis county line at an approximate distance of 736.83 feet and continuing for a total distance of 738.37 feet to an angle point;
- 2) N87°56'00"E, a distance of 1434.60 feet to a point on a curve of a curve to the right, being the limits of the one half mile extraterritorial jurisdiction of the City of Buda, Texas;

THENCE, in a southerly direction crossing through the above said 2329.429 acre tract, along the easterly limit of the above said extraterritorial jurisdiction of the City of Buda with the following seven (7) courses:

- 1) With a curve to the right, having a central angle of 15°31'41", a radius of 2640.00 feet, a long chord of 713.29 feet (chord bears S10°35'19"E) for an arc distance of 715.48 feet to a point;
- 2) S02°49'28"E, 300.00 feet to the point of curvature of a curve to the right;
- 3) With the said curve to the right, having a central angle of 00°05'48", a radius of 2640.00 feet, a long chord of 4.45 feet (chord bears S02°46'34"E) for an arc distance of 4.45 feet to a point;
- 4) S02°43'40"E, 384.47 feet to the calculated point of curvature of a curve to the right
- 5) With the said curve to the right, having a central angle of 06°41'36", a radius of 2640.00 feet, a long chord of 308.23 feet (chord bears S00°37'08"W) for an arc distance of 308.41 feet to a point;
- 6) S02°23'03"E, 868.28 feet to the point of curvature of a curve to the right;
- 7) With the said curve to the right having a central angle of 89°14'33", a radius of 2640.00 feet, a long chord of 3708.76 feet, (chord bears S42°14'13"W) for an arc distance of 4112.00 feet to a point on the easterly line of County Road No. 118 and the westerly line of the 2392.529 acre tract;



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THENCE, along the easterly line of County Road 118, being the westerly line of the 2392.529 acre tract, the following three (3) courses:

- 1) N02°11'25"W, a distance of 1063.73 feet to an angle point;
- 2) N02°10'32"W, a distance of 2055.18 feet to an angle point;
- 3) N02°34'56"W, a distance of 2078.71 feet to an angle point at the intersection of the east line of County Road 118, with the south line of Turnersville Road, being an angle point in the 2392.529 acre tract;

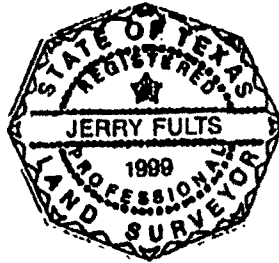
THENCE, N03°30'27"W, 36.78 feet to a point in the centerline of Turnersville Road for the northwest corner of the said 2392.529 acre tract;

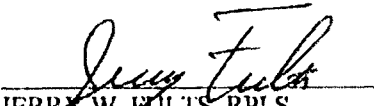
THENCE, N02°34'56"W, 34.12 feet to a point on the north line of Turnersville Road being the south line of the aforementioned 35.00 acre tract;

THENCE, along the northerly line of Turnersville Road, being the southerly line of the 35.00 acre tract, the following three (3) courses:

- 1) S88°20'39"W, a distance of 110.57 feet to an angle point;
- 2) N81°08'15"W, a distance of 893.08 feet to an angle point;
- 3) N29°57'50"W, a distance of 126.41 feet to the POINT OF BEGINNING, CONTAINING an area of 312.25 acres.

I, Jerry Fults, a Registered Professional Land Surveyor, do hereby certify that the above description is true and correct to the best of my knowledge and this document was prepared under 22 TAC 663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.



  
JERRY W. FULTS, RPLS  
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Tract 3  
864.06 Acres  
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D.C. Burleson Survey  
William Porter Survey No. 6  
George Herder Survey No. 537  
January 23, 2006  
Project No: 02549.12

STATE OF TEXAS

§

§

COUNTIES OF HAYS AND TRAVIS

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DESCRIPTION, based on record information (courses given are those of record in Document No. 2003050340 noted below and calculated), of a tract or parcel of land containing 864.06 acres, being situated in the D.C. Burleson Survey William Porter Survey No. 6, and the George Herder Survey No. 537, in Hays and Travis Counties, Texas, being a portion of Tract 1, of 2392.429 acres, conveyed to 2428 Partners L.P. by the deed recorded in Document No. 2003050340 of the Official Public Records of Travis County, Texas; and Document No. 03006801 of the Official Public Records of Hays County, Texas; the said 864.06 acres being more particularly described as follows:

COMMENCING at the northeast corner of that 19.881 acre tract, conveyed to the Lower Colorado River Authority by the deed recorded in Volume 13187, Page 308 of the Deed Records of Travis County, Texas, being in the west line of South Turnersville Road and the east line of the abovesaid 2392.529 acre tract;

THENCE, S87°32'23"W, leaving the west line of South Turnersville Road, along the north line of the 19.881 acre tract, 50.00 feet to the POINT OF BEGINNING of the herein described tract;

THENCE, S87°32'23"W, continuing with the north line of the 19.881 acre tract 862.01 feet to the northwest corner of the said 19.881 acre tract;

THENCE, S02°27'23"E, with the west line of the said 19.881 acre tract, 450.00 feet to an angle point;

THENCE, S71°21'00"W, leaving the west line of the 19.881 acre tract and crossing through the 2392.529 acre tract, 3982.85 feet to a point;

THENCE, S87°47'17"W, continuing across the 2392.529 acre tract, a distance of 3689.26 feet to a point on the easterly line of FM 2001 and the southwesterly line of the aforesaid 2392.529 acre tract;

THENCE S87°47'17"W, with the southwesterly line of the 2392.529 acre tract, 931.61 feet to a point at the intersection of the easterly line of FM 2001, with the east line of county Road 118, for a southwest corner of the aforesaid 2392.529 acre tract;

THENCE, along the easterly line of County Road 118, being the westerly line of the 2392.529 acre tract, the following three (3) courses:

- 1) N01°37'25"W, a distance of 2491.03 feet to an angle point;

- 2) N19°29'49"E, a distance of 277.25 feet to an angle point;
- 3) N02°11'25"W, a distance of 771.30 feet to a point;

THENCE, leaving the west line of the 2392.529 acre tract and crossing through it in an easterly direction with the following twenty-two (22) courses:

- 1) With the said curve to the left, having a central angle of 89°14'33", a radius of 2640.00 feet, a long chord of 3708.76 feet (chord bears N42°14'13"E) for an arc distance of 4112.00 feet to a point;
- 2) N02°23'03"W, 99.13 feet to a point;
- 3) S70°45'06"E, 196.34 feet to the point of curvature of a curve to the right;
- 4) With the said curve to the right, having a central angle 90°00'00", a radius of 35.00 feet, a long chord of 49.50 feet (chord bears S25°45'06"E) for an arc distance of 54.98 feet to a point;
- 5) S79°35'36"E, 91.08 feet to the point of curvature of a nontangent curve to the right;
- 6) With the said curve to the right, having a central angle 90°00'00", a radius of 35.00 feet, a long chord of 49.50 feet (chord bears N64°14'54"E) for an arc distance of 54.98 feet to the point of tangency;
- 7) S70°45'06"E, 672.93 feet to the point of curvature of a curve to the left;
- 8) With the said curve to the left, having a central angle of 10°31'14", a radius of 5062.50 feet, a long chord of 928.26 feet (chord bears S76°00'42"E) for an arc distance of 929.56 feet to the point of reverse curvature of a curve to the right;
- 9) With the said curve to the right, having a central angle of 9°17'01", a radius of 589.50 feet, a long chord of 95.41 feet (chord bears S76°37'49"E) for an arc distance of 95.52 feet to the point of curvature of a reverse curve to the left;
- 10) With the said curve the left, having a central angle of 11°01'45", a radius of 310.50 feet, a long chord of 59.68 feet (chord bears S77°30'11"E) for an arc distance of 59.77 feet to the point of compound curvature of another curve to the left;
- 11) With the said curve to the left, having a central angle of 5°17'19", a radius of 5076.50 feet, a long chord of 468.42 feet (chord bears S85°39'43"E) for an arc distance of 468.59 feet to the point of reverse curvature of a curve to the right;

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- 12) With the said curve to the right, having a central angle of  $89^{\circ}12'55''$ , a radius of 35.00 feet, a long chord of 49.16 feet (chord bears  $S43^{\circ}41'56''E$ ) for an arc distance of 54.50 feet to a point;
- 13)  $N72^{\circ}04'34''E$ , 73.96 feet to the point of curvature of a nontangent curve to the right;
- 14) With the said curve to the right, having a central angle of  $89^{\circ}19'27''$ , a radius of 25.00 feet, a long chord of 35.15 feet (chord bears  $N45^{\circ}34'16''E$ ) for an arc distance of 38.98 feet to the point of reverse curvature of a curve to the left;
- 15) With the said curve to the left, having a central angle of  $18^{\circ}38'26''$ , a radius of 5062.50 feet, a long chord of 1639.77 feet (chord bears  $N80^{\circ}54'46''E$ ) for an arc distance of 1647.02 feet to the point of reverse curvature of a curve to the right;
- 16) With the said curve to the right, having a central angle of  $9^{\circ}17'01''$ , a radius of 589.50 feet, a long chord of 95.41 feet (chord bears  $N76^{\circ}14'04''E$ ) for an arc distance of 95.52 feet to the point of reverse curvature of a curve to the left;
- 17) With the said curve to the left, having a central angle of  $4^{\circ}41'12''$ , a radius of 310.50 feet, a long chord of 25.39 feet (chord bears  $N78^{\circ}31'58''E$ ) for an arc distance of 25.40 feet to a point;
- 18)  $S02^{\circ}07'22''W$ , 2642.19 feet to a point;
- 19)  $S28^{\circ}07'42''E$ , 1149.14 feet to a point;
- 20)  $S07^{\circ}27'10''E$ , 400.00 feet to a point;
- 21)  $N74^{\circ}51'59''E$ , 390.00 feet to a point;
- 22)  $N37^{\circ}17'15''E$ , 2361.61 feet to a point 50.00 feet west of the east line of the 2392.00 acre tract;

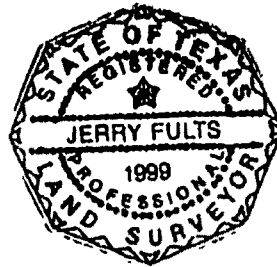
THENCE,  $S02^{\circ}20'28''E$ , along a line parallel to and 50.00 feet at right angles to the east line of the 2392.429 acre tract and the west line of South Turnersville Road for a distance of 1174.74 feet to a point;

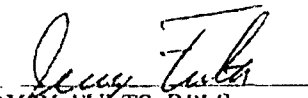
Tract 3  
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THENCE, S02°36'39"E, continuing with the said parallel line, at approximately 650 feet pass the Travis-Hays county line for a total distance of 863.54 feet to the POINT OF BEGINNING, CONTAINING within these metes and bounds 864.06 acres of land area.

I, Jerry Fults, a Registered Professional Land Surveyor, do hereby certify that the above description is true and correct to the best of my knowledge and this document was prepared under 22 TAC 663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.



  
JERRY W. FULTS, R.P.L.S.  
No. 1999 -- State of Texas

Tract 4  
655.44 Acres  
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George Herder Survey No. 537  
William Porter Survey No. 6  
D.C. Burleson Survey  
January 23, 2006  
Project No: 02549.12

STATE OF TEXAS       §  
                                  §  
COUNTY OF HAYS     §

DESCRIPTION, based on record information (courses given herein are those of record in Document No. 2003050340 noted below or calculated), of a tract or parcel of land containing 655.44 acres, being situated in the George Herder Survey No. 537, the William Porter Survey No. 6, and D. C. Burleson Survey, Hays County, Texas, being a portion of Tract 1, of 2392.429 acres, conveyed to 2428 Partners L.P. by the deed recorded in Document No. 2003050340 of the Official Public Records of Travis County, Texas and Document No. 03006801 of the Official Public Records of Hays County, Texas, the said 655.44 acre tract being more particularly described as follows:

COMMENCING at a point in the east line of the 2392.529 acre tract, being the west line of South Turnersville Road for the southeast corner of that 19.881 acre tract conveyed to the Lower Colorado River Authority by the deed recorded in Volume 13187, Page 308 of the Deed Records of Travis County, Texas;

THENCE, S87°33'22"W, along the south line of the 19.881 acre tract 50.00 feet to the POINT OF BEGINNING of the herein described tract;

THENCE, S02°39'00"E, along a line parallel with and 50.00 feet west of the easterly line of the 2392.529 acre tract, being the westerly line of South Turnersville Road, a distance of 4023.57 feet, to the southeast corner of the herein described tract; an angle point for the northwesterly corner of the intersection of South Turnersville Road and County Road 107 (Satterwhite Road), being the southeasterly corner of the said 2392.529 acre tract, bears N87°29'54"E, 50.00 feet and S02°39'00"E, 38.37 feet;

THENCE, S87°29'54"W, crossing the 2392.529 acre tract, 3138.26 feet to a point;

THENCE, S86°57'20"W, 4181.40 feet to a point in the west line of the 2392.529 acre tract and the east line of State Highway FM 2001, for the southwest corner of the herein described tract, from which the most southerly southwest corner of the 2392.529 acre tract, bears S22°58'39"E, 52.43 feet;

THENCE, along the easterly line of F.M. 2001, being the westerly line of the 2392.529 acre tract, the following four (4) courses:

- 1) N22°58'39"W, a distance of 342.82 feet to the point of curvature of a non-tangent curve to the right;

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George Herder Survey No. 537  
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- 2) Along said non-tangent curve to the right, having a central angle of  $20^{\circ}05'37''$ , a radius of 1392.71 feet, a long chord of 485.92 feet (chord bears  $N12^{\circ}39'02''W$ ), for an arc distance of 488.42 feet to a point;
- 3)  $N02^{\circ}37'53''W$ , a distance of 1817.79 feet to the beginning of a non-tangent curve to the left;
- 4) Along said non-tangent curve to the left, having a central angle of  $89^{\circ}48'26''$ , a radius of 858.50 feet, a long chord of 1212.06 feet (chord bears  $N47^{\circ}28'08''W$ ), for an arc distance of 1345.64 feet to a point;

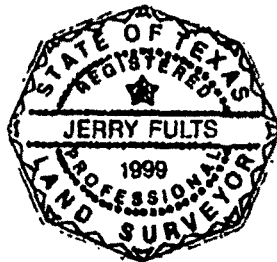
THENCE,  $N87^{\circ}47'17''E$ , leaving the westerly line and crossing through the 2392.529 acre tract, 3689.26 feet to an angle point;

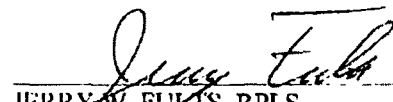
THENCE,  $N71^{\circ}21'00''E$ , continuing across the 2392.529 acre tract, 3982.85 feet to a point in the west line of the aforesaid 19.881 acre LCRA tract mentioned above;

THENCE,  $S02^{\circ}27'23''E$ , with the said west line of the 19.881 acre tract, 499.85 feet to the southwest corner of the 19.881 acre tract;

THENCE,  $N87^{\circ}33'22''E$ , with the south line of the 19.881 acre tract, 860.76 feet to the POINT OF BEGINNING AND CONTAINING 655.44 acres of land area.

I, Jerry Fults, a Registered Professional Land Surveyor, do hereby certify that the above description is true and correct to the best of my knowledge and this document was prepared under 22 TAC 663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.



  
JERRY W. FULTS, RPLS  
No. 1999 - State of Texas

**EXHIBIT "C"**

Map of the existing certificated service areas of District No. 4 and Goforth





**EXHIBIT "D"**

**BILLING AND COLLECTION AGREEMENT  
SUNFIELD MUNICIPAL UTILITY DISTRICT NO. 4**

This Billing and Collection Agreement ("Agreement") is entered into as of the 15<sup>th</sup> day of February, 2012 (the "Effective Date") by and between Goforth Special Utility District ("Goforth"), a conservation and reclamation district operating pursuant to Chapters 49 and 65 of the Texas Water Code, and Sunfield Municipal Utility District No. 4 ("MUD 4"), a conservation and reclamation district operating pursuant to Chapters 49 and 54 of the Texas Water Code.

**RECITALS**

WHEREAS, pursuant to that certain "Amended and Restated Non-Standard Water Service Agreement by and between Goforth Special Utility District and Sunfield Municipal Utility District Nos. 1, 3 and 4" (the "Amendment") executed simultaneously with this Agreement, Goforth shall become a dually certificated retail water supplier to the Property (as such term is defined in the Amendment); and

WHEREAS, MUD 4 is the certificated retail sanitary sewer provider for all of the land within the Property; and

WHEREAS, MUD 4 desires to enter into an agreement with Goforth to facilitate the billing and collection of charges due from its customers for sanitary sewer services.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Agency of Goforth/Customer Lists. Subject to the terms of this Agreement, Goforth agrees to serve as the agent for MUD 4 for the purposes of billing and collecting sanitary sewer charges from water customers of Goforth who: (1) are recipients of sanitary sewer service from MUD 4; (2) are located within the Property, and any other area mutually agreed to by Goforth and MUD 4 in the future; and (3) have executed a sanitary sewer service agreement with MUD 4 (hereinafter sometimes referred to as "joint customers"). During the term of this Agreement, MUD 4 will be solely responsible for providing to Goforth, and maintaining, a current list of joint customers to be billed by Goforth pursuant to the terms of this Agreement, which list shall contain at a minimum the following information for each customer:

- (i) The customer's name and address;
- (ii) The MUD 4 customer number; and
- (iii) The amount to be billed.

2. Rates for Sewer Service. MUD 4 shall furnish Goforth with its current rate order, and thereafter advise Goforth of any revisions to such rate order and the effective date of such

revision. Goforth agrees to add the fees due to MUD 4 for sanitary sewer service, in the amounts indicated by MUD 4, to its monthly bills to customers.

3. Administration of Accounts. Goforth agrees to administer the joint customer accounts in accordance with Goforth's regular and periodic billing procedures, and bill the sewer charges for the indicated quantity of water used according to the sewer service rates furnished by MUD 4. MUD 4 agrees to coordinate with Goforth so that the payment for the sanitary sewer services billed by Goforth on MUD 4's behalf shall be due at the same time and under the same terms as the payment billed by Goforth for water utility services. The fee for sanitary sewer service will be stated separately on such bills. To the extent Goforth is reasonably able to modify its billing software to separately bill for MUD 4's late payment fees, Goforth shall bill and collect MUD 4's late payment fees. Goforth agrees to observe the same diligence and procedure in the administration and billing of sewer accounts as is used by Goforth in administering and billing its retail water service accounts.

4. Water Bill Adjustments. MUD 4 agrees that adjustments to water bills made by Goforth in accordance with Goforth's rate order, such as for underground leaks and inoperative meters, will be accepted by MUD 4, and that such adjustments for water use shall be applied to adjust bills for sewer service charges.

5. Receipt and Payment. Upon receiving payment from joint customers for MUD 4's sewer service, Goforth will deposit the funds in an account in Goforth's depository bank, commingled with payments made to Goforth for retail water service. The funds shall be forwarded to MUD 4 on a monthly basis in the amounts paid by the MUD 4 customers (including delinquent fees, if any), less any adjustments for water use and less the unpaid billing service fees and charges due to Goforth under this Agreement. Goforth will provide to MUD 4 a quarterly statement of account between MUD 4 and Goforth under this Agreement, including the customers from whom payment was received, the fees retained by Goforth from the payments made by each customer, and reports as to gross billing, adjustments to billing, and uncollectible bills and accounts. MUD 4 may audit the billings and payments made pursuant to this Agreement with prior notice of at least 72 hours and during Goforth's regular business hours.

6. Priority. For any payment for water or sewer service made to Goforth by a joint customer, Goforth shall first apply the funds to any charges of that customer due to Goforth and then to the payment of any charges of that customer due to MUD 4.

7. Delinquency/Disconnection. Goforth agrees to use reasonable efforts, in the exercise of the discretion granted under this Agreement, to bill and collect amounts due to MUD 4 from joint customers for sanitary sewer service. If at any time any joint customer fails to pay any amounts due to MUD 4 pursuant to its rate order, Goforth is authorized to terminate retail water service to the joint customer as deemed appropriate by Goforth and in accordance with the procedure specified in applicable law and Goforth's rate order and service policies. Goforth's failure to disconnect any service shall not be an event of default under this Agreement, but if Goforth does not disconnect a delinquent customer within thirty days after receiving a written request for disconnection from MUD 4, then MUD 4 shall thereafter be entitled to discontinue payment of the portion of the monthly account service charge attributable to that customer until

either disconnection occurs or the customer's account for sewer service is current. Goforth shall provide monthly notice to MUD 4 of all joint customers whose retail water service was disconnected by Goforth for nonpayment of sewer services under this Agreement.

8. **Reconnection.** In the event water service is disconnected by Goforth for nonpayment of sanitary sewer service charges, except as otherwise required by law or as agreed to by MUD 4, Goforth agrees not to provide water services to that customer until Goforth receives payment of all delinquent sanitary sewer charges, plus a reconnect fee and any applicable late charges which are then collectable in accordance with MUD 4's rate order.

9. **No Affect on Water Service.** This Agreement shall not affect, or in any way impair, Goforth's rights and obligations to abide by and enforce Goforth's own rules and regulations relative to water service or payment of water service accounts.

10. **Fees.** MUD 4 agrees to pay Goforth the following fees:

a. **Software/Setup Fee.** Not later than 10 days after the Effective Date, MUD 4 agrees to pay Goforth \$2,500.00 for costs related to the implementation of this Agreement, including the modification of Goforth's software to enable billing for sewer service, as provided in this Agreement.

b. **Customer Account Setup Fees.** For each customer account to be collected by Goforth, MUD 4 agrees to pay Goforth the sum of \$25.00 per account as an initial set up fee for establishing Goforth's billing and collection procedures. This set-up fee is to be billed to the customer receiving service and will be payable to Goforth upon receipt from the customer. If an account is established and later changed or modified for sanitary sewer services, MUD 4 agrees to pay Goforth the sum of \$10.00 as a modification fee, which fee will be billed to the customer and payable to Goforth upon receipt.

c. **Monthly Service Charge.** In addition, MUD 4 agrees to pay to Goforth, a monthly account service charge for each active account of \$2.00.

11. **Change of Fees and Charges.** Each year, on or near the anniversary of the Effective Date of this Agreement, Goforth and MUD 4 shall meet to review the status and activities related to this Agreement, and to determine if the fees being charged by Goforth under paragraphs 10.b. and 10.c. of this Agreement accurately reflect the level of effort and the actual cost of providing the services related to this Agreement. Based upon such review, the parties may upon mutual agreement amend the fees and charges related to the provision of services under this Agreement. In the event the parties cannot reach agreement on acceptable fees, then either party may terminate this Agreement upon ninety (90) days notice to the other.

12. **Addresses and Notice.** Unless otherwise provided in this Agreement, any notice, communication, request, reply, or advice (herein severally and collectively, for convenience, called "Notice") herein provided or permitted to be given, made, or accepted by either party to the other must be in writing and may be given or be served by depositing the same in the United

States mail postpaid and registered or certified and addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such party, or by prepaid telegram, when appropriate, addressed to the party to be notified. Notice deposited in the mail in the manner hereinabove described shall be conclusively deemed to be effective, unless otherwise stated in this Agreement, from and after the expiration of four (4) days after it is so deposited. Notice given in any other manner shall be effective only if and when received by the party to be notified. For the purpose of notice, the addresses of the parties shall, until changed as hereinafter provided, be as follows:

If to Goforth:                   Goforth Special Utility District  
8900 Niederwald Strasse  
Niederwald, Texas 78640

If to MUD 4:                   Sunfield Municipal Utility District No.4  
c/o Coats|Rose  
3 East Greenway Plaza, Suite 2000  
Houston, Texas 77046

The parties shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify any other address by at least fifteen (15) days' written notice to the other party.

13.   Purpose of Agreement. This Agreement is made for the purpose of facilitating the billing and collecting of sewer services. No partnership or joint venture is intended to be created hereby.

14.   Term. The initial term of this Agreement is five (5) years, commencing on the Effective Date, and thereafter to be renewed or extended with such term as may be mutually agreed upon by the parties.

15.   Right to Terminate. This Agreement may be terminated by either party at any given time by giving the other party ninety (90) days' advance written notice of its intent to terminate the Agreement.

16.   Termination Upon Default. Either party may terminate this Agreement following a default by the other party in the performance of this Agreement and the failure to correct said default within thirty (30) days after written notice of default has been provided by the non-defaulting party.

17.   Parties in Interest. This Agreement shall be for the benefit only of MUD 4 and Goforth and shall not inure to the benefit of any third party.

18.   Assignment. Neither party may assign its rights under this Agreement without the prior written consent of the other, such consent not to be unreasonably withheld or delayed.

19. Severability. The provisions of this Agreement are severable, and if any provision or part of this Agreement or the application thereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement with respect to other persons or circumstances shall not be affected thereby.

20. Waiver of Sovereign Immunity. MUD 4 and Goforth acknowledge and agree that under this Agreement, MUD 4 is providing goods and services to Goforth, and Goforth is providing goods and services to MUD 4, pursuant to Section 271.151, Texas Local Government Code, and that the parties hereto intend to waive any right of sovereign immunity to liability and suit for the sole purpose of adjudicating a claim for breach of this Agreement.

21. Good Faith Cooperation. The parties agree to use good faith in the performance of their respective duties and obligations under this Agreement such that the intent of the parties shall be fulfilled. The parties further agree to take such additional actions, from time to time, as may be necessary to fully carry out the purposes and intent of this Agreement.

22. Waiver. Any waiver by any Party of its rights with respect to a default or requirement under this Agreement will not be deemed a waiver of any subsequent default or other matter.

23. Amendments. This Agreement may be amended or modified only by written agreement duly authorized by the governing bodies of Goforth and MUD 4.

24. Venue. All obligations of the Parties are performable in Hays County, Texas and venue for any action arising hereunder will be in Hays County.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple copies, each of which shall be deemed to be an original.

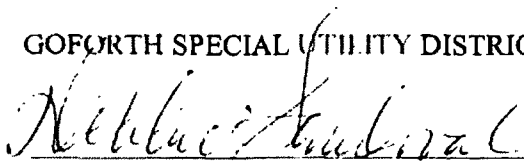
SUNFIELD MUNICIPAL UTILITY  
DISTRICT NO. 4

  
\_\_\_\_\_  
President


ATTEST:

  
\_\_\_\_\_  
Secretary

GOFORTH SPECIAL UTILITY DISTRICT

  
\_\_\_\_\_  
President

ATTEST:

  
\_\_\_\_\_  
Secretary

**EXHIBIT "E"**

Added LUE Count Transfer Letter

**SUNFIELD MUNICIPAL UTILITY DISTRICT NO. 4**

**c/o Coats|Rose**

**3 Greenway Plaza, Suite 2000**

**Houston, TX 77046**

**Main: 713-651-0111 / Fax: 713-651-0220**

\_\_\_\_\_, 20

***VIA FEDERAL EXPRESS***

Guadalupe-Blanco River Authority  
Attention: General Manager  
933 East Court Street  
Seguin, TX 78155

Gentlemen:

Pursuant to the First Amendment to the Water Supply Agreement between Sunfield Municipal Utility District No. 4 ("Sunfield MUD No. 4") and Guadalupe-Blanco River Authority ("GBRA"), dated \_\_\_\_\_, 2012 (the "MUD 4 Agreement") and the Third Amendment to Water Supply Agreement between Goforth Special Utility District ("Goforth SUD") and GBRA, dated \_\_\_\_\_, 2012 (the "Goforth Agreement"), please transfer \_\_\_\_\_ million gallons per day (MGD) of treated water supply capacity and \_\_\_\_\_ acre feet per year of raw water supply from those amounts being reserved for Sunfield MUD No. 4 under the MUD 4 Agreement to Goforth SUD. This transfer, along with all previous transfers, totals \_\_\_\_\_ MGD of treated water supply capacity and \_\_\_\_\_ acre feet per year of raw water supply capacity having been transferred. From and after \_\_\_\_\_, such amounts should be considered allocated to Goforth SUD in accordance with the Goforth Agreement and all payments thereafter applicable to such capacity shall be due and owing by Goforth SUD in accordance with the terms of the Goforth Agreement.

Effective the above date, the GBRA should look solely to Goforth SUD for any and all payments due regarding such cumulative capacity amounts which have been transferred to Goforth SUD.