



Control Number: 50787



Item Number: 47

Addendum StartPage: 0

RECEIVED
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PUBLIC UTILITY COMMISSION

DOCKET NO. 50787

**PETITION OF TYLER OAK CREEK
DEVELOPMENT, LLC TO AMEND
LIBERTY UTILITIES (TALL TIMBERS
SEWER) CORP.'S CERTIFICATE OF
CONVENIENCE AND NECESSITY IN
SMITH COUNTY BY EXPEDITED
RELEASE**

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§

**BEFORE THE
PUBLIC UTILITY COMMISSION
OF TEXAS**

**JOINT NOTICE OF AGREEMENT OF TYLER OAK CREEK DEVELOPMENT, LLC
AND LIBERTY UTILITIES CORP. (TALL TIMBERS SEWER)
REGARDING COMPENSATION**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

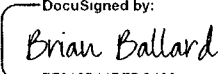
In accordance with Texas Water Code §§ 13.254 and 13.2541 and current Public Utility Commission of Texas (“PUC”) Rule 24.245, Petitioner Tyler Oak Creek Development, LLC (“TOCD”) and Respondent Liberty Utilities (Tall Timbers Sewer) Corp. (“Liberty Tall Timbers”) (cumulatively, the “Parties”) file this joint notice of agreement and accompanying Agreement regarding Compensation. The Parties are pleased to relate to the PUC that they have, through good faith negotiations, resolved their issues concerning compensation, and executed and memorialized in writing an agreement that provides for the payment of an amount that represents just and adequate compensation and that otherwise meets the applicable compensation standards set forth in Texas Water Code §§ 13.254(g) and 13.2541 and applicable PUC regulations. That amount is \$112,000 (one hundred twelve thousand dollars).

This amount is to be paid by TOCD to Liberty Tall Timbers in lieu of pursuing the appraisal process contemplated by the Order issued December 17th, 2020, Approving Streamlined Expedited Release. The nature of the agreement is such that, upon a final order entered by the PUC approving the resolution of the compensation issue by agreement of the Parties and closing this docket, and in lieu of the 90-day period to pay any compensation due as contemplated in Order No. 4, TOCD agrees to pay Liberty Tall Timbers an initial payment of \$36,000.00 (thirty-six thousand dollars) within five (5) days of the Parties executing this agreement. Subsequent payment amounts will be remitted to Liberty Tall Timbers in equal annual installments as outlined within the attached Agreement and further secured by the attached Letter of Credit.

CONCLUSION AND PRAYER

Texas Water Code § 13.2541(f) provides that the PUC may require an award of compensation by the petitioner to the certificate holder where a landowner successfully petitions the PUC for the streamlined expedited release of at least 25 acres. The Parties jointly request that an order be issued approving the resolution of the compensation issue by agreement of the Parties and closing this docket.

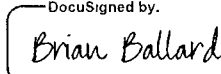
Respectfully submitted,

BY: 
 DocuSigned by:
7F318B11D7DC489
Brian Ballard, P.E.
Ballard and Braughton Engineering, PLLC
3815 Old Bullard Road
Tyler, TX 75701
(903) 531-9800
(903) 531-9839 (fax)
brian@bbccivil.com

ADVISOR TO TYLER OAK CREEK
DEVELOPMENT, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was transmitted by electronic mail on this the 25th day of May 2021 to the parties of record, in accordance with the Orders Suspending Rules issued in Project No. 50664.

BY: 
 DocuSigned by:
7F318B11D7DC489
Brian Ballard, P.E.

**AGREEMENT REGARDING COMPENSATION
BY AND BETWEEN
TYLER OAK CREEK DEVELOPMENT, LLC AND
LIBERTY UTILITIES (TALL TIMBERS SEWER) CORP.**

This Compromise and Settlement Agreement (“Agreement”) is entered into by and between Tyler Oak Creek Development, LLC, a Texas limited liability company (“TOCD”), and Liberty Utilities (Tall Timbers Sewer) Corp., a Texas corporation and investor-owned utility (“Liberty Tall Timbers”) (collectively, the “Parties,” and individually depending upon the context, “Party”) to memorialize the resolution of their dispute regarding Public Utility Commission of Texas (“PUC”) Docket No. 50787 (“Docket 50787”).

RECITALS

WHEREAS, Liberty Tall Timbers is the holder of sewer Certificate of Convenience and Necessity (“CCN”) No. 20694 in Smith County, Texas;

WHEREAS, the PUC approved a petition filed by TOCD to decertify portions of the Liberty Tall Timbers sewer CCN boundaries that overlap 47.939 acres of land owned by TOCD (the “Decertified Area”) in Docket 50787;

WHEREAS, Texas Water Code § 13.2541(f) provides that the PUC may require an award of compensation to the CCN holder in a matter where the petitioning landowner has successfully decertified their land from the certificate holder’s CCN by streamlined expedited release;

WHEREAS, in lieu of further pursuing the appraisal process contemplated by Order No. 4 in Docket 50787, the Parties have, through good faith negotiations and in an interest to forego further expense of appraisals, legal fees, and costs associated with Docket 50787, resolved all issues concerning the compensation for the Decertified Area, and have entered into this Agreement to memorialize their understandings regarding said compensation;

WHEREAS, the Parties have further agreed that in exchange for additional compensation to be paid by TOCD, Liberty Tall Timbers will consent to the decertification of additional TOCD properties (the “Additional TOCD Properties”), and the Parties have entered into this Agreement to memorialize their understandings regarding said compensation for the Additional TOCD Properties; and

WHEREAS, subject to TOCD’s compliance with the conditions and stipulation in this Agreement including satisfaction of its payment obligations, the Parties agree and stipulate that this Agreement will resolve all matters in dispute regarding Docket 50787 and will be used to demonstrate Liberty Tall Timbers’ consent to decertification and receipt of just and adequate compensation in future PUC matters involving the Additional TOCD Properties;

NOW THEREFORE, in consideration of the mutual promises and agreements herein contained, including the recitals set forth hereinabove, the Parties agree as follows:

AGREEMENT

1. Recitals. The recitals above are incorporated into the terms of the Agreement for all purposes.
2. Compensation Amount. TOCD agrees to pay Liberty Tall Timbers the total amount of \$280,000.00 (two hundred eighty thousand dollars) in equal annual installments of \$56,000.00 (fifty-six thousand dollars) paid over five years (the “Compensation Amount”) to fully compromise and settle all issues in Docket No. 50787 and to provide just and adequate compensation for Liberty Tall Timbers’ consent to the decertification of the Additional TOCD Properties. The TOCD Docket No. 50787 Decertified Area and the Additional TOCD Properties are more specifically identified and described in **Exhibit A** attached hereto. Of the \$280,000.00 total, the Parties agree that \$112,000 is just and

adequate compensation for the Decertified Area and \$168,000 is just and adequate compensation for the Additional TOCD Properties. Each Party shall bear their own costs of any legal or other professional fees incurred in Docket No. 50787 or proceedings involving the Additional TOCD Properties. However, TOCD agrees to take the lead in completing Docket No. 50787 and applications regarding the Additional TOCD Properties. Further, TOCD agrees to use reasonable efforts to minimize Liberty Tall Timbers costs associated with same.

3. Compensation Procedure. In lieu of the 90-day period to pay any compensation due as contemplated in Order No. 4 in this docket, TOCD agrees to pay Liberty Tall Timbers \$36,000.00 (thirty-six thousand dollars) of the first payment installment within 5 (five) days of the Parties executing this Agreement. TOCD agrees to pay Liberty Tall Timbers the remaining \$20,000.00 (twenty thousand dollars) of the first payment installment by December 31, 2021. TOCD agrees to pay Liberty Tall Timbers 4 (four) \$56,000.00 payment installments ("Installment Payments") thereafter by December 31 of each calendar year until the total of \$280,000.00 is paid. Liberty Tall Timbers agrees that the Compensation Amount is sufficient to resolve its dispute with TOCD regarding compensation in Docket No. 50787 and to compensate Liberty Tall Timbers for its consent to the decertification of the Additional TOCD Properties. TOCD agrees to obtain a letter of credit ("Letter of Credit") from a federally insured bank to guarantee payment of the Compensation Amount remainder following the initial \$36,000.00 payment in the form shown in **Exhibit B** attached hereto. TOCD shall provide the final, executed, valid, and fully enforceable letters of credit within 5 (five) days of the Parties executing this Agreement.

In exchange for TOCD's commitment to pay the Compensation Amount, and in compromise and settlement of all disputes in Docket No. 50787, Liberty Tall Timbers agrees to represent to the PUC that the Compensation Amount is just and adequate compensation for the Decertified Property and the Additional TOCD Properties under the applicable standards in sections 13.254 and 13.2541 of the Texas State Water Code (including sections 13.254(e) and (g)) and PUC's applicable regulations and policies (the "Compensation Standards"). Liberty Tall Timbers agrees not to oppose and to cooperate as needed in separate TOCD filings for the Additional TOCD Properties.

4. Authorization for Drawing on the Letter of Credit. In the event that Liberty Tall Timbers has not received any Installment Payment set forth in paragraph 3 above by the specified date, TOCD expressly acknowledges and agrees that Liberty Tall Timbers shall be entitled and authorized to draw on the full amount of the Letter of Credit from the issuing bank by submission of a statement from a representative of Liberty Tall Timbers as Beneficiary under the Letter of Credit certifying that Liberty Tall Timbers as Beneficiary is entitled to draw on the amount requested to be drawn under the standby Letter of Credit pursuant to this Agreement.
5. Joint Notice of Agreement Regarding Compensation. The Parties recognize that PUC Rule 24.245(g)(3) provides that if the current CCN holder and the petitioner reach an agreement regarding compensation, a joint filing must be made to the PUC stating the amount of the compensation to be paid. The Parties agree that TOCD shall file at the PUC a Joint Notice of Agreement Regarding Compensation in a form acceptable to Liberty Tall Timbers.

6. Effect of Agreement

- a. This Agreement does not adopt any particular methodology underlying the Compensation Amount reflected in this Agreement.
- b. The failure to litigate any specific issue in this docket does not waive any Party's rights to contest that issue in any other current or future proceeding. The failure to litigate an issue cannot be asserted as a defense or estoppel, or any similar argument, by or against any Party in any other proceeding.
- c. The terms of this Agreement may not be used either as an admission or concession of any sort except to enforce the terms of this Agreement. Oral or written statements made during the course of the settlement negotiations may not be used for any purposes other than as necessary to support the entry by the PUC of an order consistent with this Agreement. All oral or written statements made during the course of the settlement negotiations are governed by TEX. R. EVID. 408.
- d. The Parties arrived at this Agreement through extensive negotiation and compromise. The settlement discussions were open, transparent, and inclusive of each Party to this docket who desired to participate. This Agreement reflects a compromise, settlement, and accommodation among the Parties, and the Parties agree that the terms and conditions herein are interdependent.
- e. All actions by the Parties contemplated or required by this Agreement with respect to the Decertified Area are conditioned upon entry by the PUC of a final order in Docket No. 50787 fully consistent with this Agreement. If the Administrative Law Judge or PUC does not accept this Agreement as presented or enters an order inconsistent with any term of this Agreement, then the Parties agree to request a

continuance for sufficient time for the Parties to address the Administrative Law Judge's or PUC's issues with the Agreement. If after the Parties attempt to address any concerns as contemplated in the preceding sentence, the PUC ultimately enters an order inconsistent with any term of the most recently filed agreement and any amendment thereto, each Party shall be released from all commitments and obligations, and shall have the right to seek hearing on all issues, present evidence, and advance any position it desires, as if it had not been a Party to this Agreement, and all compensation paid by TOCD as part of the Compensation Amount shall be refunded by Liberty Tall Timbers within 30 days. All actions by the Parties contemplated or required by this Agreement with respect to the Additional TOCD Properties are similarly conditioned upon receiving final PUC decisions in future PUC proceedings addressing decertification of the Additional TOCD Properties that are consistent with this Agreement. If the PUC ultimately enters an order or orders inconsistent with any term of the most recent filed agreement regarding the Additional TOCD Properties and any amendment thereto, or if the PUC does not enter a final order decertifying all or some of the TOCD Properties, each Party shall be released from all commitments and obligations that remain outstanding, and shall have the right to seek hearing on all issues, present evidence, and advance any position it desires, as if it had not been a Party to this Agreement, and all compensation paid by TOCD as part of the Compensation Amount for the Additional TOCD Properties shall be refunded by Liberty Tall Timbers within 30 days.

f. If TOCD fails to make a scheduled payment towards the Compensation Amount or does not pay the Compensation Amount in full as provided for herein, and if Liberty Tall Timbers is unable for any reason to obtain payment of any portion of the Compensation Amount through the bank which has issued the Letter of Credit for TOCD contemplated by **Exhibit B** and this Agreement, TOCD shall be required to take all steps as may be necessary, and as allowed by law, at TOCD's sole cost and expense to ensure that the Decertification Area and Future Decertification Properties shown in **Exhibit A** are placed back in Liberty Tall Timbers CCN No. 20694. Alternatively, Liberty Tall Timbers may pursue any other remedy that may be available to it in law or equity.

g. This Agreement is binding on each Party for the purpose of settling the issues as set forth herein and for no other purposes. It is acknowledged that a Party's support of the matters contained in this Agreement may differ from the position taken or testimony presented by it in this proceeding or other proceedings. To the extent that there is a difference, a Party does not waive its position in any other proceedings. Because this is a compromise and settlement Agreement, no Party is under any obligation to take the same positions as set out in this Agreement in other proceedings, whether those proceedings present the same or a different set of circumstances. This Agreement shall not be binding or precedential upon a Party outside this docket, and the Parties retain their rights to pursue relief to which they may be entitled in other proceedings.

7. Counterparts. This Agreement may be executed in multiple counterparts, each of which will be deemed an original, and all of which will constitute one and the same agreement.

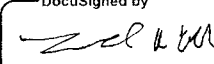
8. Entire Agreement. This Agreement contains the entire agreement and understanding among the Parties with respect to full compromise and settlement of all matters involving PUC Docket No. 50787 and compensation for Liberty Tall Timbers' consent to the decertification of the Additional TOCD Properties. This Agreement supersedes all prior agreements and understandings, inducements or conditions, whether express or implied, oral or written, with respect to same.

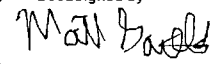
By their signatures below, the individuals signing this Agreement represent that they have full authority to bind and otherwise compromise the respective interests of the Parties they represent, and hereby intend to cause this Agreement to be effective as of the date last signed by the Parties.

AGREED:

TYLER OAK CREEK DEVELOPMENT,
LLC a Texas limited liability company

LIBERTY UTILITIES (TALL TIMBERS
SEWER) CORP., a Texas corporation

by: 
4A9AA3D805454E2
Lenard McMillin, Member

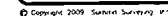
by: 
0B09043205544B2
Matthew Garlick, President

Date: 5/27/2021

Date: 5/27/2021

EXHIBIT A

DESCRIPTION OF DECERTIFIED AREA AND ADDITIONAL TOCD PROPERTIES

[illegible]

Summit Surveying, Inc.
Land Boundary • Topography • GPS • Geodetic
2040 Deerbrook Drive, Tyler, Texas 75703 • (903) 561-9544
Toll Free 1-800-368-1000



ALTA/NPS LAND TITLE SURVEY
SECTION 4 DON THOMAS
QUEVEDO SEVEN LEAGUE GRANT
SMITH COUNTY, TEXAS

[illegible]

DATE	01/01/01
TIME	12:00 PM
NAME	JOHN DOE
ADDRESS	12345 MAIN ST
CITY	ANYTOWN, CA
STATE	CA
ZIP	90210
PHONE	(415) 555-1234
FAX	(415) 555-5678
EMAIL	JOHN.DOE@EXAMPLE.COM
COMPANY	EXAMPLE CORP
DEPARTMENT	SALES
TITLE	SALES REP
MANAGER	JOHN.DOE@EXAMPLE.COM
REPORTS TO	JOHN.DOE@EXAMPLE.COM
NOTES	

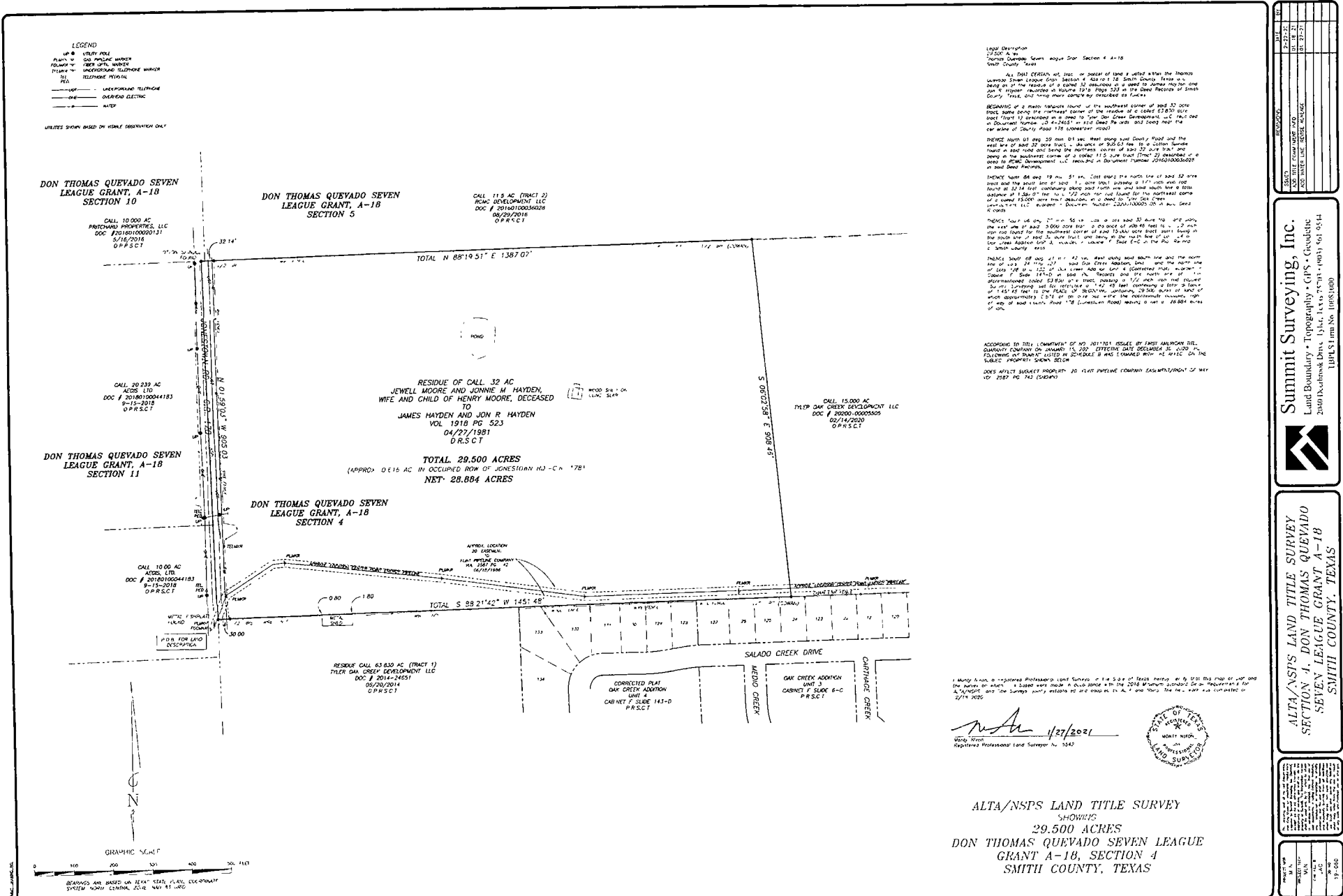


EXHIBIT B

LETTER OF CREDIT



APPLICANT: Tyler Oak Creek Development, LLC
BENEFICIARY: Liberty Utilities (Tall Timbers Sewer) Corp.
AMOUNT: \$244,000.00
LETTER OF CREDIT #: 5057844
EFFECTIVE DATE: June 1, 2021
EXPIRATION DATE: 01/31/2026

We hereby authorize Liberty Utilities (Tall Timbers Sewer) Corp. to draw on BTH Bank, NA, located at 6657 Old Jacksonville Hwy, Tyler, Texas 75703, for account of Tyler Oak Creek Development, LLC up to an aggregate amount of USD \$244,000.00 available by your drafts at sight, indicating L/C number and date, accompanied by a signed statement from an authorized representative of the Beneficiary certifying that Liberty Utilities (Tall Timbers Sewer) Corp. is entitled to draw on the amount requested to be drawn under this standby letter of credit pursuant to Agreement Regarding Compensation By And Between Tyler Oak Creek Development, LLC and Liberty Utilities (Tall Timbers Sewer) Corp. and the original of this standby letter of credit.

Presentation of this standby letter of credit and the certificate specified herein shall be made by physical delivery or by courier at BTH Bank, NA, located at 6657 Old Jacksonville Hwy, Tyler, Texas 75703.

This irrevocable standby letter of credit is issued in connection with Agreement Regarding Compensation By And Between Tyler Oak Creek Development, LLC and Liberty Utilities (Tall Timbers Sewer) Corp., attached herein for reference. Both Tyler Oak Creek Development, LLC and Liberty Utilities (Tall Timbers Sewer) Corp. recognize and agree that BTH Bank, NA (the Bank) is not a party to the attached agreement. Except to the extent caused by the Bank's lack of good faith, gross negligence, or willful misconduct, Tyler Oak Creek Development, LLC agrees to indemnify and hold harmless the Bank for all damages, losses, liabilities, actions, claims, suits, penalties, judgments, obligations, costs or expenses incurred by the Bank directly or indirectly arising out of or in connection with this standby letter of credit, and that this indemnity shall survive the expiration or cancellation of this standby letter of credit.

It is a condition of this standby letter of credit that it shall be deemed to be automatically extended without amendment for one year from the present, or any future expiration date hereof, unless at least sixty (60) days prior to any such expiration date, the Bank shall notify the applicant and the beneficiary in writing by registered mail or courier that the Bank elects not to consider this standby letter of credit renewed for any such additional period. In the event that the applicant and the beneficiary are notified by the Bank at any time that any expiration date of this Standby Letter of Credit shall not be extended, Liberty Utilities (Tall Timbers Sewer) Corp. may draw the then available amount on or before such expiration date.

Any drawing under this standby letter of credit will be paid with the Bank's own funds and not out of funds or other assets of any other person or entity. All banking charges in connection with this standby letter of credit are for the account of the Applicant. The obligation of the Bank under this standby letter of credit is the individual obligation of BTH Bank, NA, and is in no way contingent upon reimbursement with respect thereto.

6657 OLD JACKSONVILLE HWY
TYLER, TEXAS 75703
903-561-6617

BTH Bank, NA hereby engages with Liberty Utilities (Tall Timbers Sewer) Corp. that drafts drawn in conformity with the terms of this credit will be duly honored if presented to BTH Bank, NA on or before the expiration date. This standby letter of credit is subject to the version of the ICC Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce, Paris, France, which is in effect on the date of issue.

Signature of Issuer's authorized Officer: Matt Pollard Date: 5/27/2021

Printed Name Matt Pollard Title: Vice President

**AGREEMENT REGARDING COMPENSATION
BY AND BETWEEN
TYLER OAK CREEK DEVELOPMENT, LLC AND
LIBERTY UTILITIES (TALL TIMBERS SEWER) CORP.**

This Compromise and Settlement Agreement (“Agreement”) is entered into by and between Tyler Oak Creek Development, LLC, a Texas limited liability company (“TOCD”), and Liberty Utilities (Tall Timbers Sewer) Corp., a Texas corporation and investor-owned utility (“Liberty Tall Timbers”) (collectively, the “Parties,” and individually depending upon the context, “Party”) to memorialize the resolution of their dispute regarding Public Utility Commission of Texas (“PUC”) Docket No. 50787 (“Docket 50787”).

RECITALS

WHEREAS, Liberty Tall Timbers is the holder of sewer Certificate of Convenience and Necessity (“CCN”) No. 20694 in Smith County, Texas;

WHEREAS, the PUC approved a petition filed by TOCD to decertify portions of the Liberty Tall Timbers sewer CCN boundaries that overlap 47.939 acres of land owned by TOCD (the “Decertified Area”) in Docket 50787;

WHEREAS, Texas Water Code § 13.2541(f) provides that the PUC may require an award of compensation to the CCN holder in a matter where the petitioning landowner has successfully decertified their land from the certificate holder’s CCN by streamlined expedited release;

WHEREAS, in lieu of further pursuing the appraisal process contemplated by Order No. 4 in Docket 50787, the Parties have, through good faith negotiations and in an interest to forego further expense of appraisals, legal fees, and costs associated with Docket 50787, resolved all issues concerning the compensation for the Decertified Area, and have entered into this Agreement to memorialize their understandings regarding said compensation;

WHEREAS, the Parties have further agreed that in exchange for additional compensation to be paid by TOCD, Liberty Tall Timbers will consent to the decertification of additional TOCD properties (the “Additional TOCD Properties”), and the Parties have entered into this Agreement to memorialize their understandings regarding said compensation for the Additional TOCD Properties; and

WHEREAS, subject to TOCD’s compliance with the conditions and stipulation in this Agreement including satisfaction of its payment obligations, the Parties agree and stipulate that this Agreement will resolve all matters in dispute regarding Docket 50787 and will be used to demonstrate Liberty Tall Timbers’ consent to decertification and receipt of just and adequate compensation in future PUC matters involving the Additional TOCD Properties;

NOW THEREFORE, in consideration of the mutual promises and agreements herein contained, including the recitals set forth hereinabove, the Parties agree as follows:

AGREEMENT

1. Recitals. The recitals above are incorporated into the terms of the Agreement for all purposes.
2. Compensation Amount. TOCD agrees to pay Liberty Tall Timbers the total amount of \$280,000.00 (two hundred eighty thousand dollars) in equal annual installments of \$56,000.00 (fifty-six thousand dollars) paid over five years (the “Compensation Amount”) to fully compromise and settle all issues in Docket No. 50787 and to provide just and adequate compensation for Liberty Tall Timbers’ consent to the decertification of the Additional TOCD Properties. The TOCD Docket No. 50787 Decertified Area and the Additional TOCD Properties are more specifically identified and described in **Exhibit A** attached hereto. Of the \$280,000.00 total, the Parties agree that \$112,000 is just and

adequate compensation for the Decertified Area and \$168,000 is just and adequate compensation for the Additional TOCD Properties. Each Party shall bear their own costs of any legal or other professional fees incurred in Docket No. 50787 or proceedings involving the Additional TOCD Properties. However, TOCD agrees to take the lead in completing Docket No. 50787 and applications regarding the Additional TOCD Properties. Further, TOCD agrees to use reasonable efforts to minimize Liberty Tall Timbers costs associated with same.

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In exchange for TOCD's commitment to pay the Compensation Amount, and in compromise and settlement of all disputes in Docket No. 50787, Liberty Tall Timbers agrees to represent to the PUC that the Compensation Amount is just and adequate compensation for the Decertified Property and the Additional TOCD Properties under the applicable standards in sections 13.254 and 13.2541 of the Texas State Water Code (including sections 13.254(e) and (g)) and PUC's applicable regulations and policies (the "Compensation Standards"). Liberty Tall Timbers agrees not to oppose and to cooperate as needed in separate TOCD filings for the Additional TOCD Properties.

4. Authorization for Drawing on the Letter of Credit. In the event that Liberty Tall Timbers has not received any Installment Payment set forth in paragraph 3 above by the specified date, TOCD expressly acknowledges and agrees that Liberty Tall Timbers shall be entitled and authorized to draw on the full amount of the Letter of Credit from the issuing bank by submission of a statement from a representative of Liberty Tall Timbers as Beneficiary under the Letter of Credit certifying that Liberty Tall Timbers as Beneficiary is entitled to draw on the amount requested to be drawn under the standby Letter of Credit pursuant to this Agreement.
5. Joint Notice of Agreement Regarding Compensation. The Parties recognize that PUC Rule 24.245(g)(3) provides that if the current CCN holder and the petitioner reach an agreement regarding compensation, a joint filing must be made to the PUC stating the amount of the compensation to be paid. The Parties agree that TOCD shall file at the PUC a Joint Notice of Agreement Regarding Compensation in a form acceptable to Liberty Tall Timbers.

6. Effect of Agreement

- a. This Agreement does not adopt any particular methodology underlying the Compensation Amount reflected in this Agreement.
- b. The failure to litigate any specific issue in this docket does not waive any Party's rights to contest that issue in any other current or future proceeding. The failure to litigate an issue cannot be asserted as a defense or estoppel, or any similar argument, by or against any Party in any other proceeding.
- c. The terms of this Agreement may not be used either as an admission or concession of any sort except to enforce the terms of this Agreement. Oral or written statements made during the course of the settlement negotiations may not be used for any purposes other than as necessary to support the entry by the PUC of an order consistent with this Agreement. All oral or written statements made during the course of the settlement negotiations are governed by TEX. R. EVID. 408.
- d. The Parties arrived at this Agreement through extensive negotiation and compromise. The settlement discussions were open, transparent, and inclusive of each Party to this docket who desired to participate. This Agreement reflects a compromise, settlement, and accommodation among the Parties, and the Parties agree that the terms and conditions herein are interdependent.
- e. All actions by the Parties contemplated or required by this Agreement with respect to the Decertified Area are conditioned upon entry by the PUC of a final order in Docket No. 50787 fully consistent with this Agreement. If the Administrative Law Judge or PUC does not accept this Agreement as presented or enters an order inconsistent with any term of this Agreement, then the Parties agree to request a

continuance for sufficient time for the Parties to address the Administrative Law Judge's or PUC's issues with the Agreement. If after the Parties attempt to address any concerns as contemplated in the preceding sentence, the PUC ultimately enters an order inconsistent with any term of the most recently filed agreement and any amendment thereto, each Party shall be released from all commitments and obligations, and shall have the right to seek hearing on all issues, present evidence, and advance any position it desires, as if it had not been a Party to this Agreement, and all compensation paid by TOCD as part of the Compensation Amount shall be refunded by Liberty Tall Timbers within 30 days. All actions by the Parties contemplated or required by this Agreement with respect to the Additional TOCD Properties are similarly conditioned upon receiving final PUC decisions in future PUC proceedings addressing decertification of the Additional TOCD Properties that are consistent with this Agreement. If the PUC ultimately enters an order or orders inconsistent with any term of the most recent filed agreement regarding the Additional TOCD Properties and any amendment thereto, or if the PUC does not enter a final order decertifying all or some of the TOCD Properties, each Party shall be released from all commitments and obligations that remain outstanding, and shall have the right to seek hearing on all issues, present evidence, and advance any position it desires, as if it had not been a Party to this Agreement, and all compensation paid by TOCD as part of the Compensation Amount for the Additional TOCD Properties shall be refunded by Liberty Tall Timbers within 30 days.

- f. If TOCD fails to make a scheduled payment towards the Compensation Amount or does not pay the Compensation Amount in full as provided for herein, and if Liberty Tall Timbers is unable for any reason to obtain payment of any portion of the Compensation Amount through the bank which has issued the Letter of Credit for TOCD contemplated by **Exhibit B** and this Agreement, TOCD shall be required to take all steps as may be necessary, and as allowed by law, at TOCD's sole cost and expense to ensure that the Decertification Area and Future Decertification Properties shown in **Exhibit A** are placed back in Liberty Tall Timbers CCN No. 20694. Alternatively, Liberty Tall Timbers may pursue any other remedy that may be available to it in law or equity.
 - g. This Agreement is binding on each Party for the purpose of settling the issues as set forth herein and for no other purposes. It is acknowledged that a Party's support of the matters contained in this Agreement may differ from the position taken or testimony presented by it in this proceeding or other proceedings. To the extent that there is a difference, a Party does not waive its position in any other proceedings. Because this is a compromise and settlement Agreement, no Party is under any obligation to take the same positions as set out in this Agreement in other proceedings, whether those proceedings present the same or a different set of circumstances. This Agreement shall not be binding or precedential upon a Party outside this docket, and the Parties retain their rights to pursue relief to which they may be entitled in other proceedings.
7. Counterparts. This Agreement may be executed in multiple counterparts, each of which will be deemed an original, and all of which will constitute one and the same agreement.

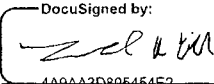
8. Entire Agreement. This Agreement contains the entire agreement and understanding among the Parties with respect to full compromise and settlement of all matters involving PUC Docket No. 50787 and compensation for Liberty Tall Timbers' consent to the decertification of the Additional TOCD Properties. This Agreement supersedes all prior agreements and understandings, inducements or conditions, whether express or implied, oral or written, with respect to same.

By their signatures below, the individuals signing this Agreement represent that they have full authority to bind and otherwise compromise the respective interests of the Parties they represent, and hereby intend to cause this Agreement to be effective as of the date last signed by the Parties.

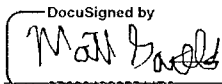
AGREED:

TYLER OAK CREEK DEVELOPMENT,
LLC a Texas limited liability company

LIBERTY UTILITIES (TALL TIMBERS
SEWER) CORP., a Texas corporation

by: 
4A9AA3D805454E2

Lenard McMillin, Member

by: 
0B09043205544B2

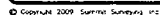
Matthew Garlick, President

Date: 5/27/2021

Date: 5/27/2021

EXHIBIT A

DESCRIPTION OF DECERTIFIED AREA AND ADDITIONAL TOCD PROPERTIES

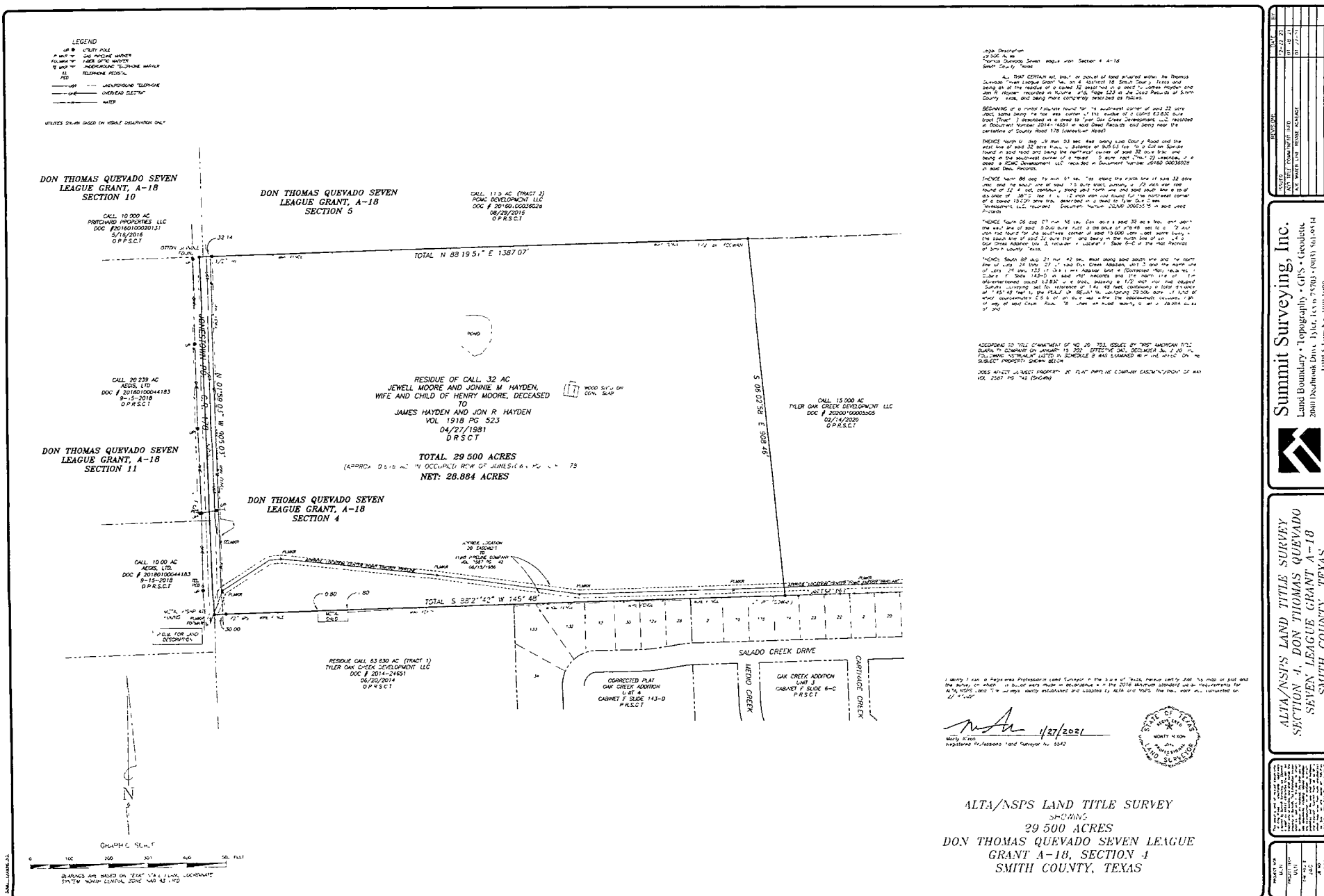



PROJECT NO.	ML71
PROJECT TITLE	MLN
PREPARED BY	JAC
DATE	20-01-88

LEGEND

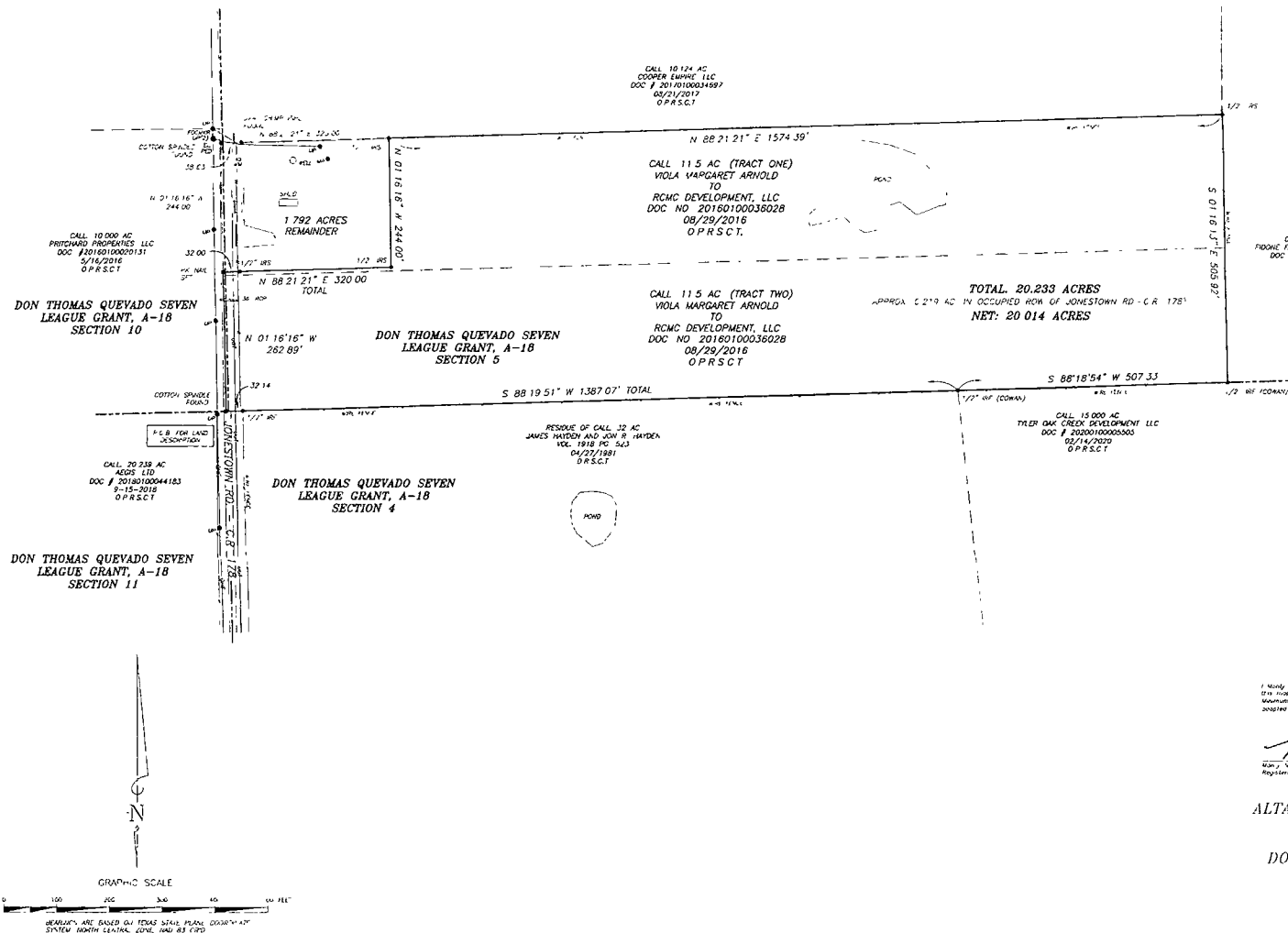
● UTILITY POLE/TELEPHONE POST
○ FIRE HYDRANT
○ WATER METER

SHOWN BASED ON VISUAL OBSERVATION OR





VALUES SHOWN BASED ON USACE INFORMATION ON



Local Orientation

1947 - 1948 - 1949 - 1950 - 1951 - 1952 - 1953 - 1954 - 1955 - 1956 - 1957 - 1958 - 1959 - 1960 - 1961 - 1962 - 1963 - 1964 - 1965 - 1966 - 1967 - 1968 - 1969 - 1970 - 1971 - 1972 - 1973 - 1974 - 1975 - 1976 - 1977 - 1978 - 1979 - 1980 - 1981 - 1982 - 1983 - 1984 - 1985 - 1986 - 1987 - 1988 - 1989 - 1990 - 1991 - 1992 - 1993 - 1994 - 1995 - 1996 - 1997 - 1998 - 1999 - 2000 - 2001 - 2002 - 2003 - 2004 - 2005 - 2006 - 2007 - 2008 - 2009 - 2010 - 2011 - 2012 - 2013 - 2014 - 2015 - 2016 - 2017 - 2018 - 2019 - 2020 - 2021 - 2022 - 2023 - 2024 - 2025 - 2026 - 2027 - 2028 - 2029 - 2030 - 2031 - 2032 - 2033 - 2034 - 2035 - 2036 - 2037 - 2038 - 2039 - 2040 - 2041 - 2042 - 2043 - 2044 - 2045 - 2046 - 2047 - 2048 - 2049 - 2050 - 2051 - 2052 - 2053 - 2054 - 2055 - 2056 - 2057 - 2058 - 2059 - 2060 - 2061 - 2062 - 2063 - 2064 - 2065 - 2066 - 2067 - 2068 - 2069 - 2070 - 2071 - 2072 - 2073 - 2074 - 2075 - 2076 - 2077 - 2078 - 2079 - 2080 - 2081 - 2082 - 2083 - 2084 - 2085 - 2086 - 2087 - 2088 - 2089 - 2090 - 2091 - 2092 - 2093 - 2094 - 2095 - 2096 - 2097 - 2098 - 2099 - 2100 - 2101 - 2102 - 2103 - 2104 - 2105 - 2106 - 2107 - 2108 - 2109 - 2110 - 2111 - 2112 - 2113 - 2114 - 2115 - 2116 - 2117 - 2118 - 2119 - 2120 - 2121 - 2122 - 2123 - 2124 - 2125 - 2126 - 2127 - 2128 - 2129 - 2130 - 2131 - 2132 - 2133 - 2134 - 2135 - 2136 - 2137 - 2138 - 2139 - 2140 - 2141 - 2142 - 2143 - 2144 - 2145 - 2146 - 2147 - 2148 - 2149 - 2150 - 2151 - 2152 - 2153 - 2154 - 2155 - 2156 - 2157 - 2158 - 2159 - 2160 - 2161 - 2162 - 2163 - 2164 - 2165 - 2166 - 2167 - 2168 - 2169 - 2170 - 2171 - 2172 - 2173 - 2174 - 2175 - 2176 - 2177 - 2178 - 2179 - 2180 - 2181 - 2182 - 2183 - 2184 - 2185 - 2186 - 2187 - 2188 - 2189 - 2190 - 2191 - 2192 - 2193 - 2194 - 2195 - 2196 - 2197 - 2198 - 2199 - 2200 - 2201 - 2202 - 2203 - 2204 - 2205 - 2206 - 2207 - 2208 - 2209 - 2210 - 2211 - 2212 - 2213 - 2214 - 2215 - 2216 - 2217 - 2218 - 2219 - 2220 - 2221 - 2222 - 2223 - 2224 - 2225 - 2226 - 2227 - 2228 - 2229 - 2230 - 2231 - 2232 - 2233 - 2234 - 2235 - 2236 - 2237 - 2238 - 2239 - 2240 - 2241 - 2242 - 2243 - 2244 - 2245 - 2246 - 2247 - 2248 - 2249 - 2250 - 2251 - 2252 - 2253 - 2254 - 2255 - 2256 - 2257 - 2258 - 2259 - 2260 - 2261 - 2262 - 2263 - 2264 - 2265 - 2266 - 2267 - 2268 - 2269 - 2270 - 2271 - 2272 - 2273 - 2274 - 2275 - 2276 - 2277 - 2278 - 2279 - 2280 - 2281 - 2282 - 2283 - 2284 - 2285 - 2286 - 2287 - 2288 - 2289 - 2290 - 2291 - 2292 - 2293 - 2294 - 2295 - 2296 - 2297 - 2298 - 2299 - 2300 - 2301 - 2302 - 2303 - 2304 - 2305 - 2306 - 2307 - 2308 - 2309 - 2310 - 2311 - 2312 - 2313 - 2314 - 2315 - 2316 - 2317 - 2318 - 2319 - 2320 - 2321 - 2322 - 2323 - 2324 - 2325 - 2326 - 2327 - 2328 - 2329 - 2330 - 2331 - 2332 - 2333 - 2334 - 2335 - 2336 - 2337 - 2338 - 2339 - 2340 - 2341 - 2342 - 2343 - 2344 - 2345 - 2346 - 2347 - 2348 - 2349 - 2350 - 2351 - 2352 - 2353 - 2354 - 2355 - 2356 - 2357 - 2358 - 2359 - 2360 - 2361 - 2362 - 2363 - 2364 - 2365 - 2366 - 2367 - 2368 - 2369 - 2370 - 2371 - 2372 - 2373 - 2374 - 2375 - 2376 - 2377 - 2378 - 2379 - 2380 - 2381 - 2382 - 2383 - 2384 - 2385 - 2386 - 2387 - 2388 - 2389 - 2390 - 2391 - 2392 - 2393 - 2394 - 2395 - 2396 - 2397 - 2398 - 2399 - 2400 - 2401 - 2402 - 2403 - 2404 - 2405 - 2406 - 2407 - 2408 - 2409 - 2410 - 2411 - 2412 - 2413 - 2414 - 2415 - 2416 - 2417 - 2418 - 2419 - 2420 - 2421 - 2422 - 2423 - 2424 - 2425 - 2426 - 2427 - 2428 - 2429 - 2430 - 2431 - 2432 - 2433 - 2434 - 2435 - 2436 - 2437 - 2438 - 2439 - 2440 - 2441 - 2442 - 2443 - 2444 - 2445 - 2446 - 2447 - 2448 - 2449 - 2450 - 2451 - 2452 - 2453 - 2454 - 2455 - 2456 - 2457 - 2458 - 2459 - 2460 - 2461 - 2462 - 2463 - 2464 - 2465 - 2466 - 2467 - 2468 - 2469 - 2470 - 2471 - 2472 - 2473 - 2474 - 2475 - 2476 - 2477 - 2478 - 2479 - 2480 - 2481 - 2482 - 2483 - 2484 - 2485 - 2486 - 2487 - 2488 - 2489 - 2490 - 2491 - 2492 - 2493 - 2494 - 2495 - 2496 - 2497 - 2498 - 2499 - 2500 - 2501 - 2502 - 2503 - 2504 - 2505 - 2506 - 2507 - 2508 - 2509 - 2510 - 2511 - 2512 - 2513 - 2514 - 2515 - 2516 - 2517 - 2518 - 2519 - 2520 - 2521 - 2522 - 2523 - 2524 - 2525 - 2526 - 2527 - 2528 - 2529 - 2530 - 2531 - 2532 - 2533 - 2534 - 2535 - 2536 - 2537 - 2538 - 2539 - 2540 - 2541 - 2542 - 2543 - 2544 - 2545 - 2546 - 2547 - 2548 - 2549 - 2550 - 2551 - 2552 - 2553 - 2554 - 2555 - 2556 - 2557 - 2558 - 2559 - 2560 - 2561 - 2562 - 2563 - 2564 - 2565 - 2566 - 2567 - 2568 - 2569 - 2570 - 2571 - 2572 - 2573 - 2574 - 2575 - 2576 - 2577 - 2578 - 2579 - 2580 - 2581 - 2582 - 2583 - 2584 - 2585 - 2586 - 2587 - 2588 - 2589 - 2590 - 2591 - 2592 - 2593 - 2594 - 2595 - 2596 - 2597 - 2598 - 2599 - 2600 - 2601 - 2602 - 2603 - 2604 - 2605 - 2606 - 2607 - 2608 - 2609 - 2610 - 2611 - 2612 - 2613 - 2614 - 2615 - 2616 - 2617 - 2618 - 2619 - 2620 - 2621 - 2622 - 2623 - 2624 - 2625 - 2626 - 2627 - 2628 - 26

As the efforts to track the person of and a and other the "transfers" were 200
 seven league case Section 3, Assistant to Sheriff, but to leave you being a part of a few
 1 3 and 10 (first year) and 42 of a total 113 in the 11th and 12th divisions 1 -
 and 1 "RUC" Department (all 2008) August 24, 2016. Bounced a check for \$1000
 #16310003000 in the Official Post. Number of "Sole Com" = "1000" and being more
 completely justified as follows:

[illegible]

1976-77 across 200 + 5 days (Project One) at 1.40 m/s.

North 88 deg 21 min 21 sec East passing a 1/2 inch rivet capped Summit Surveying
set for reference a 5.00 feet continuing a total distance of 320.00 feet to a 1/2 inch rivet
capped Summit Surveying set for corner and

[illegible]

1974's year 51, 52, 16 and 18 are still being the 1974's year 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842

1960, June 28, 58 days to min. of ice. Area along road 250' wide and the north line of road 22.5' to 32' in width passing a 16' tree and not less than 10' between a 125' tall tree. Containing a total of about 1000' feet to the PLACE OF BEGINNING was a 1/2" T232
over of 1200' of road approximately 0.12 of an acre was a 1/2" 30' across made vehicle.
right of way of road County Road 178, Homestead Road, was a 1/2" of 1/2 mile across of land

CAL 51185 AC
FAMILY MANAGEMENT LLC
C / 20150100023753
05/28/2019
G.P.R.S.G.T

$$S_{ij}$$

ACCORDING TO THE COMMENT OF DR. JIM LEE, ASSISTANT DEPUTY

AMERICAN TITLE GUARANTY COMPANY ON FEBRUARY 1, 2011 EFFECTIVE
"AT" JANUARY 14, 2012 THERE WERE NO INSTRUMENTS LISTED IN
SCHEDULE B

I am a Registered Professional Land Surveyor in the State of Texas hereby certify that my map is part of the survey on which it is based were made in accordance with the 2016 Texas Standard Lateral Requirements for ALTA/NSPS and I am signing this as a witness and certify that ALTA and NSPS The field work was completed on 01/25/2022

msa 2/3/2021

FA/NSPS LAND TITLE SURVEY

SHOWING
20.233 ACRES
ON THOMAS QUEVADO SEVEN

LEAGUE GRANT A-18
SECTION 5

SMITH COUNTY, TEXAS

Summit Surveying, Inc.
Land Boundary • Topography • GPS • Geodetic
2040 Decbrook Drive, Tyler, Texas 75703, (903) 561-9544
TBP/LS Firm No. 10061000

ALTA/NSPS LAND TITLE SURVEY
SECTION 5, DON THOMAS QUEVEDO
SEVEN LEAGUE GRANT A-18
SMITH COUNTY, TEXAS

[illegible]

096-2
Page 2
TWT
20204
N7A
NOM 20204
N7A
NOM 20204

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EXHIBIT B

LETTER OF CREDIT



APPLICANT: Tyler Oak Creek Development, LLC
BENEFICIARY: Liberty Utilities (Tall Timbers Sewer) Corp.
AMOUNT: \$244,000.00
LETTER OF CREDIT #: 5057844
EFFECTIVE DATE: June 1, 2021
EXPIRATION DATE: 01/31/2026

We hereby authorize Liberty Utilities (Tall Timbers Sewer) Corp. to draw on BTH Bank, NA, located at 6657 Old Jacksonville Hwy, Tyler, Texas 75703, for account of Tyler Oak Creek Development, LLC up to an aggregate amount of USD \$244,000.00 available by your drafts at sight, indicating L/C number and date, accompanied by a signed statement from an authorized representative of the Beneficiary certifying that Liberty Utilities (Tall Timbers Sewer) Corp. is entitled to draw on the amount requested to be drawn under this standby letter of credit pursuant to Agreement Regarding Compensation By And Between Tyler Oak Creek Development, LLC and Liberty Utilities (Tall Timbers Sewer) Corp. and the original of this standby letter of credit.

Presentation of this standby letter of credit and the certificate specified herein shall be made by physical delivery or by courier at BTH Bank, NA, located at 6657 Old Jacksonville Hwy, Tyler, Texas 75703.

This irrevocable standby letter of credit is issued in connection with Agreement Regarding Compensation By And Between Tyler Oak Creek Development, LLC and Liberty Utilities (Tall Timbers Sewer) Corp., attached herein for reference. Both Tyler Oak Creek Development, LLC and Liberty Utilities (Tall Timbers Sewer) Corp. recognize and agree that BTH Bank, NA (the Bank) is not a party to the attached agreement. Except to the extent caused by the Bank's lack of good faith, gross negligence, or willful misconduct, Tyler Oak Creek Development, LLC agrees to indemnify and hold harmless the Bank for all damages, losses, liabilities, actions, claims, suits, penalties, judgments, obligations, costs or expenses incurred by the Bank directly or indirectly arising out of or in connection with this standby letter of credit, and that this indemnity shall survive the expiration or cancellation of this standby letter of credit.

It is a condition of this standby letter of credit that it shall be deemed to be automatically extended without amendment for one year from the present, or any future expiration date hereof, unless at least sixty (60) days prior to any such expiration date, the Bank shall notify the applicant and the beneficiary in writing by registered mail or courier that the Bank elects not to consider this standby letter of credit renewed for any such additional period. In the event that the applicant and the beneficiary are notified by the Bank at any time that any expiration date of this Standby Letter of Credit shall not be extended, Liberty Utilities (Tall Timbers Sewer) Corp. may draw the then available amount on or before such expiration date.

Any drawing under this standby letter of credit will be paid with the Bank's own funds and not out of funds or other assets of any other person or entity. All banking charges in connection with this standby letter of credit are for the account of the Applicant. The obligation of the Bank under this standby letter of credit is the individual obligation of BTH Bank, NA, and is in no way contingent upon reimbursement with respect thereto.

6657 OLD JACKSONVILLE HWY
TYLER, TEXAS 75703
903-561-6617

BTH Bank, NA hereby engages with Liberty Utilities (Tall Timbers Sewer) Corp. that drafts drawn in conformity with the terms of this credit will be duly honored if presented to BTH Bank, NA on or before the expiration date. This standby letter of credit is subject to the version of the ICC Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce, Paris, France, which is in effect on the date of issue.

Signature of Issuer's authorized Officer: Matt Pollard Date: 5/27/2021

Printed Name Matt Pollard Title: Vice President