

Control Number: 50816



Item Number: 1

Addendum StartPage: 0

50816



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

Pursuant to Texas Water Code § 13.301 and 16 Texas Administrative Code § 24.239

Sale, Transfer, or Merger (STM) Application Instructions

- I. **COMPLETE:** In order for the Commission to find the application sufficient for filing, the Applicant should:
 - i. Provide an answer to every question and submit any required attachment applicable to the STM request (i.e., agreements or contracts).
 - ii. Use attachments or additional pages to answer questions as necessary. If you use attachments or additional pages, reference their inclusion in the form.
 - iii. Provide all mapping information as detailed in Part G: Mapping & Affidavits.
- II. **FILE:** Seven (7) copies of the completed application with numbered attachments. One copy should be filed with no permanent binding, staples, tabs, or separators; and 7 copies of the portable electronic storage medium containing the digital mapping data.
 - i. **SEND TO:** Public Utility Commission of Texas, Attention: Filing Clerk, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326 (**NOTE: Electronic documents may be sent in advance of the paper copy, however they will not be processed and added to the Commission's on-line Interchange until the paper copy is received and file-stamped in Central Records.**)
- III. The application will be assigned a docket number, and an administrative law judge (ALJ) will issue an order requiring Commission Staff to file a recommendation on whether the application is sufficient. The ALJ will issue an order after Staff's recommendation has been filed:
 - i. **DEFICIENT (Administratively Incomplete):** Applicants will be ordered to provide information to cure the deficiencies by a certain date, usually 30 days from ALJ's order. **Application is not accepted for filing.**
 - ii. **SUFFICIENT (Administratively Complete):** Applicants will be ordered by the ALJ to give appropriate notice of the application using the notice prepared by Commission Staff. **Application is accepted for filing.**
- IV. Once the Applicants issue notice, a copy of the actual notice sent and an affidavit attesting to notice should be filed in the docket assigned to the application. Recipients of notice may request a hearing on the merits.

HEARING ON THE MERITS: An affected party may request a hearing within 30 days of notice. In this event, the application may be referred to the State Office of Administrative Hearings (SOAH) to complete this request.
- V. **TRANSACTION TO PROCEED:** at any time following the provision of notice, or prior to 120 days from the last date that proper notice was given, Commission Staff will file a recommendation for the transaction to proceed as proposed or recommend that the STM be referred to SOAH for further investigation. The Applicants will be required to file an update in the docket to the ALJ every 30 days following the approval of the transaction. The transaction must be completed within six (6) months from the ALJ's order (Note: The Applicants may request an extension to the 6 month provision for good cause).
- VI. **FILE:** Seven (7) copies of completed transaction documents and documentation addressing the transfer or disposition of any outstanding deposits. After receiving all required documents from the Applicants, the application will be granted a procedural schedule for final processing. The Applicants are requested to consent in writing to the proposed maps and certificates, or tariff if applicable.
- VII. **FINAL ORDER:** The ALJ will issue a final order issuing or amending the applicable CCNs.

FAQ:

Who can use this form?

Any retail public utility that provides water or wastewater service in Texas.

Who is required to use this form?

A retail public utility that is an investor owned utility (IOU) or a water supply corporation (WSC) prior to any STM of a water or sewer system, or utility, or prior to the transfer of a portion of a certificated service area.

Terms

Transferor: Seller

Transferee: Purchaser

CCN: Certificate of Convenience and Necessity

STM: Sale, Transfer, or Merger

IOU: Investor Owned Utility



Application Summary

Transferor: Vinton Hills Alegre, LLC

(selling entity)

CCN No.s: 12563

☒ Sale
 ☒ Transfer
 ☐ Merger
 ☐ Consolidation
 ☐ Lease/Rental

Transferee: Village of Vinton

(acquiring entity)

CCN No.s: N/A

☒ Water
 ☐ Sewer
 ☒ All CCN
 ☐ Portion CCN
 ☒ Facilities transfer

County(ies): El Paso

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Please mark the items included in this filing

<input checked="" type="checkbox"/> Contract, Lease, Purchase, or Sale Agreement	Part A: Question 1
<input checked="" type="checkbox"/> Tariff including Rate Schedule	Part B: Question 4
<input type="checkbox"/> List of Customer Deposits	Part B: Question 5
<input type="checkbox"/> Partnership Agreement	Part C: Question 7
<input type="checkbox"/> Articles of Incorporation and By-Laws (WSC)	Part C: Question 7
<input type="checkbox"/> Certificate of Account Status	Part C: Question 7
<input checked="" type="checkbox"/> Financial Audit	Part C: Question 10
<input type="checkbox"/> Application Attachment A & B	Part C: Question 10
<input type="checkbox"/> Disclosure of Affiliated Interests	Part C: Question 10
<input type="checkbox"/> Capital Improvement Plan	Part C: Question 10
<input type="checkbox"/> List of Assets to be Transferred	Part D: 11.B
<input type="checkbox"/> Developer Contribution Contracts or Agreements	Part D: 11.D
<input checked="" type="checkbox"/> Enforcement Action Correspondence	Part E: Question 18 (Part D: Q12)
<input checked="" type="checkbox"/> TCEQ Compliance Correspondence	Part F: Question 22
<input type="checkbox"/> TCEQ Engineering Approvals	Part F: Question 24
<input type="checkbox"/> Purchased Water Supply or Treatment Agreement	Part F: Question 26
<input checked="" type="checkbox"/> Detailed (large scale) Map	Part G: Question 29
<input checked="" type="checkbox"/> General Location (small scale) Map	Part G: Question 29
<input type="checkbox"/> Digital Mapping Data	Part G: Question 29
<input checked="" type="checkbox"/> Signed & Notarized Oath	Page 13-14

Part A: General Information

1. Describe the proposed transaction, including the effect on all CCNs involved, and provide details on the existing or expected land use in the area affected by the proposed transaction. Attach all supporting documentation, such as a contract, a lease, or proposed purchase agreements:

Pursuant to that certain "Contract for the Sale and Purchase of a Water System," dated March 17, 2020, the Village of Vinton, Texas, a Type A general law municipality ("Vinton"), proposes to purchase all of the water assets of Vinton Hills Alegre, LLC, a Texas limited liability company ("VHA"). More specifically, Vinton seeks to acquire VHA's water certificate of convenience and necessity ("CCN") No. 12563 and Public Water System/Supply ("PWS") Nos. TX0710169, TX0710172, and TX0710151.

2. The proposed transaction will require (check all applicable):

For Transferee (Purchaser) CCN:

- ☒ Obtaining a NEW CCN for Purchaser
☐ Transfer all CCN into Purchaser's CCN (Merger)
☐ Transfer Portion of CCN into Purchaser's CCN
☐ Transfer all CCN to Purchaser and retain Seller CCN
☐ Uncertificated area added to Purchaser's CCN

For Transferor (Seller) CCN:

- ☒ Cancellation of Seller's CCN
☐ Transfer of a Portion of Seller's CCN to Purchaser
☐ Only Transfer of Facilities, No CCN or Customers
☐ Only Transfer of Customers, No CCN or Facilities
☐ Only Transfer CCN Area, No Customers or Facilities

Part B: Transferor Information

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

3. A. Name: Vinton Hills Alegre, LLC
(individual, corporation, or other legal entity)
☐ Individual ☒ Corporation ☐ WSC ☐ Other: _____

B. Mailing Address: Attn: Bruce Bonestroo, Owner/Manager
P.O. Box 428, Anthony, New Mexico 88021-0428

Phone: (575) 650-4130 Email: monstruoracing@yahoo.com

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

Name: Aldo Lopez Title: Attorney

Mailing Address: 5822 Cromo Drive, El Paso, Texas 79912

Phone: (915) 832-7283 Email: alopez@raylaw.com

4. If the utility to be transferred is an Investor Owned Utility (IOU), for the most recent rate change, attach a copy of the current tariff and complete A through B:

A. Effective date for most recent rates: October 1, 2018

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

☐ No ☒ Yes Application or Docket Number: 48534

If the transferor is a Water Supply or Sewer Service Corporation, provide a copy of the current tariff.

5. For the customers that will be transferred following the approval of the proposed transaction, check all that apply:

☐ There are no customers that will be transferred

☒ # of customers without deposits held by the transferor 299

☐ # of customers with deposits held by the transferor* _____

*Attach a list of all customers affected by the proposed transaction that have deposits held, and include a customer indicator (name or account number), date of each deposit, amount of each deposit, and any unpaid interest on each deposit.

Part C: Transferee Information

Questions 6 through 10 apply only to the transferee (purchaser or proposed service provider)

6. A. Name: Village of Vinton

(individual, corporation, or other legal entity)
☐ Individual ☐ Corporation ☐ WSC ☒ Other: Type A General Law Municipality

B. Mailing Address: 436 E. Vinton Road, Vinton, Texas 79821

Phone: (915) 886-5104 Email: dbueno@vintontx.com

C. Contact Person. Provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant, or other title.

Name: David J. Klein Title: Attorney

Address: 816 Congress Avenue, Suite 1900, Austin, Texas 78701

Phone: (512) 322-5818 Email: dklein@lglawfirm.com

D. If the transferee is someone other than a municipality, is the transferee current on the Regulatory Assessment Fees (RAF) with the Texas Commission on Environmental Quality (TCEQ)?

☐ No ☐ Yes ☒ N/A

E. If the transferee is an IOU, is the transferee current on the Annual Report filings with the Commission?

☐ No ☐ Yes ☒ N/A

7. The legal status of the transferee is:

☐ Individual or sole proprietorship

☐ Partnership or limited partnership (*attach* Partnership agreement)

☐ Corporation

Charter number (as recorded with the Texas Secretary of State): _____

☐ Non-profit, member-owned, member controlled Cooperative Corporation [Article 1434(a) Water Supply or Sewer Service Corporation, incorporated under TWC Chapter 67]

Charter number (as recorded with the Texas Secretary of State): _____

☐ Articles of Incorporation and By-Laws established (*attach*)

☐ Municipally-owned utility

☐ District (MUD, SUD, WCID, FWSD, etc.)

☐ County

☐ Affected County (a county to which Subchapter B, Chapter 232, Local Government Code, applies)

☒ Other (please explain): Type A General Law Municipality

8. If the transferee operates under any d/b/a, provide the name below:

Name: N/A

9. If the transferee's legal status is anything other than an individual, provide the following information regarding the officers, members, or partners of the legal entity applying for the transfer:

Name: See Attachment for Village Council

Position: _____ Ownership % (if applicable): 0.00%

Address: 436 E. Vinton Road, Vinton, Texas 79821

Phone: (915) 886-5104 Email: mleos@vintontx.us

Name: Andrea Carrillo

Position: Administrator/City Secretary Ownership % (if applicable): 0.00%

Address: 436 E. Vinton Road, Vinton, Texas 79821

Phone: (915) 886-5104 Email: acarrillo@vintontx.us

Name: Shane English

Position: City Attorney Ownership % (if applicable): 0.00%

Address: 224 N. Anthony Drive, Anthony, New Mexico 88021-1329

Phone: (915) 603-3846 Email: kne1329@aol.com

Name: Daniel Bueno

Position: Deputy City Clerk Ownership % (if applicable): 0.00%

Address: 436 E. Vinton Road, Vinton, Texas 79821

Phone: (915) 886-5104 Email: dbueno@vintontx.com

10. **Financial Information**

The transferee Applicant must provide accounting information typically included within a balance sheet, income statement, and statement of cash flows. If the Applicant is an existing retail public utility, this must include historical financial information and projected financial information. However, projected financial information is only required if the Applicant proposes new service connections and new investment in plant, or if requested by Staff. If the Applicant is a new market entrant and does not have its own historical balance sheet, income statement, and statement of cash flows information, then the Applicant should establish a five-year projection taking the historical information of the transferor Applicant into consideration when establishing the projections.

Historical Financial Information may be shown by providing any combination of the following that includes necessary information found in a balance sheet, income statement, and statement of cash flows:

1. Completed Appendix A;
2. Documentation that includes all of the information required in Appendix A in a concise format; or
3. Audited financial statements issued within 18 months of the application filing date. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal.

Projected Financial Information may be shown by providing any of the following:

1. Completed Appendix B;
2. Documentation that includes all of the information required in Appendix B in a concise format;
3. A detailed budget or capital improvement plan, which indicates sources and uses of funds required, including improvements to the system being transferred; or
4. A recent budget and capital improvements plan that includes information needed for analysis of the operations test (16 Tex. Admin. Code § 24.11(e)(3)) for the system being transferred and any operations combined with the system. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal.

Part D: Proposed Transaction Details

11. A. Proposed Purchase Price: \$ 453,000.00

If the transferee Applicant is an investor owned utility (IOU) provide answers to B through D.

B. Transferee has a copy of an inventory list of assets to be transferred (*attach*):

☐ No ☐ Yes ☒ N/A

Total Original Cost of Plant in Service: \$ _____

Accumulated Depreciation: \$ _____

Net Book Value: \$ _____

C. **Customer contributions in aid of construction (CIAC):** Have the customers been billed for any surcharges approved by the Commission or TCEQ to fund any assets currently used and useful in providing utility service? Identify which assets were funded, or are being funded, by surcharges on the list of assets.

☐ No ☐ Yes

Total Customer CIAC: \$ _____

Accumulated Amortization: \$ _____

D. **Developer CIAC:** Did the transferor receive any developer contributions to pay for the assets proposed to be transferred in this application? If so, identify which assets were funded by developer contributions on the list of assets and provide any applicable developer agreements.

☐ No ☐ Yes

Total developer CIAC: \$ _____

Accumulated Amortization: \$ _____

12. A. Are any improvements or construction required to meet the minimum requirements of the TCEQ or Commission and to ensure continuous and adequate service to the requested area to be transferred plus any area currently certificated to the transferee Applicant? Attach supporting documentation and any necessary TCEQ approvals, if applicable.

☒ No ☐ Yes

B. If yes, describe the source and availability of funds and provide an estimated timeline for the construction of any planned or required improvements:

N/A.

13. Provide any other information concerning the nature of the transaction you believe should be given consideration:

This application, when approved, will enable Vinton to reduce its reliance on groundwater wells and instead obtain a more reliable water supply for public drinking water from El Paso Water Utilities ("EPWater").

14. Complete the following proposed entries (listed below) as shown in the books of the Transferee (purchaser) after the acquisition. Debits (positive numbers) should equal credits (negative numbers) so that all line items added together equal zero. Additional entries may be made; the following are suggested only, and not intended to pose descriptive limitations:

Utility Plant in Service: \$ _____

Accumulated Depreciation of Plant: \$ _____

Cash: \$ _____

Notes Payable: \$ _____

Mortgage Payable: \$ _____

(Proposed) Acquisition Adjustment*: \$ _____

* Acquisition Adjustments will be subject to review under 16 TAC § 24.41(d) and (e)

Other (NARUC account name & No.): _____

Other (NARUC account name & No.): _____

15. A. Explain any proposed billing change (NOTE: If the acquiring entity is an IOU, the IOU may not change the rates charged to the customers through this STM application. Rates can only be changed through the approval of a rate change application.)

Vinton will set and maintain retail water rates sufficient to cover the cost of (1) debt service payments on its USDA Rural Development ("RD") water and waste disposal loan, and (2) water and services delivered by EPWater under that certain "Contract for Wholesale Water Supply and Operation and Maintenance of Vinton's Water System."

B. If transferee is an IOU, state whether or not the transferee intends to file with the Commission, or an applicable municipal regulatory authority, an application to change rates for some or all of its customers as a result of the transaction within the next twelve months. If so, provide details below:

N/A

Part E: CCN Obtain or Amend Criteria Considerations

16. Describe, in detail, the anticipated impact or changes in the quality of retail public utility service in the requested area as a result of the proposed transaction:

Vinton desires to improve the reliability of its public drinking water supply and to ensure the public safety, health, and welfare of its citizens. If the proposed transaction is approved, a looped water system will be installed to deliver potable water from EPWater under a wholesale purchase agreement.

17. Describe the transferee's experience and qualifications in providing continuous and adequate service. This should include, but is not limited to: other CCN numbers, water and wastewater systems details, and any corresponding compliance history for all operations.

In the short term, in order to ensure that adequate services are available to Vinton's residents, the three public water systems to be acquired by Vinton will continue to be operated and maintained by Aquatech, their current third party operator. However, Vinton has acquired USDA RD loan proceeds to install a looped water system enabling it to purchase treated potable water from EPWater on a wholesale basis. Upon completion of those improvements, Vinton will rely on EPWater to operate and maintain its public drinking water system.

18. Has the transferee been under an enforcement action by the Commission, TCEQ, Texas Department of Health (TDH), the Office of the Attorney General (OAG), or the Environmental Protection Agency (EPA) in the past five (5) years for non-compliance with rules, orders, or state statutes? Attach copies of any correspondence with the applicable regulatory agency(ies)

☒ No

☐ Yes

19. Explain how the environmental integrity or the land will be impacted or disrupted as a result of the proposed transaction:

Initially, approval of the application will have no impact or disruption on the land where the facilities are located. Later, there will be construction and installation of a looped drinking water distribution system, water distribution lines, and residential meters. After final inspection and acceptance of these system improvements, EPWater will supply, operate, and maintain the Vinton water system. Although none of the proposed system improvements will impact undisturbed and/or undeveloped land, Vinton will restore said land to substantially the same condition that existed thereon prior to the start of construction.

20. How will the proposed transaction serve the public interest?

Vinton requires a safe and adequate public water supply to meet requirements of the Texas Commission on Environmental Quality because long-term use of the acquired systems would eventually threaten the public health and welfare of its residents. Therefore, it is in the interest of public safety, health, and welfare for Vinton to rely on Aquatech to operate and maintain the acquired systems until such time as EPWater can begin operations and maintenance of Vinton's improved system.

21. List all neighboring water or sewer utilities, cities, districts (including ground water conservation districts), counties, or other political subdivisions (including river authorities) providing the same service within two (2) miles from the outer boundary of the requested area affected by the proposed transaction:

Green Acres MHP-Riverview Eastates (water CCN No. 11785), El Paso East Lake, Inc. (water CCN No. 12943), El Paso Water Utilities (water CCN No. 10211), and El Paso County (water CCN No. 12127).

Part F: TCEQ Public Water System or Sewer (Wastewater) Information

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: TX0710151 (7 digit ID)

Name of PWS: Vinton Village Estates

Date of last TCEQ compliance inspection: November 6, 2018 (attach TCEQ letter)

Subdivisions served: Vinton Village Estates

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit submitted to TCEQ: _____

23. List the number of existing connections, by meter/connection type, to be affected by the proposed transaction:

Water				Sewer	
	Non-metered		2"		Residential
83	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:				83	Total Sewer Connections:

24. A. Are any improvements required to meet TCEQ or Commission standards?

☒ No ☐ Yes

B. Provide details on each required major capital improvement necessary to correct deficiencies to meet the TCEQ or Commission standards (attach any engineering reports or TCEQ approval letters):

Description of the Capital Improvement:	Estimated Completion Date:	Estimated Cost:

C. Is there a moratorium on new connections?

☒ No ☐ Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

☐ No ☒ Yes: Village of Vinton (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: 83 Sewer: 0

Part F: TCEQ Public Water System or Sewer (Wastewater) Information

Complete Part F for **EACH** Public Water or Sewer system to be transferred subject to approval of the transaction.
Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):TCEQ PWS Identification Number: TX0710169 (7 digit ID)Name of PWS: Vinton Alegre EstatesDate of last TCEQ compliance inspection: March 21, 2018 (attach TCEQ letter)Subdivisions served: Vinton Alegre Estates**B. For Sewer service:**TCEQ Water Quality (WQ) Discharge Permit Number: WQ - (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit submitted to TCEQ: _____**23. List the number of existing connections, by meter/connection type, to be affected by the proposed transaction:**

Water				Sewer	
	Non-metered		2"		Residential
22	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:			22	Total Sewer Connections:	

24. A. Are any improvements required to meet TCEQ or Commission standards?☒ No ☐ Yes**B. Provide details on each required major capital improvement necessary to correct deficiencies to meet the TCEQ or Commission standards (attach any engineering reports or TCEQ approval letters):**

Description of the Capital Improvement:	Estimated Completion Date:	Estimated Cost:

C. Is there a moratorium on new connections?☒ No ☐ Yes:**25. Does the system being transferred operate within the corporate boundaries of a municipality?**☐ No ☒ Yes: Village of Vinton (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: 22 Sewer: 0

Part F: TCEQ Public Water System or Sewer (Wastewater) Information

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction.
Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):TCEQ PWS Identification Number: TX0710172 (7 digit ID)Name of PWS: Vinton Hills SubdivisionDate of last TCEQ compliance inspection: September 18, 2018 (attach TCEQ letter)Subdivisions served: Vinton Hills Subdivision**B. For Sewer service:**TCEQ Water Quality (WQ) Discharge Permit Number: WQ - (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit submitted to TCEQ: _____**23. List the number of existing connections, by meter/connection type, to be affected by the proposed transaction:**

Water				Sewer	
	Non-metered		2"		Residential
194	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:				194	Total Sewer Connections:

24. A. Are any improvements required to meet TCEQ or Commission standards?☒ No ☐ Yes**B. Provide details on each required major capital improvement necessary to correct deficiencies to meet the TCEQ or Commission standards (attach any engineering reports or TCEQ approval letters):**

Description of the Capital Improvement:	Estimated Completion Date:	Estimated Cost:

C. Is there a moratorium on new connections?☒ No ☐ Yes:**25. Does the system being transferred operate within the corporate boundaries of a municipality?**☐ No ☒ Yes: Village of Vinton (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: 194Sewer: 0

26. A. Does the system being transferred purchase water or sewer treatment capacity from another source?

☒ No ☐ Yes: If yes, attach a copy of purchase agreement or contract.

Capacity is purchased from: _____

Water: _____

Sewer: _____

B. Is the PWS required to purchase water to meet capacity requirements or drinking water standards?

☒ No ☐ Yes

C. What is the amount of water supply or sewer treatment purchased, per the agreement or contract? What is the percent of overall demand supplied by purchased water or sewer treatment (if any)?

	Amount in Gallons	Percent of demand
Water:		0.00%
Sewer:		0.00%

D. Will the purchase agreement or contract be transferred to the Transferee?

☒ No ☐ Yes:

27. Does the PWS or sewer treatment plant have adequate capacity to meet the current and projected demands in the requested area?

☐ No ☒ Yes:

28. List the name, class, and TCEQ license number of the operator that will be responsible for the operations of the water or sewer utility service:

Name (as it appears on license)	Class	License No.	Water or Sewer
Jesus Mendoza I	A	WO0036538	Water
Jesus Mendoza I	B	WG0011544	Ground Water

Part G: Mapping & Affidavits

ALL applications require mapping information to be filed in conjunction with the STM application.

Read question 29 A and B to determine what information is required for your application.

29. A. For applications requesting to transfer an entire CCN, without a CCN boundary adjustment, provide the following mapping information with each of the seven (7) copies of the application:

1. A general location (small scale) map identifying the requested area in reference to the nearest county boundary, city, or town. The following guidance should be adhered to:
 - i. If the application requests to transfer certificated service areas for both water and sewer, separate maps must be provided for each.
 - ii. A hand drawn map, graphic, or diagram of the requested area is not considered an acceptable mapping document.

- iii. To maintain the integrity of the scale and quality of the map, copies must be exact duplicates of the original map. Therefore, copies of maps cannot be reduced or enlarged from the original map, or in black and white if the original map is in color.

- 2. A detailed (large scale) map identifying the requested area in reference to verifiable man-made and natural landmarks such as roads, rivers, and railroads. The Applicant should adhere to the following guidance:
 - i. The map must be clearly labeled and the outer boundary of the requested area should be marked in reference to the verifiable man-made or natural landmarks. These verifiable man-made or natural landmarks must be labeled and marked on the map as well.
 - ii. If the application requests an amendment for both water and sewer certificated service area, separate maps need to be provided for each.
 - iii. To maintain the integrity of the scale and quality of the map, copies must be exact duplicates of the original map. Therefore, copies of maps cannot be reduced or enlarged from the original map, or in black and white if the original map is in color.
 - iv. The outer boundary of the requested area should not be covered by any labels, roads, city limits or extraterritorial jurisdiction (ETJ) boundaries.

- B. For applications that are requesting to include area not currently within a CCN, or for applications that require a CCN amendment (any change in a CCN boundary), such as the transfer of only a portion of a certificated service area, provide the following mapping information with each of the seven (7) copies of the application:
 - 1. A general location (small scale) map identifying the requested area with enough detail to locate the requested area in reference to the nearest county boundary, city, or town. Please refer to the mapping guidance in part A 1 (above).
 - 2. A detailed (large scale) map identifying the requested area with enough detail to accurately locate the requested area in reference to verifiable man-made or natural landmarks such as roads, rivers, or railroads. Please refer to the mapping guidance in part A 2 (above).
 - 3. One of the following identifying the requested area:
 - i. A metes and bounds survey sealed or embossed by either a licensed state land surveyor or a registered professional land surveyor. Please refer to the mapping guidance in part A 2 (above);
 - ii. A recorded plat. If the plat does not provide sufficient detail, Staff may request additional mapping information. Please refer to the mapping guidance in part A 2 (above); or
 - iii. Digital mapping data in a shapefile (SHP) format georeferenced in either NAD 83 Texas State Plane Coordinate System (US Feet) or in NAD 83 Texas Statewide Mapping System (Meters). The digital mapping data shall include a single, continuous polygon record. The following guidance should be adhered to:
 - a. The digital mapping data must correspond to the same requested area as shown on the general location and detailed maps. The requested area must be clearly labeled as either the water or sewer requested area.
 - b. A shapefile should include six files (.dbf, .shp, .shx, .sbx, .sbn, and the projection (.prj) file).
 - c. The digital mapping data shall be filed on a data disk (CD or USB drive), clearly labeled, and filed with Central Records. Seven (7) copies of the digital mapping data is also required.

Part H: Notice Information

The following information will be used to generate the proposed notice for the application.
DO NOT provide notice of the application until it is found sufficient and the Applicants are ordered to provide notice.

30. Complete the following using verifiable man-made or natural landmarks such as roads, rivers, or railroads to describe the requested area (to be stated in the notice documents). Measurements should be approximated from the outermost boundary of the requested area:

The total acreage of the requested area is approximately: 310.00

Number of customer connections in the requested area: 299

Affected subdivision : Villa Alegre Estates, Vinton Hills Subdivision, and Vinton Village Estates

The closest city or town: Village of Vinton

Approximate mileage to closest city or town center: 0

Direction to closest city or town: N/A

The requested area is generally bounded on the North by: Burlington Northern Santa Fe Corp. RR

on the East by: Ledbetter Rd.

on the South by: Holguin Ave.

on the West by: Doniphan Dr.

31. A copy of the proposed map will be available at: Village of Vinton City Hall

32. What effect will the proposed transaction have on an average bill to be charged to the affected customers? Take into consideration the average consumption of the requested area, as well as any other factors that would increase or decrease a customer's monthly bill.

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

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

☐ higher monthly bill ☐ lower monthly bill

☐ Some customers will be charged different rates than they were charged before
(i.e. inside city limit customers)

☐ higher monthly bill ☐ lower monthly bill

Oath for Transferor (Transferring Entity)

STATE OF TEXAS

COUNTY OF EL PASO

I, Bruce Bonestroo being duly sworn, file this application for sale, transfer,
merger, consolidation, acquisition, lease, or rental, as Owner/Manager of Vinton Hills Alegre, LLC

(owner, member of partnership, title as officer of corporation, or authorized representative)

I attest that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to Applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I further state that I have been provided with a copy of the 16 TAC § 24.239 Commission rules. I am also authorized to agree and do agree to be bound by and comply with any outstanding enforcement orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.

B Bonestroo

AFFIANT

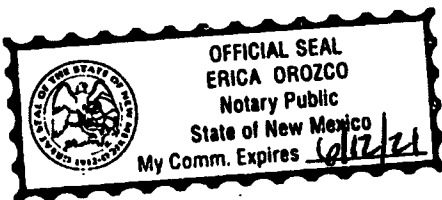
(Utility's Authorized Representative)

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 BEFORE ME, a Notary Public in and for the State of Texas

this day the 4th of May, 2020

SEAL



Erica Orozco

NOTARY PUBLIC IN AND FOR THE
STATE OF ~~TEXAS~~ New Mexico

Erica Orozco

PRINT OR TYPE NAME OF NOTARY

My commission expires: 6/12/21

Oath for Transferee (Acquiring Entity)


STATE OF TEXAS

COUNTY OF EL PASO

I, Manuel Leos being duly sworn, file this application for sale, transfer, merger, consolidation, acquisition, lease, or rental, as Mayor of the Village of Vinton
(owner, member of partnership, title as officer of corporation, or authorized representative)

I attest that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to Applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I further state that I have been provided with a copy of the 16 TAC § 24.239 Commission rules. I am also authorized to agree and do agree to be bound by and comply with any outstanding enforcement orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.



AFFIANT

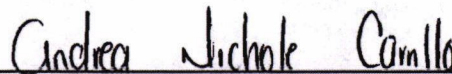
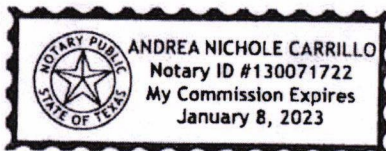
(Utility's Authorized Representative)

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

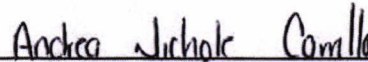
SUBSCRIBED AND SWORN BEFORE ME, a Notary Public in and for the State of Texas

this day the 30 of April, 2020

SEAL



**NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS**



PRINT OR TYPE NAME OF NOTARY

My commission expires: 01/08/2023

EXHIBIT LIST

Exhibit A	Contract for the Sale and Purchase of a Water System
Exhibit B	Copy of Commission Order Approving Vinton Hills Alegre, LLC's Tariff
Exhibit C	Customer List
Exhibit D	Village of Vinton Council List
Exhibit E	Village of Vinton Annual Financial Compliance Reports
Exhibit F	Village of Vinton Fiscal Year Budget
Exhibit G	TCEQ Compliance Documentation
Exhibit H	Large and Small Scale Maps of Water CCN Area to be Transferred

Exhibit A

Contract for the Sale and Purchase of a Water System

**CONTRACT FOR THE SALE AND PURCHASE
OF A WATER SYSTEM BETWEEN THE VILLAGE OF VINTON
AND VINTON HILLS ALEGRE, LLC**

This Contract for the Sale and Purchase of a Water System between the Village of Vinton and Vinton Hills Alegre, LLC ("**Agreement**") is made on this the 17 day of March, 2020 (the "**Effective Date**"), by and between Vinton Hills Alegre, LLC ("**Seller**"), a Texas limited liability company in good standing, and the Village of Vinton ("**Buyer**"), a Type A general law municipality of the State of Texas, operating under and governed by the laws and Constitution of the State of Texas (Seller and Buyer are collectively called the "**Parties**," or singularly as a "**Party**").

RECITALS:

WHEREAS, Seller owns and operates a water utility business known as Vinton Hills Alegre, LLC, and provides retail water service to its customers through three public drinking water distribution systems: (1) Villa Alegre Estates, (2) Vinton Hills Subdivision, and (3) Vinton Village Estates, identified by the Texas Commission on Environmental Quality ("**TCEQ**") as Public Water System Registration Nos. TX0710169, TX0710172, and TX0710151, respectively, (collectively, the "**Water Systems**," as more specifically defined herein);

WHEREAS, Buyer is a Type A general law municipality, operating under and governed by the laws and Constitution of the State of Texas;

WHEREAS, Seller holds water certificate of convenience and necessity ("**CCN**") No. 12563, issued by the Public Utility Commission ("**PUC**") or its predecessor agencies, and the Water Systems are located within such CCN area;

WHEREAS, while Buyer does not possess a water CCN, it is not required to possess a CCN under Texas Water Code § 13.242;

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Water Systems and other related assets, including, but not limited to, Seller's water CCN No. 12563 to Buyer, on and subject to the terms and conditions set forth herein; and

WHEREAS, the purpose of this Agreement is to set forth the terms for: (i) the sale of Seller's Water System and related assets, as more fully described herein; and (ii) the preparation, filing, and prosecution of a CCN sale, transfer and merger application at the PUC.

NOW, THEREFORE, for good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged by the Parties herein, the Parties contract, covenant and agree as follows:

AGREEMENT:

I.

Definitions

Terms used in this Agreement are defined throughout this Agreement, and shall have the meaning assigned to them as follows.

“Assets” shall have the meaning provided in Section 2.01 of this Agreement.

“Closing” means the transaction whereby the Water Systems are transferred from Seller to Buyer in accordance with this Agreement.

“Closing Date” means the date for the Closing of this transaction, as more specifically described in Section 4.01 of this Agreement.

“CCN Area” means the portion of Seller’s water CCN No. 12563 that Seller will request the PUC to transfer to Buyer through a CCN sale, transfer, and merger application under Texas Water Code § 13.301. The boundaries of the CCN Area are more fully described by Exhibit “A”, attached hereto and incorporated herein by reference for all purposes.

“Customers” means each and every person or entity located within the CCN Area that has an account for retail water service with Seller before or at Closing.

“Easements” shall have the meaning provided in Section 2.01 of this Agreement.

“Environmental, Health, and Safety Laws” means all laws of federal, state, and local governments (and all agencies thereof) concerning pollution or protection of the environment, public health and safety, including laws relating to emissions, discharges, releases, or threatened releases of pollutants, contaminants or chemical, industrial, hazardous, or toxic materials or waste into ambient air, surface water, groundwater, or lands or otherwise, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, the Federal and Texas Solid Waste Disposal Acts, the Resource Conservation and Recovery Act, the Emergency Planning and Community Right to Know Act of 1986, the Clean Air Act, the Federal and Texas Clean Water Acts, the Toxic Substances Control Act, the Hazardous Materials Transportation Act, the Federal Insecticide, Fungicide and Rodenticide Act, the Federal Safe Drinking Water Act, the Federal Radon and Indoor Air Quality Research Act, and the Occupational Safety and Health Act, as all such laws or acts have been amended.

“Permits” shall have the meaning provided in Section 2.01 of this Agreement.

“Personal Property” shall have the meaning provided in Section 2.01 of this Agreement.

“Plans” shall have the meaning provided in Section 2.01 of this Agreement.

“PUC” means the Public Utility Commission of Texas or any predecessor or successor entities thereto.

“Purchase Price” means the consideration to be paid by Buyer to Seller for the sale and conveyance of the Water System, which is a payment in the amount of four-hundred fifty-three thousand dollars (\$453,000.00).

“Service Agreements” shall have the meaning provided in Section 2.01 of this Agreement.

“Title Company” means Lone Star Title Company of El Paso, located at 6701 N Mesa Street, El Paso, Texas 79912, phone number (915) 545-2222.

“**TCEQ**” means the Texas Commission on Environmental Quality or any predecessor or successor entities thereto.

“**Water Systems**” means and include the water systems more fully described in Section 2.01 of this Agreement. For purposes of clarity, the term “Water Systems” shall not include any and all customer water service lines that run from outside the meter box to each customer’s point of actual use.

II.

Sale and Purchase of the Water Systems Assets

2.01 **The Water Systems**. Seller hereby agrees to sell, grant, convey, transfer, and assign to Buyer, and Buyer hereby agrees to purchase from Seller, for the Purchase Price, free and clear of liens and encumbrances (unless hereinafter specifically provided), and subject to the terms, covenants, conditions, and provisions herein set forth, all of Seller’s right, title, and interest in and to the following, which are cumulatively, the “**Assets**”:

- (a) all of Seller’s water distribution lines, storage tanks, water wells, and related facilities that comprise TCEQ Public Water System Registration Nos. TX0710169, TX0710172, and TX0710151, more specifically depicted in Exhibit “B”, attached hereto and incorporated by this reference herein for all purposes (collectively, the “**Water Systems**”); and such water infrastructure shall be transferred and assigned by Seller to Buyer at Closing by a Bill of Sale that is in a form substantially similar to the version attached hereto as Exhibit “C” and incorporated by this reference herein for all purposes;
- (b) all items of furniture, fixtures, equipment, documents, and miscellaneous tangible personal property owned by Grantor, and located within, or used in connection with, the ownership or operation of the Water Systems, and all of such items and personal property being collectively referred to herein as the “**Personal Property**,” which is depicted or described in Exhibit “B” attached hereto and incorporated herein for all purposes; and the Personal Property shall be transferred and assigned by Seller to Buyer at Closing by a Bill of Sale that is in a form substantially similar to the version attached hereto as Exhibit “C”;
- (c) all surveys, tests, soil and substrata studies, environmental assessments or studies, of any kind, if any, now or hereafter in the possession of Seller which relate to the Water Systems; and such documents shall be transferred and assigned by Seller to Buyer at Closing by a Bill of Sale that is in a form substantially similar to the version attached hereto as Exhibit “C”;
- (d) to the extent allowed by law, the lists of names and addresses of each Customer of Seller, and information regarding deposits made by such Customers to Seller, in hard copy and on computer media, that are in the possession of Seller, as well as the deposits of such Customers, on the Closing Date; and such documents, data, and deposits shall be transferred and assigned by Seller to Buyer at Closing by a Bill of Sale that is in a form substantially similar to the version attached hereto as Exhibit “C”;

- (e) all of Seller's right, title and interest in and to all other rights, privileges and appurtenances owned by Seller and in any way related to the Water Systems; and such right, title, and interests shall be transferred and assigned by Seller to Buyer at Closing by a Bill of Sale that is in a form substantially similar to the version attached hereto as Exhibit "C";
- (f) all permits, licenses, authorizations, and governmental approvals granted or issued by any governmental authority to Seller that enable Seller to operate and maintain the Water Systems, including, but not limited to, (i) the Seller's water CCN No. 12563, known as the CCN Area, that is identified in Exhibit "A", hereto, and (ii) Seller's public drinking water system authorizations for the Water Systems (collectively, the "**Permits**"); and such Permits shall be transferred and assigned by Seller to Buyer through a Bill of Sale that is in a form substantially similar to the version attached hereto as Exhibit "C"; provided, to the extent that the transfer, assignment, or conveyance of such matters are subject to governmental approval or consent, Seller and Buyer agree to work together at their sole respective costs to obtain all approvals and consents that are necessary to effect the transfers, assignments, or conveyances contemplated herein;
- (g) all right, title, and interest of Seller in and to the plans, specifications, site plans, as-built plans, architectural renderings, engineering plans and studies, floor plans, landscape plans, surveys, shop drawings, drawings, sketches, operating manuals, diagrams, and other documents of every nature and description in the possession of Seller ("**Plans**") that relate to the Water Systems, if any; and the Plans will be assigned by Seller to Buyer at Closing by a Bill of Sale that is in a form substantially similar to the version attached hereto as Exhibit "C";
- (h) all right, title, and interest of Seller in and under service contracts, operating agreements, and warranties, and amendments, modifications, additions, and changes thereto, that are related to the Water Systems (collectively, the "**Service Agreements**"); but, only to the extent that Buyer agrees to accept the liabilities of Seller thereunder; and such contracts, agreements, and warranties will be assigned by Seller to Buyer at Closing by a Bill of Sale that is in a form substantially similar to the version attached hereto as Exhibit "C";
- (i) all right, title, and interest of Seller in all real property where any of the Assets are located ("**Fee Property**"), using a Special Warranty Deed in a form substantially similar to the version attached hereto as Exhibit "D" and incorporated by this reference herein for all purposes; and at the Closing, Seller shall sell, grant, convey, transfer, and assign good and marketable fee simple title to the Fee Property to Purchaser, by such Special Warranty Deed; and
- (j) all right, title, and interest of Seller in all easements where any of the Assets are located or for access to such Assets ("**Easements**"), free and clear of all liens, using an Assignment of Easements, in a form substantially similar to the version attached hereto as Exhibit "E" and incorporated by this reference herein for all purposes; and at the Closing, Seller shall sell, grant, convey, transfer, and assign such Easements, free and clear of all liens, to Purchaser, by such Assignment of Easements.

2.02 **Non-Assumption of Liabilities.** Except as otherwise provided in this Agreement, Buyer shall not assume and shall not be liable for any liabilities or obligations of Seller of any nature whatsoever, whether express or implied, fixed or contingent. All liabilities and obligations of Seller not expressly assumed by Buyer shall remain the sole responsibility of Seller. Buyer shall not have the right or the obligation to collect any money from Customers for any services rendered by Seller to the Customers at any time.

2.03 **Seller Accounts Receivable.** Buyer shall have no right to obtain any of Seller's accounts receivable for the Customers for services rendered by Seller to Customers prior to Closing. Seller agrees that any delinquent or past due Customer accounts between Seller and the Customers shall not impact the Buyer's ability to render retail water service to such Customers, and that Buyer shall not be obligated to pay Seller for any services rendered by Seller to the Customers at any time. Seller agrees that it shall not prevent or interfere with Buyer with (i) rendering retail water service to the Customers or (ii) collecting payments from the Customers for such services; and Seller shall not otherwise interfere with Buyer's business relationship with the Customers.

III.

Transfer of the Seller's CCN Area

3.01 **Transfer of CCN Area to the Buyer.** Buyer and Seller agree to take all necessary steps and equally share all costs to prepare, file, and advance an application at the PUC to sell, transfer, and merge the CCN Area from Seller's water CCN boundaries to Buyer's water service area and obtain all other necessary regulatory approvals from the PUC, if any. Buyer will take the lead role of preparing, filing, and advancing such applications and obtaining such approvals, as reasonably requested by Buyer or the PUC, and Seller will cooperate with Buyer regarding such matters.

IV.

Closing

4.01 **Closing Date.** Subject to the satisfaction of the conditions precedent set out in Section III, Section IV, and Section V of this Agreement, this transaction shall close at the Title Company's offices or at such other location acceptable to the Parties no later than thirty (30) days following the date the PUC approves the Sale, Transfer, and Merger Application to be filed by Buyer; or on such date which satisfies the statutory requirements of Chapter 13 of the Texas Water Code regarding the sale, transfer, and merger of a retail public utility in Texas, whichever date shall first occur.

4.02 **Seller's Closing Obligations.** At the Closing, Seller shall deliver to Buyer the Water System, including, without limitation, performing the following obligations:

- (a) execute and deliver to Buyer the Bill of Sale in a form substantially similar to the form attached hereto as **Exhibit "C"**, with all accompanying schedules and exhibits, if any;
- (b) upon Buyer's request, deliver to Buyer and the Title Company a certificate from the Secretary of State of Texas showing that none of the Property herein conveyed is covered by an unreleased lien, security agreement, or financing statement;

- (c) deliver physical possession of the Water System to Buyer;
- (d) deliver evidence of Seller's authority to act hereunder in a form reasonably satisfactory to Buyer and the Title Company, including appropriate corporate resolutions from the Board;
- (e) execute closing statements, affidavits, non-foreign certificates (or authorize sums sufficient to satisfy all withholding requirements under the Internal Revenue Code to be withheld), and other documents reasonably required by the Title Company as conditions precedent to Closing and the issuance of the Title Policy;
- (f) pay all costs required to be paid by Seller under this Agreement;
- (g) execute and deliver a certificate, in form and substance satisfactory to Buyer confirming that all representations and warranties of Seller with respect to this Agreement are true and correct; and
- (h) execute and deliver to Buyer the certain "Indemnity and Affidavit as to Debts and Liens of Vinton Hills Alegre, LLC," attached hereto as Exhibit "F".

4.03 **Conditions Precedent to Buyer's Obligations.** All obligations of Buyer under this Agreement are subject to the fulfillment or satisfaction, or waiver by Buyer, prior to or at the Closing Date, of each of the following conditions precedent:

- (a) Seller shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with, prior to or at the Closing; and Buyer shall have been furnished with a certificate or certificates of Seller dated the Closing Date, signed by the appropriate officials of Seller, certifying, in such detail as Buyer may reasonably request, to the fulfillment of the foregoing conditions and that all representations and warranties are true and correct as of Closing.
- (b) On the Closing Date, no proceeding shall be pending or threatened before any court or governmental agency in which it is sought to restrain or prohibit or to obtain damages or other relief in connection with this Agreement or the consummation of the transactions contemplated hereby, and no investigation that might eventuate in any such suit, action or proceeding shall be pending or threatened.
- (c) Buyer shall have received all governmental authorizations needed for the transfer of the CCN Area and Water System, including, but not limited to, a letter from the PUC authorizing the Closing. The Parties agree that Seller will execute a document at the Closing of this transaction which includes a statement that the Seller concurs with the transfer of the CCN to the Buyer. Such governmental authorizations, orders, authorizations and approvals by the PUC and the TCEQ shall be in a form and substance satisfactory to Buyer in its sole discretion.
- (d) The Water System shall not be, or be threatened to be, materially adversely affected by fire, explosion, earthquake, disaster, accident, cessation or interruption of utility or other services, flood, drought, lack of water supply,

contamination of water supply, embargo, riot, civil disturbance, uprising, activity of armed forces or act of God or public enemy, or any other event or occurrence.

4.04. **Buyer's Closing Obligations.** At Closing, Buyer shall perform the following obligations:

- (a) execute duplicate originals of the Bill of Sale and all exhibits and schedules thereto, in a form substantially similar to the form attached hereto as **Exhibit "C"**;
- (b) execute closing statements, affidavits, non-foreign certificates (or authorize sums sufficient to satisfy all withholding requirements under the Internal Revenue Code to be withheld), and other documents reasonably required by the Title Company as conditions precedent to Closing and the issuance of the Title Policy;
- (c) pay the Purchase Price as provided in this Agreement and all costs required to be paid by Buyer under this Agreement; and
- (d) assume Seller's obligations under the service contracts, operating agreements, and warranties listed on **Exhibit "C"** at the time of Closing; and if such service contracts, operating agreements, and warranties have not been designated at Closing, then it shall be presumed that no service contracts, operating agreements, and warranties are intended to be assumed by Buyer unless the Parties agree, within ten (10) days following the effective date of the Bill of Sale, as to which of the service contracts, operating agreements, and warranties executed by Seller that Buyer will assume.

4.05 **Closing Costs.** The Parties shall split the closing costs evenly, except that each Party shall be responsible for the payment of its own attorney's fees, copying expenses, and other costs incurred in connection with the Closing.

4.06 **Operation and Maintenance of the Water System Prior to Closing.** Seller shall operate and maintain, and continue to operate and maintain, the Water System from the date of execution of this Agreement to the Closing Date.

V.

General Representations, Warranties and Covenants of Seller

5.01. **Representations and Warranties.** Seller hereby represents and warrants to Buyer as follows, which representations and warranties shall be deemed made by Seller to Buyer also as of the Closing Date:

- (a) Seller has complied with all applicable laws, regulations, statutes, rules, and restrictions relating to the Water System. Seller has complied with the terms of all easements and rights-of-way instruments under or pursuant to which the Water System has been made and/or installed, if any. Seller is not in default under any easement or right-of-way instrument. Seller has complied with all applicable laws, regulations, statutes, rules, and restrictions relating to the Water System. The Water System is in compliance with the Texas Water Code, the TCEQ's rules for public drinking water systems, and the PUC's rules for CCNs. No enforcement actions are pending at the TCEQ or PUC against Seller regarding the Water System.

- (b) Seller further represents and warrants that all of the Water System is located within public rights-of-way and not within any privately-owned property. Seller has received no notice of any violation of any applicable zoning regulation, ordinance, or any other law, covenant, condition, restriction, easement, or right-of-way relating to the Water System from any governmental agency having jurisdiction over the Property or from any other person or owner, and Seller does not have any knowledge of any such violation. In the event that any of the Water System is located on privately held property, Seller agrees to provide Buyer with the necessary property right to access, operate, maintain, repair, or remove such infrastructure, free and clear of any and all liens and encumbrances, within a commercially reasonable time; provided, however, that if such right to the real property right is not provided within thirty (30) days of the Closing Date, Buyer shall have the sole discretion to exercise its authority to obtain such real property right at Seller's sole cost and expense. Seller shall have the obligation to reimburse Buyer within fifteen (15) days of receipt of a bill for such costs. This obligation shall be a continuing obligation of Seller that shall survive Closing.
- (c) Seller has no unpaid bills with respect to the Water System, except those previously disclosed by Seller to Buyer in writing.
- (d) There is no pending condemnation, proceeding, or assessment currently existing of which Seller has been notified or, to the best of Seller's knowledge, threatened or contemplated against Seller or its Water System by any governmental entity or authority.
- (e) The person executing this Agreement on behalf of Seller has the proper authority to enter into this Agreement on Seller's behalf, and to bind Seller to its terms.

The obligation of Buyer to close this transaction is contingent upon the continued truth and accuracy of Seller's representations and warranties hereunder as of the Closing Date. If, at the Closing, any of the representations or warranties set forth herein is untrue or incorrect in any material respect, Seller shall be deemed to be in default. Upon such a default, Buyer shall have the right, but not the obligation, to terminate this Agreement and avail itself of any and all remedies under this Agreement and all remedies at law or in equity to which it may be entitled. The person executing this Agreement on behalf of Buyer has the proper authority to enter into this Agreement on Buyer's behalf, and to bind Buyer to its terms.

5.02 **Covenants of Seller.** Seller agrees that, between the Effective Date of this Agreement and the Closing Date:

- (a) The business of Seller shall be conducted solely in the ordinary course consistent with past practice.
- (b) Seller shall continue to maintain and service the Water System in the same manner as has been its consistent past practice.
- (c) Seller will use its best efforts to maintain its relations and goodwill with its suppliers, customers and any others having business relations with it.

- (d) Seller shall comply with all laws, ordinances, rules, regulations and orders applicable to it and to the conduct of its business.
- (e) Seller will promptly advise Buyer in writing of the threat or commencement of any dispute, claim, action, suit, proceeding, arbitration or investigation against or involving the Water System or the sale and transfer thereof to Buyer where the Seller has actual knowledge of same or of the occurrence of any condition or development (exclusive of general economic factors affecting business in general) of a nature that is or may be materially adverse to the business, operations, properties, assets, prospects or condition (financial or otherwise) of Seller where the Seller has actual knowledge of same.
- (f) Seller will conduct its business in such a manner that on the Closing Date the representations and warranties of Seller contained in this Agreement shall be true as though such representations and warranties were made on and as of such date. Furthermore, Seller will use its best efforts to cause all of the conditions to this Agreement to be satisfied on or prior to the Closing Date.
- (g) Seller will not take any action which would result in a material breach of any of the representations and warranties of Seller hereunder.
- (h) Seller will give to Buyer, its officers, employees, accountants, counsel and other representatives free and full access to and the right to inspect, during normal business hours, all of the premises, properties, assets, records, contracts and other documents relating to its business and operations, and shall permit them to consult with the officers, employees, accountants, counsel and agents of Seller for the purpose of making such investigation of the business and operations of Seller as Buyer shall desire to make, provided that such investigation shall not unreasonably interfere with the business or operations of Seller.
- (i) Seller shall notify and consult with Buyer prior to the initiation, development or execution of any plans for expansion of or improvements to the Water System.
- (j) Seller will cooperate with Buyer in sending any customer notices that in Buyer's judgment are necessary or desirable in connection with the transactions contemplated herein.
- (k) Seller will not enter into or grant any liens or other agreements of any kind which would survive the Closing and which would affect title to the Water System, without the prior written approval of Buyer.
- (l) Seller will not sell, transfer, convey, demolish, destroy, dispose of, relinquish, amend, alter, change or modify the Property or any portion thereof, in any way, without the prior written consent of Buyer.
- (m) Seller will immediately notify Buyer of (i) any damage to or destruction of the Water System or any portion thereof and/or (ii) any correspondence from the TCEQ or PUC regarding the Water System.

5.03 **Covenant to Cooperate.** The Parties shall cooperate with each other, with timely assistance, in all reasonable and necessary ways to facilitate the closing of the transaction contemplated by this Agreement.

VI. Remedies

6.01. **Buyer's Remedies.** Notwithstanding any provision of this Agreement to the contrary, in the event Seller fails or refuses to timely comply with Seller's obligations hereunder or is unable to do so as the result of Seller's act or failure to act, or at Closing any of Seller's representations, warranties or covenants contained herein is untrue, has been breached, or is unsatisfied, Buyer shall have the following options: (i) to terminate this Agreement by giving Seller timely written notice of such election prior to or at Closing; (ii) to enforce specific performance of Seller's obligations hereunder; (iii) to pursue any and all remedies available to Buyer at law and/or at equity; and/or (iv) to extend the time of Closing to allow the condition to be corrected. In addition to the foregoing enumerated remedies, Buyer shall, if any of the representations or warranties set forth herein were untrue or were breached, be entitled to recover from Seller any damages resulting from such breach. In the event Seller fails or refuses to timely perform any obligations required by it under this Agreement to be performed after Closing, Buyer may either (i) enforce specific performance of Seller's post-closing obligations, and/or (ii) pursue any and all remedies available to Buyer at law and/or at equity.

6.02 **Seller's Remedies.** Notwithstanding any provision of this Agreement to the contrary, in the event Buyer fails or refuses to timely comply with Buyer's obligations hereunder or is unable to do so as the result of Buyer's act or failure to act, Seller may terminate this Agreement and Seller shall have the options to (i) pursue any and all remedies available to Seller at law and/or at equity, and/or (ii) extend the time of Closing to allow the condition to be corrected. In the event Buyer fails or refuses to timely perform any obligations required by it under this Agreement to be performed after Closing, Seller may pursue any and all remedies available to Seller at law and/or at equity.

6.03 **Attorney's Fees.** In the event of any default by either Seller or Buyer, the prevailing Party in any dispute shall be entitled to recover from the non-prevailing Party reasonable attorney's fees, expenses and costs of court.

VII. Matters to Survive Closing

In order to induce the other Party to enter into this Agreement and to close the transaction, the Parties agree to following matters in Section VII, each of which is a covenant and obligation to survive the Closing, and none of which obligations shall merge with the conveyance documents at Closing pursuant to the Doctrine of Merger:

7.01 **Cooperation in Obtaining Necessary Easements and Rights of Way.** Seller agrees, as a matter to survive closing and as an inducement to Buyer to enter into this transaction, that Seller shall cooperate with Buyer and Buyer's assigns to assist in acquisition of, and/or convey and assign title to easements and rights-of-way in Buyer, if any, so that Buyer may own and operate the Water System as currently located and constructed.

7.02 **Cooperation in Completion of STM Application Process at PUC and Obtaining Approval of Change to CCN.** Buyer and Seller shall cooperate in the preparation,

filing, and prosecution of a Sale, Transfer, and Merger Application at the PUC and to obtain all necessary approvals from the PUC to transfer Seller's CCN to Buyer. In the event that the PUC recommends or requires the Parties to file additional applications or documents to implement the goals of this Agreement, the Parties agree to work together to address such recommendations or requirements.

7.03 **Indemnity of Buyer:** IN ADDITION TO THE OTHER REMEDIES AFFORDED TO BUYER IN THIS AGREEMENT, AND TO THE EXTENT ALLOWED BY LAW, SELLER SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS BUYER FOR, FROM AND AGAINST ANY AND ALL LOSSES LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, ATTORNEYS' FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION, AND GOVERNMENTAL OVERSIGHT COSTS) ENVIRONMENTAL OR OTHERWISE OF ANY NATURE, KIND OR DESCRIPTION OF ANY PERSON OR ENTITY DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM, OR RELATED TO (IN WHOLE OR IN PART) THE FOLLOWING:

- (a) SELLER'S PERFORMANCE OF ITS OBLIGATIONS PURSUANT TO THIS AGREEMENT.
- (b) VIOLATIONS OR CLAIMED VIOLATIONS OF ANY ENVIRONMENTAL, HEALTH, AND SAFETY LAWS WHICH RELATE IN ANY WAY TO THE OWNERSHIP, OCCUPANCY, USE, OPERATION, OR CONDITIONS OF ANY PRESENT OR FORMER PROPERTIES OF THE WATER SYSTEM ON OR BEFORE THE CLOSING DATE;
- (c) ANY CLEANUP OR REMEDIATION REQUIREMENT OR LIABILITY OR ANY OTHER DAMAGES OR LIABILITY ARISING FROM A RELEASE OR THREATENED RELEASE OR EXPOSURE TO ANY HAZARDOUS SUBSTANCES TO THE EXTENT THAT THOSE HAZARDOUS SUBSTANCES ARE PRESENT AT ANY PRESENT OR FORMER PROPERTIES OF THE WATER SYSTEM ON OR BEFORE THE CLOSING DATE;
- (d) ANY TAXES ATTRIBUTABLE TO THE WATER SYSTEM THAT WERE DUE PRIOR TO THE CLOSING DATE; AND
- (e) DEPOSITS PAID BY CUSTOMERS TO SELLER OR INTEREST ACCRUED ON SUCH DEPOSITS THAT WERE INITIALLY PAID BY CUSTOMERS TO SELLER, TO THE EXTENT THAT SUCH DEPOSITS AND ACCRUED INTEREST WAS NOT CONVEYED TO THE BUYER..

VIII.

Miscellaneous Provisions

8.01 **Entire Agreement.** This Agreement and Exhibits hereto contain the entire agreement of the Parties with respect to the sale and purchase of the Water System. There are no other agreements, oral or written, between the Parties regarding the sale and purchase of the Water System. This Agreement can be amended only by written agreement signed by the Parties hereto, and by reference made a part hereof.

8.02. **Binding Effect.** This Agreement, and the terms, covenants, and conditions herein contained, shall be covenants running with the Property and shall inure to the benefit of and be binding upon the heirs, personal representatives, successors, and assigns of each of the Parties hereto.

8.03. **Notice.** Any notice, communication, request, reply or advice (severally and collectively referred to as "**Notice**") in this Agreement provided or permitted to be given, made or accepted by either party to the other must be in writing. Notice may, unless otherwise provided herein, be given or served: (i) by depositing the same in the United States Mail, certified, with return receipt requested, addressed to the party to be notified and with all charges prepaid; or (ii) by depositing the same with Federal Express or another service guaranteeing "next day delivery", addressed to the party to be notified and with all charges prepaid; (iii) by delivering the same to such party, or an agent of such party; or (iv) by transmitting the same to the party to be notified by telecopy, provided that receipt for such telecopy is verified by the sender and followed by a notice sent in accordance with one of the other provisions set forth above. Notices hereunder shall be effective on the date of delivery, deposit or transmittal in the manner described hereinabove. For the purposes of notice, the addresses of the parties shall, until changed as provided below, be as follows:

Seller

Vinton Hills Alegre, LLC
Attn: Bruce Bonestroo, Owner/Manager
P.O. Box 428
Anthony, NM 88021

Buyer

Village of Vinton
Attn: Village Administrator
436 E. Vinton Road
Vinton, Texas 79821

With a copy to:

With a copy to:
Lloyd Gosselink Rochelle & Townsend, P.C.
Attn: David J. Klein
816 Congress Avenue, Suite 1900
Austin, Texas 78701

The Parties hereto shall have the right from time to time to change their respective addresses, and each shall have the right to specify as its address any other address within the United States of America by at least five (5) days written notice to the other party. If any date or any period provided in this Agreement ends on a Saturday, Sunday or legal holiday, the applicable period shall be extended to the first business day following such Saturday, Sunday or legal holiday.

8.04. **Real Estate Commissions.** Seller and Buyer each represent and warrant to the other that no real estate brokerage commission is payable to any person or entity in connection with this transaction, and each indemnifies and holds the other harmless against the payment of any commission to any person or entity claiming by, through or under Seller or Buyer, as applicable.

8.05. **Time.** Time is of the essence in the performance of this Agreement.

8.06. **Assignment.** This Agreement may not be assigned by either Seller or Buyer without the written consent of the other Party.

8.07. **Survival of Representations, Warranties and Obligations.** The terms, conditions, warranties, representations, obligations and rights set forth herein shall not be deemed terminated at the time of Closing, nor shall they merge into the various documents executed and delivered at the time of Closing, but rather they shall survive Closing.

8.08. **Severability.** If any provision of this Agreement is illegal, invalid, or unenforceable under present or future laws, then, and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each provision of this Agreement that is illegal, invalid, or unenforceable, there be added as a part of this Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible, and be legal, valid, and enforceable.

8.09. **Waiver.** Any failure by a Party hereto to insist, or any election by a Party hereto not to insist, upon strict performance by the other Party of any of the terms, provisions, or conditions of this Agreement shall not be deemed to be a waiver thereof or of any other term, provision, or condition hereof, and such party shall have the right at any time or times thereafter to insist upon strict performance of any and all of the terms, provisions, and conditions hereof.

8.10. **Applicable Law.** The construction and validity hereof shall be governed by the laws of Texas.

8.11. **Grammatical Construction.** Wherever appropriate, the masculine gender may include the feminine or neuter, and the singular may include the plural, and vice versa.

8.12. **Further Assurances.** Each Party agrees to do all acts and things and to execute and deliver such further written instruments, as may be from time to time reasonably required to carry out the terms and provisions of this Agreement.

8.13 **Counterpart Execution.** This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document, and all counterparts will constitute one and the same agreement.

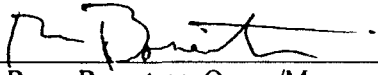
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EXECUTED by the undersigned on the dates set forth herein below.

SELLER:

Vinton Hills Alegre, LLC, a Texas limited liability company

3-16-20
Date

By: 
Bruce Bonestroo, Owner/Manager

BUYER:

Village of Vinton, a Type A general law Municipality of the State of Texas

3-17-20
Date

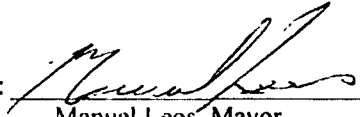
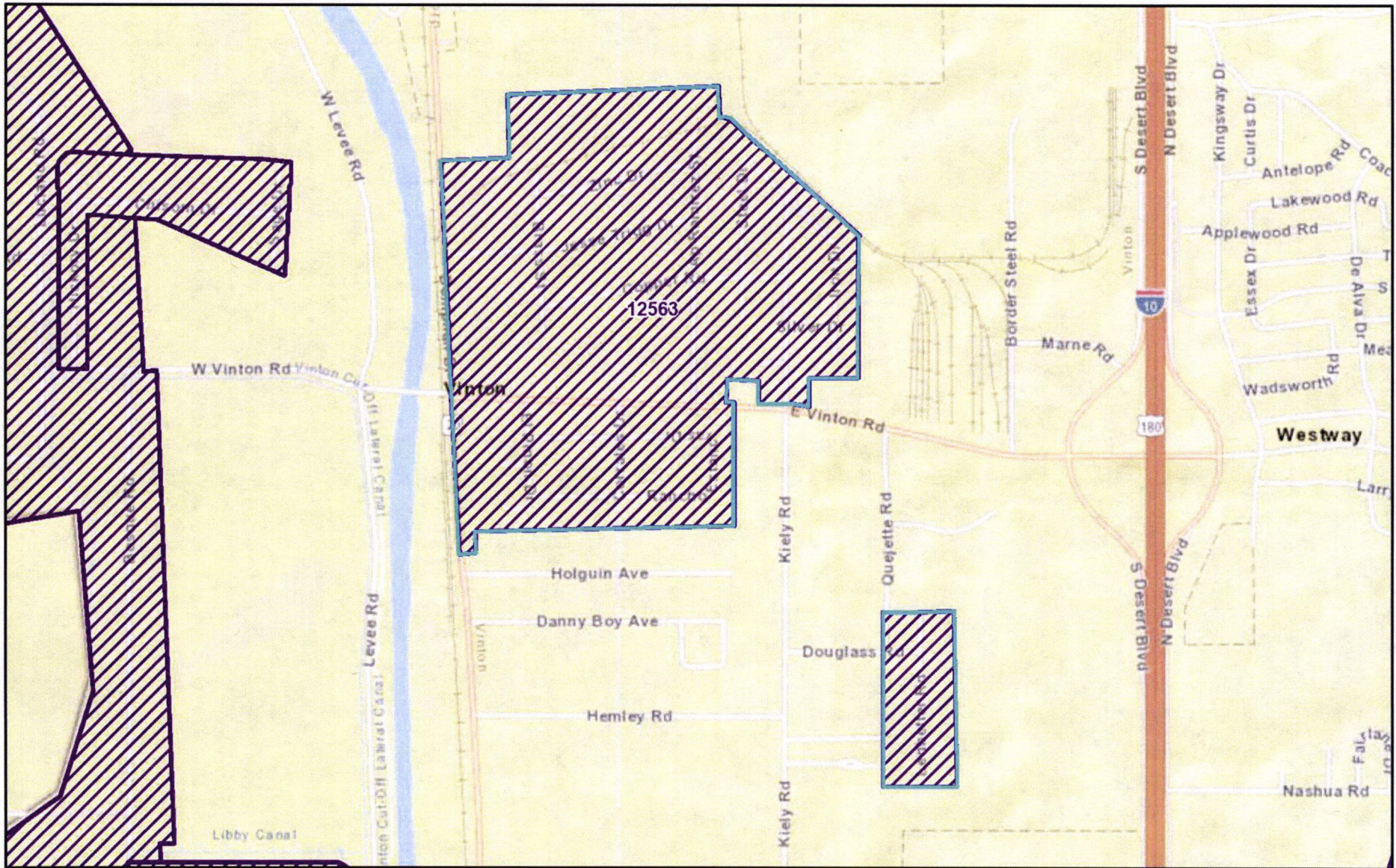
By: 
Manuel Leos, Mayor

EXHIBIT LIST

EXHIBIT A	CCN Area
EXHIBIT B	Assets/Components of the Water System
EXHIBIT C	Bill of Sale
EXHIBIT D	Special Warranty Deed
EXHIBIT E	Assignment of Easements
EXHIBIT F	Indemnity and Affidavit as to Debts and Liens of Vinton Hills Alegre, LLC

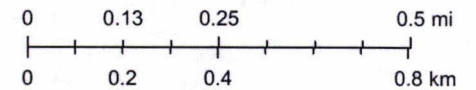
EXHIBIT A

Vinton Hills Alegre LLC



May 20, 2019

1:18,056



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan,

EXHIBIT B

SECTION IV SUMMARY SITE AND IMPROVEMENT ANALYSIS

1. SUMMARY SYSTEM DESCRIPTION

Vinton Hills Alegre, LLC is comprised of three water systems, Vinton Hills, Vinton Village Estates and Villa Alegre Estates. Two of the systems, Vinton Hills and Vinton Village Estates are interconnected and could operate as a single system in a back up situation. The original well at Vinton Village Estates was drilled in approximately 1993 the other two were drilled in 1996. Total pumped water through the system for the preceeding three years was:

2014----38,629,000 gallons

2015----37,803,000 gallons

2016----39,650,000 gallons

This calculates to approximately .389 acre feet per customer. A complete inventory of each systems component parts is illustrated below in Tables 4-1 through 4-3. The utility systems served an average of approximately 285 active customers during 2016.

Table 4-1 Vinton Hills Water System—Components List

Item	Quantity	Unit of Measure
Vinton Hills Water System 1996		
Chain Link Fence & Gate	380	lnft
Pump House	1	Unit
Well 1-- 8" Casing	700	Depth
Well pump 200 gal min, 15 hp	1	ea/ft
Booster Pumps 250 gal/min 10 hp	2	@
Hypoclorinators	1	@
Pressure Tanks 5000 gal pt	1	@
Ground Storage Tanks Total 3	50,000	gallons
Hydrandts	22	Units
Lines 6" IPS pipe	16,182	lnft
Lines 8" C-900 pipe	1,980	lnft
Service lines and taps	195	Unit
meters	195	Unit

Table 4-2 Vinton Village Estates Water System—Components List

Item	Quantity	Unit of Measure
Vinton Village Estates Water System 1993		
Chain Link Fence & Gate	340	lnft
Pump House	1	Unit
Well 1-- 8" Casing	700	Depth
Well pump 125 gal min, 7.5 hp	1	ea/ft
Booster Pumps 75 gal/min 5 hp	2	@
Hypochlorinators	1	@
Pressure Tanks 2500 gal pt	1	@
Ground Storage Tanks Welded Steel Total 2	20,000	gallons
Hydrants	11	Units
Lines 6" IPS pipe	7,518	lnft
Lines 8" C-900 pipe	920	lnft
Service lines and taps	83	Unit
meters	83	Unit

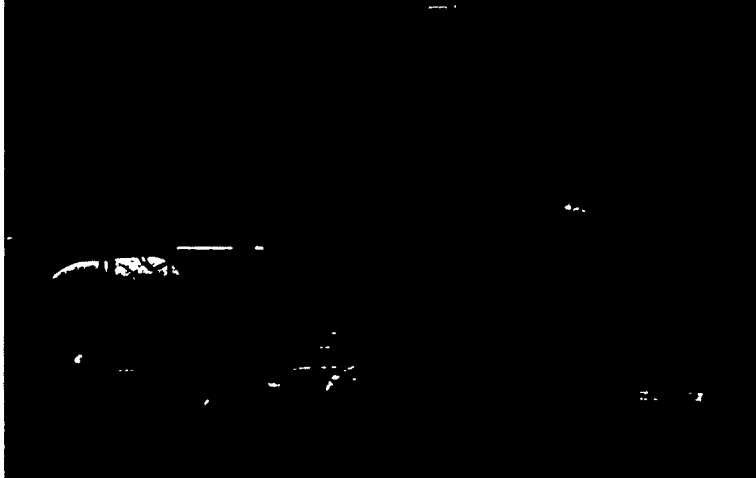
Table 4-3 Villa Alegre Estates Water System—Components List

Item	Quantity	Unit of Measure
Villa Alegre Water System 1996		
Chain Link Fence & Gate	132	lnft
Pump House	1	Unit
Well 1-- 6" Casing	500	Depth
Well pump 60 gal min, 5.0 hp	1	ea/ft
Booster Pumps 50 gal/min 2.5 hp	2	@
Hypochlorinators	1	@
Pressure Tanks 500 gal pt	1	@
Ground Storage Tanks Welded Steel Total 1	5,000	gallons
Hydrants	3	Units
Lines 4" sch 40 pvc pipe	1,600	lnft
Service lines and taps	25	Unit
meters	25	Unit

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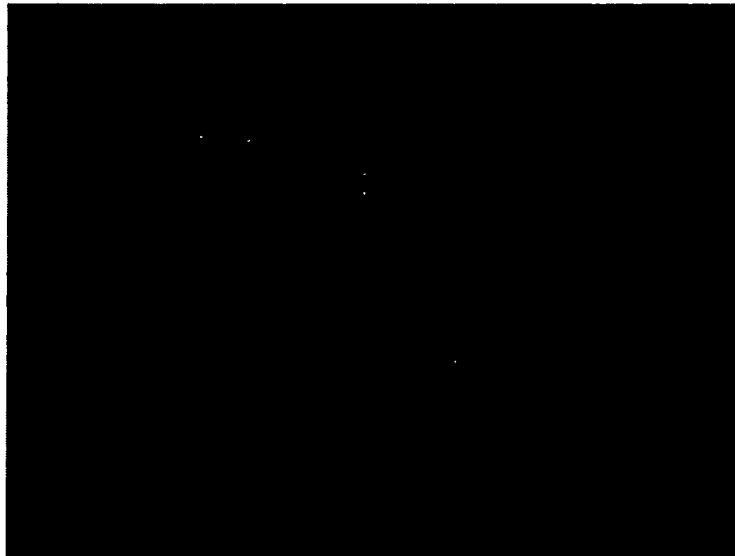
FIGURE 1-11 PHOTOS OF SUBJECT



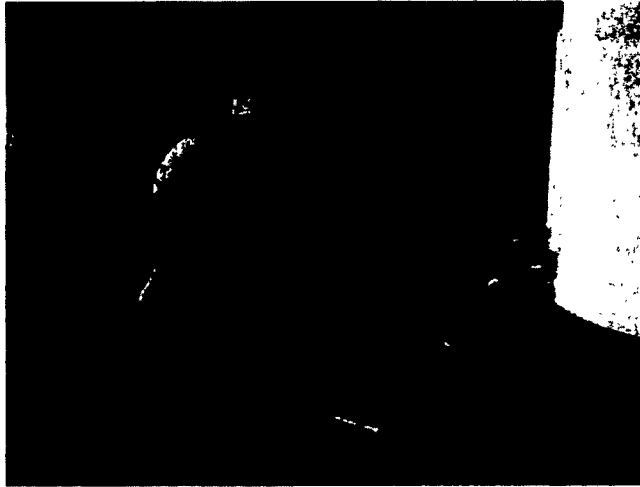
1. Vinton Hills Tanks, pressure tank, well house View from Ramirez Rd



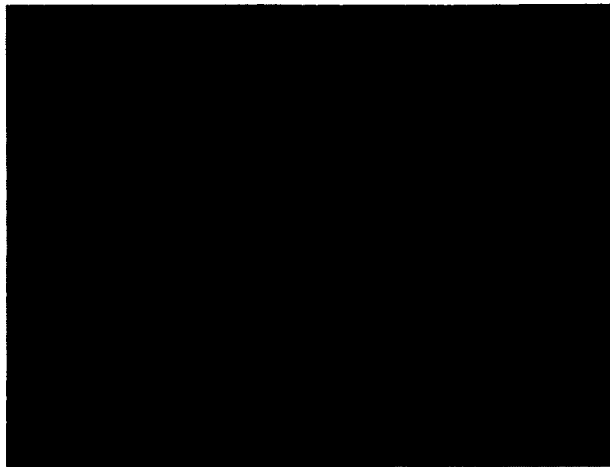
2. Aerial View of Well site Vinton Hills



3. View of Vinton Hills System



4. Pressure tank Vinton Hills



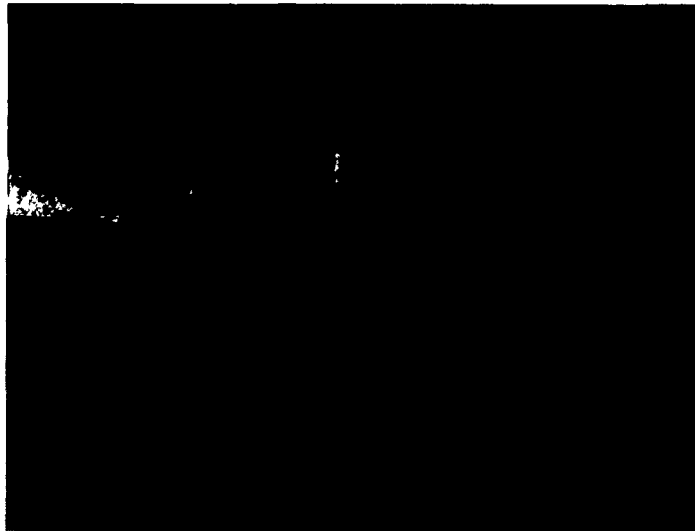
5. Three tanks Vinton Hills



6. Interior of Well House Well, pumps related Vinton Hills.



7. Interior of Well House Vinton Hills



8. View SW from NEC Ramirez of Vinton Hills



9. Vinton Village well site



10. Aerial of Vinton Estates



11. Vinton Village welded steel tanks and on site poly replacement tanks



12. Pressure tank for Vinton Village



13. Well House Vinton Village



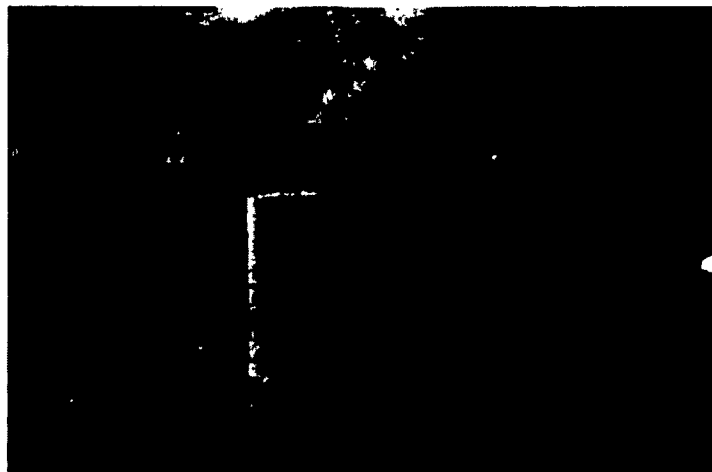
14. View of fenced site from NEC of Vinton Village



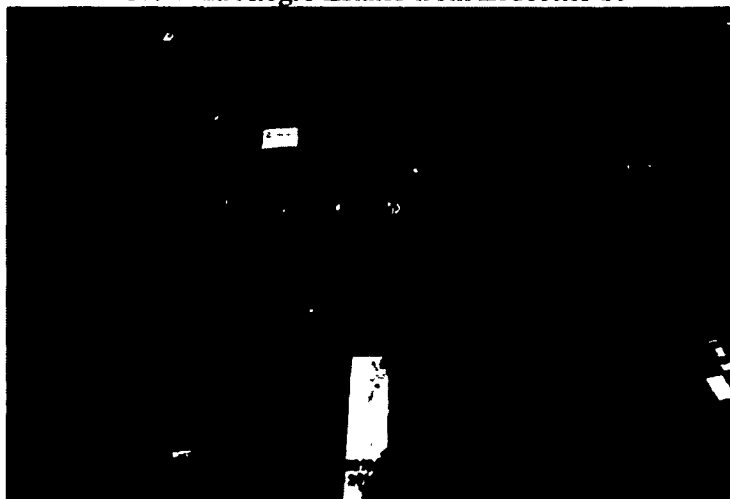
15. Typical leaks in tanks and reason for poly tank replacement



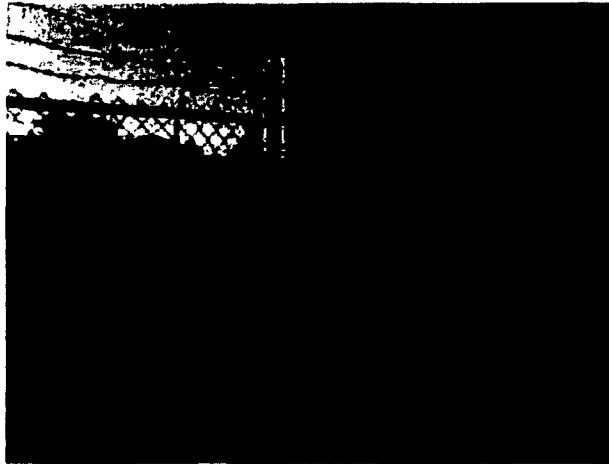
16. Pumps and related equipment Interior of pump House Vinton Village



17. Villa Alegre Estates from Ledbetter St



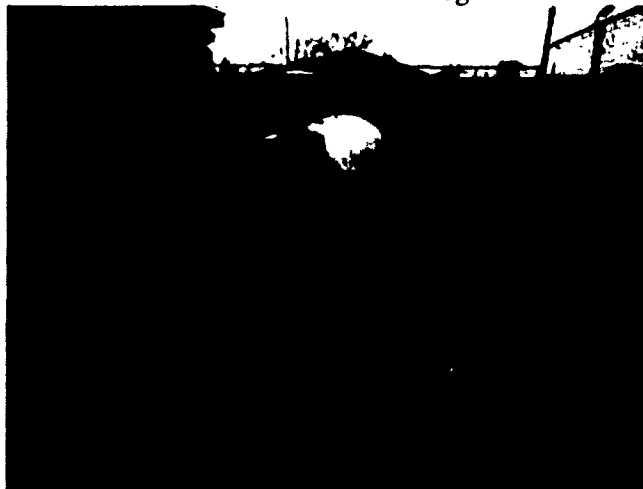
18. Aerial of Villa Alegre



19. View of Villa Alegre well site south from Ledbetter Rd



20. Well House Villa Alegre



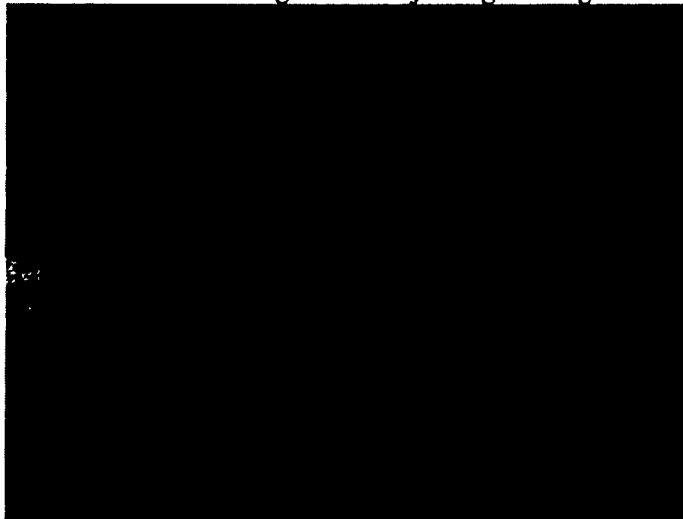
21. Pressure tank Villa Alegre



22. Interior well house Villa Alegre



23. View of Villa Alegre from adjoining drainage canal



24. View north along Ledbetter from Villa Alegre well site

figure of 25% is imposed system wide for both functional and economic depreciation. This rate is consistent with supported by the income approach as developed below.

LAND AND FF&E

The land associated with the subject water system, i.e. for the well houses, wells, water tanks and pressure tanks are considered and included below. Typical residential lots in the three subdivisions have sold for \$30,000 to \$40,000 with \$35,000 being an approximate average. The average size is estimated at $\frac{3}{4}$ of an acre or say 32,670 sf. Thus an estimate for the sf value of the subject three sites is \$1.07 per sf. There is no furniture fixtures and equipment considered in the analysis.

Tables 6-1, 6-2 and 6-3 illustrate the replacement cost new minus depreciation for each of the three water systems as requested by the client and are summarized and totaled at the end of the cost analysis. . Tables 6-1, 6-2 and 6-3 depict the basic breakdown of the principle cost components of the three facilities and presents the reconciled replacement cost new estimates of the systems. These figures would represent the total cost i.e., included in the per unit cost calculation would be contractor's overhead and profit and contingency fees. Also included in the cost would be architectural and design fees, entrepreneurial profit if any, and local and state sales tax.

The reader should note that at the time of inspection the Vinton Village Estates System had two new poly tanks sitting on site ready to be plumbed into the system to replace the existing welded steel tanks which have developed rust holes and leaks. However these tanks were not counted into the system on order to avoid double counting although when installed they would certainly be considered capital upgrades to the system but would do little to the overall average rate of depreciation as applied.

Table 6-1 Vinton Hills Water System 1996 -- 195 Meters

Items	Quantity	Unit Measure	Unit Cost	Replacement Cost New-Installed	Unitary Physical % Dep.	Functional and Economic % Dep.	Total	Total Depreciation "As Is"	RCN Minus Depreciation
Vinton Hills Water System 1996									
Chain Link Fence & Gate	380	lin ft	\$18.54	\$7,046	44.0%	25.0%	69.0%	\$4,861	\$2,184
Pump House	1	Unit	\$4,700.00	\$4,700	44.0%	25.0%	69.0%	\$3,243	\$1,457
Well 1 - 8" Casing	700	Depth	\$99.87	\$69,909	44.0%	25.0%	69.0%	\$48,237	\$21,672
Well pump 200 gal min, 15 hp	1	each	\$15,028.00	\$15,028	44.0%	25.0%	69.0%	\$10,369	\$4,659
Booster Pumps 250 gal/min 10 hp	2	each	\$2,180.00	\$4,360	44.0%	25.0%	69.0%	\$2,967	\$1,393
Hypochlorinators	1	each	\$1,170.00	\$1,170	44.0%	25.0%	69.0%	\$807	\$363
Pressure Tanks 5000 gal pt	1	each	\$15,110.00	\$15,110	44.0%	25.0%	69.0%	\$10,426	\$4,684
Ground Storage Tanks Total 3	50,000	gallons	\$0.86	\$42,500	44.0%	25.0%	69.0%	\$29,326	\$13,175
Hydrants	22	Units	\$8,750.00	\$148,500	44.0%	25.0%	69.0%	\$102,465	\$46,035
Lines 6" IPS pipe	18,182	lin ft	\$18.80	\$304,222	44.0%	25.0%	69.0%	\$209,913	\$94,309
Lines 8" C-900 pipe	1,980	lin ft	\$25.85	\$51,183	44.0%	25.0%	69.0%	\$35,318	\$15,867
Service Lines and taps	198	Unit	\$567.50	\$114,553	44.0%	25.0%	69.0%	\$79,048	\$35,514
Valves	198	Unit	\$166.00	\$33,026	44.0%	25.0%	69.0%	\$22,837	\$11,788
Total System Hard Cost New and Dep				\$616,234				\$463,215	\$253,039
Soft Cost, Arch., Ad, Fin, Plan	1.25%			\$10,203	44.0%	25.0%	69.0%	\$7,040	\$3,163
Land Market Value	12,976	sq ft	\$1.07	\$13,694					\$13,694
Total System RCN - Depreciation				\$640,343				\$679,296	\$370,896

Table 6-2 Vinton Village Estates Water System 1993 -- 83 Meters

Item	Quantity	Unit of Measure	Unit Cost	Replacement Cost New	Unitary Physical % Dep.	Functional and Economic % Dep.	Total	Total Depreciation "As Is"	RCN Minus Depreciation
Vinton Village Estates Water System 1993									
Chain Link Fence & Gate	340	lft	\$18.64	\$6,304	60.0%	25.0%	75.0%	\$4,728	\$1,676
Pump House	1	Unit	\$4,700.00	\$4,700	50.0%	25.0%	75.0%	\$3,525	\$1,175
Well 1-- 8" Casing	700	Depth	\$99.87	\$69,909	50.0%	25.0%	75.0%	\$52,432	\$17,477
Well pump 125 gal min, 7.5 hp	1	well	\$9,165.00	\$9,165	50.0%	25.0%	75.0%	\$6,874	\$2,291
Booster Pumps .75 gal/min 5 hp	2	well	\$2,128.00	\$4,256	50.0%	25.0%	75.0%	\$3,189	\$1,063
Hypochlorinators	1	well	\$1,170.00	\$1,170	50.0%	25.0%	75.0%	\$878	\$283
Pressure Tanks 2500 gal pt	1	well	\$9,995.00	\$9,995	50.0%	25.0%	75.0%	\$7,496	\$2,499
Ground Storage Tanks Welded Steel Total 2	20,000	gallons	\$0.85	\$17,000	50.0%	25.0%	75.0%	\$12,750	\$4,250
Hydrants	11	Units	\$6,750.00	\$74,250	50.0%	25.0%	75.0%	\$55,688	\$18,563
Lines 6" IPS pipe	7,618	lft	\$18.80	\$141,338	50.0%	25.0%	75.0%	\$106,004	\$35,336
Lines 8" C-900 pipe	920	lft	\$25.85	\$23,782	50.0%	25.0%	75.0%	\$17,837	\$5,946
Service lines and taps	83	Unit	\$587.50	\$48,763	50.0%	25.0%	75.0%	\$36,572	\$12,191
Isolators	83	Unit	\$185.00	\$15,355	50.0%	25.0%	75.0%	\$12,130	\$4,046
Total System Hard Cost New and Dep				\$428,813				\$320,109	\$108,703
Soft Cost, Arch., Ap, Fin, Plan	1.25%			\$5,335	50.0%	25.0%	75.0%	\$4,001	\$1,334
Land Market Value	19,222	sf	\$1.07	\$20,568					\$20,568
Total System RCN - Depreciation				\$452,716				\$324,111	\$128,604

Table 6-3 Villa Alegre Estates Water System 1996 -- 25 Meters

Item	Quantity	Unit of Measure	Unit Cost	Replacement Cost New	Utility Physical % Dep.	and Economic % Dep.	Total	Total Depreciation "As Is"	RCN Minus Depreciation
Villa Alegre Water System 1996									
Chain Link Fence & Gate	132	Unit	\$18.54	\$2,447	44.0%	25.0%	69.0%	\$1,659	\$789
Pump House	1	Unit	\$4,700.00	\$4,700	44.0%	25.0%	69.0%	\$3,243	\$1,457
Well 1 - 6" Casing	500	Depth	\$30.37	\$49,935	44.0%	25.0%	69.0%	\$34,455	\$15,480
Well pump 60 gal min, 5.0 hp	1	each	\$9,165.00	\$9,165	44.0%	25.0%	69.0%	\$6,324	\$2,841
Booster Pumps 50 gal/min 2.5 hp	2	each	\$1,410.00	\$2,820	44.0%	25.0%	69.0%	\$1,945	\$874
Hydrochloric	1	each	\$1,170.00	\$1,170	44.0%	25.0%	69.0%	\$807	\$363
Pressure Tanks 500 gal pt	1	each	\$2,937.00	\$2,937	44.0%	25.0%	69.0%	\$2,027	\$910
Ground Storage Tanks Welded Steel Total 1	5,000	gallons	\$0.85	\$4,250	44.0%	25.0%	69.0%	\$2,933	\$1,316
Hydrants	3	Units	\$6,750.00	\$20,250	44.0%	25.0%	69.0%	\$13,973	\$6,276
Lines 4" sch 40 pvc pipe	1,600	Unit	\$17.62	\$28,192	44.0%	25.0%	69.0%	\$19,452	\$8,740
Service lines and taps	25	Unit	\$567.50	\$14,188	44.0%	25.0%	69.0%	\$10,134	\$4,053
Insulators	25	Unit	\$165.00	\$4,125	44.0%	25.0%	69.0%	\$2,843	\$1,281
Total System Hard Cost New and Dep				\$145,429				\$100,349	\$45,080
Soft Cost, Arch., Ap, Fla, Plan	1.26%			\$1,818	44.0%	25.0%	69.0%	\$1,254	\$664
Land Market Value	7,500	sq ft	\$1.07	\$8,025					\$8,025
Total System RCN - Depreciation				\$154,272				\$101,603	\$52,669

EXHIBIT C

STATE OF TEXAS

COUNTY OF EL PASO

§
§
§

KNOW ALL MEN BY THESE PRESENTS:

BILL OF SALE AND ASSIGNMENT

Vinton Hills Alegre, LLC ("***Seller***"), a Texas limited liability company in good standing, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) cash and other good and valuable consideration paid to Seller by the Village of Vinton, a Type A general law municipality of the State of Texas, operating under and governed by the laws and Constitution of the State of Texas ("***Purchaser***") (Seller and Purchaser are each a "***Party***", and are collectively referred to as the "***Parties***"), the receipt and sufficiency of which is hereby acknowledged, has granted, sold and conveyed, and by these presents does grant, sell, and convey unto Purchaser, its successors and assigns, the following:

1. Seller has GRANTED, SOLD, ASSIGNED, TRANSFERRED, CONVEYED, SET-OVER, and DELIVERED and by these presents does hereby GRANT, SELL, ASSIGN, TRANSFER, CONVEY, SET-OVER and DELIVER unto Purchaser all of the interest of Seller in the following assets which comprise the Water System (collectively, the "***Assets***"):

- (a) all of Seller's water distribution lines, storage tanks, water wells, and related facilities that comprise TCEQ as Public Water System Registration Nos. TX0710169, TX0710172, and TX0710151; and such infrastructure is more specifically depicted in **Schedule 1**, attached hereto and incorporated by this reference herein for all purposes (collectively, the "***Water Systems***");
- (b) all items of furniture, fixtures, equipment, documents, and miscellaneous tangible personal property owned by Grantor, and located within, or used in connection with, the ownership or operation of the Water Systems, serving the retail water service area assigned under CCN No. 12563 by the PUC, and all of such items and personal property being collectively referred to herein as the "***Personal Property***," which is depicted or described in **Schedule 1**, attached hereto and incorporated herein for all purposes;
- (c) all surveys, tests, soil and substrata studies, and environmental assessments or studies of any kind, if any, now or hereafter in the possession of Seller which relate to the Water Systems (the "***Studies***"), attached hereto as **Schedule 2** and incorporated by this reference herein for all purposes;
- (d) to the extent allowed by law, the lists of names and addresses of each Customer of Seller, information regarding deposits made by such Customers to Seller, in hard copy and on computer media, that are in the possession of Seller that relate to the Water Systems (the "***Records***"), attached hereto as **Schedule 3**;
- (e) all of Seller's right, title and interest in and to all other rights, privileges and appurtenances owned by Seller and in any way related to the Assets;
- (f) all permits, licenses, authorizations, and governmental approvals granted or issued by any governmental authority to Seller that enable Seller to operate and maintain the Water

Systems, including, but not limited to, (i) the portion of Seller's water CCN No. 12563, known as the CCN Area and (ii) Seller's public drinking water system authorizations for the Water Systems (collectively, the "**Permits**"), and the Permits that shall be transferred and assigned by Seller to Purchaser are listed on **Schedule 4**; provided, however, that to the extent that the transfer, assignment, or conveyance of such matters are subject to governmental approval or consent, Seller and Buyer agree to work together at their sole respective costs to obtain all approvals and consents that are necessary to effect the transfers, assignments, or conveyances contemplated herein;

- (g) all right, title, and interest of Seller in and under service contracts, operating agreements, and warranties, and amendments, modifications, additions, and changes thereto, that are related to the Water Systems (collectively, the "**Service Agreements**"), if any, as provided in **Schedule 5**; but, only to the extent that Buyer agrees to accept the liabilities of Seller thereunder; and
- (h) all right, title, and interest of Seller in and to the plans, specifications, site plans, as-built plans, architectural renderings, engineering plans and studies, floor plans, landscape plans, surveys, shop drawings, drawings, sketches, operating manuals, diagrams, and other documents of every nature and description in the possession of Seller ("**Plans**") that relate to the Water Systems (collectively, the "**Plans**"), as described on **Schedule 6**.
- (i) All customer deposits of every nature, including security deposits, guaranty fees, prepaid tap fees, and other sums paid to Seller by the customers of the Water Systems, and which are held in trust for or are reimbursable to one or more or such customers ("**Deposits**"), upon the occurrence of future conditions or events.

2. The Parties further agree as follows:

- (a) This Agreement is absolute and effective immediately.
- (b) Purchaser is hereby vested with full power to use all measures, legal and equitable, deemed by it necessary or proper to enforce this Agreement and to collect the benefits of the Assets hereunder.
- (c) IN ADDITION TO THE OTHER REMEDIES AFFORDED TO PURCHASER IN THIS AGREEMENT, AND TO THE EXTENT ALLOWED BY LAW, SELLER SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS PURCHASER FOR, FROM AND AGAINST ANY AND ALL LOSSES LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, ATTORNEYS' FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION, AND GOVERNMENTAL OVERSIGHT COSTS) ENVIRONMENTAL OR OTHERWISE OF ANY NATURE, KIND OR DESCRIPTION OF ANY PERSON OR ENTITY DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM, OR RELATED TO (IN WHOLE OR IN PART) THE FOLLOWING:
 - (i) SELLER'S PERFORMANCE OF ITS OBLIGATIONS PURSUANT TO THIS AGREEMENT.

(ii) VIOLATIONS OR CLAIMED VIOLATIONS OF ANY ENVIRONMENTAL, HEALTH, AND SAFETY LAWS WHICH RELATE IN ANY WAY TO THE OWNERSHIP, OCCUPANCY, USE, OPERATION, OR CONDITIONS OF ANY PRESENT OR FORMER PROPERTIES OF THE WATER SYSTEM ON OR BEFORE THE CLOSING DATE;

(iii) ANY CLEANUP OR REMEDIATION REQUIREMENT OR LIABILITY OR ANY OTHER DAMAGES OR LIABILITY ARISING FROM A RELEASE OR THREATENED RELEASE OR EXPOSURE TO ANY HAZARDOUS SUBSTANCES TO THE EXTENT THAT THOSE HAZARDOUS SUBSTANCES ARE PRESENT AT ANY PRESENT OR FORMER PROPERTIES OF THE WATER SYSTEM ON OR BEFORE THE CLOSING DATE;

(iv) ANY TAXES ATTRIBUTABLE TO THE WATER SYSTEM; AND

(v) DEPOSITS PAID BY CUSTOMERS TO SELLER OR INTEREST ACCRUED ON SUCH DEPOSITS THAT WERE INITIALLY PAID BY CUSTOMERS TO SELLER.

- (d) Waiver or acquiescence by Purchaser in any default by Seller, or failure of Purchaser to insist upon strict performance by Seller of any warranties or agreements in this Agreement, shall not constitute a waiver of any subsequent or other default or failure, whether similar or dissimilar.
- (e) The rights and remedies of Purchaser under this Agreement are cumulative and are not in lieu of, but are in addition to any other rights or remedies Purchaser shall have under any other instruments executed concurrently herewith between the Parties, or at law or in equity.
- (f) If any term of this Agreement, or the application thereof to any person, entity or circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term to person or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
- (g) All notices to be given by this Agreement shall be sufficient if mailed either by (1) postage prepaid, certified or registered mail, return receipt requested, or (2) by delivery to a nationally recognized overnight delivery service, to the following addresses of the Parties hereto, or to such other address as a Party may request in writing:

Seller

Vinton Hills Alegre, LLC
c/o Bruce Bonestroo, Owner/Manager
P.O. Box 428
Anthony, NM 88021

Purchaser

Village of Vinton
c/o Village Administrator
436 E. Vinton Road
Vinton, Texas 79821

Any time period provided in the giving of any notice hereunder shall commence upon the date such notice is deposited in the mail or delivered to said overnight delivery service, as the case may be.

- (h) Seller, and Seller's successors and assigns, agree to warrant and defend title to the foregoing property hereby conveyed.
- (i) Purchaser shall use commercially reasonable efforts to have utility services switched from Seller to Purchaser within a commercially reasonable amount of time.
- (j) The Recitals of this Agreement are incorporated and made a part of this Agreement.

3. Seller hereby represents and warrants to Purchaser, as of the date Seller executes this Agreement, the following:

(a) Seller has complied with all applicable laws, regulations, statutes, rules, and restrictions relating to the Water System. The Water Systems are in compliance with the Texas Water Code, the TCEQ's rules for public drinking water systems, and the PUC's rules for CCNs. No enforcement actions are pending at the Commission against Purchaser regarding the Water System.

(b) All of the Water System is located within public rights-of-way and not within any privately-owned property. Seller has complied with the terms of all easements and rights-of-way instruments under or pursuant to which the Water System has been made and/or installed, if any. Seller is not in default under any easement or right-of-way instrument. Seller has received no notice of any violation of any applicable zoning regulation, ordinance, or any other law, covenant, condition, restriction, easement, or right-of-way relating to the Water System from any governmental agency having jurisdiction over the Property or from any other person or owner, and Seller does not have any knowledge of any such violation. In the event that any portion of the Water System is located on privately held property, Seller agrees to provide Purchaser with the necessary property right to access, operate, maintain, repair, or remove such infrastructure, free and clear of any and all liens and encumbrances, within a commercially reasonable time; provided, however, that if such right to the real property right is not provided within thirty (30) days of the date that this Agreement is fully executed, Purchaser shall have the sole discretion to exercise its authority to obtain such real property right at Seller's sole cost and expense. Seller have the obligation to reimburse Purchaser within fifteen (15) days of receipt of a bill for such costs.

(c) Seller has no unpaid bills with respect to the Water Systems, except those previously disclosed by Seller to Purchaser in writing.

(d) There is no pending condemnation, proceeding, or assessment currently existing of which Seller has been notified or, to the best of Seller's knowledge, threatened or contemplated against Seller or its Water System by any governmental entity or authority.

(e) The person executing this Agreement on behalf of Seller has the proper authority to enter into this Agreement on Seller's behalf, and to bind Seller to its terms.

(f) This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas.

(g) Each of the Parties represent and warranty that their respective representative executing this Agreement is authorized to execute this Agreement.

TO HAVE AND TO HOLD the Assets, together with all and singular rights and appurtenances thereto in anywise belonging, unto the said Purchaser, its successors and assigns, forever, and Seller does hereby bind itself and its successors to WARRANT AND FOREVER DEFEND title to the Assets unto Purchaser, its successors and assigns, against the lawful claims of any and all persons lawfully claiming or to claim the same or any part hereof.

Seller warrants that there are no liens, encumbrances, or security agreements affecting the Water Systems and/or Purchaser's interests in those Water Systems.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale and Assignment to be executed on the day and year first above written.

PURCHASER: **VILLAGE OF VINTON**, a Type A general law municipality of the State of Texas

By: _____
Manuel Leos, Mayor

Date: _____

SELLER: **VINTON HILLS ALEGRE, LLC**, a Texas limited liability company

By: _____
Bruce Bonestroo, Owner/Manager

Date: _____

Schedule 1—WATER SYSTEMS AND PERSONAL PROPERTY

The Villa Alegre Estates, Vinton Hills Subdivision, and Vinton Village Estates Water Systems include but are not limited to:

- All meters, pumps, pipes, motors, groundwater wells, water lines and related facilities, water transmission mains, water distribution lines to individual connections, storage facilities, water treatment plants and any other components necessary to operate these water systems, valves, electrical connections, buildings, parking areas, landscaping and all other improvements situated on, over, under, or within the real estate for such water systems;
- all improvements and personal property necessary or incidental to the operation or maintenance of the Water Systems or within the real property; and
- the assets contained in the additional materials of this Schedule 1, as follows:

Schedule 2—STUDIES

Schedule 3—RECORDS

Schedule 4—PERMITS

- (1) Public Utility Commission of Texas' Water Certificate of Convenience and Necessity No. 12563.
- (2) Texas Commission on Environmental Quality Public Water System Registration Nos. TX0710169, TX0710172, and TX0710151.

Schedule 5—SERVICE AGREEMENTS

Schedule 6—PLANS

EXHIBIT D

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

SPECIAL WARRANTY DEED

DATE: _____, 2020

GRANTOR: VINTON HILLS ALEGRE, LLC, a Texas limited liability company

GRANTOR'S MAILING ADDRESS: Vinton Hills Alegre, LLC
Attn: Bruce Bonestroo, Owner/Manager
P.O. Box 428
Anthony, NM 88021

GRANTEE: VILLAGE OF VINTON, a Type A general law municipality of the State of Texas

GRANTEE'S MAILING ADDRESS: Village of Vinton
Attn: Village Administrator
436 E. Vinton Road
Vinton, Texas 79821

CONSIDERATION: Ten dollars (\$10.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

PROPERTY (including any improvements thereon): All of Grantor's fee simple interest in the following:

PARCEL 1 (Vinton Hills Water System):

Lot 12, Block 1, VINTON HILLS COMMERCIAL PARK, UNIT 1, an addition to El Paso County, Texas, according to the plat thereof on file in Volume 73, Page 47, Real Property Records, El Paso County, Texas;

PARCEL 2 (Vinton Village Estates Water System):

Lot 1, Block 1, VINTON VILLAGE ESTATES, an addition to El Paso County, Texas, according to the plat thereof on file in Volume 64, Page 35, Real Property Records, El Paso County, Texas; and

PARCEL 3 (Villa Alegre Estates Water System):

Well site located between Lots 3 and 4, Block 2, VILLA ALEGRE ESTATES, an addition to El Paso County, Texas, according to the plat thereof on file in Volume 66, Page 13, Real Property Records, El Paso County, Texas. (Said parcel is shown as Lot 3A, Block 2 on the El Paso County Tax Rolls).

Reservations from Conveyance: None.

Exceptions to Conveyance and Warranty: This conveyance and warranty is made and accepted subject to:

1. PARCEL 2: The restrictive covenants recorded in/under Volume 2090, Page 94 and Volume 2996, Page 1745 of the Real Property Records of El Paso County, Texas;
2. PARCEL 3: Restrictive Covenants recorded in/under Volume 2312, Page 1708 and Volume 2286, Page 1354 of the Real Property Records, of El Paso County, Texas;
3. Any discrepancies, conflicts, or shortages in area or boundary lines, or any encroachments or protrusions, or any overlapping of improvements;
4. Standby fees, taxes and assessments by any taxing authority for the year 2006, and subsequent years, which Grantee assumes and agrees to pay; and subsequent taxes and assessments by any taxing authority for that and prior years due to change in land usage, ownership, or both, the payment of which Grantee assumes; but not those taxes or assessments for prior years because of an exemption granted to a previous owner of the property under Section 11.13, Texas Tax Code, or because of improvements not assessed for a previous tax year;
5. Claims by the Tigua Indian Tribe of the Ysleta del Sur Pueblo, and as evidenced by that certain Affidavit Concerning Filing of Notice of Claim to the Ysleta Grant and Aboriginal Title Areas, executed by Julian Granillo, Governor of the Ysleta del Sur Pueblo Indian Tribe, also known as the Tigua Indian Community, dated April 12, 1993, filed April 16, 1993 in 2553/1958, of Real Property Records, El Paso County, Texas;

PARCEL 1:

6. Title to 15/16ths of all oil, gas, and minerals of every kind and character in, on and under the Property, together with all rights, privileges and immunities relating thereto, heretofore reserved, or conveyed by predecessors in title to NELLIE D. STEWART, of record in Volume 944, Page 492, Real Property Records, El Paso County, Texas;
7. Easement to EL PASO ELECTRIC COMPANY and MOUNTAIN STATES TELEPHONE AND TELEGRAPH COMPANY in Volume 863, Page 342 and Volume 588, Page 572 and transferred in Volume 1231, Page 646, Real Property Records, El Paso County, Texas, with MOUNTAIN STATES TELEPHONE AND TELEGRAPH COMPANY'S interest therein granted, sold and quit claimed to SOUTHWESTERN

BELL TELEPHONE COMPANY in Volume 1231, Page 646, Real Property Records, El Paso County, Texas;

8. Water Well and Ditch Use Agreement between A.D. GREENWOOD, JR. and ELOIS ANTOINETTE GREENWOOD HURLEY, filed in Volume 2687, Page 897, Real Property Records, El Paso County, Texas;
9. Agreement regarding the flow of all water, whether natural or flood waters, between VICTOR HOLGUIN, et al and A.D. GREENWOOD, JR. and FERN AMIS GREENWOOD, filed in Volume 1131, Page 393, amended in Volume 5, Page 1799, Real Property Records, El Paso County, Texas;
10. Burdens and benefits of Easement Agreement dated 10/11/95 executed by OMAR CASTANO, in Volume 2966, Page 1648, Real Property Records, El Paso County, Texas;

PARCEL 2:

11. Title to 1/16th of all oil, gas and minerals of every kind and character except sulphur and 1/8th of all sulphur, in, on and under the Property, together with all rights, privileges and immunities relating thereto, heretofore reserved or conveyed by predecessors in title, to the STATE OF TEXAS as a free royalty, in Volume 1028, Page 418, Real Property Records, El Paso County, Texas (Survey #231);
12. Easement to EL PASO ELECTRIC COMPANY in Volume 2046, Page 620, Real Property Records, El Paso County, Texas;
13. Private Drainage easement as shown on plat in Volume 64, Page 35, Real Property Records, El Paso County, Texas;
14. Easement to SOUTHWESTERN BELL TELEPHONE COMPANY in Volume 2101, Page 143, Real Property Records, El Paso County, Texas;
15. Easements for public utilities including easements for buried service wires, conduits, etc., and the right to ingress and egress for service as shown on recorded plat of said addition in Volume 64, Page 35, Real Property Records, El Paso County, Texas;

PARCEL 3:

16. Title to 1/16th of all oil, gas and minerals of every kind and character except sulphur and 1/8th of all sulphur, in, on and under the Property, together with all rights, privileges and immunities relating thereto, heretofore reserved or conveyed by predecessors in title, to the STATE OF TEXAS as a free royalty, in Volume 1194, Page 593, Real Property Records, El Paso County, Texas;

17. Terms and provisions of that certain Declaration of Covenants, Conditions and Restrictions, as set out in Volume 2286, Page 1354, Real Property Records, El Paso County, Texas; and
18. Matters set forth on the subdivision plat, including, but not limited to, building set back lines, easements for public utilities, and easements for buried service wires, conduits, etc., with the right to ingress and egress for service, shown on the recorded plat of said addition in Volume 66, Page 13, Real Property Records, El Paso County, Texas. Said easements being five feet in width across the front of subject property.

(Sections 1-18, above, are collectively the “*Permitted Exceptions*”).

Grantor, for the Consideration and subject to the Permitted Exceptions, has GRANTED, SOLD, TRANSFERRED, and CONVEYED, and does by these presents hereby GRANT, SELL, TRANSFER and CONVEY, to Grantee the Property, together with all and singular the rights and appurtenances thereto in any wise belonging.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereunto in anywise belonging, unto Grantee, its successors and assigns forever, and Grantor does hereby bind itself, its successors and assigns, to WARRANT AND FOREVER DEFEND all and singular the title to the Property unto the said Grantee, its successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through, or under Grantor but not otherwise, subject to the Permitted Exceptions.

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

[remainder of page intentionally blank]

GRANTOR
VINTON HILLS ALEGRE, LLC, a Texas
limited liability company

By: _____

Name: _____

Title: _____

ACKNOWLEDGMENT

STATE OF TEXAS §

§

COUNTY OF EL PASO §

This instrument was acknowledged before me on _____, 2020, by
Bruce Bonestroo, Owner/Manager of Vinton Hills Alegre, LLC, a Texas limited liability
company, on behalf of said company.

Notary Public, State of Texas

ACKNOWLEDGED AND APPROVED:

VILLAGE OF VINTON, a Type A general law
municipality

By: _____
Manuel Leos, Mayor

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

This instrument was acknowledged before me on this ____ day of _____, 2020,
by Manuel Leos, Mayor of the Village of Vinton, on behalf of said municipality.

Notary Public, State of Texas

[seal]

AFTER RECORDING, RETURN TO:
Lloyd Gosselink Rochelle & Townsend, P.C.
Attn: David J. Klein
816 Congress Avenue, Suite 1900
Austin, Texas 78701

EXHIBIT E

STATE OF TEXAS §
COUNTY OF EL PASO §

Date: _____, 2020

Assignors: Vinton Hills Alegre, LLC, a Texas limited liability company

Assignor's Mailing Address: Vinton Hills Alegre, LLC
Attn: Bruce Bonestroo, Owner/Manager
P.O. Box 428
Anthony, NM 88021

Assignee: Village of Vinton, Texas, a Type A general law municipality

Assignee's Mailing Address: Village of Vinton
Attn: Village Administrator
436 E. Vinton Road
Vinton, Texas 79821

Consideration: Ten dollars (\$10.00) and other good and valuable consideration the receipt of which is hereby acknowledged.

Easements: The easement(s) described in **Exhibit A**, attached hereto and made a party of this instrument for all purposes.

Assignment:

PAGE 1 OF 7

TO HAVE AND TO HOLD the said Easements, together with all and singular the rights and appurtenances thereto in anywise belong unto the said Assignee and Assignee's successors and assigns forever; and Assignor does hereby bind itself and its successors and assigns to WARRANT and FOREVER DEFEND all and singular the said Easements unto Assignee, and Assignee's successors and assigns against every person whomsoever claiming or to claim the same or any part thereof.

Assignee joins in the execution of this instrument for purposes of acknowledging its agreement to assume Assignor's obligations, to the extent there are any, under the Easements.

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

Signature pages follow immediately.

Executed and effective on this _____ day of _____, 20__.

ASSIGNOR:

VINTON HILLS ALEGRE, LLC

By: _____
Bruce Bonestroo, Owner/Manager

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 20__,
by Bruce Bonestroo, Owner and Manager of Vinton Hills Alegre, LLC, a Texas limited liability
company, on behalf of said company.

Notary Public, State of Texas

[seal]

ACKNOWLEDGED AND APPROVED:

VILLAGE OF VINTON, a Type A general law
municipality

By: _____
Manuel Leos, Mayor

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

This instrument was acknowledged before me on this _____ day of _____, 20____,
by Manuel Leos, Mayor of the Village of Vinton, on behalf of said municipality.

Notary Public, State of Texas

[seal]

Schedule 1
Easements

[TO BE UPDATED BY THE PARTIES AT CLOSING TO INCLUDE ALL EASEMENTS
POSSESSED BY ASSIGNOR/SELLER THAT ARE NECESSARY FOR ASSIGNEE/BUYER
TO OPERATE THE WATER SYSTEMS]

CONSENT AND SUBORDINATION BY LIENHOLDER

_____ (“Lienholder”), as the holder of lien(s) on the Easements, including but not limited to, a lien recorded in the _____ County Official Public Records that is identified as Document No. _____, consents to the above assignment of the Easements, including the terms and conditions of such grant, and Lienholder subordinates its lien(s) to the rights and interests of the Purchaser in such Easements, such that a foreclosure of the lien(s) shall not extinguish such rights and interests of the Easements.

By: _____

Its: _____

Date: _____

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the _____ day of _____, 20____
by _____, _____ of _____,
on behalf of said _____.

Notary Public, State of Texas

Printed Name: _____

My Commission expires:

[seal]

After recording, please return to:
Lloyd Gosselink Rochelle & Townsend, P.C.
Attn: David J. Klein
816 Congress Avenue, Suite 1900
Austin, Texas 78701

EXHIBIT F

STATE OF TEXAS

§

COUNTY OF EL PASO

§

§

**INDEMNITY AND AFFIDAVIT AS TO DEBTS AND LIENS
OF VINTON HILLS ALEGRE, LLC.**

SUBJECT PROPERTY:

The property is described as all water utility infrastructure and groundwater wells owned by Vinton Hills Alegre, LLC, a Texas limited liability company in good standing, related to the following public drinking water systems: (1) Villa Alegre Estates, (2) Vinton Hills Subdivision, and (3) Vinton Village Estates, identified by the Texas Commission on Environmental Quality (“**TCEQ**”) as Public Water System Registration Nos. TX0710169, TX0710172, and TX0710151, respectively (collectively, the “**Water Systems**”). The Water Systems are located on, upon, and within certain public rights-of-way.

Before me, the undersigned authority, on this day personally appeared Bruce Bonestroo, Owner and Manager of Vinton Hills Alegre, LLC (“**Seller**”), personally known to me to be the person(s) whose name(s) is subscribed hereto and upon oath deposes, says and represents on behalf of Seller to the Village of Vinton, Texas (“**Purchaser**”) that as of the date of execution of this document, there are:

1. No unpaid debts for taxes for the Property, no portions of the Property that have been purchased on time payment contracts, and no security interests on the Property secured by a financing statement, security agreement or otherwise except the following:

None

2. To the best of Seller’s knowledge, no loans or liens (including federal or state liens and judgment liens) of any kind on the Property except the following:

None

3. During Seller’s ownership of the Property, all labor and material used in the construction of the Property have been paid for and there are no unpaid labor or material claims against the improvements or the property upon which same are situated, and Seller hereby declares that all sums of money due for the installation of the Property have been fully paid and satisfied, except the following:

None

INDEMNITY: SELLER AGREES TO PAY ON DEMAND TO THE PURCHASER IN THIS TRANSACTION, ITS SUCCESSORS AND ASSIGNS, ALL AMOUNTS SECURED BY ANY AND ALL LIENS NOT SHOWN ABOVE, TOGETHER WITH ALL COSTS, LOSS AND ATTORNEY’S FEES THAT SAID PARTIES MAY INCUR IN CONNECTION WITH

SUCH UNMENTIONED LIENS, PROVIDED SAID LIENS EITHER CURRENTLY APPLY TO SUCH PROPERTY, OR A PART HEREOF, OR ARE SUBSEQUENTLY ESTABLISHED AGAINST SAID PROPERTY AND ARE CREATED BY SELLER, KNOWN TO SELLER, OR HAVE AN INCEPTION DATE PRIOR TO THE CLOSING OF THIS TRANSACTION.

Seller realizes that the Purchaser is relying on the presentations contained herein in purchasing same and would not purchase the same unless said representations were made.

Vinton Hills Alegre, LLC.

By: _____
Bruce Bonestroo, Owner/Manager

SWORN AND SUBSCRIBED TO BEFORE ME, on this ____ day of _____,
_____.

Notary Public, State of Texas

Printed Name of Notary

My Commission Expires:

[seal]

Exhibit B

Copy of Commission Order Approving Vinton Hills Alegre, LLC's Tariff

DOCKET NO. 48534

APPLICATION OF VINTON HILLS
ALEGRE, LLC FOR A PRICE INDEX
RATE ADJUSTMENT

§
§
§

PUBLIC UTILITY COMMISSION
OF TEXAS
2018 OCT -5 6:09 PM
Filing Unit

NOTICE OF APPROVAL

This Notice addresses the application of Vinton Hills Alegre, LLC for a price-index rate adjustment. The Commission adjusts Vinton Hills Alegre's monthly base rate to \$12.62 and the gallonage rate to \$1.58.

The Commission adopts the following findings of fact and conclusions of law:

I. Findings of Fact

Applicant

1. Vinton Hills Alegre is a domestic limited liability company registered with the Texas Secretary of State under file number 800704510.
2. Vinton Hills Alegre holds certificate of convenience and necessity (CCN) number 12563, operates three public water systems (0710151-Vinton Village Estates), (0710172-Vinton Hills Subdivision), (0710169-Villa Alegre Estates) and serves 285 connections.

Application

3. On July 19, 2018, Vinton Hills Alegre filed an application for a price-index rate adjustment to its monthly base rate and gallonage rate based on the Commission's current price index of 3.50%.
4. Vinton Hills Alegre supplemented the application with proposed notice pages on August 6, 2018.
5. Vinton Hills Alegre proposed an effective date of October 1, 2018.
6. In Order No. 2 issued on August 30, 2018, the administrative law judge (ALJ) found the application administratively complete.

Rate Adjustment Requested

7. Vinton Hills Alegre proposed increasing the monthly base rate from \$12.19 to \$12.62, including 3,000 gallons, and the gallonage rate from \$1.53 to \$1.58 per 1,000 gallons for usage in excess of 3,000 gallons.
8. Vinton Hills Alegre requested an adjustment to its water tariff base rate (monthly meter charge) and its monthly gallonage rate based on the Commission's current price index of 3.50%.
9. Vinton Hills Alegre requested an effective date of October 1, 2018.

Notice

10. In Order No. 2 issued on August 20, 2018, the ALJ directed Vinton Hills Alegre to issue notice to customers 30 days before the effective date of the proposed change as required under 16 Texas Administrative Code (TAC) § 24.26(e).

Filing Schedule

11. A class C utility with a CCN number ending in 63 may file an application for a price-index rate adjustment in the month of July, unless good cause is shown for filing in a different month.
12. The Commission last approved a rate increase for Vinton Hills Alegre, a 1.57% price-index rate adjustment in July 2017, in Docket No. 47317.¹

Annual Report

13. Vinton Hills Alegre must file its annual service, financial, and normalized-earnings report on June 1 of each year, as required by 16 TAC § 24.73.
14. The Commission approved a price index for calendar year 2018 of 3.5%² in Project No. 45320.

¹ *Application of Vinton Hills Alegre Hills Alegre, LLC for a Price Index Rate Adjustment*, Docket No. 47317, Notice of Approval (Jul. 24, 2017).

² *Price Index Established Under Texas Water Code § 13.1872 and 16 Texas Administrative Code § 24.36(g)*, Project No. 45320, Order (Nov. 17, 2017).

Informal Disposition

15. Vinton Hills Alegre and Commission Staff are the only parties to this proceeding.
16. No party requested a hearing.
17. On August 20, 2018, Commission Staff recommended approval of the application with an effective date of October 1, 2018.

II. Conclusions of Law

1. The Commission has jurisdiction over the application under Texas Water Code (TWC) § 13.1872.
2. Vinton Hills Alegre is a utility as defined in TWC § 13.002(23) and is a class C utility under TWC § 13.002(4-c).
3. Under TWC § 13.1872(f), Vinton Hills Alegre may adjust its rates not more than once each year and not more than four times between rate proceedings under TWC § 13.1871.
4. An increase in Vinton Hills Alegre rate of 3.5% complies with 16 TAC 24.36(c)(1).
5. The Commission processed the application in accordance with the requirements of the Administrative Procedure Act,³ TWC, and the Commission's rules.
6. Vinton Hills Alegre has demonstrated that it has met the requirements of TWC § 13.1872 and 16 TAC § 24.36 for approval of the rate adjustment.
7. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.
8. Under 16 TAC § 24.36(e), Vinton Hills Alegre must provide notice 30 days before the effective date of the proposed change.

³ Administrative Procedure Act, Tex. Gov't Code Ann. §§ 2001.001- .902 (West 2016 & Supp. 2017).

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders:

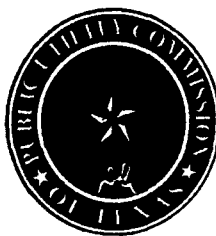
1. The Commission adjusts Vinton Hills Alegre's monthly base rate to \$12.62 (including 3,000 gallons) and the gallonage rate to \$1.58 as reflected in the attached tariff.
2. Vinton Hills Alegre's new rates may go into effect 30 days after Vinton Hills Alegre provides notice.
3. Vinton Hills Alegre must issue the notice of the approved rate change at least 30 days before the effective date of the rate change.
4. Vinton Hills Alegre must file proof of notice in this docket 30 days from the date of this order.
5. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 5~~th~~ day of October 2018.

PUBLIC UTILITY COMMISSION OF TEXAS


for GABRIEL P. SOTO
ADMINISTRATIVE LAW JUDGE

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WATER UTILITY TARIFF
Docket No: 48534

Vinton Hills Alegre, LLC
(Utility Name)

P.O. Box 428
(Business Address)

Anthony, New Mexico 88021
(City, State, Zip Code)

(915) 637-1438
(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity:

12563

This tariff is effective in the following county:

El Paso

This tariff is effective in the following subdivisions or systems for customers outside the city limits of the Village of Vinton:

Vinton Village Estates: PWS No. 0710151
Vinton Hills Subdivision: PWS No. 0710172
Villa Alegre Estates: PWS No. 0710169

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The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

SECTION 1.0 -- RATE SCHEDULE.....	2
SECTION 2.0 -- SERVICE RULES AND POLICIES	4
SECTION 3.0 -- EXTENSION POLICY	11
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APPENDIX B -- SAMPLE SERVICE AGREEMENT	
APPENDIX C -- APPLICATION FOR SERVICE	

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallage Charge</u>
5/8" or 3/4"	\$12.62 (Includes 3,000 gallons)	\$1.58 per 1000 gallons same for all meter sizes

FORM OF PAYMENT: The utility will accept the following forms of payment:

Cash ☒, Check ☒, Money Order ☒, Credit Card ☐, Other (specify) _____
THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT
PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN
FOR CASH PAYMENTS.

REGULATORY ASSESSMENT 1.0%
TCEQ RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY
BILL.

Section 1.02 - Miscellaneous Fees

TAP FEE \$0.00
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD
RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF
LISTED ON THIS TARIFF.

TAP FEE (Unique costs) Actual Cost
FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL
AREAS.

TAP FEE (Large meter) Actual Cost
TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

METER RELOCATION FEE Actual Relocation Cost, Not to Exceed Tap Fee
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

METER TEST FEE \$0.00
THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST MAY BE CHARGED IF A CUSTOMER
REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT
THE METER IS RECORDING ACCURATELY. THE FEE MAY NOT EXCEED \$25.

SECTION 1.0 -- RATE SCHEDULE (Continued)

RECONNECTION FEE

THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):

- a) Nonpayment of bill (Maximum \$25.00).....\$25.00
- b) Customer's request that service be disconnected\$0.00

TRANSFER FEE\$0.00

THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL)\$5.00

TCEQ RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE\$10.00

RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50).....\$50.00

COMMERCIAL & NON-RESIDENTIAL DEPOSIT 1/6TH OF ESTIMATED ANNUAL BILL

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

WHEN AUTHORIZED IN WRITING BY TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [16 TAC 24.21(b)(2)(F)]

LINE EXTENSION AND CONSTRUCTION CHARGES:

REFER TO SECTION 3.0--EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

CONFIDENTIAL

Exhibit C

Customer List

Exhibit D

Village of Vinton Council List

City Council

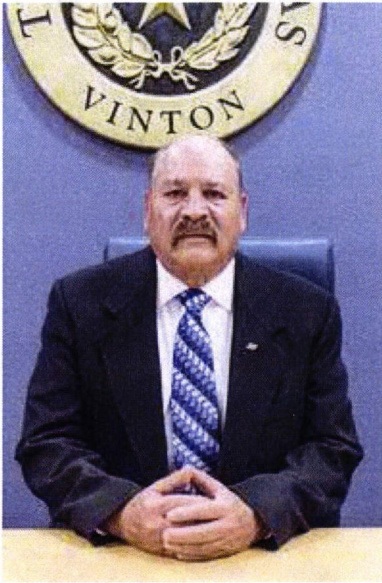
- [!\[\]\(756219e9389f679d57027482aa5cf5fc_img.jpg\) City Council Strategic Plan Update](#)
- [!\[\]\(fcb77b2d9531d23794a07d244b7a89bc_img.jpg\) City Council Strategic Plan](#)
- [!\[\]\(8175e06aff05874f50e11ffc448e6860_img.jpg\) 2012 Planning & Capacity Building Plan](#)



Mayor Manuel "Manny" Leos

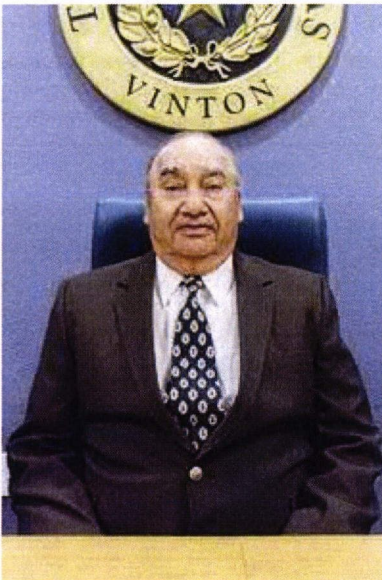
Mayor Leos was sworn into office on November 22, 2016. He will be the first mayor to serve a three year term, which will expire November 2019. Mayor Leos had been the Place 4 Councilman since November 2013.

Mayor Leos can be contacted through City Hall at (915) 886-5104 or by email at mleos@vintontx.us.



Victor Carrejo, Place 1

Mr. Carrejo was re-elected in November 2016. His term will expire November 2019. He can be contacted through City Hall (915) 886-5104 or by email at vcarrejo@vintontx.us.



Alfredo Lopez, Place 2

Mr. Lopez was elected in February 2018. He can be contacted through City Hall (915) 886-5104 or by email at alopez@vintontx.us.

Sonia Arceo, Place 3

Mrs. Arceo was elected in November 2015 for her first term on City Council. She can be contacted through City Hall at (915) 886-5104 or by email at sarceo@vintontx.us.

Lourdes "Lulu" Cloud, Place 4

Ms. Cloud was elected in November 2017 for her first term on City Council. She can be contacted through City Hall at (915) 886-5104 or by email at lcloud@vintontx.us.

Santos Lucero, Place 5

Mr. Lucero was re-elected in November 2015 for his second term on City Council. He can be contacted through City Hall at (915) 886-5104 or by email at slucero@vintontx.us.

To contact the Mayor or any member of City Council:

Phone:

915-886-5104

Fax:

915-886-4120

436 E. Vinton Rd.
Vinton, TX 79821

Exhibit E

Village of Vinton Annual Financial Compliance Reports



STATE OF TEXAS
Village of Vinton
Annual Financial and Compliance Reports
September 30, 2018
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STATE OF TEXAS
Village of Vinton
Annual Financial and Compliance Reports
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