

Control Number: 51224



Item Number: 10

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### **DOCKET NO. 51224**

COMPLAINT OF JOHN BLALOCK § PUBLIC UTILITY COMMESSION AGAINST MERCY WATER SUPPLY § CORPORATION § OF TEXAS

RESPONSE TO COMMISSION STAFF'S RECOMMENDATION REGARDING WHETHER WATER SERVICE SHOULD BE RESTORED AND REQUEST FOR RECONSIDERATION TO ORDER NO. 3 REQUIRING MERCY WATER SUPPLY CORPORATION TO RESTORE SERVICE

COMES NOW Mercy Water Supply Corporation ("Mercy") and files this Response to Commission Staff's Comments and Recommendation Regarding Whether Water Service Should be Restored and Request for Consideration and would show the following:

## I. PROCEDURAL BACKGROUND

On August 27, 2020, John Blalock filed a complaint against Mercy Water Supply Corporation under 16 Texas Administrative Code (TAC) § 22.242 regarding water service.

Order No. 1, issued on August 31, 2020, established a deadline of September 4, 2020 for Staff to file a recommendation on whether water service should be restored to Mr. Blalock under 16 TAC § 24.155 during the pendency of this proceeding and a deadline of September 11, 2020 for Mercy to file a response to the same. On September 4, 2020, Staff filed a request for extension. Order No. 2, issued on September 8, 2020, granted Staff's request for extension and established new deadlines of September 11, 2020 for Staff to file the recommendation and September 17, 2020 for Mercy to file a response to the same. On September 14, 2020, before Mercy had opportunity to respond and before Mercy's deadline established in Order No. 2, ALJ issued Order No. 3, requiring Mercy to restore water service. This pleading is timely filed.

## II. SUMMARY

Providing Mr. Blalock temporary service is improper because Mercy did not disconnect service from Mr. Blalock. Mr. Blalock is not a customer of Mercy, nor has he requested service for the property where he lives. Accordingly, Texas Water Code's (TWC) § 13.250(b)'s disconnection requirements do not apply. If, despite these facts, the ALJ determines Mr. Blalock

Response to Commission Staff's Recommendation Regarding Whether Water Service Should be Restored and Request for Reconsideration to Order No. 3 Requiring Mercy Water Supply Corporation to Restore Service

should be classified as a Mercy customer, then any disconnection was permissible under TWC § 13.250(b)(4), for "other similar reasons in the usual course of business" and Commission Rule § 24.167(b)(2), "where service is connected without authority by a person who has not made application for service." Mercy requests that temporary service to John Blalock be denied and the ALJ reconsider Order No. 3, requiring Mercy to provide service to Mr. Blalock

### III. FACTUAL BACKGROUND

In 1986, Reba Ivey and Gloria Hales partitioned their 1-3/4-acre property located in the L.A. Gosse Survey in San Jacinto County, Texas into two 0.799-acre tracts (a Northern Tract and a Southern Tract).<sup>2</sup> To Mercy's knowledge, they remained co-owners of the properties. Later, in 1995, Ms. Ivey signed a service application and agreement with Mercy.<sup>3</sup> As a part of the Service Application and Agreement, Ms. Ivey agreed that:

All water shall be metered by meters to be furnished and installed by the corporation. The meter and/or wastewater connection is for the sole use of the Member or customer and is to provide service to only one (1) dwelling and/or only one (1) business. Extension of pipe or pipes to transfer utility service from one property to another, to share, resell, or sub-meter water to any other persons, dwellings, business, and/or property, etc., is prohibited.<sup>4</sup>

Immediately afterwards, Gloria Meeks granted Mercy a right of way easement across both tracts for a water pipeline.<sup>5</sup> Mercy's contractor, Randall B. Baker, then installed the meter in 1995 on the Southern Tract.<sup>6</sup>

At some point after the meter's installation, unknown to Mercy, and in violation of the Service Application and Agreement, a water pipe was installed behind the meter to transfer water

<sup>&</sup>lt;sup>1</sup> Tex Water Code § 13.250(b)(4); 16 TAC § 24 167(b)(2) (TWC)

<sup>&</sup>lt;sup>2</sup> See Partition Deed, Exhibit A

<sup>&</sup>lt;sup>3</sup> See Ms Ivey's Service Application and Agreement, Exhibit B

<sup>4</sup> Id.

<sup>&</sup>lt;sup>5</sup> See Right of Way Easement, Exhibit C

<sup>&</sup>lt;sup>6</sup> Affidavit of Randall B Baker (Aug 16, 2020), Exhibit D.

from the Southern Tract to the Northern Tract. Mercy has never received a request for service for this Northern Tract, nor has Mercy ever installed a meter to serve the Northern Tract.

John Blalock claims to have taken ownership of the Northern Tract in 2015, after Reba Ivey's passing. Mercy has not received any documentation of this transfer in ownership. On December 3, 2019, San Jacinto County obtained a Constables Deed on the Southern Tract, and on March 17, 2020, San Jacinto County issued a Deed to Adrian Rodz for the same.<sup>8</sup> Mercy was unaware of these transactions until recently.

On or about August 2020, Mercy mailed Ms. Ivey a disconnect notice for the meter on the Southern Tract for non-payment. On August 5, 2020, Mr. Blalock personally appeared in Mercy's office to pay Ms. Ivey's account balance. 10

On the same day, Mr. Rodz informed Mercy that workers hired by him broke a pipe leading from behind Mercy's meter located on the Southern Tract, which Mr. Rodz now owned, to Mr. Blalock's home on the Northern Tract. Mr. Rodz also personally appeared in Mercy's office, where he informed Mercy, and provided proof that, he owned the Southern Tract. This was when Mercy first learned the Southern Tract had been seized by the County and sold to Mr. Rodz then signed a service application and agreement to take ownership of the account associated with the meter located on the Southern Tract. This agreement also stated:

All water shall be metered by meters to be furnished and installed by the Corporation. The meter and/or wastewater connection is for the sole use of the Member or customer and is to provide service to only one (1) dwelling or one (1) business. Extension of pipe(s) to transfer utility service from one property to another, to share, resell, or submeter any water to any other persons, dwellings, businesses, or property, etc., is prohibited.<sup>12</sup>

<sup>&</sup>lt;sup>7</sup> See Formal Complaint Against Mercy Water Supply Corporation at 1 (Aug 31, 2020) (referencing water pipes leading from the meter to John Blalock's house, located on a separate property)

<sup>&</sup>lt;sup>8</sup> See Mr. Rodz's Service Application and Agreement, Exhibit E

<sup>&</sup>lt;sup>9</sup> See Formal Complaint Against Mercy Water Supply Corporation at 1 (Aug. 31, 2020).

<sup>&</sup>lt;sup>10</sup> *Id* 

<sup>&</sup>lt;sup>11</sup> *Id*.

<sup>&</sup>lt;sup>12</sup> See Resale Deed, Exhibit F.

Mr. Rodz then requested the service to the Southern Tract be turned off, which Mercy did. <sup>13</sup> As a result of the transfer of membership for the meter on the Southern Tract, Mercy refunded the \$200.00 membership deposit associated with Ms. Ivey's account.

At no time prior to turning off the meter at Mr. Rodz's request did Mercy terminate service as alleged by Mr. Blalock. In fact, the Northern Tract, which Mr. Blalock claims ownership of, was illegally connected to Mercy's meter, in violation of the service agreement and Mercy's Tariff.

## IV. LEGAL STANDARD

According to the Texas Water Code (TWC), except as provided in Section 13.250 and section 13.2501, a holder of a "certificate of public convenience and necessity [(CCN)] shall serve every consumer within its certified area and shall render continuous and adequate service within the area or areas." A CCN holder may only discontinue, reduce, or impair service in its service area for:

- (1) nonpayment of charges for services provided by the certificate holder or a person who possesses facilities used to provide utility service;
- (2) nonpayment of charges for sewer service provided by another retail public utility under an agreement between the retail public utility and the certificate holder or a person who possesses facilities used to provide utility service or under a utility commission-ordered arrangement between the two service providers;
- (3) nonuse; or
- (4) other similar reasons in the usual course of business. 15

Additionally, a CCN holder "shall refuse to serve a customer within its certified area if the holder of the certificate is prohibited from providing the service under Section 212.012 or 232.0047, Local Government Code." Those sections relate to providing service to certain platted and unplatted properties and do not apply here.

<sup>&</sup>lt;sup>13</sup> See Formal Complaint Against Mercy Water Supply Corporation at 1 (Aug. 31, 2020).

<sup>&</sup>lt;sup>14</sup> TWC § 13.250(a).

<sup>15</sup> Id. § 13.250(b).

<sup>&</sup>lt;sup>16</sup> Id. § 13.2501.

The Commission Rules provides guidance about the reasons service may be disconnected under TWC Section 13.250(b)(4) both with and without notice. Utility service may be disconnected after proper notice for any of the following:

- (A) failure to pay a delinquent account for utility service or failure to comply with the terms of a deferred payment agreement . . .
- (B) violation of the utility's rules pertaining to the use of service in a manner which interferes with the service of others;
- (C) operation of non-standard equipment . . . ;
- (D) failure to comply with deposit or guarantee arrangements where required . . . ;
- (E) failure to pay charges for sewer service provided by another retail public utility . . . ; and
- (F) failure to pay solid waste disposal fees collected under contract with a county or other public agency.<sup>17</sup>

Additionally, utility service may be disconnected without prior notice for the following reasons:

- (1) where a known and dangerous condition related to the type of service provided exists . . . ;
- (2) where service is connected without authority by a person who has not made application for service;
- (3) where service has been reconnected without authority following termination of service for nonpayment under subsection (a) of this section;
- (4) or in instances of tampering with the utility's meter or equipment, bypassing the same, or other instances of diversion as defined in §24.169 of this title (relating to Meters).<sup>18</sup>

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<sup>&</sup>lt;sup>17</sup> 16 Tex. Admin. Code § 24.167(a)(2) (TAC).

<sup>&</sup>lt;sup>18</sup> *Id* § 24.167(b).

## V. MERCY'S RESPONSE TO STAFF'S COMMENTS

Mercy did not disconnect service from John Blalock. The illegal connection to the Northern Tract was broken by a contractor of Mr. Rodz, the legal owner of the Southern Tract, where Mercy's meter is located. Mr. Blalock has never been a legal customer of Mercy. Mercy has never received a request for service for the Northern Tract, nor has Mercy ever installed a meter to serve the Northern Tract. Because Mr. Blalock is not a customer, the disconnection requirements laid out in TWC § 13.250(b) do not apply. If, however, the ALJ determines Mr. Blalock should be classified as a customer, then any alleged disconnection would have been permissible under TWC § 13.250(b)(4), for "other similar reasons in the usual course of business" and 16 TAC § 24.167(b)(2), "where service is connected without authority by a person who has not made application for service."

When Mercy discovered that the Southern Tract, on which the meter is located, belonged to Mr. Rodz, Mercy requested that Mr. Blalock file the required documents and fees to obtain legal service for the Northern Tract. Once filed, Mercy will provide service as required under its tariff. However, any current dispute over access and use of the meter on the Southern Tract is between the property owners of the Northern and Southern Tracts. Not with Mercy.

The meter Mercy installed in 1995 was located on the Southern Tract to serve a residence on that Southern Tract, and not Mr. Blalock's current home on the Northern Tract. At that time, the properties had already been partitioned. Despite the express terms of Mercy's Application and Service Agreement that the meter would be for Ms. Ivey's sole use, be used only for one dwelling, and prohibiting the "extension of pipe or pipes to transfer utility service from one property to another, to share, resell, or sub-meter water to any other persons, dwellings, business, and/or property, etc.," a water line was constructed illegally behind Mercy's meter to transfer and share utility service from the Southern Tract to the Northern Tract. <sup>20</sup> This illegal connection was and remains specifically prohibited under Mercy's tariff.

<sup>&</sup>lt;sup>19</sup> TWC § 13 250(b)(4); 16 TAC § 24 167(b)(2).

<sup>&</sup>lt;sup>20</sup> Id

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The Southern Tract where the meter is located is currently owned by Adrian Rodz, who

properly completed the paperwork to transfer the meter to his name. The agreement Mr. Rodz

signed also restricted the meter to his sole use, limited its service to one dwelling or business, and

prohibited the "extension of pipe or pipes to transfer utility service from one property to another,

to share, resell, or sub-meter water to any other persons, dwellings, business, and/or property,

etc." Mercy only shut off Mr. Rodz's meter upon his own express request. Permitting Mr.

Blalock to continue using water from the meter on the Southern Tract would be in violation of the

service agreement and Mercy's tariff and is grounds for immediate disconnection in accordance

with Commission Rule 24.167(b).

Ultimately, Mercy did not disconnect Mr. Blalock from service because he is not a

customer or member. To become a member and obtain service from Mercy for the Northern Tract,

Mr. Blalock would need to fill out a new service application and agreement and provide proof of

ownership in the form of a Deed of Trust stating he is the landowner. The cost for him to receive

service would be \$3,036.00, itemized as follows:

\$ 250.00 Membership

\$ 786.00 Tap Fees

\$1,000.00 Equity Buy In

\$1,000.00 Road Bore

If the Commission were to force Mercy to provide service to Mr. Blalock, Mercy would be

forced to provide service at no cost to an individual that has received illegal service in violation of

Mercy's tariff. The cost to Mercy to provide temporary service during this complaint is estimated

to be \$1,110.00. This cost would be borne completely by Mercy, and its members, and includes

no membership, no capital gain fee, and no road bore. Additionally, the temporary service line

would be placed parallel to Bowen Loop, which increases the risk of pipe burst when San Jacinto

County grades the road. The cost is itemized as follows:

\$ 500.00 in labor

\$ 250.00 in material

<sup>21</sup> *Id* 

Response to Commission Staff's Recommendation Regarding Whether Water Service Should be Restored and Request for Reconsideration to

\$ 360.00 for a 90-foot water line to reach the Northern Tract from the meter location on the Southern Tract.

## VI. CONCLUSION

Requiring Mercy to provide temporary service is improper because John Blalock is not a customer of Mercy and the disconnection requirements laid out in TWC § 13.250(b) do not apply. Adrian Rodz, who owns the Southern Tract where Mercy's meter is installed, transferred the account associated with that meter to his name and requested the water be turned off upon acquiring ownership of the Southern Tract. Mr. Rodz's contractors broke the illegally constructed interconnection between the Northern and Southern Tracts. To date, Mercy has not received a request for service to the Northern Tract, which Mr. Blalock claims ownership of, nor has Mercy installed a meter to serve that property.

In the alternative if the ALJ determines Mr. Blalock should be classified as a customer, then the disconnection was permissible under TWC § 13.250(b)(4), which permits disconnection for "other similar reasons in the usual course of business." Specifically, the disconnection would be authorized under Commission Rule § 24.167(b)(2), "where service is connected without authority by a person who has not made application for service." Mercy's action to shut service off in accordance with the Southern Tract owner's express request is authorized under statute and rule, because the Northern Tract uses a water line connected to the Southern Tract's meter without an application and in violation of the service application and agreement.

### VII. PRAYER

Mercy respectfully requests that temporary service to John Blalock be denied. Mercy further requests the ALJ reconsider the order requiring Mercy to provide service to John Blalock.

<sup>&</sup>lt;sup>22</sup> TWC § 13.250(b)(4).

<sup>&</sup>lt;sup>23</sup> 16 TAC § 24.167(b)(2)

Respectfully submitted,

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ATTORNEYS FOR MERCY WATER SUPPLY CORPORATION

## CERTIFICATE OF SERVICE

I hereby certify that I have served or will serve a true and correct copy of the foregoing document via hand delivery, facsimile, electronic mail, overnight mail, U.S. mail and/or Certified Mail Return Receipt Requested to all parties on this the 17<sup>th</sup> day of September, 2020.

John J. Carlton

## Exhibit A

## PARTITION DEED 5450

THE STATE OF TEXAS

VOL 41:461 122

COUNTY OF SAN JACINTO X

Exhibit A

indenture made by and between GLORIA ANN HALES of San Jacinto

County, Texas, and REBA NELL BLALOCK IVEY, of San Jacinto County, p.t. Texas: 154 Bowen Rd Cleveland, Texas 77527

A. W. WITNESSETH:

That Whereas, the above named parties have and hold in common the following described property lying and being situated in San Jacinto County, Texas, to-wit:

BEING a part of the L. A. Gosse Survey in San Jacinto County, Texas;

BEGINNING at the Southwest corner of Tom Bowen 40 acre tract;

THENCE N. 88 deg. E., 140 varas made corner in center of old Cold Springs Road;

THENCE N. 02 deg. W., 64-1/2 varas, corner;

THENCE S. 88  $\deg$ . W., 140 varas intersect West line of Tom Bowen 40 acre tract, corner;

THENCE S. 02 deg. E., along said Bowen's West line, 64-1/2 varas to the PLACE OF BEGINNING, and containing 1-3/4 acres of land; and being the same land described in deed from Dave McSween and Ella Nellene Meeks to Reba Nell Blalock, et al, dated February 12, 1969, recorded in Vol. 113, Page 109, Deed Records of San Jacinto County, Texas, to which Deed reference is here made for all purposes;

and said parties are desirous of making partition of same: It is hereby covenanted, granted, concluded and agreed by and between said parties and each of them covenants, grants, concludes and agrees for himself, herself, themselves, his, her and their heirs and assigns, that a partition of the said lands be made as follows, viz:

First. The said GLORIA ANN HALES shall from henceforth have, hold, possess and enjoy, in severalty, by herself and to her and her heirs and assigns for her part, share and proportion of the said lands and premises, all that certain tract or parcel of land described as follows, to-wit:

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BEGINNING at the Southeast corner of said 1-3/4 acre tract in the West line of road;

THENCE South 88 deg. West along South line of said 1-3/4 acre tract of land, 388.89 feet to the Southwest corner of said 1-3/4 acre tract;

THENCE North 2 deg. West along the West line of said 1-3/4 acre tract, 89.585 feet to stake for corner in same;

THENCE North 88 deg. East, 388.89 feet to stake in East line of said 1-3/4 acre tract;

THENCE South 2 deg East along said East line, 89.585 feet to the PLACE OF BEGINNING, being .7997 acres, more or less;

and the other party hereto does grant, release and confirm unto the said GLORIA ANN HALES, the premises above described; to have and to hold the above described premises, with all and singular the hereditaments and appurtenances thereunto belonging, unto the said GLORIA ANN HALES, her heirs and assigns, forver. And the other party hereto does hereby bind herself, her heirs, executors and administrators, to warrant and forever defend all and singular the said premises unto the said GLORIA ANN HALES, her heirs and assigns, against every person whomsoever, lawfully claiming or to claim the same, or any part thereof.

Second. The said REBA NFLL BLALOCK IVEY shall from henceforth have, hold, possess and enjoy in severalty, by herself and to her and her heirs and assigns, for her part, share and proportion of the said lands and premises, all that certain tract or parcel of land described as follows, to-wit:

BEGINNING at the Northeast corner of said 1-3/4 acre tract in the West line of road;

THENCE South 88 deg. West along the North line of same, 388.89 feet to the Northwest corner of said 1-3/4 acre tract;

THENCE South 2 deg. East along the West line of said 1-3/4 acre tract, 89.585 feet to stake for corner;

THENCE North 88 deg. East, 388.89 feet to stake in East line of said 1-3/4 acre tract;

THENCE North 2 deg. West, 89.585 feet along said East line to the PLACE OF BEGINNING, being .7997 acres, more or less;

Exhibit A

and the other party hereto does grant, release, and confirm unto the said REBA NELL BLALOCK IVEY, the premises above described; to have and to hold the above described premises, with all and singular the hereditaments and appurtenances thereunto belonging, unto the said REBA NELL BLALOCK IVEY, her heirs and assigns, forever. And the other parties hereto does hereby bind herself, her heirs, executors and administrators, to warrant and forever defend all and singular the said premises unto the said REBA NELL BLALOCK IVEY, her heirs and assigns, against every person whomsoever lawfully claiming or to claim the same, or any part thereof.

EXECUTED this the 17th day of October , 1986.

FILED FOR

1986 OCT 21 AH 11: 00

Law Benkery

THE STATE OF TEXAS

X

COUNTY OF LIBERTY

This instrument was acknowledged before me this the 17th

Aloria Jan Hales

day of October , 1986, by GLORIA ANN HALES.



NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

THE STATE OF TEXAS

COUNTY OF LIBERTY

This instrument was acknowledged before me this the 17th day of October , 1986, by REBA, NELL BLALOCK IVEY.

TARY PUBLIC IN AND FOR THE STATE

OF TEXAS







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## Exhibit B

USDA - Form FmHA Tx 442-11 (9/93) CORPORATION USE ONLY Date Approved Service Classification WATER SUPPLY CORPORATION Cost Work Order Number Eng. Update \_ SERVICE APPLICATION AND AGREEMENT Account Number\_ APPLICANT'S NAME CO-APPLICANT'S NAME CURRENT BILLING ADDRESS: FUTURE BILLING ADDRESS: BOWEN RD level AND TX PHONE NUMBER - Home (1/3) 592-1948 Work ( ) PROOF OF OWNERSHIP PROVIDED BY DRIVER'S LICENSE NUMBER OF APPLICANT 05794917 LEGAL DESCRIPTION OF PROPERTY (Include name of road, subdivision with lot and block number) PREVIOUS OWNER'S NAME AND ADDRESS (if transferring Membership) HOUSEHOLD SIZE NUMBER IN FAMILY / LIVESTOCK & NO. NONE SPECIAL SERVICENEEDS OF APPLICANT:

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

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

Race/National O	rigin (Not of Hispa	ntic Origin)	,		
WHITE	□BLACK	DAMERICAN INDIAN	DASIAN OR PACIFIC	OTHER	OMALE
		OR ALASKAN NATIVE	. ISLANDER	(SPECIFY)	<b>OFEMALE</b>

EQUAL OPPORTUNITY PROGRAM
Sheet 1 of 4

Exhibit B Page 15 of 34

#### SERVICE APPLICATION AND AGREEMENT (CONT'D)

		s // day of <u>dug</u> , 19 <u>95</u> ,
between	Mer	Water Supply Corporation, a
corporation	organized	under the laws of the State of Texas
(hereinafter	called the	corporation) and Reb A Ivey.
(hereinafter	called the	Applicant and/or Member)
Witnesseth:		

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

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

The Board of Directors shall have the authority to cancel the Membership of any Member not complying with any policy or not paying any utility fees or charges as required by the Corporation's published rates, fees, and conditions of service.

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

- a. the number of taps to be considered in the design and
- b. the number of potential ratepayers considered in determining the financial feasibility of constructing either
  - (1) a new water system or
- (2) expanding the facilities of an existing water system, the Applicant thereby agrees to obtain, utilize, and/or reserve service as soon as it is available. Applicant, upon qualification for service under the terms of the Corporation's policies, shall further qualify as a Member and the Indication of Interest Fee shall then be converted by the Corporation to a Membership Fee. Applicant further agrees to pay, upon becoming a

CONTINUED ON SHEET 3

#### SERVICE APPLICATION AND AGREEMENT (CONT'D)

Member, the monthly charges for such service as prescribed in the Corporation's published rates, fees, and conditions of service. Any breach of this agreement shall give cause for the Corporation to liquidate, as damages, the fees previously paid as an indication of interest. In addition to any Indication of Interest Fees forfeited, the Corporation may assess a lump sum of \$300.00 as liquidated damages to defray any losses incurred by the Corporation. If delivery of service to said location is deemed infeasible by the Corporation as a part of this project, the Applicant shall be denied Membership in the Corporation and the Indication of Interest Fee, less expenses, shall be refunded. The Applicant may re-apply for service at a later date under the terms and conditions of the Corporation's policies. For the purposes of this agreement, an Indication of Interest Fee shall be of an amount equal to the Corporation's Membership Fees.

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

The Corporation shall have the right to locate a water service meter and the pipe necessary to connect the meter on the Member's property at a point to be chosen by the Corporation, and shall have access to its property and equipment located upon Member's premises at all reasonable times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service the Corporation shall have the right to remove any of its equipment from the Member's property.

The Corporation's authorized employees shall have access to the Member's property or premises and service lines and plumbing facilities at all reasonable times for the purpose of inspection to insure compliance with state required Minimum Acceptable Operating Practices for Public Drinking Water Systems, as promulgated by the Texas Natural Resource Conservation Commission or successor agency, applicable plumbing codes, and utility construction standards. The Corporation strictly prohibits the connection of service pipelines from its water service meter to any private well or other unknown water supply.

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

CONTINUED ON SHEET 4

Exhibit B

### SERVICE APPLICATION AND AGREEMENT (CONT'D)

The Member shall install at his own expense any necessary service lines from the Corporation's facilities and equipment to the point of use, including any customer service isolation valves, clean-outs, and other equipment as may be specified by the Corporation. The use of pipes and pipe fittings that contain more than 8.0% lead or solders and flux that contain more than 0.2% lead is prohibited for any plumbing installation or repair of any residential or non-residential facility providing water for human consumption and connected to the Corporation.

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

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

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

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

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

Applicant/Member

Approved and Accepted

Witnesseth

# Exhibit C

em FmHA-Tx-442-9 lev. 4-771

6087

CERTIFIED COPY

UNITED STATES DEPARTMENT OF AGRICULTURE Farmers Home Administration RIGHT OF WAY EASEMENT (General Type Easement)

KNOW ALL MEN BY THESE PRESENTS, that \_\_ thereinafter called "Grantor"), in consideration of one dollar (\$1,00) and other good and valuable con-sell, transfer, and convey to said Grantee, its successors, and assigns, a perpetual easement with the right to erect, construct, install, and lay and thereafter use, operate, inspect, repair, maintain, replace, and remove a Water Pipeline over and across / 3/4 acres of land, more particularly described in instrument recorded in Vol. 4/ Page /22 , Deed Records, San Dacinto County, Texas, together with the right of ingress and egress over Grantors' adjacent lands for the purpose for which the above mentioned rights are granted. The easement hereby granted shall not exceed 15' in width, and Grantee is hereby authorized to designate the course of the easement herein conveyed except that when the pipeline(s) is installed, the easement herein granted shall be limited to a strip of land 15' in width the center line thereof being the pipeline as installed.

The consideration recited herein shall constitute payment in full for all damages sustained by Grantors by reason of the installation of the structures referred to herein and the Grantee will maintain such essential. ment in a state of good repair and efficiency so that no unreasonable damages will result from its use to Grantors' premises. This Agreement together with other provisions of this grant shall constitute a covenant running with the land for the benefit of the Grantee, its successors, and assigns. The Grantors covenant that they are the owners of the above described lands and that said lands are free and clear of all encumbrances and liens except the following:

The easement conveyed herein was obtained or improved through Federal financial assistance. This easement is subject to the provisions of Title VI of the Civil Rights Act of 1964 and the regulations issued pursuant therto for so long as the easement continues to be used for the same or similar purpose for which financial assistance was extended or for so long as the Grantee owns it, whichever is longer

ACKNOWLEDGEMENT

STATE OF. COUNTY OF : .

BEFORE ME, the undersigned a Notary Public in and for said County and State, on this day personally appeared : 67640 WY20610 known to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument, and acknowledged to me that he (she) (they) executed the same for the purposes and consideration therein expressed.

CLYEN UNDER MY HAND AND SEAL OF OFFICE THIS THE \_

Denter Helit

Notary Public In and For

· SAM - JACIM LO

BTATE OF TEXAS COUNTY OF SAN JACINTO 
COUNTY OF SAN JACINTO 
1. Joyce Hogus hereby carry state that this instrument was FLED in the 
murber sequence on the date and at the time stamped heaten by not 
and was duty RECOFDED, in the official public records of San Jacket 
and was duty RECOFDED, in the official public records of San Jacket

DEC 18 1995



JOYCE HOGUE COUNTY CLERK SAN JACINTO COUNTY, TEXAS

1995 DEC 10 70 1: 44

U SAN JACHTO COUNTY TE CAS

A TRUE COPY I HEREBY CERTIFY DAWN WRIGHT, COUNTY CLERK SAN JACINTO COUNTY, TEXAS

# Exhibit D

#### DOCKET NO. 51224

§

8

COMPLAINT OF JOHN BLALOCK AGAINST MERCY WATER SUPPLY CORPORATION PUBLIC UTILITY COMMISSION OF TEXAS

## AFFIDAVIT OF RANDALL B. BAKER

STATE OF TEXAS

COUNTY OF SAN JACINTO

Before me, the undersigned notary, on this day personally appeared Randall B Baker, the affiant, whose identity is known to me. After I administered an oath, affiant testified as follows.

- My name is Randall B. Baker. I am over 18 years of age, of sound mind, and capable of making
  this affidavit. The facts stated in this affidavit are within my personal knowledge and are true
  and correct.
- I hold a Class C Groundwater Treatment Operator License # WG0005100, issued by the Texas Commission on Environmental Quality.
- 3. I am the contractor who works with Mercy Water Supply Corporation ("Mercy") to install water meters. I began working as a contractor for Mercy at or around 1993. Since then, I have installed water meters for Mercy's customers
- I installed a meter on the southern tract of two 0.779-acre tracts located in the L.A. Gosse Survey in San Jacinto County, Texas. The meter was installed at this specific location because it is at the location that Mercy's existing water line crosses Bowen Loop adjacent to the southern tract. The meter has not been moved since its installation. A sketch of the location I installed the meter is attached hereto and incorporated herein as **Exhibit A-1**.
- 5. As the existing line proceeds northward from the meter location, the line crosses Bowen Loop and would have required a bore under the road to provide service to any tract further north of the current meter location. Currently, no water or service line connects to the northern 0 779-acre tract
- 6. When I installed the meter, I did not see any other water or service lines in the vicinity. There was an existing travel trailer on the property and a home on the adjacent property at the time. I did not install or inspect the service lines on the customer side of the meter to the because once the meter is installed, it is the property owner's responsibility to connect to the meter.

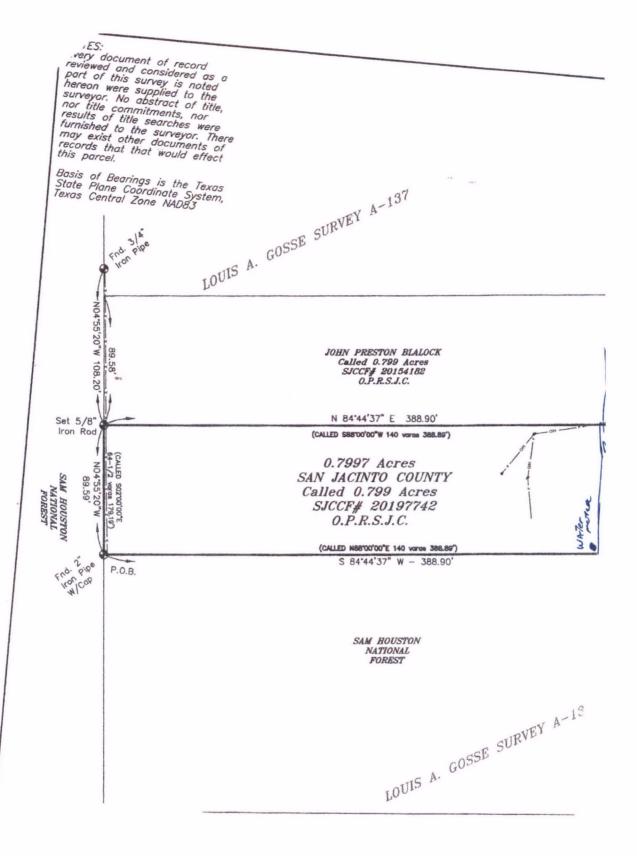
Randall B. Baker, Affiant

Sworn to and subscribed before me by Randall B Baker on September / 6, 2020

SANDRA REESE
My Notary ID # 4088436
Expires February 8, 2024

Notary Public in and for the State of Texas

Exhibit D Page 22 of 34



# Exhibit E

RUS-TX Bulletin 1780-9 (Revised 09/02)	CORPORATION USE ONLY Date Approved: Service Classification:			
Mercy Water Supply Corporation	Cost:			
	Work Order Number:			
SERVICE APPLICATION AND AGREEMENT	Eng. Update: Account Number:			
Please Print: DATE AUG 7, 2026	Service Inspection Date:			
APPLICANT'S NAME JAdrian I. Rodz				
CO-APPLICANT'S NAME				
CURRENT BILLING ADDRESS: FUTURE BILLING ADDRESS:				
PO Box 359				
New Caney, Tx 77357				
PHONE NUMBER - Home (28) 935- 2623 World				
PROOF OF OWNERSHIP PROVIDED BY				
DRIVER'S LICENSE NUMBER OF APPLICANT TX DL 030	96393			
Being 0.7997 Acre of land, situated in PREVIOUS OWNER'S NAME AND ADDRESS (if transferring Membership)  San Jacinto County	the Louis A. Gosse Surve A-137			
ACREAGE 0.7997 HOUSEHOLD	D SIZE			
NUMBER IN FAMILY LIVESTOCK	LIVESTOCK & NUMBER			
SPECIAL SERVICE NEEDS OF APPLICANT				
NOTE: FORM MUST BE COMPLETED BY APPLICANT ONLY. A MAP OF SE ATTACHED.	RVICE LOCATION REQUEST MUST BE			
The following information is requested by the Federal Government in order to monitor discrimination against applicants seeking to participate in this program. You are not reencouraged to do so. This information will not be used in evaluating your application However, if you choose not to furnish it, we are required to note the race/national orig observation or surname.	equired to furnish this information, but are or to discriminate against you in any way.			
☐ White, Not of ☐ Black, Not of ☐ American Indian or ☐ Hispanic Origin ☐ Alaskan Native ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐	☐ Asian or ☐ Other ☐ Male Pacific Islander (Specify) ☐ Female			
EQUAL OPPORTUNITY PROGRAM	Page 1 of 5			

AGREEMENT made this day of	,, between
Mercy Water Supply Corporation, a corporation organized under the laws of the Scalled the Corporation) and	State of Texas (hereinafter
(hereinafter called the Applicant and/or Member), Witnesseth:	

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

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

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

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

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

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

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

The Corporation shall have the right to locate a water service meter and the pipe necessary to connect the meter on the Member's property at a point to be chosen by the Corporation, and shall have access to its property and equipment located upon Member's premises at all reasonable and necessary times for any purpose connected with or in the furtherance of its business operations, and upon discontinuance of service the Corporation shall have the right to remove any of its equipment from the Member's property. The Member shall install, at their own expense, any necessary service lines from the Corporation's facilities and equipment to the point of use, including any customer service isolation valves, backflow prevention devices, clean-outs, and other equipment as may be specified by the Corporation. The Corporation shall also have access to the Member's property for the purpose of inspecting for possible cross-connections, potential contamination hazards, illegal lead materials, and any other violations or possible violations of state and federal statutes and regulations relating to the federal Safe Drinking Water Act or Chapter 341 of the Texas Health & Safety Code or and the corporation's tariff and service policies.

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

- a. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an airgap or an appropriate backflow prevention assembly in accordance with state regulations.
- b. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the proper installation of an airgap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for annual inspection and testing by a certified backflow prevention device tester.

Exhibit E Page 27 of 34

- c. No connection which allows condensing, cooling, or industrial process water to be returned to the public drinking water supply is permitted.
- d. No pipe or pipe fitting which contains more than .25 % lead may be used for the installation or repair of plumbing on or after September1 2014, at any connection which provides water for human consumption.
- e. No solder or flux which contains more than 0.2 % lead may be used for the installation or repair plumbing on or after July 1, 1988, at any connection which provides water for human consumption.

The Corporation shall maintain a copy of this agreement as long as the Member and/or premises is connected to the public water system. The Member shall allow their property to be inspected for possible cross-connections, potential contamination hazards, and illegal lead materials. These inspections shall be conducted by the Corporation or its designated agent prior to initiating service and periodically thereafter. The inspections shall be conducted during the Corporation's normal business hours.

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

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

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

The Applicant shall grant to the Corporation permanent recorded easement(s) dedicated to the Corporation for the purpose of providing reasonable rights of access and use to allow the Corporation to construct, maintain, replace, upgrade, parallel, inspect, test and operate any facilities necessary to serve that Applicant as well as the Corporation's purposes in providing system wide service for existing or future members.

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

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Service Application and Agreement page 5 of 5

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

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

## SERVICE REQUIREMENTS

- 1. All outside faucets must have <u>a hose bib vacuum breaker</u>. Available at most hardware stores.
- 2. Here needs to be an air gap between lines connected to Mercy Water Supply Corporation and any private well.
- 3. Service line should be Schedule 40 PVC, SDR 21, or SDR 26.
- 4. Shut-Off Valve on the customer side of the water meter, preferable just outside the meter.
- 5. Water lines must be a least **9 feet** from septic tank, field lines, or sewer lines.
- 6. Plumbing facilities should contain no more than .25% lead and so solder or flux can contain more

,	0.2% lead when water is used for drinking or pre- household per meter.	paring food.
Please s	ign to acknowledge that you have read and un  May an A Rod  Sign	Aug 7, 2020 Date
	Member/Applicant Emergency/	Repair Request Agreement
I, Ad below, o	r turn off meter service. (name), the member,	request that the Corporation notify the person(s) listed
In case	of emergency contact:	
<ol> <li>Name</li> <li>Name</li> </ol>	e: Elva Carreon e: Alejandra Rodz	Phone: 832-341-9366  Phone: 281-739-9855
3. Name	e;	Phone:
YES	I hereby authorize the Mercy Water Supply VALVE in case of a leak or other type of en	Corporation personnel to TURN OFF METER nergency on my property.
I also un	nderstand and acknowledge that the Corporation is	n under no obligation or liability to look for any leaks

occurring on my property and that the Corporation may not know when or if a leak is on my property.

Sign:

Date: Aug 7, 2020

## Exhibit F

NOTICE OF CONFIDENTIALITY RIGHT: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

THE STATE OF TEXAS	§	
	§	RESALE DEED
COUNTY OF SAN JACINTO	§	

KNOW ALL MEN BY THESE PRESENTS that SAN JACINTO COUNTY for itself and as trustee for the use and benefit of SHEPHERD INDEPENDENT SCHOOL DISTRICT and SAN JACINTO EMERGENCY SERVICES DISTRICT, acting by and through its duly elected official ("GRANTOR") as authorized by Section 34.05, Texas Property Tax Code, for and in consideration of the sum of SEVEN THOUSAND TWO HUNDRED SIXTY-ONE TWO DOLLARS AND 58/100 (\$7,261 58), in hand paid by ADRIAN I. RODZ ("GRANTEE") the receipt of which is hereby acknowledged and confessed, has granted and conveyed and by these presents do grant and convey unto said grantee all right, title and interest of the SAN JACINTO COUNTY for itself and as trustee for the use and benefit of SHEPHERD INDEPENDENT SCHOOL DISTRICT and SAN JACINTO EMERGENCY SERVICES DISTRICT, in the property herein conveyed, acquired by tax foreclosure sale heretofore held, in Cause No. D-9728-18 styled SAN JACINTO COUNTY VS. UNKNOWN HEIRS OF GLORIA ANN MEEKS, ET AL, said property being described as:

## TRACT 1: GEO: R46432

BEING 0.799 ACRES OF LAND, MORE OR LESS, OUT OF THE LOUIS A. GOSSE SURVEY, A-137, SAN JACINTO COUNTY, TEXAS, DESCRIBED IN A PARTITION DEED IN VOLUME (OR) 41, PAGE 122, OF THE DEED RECORDS OF SAN JACINTO COUNTY, TEXAS. ACCOUNT R46432/0137-000-0010

GRANTOR excludes and excepts from this conveyance any warranties, express or implied, on the property, including, without limitation, any warranties arising by common law or Section 5.023 of the Property Code.

### GRANTOR conveys the property:

- (a). "as is", "with all faults" and without any warranty as to condition or environmental hazard,
- (b). subject to all restrictions, easements, rights-of-way leases, oil, gas and mineral leases, royalties, mineral conveyances, and mineral reservations of record, if any, in the office of the County Clerk of said County,
- (c). subject to any right of redemption; and
- (d). subject to rights of parties in possession

GRANTOR disclaims any warranty, guaranty or representation, oral or written, on:

- (a). the nature and condition of the property or other items conveyed hereunder, without limitation, the water, soil and geology,
- (b). the suitability of the property conveyed hereunder for any and all activities and uses which GRANTEE may elect to conduct thereon.
- (c). the existence of any environmental hazards or conditions thereon, (including but not limited to the presence of asbestos or other hazardous materials).

Page 1 of 3 Resalc Deed: Cause No. D-9728-18

Page 31 of 34

- (d). compliance with applicable environmental laws, rules or regulations; and
- (e). the compliance of the property with any laws, ordinances, or regulations of any governmental entity or body.

By acceptance of this deed, GRANTEE acknowledges and agrees:

- (a). that GRANTOR acquired the property through foreclosure of a tax lien as Trustee and as such has little, if any, knowledge of the physical or economic characteristics of the property,
- (b). GRANTEE has inspected the property and is relying solely on her/his own investigation of the same and not on any information provided or to be provided by on behalf of GRANTOR.
- (c). that any information provided with respect to the property was obtained from a variety of sources, and
- (d). GRANTOR (1) has not made any independent investigation or verification of such information; and (2) does not make any representations as to the accuracy or completeness of such information.
- (c). that if there are any improvements on the property, GRANTOR shall not be responsible for or liable to GRANTEE for any construction defects, errors omissions, or any other conditions affecting the property.

GRANTEE or anyone claiming by, through or under GRANTEE, hereby fully releases GRANTOR, her/his employees, officers, directors, representatives, attorneys and agents from any and all claims that it may now have or hereafter acquire against GRANTOR, its respective employees, officers, directors, representatives, attorneys and agents for any cost, loss, liability, damage, expense, demand, action or cause of action arising from or related to the conveyance of the premises herein as well as any construction defects, errors, omissions, or other conditions affecting the property and other items conveyed hereunder, GRANTEE further acknowledges and agrees that this release shall be given full force and effect according to each of its express terms and provisions, including, but not limited to, those relating to unknown and suspected claims, damages and causes of action. This covenant releasing GRANTOR shall be a covenant running with the property and shall be binding upon GRANTEE, her/his heirs, successors and assigns GRANTOR hereby assigns without recourse or representation of any nature to GRANTEE, effective upon the execution and delivery hereof, any and all claims that GRANTOR may have for any such errors, omissions or defects in the property and other items conveyed hereunder. As a material covenant and condition of this conveyance, GRANTEE agrees that in the event of any such construction defects, errors, omissions or on account of any other conditions affecting the property, GRANTEE shall look solely to GRANTOR'S predecessors or to such contractors and consultants as may have contracted for work in connection with the property and other items conveyed hereunder for any redress or relief. Upon the assignment by GRANTOR of its claims, GRANTEE releases GRANTOR of all right, express or implied, GRANTEE may have against GRANTOR arising out of or resulting from any errors, omissions or defects in the property and other items conveyed hereunder. GRANTEE further understands that some of GRANTOR'S predecessors in interest may be or become insolvent, bankrupt, judgment-proof or otherwise incapable of responding in damages and GRANTEE may have no remedy against such predecessors, contractors or consultants

GRANTEE hereby further agrees on behalf of her/his heirs, successors and assigns to indemnify, protect, defend, save and hold harmless GRANTOR and GRANTOR'S elected and appointed officials, employees, officers, directors, representatives, attorney and agents from and against any and all debts, duties, obligation, liabilities, suits, claims, demands, cause of action, damages, losses, costs and expenses (including, without limitation, attorneys' fees and expenses and court costs) in any way relating to, connected with or arising out of the property and other items conveyed hereunder or the ownership, leasing, use, operation, maintenance and management thereof from and after

the date hereof, including, without limitation, the cost of any removal of hazardous substances or contaminants from the property and other items conveyed hereunder

TO HAVE AND TO HOLD said premises, together with all and singular the rights, privileges and appurtenances thereto in any manner belonging unto the said ADRIAN I. RODZ, her/his heirs, successors, beneficiaries, heirs and assigns forever, so that neither the SAN JACINTO COUNTY for itself and as trustee for the use and benefit of SHEPHERD INDEPENDENT SCHOOL DISTRICT and SAN JACINTO EMERGENCY SERVICES DISTRICT, nor any person claiming under it shall at any time hereafter have, claim or demand any right or title to the aforesaid premises or appurtenances, or any part thereof.

SAN JACINTO COUNTY

FRITZ FAULKNER, County Judge San Jacinto County, Texas

THE STATE OF TEXAS COUNTY OF SAN JACINTO

§ 8

BEFORE ME, the undersigned authority, on this day personally appeared, FRITZ FAULKNER, County Judge for San Jacinto County, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on MARCH

TRACY L. GALLOWAY
My Notary ID # 3899368
Expires November 28, 2022

NOTARY PUBLIC, in and for the STATE OF CPEXAS My Commission Expires: 11 28 3000

Grantee: Adrian 1. Rodz PO BOX 359

New Caney, TX 77357

HOLD FOR PICK-UP, PERDUE, BRANDON

Filed for Record in: San Jacinto Counts

Gn: Apr 17,2030 at 03:41F

As o Recordings Eyempt

Document Number: 20202751

Amount .00

Receirt Humber - 37639 By: Jodlan Williams

STATE OF TEXAS

(OUNTY OF SAN oblinio
), Boun Whight hereby concify that this
instrument was filed in number sequence on the date
and time hereon by we and was diffusionated in the
OFFICIAL FUELIC RECORDS of San Jacinto County Texas
as assumed hereon by we are

Apr 17-2020

bown Worlans, (ounty Clar) Bon Jociato (ounty) Texas

Exhibit F Page 34 of 34