

Filing Receipt

Received - 2021-08-13 09:33:26 AM Control Number - 52293 ItemNumber - 8

PUC DOCKET NO. 52293

PETITION BY MERITAGE HOMES OF	§	PUBLIC UTILITY COMMISSION
TEXAS, LLC, TO AMEND NORTH	§	
COLLIN SPECIAL UTILITY	§	OF TEXAS
DISTRICT'S AND CITY OF MELISSA'S	§	
CERTIFICATES OF CONVENIENCE AND	§	
NECESSITY IN COLLIN COUNTY BY	§	
EXPEDITED RELEASE	§	

MERITAGE'S RESPONSE TO ORDER NO. 2 AND MOTION TO SEVER

COMES NOW Meritage Homes of Texas, LLC ("Meritage"), and files this Response to Order No. 2, requesting that this application be severed into two separate applications by Meritage for the City of Melissa ("Melissa") and for North Collin Special Utility District ("NCSUD"). Meritage requests that the application for decertification from Melissa remain under this docket number and that the application for decertification from NCSUD be severed from this docket number and assigned a new docket number. Attached for filing is the separate application for decertification from NCSUD consistent with this Motion's Request.

I. PROCEDURAL SCHEDULE

Meritage requests that the Administrative Law Judge ("ALJ") issue a procedural schedule consistent with the schedule outlined below:

Event	Date
Commission Staff's comments on the administrative completeness	August 20, 2021
Deadline for response from CCN holders and intervenors to file a response to the administratively complete petition	20 days from the date of the order finding the petition administratively complete
Deadline for Staff's recommendation on final disposition	34 days from the date of the order finding the petition administratively complete
Deadline for petitioner to file a reply to both Melissa and NCSUD's response and Staff's recommendation on final disposition	41 days from the date of the order finding the petition administratively complete

Sixty-day administrative approval of	60 days from the date of the order finding the		
streamlined expedited release	petition administratively complete		
In the event streamlined expedited release is granted and Meritage, Melissa and NCSUD are			
unable to select an agreed-upon appraiser			
Deadline for Meritage, Melissa and NCSUD	Within 10 days after the Commission		
to make a filing stating that they have been	approves streamlined expedited release.		
unable to select an agreed-upon appraiser and			
affirming that they will pay half of the cost of			
the Commission Staff's appraiser			
Deadline for reports from Meritage's	Within 70 days after the Commission		
appraiser and Melissa and NCSUD's	approves streamlined expedited release		
appraiser			
Deadline for Staff's appraiser's report	Within 100 days after the Commission		
	approves streamlined expedited release		
Deadline for Commission's final order	Within 60 days after the Commission receives		
determining the amount of monetary	the final appraisal		
compensation, if any, owed by petitioner to			
Melissa and NCSUD			
Deadline for Meritage to pay any	Within 90 days of the Commission's final		
compensation due to Melissa and NCSUD	order on compensation		

II. CONCLUSION

Meritage requests that the motion to sever be granted and the petitions be found administratively complete, that the notice be found sufficient, and that the proposed procedural schedule be adopted. Meritage respectfully requests the entry of an order consistent with these recommendations.

Respectfully submitted,

WINSTEAD PC

By: /s/ Scott Eidman

Scott W. Eidman State Bar No. 24078468 seidman@winstead.com

2728 N. Harwood Street Suite 500 Dallas Texas 75201

Telephone: (214) 745-5484 Facsimile: (214) 745-5390

ATTORNEY FOR PETITIONER

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on August 13, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Scott Eidman
Scott W. Eidman

Attachments: Attachment A----Decertification Application for NCSUD

PUC DOCKET NO. 52293

PETITION BY MERITAGE HOMES OF	§ PUBLIC UTILITY COMMISSION
TEXAS, LLC, FOR STREAMLINED	§
EXPEDITED RELEASE FROM WATER	§ OF TEXAS
CCN NO. 11035 HELD BY NORTH	§
COLLIN SPECIAL UTILITY DISTRICT	§
	§

PETITION BY MERITAGE HOMES OF TEXAS, LLC, FOR STREAMLINED EXPEDITED RELEASE PURSUANT TO TEXAS WATER CODE SECTION 13.2541

TO THE PUBLIC UTILITY COMMISSION OF TEXAS:

COMES NOW Meritage Homes of Texas, LLC ("Meritage") and files this Petition with the Public Utility Commission of Texas (the "PUC") for streamlined expedited release from water certificate of convenience and necessity ("CCN") No. 11035 held by North Collin Special Utility District ("North Collin SUD") pursuant to (i) Texas Water Code Section 13.2541; and (ii) Rule 24.245(h) of the Commission's Rules found at 16 Tex. Admin. Code Section 24.245; and in support thereof would respectfully show as follows:

I. APPLICABLE REGULATIONS

Section 13.2541 of the Texas Water Code provides that the owner of a tract of land that is at least 25 acres and that is not receiving water or sewer service may petition for streamlined expedited release of the area from a CCN.¹ For land that is located within a county with a population of at least one million, or a county adjacent to a county with a population of at least one million, the owner of the qualifying tract "is entitled to that release." The rule adopted by the PUC pursuant to Section 13.2541 provides the same, and it recognizes that Collin County is a

¹ TWC § 13.2541.

 $^{^{2}}$ Id.

county in which owners of at least 25 acres are entitled to expedited release.³ Under Section 13.2541(c), the PUC "shall grant a petition received not later than the 60th day after the date the landowner files the petition."

II. REQUEST FOR STREAMLINED EXPEDITED RELEASE

Meritage owns approximately 273.5 acres of contiguous property in Collin County, Texas that is located within the municipal boundaries of the City of Princeton (the "Property"). The Property is located within the boundaries of water CCN No. 11035, held by North Collin SUD. None of the Property receives service from any water or sewer service provider. In support of this Petition, Meritage has attached the following exhibits:

- 1. Affidavit in support of this Petition is attached hereto as **Exhibit A**;
- 2. General Location Map is attached hereto as **Exhibit B**;
- 3. Detailed Property Map is attached hereto as **Exhibit C**; and
- 4. Property records (special warranty deed including metes and bounds description) is attached hereto as **Exhibit D**.

III. CONCLUSION AND PRAYER

Texas Water Code Section 13.2541 entitles Meritage to expedited release of the Property described herein and in the attached exhibits from CCN No. 11035. The Property is greater than 25 acres, is not receiving water or sewer service, and is entirely within Collin County. Under Section 13.2541(c), the PUC should grant this Petition no later than the 60th day after the date of filing. Meritage respectfully requests that the PUC grant this Petition and issue an order under the authority of Section 13.2541 releasing all portions of the Property that are within the boundaries of water CCN No. 11035.

-

³ 16 Tex. Admin. Code §24.245(h)

Respectfully submitted,

WINSTEAD PC

By: /s/ Scott Eidman

Scott W. Eidman State Bar No. 24078468 seidman@winstead.com

2728 N. Harwood Street

Suite 500

Dallas Texas 75201

Telephone: (214) 745-5484 Facsimile: (214) 745-5390

ATTORNEY FOR PETITIONER

EXHIBIT A

PETITION BY MERITAGE HOMES OF	§ PUBLIC UTILITY COMMISSION
TEXAS, LLC, FOR STREAMLINED	§
EXPEDITED RELEASE FROM WATER	§ OF TEXAS
CCN NO. 11035 HELD BY NORTH	§
COLLIN SPECIAL UTILITY DISTRICT	§

AFFIDAVIT OF DAVID AUGHINBAUGH IN SUPPORT OF PETITION FOR STREAMLINED EXPEDITED RELEASE FROM WATER CCN NO. 11035 HELD BY NORTH COLLIN SPECIAL UTILITY DISTRICT PURSUANT TO TEXAS WATER CODE SECTION 13.2541

STATE OF TEXAS §
COUNTY OF DALLAS §

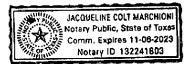
BEFORE ME, the undersigned notary, personally appeared David Aughinbaugh, the affiant, a person who is known to me. After administering an oath, the affiant testified that:

- 1. "My name is David Aughinbaugh, I am over the age of eighteen years, of sound mind, and am capable of making this affidavit. The facts stated in this affidavit are within my personal knowledge and are true and correct.
- 2. I am the Vice President of Land for the Petitioner in the above-captioned matter. Meritage Homes of Texas, LLC owns approximately 273.5 acres of land (the "Property") located within the municipal boundaries of the City of Princeton.
- 3. The Property is located within the boundaries of water CCN No. 11035 issued to North Collin Special Utility District. The Property is located in Collin County, Texas, is over 25 acres in size, and consists of contiguous tracts of land. Exhibit B attached to this Petition is a true and correct copy of a map identifying the Property, its location, and the area of the CCN.
- 4. The Property is not receiving water or sewer service from North Collin SUD. The Petitioner has not requested water or sewer service from North Collin SUD or paid any fees or charges to initiate or maintain water service, and there are no billing records or other documents indicating an existing account for the Property.
- 5. I request that the Public Utility Commission of Texas release this Property from water CCN No. 11035."

FURTHER AFFIANT SAYETH NOT.

David Aughinbaugh

SWORN TO AND SUBSCRIBED TO BEFORE ME by David Aughinbaugh on August 12, 2021



Nacy Public, State of Texas

(SEAL)

4816-2323-1475v.1 58059-33 8/12/2021

EXHIBIT B GENERAL LOCATION MAP

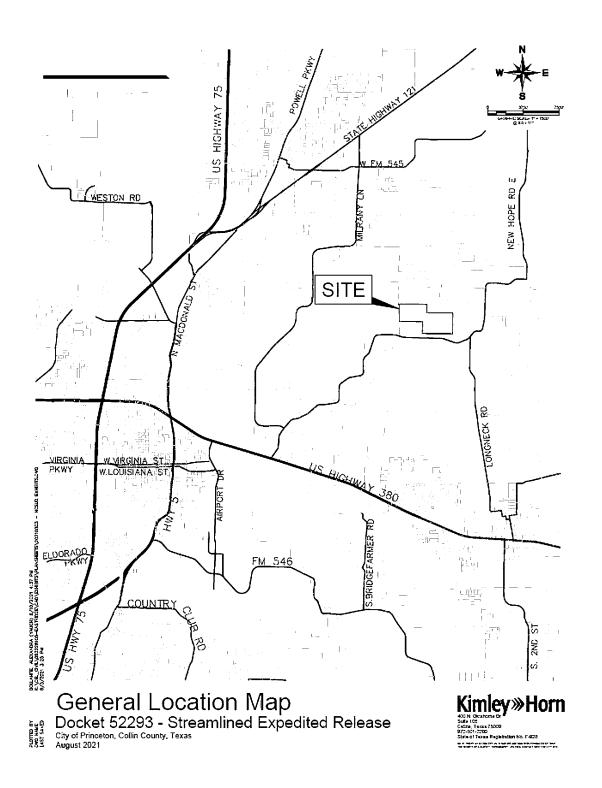


EXHIBIT C DETAILED PROPERTY MAP

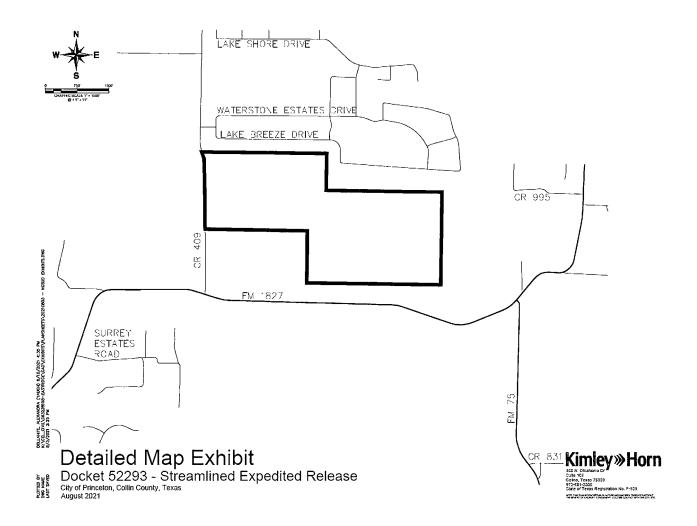


EXHIBIT D DEED

20201228002333180 12/28/2020 03:30:17 PM D1 1/6

SPECIAL WARRANTY DEED

Mailing Address of Grantee:

MERITAGE HOMES OF TEXAS, LLC Attn: Ryan Hamilton, Esq. 8800 East Raintree Drive, Suite 300 Scottsdale, AZ 85260

NOTICE OF CONFIDENTIALITY RIGHTS: 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 PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

THE STATE OF TEXAS	§ §	KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF COLLIN	§.	

THAT, NORTH COLLIN 550 LAND, LLC, a Texas limited liability company (hereinafter referred to as "Grantor"), for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other valuable consideration to the undersigned paid by MERITAGE HOMES OF TEXAS, LLC, an Arizona limited liability company (hereinafter referred to as "Grantoe"), the receipt and sufficiency of which consideration are hereby acknowledged, has GRANTED, SOLD AND CONVEYED and by these presents does GRANT, SELL AND CONVEY unto Grantee, all of the tract or parcel of land described on Exhibit A attached hereto and made a part hereof for all purposes (the "Land"), together with, but without warranty, (i) all and singular the appurtenances appertaining thereto, and Grantor's rights, easements and other interests, if any, in and to adjacent streets, alleys and rights-of-way abutting such real property, (ii) any improvements situated upon the Land, and (iii) all of Grantor's rights of access to the Land, mineral rights in the Land, and utility capacities serving the Land (collectively, the "Property"); subject, however, to those matters set forth on Exhibit B attached hereto and made a part hereof by reference for all purposes.

TO HAVE AND TO HOLD the above described Land (subject to the foregoing), unto Grantee and Grantee's assigns, successors and legal representatives FOREVER, and Grantor does hereby bind Grantor and Grantor's legal representatives, successors and assigns to WARRANT AND FOREVER DEFEND, all and singular, the Property unto Grantee and Grantee's assigns, successors and legal representatives, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under the Grantor, but not otherwise.

GRANTEE ACKNOWLEDGES THAT, EXCEPT FOR THE SPECIAL WARRANTY OF TITLE SET FORTH IN THIS DEED AND EXCEPT FOR THE REPRESENTATIONS, WARRANTIES AND COVENANTS OF GRANTOR (COLLECTIVELY THE "REPRESENTATIONS, WARRANTIES AND COVENANTS") SET FORTH IN THAT CERTAIN AGREEMENT OF PURCHASE AND SALE DATED NOVEMBER 3, 2020, BY AND BETWEEN GRANTOR AND GRANTEE (AS AMENDED AND PARTIALLY ASSIGNED, THE "AGREEMENT"), THE PROPERTY IS CONVEYED AND TRANSFERRED TO GRANTEE "AS IS, WHERE IS AND WITH ALL FAULTS". EXCEPT FOR THE REPRESENTATIONS, WARRANTIES AND COVENANTS, GRANTOR DOES NOT WARRANT OR MAKE ANY REPRESENTATION, EXPRESS OR IMPLIED, AS TO FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, DESIGN, QUANTITY, QUALITY, LAYOUT, FOOTAGE, PHYSICAL CONDITION, OPERATION, COMPLIANCE WITH SPECIFICATIONS, ABSENCE OF LATENT DEFECTS, OR COMPLIANCE WITH LAWS AND REGULATIONS (INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO HEALTH, SAFETY AND THE ENVIRONMENT) OR ANY OTHER MATTER AFFECTING THE PROPERTY, AND GRANTOR SHALL BE UNDER NO OBLIGATION WHATSOEVER TO UNDERTAKE ANY REPAIRS, ALTERATIONS OR OTHER WORK OF ANY KIND WITH RESPECT TO ANY PORTION OF THE PROPERTY. INFORMATION PROVIDED BY GRANTOR IN RESPECT

Page 1

OF THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES. GRANTOR DID NOT MAKE AN INDEPENDENT INVESTIGATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS THEREOF. EXCEPT WITH RESPECT TO THE REPRESENTATIONS, WARRANTIES AND COVENANTS, PURCHASER HEREBY ASSUMES ALL RISK AND LIABILITY RESULTING FROM THE OWNERSHIP, USE, CONDITION, LOCATION, MAINTENANCE, REPAIR OR OPERATION OF THE PROPERTY, WHICH GRANTEE INSPECTED AND ACCEPTS "AS IS". IN THIS REGARD, GRANTEE ACKNOWLEDGES THAT (A) GRANTEE MADE ITS DECISION TO PURCHASE THE PROPERTY BASED UPON THE REPRESENTATIONS, WARRANTIES AND COVENANTS AND GRANTEE'S OWN DUE DILIGENCE AND INVESTIGATIONS, (B) GRANTEE HAS SUCH KNOWLEDGE AND EXPERIENCE IN REAL ESTATE INVESTMENT TO EVALUATE THE MERITS AND RISKS OF THIS TRANSACTION, AND (C) GRANTEE IS FINANCIALLY ABLE TO BEAR THE ECONOMIC RISK OF THE LOSS OF THIS REAL ESTATE INVESTMENT AND THE COST OF DUE DILIGENCE AND INVESTIGATIONS.

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Page 2

EXECUTED to be effective as of the 23 day of December, 2020.

GRANTOR:

NORTH COLLIN 550 LAND, LLC, a Texas limited liability company

Astra Investments I, LLC, a Texas limited liability company,

its Managing Member

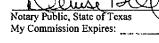
STATE OF TEXAS

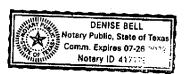
COUNTY OF DALLAS

This instrument was acknowledged before me on December 2-2, 2020, by Justin Bono, Manager of Astra Investments I, LLC, a Texas limited liability company, as Managing Member of NORTH COLLIN 550 LAND, LLC, a Texas limited liability company.

[NOTARY STAMP]

2617714 Of YistoM Comm. Expires 07-26-2022 Notary Public, State of Texe: DEMISE BELL





DENISE BELL Notery Public, State of Texas Comm. Expires 07-26-2022 Notary ID 4177795

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EXHIBIT A TO SPECIAL WARRANTY DEED

LEGAL DESCRIPTION OF THE LAND

BEING a tract of land situated in the Thomas A. Rhodes Survey, Abstract No. 741, Collin County, Texas, and being a portion of that tract of land conveyed to North Collin 550 Land, LLC, according to the document filed of record in Instrument Number 20190906001095320, Official Public Record, Collin County, Texas (O.P.R.C.C.T.), and being more particularly described as follows:

BEGINNING at a 5/8" iron rod found in the east line of County Road 409 for the northwest corner of this tract;

THENCE South 89°18'09" East, a distance of 602.28 feet to a 1/2" iron rod found for a corner of this tract;

THENCE South 89°26'54" East, a distance of 1155.72 feet to a 1/2" iron rod found for a corner of this tract;

THENCE South 89°08'08" East, a distance of 1211.83 feet to a 1/2" iron rod found for a corner of this tract;

THENCE South 1°01'25" West, a distance of 875.39 feet to a 1/2" iron rod found for a corner of this tract;

THENCE South 89°02'05" East, a distance of 1751.12 feet to a point for a corner of this tract;

THENCE South 89°20'21" East, a distance of 997.42 feet to a 1/2" iron rod found for a corner of this tract;

THENCE South 0°16'34" West, a distance of 236.92 feet to a point for a corner of this tract;

THENCE South 0°46'47" West, a distance of 285.45 feet to a point for a corner of this tract;

THENCE South 0°51'33" West, a distance of 318.63 feet to a 1/2" iron rod found for a corner of this tract;

THENCE South 0°48'17" West, a distance of 1365.62 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for a corner of this tract;

THENCE North 89°11'43" West, a distance of 3179.16 feet to 5/8" iron rod with plastic cap stamped "KHA" set for a corner of this tract;

THENCE North 0°35'37" East, a distance of 1239.52 feet to a section of railroad rail found for a corner of this tract;

THENCE North 89°02'23" West, a distance of 2426.53 feet to a point for a corner of this tract;

THENCE North 0°13'41" West, a distance of 669.33 feet to a point for a corner of this tract;

THENCE North 1°08'28" West, a distance of 1000.14 feet to a point for a corner of this tract;

THENCE North 19°27'14" West, a distance of 175.38 feet to the POINT OF BEGINNING and containing 273.5105 acres or 11,914,117 square feet of land, more or less.

Exhibit A - Page 1

EXHIBIT B TO SPECIAL WARRANTY DEED

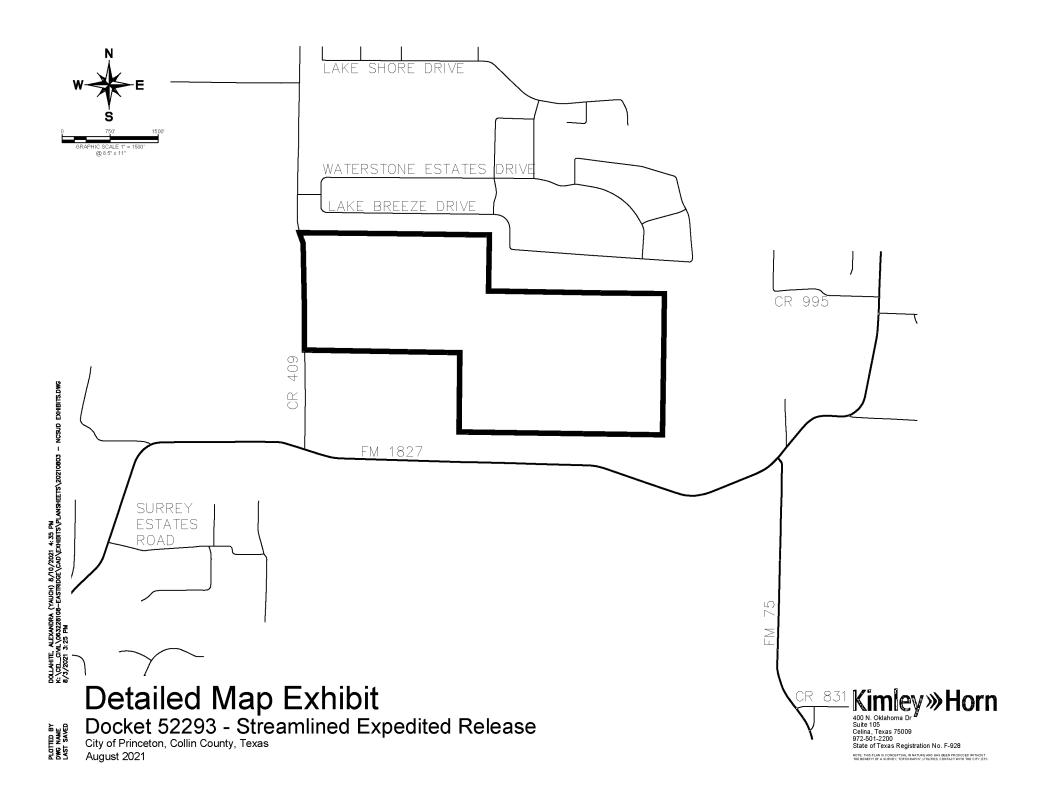
PERMITTED EXCEPTIONS

- Restrictive covenants recorded under Clerk's File No. 94-0040411, Real Property Records of Collin County, Texas.
- 2. Rights of David McMahan, as tenants only, in possession under unrecorded lease agreements.
- All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records whether listed or not.
- Easement granted Bi-Stone Fuel Company, recorded 11/20/62 in Volume 608, Page 203, Real Property Records, Collin County, Texas and shown on survey dated June 25, 2019 and revised November 18, 2020, by White Land Surveying, Inc., prepared by Joel Wilhite, Registered Professional Land Surveyor Number 5190, Job Number 20191223.
- Easement grated to Matador Pipelines, Inc., recorded 08/20/81 in Volume 1421, Page 692, Real Property Records, Collin County, Texas and shown on survey dated June 25, 2019 and revised November 18, 2020, by White Land Surveying, Inc., prepared by Joel Wilhite, Registered Professional Land Surveyor Number 5190, Job Number 20191223.
- Lease for coal, lignite, oil, gas or other minerals, together with rights incident thereto, dated January 28, 1981, by and between Woodrow Walker and wife, Ernestene Walker, as Lessor, and Jack E. Klinger, as Lessee, recorded July 27, 1981 at Volume 1411, Page 457 of the Official Records of Collin County, Taxas
- Lease for coal, lignite, oil, gas or other minerals, together with rights incident thereto, dated January 28, 1981, by and between Woodrow Walker and wife, Ernestene Walker, as Lessor, and Jack E. Klinger, as Lessee, recorded July 27, 1981 at Volume 1411, Page 501 of the Official Records of Collin County, Texas.
- Lease for coal, lignite, oil, gas or other minerals, together with rights incident thereto, dated April 20, 1981, by and between Woodrow Walker and wife, Ernestene Walker, as Lessor, and Jack E. Klinger, as Lessee, recorded July 27, 1981 at Volume 1411, Page 672 of the Official Records of Collin County, Texas.
- Lease for coal, lignite, oil, gas or other minerals, together with rights incident thereto, dated November
 1981, by and between Woodrow Walker and Ernestene Walker, as Lessor, and Provincial Oil Corporation, as Lessee, recorded December 2, 1981 at Volume 1453, Page 273 of the Official Records of Collin County, Texas.
- 10. Easements and rights incidental thereto, as reserved in Judgment of Court in Absence of Objection, recorded 06/13/01 in Volume 4938, Page 783, Real Property Records, Collin County, Texas and shown on survey dated June 25, 2019 and revised November 18, 2020, by White Land Surveying, Inc., prepared by Joel Wilhite, Registered Professional Land Surveyor Number 5190, Job Number 20191223.
- 11. Any rights, interests, or claims which may exist or arise by reason of the following matters disclosed by survey, Job No.: 20191223 Dated: June 25, 2019 and revised November 18, 2020, prepared by Joel Wilhite, Registered Professional Land Surveyor Number 5190 as follows: variable fence lines along most Western property line encroaching and/or protruding as shown.

Exhibit B



Filed and Recorded Official Public Records Stacey Kemp, County Clerk Collin County, TEXAS 12/28/2016 03:30:17 PM \$46.00 TBARNETT 20201228002333180

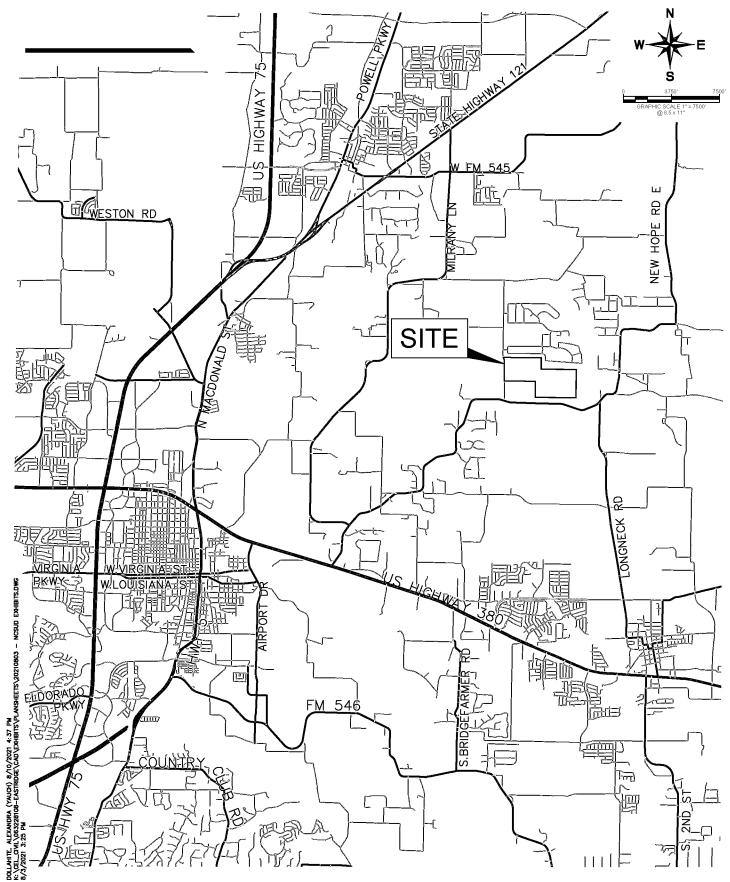


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Meritage_52293_SPNC.shx
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Please see the ZIP file for this Filing on the PUC Interchange in order to access these files.

Contact centralrecords@puc.texas.gov if you have any questions.



General Location Map Docket 52293 - Streamlined Expedited Release City of Princeton, Collin County, Texas August 2021

PLOTTED BY DWG NAME LAST SAVED

Kimley >>> Horn
400 N. Oklahoma Dr
Suite 105
Celina, Texas 75009
972-501-2200
State of Texas Registration No. F-928 NOTE: THIS PLAN IS CONCEPTUAL IN NATURE AND HAS BEEN PRODUCED WITHOUT THE BENEFIT OF A SURVEY, TOPOGRAPHY, UTILITIES, CONTACT WITH THE CITY, ETC.