



Filing Receipt

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MATHEWS & FREELAND, L.L.P.

ATTORNEYS AT LAW

JIM MATHEWS
JOE FREELAND

Westpark II, Suite 260
8140 North Mopac Expressway
AUSTIN, TEXAS 78759

(512) 404-7800
FAX: (512) 703-2785

September 2, 2021

Via Electronic Submission

Public Utility Commission of Texas
Central Records Division
1701 N. Congress Avenue, Room 8-100
Austin, Texas 78701

Re: Application of the City of Lindale and Lindale Rural Water Supply Corporation for Approval of a Service Area Agreement Under Texas Water Code §13.248 and to Amend Certificates of Convenience and Necessity in Smith County

To the Public Utility Commission of Texas:

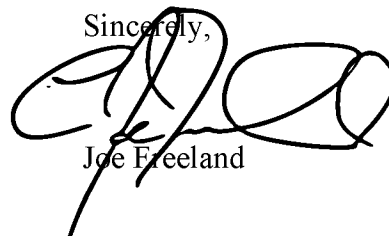
On behalf of the City of Lindale ("Lindale") please accept this application under Texas Water Code §13.248 and 16 Tex. Admin. Code §24.253 for approval of a service area agreement and to transfer a portion of CCN No.10758 in Smith County, Texas, from Lindale Rural Water Supply Corporation ("LRW") to the City of Lindale, CCN No. Lindale and LRW have both agreed to the transfer. A copy of the agreement is attached as Exhibit A.

The decision to enter into an agreement was presented to and approved by LRW's Board of Directors. The agenda and minutes from LRW's May 28, 2021, Board meeting during which the decision to enter into an agreement was discussed, along with an affidavit attesting to the date of the meeting are attached as Exhibit B. The decision to enter into an agreement was presented to and approved by Lindale's City Council. The agenda and minutes from Lindale's June 1, 2021, Council meeting during which the decision to enter into an agreement was discussed, along with an affidavit attesting to the date of the meeting are attached as Exhibit C.

The amount of territory being transferred is approximately 28.72 acres from LRW to Lindale, and there are no existing customers residing on the tract. Small and large-scale maps of the area to be transferred are attached as Exhibit D. The digital data supporting the maps will be uploaded along with this document.

Please let me know if you need any additional information to allow the Commission to incorporate this agreement into the respective CCNs of Lindale and LRW.

Sincerely,



Joe Freeland

cc: Jamie Davlin, LRW

Exhibit A

**TWC §13.248 Agreement between
Lindale and LRW**

SERVICE AREA AGREEMENT

This Service Area Agreement (the "Agreement") is by and between the City of Lindale, Texas, (the "City") and Lindale Rural Water Supply Corporation ("LRW") (all the above are also sometimes referred to herein collectively as the "Parties" or individually as a "Party").

RECITALS

WHEREAS the City of Lindale is a municipal corporation in Smith County, Texas, owning a retail public water utility operating under water CCN No. 12795 in Smith County; and

WHEREAS, Lindale Rural Water Supply Corporation is a water supply corporation operating under Chapter 67 of the Texas Water Code, owning a retail public water utility operating under water CCN No. 10758 in Smith County; and

WHEREAS, the owners of a tract of land located inside LRW's CCN, but immediately adjacent to the City's CCN and inside the City's corporate boundaries, (shown as the "Proposed Transfer Area" on Exhibit A) have requested retail water utility service from the City; and

WHEREAS, LRW consents, pursuant to the terms of this Agreement, to allowing the City to provide retail water utility service to the Proposed Transfer Area; and,

WHEREAS, pursuant to Texas Water Code §13.248, contracts between retail public utilities designating areas to be served, when approved by the Public Utility Commission of Texas ("PUC") after public notice and hearing, are valid and enforceable and are incorporated into the appropriate CCNs; and,

WHEREAS, the City and LRW mutually desire to enter into this Agreement setting forth the terms and conditions pursuant to which they will designate areas to be served and to request the PUC to incorporate such designations into the CCNs held by the City and LRW;

NOW, THEREFORE, in consideration of the promises, mutual agreements, and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and LRW hereby contract and agree as follows:

ARTICLE I **TERMS**

1.1 **Term.** This Agreement shall remain valid and enforceable until superseded by subsequent written agreement.

1.2 **Property Subject to the Agreement.** The property subject to this Agreement is the property identified as "Proposed Transfer Area" as shown on Exhibit A.

1.3 Transfer of Water Utility Service Area. LRW consents and agrees to the transfer of CCN service territory that includes the Proposed Transfer Area to the City provided the following conditions are satisfied:

- A. Within 30 days of the execution of this Agreement, the City shall prepare, file, and diligently prosecute, at the City's sole expense, an application pursuant to Texas Water Code §13.248 ("Application") with the PUC to have the Proposed Transfer Area transferred from CCN No. 10758 to CCN No. 12795. LRW shall support the Application and will not object or otherwise attempt to defeat the City's Application to include the Proposed Transfer Area in the City's water CCN.
- B. Within 10 days after the issuance of a final order issued by the PUC incorporating the Proposed Transfer Area into the City's CCN No. 12795, the City shall pay the sum of \$124,723.00 to LRW as compensation for LRW transferring its CCN for the area to the City.
- C. If the PUC denies the 13.248 Application for any reason, the City and LRW shall work in good faith to implement a reasonable alternative administrative approach providing the City with the necessary authority to serve the Proposed Transfer Area, including a petition for expedited release under Texas Water Code § 13.2541. In the event that an alternative administrative approach is used, the City shall not be obligated to pay more than \$124,723.00 to LRW for the right to provide service.

1.4 Retail Service. LRW hereby consents to the City providing retail water service to the Proposed Transfer Area during the pendency of the 13.248 Application.

ARTICLE II **MISCELLANEOUS**

2.1 No agreements other than this Agreement now exist between the City and LRW concerning the subject matter of this Agreement.

2.3 This Agreement shall be binding on the City and LRW and shall be binding on and inure to the benefit of the successors and assigns of the respective Parties to this Agreement.

2.4 This Agreement is the entire agreement between the Parties hereto with respect to the subject matter hereof. No modifications of this Agreement shall be of any force or effect, whatsoever, except as by subsequent modification in writing signed by the Parties.

2.5 The provisions of this Agreement shall be governed by and construed and entered in accordance with the substantive laws of the State of Texas. Any action at law or in equity brought to enforce any provision of this Agreement shall be brought in a court of competent jurisdiction with venue in Smith County, Texas.

2.6 The individuals executing this Agreement on behalf of the respective parties below represent that all necessary and appropriate action has been taken to authorize the individual who is

executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing, and that each individual affixing his or her signature is authorized to do so, and such authorization is valid and effective on the date hereof. If the authority of the individual executing this Agreement is subsequently challenged, the party for which the individual was acting shall take all steps necessary to ratify the authority of the individual.

2.7 This Agreement may be executed in multiple originals, either copy of which shall be considered an original.


2.8 This Agreement shall be effective on the date of execution below.

2.9 No Party will be penalized for alleged authorship of a particular provision on judicial construction of this Agreement.

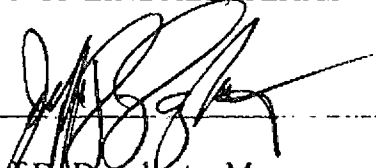
2.10 No Party to this Agreement shall initiate any litigation or arbitration challenging the validity or enforceability of any provision of this Agreement once it has been signed. The Parties reserve only their right to enforce the terms of this Agreement to the extent they are not fully performed by any other Party.

EXECUTED AND AGREED TO by the Parties hereto this 9th day of July, 2021.

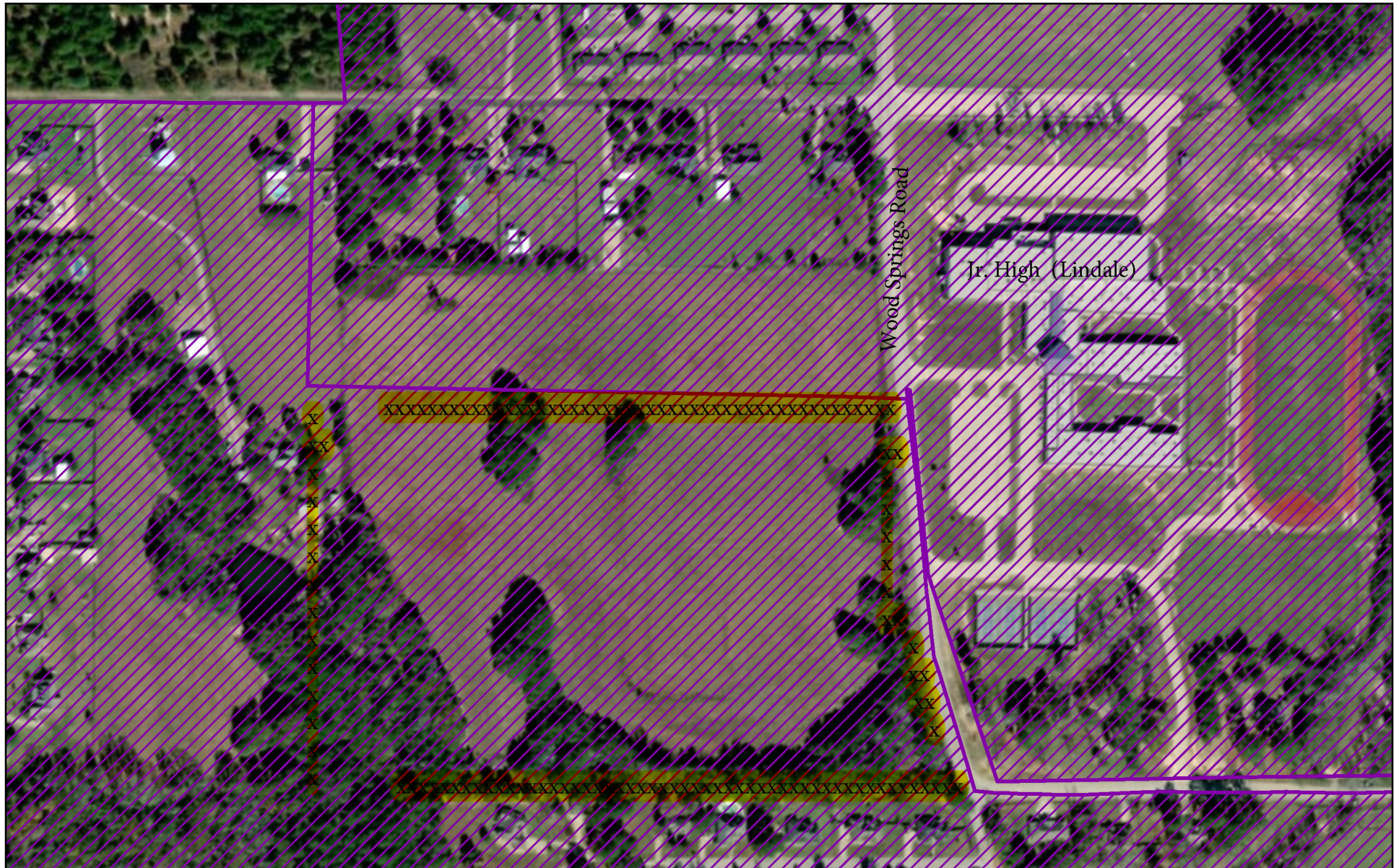
LINDALE RURAL WATER SUPPLY CORPORATION

By: 
Printed Name: Jamie Daulin
Title: General Manager

CITY OF LINDALE, TEXAS

By: 
Jeff D. Daugherty, Mayor

Public Utility Commission



May 27, 2021

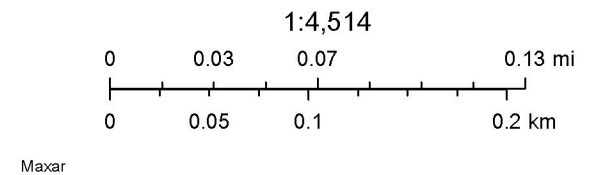


Exhibit B

LRW Board Meeting

May 28, 2021

Agenda, Minutes, and Affidavit

LINDALE RURAL WATER SUPPLY

AGENDA

EMERGENCY BOARD MEETING

MAY 28, 2021

6PM

15934 CR 431

MEETING CALLED TO ORDER BY PRESIDING OFFICER

1. DISCUSS AND TAKE ACTION ON SELLING PART OF LINDALE RURAL WATER'S CCN ON CR 463
ACROSS FROM LINDALE MIDDLE SCHOOL

CLOSE OF MEETING BY PRESIDING OFFICER

LINDALE RURAL WATER SUPPLY

MINUTES

MAY 28, 2021

6PM

15934 CR 431

MEETING CALLED TO ORDER BY PRESIDING OFFICER:

1. DISCUSS AND TAKE ACTION ON SELLING PART OF LINDALE RURAL WATER'S CCN ON CR 463 ACROSS FROM THE MIDDLE SCHOOL

AFTER DISCUSSION THE BOARD APPROVED SELLING LINDALE RURAL WATER'S CCN ON CR 463

MEETING CLOSED BY PRESIDENT PAUL KLING

A handwritten signature in black ink, appearing to read "Paul Kling", written over a horizontal line.

PAUL KLING-PRESIDENT


STATE OF TEXAS
COUNTY OF SMITH

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§

AFFIDAVIT OF JAMIE DAVLIN

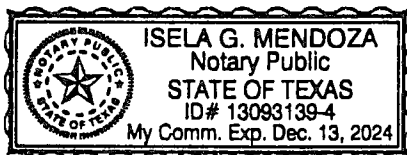
BEFORE ME, the undersigned authority, personally appeared Jamie Davlin, known to me to be the person who subscribed his name below, who, being by me first duly sworn did depose on his oath as follows:

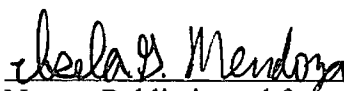
1. "I am over 18 years of age, have not been convicted of a crime, and I am of sound mind.
2. Lindale Rural Water Supply Corporation ("LRW") employs me as General Manager. I am capable of making this Affidavit, and personally acquainted with the facts herein stated.
3. The decision to enter into agreement between the City of Lindale and Lindale Rural Water Supply Corporation ("LRW") whereby certain water certificate of convenience and necessity ("CCN") service territory of LRW's would be transferred to the City of Lindale was considered by LRW's Board of Directors.
4. A true and correct copy of LRW's board meeting agenda and minutes for the emergency board meeting on May 28, 2021, are attached hereto. Notice for this meeting complied with the Texas Open Meetings Act. At this meeting, the LRWS Board discussed and decided to enter into agreement with the City of Lindale.
5. There are no customers being transferred pursuant to the agreement referenced above.
6. Further affiant sayeth not."



Jamie Davlin

Subscribed to and sworn to before me, the undersigned authority on this the 1 day of September 2021.





Notary Public in and for
the State of Texas

Exhibit C

**Lindale City Council Meeting
June 1, 2021
Agenda, Minutes, and Affidavit**

**Agenda
Lindale City Council
Tuesday, June 1, 2021 6:00 p. m.
City Hall, 105 Ballard Drive**

Notice is hereby given as required by Title 5, Chapter 551.041 of the Government Code that the Lindale City Council will meet in a regular meeting June 1, 2021 at 6:00 p.m. at Lindale City Hall located at 105 Ballard Drive. The agenda is as follows

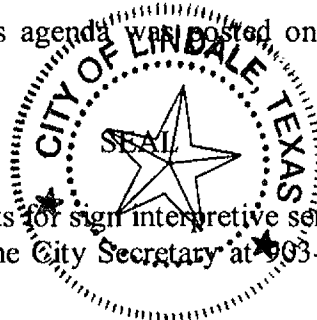
- A. Call to Order
- B. Roll Call
- C. Invocation
- D. Pledge of Allegiance
- E. Presentations and Recognitions
- F. Scheduled Business: Items may be taken in any order.
 - 1. Ceremonial swearing in of elected officials. (City Sec.)
 - 2. Discussion and possible action to approve a Lindale Select 7U Baseball Team to use Lindale fields for practice. (City Mgr.)
 - 3. Discussion and possible action to approve a sign variance to Pink Pistol. (City Mgr.)
 - 4. Discussion and possible action to approve a re-design on billboard located on I-20. (Tourism)
 - 5. Discussion and possible action regarding Community Center size and design. (City Mgr.)
 - 6. Discussion and possible action to accept the Rodeo Lift Station #15 and authorize final payment to Capps-Capco Construction, Inc. (City Mgr.)
 - 7. Discussion and possible action to approve an ordinance regarding camping in public places, and handling abandon property. (City Mgr.)
 - 8. Discussion and possible action to approve an Interlocal Agreement to share cost between Smith County GIS Consortium, Smith County 911 Emergency Services District and the City of Lindale for GSI Contour mapping project. (City Mgr.)
 - 9. Discussion and possible action to approve an Interlocal Agreement between Lindale Rural Water and City of Lindale to purchase Water Rights on an annexed parcel of land on Wood Springs Road from Lindale Rural Water and approve amount. (City Mgr.)
 - 10. Discussion and possible action to approve Councilwoman Yvette Martin absence on May 18th, 2021 council meeting as an excused absence. (City Mgr.)
 - 11. Citizen Talk Time: (Time limit 5 minutes. No discussion by Council)
 - 12. Reports: City Council, City Mgr., City Staff (no discussion, information update only).
- G. Adjournment.

I, Michelle Wiese, City Secretary, certify that this agenda was posted on the Lindale City Hall Bulletin Board by May 28, 2021 before 5:30 p. m.



Michelle Wiese, City Sec.

This building is wheelchair accessible. Any requests for sign interpretive services must be made 48 hours ahead of meeting. To make requests, call the City Secretary at 903-882-3422 or (TDD) 1-800-735-2989 to reach 903-882-3422.



REGULAR MEETING
LINDALE CITY COUNCIL
TUESDAY, JUNE 1, 2021 6:00 P. M.
CITY HALL, 105 BALLARD DRIVE

THE MEETING WAS CALLED TO ORDER BY MAYOR JEFF DAUGHERTY

COUNCIL MEMBERS PRESENT RICK THELEN, YVETTE MARTIN, GINGER SIMS, BOB TARDIFF, AND BRYAN SUMMERVILLE.

GINGER SIMS SAID THE INVOCATION AND MAYOR JEFF DAUGHERTY LED THE PLEDGE OF ALLEGIANCE.

F-1 CEREMONIAL SWEARING IN OF ELECTED OFFICIALS. MICHELLE WIESE, CITY SECRETARY, ADMINISTERED THE OATH OF OFFICE TO MAYOR JEFF DAUGHERTY AND COUNCIL PLACE 2, YVETTE MARTIN.

F-2 DISCUSSION AND POSSIBLE ACTION TO APPROVE A LINDALE SELECT 7U BASEBALL TEAM TO USE LINDALE FIELDS FOR PRACTICE. CAROLYN CALDWELL, CITY MANAGER, STATED THE SELECT BASEBALL TEAM HAS ASKED PERMISSION TO USE THE BASEBALL FIELDS FOR PRACTICE. THEY ARE A YEAR ROUND TEAM WITH ONE MONTH OFF DURING THE YEAR. THEY WILL WORK WITH THE LINDALE BASEBALL ASSOCIATION TO COORDINATE PRACTICE TIMES. THEY CARRY THEIR OWN INSURANCE. BOB TARDIFF MADE A MOTION TO APPROVE A LINDALE SELECT 7U BASEBALL TEAM TO USE THE LINDALE FIELDS FOR PRACTICE. SECOND BY GINGER SIMS. ALL VOTED IN FAVOR.

F-3 DISCUSSION AND POSSIBLE ACTION TO APPROVE A SIGN VARIANCE TO PINK PISTOL. CAROLYN CALDWELL, CITY MANAGER, STATED BEV AND RICK LAMBERT HAVE ASKED TO PLACE THEIR TISHOMINGO STORE SIGN ON THE ROOF AT THE PINK PISTOL AT THE CANNERY. THE SIGN IS A TRADEMARK FOR PINK PISTOL, BUT DOESN'T MEET OUR SIGN ORDINANCE AND WOULD REQUIRE A VARIANCE. BEV LAMBERT PRESENTED PICTURES OF THE PINK PISTOL SIGN TO COUNCIL FOR APPROVAL. BRYAN SUMMERVILLE MADE A MOTION TO APPROVE THE SIGN VARIANCE AT PINK PISTOL AS PRESENTED WITH FAÇADE ATTACHED ABOVE ROOF LINE WITH NEON LIGHTS PROVIDED THERE IS A STAMPED ENGINEER DESIGN. SECOND BY BOB TARDIFF. ALL VOTED IN FAVOR.

F-4 DISCUSSION AND POSSIBLE ACTION TO APPROVE A RE-DESIGN ON BILLBOARD LOCATED ON I-20. TABLED.

F-5 DISCUSSION AND POSSIBLE ACTION REGARDING COMMUNITY CENTER SIZE AND DESIGN. COUNCIL DISCUSSED SIZE AND DESIGN OF COMMUNITY CENTER. REA BOUDREAUX WITH BRANNON ENGINEER STATED HE WILL WORK ON DESIGN AND WILL BRING BACK TO COUNCIL FOR REVIEW. CAROLYN CALDWELL, CITY MANAGER, STATED WE CAN SETUP A WORKSHOP BEFORE NEXT COUNCIL MEETING TO REVIEW ENGINEER'S DESIGN. COUNCIL AGREED TO WORKSHOP AT 5:00 P.M. BEFORE 6:00 PM COUNCIL MEETING.

F-6 DISCUSSION AND POSSIBLE ACTION TO ACCEPT THE RODEO LIFT STATION #15 AND AUTHORIZE FINAL PAYMENT TO CAPPS-CAPCO CONSTRUCTION, INC. TABLED.

F-7 DISCUSSION AND POSSIBLE ACTION TO APPROVE AN ORDINANCE REGARDING CAMPING IN PUBLIC PLACES AND HANDLING ABANDON PROPERTY. BRYAN SUMMERVILLE MADE A MOTION TO APPROVE **ORDINANCE 09-2021** REGARDING CAMPING IN PUBLIC PLACES AND HANDLING ABANDON PROPERTY. SECOND BY BOB TARDIFF. ALL VOTED IN FAVOR.

F-8 DISCUSSION AND POSSIBLE ACTION TO APPROVE AN INTERLOCAL AGREEMENT TO SHARE COST BETWEEN SMITH COUNTY GIS CONSORTIUM, SMITH COUNTY 911 EMERGENCY SERVICES DISTRICT AND THE CITY OF LINDALE FOR GSI CONTOUR MAPPING PROJECT. BRYAN SUMMERVILLE MADE A MOTION TO APPROVE AN INTERLOCAL AGREEMENT TO SHARE COST WITH SMITH COUNTY FOR 2' GIS CONTOUR MAPPING THAT INCLUDES THE ETJ. SECOND BY YVETTE MARTIN. ALL VOTED IN FAVOR.

F-9 DISCUSSION AND POSSIBLE ACTION TO APPROVE AN INTERLOCAL AGREEMENT BETWEEN LINDALE RURAL WATER AND CITY OF LINDALE TO PURCHASE WATER RIGHTS ON AN ANNEXED PARCEL OF LAND ON WOOD SPRINGS ROAD FROM LINDALE RURAL WATER AND APPROVE AMOUNT. CAROLYN CALDWELL, CITY MANAGER, STATED THE CITY ATTORNEY OVER SAW THE LANGUAGE IN THE AGREEMENT. THIS WILL BE PAID OUT OF THE WATER CAPITAL FUND. SHE RECOMMENDS APPROVAL. BOB TARDIFF MADE A MOTION TO APPROVE INTERLOCAL AGREEMENT BETWEEN CITY OF LINDALE AND LINDALE RURAL WATER FOR THE PURCHASE OF WATER RIGHTS ON PROPERTY LOCATED OFF WOOD

SPRINGS ROAD ACROSS FROM JR. HIGH AND APPROVE PURCHASE PRICE OF \$124,723. SECOND BY GINGER SIMS. ALL VOTED IN FAVOR.

F-10 DISCUSSION AND POSSIBLE ACTION TO APPROVE COUNCILWOMAN YVETTE MARTIN ABSENCE ON MAY 18TH, 2021 COUNCIL MEETING AS AN EXCUSED ABSENCE. BRYAN SUMMERVILLE MADE A MOTION TO APPROVE COUNCILWOMAN YVETTE MARTIN ABSENCE ON MAY 18, 2021 COUNCIL MEETING AS AN EXCUSED ABSENCE. SECOND BY GINGER SIMS. ALL VOTED IN FAVOR.

F-11 CITIZEN TALK TIME: NONE.

F-12 REPORTS: CITY COUNCIL, CITY MGR., CITY STAFF (NO DISCUSSION, INFORMATION UPDATE ONLY). GINGER SIMS SAID THE VINTAGE MARKET WAS REALLY A NICE EVENT LIKE THE PINEY WOODS FESTIVAL WAS. KYLE MCCOY, UTILITY DIRECTOR, UPDATED COUNCIL ON WELL #4 THAT IT IS ONLINE AND THE HIGH SCHOOL TOWER IS COMPLETELY PAINTED AND WILL BE READY TO GO BACK ONLINE.

G. ADJOURNMENT. 6:47 P.M.


MICHELLE WIESE, CITY SECRETARY


JEFF B. DAUGHERTY, MAYOR

STATE OF TEXAS
COUNTY OF SMITH

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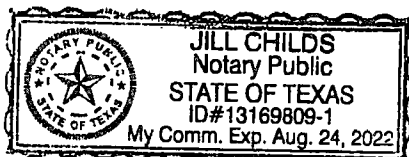
AFFIDAVIT OF CAROLYN CALDWELL

BEFORE ME, the undersigned authority, personally appeared Carolyn Caldwell, known to me to be the person who subscribed her name below, who, being by me first duly sworn did depose on her oath as follows:

1. "I am over 18 years of age, have not been convicted of a crime, and I am of sound mind.
2. The City of Lindale, Texas ("City") employs me as the City Manager. I am capable of making this Affidavit, and personally acquainted with the facts herein stated.
3. The decision to enter into agreement between the City and Lindale Rural Water Supply Corporation ("LRW") whereby certain water certificate of convenience and necessity ("CCN") service territory of LRW's would be transferred to the City was considered by the City's City Council at its regular meeting on June 1, 2021.
4. A true and correct copy of the City's City Council meeting agenda and minutes for the regular meeting on June 1, 2021, are attached hereto. Notice for this meeting complied with the Texas Open Meetings Act. At this meeting, the City Council discussed and decided to enter into agreement with LRW.
5. There are no customers being transferred pursuant to the agreement referenced above.
6. Further affiant sayeth not."


Carolyn Caldwell

Subscribed to and sworn to before me, the undersigned authority on this the 1st day of September 2021.



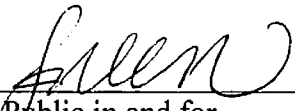
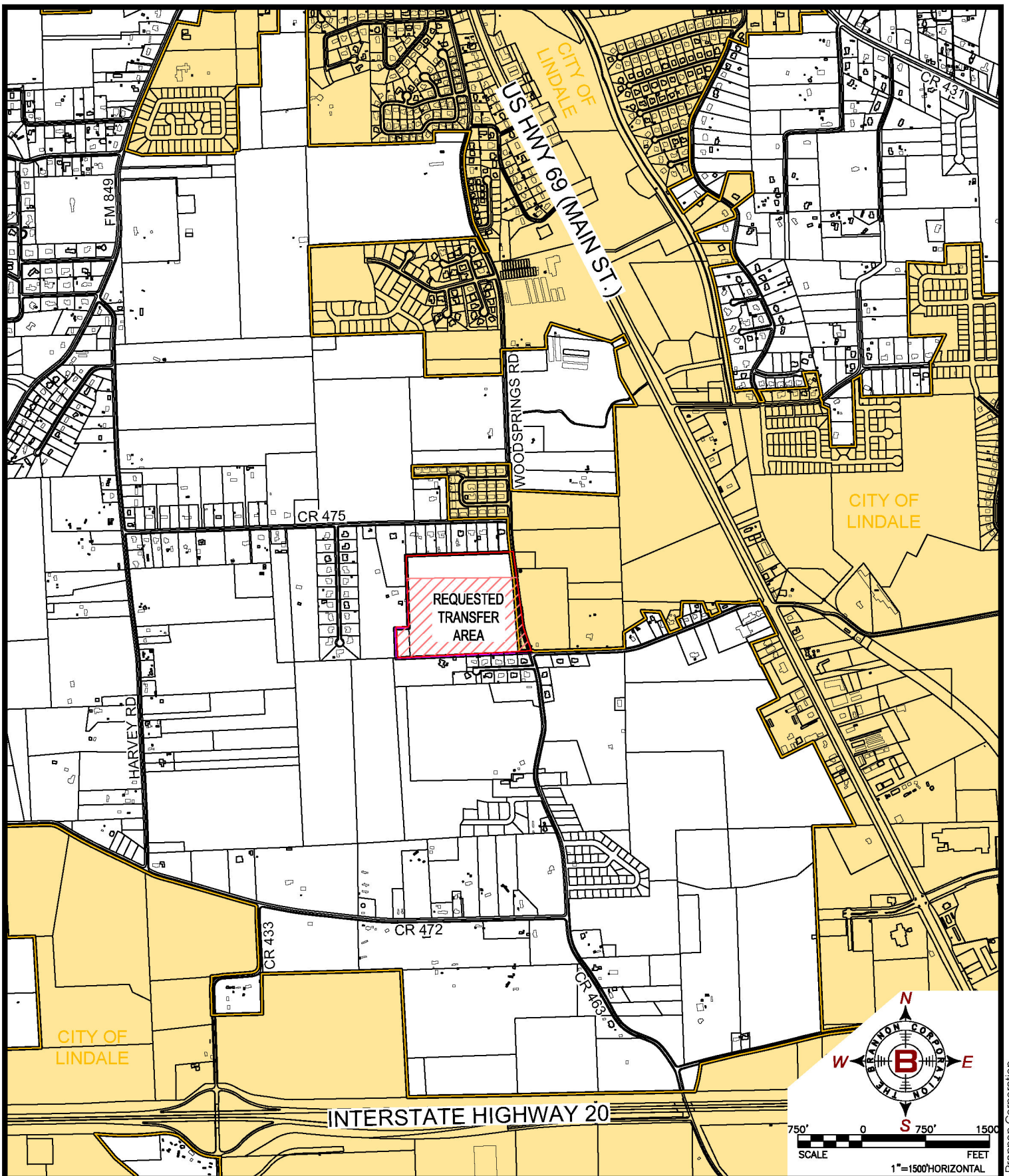
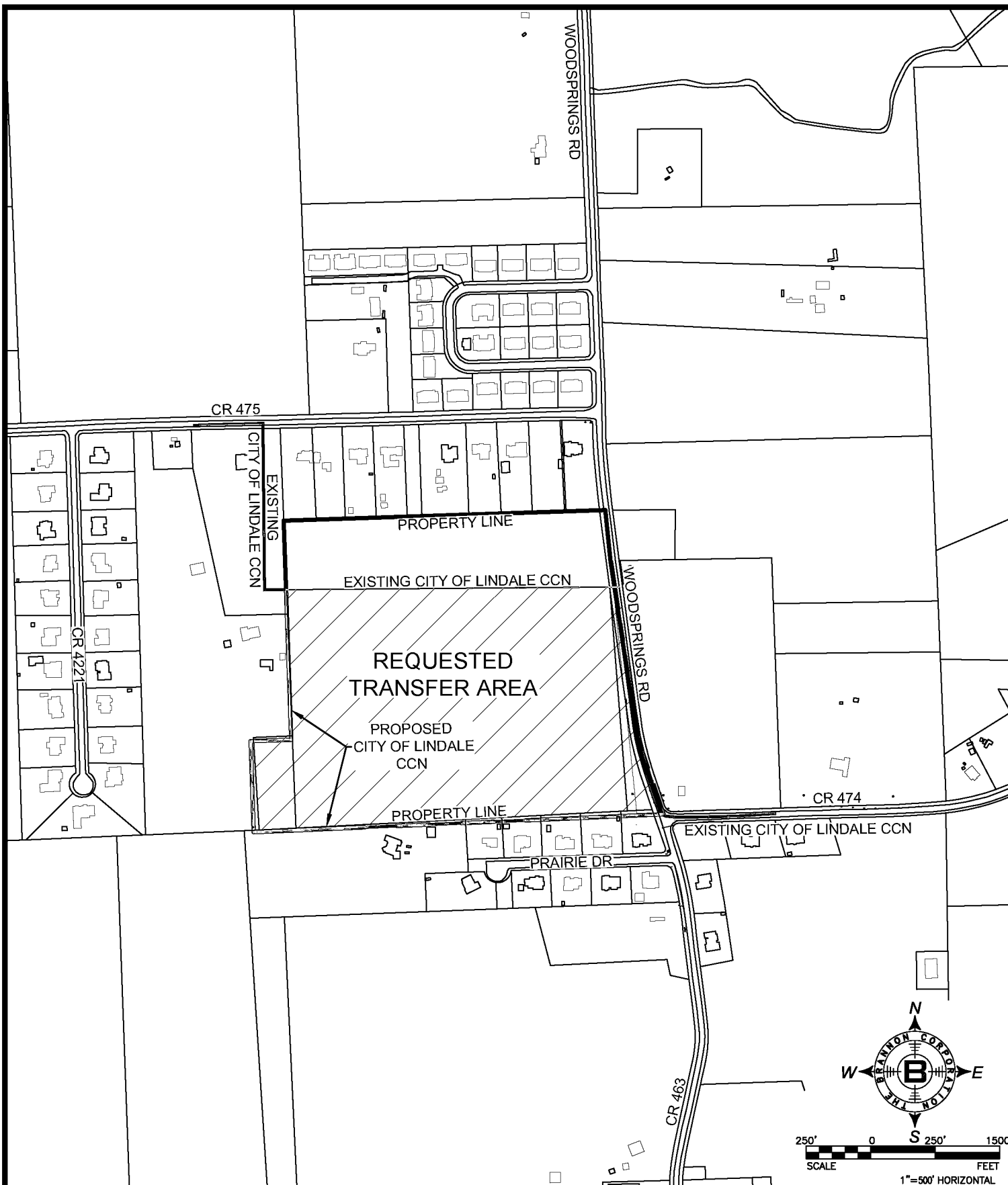

Notary Public in and for
the State of Texas

Exhibit D

Small and Large Scale Maps





DETAILED LOCATION MAP
CITY OF LINDALE / LINDALE RURAL WSC
TRANSFER OF A PORTION FROM LINDALE
RURAL WSC TO CITY OF LINDALE
IN SMITH COUNTY

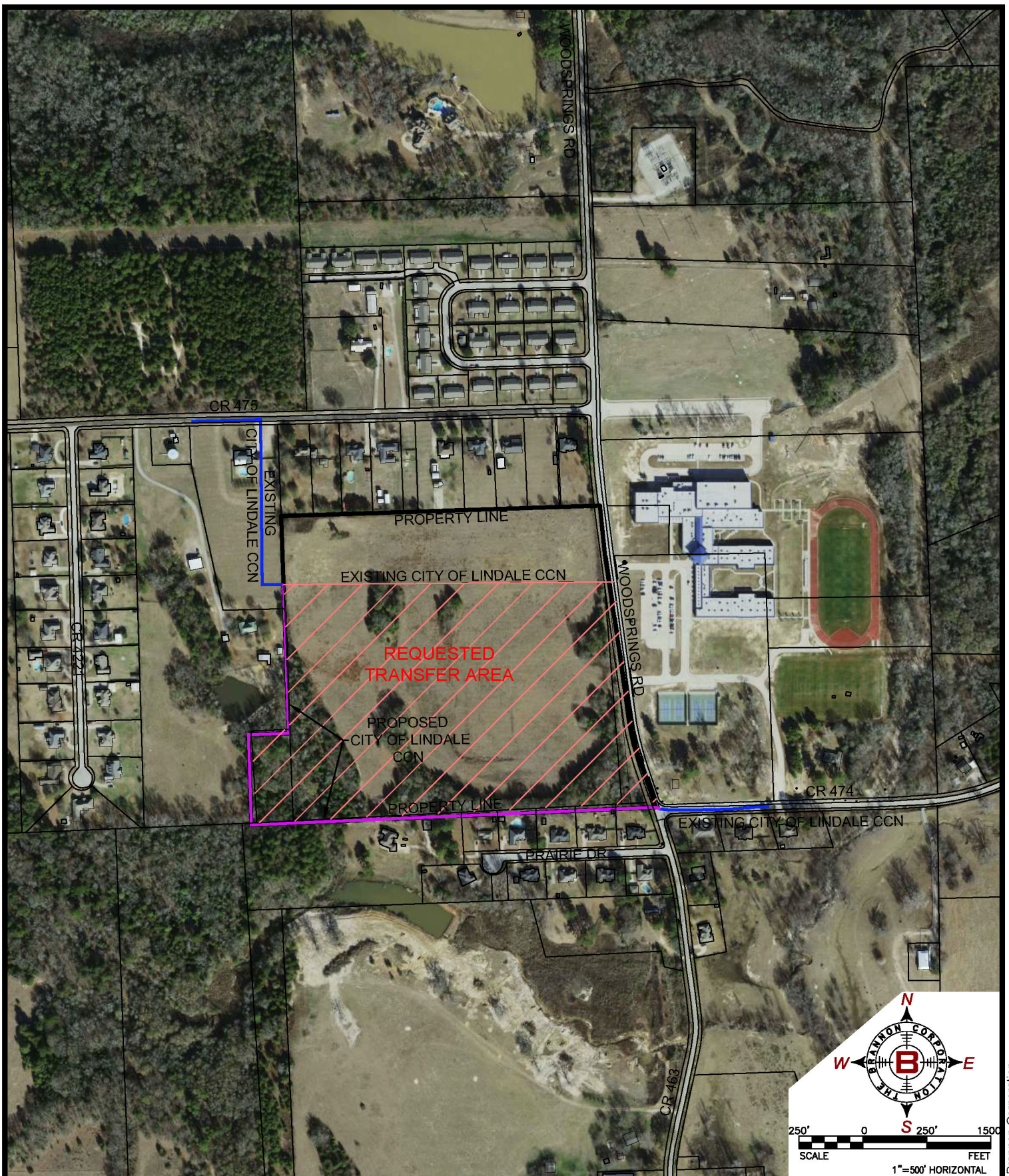


THE C.T. BRANNON CORPORATION
 1321 SOUTH BROADWAY
 TYLER, TX 75701
 (903) 597-2122
 TX FIRM REGISTRATION #F-242

DESIGNED BY: RLB
 ISSUE DATE: 9-1-2021
 ISSUED FOR: REGULATORY REVIEW
 TBC PROJECT NO. 19008
 SHEET NO.

EX 2.0

WEBSITE: www.brannoncorp.com



DETAILED LOCATION MAP (W/ AERIAL)
 CITY OF LINDALE / LINDALE RURAL WSC
 TRANSFER OF A PORTION FROM LINDALE
 RURAL WSC TO CITY OF LINDALE
 IN SMITH COUNTY

BRANNON CORP
 CIVIL ENGINEERS

THE C.T. BRANNON CORPORATION
 1321 SOUTH BROADWAY
 TYLER, TX 75701
 (903) 597-2122
 TX FIRM REGISTRATION #F-242

DESIGNED BY: RLB
 ISSUE DATE: 9-1-2021
 ISSUED FOR: REGULATORY REVIEW

TBC PROJECT NO. 19008
 SHEET NO.

EX 3.0

WEBSITE: www.brannoncorp.com

The following files are not convertible:

19008-00-BM-RLB.dwg

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.