



## Filing Receipt

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**Control Number - 52531**

**ItemNumber - 26**

**DOCKET NO. 52531**

<b>PETITION BY E REAL ESTATE, LLC</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>TO AMEND MARILEE SPECIAL</b>	<b>§</b>	
<b>UTILITY DISTRICT'S CERTIFICATE</b>	<b>§</b>	
<b>OF CONVENIENCE AND NECESSITY</b>	<b>§</b>	
<b>IN COLLIN COUNTY BE EXPEDITED</b>	<b>§</b>	<b>OF TEXAS</b>
<b>RELEASE</b>	<b>§</b>	

**MARILEE SPECIAL UTILITY DISTRICT'S VERIFIED RESPONSE TO PETITION OF E REAL ESTATE, LLC TO AMEND CERTIFICATE OF CONVENIENCE AND NECESSITY IN COLLIN COUNTY BY EXPEDITED RELEASE**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE GOODSON:

COMES NOW, MARILEE SPECIAL UTILITY DISTRICT (the "District") and files this Verified Response ("Response") to E Real Estate, LCC's ("Petitioner") First Amended Petition by E REAL ESTATE, LLC for expedited release pursuant to Texas Water Code Section 13.2541 (Tract 4) to amend the District's Certificate of Convenience and Necessity ("CCN") in Collin County ("Petition"), in this docket, and respectfully shows as follows:

**I. BACKGROUND**

1. On December 13, 2021, Petitioner filed its Petition for streamlined expedited release seeking to use the process pursuant to Texas Water Code ("TWC") § 13.2541 and 16 Texas Administrative Code ("TAC") § 24.245(h) to extract approximately 486.85 acres (the "Subject Property") from the water utility service area the District serves under Certificate of Convenience and Necessity ("CCN") No. 10150 in Collin County, Texas.<sup>1</sup> The Petition alleges that the Subject Property is greater than 25 acres, is not receiving water or sewer service, and is entirely within Collin County.<sup>2</sup>

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<sup>1</sup> First Amended Petition by E Real Estate, LLC for expedited release pursuant to Texas Water Code Section 13.2541 (Tract 4)(Dec. 13, 2021).

<sup>2</sup> *Id.* at 2.

2. On October 1, 2021, the District filed a Motion to Intervene. The District's motion was granted on October 11, 2021.<sup>3</sup>

3. After repeated attempts by the Petitioner to submit a complete application, the ALJ finally issued Order No. 9 declaring the Petition administratively complete and setting a deadline of August 15, 2022, for the District to file its verified response to the Petition.<sup>4</sup> This Response is timely filed.

## II. RESPONSE

4. The District is a retail public utility and political subdivision of the State of Texas and the holder of CCN No. 10150. On November 2, 2022, the District consolidated with Mustang Special Utility District.<sup>5</sup> The District, now that it has been consolidated, currently provides retail water service to approximately 29,500 customers.

5. Petitioner is E Real Estate, LLC, a Texas limited-liability corporation.

6. Petitioner has requested that the Commission decertify the Subject Property from the District's CCN 10150 through streamlined expedited release, under TWC § 13.2541 and 16 TAC § 24.245(h). Streamlined expedited release was created in 2019 to be a simplified offshoot of expedited release that better codified the way CCN holders should be compensated for property decertified from their CCN service area.<sup>6</sup> The statutory mechanism allows landowners who meet those criteria to decertify their property from the service area of the CCN holder, depriving the CCN holder of the opportunity to serve that landowner's property.

7. To obtain the release of property under TWC § 13.2541, Petitioner must demonstrate with affirmative evidence in a verified petition that the Petitioner owns a tract of land

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<sup>3</sup> Order No. 2 – Granting Intervention and Amending Procedural Schedule (October 11, 2021).

<sup>4</sup> Order No. 9 – Finding Petition Administratively Complete, Restyling Petition, And Establishing Procedural Schedule (July 26, 2022).

<sup>5</sup> See *infra* n.36 & accompanying text (describing the districts' consolidation pursuant to TWC § 65.723).

<sup>6</sup> See, e.g., Acts 2019, 86<sup>th</sup> Leg., R.S., Ch. 688, General and Special Laws of Texas (enrolled bill to be codified at TWC § 13.2541). The policies considered by the legislature regarding the substance of both TWC §§ 13.254 and 13.2541 are best reflected by the legislative history for TWC § 13.254, which was enacted in 2005 in House Bill 2876.

that is at least 25 acres, that the tract of land is located in a qualifying county, and that the tract of land is not receiving “service” of the type that the current CCN holder is authorized to provide under the applicable CCN.<sup>7</sup>

**A. The Petition Must Be Denied Because the District Is Providing Water Service to the tracts of land from which the Subject Property is derived.**

8. In the “Definitions” section, the TWC broadly defines “service” as:

any act performed, anything furnished or supplied, and any facilities or lines committed or used by a retail public utility in the performance of its duties...to its patrons, employees, other retail public utilities, and the public, as well as the interchange of facilities between two or more retail public utilities.”<sup>8</sup>

9. Based on the statutory definition of “service,” whether or not a tract is receiving “service” is not dependent on whether water or sewer is being used or has been requested on the tract. Instead, a tract is “receiving” water or sewer service if either of the following conditions are met:

- Any facilities or lines are committed or used in the performance of the CCN holder’s duties as a retail public utility providing service to the property; or
- Any lines are committed or used in the performance of the CCN holder’s duties as a retail public utility.<sup>9</sup>

10. The inquiry into whether a tract of land is “receiving service” requires the Commission to consider any lines or “facilities” committed to providing water to the tract of land. As defined by the TWC, “Facilities” include:

all the plant and equipment of a retail public utility, including all tangible and intangible real and personal property without

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<sup>7</sup> TWC § 13.2541(b).

<sup>8</sup> TWC § 13.002(21); *see also* 16 TAC § 24.3(33) (same definition).

<sup>9</sup> *See id.*; *see also Tex. Gen. Land Office v. Crystal Clear Water Supply Corp.*, 449 S.W.3d 130, 137 (Tex. App.—Austin 2014, pet. denied).

limitation, and any and all means and instrumentalities in any manner owned, operated, leased, licensed, used, controlled, furnished, or supplied for, by, or in connection with the business of any retail public utility.<sup>10</sup>

11. The TWC’s definitions of “service” and “facilities” have been analyzed by Texas courts in proceedings brought pursuant to TWC § 13.2541 and 16 TAC § 16.245(h). The Austin Court of Appeals has held, for example, that when water lines are present within a tract and “committed” to the property, the tract is “receiving service,” and a petition for streamlined expedited release under TWC § 13.2541 may not be granted.<sup>11</sup>

12. As described in the previous section, the TWC and Texas cases, like *Crystal Clear*, define “water service” broadly. The District’s Special Projects Inspector, Michael Garrison, and engineer of record, DBI Engineers, are familiar with the Subject Property, and the District’s service to the Subject Property. Mr. Garrison has provided an affidavit, attached hereto as “**Exhibit A**” to provide details about the service being provided to the Subject Property. Eddy Daniel, engineer for DBI Engineers, has provided an affidavit, attached hereto as “**Exhibit B**” to map the Subject Property and the meters and waterlines on it, surrounding it, and dedicated to serving the Subject Property.

13. The District maintains the following facilities that currently provide water service to the Subject Property:

- The District maintains a 2” waterline within the Subject Property that runs along the eastern side of Willow Road;
- The District maintains a 10” and 12 “ waterline along the eastern boundary and just outside the Subject Property on the eastern side of County Road 128;
- The District maintains an 8” waterline along the western boundary and within Subject Property on the western side of County Road 97;
- The District maintains an 8” waterline along the northern boundary and just outside the Subject Property on the northern side of County Road 130; and

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<sup>10</sup> TWC § 13.002(9).

<sup>11</sup> *Crystal Clear*, 449 S.W.3d at 140.

- The District maintains 4” and 2” waterlines that bisect and are located on the Subject Property on the eastern side of County Road 101.

14. In addition, the Subject Property is part of several larger tracts of land that are receiving water service from the District through other District water meters.<sup>12</sup> The deeds provided by the Petitioner identify 10 tracts of land, none of which have been subdivided by subsequent deed or plat.<sup>13</sup> Chapter 212 (Municipal Regulation of Subdivisions) and Chapter 232 (County Regulation of Subdivisions) in the Texas Local Government Code require a plat for the division of any tract of land into five acres or less in a city or its extraterritorial jurisdiction or 10 acres or less in the unincorporated area of a county.<sup>14</sup> The Petitioner attempts to remove from the tracts of land certain areas where the District currently has active meters that provide water service to the tracts of land. However, those attempts do not alter the tract of land acquired by the Petitioner because they are not legal subdivisions (in the case of attempting to divide a tract of land into areas less than five or 10 acres, as applicable) and the remaining areas are not tracts of land because there is no deed conveying that specific tract of land to the Petitioner.

15. Based on the District’s waterlines, and other facilities within or near the Subject Property, the District’s engineer has stated that in his “professional opinion, the District provides and has the ability and facilities dedicated to continue to provide water service to the Subject Property.”<sup>15</sup>

16. Based on the fact that the District provides service within the tracts of land as defined in the deeds provided by the Petitioner and on the verified facts provided by the District, the Subject Property is receiving water service from the District under TWC § 13.2541, 16 TAC § 24.45(h),

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<sup>12</sup> *Id.* at ¶¶ 4 and 6.

<sup>13</sup> See First Amended Petition by E Real Estate, LLC for Expedited Release Pursuant to Texas Water Code Section 13.2541 (Tract 4), Exhibits C-1 (four tracts of land), C-2 (five tracts of land) and C-3 (one tract of land), specifically Exhibit A to each deed.

<sup>14</sup> Texas Local Government Code, Chapters 212 and 232.

<sup>15</sup> Exhibit B (Affidavit of Eddy Daniel) at ¶ 6.

and *Crystal Clear*. The Subject Property is thus not eligible for streamlined expedited release, and the Petition must be denied.

**B. Petitioner Has Not Met Petitioner’s Burden of Proof Under TWC § 13.2541 and 16 TAC § 24.245(h).**

17. Petitioner, not the District, bears the burden to prove that the Subject Property is not receiving service.<sup>16</sup> The Commission’s substantive rules, specifically 16 TAC § 24.245(h)(3)(D), provide that Petitioner must provide a “statement of facts that demonstrate that the property is not currently receiving service” as a required part of the verified petition.<sup>17</sup>

18. The verified “statement of facts” that Petitioner must show to meet its burden under 16 TAC § 24.245(h) is reflected in *Johnson County Special Utility District v. Public Utility Comm’n of Texas*.<sup>18</sup> There, a land broker filed an affidavit swearing that he searched the property for several hours and found no district water meters or facilities, only “two shuttered ground well heads” and a “small, elevated water storage tank . . . implying that any dwelling on the [p]roperty required that water pressure be generated locally and not from a retail water utility service provider.”<sup>19</sup> The Commission, based on this unrebutted recitation of facts, properly found that no part of the property requested to be extracted had received water service since at least 2005.<sup>20</sup>

19. The “statement of facts” that Petitioner must show in its verified petition to meet its burden under 16 TAC § 24.245(h) is also reflected in *Crystal Clear*. Petitioner in that case, the Texas General Land Office, supported the contention that the area requested to be decertified was not receiving water service by explaining that there were “no active water meters or water connections on and no facilities providing current service” and that there was “one abandoned,

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<sup>16</sup> The fact that Petitioner must satisfy its burden of proof is important to note because, as streamlined-expedited-release cases are not “contested cases” and the District thus has no right to discovery or to an evidentiary hearing as to whether the District has “facilities” that provide or are capable of providing “service” to the Tract of Land in question. See 16 TAC § 24.245(h)(7) (“The commission will base its decision on the information filed by the landowner, the current CCN holder, and commission staff. No hearing will be held.”).

<sup>17</sup> 16 TAC § 24.245(h)(3)(D).

<sup>18</sup> No. 03-17-00160-CV, 2018 WL 2170259 (Tex. App—Austin May 11, 2018, pet. denied) (mem. op.).

<sup>19</sup> *Id.* at \*\*6-7.

<sup>20</sup> *Id.* at \*\*9-10 (citing Commission’s Finding of Fact No. 24).

empty meter box on the eastern portion of the property, which Crystal Clear itself classifies as inoperative.”<sup>21</sup>

20. In this case, Petitioner has not set out facts similar to that in *Johnson County* case or *Crystal Clear*. Petitioner has offered no statement of facts, but only a conclusory one-page affidavit from Petitioner’s “authorized signatory,” Gregg Allen, claiming, without support, that the Subject Property does not receive “service” from the District.<sup>22</sup> The affidavit also claims that the “Property has not requested water or sewer service”—this statement is confusing, as “property” cannot make requests. Petitioner has not provided any information regarding an investigation of the Subject Property. Accordingly, Petitioner has not set out a “statement of facts” to establish that the Subject Property is not receiving water service, as defined by the TWC, and thus has not satisfied its burden of proof under TWC § 13.2541 and 16 TAC § 24.245(h)(3)(D). As described in the previous section, had Petitioner provided a statement of facts regarding service, the Subject Property would not be eligible for decertification because the District is providing water service to the Subject Property through its meters located on the Subject Property, meters located on the tracts of land that are partially included in the Subject Property and its waterlines located on and adjacent to the Subject Property.

21. The District is currently defending against the decertification of 18 different areas in its service area, representing a total acreage of approximately 4,581,285 acres.<sup>23</sup> The petitions

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<sup>21</sup> *Crystal Clear*, 449 S.W.3d at 134.

<sup>22</sup> See Petition at Exhibit A (Affidavit of Gregg Allen) at ¶ 3 (“The Requested Area is not receiving water or sewer service from Marilee SUD or any other water or sewer service provider. The Requested Area has not requested water or sewer service from Marilee SUD or paid any fees or charges to initiate or maintain water or sewer service, and there are no billing records or other documents indicating an existing account for the Requested Area.”).

<sup>23</sup> In addition to this case, the District is the CCN holder in 17 other streamlined decertification cases currently before the Commission. See *Petition of Sterling Deason O’Donnell and Darwin Deason, Co-Trustees of the Sterling Deason O’Donnell DD 2012 Trust Under Agreement of the DD 2014-B Grantor Retained Annuity Trust to Amend Marilee Special Utility District’s Certificate of Convenience and Necessity in Collin County by Expedited Release*, Docket No. 50404 (on appeal in State District Court, Marilee Special Utility District, Plaintiff v. Public Utility Commission Of Texas, Defendant. Cause No. D-1-GN-22-002411); *Petition of CCD-North Sky, LLC to Amend Marilee Special Utility District’s Certificate of Convenience and Necessity in Collin County by Expedited Release*, Docket No. 52101 (on appeal in State District Court, Marilee Special Utility District, Plaintiff v. Public Utility Commission Of Texas, Defendant. Cause No. D-1-GN-22-002608); *Petition of Celina Partners, L.P. to Amend Marilee Special Utility District’s Certificate of Convenience and Necessity in Collin County by Expedited Release*, Docket No. 52434 (pending); *Petition of Legacy Equestrian Center LLC to Amend Marilee Special Utility District’s Certificate of Convenience and Necessity in Collin County by Expedited Release*, Docket No. 52435 (on appeal in



in most of the 18 dockets are supported by conclusory, barebones affidavits like that provided in this case. The District respectfully submits that it is inequitable and procedurally improper for the District to have to affirmatively prove, via verified response, that each of the properties, including the Subject Property in this case, is receiving or is capable of readily receiving water service from the District. Rather, Petitioner should be held to the burden of proof under 16 TAC § 24.245(h)(3)(D) to set out a verified statement of facts proving that the requested area is not receiving service before the Petition may be granted.

22. Petitioner has not met its burden of proof to decertify the Subject Property under TWC § 13.2541 and 16 TAC § 24.245(h)(3)(D) because Petitioner has not provided the required verified “statement of facts.” Accordingly, the District respectfully requests that the Petition be denied because it presents insufficient facts to prove that it is not receiving service from the District under TWC § 13.2541, 16 TAC § 24.245(h)(3)(D), and Texas law.

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State District Court, Marilee Special Utility District, Plaintiff v. Public Utility Commission Of Texas, Defendant. Cause No. D-1-GN-22-002413); *Petition of Huffines Ranch, LLC to Amend Marilee Special Utility District’s Certificate of Convenience and Necessity in Collin County by Expedited Release*, Docket No. 52490 (pending); *Petition of HC Celina 414, LLC to Amend Marilee Special Utility District’s Certificate of Convenience and Necessity in Collin County by Expedited Release*, Docket No. 52497 (pending); *Petition of Clifton Van McKnight and Bryan Jeffery McKnight to Amend Marilee Special Utility District’s Certificate of Convenience and Necessity in Collin County by Expedited Release*, Docket No. 52518 (pending); *Petition of E Real Estate, LLC to Amend Marilee Special Utility District’s Certificate of Convenience and Necessity in Collin County by Expedited Release (Tract 5)*, Docket No. 52530 (pending); *Petition of E Real Estate, LLC to Amend Marilee Special Utility District’s Certificate of Convenience and Necessity in Collin County by Expedited Release (Tract 3)*, Docket No. 52532 (pending); *Petition of E Real Estate, LLC to Amend Marilee Special Utility District’s Certificate of Convenience and Necessity in Collin County by Expedited Release (Tract 2)*, Docket No. 52533 (pending); *Petition of Central Frisco, Ltd. to Amend Marilee Special Utility District’s Certificate of Convenience and Necessity in Collin County by Expedited Release*, Docket No. 52534 (pending); *Petition by Mesquaque Ranch, LLC for Expedited Release from Water CCN No. 10150 Held by Marilee Special Utility District in Collin County*, Docket No. 52542 (pending); *Petition of Eland Energy, Inc. to Amend Marilee Special Utility District’s Certificate of Convenience and Necessity in Collin County by Streamlined Expedited Release*, Docket No. 52653 (pending); *Petition by Sater, L.P. for Expedited Release from Water CCN No. 10150 Held by Marilee Special Utility District in Collin County*, Docket No. 52739 (pending); *Petition of the Moses and Mary Jane Hubbard Trust to Amend Marilee Special Utility District’s Certificate of Convenience and Necessity in Collin County by Streamlined Expedited Release*, Docket No. 53037 (pending); *Petition by Sater, L.P. for Expedited Release from Water CCN No. 10150 Held by Marilee Special Utility District in Collin County*, Docket No. 53514 (pending); *Petition by VPTM Cross Creek LB, LLC for Expedited Release from Water CCN No. 10150 Held by Marilee Special Utility District in Collin County*, Docket No. 53450 (pending); *Petition by VPTM Cross Creek LB, LLC for Expedited Release from Water CCN No. 10150 Held by Marilee Special Utility District in Collin County*, Docket No. 53559 (pending).

**C. Decertifying the Requested Area Will Curtail and Limit the District’s Ability to Service Its Federal Debt.**

23. Pursuant to the Consolidated Farm and Rural Development Act of 1961 and 7 U.S. Code § 1926, the United States Department of Agriculture (“USDA”) may make or insure loans to associations and public and quasi-public agencies. To protect a USDA debtor’s ability to service its debt, it is prohibited by federal law to “curtail or limit” the service area of a USDA debtor. The statute provides:

The service provided or made available through any such association shall not be curtailed or limited by inclusion of the area served by such association within the boundaries of any municipal corporation or other public body, or by the granting of any private franchise for similar service within such area during the term of such loan; nor shall the happening of any such event be the basis of requiring such association to secure any franchise, license, or permit as a condition to continuing to serve the area served by the association at the time of the occurrence of such event.<sup>24</sup>

24. To be eligible for protection under § 1926(b), the District must show, in addition to federal indebtedness, that it satisfies the “physical abilities” test, as adopted by the U.S. Court of Appeals for the Fifth Circuit, sitting *en banc* in *Green Valley Special Utility District v. City of Schertz*.<sup>25</sup> Judge Smith, writing for the majority, characterized the “physical abilities” test broadly:

To make the test easy to apply to both water and sewer service, we hold that a utility must show that it has (1) adequate facilities to provide service to the area within a reasonable time after a request for service is made and (2) the legal right to provide service. A utility cannot satisfy that test if it has no nearby infrastructure. But ‘pipes in the ground’ is a colloquial shorthand, not a strict requirement.<sup>26</sup>

25. The *en banc* court in *Green Valley* cited with approval precedent from the U.S. Court of Appeals for the Sixth Circuit stating that, to satisfy the “physical abilities” test, the utility

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<sup>24</sup> 7 U.S.C § 1926(b).

<sup>25</sup> 969 F.3d 460 (5th Cir. 2020) (*en banc*).

<sup>26</sup> *Green Valley*, 969 F.3d at 477.

must have “something in place to merit § 1926(b)’s protection.”<sup>27</sup> The Court further explained the broad interpretation, “[s]ervice may be ‘available’ even if it cannot be immediately used. No water or sewer utility can make service immediately available to rural, undeveloped land; providing such service involves building or installing facilities, which necessarily takes time to accomplish.”<sup>28</sup> Additionally, upon remand of the case to the U.S. District Court for the Western District of Texas, Judge Yeakel, in granting Green Valley’s motion for a new trial, held that “a request for service is a prerequisite for obtaining decertification rather than for resisting decertification.”<sup>29</sup> Based on the District’s meters and waterlines located inside and carved outside of the boundaries of the Subject Property, as reflected in Exhibit B-1, the District is unquestionably providing actual service to the Subject Property and, accordingly, more than satisfies the “physical abilities” test. Moreover, Petitioner cannot show that it has ever requested service from the District, which the *Marquez* order indicates is necessary for Petitioner to show that the District does not satisfy the “physical abilities” test.

26. Under *Green Valley*, a federally indebted CCN holder has an equitable cause of action for prospective injunctive relief, preventing ongoing or future limitation or curtailment of its service area by the Commissioners.<sup>30</sup>

27. The District is now consolidated with Mustang Special Utility District (“Mustang SUD”) (together with the District, the “Consolidated District”), in accordance with TWC Chapter

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<sup>27</sup> *Id.* at 477 & n.36 (quoting *Lexington—S. Elkhorn Water Dist. v. City of Wilmore*, 93 F.3d 230, 238 (6th Cir. 1996)).

<sup>28</sup> *Id.* at n.38.

<sup>29</sup> *Green Valley Special Utility District v. Marquez*, Cause No. 1:17-CV-819-LY (W.D. Tex. Mar. 25, 2022) (order remanding for new trial).

<sup>30</sup> *See id.* at 475 (“Because . . . Green Valley has satisfied *Young*’s requirements, its suit for injunctive relief against the PUC Officials may go forward.”) (citing *Ex parte Young*, 209 U.S. 123 (1908)).

65, Subchapter H.<sup>31</sup> Voters within the two districts passed measures consolidating the districts on November 2, 2021 and the elections have been canvassed.<sup>32</sup>

28. Prior to consolidation with the District, Mustang SUD was already indebted to the United States of America Department of Agriculture, Rural Utilities Service, which purchased bonds from Mustang SUD in 2016, in the amount of \$14,142,000 and 2018, in the amount of \$1,000,000 (collectively, the “Bonds”).<sup>33</sup> The District assumed Mustang SUD’s federal indebtedness when the District and Mustang SUD were consolidated.<sup>34</sup> The District will be required to make payments on the Bonds until 2055 (2016 Bonds) and 2058 (2018 Bonds).<sup>35</sup>

29. On July 12, 2021, the District received approval from the USDA for a Water and Wastewater Guaranteed loan of \$1,553,000.<sup>36</sup> The District has not closed on the USDA loan but is working diligently to do so.

30. As the Consolidated District is federally indebted, and with the scheduled closing of the USDA loan approaching, the District has a federal equitable cause of action against the Commissioners should the Commissioners take action to limit or curtail of its service area.

**D. Alternatively, the District Must Be Compensated if the Petition is Granted.**

31. The Petition should be dismissed for the reasons the District has given; however, if the Commission does decertify the Subject Property and reduce the District’s CCN No. 10150, the District is entitled to a determination of just and adequate compensation.

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<sup>31</sup> See TWC § 65.723 (“Two or more districts governed by this chapter may consolidate into one district as provided by this subchapter.”); see also Exhibit A (Affidavit of Michael Garrison) at ¶¶ 9-10 & accompanying exhibits (affirming that the District has been consolidated with Mustang SUD) and Exhibit C (Affidavit of Chris Boyd) ¶¶ 3-4 & accompanying exhibits (affirming that Mustang SUD has been consolidated with the District).

<sup>32</sup> See TWC § 65.724 (describing procedure).

<sup>33</sup> See Exhibit C (Affidavit of Chris Boyd), at ¶ 5.

<sup>34</sup> See TWC § 65.726

<sup>35</sup> Exhibit C (Affidavit of Chris Boyd), at ¶ 5.

<sup>36</sup> Exhibit A (Affidavit of Michael Garrison), at ¶¶ 6-8 & accompanying exhibits.

32. The TWC prohibits a retail public utility from “in any way render[ing] retail water or sewer service directly or indirectly to the public in an area that has been decertified ... unless just and adequate compensation ... has been paid to the decertified retail public utility,” in this case, the District.<sup>37</sup> Under the TWC and the Commission’s implementing regulations, “the value of real property owned and utilized by the retail public utility for its facilities shall be determined according to the standards set forth in Chapter 21, Property Code, governing actions in eminent domain,”<sup>38</sup> and the value of personal property shall be determined according to the factors in that subsection. The factors ensuring that the compensation to a retail public utility is just and adequate shall include:

The amount of the retail public utility’s debt allocable for service to the area in question; the value of the service facilities of the retail public utility located within the area in question; the amount of any expenditures for planning, design, or construction of service facilities that are allocable to service to the area in question; the amount of the retail public utility’s contractual obligations allocable to the area in question; any demonstrated impairment of service or increase of cost to consumers of the retail public utility remaining after the decertification; the impact on future revenues lost from existing customers; necessary and reasonable legal expenses and professional fees; and other relevant factors.<sup>39</sup>

33. If the Subject Property is removed from the District’s CCN No. 10150, the District is entitled to compensation under several of these factors including, but not limited to, the amount of its debt allocable for service to the area; the amount of any expenditures for planning, design, or construction of service facilities that are allocable to service to the area in question; the costs of obtaining permits, planning, design, and construction of facilities, and the necessary and reasonable legal expenses and professional fees that are incurred as a result of the Petition.

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<sup>37</sup> TWC § 13.254(d); see also TWC § 13.2541(a) (providing that “Sections 13.254(a-7), (c), (d), and (h) apply to a proceeding under this section.”).

<sup>38</sup> TWC § 13.254(g); *see also* TWC § 13.2541(h) (providing that “Section 13.254(g) applies to a determination of the monetary amount of compensation under this section.”).

<sup>39</sup> *See* TWC § 13.254(g) (“The utility commission shall adopt rules governing the evaluation of these factors.”).

### III. PRAYER

WHEREFORE, PREMISES CONSIDERED, the District respectfully requests that the ALJ enter a Proposed Order denying the Petition because (1) the District is actively providing water service to the Subject Property through multiple meters and waterlines located within and adjacent to the boundaries of the Subject Property and within the tracts of land from which the Subject Property was derived; (2) Petitioner has failed to satisfy its burden of proof under TWC § 13.2541, 16 TAC § 24.245(h), and Texas state law; and (3) the federally indebted Consolidated District is protected from limitation or curtailment of its service area under 7 U.S.C. § 1926(b). Alternatively, if the ALJ proposes that the Petition be granted, the District seeks just and adequate compensation for the reduction of its CCN No. 10150. The District also seeks all other and further relief to which it may be justly entitled at law or in equity.

Respectfully submitted,

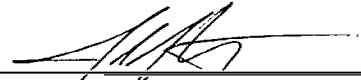
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ATTORNEY FOR MARILEE SPECIAL  
UTILITY DISTRICT

**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 15<sup>th</sup> day of August 2022.



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John J. Carlton

# **EXHIBIT A**

**AFFIDAVIT OF MICHAEL GARRISON,  
SPECIAL PROJECT INSPECTOR FOR MARILEE SPECIAL UTILITY DISTRICT**



**DOCKET NO. 52531**

**PETITION BY E REAL ESTATE, § PUBLIC UTILITY COMMISSION  
LLC FOR EXPEDITED RELEASE §  
FROM WATER CCN NO. 10150 §  
HELD BY MARILEE SPECIAL §  
UTILITY DISTRICT IN COLLIN § OF TEXAS  
COUNTY §**

**SUPPORTING AFFIDAVIT OF MICHAEL GARRISON,  
SPECIAL PROJECT INSPECTOR FOR MARILEE SPECIAL UTILITY DISTRICT**

**STATE OF TEXAS §  
§  
COUNTY OF COLLIN §**

BEFORE ME, the undersigned authority, on this date personally appeared Michael Garrison, who being by me first duly sworn, on his oath deposed and testified as follows:

1. “My name is Michael Garrison. I am more than 18 years of age and I am of sound mind and qualified to make this affidavit. I have personal knowledge of all facts stated herein.
2. “Marilee Special Utility District was consolidated with Marilee Special Utility District in November 2021. Since the consolidation, I have served as the Special Project Inspector for the consolidated district, which is called Marilee Special Utility District (the “Consolidated District” or the “District”). Prior to the consolidation of the two districts, I served as the Assistant Manager of Marilee Special Utility District from 2008-2021.
3. “I am authorized to make this affidavit on behalf of the District in Docket 52531 in support of its response to E REAL ESTATE, LLC’s (“Petitioner”) Petition to remove 486.85 acres of land (the “Subject Property”) from areas for which the District holds water certificate of convenience and necessity (“CCN”) No. 10150.
4. “The District maintains four active meters within or just outside the boundaries of the Tract of Land sought to be decertified in this proceeding from the District’s water certificate of convenience and necessity (“CCN”) No. 10150. The District’s meters that serve the Subject Property are accurately reflected in **Exhibit B-1** to the affidavit of the District’s engineer. Details about the four meters are as follows:
  - a. Meter No. 360, which is located inside of the northeastern boundary of the Subject Property, is also a District meter in the name of Central Frisco – Gary Goodnight, with a business address that is the same as Petitioner, E REAL ESTATE, LLC. The meter is currently active and serving a 62.434-acre tract of land identified in Instrument No. 20200515000713140 in the Official Public Records of Collin County, Texas, with a “last payment” date of July 5, 2022. The exhibit attached to this affidavit as **Exhibit B-1** reflect true and correct copies of District records regarding Meter No. 360.

- b. Meter No. 77, which is located inside the southern boundary of the Subject Property, is also a District meter in the name of Central Frisco LTD c/o Gary Goodnight, with a business address that is the same as Petitioner, E REAL ESTATE, LLC. The meter is currently active and serving a 66.676-acre tract of land identified in Instrument No. 20200212000196540 in the Official Public Records of Collin County, Texas, with a “last payment” date of July 5, 2022. The exhibit attached to this affidavit as **Exhibit B-2** reflect true and correct copies of District records regarding Meter No. 197.
  - c. Meter No. 206, which is located just outside of the southwestern boundary of the Subject Property, is also a District meter in the name of Central Frisco LTD, with a business address that is the same as Petitioner, E REAL ESTATE, LLC. The meter is currently active and serving an 18.748-acre tract of land identified in Instrument No. 20200212000196540 in the Official Public Records of Collin County, Texas, with a “last payment” date of July 18, 2022. The exhibit attached to this affidavit as **Exhibit B-3** reflect true and correct copies of District records regarding Meter No. 206.
  - d. Meter No. 381, which is located just outside of the northwest boundary of the subject property, is a District meter in the name of Central Frisco LTD c/o Gary Goodnight, with a business address that is the same as Petitioner, E REAL ESTATE, LLC. The meter is currently active, with a “last payment” date of July 12, 2022. The exhibit attached to this affidavit as **Exhibit B-2** reflect true and correct copies of District records regarding Meter No. 381.
  - e. Meter Nos. 359, 361, 911 and 1117, which are located outside northern boundary of the subject property, are District meters that are currently active and serving a 272.545-acre tract of land owned by the Petitioner, E REAL ESTATE, LLC, and are located on a tract of land identified in Instrument No. 20200515000713140 in the Official Public Records of Collin County, Texas, that is partially included within the Subject Property.
5. “The District maintains active waterlines within or in direct proximity to the boundaries of the Subject Property, as follows:
  - a. The District maintains a 2” waterline within the Subject Property that runs along the eastern side of Willow Road;
  - b. The District maintains a 10” and 12 “ waterline along the eastern boundary and just outside the Subject Property on the eastern side of County Road 128;
  - c. The District maintains an 8” waterline along the western boundary and within Subject Property on the western side of County Road 97;
  - d. The District maintains an 8” waterline along the northern boundary and just outside the Subject Property on the northern side of County Road 130; and

- e. The District maintains 4" and 2" waterlines that bisect and are located on the Subject Property on the eastern side of County Road 101.

The District's waterlines are accurately reflected in **Exhibit B-1** to the affidavit of the District's engineer.

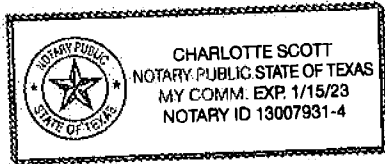
6. Multiple District meters are located within and in close proximity to the Subject Property, as are accurately reflected in **Exhibit B-1** to the affidavit of the District's engineer.
7. "On February 11, 2021, the District's Board of Directors authorized Donna Loiselle, the District's General Manager, to prepare and submit application documents as needed to Live Oak Banking Company ("Live Oak") to secure funding for construction of a 300,000-gallon water tank.
8. "Live Oak sent a commitment letter to the District's Board on April 13, 2021, committing to provide the District with a \$1,553,000 loan through the United States Department of Agriculture ("USDA") Water and Environmental Guaranteed Loan Program. A true and correct copy of that letter is attached to this affidavit as **Exhibit A-1**.
9. "The USDA sent correspondence to Ms. Loiselle, dated July 19, 2021, stating that USDA Rural Development approved the Loan on July 12, 2021. A true and correct copy of that letter is attached to this affidavit as **Exhibit A-2**.
10. "On November 2, 2021, an election was held in Collin County on a proposition to authorize the District to consolidate with Mustang Special Utility District ("Mustang"). On the same day, an election was held in Mustang on a proposition to authorize Mustang to consolidate with the District. A true and correct copy of the District's proposition as it appeared on the Collin County ballot is attached hereto as **Exhibit A-3**. A true and correct copy of Mustang's proposition as it appeared on the ballot is attached as Exhibit C-1 to the affidavit of Chris Boyd, Mustang's manager.
11. "The elections resulted in the Mustang's and the District's voters approving consolidation of Mustang with the District, authorizing the consolidated district to be named Mustang Special Utility District (the "Consolidated District"), and authorizing each district to assume the other district's bonds, notes, and other obligations. A true and correct copy of the District's election results in Collin County is attached hereto as **Exhibit A-4**. A true and correct copy of Mustang's election results is attached as **Exhibit C-2** to the affidavit of Chris Boyd, General Manager of the Consolidated District.

FURTHER, AFFIANT SAYETH NOT.

Michael Garrison

Michael Garrison  
Special Project Inspector for Marilee Special  
Utility District

SWORN TO AND SUBSCRIBED before me by Michael Garrison on this  
15 day of August 2022.



Charlotte Scott

Notary Public in and for the State of Texas

# **EXHIBIT A-1**



**JUL 19 2021**

Ms. Donna Loiselle  
Marilee Special Utility District (SUD)  
P. O. Box 1017  
Celina, TX 75009

Dear Ms. Loiselle:

Congratulations on being selected to receive a \$1,553,000 Water and Waste Guaranteed Loan for Marilee SUD.

We have enclosed a copy of USDA-RD Form RD 1940-3, "Request for Obligation of Funds Guaranteed Loan." This form indicates that on July 12, 2021, USDA Rural Development approved loan of \$1,553,000 for Marilee SUD.

USDA Rural Development works to support the sustainable development of rural communities and to improve the quality of life in rural areas.

Sincerely,

DANIEL TORRES  
Acting State Director

Enclosure



**LOAN COMMITMENT LETTER**

**April 13, 2021**

**Board of Directors  
Marilee Special Utility District  
230 W. Pecan Street  
Celina, TX 75009**

**Dear Board of Directors:**

**Live Oak Banking Company dba Live Oak Bank ("Live Oak") is pleased to commit to provide Marilee Special Utility District (Borrower), a credit facility (Loan) in the principal amount of \$1,553,000 through the USDA Water and Environmental Guaranteed Loan Program. The following credit facility described is subject to all the terms and conditions contained herein, provided there has been no material adverse change in Borrower's financial condition as determined by the Bank.**

**Borrower:** Marilee Special Utility District

**Borrowing Amount:** \$1,553,000; funded under USDA Water and Environmental Program Guaranteed term loan

**Purpose:** To provide funds to finance a new 300,000-gallon elevated storage tank; related soft costs and closing costs.

**Construction Phase**

**Interest Rate:** The loan will have an interest rate that is adjusted quarterly during the construction phase based on Wall Street Journal Prime plus 2.00% at the time of closing. If the loan were to close today, the fully indexed rate would be 5.25%. The interest rate will continue to adjust quarterly at the then current index plus applicable spread until the loan is converted to the permanent phase.

**Floor Rate:** 5.00%

**Repayment:** Interest only during the construction phase up to a maximum of 12 months.

**Prepayment Penalty:** A 10% penalty will be applied on any amount prepaid prior to conversion to the permanent phase.

**DEDICATED  
TO THE  
DOERS.**

1741 Tiburon Dr  
Wilmington, NC 28403  
liveoakbank.com

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**Construction Origination Fee:** 1% of the total loan amount

**Permanent Phase**

**Interest Rate:** The loan will have an interest rate that fixed for fifteen years based on the Fifteen-Year LIBOR (or similar index if that index becomes unavailable) plus 3.75%, adjusting at the end of the initial fixed rate period based on the then current index (or index equivalent) plus the original spread. If the loan were to close today, the fully indexed rate would be 5.71%.

**Repayment:** 348 regular monthly payments (29 years) of principal and interest payments. If the loan were to fund today, the monthly payments of principal and interest would be \$9,225.

**Prepayment Penalty:** There will be a sliding prepayment allowed over the life of the proposed loan request (10% in year one, 9% in year two, 8% in year three, 7% in year four, 6% in year five, 5% in year six, 4% in year seven, 3% in year eight, 2% in year nine, 1% in year 10). The ten-year prepayment timeline begins once the loan is fully disbursed.

**Maturity Date:** 360 months from the date the loan closes.

**USDA Fee:** 1.00% of the guaranteed portion of the loan

**Origination Fee:** 1% of the total loan amount

**USDA Annual Renewal Fee:** N/A – The USDA does not charge an annual renewal fee on WEP Guaranteed Loans per Fiscal Year 2021 Annual Notice.

**Source and Use of Proceeds:**

<b>Use of Proceeds:</b>	<b>Total</b>
Construction – Elevated Tank	\$ 1,057,500
Contingency	\$ 106,317
Engineering, Testing, Inspection	\$ 171,525
Interest Reserve	\$ 92,644
USDA Guaranty Fee	\$ 12,424
LOB Origination Fee	\$ 31,060
Closing Costs & Other Misc.	\$ 81,530
<b>Total</b>	<b>\$ 1,553,000</b>

**Borrower acknowledges that they must notify Live Oak Bank before proceeding with any changes as it relates to the use of funds as referenced above. All loan funds are to be used to cover cost**





associated with the expansion of the facility and cannot be used for any capital expenditures that have not been approved. (Initial)

**Collateral:** The loan will be evidenced by a water and sewer revenue bond issued by the District. The bond will be payable from and secured by a pledge of net revenues of the District's water and sewer system, on parity with the Districts outstanding Water and Sewer Revenue Bonds; UCC-1 financing statement on all business assets in best available position.

**Insurance:** Business Personal Property Insurance  
Borrower to provide Business Personal Property Insurance (Business Contents) in the amount of the replacement cost of the business assets collateral listed above with a Mortgagee Clause, or a Lender's Loss Payable Endorsement in favor of Live Oak Banking Company, ISAOA (satisfactory to the bank) prior to final disbursement of the loan. A Loss Payable Endorsement equivalent to a Lender's Loss Payable may be permissible if a copy of the endorsement on the policy is received and approved by the Bank.

Worker's Compensation Insurance  
Worker's Compensation Insurance in an amount meeting the state law requirement and with an insurance company satisfactory to Live Oak Bank.

General Liability Insurance  
General Liability Insurance policy in an amount meeting typical requirements for a manufacturing facility of similar size and an amount that is deemed acceptable by the USDA.

**Disbursements:** The loan will be disbursed over 12 months following closing. All disbursements from the control account will be made in accordance with the USDA authorization and as defined in the Loan Agreement.

**Financial Reporting:**

Quarterly:

- Internally prepared financial statements in accordance with GAAP within 45 days of quarter end for the borrowing entity and consolidated.

Annually:

- Audited financial statements prepared in accordance with GAAP within 120 days after fiscal year end for the borrowing entity and consolidated.
- Officer Compliance Certificate
- Annual approved operating budget

**Covenants:**

- Minimum DSCR  $\geq$  1.10x (tested annually based on audited financial statements)
- Borrower must obtain approval to from Live Oak Bank prior to any purchases over \$5,000,000 related to fixed assets

**Power of Attorney  
For UCC Filings:**

Borrower appoints Live Oak its true attorney in fact to prepare, execute, file, record, or deliver financing statements, continuation statements, termination statements, statements of assignment, applications for registration, or like papers to perfect, preserve, or release Live Oak's interests in the Collateral; cause any Collateral to be transferred to Live Oak's name or the name of Live Oak's nominee; and execute all documents in the name of Borrower or otherwise as Live Oak deems necessary, proper, or convenient in order to preserve, perfect, or enforce its rights in the Collateral.

**Material Adverse  
Change:**

Live Oak's obligations and Commitments under this letter are subject to the accuracy of all information, representations, and materials submitted with or in support of the Borrower's request for the Loan and any material and inaccuracy, omission or change therein, shall, in the Live Oak's discretion, operate to terminate this offer and the Live Oak's Commitment hereunder. This Commitment letter may also be terminated by Live Oak upon the occurrence of any material adverse change in the financial condition, business, prospects, properties, or management of the Borrower or the occurrence of any other event as a result of which Live Oak believes that the prospect of the Borrower repaying its liabilities to Live Oak as contemplated herein may be impaired. Without limiting the generality of the foregoing, the Commitment hereunder shall immediately terminate in the event the Borrower becomes the subject of any proceeding under the United States Bankruptcy Code or any other insolvency, reorganization, liquidation, or moratorium of law.

**Expenses:**

The Loan shall be made and administered without cost to the Live Oak. The Borrower's and any guarantor acceptance of this Commitment shall constitute the unconditional agreement, jointly and severally, whether or not the Loan closes, to pay all reasonable fees, expenses, taxes, costs and charges incurred in connection with the Loan, or in any way incident to the making of or the ongoing administration of the Loan, including, but not limited to, reasonable attorneys' fees and expenses (including fees and expenses of the Live Oak's counsel), appraisal fees, title searching fees, title or other insurance premiums, fees and costs for environmental tests and studies, engineer's and architect's fees, inspector's fees, surveyor's fees, recording costs, and recordation and transfer taxes. The Live Oak shall not pay any brokerage fees or commissions arising from the Loan, and the borrower and all guarantors agree, jointly and severally, to defend, indemnify, and hold the Live Oak harmless against any and all expenses,



liabilities and losses (including attorneys' fees) arising from any such claims. The Borrower and each of the guarantors, jointly and severally, promise to pay to the Live Oak on demand all costs and expenses incurred by the Live Oak in connection with the enforcement of this Commitment or any of the Live Oak's rights hereunder or any defense of the Live Oak against any claim made in connection with or arising out of this Commitment, including, without limitation, all of the Live Oak's reasonable attorneys' fees and expenses and court costs, whether or not proceedings are brought.

#### **LIBOR**

##### **Replacement:**

Notwithstanding any provision to the contrary set forth in this letter, the applicable interest rate for this loan shall be subject to LIBOR replacement rate language, stating that, in the event the Lender determines that reasonable means do not exist for ascertaining the applicable LIBOR rate and the Lender determines that the syndicated loan market has broadly accepted a replacement standard for the LIBOR rate, then the Lender may, without the consent of the borrower, apply such new broadly accepted market standard and make such other changes as shall be necessary or appropriate in the good faith determination of the Lender in order to implement such new market standard.

**Commitment Fee:** A \$10,000 commitment fee is required upon execution of the commitment letter and due within fourteen days from the date of this letter; otherwise, this commitment will have expired. The commitment fee will be applied to engage legal counsel and any other third-party costs incurred. The deposit held by Live Oak will be applied to any expenses incurred by Live Oak in connection with the Loan, including without limitation, lien and judgement searches, title searching fees, appraisals, business valuations, surveys, environmental tests and studies, and reasonable attorneys' fees and expenses, should the Loans not close. At the time the Loan closes, any unused portion of the deposit, if any, shall be returned to the borrower.

This Commitment letter is addressed solely to you, it is solely for your benefit, and may not be relied upon or used by any other person or entity and may not be disclosed by you without LOB's prior written consent to any person other than your attorneys and other advisors. This Commitment letter and the Commitment evidenced herein may not be assigned by you to any other person or entity.

This Commitment letter shall be governed by the laws of the state of North Carolina.

Live Oak's obligations and/or Commitments as contained in this letter are also subject to approval by the United States Department of Agriculture and the issuance of a written loan authorization by the USDA setting forth the terms and conditions of such Loan. In the event that there is any discrepancy between the terms of the Commitment as contained herein and the loan authorization as issued and approved by the USDA for this Loan, then the terms of the USDA loan authorization shall control. In the event that the USDA should fail or refuse to issue a Loan Note Guarantee as to this Loan, then this



Commitment shall terminate, and Live Oak shall have no further obligations or responsibilities hereunder. Furthermore, Live Oak's obligations hereunder are contingent upon the Borrower and/or Guarantor(s) being in compliance with all terms and conditions of any USDA Conditional Commitment which may be issued as to this Loan, and failure to comply with such will likewise terminate the terms and conditions of the Commitment letter and Live Oak shall have no further obligations hereunder in such event.

This credit accommodation is made available subject to the terms, conditions, and provisions of comprehensive loan documents to be executed within 180 days from Live Oak's Credit approval dated April 12, 2021. Should the loan not close within 180 days of same approval, updated financials and re-approval will be required.

If the terms outlined in this commitment letter are acceptable to you, please execute and return a copy to Live Oak Bank.

Sincerely,

Anna West  
Loan Officer  
Live Oak Bank

Accepted By:

Name: Donna Loiselle  
Title: General Manager  
Date:

**Other Conditions:**

Please note that a detailed checklist will be prepared for use during the closing process by your closing specialist.

**EXHIBIT A-2**

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT  
FARM SERVICE AGENCY

**REQUEST FOR OBLIGATION OF FUNDS  
GUARANTEED LOANS**

INSTRUCTIONS: Complete Items 1 through 25 and applicable Items 26 through 35. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 49-093-*****8804		2. LOAN NUMBER 40	3. FISCAL YEAR 21
4. SOURCE OF FUNDS 1 (See FMI)			
5. BORROWER NAME Marilee Special Utility District			
6. NUMBER NAME FIELDS (1, 2, or 3 from Item 5)			
7. STATE NAME Texas		8. COUNTY NAME Collin	
9. RACE CODE 1 - WHITE 2 - BLACK 3 - AMIN 4 - HISPANIC 5 - API	10. EMPLOYEE RELATIONSHIP CODE (See FMI)	11. SEX CODE 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGANIZATION MALE OWNED 5 - ORGANIZATION FEMALE OWNED 6 - PUBLIC BODY	12. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED OR DIVORCED)
13. VETERAN CODE 1 - YES 2 - NO	14. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY		15. COMMUNITY SIZE 1 - 10,000 OR LESS (FOR SFH ONLY) 2 - OVER 10,000
16. TYPE OF ASSISTANCE 061 (See FMI)	17. PURPOSE CODE		18. GUARANTEE PERCENT OF LOAN 1 %
19. TERM OF INTEREST ASSISTANCE	20. SUBMISSION CODE 1 - INITIAL 2 - SUBSEQUENT		21. AMOUNT OF LOAN 1,553,000.0
22. APPROVAL DATE MO DA YR JUL 12 2021	23. NOTE INTEREST RATE 5.7100 %		24. BORROWER EFFECTIVE INTEREST RATE %
25. REPAYMENT PERIOD 30	26. INCOME CATEGORY 1 - VERY LOW 2 - LOW 3 - MODERATE		27. ADJUSTED FAMILY INCOME
28. TYPE OF UNIT 1 - FARM TRACT 2 - NON-FARM TRACT	29. DWELLING TYPE USE OF FUNDS CODE (See FMI)		30. INTEREST ASSISTANCE CODE 1 - ELIGIBLE FOR INTEREST ASSIST PROGRAM 2 - INELIGIBLE FOR INTEREST ASSIST PROGRAM
31. PERCENT OF INTEREST ASSISTANCE %	32. HIGH COST AREA Y = YES N = NO		33. BORROWER HISTORY CODE (See FMI)
34. AMOUNT AGENCY DIRECT DEBT REFINANCE		35. OBLIGATION DATE (Finance Office use only) MO DA YR JUL 12 2021	
36. BEGINNING FARMER/RANCHER (See FMI)			

ORIGINAL - Borrower's Case Folder

COPY 1 - Applicant

COPY 2 - Lender

COPY 3 - State Office

**CERTIFICATION APPROVAL**

**APPROVAL CONDITIONS:**

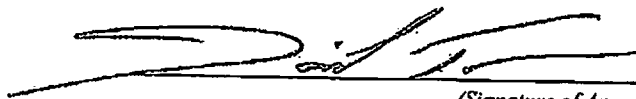
(1) (Farm Loan Programs Only) This loan guarantee is approved subject to the availability of funds. If this loan guarantee is not issued for any reason within 90 calendar days from the date of approval on this document, the approval official may request updated information concerning the lender and the loan applicant. The approval official will have 14 working days to review any updated information and decide whether to submit this document for obligation of funds.

(2) This loan guarantee is approved subject to the conditions on the Conditional Commitment.

**37. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL**

38. I HEREBY CERTIFY that all determinations and certifications required by the respective United States Department of Agriculture (USDA) Agency regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, subject to the availability of funds, and subject to conditions prescribed by Agency regulations applicable to this type of assistance.

I further certify that USDA has complied with the applicable provisions of Title XI, Public Law 95-630, seeking financial information regarding the applicant.

  
*(Signature of Approval Official)*

Typed or Printed Name: Daniel Torres

**JUL 1 2 2021**

Date Approved \_\_\_\_\_

Title: Acting State Director

**JUL 1 2 2021**

39. TO THE APPLICANT/LENDER: As of this date \_\_\_\_\_, this is notice that your application for the above loan guarantee/Interest Assistance from USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the respective USDA Agency. If you have any questions contact the Approval Official.

**EXHIBIT A-3**



November 2, 2021  
(2 de noviembre, 2021)

**MARILEE SPECIAL UTILITIES DISTRICT**  
*(Distrito Especial de Servicios Públicos de Marilee)*

**PROPOSITION A**

<b>FOR</b> ( )	<b>Shall Marilee Special Utility District and Mustang Special Utility District be authorized to consolidate into one district; Authorize the name of the consolidated district to be Mustang Special Utility District; Authorize each district to assume the other district's bonds, notes, or other obligations?</b>
<b>AGAINST</b> ( )	
	<b>Each voter may vote for or against the proposition by placing an "X" in the square beside the word "FOR" or in the square beside the word "AGAINST".</b>

**PROPOSICIÓN A**

<b>A FAVOR</b> ( )	<b><i>¿Serán autorizados el Distrito Especial de Servicios Públicos de Marilee y el Distrito Especial de Servicios Públicos de Mustang para que sean consolidados en un solo distrito; Autorizar que el nombre del distrito consolidado sea Distrito Especial de Servicios Públicos de Mustang; Autorizar que cada distrito asuma los bonos, pagarés, y otras obligaciones del otro distrito?</i></b>
<b>EN CONTRA</b> ( )	
	<b><i>Cada votante puede votar a favor o en contra de la proposición marcando una "X" en el cuadro enseguida de la palabra "A FAVOR" o en el cuadro enseguida de la palabra "EN CONTRA".</i></b>

**EXHIBIT A-4**

Summary Results Report  
 General and Special Elections  
 November 2nd, 2021

Combined Accumulated Totals  
 57 of 57 Vote Centers Reporting  
**FINAL RESULTS** Collin County

**Marilee Special Utilities District - Proposition A**  
 Vote For 1

	TOTAL	VOTE %	Election Day	Early Voting	Mail	Provisional	Limited
For	123	67.21%	82	37	4	0	0
Against	60	32.79%	42	16	2	0	0
Total Votes Cast	183	100.00%	124	53	6	0	0
Overvotes	0		0	0	0	0	0
Undervotes	17		12	5	0	0	0
Contest Totals	200		136	58	6	0	0

## **EXHIBIT B**

**AFFIDAVIT OF EDDY DANIEL,  
REPRESENTATIVE OF MARILEE SPECIAL UTILITY DISTRICT'S  
ENGINEER OF RECORD**

DOCKET NO. 52531

PETITION BY E REAL ESTATE, §  
LLC FOR EXPEDITED RELEASE § PUBLIC UTILITY COMMISSION  
FROM WATER CCN NO. 10150 §  
HELD BY MARILEE SPECIAL §  
UTILITY DISTRICT IN COLLIN §  
COUNTY § OF TEXAS

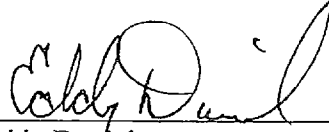
SUPPORTING AFFIDAVIT OF EDDY DANIEL,  
PROFESSIONAL ENGINEER FOR MARILEE SPECIAL UTILITY DISTRICT

STATE OF TEXAS §  
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this date personally appeared Eddy Daniel, who being by me first duly sworn, on his oath deposed and testified as follows:

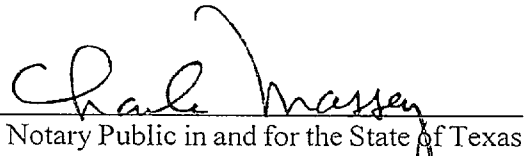
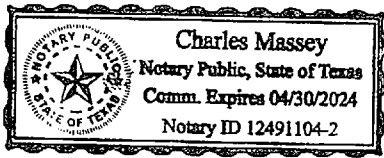
- 1. "My name is Eddy Daniel. I am more than 18 years of age, and I am of sound mind and qualified to make this affidavit. I have personal knowledge of all facts stated herein.
- 2. "I am an engineer and employee of Dunaway DBI Engineers. The company serves as the engineer of record for Marilee Special Utility District (the "District"), the Intervenor in this matter, and I am a project engineer for the utility.
- 3. "I am authorized to make this affidavit on behalf of the District in Docket 52531 in support of its response to E REAL ESTATE, LLC's ("Petitioner") request to remove 486.85 acres of land ("Subject Property") from areas for which the District holds water certificate of convenience and necessity ("CCN") No. 10150.
- 4. "I supervised the preparation of the map of the Subject Property attached to this affidavit as **Exhibit B-1**.
- 5. "The District maintains active meters and waterlines within and in close proximity to the boundaries of the Subject Property. The District's meters and waterlines are marked on **Exhibit B-1**.
- 6. "In my professional opinion, the District provides water service to the Subject Property through its existing meters and waterlines, and has the ability and facilities dedicated to continue to provide water service to the Subject Property."

FURTHER, AFFIANT SAYETH NOT.



\_\_\_\_\_  
Eddy Daniel  
Engineer of Record for Marilee Special  
Utility District

SWORN TO AND SUBSCRIBED before me by Eddy Daniel on this  
15 day of August 2022.



\_\_\_\_\_  
Notary Public in and for the State of Texas



Mustang SUD

### Customer Detail

### Central Frisco

Central Frisco  
 16400 Dallas Pkwy  
 Suite 100  
 Dallas TX  
 75248 (214)368-6100  
 Service Address: 8432 Willow Rd

### Account Number 360

Central Frisco  
 16400 Dallas Pkwy  
 Suite 100  
 Dallas TX  
 75248 (972)382-4004  
 Months On System 343  
 Total Usage 3,115,100  
 Average Usage 9,082  
 Sequence Number 12350  
 Meter Serial Number 200088127  
 Route Number 2  
 Last Read Date 7/19/2022  
 12 Month Average 2,458  
 Last Year Average 2,600  
 Previous Year Average 2,200  
 Last "Paid On Time" Date 7/5/2022  
 Last Late Charge Date 6/16/2020  
 Number Of Late Months 66  
 Next Due Date 8/15/2022  
 Year To Date Charges \$175.17

Driver License #: 07773247

Date Turned On  
 Date Turned Off  
 Meter Check Date 5/8/2020  
 Rate Code 1  
 Pump/Well Number 23  
 Last Reading 578  
 Previous Reading 519  
 Usage 5,900

# of Units 1

Meter 120406215J  
 Old Account # 360  
 Servicezipcode 75,009.00

Readresolution 0.01 brand&size Badger .625

#### Deposit Information

Deposit Amount	\$0.00	Deposit Date	2/5/2021	Certificate Number	0
Deposit Amount 2	\$0.00	Deposit 2 Date	2/16/2017	Services	Current Balance
0					
	Usage	Charges	Read Date	Reading	
January	2,500	39.34	1/19/2022	438	Water \$48.01
February	2,200	34.90	2/17/2022	460	GW Con fee \$0.59
March	2,400	35.48	3/21/2022	484	
April	2,100	34.61	4/19/2022	505	
May	600	30.27	5/18/2022	511	
June	800	0.57	6/20/2022	519	
July	3,500	44.47	7/19/2021	259	
August	3,500	44.47	8/18/2021	294	
September	4,100	47.68	9/21/2021	335	
October	3,400	43.96	10/18/2021	369	Tax \$0.24
November	2,200	37.81	11/18/2021	391	Previous Charges \$30.84
December	2,200	37.81	12/16/2021	413	Paid This Month \$30.84
					<b>Current Balance 48.84</b>

Last Payment 7/5/2022 \$30.84 Check Number Draft  
 Age 1 \$0.00 Age 2 \$0.00 Age 3 \$0.00

Leak 9-4-19 see notes put back on draft renter moves  
 beccaitalia@icloud.com



Marilee Special Utility District  
P. O. Box 1017  
Celina, TX 75009  
972 382-3222

**COST OF SERVICE NOTICE**  
(Residential Service)

APPLICANT(S): Rebecca Kuehn DATE: 1-22-21

PROPERTY: 8432 Willow Road, Celina, TX, 75009

The District has determined the cost for providing service to your property in the amount stated below. By signing this notice, you acknowledge that all charges and fees for service are non-refundable except for the deposit. If you sell or vacate the property, you must request a final monthly bill and provide a forwarding address. The District will apply your deposit to the final bill and refund the difference. This notice is provided in accordance with Section E 2(b)(5) of the District's Rate Order and shall remain in effect for thirty (30) days from the date above.

**Check all that apply:**

- Deposit.....\$ 200.00
- Activation Fee.....\$ 25.00
- Connection Fee.....\$ \_\_\_\_\_
- Reserved Service Charges.....\_\_\_\_\_
- Easement Fee.....\_\_\_\_\_
- Street Crossing: County Road (Road Bore).....\_\_\_\_\_
- Street Crossing: State Highway (Road Bore).....\_\_\_\_\_
- Other.....\_\_\_\_\_

**TOTAL: \$ 225.00**

Applicant Signature: Rebecca Kuehn Drivers License# 40315749

Co-Applicant Signature: \_\_\_\_\_ Drivers License# \_\_\_\_\_

**NON DISCLOSURE**

I/we hereby request that the District keep the personal information in my/our account record confidential, including my/our address, telephone number and social security number(s), to the extent permitted by federal and state law.

Rebecca Kuehn  
Applicant Signature

\_\_\_\_\_  
Co-Applicant Signature

MARILEE SPECIAL UTILITY DISTRICT  
P O Box 1017  
Celina, Texas 75009  
972-382-3222

DISTRICT USE ONLY	
Date Approved	
Service Classification	
Cost	
Work Order #	
Account No.	
Service Inspection Date	

SERVICE APPLICATION

DATE 1-22-21

APPLICANT'S NAME Rebecca Kuehn

CO-APPLICANT'S NAME \_\_\_\_\_

CURRENT BILLING ADDRESS

5804 HAMBUR IANE  
ANDREWS, TEXAS, 76227

EMAIL ADDRESS: becca.kuehn@icloud.com

HOME PHONE ( ) N/A

WORK PHONE (629) 406-7621

STREET ADDRESS OF PROPERTY 8432 WILLOW ROAD CELINA TEXAS 75009

LEGAL DESCRIPTION OF PROPERTY (if applicable, subdivision with lot and block number)

BRICK HOUSE, ONE STORY, 2 CAR GARAGE

ACREAGE \_\_\_\_\_

DWELLING SIZE \_\_\_\_\_

NUMBER IN FAMILY 2

LIVESTOCK & NO \_\_\_\_\_

PREVIOUS OWNER'S NAME

JOHN CLARK Elevated Property Management

SPECIAL SERVICE NEEDS OF APPLICANT \_\_\_\_\_

NOTE This service application form must be completed by the applicant(s) only. A map or plat of the service location must be submitted with this application copy as well as a copy of the warranty deed for the location.

**EQUAL OPPORTUNITY PROGRAM**

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 racial/national origin of individual applicants on the basis of visual observation or surname.

White, Not of Hispanic Origin |  Black, Not of Hispanic Origin |  American Indian or Alaskan Native |  Hispanic |  Asian or Pacific Islander |  Other (Specify) |  Male |  Female

MARILEE SPECIAL UTILITY DISTRICT  
P.O. Box 1017  
Celina, Texas 75009  
(972) 382 3222

SERVICE AGREEMENT

This agreement is made by Rebecca Kuehn ("Customer") and Marilee Special Utility District (the "District") and is effective upon approval and acceptance by the District as shown below. The District will maintain a copy of this agreement as long as the Customer and/or the property is connected to the District's water system. The District and Customer must execute this service agreement before the District provides service to Customer.

The District agrees to provide retail water utility service to Customer at the property described below, and Customer agrees to pay all applicable fees for such service, in accordance with the Rate Order of the District, as amended.

All bills shall be due and payable upon receipt and are past due beyond the date indicated on the bill; allowing approximately fifteen (15) days to pay. A one-time penalty of \$10.00 or 10.0%, whichever is larger, shall be applied to delinquent bills. A monthly bill for utility service is delinquent if full payment, including any outstanding late fees and regulatory assessments, is not received at the District by 5:00 p.m. on the due date. Payments made by mail will be considered late if postmarked after the past due date. If full payment is not timely received by the District, a final notice shall be mailed allowing ten (10) additional days for payment prior to disconnection. If Customer's service is disconnected, the District shall charge Customer a Reconnect Fee (\$50.00 during regular business hours; \$85.00 at any other time) before restoring Customer's service. The District's regular business hours are from 8:00a.m. to 4:30p.m., Monday to Friday.

Customer agrees to comply with the District's Drought Contingency Plan in the event the District's total water supply becomes insufficient to meet the needs of all District customers.

All water furnished by the District shall be metered by meters installed, maintained and owned by the District. The meter and connection is for the sole use of Customer and is to provide service to only one (1) dwelling or one (1) business. Any attempt to tamper with or to by-pass a meter, or to divert water utility service from one property to another, or to share, resell or submeter water to any other person, dwelling, business or property is prohibited. Unauthorized users of District services shall be prosecuted to the extent allowed by law under the Texas Penal Code § 28.03.

If required by the District in its sole discretion, the Customer agrees that the Customer and all persons or entities owning an interest in the property served by the meter will execute before a notary public the District's standard waterline easement adopted by the District pursuant to its Rate Order. At the sole option of the District, this requirement is a prerequisite for water service from the District.

The District shall have the right to select the location of the water service meter, pipe and appurtenant equipment on Customer's property necessary to connect Customer to the District's water system. The District shall have access to its meter and equipment located on Customer's property at all reasonable times for any purpose connected with or in the furtherance of the District's business operations, and upon disconnection or discontinuance of service, the District shall have the right to remove any of the District's property from Customer's property.

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

(1) Direct connections between a public drinking water supply and a potential source of contamination are prohibited. Potential sources of contamination shall be isolated from the public water system by an air gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices must be in compliance with state plumbing codes.

(2) Cross-connections between a public drinking water supply and a private water system are prohibited. These potential threats to the public drinking water supply shall be eliminated at the service connection by proper installation of an air gap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for an annual inspection and testing by a certified backflow prevention inspector.

(3) Connections that allow condensing, cooling, or industrial process water to be returned to a public drinking water supply are prohibited.

(4) Pipe and pipe fittings containing more than 8.0% lead may not be used to install or repair plumbing at any connection that provides water for human consumption installed on or after July 1, 1988; or pipe and pipe fittings that contain more than 0.25% lead installed on or after January 4, 2014.

(5) Beginning July 1, 1988, solder or flux containing more than 0.2% lead may not be used to install or repair plumbing at any connection that provides water for human consumption.

(6) The installation of any plumbing fixture not in compliance with a state approved plumbing code is prohibited.

The District shall maintain a copy of this Service Agreement as long as the Customer and/or premise is connected to the District's water system. The Customer shall allow the District to inspect the Customer's property for possible cross-connections and other unauthorized plumbing practices during the District's regular business hours.

The District shall notify the Customer in writing of any cross-connection or other unauthorized plumbing practices found by the District during the initial or subsequent

inspections. The Customer shall immediately correct any unauthorized plumbing practice on their premises. The Customer shall, at Customer's expense, properly install, test and maintain any backflow prevention assembly required by the District. Customer shall provide the District with a copy of all backflow prevention assembly test and maintenance records. Failure to comply with the terms of this Service Agreement shall cause the District to either terminate service or, at its sole discretion, to install, test and maintain an appropriate backflow prevention assembly at the service connection. Any expenses associated with the enforcement of this Service Agreement shall be billed to the Customer.

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

By execution hereof, the Customer expressly agrees that Customer's failure to comply the terms of this Service Agreement shall entitle the District to deny or discontinue service until such time as the violation(s) are corrected to the satisfaction of the District.

Any misrepresentation of facts by the Customer on this Service Agreement or the Service Application shall entitle the District to deny or discontinue service pursuant to the terms and conditions of the District's Rate Order.

(Please initial in the space below upon reading the following)

*RJK* Customer acknowledges that the District's water system provides potable water for domestic consumption only and may not provide "fire flows" to the Service Address below as defined by the Uniform Fire Code or similar code or regulation to fight structure fires.

*[Handwritten Signature]*  
Customer Signature

\_\_\_\_\_  
Customer Signature

Service Address: 8432 Willow Road

Attach or State Legal Description \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ACCEPTED AND APPROVED by \_\_\_\_\_ on \_\_\_\_\_, 2021

Account No. \_\_\_\_\_ Work Order No. \_\_\_\_\_

Deposit Paid. \$ 225.00 By \_\_\_\_\_

Marilee Special Utility District

P.O. Box 1017  
Celina, Texas 75009  
972-382-3222

<u>DISTRICT USE ONLY</u>	
Date Approved:	_____
Service Classification:	_____
Cost:	_____
Work Order#	_____
Account#	_____
Service Inspection Date:	_____

### Service Application

DATE: 11-9-16

Applicants Name: Central Texas - Gary Goodnight

Co-Applicant's Name \_\_\_\_\_

CURRENT BILLING ADDRESS:

116400 Dallas Pkwy Home Phone# \_\_\_\_\_

Suite 100

Dallas TX 75248 Work Phone # 972-382-4004

STREET ADDRESS OF PROPERTY: 8432 Willow Road, Celina

LEGAL DESCRIPTION OF PROPERTY (if applicable, subdivision with lot and block number): \_\_\_\_\_

Acreage: 6.2 acres Dwelling Size: 3 Brm

Number in Family: \_\_\_\_\_ Livestock & no.: \_\_\_\_\_

Previous Owners Name: \_\_\_\_\_

SPECIAL SERVICE NEEDS OF APPLICANT: Empty

NOTE: This service application form must be completed by the applicant(s) only. A map or plat of the service location must be submitted with this application copy as well as a copy of the warranty deed for the location.

EQUAL OPPORTUNITY PROGRAM:

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.						
<input type="checkbox"/> White, Not of Hispanic Origin	<input type="checkbox"/> Black, Not of Hispanic Origin	<input type="checkbox"/> American Indian or Alaskan Native	<input type="checkbox"/> Hispanic	<input type="checkbox"/> Asian or Pacific Islander	<input type="checkbox"/> Other	<input type="checkbox"/> Male
						<input type="checkbox"/> Female

MARILEE SPECIAL UTILITY DISTRICT  
P.O. Box 1017  
Celina, Texas 75009  
(972) 382-3222

**SERVICE AGREEMENT**

This agreement is made by Central Group ("Customer") and Marilee Special Utility District (the "District") and is effective upon approval and acceptance by the District as shown below. The District will maintain a copy of this agreement as long as the Customer and/or the property is connected to the District's water system. The District and Customer must execute this service agreement before the District provides service to Customer.

The District agrees to provide retail water utility service to Customer at the property described below, and Customer agrees to pay all applicable fees for such service, in accordance with the Rate Order of the District, as amended.

All bills shall be due and payable upon receipt and are past due beyond the date indicated on the bill; allowing approximately fifteen (15) days to pay. A one-time penalty of \$5.00 or 5.0%, whichever is larger, shall be applied to delinquent bills. A monthly bill for utility service is delinquent if full payment, including any outstanding late fees and regulatory assessments, is not received at the District by 5:00 p.m. on the due date. Payments made by mail will be considered late if postmarked after the past due date. If full payment is not timely received by the District, a final notice shall be mailed allowing ten (10) additional days for payment prior to disconnection. If Customer's service is disconnected, the District shall charge Customer a Reconnect Fee (\$35.00 during regular business hours; \$50.00 at any other time) before restoring Customer's service. The District's regular business hours are from 8:00 a.m. to 4:30 p.m., Monday to Friday.

Customer agrees to comply with the District's Drought Contingency Plan in the event the District's total water supply becomes insufficient to meet the needs of all District customers.

All water furnished by the District shall be metered by meters installed, maintained and owned by the District. The meter and connection is for the sole use of Customer and is to provide service to only one (1) dwelling or one (1) business. Any attempt to tamper with or to by-pass a meter, or to divert water utility service from one property to another, or to share, resell or submeter water to any other person, dwelling, business or property is prohibited. Unauthorized users of District services shall be prosecuted to the extent allowed by law under the Texas Penal Code § 28.03.

~~If required by the District in its sole discretion, the Customer agrees that the Customer and all persons or entities owning an interest in the property served by the meter will execute before a notary public the District's standard waterline easement adopted by the District pursuant to its Rate Order. At the sole option of the District, this requirement is a prerequisite for water service from the District.~~

*Existing Service* *2/17/11*  
*mutually acceptable* *2/17/11*

The District shall have the right to select the location of the water service meter, pipe and appurtenant equipment on Customer's property necessary to connect Customer to the District's water system. The District shall have access to its meter and equipment located on Customer's property at all reasonable times for any purpose connected with or in the furtherance of the District's business operations, and upon disconnection or discontinuance of service, the District shall have the right to remove any of the District's property from Customer's property.

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

(1) Direct connections between a public drinking water supply and a potential source of contamination are prohibited. Potential sources of contamination shall be isolated from the public water system by an air gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices must be in compliance with state plumbing codes.

(2) Cross-connections between a public drinking water supply and a private water system are prohibited. These potential threats to the public drinking water supply shall be eliminated at the service connection by proper installation of an air gap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for an annual inspection and testing by a certified backflow prevention inspector.

(3) Connections that allow condensing, cooling, or industrial process water to be returned to a public drinking water supply are prohibited.

(4) Beginning July 1, 1988, pipe and pipe fittings containing more than 8.0% lead may not be used to install or repair plumbing at any connection that provides water for human consumption.

(5) Beginning July 1, 1988, solder or flux containing more than 0.2% lead may not be used to install or repair plumbing at any connection that provides water for human consumption.

(6) The installation of any plumbing fixture not in compliance with a state approved plumbing code is prohibited.

The District shall maintain a copy of this Service Agreement as long as the Customer and/or premise is connected to the District's water system. The Customer shall allow the District to inspect the Customer's property for possible cross-connections and other unauthorized plumbing practices during the District's regular business hours.



The District shall notify the Customer in writing of any cross-connection or other unauthorized plumbing practices found by the District during the initial or subsequent inspections. The Customer shall immediately correct any unauthorized plumbing practice on their premises. The Customer shall, at Customer's expense, properly install, test and maintain any backflow prevention assembly required by the District. Customer shall provide the District with a copy of all backflow prevention assembly test and maintenance records. Failure to comply with the terms of this Service Agreement shall cause the District to either terminate service or, at its sole discretion, to install, test and maintain an appropriate backflow prevention assembly at the service connection. Any expenses associated with the enforcement of this Service Agreement shall be billed to the Customer.

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

By execution hereof, the Customer expressly agrees that Customer's failure to comply the terms of this Service Agreement shall entitle the District to deny or discontinue service until such time as the violation(s) are corrected to the satisfaction of the District.

Any misrepresentation of facts by the Customer on this Service Agreement or the Service Application shall entitle the District to deny or discontinue service pursuant to the terms and conditions of the District's Rate Order.

**(Please initial in the space below upon reading the following)**

MM **Customer acknowledges that the District's water system provides potable water for domestic consumption only and may not provide "fire flows" to the Service Address below as defined by the Uniform Fire Code or similar code or regulation to fight structure fires.**

Van D. Nichols \_\_\_\_\_  
Customer Signature Customer Signature

Service Address: 8432 Willow Road, Celina TX 75009

Attach or State Legal Description: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ACCEPTED AND APPROVED by \_\_\_\_\_ on \_\_\_\_\_, 20\_\_

Account No. \_\_\_\_\_ Work Order No. \_\_\_\_\_

Deposit Paid: \$ \_\_\_\_\_ By: \_\_\_\_\_

**EXHIBIT B-2**

**Meter No. 77**



**Bank Draft Authorization Form**

Please complete the following:

I, Eland Energy Inc hereby authorize Marilee Special Utility District to draft on my bank account for payment of my monthly water bill.

Bank Routing# 111911321

Bank Acct #: 4370813

Bank Name: First United Bank

I understand that drafting will be done on the 5<sup>th</sup> of each month unless that date falls on a weekend or holiday, then it will be the following business day.

Marilee SUD Billing Acct Information:

Name: Eland Energy Inc

Account# 77

Address: 10704 W FM 455 Celina TX 75009

Phone# 972-382-4747

Effective Date 4/30/2020

Signature: Jennifer Beggs

Mustang SUD

### Customer Detail

#### Central Frisco LTD

Central Frisco LTD  
 c/o Gary Goodnight  
 16400 Dallas Pkwy #100  
 Dallas TX  
 75248 (214)368-6100  
 Service Address: 10704 W Fm 455

#### Account Number

77

Central Frisco LTD  
 c/o Gary Goodnight  
 16400 Dallas Pkwy #1  
 Dallas TX  
 75248 (214)368-6100  
 Months On System 343  
 Total Usage 11,311,000  
 Average Usage 32,977  
 Sequence Number 12790  
 Meter Serial Number 180310410  
 Route Number 2  
 Last Read Date 7/19/2022  
 12 Month Average 45,325  
 Last Year Average 36,100  
 Previous Year Average 24,200  
 Last 'Paid On Time' Date 7/5/2022  
 Last Late Charge Date 5/16/2022  
 Number Of Late Months 36  
 Next Due Date 8/15/2022  
 Year To Date Charges \$2,169.29

Driver License #: 19156691

Date Turned On  
 Date Turned Off  
 Meter Check Date 2/17/2020  
 Rate Code 1  
 Pump/Well Number 23  
 Last Reading 10170  
 Previous Reading 9678  
 Usage 49,200

# of Units 1

Meter 87129427 Z  
 Old Account # 77  
 Servicezipcode 75,009.00

Readresolution 1.00 brand&size Badger .625

#### Deposit Information

Deposit Amount	\$0.00	Deposit Date	6/8/2020	Certificate Number	0	
Deposit Amount 2	\$0.00	Deposit 2 Date	2/24/2020	Services	Current Balance	
0	Usage	Charges	Read Date	Reading	Water	\$367.04
January	47,800	447.94	1/19/2022	7489	GW Con fee	\$4.92
February	49,600	422.25	2/17/2022	7985 L		
March	51,700	396.76	3/21/2022	8502		
April	61,800	339.67	4/19/2022	9120 L		
May	2,200	148.47	5/18/2022	9142		
June	53,600	414.20	6/20/2022	9678		
July	36,300	362.61	7/19/2021	4602 L		
August	33,900	334.49	8/18/2021	4941 L		
September	44,400	443.16	9/20/2021	5385 L		
October	62,300	685.84	10/18/2021	6008 L	Tax	\$1.84
November	53,000	514.73	11/18/2021	6538	Previous Charges	\$414.20
December	47,300	442.77	12/16/2021	7011	Paid This Month	\$414.20
					<b>Current Balance</b>	<b>373.80</b>
Last Payment	7/5/2022	\$414.20	Check Number	Draft		
Age 1	\$0.00	Age 2	\$0.00	Age 3	\$0.00	

rachelle\_hilliard@yahoo.com  
 Rachelle Hilliard left \$150.96

Marilee SUD

### Customer Detail

## Central Frisco LTD

## Account Number

77

Central Frisco LTD  
 c/o Gary Goodnight  
 16400 Dallas Pkwy #100  
 Dallas TX  
 75248 (214)368-6100  
 Service Address: 10704 W Fm 455

Central Frisco LTD  
 c/o Gary Goodnight  
 16400 Dallas Pkwy #1  
 Dallas TX  
 75248 (214)368-6100  
 Months On System 293  
 Total Usage 9,440,300  
 Average Usage 32,219  
 Sequence Number 10890  
 Meter Serial Number 44518737  
 Route Number 2  
 Last Read Date 4/24/2018  
 12 Month Average 34,350  
 Last Year Average 29,600  
 Previous Year Average 17,800  
 Last "Paid On Time" Date 4/9/2018  
 Last Late Charge Date 3/16/2018  
 Number Of Late Months 22  
 Next Due Date 5/15/2018  
 Year To Date Charges \$516.58

Date Turned On  
 Date Turned Off  
 Meter Check Date 4/28/2014  
 Rate Code 1  
 Pump/Well Number 23  
 Last Reading 11394  
 Previous Reading 11075  
 Usage 31,900  
 # of Units 1

Meter 85069929 Z  
 Old Account # 77  
 Servicezipcode 75,009.00  
 Register # 1

Readresolution 1.00 brand&size Badger .625

### Deposit Information

Deposit Amount	\$0.00	Deposit Date	Certificate Number	0	
Deposit Amount 2	\$0.00	Deposit 2 Date	Services	Current Balance	
0					
	Usage	Charges	Read Date	Reading	
January	23,100	172.69	1/23/2018	10516	
February	43,800	385.50	2/21/2018	10954 L	
March	12,100	-238.86	3/20/2018	11075	
April	31,900	197.25	4/24/2018	11394	
May	18,100	108.83	5/23/2017	7453	
June	18,900	113.62	6/21/2017	7642	
July	10,800	66.69	7/20/2017	7750	
August	98,800	873.56	8/22/2017	8738	
September	39,700	269.11	9/21/2017	9135	
October	31,200	203.34	10/23/2017	9447	
November	47,700	331.01	11/20/2017	9924	
December	36,100	241.25	12/19/2017	10285	
			Adjustments	\$58.57	
			Previous Charges	\$197.25	
			<b>Current Balance</b>	<b>255.82</b>	
Last Payment	4/9/2018	\$89.67	Check Number	274495	
Age 1	\$197.25	Age 2	\$0.00	Age 3	\$0.00

*Mailed  
 5-7-18  
 Vicki*

*Final bill before renter  
 moves in.  
 Thanks!*

**EXHIBIT B-3**  
**Meter No. 206**

Mustang SUD

Customer Detail

Velez, Hector

Account Number

206

Velez, Hector  
7926 CR 101

Central Frisco LTD  
16400 Dallas PKY  
Suite 100

Celina TX  
75009 (214)930-9318  
Service Address: 7926 CR# 101

Dallas TX  
75248 (972)382-4747

Months On System 343  
Total Usage 2,781,700  
Average Usage 8,110  
Sequence Number 12770  
Meter Serial Number 33413484  
Route Number 2  
Last Read Date 7/19/2022  
12 Month Average 9,575  
Last Year Average 8,600  
Previous Year Average 7,100  
Last "Paid On Time" Date 7/18/2022  
Last Late Charge Date 5/16/2022  
Number Of Late Months 107  
Next Due Date 8/15/2022  
Year To Date Charges \$479.38

Date Turned On  
Date Turned Off  
Meter Check Date 8/1/2006  
Rate Code 1  
Pump/Well Number 23  
Last Reading 13552  
Previous Reading 13452  
Usage 10,000  
  
# of Units 1

Meter 71091347 Z  
Old Account # 206  
Servicezipcode 75,009.00

Readresolution 1.00 brand&size Badger .625

Deposit Information

Deposit Amount	\$200.00	Deposit Date	9/9/2021	Certificate Number	0	
Deposit Amount 2	\$200.00	Deposit 2 Date	1/24/2011	Services	Current Balance	
0	Usage	Charges	Read Date	Reading	Water	\$64.92
January	6,700	74.40	1/19/2022	13087 L	GW Con fee	\$1.00
February	7,400	54.86	2/17/2022	13161		
March	10,500	68.74	3/21/2022	13266		
April	5,100	55.63	4/19/2022	13317 L		
May	5,600	168.89	5/18/2022	13373 L		
June	7,900	56.86	6/20/2022	13452		
July	11,000	64.40	7/19/2021	12413		
August	5,500	84.33	8/18/2021	12468		
September	15,700	128.97	9/20/2021	12625		
October	15,500	127.33	10/18/2021	12780	Tax	\$0.32
November	15,600	139.59	11/18/2021	12936 L	Previous Charges	\$58.86
December	8,400	75.33	12/16/2021	13020	Paid This Month	\$58.86
					<b>Current Balance</b>	<b>66.24</b>
Last Payment	7/18/2022	\$58.86	Check Number	Cash		
Age 1	\$0.00	Age 2	\$0.00	Age 3	\$0.00	

hectorvelez4583@gmail.com

#206 Renter

MARILEE SPECIAL UTILITY DISTRICT  
P.O. Box 1017  
Celina, Texas 75009  
972-382-3222

DISTRICT USE ONLY	
Date Approved:	_____
Service Classification:	_____
Cost:	_____
Work Order #:	_____
Account No:	_____
Service Inspection Date:	_____

SERVICE APPLICATION

DATE Sept 9, 2021

APPLICANT'S NAME Hector Velaz O. Jr.

CO-APPLICANT'S NAME \_\_\_\_\_

CURRENT BILLING ADDRESS  
7926 Ca 101 Celina Tx  
75009

EMAIL ADDRESS: hectorvelaz4583@gmail.com

HOME PHONE: (214) 930-9318

WORK PHONE: (469) 996-4538

STREET ADDRESS OF PROPERTY \_\_\_\_\_

LEGAL DESCRIPTION OF PROPERTY (If applicable, subdivision with lot and block number) \_\_\_\_\_

ACREAGE: \_\_\_\_\_ DWELLING SIZE \_\_\_\_\_

NUMBER IN FAMILY \_\_\_\_\_ LIVESTOCK & NO \_\_\_\_\_

PREVIOUS OWNER'S NAME Current owner Central Iriso

SPECIAL SERVICE NEEDS OF APPLICANT \_\_\_\_\_

NOTE: This service application form must be completed by the applicant(s) only. A map or plat of the service location must be submitted with this application copy as well as a copy of the warranty deed for the location.

**EQUAL OPPORTUNITY PROGRAM**

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.

<input type="checkbox"/> White, Not of Hispanic Origin	<input type="checkbox"/> Black, Not of Hispanic Origin	<input type="checkbox"/> American Indian or Alaskan Native	<input type="checkbox"/> Hispanic	<input type="checkbox"/> Asian or Pacific Islander	<input type="checkbox"/> Other (Specify)	<input type="checkbox"/> Male	<input type="checkbox"/> Female
--------------------------------------------------------	--------------------------------------------------------	------------------------------------------------------------	-----------------------------------	----------------------------------------------------	------------------------------------------	-------------------------------	---------------------------------

Transfer deposit from 4414



MARILEE SPECIAL UTILITY DISTRICT  
P.O. Box 1017  
Celina, Texas 75009  
(972) 382-3222

SERVICE AGREEMENT

This agreement is made by Hector  
("Customer") and Marilee Special Utility District (the "District") and is effective upon approval and acceptance by the District as shown below. The District will maintain a copy of this agreement as long as the Customer and/or the property is connected to the District's water system. The District and Customer must execute this service agreement before the District provides service to Customer.

The District agrees to provide retail water utility service to Customer at the property described below, and Customer agrees to pay all applicable fees for such service, in accordance with the Rate Order of the District, as amended.

All bills shall be due and payable upon receipt and are past due beyond the date indicated on the bill; allowing approximately fifteen (15) days to pay. A one-time penalty of \$10.00 or 10.0%, whichever is larger, shall be applied to delinquent bills. A monthly bill for utility service is delinquent if full payment, including any outstanding late fees and regulatory assessments, is not received at the District by 5:00 p.m. on the due date. Payments made by mail will be considered late if postmarked after the past due date. If full payment is not timely received by the District, a final notice shall be mailed allowing ten (10) additional days for payment prior to disconnection. If Customer's service is disconnected, the District shall charge Customer a Reconnect Fee (\$50.00 during regular business hours; \$85.00 at any other time) before restoring Customer's service. The District's regular business hours are from 8:00 a.m. to 4:30 p.m., Monday to Friday.

Customer agrees to comply with the District's Drought Contingency Plan in the event the District's total water supply becomes insufficient to meet the needs of all District customers.

All water furnished by the District shall be metered by meters installed, maintained and owned by the District. The meter and connection is for the sole use of Customer and is to provide service to only one (1) dwelling or one (1) business. Any attempt to tamper with or to by-pass a meter, or to divert water utility service from one property to another, or to share, resell or submeter water to any other person, dwelling, business or property is prohibited. Unauthorized users of District services shall be prosecuted to the extent allowed by law under the Texas Penal Code § 28.03.

If required by the District in its sole discretion, the Customer agrees that the Customer and all persons or entities owning an interest in the property served by the meter will execute before a notary public the District's standard waterline easement adopted by the District pursuant to its Rate Order. At the sole option of the District, this requirement is a prerequisite for water service from the District.

The District shall have the right to select the location of the water service meter, pipe and appurtenant equipment on Customer's property necessary to connect Customer to the District's water system. The District shall have access to its meter and equipment located on Customer's property at all reasonable times for any purpose connected with or in the furtherance of the District's business operations, and upon disconnection or discontinuance of service, the District shall have the right to remove any of the District's property from Customer's property.

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

(1) Direct connections between a public drinking water supply and a potential source of contamination are prohibited. Potential sources of contamination shall be isolated from the public water system by an air gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices must be in compliance with state plumbing codes.

(2) Cross-connections between a public drinking water supply and a private water system are prohibited. These potential threats to the public drinking water supply shall be eliminated at the service connection by proper installation of an air gap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for an annual inspection and testing by a certified backflow prevention inspector.

(3) Connections that allow condensing, cooling, or industrial process water to be returned to a public drinking water supply are prohibited.

(4) Pipe and pipe fittings containing more than 8.0% lead may not be used to install or repair plumbing at any connection that provides water for human consumption installed on or after July 1, 1988; or pipe and pipe fittings that contain more than 0.25% lead installed on or after January 4, 2014.

(5) Beginning July 1, 1988, solder or flux containing more than 0.2% lead may not be used to install or repair plumbing at any connection that provides water for human consumption.

(6) The installation of any plumbing fixture not in compliance with a state approved plumbing code is prohibited.

The District shall maintain a copy of this Service Agreement as long as the Customer and/or premise is connected to the District's water system. The Customer shall allow the District to inspect the Customer's property for possible cross-connections and other unauthorized plumbing practices during the District's regular business hours.

The District shall notify the Customer in writing of any cross-connection or other unauthorized plumbing practices found by the District during the initial or subsequent

inspections. The Customer shall immediately correct any unauthorized plumbing practice on their premises. The Customer shall, at Customer's expense, properly install, test and maintain any backflow prevention assembly required by the District. Customer shall provide the District with a copy of all backflow prevention assembly test and maintenance records. Failure to comply with the terms of this Service Agreement shall cause the District to either terminate service or, at its sole discretion, to install, test and maintain an appropriate backflow prevention assembly at the service connection. Any expenses associated with the enforcement of this Service Agreement shall be billed to the Customer.

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

By execution hereof, the Customer expressly agrees that Customer's failure to comply the terms of this Service Agreement shall entitle the District to deny or discontinue service until such time as the violation(s) are corrected to the satisfaction of the District.

Any misrepresentation of facts by the Customer on this Service Agreement or the Service Application shall entitle the District to deny or discontinue service pursuant to the terms and conditions of the District's Rate Order.

(Please initial in the space below upon reading the following)

H.V. Customer acknowledges that the District's water system provides potable water for domestic consumption only and may not provide "fire flows" to the Service Address below as defined by the Uniform Fire Code or similar code or regulation to fight structure fires.

Hector Velez ✓  
Customer Signature \_\_\_\_\_ Customer Signature \_\_\_\_\_

Service Address: 7926 - CA 101 Celina Tx 75009

Attach or State Legal Description: \_\_\_\_\_  
\_\_\_\_\_

ACCEPTED AND APPROVED by \_\_\_\_\_ on \_\_\_\_\_, 20\_\_

Account No. \_\_\_\_\_ Work Order No. \_\_\_\_\_

Deposit Paid: \$ \_\_\_\_\_ By: \_\_\_\_\_

GUNTER SPECIAL UTILITY DISTRICT  
P.O. Box 1017  
Celina, Texas 75009  
972-382-3222

DISTRICT USE ONLY

Date Approved: \_\_\_\_\_  
Svc. Classification: \_\_\_\_\_  
Cost: \_\_\_\_\_  
Work Order #: \_\_\_\_\_  
Account No.: \_\_\_\_\_  
Service Inspection Date: \_\_\_\_\_

**SERVICE APPLICATION**

DATE: 4/5/06

APPLICANT'S NAME: Central Fresco Ltd

CO-APPLICANT'S NAME: \_\_\_\_\_

CURRENT BILLING ADDRESS:  
13411 Noel Rd  
Suite 2000  
Dallas TX 75240

HOME PHONE: (\_\_\_\_) \_\_\_\_\_

WORK PHONE: 214, 368-6100

STREET ADDRESS OF PROPERTY: 7226 County Rd 101 Celina, TX 75009

LEGAL DESCRIPTION OF PROPERTY (If applicable, subdivision with lot and block number): \_\_\_\_\_

ACREAGE: \_\_\_\_\_

DWELLING SIZE: 1600 sq ft

NUMBER IN FAMILY: \_\_\_\_\_

LIVESTOCK & NO.: \_\_\_\_\_

PREVIOUS OWNER'S NAME: \_\_\_\_\_

SPECIAL SERVICE NEEDS OF APPLICANT: \_\_\_\_\_

NOTE: This service application form must be completed by the applicant(s) only. A map or plat of the service location must be submitted with this application copy as well as a copy of the warranty deed for the location.

**EQUAL OPPORTUNITY PROGRAM:**

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.

White, Not of Hispanic Origin     Black, Not of Hispanic Origin     American Indian or Alaskan Native     Hispanic     Asian or Pacific Islander     Other (Specify)     Male     Female



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

(1) Direct connections between a public drinking water supply and a potential source of contamination are prohibited. Potential sources of contamination shall be isolated from the public water system by an air gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices must be in compliance with state plumbing codes.

(2) Cross-connections between a public drinking water supply and a private water system are prohibited. These potential threats to the public drinking water supply shall be eliminated at the service connection by proper installation of an air gap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for an annual inspection and testing by a certified backflow prevention inspector.

(3) Connections that allow condensing, cooling, or industrial process water to be returned to a public drinking water supply are prohibited.

(4) Beginning July 1, 1988, pipe and pipe fittings containing more than 8.0% lead may not be used to install or repair plumbing at any connection that provides water for human consumption.

(5) Beginning July 1, 1988, solder or flux containing more than 0.2% lead may not be used to install or repair plumbing at any connection that provides water for human consumption.

(6) The installation of any plumbing fixture not in compliance with a state approved plumbing code is prohibited.

The District shall maintain a copy of this Service Agreement as long as the Customer and/or premise is connected to the District's water system. The Customer shall allow the District to inspect the Customer's property for possible cross-connections and other unauthorized plumbing practices during the District's regular business hours.

The District shall notify the Customer in writing of any cross-connection or other unauthorized plumbing practices found by the District during the initial or subsequent inspections. The Customer shall immediately correct any unauthorized plumbing practice on their premises. The Customer shall, at Customer's expense, properly install, test and maintain any backflow prevention assembly required by the District. Customer shall provide the District with a copy of all backflow prevention assembly test and maintenance records. Failure to comply with the terms of this Service Agreement shall cause the District

to either terminate service or, at its sole discretion, to install, test and maintain an appropriate backflow prevention assembly at the service connection. Any expenses associated with the enforcement of this Service Agreement shall be billed to the Customer.

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

By execution hereof, the Customer expressly agrees that Customer's failure to comply the terms of this Service Agreement shall entitle the District to deny or discontinue service until such time as the violation(s) are corrected to the satisfaction of the District.

Any misrepresentation of facts by the Customer on this Service Agreement or the Service Application shall entitle the District to deny or discontinue service pursuant to the terms and conditions of the District's Rate Order.

(Please initial in the space below upon reading the following)

**Customer acknowledges that the District's water system provides potable water for domestic consumption only and does not provide "fire flows" as defined by the Uniform Fire Code or similar code or regulation to fight structure fires.**

  
Customer Signature

\_\_\_\_\_  
Customer Signature

Service Address: 7926 County Rd 101 Celina TX 75009

Legal Description: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ACCEPTED AND APPROVED:

Date: \_\_\_\_\_, 20\_\_\_\_

Account No. \_\_\_\_\_

Work Order No. \_\_\_\_\_

Deposit Paid: \$ \_\_\_\_\_

By: \_\_\_\_\_

GUNTER SPECIAL UTILITY DISTRICT  
P.O. Box 1017  
Celina, Texas 75009  
972-382-3222

Co-40

V-

1220-00  
5517-2

200.00  
25.00

**COST OF SERVICE NOTICE**

(Residential service within a planned subdivision)  
(Where meter taps have been preset)

APPLICANT(S): Central Frisco LTD DATE: 4/5/06

PROPERTY: 7936 County Rd 101 Celina TX 75009

The District has determined the cost for providing service to your property in the amount stated below. By signing this notice, you acknowledge that all charges and fees for service are non-refundable except for the Deposit. If you sell or vacate the property, you must request a final monthly bill and provide a forwarding address. The District will apply your Deposit to the final bill and refund the difference. This notice is provided in accordance with Section E.2(b)(5) of the District's Rate Order and shall remain in effect for thirty (30) days from the date above.

**Check all that apply:**

<input checked="" type="checkbox"/>	Deposit .....	\$ 200.00
<input checked="" type="checkbox"/>	Activation Fee .....	25.00
<input type="checkbox"/>	Connection Fee .....	2,500.00
<input type="checkbox"/>	Reserved Service Charges .....	_____
<input type="checkbox"/>	Easement Fee .....	_____
<input type="checkbox"/>	Street Crossing: County Road .....	_____
<input type="checkbox"/>	Street Crossing: State Highway .....	_____
<input type="checkbox"/>	(Other) .....	_____

TOTAL: \$ 275-

Applicant Signature: X [Signature] DL #: \_\_\_\_\_  
Applicant Signature: \_\_\_\_\_ DL #: \_\_\_\_\_

**NON-DISCLOSURE**

I/we hereby request that the District keep the personal information in my/our account record confidential, including my/our address, telephone number and social security number(s), to the extent permitted by federal and state law.

X Applicant Signature \_\_\_\_\_ Applicant Signature \_\_\_\_\_



**EXHIBIT B-4**  
**Meter No. 381**

Mustang SUD

### Customer Detail

**Brena, Eduardo**

**Account Number 381**

Brena, Eduardo  
 Serafina Gonzalez  
 10558 W FM 455

Central Frisco LTD  
 c/o Gary Goodnight  
 16400 Dallas Pkwy #1

Celina TX  
 75009 (469)922-7881  
 Service Address: 10558 W Fm 455

Dallas TX  
 75248 (214)368-6100

Date Turned On  
 Date Turned Off  
 Meter Check Date 8/12/2020  
 Rate Code 1  
 Pump/Well Number 23  
 Last Reading 4349  
 Previous Reading 4211  
 Usage 13,800  
 # of Units 1

Months On System 343  
 Total Usage 2,696,800  
 Average Usage 7,862  
 Sequence Number 12360  
 Meter Serial Number 200589872  
 Route Number 2  
 Last Read Date 7/19/2022  
 12 Month Average 7,167  
 Last Year Average 26,000  
 Previous Year Average 11,000  
 Last "Paid On Time" Date 7/12/2022  
 Last Late Charge Date 6/16/2020  
 Number Of Late Months 95  
 Next Due Date 8/15/2022  
 Year To Date Charges \$407.48

Meter 120619922J  
 Old Account # 381  
 Servicezipcode 75,009.00

Readresolution 0.01 brand&size Badger .625

#### Deposit Information

Deposit Amount	\$200.00	Deposit Date	1/14/2022	Certificate Number	0
Deposit Amount 2	\$0.00	Deposit 2 Date	4/11/2016	Services	Current Balance
0					
Usage		Charges	Read Date	Reading	
January	6,100	60.54	1/19/2022	3691	Water \$83.35
February	6,900	52.85	2/17/2022	3760	GW Con fee \$1.38
March	7,000	53.25	3/21/2022	3830	
April	10,200	67.24	4/19/2022	3932	
May	11,200	72.21	5/18/2022	4044	
June	16,700	101.39	6/20/2022	4211	
July	2,200	37.81	7/19/2021	3373	
August	800	32.44	8/18/2021	3381	
September	3,600	44.98	9/20/2021	3417	
October	1,300	34.25	10/18/2021	3430	Tax \$0.42
November	19,900	152.87	11/18/2021	3629	Previous Charges \$101.39
December	100	-106.15	12/22/2021	3630	Paid This Month \$101.39
					<b>Current Balance 85.15</b>
Last Payment	7/12/2022	\$101.39	Check Number	Cash	
Age 1	\$0.00	Age 2	\$0.00	Age 3	\$0.00

rental property Gary Goodnight handles - ggoodnight@elandenergy.com serafinagonzalez25@gmail.com

Renter

Marilee Special Utility District  
P. O. Box 1017  
Celina, TX 75009  
972-382-3222

**COST OF SERVICE NOTICE**  
*(Residential Service)*

APPLICANT(S): Eduardo Brena Serafina Gonzalez DATE: 12 / 20 / 2021

PROPERTY: 10558 W FM 455 Celina Tx 75009

The District has determined the cost for providing service to your property in the amount stated below. By signing this notice, you acknowledge that all charges and fees for service are non-refundable except for the deposit. If you sell or vacate the property, you must request a final monthly bill and provide a forwarding address. The District will apply your deposit to the final bill and refund the difference. This notice is provided in accordance with Section E.2(b)(5) of the District's Rate Order and shall remain in effect for thirty (30) days from the date above.

**Check all that apply:**

- Deposit.....\$ 200.00
- Activation Fee.....\$ 25.00
- Connection Fee.....\$ \_\_\_\_\_
- Reserved Service Charges.....\_\_\_\_\_
- Easement Fee.....\_\_\_\_\_
- Street Crossing: County Road (Road Bore).....\_\_\_\_\_
- Street Crossing: State Highway (Road Bore).....\_\_\_\_\_
- Other \_\_\_\_\_

TOTAL: \$ 225.00

*moved deposit  
from 241*

Applicant Signature: *Golfo* Drivers License# 44062375

Co-Applicant Signature: Eduardo Drivers License# \_\_\_\_\_

**NON DISCLOSURE**

I/we hereby request that the District keep the personal information in my/our account record confidential, including my/our address, telephone number and social security number(s), to the extent permitted by federal and state law.

*Golfo*  
Applicant Signature

Eduardo  
Co-Applicant Signature

MARILEE SPECIAL UTILITY DISTRICT  
P.O. Box 1017  
Celina, Texas 75009  
972-382-3222

DISTRICT USE ONLY	
Date Approved:	_____
Service Classification:	_____
Cost:	_____
Work Order #	_____
Account No	_____
Service Inspection Date:	_____

### SERVICE APPLICATION

DATE 12 / 20 / 2021

APPLICANT'S NAME: Eduardo Brena

CO-APPLICANT'S NAME: Serafina Gonzalez

CURRENT BILLING ADDRESS:	EMAIL ADDRESS: <u>serafinagonzalez25@gmail.comp</u>
<u>3170 N Louisiana Dr</u>	HOME PHONE: (____) <u>4699227881</u>
<u>Celina TX 75009</u>	WORK PHONE: (____) _____

STREET ADDRESS OF PROPERTY: 10558 W FM 455 Celina TX 75009

LEGAL DESCRIPTION OF PROPERTY (If applicable, subdivision with lot and block number):  
It has a red gate

ACREAGE: n/a DWELLING SIZE: n/a

NUMBER IN FAMILY 4 LIVESTOCK & NO.: n/a

PREVIOUS OWNER'S NAME: John B

SPECIAL SERVICE NEEDS OF APPLICANT: \_\_\_\_\_

NOTE: This service application form must be completed by the applicant(s) only. A map or plat of the service location must be submitted with this application copy as well as a copy of the warranty deed for the location.

#### EQUAL OPPORTUNITY PROGRAM:

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.

[  ] White, Not of Hispanic Origin    [  ] Black, Not of Hispanic Origin    [  ] American Indian or Alaskan Native    [  ] Hispanic    [  ] Asian or Pacific Islander    [  ] Other (Specify)    [  ] Male    [  ] Female

MARILEE SPECIAL UTILITY DISTRICT  
P.O. Box 1017  
Celina, Texas 75009  
(972) 382-3222

SERVICE AGREEMENT

This agreement is made by Eduardo Brena Serafina Gonzalez ("Customer") and Marilee Special Utility District (the "District") and is effective upon approval and acceptance by the District as shown below. The District will maintain a copy of this agreement as long as the Customer and/or the property is connected to the District's water system. The District and Customer must execute this service agreement before the District provides service to Customer.

The District agrees to provide retail water utility service to Customer at the property described below, and Customer agrees to pay all applicable fees for such service, in accordance with the Rate Order of the District, as amended.

All bills shall be due and payable upon receipt and are past due beyond the date indicated on the bill; allowing approximately fifteen (15) days to pay. A one-time penalty of \$10.00 or 10.0%, whichever is larger, shall be applied to delinquent bills. A monthly bill for utility service is delinquent if full payment, including any outstanding late fees and regulatory assessments, is not received at the District by 5:00 p.m. on the due date. Payments made by mail will be considered late if postmarked after the past due date. If full payment is not timely received by the District, a final notice shall be mailed allowing ten (10) additional days for payment prior to disconnection. If Customer's service is disconnected, the District shall charge Customer a Reconnect Fee (\$50.00 during regular business hours; \$85.00 at any other time) before restoring Customer's service. The District's regular business hours are from 8:00 a.m. to 4:30 p.m., Monday to Friday.

Customer agrees to comply with the District's Drought Contingency Plan in the event the District's total water supply becomes insufficient to meet the needs of all District customers.

All water furnished by the District shall be metered by meters installed, maintained and owned by the District. The meter and connection is for the sole use of Customer and is to provide service to only one (1) dwelling or one (1) business. Any attempt to tamper with or to by-pass a meter, or to divert water utility service from one property to another, or to share, resell or submeter water to any other person, dwelling, business or property is prohibited. Unauthorized users of District services shall be prosecuted to the extent allowed by law under the Texas Penal Code § 28.03.

If required by the District in its sole discretion, the Customer agrees that the Customer and all persons or entities owning an interest in the property served by the meter will execute before a notary public the District's standard waterline easement adopted by the District pursuant to its Rate Order. At the sole option of the District, this requirement is a prerequisite for water service from the District.

The District shall have the right to select the location of the water service meter, pipe and appurtenant equipment on Customer's property necessary to connect Customer to the District's water system. The District shall have access to its meter and equipment located on Customer's property at all reasonable times for any purpose connected with or in the furtherance of the District's business operations, and upon disconnection or discontinuance of service, the District shall have the right to remove any of the District's property from Customer's property.

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

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- (2) Cross-connections between a public drinking water supply and a private water system are prohibited. These potential threats to the public drinking water supply shall be eliminated at the service connection by proper installation of an air gap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for an annual inspection and testing by a certified backflow prevention inspector.
- (3) Connections that allow condensing, cooling, or industrial process water to be returned to a public drinking water supply are prohibited.
- (4) Pipe and pipe fittings containing more than 8.0% lead may not be used to install or repair plumbing at any connection that provides water for human consumption installed on or after July 1, 1988; or pipe and pipe fittings that contain more than 0.25% lead installed on or after January 4, 2014.
- (5) Beginning July 1, 1988, solder or flux containing more than 0.2% lead may not be used to install or repair plumbing at any connection that provides water for human consumption.
- (6) The installation of any plumbing fixture not in compliance with a state approved plumbing code is prohibited.

The District shall maintain a copy of this Service Agreement as long as the Customer and/or premise is connected to the District's water system. The Customer shall allow the District to inspect the Customer's property for possible cross-connections and other unauthorized plumbing practices during the District's regular business hours.

The District shall notify the Customer in writing of any cross-connection or other unauthorized plumbing practices found by the District during the initial or subsequent

inspections. The Customer shall immediately correct any unauthorized plumbing practice on their premises. The Customer shall, at Customer's expense, properly install, test and maintain any backflow prevention assembly required by the District. Customer shall provide the District with a copy of all backflow prevention assembly test and maintenance records. Failure to comply with the terms of this Service Agreement shall cause the District to either terminate service or, at its sole discretion, to install, test and maintain an appropriate backflow prevention assembly at the service connection. Any expenses associated with the enforcement of this Service Agreement shall be billed to the Customer.

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

By execution hereof, the Customer expressly agrees that Customer's failure to comply the terms of this Service Agreement shall entitle the District to deny or discontinue service until such time as the violation(s) are corrected to the satisfaction of the District.

Any misrepresentation of facts by the Customer on this Service Agreement or the Service Application shall entitle the District to deny or discontinue service pursuant to the terms and conditions of the District's Rate Order.

(Please initial in the space below upon reading the following)

4/9 Customer acknowledges that the District's water system provides potable water for domestic consumption only and may not provide "fire flows" to the Service Address below as defined by the Uniform Fire Code or similar code or regulation to fight structure fires.

Golfo

Eduardo

Customer Signature

Customer Signature

Service Address: 10558 W FM 455 Celina TX 75009

Attach or State Legal Description: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ACCEPTED AND APPROVED by \_\_\_\_\_ on \_\_\_\_\_, 20\_\_

Account No. \_\_\_\_\_ Work Order No. \_\_\_\_\_

Deposit Paid: \$ \_\_\_\_\_ By: \_\_\_\_\_

# Marilee Special Utility District

P.O. Box 1017 • Celina, Texas 75009

(972) 382-3222

CD

No 21472

## WORK ORDER

Acct. # 381

Date 12-20-21

Meter Reading

Previous: \_\_\_\_\_

Current: 3630

Phone#: 214-308-6100

Name: Central FRISCO

10558 W FM 455

Celina

Cust. Concern: \_\_\_\_\_

Line Locate: \_\_\_\_\_

Other: \_\_\_\_\_

Person Issuing Order C

Instructions: renter moving in final 12/22  
4th 12061922

Action taken and time spent: Took off Beacon

3630  
12-22-21  
Uchi

Parts and equipment used: \_\_\_\_\_

Date Completed: 12-22-21

71 Signed: Uchi



Marilee SUD

### Customer Detail

#### Central Frisco LTD

Central Frisco LTD  
 c/o Gary Goodnight  
 16400 Dallas Pkwy #100  
 Dallas TX  
 75248 (214)368-6100  
 Service Address: 10558 W Fm 455

#### Account Number 381

Central Frisco LTD  
 c/o Gary Goodnight  
 13455 Noel Rd #2000  
 Dallas TX  
 75240 (214)368-6100  
 Months On System 268  
 Total Usage 2,078,100  
 Average Usage 7,754  
 Sequence Number 10540  
 Meter Serial Number 33413525  
 Route Number 2  
 Last Read Date 4/1/2016  
 12 Month Average 8,270  
 Last Year Average 7,100  
 Previous Year Average 8,300  
 Last 'Paid On Time' Date 3/7/2016  
 Last Late Charge Date 2/16/2015  
 Number Of Late Months 79  
 Next Due Date 4/15/2016  
 Year To Date Charges \$161.60

Date Turned On  
 Date Turned Off  
 Meter Check Date 7/28/2006  
 Rate Code 1  
 Pump/Well Number 23  
 Last Reading 8544  
 Previous Reading 8402  
 Usage 14,200

Meter 71080365 Z  
 Old Account # 381

USER DEFINED 1

#### Deposit Information

Deposit Amount	\$0.00	Deposit Date	3/5/2013	Certificate Number	0
Deposit Amount 2	\$0.00	Deposit 2 Date	1/3/2011	Services	Current Balance
0					
	Usage	Charges	Read Date	Reading	
January	0	21.71	1/22/2016	8315	
February	8,700	56.77	2/23/2016	8402	
March	14,200	83.12	3/23/2016	8544	
April	5,100	39.77	4/22/2015	7768	
May	3,400	32.34	5/21/2015	7802	Adjustments \$2.39
June	6,100	44.49	6/24/2015	7863	
July	7,300	50.16	7/22/2015	7936	
August	16,300	98.07	8/21/2015	8099	
September	7,900	52.99	9/23/2015	8178	
October	8,800	57.24	10/21/2015	8266	
November	4,900	38.82	11/23/2015	8315	Previous Charges \$83.12
December	0	21.71	12/21/2015	8315	
Last Payment 3/7/2016 \$56.77 Check Number 250219				<b>Current Balance 85.51</b>	
Age 1	\$83.12	Age 2	\$0.00	Age 3	\$0.00

*Mailed 4-6-16*

#381

Renter

MARILEE SPECIAL UTILITY DISTRICT  
P.O. Box 1017  
Celina, Texas 75009  
972-382-3222

DISTRICT USE ONLY

Date Approved: \_\_\_\_\_  
Service Classification: \_\_\_\_\_  
Cost: \_\_\_\_\_  
Work Order #: \_\_\_\_\_  
Account No.: 381 (only)  
Service Inspection Date: \_\_\_\_\_

SERVICE APPLICATION

DATE: 11-15-10

APPLICANT'S NAME: John Mesnard

CO-APPLICANT'S NAME: \_\_\_\_\_

CURRENT BILLING ADDRESS:

P.O. Box 1477  
Celina Tx 75009

HOME PHONE: (214) 808-7474

WORK PHONE: (469) 624-5585

STREET ADDRESS OF PROPERTY: 10558 FM 455 Celina Tx 75009

LEGAL DESCRIPTION OF PROPERTY (If applicable, subdivision with lot and block number): \_\_\_\_\_

ACREAGE: \_\_\_\_\_

DWELLING SIZE: \_\_\_\_\_

NUMBER IN FAMILY: \_\_\_\_\_

LIVESTOCK & NO.: \_\_\_\_\_

~~PREVIOUS~~ OWNER'S NAME: Central Finco Ltd.

SPECIAL SERVICE NEEDS OF APPLICANT: \_\_\_\_\_

NOTE: This service application form must be completed by the applicant(s) only. A map or plat of the service location must be submitted with this application copy as well as a copy of the warranty deed for the location.

EQUAL OPPORTUNITY PROGRAM:

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.

White, Not of Hispanic Origin     Black, Not of Hispanic Origin     American Indian or Alaskan Native     Hispanic     Asian or Pacific Islander     Other (Specify)     Male     Female

MARILEE SPECIAL UTILITY DISTRICT  
P.O. Box 1017  
Celina, Texas 75009  
(972) 382-3222

**SERVICE AGREEMENT**

This agreement is made by John Mesnard ("Customer") and Marilee Special Utility District (the "District") and is effective upon approval and acceptance by the District as shown below. The District will maintain a copy of this agreement as long as the Customer and/or the property is connected to the District's water system. The District and Customer must execute this service agreement before the District provides service to Customer.

The District agrees to provide retail water utility service to Customer at the property described below, and Customer agrees to pay all applicable fees for such service, in accordance with the Rate Order of the District, as amended.

All bills shall be due and payable upon receipt and are past due beyond the date indicated on the bill; allowing approximately fifteen (15) days to pay. A one-time penalty of \$5.00 or 5.0%, whichever is larger, shall be applied to delinquent bills. A monthly bill for utility service is delinquent if full payment, including any outstanding late fees and regulatory assessments, is not received at the District by 5:00 p.m. on the due date. Payments made by mail will be considered late if postmarked after the past due date. If full payment is not timely received by the District, a final notice shall be mailed allowing ten (10) additional days for payment prior to disconnection. If Customer's service is disconnected, the District shall charge Customer a Reconnect Fee (\$35.00 during regular business hours; \$50.00 at any other time) before restoring Customer's service. The District's regular business hours are from 8:00 a.m. to 4:30 p.m., Monday to Friday.

Customer agrees to comply with the District's Drought Contingency Plan in the event the District's total water supply becomes insufficient to meet the needs of all District customers.

All water furnished by the District shall be metered by meters installed, maintained and owned by the District. The meter and connection is for the sole use of Customer and is to provide service to only one (1) dwelling or one (1) business. Any attempt to tamper with or to by-pass a meter, or to divert water utility service from one property to another, or to share, resell or submeter water to any other person, dwelling, business or property is prohibited. Unauthorized users of District services shall be prosecuted to the extent allowed by law under the Texas Penal Code § 28.03.

The District shall have the right to select the location of the water service meter, pipe and appurtenant equipment on Customer's property necessary to connect Customer to the District's water system. The District shall have access to its meter and equipment located on Customer's property at all reasonable times for any purpose connected with or in the furtherance of the District's business operations, and upon disconnection or discontinuance

of service, the District shall have the right to remove any of the District's property from Customer's property.

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

(1) Direct connections between a public drinking water supply and a potential source of contamination are prohibited. Potential sources of contamination shall be isolated from the public water system by an air gap or an appropriate backflow prevention assembly in accordance with state plumbing regulations. Additionally, all pressure relief valves and thermal expansion devices must be in compliance with state plumbing codes.

(2) Cross-connections between a public drinking water supply and a private water system are prohibited. These potential threats to the public drinking water supply shall be eliminated at the service connection by proper installation of an air gap or a reduced pressure-zone backflow prevention assembly and a service agreement must exist for an annual inspection and testing by a certified backflow prevention inspector.

(3) Connections that allow condensing, cooling, or industrial process water to be returned to a public drinking water supply are prohibited.

(4) Beginning July 1, 1988, pipe and pipe fittings containing more than 8.0% lead may not be used to install or repair plumbing at any connection that provides water for human consumption.

(5) Beginning July 1, 1988, solder or flux containing more than 0.2% lead may not be used to install or repair plumbing at any connection that provides water for human consumption.

(6) The installation of any plumbing fixture not in compliance with a state approved plumbing code is prohibited.

The District shall maintain a copy of this Service Agreement as long as the Customer and/or premise is connected to the District's water system. The Customer shall allow the District to inspect the Customer's property for possible cross-connections and other unauthorized plumbing practices during the District's regular business hours.

The District shall notify the Customer in writing of any cross-connection or other unauthorized plumbing practices found by the District during the initial or subsequent inspections. The Customer shall immediately correct any unauthorized plumbing practice on their premises. The Customer shall, at Customer's expense, properly install, test and

maintain any backflow prevention assembly required by the District. Customer shall provide the District with a copy of all backflow prevention assembly test and maintenance records. Failure to comply with the terms of this Service Agreement shall cause the District to either terminate service or, at its sole discretion, to install, test and maintain an appropriate backflow prevention assembly at the service connection. Any expenses associated with the enforcement of this Service Agreement shall be billed to the Customer.

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

By execution hereof, the Customer expressly agrees that Customer's failure to comply the terms of this Service Agreement shall entitle the District to deny or discontinue service until such time as the violation(s) are corrected to the satisfaction of the District.

Any misrepresentation of facts by the Customer on this Service Agreement or the Service Application shall entitle the District to deny or discontinue service pursuant to the terms and conditions of the District's Rate Order.

(Please initial in the space below upon reading the following)

Jm Customer acknowledges that the District's water system provides potable water for domestic consumption only and may not provide "fire flows" to the Service Address below as defined by the Uniform Fire Code or similar code or regulation to fight structure fires.

  
Customer Signature

\_\_\_\_\_  
Customer Signature

Service Address: 10558 FM 455 Celina Tx 75009

Attach or State Legal Description: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ACCEPTED AND APPROVED by \_\_\_\_\_ on \_\_\_\_\_, 20\_\_

Account No. \_\_\_\_\_ Work Order No. \_\_\_\_\_

Deposit Paid: \$ \_\_\_\_\_ By: \_\_\_\_\_

# **EXHIBIT C**

**AFFIDAVIT OF CHRIS BOYD  
MUSTANG SPECIAL UTILITY DISTRICT'S GENERAL MANAGER**

DOCKET NO. 52531

PETITION BY E REAL ESTATE, §  
LLC FOR EXPEDITED § PUBLIC UTILITY COMMISSION  
RELEASE FROM WATER CCN §  
NO. 10150 HELD BY MARILEE §  
SPECIAL UTILITY DISTRICT §  
IN COLLIN COUNTY § OF TEXAS

SUPPORTING AFFIDAVIT OF CHRIS BOYD,  
PROFESSIONAL ENGINEER FOR MARILEE SPECIAL UTILITY DISTRICT

STATE OF TEXAS §  
COUNTY OF COLLIN §

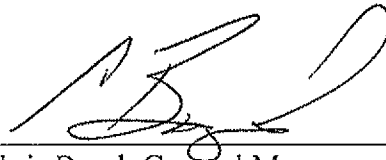
BEFORE ME, the undersigned authority, on this date personally appeared Chris Boyd, who being by me first duly sworn, on his oath deposed and testified as follows:

1. "My name is Chris Boyd. I am more than 18 years of age and I am of sound mind and qualified to make this affidavit. I have personal knowledge of all facts stated herein.
2. "I am the General Manager for Mustang Special Utility District ("Mustang"). I have been in that position for 17 years.
3. "On November 2, 2021, an election was held in Denton County on a proposition to authorize Mustang to consolidate with Marilee Special Utility District ("Marilee"). On the same day, an election was held in Collin County on a proposition to authorize Marilee to consolidate with Mustang. A true and correct copy of Mustang's proposition as it appeared on the ballot is attached hereto as **Exhibit C-1**.
4. "The election resulted in the Mustang's and Marilee's voters approving consolidation of Mustang with Marilee, authorizing the consolidated district be named Mustang Special Utility District (the "Consolidated District"), and authorizing each district to assume the other district's bonds, notes, and other obligations. A true and correct copy of the election results in Denton County is attached hereto as **Exhibit C-2**.
5. "Mustang has federal indebtedness that has been assumed by the Consolidated District. The United States of America Department of Agriculture, Rural Utilities Service, purchased bonds from Mustang in 2016, in the amount of

\$14,142,000, and in 2018, in the amount of \$1,000,000 (collectively, the "Bonds"). The Consolidated District will be required to make payments on the 2016 bonds until 2055. The Consolidated District will be required to make payments on the 2018 bonds until 2058.

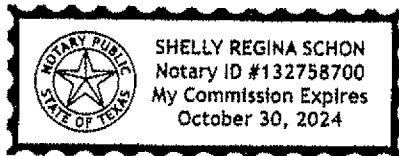
6. "I am authorized to make this affidavit on behalf of the Consolidated District in Docket 52531 in support of Marilee's response to E REAL ESTATE, LLC.'s ("Petitioner") request to remove approximately 486.85 acres of Property ("Property") from areas for which the Consolidated District holds water certificate of convenience and necessity ("CCN") No, 10150.

FURTHER, AFFIANT SAYETH NOT.



Chris Boyd, General Manager  
Mustang Special Utility District

SWORN TO AND SUBSCRIBED before me by Chris Boyd, General Manager of Mustang Special Utility District on this 15 day of August 2022.



Notary Public in and for the State of Texas



# **EXHIBIT C-1**

**November 2, 2021 Proposition A  
to Consolidate Marilee SUD and Mustang SUD**

# **EXHIBIT C-1**

**November 2, 2021 Proposition A  
to Consolidate Marilee SUD and Mustang SUD**

Active Contests Options List  
Denton County - Mustang Special Utilities District Special Election - November 02, 2021

Page 1

**Mustang Special Utilities District Proposition A**

Shall Mustang Special Utility District and Marilee Special Utility District be authorized to consolidate into one district; Authorize the name of the consolidated district to be Mustang Special Utility District; Authorize each district to assume the other district's bonds, notes, or other obligations?

For

Against

Contests: 1

Options: 2

## **EXHIBIT C-2**

**November 2, 2021 Voters Approving  
to Consolidate Marilee SUD and Mustang SUD**

**Cumulative Results Report**

Official Results

Run Time 11:02 AM  
Run Date 11/09/2021

**Denton County**

Mustang Special Utility District Special Election

11/2/2021

Page 1

**Official Results**

Registered Voters  
172 of 37553 = 0.46%

Precincts Reporting  
15 of 15 = 100.00%

**Mustang Special Utility District Proposition A**

Choice	Party	Absentee Voting		Early Voting		Election Day Voting		Total	
For		18	56.25%	39	76.47%	47	53.41%	104	60.82%
Against		14	43.75%	12	23.53%	41	46.59%	67	39.18%
Cast Votes:		32	100.00%	51	100.00%	88	100.00%	171	100.00%
Undervotes:		0		0		1		1	
Overvotes:		0		0		0		0	

\*\*\* End of report \*\*\*