

Filing Receipt

Received - 2022-06-13 02:21:38 PM Control Number - 52655 ItemNumber - 27

PUC DOCKET NO. 52655

PETITION OF McCART ST, LLC	§	PUBLIC UTILITY COMMISION
TO AMEND BOLIVAR WATER	§	
SUPPLY CORPORATION'S	§	OF TEXAS
CERTIFICATE OF CONVENIENCE	§	
AND NECESSITY IN DENTON	§	
COUNTY BY STREAMLINED	§	
EXPEDITED RELEASE	Ş	

BOLIVAR WATER SUPPLY CORPORATION'S APPRAISAL REPORT

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

In accordance with Order No. 2 in the above-referenced matter, Bolivar Water Supply Corporation submits the attached Appraisal Report.

Respectfully submitted,

Russell Rodriguez Hyde Bullock LLP 1633 Williams Drive, Building 2, Suite 200 Georgetown, Texas 78628 (512) 930-1317

(866) 929-1641 (Fax) arodriguez@txlocalgovlaw.com

/s/ Arturo D. Rodriguez, Jr.
ARTURO D. RODRIGUEZ, JR.
State Bar No. 00791551

ATTORNEY FOR BOLIVAR WATER SUPPLY CORPORATION

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on the 13th day of June, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Arturo D. Rodriguez, Jr.
ARTURO D. RODRIGUEZ, JR.



June 13, 2022

Mr. James Parkman Bolivar Water Supply Corporation PO Box 1789 Sanger, Texas 76266

SUBJECT: PUC DOCKET NO. 52655; PETITION OF MCCART ST, LLC TO AMEND BOLIVAR

WATER SUPPLY CORPORATION'S CERTIFICATE OF CONVENIENCE AND NECESSITY IN DENTON COUNTY BY STREAMLINED EXPEDITED RELEASE

Dear Mr. Parkman,

KOR Group is pleased to present this appraisal as considered by the Public Utility Commission of Texas to determine just compensation for the expedited release of 251.233 acres of land from Bolivar Water Supply Corporation's Certificate of Convenience and Necessity (CCN) No. 11257 in Denton County, Texas. The petition was filed by McCart St, LLC and is part of the Public Utility Commission of Texas Docket No. 52655. The application was filed pursuant to Tex. Water Code §13.2541 – Streamlined Expedited Release Initiated by Landowner. The intended users of the report include the client, Bolivar Water Supply Corporation, its representatives, and the Public Utility Commission of Texas.

The subject property is along the south side of Farm-to-Market Road 1173 and west side of Radecke Road in Denton County, Texas. The CCN is within the north Denton County market in a high growth area.

SCOPE OF WORK

As part of this appraisal, we have completed the following steps to gather, confirm, and analyze the data.

- Utilized the appraisal process to estimate compensation due to the expedited release of 251.233 acres of land from Bolivar Water Supply Corporation's Certificate of Convenience and Necessity (CCN) No. 11257 in Denton County, Texas, as of June 13, 2022, pursuant to Tex. Water Code §13.2541 Streamlined Expedited Release Initiated by Landowner.
- ❖ Collected and reviewed information about the history of the subject property and market. A list of documents reviewed is detailed in the report.
- Gathered market information on the surrounding market area. Sources of data include, but are not limited to, County deed records, County Appraisal District data, owner's representatives, brokers, investors, developers, and other knowledgeable individuals active in the area.
- Prepared an appraisal report to determine just compensation as considered by the Public Utility Commission of Texas that falls outside of Standards Rules 1-10 of the *Uniform Standards of Professional Appraisal Practice*, 2020-2021 Edition. However, we have complied with the portions of the *Uniform Standards of Professional Appraisal Practice*, 2020-2021 Edition that apply to the assignment.

COMPETENCY RULE

We have the ability to properly identify the problem to be addressed; the knowledge and experience to complete the assignment competently; and recognize and comply with the laws and regulations

that apply to the appraisers and the assignment. Additional competency was gained through the client and the client's representatives.

JURISDICTIONAL EXCEPTION RULE

If any applicable law or regulation precludes compliance with any part of the *Uniform Standards of Professional Appraisal Practice*, only that part of the *Uniform Standards of Professional Appraisal Practice* becomes void for the assignment.

DOCUMENTS REVIEWED

The documents collected and reviewed in preparation of the appraisal include, but are not limited to, the below. Additionally, we have reviewed other filed documents on the Public Utility Commission of Texas website.

- Tex. Water Code §13.254
- Tex. Water Code §13.2541
- ❖ Petition by McCart St, LLC for Expedited Release from Water CCN No. 11257 Held by Bolivar Water Supply Corporation in Denton County PUC Docket No. 52655 (September 28, 2021)
- Order No. 2 Finding Petition Administratively Complete and Notice Sufficient, and Establishing Procedural Schedule (October 29, 2021)
- ❖ Response of Bolivar Water Supply Corporation (November 4, 2021)
- Commission Staff's Recommendation of Final Disposition (December 2, 2021)
- Bolivar Water Supply Corporation's Exceptions to Proposed Order (February 8, 2022)
- Office of Policy and Docket Management Requests a Corrected Map (March 1, 2022)
- Order (April 4, 2022)
- Bolivar Distribution System Costs (June 2022)
- Summary of Legal Costs (through June 10, 2022)
- Letter of Response from Biggs & Matthews Inc. (June 13, 2022)
- Planning Report for Water Facility Improvements Year 2022 Through 2032 (June 13, 2022)

FACTORS FOR COMPENSATION

The required factors that must be considered in determining compensation of a certificate holder subject to a decertification from a utility's CCN are set forth in Tex. Water Code §13.254(g) and Chapter 21 of the Property Code (for real property). Those factors apply to streamlined expedited release petitions filed under Tex. Water Code §13.2541. Per Tex. Water Code §13.254(g), the factors ensuring that the compensation to a retail public utility is just and adequate shall include:

- ❖ Factor 1 the value of real property must be determined according to the standards set forth in chapter 21 of the Texas Property Code governing actions in eminent domain.
- Factor 2A the amount of the former CCN holder's debt allocable to service to the removed area.
- Factor 2B the value of the service facilities belonging to the former CCN holder that are within the removed area.



- ❖ Factor 2C the amount of any expenditures for planning, design, or construction of the service facilities of the former CCN holder that are allocable to service to the removed area.
- ❖ Factor 2D the amount of the former CCN holder's contractual obligations allocable to the removed area.
- ❖ Factor 2E any demonstrated impairment of service or any increase of cost to consumers of the former CCN holder remaining after a CCN revocation or amendment under this section.
- ❖ Factor 2F the impact on future revenues lost from existing customers.
- ❖ Factor 2G necessary and reasonable legal expenses and professional fees, including costs incurred to comply with TWC §13.257(r).
- Factor 2H any other relevant factors as determined by the commission.

ANALYSIS

The area to be released is along the south side of Farm-to-Market Road 1173 and west side of Radecke Road in Denton County, Texas. According to filings found in PUC Docket No. 52655, the area to be released was not receiving active water service from Bolivar Water Supply Corporation at the time of the streamlined expedited release (SER) petition was filed. This fact is disputed by the Petitioner. The Commission granted the requested SER in PUC Docket No. 52655. That decision prompted a compensation phase for the proceeding.

Bolivar Water Supply Corporation had performed planning and design activities, and constructed facilities, to serve the subject property, among other areas. Below is a summary of compensation due to Bolivar Water Supply Corporation based on the applicable factors for compensation.

Factor 1:

There is no real property being acquired by the petitioner, thus no compensation is considered under this factor.

Factor 2A:

There is no reported debt associated with the released area.

Factor 2B:

There are no service facilities belonging to Bolivar Water Supply Corporation being acquired by the petitioner, thus no compensation is considered under this factor.

Factor 2C:

Bolivar Water Supply Corporation has performed planning and design activities and committed facilities toward servicing the subject property. The CCN is separated into 7 distinct Pressure Planes. Each Pressure Plane has facilities that were designed and constructed to service the properties within the Pressure Plane. The subject property is in Pressure Plane No. 5. In Pressure Plane No. 5, design, planning and construction of a 100-gallon elevated water tank, a pump station and ground storage, 3 water supply wells, and a distribution system have occurred. There are 25,000 acres within Pressure Plane No. 5 and the area being removed is 251.233 acres or 1.00%. With this acreage being removed from the CCN and Pressure Plane No. 5, Bolivar Water Supply Corporation will have stranded capacity that will potentially not serve future customers. Below is the calculation of the allocable costs associated with the land to be released:

		Pressure				(Cost of
	Facilities	Plane 5	С	ost per	Released	R	eleased
ltem	Cost	Acreage		Acre	Acreage		Area
100,000-Gallon Elevated Tank	\$ 500,000	25,000	\$	20.00	251.233	\$	5,025
Pump Station & Ground Storage	\$ 850,000	25,000	\$	34.00	251.233	\$	8,542
3 Water Supply Wells	\$ 2,250,000	25,000	\$	90.00	251.233	\$	22,611
Distribution System	\$ 11,200,000	25,000	\$	448.00	251.233	\$	112,552
Total	\$ 14,800,000	25,000	\$	592.00	251.233	\$	148,730

Factor 2D:

Not applicable.

Factor 2E/2F/2H:

We considered residences, developers, entities, and corporations within the CCN to be customers. If they are not considered to be customers, then we believe the below analysis should be considered as other relevant factors. There is potentially an increase in cost to rate-paying customers if Bolivar Water Supply Corporation is not able to serve the released tract. Bolivar Water Supply Corporation is losing the opportunity to receive revenues from serving the released 251.233 acres. It is estimated that there would be approximately 1 LUE per an acre or 250 LUE's total. Further, we have estimated that after 2 years of planning and development activity, 50 LUE's per year could be brought online. According to Bolivar Water Supply Corporation, the average fee lost is \$4,500 per LUE and the average annual water sales is \$650. The below discounted cash flow models the net revenues to Bolivar Water Supply Corporation at a discount rate of 10% over a 20-year period, which accounts for time, management, and risk. The result is a loss in the net present value amount of \$1,765,848.

		_		Di	sco	unted C	as	h F	low					
Period	Ÿ	e	ar	LUE's		Fee	,	Sale	es	Total		P	PV @ 10%	
0	2022	-	2023	-	\$	-	\$		-	\$	-	\$	-	
1	2023	ı	2024	-	\$	-	\$		-	\$	-	\$	-	
2	2024	-	2025	50	\$2	25,000	\$	32,	,500	\$	257,500	\$	212,810	
3	2025	-	2026	100	\$2	25,000	\$	65,	,000	\$	290,000	\$	217,881	
4	2026	-	2027	150	\$2	25,000	\$	97,	,500	\$	322,500	\$	220,272	
5	2027	_	2028	200	\$2	25,000	\$	130,	,000	\$	355,000	\$	220,427	
6	2028	-	2029	250	\$2	25,000	\$	162,	500	\$	387,500	\$	218,734	
7	2029	-	2030	250	\$	-	\$	162,	,500	\$	162,500	\$	83,388	
8	2030	_	2031	250	\$	-	\$	162,	,500	\$	162,500	\$	75,807	
9	2031	-	2032	250	\$	=	\$	162,	,500	\$	162,500	\$	68,916	
10	2032	-	2033	250	\$	-	\$	162,	,500	\$	162,500	\$	62,651	
11	2033	-	2034	250	\$	=	\$	162,	,500	\$	162,500	\$	56,955	
12	2034	-	2035	250	\$	=	\$	162,	500	\$	162,500	\$	51,778	
13	2035	-	2036	250	\$	-	\$	162,	500	\$	162,500	\$	47,070	
14	2036	-	2037	250	\$	=	\$	162,	500	\$	162,500	\$	42,791	
15	2037	_	2038	250	\$	-	\$	162,	500	\$	162,500	\$	38,901	
16	2038	_	2039	250	\$	-	\$	162,	,500	\$	162,500	\$	35,365	
17	2039	-	2040	250	\$	-	\$	162,	,500	\$	162,500	\$	32,150	
18	2040	_	2041	250	\$	-	\$	162,	,500	\$	162,500	\$	29,227	
19	2041	_	2042	250	\$	-	\$	162,	,500	\$	162,500	\$	26,570	
20	2042	-	2043	250	\$	-	\$	162,	,500	\$	162,500	\$	24,155	
Net Pre	sent '	Vá	alue									\$1	,765,848	



Factor 2G:

Bolivar Water Supply Corporation incurred legal fees in connection with defending the decertification of the area in question. As of the date of this report, reasonable and necessary legal fees identified by Bolivar Water Supply Corporation and its counsel associated with the decertification process total \$4,027.17. Legal counsel has estimated an additional \$1,750 of fees for work that will be performed after the submission of the report but related to the decertification.

Bolivar Water Supply Corporation also engaged KOR Group to perform an appraisal report to estimate the compensation due to Bolivar Water Supply Corporation for the decertification. The fee for the appraisal service is \$8,000. A copy of the signed engagement letter can be found in the addenda.

Legal Expenses (as of June 13, 2022)	\$	4,027
Legal Expenses (estimated after June 13, 2022)	\$	1,750
Bolivar Water Supply Corporation Appraisal Fee	+ \$	8,000
Total Factor 2G	\$	13,777

TOTAL COMPENSATION

Below is a summary of the total compensation due to Bolivar Water Supply Corporation for the release of 251.233 acres of land from a portion of its Certificate of Convenience and Necessity (CCN) No. 11257 in Denton County, Texas, as of June 13, 2022:

Factor 2C	\$ 148,730
Factors 2E/2F/2H	\$ 1,765,848
Factor 2G	+ \$ 13,777
Total Compensation	\$ 1,928,355

We have retained all information regarding this appraisal in our file. Please contact us if we can be of further assistance in this matter.

KOR GROUP

Joshua M. Korman

State of Texas Certification #TX-1330595-G

John Kostohryz

State of Texas Certification #TX-1380151-G

QUALIFICATIONS

JOSHUA M. KORMAN

Experience:

Mr. Korman is a principal of KOR Group, a full-service real estate consulting and appraisal firm based in Fort Worth, Texas. Mr. Korman has been appraising real property since 1997. Mr. Korman's assignments have involved property types including, but not limited to, office buildings, retail centers, service stations, hospitals, educational facilities, apartment complexes, industrial facilities, raw and developed land, timberland, restaurants, mixed-use developments, automobile dealerships, mining operations, and master planned communities. Mr. Korman has valued and consulted on properties in Alabama, Arkansas, Florida, Kansas, Louisiana, Mississippi, Nebraska, New Mexico, New York, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas.

Mr. Korman's assignments have included flooding impacts on master planned communities and residential subdivisions, analysis of sales, cost and income for office buildings and retail centers, estimates of value in tax increment financing districts, asset management, assistance in acquisitions/dispositions of property, estate tax planning, contributions to family limited partnerships, market studies, analysis of environmental impacts, and condemnation. Specific assignments include reporting on the impact of existing and proposed railroad corridors and sidings on adjacent properties. He has had extensive experience in eminent domain cases ranging from public roadway expansions to pipeline easements. Assignments have also included consultation for both ad valorem and estate tax purposes. Mr. Korman has testified in eminent domain proceedings and before appraisal district review boards in ad valorem tax disputes. Other assignments include retrospective valuations of real estate assets held by financial institutions in relation to Winstar cases. Properties within these portfolios consisted of master planned communities, commercial developments, ground leases, and government secured multi-family residential developments.

Mr. Korman attended preparatory school at Fort Worth Country Day before continuing at The University of Texas at Austin McCombs Business School. During college, Mr. Korman worked for an independent oil and gas company as a gas account manager and assistant to the Chief Financial Officer. Later Mr. Korman was employed as a legal aide for Texas State Representative Anna Mowery where he assisted with local and state policymaking. While with Representative Mowery, Mr. Korman worked with the Land and Resource Management Committee and the Appropriations Committee on budgeting issues. After graduation in 1996, Mr. Korman was employed as an appraiser and consultant with Lewis Realty Advisors.

Professional Activities:

Licensed: Texas State Certified General Real Estate Appraiser

Certificate No. TX-1330595-G

Member: Practicing Affiliate of the Appraisal Institute

2007 Social Committee Chairman (Houston Chapter)
2008 Alternate Regional Representative (Houston Chapter)

Member: Forensic Expert Witness Association (Director for 2016, 2017)

Member: Greater Fort Worth Real Estate Council
Member: International Right of Way Association
Member: Institute of Real Estate Management

Member: University of Texas Real Estate Finance and Investment Center Council

Member: International Council of Shopping Centers

Member: Tarrant County Bar Association

Education: University of Texas at Austin – 1996 (Bachelor of Business Administration – Finance)

Coursework accredited by the Appraisal Institute, The University of Texas, and the State

of Texas



JOHN S. KOSTOHRYZ

Experience:

Mr. Kostohryz is a principal of KOR Group, a full-service real estate consulting and appraisal firm. Mr. Kostohryz has provided real estate consulting and appraisal services since 2008. He has provided consultation for complex eminent domain assignments of numerous types of properties including, but not limited to, raw and developed land, office buildings, retail centers, service stations, hospitals, apartment complexes, master planned communities, restaurants, amusement park facilities, mixed-use developments, and industrial facilities.

Mr. Kostohryz is a 2006 graduate from Texas Christian University in Fort Worth, Texas with a Bachelor of Business Administration with majors in Finance, Accounting, and Marketing.

Prior to becoming a real estate appraiser and consultant, Mr. Kostohryz was a Consultant with Ryan, Inc. in Dallas, Texas where he consulted with transaction tax departments of Fortune 500 companies.

Mr. Kostohryz is from Fort Worth, Texas and graduated from Trinity Valley School.

Professional Activities:

Licensed: Texas State Certified General Real Estate Appraiser

Certificate No. TX-1380151-G

Various temporary out of state licenses Practicing Affiliate of the Appraisal Institute

Member: Member of the International Right of Way, Chapter 36

Member: Fort Worth Chamber of Commerce
Member: Greater Fort Worth Real Estate Council

Education: Texas Christian University, Fort Worth, Texas – 2006

Bachelor of Business Administration

Majors: Finance, Accounting, and Marketing

Relevant Coursework by the Appraisal Institute, accredited universities, and others:

Principles of Real Estate Appraisal Procedures of Real Estate Appraisal

Uniform Standards of Professional Appraisal Practice

General Income Approach Part I General Income Approach Part II

General Appraiser Sales Comparison Approach General Appraiser Site Valuation and Cost Approach

Statistics and Valuation Modeling

General Appraiser Report Writing and Case Studies

General Appraiser Market Analysis and Highest & Best Use

Expert Witness for Commercial Appraisers

Commercial Appraisal Review

CERTIFICATION OF THE APPRAISAL



We certify that, to the best of our knowledge and belief:

- 1. The statements of fact contained in this report are true and correct.
- 2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- 4. We have performed no services, as an appraiser or in any other capacity, regarding the property that is subject of its report within the three-year period immediately preceding acceptance of this assignment.
- 5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and Standards of Professional Appraisal Practice of the Appraisal Institute.
- 9. Joshua M. Korman and John Kostohryz made a personal inspection of the property that is the subject of this report.
- 10. No one provided significant real property appraisal assistance to the persons signing this certification including, data research.
- 11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- 12. As of the date of the report, we have completed the Standards and Ethics Education Requirements of the Appraisal Institute.

Joshua M. Korman

State of Texas Certification #TX-1330595-G

JoLM. James

John Kostohryz

14.K

State of Texas Certification #TX-1380151-G

ADDENDA



Filing Receipt

Received - 2021-09-28 10:52:28 AM Control Number - 52655 ItemNumber - 1

PUC DOCKET	NO
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PETITION OF McCART ST, LLC	§	BEFORE THE PUBLIC UTILITY
TO AMEND BOLIVAR WATER §		
SUPPLY CORPORATION'S	§	
CERTIFICATE OF CONVENIENCE	§	COMMISSION OF TEXAS
AND NECESSITY IN DENTON	§	
COUNTY BY STREAMLINED	§	
EXPEDEITED RELEASE	§	

ORIGINAL PETITION

OF McCART ST, LLC TO AMEND BOLIVAR WATER SUPPLY CORPORATION'S CERTIFICATE OF CONVENIENCE AND NECESSITY IN DENTON COUNTY BY STREAMLINED EXPEDITED RELEASE

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

COMES NOW, McCart St, LLC ("Petitioner"), and files with the Public Utility Commission ("Commission") this Petition to Amend Bolivar Water Supply Corporation's ("Bolivar" or "Bolivar WSC") Water Certificate of Convenience and Necessity ("CCN") No. 11257 in Denton County by Streamlined Expedited Release ("Petition") pursuant to Texas Water Code ("TWC") §13.2541 and 16 TAC §24.245(h). In support, Petitioner would respectfully show the following:

I. PETITION

- 1. TWC §13.2541 and 16 TAC §24.245(h), in specific circumstances, provide the owner of a tract of land the right to petition the Commission for the release all or a portion of its property from a certificated holder's CCN. This has come to be known as a streamlined, expedited release. The statute and the rule require the Commission to release the property from a CCN under the following conditions:
 - a) The tract of land requested to be released is 25 acres or greater;
 - b) The tract of land requested to be released is not receiving the type of service that the CCN holder is authorized to provide;

- c) At least part of the tract of land seeking release is within the service area of the subject CCN; and
- d) At least part of the tract of land seeking is located in a "qualifying" County as defined by TWC §13.2541(b).
- 2. Based on the factors set out above, Petitioner qualify for the streamlined expedited release of approximately 251 acres of land from Bolivar WSC's Water CCN No. 11257.
- 3. Here, Petitioner own approximately 251 contiguous acres of land in Denton County Texas ("tract"). A certified copy of the recorded deed showing Petitioner' ownership and also describes the tract in metes and bounds, is attached as Exhibit A.
- 4. The tract is entirely within the boundaries of Bolivar's Water CCN. We are attaching large and small-scale maps as well as a CD-ROM that has the digital data as Exhibit B. The digital data is also being submitted electronically as an attachment to this Original Petition. The maps further evidence that the tract is within Bolivar WSC's Water CCN No. 11257.
- 5. There is no retail water service from Bolivar WSC to the tract.
- 6. The tract to be released is entirely within Denton County, which is included in the Commission's streamlined expedited release "Approved Counties" list and meets the requirements of both TWC §13.2541 and 16 TAC §24.245(h)(2). <u>See</u>, Exhibit A and B.
- 7. Simultaneously with the filing of this Petition, Petitioner are notifying Bolivar WSC of this action by certified mail, return receipt requested. Exhibit C is a copy of the receipt showing that Petitioner mailed a copy of this Petition to Bolivar WSC on even date herewith.
- 8. Exhibit D is an affidavit from William Savage, CEO of McCart St, LLC, owner of the tract, which verifies and affirms the information contained in this Petition.

II. CONCLUSION AND PRAYER

Petitioner request the following: (a) the Petition be deemed properly filed with the Commission; (b) the Petition be granted in all respects pursuant to TWC §13.2541 and 16 TAC §24.245(h); (c) the Commission enter an order releasing the approximate 251 acre tract from

Bolivar WSC's Water CCN No. 11257 in Denton County Texas; and (d) all other orders, acts, procedures and relief be granted as necessary and proper to the release of the approximate 251 acre tract from CCN No. 11257.

Respectfully submitted,

/s/ David Tuckfield

ANDY BARRETT & ASSOCIATES, PLLC

Andrew N. Barrett State Bar No. 01808900 3300 Bee Cave Road, Suite 650 #189 Austin, Texas 78746 512-600-3800 512-330-0499 FAX

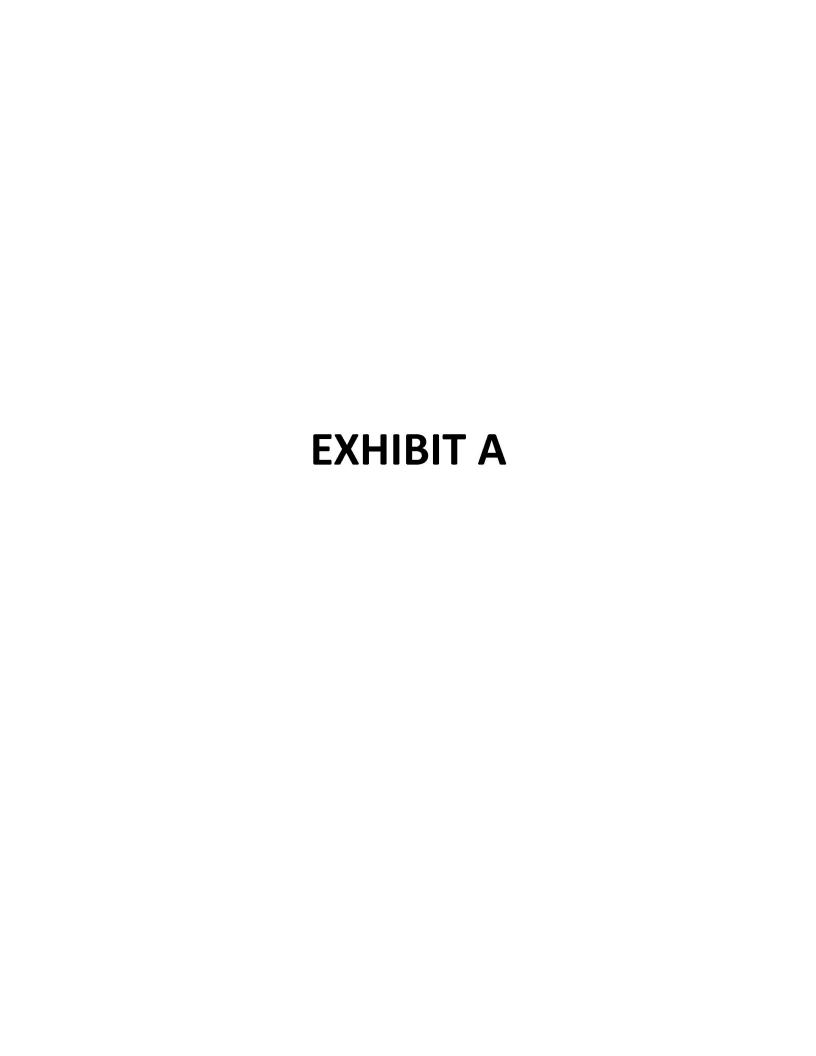
THE AL LAW GROUP, PLLC

David J. Tuckfield 12400 Highway 71 West Suite 350-150 Austin, TX 78738 (512) 576-2481 (512) 366-9949 Facsimile david@allawgp.com

ATTORNEYS FOR PETITIONER MCCART ST, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy served on Bolivar Water Supply Corporation on	8 8
Certified Mail Return Receipt Requested:	
$\overline{\mathtt{D}}$	avid J. Tuckfield





Denton County Juli Luke **County Clerk**

Instrument Number: 5215

Real Property Recordings

DEED

Recorded On: January 16, 2018 03:36 PM

Number of Pages: 26

" Examined and Charged as Follows: "

Total Recording: \$126.00

******* THIS PAGE IS PART OF THE INSTRUMENT ********

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Record and Return To:

Document Number:

5215

TITLE RESOURCES

Receipt Number:

20180116000514

WILL CALL

Recorded Date/Time: January 16, 2018 03:36 PM

User:

Connor B

DENTON TX 76205

Station:

Station 10



STATE OF TEXAS COUNTY OF DENTON

I hereby certify that this Instrument was FILED in the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

Juli Luke County Clerk Denton County, TX

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

THE STATE OF TEXAS)
) ss.
COUNTY OF DENTON)

SPECIAL WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS:

THAT THE UNDERSIGNED, (i) Mildred Ellen Hopkins Rogers of Tarrant County, Texas (a/k/a Ellen Hopkins Rogers), (ii) Kim Fields Hopkins Mueller and Bernard Joseph Mueller as Independent Co-Trustees of The Hopkins Family Trust for Surviving Spouse, (iii) Kate Hopkins and Carol A. Brizzolara as Co-Trustees of The Kate Hopkins Life Trust, and (iv) Hill Family Investments Partnership, a Texas general partnership composed of Carolyn Sue Johnston, Richard S. Hill, Marilyn Kay Livesay n/k/a Marilyn Kay Hill and Sharon Elizabeth Thurmond, hereinafter collectively referred to as "Grantor", for in consideration of the sum of TEN DOLLARS (\$10.00) cash, and other good and valuable consideration in hand paid by the Grantee herein named, the receipt and sufficiency of which is hereby fully acknowledged and confessed, have GRANTED, SOLD and CONVEYED, and by these presents do hereby GRANT, SELL and CONVEY unto McCart St, LLC, a Texas limited liability company, herein referred to as "Grantee", the real property described on attached Exhibit A, TOGETHER WITH (1) all improvements located thereon, if any, (2) all and singular the rights, interests, benefits, privileges, easements, tenements, hereditaments, and appurtenances thereon or in any way appertaining thereto, and (3) all right, title, and interest of Seller, if any, in and to all strips and gores and any land lying in the bed of any street, right-of-way, road or alley, open or proposed, appurtenant or incident to such land (such land, improvements and other interests being collectively referred to herein as the "Property").

This conveyance is made and accepted subject to all matters of record affecting the Property (the "Permitted Exceptions") set forth on Exhibit B attached hereto and by reference made a part hereof.

Notwithstanding the foregoing, there is expressly reserved and excepted from this conveyance all of the oil, gas and other minerals in and under and that may be produced from the Property as well as all existing production, all existing leases and all royalties which are hereby reserved or excepted in favor of Grantor and Grantor's heirs, successors, assigns and predecessors in title, and Grantee acknowledges that no mineral rights are being acquired by Grantee by virtue of conveyance of the Property from Grantor to Grantee. However, Grantor waives all implied and express rights of access and use of the surface of the Property related to the mineral estate, but nothing therein shall restrict or prohibit the pooling or unitization of the mineral estate owned by Grantor with land(s) other than the Property, or the exploration or

production of oil, gas, and other minerals by means of wells that are drilled or mines that open on land, other than the Property but enter or bottom under the Property, provided that these operations in no manner interfere with the surface or subsurface support of any improvements constructed or to be constructed on the Property or any use thereof.

TO HAVE AND TO HOLD the Property, subject to (i) the Permitted Exceptions and (ii) the reservations and exceptions set out in the immediately proceeding paragraph, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said Grantee, Grantee's heirs, executors, administrators, successors and/or assigns forever; and Grantor does hereby bind Grantor, Grantor's heirs, executors, administrators, successors and/or assigns to WARRANT AND FOREVER DEFEND all and singular the Property unto the said Grantee, Grantee's heirs, executors, administrators, successors and/or assigns, against every person whomsoever claiming or to claim the same or any part thereof, when the claim is by, through, or under Grantor, but not otherwise.

Except for the limited warranty of title expressly set forth in this Deed, the Property is being sold and purchased and will be conveyed to Grantee with no other express or implied warranties whatsoever.

This Deed is being executed and delivered by Kim Fields Hopkins Mueller and Bernard Joseph Mueller as Independent Co-Trustees of The Hopkins Family Trust for Surviving Spouse as a part of a transaction that is being entered into with Beaumont Intermediary, Inc., as Intermediary and that is intended to qualify for nonrecognition of gain or loss under the provisions of Section 1031 of the Internal Revenue Code of 1986, as amended.

EXECUTED this /b day of January, 2018, in multiple counterpart originals.

GRANTOR:

Rogers)
Kenn Fields Hopkin Thully

Mildred Ellen Hopkins Rogers (a/k/a Ellen Hopkins

Kim Fields Hopkins Mueller, Independent Collinary Trustee of The Hopkins Family Trust for Surviving

Spouse

Bernard Joseph Mueller, Independent Co-Trustee of The Hopkins Family Trust for Surviving Spouse production of oil, gas, and other minerals by means of wells that are drilled or mines that open on land, other than the Property but enter or bottom under the Property, provided that these operations in no manner interfere with the surface or subsurface support of any improvements constructed or to be constructed on the Property or any use thereof.

TO HAVE AND TO HOLD the Property, subject to (i) the Permitted Exceptions and (ii) the reservations and exceptions set out in the immediately proceeding paragraph, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said Grantee, Grantee's heirs, executors, administrators, successors and/or assigns forever; and Grantor does hereby bind Grantor, Grantor's heirs, executors, administrators, successors and/or assigns to WARRANT AND FOREVER DEFEND all and singular the Property unto the said Grantee, Grantee's heirs, executors, administrators, successors and/or assigns, against every person whomsoever claiming or to claim the same or any part thereof, when the claim is by, through, or under Grantor, but not otherwise.

Except for the limited warranty of title expressly set forth in this Deed, the Property is being sold and purchased and will be conveyed to Grantee with no other express or implied warranties whatsoever.

This Deed is being executed and delivered by Kim Fields Hopkins Mueller and Bernard Joseph Mueller as Independent Co-Trustees of The Hopkins Family Trust for Surviving Spouse as a part of a transaction that is being entered into with Beaumont Intermediary, Inc., as Intermediary and that is intended to qualify for nonrecognition of gain or loss under the provisions of Section 1031 of the Internal Revenue Code of 1986, as amended.

EXECUTED this /D day of January, 2018, in multiple counterpart originals.

GRANTOR:

Mildred Ellen Hopkins Rogers (a/k/a Ellen Hopkins Rogers)

Kim Fields Hopkins Mueller, Independent Co-Trustee of The Hopkins Family Trust for Surviving Spouse

Bernard Joseph Mueller, Independent Co-Trustee of The Hopkins Family Trust for Surviving Spouse

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Kate Hopkins, Co-Trustee of The Kate Hopkins Life Trust
Carol A. Brizzolara, Co-Trustee of The Kate
Carol A. Brizzolara, Co-Trustee of The Kate Hopkins Life Trust
Hopkins Life Huse
HILL FAMILY INVESTMENT PARTNERSHIP
Ву:
Carolyn Sue Johnston, General Partner
By:
Richard S. Hill, General Partner
_
By: Marilyn Kay Livesay, General Partner
By:
Sharon Elizabeth Thurmond, General
Partner

McCart St, LLC P.O. Box 93983

Kan do la
Kate Hopkins, Co Trustee of The Kate Hopkins
Life Trust
Carol A. Brizzolara, Co-Trustee of The Kate
Hopkins Life Trust
HILL FAMILY INVESTMENT PARTNERSHIP
By:
Carolyn Sue Johnston, General Partner
Ву:
Richard S. Hill, General Partner
By:
Marilyn Kay Livesay, General Partner
Dan
Sharon Elizabeth Thurmond, General
Partner

1;

GRANTEE'S ADDRESS:

McCart St, LLC P.O. Box 93983

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Kate Hopkins, Co-Trustee of The Kate Hopkins
Life Hust.
Carol A. Brizzolara, Co-Trustee of The Kate
Carol A. Brizzolara, Co-Trustee of The Kate
Hopkins Life Trust
HILL FAMILY INVESTMENT PARTNERSHIP
By: Carolyn Sue Johnston, General Partner
By: Richard S. Hill, General Partner
Richard S. Tilli, General Lamos
By: Marilyn Kay Livesay, General Partner
Marilyn Kay Livesay, General Partner
By:
Sharon Elizabeth Thurmond, General
Partner

McCart St, LLC P.O. Box 93983

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Kate Hopkins, Co-Trustee of The Kate Hopkins
Kate Hopkins, Co-Trustee of The Kate Hopkins
Life Trust
Hopkins Life Trust
HILL FAMILY INVESTMENT PARTNERSHIP
By: Carolyn Sue Johnston, General Partner
By: Richard S. Hill, General Partner
By: Marilyon Kay Livesay, General Partner
By: Girahath Thurmond General
Sharon Elizabeth Thurmond, General
Partner

McCart St, LLC P.O. Box 93983

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Kate Hopkins, Co-Trustee of The Kate Hopkins
Life Trust
Carol A. Brizzgiara, Co-Trustee of The Kate
Hopkins Life Trust
HILL FAMILY INVESTMENT PARTNERSHIP
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By: Carolyn Sue Johnston, General Partner
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Ву:
Richard S. Hill, General Partner
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Marilyn Kay Livesay, General Partner
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By: Sharon Elizabeth Thurmond, General
Partner

McCart St, LLC P.O. Box 93983

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COUNTY OF Tarrant

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BEFORE ME, the undersigned authority, on this day personally appeared Mildred Ellen Hopkins Rogers (a/k/a Ellen Hopkins Rogers), known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

January, 2018. GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 10 day of



Notary Public State of Texas

THE STATE OF TEXAS

§

COUNTY OF ____

§

BEFORE ME, the undersigned authority, on this day personally appeared Kim Fields Hopkins Mueller, Co-Trustee of The Hopkins Family Trust for Surviving Spouse, known to me to be the person and trustee whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said Trust.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the ____ day of _____, 2018.

Notary Public, State of Texas

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THE STATE OF TEXAS	§
COUNTY OF	§
Honkins Rogers (a/k/a Ellen Hopkins Roge	ority, on this day personally appeared Mildred Ellen ers), known to me to be the person whose name is acknowledged to me that she executed the same for essed.
GIVEN UNDER MY HAND AN, 2018.	ID SEAL OF OFFICE on this the day of
	Notary Public, State of Texas
THE STATE OF TEXAS	§
COUNTY OF Guadalupe	§
Hopkins Mueller, Co-Trustee known to me to be the person and trustee wand acknowledged to me that she executed expressed and in the capacity therein stated	
GIVEN UNDER MY HAND AND AND AND AND AND AND AND AND AND	ND SEAL OF OFFICE on this the 10th day of
CHRISTIN JACOB Notary Public, State of Texas Comm. Expires 01-23-2021 Notary ID 12678164-1	Notary Public, State of Texas

THE STATE OF TEXAS

§

COUNTY OF Guadalupe

§

BEFORE ME, the undersigned authority, on this day personally appeared Bernard Joseph Mueller,

Co-Trustee of The Hopkins Family Trust for Surviving Spouse, known to me to be the person and trustee whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said Trust.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 10th day of January, 2018.

CHRISTIN JACOB Notary Public, State of Texas Comm. Expires 01-23-2021 Notary ID 12678164-1

lotary Public, State of Texa

§

COUNTY ON MOTO

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BEFORE ME, the undersigned authority, on this day personally appeared Kate Hopkins, Co-Trustee of The Kate Hopkins Life Trust, known to me to be the person and trustee whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said Trust.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the day of

Notary Public, State of Texas

KRIST! HENDRICKS NOTARY PUBLIC STATE OF TEXAS My Comm. Exp. 08-12-2021 ID# 745565-7

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COUNTY OR DINGE

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BEFORE ME, the undersigned authority, on this day personally appeared Carol A. Brizzolara, Co-Trustee of The Kate Hopkins Life Trust, known to me to be the person and trustee whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said Trust.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the day of

KRISTI HENDRICKS NOTARY PUBLIC STATE OF TEXAS My Comm. Exp. 08-12-2021 ID# 745565-7

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GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the ____ day of _____, 2018.

and acknowledged to me that she executed the same for the purposes and consideration therein

expressed and in the capacity therein stated on behalf of said Partnership.

Notary Public, State of Texas

THE STATE OF TEXAS

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COUNTY OF TRAVED

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BEFORE ME, the undersigned authority, on this day personally appeared Richard S. Hill, acting as a General Partner of Hill Family Investment Partnership, a Texas general partnership known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf of said Partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the

发, 2018.

BETH ANN LITTLE
Notary Public
STATE OF TEXAS
Notary ID#334702
My Comm. Exp. Oct. 21, 2018

Notary Public, State of Texas

THE	STATE	OF:	TEXAS
TELE	SIMIL	OI.	

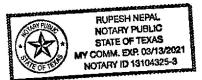
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COUNTY OF Taxtant

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BEFORE ME, the undersigned authority, on this day personally appeared Carolyn Sue Johnston, acting as a General Partner of Hill Family Investment Partnership, a Texas general partnership known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf of said Partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 10 day of Jawaty, 2018.



Notary Public, State of Texas

THE STATE OF TEXAS	§
COUNTY OF	§

BEFORE ME, the undersigned authority, on this day personally appeared Ricks as a General Partner of Hill Family Investment Partnership, a Texas general partnership known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf of said Partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the _____ day of ______, 2018.



THE STATE OF TEXAS	Ę
COUNTY OF	{
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BEFORE ME, the undersigned authority, on this day personally appeared Marilyn Kay Livesay, acting as a General Partner of Hill Family Investment Partnership, a Texas general partnership known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf of said Partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the ____ day of _____, 2018.

Notary Public, State of Texas

THE STATE OF TEXAS

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COUNTY OF BULAS

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BEFORE ME, the undersigned authority, on this day personally appeared Sharon Elizabeth Thurmond, acting as a General Partner of Hill Family Investment Partnership, a Texas general partnership known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf of said Partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 10 day of

January_, 2018.

ANA M. KELLER
My Notary ID # 126720030
Expires November 16, 2020

Aran . Keller Notary Public, State of Texas

THE STATE OF TEXAS	§		
COUNTY OF Dollas	§		
Livesay, acting as a General Partner partnership known to me to be the per and acknowledged to me that she exe expressed and in the capacity therein s	d authority, on this day personally appeared Marilyn Kay of Hill Family Investment Partnership, a Texas general son whose name is subscribed to the foregoing instrument, ecuted the same for the purposes and consideration therein stated on behalf of said Partnership. D AND SEAL OF OFFICE on this the day of Notary Public, State of Texas		
THE STATE OF TEXAS	§		
COUNTY OF	§		
BEFORE ME, the undersigned authority, on this day personally appeared Sharon Elizabeth Thurmond, acting as a General Partner of Hill Family Investment Partnership, a Texas general partnership known to me to be the person whose name is subscribed to the foresting			

BEFORE ME, the undersigned authority, on this day personally appeared Sharon Elizabeth Thurmond, acting as a General Partner of Hill Family Investment Partnership, a Texas general partnership known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf of said Partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the ____ day of _____, 2018.

Notary Public, State of Texas

EXHIBIT "A"

ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING SITUATED IN THE P.L. LANKFORD SURVEY, ABSTRACT NUMBER 733, T. POLK SURVEY, ABSTRACT NUMBER 998, WM. STONEHAM SURVEY, ABSTRACT NUMBER 1145, DENTON COUNTY, TEXAS AND BEING ALL OF A CALLED TRACT TWO, THREE, AND FOUR, DESCRIBED IN A DEED TO HOPKINS FAMILY TRUST FOR SURVIVING SPOUSE, RECORDED UNDER COUNTY CLERK'S INSTRUMENT FILE NUMBER 2004-150227, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS, AND A CALLED 0.23 ACRE TRACT DESCRIBED IN A DEED TO HILL FAMILY INVESTMENTS, LTD, ET AL, RECORDED UNDER COUNTY CLERK'S INSTRUMENT FILE NUMBER 2013-32684, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1/2 INCH IRON PIN FOUND AT THE SOUTHEAST CORNER OF SAID TRACT FOUR AND THE NORTHEAST CORNER OF A CALLED 1.21 ACRE TRACT DESCRIBED IN A DEED TO LEOBARDO SANCHEZ, ET UX, RECORDED UNDER COUNTY CLERK'S DOCUMENT NUMBER 2011-37735, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS, SAID PIN ALSO BEING ON THE WEST LINE OF RADECKE ROAD;

THENCE NORTH 89 DEGREES 45 MINUTES 00 SECONDS WEST WITH THE SOUTH LINE OF SAID TRACT FOUR AND TRACT THREE, A DISTANCE OF 2558.84 FEET TO A X-TIE POST FOUND ON THE SOUTH LINE OF SAID TRACT THREE AND AT THE NORTHEAST CORNER OF SAID TRACT TWO, SAID PIN ALSO BEING AT THE NORTHWEST CORNER OF A TRACT DESCRIBED IN A DEED TO RUSSELL MARK SELLS, ET UX, RECORDED UNDER COUNTY CLERK'S INSTRUMENT FILE NUMBER 93-R0030700, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS;

THENCE SOUTH 00 DEGREES 38 MINUTES 15 SECONDS WEST WITH THE EAST LINE OF SAID TRACT TWO AND THE WEST LINE OF SAID SELLS TRACT, A DISTANCE OF 1731.62 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET ON THE EAST LINE OF SAID TRACT TWO AND THE SOUTHWEST CORNER OF SAID SELLS TRACT ON THE NORTH LINE OF JACKSON ROAD;

THENCE SOUTH 00 DEGREES 38 MINUTES 16 SECONDS WEST WITH THE EAST LINE OF SAID TRACT TWO, A DISTANCE OF 138.90 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET AT THE SOUTHEAST CORNER OF SAID TRACT TWO ON THE SOUTH LINE OF JACKSON ROAD;

THENCE NORTH 89 DEGREES 44 MINUTES 44 SECONDS WEST WITH A SOUTH LINE OF SAID TRACT TWO, A DISTANCE OF 662.91 FEET TO A PK NAIL SET AT AN ANGLE POINT IN THE SOUTH LIME OF SAID TRACT TWO IN JACKSON ROAD;

THENCE NORTH 34 DEGREES 49 MINUTES 44 SECONDS WEST WITH A SOUTHWEST LINE OF SAID TRACT TWO, A DISTANCE OF 70.20 FEET TO A POINT FOR CORNER;

THENCE SOUTH 86 DEGREES 43 MINUTES 16 SECONDS WEST WITH A SOUTH LINE OF SAID TRACT TWO, A DISTANCE OF 260.50 FEET TO A POINT FOR CORNER:

THENCE NORTH 46 DEGREES 26 MINUTES 44 SECONDS WEST WITH A SOUTHWEST LINE OF SAID TRACT TWO, A DISTANCE OF 329.70 FEET TO A POINT FOR CORNER;

THENCE NORTH 13 DEGREES 16 MINUTES 01 SECONDS WEST WITH A WEST LINE OF SAID TRACT TWO, A DISTANCE OF 439.30 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET ON A WEST LINE OF TRACT TWO AND THE EAST LINE OF G C & SF RAILROAD RIGHT OF WAY;

THENCE NORTH 28 DEGREES 41 MINUTES 58 SECONDS EAST WITH A WEST LINE OF SAID TRACT TWO, A DISTANCE OF 33.23 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET ON A WEST LINE OF SAID TRACT TWO;

THENCE SOUTH 61 DEGREES 18 MINUTES 02 SECONDS EAST, A DISTANCE OF 25.00 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET AT AN INNER ELL CORNER OF SAID TRACT TWO;

THENCE NORTH 28 DEGREES 41 MINUTES 58 SECONDS EAST WITH A WEST LINE OF SAID TRACT TWO, A DISTANCE OF 191.10 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET ON A WEST LINE OF SAID TRACT TWO AND BEING THE BEGINNING OF A CURVE TO THE LEFT;

THENCE WITH SAID CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 18 DEGREES 25 MINUTES 01 SECONDS, A RADIUS OF 2009.86 FEET, AN ARC LENGTH OF 646.04 FEET, AND A CHORD BEARING NORTH 19 DEGREES 29 MINUTES 27 SECONDS EAST, A DISTANCE OF 643.27 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET AT AN INNER ELL CORNER OF SAID TRACT TWO:

THENCE NORTH 79 DEGREES 43 MINUTES 03 SECONDS WEST, A DISTANCE OF 25.00 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET ON A WEST LINE OF SAID TRACT TWO AND THE EAST LINE OF SAID RAILROAD RIGHT OF WAY;

THENCE NORTH 10 DEGREES 16 MINUTES 57 SECONDS EAST WITH THE EAST RIGHT OF WAY OF SAID RAILROAD, A DISTANCE OF 3014.50 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET ON THE EAST RIGHT OF WAY OF SAID RAIL ROAD AND BEING THE BEGINNING OF A CURVE TO THE RIGHT;

THENCE WITH SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 11 DEGREES 44 MINUTES 00 SECONDS, A RADIUS OF 2789.79 FEET, AN ARC LENGTH OF 571.30 FEET, AND A CHORD BEARING NORTH 16 DEGREES 08 MINUTES 57 SECONDS EAST, A DISTANCE OF 570.30 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET ON THE EAST RIGHT OF WAY OF SAID RAILROAD;

THENCE NORTH 22 DEGREES 00 MINUTES 57 SECONDS EAST WITH THE EAST RIGHT OF WAY OF SAID RAILROAD, A DISTANCE OF 429.23 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET AT THE NORTHWEST CORNER OF SAID TRACT THREE AND THE EAST RIGHT OF WAY OF SAID RAILROAD;

THENCE SOUTH 89 DEGREES 27 MINUTES 56 SECONDS EAST WITH THE NORTH LINE OF SAID TRACT THREE, A DISTANCE OF 26.87 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET ON THE NORTH LINE OF SAID TRACT THREE;

THENCE SOUTH 89 DEGREES 27 MINUTES 56 SECONDS EAST WITH THE NORTH LINE OF SAID TRACT THREE, A DISTANCE OF 1582.93 FEET TO A 1/2 INCH IRON PIN FOUND ON THE NORTH LINE OF SAID TRACT THREE AND THE SOUTHEAST CORNER OF LOT 2, BLOCK A, HARSTOW ADDITION, RECORDED IN CABINET Y, PAGE 649, PLAT RECORDS, DENTON COUNTY, TEXAS;

THENCE SOUTH 88 DEGREES 29 MINUTES 59 SECONDS EAST, WITH THE NORTH LINE OF SAID TRACT THREE AND THE SOUTH RIGHT OF WAY LINE OF SEVENTH STREET, A DISTANCE OF 83.86 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET ON THE NORTH LINE OF SAID TRACT THREE, BEING SOUTHWEST CORNER OF HILL FAMILY TRACT;

THENCE NORTH 19 DEGREES 10 MINUTES 22 SECONDS EAST, WITH THE EAST RIGHT OF WAY LINE OF SEVENTH STREET AND WEST LINE OF SAID HILL FAMILY TRACT A DISTANCE OF 68.23 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET AT THE NORTHWEST CORNER OF SAID HILL TRACT AND BEING ON THE SOUTH RIGHT OF WAY LINE OF F.M. ROAD 1173;

THENCE SOUTH 67 DEGREES 57 MINUTES 45 SECONDS EAST, WITH THE NORTH LINE OF SAID HILL FAMILY TRACT AND ON THE SOUTH RIGHT OF WAY LINE OF F.M. ROAD 1173, A DISTANCE OF 185.31

FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET AT THE SOUTHEAST CORNER OF SAID HILL FAMILY TRACT;

THENCE SOUTH 88 DEGREES 30 MINUTES 01 SECONDS EAST, WITH THE NORTH LINE OF SAID TRACT THREE AND THE SOUTH RIGHT OF WAY LINE OF F.M. ROAD 1173, A DISTANCE OF 80.46 FEET, TO FOUND WOOD RIGHT OF WAY MONUMENT ON THE NORTH LINE OF SAID TRACT THREE AND THE SOUTH RIGHT OF WAY LINE OF F.M. ROAD 1173, AND THE BEGINNING OF A CURVE TO THE LEFT WITH THE RIGHT OF WAY OF F.M. ROAD 1173;

THENCE WITH SAID CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 18 DEGREES 08 MINUTES 37 SECONDS, A RADIUS OF 1190.92 FEET, AN ARC LENGTH OF 377.13 FEET, AND A CHORD BEARING SOUTH 88 DEGREES 34 MINUTES 08 SECONDS EAST, A DISTANCE OF 375.55 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET AT THE SOUTH RIGHT OF WAY OF F.M. ROAD 1173;

THENCE SOUTH 88 DEGREES 32 MINUTES 07 SECONDS EAST, A DISTANCE OF 37.96 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" SET ON THE SOUTH RIGHT OF WAY OF F.M. ROAD 1173;

THENCE SOUTH 00 DEGREES 09 MINUTES 42 SECONDS WEST, A DISTANCE OF 660.00 FEET TO A BOIS D ARC POST FOUND ON THE EAST LINE OF SAID TRACT THREE AND THE WEST LINE OF SAID TRACT FOUR, SAID POST ALSO BEING AT THE SOUTHWEST CORNER OF A CALLED 5.161 ACRE TRACT DESCRIBED IN A DEED TO MICHAEL W. STRAND AND DEBBIE LISA STRAND, RECORDED UNDER COUNTY CLERK'S INSTRUMENT FILE NUMBER 96-R0065253, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS;

THENCE NORTH 88 DEGREES 26 MINUTES 27 SECONDS EAST WITH THE SOUTH LINE OF SAID 5.161 ACRE TRACT, A DISTANCE OF 331.29 FEET TO A 1/2 INCH IRON PIN FOUND ON THE EAST LINE OF SAID TRACT FOUR AND THE SOUTHEAST CORNER OF SAID 5.161 ACRE TRACT, SAID PIN ALSO BEING ON THE WEST LINE OF RADECKE ROAD:

THENCE SOUTH 00 DEGREES 06 MINUTES 51 SECONDS WEST WITH THE EAST LINE OF SAID TRACT FOUR AND THE WEST LINE OF RADECKE ROAD, A DISTANCE OF 2862.90 FEET TO THE POINT OF BEGINNING AND CONTAINING IN ALL 298.204 ACRES OF LAND.

$\frac{\text{EXHIBIT B}}{\text{PERMITTED EXCEPTIONS}}$

- a. Intentionally omitted.
- b. Rights of parties in possession and rights of tenants in possession under any unrecorded leases or rental agreements. (May be amended or deleted upon execution of affidavit of parties in possession at closing.)
- c. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.
- d. Rights of third parties with respect to those portions of the subject property which lies within the boundaries of Jackson Road, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- e. Easement executed by EMMA GARRETT to TEXAS POWER & LIGHT COMPANY filed March 19, 1973, recorded in Volume 668, Page 439, Real Property Records of Denton County, Texas. (Blanket Easement) (In regard only to this exception, Item No. 4(a)(i) and 4(c) of the T-19 or T-19.1 endorsement is hereby deleted pursuant to Procedural Rule 50.a)
- f. Easement executed by GEORGE M. HOPKINS to TEXAS POWER & LIGHT COMPANY filed January 27, 1949, recorded in Volume 336, Page 555, Deed Records of Denton County, Texas. (Blanket Easement) (In regard only to this exception, Item No. 4(a)(i) and 4(c) of the T-19 or T-19.1 endorsement is hereby deleted pursuant to Procedural Rule 50.a)
- g. Easement executed by MARY ELIZABETH HILL, WALLACE K. HOPKINS and GEORGE M. HOPKINS, JR. to SOUTHWESTERN BELL TELEPHONE COMPANY, filed June 27, 1978, recorded in Volume 897, Page 507, Deed Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- h. Easement executed by WALLACE K. HOPKINS et al. to CITY OF KRUM filed October 30, 2001, recorded in Volume 4954, Page 1127, Real Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- i. Easement executed by THE ESTATE OF WALLACE K. HOPKINS, MILDRED ELLEN HOPKINS ROGERS, KATE HOPKINS LIFE TRUST, KATE HOPKINS, TRUSTEE and HILL FAMILY INVESTMENT PARTNERSHIP to CITY OF KRUM filed April 7, 2003, recorded in Volume 5306, Page 239, Real Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- j. Right of Way Agreement executed by KATE HOPKINS LIFE TRUST to DYNEGY MIDSTREAM SERVICES, LIMITED PARTNERSHIP filed October 24, 2003, recorded under Volume 5546, Page 5107, Real Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- k. Right of Way Agreement executed by HILL FAMILY INVESTMENTS PARTNERSHIP, a Texas general partnership to DYNEGY MIDSTREAM SERVICES, LIMITED PARTNERSHIP filed October 24, 2003, recorded under Volume 5546, Page 5112, Real Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G, Shelton, RPLS No. 5452, dated November 21, 2017.
- Right of Way Agreement executed by KIM FIELDS HOPKINS MUELLER and BERNARD JOSEPH MUELLER as Co-Executrix/Executor of the Estate of Wallace K. Hopkins to DYNEGY MIDSTREAM SERVICES, LIMITED PARTNERSHIP filed October 24, 2003, recorded in Volume 5546, Page 5117, Real

Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.

- m. Right of Way Agreement executed by KIM FIELDS HOPKINS MUELLER and BERNARD JOSEPH MUELLER as Co-Executrix/Executor of the Estate of Wallace K. Hopkins to DYNEGY MIDSTREAM SERVICES, LIMITED PARTNERSHIP filed May 11, 2004, recorded under CC# 2004-60894, Real Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- n. Right of Way Agreement executed by HILL FAMILY INVESTMENTS PARTNERSHIP, a Texas general partnership to DYNEGY MIDSTREAM SERVICES, LIMITED PARTNERSHIP filed May 11, 2004, under CC# 2004-60895, Real Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- o. Right of Way Agreement executed by KATE HOPKINS LIFE TRUST to DYNEGY MIDSTREAM SERVICES, LIMITED PARTNERSHIP filed May 11, 2004, recorded under CC# 2004-60896, Real Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- p. Right of Way Agreement executed by MILDRED ELLEN HOPKINS ROGERS to DYNEGY MIDSTREAM SERVICES, LIMITED PARTNERSHIP filed May 11, 2004, recorded under CC# 2004-60897, Real Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- q. Pipeline Easement executed by KIM FIELDS HOPKINS MUELLER, Independent Co-Trustee of the HOPKINS FAMILY TRUST FOR SURVIVING SPOUSE and BERNARD JOSEPH MUELLER, Independent Co-Trustee of the Hopkins Family Trust for Surviving Spouse to ENERGY TRANSFER FUEL, LP filed September 1, 2005, under CC# 2005-109529, Real Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- r. Pipeline Easement executed by MILDRED ELLEN HOPKINS ROGERS to ENERGY TRANSFER FUEL, LP filed September 1, 2005, under CC# 2005-109530, Real Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- s. Pipeline Easement executed by HILL FAMILY INVESTMENTS PARTNERSHIP, a Texas general partnership to ENERGY TRANSFER FUEL, LP filed September 1, 2005, under CC# 2005-109531, Real Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- t. Pipeline Easement executed by KATE HOPKINS, TRUSTEE of the KATE HOPKINS LIFE TRUST to ENERGY TRANSFER FUEL, LP filed September 1, 2005, under CC# 2005-109532, Real Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- u. Meter Installment Easement Agreement by and between MILDRED ELLEN HOPKINS ROGERS, et al and TARGA NORTH TEXAS, LP filed May 19, 2008, under CC# 2008-54276, Real Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- v. Meter Installment Ensement Agreement by and between HILL FAMILY INVESTMENT PARTNERSHIP, a Texas general partnership and TARGA NORTH TEXAS, LP filed May 19, 2008, under CC# 2008-54277, Real Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.
- w. Pipeline Right-of-Way and Easement & Surface Site Agreement by and between HOPKINS FAMILY TRUST, et al and BARNETT GATHERING, LP filed September 12, 2008, under CC# 2008-100307, Real

Property Records of Denton County, Texas, as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.

- x. Mineral lease granted by GEORGE M. HOPKINS, JR., MARY ELIZABETH HOPKINS HILL and husband W.D. HILL, and WALLACE K. HOPKINS to TOM HASTEY, JR. described in instrument filed December 12, 1956, recorded in Volume 427, Page 448, Deed Records of Denton County, Texas. (Title to said interest not checked subsequent thereto.) (In regard to this exception, Item No. 4(d) and Item No. 5(e) of the T-19 and T-19.1 endorsement is hereby deleted pursuant to Procedural Rule 50.a) OBTAIN AFF NON-PRODUCTION AT CLOSING
- y. Mineral lease granted by GEORGE M. HOPKINS, JR., MARY ELIZABETH HOPKINS HILL and WALLACE K. HOPKINS to NATURAL GAS FINDERS, INC. described in instrument filed July 14, 1972, recorded in Volume 650, Page 595, Deed Records of Denton County, Texas. (Title to said interest not checked subsequent thereto.) (In regard to this exception, Item No. 4(d) and Item No. 5(e) of the T-19 and T-19.1 endorsement is hereby deleted pursuant to Procedural Rule 50.a) OBTAIN AFF NON-PRODUCTION AT CLOSING
- z. Mineral lease granted by GEORGE M. HOPKINS, JR., MARY ELIZABETH HOPKINS HILL and WALLACE K. HOPKINS to W.R. MARSHALL described in instrument filed January 22, 1985, recorded in Volume 1560, Page 65, Real Property Records of Denton County, Texas. (Title to said interest not checked subsequent thereto.) (In regard to this exception, Item No. 4(d) and Item No. 5(e) of the T-19 and T-19.1 endorsement is hereby deleted pursuant to Procedural Rule 50.a) OBTAIN AFF NON-PRODUCTION AT CLOSING
- 2a. Mineral lease granted by WALLACE K. HOPKINS to ROGER A. SOAPE, INC. described in instrument filed April 25, 2000, recorded in Volume 4575, Page 1438, Real Property Records of Denton County, Texas. (Title to said interest not checked subsequent thereto.) (In regard to this exception, Item No. 4(d) and Item No. 5(e) of the T-19 and T-19.1 endorsement is hereby deleted pursuant to Procedural Rule 50.a) OBTAIN AFF NON-PRODUCTION AT CLOSING
- bb. Mineral lease granted by KATE HOPKINS, TRUSTEE, KATE HOPKINS LIFE ESTATE to ROGER A. SOAPE, INC. described in instrument filed April 25, 2000, recorded in Volume 4575, Page 1443, Real Property Records of Denton County, Texas. Lease Ratification filed June 13, 2002, recorded in Volume 5106, Page 1618, Real Property Records of Denton County, Texas. (Title to said interest not checked subsequent thereto.) (In regard to this exception, Item No. 4(d) and Item No. 5(e) of the T-19 and T-19.1 endorsement is hereby deleted pursuant to Procedural Rule 50.a) OBTAIN AFF NON-PRODUCTION AT CLOSING
- cc. Mineral lease granted by ELLEN HOPKINS ROGERS to ROGER A, SOAPE, INC. described in instrument filed April 25, 2000, recorded in Volume 4575, Page 1448, Real Property Records of Denton County, Texas.

 Lease Ratification filed June 13, 2002, recorded in Volume 5106, Page 1620, Real Property Records of Denton County, Texas. (Title to said interest not checked subsequent thereto.) (In regard to this exception, Item No. 4(d) and Item No. 5(e) of the T-19 and T-19,1 endorsement is hereby deleted pursuant to Procedural Rule 50.a) OBTAIN AFF NON-PRODUCTION AT CLOSING
- dd. Mineral lease granted by RICHARD STEPHEN HILL, dealing in his separate property and not homestead to ROGER A. SOAPE, INC. described in instrument filed April 25, 2000, recorded in Volume 4575, Page 1458, Real Property Records of Denton County, Texas. (Title to said interest not checked subsequent thereto.) (In regard to this exception, Item No. 4(d) and Item No. 5(e) of the T-19 and T-19.1 endorsement is hereby deleted pursuant to Procedural Rule 50.a) OBTAIN AFF NON-PRODUCTION AT CLOSING
- ee. Mineral lease granted by HILL FAMILY INVESTMENT PARTNERSHIP, a Texas General Partnership to DEVON ENERGY OPERATING COMPANY, L.P. described in instrument filed June 13, 2002, recorded recorded in Volume 5106, Page 1642, Real Property Records of Denton County, Texas. (Title to said interest not checked subsequent thereto.) (In regard to this exception, Item No. 4(d) and Item No. 5(e) of the T-19 and T-19.1 endorsement is hereby deleted pursuant to Procedural Rule 50.a) OBTAIN AFF NON-PRODUCTION AT CLOSING

- ff. Memorandum of Oil, Gas and Mineral Lease executed by KATE HOPKINS, Trustee of the Kate Hopkins Life Trust, as Lessor to DEVON ENERGY PRODUCTION COMPANY, L.P.. filed April 7, 2005, under CC# 2005-40016, Real Property Records of Denton County, Texas. Partial Release of Oil, Gas and Mineral Lease filed September 18, 2009, under CC# 2009-112128, Real Property Records of Denton County, Texas. (Title to said interest not checked subsequent thereto.) (In regard to this exception, Item No. 4(d) and Item No. 5(e) of the T-19 and T-19.1 endorsement is hereby deleted pursuant to Procedural Rule 50.a)
- gg. Memorandum of Oil, Gas and Mineral Lease executed by ELLEN HOPKINS ROGERS, as Lessor to DEVON ENERGY PRODUCTION COMPANY, L.P., filed April 7, 2005, under CC# 2005-40017, Real Property Records of Denton County, Texas. Partial Release of Oil, Gas and Mineral Lease filed September 18, 2009, under CC# 2009-112129, Real Property Records of Denton County, Texas.(Title to said interest not checked subsequent thereto.) (In regard to this exception, Item No. 4(d) and Item No. 5(e) of the T-19 and T-19.1 endorsement is hereby deleted pursuant to Procedural Rule 50.2)
- hh. Memorandum of Oil, Gas and Mineral Lease executed by HILL FAMILY INVESTMENT PARTNERSHIP, a Texas General Partnership as Lessor to DEVON ENERGY PRODUCTION COMPANY, L.P., filed April 7, 2005, under CC# 2005-40018, Real Property Records of Denton County, Texas. Partial Release of Oil, Gas and Mineral Lease filed September 18, 2009, under CC# 2009-112126, Real Property Records of Denton County, Texas. (Title to said interest not checked subsequent thereto.) (In regard to this exception, Item No. 4(d) and Item No. 5(e) of the T-19 and T-19.1 endorsement is hereby deleted pursuant to Procedural Rule 50.a)
- ii. Memorandum of Oil, Gas and Mineral Lease executed by KIM FIELDS HOPKINS MUELLER and BERNARD JOSEPH MUELLER, Co Trustees of the Hopkins Family Trust for Surviving Spouse, as Lessor to DEVON ENERGY PRODUCTION COMPANY, L.P., filed April 7, 2005, under CC# 2005-40019, Real Property Records of Denton County, Texas. Partial Release of Oll, Gas and Mineral Lease filed September 18, 2009, under CC# 2009-112127, Real Property Records of Denton County, Texas.(Title to said interest not checked subsequent thereto.) (In regard to this exception, Item No. 4(d) and Item No. 5(e) of the T-19 and T-19.1 endorsement is hereby deleted pursuant to Procedural Rule 50.a)
- jj. Mineral Estate and Interest described in Mineral Deed executed by KIM FIELDS HOPKINS MUELLER and BERNARD JOSEPH MUELLER, CO-TRUSTEES OF "THE HOPKINS FAMILY TRUST FOR SURVIVING SPOUSE" CREATED U/W OF WALLACE K. HOPKINS, DECEASED to MARGARET KYLE HOPKINS, filed October 17, 2017, recorded under CC# 128176, Real Property Records, Denton County, Texas. (Title to said interest not checked subsequent thereto.) (In regard to this exception, Item No. 4(d) and Item No. 5(e) of the T-19 and T-19.1 endorsement is hereby deleted pursuant to Procedural Rule 50b)
- kk. Fence encroachment(s) and/or protrusion(s) as shown on revised survey prepared by Brad G. Shelton, RPLS No. 5452, dated November 21, 2017.

EXHIBIT A

PAGE 1 OF 4

38049 04/13/2020

ALL THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING SITUATED IN THE P.L. LANKFORD SURVEY, ABSTRACT NUMBER 733, T. POLK SURVEY, ABSTRACT NUMBER 998, WM. STONEHAM SURVEY, ABSTRACT NUMBER 1145, DENTON COUNTY, TEXAS AND BEING PART OF A CALLED 298.204 ACRE TRACT, DESCRIBED IN A DEED TO MCCART ST. LLC, RECORDED UNDER COUNTY CLERK'S INSTRUMENT FILE NUMBER 2018-5215, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1/2 INCH IRON PIN FOUND AT THE SOUTHEAST CORNER OF SAID 298.204
ACRE TRACT AND THE NORTHEAST CORNER OF A CALLED 1.21 ACRE TRACT DESCRIBED IN A
DEED TO LEOBARDO SANCHEZ, ET UX, RECORDED UNDER COUNTY CLERK'S DOCUMENT
NUMBER 2011-37735, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS, SAID PIN ALSO
BEING ON THE WEST LINE OF RADECKE ROAD;

THENCE NORTH 89 DEGREES 45 MINUTES 00 SECONDS WEST WITH A SOUTH LINE OF SAID 298.204 ACRE TRACT, A DISTANCE OF 3494.15 FEET TO A POINT ON THE WEST LINE OF SAID 298.204 AND THE EAST LINE OF THE EAST LINE OF G C & SF RAILROAD RIGHT-OF-WAY;

THENCE NORTH 10 DEGREES 16 MINUTES 57 SECONDS EAST WITH THE WEST LINE OF SAID 298.204 ACRE TRACT EAST RIGHT-OF-WAY OF SAID RAILROAD, A DISTANCE OF 2629.89 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" FOUND ON THE EAST RIGHT-OF-WAY OF SAID RAIL ROAD AND BEING THE BEGINNING OF A CURVE TO THE RIGHT;

THENCE WITH SAID CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 11 DEGREES 44 MINUTES 00 SECONDS, A RADIUS OF 2789.79 FEET, AN ARC LENGTH OF 571.30 FEET, AND A CHORD BEARING NORTH 16 DEGREES 08 MINUTES 57 SECONDS EAST, A DISTANCE OF 570.30 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" FOUND ON THE WEST LINE OF SIAD 298.204 ACRE TRACT AND THE EAST RIGHT-OF-WAY OF SAID RAILROAD;

THENCE NORTH 22 DEGREES 00 MINUTES 57 SECONDS EAST WITH THE WEST LINE OF SAID 298.204 ACRE TRACT AND THE EAST RIGHT-OF-WAY OF SAID RAILROAD, A DISTANCE OF 429.23 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" FOUND AT THE NORTHWEST CORNER OF SAID TRACT THREE AND THE EAST RIGHT-OF-WAY OF SAID RAILROAD;

THENCE SOUTH 89 DEGREES 27 MINUTES 56 SECONDS EAST WITH THE NORTH LINE OF SAID 298.204 ACRE TRACT, A DISTANCE OF 26.87 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" FOUND ON THE NORTH LINE OF SAID 298.204 ACRE TRACT;

THENCE SOUTH 89 DEGREES 27 MINUTES 56 SECONDS EAST WITH THE NORTH LINE OF SAID 298.204 ACRE TRACT, A DISTANCE OF 1582.93 FEET TO A 1/2 INCH IRON PIN FOUND ON THE NORTH LINE OF SAID 298.204 ACRE TRACT AND THE SOUTHEAST CORNER OF LOT 2, BLOCK A, HARSTOW ADDITION, RECORDED IN CABINET Y, PAGE 649, PLAT RECORDS, DENTON COUNTY, TEXAS;

EXHIBIT A MSI 38049 FIRM NO. 10023300

EXHIBIT A

PAGE 2 OF 4

THENCE SOUTH 88 DEGREES 29 MINUTES 59 SECONDS EAST, WITH THE NORTH LINE OF SAID 298.204 ACRE TRACT AND THE SOUTH RIGHT OF WAY LINE OF SEVENTH STREET, A DISTANCE OF 83.86 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" FOUND ON THE NORTH LINE OF SAID 298.204 ACRE TRACT:

THENCE NORTH 19 DEGREES 10 MINUTES 22 SECONDS EAST, WITH THE EAST RIGHT OF WAY LINE OF SEVENTH STREET AND A WEST LINE OF SAID 298.204 ACRE TRACT A DISTANCE OF 68.23 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" FOUND AT THE NORTHWEST CORNER OF SAID 298.204 ACRE TRACT AND BEING ON THE SOUTH RIGHT OF WAY LINE OF F.M. ROAD 1173;

THENCE SOUTH 67 DEGREES 57 MINUTES 45 SECONDS EAST, WITH A NORTH LINE OF SAID 298.204 ACRE TRACT AND ON THE SOUTH RIGHT OF WAY LINE OF F.M. ROAD 1173, A DISTANCE OF 185.31 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" FOUND AT A SOUTHEAST CORNER OF SAID 298.204 ACRE TRACT;

THENCE SOUTH 88 DEGREES 30 MINUTES 01 SECONDS EAST, WITH THE NORTH LINE OF SAID 298.204 ACRE TRACT AND THE SOUTH RIGHT OF WAY LINE OF F.M. ROAD 1173, A DISTANCE OF 80.46 FEET, TO FOUND WOOD RIGHT OF WAY MONUMENT ON THE NORTH LINE OF SAID 298.204 ACRE TRACT AND THE SOUTH RIGHT OF WAY LINE OF F.M.ROAD 1173, AND THE BEGINNING OF A CURVE TO THE LEFT WITH THE RIGHT OF WAY OF F.M. ROAD 1173;

THENCE WITH SAID CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 18 DEGREES 08 MINUTES 37 SECONDS, A RADIUS OF 1190.92 FEET, AN ARC LENGTH OF 377.13 FEET, AND A CHORD BEARING SOUTH 88 DEGREES 34 MINUTES 08 SECONDS EAST, A DISTANCE OF 375.55 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" FOUND AT THE SOUTH RIGHT OF WAY OF F.M. ROAD 1173;

THENCE SOUTH 88 DEGREES 32 MINUTES 07 SECONDS EAST, WITH A NORTH LINE OF SAID 298.204 ACRE TRACT, A DISTANCE OF 37.96 FEET TO A 1/2 INCH IRON PIN WITH A YELLOW PLASTIC CAP STAMPED "10023300" FOUND ON A NORTH LINE OF SAID 298.204 ACRE TRACT AND A SOUTH RIGHT OF WAY OF F.M. ROAD 1173;

THENCE SOUTH 00 DEGREES 09 MINUTES 42 SECONDS WEST, WITH AN EAST LINE OF SAID 298.204 ACRE TRACT, A DISTANCE OF 660.00 FEET TO A BOIS D ARC POST FOUND ON AN INNER ELL CORNER OF SAID 298.204 ACRE TRACT AND THE SOUTHWEST CORNER OF A CALLED 5.161 ACRE TRACT DESCRIBED IN A DEED TO MICHAEL W. STRAND AND DEBBIE LISA STRAND, RECORDED UNDER COUNTY CLERK'S INSTRUMENT FILE NUMBER 96-R0065253, REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS;



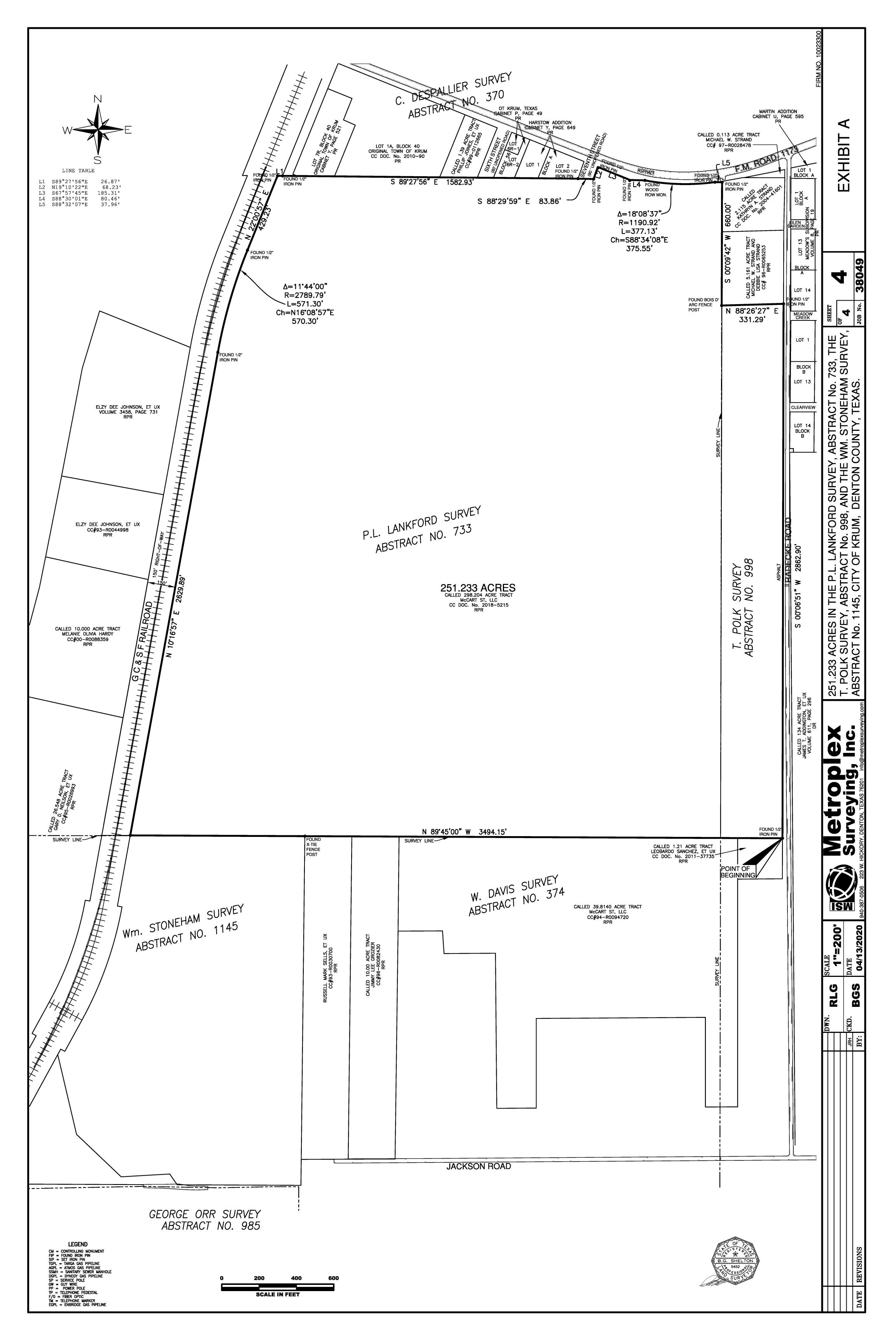


THENCE NORTH 88 DEGREES 26 MINUTES 27 SECONDS EAST WITH A NORTH LINE OF SAID 298.204 ACRE TRACT AND THE SOUTH LINE OF SAID 5.161 ACRE TRACT, A DISTANCE OF 331.29 FEET TO A 1/2 INCH IRON PIN FOUND AT A NORTHEAST CORNER OF SAID 298.204 ACRE TRACT AND THE SOUTHEAST CORNER OF SAID 5.161 ACRE TRACT, SAID PIN ALSO BEING ON THE WEST LINE OF RADECKE ROAD;

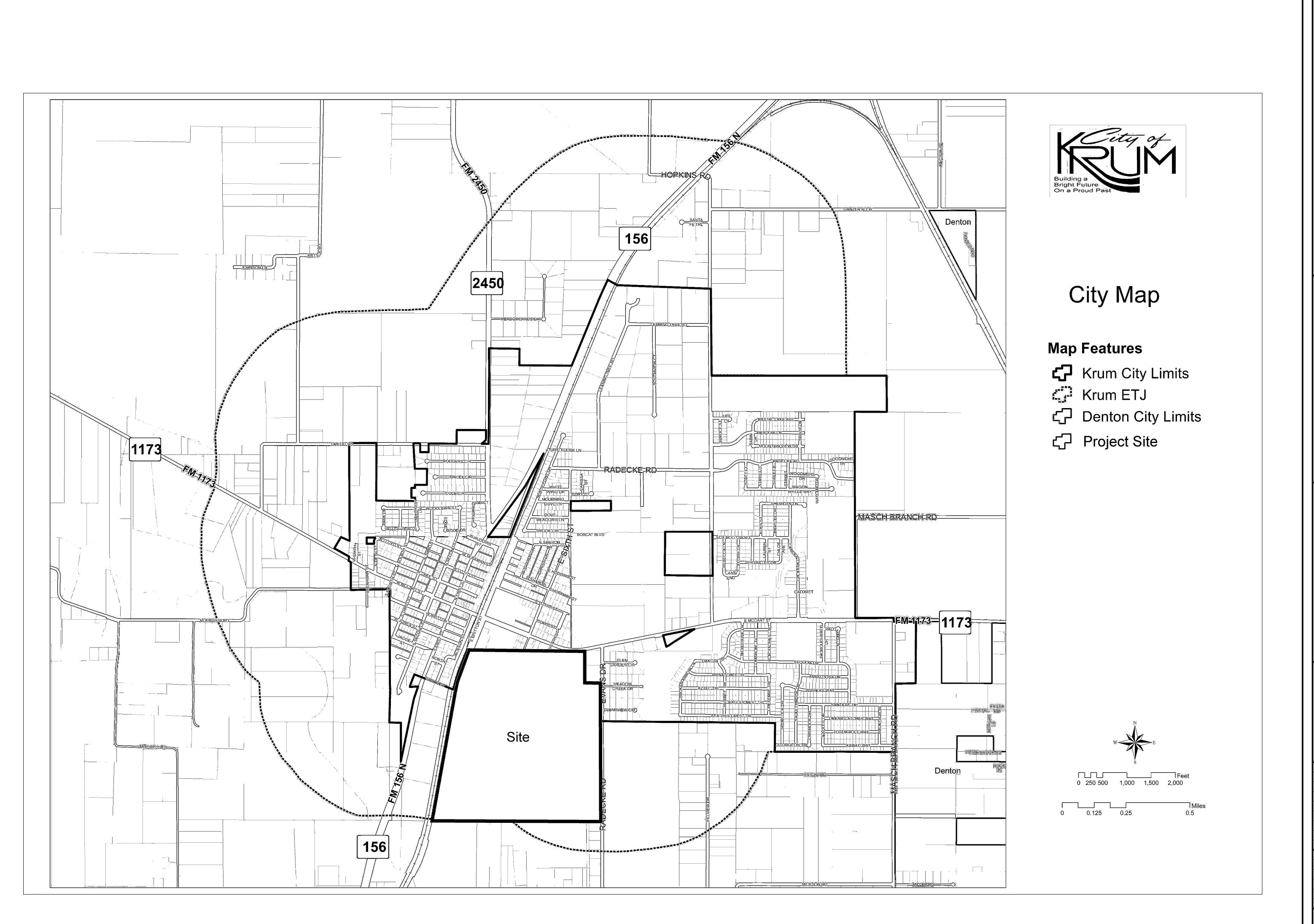
THENCE SOUTH 00 DEGREES 06 MINUTES 51 SECONDS WEST WITH THE EAST LINE OF SAID 298.204 ACRE TRACT AND THE WEST LINE OF RADECKE ROAD, A DISTANCE OF 2862.90 FEET TO THE POINT OF BEGINNING AND CONTAINING IN ALL 251.233 ACRES OF LAND.



EXHIBIT A MSI 38049 FIRM NO. 10023300







M Engineerin FM 407, Suite 209 land Village, Texas 750 972.691.6633

2570 FM Highland Ph: 972

ek .

Trails of Jordan Creek City of Krum, Denton County, Texas

Large Scale Ma

REVISIONS

DESIGN: CCM
DRAWN: CCM
DATE: 09/13/20
SCALE:

SCALE: NOTES: FILE:

Sheet of 2



Gordan Creek

CCM 2570 FM 4 Highland Ph: 972.6 TBPE Firm

Trails of 9

Small Scale Map

REVISIONS

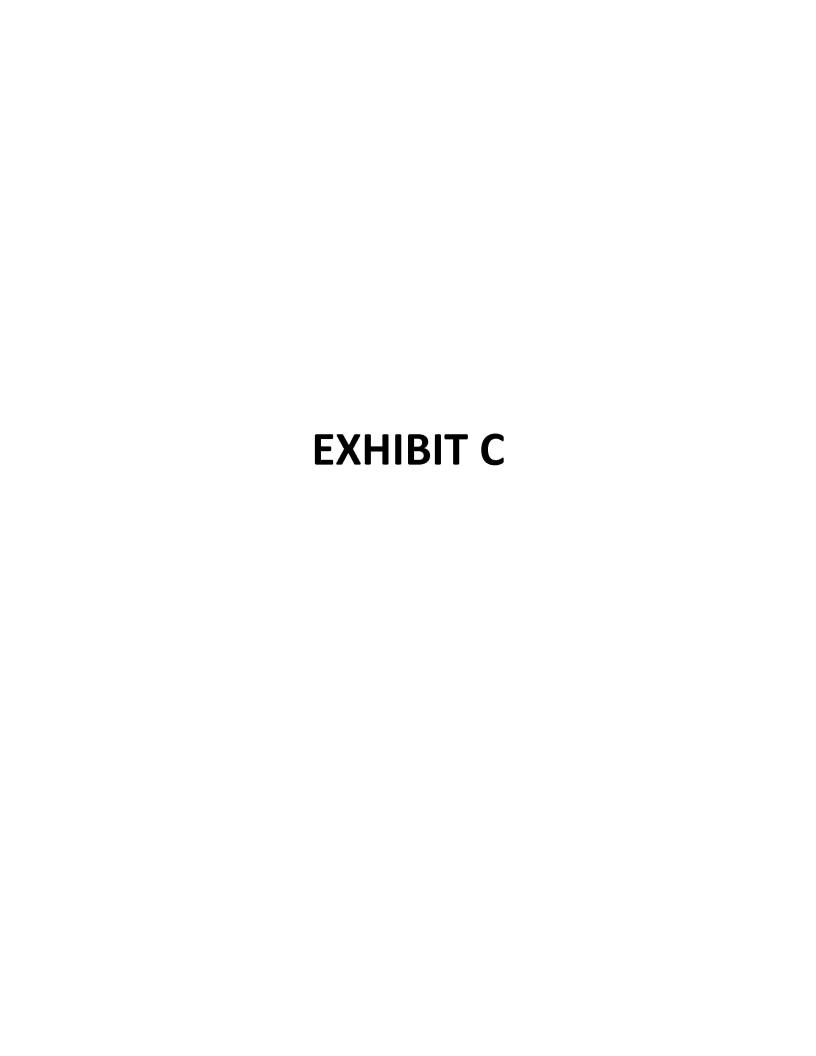
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of 2







David J. Tuckfield 12400 W. Highway 71, Suite 350-150 Austin, Texas 78738 Partner (512) 576-2481 Fax: (512) 366-9949

September 28, 2021

<u>Via certified mail # 7019 2970 0001 0099 3111</u> <u>rrr # 9590 9402 5691 9346 7329 88</u>

Bolivar Water Supply Corporation PO Box 1789 Sanger TX 76266

Re: Petition of McCart St, LLC to have a portion of land removed from Bolivar Water

Supply Corporation's Water CCN No. 11257 by Streamlined Expedited Release

Dear Sirs:

Please find enclosed the Petition of McCart St, LLC to have a portion of land removed from Bolivar Water Supply Corporation's Water CCN No. 11257 by Streamlined Expedited Release under Texas Water Code § 13.2541 and 16 TAC § 24.245(h). This Petition was filed with the Public Utility Commission today, September 28, 2021.

Should you have any questions or need additional information, please do not hesitate to contact me at (512) 576-2481 or david@allawgp.com.

Sincerely,

David Tuckfield

The AL Law Group, PLLC 12400 West Highway 71

Suite 350-150

Austin, TX 78738

(512) 576-2481

dtuckfield@allawgp.com

ALLawGp.com Houston + Austin

SENDER: COMPLETE THIS SECTION COMPLETE THIS SECTION ON DELIVERY A. Signature Complete items 1, 2, and 3. ☐ Agent Print your name and address on the reverse ☐ Addressee so that we can return the card to you. B. Received by (Printed Name) C. Date of Delivery Attach this card to the back of the mailpiece, or on the front if space permits. ☐ Yes 1. Article Addressed to: D. Is delivery address different from item 1? Bolivar Water Supply Corp. PO Box 1789 Sanger, TX 76266 If YES, enter delivery address below: ☐ No 3. Service Type ☐ Priority Mail Express® ☐ Adult Signature ☐ Registered Mall™ ☐ Adult Signature Restricted Delivery ☐ Registered Mail Restricted Delivery Certified Mail® 9590 9402 5691 9346 7329 88 Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise ☐ Collect on Delivery □ Signature Confirmation™ ☐ Collect on Delivery Restricted Delivery 2. Article Number (Transfer from service label) "Insured Mail ☐ Signature Confirmation Restricted Delivery 7019 2970 0001 0099 sured Mail Restricted Delivery ver \$500) PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

-

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

Certified Mail Fee Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) Return Receipt (electronic)

Certified Mail Restricted Delivery Adult Signature Required

Adult Signature Restricted Delivery \$

Postage

Total Postage and Fees

Sent To Bolivar WATER Supply Corp

Street and Apt. No., or PO Box No. PO Box 1789

City, State, 219+4 SANGER, TX 76266 PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

Postmark

Here

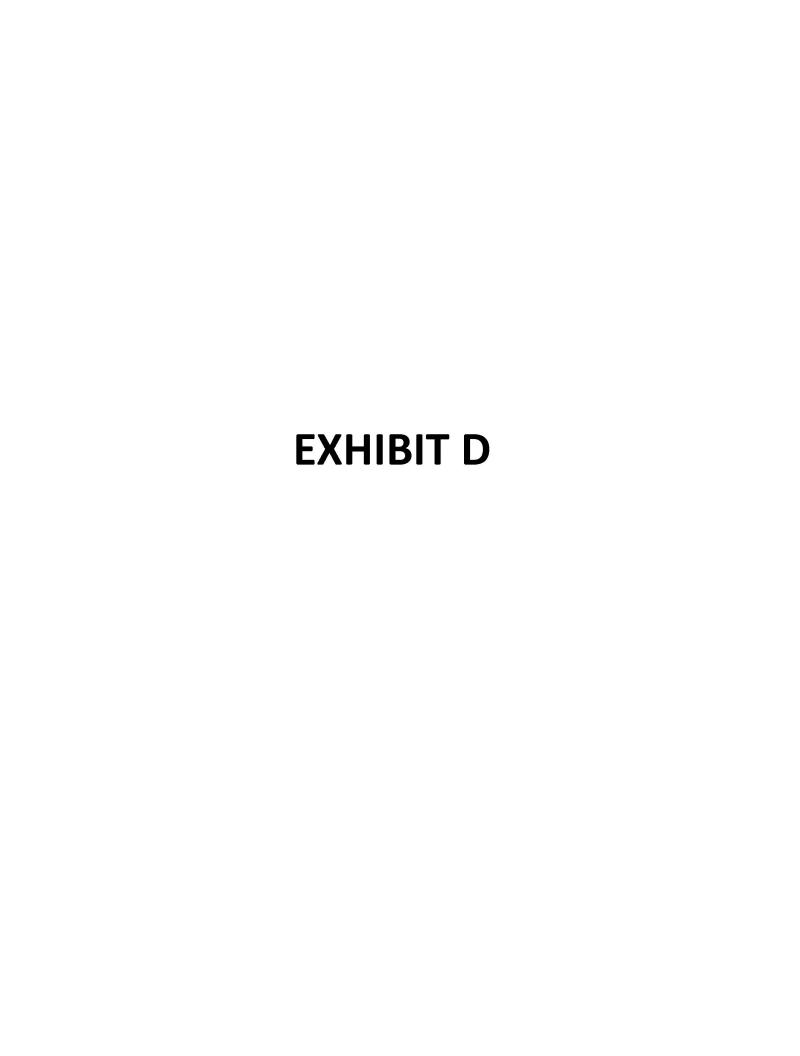


EXHIBIT D

AFFIDAVIT OF WILLIAM J. SAVAGE

STATE OF TEXAS

8

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, personally appeared William Savage, who, being by me duly sworn, deposed as follows:

"My name is William J. Savage, I am of sound mind, capable of making this affidavit, and I am personally familiar with the facts stated herein, which are true and correct.

- 1. I am the Chief Operating Officer ("CEO") of McCart St, LLC and am signing on behalf of McCart St, LLC, owner of approximately 251 acres in Denton County Texas. As the CEO, I have the authority to execute this affidavit on behalf of McCart St, LLC. All of this property is located within the Water Certificate of Convenience and Necessity No. 11257 held by Bolivar Water Supply Corporation. This property is more properly shown on maps on Exhibit A of the Petition of McCart St, LLC to Amend Bolivar WSC's Water Certificate of Convenience and Necessity No. 11257 in Denton County by Streamlined Expedited Release pursuant to Texas Water Code §13.2541 and 16 TAC §24.245(1) (Petition).
- 2. McCart St, LLC has been an owner of this property for over 3 years and the real property does not have any water connections or meters located thereon.
- 3. McCart St, LLC has not requested any retail water service from Bolivar Water Supply Corporation, has not paid any service reservation or standby fees, nor does it have any agreements with Bolivar Water Supply Corporation to provide retail water service to

- the above-referenced real property.
- 4. The above-referenced real property does not receive any water service from Bolivar Water Supply Corporation.
- 5. Exhibit B to the Petition contains large and small scale maps as well as a CD-ROM containing digital data, which depict the property and shows that the property is within Bolivar Water Supply Corporation's CCN No. 11257 in Denton County Texas.
- 6. Exhibit C to the Petition is proof that a copy of the Petition was mailed to Bolivar Water Supply Corporation, Certified Mail Return Receipt Requested, on the same day that the Petition was submitted to the Commission.
- 7. As the CEO, I have the authority to execute this affidavit on behalf of McCart St, LLC.
- 8. This affidavit is in support of de-certifying Bolivar Water Supply Corporation's water Certificate of Convenience and Necessity No. 11257 pursuant to Section 13.2541, *Texas Water Code* and Rules of the Commission Section 24.245(1)."

FURTHER AFFIANT SAYETH NOT.

[SIGNATURE PAGE FOLLOWS]

MCCART ST, LLC,

A DELAWARE LIMITED LIABILITY COMPANY

otary Public, State of Texas

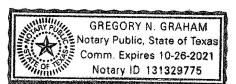
Name: William J. Savage (Its Chief Executive Officer

STATE OF TEXAS

§

COUNTY OF TARRANT

ACKNOWLEDGED, SUBSCRIBED, AND SWORN TO before me, the undersigned notary public, by William J. Savage, CEO, McCart St, LLC, a Delaware limited liability company, on behalf of said company on this 21st day of September 2021, to certify which witness my hand and official seal.



The following files are not convertible:

Shape File.bak
Shape File.dwg
Trails of Jordan Creek.dbf
Trails of Jordan Creek.idx
Trails of Jordan Creek.shp
Trails of Jordan Creek.shx

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

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



Filing Receipt

Received - 2021-10-29 09:50:31 AM Control Number - 52655 ItemNumber - 5

DOCKET NO. 52655

PETITION OF MCCART ST, LLC TO	§	PUBLIC UTILITY COMMISSION
AMEND BOLIVAR WATER SUPPLY	§	
CORPORATION'S CERTIFICATE OF	§	OF TEXAS
CONVENIENCE AND NECESSITY IN	§	
DENTON COUNTY BY EXPEDITED	§	
RELEASE	§	

ORDER NO. 2 FINDING PETITION ADMINISTRATIVELY COMPLETE AND NOTICE SUFFICIENT, AND ESTABLISHING PROCEDURAL SCHEDULE

In this proceeding, McCart St, LLC (the petitioner) seeks to amend Bolivar Water Supply Corporation's certificate of convenience and necessity (CCN) in Denton County by streamlined expedited release. The petitioner seeks the expedited release of a tract of land owned that lies within Bolivar WSC's CCN number 11257.

I. Finding Application Administratively Complete and Notice Sufficient

On October 28, 2021, Commission Staff recommended that the petition be found administratively complete and notice sufficient. The administrative law judge (ALJ) finds the petition administratively complete and notice sufficient.

II. Establishing Procedural Schedule

Under Texas Water Code (TWC) § 13.2541, the granting of streamlined expedited release initiates an appraisal process to determine the amount of monetary compensation that may be owed by the landowner to the certificate holder for the tract of land that was released. Therefore, an order granting approval for streamlined expedited release is interim in nature and, in the event the requested release is approved, the docket will continue for the purpose of determining the issue of compensation.

The following procedural schedule applies in this case:

Event	Date		
Deadline for the CCN holder to file a response, verified by a notarized affidavit, to the administratively complete petition	November 18, 2021		
Deadline for Commission Staff's recommendation on final disposition	December 2, 2021		
Deadline for the petitioner to file a reply to both the CCN holder's response and Commission Staff's recommendation on final disposition	December 9, 2021		
Sixty-day administrative approval of streamlined expedited release	December 29, 2021 ¹		
In the event streamlined expedited release is granted	and the petitioner and the CCN holder		
Can select an agreed-upon appraiser Deadline for the petitioner and the CCN holder to make a filing stating that they have selected an agreed upon appraiser	Within 10 days after the Commission approves streamlined expedited release		
Deadline for appraiser's report	Within 70 days after the Commission approves streamlined expedited release		
Deadline for Commission's final order determining the amount of monetary compensation, if any, owed by the petitioner to the CCN holder	Within 60 days after appraiser's report		
Deadline for the petitioner to pay any compensation due to the CCN holder	Within 90 days of the Commission's final order on compensation		
In the event streamlined expedited release is granted and the petitioner and the CCN holder			
are unable to select an agreed-upon appraiser			
Deadline for the petitioner and the CCN holder to make a filing stating that they have been unable to select an agreed upon appraiser	Within 10 days after the Commission approves streamlined expedited release		
Deadline for reports from the petitioner's appraiser and the CCN holder's appraiser	Within 70 days after the Commission approves streamlined expedited release		
Deadline for Commission Staff's appraiser's report	Within 100 days after the Commission approves streamlined expedited release		
Deadline for Commission's final order determining the amount of monetary compensation, if any, owed by the petitioner to the CCN holder	Within 60 days after Commission receives the final appraisal		
Deadline for the petitioner to pay any compensation due to the CCN holder	Within 90 days of Commission's final order on compensation		

¹ The 60-day administrative deadline falls on Tuesday, December 28, 2021, a day the Commission is closed. The deadline moves to the next day the Commission is open, Wednesday, December 29, 2021.

Signed at Austin, Texas the 29th day of October 2021.

PUBLIC UTILITY COMMISSION OF TEXAS

IUNTER BURKHALTER

CHIEF ADMINISTRATIVE LAW JUDGE

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Received - 2021-11-04 11:20:00 AM Control Number - 52655 ItemNumber - 6

PUC DOCKET NO. 52655

PETITION OF McCART ST, LLC	§	PUBLIC UTILITY COMMISION
TO AMEND BOLIVAR WATER	§	
SUPPLY CORPORATION'S	§	OF TEXAS
CERTIFICATE OF CONVENIENCE	§	
AND NECESSITY IN DENTON	§	
COUNTY BY STREAMLINED	§	
EXPEDITED RELEASE	§	

RESPONSE OF BOLIVAR WATER SUPPLY CORPORATION

Bolivar Water Supply Corporation ("Bolivar") hereby submits this Response ("Response") to the Original Petition of McCart St, LLC to Amend Bolivar Water Supply Corporation's Certificate of Convenience and Necessity in Denton County by Streamlined Expedited Release ("Petition") filed on September 28, 2021, with the Public Utility Commission of Texas ("PUC" or "Commission"). The Petition seeks to remove, amend, decertify, or release from Bolivar's CCN No. 11257 approximately 251 acres of land in Denton County, Texas.

Order No. 1 in this docket provided a November 4, 2021, deadline for Bolivar's response. This Response is therefore timely filed.

I. RESPONSE

Bolivar is fully capable of providing continuous and adequate retail water service to the Property. Bolivar has lines readily available to provide service to the Petitioner.

Petitioner has filed the Petition instead of receiving excellent service from an existing provider that boasts long standing compliance with existing standards for customer service. Bolivar understands that the landowner will be required to pay compensation for the adverse impacts of the decertification on Bolivar. Such compensation is required by law. Therefore, if the Commission grants the Petition, Bolivar demands that a compensation phase be initiated to determine the amount of compensation that landowner must pay to Bolivar for the decertification, according to Texas Water Code § 13.254 and 16 Tex. Admin. Code § 24.245.

Bolivar seeks full compensation allowed by law, if the Petition is granted, in order to compensate Bolivar for the planning, design, construction, stranded investment, and other costs that are allocable to the Petitioner. Bolivar further seeks full compensation as set forth in Chapter 21 of the Texas Property Code and 16 Tex. Admin. Code § 24.245(j).

II. CONCLUSION

Bolivar respectfully requests that the Commission, if the Petition is granted, award full compensation allowed by law to Bolivar. Bolivar additionally requests all other relief to which it may be justly entitled.

Respectfully submitted,

Russell Rodriguez Hyde Bullock LLP 1633 Williams Drive, Building 2, Suite 200 Georgetown, Texas 78628 (512) 930-1317 (866) 929-1641 (Fax) arodriguez@txlocalgovlaw.com

/s/ Arturo D. Rodriguez, Jr.
ARTURO D. RODRIGUEZ, JR.
State Bar No. 00791551

ATTORNEY FOR BOLIVAR WATER SUPPLY CORPORATION

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this
document was provided to all parties of record via electronic mail on the 4th day of November,
2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Arturo D. Rodriguez, Jr.
ARTURO D. RODRIGUEZ, JR.

PUC DOCKET NO. 52655

PETITION OF McCART ST, LLC TO AMEND BOLIVAR WATER	§ 8	PUBLIC UTILITY COMMISION
SUPPLY CORPORATION'S	8 8	OF TEXAS
CERTIFICATE OF CONVENIENCE AND NECESSITY IN DENTON	§ §	
COUNTY BY STREAMLINED EXPEDITED RELEASE	§ §	
STATE OF TEXAS	8	
	\$ §	
COUNTY OF DENTON	8	

DECLARATION OF JAMES PARKMAN

Pursuant to Texas Civil Practices and Remedies Code Section 132.001, JAMES PARKMAN, hereby subscribes to the following declarations under penalty of perjury:

- 1. My name is James Parkman, my date of birth is <u>O 9 16 1958</u> and my address is 4151 FM 455 West, Sanger, Texas 76266. I declare under the penalty of perjury that all information in this document is true and correct.
- 2. I am the General Manager of the Bolivar Water Supply Corporation.
- 3. I have reviewed Bolivar Water Supply Corporation's Response to the Original Petition of McCart St, LLC to Amend Bolivar Water Supply Corporation's Certificate of Convenience and Necessity in Denton County by Streamlined Expedited Release.
- 4. Bolivar Water Supply Corporation seeks full compensation allowed by law, if the Petition is granted, in order to compensate Bolivar for the planning, design, construction, stranded investment, and other costs that are allocable to the Petitioner. Bolivar Water Supply Corporation further seeks full compensation as set forth in Chapter 21 of the Texas Property Code and 16 Tex. Admin. Code § 24.245(j).
- 5. I declare under the penalty of perjury that the foregoing is true and correct.

SIGNED in Denton County, Texas on November 4, 2021



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Received - 2021-12-02 10:29:28 AM Control Number - 52655 ItemNumber - 8

DOCKET NO. 52655

PETITION OF MCCART ST, LLC TO	§	PUBLIC UTILITY COMMISSION
AMEND BOLIVAR WATER SUPPLY	§	
CORPORATION'S CERTIFICATE OF	§	OF TEXAS
CONVENIENCE AND NECESSITY IN	§	
DENTON COUNTY BY EXPEDITED	§	
RELEASE	§	

COMMISSION STAFF'S RECOMMENDATION ON FINAL DISPOSITION

On September 28, 2021, McCart St, LLC (McCart) filed a petition for streamlined expedited release from Bolivar Water Supply Corporation's (Bolivar WSC) water Certificate of Convenience and Necessity (CCN) number 11257 under Texas Water Code (TWC) § 13.2541 and 16 Texas Administrative Code (TAC) § 24.245(h). McCart asserts that the land to be released is at least 25 contiguous acres, is not receiving water service, and is located in Denton County, which is a qualifying county.

On October 29, 2021, the administrative law judge (ALJ) filed Order No. 2, establishing a deadline of December 2, 2021 for the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file its recommendation on final disposition. Therefore, this pleading is timely filed.

I. FINAL RECOMMENDATION

After review, and as supported by the attached memorandum of Jolie Mathis of the Infrastructure Division, Staff recommends approval of the application. Staff's review indicates that McCart meets the requirements of Chapter 13 of the Texas Water Code and Title 16, Chapter 24 of the Texas Administrative Code, to allow for the release of the tract of land from Bolivar WSC's CCN number 11257.

II. CONCLUSION

For the reasons detailed above, Staff respectfully recommends that McCart's petition be approved.

Dated: December 2, 2021

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Rachelle Nicolette Robles Division Director

/s/ Andy Aus
Andy Aus
State Bar No. 24077782
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7292
(512) 936-7268 (facsimile)
andy.aus@puc.texas.gov

DOCKET NO. 52655

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on December 2, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Andy Aus
Andy Aus

Public Utility Commission of Texas

Memorandum

TO: Andrew Aus, Attorney

Legal Division

FROM: Jolie Mathis, Utility Engineering Specialist

Infrastructure Division

DATE: December 2, 2021

RE: Docket No. 52655 – Petition of McCart St, LLC to Amend Bolivar Water Supply

Corporation's Certificate of Convenience and Necessity in Denton County by

Expedited Release

On September 28, 2021, McCart St, LLC (McCart) filed a petition for streamlined expedited release from Bolivar Water Supply Corporation's (Bolivar WSC) water certificate of convenience and necessity (CCN) No. 11257 in Denton County, under Texas Water Code (TWC) § 13.2541 and 16 Texas Administrative Code (TAC) § 24.245(h). McCart asserts that the land is at least 25 contiguous acres, is not receiving water service, and is located in Denton County, which is a qualifying county.

Gary Horton, of the Infrastructure Division, determined the map and digital data are sufficient for determining the location of the tract of land considered for streamlined expedited release and is located within Bolivar WSC's water CCN. Furthermore, McCart provided a warranty deed confirming ownership of the tract of land within Bolivar WSC's certificated service area. In addition, McCart submitted a sworn affidavit attesting that the property was not receiving water service from the CCN holder.

Based on the mapping review by Mr. Horton it was determined:

- The entire tract of land is approximately 298 acres.
- The portion of the tract considered for release is approximately 251 acres.
- The area to be released from Bolivar WSC (CCN No. 11257) is approximately 250 acres.

Bolivar WSC responded and stated it is capable of providing water service to the area (24.245(f)(9).

In accordance with TWC § 13.2541 and 16 TAC § 24.245(h), McCart has met the Commission's requirements to allow for the release of the tract of land from Bolivar WSC's

CCN No. 11257. Therefore, I recommend approval of the petition. Enclosed is a final map and certificate for Commission approval.

Additionally, I recommend that a final map and certificate be provided to the CCN holder.



Public Utility Commission of Texas

By These Presents Be It Known To All That

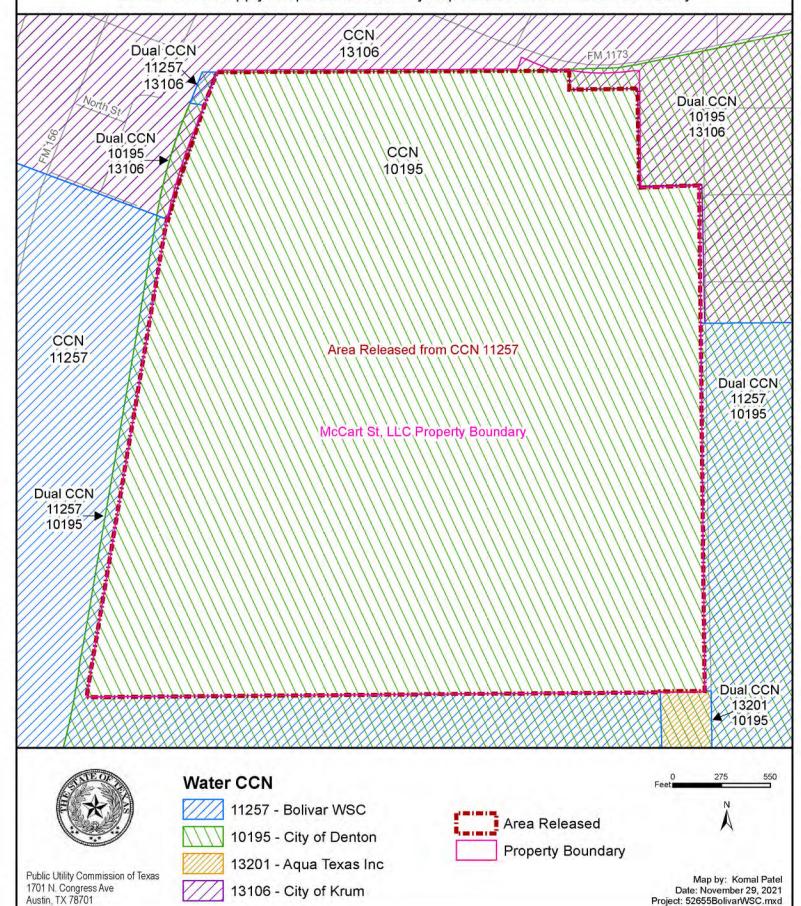
Bolivar Water Supply Corporation

having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Bolivar Water Supply Corporation, is entitled to this

Certificate of Convenience and Necessity No. 11257

to provide continuous and adequate water utility service to that service area or those service areas in Denton County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 52655 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of Bolivar Water Supply Corporation, to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Bolivar Water Supply Corporation
Portion of Water CCN No. 11257
PUC Docket No. 52655
Petition by McCart St, LLC to Amend
Bolivar Water Supply Corporation's CCN by Expedited Release in Denton County





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Received - 2022-02-08 11:09:42 AM Control Number - 52655 ItemNumber - 11

PUC DOCKET NO. 52655

PETITION OF McCART ST, LLC	§	PUBLIC UTILITY COMMISION
TO AMEND BOLIVAR WATER	§	
SUPPLY CORPORATION'S	§	OF TEXAS
CERTIFICATE OF CONVENIENCE	§	
AND NECESSITY IN DENTON	§	
COUNTY BY STREAMLINED	§	
EXPEDITED RELEASE	§	

BOLIVAR WATER SUPPLY CORPORATION'S EXCEPTIONS TO PROPOSED ORDER

Bolivar Water Supply Corporation ("Bolivar") hereby submits this its exceptions to the Proposed Order drafted herein.

The Application is for an expedited release from Bolivar. A Proposed Order was prepared with no evidentiary record. Bolivar hereby submits an exception to the Proposed Order.

Bolivar holds CCN Number 11257. It has water resources that obligates it to provide retail water throughout its CCN service area. It has planned for such service. There is no evidence in the record that Bolivar cannot serve the entirety of the service area, including the Petitioner's property. Thus, all acts Bolivar has taken to certificate the area, **acquire water resources**, and planning for service to its service area are "acts" that Bolivar has performed for and supplied to the tract in question and to all its service area. The record is devoid of any evidence that this is not the case. Indeed, the record is devoid of any evidence that the fact Bolivar was certificated to the tract in question and was, thus, obligated to serve that it was NOT an act for or to serve the tract in question. As such, Finding of Fact No. 23 should be revised as follows: "23. The CCN holder has not performed any acts or supplied anything to the tract of land."

Bolivar respectfully requests that the exceptions to the findings of fact be accepted and incorporated in the Commission's Final Order.

Respectfully submitted,

Russell Rodriguez Hyde Bullock LLP 1633 Williams Drive, Building 2, Suite 200 Georgetown, Texas 78628 (512) 930-1317 (866) 929-1641 (Fax) arodriguez@txlocalgovlaw.com

/s/ Arturo D. Rodriguez, Jr. ARTURO D. RODRIGUEZ, JR. State Bar No. 00791551

ATTORNEY FOR BOLIVAR WATER SUPPLY CORPORATION

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on the 8th day of February, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

> /s/ Arturo D. Rodriguez, Jr. ARTURO D. RODRIGUEZ, JR.



Control Number: 52655

Item Number: 14

Peter M. Lake Chairman

Will McAdams
Commissioner

Lori Cobos
Commissioner

Jimmy Glotfelty
Commissioner



Greg Abbott
Governor
Thomas J. Gleeson
Executive Director

Public Utility Commission of Texas

TO:

All Parties of Record

FROM:

Stephen Journeau Commission Counsel

DATE:

March 1, 2022

RE:

Docket No. 52655 - Petition of McCart St, LLC to Amend Bolivar Water Supply

Corporation's Certificate of Convenience and Necessity in Denton County by

Expedited Release

The Office of Policy and Docket Management (OPDM) requests that Commission Staff file a corrected map and request that a revised proposed order be issued with the corrected map attached to it.

The map filed by Commission Staff, and attached to the proposed order in this proceeding, indicates that the tract of land at issue is located within a dually certificated service area. The attached map shows that the tract of land at issue in this proceeding remains within the certificated service area of the City of Denton under CCN number 10195. However, this appears to conflict with Order No. 4 Granting Streamlined Expedited Release in Docket No. 52774.² In that order, it appears that the same, or nearly identical, tract of land was released from the City of Denton's certificated service area under CCN number 10195. OPDM notes that the proposed order in this proceeding was filed on January 25, 2022 and predates Order No. 4 Granting Streamlined Expedited Release, in Docket No. 52744, which was filed on February 17, 2022. Therefore, at the time the proposed order was filed the map attached to it was correct.

OPDM requests that Commission Staff file a response to this memorandum by Wednesday, March 16, 2022 for possible consideration of the proposed order in this proceeding at the March 31, 2022 open meeting. The response should include a corrected map that conforms with Order No. 4 Granting Streamlined Expedited Release in Docket No. 52744 and a request that Docket Management file a revised proposed order that attaches the corrected map. Alternatively, on or before March 15, 2022, Commission Staff should file a request for an extension of the March 16, 2022 deadline.

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² Petition of McCart St, LLC to Amend City of Denton's Certificate of Convenience and Necessity in Denton County by Expedited Release, Docket No. 52774, Order No. 4 (Feb. 17, 2022).



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¹ Proposed Order at 7 (Jan. 25, 2022).



Control Number: 52655

Item Number: 19

DOCKET NO. 52655

	PETITION OF MCCART ST, LLC TO AMEND BOLIVAR WATER SUPPLY CORPORATION'S CERTIFICATE OF CONVENIENCE AND NECESSITY IN DENTON COUNTY BY EXPEDITED RELEASE	***	PUBLIC UTILITY COMMISSION: 27 OF TEXAS
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ORDER

This Order addresses the petition of McCart St, LLC for streamlined expedited release of a tract of land in Denton County from Bolivar Water Supply Corporation's service area under certificate of convenience and necessity (CCN) number 11257. For the reasons stated in this Order, the Commission releases the tract of land from Bolivar WSC's certificated service area. In addition, the Commission amends Bolivar WSC's CCN number 11257 to reflect the removal of the tract of land from the service area.

Following entry of this Order, the Commission will determine the amount of compensation, if any, to be awarded to Bolivar WSC, which will be addressed by separate order.

I. Findings of Fact

The Commission makes the following findings of fact.

Petitioner

1. McCart St, LLC is a Delaware limited liability company registered with the Texas secretary of state under filing number 804234840.

CCN Holder

- 2. Bolivar WSC is a Texas nonprofit corporation registered with the Texas secretary of state under filing number 25730701.
- 3. Bolivar WSC holds CCN number 11257 that obligates it to provide retail water service in its certificated service area in Denton County.

Petition

4. On September 28, 2021, the petitioner filed a petition for streamlined expedited release of a tract of land from the CCN holder's service area under CCN number 11257.

- 5. The petition includes a special warranty deed dated January 10, 2018; a metes-and-bounds description of the subject property; maps; digital mapping data; and an affidavit, dated September 21, 2021, of William J. Savage, the petitioner's chief executive officer.
- 6. In Order No. 2 filed on October 29, 2021, the administrative law judge (ALJ) found the petition administratively complete.

Notice

- 7. The petitioner sent a copy of the petition by certified mail, return receipt requested, to the CCN holder on September 28, 2021.
- 8. In Order No. 2 filed on October 29, 2021, the ALJ found the notice sufficient.

Response to the Petition

9. On November 4, 2021, the CCN holder filed a response to the petition, which includes a declaration, dated November 4, 2021, of James Parkman, the CCN holder's general manager.

The Tract of Land

- 10. The petitioner owns property in Denton County that is approximately 298.204 acres.
- 11. The tract of land for which the petitioner seeks streamlined expedited release is a portion of the petitioner's property that is approximately 250 acres.
- 12. The tract of land is located within the CCN holder's certificated service area.

Ownership of the Tract of Land

13. The petitioner acquired the property by a special warranty deed dated January 10, 2018.

Qualifying County

- 14. Denton County abuts Dallas and Tarrant counties and has a population of more than 47,500.
- 15. Dallas and Tarrant counties each have a population of at least one million.

Water Service

- 16. The tract of land is not receiving actual water service from the CCN holder.
- 17. There are no water connections or meters on the tract of land.

- 18. The petitioner has not requested that the CCN holder provide water service to the tract of land.
- 19. The petitioner has not paid to the CCN holder any service reservation or standby fees.
- 20. The petitioner does not have any agreements with the CCN holder for the provision of water service to the tract of land.
- 21. The CCN holder has not committed or dedicated any facilities or lines to the tract of land for water service.
- 22. The CCN holder has no facilities or lines that provide water service to the tract of land.
- 23. The CCN holder has not performed any acts for or supplied anything to the tract of land.

Map and Certificate

- 24. On December 2, 2021, Commission Staff filed its recommendation on final disposition that included a map and certificate on which it identified the tract of land in relationship to the CCN holder's certificated service area.
- 25. On March 21, 2022, Commission Staff filed a new map which is updated to reflect the changed circumstances caused by the issuance of an order granting streamlined expedited release in Docket No. 52744.¹ On the new map, Commission Staff identifies the tract of land in relationship to the CCN holder's certificated service area.

II. Conclusions of Law

The Commission makes the following conclusions of law.

- 1. The Commission has authority over this petition for streamlined expedited release under TWC §§ 13.254 and 13.2541.
- 2. The petitioner provided notice of the petition in compliance with 16 Texas Administrative Code (TAC) § 24.245(h)(3)(F).

¹ Petition of McCart St, LLC to Amend City of Denton's Certificate of Convenience and Necessity in Denton County by Expedited Release, Docket No . 52774, Order No. 4 (Feb. 17, 2022).

- 3. No opportunity for a hearing on a petition for streamlined expedited release is provided under TWC §§ 13.254 or 13.2541 and, under 16 TAC § 24.245(h)(7), no hearing will be held on such a petition.
- 4. Petitions for streamlined expedited release filed under TWC §§ 13.254 or 13.2541 and 16 TAC § 24.245(h) are not contested cases.
- 5. Landowners seeking streamlined expedited release under TWC §§ 13.254 and 13.2541 and 16 TAC § 24.245(h) are required to submit a verified petition through a notarized affidavit, and the CCN holder may submit a response to the petition that must be verified by a notarized affidavit.
- 6. Under 16 TAC § 24.245(h)(7), the Commission's decision is based on the information submitted by the landowner, the CCN holder, and Commission Staff.
- 7. To obtain release under TWC § 13.2541(b), a landowner must demonstrate that the landowner owns a tract of land 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.
- 8. The time that the petition is filed is the only relevant time period to consider when evaluating whether a tract of land is receiving water service under TWC § 13.2541(b). Whether a tract of land might have previously received water or sewer service is irrelevant.
- 9. A landowner is not required to seek the streamlined expedited release of all of its property.
- 10. The petitioner owns the tract of land that is at least 25 acres for which it seeks streamlined expedited release.
- 11. Denton County is a qualifying county under TWC § 13.2541(b) and 16 TAC § 24.245(h)(2).
- 12. The tract of land is not receiving water service under TWC §§ 13.002(21) and 13.2541(b) and 16 TAC § 24.245(h), as interpreted in *Texas General Land Office v. Crystal Clear Water Supply Corporation*, 449 S.W.3d 130 (Tex. App.—Austin 2014, pet. denied).
- 13. The petitioner is entitled under TWC § 13.2541(b) to the release of the tract of land from the CCN holder's certificated service area.

- 14. Under TWC §13.254(h), after the date of this Order the CCN holder has no obligation to provide retail water service to the tract of land.
- 15. The Commission may release only the property of the landowner from a CCN under TWC § 13.2541(b). The Commission has no authority to decertificate any facilities or equipment owned and operated by the CCN holder to provide retail water service through the streamlined-expedited-release process under TWC § 13.2541(b).
- 16. The Commission processed the petition in accordance with the TWC and Commission rules.
- 17. Under TWC § 13.257(r) and (s), the CCN holder is required to record certified copies of the approved certificate and map, along with a boundary description of the service area, in the real property records of Denton County no later than the 31st day after the date the CCN holder receives this Order.
- 18. A retail public utility may not under TWC § 13.254(d) provide retail water service to the public within the tract of land unless just and adequate compensation under TWC § 13.254(g) has been paid to the CCN holder.

III. Ordering Paragraphs

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

- 1. The Commission releases the tract of land identified in the petition from the CCN holder's certificated service area under CCN number 11257.
- 2. The Commission does not decertificate any of the CCN holder's equipment or facilities that may lay on or under the tract of land.
- 3. The Commission amends CCN number 11257 in accordance with this Order.
- 4. The Commission approves the map attached to this Order.
- 5. The Commission issues the certificate attached to this Order.
- 6. The CCN holder must file in this docket proof of the recording required in TWC § 13.257(r) and (s) within 45 days of the date of this Order.

- 7. The proceeding to determine the amount of compensation to be awarded to the CCN holder, if any, commences with the filing of this Order in accordance with the schedule adopted in Order No. 2. Any decision on compensation will be made by a separate order.
- 8. The Commission denies all other motions and any other requests for general or specific relief not expressly granted by this Order.

Signed at Austin, Texas the

day of

2022.

PUBLIC UTILITY COMMISSION OF TEXAS

PETER M. LAKE, CHAIRMAN

WILL MCADAMS, COMMISSIONER

LORI COBOS, COMMISSIONER

JUMMY GLOTFE TY, COMMISSIONER



Public Utility Commission of Texas

By These Presents Be It Known To All That

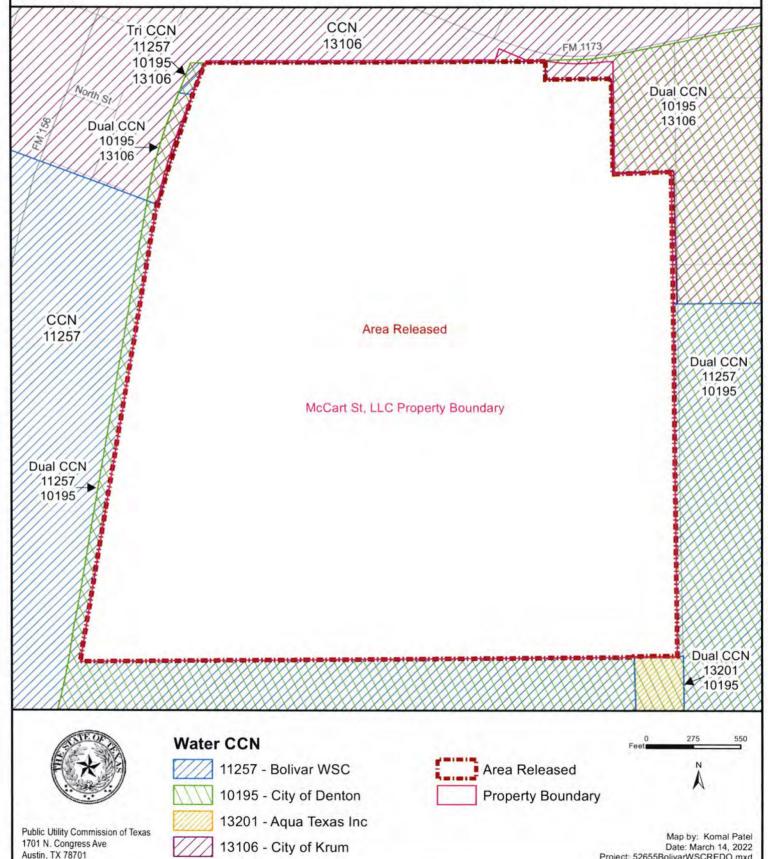
Bolivar Water Supply Corporation

having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Bolivar Water Supply Corporation, is entitled to this

Certificate of Convenience and Necessity No. 11257

to provide continuous and adequate water utility service to that service area or those service areas in Denton County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 52655 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of Bolivar Water Supply Corporation, to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Bolivar Water Supply Corporation Portion of Water CCN No. 11257 PUC Docket No. 52655 Petition by McCart St, LLC to Amend Bolivar Water Supply Corporation's CCN by Expedited Release in Denton County



Project: 52655BolivarWSCREDO.mxd

BOLIVAR DISTRIBUTION SYSTEM

(June 2022)

PRESSURE PLANE NO. 1 (22,000 AC.) - (Acres Served 19,000)

6" Line 4" Line 3" Line 2.5" Line 2" Line PRESSURE PLANE NO. 2 (24,000 AC.) – (Acre	16,000 27,000 53,000 15,000 <u>39,000</u> 150,000 es Served 16,00	@ 60.00 @ 40.00 @ 30.00 @ 25.00 @ 20.00	960,000 1,080,000 1,590,000 375,000 <u>780,000</u> \$ 4,785,000	
12" Line 8" Line 6" Line 4" Line 3" Line 2.5" Line	20,000 10,000 75,000 5,000 34,000 12,000 25,000 181,000	@ 120.00 @ 80.00 @ 60.00 @ 40.00 @ 30.00 @ 25.00 @ 20,00	2,400,000 800,000 4,500,000 200,000 1,020,000 300,000 500,000 \$ 9,720,000	
PRESSURE PLANE NO. 2-A (35 AC.) – (Acres 4" Line 2" Line	3,000 2,000 5,000	@ 40.00 @ 20.00	120,000 <u>40,000</u> \$ 160,000	
PRESSURE PLANE NO. 3 (60,000 AC.) – (Acres Served 45,000) 12" Line 3,000 @ 120.00 360,000 8" Line 12,000 @ 80.00 960,000				
6" Line 4" Line 3" Line 2.5" Line 2" Line	75,000 55,000 42,000 61,000 56,000 304,000	@ 60.00 @ 40.00 @ 30.00 @ 25.00 @ 20.00	4,500,000 2,200,000 1,260,000 1,525,000 1,120,000 \$ 11,925,000	

PRESSURE PLANE NO. 4	(24,000 AC.) – (Acres Served 20,000)
----------------------	--------------------------------------

12" Line	25,000	@ 120.00	3,000,000	
8"Line	8,000	@ 80.00	640,000	
6" Line	23,000	@ 60.00	1,380,000	
4" Line	92,000	@ 40.00	3,680,000	
3" Line	10,000	@ 30.00	300,000	
2.5" Line	31,000	(a), 25.00	775,000	
2" Line	<i>45,000</i>	@ 20.00	900,000	
	234,000		\$ 10,675,000	
PRESSURE PLANE NO. 5 (25,000 AC.) – (Acr	es Served 24,0	00)		
6" Line	110,000	@ 60.00	6,600,000	
4" Line	75,000	@ 40.00	3,000,000	
3" Line	24,000	@ 30.00	720,000	
2.5" Line	20,000	@ 25.00	500,000	
2" Line	<u>19,000</u>	@ 20.00	<u>380,000</u>	
	248,000		\$ 11,200,000	
PRESSURE PLANE NO. 6 (57,000 AC.) – (Acres Served 45,000)				
12" Line	20,000	@ 120.00	2,400,000	
6" Line	66,000	@ 60.00	3,960,000	
4" Line	38,000	@ 40.00	1,520,000	
3" Line	41,000	@ 30.00	1,230,000	
2.5" Line	42,500	@ 25.00	1,062,500	
2" Line	92,000	@ 20.00	1,840,000	
2 Line	$\frac{52,000}{299,500}$	W 20.00	\$ 12,012,500	
	277,300		φ 12,012,300	
TOTAL VALUE OF DISTRIBUTION SYSTEM			\$ 60,477,000	
TOTAL ACRES SERVED			169,035	
VALUE DISTRIBUTION PER ACRE SERVED			\$ 358	

 From:
 Art Rodriguez

 To:
 Josh Korman

 Cc:
 Jessica Newlin

Subject: FW: Responses Requested - Expedited Release Documents

Date: Sunday, June 12, 2022 3:04:46 PM

Attachments: image001.pnq

Letter of Response.pdf Planning Report 2022-2032.pdf Distribution Sysem Inventory.pdf

See the information that you requested from Bolivar's engineer.

Also, regarding legal fees this amount is good through Friday:

Sanger: \$4,755.67 McCart: \$4,027.17

I would estimate \$1750 each for the remainder of the case.

Thanks.

Arturo D. Rodriguez, Jr. (512) 930-1317



From: Kerry D. Maroney <kdm@bmiwf.com> Date: Sunday, June 12, 2022 at 2:43 PM

To: Art Rodriguez <arodriguez@txlocalgovlaw.com>

Cc: James Parkman <james@bolivarwatersc.com>, Brandi Boggs

<brandi@bolivarwatersc.com>

Subject: Responses Requested - Expedited Release Documents

See attached as requested.

Kerry

June 13, 2022

Art Rodriguez Russell Rodriguez Hyde Bullock, LLP 1633 Williams Drive Bldg. 2, Suite 200 Georgetown, Texas 78628

RE: Letter of Engineering Review - Expedited Release Requests

McCart Tract - 251 Acres - BWSC Pressure Plane No. 5 STC Group - 202 Acres - BWSC Pressure Plane No. 2 Sanger Tract - 211 Acres - BWSC Pressure Plane No. 2 Crossland Tract - 67 Acres - BWSC Pressure Plane No. 2

Dear Mr. Rodriguez:

As requested, we have reviewed the location and the request for expedited release of the above tracts and based on our review we have provided the following responses. In support of our responses, we have attached 1) Planning Report for Water Facility Improvements and 2) Distribution System Inventory and Value.

Question No. 1: What is the size of (acreage) of CCN:

> 212,035 acres

Question No. 2: What is the remaining debt for CCN:

> Unknown

Questions Specific to Each Tract:

McCart Tract:

- BWSC Pressure Plane No. 5
- ➤ Pressure Plane Size 25,000 Acres
- > Total Value of Facilities in Pressure Plane \$14,800,000
- > Elevated Storage \$500,000
- ▶ Pump Station \$850,000
- ➤ Water Supply Wells \$2,250,000
- Distribution Lines \$11,200,000

Notes: BWSC does not have distribution lines fronting or adjacent to this property. Type of revenue fees lost due to decertification would be depended on the land use of this property. However, typical loss would be \$4,500 per platted lot and annual average water sales of approximately \$650 per platted lot.

STC Group Tract:

- > BWSC Pressure Plane No. 2
- Pressure Plane Size 24,000 Acres
- > Total Value of Facilities in Pressure Plane \$14.170.000
- ➤ Elevated Storage \$500,000
- > Pump Station \$1,700,000
- > Water Supply Wells \$2,250,000
- Distribution Lines \$9,720,000

Notes: BWSC has an existing 12" distribution line along the north frontage of this property (2,600 LF) which is served by a combination of the Woolard Elevated Tank & Well and Melton Rd. Pump Station & Well. These facilities can provide for continuous and adequate service to this tract, in addition to emergency fire flows. Value of 12" line along frontage is $2,600 \, LF \, x \, 120/LF = \, 312,000$.

Type of revenue fees lost due to decertification would be depended on the land use of this property. However, typical loss would be \$4,500 per platted lot and annual average water sales of approximately \$650 per platted lot.

Sanger Tract:

- ➤ BWSC Pressure Plane No. 2
- > Pressure Plane Size 24,000 Acres
- > Total Value of Facilities in Pressure Plane \$14,170,000
- > Elevated Storage \$500,000
- ➤ Pump Station \$1,700,000
- ➤ Water Supply Wells \$2,250,000
- Distribution Lines \$9,720,000

Notes: BWSC has an existing 8" distribution line along the north frontage of this property (4,200 LF) which is served by the Melton Rd. & Woolard facilities. Value of 8" line along frontage is $4.200 \, LF \times \$80/LF = \$336,000$.

Type of revenue fees lost due to decertification would be depended on the land use of this property. However, typical loss would be \$4,500 per platted lot and annual average water sales of approximately \$650 per platted lot.

Crossland Tract:

- > BWSC Pressure Plane No. 2
- ➤ Pressure Plane Size 24,000 Acres
- > Total Value of Facilities in Pressure Plane \$14,170,000
- Elevated Storage \$500,000
- > Pump Station \$1,700,000
- ➤ Water Supply Wells \$2,250,000
- Distribution Lines \$9,720,000

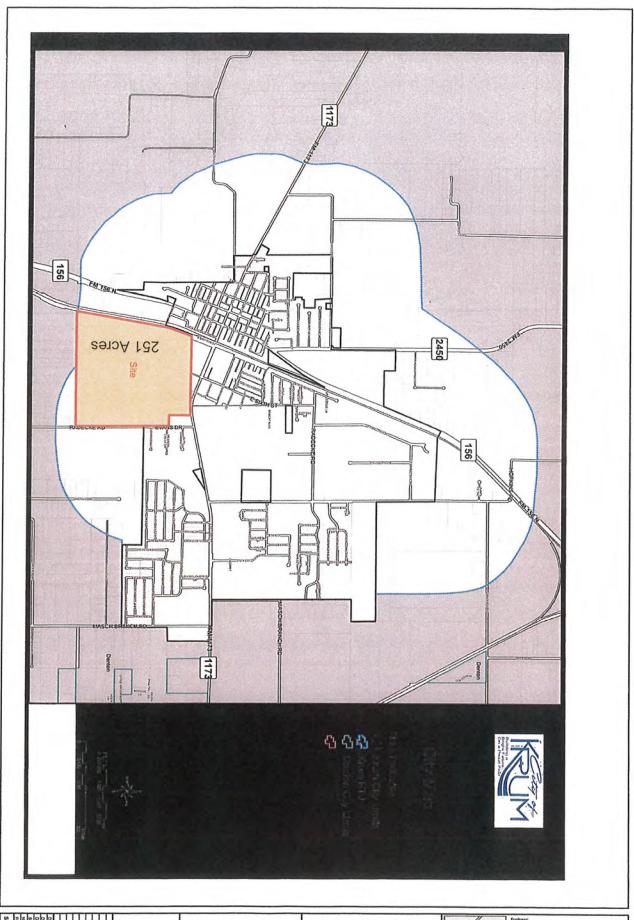
Notes: BWSC does not have distribution lines fronting or adjacent to this property. Type of revenue fees lost due to decertification would be depended on the land use of this property. However, typical loss would be \$4,500 per platted lot and annual average water sales of approximately \$650 per platted lot.

Please contact me with any additional questions or comments or if additional information is required.

Sincerely,

BIGGS & MATHEWS, INC.

Kerry D. Maroney, P.E.
President

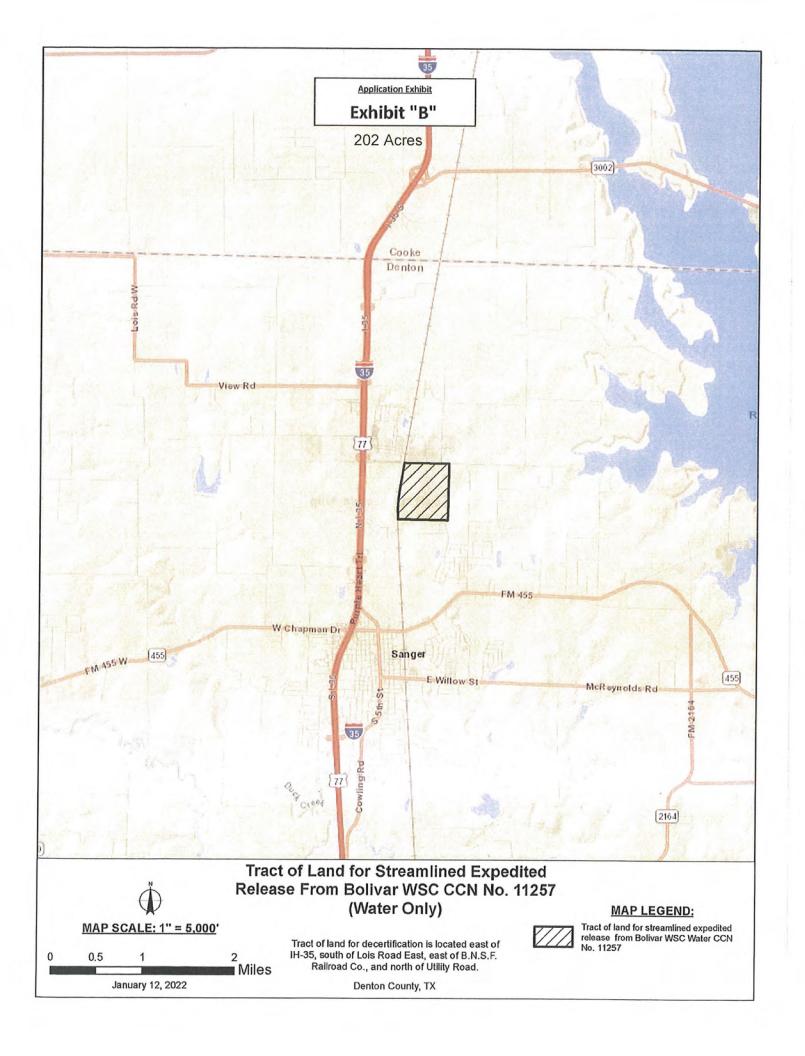


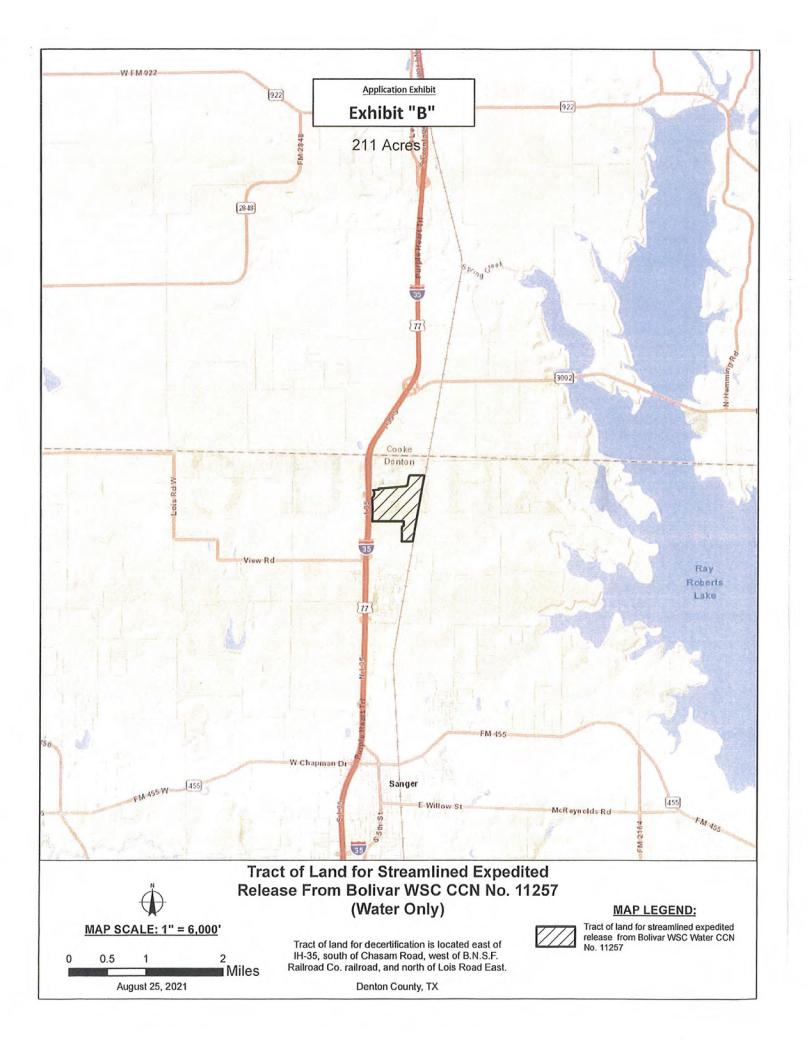
Large Scale Map

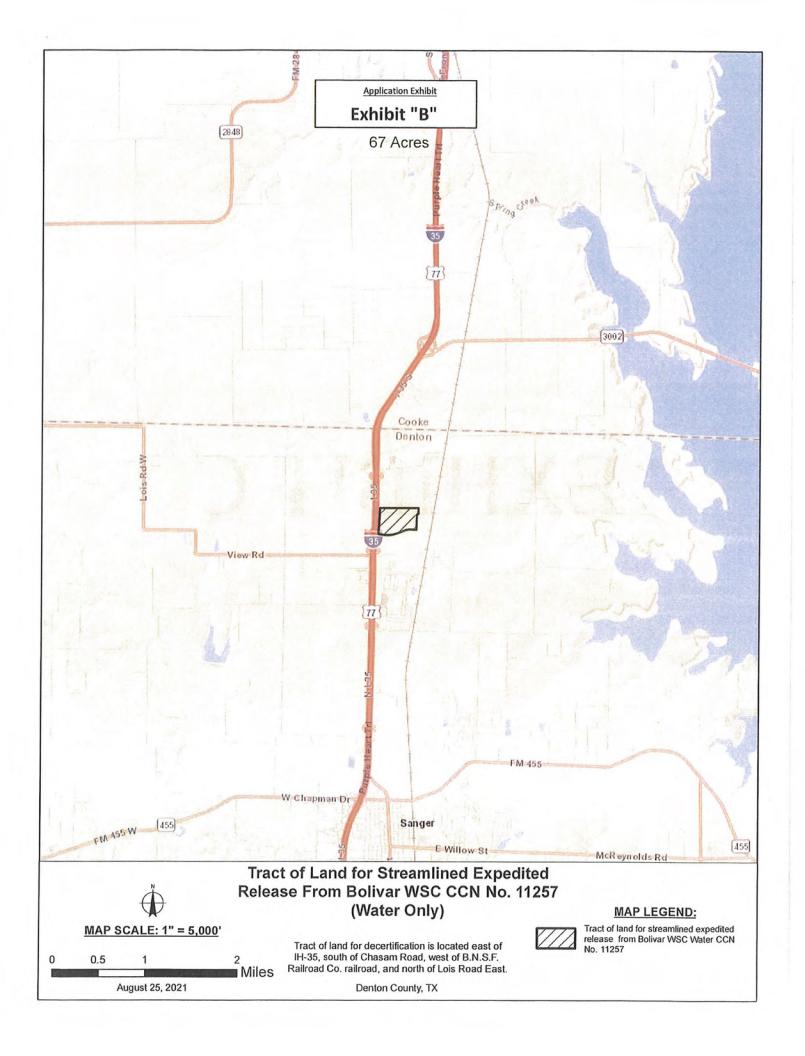
Trails of Jordan Creek
City of Krum, Denton County, Texas



CCM Engineering 2570 FM 407, Suite 209 Highland Village, Texas 75077 Ph: 972.691.6633 TBPE Firm #605







PLANNING REPORT

FOR

WATER FACILITY IMPROVEMENTS

YEAR 2022 THROUGH 2032

BOLIVAR WATER SUPPLY CORPORATION

COOKE, DENTON & WISE COUNTY, TEXAS

June, 2022

Board of Directors

Kevin Kemplin – President
Janell Shelton – Vice-President
Freida Ashcraft – Secretary/Treasurer
D.L. Bowles – Director
Tommy J. Rhodes – Director
John Kubicek – Director
Bob Montgomery – Director
Fred Yeatts – Director
Kim Markel - Director

James Parkman - General Manager



Biggs & Mathews, Inc. (F-834) Consulting Engineers 2500 Brook Ave. Wichita Falls, Texas 76301

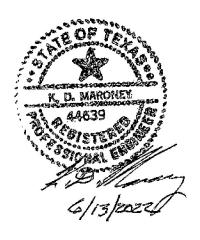


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- 1.0 GENERAL
- 2.0 EXISTING SYSTEM FACILITIES
- 3.0 PROJECTIONS & DISTRIBUTION OF FUTURE GROWTH
- 4.0 SUMMARY OF PROPOSED SYSTEM IMPROVEMENTS 2022-2032
- 5.0 REPORT CLOSURE AND RECOMMENDATIONS

APPENDIX A:

System Pressure Plane Map

1.0 GENERAL

Bolivar Water Supply Corporation (BWSC), Public Water System (PWS) I.D. No. TX0610049, was formed February 24,1969 for the purpose of supplying potable water to unincorporated areas within Cooke, Denton, and Wise County. In accordance with their Certification of Convenience and Necessity (CCN No. 11257) dated November 1,1979 BWSC was granted a service area that covers approximately 212,035 acres (331 square miles) within portions of three (3) counties. As of January 2022, the system serves 3,671 active connections with an anticipated annual system growth of approximately 100 connections per year.

In an attempt to maintain the level of service in their certificated area and to maintain compliance with the Texas Commission on Environmental Quality (TCEQ), the Board of Directors continues to evaluate and plan for the required future system expansion in a timely manner.

2.0 EXISTING SYSTEM FACILITIES

Currently the BWSC system is segmented into seven (7) pressure planes with the capability of being able to move water between selected planes on an emergency basis or when growth occurs near common pressure plane boundaries. Moving water between planes requires operator intervention, by opening and closing selected system valves as needed. Each pressure plane is served by water supply wells, ground storage facilities, pump stations and elevated storage based on the number of connections served in each plane. The following is a listing of each pressure plane and facilities serving that plane in addition to a system pressure plane map. (See Appendix A).

Pressure Plane No. 1 - 514 Connections - 22,000 Acres (Acres Served 19,000)

- > 100,000 Gallon Elevated Tank \$500,000
- Pump Station & Ground Storage \$850,000
- > 3 Water Supply Wells \$2,250,000
- Distribution System \$4,785,000
- Existing Connections 514
- ➤ Estimated Value of Facilities \$8,385,000
- Estimated Value of Facilities per Acre Served \$441

<u>Pressure Plane No. 2 - 512 Connections - 24,000 Acres (Acres Served 16,000)</u>

- > 100,000 Gallon Elevated Tank \$500,000
- 2 Pump Stations & Ground Storage \$ 1,700,000
- > 3 Water Supply Wells \$2,250,000
- Distribution System \$9,720,000
- Existing Connections 512
- Estimated Value of Facilities \$14,170,000
- Estimated Value of Facilities per Acre Served \$886

Pressure Plane No. 2A - 30 Connections - 35 Acres (Acres Serve 35)

- > 2,500 Gallon Pressure Tank \$30,000
- > Pump Station & Ground Storage \$100,000
- ➤ Water Supply Well \$100,000
- Distribution System \$160,000
- Existing Connections 30
- > Estimated Value of Facilities \$390,000
- Estimated Value of Facilities per Acre Served \$11,143

Pressure Plane No. 3 - 1,121 Connections - 60,000 Acres (Acres Served 45,000)

- > 300,000 Gallon Elevated Tank \$1,500,000
- 100,000 Gallon Elevated Tank \$500,000
- > 3 Pump Station & Ground Storage \$2,550,000
- 5 Water Supply Wells \$3,750,000
- Distribution System \$11,925,000
- ➤ Existing Connections 1,121
- ➤ Estimated Value of Facilities 20,225,000
- Estimated Value of Facilities per Acre Served \$449

Pressure Plane No. 4 - 607 Connections - 24,000 Acres (Acres Served 20,000)

- 100,000 Gallon Elevated Tank \$500,000
- Pump Station & Ground Storage \$850,000
- ➤ 4 Water Supply Wells \$3,000,000
- Distribution system \$10,675,000
- ➤ Existing Connections 607
- Estimated Value of Facilities \$15,025,000
- Estimated Value of Facilities per Acre Served \$752

Pressure Plane No. 5 - 569 Connections - 25,000 Acres (Acres Served 24,000)

- > 100,000 Gallon Elevated Tank \$500,000
- Pump Station & Ground Storage \$850,000
- > 3 Water Supply Wells \$2,250,000
- Distribution System \$11,200,000
- Existing Connections 589
- Estimated Value of Facilities \$14,800,000
- Estimated Value of Facilities per Acre Served \$617

Pressure Plane No. 6 - 298 Connections - 57,000 Acres (Acres Served 45,000)

- ➤ 100,000 Gallon Elevated Tank \$500,000
- 2 Pump Station & Ground Storage Tank \$1,700,000
- > 3 Water Supply Wells \$2,250,000
- Distribution System \$12,012,500
- ➤ Existing Connections 298
- Estimated Value of Facilities \$16,462,500
- Estimated Value of Facilities per Acre Served \$365

3.0 PROJECTIONS & DISTRIBUTION OF FUTURE GROWTH

Though is it very difficult to project which portions of the system might experience the most growth in the future, the historical growth over the last two (2) years can be an indicator of future growth distribution within each of the pressure planes as shown below:

- > 3% of the growth occurred in Pressure Plane No. 1
- > 4% of the growth occurred in Pressure Plane No. 2
- > 0% of the growth occurred in Pressure Plane No. 2A
- > 30% of the growth occurred in Pressure Plane No. 3
- > 30% of the growth occurred in Pressure Plane No. 4
- > 30% of the growth occurred in Pressure Plane No. 5
- > 3% of the growth occurred in Pressure Plane No. 6

Assuming over the next ten (10) years that the annual system wide growth averages 100 connections per year, the total active connections for the system could grow by approximately 1,000 connections by the year 2032, for a total of 4,671 active connections. Furthermore, based on the above historical growth distribution, the estimated total connections in each pressure plane by the year 2032 would be as shown below:

- \triangleright Pressure Plane No. 1 544 connections
- \triangleright Pressure Plane No. 2 552 connections
- \triangleright Pressure Plane No. 2A 30 connections
- \triangleright Pressure Plane No. 3 1.421 connections
- \triangleright Pressure Plane No. 4 907 connections
- \triangleright Pressure Plane No. 5 869 connections
- \triangleright Pressure Plane No. 6 328 connections

In summary, through the year 2032, assuming all existing water supply, pressure maintenance, and storage facilities remain operational at their current capacity, 3 out of the 7 existing pressure planes will need additional pressure maintenance facilities and additional water supply sources. As shown below, new elevated storage tanks and new groundwater supply wells are proposed for Pressure Plane No. 3, Pressure Plane No. 4, and Pressure Plane No. 5.

4.0 SUMMARY OF PROPOSED SYSTEM IMPROVEMENTS 2022-2032

Pressure Plane No. 3 – Improvements \$2,200,000

- 300,000 Gallon Elevated Tank \$1,500,000
- ➤ Water Supply Well \$700,000

Pressure Plane No. 4 – Improvements \$2,200,000

- 300,000 Gallon Elevated Tank \$1,500,000
- ➤ Water Supply Well \$700,000

Pressure Plane No. 5 - Improvements \$2,200,000

- > 300,000 Gallon Elevated Tank \$1,500,000
- ➤ Water Supply Well \$700,000

ESTIMATED CONSTRUCTION COSTS FOR IMPROVEMENTS - \$6,600,000.

5.0 REPORT CLOSURE AND RECOMMENDATIONS

BWSC should continue to closely monitor both the over-all system growth and the growth distribution within each of the seven (7) pressure planes and continue to look for opportunities to acquire additional well, pump station, and/or storage tank sites as various areas are developed and/or as existing well production capacities diminish.

Furthermore, BWSC should consider providing for the distribution line capacity to allow for some limited fire flows throughout some of the higher density developments. Typically, this capacity can be achieved by installing a minimum of 8" diameter distribution lines along with looping/interconnecting 6" diameter lines within the system.

APPENDIX A

