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APPLICATION OF LIQUID UTILITIES § PUBLIC UTILITY COMMISSION
LLC FOR A CERTIFICATE OF §
CONVENIENCE AND NECESSITY IN § OF TEXAS
MONTGOMERY COUNTY §

MOTION TO ADMIT EVIDENCE

I. INTRODUCTION

On January 26, 2022, Liquid Utilities LLC (LU) filed an application to obtain a Sewer Certificate of Convenience and Necessity (CCN) in Montgomery County. The requested service area consists of 55 acres and 159 proposed connections.

On March 17, 2023, the administrative law judge filed Order No. 11 requiring LU to provide clarifications and move to admit the clarifications and any supplemental evidence by March 31, 2023. Therefore, this pleading is timely filed.

II. MOTION TO ADMIT EVIDENCE

LU requests that the following evidence be admitted into the record:

- (1) Letter of clarification including attachments (Attachment A – Pro Forma, Attachment B – Certificate of Completion of the Wastewater Treatment Plant, and Attachment C – copy of TPDES Transfer Application filed with TCEQ).

III. CONCLUSION

LU respectfully request that the items listed above be admitted into the record of this proceeding as evidence.

Dated: March 23, 2023

Respectfully Submitted,
LIQUID UTILITIES, LLC

/s/ Shelley Young
Shelley Young, P.E.
Engineer for Liquid Utilities LLC

DOCKET NO. 53149

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 March 23, 2023, in accordance with the Second Order Suspending Rules, issued in Project No. 50665

/s/ Shelley Young
Shelley Young, P.E.



WATERENGINEERS, INC.

WATER & WASTEWATER TREATMENT CONSULTANTS

17230 HUFFMEISTER ROAD, SUITE A~CYPRESS, TEXAS 77429-1643

TEL: 281-373-0500 FAX: 281-373-1113

March 23, 2023

Public Utility Commission of Texas
Central Records
1701 N. Congress, Suite 8-100
Austin, TX 78701

Re: APPLICATION OF BIG LIQUID UTILITIES LLC FOR A CERTIFICATE OF
CONVENIENCE AND NECESSITY IN MONTGOMERY COUNTY
DOCKET NO. 53149

Dear Public Utility Commission of Texas:

Please accept this letter as response to the need for clarification request dated March 17, 2023 from Administrative Law Judge Christina Denmark (ALJ).

I. Rate Study and Information to Support its Proposed Tariff: The ALJ was unable to locate a rate study, an estimated completion date for construction of the physical plant, and an estimate of the date service will begin for all phases of construction.

The rate study and all assumptions used in the rate study can be found in the pro forma that was labeled “Attachment C – Proposed Tariff and Pro Forma” of the original application filing and are marked as Pages 34-40. The pro forma has been attached hereto as Attachment A for ease of review.

The wastewater treatment plant has been built and is ready to put into service. Please see the attached Affidavit of Completion for the wastewater treatment plant (See Attachment B). Additionally, the confidential filing by Liquid Utilities LLC on 12/9/2022, contains information pertaining to this question.

II. Texas Commission on Environmental Quality (TCEQ) Permit: A TPDES Transfer Form was filed with TCEQ on March 23, 2023 to transfer TPDES Permit WQ0015921001 from 1486 Asset LLC to Liquid Utilities LLC. (See Attachment C)

Please feel free to contact me if you require any additional information or if you have any questions regarding this submittal.

Sincerely,
WATERENGINEERS, INC.

Shelley Young

Shelley Young, P.E.
Project Engineer

ATTACHMENT A

PRO FORMA

**FINANCIAL ASSUMPTIONS AND DATA
FOR NEW SEWER CCN APPLICATION
BY LIQUID UTILITIES LLC**

INCOME AND EXPENSE

Development Rate, New Connections/Month =	15.0					
Maximum Number of Connections =	159					
AVERAGE ANNUAL WATER USE/EQUIV. CONN. =	200	GAL/DAY				
AVERAGE ANNUAL WATER USE/EQUIV. CONN. =	6,000	GAL/MONTH				
BASE WATER RATE =	\$0.00	Gal Included	-	Plus	\$0.00	/1000 GAL
WATER CONSERVATION RATE =	\$0.00	Gal In Excess of		-	Gal/Month	
SEWER RATE =	\$80.00	Gal Included	All		\$0.00	1000 GAL
EXCESS SEWER USE RATE =	\$0.00	/Gal in Excess of		-	Gal/Month	
AVERAGE MONTHLY WATER/SEWER BILL/CONN. =	\$78.00					
Water Tap Fee =						
Sewer Tap Fee =	\$1,250.00					
BAD DEBTS =	1.00%	OF SALES				
CAPITAL INVESTMENT SCHEDULE (CUMMULATIVE)	FY0	FY1	FY2	FY3	FY4	FY5
WATER PLANT CONSTRUCTION COST =		\$0	\$0	\$0	\$0	\$0
WWTP CONSTRUCTION COST =		\$790,000	\$790,000	\$790,000	\$790,000	\$790,000
WATER DISTRIBUTION SYSTEM CONSTRUCTION COST =	\$0.00	\$0	\$0	\$0	\$0	\$0
SEWAGE COLLECTION SYSTEM CONSTRUCTION COST =	\$0.00	\$202,000	\$202,000	\$202,000	\$202,000	\$202,000
TOTAL SYSTEM CONSTRUCTION COST =		\$992,000	\$992,000	\$992,000	\$992,000	\$992,000
CONTRIBUTIONS IN AID OF CONSTRUCTION =		\$0	\$0	\$0	\$0	\$0
NET SYSTEM CAPITAL COST TO UTILITY =		\$992,000	\$992,000	\$992,000	\$992,000	\$992,000
SALVAGE VALUE =		\$0	\$0	\$0	\$0	\$0
AVG LIFE, YEARS =		48	48	48	48	48
DEPRECIATION/MONTH =		\$1,722	\$1,722	\$1,722	\$1,722	\$1,722

VARIABLE OPERATING COSTS

EMPLOYEE SALARIES =	\$1,000	/Mo. Plus	\$3.00	/CONNECTION
OFFICE EXPENSE COST =	\$100	/Mo. Plus	\$1.00	/CONNECTION
CUSTOMER BILLING/COLLECTION COST =	\$100	/Mo. Plus	\$3.00	/CONNECTION
OPERATOR COST =	\$2,450	/Mo. Plus	\$2.00	/CONNECTION
VEHICLE & EQUIPMENT COST =	\$0	/Mo. Plus	\$0.00	/CONNECTION
ELEC. COST =	\$300	/Mo. Plus	\$5.00	/CONNECTION
CHEMICAL COST =	\$100	/Mo. Plus	\$2.00	/CONNECTION
SLUDGE DISPOSAL COST =	\$350	/Mo. Plus	\$2.50	/CONNECTION
TCEQ PERMIT & LAB FEES =	\$75	/Mo. Plus	\$1.00	/CONNECTION
REPAIR COST/MO., % CAP =	0.075%	Of Invested Capital		
RESERVE ACCT DEPOSIT/MO., % CAP =	0.075%	Of Invested Capital		

FIXED OPERATING COSTS

LABORATORY COST =	\$300	/Mo. Plus	\$1.00	/CONNECTION
PROFESSIONAL FEES =	\$100	/Mo. Plus	\$1.00	/CONNECTION
EFFECTIVE LOCAL TAX RATE =	\$0.50	/ \$100		
LIAB/PROP INSURANCE =	\$0.50	/ \$100		

Fiscal Year		Seasonal	Projected	Projected	Projected
Month		Use	Use	Monthly Cost	Monthly
		Multiplier	Gal/Day	for Water/Sewer	Bill (*)
1	JAN	0.65	130	\$ 80.00	\$80.80
2	FEB	0.65	130	\$ 80.00	\$80.80
3	MAR	0.75	150	\$ 80.00	\$80.80
4	APR	1.00	200	\$ 80.00	\$80.80
5	MAY	1.20	240	\$ 80.00	\$80.80
6	JUN	1.35	270	\$ 80.00	\$80.80
7	JUL	1.35	270	\$ 80.00	\$80.80
8	AUG	1.35	270	\$ 80.00	\$80.80
9	SEP	1.20	240	\$ 80.00	\$80.80
10	OCT	1.10	220	\$ 80.00	\$80.80
11	NOV	0.75	150	\$ 80.00	\$80.80
12	DEC	0.65	130	\$ 80.00	\$80.80
SUMMATION		12.00	200.00	\$960.00	\$969.60

(*) Including 1% TCEQ Regulatory Assessment (Sales Tax)

**PROJECTED INCOME & EXPENSE STATEMENT
FOR NEW SEWER CCN APPLICATION
BY LIQUID UTILITIES LLC**

FISCAL YEAR 1 -2022

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
TOTAL ON-LINE CONNECTIONS.	0.0	0.0	0.0	15.0	30.0	45.0	60.0	75.0	90.0	105.0	120.0	135.0	675
Seasonal Multiplier, mo. avg/ annual avg	0.65	0.65	0.75	1.00	1.20	1.35	1.35	1.35	1.20	1.10	0.75	0.65	12.00
Monthly Water Use/Customer, Gal	4,030	3,640	4,650	6,000	7,440	8,100	8,370	8,370	7,200	6,820	4,500	4,030	
Monthly Water Use in Base Rate, Gal	-	-	-	-	-	-	-	-	-	-	-	-	
Monthly Water Use Subject to Water Charge, Gal	-	-	-	-	-	-	-	-	-	-	-	-	
Monthly Water income Per Customer, \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monthly Sewer Use in Base Rate, Gal	-	-	-	-	-	-	-	-	-	-	-	-	
Monthly Sewer Use Subject to Sewer Charge, Gal	4,030	3,640	4,650	6,000	7,440	8,100	8,370	8,370	7,200	6,820	4,500	4,030	
Monthly Sewer Income Per Customer, \$	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 960.00
Monthly Water Bill, \$	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 960.00
Total Monthly Water Pumped, Gal	0	0	0	90,000	223,200	364,500	502,200	627,750	648,000	716,100	540,000	544,050	4,255,800
GROSS WATER/SEWER USE INCOME	\$0	\$0	\$0	\$1,200	\$2,400	\$3,600	\$4,800	\$6,000	\$7,200	\$8,400	\$9,600	\$10,800	\$54,000
RESERVE FOR BAD DEBTS	\$0	\$0	\$0	\$12	\$24	\$36	\$48	\$60	\$72	\$84	\$96	\$108	\$540
WATER/SEWER INCOME (ADJUSTED)	\$0	\$0	\$0	\$1,188	\$2,376	\$3,564	\$4,752	\$5,940	\$7,128	\$8,316	\$9,504	\$10,692	\$53,460
TAP FEE INCOME	\$0	\$0	\$0	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$168,750
TOTAL MONTHLY INCOME	\$0	\$0	\$0	\$19,938	\$21,126	\$22,314	\$23,502	\$24,690	\$25,878	\$27,066	\$28,254	\$29,442	\$222,210
EXPENSE													
GENERAL & ADMINISTRATIVE													
OFFICE EXPENSE	\$100	\$100	\$100	\$115	\$130	\$145	\$160	\$175	\$190	\$205	\$220	\$235	\$1,875
EMPLOYEE SALARIES	\$1,000	\$1,000	\$1,000	\$1,045	\$1,090	\$1,135	\$1,180	\$1,225	\$1,270	\$1,315	\$1,360	\$1,405	\$14,025
PROFESSIONAL FEES	\$100	\$100	\$100	\$115	\$130	\$145	\$160	\$175	\$190	\$205	\$220	\$235	\$1,875
INSURANCE	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$4,960
ADVALOREM TAXES	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$4,960
TCEQ PERMIT FEES	\$75	\$75	\$75	\$90	\$105	\$120	\$135	\$150	\$165	\$180	\$195	\$210	\$1,575
MONTHLY G&A	\$2,102	\$2,102	\$2,102	\$2,192	\$2,282	\$2,372	\$2,462	\$2,552	\$2,642	\$2,732	\$2,822	\$2,912	\$29,270
OPERATIONS													
OPERATOR COST	\$2,450	\$2,450	\$2,450	\$2,480	\$2,510	\$2,540	\$2,570	\$2,600	\$2,630	\$2,660	\$2,690	\$2,720	\$30,750
VEHICLE & EQUIPMENT COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUSTOMER BILLING COST	\$100	\$100	\$100	\$145	\$190	\$235	\$280	\$325	\$370	\$415	\$460	\$505	\$3,225
ELECTRICITY	\$300	\$300	\$300	\$375	\$450	\$525	\$600	\$675	\$750	\$825	\$900	\$975	\$6,975
CHEMICAL COST	\$100	\$100	\$100	\$130	\$160	\$190	\$220	\$250	\$280	\$310	\$340	\$370	\$2,550
SLUDGE DISPOSAL COST	\$350	\$350	\$350	\$388	\$425	\$463	\$500	\$538	\$575	\$613	\$650	\$688	\$5,888
TAP MAT'L & FIELD LABOR COST	\$0	\$0	\$0	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$168,750
REPAIR COSTS	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$8,928
CONTRIBUTION TO RESERVE ACCT	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$8,928
MONTHLY O & M COST	\$4,788	\$4,788	\$4,788	\$23,756	\$23,973	\$24,191	\$24,408	\$24,626	\$24,843	\$25,061	\$25,278	\$25,496	\$235,994
TOTAL MONTHLY EXPENSE	\$0	\$0	\$0	\$25,947	\$26,255	\$26,562	\$26,870	\$27,177	\$27,485	\$27,792	\$28,100	\$28,407	\$244,595
NET INCOME OR EXPENSE/MONTH	\$0	\$0	\$0	(\$6,009)	(\$5,129)	(\$4,248)	(\$3,368)	(\$2,487)	(\$1,607)	(\$726)	\$154	\$1,035	(\$22,385)

**PROJECTED INCOME & EXPENSE STATEMENT
FOR NEW SEWER CCN APPLICATION
BY LIQUID UTILITIES LLC**

FISCAL YEAR 2 - 2023

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
TOTAL ON-LINE EQUIVALENT CONN.	150	159	159	159	159	159	159	159	159	159	159	159	1,899
Seasonal Multiplier, mo. avg/ annual avg	0.65	0.65	0.75	1.00	1.20	1.35	1.35	1.35	1.20	1.10	0.75	0.65	12.00
Monthly Water Use/Customer, Gal	4,030	3,640	4,650	6,000	7,440	8,100	8,370	8,370	7,200	6,820	4,500	4,030	
Monthly Water Use in Base Rate, Gal	-	-	-	-	-	-	-	-	-	-	-	-	
Monthly Water Use Subject to Surcharge, Gal	-	-	-	-	-	-	-	-	-	-	-	-	
Monthly Water Income Per Customer, \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monthly Sewer Use in Base Rate, Gal	All	All	All	All	All	All	All	All	All	All	All	All	
Monthly Sewer Use Subject to Sewer Charge, Gal	4,030	3,640	4,650	6,000	7,440	8,100	8,370	8,370	7,200	6,820	4,500	4,030	
Monthly Sewer Income Per Customer, \$	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 960.00
Monthly Water Bill, \$	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 960.00
Total Monthly Water Pumped, Gal	604,500	578,760	739,350	954,000	1,182,960	1,287,900	1,330,830	1,330,830	1,144,800	1,084,380	715,500	640,770	11,594,580
GROSS WATER/SEWER USE INCOME	\$12,000	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$151,920
RESERVE FOR BAD DEBTS	\$120	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$1,519
WATER/SEWER INCOME (ADJUSTED)	\$11,880	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$150,401
TAP FEE INCOME	\$18,750	\$11,250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,000
TOTAL MONTHLY INCOME	\$30,630	\$23,843	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$180,401
EXPENSE													
GENERAL & ADMINISTRATIVE													
OFFICE EXPENSE	\$250	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$3,099
EMPLOYEE SALARIES	\$1,450	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$17,697
PROFESSIONAL FEES	\$250	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$3,099
INSURANCE	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$4,960
ADVALOREM TAXES	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$4,960
TCEQ PERMIT FEES	\$225	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$2,799
TOTAL G&A	\$3,002	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$36,614
OPERATIONS													
OPERATOR COST	\$2,750	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$33,198
VEHICLE & EQUIPMENT COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUSTOMER BILLING COST	\$550	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$6,897
ELECTRICITY	\$1,050	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$13,095
CHEMICAL COST	\$400	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$4,998
SLUDGE DISPOSAL COST	\$725	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$8,948
TAP MAT'L & FIELD LABOR COST	\$18,750	\$11,250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,000
REPAIR COSTS	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$8,928
CONTRIBUTION TO RESERVE ACCT	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$8,928
MONTHLY O & M COST	\$25,713	\$18,344	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$114,992
TOTAL MONTHLY EXPENSE	\$28,715	\$21,399	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$151,606
NET INCOME OR EXPENSE/MONTH	\$1,915	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$28,795

**PROJECTED INCOME & EXPENSE STATEMENT
FOR NEW SEWER CCN APPLICATION
BY LIQUID UTILITIES LLC**

FISCAL YEAR 3 - 2024

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
TOTAL ON-LINE EQUIVALENT CONN.	159	159	159	159	159	159	159	159	159	159	159	159	1,908
Seasonal Multiplier, mo. avg/ annual avg	0.65	0.65	0.75	1.00	1.20	1.35	1.35	1.35	1.20	1.10	0.75	0.65	12.00
Monthly Water Use/Customer, Gal	4,030	3,640	4,650	6,000	7,440	8,100	8,370	8,370	7,200	6,820	4,500	4,030	
Monthly Water Use in Base Rate, Gal	-	-	-	-	-	-	-	-	-	-	-	-	
Monthly Water Use Subject to Surcharge, Gal	-	-	-	-	-	-	-	-	-	-	-	-	
Monthly Water Income Per Customer, \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monthly Sewer Use in Base Rate, Gal	All	All	All	All	All	All	All	All	All	All	All	All	
Monthly Sewer Use Subject to Sewer Charge, Gal	4,030	3,640	4,650	6,000	7,440	8,100	8,370	8,370	7,200	6,820	4,500	4,030	
Monthly Sewer Income Per Customer, \$	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 960.00
Monthly Water Bill, \$	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 960.00
Total Monthly Water Pumped, Gal	0	0	0	0	0	0	0	0	0	0	0	0	0
GROSS WATER/SEWER USE INCOME	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$152,640
RESERVE FOR BAD DEBTS	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$1,526
WATER/SEWER INCOME (ADJUSTED)	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$151,114
TAP FEE INCOME	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL MONTHLY INCOME	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$151,114
EXPENSE													
GENERAL & ADMINISTRATIVE													
OFFICE EXPENSE	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$3,108
EMPLOYEE SALARIES	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$17,724
PROFESSIONAL FEES	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$3,108
INSURANCE	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$4,960
ADVALOREM TAXES	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$4,960
TCEQ PERMIT FEES	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$2,808
TOTAL G&A	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$36,668
OPERATIONS													
OPERATOR COST	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$33,216
VEHICLE & EQUIPMENT COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUSTOMER BILLING COST	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$6,924
ELECTRICITY	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$13,140
CHEMICAL COST	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$5,016
SLUDGE DISPOSAL COST	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$8,970
TAP MAT'L & FIELD LABOR COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
REPAIR COSTS	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$8,928
CONTRIBUTION TO RESERVE ACCT	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$8,928
MONTHLY O & M COST	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$85,122
TOTAL MONTHLY EXPENSE	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$121,790
NET INCOME OR EXPENSE/MONTH	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$29,324

**PROJECTED INCOME & EXPENSE STATEMENT
FOR NEW SEWER CCN APPLICATION
BY LIQUID UTILITIES LLC**

FISCAL YEAR 4 - 2025

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
TOTAL ON-LINE EQUIVALENT CONN.	159	159	159	159	159	159	159	159	159	159	159	159	1,908
Seasonal Multiplier, mo. avg/ annual avg	0.65	0.65	0.75	1.00	1.20	1.35	1.35	1.35	1.20	1.10	0.75	0.65	12.00
Monthly Water Use/Customer, Gal	4,030	3,640	4,650	6,000	7,440	8,100	8,370	8,370	7,200	6,820	4,500	4,030	
Monthly Water Use in Base Rate, Gal	-	-	-	-	-	-	-	-	-	-	-	-	
Monthly Water Use Subject to Surcharge, Gal	-	-	-	-	-	-	-	-	-	-	-	-	
Monthly Water Income Per Customer, \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monthly Sewer Use in Base Rate, Gal	All	All	All	All	All	All	All	All	All	All	All	All	
Monthly Sewer Use Subject to Sewer Charge	4,030	3,640	4,650	6,000	7,440	8,100	8,370	8,370	7,200	6,820	4,500	4,030	
Monthly Sewer Income Per Customer, \$	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 960.00
Monthly Water Bill, \$	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 960.00
Total Monthly Water Pumped, Gal	0	0	0	0	0	0	0	0	0	0	0	0	0
GROSS WATER/SEWER USE INCOME	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$152,640
RESERVE FOR BAD DEBTS	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$1,526
WATER/SEWER INCOME (ADJUSTED)	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$151,114
TAP FEE INCOME	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL MONTHLY INCOME	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$151,114
EXPENSE													
GENERAL & ADMINISTRATIVE													
OFFICE EXPENSE	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$3,108
EMPLOYEE SALARIES	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$17,724
PROFESSIONAL FEES	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$3,108
INSURANCE	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$4,960
ADVALOREM TAXES	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$4,960
TCEQ PERMIT FEES	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$2,808
TOTAL G&A	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$36,668
OPERATIONS													
OPERATOR COST	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$33,216
VEHICLE & EQUIPMENT COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUSTOMER BILLING COST	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$6,924
ELECTRICITY	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$13,140
CHEMICAL COST	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$5,016
SLUDGE DISPOSAL COST	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$8,970
TAP MAT'L & FIELD LABOR COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
REPAIR COSTS	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$8,928
CONTRIBUTION TO RESERVE ACCT	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$8,928
MONTHLY O & M COST	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$85,122
TOTAL MONTHLY EXPENSE	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$121,790
NET INCOME OR EXPENSE/MONTH	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$29,324

**PROJECTED INCOME & EXPENSE STATEMENT
FOR NEW SEWER CCN APPLICATION
BY LIQUID UTILITIES LLC**

FISCAL YEAR 5 - 2026

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
TOTAL ON-LINE EQUIVALENT CONN.	159	159	159	159	159	159	159	159	159	159	159	159	1,908
Seasonal Multiplier, mo. avg/ annual avg	0.65	0.65	0.75	1.00	1.20	1.35	1.35	1.35	1.20	1.10	0.75	0.65	12.00
Monthly Water Use/Customer, Gal	4,030	3,640	4,650	6,000	7,440	8,100	8,370	8,370	7,200	6,820	4,500	4,030	
Monthly Water Use in Base Rate, Gal	-	-	-	-	-	-	-	-	-	-	-	-	
Monthly Water Use Subject to Surcharge, Ga	-	-	-	-	-	-	-	-	-	-	-	-	
Monthly Water Income Per Customer, \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monthly Sewer Use in Base Rate, Gal	All	All	All	All	All	All	All	All	All	All	All	All	
Monthly Sewer Use Subject to Sewer Charge	4,030	3,640	4,650	6,000	7,440	8,100	8,370	8,370	7,200	6,820	4,500	4,030	
Monthly Sewer Income Per Customer, \$	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 960.00
Monthly Water Bill, \$	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 960.00
Total Monthly Water Pumped, Gal	0	0	0	0	0	0	0	0	0	0	0	0	0
GROSS WATER/SEWER USE INCOME	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$12,720	\$152,640
RESERVE FOR BAD DEBTS	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$127	\$1,526
WATER/SEWER INCOME (ADJUSTED)	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$151,114
TAP FEE INCOME	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL MONTHLY INCOME	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$12,593	\$151,114
EXPENSE													
GENERAL & ADMINISTRATIVE													
OFFICE EXPENSE	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$3,108
EMPLOYEE SALARIES	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$1,477	\$17,724
PROFESSIONAL FEES	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$259	\$3,108
INSURANCE	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$4,960
ADVALOREM TAXES	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$413	\$4,960
TCEQ PERMIT FEES	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$2,808
TOTAL G&A	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$3,056	\$36,668
OPERATIONS													
OPERATOR COST	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$2,768	\$33,216
VEHICLE & EQUIPMENT COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUSTOMER BILLING COST	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$577	\$6,924
ELECTRICITY	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$1,095	\$13,140
CHEMICAL COST	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$418	\$5,016
SLUDGE DISPOSAL COST	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$748	\$8,970
TAP MAT'L & FIELD LABOR COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
REPAIR COSTS	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$8,928
CONTRIBUTION TO RESERVE ACCT	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$744	\$8,928
MONTHLY O & M COST	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$85,122
TOTAL MONTHLY EXPENSE	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$10,149	\$121,790
NET INCOME OR EXPENSE/MONTH	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$2,444	\$29,324

**SUMMARY OF INCOME & EXPENSE
FOR NEW SEWER CCN APPLICATION
BY LIQUID UTILITIES LLC**

PROJECTED INCOME & EXPENSE PROJECTIONS

	DECEMBER 31					
	FY 0	FY 1	FY 2	FY 3	FY 4	FY 5
AVERAGE NUMBER OF CUSTOMERS	0	56	158	159	159	159
TOTAL ANNUAL WATER USE	0	4,255,800	11,594,580	0	0	0
WATER/SEWER USE INCOME (ADJUSTED)	\$0	\$53,460	\$150,401	\$151,114	\$151,114	\$151,114
TAP FEE INCOME	\$0	\$168,750	\$30,000	\$0	\$0	\$0
TOTAL ANNUAL INCOME	\$0	\$222,210	\$180,401	\$151,114	\$151,114	\$151,114
EXPENSE						
GENERAL & ADMINISTRATIVE						
OFFICE EXPENSE	\$0	\$1,875	\$3,099	\$3,108	\$3,108	\$3,108
EMPLOYEE SALARIES	\$0	\$14,025	\$17,697	\$17,724	\$17,724	\$17,724
PROFESSIONAL FEES	\$0	\$1,875	\$3,099	\$3,108	\$3,108	\$3,108
INSURANCE	\$0	\$4,960	\$4,960	\$4,960	\$4,960	\$4,960
ADVALOREM TAXES	\$0	\$4,960	\$4,960	\$4,960	\$4,960	\$4,960
TCEQ PERMIT FEES	\$0	\$1,575	\$2,799	\$2,808	\$2,808	\$2,808
TOTAL G&A	\$0	\$29,270	\$36,614	\$36,668	\$36,668	\$36,668
OPERATIONS						
OPERATOR COST	\$0	\$30,750	\$33,198	\$33,216	\$33,216	\$33,216
VEHICLE & EQUIPMENT COST	\$0	\$0	\$0	\$0	\$0	\$0
CUSTOMER BILLING COST	\$0	\$3,225	\$6,897	\$6,924	\$6,924	\$6,924
ELECTRICITY	\$0	\$6,975	\$13,095	\$13,140	\$13,140	\$13,140
CHEMICAL COST	\$0	\$2,550	\$4,998	\$5,016	\$5,016	\$5,016
SLUDGE DISPOSAL COST	\$0	\$5,888	\$8,948	\$8,970	\$8,970	\$8,970
TAP MAT'L & FIELD LABOR COST	\$0	\$168,750	\$30,000	\$0	\$0	\$0
REPAIR COSTS	\$0	\$8,928	\$8,928	\$8,928	\$8,928	\$8,928
CONTRIBUTION TO RESERVE ACCT	\$0	\$8,928	\$8,928	\$8,928	\$8,928	\$8,928
TOTAL OPERATING COST	\$0	\$235,994	\$114,992	\$85,122	\$85,122	\$85,122
TOTAL MONTHLY EXPENSE	\$0	\$244,595	\$151,606	\$121,790	\$121,790	\$121,790
INCOME (LOSS) BEFORE DEPRECIATION	\$0	(\$22,385)	\$28,795	\$29,324	\$29,324	\$29,324
DEPRECIATION	\$0	\$20,667	\$20,667	\$20,667	\$20,667	\$20,667
NET INCOME (LOSS)	\$0	(\$43,051)	\$8,129	\$8,657	\$8,657	\$8,657

PROJECTED BALANCE SHEET

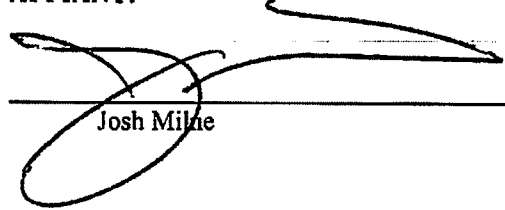
	FY 0	FY 1	FY 2	FY 3	FY 4	FY 5
ASSETS						
CASH (CHECKING)	\$350,000	\$327,616	\$256,411	\$35,734	\$65,058	\$94,382
RESERVE ACCOUNT	\$0	\$8,928	\$17,856	\$26,784	\$35,712	\$44,640
ACCOUNTS RECEIVABLE	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL CURRENT ASSETS	\$350,000	\$336,544	\$274,267	\$62,518	\$100,770	\$139,022
PROPERTY AND EQUIPMENT						
WATER PLANT	\$0	\$0	\$0	\$0	\$0	\$0
WASTEWATER PLANT	\$0	\$790,000	\$790,000	\$790,000	\$790,000	\$790,000
WATER DISTRIBUTION LINES	\$0	\$0	\$0	\$0	\$0	\$0
SEWAGE COLLECTION LINES	\$0	\$202,000	\$202,000	\$202,000	\$202,000	\$202,000
TOTAL PROPERTY AND EQUIPMENT	\$0	\$992,000	\$992,000	\$992,000	\$992,000	\$992,000
LESS ACCUMULATED DEPRECIATION	\$0	\$20,667	\$41,333	\$62,000	\$82,667	\$103,333
TOTAL PROPERTY & EQUIPMENT, NET	\$0	\$971,333	\$950,667	\$930,000	\$909,333	\$888,667
TOTAL ASSETS	\$350,000	\$1,307,877	\$1,224,933	\$992,518	\$1,010,103	\$1,027,688
RETURN ON INVESTED CAPITAL ASSETS, %		-4.43%	0.86%	0.93%	0.95%	0.97%
LIABILITIES AND CAPITAL						
LIABILITIES						
ACCOUNTS PAYABLE	\$0	\$0	\$0	\$0	\$0	\$0
SHORT TERM DEBT	\$350,000	\$350,000	\$250,000	\$0	\$0	\$0
ACCRUED RESERVES	\$0	\$8,928	\$17,856	\$26,784	\$35,712	\$44,640
LONG TERM DEBT	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL LIABILITIES	\$350,000	\$358,928	\$267,856	\$26,784	\$35,712	\$44,640
OWNER/STOCKHOLDER EQUITY						
COMMON STOCK	\$0	\$992,000	\$992,000	\$992,000	\$992,000	\$992,000
RETAINED EARNINGS (CUMMULATIVE)	\$0	\$0	(\$43,051)	(\$34,923)	(\$26,266)	(\$17,609)
NET INCOME	\$0	(\$43,051)	\$8,129	\$8,657	\$8,657	\$8,657
TOTAL CAPITAL	\$0	\$948,949	\$957,077	\$965,734	\$974,391	\$983,048
TOTAL LIABILITIES + CAPITAL	\$350,000	\$1,307,877	\$1,224,933	\$992,518	\$1,010,103	\$1,027,688

ATTACHMENT B

AFFIDAVIT OF COMPLETION OF WASTEWATER TREATMENT PLANT

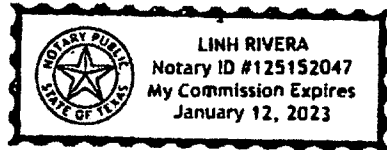
Signature Page 1 of 1 to the Affidavit of Completion

AFFIANT:



Josh Milne

SUBSCRIBED AND SWORN TO BEFORE ME on this the 17th day of November, 2022 to certify which witness my hand and seal of office.





NOTARY PUBLIC IN AND FOR THE
STATE OF T E X A S

My commission expires: 1.12.2023

AFTER RECORDING RETURN TO:

THIRD COAST BANK SSB
Attn: Loan Operations/Post Closing
20202 Highway 59 North, Suite 190
Humble, Texas 77338

EXHIBIT "A"

TRACT I

Being a 53.148 acre tract of land situated in the Ann White Survey, Abstract Number 43, of Montgomery County, Texas, and being the same tract of land described in deed recorded in Clerk's File Number 2012002730, of the Real Property Records Montgomery County, Texas; said 53.148 acres being more particularly described as follows with all bearings based on the South Line of the subject tract per the Recorded Deed;

BEGINNING at a 3/8 inch iron rod, found for the Southeast corner of the herein described tract, common with the Southwest corner of a called 1.969 acres as described in deed recorded in Clerk's File Number 9648674, of said Real Property Records, same being in the North line of the residual of a called 24.081 acres as described in deed recorded in Clerk's File Number 2018114189, of said Real Property Records, and proceeding:

THENCE N 88°51'00" W, along the South line of the herein described tract, common with the North line of the 24.081 acres and the North line of a called 1.500 acres as described in deed recorded in Clerk's File Number 2018114189, of said Real Property Records, a distance of 1566.43 feet, to a point in the centerline of Little Caney Creek, for the Southwest corner of the herein described tract, common with the Southeast corner of a called 9.88 acres as described in deed recorded in Clerk's File Number 2006-067992, of said Real Property Records;

THENCE along the West line of the herein described tract, common with the East line of the 9.88 acres, the East line of a called 53.162 acres as described in deed recorded in Clerk's File Number 2011060886, of said Real Property Records, and the centerline of Little Caney Creek, the following courses:

N 20°11'36" E, a distance of 83.83 feet;
N 19°00'16" W, a distance of 56.60 feet;
N 60°20'16" W, a distance of 86.87 feet;
N 80°44'37" W, a distance of 81.81 feet;
N 88°03'50" W, a distance of 181.79 feet;
N 23°35'02" W, a distance of 52.65 feet;
N 14°16'14" W, a distance of 106.82 feet;
S 89°14'11" W, a distance of 65.83 feet;
N 28°54'46" W, a distance of 213.85 feet;
N 45°54'26" W, a distance of 54.02 feet;
N 36°15'42" E, a distance of 33.93 feet;
S 79°27'48" E, a distance of 237.99 feet;
N 66°49'30" E, a distance of 27.07 feet;
N 11°37'34" E, a distance of 38.73 feet;
N 33°44'56" W, a distance of 109.43 feet;
N 00°55'38" E, a distance of 100.43 feet;
N 13°40'19" W, a distance of 97.66 feet;
N 04°11'28" W, a distance of 102.32 feet;
N 10°59'18" W, a distance of 60.44 feet;
N 84°07'11" W, a distance of 71.68 feet;
N 24°14'47" W, a distance of 47.32 feet;
N 71°34'10" E, a distance of 77.61 feet;
S 68°26'22" E, a distance of 25.23 feet;

N 69°54'38" E, a distance of 36.40 feet, to a point for the Northwest corner of the herein described tract, common with the Southwest corner of a called 29.402 acres as described in deed recorded in Clerk's File Number 2017027049, of said Real Property Records;

THENCE N 84°55'34" E, along the North line of the herein described tract, common with the South line of the 29.402 acres, a distance of 519.59 feet, to a point for corner of the herein described tract;

EXHIBIT "A"

THENCE N 86°15'49" E, continuing along the North line of the herein described tract, common with the South line of the 29.402 acres and the South line of a called 1.0 acre as described in deed recorded in Clerk's File Number 2017077429, of said Real Property Records, a distance of 1434.00 feet, to 5/8 inch iron rod, found for the Northeast corner of the herein described tract, common with the Southeast corner of the 1.0 acre, same being in the West right-of-way line of FM 1486;

THENCE S 05°30'00" E, along the upper East line of the herein described tract, common with the West right-of-way line of FM 1486, a distance of 12.70 feet, to a 3/8 inch iron rod, found for corner of the herein described tract, common with the North corner of a called 0.87 acre as described in deed recorded in Clerk's File Number 8143189, of said Real Property Records;

THENCE S 27°06'00" W, along a Southeast line of the herein described tract, common with the Northwest line of the 0.87 acre, a distance of 47.22 feet, to 1/2 inch iron rod, found for an interior corner of the herein described tract, common with the Northwest corner of the 0.87 acre;

THENCE S 00°14'39" W, along the lower East line of the herein described tract, common with the West line of the 0.87 acre and the West line of the 1.969 acres, a distance of 1244.71 feet, back to the POINT OF BEGINNING and containing 53.148 acres of land as computed based on the survey and plat prepared by C & C Surveying, Inc., dated August 13, 2020.

TRACT II

Being a 1.969 acre tract of land situated in the Ann White Survey, Abstract Number 43, of Montgomery County, Texas, and being the same tract of land described in deed recorded in Clerk's File Number 9648674, of the Real Property Records of Montgomery County, Texas; said 1.969 acres being more particularly described as follows with all bearings based on the South line of a called 53.418 acres as described in deed recorded in Clerk's File Number 2012002730, of said Real Property Records;

BEGINNING at a 3/8 inch iron rod, found for the Southwest corner of the herein described tract, common with the Southeast corner of the 53.418 acres, same being in the North line of the residual of a called 24.081 acres as described in deed recorded in Clerk's File Number 2018114189, of said Real Property Records, and proceeding:

THENCE N 00°14'39" E, along the West line of the herein described tract, common with the lower East line of the 53.418 acres, a distance of 625.98 feet, to a 5/8 inch iron rod, found for the Northwest corner of the herein described tract, common with the Southwest corner of a called 0.87 acre as described in deed recorded in Clerk's File Number 8143189, of said Real Property Records;

THENCE N 83°09'03" E, along the North line of the herein described tract, common with the South line of the 0.87 acre, a distance of 97.25 feet, to a 1/2 inch iron rod, found for the Northeast corner of the herein described tract, common with the Southeast corner of the 0.87 acre, same being in the West right-of-way line of FM 1486;

THENCE S 06°22'46" E, along the East line of the herein described tract, common with the West right-of-way line of FM 1486, a distance of 655.71 feet, to 3/8 inch iron rod, found for the Southeast corner of the herein described tract, common with the Northeast corner of the 24.081 acres;

THENCE N 85°19'25" W, along the South line of the herein described tract, common with the North line of the 24.081 acres, a distance of 172.66 feet, back to the POINT OF BEGINNING and containing 1.969 acres of land as computed based on the survey and plat prepared by C & C Surveying, Inc., dated August 13, 2020.

ATTACHMENT C

TPDES TRANSFER APPLICATION

 **WATERENGINEERS, INC.**
WATER & WASTEWATER TREATMENT CONSULTANTS
17230 HUFFMEISTER ROAD, SUITE A~CYPRESS, TEXAS 77429-1643
TEL: 281-373-0500 FAX: 281-373-1113

Overnight by UPS

March 23, 2023

Texas Commission on Environmental Quality
Applications Review and Processing Team, MC 148
Building F Room 2101
12100 Park 35 Circle
Austin TX 78753

Re: Application for Transfer a Wastewater Permit from 1486 Asset LLC to Liquid Utilities
LLC
Liquid Utilities Wastewater Treatment Plant
TPDES Permit No. WQ0015921001

Dear Sir/Ms:

Enclosed please find the original and one copy of the Application for Transfer of a Wastewater Permit from 1486 Asset LLC to Liquid Utilities LLC. This action affects Texas Pollution Discharge Elimination System Permit No. WQ0015921001 for the Liquid Utilities Wastewater Treatment Plant.

Please contact Shelley Young, P.E. at 281-373-0500 or at syoung@waterengineers.com if there are any questions related to the material presented in the application.

Sincerely,
WATERENGINEERS, INC.



Shelley Young, P.E.

Encl: As noted



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
**APPLICATION TO TRANSFER A WASTEWATER PERMIT
OR CAFO PERMIT**

If you have questions about completing this form please contact the Applications Review and Processing Team at 512-239-4671.

SECTION 1. CURRENT PERMIT INFORMATION

What is the Permit Number? WQ0015921001

What is the EPA I.D. Number? TX 0140589

What is the Current Name on the Permit?

1486 Asset LLC

What is the Customer Number (CN) for the current permittee? CN 605813880

What is the Regulated Entity Reference Number (RN): RN 111101868

For Publicly Owned Treatment Works (POTWs) Only:

- a) Does this permit require implementation of an approved pretreatment program by the POTW? Yes No
- b) Does this permit have a domestic reclaimed water authorization associated with it?
NOTE: The domestic reclaimed water authorization associated with this permit will be cancelled on the same date the transfer took place. See instructions for more information.
Yes No

SECTION 2. FACILITY OWNER (APPLICANT) INFORMATION

A. What is the Legal Name of the facility owner?

Liquid Utilities LLC

B. What is the Customer Number (CN) issued to this entity? CN new

C. Complete and attach a Core Data Form (TCEQ-10400) for this customer.

SECTION 3. CO-APPLICANT INFORMATION

Complete this section only if another person or entity is required to apply as a co-permittee.

A. What is the Legal Name of the co-applicant applying for this permit?

N/A

B. What is the Customer Number (CN) issued to this entity? CN

C. Complete and attach a Core Data Form (TCEQ-10400) for this customer.

SECTION 4. APPLICATION CONTACT INFORMATION

This is the person TCEQ will contact if additional information is needed about this application.

Application Contact First and Last Name: Shelley Young

Title: Engineer Credentials: P.E.

Company Name: WaterEngineers, Inc.

Mailing Address: 17230 Huffmeister Road, Suite A

City, State, and Zip Code: Cypress, TX 77429

Phone Number: 281-373-0500 Fax Number: 281-373-1113

E-mail Address: syong@waterengineers.com

SECTION 5. PERMIT CONTACT INFORMATION

This is the person TCEQ will contact if additional information is needed during the term of the permit.

Permit Contact First and Last Name: Josh Milne

Title: Managing Member Credentials:

Company Name: Liquid Utilities LLC

Mailing Address: 6315B Farm-to-Market Road 1488, Suite 192

City, State, and Zip Code: Magnolia, Texas 77354

Phone Number: 832-443-6455 Fax Number:

E-mail Address: milnejosh1@gmail.com

SECTION 6. SITE INFORMATION

Site Name: 1486 Asset WWTP (changing to Liquid Utilities WWTP)

SECTION 7. LEASE AND EASEMENT REQUIREMENTS

A. Landowner where the facility is or will be located:

Landowner Name: 55 AL LLC

If this individual is not the same person as the facility owner or co-applicant, attach one of the following documents:

- A lease agreement or deed recorded easement, if the facility is NOT a fixture of the land, or
- A deed recorded easement if the facility IS a fixture of the land.

B. Landowner of the effluent disposal site:

Landowner Name: N/A

If this individual is not the same person as the facility owner or co-applicant, attach a lease agreement.

C. For CAFOs: Attach the following records:

- Warranty Deed or Property Tax Records
- Lease Agreement (for land management units that are not owned by the facility owner or co-applicant)

Facility Size on the proof of ownership, in acres:

SECTION 8. TRANSFER DATE

What is the date that the transfer of operator or ownership will occur? 4/26/2022

SECTION 9. REPORTING AND BILLING INFORMATION

A. Please identify the individual for receiving the reporting forms.

First and Last Name: Dana Blair

Title: Operations Manager Credentials:

Company Name: FlowWatch, Inc.

Mailing Address: 17230 Huffmeister Road, Suite C

City, State, and Zip Code: Cypress, Texas 77429

Phone Number: 281-373-4401 Fax Number:

E-mail Address: dblair@flowwatch.net

B. Please identify the individual for receiving the annual fee invoices.

First and Last Name: Dawn Milne

Title: Managing Member Credentials: CPA

Company Name: Milne & Associates

Mailing Address: 6315B FM 1488 Road, Suite 192

City, State, and Zip Code: Magnolia, Texas 77354

Phone Number: 832-691-9750 Fax Number: .

E-mail Address: dawn@dawnepa.com

SECTION 10. DELINQUENT FEES OR PENALTIES

Do you owe fees to the TCEQ? Yes No

Do you owe any penalties to the TCEQ? Yes No

If you answered yes to either of the above questions, provide the amount owed, the type of fee or penalty, and an identifying number.

.....

TRANSFEROR SIGNATURE (Current Facility Owner)

I consent to the transfer of the permit and I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations. I further certify that I am authorized under 30 Texas Administrative Code Section 305.44 to sign this document and can provide documentation in proof of such authorization upon request.

Facility Owner Name: 1486 Asset LLC – Josh Milne

Title: Managing Member

Signature: [Handwritten Signature] Date: 3/22/2023

SUBSCRIBED AND SWORN to before me by the said JOSH MILNE on

this 22ND day of MARCH, 20 23

My commission expires on the 2ND day of FEBRUARY, 20 27

[Handwritten Signature]
Notary Public

MONTGOMERY
County, Texas



TRANSFeree SIGNATURE (New Facility Owner)

I certify that a change of ownership of the facility for the subject permit has been issued will occur as indicated in the application. As a condition of the transfer, I do hereby declare that:

The transferee will be the owner of the existing treatment facility from which wastewater is discharged, deposited or disposed or the facilities required to comply with the permit will be constructed as described in the application considered by the TCEQ prior to the issuance of the permit.

The transferee possesses a copy of the permit, understands the terms and conditions therein, and does accept and assume all obligations of the permit.

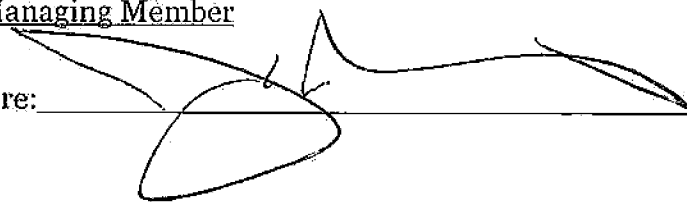
The transferee assumes financial responsibility for the proper maintenance and operation of all waste treatment and disposal facilities required by the permit or which may be required to comply with the permit terms and conditions. The transferee certifies that the transfer is not made for the purpose of avoiding liability for improper actions carried out prior to the date of transfer. Neither is the transfer made for the purpose of transferring responsibility for improper operations to an insolvent entity.

The transferee certifies under penalty of law that this document is, to the best of my knowledge and belief, true, accurate, and complete. I am aware there are significant penalties for submitting false information, including the possibility of fine and imprisonment for known violations and revocation of this permit.

New Facility Owner: Liquid Utilities LLC – Josh Milne

Title: Managing Member

Signature: _____



Date: _____

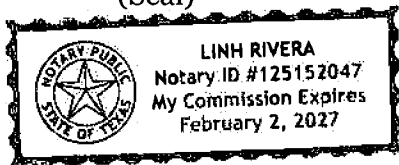
3/22/2023

SUBSCRIBED AND SWORN to before me by the said JOSH MILNE on

this 22ND day of MARCH, 2023

My commission expires on the 2ND day of FEBRUARY, 2027

(Seal)



Notary Public

MONTGOMERY
County, Texas



TCEQ Use Only

TCEQ Core Data Form

For detailed instructions regarding completion of this form, please read the Core Data Form Instructions or call 512-239-5175.

SECTION I: General Information

1. Reason for Submission (If other is checked please describe in space provided.)		
<input type="checkbox"/> New Permit, Registration or Authorization (Core Data Form should be submitted with the program application.)		
<input type="checkbox"/> Renewal (Core Data Form should be submitted with the renewal form)		<input checked="" type="checkbox"/> Other TPDES Transfer
2. Customer Reference Number (if issued)	Follow this link to search for CN or RN numbers in Central Registry**	3. Regulated Entity Reference Number (if issued)
CN		RN 111101838

SECTION II: Customer Information

4. General Customer Information		5. Effective Date for Customer Information Updates (mm/dd/yyyy)	
<input checked="" type="checkbox"/> New Customer		<input type="checkbox"/> Update to Customer Information	
<input type="checkbox"/> Change in Legal Name (Verifiable with the Texas Secretary of State or Texas Comptroller of Public Accounts)		<input type="checkbox"/> Change in Regulated Entity Ownership	
The Customer Name submitted here may be updated automatically based on what is current and active with the Texas Secretary of State (SOS) or Texas Comptroller of Public Accounts (CPA).			
6. Customer Legal Name (If an individual, print last name first: eg: Doe, John)		If new Customer, enter previous Customer below:	
Liquid Utilities LLC			
7. TX SOS/CPA Filing Number	8. TX State Tax ID (11 digits)	9. Federal Tax ID (9 digits)	10. DUNS Number (if applicable)
0803640392	32074504450		
11. Type of Customer:		Partnership: <input type="checkbox"/> General <input checked="" type="checkbox"/> Limited	
Government: <input type="checkbox"/> City <input type="checkbox"/> County <input type="checkbox"/> Federal <input type="checkbox"/> State <input type="checkbox"/> Other		<input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other:	
12. Number of Employees		13. Independently Owned and Operated?	
<input checked="" type="checkbox"/> 0-20 <input type="checkbox"/> 21-100 <input type="checkbox"/> 101-250 <input type="checkbox"/> 251-500 <input type="checkbox"/> 501 and higher		<input type="checkbox"/> Yes <input type="checkbox"/> No	
14. Customer Role (Proposed or Actual) – as it relates to the Regulated Entity listed on this form. Please check one of the following:			
<input checked="" type="checkbox"/> Owner		<input type="checkbox"/> Operator	
<input type="checkbox"/> Occupational Licensee		<input type="checkbox"/> Responsible Party	
<input type="checkbox"/> Owner & Operator		<input type="checkbox"/> Voluntary Cleanup Applicant	
<input type="checkbox"/> Other:			
15. Mailing Address:	6315-B FM 1488, #192		
	City	Magnolia	State TX ZIP 77354 ZIP + 4
16. Country Mailing Information (if outside USA)		17. E-Mail Address (if applicable)	
		milnejosh1@gmail.com	
18. Telephone Number		19. Extension or Code	
(832) 443-6455			
		20. Fax Number (if applicable)	
		() -	

SECTION III: Regulated Entity Information

21. General Regulated Entity Information (If 'New Regulated Entity' is selected below this form should be accompanied by a permit application)	
<input checked="" type="checkbox"/> New Regulated Entity <input type="checkbox"/> Update to Regulated Entity Name <input type="checkbox"/> Update to Regulated Entity Information	
The Regulated Entity Name submitted may be updated in order to meet TCEQ Agency Data Standards (removal of organizational endings such as Inc, LP, or LLC.)	
22. Regulated Entity Name (Enter name of the site where the regulated action is taking place.)	
Liquid Utilities Wastewater Treatment Plant (Please change from 1486 Asset WWTP)	

23. Street Address of the Regulated Entity: <i>(No PO Boxes)</i>	1997 N. FM 1486						
	City	Montgomery	State	TX	ZIP	77356	ZIP + 4
24. County	Montgomery						

Enter Physical Location Description if no street address is provided.

25. Description to Physical Location:								
26. Nearest City	Montgomery				State	TX	Nearest ZIP Code	77356
27. Latitude (N) In Decimal:	30.392669			28. Longitude (W) In Decimal:	95.785925			
Degrees	Minutes	Seconds	Degrees	Minutes	Seconds			
30	23	33.61	-95	47	09.33			
29. Primary SIC Code (4 digits)	30. Secondary SIC Code (4 digits)	31. Primary NAICS Code (5 or 6 digits)		32. Secondary NAICS Code (5 or 6 digits)				
6515		531190						
33. What is the Primary Business of this entity? <i>(Do not repeat the SIC or NAICS description.)</i>								
Mobile Home Park								
34. Mailing Address:	6315-B FM 1488, #192							
	City	Magnolia	State	TX	ZIP	77354	ZIP + 4	
35. E-Mail Address:		milnejosh1@gmail.com						
36. Telephone Number		37. Extension or Code		38. Fax Number <i>(if applicable)</i>				
(832) 443-6455				() .				

39. TCEQ Programs and ID Numbers Check all Programs and write in the permits/registration numbers that will be affected by the updates submitted on this form. See the Core Data Form instructions for additional guidance.

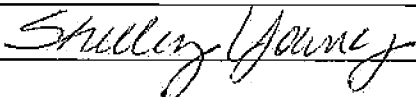
<input type="checkbox"/> Dam Safety	<input type="checkbox"/> Districts	<input type="checkbox"/> Edwards Aquifer	<input type="checkbox"/> Emissions Inventory Air	<input type="checkbox"/> Industrial Hazardous Waste
<input type="checkbox"/> Municipal Solid Waste	<input type="checkbox"/> New Source Review Air	<input type="checkbox"/> OSSF	<input type="checkbox"/> Petroleum Storage Tank	<input type="checkbox"/> PWS
<input type="checkbox"/> Sludge	<input type="checkbox"/> Storm Water	<input type="checkbox"/> Title V Air	<input type="checkbox"/> Tires	<input type="checkbox"/> Used Oil
<input type="checkbox"/> Voluntary Cleanup	<input checked="" type="checkbox"/> Waste Water	<input type="checkbox"/> Wastewater Agriculture	<input type="checkbox"/> Water Rights	<input type="checkbox"/> Other:
	New			

SECTION IV: Preparer Information

40. Name:	Shelley Young	41. Title:	Consulting Engineer
42. Telephone Number	43. Ext./Code	44. Fax Number	45. E-Mail Address
(281) 373-0500		(281) 373-1113	syong@waterengineers.com

SECTION V: Authorized Signature

46. By my signature below, I certify, to the best of my knowledge, that the information provided in this form is true and complete, and that I have signature authority to submit this form on behalf of the entity specified in Section II, Field 6 and/or as required for the updates to the ID numbers identified in field 39.

Company:	WaterEngineers, Inc.	Job Title:	Engineer
Name (In Print):	Shelley Young	Phone:	(281) 373-0500
Signature:		Date:	3/23/2003

WATERENGINEERS, INC.

WATER & WASTEWATER TREATMENT CONSULTANTS
17230 HUFFMEISTER ROAD, SUITE A-CYPRESS, TEXAS 77429-1643
TEL: 281-373-0500 FAX: 281-373-1113

Overnight by UPS

March 23, 2023

Texas Commission on Environmental Quality
Revenues Section, MC 214
12100 Park 35 Circle
Austin TX 78753

Re: Application for Transfer a Wastewater Permit from 1486 Asset LLC
To Liquid Utilities LLC
TPDES Permit No. WQ0015921001
Liquid Utilities Wastewater Treatment Plant

Dear Sir/Ms:

Enclosed please find check number 1012 in the amount of \$100.00 for the Application for Transfer of a Wastewater Permit from 1486 Asset LLC to Liquid Utilities LLC. This action affects Texas Pollution Discharge Elimination System Permit No. WQ0015921001, for the Liquid Utilities Wastewater Treatment Plant.

Please contact Shelley Young, P.E. at 281-373-0500 or at syoung@waterengineers.com if there are any questions related to the material presented in the application.

Sincerely,

1012

WATERENGINEERS, INC.

17230 HUFFMEISTER ROAD, SUITE A
CYPRESS, TX 77429
(281) 373-0500

Amegy Bank

PO Box 27400
Houston, Texas 77227-1400
AmegyBank.com *112.205.4610
35-1125/1130

3/23/2023

PAY TO THE ORDER OF TCEQ

\$ 100.00

One Hundred and 00/100

DOLLARS

TCEQ
12100 PARK 35 CIRCLE
MC 214
AUSTIN, TX 78753-1808

MEMO

WQ0015921001 Permit Transfer

VOID AFTER NINETY DAYS

⑈00001012⑈ ⑆113011256⑆ 5801322529⑈