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Application for Sale, Transfer, or Merger of a Retail Public Utility

Pursuant to Texas Water Code § 13.301 and 16 Texas Administrative Code § 24.239

Sale, Transfer, or Merger (STM) Application Instructions

- I. **COMPLETE:** In order for the Commission to find the application sufficient for filing, the Applicant should:
 - i. Provide an answer to every question and submit any required attachment applicable to the STM request (i.e., agreements or contracts).
 - ii. Use attachments or additional pages to answer questions as necessary. If you use attachments or additional pages, reference their inclusion in the form.
 - iii. Provide all mapping information as detailed in Part G: Mapping & Affidavits.
- II. **FILE:** Seven (7) copies of the completed application with numbered attachments. One copy should be filed with no permanent binding, staples, tabs, or separators; and 7 copies of the portable electronic storage medium containing the digital mapping data.
 - i. **SEND TO:** Public Utility Commission of Texas, Attention: Filing Clerk, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326 (NOTE: Electronic documents may be sent in advance of the paper copy, however they will not be processed and added to the Commission's on-line Interchange until the paper copy is received and file-stamped in Central Records.)
- III. The application will be assigned a docket number, and an administrative law judge (ALJ) will issue an order requiring Commission Staff to file a recommendation on whether the application is sufficient. The ALJ will issue an order after Staff's recommendation has been filed:
 - i. **DEFICIENT (Administratively Incomplete):** Applicants will be ordered to provide information to cure the deficiencies by a certain date, usually 30 days from ALJ's order. *Application is not accepted for filing.*
 - ii. **SUFFICIENT (Administratively Complete):** Applicants will be ordered by the ALJ to give appropriate notice of the application using the notice prepared by Commission Staff. *Application is accepted for filing.*
- IV. Once the Applicants issue notice, a copy of the actual notice sent and an affidavit attesting to notice should be filed in the docket assigned to the application. Recipients of notice may request a hearing on the merits.

HEARING ON THE MERITS: An affected party may request a hearing within 30 days of notice. In this event, the application may be referred to the State Office of Administrative Hearings (SOAH) to complete this request.
- V. **TRANSACTION TO PROCEED:** at any time following the provision of notice, or prior to 120 days from the last date that proper notice was given, Commission Staff will file a recommendation for the transaction to proceed as proposed or recommend that the STM be referred to SOAH for further investigation. The Applicants will be required to file an update in the docket to the ALJ every 30 days following the approval of the transaction. The transaction must be completed within six (6) months from the ALJ's order (Note: The Applicants may request an extension to the 6 month provision for good cause).
- VI. **FILE:** Seven (7) copies of completed transaction documents and documentation addressing the transfer or disposition of any outstanding deposits. After receiving all required documents from the Applicants, the application will be granted a procedural schedule for final processing. The Applicants are requested to consent in writing to the proposed maps and certificates, or tariff if applicable.
- VII. **FINAL ORDER:** The ALJ will issue a final order issuing or amending the applicable CCNs.

FAQ:
Who can use this form?

Any retail public utility that provides water or wastewater service in Texas.

Who is required to use this form?

A retail public utility that is an investor owned utility (IOU) or a water supply corporation (WSC) prior to any STM of a water or sewer system, or utility, or prior to the transfer of a portion of a certificated service area.

Terms

Transferor: Seller

Transferee: Purchaser

CCN: Certificate of Convenience and Necessity

STM: Sale, Transfer, or Merger

IOU: Investor Owned Utility

Application Summary

Transferor: Cody and Anita Lewis dba Cassie Water Company, Deer Springs Water Company, & Water Works I and II
(selling entity)

CCN No.s: 11663, 11630, & 11674

Sale Transfer Merger Consolidation Lease/Rental

Transferee: CSWR-Texas Utility Operating Company, LLC
(acquiring entity)

CCN No.s: 13290

Water Sewer All CCN Portion CCN Facilities transfer

County(ies): Burnet and Llano

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Please mark the items included in this filing

<input checked="" type="checkbox"/> Contract, Lease, Purchase, or Sale Agreement	Part A: Question 1
<input checked="" type="checkbox"/> Tariff including Rate Schedule	Part B: Question 4
<input checked="" type="checkbox"/> List of Customer Deposits	Part B: Question 5
<input checked="" type="checkbox"/> Partnership Agreement LLC Agreement	Part C: Question 7
<input type="checkbox"/> Articles of Incorporation and By-Laws (WSC)	Part C: Question 7
<input checked="" type="checkbox"/> Certificate of Account Status	Part C: Question 7
<input checked="" type="checkbox"/> Financial Audit	Part C: Question 10
<input checked="" type="checkbox"/> Application Attachment A & B	Part C: Question 10
<input type="checkbox"/> Disclosure of Affiliated Interests	Part C: Question 10
<input checked="" type="checkbox"/> Capital Improvement Plan	Part C: Question 10
<input type="checkbox"/> List of Assets to be Transferred	Part D: 11.B
<input type="checkbox"/> Developer Contribution Contracts or Agreements	Part D: 11.D
<input type="checkbox"/> Enforcement Action Correspondence	Part E: Question 18 (Part D: Q12)
<input checked="" type="checkbox"/> TCEQ Compliance Correspondence	Part F: Question 22
<input type="checkbox"/> TCEQ Engineering Approvals	Part F: Question 24
<input checked="" type="checkbox"/> Purchased Water Supply or Treatment Agreement	Part F: Question 26
<input checked="" type="checkbox"/> Detailed (large scale) Map	Part G: Question 29
<input checked="" type="checkbox"/> General Location (small scale) Map	Part G: Question 29
<input type="checkbox"/> Digital Mapping Data	Part G: Question 29
<input checked="" type="checkbox"/> Signed & Notarized Oath	Page 13-14

Part A: General Information

1. Describe the proposed transaction, including the effect on all CCNs involved, and provide details on the existing or expected land use in the area affected by the proposed transaction. Attach all supporting documentation, such as a contract, a lease, or proposed purchase agreements:

CSWR-Texas Utility Operating Company, LLC ("CSWR Texas") will purchase all utility assets owned Cody and Anita Lewis dba Cassie Water Company, Deer Springs Water Company, & Water Works I and II ("Cassie, Deer Springs, Water Works") for purposes of operating its water system under CCN Nos. 11663, 11630, & 11674 as identified in Attachment A, which is a copy of the purchase agreement between CSWR Texas' affiliate, Central States Water Resources, Inc. ("Central States") and Cody and Anita Lewis. See Attachment B for a copy of the corporate organizational chart of CSWR Texas' upstream ownership.

2. The proposed transaction will require (check all applicable):

For **Transferee** (Purchaser) CCN:

For **Transferor** (Seller) CCN:

- Obtaining a NEW CCN for Purchaser
- Transfer all CCN into Purchaser's CCN (Merger)
- Transfer Portion of CCN into Purchaser's CCN
- Transfer all CCN to Purchaser and retain Seller CCN
- Uncertificated area added to Purchaser's CCN

- Cancellation of Seller's CCN
- Transfer of a Portion of Seller's CCN to Purchaser
- Only Transfer of Facilities, No CCN or Customers
- Only Transfer of Customers, No CCN or Facilities
- Only Transfer CCN Area, No Customers or Facilities

Part B: Transferor Information

Questions 3 through 5 apply only to the transferor (current service provider or seller)

3. A. Name: Cody and Anita Lewis dba Cassie Water Company, Deer Springs Water Company, & Water Works I and II
(individual, corporation, or other legal entity)

Individual Corporation WSC Other: _____

B. Mailing Address: P.O. BOX 61311 San Angelo, TX 76906

Phone: (512) 793-6126 Email: waterworksco@outlook.com

C. **Contact Person.** Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant, or other title.

Name: Cody Lewis and Anita Lewis Title: Owner and Co Owner

Mailing Address: P.O. BOX 61311 San Angelo, TX 76906

Phone: (512) 793-6126 Email: waterworksco@outlook.com

4. If the utility to be transferred is an Investor Owned Utility (IOU), for the most recent rate change, attach a copy of the current tariff and complete A through B: **See Attachment C. Tariff for Cassie 12/6/07; Deer Springs 5/1/09**

A. Effective date for most recent rates: July 1, 2019 - Water Works I & II

B. Was notice of this increase provided to the Public Utility Commission of Texas (Commission) or a predecessor regulatory authority?

No Yes Application or Docket Number: Please see attachment C.

If the transferor is a Water Supply or Sewer Service Corporation, provide a copy of the current tariff.

5. For the customers that will be transferred following the approval of the proposed transaction, check all that apply:

There are no customers that will be transferred

of customers without deposits held by the transferor 239

of customers with deposits held by the transferor* 21 **See Attachment D**

*Attach a list of all customers affected by the proposed transaction that have deposits held, and include a customer indicator (name or account number), date of each deposit, amount of each deposit, and any unpaid interest on each deposit.

Part C: Transferee Information

Questions 6 through 10 apply only to the *transferee* (purchaser or proposed service provider)

6. A. Name: CSWR-Texas Utility Operating Company, LLC
(individual, corporation, or other legal entity)

Individual Corporation WSC Other: LLC

B. Mailing Address: 1650 Des Peres Rd., Suite 303, St. Louis, Missouri 63131

Phone: (314) 736-4672 Email: regulatory@cswrgroup.com

C. **Contact Person.** Provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant, or other title.

Name: Wendy K.L. Harvel Title: Local Counsel

Address: Coffin Renner LLP, 1011 West 31st Street, Austin, Texas 78705

Phone: (512) 879-0970 Email: wendy.harvel@crtxlaw.com

D. If the transferee is someone other than a municipality, is the transferee current on the Regulatory Assessment Fees (RAF) with the Texas Commission on Environmental Quality (TCEQ)?

No Yes N/A

E. If the transferee is an IOU, is the transferee current on the Annual Report filings with the Commission?

No Yes N/A

7. The legal status of the transferee is:

Individual or sole proprietorship

Partnership or limited partnership (*attach* Partnership agreement)

Corporation
Charter number (as recorded with the Texas Secretary of State): _____

Non-profit, member-owned, member controlled Cooperative Corporation [Article 1434(a) Water Supply or Sewer Service Corporation, incorporated under TWC Chapter 67]

Charter number (as recorded with the Texas Secretary of State): _____

Articles of Incorporation and By-Laws established (*attach*)

Municipally-owned utility

District (MUD, SUD, WCID, FWSD, etc.)

- County
- Affected County (a county to which Subchapter B, Chapter 232, Local Government Code, applies)
- Other (please explain): Limited Liability Company. A copy of the LLC Operating Agreement is attached as Attachment E. See also Attachment F.

8. If the transferee operates under any d/b/a, provide the name below:

Name: The transferee does not operate under a d/b/a.

9. If the transferee's legal status is anything other than an individual, provide the following information regarding the officers, members, or partners of the legal entity applying for the transfer:

Name: CSWR-Texas Utility Operating Company, LLC (See Attachment B for a corporate organizational chart)

Position: Member Ownership % (if applicable): 100.00%

Address: 1650 Des Peres Rd., Suite 303, St. Louis, Missouri 63131

Phone: (314) 736-4672 Email: regulatory@cswrgroup.com

Name: Josiah Cox

Position: President; CSWR, LLC Ownership % (if applicable): 0.00%

Address: 1650 Des Peres Rd., Suite 303, St. Louis, Missouri 63131

Phone: (314) 736-4672 Email: jcox@cswrgroup.com

Name: Tom Rooney

Position: Chairman; CSWR, LLC Ownership % (if applicable): 0.00%

Address: _____

Phone: _____ Email: _____

Name: Dan Standen

Position: Board Member; CSWR, LLC Ownership % (if applicable): 0.00%

Address: _____

Phone: _____ Email: _____

10. **Financial Information**

The transferee Applicant must provide accounting information typically included within a balance sheet, income statement, and statement of cash flows. If the Applicant is an existing retail public utility, this must include historical financial information and projected financial information. However, projected financial information is only required if the Applicant proposes new service connections and new investment in plant, or if requested by Staff. If the Applicant is a new market entrant and does not have its own historical balance sheet, income statement, and statement of cash flows information, then the Applicant should establish a five-year projection taking the historical information of the transferor Applicant into consideration when establishing the projections.

Historical Financial Information may be shown by providing any combination of the following that includes necessary information found in a balance sheet, income statement, and statement of cash flows:

1. Completed Appendix A;
2. Documentation that includes all of the information required in Appendix A in a concise format; or
3. Audited financial statements issued within 18 months of the application filing date. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal.

See Attachments F & G.

Projected Financial Information may be shown by providing any of the following:

1. Completed Appendix B;
2. Documentation that includes all of the information required in Appendix B in a concise format;
3. A detailed budget or capital improvement plan, which indicates sources and uses of funds required, including improvements to the system being transferred; or
4. A recent budget and capital improvements plan that includes information needed for analysis of the operations test (16 Tex. Admin. Code § 24.11(e)(3)) for the system being transferred and any operations combined with the system. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal.

See Attachments F, G, H, I & J.

Part D: Proposed Transaction Details

11. A. Proposed Purchase Price: \$ _____ See Attachment A.

If the transferee Applicant is an investor owned utility (IOU) provide answers to B through D.

B. Transferee has a copy of an inventory list of assets to be transferred (*attach*):

No Yes N/A

Total Original Cost of Plant in Service: \$ 184,213.00

Accumulated Depreciation: \$ 0.00

Net Book Value: \$ 184,213.00

This system has not tracked depreciation expense. See Attachment K.

C. **Customer contributions in aid of construction (CIAC):** Have the customers been billed for any surcharges approved by the Commission or TCEQ to fund any assets currently used and useful in providing utility service? Identify which assets were funded, or are being funded, by surcharges on the list of assets.

No Yes

Total Customer CIAC: \$ 0.00

Accumulated Amortization: \$ 0.00

D. **Developer CIAC:** Did the transferor receive any developer contributions to pay for the assets proposed to be transferred in this application? If so, identify which assets were funded by developer contributions on the list of assets and provide any applicable developer agreements.

No Yes

Total developer CIAC: \$ 0.00

Accumulated Amortization: \$ 0.00

12. A. Are any improvements or construction required to meet the minimum requirements of the TCEQ or Commission and to ensure continuous and adequate service to the requested area to be transferred plus any area currently certificated to the transferee Applicant? Attach supporting documentation and any necessary TCEQ approvals, if applicable.

No Yes See Attachments H, I, I-1 and J.

B. If yes, describe the source and availability of funds and provide an estimated timeline for the construction of any planned or required improvements:

To the extent it is determined that improvements need to be made to the system, funds will be provided by a mix of equity and debt financing. Equity financing will be provided through an infusion from CSWR Texas' ultimate parent company CSWR, LLC ("CSWR"), of which Central States is the sole manager. A copy of the corporate organizational chart is provided as Attachment B. The source of debt financing will be determined after acquisition of the system. The exact timeline for construction has not yet been determined as approval from TCEQ will be sought as necessary following the acquisition, but CSWR Texas plans to move as quickly as possible to address any known issues on the system upon closing of the acquisition.

13. Provide any other information concerning the nature of the transaction you believe should be given consideration:

The acquired system is a distressed system and would benefit from the transition to a stable, long-term management team willing to make necessary investments to improve the system. See Responses to Questions Nos. 14, 16, 17 and 20 in Attachment K. For these reasons, the sale of assets promotes the interests of the public generally and benefits the transferring utility's customers.

14. Complete the following proposed entries (listed below) as shown in the books of the Transferee (purchaser) after the acquisition. Debits (positive numbers) should equal credits (negative numbers) so that all line items added together equal zero. Additional entries may be made; the following are suggested only, and not intended to pose descriptive limitations:

Utility Plant in Service:	\$ _____	See Attachments K and K-1 for the requested financial information.
Accumulated Depreciation of Plant:	\$ _____	
Cash:	\$ _____	
Notes Payable:	\$ _____	
Mortgage Payable:	\$ _____	
(Proposed) Acquisition Adjustment*:	\$ _____	
Other (NARUC account name & No.):	_____	* Acquisition Adjustments will be subject to review under 16 TAC § 24.41(d) and (e)
Other (NARUC account name & No.):	_____	

15. A. Explain any proposed billing change (NOTE: If the acquiring entity is an IOU, the IOU may not change the rates charged to the customers through this STM application. Rates can only be changed through the approval of a rate change application.)

CSWR Texas will adopt existing rates of service, including any temporary rates and surcharges that reflect the system's current cost of service and revenue requirement. CSWR Texas plans to continue the existing rates and surcharges until it files its next base rate proceeding. See Attachment C for a copy of the existing tariff.

B. If transferee is an IOU, state whether or not the transferee intends to file with the Commission, or an applicable municipal regulatory authority, an application to change rates for some or all of its customers as a result of the transaction within the next twelve months. If so, provide details below:

CSWR Texas plans to file an application to change rates after the system is acquired if operating expenses exceed revenue from rates or if current rates fail to provide a reasonable rate of return.

Part E: CCN Obtain or Amend Criteria Considerations

16. Describe, in detail, the anticipated impact or changes in the quality of retail public utility service in the requested area as a result of the proposed transaction:

See Attachment K.

17. Describe the transferee's experience and qualifications in providing continuous and adequate service. This should include, but is not limited to: other CCN numbers, water and wastewater systems details, and any corresponding compliance history for all operations.

See Attachment K.

18. Has the transferee been under an enforcement action by the Commission, TCEQ, Texas Department of Health (TDH), the Office of the Attorney General (OAG), or the Environmental Protection Agency (EPA) in the past five (5) years for non-compliance with rules, orders, or state statutes? Attach copies of any correspondence with the applicable regulatory agency(ies)

No Yes

19. Explain how the environmental integrity or the land will be impacted or disrupted as a result of the proposed transaction:

CSWR Texas will operate the system to ensure it is in compliance with all environmental regulations. CSWR Texas is not aware of any negative impacts or disruptions to the environment or land that would result from the transaction.

20. How will the proposed transaction serve the public interest?

See Attachment K.

21. List all neighboring water or sewer utilities, cities, districts (including ground water conservation districts), counties, or other political subdivisions (including river authorities) providing the same service within two (2) miles from the outer boundary of the requested area affected by the proposed transaction:

PENINSULA BLUFF LP (CCN 13148); CORIX UTILITIES TEXAS INC (CCN 13227); BUENA VISTA WATER SYSTEM (CCN 11656); CORIX UTILITIES TEXAS INC (CCN 13227); 3-G WSC (CCN 11565); RIVER OAKS WATER SYSTEM (CCN 11172)

Part F: TCEQ Public Water System or Sewer (Wastewater) Information

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: 0270047, 0270006, 1500018 & 1500019 (7 digit ID)

Name of PWS: Cassie Water Company, Deer Springs Water Company, & Water Works I and II

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)
See Attachment P

Subdivisions served: Cassie, Deer Springs, Floyd Acres and Island Lodges

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ - (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit *submitted* to TCEQ: _____

23. List the number of *existing* connections, by meter/connection type, to be affected by the proposed transaction:

Water				Sewer	
	Non-metered		2"		Residential
258	5/8" or 3/4"		3"		Commercial
1	1"		4"		Industrial
1	1 1/2"		Other		Other
Total Water Connections:			260	Total Sewer Connections:	

24. A. Are any improvements required to meet TCEQ or Commission standards?

No Yes

B. Provide details on each required major capital improvement necessary to correct deficiencies to meet the TCEQ or Commission standards (attach any engineering reports or TCEQ approval letters):

Description of the Capital Improvement:	Estimated Completion Date:	Estimated Cost:
See Attachments I and J		

C. Is there a moratorium on new connections?

No Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

No Yes: Water Works I and II are within Buchanan Dam, TX (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: 84 Sewer: _____

26. A. Does the system being transferred purchase water or sewer treatment capacity from another source?

No Yes: If yes, attach a copy of purchase agreement or contract.

Capacity is purchased from: Lake Buchanan Water System for Water Works I and II. No purchased water for Cassie or Deer Springs

Water: _____

Sewer: _____

B. Is the PWS required to purchase water to meet capacity requirements or drinking water standards?

No Yes

C. What is the amount of water supply or sewer treatment purchased, per the agreement or contract? What is the percent of overall demand supplied by purchased water or sewer treatment (if any)?

See Attachment K

	Amount in Gallons	Percent of demand
Water:		0.00%
Sewer:		0.00%

D. Will the purchase agreement or contract be transferred to the Transferee?

No Yes:

27. Does the PWS or sewer treatment plant have adequate capacity to meet the current and projected demands in the requested area?

No Yes: **See Attachment J.**

28. List the name, class, and TCEQ license number of the operator that will be responsible for the operations of the water or sewer utility service:

Name (as it appears on license)	Class	License No.	Water or Sewer
Zachary King	C	WG-0010543	Water
Timothy Young	A	WO-0029245	Water
Professional General Management Services Inc		WC0000203	Water

Part G: Mapping & Affidavits

ALL applications require mapping information to be filed in conjunction with the STM application. Read question 29 A and B to determine what information is required for your application.

29. A. For applications requesting to transfer an entire CCN, without a CCN boundary adjustment, provide the following mapping information with each of the seven (7) copies of the application: **See Attachments L & M**

1. A general location (small scale) map identifying the requested area in reference to the nearest county boundary, city, or town. The following guidance should be adhered to:
 - i. If the application requests to transfer certificated service areas for both water and sewer, separate maps must be provided for each.
 - ii. A hand drawn map, graphic, or diagram of the requested area is not considered an acceptable mapping document.

- iii. To maintain the integrity of the scale and quality of the map, copies must be exact duplicates of the original map. Therefore, copies of maps cannot be reduced or enlarged from the original map, or in black and white if the original map is in color.

- 2. A detailed (large scale) map identifying the requested area in reference to verifiable man-made and natural landmarks such as roads, rivers, and railroads. The Applicant should adhere to the following guidance:
 - i. The map must be clearly labeled and the outer boundary of the requested area should be marked in reference to the verifiable man-made or natural landmarks. These verifiable man-made or natural landmarks must be labeled and marked on the map as well.
 - ii. If the application requests an amendment for both water and sewer certificated service area, separate maps need to be provided for each.
 - iii. To maintain the integrity of the scale and quality of the map, copies must be exact duplicates of the original map. Therefore, copies of maps cannot be reduced or enlarged from the original map, or in black and white if the original map is in color.
 - iv. The outer boundary of the requested area should not be covered by any labels, roads, city limits or extraterritorial jurisdiction (ETJ) boundaries.

B. For applications that are requesting to include area not currently within a CCN, or for applications that require a CCN amendment (any change in a CCN boundary), such as the transfer of only a portion of a certificated service area, provide the following mapping information with each of the seven (7) copies of the application:

- 1. A general location (small scale) map identifying the requested area with enough detail to locate the requested area in reference to the nearest county boundary, city, or town. Please refer to the mapping guidance in part A 1 (above).
- 2. A detailed (large scale) map identifying the requested area with enough detail to accurately locate the requested area in reference to verifiable man-made or natural landmarks such as roads, rivers, or railroads. Please refer to the mapping guidance in part A 2 (above).
- 3. One of the following identifying the requested area:
 - i. A metes and bounds survey sealed or embossed by either a licensed state land surveyor or a registered professional land surveyor. Please refer to the mapping guidance in part A 2 (above);
 - ii. A recorded plat. If the plat does not provide sufficient detail, Staff may request additional mapping information. Please refer to the mapping guidance in part A 2 (above); or
 - iii. Digital mapping data in a shapefile (SHP) format georeferenced in either NAD 83 Texas State Plane Coordinate System (US Feet) or in NAD 83 Texas Statewide Mapping System (Meters). The digital mapping data shall include a single, continuous polygon record. The following guidance should be adhered to:
 - a. The digital mapping data must correspond to the same requested area as shown on the general location and detailed maps. The requested area must be clearly labeled as either the water or sewer requested area.
 - b. A shapefile should include six files (.dbf, .shp, .shx, .sbx, .sbn, and the projection (.prj) file).
 - c. The digital mapping data shall be filed on a data disk (CD or USB drive), clearly labeled, and filed with Central Records. Seven (7) copies of the digital mapping data is also required.

Part H: Notice Information

The following information will be used to generate the proposed notice for the application.
DO NOT provide notice of the application until it is found sufficient and the Applicants are ordered to provide notice.

30. Complete the following using verifiable man-made or natural landmarks such as roads, rivers, or railroads to describe the requested area (to be stated in the notice documents). Measurements should be approximated from the outermost boundary of the requested area:

The total acreage of the requested area is approximately: 425.00

Number of customer connections in the requested area: 260

Affected subdivision : Cassie, Deer Springs, Floyd Acres and Island Lodges

The closest city or town: See Attachment K

Approximate mileage to closest city or town center: 0

Direction to closest city or town: See Attachment K

The requested area is generally bounded on the North by: See Attachment K

on the East by: See Attachment K

on the South by: See Attachment K

on the West by: See Attachment K

31. A copy of the proposed map will be available at: Coffin Renner LLP 1011 West 31st Street, Austin, Texas 78705

32. What effect will the proposed transaction have on an average bill to be charged to the affected customers? Take into consideration the average consumption of the requested area, as well as any other factors that would increase or decrease a customer's monthly bill.

All of the customers will be charged the same rates they were charged before the transaction.

All of the customers will be charged different rates than they were charged before the transaction.

higher monthly bill lower monthly bill

Some customers will be charged different rates than they were charged before
(i.e. inside city limit customers)

higher monthly bill lower monthly bill

Oath for Transferor (Transferring Entity)

STATE OF Texas

COUNTY OF Llano

I, Anita Lewis being duly sworn, file this application for sale, transfer, merger, consolidation, acquisition, lease, or rental, as Director (owner, member of partnership, title as officer of corporation, or authorized representative)

I attest that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to Applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

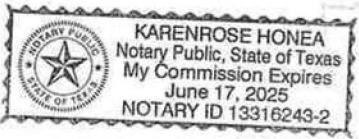
I further state that I have been provided with a copy of the 16 TAC § 24.239 Commission rules. I am also authorized to agree and do agree to be bound by and comply with any outstanding enforcement orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.

Anita H. Lewis
AFFIANT
(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN BEFORE ME, a Notary Public in and for the State of Texas
this day the 10th of February, 20 20

SEAL



Karenrose Honea
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Karenrose Honea
PRINT OR TYPE NAME OF NOTARY

My commission expires: June 17, 2025

Oath for Transferor (Transferring Entity)

STATE OF Texas

COUNTY OF Llano

I, Cody Lewis
merger, consolidation, acquisition, lease, or
rental, as

being duly sworn, file this application for sale,
transfer,

Cody Lewis

(owner, member of partnership, title as officer of corporation, or authorized representative)

I attest that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to Applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I further state that I have been provided with a copy of the 16 TAC § 24.239 Commission rules. I am also authorized to agree and do agree to be bound by and comply with any outstanding enforcement orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.

Cody Lewis

AFFIANT

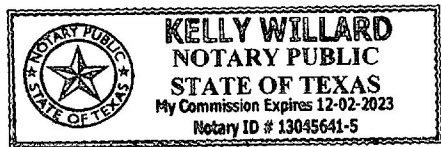
(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN BEFORE ME, a Notary Public in and for the State of Texas

this day the 09 of February 2022

SEAL



Kelly Willard
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Kelly Willard
PRINT OR TYPE NAME OF NOTARY *K.W.*

My commission expires: ~~02-02-2022~~ 12-02-2023

Oath for Transferee (Acquiring Entity)

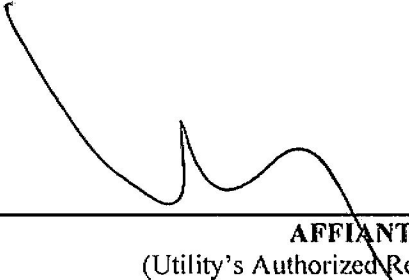
STATE OF MISSOURI

COUNTY OF ST. LOUIS

I, Josiah Cox being duly sworn, file this application for sale, transfer, merger, consolidation, acquisition, lease, or rental, as Manager of CSWR-Texas Utility Operating Company, LLC
(owner, member of partnership, title as officer of corporation, or authorized representative)

I attest that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to Applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I further state that I have been provided with a copy of the 16 TAC § 24.239 Commission rules. I am also authorized to agree and do agree to be bound by and comply with any outstanding enforcement orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.



AFFIANT
(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN BEFORE ME, a Notary Public in and for the State of Missouri
this day the 10th of August, 20 21

SEAL



MERANDA K. KEUBLER
My Commission Expires
November 13, 2022
St. Louis County
Commission #14631487



NOTARY PUBLIC IN AND FOR THE
STATE OF MISSOURI

Meranda K. Keubler
PRINT OR TYPE NAME OF NOTARY

My commission expires: 11/13/2022

See Attachment F & G.

Appendix A: Historical Financial Information (Balance Sheet and Income Schedule)

(Audited financial statements may be substituted for this schedule – see Item 17 of the instructions)

HISTORICAL BALANCE SHEETS (ENTER DATE OF YEAR END)	CURRENT(A) (- -)	A-1 YEAR (- - -)	A-2 YEAR (- - -)	A-3 YEAR (- - -)	A-4 YEAR (- - -)	A-5 YEAR (- - -)
CURRENT ASSETS						
Cash						
Accounts Receivable						
Inventories						
Other						
A. Total Current Assets						
FIXED ASSETS						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
B. Total Fixed Assets						
C. TOTAL Assets (A + B)						
CURRENT LIABILITIES						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
D. Total Current Liabilities						
LONG TERM LIABILITIES						
Notes Payable, Long-term						
Other						
E. Total Long Term Liabilities						
F. TOTAL LIABILITIES (D + E)						
OWNER'S EQUITY						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
G. TOTAL OWNER'S EQUITY						
TOTAL LIABILITIES+EQUITY (F + G) = C						
WORKING CAPITAL (A – D)						
CURRENT RATIO (A / D)						
DEBT TO EQUITY RATIO (E / G)						

DO NOT INCLUDE ATTACHMENTS A OR B IN FILED APPLICATION IF LEFT BLANK

See Attachments F & G.

HISTORICAL NET INCOME INFORMATION

(ENTER DATE OF YEAR END)	CURRENT(A) (- -)	A-1 YEAR (- -)	A-2 YEAR (- -)	A-3 YEAR (- -)	A-4 YEAR (- -)	A-5 YEAR (- -)
METER NUMBER						
Existing Number of Taps						
New Taps Per Year						
Total Meters at Year End						
METER REVENUE						
Revenue per Meter (use for projections)						
Expense per Meter (use for projections)						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Revenues- Base Rate & Gallonage Fees						
Other (Tap, reconnect, transfer fees, etc)						
Gross Income						
EXPENSES						
General & Administrative (see schedule)						
Operating (see schedule)						
Interest						
Other (list)						
NET INCOME						

See Attachments F & G.

HISTORICAL EXPENSE INFORMATION (ENTER DATE OF YEAR END)	CURRENT(A) (- -)	A-1 YEAR (- -)	A-2 YEAR (- -)	A-3 YEAR (- -)	A-4 YEAR (- -)	A-5 YEAR (- -)
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries & Benefits–Office/Management Office (services, rentals, supplies, electricity)						
Contract Labor						
Transportation						
Insurance						
Telephone						
Utilities						
Property Taxes						
Professional Services/Fees (recurring)						
Regulatory- other						
Other (describe)						
Interest						
Other						
Total General Admin. Expenses (G&A)						
% Increase Per Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
OPERATIONS & MAINTENANCE EXPENSES						
Salaries & Benefits (Employee, Management)						
Materials & Supplies						
Utilities Expense-office						
Contract Labor						
Transportation Expense						
Depreciation Expense						
Other(describe)						
Total Operational Expenses (O&M)						
Total Expense (Total G&A + O&M)						
Historical % Increase Per Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ASSUMPTIONS						
Interest Rate/Terms						
Depreciation Schedule (attach)						
Other assumptions/information (List all)						

Appendix B: Projected Information

HISTORICAL BALANCE SHEETS (ENTER DATE OF YEAR END)	CURRENT(A) (- -)	A-1 YEAR (- -)	A-2 YEAR (- -)	A-3 YEAR (- -)	A-4 YEAR (- -)	A-5 YEAR (- -)
CURRENT ASSETS						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
A. Total Current Assets						
FIXED ASSETS						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
B. Total Fixed Assets						
C. TOTAL Assets (A + B)						
CURRENT LIABILITIES						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
D. Total Current Liabilities						
LONG TERM LIABILITIES						
Notes Payable, Long-term						
Other						
E. Total Long Term Liabilities						
F. TOTAL LIABILITIES (D + E)						
OWNER'S EQUITY						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
G. TOTAL OWNER'S EQUITY						
TOTAL LIABILITIES+EQUITY (F + G) = C						
WORKING CAPITAL (A - D)						
CURRENT RATIO (A / D)						
DEBT TO EQUITY RATIO (F / G)						

See Attachments F & G.

PROJECTED NET INCOME INFORMATION

(ENTER DATE OF YEAR END)	CURRENT(A) (- -)	A-1 YEAR (- -)	A-2 YEAR (- -)	A-3 YEAR (- -)	A-4 YEAR (- -)	A-5 YEAR (- -)
METER NUMBER						
Existing Number of Taps						
New Taps Per Year						
Total Meters at Year End						
METER REVENUE						
Revenue per Meter (use for projections)						
Expense per Meter (use for projections)						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Revenues- Base Rate & Gallonage Fees						
Other (Tap, reconnect, transfer fees, etc)						
Gross Income						
EXPENSES						
General & Administrative (see schedule)						
Operating (see schedule)						
Interest						
Other (list)						
NET INCOME						

PROJECTED EXPENSE DETAIL	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries						
Office						
Computer						
Auto						
Insurance						
Telephone						
Utilities						
Depreciation						
Property Taxes						
Professional Fees						
Interest						
Other						
Total						
% Increase Per projected Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
OPERATIONAL EXPENSES						
Salaries						
Auto						
Utilities						
Depreciation						
Repair & Maintenance						
Supplies						
Interest						
Other						
Total						

See Attachments F & G.

PROJECTED SOURCES AND USES OF CASH STATEMENTS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
SOURCES OF CASH						
Net Income						
Depreciation (If funded by revenues of system)						
Loan Proceeds						
Other						
Total Sources						
USES OF CASH						
Net Loss						
Principle Portion of Pmts.						
Fixed Asset Purchase						
Reserve						
Other						
Total Uses						
NET CASH FLOW						
DEBT SERVICE COVERAGE						
Cash Available for Debt Service (CADS)						
A: Net Income (Loss)						
B: Depreciation, or Reserve Interest						
C: Total CADS (A + B = C)						
D: DEBT SERVICE (DS)						
Principle Plus Interest						
E: DEBT SERVICE COVERAGE RATIO						
CADS Divided by DS (E = C / D)						

**See Attachments F and G for
information responsive to
Appendix A and Appendix B**

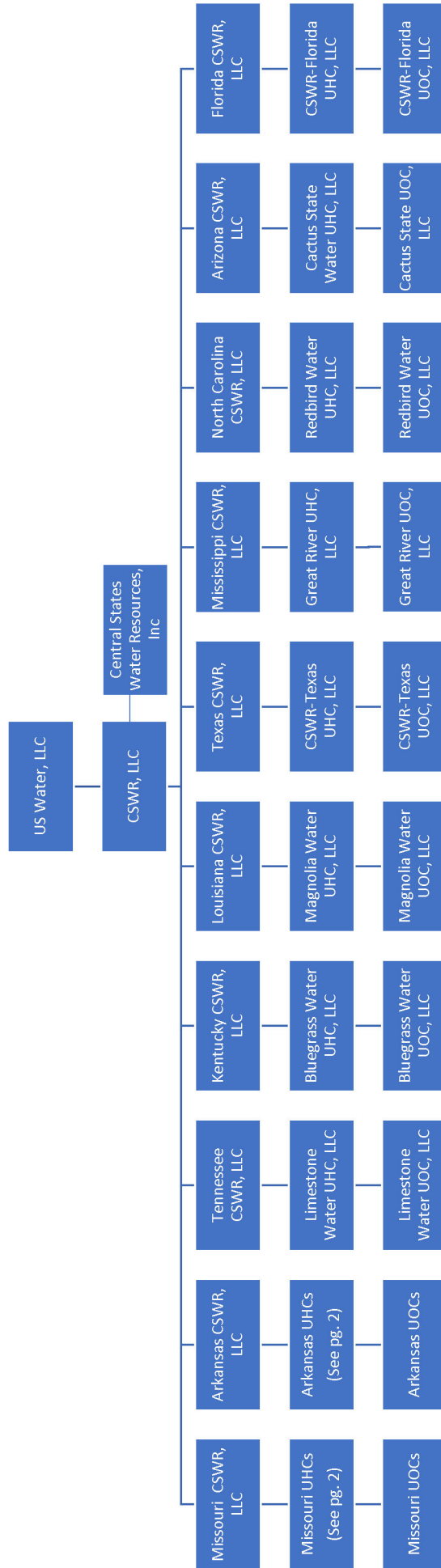
ATTACHMENT LIST

1. Attachment A – Executed Purchase Agreement (Confidential)
2. Attachment B – CSWR, LLC Corporate Organizational Chart
3. Attachment C – Current Tariff
4. Attachment D – List of Customer Deposits (Confidential)
5. Attachment E – CSWR-Texas Utility Operating Company, LLC Operating Agreement and Certificates of Account Status
6. Attachment F – Appendices A & B Historical and Projected Financial Information (Confidential)
7. Attachment G – Additional Supporting Financial Information (Highly Sensitive)
8. Attachment H – Capital Estimates or Capital Improvement Plan (*See Attachment J*)
9. Attachment I – TCEQ Compliance Investigation Reports
10. Attachment I-1 – CSWR Texas Correspondence re Compliance Issues (Confidential)
11. Attachment J – Engineering Memo (Confidential)
12. Attachment K – Responses to STM Questions
13. Attachment K-1 – Confidential Responses to STM Questions
14. Attachment L – Small Scale Map (General Location)
15. Attachment M – Large Scale Map (Detailed)
16. Attachment N – Digital Mapping (*Not Applicable*)
17. Attachment O – Statement of Confidentiality
18. Attachment P – Water Facility Systems
19. Attachment Q – Water Purchase Agreement (Confidential)
20. Attachment R – List of Assets (*Not Applicable*)

**Attachment A is Confidential and
will be provided pursuant to the
Protective Order**

Attachment B

Central States Water Resources Corporate Entity Organizational Chart



Attachment C

CITY OF CASIE WATER USE
Cassie Water Company

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallage Charge</u>
5/8" or 3/4"	\$17.25 (includes 0 gallons)	\$1.50 per 1000 gallons same for all meter sizes

FORM OF PAYMENT: The utility will accept the following form(s) of payment:
Cash X, Check X, Money Order X, Credit Card _____ Other (specify) _____
THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

REGULATORY ASSESSMENT 1.0%
TNRCC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.

Section 1.02 - Miscellaneous Fees

TAP FEE \$350.00
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Unique costs) Actual Cost
FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL ARRAR.

TAP FEE (Large meter) Actual Cost
TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

METER RELOCATION FEE Actual Relocation Cost, Not to Exceed Tap Fee
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

METER TEST FEE \$25.00
THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY. THIS FEE MAY NOT EXCEED \$25.

RECONNECTION FEE
THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):

- a) Non payment of bill (Maximum \$25.00) \$25.00
- b) Customer's request that service be disconnected \$50.00

TRANSFER FEE \$35.00
THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED

LATE CHARGE (EITHER \$1.00 OR 10% OF THE BILL) \$5.00
TNRCC RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE \$15.00
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50) \$0.00

COMMERCIAL & NON-RESIDENTIAL DEPOSIT 1/6TH OF ESTIMATED ANNUAL BILL

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE \$0.00
WHEN AUTHORIZED IN WRITING BY TNRCC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [36 TAC 291.21(10)(2)]

LINE EXTENSION AND CONSTRUCTION CHARGES:
REFER TO SECTION 3.0--EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

33306 S CON 11663 DEL '06 UI
 APPROVED BY: [Signature]

RATES LISTED ARE EFFECTIVE ONLY
 IF THIS PAGE HAS TNRCC APPROVAL STAMP

Deer Springs

Section 1.01 - Rates

Meter Size	Monthly Minimum Charge	Challenge Charge
5/8" or 3/4"	\$16.25 (includes 9 gallons)	\$2.75 per 100 gallons

FORM OF PAYMENT: The utility will accept the following form(s) of payment:
 CASH, CHECK, MONEY ORDER, CREDIT CARD, DEBIT CARD, AND AUTOMATICALLY DEBITED PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

REGULATORY ASSESSMENT

TCEQ RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.

Section 1.02 - Miscellaneous Fees

TAP FEE: TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 3/4" OR 1/2" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF. **\$30.00**

TAP FEE (Unique costs): **Actual Cost**
 FOR EXAMPLE, A ROAD BORE FOR CUSTOMER OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

TAP FEE (Large meter): **Actual Cost**
 TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLER.

METER RELOCATION FEE: **Actual Relocation Cost, Not to Exceed Tap Fee**
 THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

METER TEST FEE: **\$2.00**
 THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST MAY BE CHARGED IF A CUSTOMER REQUESTS THAT THE METER BE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY. THIS FEE MAY NOT BE RECALLED.

LATE CHARGE (OTHER THAN ON TOP OF THE BILL): **\$5.00**
 TCEQ RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

TEXAS COM. ON ENVIRONMENTAL QUALITY
 36194-R, CCN 111630, MAY 1, 2009
 APPROVED TARIFF BY *[Signature]*

RETURNED CHECK CHARGE: **\$20.00**
 RETURNED CHECKS CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

RECONNECTION FEE:
 THE RECONNECTION FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF.

a) Non-payment of bill (Maximum \$25.00) **\$25.00**

b) Customer request that service be discontinued **\$50.00**

TRANSFER FEE: **\$15.00**
 THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED.

CUSTOMER DEPOSIT/RESIDENTIAL (Maximum \$50) **\$50.00**

COMMERCIAL & NON-RESIDENTIAL DEPOSIT: WITH OF ESTIMATED ANNUAL BILL

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:
 WHEN AUTHORIZED IN WRITING BY TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. (TAC 81.116(K)(1))

LINE EXTENSION AND CONSTRUCTION CHARGES:
 REFER TO SECTION 3.0 - EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

TEXAS COM. ON ENVIRONMENTAL QUALITY
 36194-R, CCN 111630, MAY 1, 2009
 APPROVED TARIFF BY *[Signature]*

To All Customers:

Here is a copy of the final Rate Schedule approved by the TCEQ.

Deer Springs Water Company
 P.O. Box 142
 Buchanan Dam, Texas 78609
 (325) 379-1329



WATER UTILITY TARIFF
Tariff Control No.: 49625

Cody B. Lewis dba Water Works I and II
(Utility Name)

P.O. Box 142
(Business Address)

Buchanan Dam, Texas 78609
(City, State, Zip Code)

(325) 379-1329
(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity:

11674

This tariff is effective in the following county:

Llano

This tariff is effective in the following cities or unincorporated towns (if any):

None

This tariff is effective in the following subdivisions and public water systems:

Water Works I – Floyd Acres: PWS # 1500018
Water Works II – Island Lodges: PWS # 1500019

TABLE OF CONTENTS

The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

SECTION 1.0 -- RATE SCHEDULE	2
SECTION 2.0 -- SERVICE RULES AND POLICIES	4
SECTION 3.0 -- EXTENSION POLICY	11

- APPENDIX A –DROUGHT CONTINGENCY PLAN
- APPENDIX B -- SAMPLE SERVICE AGREEMENT
- APPENDIX C – APPLICATION FOR SERVICE

PUBLIC UTILITY COMMISSION OF TEXAS
APPROVED
 JUL - 1 '19
 CONTROL # 49625
 BOOKED

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

<u>Meter Size</u>	<u>Monthly Minimum Charge</u>	<u>Gallonge Charge</u>
5/8" or 3/4"	\$41.00 (Includes 1,000 gallons) **Plus additional pass-through fees listed below	\$5.00 per 1,000 gallons over the minimum **Plus additional pass-through fees listed below

****Corix Utilities, Texas Inc. Pass Through Fees:**

Water Works I Floyd Acres:

\$42.11 added to the monthly minimum charge, plus \$13.82 (including 15% water line loss) per 1,000 gallons over the minimum

Water Works II Island Lodges:

\$21.06 added to the monthly minimum charge, plus \$13.82 (including 15% water line loss) per 1,000 gallons over the minimum

(Tariff Control No. 49625)

FORM OF PAYMENT: The utility will accept the following forms of payment:

Cash X, Check X, Money Order X, Credit Card , Other (specify)

THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

REGULATORY ASSESSMENT 1.0%

PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL AND TO REMIT FEE TO THE TCEQ

Section 1.02 - Miscellaneous Fees

TAP FEE \$500.00

TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" or 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Unique costs) Actual Cost

FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

TAP FEE (Large meter) Actual Cost

TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED

METER RELOCATION FEE Actual Relocation Cost. Not to Exceed Tap Fee

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

METER TEST FEE \$25.00

THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY THE FEE MAY NOT EXCEED \$25

Tariff Control No. 49625

PUBLIC UTILITY COMMISSION OF TEXAS
APPROVED

JUL - 1 '19
DOCKET
49625

Cody B. Lewis dba Water Works I and II

Water Utility Tariff Page No. 3

SECTION 1.0 -- RATE SCHEDULE (Continued)

RECONNECTION FEE

THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):

- a) Nonpayment of bill (Maximum \$25.00).....\$25.00
- b) Customer's request that service be disconnected\$50.00

TRANSFER FEE\$30.00

THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL)\$5.00

PUC RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE\$15.00

RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50)\$0.00

COMMERCIAL & NON-RESIDENTIAL DEPOSIT 1/6TH OF ESTIMATED ANNUAL BILL

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

WHEN AUTHORIZED IN WRITING BY TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [16 TAC 24.21(b)(2)(F)]

LINE EXTENSION AND CONSTRUCTION CHARGES:

REFER TO SECTION 3.0--EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

Tariff Control No. 49625

PUBLIC UTILITY COMMISSION OF TEXAS
APPROVED

JUL - 1 '19 49625

CONTROL # _____

Cody B. Lewis dba Water Works I and II

Water Utility Tariff Page No. 4

PASS-THROUGH FORMULA:

The pass-through rate to be charged to each service connection is calculated based on the following Pass Through Adjustment Formula:

Adjusted Base Rate (ABR) = BR / N, Where:

ABR = adjusted base rate, rounded to nearest one cent;

BR = monthly base rate charge of utility provider;

N = number of current active service connections

Adjusted Gallonage Rate (AG) = G / (1 - L), Where:

AG = adjusted gallonage charge, rounded to nearest one cent;

G = approved gallonage charge, per 1,000 gallons;

L = water or sewer line loss for preceding 12 months. not to exceed 0.15 (15%)

Tariff Control No. 49625

PUBLIC UTILITY COMMISSION OF TEXAS
APPROVED

JUL - 1 '19 49625

REC'D

**Attachment D is Confidential and
will be provided pursuant to the
Protective Order**

Attachment E

RESTATED OPERATING AGREEMENT OF CSWR-TEXAS UTILITY OPERATING COMPANY, LLC

THIS OPERATING AGREEMENT (this "Agreement") is signed as of the 13th day of November, 2019 (the "Effective Date"), by **CSWR-TEXAS UTILITY HOLDING COMPANY, LLC**, a Texas limited liability company, as the sole Member of **CSWR-TEXAS UTILITY OPERATING COMPANY, LLC**, a Texas limited liability company (the "Company").

RECITALS

WHEREAS, on July 16, 2019, the Company was organized a limited liability company under the laws of Texas pursuant to the Texas Limited Liability Company Act, Texas Business Organization Code Title 3 Chapter 101 (the "Act") for the purpose of, among other things, of investing in and operating water and waste water utilities;

WHEREAS, on September 23, 2019, the Company amended its name to "Yellow Rose Utility Operating Company, LLC", October 18, 2019 the Company amended its name to "Palmwood Water Utility Operating Company, LLC" and on November 13, 2019 the Company amended its name to "CSWR-Texas Utility Operating Company, LLC";

WHEREAS, the aforementioned Member desires to restate and adopt this Operating Agreement setting forth the Member's desire for the management and operation of such limited liability company.

NOW THEREFORE, in consideration of the mutual covenants and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the Member hereby states as follows:

ARTICLE I. ORGANIZATION

1.1. Certain Definitions. As used herein, the following terms have the following meanings:

- (a) "Act" is defined in Section 1.2 hereof.
- (b) "Agreement" means this Operating Agreement, as the same may be amended from time to time.
- (c) "Business Property" means all properties, assets and interests (whether real or personal, tangible or intangible) now or hereafter owned or held by the Company.
- (d) "Capital Account" means the Capital Account maintained by the Company for each Member in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv), as amended from time to time.

(e) "Capital Contributions" means with respect to the Member, the total amount of money and the fair market value of the other property, if any, to be contributed to the Company by the Member in accordance with Article II hereof. The Member's "Paid-In Capital Contribution" means the amount of the Member's Capital Contribution actually paid in cash or other property actually contributed to or on behalf of the Company. With respect to the Company, such terms shall mean the aggregate Capital Contributions and aggregate Paid-In Capital Contributions, respectively, of the Member.

(f) "Capital Transaction" means any of the following items or transactions: a sale, transfer or other disposition of all or substantially all of the assets of the Company, condemnation actions, net insurance recoveries (other than for temporary loss of use), the refinancing of the mortgage or other indebtedness of the Company. The payment of Capital Contributions by the Member shall not be included within the meaning of the term "Capital Transaction."

(g) "Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute.

(h) "Company" means this limited liability company and any successors hereto.

(i) "Depreciation" means for each fiscal year, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such fiscal year. In the event the book value of an asset differs from its adjusted tax basis at the beginning of such year, then the Depreciation shall be an amount which bears the same ratio to the fair market value (as may be adjusted pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(f) and (g)) as the Depreciation determined for federal income tax purposes bears to the beginning adjusted tax basis.

(j) "Dissolution Proceeds" is defined in Section 10.2 hereof.

(k) "Net Profits" or "Net Losses" for the applicable period means the gross income of the Company minus (a) all net cash outlays of any kind, whether capital in nature or not, to the extent the same are not depreciable or amortizable for federal income tax purposes (or, as the context may require, to the extent the same are not depreciated or amortized for federal income tax purposes), including, without limiting the generality of the foregoing, all operating expenses payable by the Company, salaries, life insurance premiums on policies owned by the Company, and interest on any Company indebtedness; and (b) all Depreciation allowable for federal income tax purposes. In the event that such sum is a positive number, it shall be considered "Net Profits" and if the sum is a negative number, it shall be considered "Net Losses."

(l) "Person" is defined in Section 1.9 hereof.

(m) "Treasury Regulation(s)" means the Income Tax Regulations promulgated under the Code, as such Treasury Regulations may be amended or supplemented from time to time.

1.2. Formation. The Member has formed the Company under and pursuant to the provisions of the Act, for the limited purposes and scope set forth in this Agreement. The Member has filed in the appropriate governmental office(s) Articles of Organization which conform to the requirements of the Act in order to constitute the Company as a valid limited liability company under the Act. The costs and expenses associated with such filing shall be borne by the Company.

1.3. Name. The business and affairs of the Company shall be conducted solely under the name of "**CSWR-Texas Utility Operating Company, LLC**", and such name shall be used at all times in connection with the business and affairs of the Company; provided that the Member may operate the Company under any other name necessary or convenient to qualify it to do business in any state or jurisdiction.

1.4. Term. The Company shall continue in existence perpetually, or until dissolved by the Member under the terms of this Agreement.

1.5. Business of the Company. The business of the Company is to: (i) invest in and operate water and waste water utilities; (ii) own, finance, hold, manage, manufacture, sell, exchange or otherwise deal with and dispose of all or any part of the Business Property; and (iii) transact any and all lawful business for which a limited liability company may be organized under the Act and exercise all rights and engage in all activities related thereto (the "Business").

1.6. Principal Office. The principal office of the Company shall be at 500 Northwest Plaza Drive, Suite 500, St. Ann, MO 63074, or such other location as may be hereafter determined by the Manager.

1.7. Registered Office and Registered Agent. The name of the Company's registered agent for service of process in Texas and the address of the Company's registered office in Texas shall be as provided in the Articles of Organization. The Manager may in his sole discretion and from time to time change the address of the registered office and the registered agent by filing the documents required by law.

1.8. Articles of Organization and Other Instruments. The Member has executed or has authorized the execution of the Articles of Organization in accordance with the Act, and shall execute such other documents and instruments and take all such other actions as may be deemed by the Manager to be necessary or appropriate to effectuate and permit the continuation of the Company under the laws of the State of Texas or the laws of any other state in any other state which the Member deems necessary or appropriate. The Manager shall, from time to time, take appropriate action, including the preparation and filing of such other amendments to the Articles of Organization and other certificates as may be required under the laws of the State of Texas or any other state, to enable the Company to do business in the State of Texas or any other state.

1.9. Additional Definitions. The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine and neuter forms. The term "Person" includes individuals, partnerships, corporations, limited liability companies, trusts, and other associations and entities. The words "include," "includes," and "including" shall be deemed to be followed by the phrase "without limitation." The words "herein," "hereof," "hereunder," and similar terms shall refer to this Agreement, unless the context otherwise requires.

ARTICLE II. CAPITAL CONTRIBUTIONS

2.1. Initial Capital Contributions. The Member shall make the Capital Contribution to the Company as reflected on Exhibit A attached hereto and incorporated herein by reference.

ARTICLE III. DISTRIBUTIONS

3.1. Distributions. Except as otherwise requested by the Member or required by law, cash distributions shall be made to the Member on the following bases at such time (but at least annually) and in such amounts as the Manager in his sole discretion shall determine:

(a) Distributions, other than from a Capital Contribution, shall be made in the following order of priority:

(i) To the payment of liabilities of the Company then due and owing to Persons other than the Member;

(ii) To the Member, in an amount equal to the unpaid balance of principal and accrued interest of any loan by the Member to the Company;

(iii) The balance, if any, shall be distributed to the Member.

(b) The proceeds of any Capital Transaction and the distribution upon liquidation under Section 10.2 shall be made in the following order of priority:

(i) To the payment of liabilities of the Company then due and owing to Persons other than the Member;

(ii) To establish such reserves as the Manager in his discretion determines to be reasonably necessary for any contingent or foreseeable liability or obligation of the Company; provided, however, that the balance of any such reserve remaining at such time as the Manager shall reasonably determine shall be distributed in accordance with subparagraphs (iii) through (v) of this Section 3.1(b);

(iii) To the payment to the Member of an amount equal to the unpaid balance of principal and accrued interest of any Loan by the Member;

(iv) To the Member, an amount equal to its Capital Contributions reduced (but not below zero) by the amount of all prior distributions to it under this Section 3.1;

(v) The balance, if any, shall be distributed to the Member.

3.2. Distributions to Be Made In Cash. Unless otherwise determined by the Member, all distributions to the Member shall be made in cash.

ARTICLE IV. ALLOCATION OF NET PROFITS AND NET LOSSES

4.1. Profits and Losses. Net Profits and Net Losses incurred and/or accrued shall be allocated to the Member.

ARTICLE V. ACCOUNTING; RECORDS

5.1. Accounting Methods. The Company books and records shall be prepared in accordance with generally accepted accounting principles, consistently applied. All Federal, state and local tax returns of the Company shall be prepared by the Company's certified public accountants, under the direction of the Manager.

5.2. Fiscal Year. The fiscal year of the Company shall be the twelve calendar month period ending December 31.

5.3. Tax Status. The Member shall elect such tax status that it deems appropriate for each tax year by notifying the Manager of such election.

ARTICLE VI. POWERS, RIGHTS AND DUTIES OF THE MEMBER AND MANAGER

6.1. Restriction of the Member's Rights to Participate in Management. Except as otherwise expressly provided herein, the Member shall have no voice in, take any part in, nor interfere with, the conduct, control, or management of the business of the Company in its capacity as the Member, nor shall the Member have any authority or power to act for, or on behalf of, the Company, or to bind the Company in any respect whatsoever.

6.2. Member Consent. (a) The affirmative vote, approval or consent of the Member shall be required to: (i) alter the primary purposes of the Company as set forth in Section 1.5; (ii) do any act in contravention of this Agreement or cause the Company to engage in any business not authorized by the Articles of Organization or the terms of this Agreement; (iii) do any act which would make it impossible to carry on the usual course of business of the Company; (iv) change or reorganize the Company into any other legal form; (v) amend this Agreement; (vi) issue an Interest in the Company to any Person and admit such Person as a Member; (vii) approve a merger or consolidation with another Person, (viii) change the status of the Company from one in

which management is vested in the one or more Managers to one in which management is vested in the Member, or vice versa; (ix) possess any Company property or assign the rights of the Company in specific Company property for other than a Company purpose; (x) perform any act (other than an act required by this Agreement or any act taken in good faith reliance upon counsel's opinion) which would, at the time such act occurred, subject the Member to liability as a general partner in any jurisdiction; (xi) operate the Company in such a manner as to have the Company classified as an "investment company" for purposes of the Investment Company Act of 1940; (xii) have an order for relief entered against the Company under applicable federal bankruptcy law; OR (xiii) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against the Company in any bankruptcy, reorganization or insolvency proceeding.

(b) The Member shall have the right to replace a Manager of the Company and name its successor at any time by providing written notice to the Manager being replaced of such decision in which the successor Manager is also set forth.

6.3. Manager.

(a) The Manager shall have the power to do all things necessary or convenient to carry out the business affairs of the Company. The initial Manager shall be Central States Water Resources, Inc., a Missouri corporation.

(b) The Manager shall not have any contractual right to such position and shall serve until the earliest of (i) the withdrawal of the Manager, or (ii) the removal of the Manager. The Manager may be removed and replaced in accordance with the provisions of Section 6.2(b).

(c) Except to the extent provided herein, the Member hereby agrees that only the Manager and agents of the Company authorized by the Manager shall have the authority to bind the Company. The Member shall not take any action to bind the Company without notifying the Manager of such action. If the Member takes any action to bind the Company, it shall indemnify and hold harmless the Manager against any claim, loss, expense or liability (including, without limitation, attorneys' fees and expenses, whether or not litigation is commenced) incurred by the Manager as a result of the unauthorized action of such Member.

(d) The Manager's duty of care in the discharge of the duties of the Manager to the Company and the Member is limited to discharging his duties pursuant to this Agreement in good faith, with the care a corporate officer of like position would exercise under similar circumstances, in the manner he reasonably believes to be in the best interests of the Company. In discharging his duties, the Manager shall not be liable to the Company or to the Member for any mistake or error in judgment or for any act or omission believed in good faith to be within the scope of authority conferred by this Agreement or by separate written instrument executed by the Member.

(e) The Manager's compensation shall be established by the Member, and the Manager shall be entitled to reimbursement of any general overhead expenses incurred in the regular course of his duties.

6.4. Indemnification

(a) The Company, except as provided in Section 6.4(b), shall indemnify any Person who is or was a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether criminal, civil, administrative or investigative, including without limitation any action by or in the right of the Company, by reason of the fact that he/it was or is a Member or Manager of the Company or is or was a Member or Manager of the Company who is or was serving at the request of the Company as a member, manager, director, officer, agent, employee, partner or trustee of another limited liability company, corporation, partnership, joint venture, trust or other enterprise; against expenses, including attorneys' fees, judgments, fines, taxes and amounts paid in settlement, actually and reasonably incurred by him in connection with such action, suit or proceeding if such Person's conduct is not finally adjudged to be knowingly fraudulent, deliberately dishonest or willful misconduct. The right to indemnification conferred in this paragraph shall be a contract right and shall include the right to be paid by the Company expenses incurred in defending any actual or threatened civil or criminal action, suit or proceeding in advance of the final disposition of such action, suit or proceeding. Such right will be conditioned upon receipt of an undertaking by or on behalf of the Member or manager to repay such amount if it shall ultimately be determined that he/it is not entitled to be indemnified by the Company as authorized in this Article. Such right shall survive any amendment or repeal of this Article with respect to expenses incurred in connection with claims, regardless of when such claims are brought, arising out of acts or omissions occurring prior to such amendment or repeal. The Company may, by action of the Member, provide indemnification to employees and agents of the Company with the same scope and effect as the foregoing indemnification of Member and Manager.

(b) If a claim under Section 6.4(a) is not paid in full by the Company within thirty (30) days after a written claim has been received by the Company, the claimant may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense, including reasonable attorneys' fees and costs, of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Company) that the claimant has not met the standards of conduct which make it permissible under the limited liability company law of Texas for the Company to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Company. Neither the failure of the Company (including the Member or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he/it has met the applicable standard of conduct set forth in the limited liability company law of Texas, nor an actual determination by the Company (including its Member or independent legal counsel) that the claimant has not met such

applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(c) The indemnification provided by this Section 6.4 shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, consent of the Member or otherwise, both as to action in his/its official capacity and as to action in another capacity while holding such office, and shall continue as to a Person who has ceased to be a Member, Manager, employee, partner, trustee or agent and shall inure to the benefit of the heirs, executors and administrators of such a Person.

(d) The Company may purchase and maintain insurance on behalf of any Person who is or was a Member, Manager, employee or agent of the Company, or is or was serving at the request of the Company as a member, manager, director, officer, employee, partner, trustee or agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his/its status as such, whether or not the Company would have the power to indemnify him against such liability under the provisions of this Section 6.4.

(e) For the purposes of this Section 6.4, references to the Company includes the resulting or surviving entity in any merger or consolidation so that any Person who is or was a Member, Manager, employee or agent of such a constituent entity or is or was serving at the request of such constituent entity as a member, manager, director, officer, employee, partner, trustee or agent of another limited liability company, corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under the provisions of this Section 6.4 with respect to the resulting or surviving entity as he/it would if he/it had served the resulting or surviving entity in the same capacity.

(f) For purposes of this Section 6.4, the term "other enterprise" shall include employee benefit plans; the term "fines" shall include any excise taxes assessed on a Person with respect to any employee benefit plan; and the term "serving at the request of the Company" shall include any service as a member, manager, director, officer, employee, partner, trustee or agent of, or at the request of, the Company which imposes duties on, or involves services by, such member, manager, director, officer, employee, partner, trustee or agent with respect to an employee benefit plan, its participants, or beneficiaries.

(g) In the event any provision of this Section 6.4 shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision of this Section 6.4 and any other provisions of this Section 6.4 shall be construed as if such invalid provision had not been contained in this Section 6.4. In any event, the Company shall indemnify any Person who is or was a Member or Manager of the Company, or is or was a Member or Manager of the Company who is or was serving at the request of the Company as a member, manager, director, officer, agent, employee, partner or trustee of another limited liability company, corporation, partnership, joint venture, trust or other enterprise, to the full extent permitted under Texas law, as from time to time in effect.

6.5. Liability of the Member. The Member shall not be liable as such for the liabilities of the Company. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of its business or affairs under this Agreement or the Act shall not be grounds for imposing personal liability on the Member or a Manager for liabilities of the Company.

**ARTICLE VII.
DETERMINATIONS BY THE MEMBER**

7.1. Actions by the Member. The Member shall have the right to take any action set forth herein in accordance with the terms of the Agreement. In addition, if the Member determines that it wants to take an action that is not expressly granted to it within this Agreement, it shall take such action only after notifying the Manager in writing of the intended action.

**ARTICLE VIII.
ACTIONS OF THE MANAGER**

8.1. Actions by the Manager. The Manager shall decide any question related to the operations of the Company, unless the question is one upon which, by express provision of the Act, the Articles of Organization or this Agreement, the Member is required to consent, in which case such express provision shall govern and control the decision on such question.

**ARTICLE IX.
TRANSFER OF MEMBER'S INTEREST**

9.1. Transfer of Member's Interest. The Member shall have the right to transfer all or part of its Interest to another Person upon such terms that the Member deems acceptable. Prior to the effective date of the transfer of all or part of the Interest, the Member must notify the Manager of the transfer in writing.

9.2. Effect of Assignment; Documents. All Interests in the Company transferred pursuant to the provisions of this Article shall be subject to the restrictions and obligations set forth in this Agreement. As a condition to any Person being admitted as an additional Member or a substituted Member, such Person must execute this Agreement and agree to be bound by all of its terms and provisions as a substituted Member or additional Member.

**ARTICLE X.
DISSOLUTION OF THE COMPANY**

10.1. Dissolution Acts.

(a) No act, thing, occurrence, event or circumstance shall cause or result in the dissolution of the Company except that the happening of any one of the following events shall work as an immediate dissolution and termination of the Company:

(i) A determination by Member to dissolve and terminate the Company; and

(ii) The event of the death of the Member.

(b) Without limiting the other provisions hereof, the transfer of all or any part of a Member's Interest, in accordance with the provisions of this Agreement or the admission of a new Member, shall not work the dissolution of the Company.

10.2. Distribution of Proceeds on Dissolution; Reserves. Upon the dissolution and termination of the Company, a the Member or such other Person designated by the Member (the "Winding-Up Member") shall file a Notice of Winding Up pursuant to the Act and shall proceed with the liquidation and termination of the Company as promptly as possible, but in an orderly and businesslike manner so as not to involve undue sacrifice, and the proceeds therefrom and any other funds and assets of the Company (the "Dissolution Proceeds"), shall be applied and distributed pursuant to the provisions of Section 3.1.b.

ARTICLE XI. GENERAL

11.1. Notices. Any notice, request, approval, consent, demand or other communication required or permitted hereunder shall be given in writing by (1) personal delivery, (2) expedited delivery service with proof of delivery, (3) United States Mail, postage prepaid, registered or certified mail, return receipt requested, or (4) email or facsimile (provided that such email or facsimile is confirmed as received), and shall be deemed to have been given and received either at the time of personal delivery or, in the case of delivery service or mail, as of the date of first attempted delivery at the last known address, or in the case of email or facsimile, upon receipt.

11.2. Amendments. This Agreement may be amended by a written agreement of amendment executed by the Member.

11.3. Miscellaneous. Except as herein otherwise specifically provided, this Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, legal representatives, successors and assigns. Captions contained in this Agreement in no way define, limit, or extend the scope or intent of this Agreement. If any provision of this Agreement or the application of such provision to any Person or circumstance shall be held invalid, the remainder of this Agreement, or the application of such provision to any other Persons or circumstances, shall not be affected thereby.

11.4. Remedies. If the Company or any party to this Agreement obtains a judgment against any other party by reason of breach of this Agreement or failure to comply with the provisions hereof, reasonable attorneys' fees as fixed by the court shall be included in such judgment. No remedy conferred upon the Company or the Member in this Agreement is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or

by statute. No waiver by the Member or the Company of any breach of this Agreement shall be deemed to be a waiver of any other breach of any kind or nature and no acceptance of payment or performance by a Member or the Company after any such breach shall be deemed to be a waiver of any breach of this Agreement, whether or not such Member or the Company knows of such breach at the time it accepts such payment or performance. If the Member has the right herein to approve or consent to any matter or transaction, such approval or consent may be withheld in the sole discretion of the Member for any reason or no reason. No failure or delay on the part of the Member or the Company to exercise any right it may have shall prevent the exercise thereof by the Member or the Company at any time such other may continue to be so in default, and no such failure or delay shall operate as a waiver of any default.

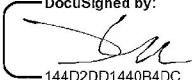
11.5. Compliance with Securities Laws. Notwithstanding anything herein contained to the contrary, no transfer or disposition of Interests in the Company pursuant to the terms hereof shall be made unless such transfer or disposition complies in all respects with the provisions of the Securities Act of 1933 and the securities laws of any and all states with jurisdiction over such transfer or disposition, and the rules and regulations promulgated thereunder.

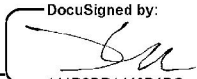
11.6. Binding Effect. This Agreement and any amendment hereto made as provided herein shall be binding upon and inure to the benefit of the Company and its successors and assigns, and the Member, its heirs, executors, administrators, and legal or personal representatives.

11.7. Governing Law. This Agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Texas.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date first above written.

**CSWR-TEXAS UTILITY
HOLDING COMPANY, LLC**

DocuSigned by:

144D2DD1440B4DC...
By: _____
Josiah M. Cox, President of
Central States Water Resources, Inc.,
Manager

Agreed and Accepted by:

144D2DD1440B4DC...

Josiah M. Cox, President of
Central States Water Resources, Inc.,
Manager

EXHIBIT A
INITIAL CAPITAL CONTRIBUTIONS

<u>Member's Name and Address</u>	<u>Member's Interest</u>	<u>Capital Contribution</u>
CSWR-Texas Utility Holding Company, LLC	100%.	Kept by Company Accountant

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Ruth R. Hughs
Secretary of State

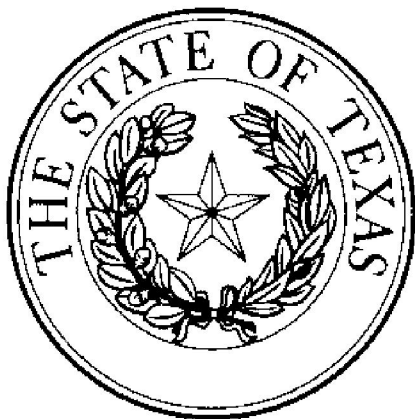
Office of the Secretary of State

Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that on November 12, 2019, Palmwood Water Utility Operating Company, LLC, a Domestic Limited Liability Company (LLC) (file number 803367893), changed its name to CSWR-Texas Utility Operating Company, LLC.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on November 19, 2019.



A handwritten signature in black ink, appearing to read "Ruth R. Hughs".

Ruth R. Hughs
Secretary of State



Franchise Tax Account Status

As of : 11/14/2019 15:54:04

This page is valid for most business transactions but is not sufficient for filings with the Secretary of State

CSWR-TEXAS UTILITY OPERATING COMPANY, LLC

Texas Taxpayer Number 32071353422

Mailing Address 1999 BRYAN ST STE 900 DALLAS, TX 75201-3140

Right to Transact Business in Texas ACTIVE

State of Formation TX

Effective SOS Registration Date 07/15/2019

Texas SOS File Number 0803367893

Registered Agent Name C T CORPORATION SYSTEM

Registered Office Street Address 1999 BRYAN ST. SUITE 900 DALLAS, TX 75201

**Attachment F is Confidential and
will be provided pursuant to the
Protective Order**

**Attachment G is Highly Sensitive
and will be provided pursuant to
the Protective Order**

Attachment H

Capital Estimates and/or Capital Improvement Plan can be found in Attachment J.

Attachment I



0000-0000-0040-5429

Document Control Sheet

Sheet Title:	PWS - SE
Box ID:	11952
Control Sheet ID:	0000-0000-0040-5429
Record Series Name:	WS / Public Water Supply
Record Series:	PWS
Primary ID:	0270006
Secondary ID:	
Doc Type:	Compliance
Security:	Public
Date:	9/26/2019 12:00AM
Title:	Investigation
Tertiary ID	

PWS_0270006_CP_20190926_Investigation
Texas Commission on Environmental Quality
Investigation Report

The TCEQ is committed to accessibility. If you need assistance in accessing this document, please contact oce@tceq.texas.gov

Customer: LEWIS, CODY
Customer Number: CN602540122

RECEIVED

DEC 10 2019

TCEQ
CENTRAL FILE ROOM

Regulated Entity Name: DEER SPRINGS WATER

Regulated Entity Number: RN100824937

Investigation # 1597084

Incident Numbers

319574

Investigator: ANNA WOOD

Site Classification GW 51-250 CONNECTION

Conducted: 09/26/2019 -- 09/26/2019

NAIC Code: 221310

Program(s): PUBLIC WATER SYSTEM/SUPPLY

Investigation Type: Compliance Investigation

Location: END OF DEER SPRINGS DR S OF HWY 29
W OF BURNET

Additional ID(s): 0270006

Address: ,

Local Unit: REGION 11 - AUSTIN

Activity Type(s): PWSCMPL - PWS Complaint
PWSRECON - PWS Recon-
Reconnaissance investigation for
surface water and groundwater
facilities.

Principal(s):

Role	Name
RESPONDENT	CODY LEWIS

Contact(s):

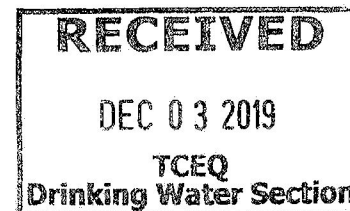
Role	Title	Name	Phone
REGULATED ENTITY CONTACT	OWNER/OPERATOR	CODY LEWIS	Work (325) 379-1329 Cell (512) 793-6126

Other Staff Member(s):

Role	Name
Investigator	DEVON THOMAS
Supervisor	SHAWN STEWART

Associated Check List

<u>Checklist Name</u>	<u>Unit Name</u>
PWS COMPLAINT INVESTIGATION	DEER SPRINGS
PWS INVESTIGATION - EQUIPMENT	DEER SPRINGS
MONITORING AND SAMPLING revised 06/2013	



Investigation Comments:

INTRODUCTION

On August 26, 2019, the Austin Region Office received a complaint alleging low water pressure and low chlorine

DEER SPRINGS WATER -

9/26/2019 Inv. # - 1597084

Page 2 of 3

for a week. The water system responsible for the address is Deer Springs Water Company—TX0270006.

GENERAL FACILITY AND PROCESS INFORMATION

The Deer Springs water system is a community water system that serves 92 residential connections which includes one RV Park with 24 connections. The water system is equipped with two wells producing approximately 80 GPM (G0270006A - 30 GPM and G0270006B - 50 GPM). The wells discharge to three ground storage tanks (0.010 MG and two 0.005MG) which gravity feeds to the distribution system. Five houses in the upper pressure plane are served by a booster station which is equipped with two service pumps (25 GPM each) and two pressure tanks (119 gallons each). Hypochlorination is injected prior to storage.

The most recent comprehensive compliance investigation at this system was conducted on February 27, 2015. No violations were noted. There was a complaint investigation at Deer Springs on April 10, 2019, was conducted in response to allegations of inadequate boil water notification (BWN) after a drop in water pressure at a residence. A violation of 30 TAC 290.46 (d)(2)(A) was cited for failure to continuously maintain a free chlorine residual of 0.2 mg/L throughout the distribution system. The violation was noted as resolved.

BACKGROUND INFORMATION

An on-site investigation was performed on September 26, 2019, by Anna Wood and Devon Thomas of the Austin Region Office. The investigators met with the complainant at the complainant's home, and inquired further regarding the complaint. The complaint explained that they had had intermittent pressure issues for the prior few weeks, and that the normal chlorine smell disappeared completely from their water. Following these observations, the complainant purchased a chlorine test kit and found no chlorine present in the water.

The investigators took a distribution sample at the household of the complainant and tested for free chlorine, nitrite, and pH using a Hach SL1000 portable parallel analyzer. The free chlorine residual at the location was 0.04 milligrams per liter (mg/L), nitrite measured 0, the pH was 7.26, and the pressure was 33 pounds per square inch (psi).

On September 26, at 1215 hours, Ms. Wood contacted Mr. Cody Lewis, owner, via phone to inform him of the low disinfectant residual and pressure readings.

On September 27, 2019, at 0900 hours, Mr. Cody Lewis, owner, contacted Ms. Wood via phone to explain that the pressure gauge at the water plant was not functioning at the time of the investigation. The gauge was fixed after the problem was identified, and the pressure in the distribution system was back in compliance--measured at 40 psi. At 1230 hours, Mr. Lewis emailed Ms. Wood that a disinfectant residual of 0.81mg/L of free chlorine was read at 0908 hours within the distribution system. A picture of the colorimeter reading 0.81 mg/L was included in the email (See Attached Correspondence).

On November 21, 2019, at 1550 hours, TCEQ Austin Region Office received a phone call from the complainant alleging that the distribution system contained no chlorine residual. Ms. Wood contacted the PWS by phone at 1600 hours to inform them of the chlorine residual status. On November 22, 2019, at 1025 hours, Ms. Wood received an email with an attached timestamped photograph showing a colorimeter reading of 1.15 mg/L of free chlorine (See Attached Correspondence).

One violation was alleged at the conclusion of this investigation for failure to maintain minimum chlorine residual in the distribution system. An additional issue was noted for the low pressure reading at the customer household. A Notice of Enforcement letter was sent to the system.

NOE Date: 11/25/2019

**OUTSTANDING ALLEGED VIOLATION(S)
ASSOCIATED TO A NOTICE OF ENFORCEMENT**

Track Number: 734044

Compliance Due Date: To Be Determined

Violation Start Date: Unknown

30 TAC Chapter 290.46(d)(2)

DEER SPRINGS WATER -

9/26/2019 Inv. # - 1597084

Page 3 of 3

Alleged Violation:

Investigation: 1597084

Comment Date: 11/22/2019

Failure to maintain a free chlorine residual of 0.2 milligrams per liter in the distribution system. Specifically, the investigators collected a distribution sample at the household of the complainant and tested for free chlorine, nitrite, and pH using a Hach SL1000 portable parallel analyzer. The free chlorine residual at the location was 0.04 milligrams per liter (mg/L). This sample measured below the required minimum disinfectant residual of 0.2 mg/L.

Recommended Corrective Action: The water system shall provide a minimum of 0.2 mg/L of free chlorine.

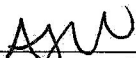
Additional Issues

Description Item 2

Additional Comments

A pressure reading of 33 pounds per square inch was recorded at the household of the complainant. It was discovered that the pressure gauge at the water plant was not functioning at the time of the investigation. The gauge was fixed after the problem was identified, and the pressure in the distribution system was back in compliance--measured at 40 psi.

Signed



Environmental Investigator

Date 11-22-2019

Signed



Supervisor

Date 11/22/19

Attachments: (in order of final report submittal)

Enforcement Action Request (EAR)

____ Maps, Plans, Sketches

Letter to Facility (specify type): NOE
11-25-2019

____ Photographs

Investigation Report

Correspondence from the facility

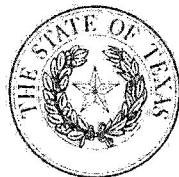
____ Sample Analysis Results

____ Other (specify) :

____ Manifests

____ Notice of Registration

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Bobby Janecka, *Commissioner*
Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

November 25, 2019

**CERTIFIED MAIL 9489 0090 0027 6007 8527 30
RETURN RECEIPT REQUESTED**

**Mr. Cody Lewis, Owner
Deer Springs Water Company
Post Office Box 643
Buchanan Dam, Texas 78609-0643**

Re: Notice of Enforcement for Complaint Investigation at:
Deer Springs Water Company
End of Deer Springs Drive South of Highway 29, Burnet, TX, Burnet County
Regulated Entity No.: RN100824937, PWS ID No.: TX0270006

Dear Mr. Lewis:

On September 26, 2019, Anna Wood and Devon Thomas of the Texas Commission on Environmental Quality (TCEQ) Austin Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for *public water supply*. During this investigation, a certain outstanding alleged violation was documented. Enclosed is a summary which lists the investigation findings and recommended corrective actions. Additional recommended corrective actions may be provided by the Enforcement Division.

In the listing of the alleged violation we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.state.tx.us> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Austin Region Office at (512)-339-2929 or the Central Office Publications Ordering Team at 512-239-0028.

Also, please be advised that the Legislature has granted enforcement powers to the TCEQ to carry out its mission to protect human health and the environment. Due to the apparent seriousness of the alleged violation, formal enforcement action has been initiated, and additional violations may be cited upon further review. We encourage you to immediately begin taking actions to address the outstanding alleged violation.

In responding with prompt corrective action, the administrative penalty to be assessed may be limited.

The Commission recognizes that the great majority of the regulated community wants to prevent pollution and to comply with environmental laws. We dedicate considerable resources toward making voluntary compliance achievable. But where compliance has not been met it is our duty to protect the public and the environment by enforcing the state's environmental laws, regulations, and permits.

Mr. Cody Lewis
Page 2
November 25, 2019

Also, if you believe the violation documented in this notice has been cited in error, **and** you have additional information that we are unaware of, you may request a meeting to discuss this enforcement matter. To request a meeting, send a letter describing the additional information to the address shown below.

Manager, Drinking Water Section
Enforcement Division, MC 219
Re: Enforcement Meeting Request
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

If you or members of your staff have any questions, please feel free to contact Ms. Wood in the Austin Region Office at (512)-339-2929.

Sincerely,



Shawn Stewart
Manager, Water Section
Austin Region Office

SS/aw

Enclosure: Summary of Investigation Findings

Summary of Investigation Findings

DEER SPRINGS WATER	Investigation #
, BURNET COUNTY,	1597084 Investigation Date: 09/26/2019
Additional ID(s): 0270006	

**OUTSTANDING ALLEGED VIOLATION(S)
ASSOCIATED TO A NOTICE OF ENFORCEMENT**

Track No: 734044 Compliance Due Date: To Be Determined
30 TAC Chapter 290.46(d)(2)

Alleged Violation:

Investigation: 1597084 Comment Date: 11/22/2019

Failure to maintain a free chlorine residual of 0.2 milligrams per liter in the distribution system. Specifically, the investigators collected a distribution sample at the household of the complainant and tested for free chlorine, nitrite, and pH using a Hach SL1000 portable parallel analyzer. The free chlorine residual at the location was 0.04 milligrams per liter (mg/L). This sample measured below the required minimum disinfectant residual of 0.2 mg/L.

Recommended Corrective Action: The water system shall provide a minimum of 0.2 mg/L of free chlorine.

ADDITIONAL ISSUES

Description
Item 2

Additional Comments
A pressure reading of 33 pounds per square inch was recorded at the household of the complainant. It was discovered that the pressure gauge at the water plant was not functioning at the time of the investigation. The gauge was fixed after the problem was identified, and the pressure in the distribution system was back in compliance--measured at 40 psi.

See note: Who Fills out the EAR? u

Enforcement Action Referral Rev. 3/18/2002	Inv. #	1597084	Initiated by: Region, LP, Central:	Region
	Enf Case		Name of Initiating Office:	REGION 11 - AUSTIN
	Media Code:	PWS		

Section 1: Respondent

ID	CN602540122		Role	RESP PARTY
Name	CODY LEWIS			
Mailing Address	Street/PO Box	PO BOX 643		
	City/State/Zip	BUCHANAN DAM, TX 78609		
	Phone		Fax	

Primary Contact (NOE Contact)			
Name	CODY LEWIS	Organization	DEER SPRINGS WATER COMPANY
Title	Owner/Operator	Phone	(512) 793-6126
		Fax	

Section 2: Respondent's Facility/Operation (F/O)

F/O ID	RN100824937		
F/O Name	DEER SPRINGS WATER		
F/O Physical Address	END OF DEER SPRINGS DR S OF HWY 29 W OF BURNET		
Location City		Location Zip	
Location County	BURNET	Operational Status	Active
Primary Business Activity	Public Drinking Water	Type of Small Entity	Small Business
SNC or HPV?	N/A	SIC Code	
Potentially Affected Area	Distribution system	Complaints Closed	1
List any NOV's?Orders for same or similar violations at this F/O in the past 5 years.	NOV dated 05/03/2019, violation tracking number 711554		
Additional IDs	0270006		

Section 3: Summary of Violations

See note: Inclusion of Resolved or Verbal Violations u

Viol Num	Requirements Cited Violation Description	Violation Dates		Investigation/ File Review	Date of...		CAT
		Start	End		NOV	NOE	
734044	30 TAC Chapter 290.46(d)(2)	Unknown	Unknown	09/26/2019		11/25/2019	B
Failure to maintain a free chlorine residual of 0.2 milligrams per liter in the distribution system.							

Section 4: Additional Discussion


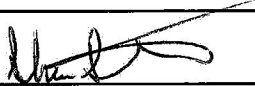
Repeat B violation for: Failure to maintain disinfectant residual within the distribution system. The previous violation tracking #: 711554, found in complaint investigation #: 1556466.

Section 5: Additional Issues

Item 2

A pressure reading of 33 pounds per square inch was recorded at the household of the complainant. It was discovered that the pressure gauge at the water plant was not functioning at the time of the investigation. The gauge was fixed after the problem was identified, and the pressure in the distribution system was back in compliance--measured at 40 psi.

Section 6: Information About Initiating Office

	Name	Anna Wood	Date	11-22-2019
	Signature		E-Mail	Anna.Wood@tceq.texas.gov
	Phone			
	Name	Shawn Stewart	Date	11/22/19
	Signature		E-Mail	Shawn.Stewart@tceq.texas.gov
	Phone	512/239-0431		

Texas Commission on Environmental Quality
Austin Region Office



Attachment A: Correspondence

Regulated Entity: DEER SPRINGS WATER

Investigation No.: 1597084

Anna Wood

From: Water Work's <WaterWorksCo@outlook.com>
Sent: Friday, November 8, 2019 2:46 PM
To: Anna Wood
Subject: Fwd: Info Requested - DSW

From: Anna Wood
Sent: Friday, September 27, 12:30 PM
Subject: RE: Info Requested - DSW
To: Water Work's

Received. Thank you.

From: Water Work's <WaterWorksCo@outlook.com>
Sent: Friday, September 27, 2019 12:30 PM
To: Anna Wood <Anna.Wood@tceq.texas.gov>
Subject: Info Requested - DSW

Friday, September 27, 2019



9:08 AM

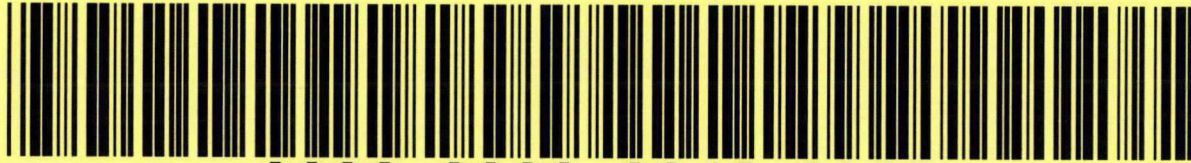
Anna Wood

From: Water Work's <WaterWorksCo@outlook.com>
Sent: Friday, November 22, 2019 10:25 AM
To: Anna Wood
Subject: PWS #: 0270006 - Deer Springs Water - Info. Requested

8:54 AM, Nov 22



Questions? Call us at 512-793-6126



0000-0000-0048-9193

Document Control Sheet

Sheet Title:	PWS - OLS
Box ID:	17299
Control Sheet ID:	0000-0000-0048-9193
Record Series Name:	WS / Public Water Supply
Record Series:	PWS
Primary ID:	0270047
Secondary ID:	
Doc Type:	Compliance
Security:	Public
Date:	4/5/2019 12:00AM
Title:	Investigation
Tertiary ID	

NOTICE OF DOCUMENT QUALITY

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

**THE QUALITY OF THE FOLLOWING ORIGINAL PAPER
DOCUMENT(S) WAS SUCH THAT ALL OR PORTIONS OF THE
SCANNED IMAGE
MAY BE DIFFICULT TO READ OR ILLEGIBLE.**

Some reasons for poor quality:

There are multiple densities per page, different types of ink, faded document, and some documents are different colors. Many of the photographs, charts, graphs, maps are of poor quality.

PWS_0270047_CP_20190405_INVESTIGATION
Page 17 of 59

Texas Commission on Environmental Quality Investigation Report

The TCEQ is committed to accessibility. If you need assistance in accessing this document, please contact oce@tceq.texas.gov

Customer: Anita Lewis
Customer Number: CN602295651

Regulated Entity Name: CASSIE WATER SYSTEM

Regulated Entity Number: RN102697794

<p>Investigation # 1550521 Investigator: CLAUDIA CHAFFIN Conducted: 03/19/2019 -- 03/19/2019 Program(s): PUBLIC WATER SYSTEM/SUPPLY Investigation Type: Compliance Investigation Additional ID(s): 0270047</p>	<p>Incident Numbers Site Classification GW 51-250 CONNECTION No Industry Code Assigned Location: OFF RM 690 ON CR 129 NORTH OF SH 29</p>
---	---

<p>Address: , , ,</p>	<p>Local Unit: REGION 11 - AUSTIN Activity Type(s): PWSCCIGWCM - CCI GW PURCHASE - COMMUNITY MANDATORY</p>
----------------------------------	--

Principal(s):

Role	Name
RESPONDENT	ANITA LEWIS
RESPONDENT	CODY B LEWIS

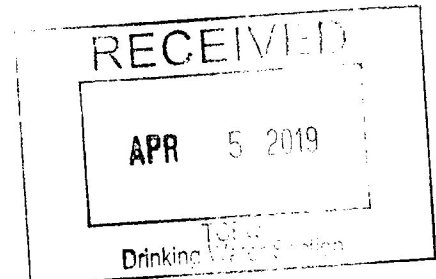
Contact(s):

Role	Title	Name	Phone
REGULATED ENTITY CONTACT	OWNER	MS ANITA LEWIS	Work (325) 379-1329
REGULATED ENTITY MAIL CONTACT	OWNER	MR CODY B LEWIS	Office (512) 793-6126



Other Staff Member(s):

Role	Name
QA Reviewer	LAWRENCE KING
Supervisor	SHAWN STEWART



Associated Check List

<u>Checklist Name</u>	<u>Unit Name</u>
PWS INVESTIGATION - EQUIPMENT MONITORING AND SAMPLING revised 06/2013	CASSIE WS
PWS STANDARD FIELD	CASSIE WS

Investigation Comments:

INTRODUCTION

RECEIVED
FEB 23 2021
TCEQ
CENTRAL FILE ROOM

3/19/2019 Inv. # - 1550521

Page 2 of 4

On March 19, 2019, a Comprehensive Compliance Investigation (CCI) was conducted at Cassie Water System, Public Water Supply ID 0270047, located on County Road 129, north of the City of Buchanan Dam in Burnet County. The CCI was conducted by Claudia A. Chaffin, Environmental Investigator with the TCEQ Austin Region Office. It was scheduled with Mr. Cody Lewis, owner and operator. A notice of violation (NOV) letter was sent to facilitate compliance.

GENERAL FACILITY AND PROCESS INFORMATION

The Cassie Water System is a community ground water system with 66 service connections, where an estimated 106 residents live. The system operates as a utility under Certificate of Convenience and Necessity ID 11663. The average daily demand for March 2018 through February 2019 was 7,605 gallons. The maximum daily demand during this period could not be determined on a daily basis since the readings are taken every seven days.

The water system has two wells. Water from Well 1 is injected with a sodium hypochlorite (liquid bleach) solution, for disinfection, before discharging into a 10,000-gallon concrete ground storage tank. Two service pumps take suction from the storage tank and discharge through a 900-gallon pressure tank and then to the distribution system.

Water from Well 2 is injected with a sodium hypochlorite solution, then discharges into an additional 10,000-gallon concrete ground storage tank. One service pump takes suction from the storage tank and discharges through a 300 gallon and a 120 gallon pressure tank to the distribution system.

A water sample was collected at 118 South Chaparral Drive. The residual disinfectant concentration was 0.42 milligrams per liter. The water pressure at this location was 45 pounds per square inch.

BACKGROUND

The last CCI was performed May 24 and June 7, 2016. A notice of violation was sent for failing to obtain a sanitary control easement or submitting a an easement exception request.

ADDITIONAL INFORMATION

The investigator reviewed records that were submitted, including monthly operating reports, bacteriological sample results, tank inspections, laboratory records, flush records and maintenance logs.

A violation of 290.46(s)(1) was cited for failure to have the well meters calibrated at least once every three years.

A violation of 30 TAC 290.45(b)(1)(C)(iii) was cited for the system not having two or more pumps with a capacity of 2.0 gpm per connection. The system has 66 connections and needs a capacity of 132 gpm and has a capacity of 130 gpm.

An additional issue was noted for lack of an identifying address on the distribution chlorine residual records. There was no way to determine if the sites were rotated.

NOV Date 04/05/2019 **Method** WRITTEN

**OUTSTANDING ALLEGED VIOLATION(S)
ASSOCIATED TO A NOTICE OF VIOLATION**

Track Number: 709331

Compliance Due Date: 06/05/2019

Violation Start Date: Unknown

30 TAC Chapter 290.46(s)(1)

Alleged Violation:

Investigation: 1550521

Comment Date: 03/22/2019

Failure to calibrate the well meters at least once every three years.

3/19/2019 Inv. # - 1550521

Page 3 of 4

Recommended Corrective Action: Submit documentation of well meter calibration on or before the compliance due date to the Austin Region Office.

Track Number: 709670 **Compliance Due Date:** 06/05/2019
Violation Start Date: Unknown

30 TAC Chapter 290.45(b)(1)(C)(iii)

Alleged Violation:

Investigation: 1550521

Comment Date: 03/28/2019

A violation of 30 TAC 290.45(b)(1)(C)(iii) was noted for the system not having two or more pumps with a capacity of 2.0 gpm per connection. The system has 66 connections and needs a capacity of 132 gpm and has a capacity of 130 gpm.

Recommended Corrective Action: Submit written documentation to the Austin Region Office of a pump capacity of 2.0 gpm per connection on or before the required due date.

Additional Issues

Description Item #3

Additional Comments

The weekly chlorine distribution sample sites need an identification of address to indicate they are rotated according to the monitoring plan.

Signed

Claudia A. Crofford

Environmental Investigator

Date

4/4/19

Signed

[Signature]

Supervisor

Date

4/4/19

Attachments: (in order of final report submittal)

Enforcement Action Request (EAR)
 Letter to Facility (specify type) : NOV

Investigation Report

Sample Analysis Results

Manifests

Notice of Registration

Maps, Plans, Sketches

Photographs

Correspondence from the facility

Other (specify) :

exit interview, PWS data
DWW Summary

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 5, 2019

CERTIFIED MAIL 9489 0090 0027 6009 3714 51
RETURN RECEIPT REQUESTED

Mr. Cody Brent Lewis, Owner
Cassie Water System
P.O. Box 142
Buchanan Dam, TX 78609-0142

Re: Notice of Violation for Comprehensive Compliance Investigation at:
Cassie Water, County Road 129, Buchanan Dam (Burnet County), Texas
Regulated Entity No.:102697794, TCEQ PWS ID No.: 0270047

Dear Mr. Lewis:

On March 19, 2019, Claudia A. Chaffin of the Texas Commission on Environmental Quality (TCEQ) Austin Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for public water supply. Enclosed is a summary which lists the investigation findings. During the investigation certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by June 5, 2019 a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for each of the outstanding alleged violations.

In the listing of the alleged violations, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.state.tx.us> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Austin Region Office at 512-339-2929 or the Central Office Publications Ordering Team at 512-239-0028.

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. We anticipate that you will resolve the alleged violations as required in order to protect the State's environment. If you have additional information that we are unaware of, you have the opportunity to contest the violations documented in this notice. Should you choose to do so, you must notify the Austin Region Office within 10 days from the date of this letter. At that time, I will schedule a violation review meeting to be conducted *within 21 days from the date of this letter*. However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the enclosed Summary of Investigation Findings until an official decision is made regarding the status of any or all of the contested violations.

Mr. Cody Lewis
Page 2
April 5, 2019

If you or members of your staff have any questions, please feel free to contact Ms. Claudia A. Chaffin in the Austin Region Office at (512) 339-2929.

Sincerely,



Shawn Stewart
Water Section Manager
Texas Commission on Environmental Quality

SS/cac

Enclosure: Summary of Investigation Findings

CASSIE WATER SYSTEM , BURNET COUNTY, Additional ID(s): 0270047	Investigation # 1550521
	Investigation Date: 03/19/2019

**OUTSTANDING ALLEGED VIOLATION(S)
ASSOCIATED TO A NOTICE OF VIOLATION**

Track No: 709331 Compliance Due Date: 06/05/2019
30 TAC Chapter 290.46(s)(1)

Alleged Violation:

Investigation: 1550521 Comment Date: 03/22/2019

Failure to calibrate the well meters at least once every three years.

Recommended Corrective Action: Submit documentation of well meter calibration on or before the compliance due date to the Austin Region Office.

Track No: 709670 Compliance Due Date: 06/05/2019
30 TAC Chapter 290.45(b)(1)(C)(iii)

Alleged Violation:

Investigation: 1550521 Comment Date: 03/28/2019

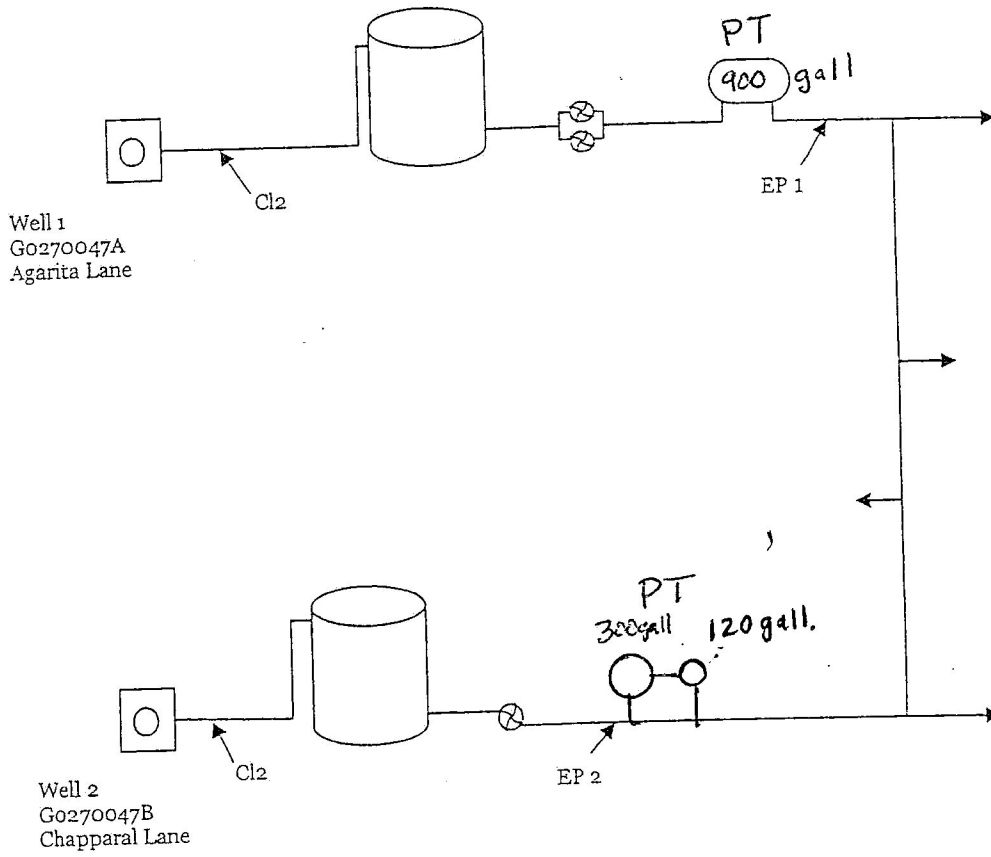
A violation of 30 TAC 290.45(b)(1)(C)(iii) was noted for the system not having two or more pumps with a capacity of 2.0 gpm per connection. The system has 66 connections and needs a capacity of 132 gpm and has a capacity of 130 gpm.

Recommended Corrective Action: Submit written documentation to the Austin Region Office of a pump capacity of 2.0 gpm per connection on or before the required due date.

ADDITIONAL ISSUES

Description	Additional Comments
Item #3	The weekly chlorine distribution sample sites need an identification of address to indicate they are rotated according to the monitoring plan.

Cassie Water System Public Water Supply ID 0270047





**CASSIE WATER SYSTEM
MASTER READINGS - #1
2018**

Public Water System ID: 0270047

Number	Date	Present	Previous	Usage
1	March 25, 2018	3245340	3239600	5,740
2	April 28, 2018	3250570	3245340	5,230
3	May 27, 2018	3250570	3250570	0
4	June 30, 2018	3251830	3250570	1,260
5	July 28, 2018	3252040	3251830	210
6	August 31, 2018	3457810	3252040	205,770
7	September 30, 2018	3603540	3457810	145,730
8	October 29, 2018	3752870	3603540	149,330
9	November 28, 2018	3929400	3752870	176,530
10	December 27, 2018	4016230	3929400	86,830
11	January 30, 2019	4020850	4016230	4,620
12	February 28, 2019	4175180	4020850	154,330
TOTAL USAGE				935,580
ONE YEAR TOTAL - Well #1 & Well #2				2,775,910



CASSIE WATER SYSTEM MASTER READINGS - #2 2018

Public Water System ID: 0270047

Number	Date	Present	Previous	Usage
1	March 25, 2018	3715270	3490930	224,340
2	April 28, 2018	3965310	3715270	250,040
3	May 27, 2018	4187950	3965310	222,640
4	June 30, 2018	4550940	4187950	362,990
5	July 28, 2018	4873270	4550940	322,330
6	August 31, 2018	5066090	4873270	192,820
7	September 30, 2018	5066090	5066090	0
8	October 29, 2018	5066090	5066090	0
9	November 28, 2018	5066090	5066090	0
10	December 27, 2018	5141950	5066090	75,860
11	January 30, 2019	5321480	5141950	179,530
12	February 28, 2019	5331260	5321480	9,780

TOTAL USAGE

1,840,330

HACH™ **SPEC** / **COLOR STANDARD**

Record of Performance Verification
DPD Chlorine Spec Color Standard
Cat. 26353-00 Lot A9032A

<u>Lot</u>	<u>Test Value/Tolerance</u>	<u>Instrument Reading</u>
BLANK	Zero Instrument	Zero
STD 1	± 0.09 mg/l	_____
STD 2	± 0.10 mg/l	_____
STD 3	± 0.14 mg/l	_____

Instrument Identification: _____

Program No. _____

Note: Test values may also be found at www.hach.com

ART04A

Expiry Date: Feb 2021

26353-89

TCEQ EXIT INTERVIEW FORM: Potential Violations and/or Records Requested

Regulated Entity/Site Name	Cassie Water System			TCEQ Add. ID No. RN No. (optional)	PWS 027047	
Investigation Type	CCI	Contact Made In-House (Y/N)	Y	Purpose of Investigation	comprehensive compliance	
Regulated Entity Contact	CB Lewis			Telephone No.	512-793-6126	Date Contacted 3/19/19
Title	owner/operator			Fax No.		Date Faxed

NOTICE: The information provided in this form is intended to provide clarity to issues that have arisen during the investigation process between the TCEQ and the regulated entity named above and *does not represent final TCEQ findings related to violations*. Any potential or alleged violations discovered after the date on this form will be communicated by telephone to the regulated entity representative prior to the issuance of a notice of violation or enforcement. Conclusions drawn from this investigation, including additional violations or potential violations discovered (if any) during the course of this investigation, will be documented in a final investigation report.

Issue		For Records Request: identify the necessary records, the company contact and date due to the agency. For Alleged and Potential Violation issues: include the rule in question with the clearly described potential problem. Other type of issues: fully describe.	
No.	Type ¹	Rule Citation (if known)	Description of Issue
1	PV	290.46(s)(1)	- failure to have well meter calibration records
1	Additional		- submit water use records for 2018 minus Jan+Feb
2	Issues		- get expiration date for Hochgel standards replace if expired
3			- Id Chlorine distribution sites on weekly records

¹Issue Type Can Be One or More of: AV (Alleged Violation), PV (Potential Violation), O (Other), or RR (Records Request)

Did the TCEQ document the regulated entity named above operating without proper authorization?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Did the investigator advise the regulated entity representative that continued operation is not authorized?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Document Acknowledgment. Signature on this document establishes only that the regulated entity (company) representative received a copy of this document and associated continuation pages on the date noted. If contact was made by telephone, document will be faxed to regulated entity; therefore, signature not required.

Claudia A. Chaffin / Claudia A. Chaffin	3/19/19	[Signature]	3-19-19
Investigator Name (Signed & Printed)	Date	Regulated Entity Representative Name (Signed & Printed)	Date

If you have questions about any information on this form, please contact your local TCEQ Regional Office. Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, call 512-239-3282.

Texas Commission on Environmental Quality	Office of Water	Public Drinking Water Section
County Map of TX	Water System Search	Office of Compliance and Enforcement

12/21/2018

Texas Commission on Environmental Quality

11:12:55

DWW Water System Summary Sheet

PWS ID	PWS Name	Central Registry RN
TX0270047	CASSIE WATER SYSTEM	RN102697794

Organization/Customer *	Central Registry CN
LEWIS, ANITA	CN602295651
LEWIS, CODY, BRENT	CN601357585

*Regulatory mail will be addressed to this organization/person

All Water System Contacts			
Type	Contact	Communication	
AC - Administrative Contact - OWNER	LEWIS, CODY, BRENT PO BOX 142 BUCHANAN DAM, TX 78609-0142	Phone Type	Value
		BUS - Business	325-379-1329
		MOB - Mobile	512-793-6126
AC - Administrative Contact - OWNER	LEWIS, ANITA PO BOX 142 BUCHANAN DAM, TX 78609-0142	Electronic Type	Value
		Phone Type	Value
		BUS - Business	325-379-1329
FC - Financial Contact - OWNER	LEWIS, ANITA PO BOX 142 BUCHANAN DAM, TX 78609-0142	Electronic Type	Value
		Phone Type	Value
		BUS - Business	325-379-1329
OW - Owner - OWNER	LEWIS, CODY, BRENT PO BOX 142 BUCHANAN DAM, TX 78609-0142	Phone Type	Value
		BUS - Business	325-379-1329
		MOB - Mobile	512-793-6126
OW - Owner - OWNER	LEWIS, ANITA PO BOX 142 BUCHANAN DAM, TX 78609-0142	Electronic Type	Value
		Phone Type	Value
		BUS - Business	325-379-1329

Operator Grade	Number
SURFACE WATER TREATMENT OPERATOR Grade C	1

Water Operator Licenses		
License Holder:	LEWIS, CODY BRENT	
CURRENT	Class: C - SURFACE WATER TREATMENT OPERATOR	WS0006610
License Holder:	RICKS, FREDRICK A	
EXPIRED	Class: D - WATER OPERATOR	WO0018659

Owner Type	Owner Type Options: COUNTY, DISTRICT, FEDERAL GOVERNMENT, INVESTOR OWNED, MUNICIPALITY, NATIVE AMERICAN, PRIVATE, STATE GOVERNMENT, WATER SUPPLY CORPORATION
Investor Owned	

System Type	System Type Options: COMMUNITY, TRANSIENT/NON-COMMUNITY, NON-PUBLIC, NON-TRANSIENT/NON-COMMUNITY
C - Community	

Population Type	Population Served	# of Connect	# I/C w/other PWS
Residential	100	64	0

106 66

Total Product (MGD)	Average Daily Consump.	Max Daily Demand (MGD)	Total Storage (MG)	Elev. Storage (MG)	Service Pump Cap.	Max. Purchase Cap. (MGD/GPM)	Pressure Tank Cap. (MG)
0.0680 4 MGD	0.0060 76 MGD	0.0110 MGD Occurred on 08/15/2010	.02 MG		.187 MGD		##### GAL

Activity Status	Inactivation Date
A - ACTIVE	

Last Survey Date	Surveyor	Survey Type	Region	County
05/24/2016	CLAUDIA, A CHAFFIN	Sanitary Survey	AUSTIN	BURNET
03/26/2014	CLAUDIA, A CHAFFIN	Sanitary Survey	AUSTIN	BURNET
04/28/2011	LAWRENCE, O KING	Sanitary Survey	AUSTIN	BURNET

3/19/2019 Claudia A Chaffin ✓ ✓ ✓

(Treatment Plant)							
Entry Point	EP Name/Source Summation (Activity)	Plant Name (Activity)	Plant Num	Chemical Mon	Chem Sample	Distribution Mon Type	Dist Sample

	Status)	Status)		Type	Point		Point
EP001	TRT-TAP / Ground Water Under Influence(A)	PLANT 1 - AGARITA LN(A)	TP1760		NO		NO

Train: Unnamed				
(Treatments)				
Disinfection Zone	Treatment Sequence	Objective	Process	Treatment
null	null	D	423	HYPOCHLORINATION, PRE

(Active Sources)						
Source Number	Source Name (Activity Status)	Operational Status	Source Type	Depth	Tested GPM	Rated GPM
G0270047A	1 - AGARITA DR (GUI) (A)	P	G	45	34 GPM	22 GPM
Drill Date		Source Summary			32	
02/25/1976		PRE-CAMBRIAN AG				
GPS Latitude (decimal)	GPS Longitude (decimal)	GPS Elevation	GPS Date	Seller		
30.774646	-98.40957	0	05/04/2010	Not Purchasing		

(Inactive/Offline Sources)			
SourceNumber	Name	Status	Depth

(Treatment Plant)							
Entry Point	EP Name/Source Summation (Activity Status)	Plant Name (Activity Status)	Plant Num	Chemical Mon Type	Chem Sample Point	Distribution Mon Type	Dist Sample Point
EP002	TRT-TAP / Ground Water Under Influence(A)	PLANT 2 - S CHAPARRAL(A)	TP1761		NO		NO

Train: Unnamed				
(Treatments)				
Disinfection Zone	Treatment Sequence	Objective	Process	Treatment
null	null	D	423	HYPOCHLORINATION, PRE

(Active Sources)

Source Number	Source Name (Activity Status)	Operational Status	Source Type	Depth	Tested GPM	Rated GPM
G0270047B	2 - S CHAPARRAL (GUI) (A)	P	G	275	13 GPM	22 GPM
Drill Date		Source Summary				
04/29/1982		PRE-CAMBRIAN AG 15.5				
GPS Latitude (decimal)	GPS Longitude (decimal)	GPS Elevation	GPS Date	Seller		
30.776317	-98.408058	1032	09/30/2013	Not Purchasing		

(Inactive/Offline Sources)

SourceNumber	Name	Status	Depth
--------------	------	--------	-------

Code Explanations

Monitoring Type Codes: (GW) GROUNDWATER , (GUP) GROUNDWATER UNDER THE INFLUENCE - PURCHASED , (SWP) SURFACE WATER - PURCHASED , (GU) GROUNDWATER UNDER THE INFLUENCE OF SURFACE WATER , (N) NO SOURCES , (SW) SURFACE WATER

Activity Status Codes: (A) ACTIVE , (D) DELETED/DISSOLVED , (I) INACTIVE , (P) PROPOSED ,

Operational Status Codes: (E) EMERGENCY , (I) INTERIM/PEAK (O) OTHER , (P) PERMANENT , (S) SEASONAL

Source Types: (G) GROUND WATER , (S) SURFACE WATER , (U) GROUND WATER UNDER THE INFLUENCE

- End of Report -

At the time of your query this data was the most current information available from our database, which is in real time. Every effort was made to retrieve it according to your query. Thank-you for using DWW.

2	40 GPM	Plant No. 1
3	50 GPM	Plant No. 2

SYSTEM CAPACITIES

Pressure Plane Number: 1 Name: Cassie WS

System Capacities		Required	Provided
Well Production	0.6	GPM Conn X 66 Conn = 39.6	GPM 47.5
Elevated Pressure Storage	20	Gal/Conn X 66 Conn = 0.00132	MG 0.00132
Ground/Total Storage	200	Gal/Conn X 66 Conn = 0.0132	MG 0.020
Service Pump Capacity	2	GPM/Conn X 66 Conn = 132	GPM 130
Service Pump Peaking Factor		MDD/1440 X **	GPM
Tested PSI: 45 Tested CL2: 0.42 Free Location: 118 S. Chaparral			

PUBLIC WATER SYSTEM DATA

Name of System:	Cassie Water System		
CCN Number:	11663	PWS ID:	270047
Classification:	Not Applicable	Type:	Community
Region Number:	11		
Interconnect with Other PWS:	No	Name of PWS I/C:	
Type I/C:			
Retail Service Connections:		Retail Meters:	66
Retail Population:	106		
Wholesale Master Meters:		Wholesale Service Connections:	
Wholesale Population:			
Total Well Capacity:	47.5 GPM 0.0684 MGD		
Raw Capacity:	GPM MGD		
Total Elevated Storage:	MG	Total Storage Capacity:	0.02 MG
Pressure Tank Capacity:	0.00132		
Maximum Daily Usage:	MGD	Date:	09/09/9999
Average Daily Usage:	0.0076 MGD	Time Period:	03/01/2018to 02/28/2019
Wholesale Contract:	No	Maximum Purchase Rate :	
No. of Samples Required:	1	No. of Samples Submitted:	1
No. of Raw Samples Required:		No. of Raw Samples Submitted:	
Non-Comm Dates of Operation:	09/09/9999 to 09/09/9999		

WATER STORAGE TANKS

Type	Capacity	Material	Location
GR	0.01 MG	CC	Plant No. 1, Agarita Lane
GR	0.01 MG	CC	Plant No. 2, Chapparal Lane
HD	900 gallons	ST	Plant No. 1
HD	120 gallons	ST	Plant No. 2
HD	300 gallons	ST	Plant No. 2

WATER SOURCES

EP No.	Source Code	Owner's Des	Location	Status	Pump Type	Tst. GPM	Est. GPM	Tst/Est.GPM	Date
1	G0270047A	Well No. 1	Agarita Lane	O	sub.	32 GPM	22 GPM	03/19/2019	
2	G0270047B	Well No. 2	Chapparal Lane	O	sub.	15.5 GPM	22 GPM	03/19/2019	

SERVICE PUMPS

Pump Number	Output	Location
1	40 GPM	Plant No. 1



0000-0000-0042-1254

Document Control Sheet

Sheet Title:	PWS - SE
Box ID:	12392
Control Sheet ID:	0000-0000-0042-1254
Record Series Name:	WS / Public Water Supply
Record Series:	PWS
Primary ID:	1500018
Secondary ID:	
Doc Type:	Compliance
Security:	Public
Date:	1/9/2019 12:00AM
Title:	Investigation
Tertiary ID	

PWS_1500018_CP_20190109_Investigation Page 36 of 59
Texas Commission on Environmental Quality
Investigation Report

The TCEQ is committed to accessibility. If you need assistance in accessing this document, please contact oce@tceq.texas.gov

Customer: Water Works I & II
Customer Number: CN601363393

RECEIVED

JAN 22 2020

Regulated Entity Name: WATER WORKS 1 FLOYD ACRES

Regulated Entity Number: RN102685633

TCEQ
CENTRAL FILE ROOM

Investigation # 1538278

Incident Numbers

Investigator: LAWRENCE KING

Site Classification P <=50 CONNECTION

Conducted: 01/09/2019 – 01/09/2019

NAIC Code: 221310

SIC Code: 4941

Program(s): PUBLIC WATER SYSTEM/SUPPLY

Investigation Type: Compliance Investigation

Location: E SIDE OF HWY 261 4 MI N OF HWY 29
IN BUCHANAN DAM TX

Additional ID(s): 1500018

Address: ,

Local Unit: REGION 11 - AUSTIN

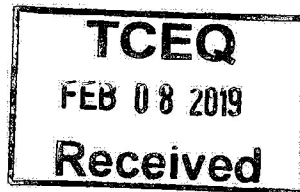
Activity Type(s): PWSCCIGWCM - CCI GW PURCHASE
- COMMUNITY MANDATORY

Principal(s):

Role	Name
RESPONDENT	WATER WORKS I & II

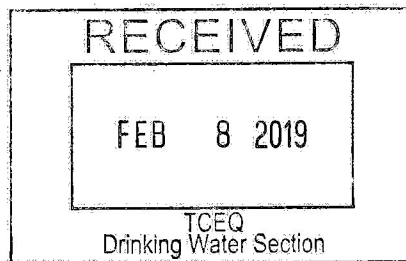
Contact(s):

Role	Title	Name	Phone
REGULATED ENTITY MAIL CONTACT	OWNER	MR CODY B LEWIS	



Other Staff Member(s):

Role	Name
Supervisor	SHAWN STEWART



Associated Check List

<u>Checklist Name</u>	<u>Unit Name</u>
PWS INVESTIGATION - EQUIPMENT	PWS-1500018
MONITORING AND SAMPLING revised 06/2013	
PWS STANDARD FIELD	PWS-1500018

Investigation Comments:

INTRODUCTION

A Comprehensive Compliance Investigation (CCI) was performed January 9, 2019, of the water system for Water Works 1 Floyd Acres—Public Water Supply 1500018. The water system is located on Cove (street) in the City of Buchanan Dam in Llano County. It is owned by Cody Lewis. The water system operator is Mr. Robert Frost. Mr. Frost has a Water Operator D license. Mr. Lewis has a Surface Water Treatment Operator C license. The investigation was conducted by Lawrence King of the TCEQ Austin Region Office. It was scheduled December 20,

WATER WORKS 1 FLOYD ACRES -

1/9/2019 Inv. # - 1538278

Page 2 of 3

2018, with Mr. Lewis. During the inspection a review was made of operations and maintenance records, monitoring reports, and other documents required by state or federal regulations for a public water supply. A physical inspection of the water system facilities was also made. An exit interview was held with Mr. Lewis at the conclusion of the CCI. No violations were observed.

GENERAL FACILITY AND PROCESS INFORMATION

The system is a community water system with 26 residential connections. Treated surface water is purchased from Corix Utilities Texas, Incorporated's surface water treatment plant located in the City of Buchanan Dam. The purchase water contract, originally with the Lower Colorado River Authority, allows the water supply to take 77,700 gallons of water per day or 54 gallons per minute. The average daily demand during the 12-month period prior to the CCI was 4,460 gallons. The maximum daily demand during this period was 21,200 gallons on September 2, 2018.

Purchased water passes through a backflow prevention device and meter in an underground vault, owned and maintained by Corix Utilities, located on County Road 261 at the entrance to the neighborhood. Water is received into a 10,000 gallon ground storage tank on Cove owned by Mr. Lewis. Two 45-gallon-per-minute service pumps draw water from storage and discharge to the distribution system. Two pressure tanks (119 gallons, and 480 gallons) are connected to the discharge line. Mr. Lewis has the ability to add additional chlorine—the injection point is ahead of the ground storage tank—but he stated that he has never needed to do so. A water sample was collected at 209 Iris. The residual disinfectant concentration was 2.1 milligrams per liter of total chlorine. The water pressure at this location was 38 pounds per square inch.

BACKGROUND INFORMATION

The last CCI was conducted April 26, 2016. A notice of violation was mailed to Mr. Lewis May 18, 2016, for failure to perform an annual inspection of the ground storage tank. A tank inspection form was received in the Austin Region Office July 18, 2016. The violation was resolved August 1, 2016. There have been no complaint investigations or enforcement actions in at least the last five years. There are no unresolved monitoring violations.

ADDITIONAL INFORMATION

As noted above, no violations were observed during the investigation. A letter of compliance will be mailed to Mr. Lewis.

No Violations Associated to this Investigation

Signed


Environmental Investigator

Date 2-04-2019

Signed


Supervisor

Date 2/5/19

WATER WORKS 1 FLOYD ACRES -

1/9/2019 Inv. # - 1538278

Page 3 of 3

Attachments: (in order of final report submittal)

Enforcement Action Request (EAR)

Letter to Facility (specify type) : General Compliance

Investigation Report 2-07-2019

Sample Analysis Results

Manifests

Notice of Registration

Maps, Plans, Sketches

Photographs

Correspondence from the facility

Other (specify) :

Drinking Water Watch data sheet

+ Net data sheet

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

February 7, 2019

Mr. Cody Lewis, Owner
Water Works 1 Floyd Acres
Post Office Box 142
Buchanan Dam, Texas 78609-0142

Re: **Comprehensive Compliance Investigation at:**
Water Works 1 Floyd Acres Water System
Cove, Buchanan Dam, Llano County
TCEQ Public Water Supply 1500018, RN102685633

Dear Mr. Lewis:

On January 9, 2019, Lawrence King of the Texas Commission on Environmental Quality (TCEQ) Austin Region Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for public water systems. No violations are being alleged as a result of the investigation.

The TCEQ appreciates your assistance in this matter and your continued efforts to ensure the protection of the public health. Should you have a question, please feel free to contact Mr. King in the Austin Region Office at (512) 339-2929.

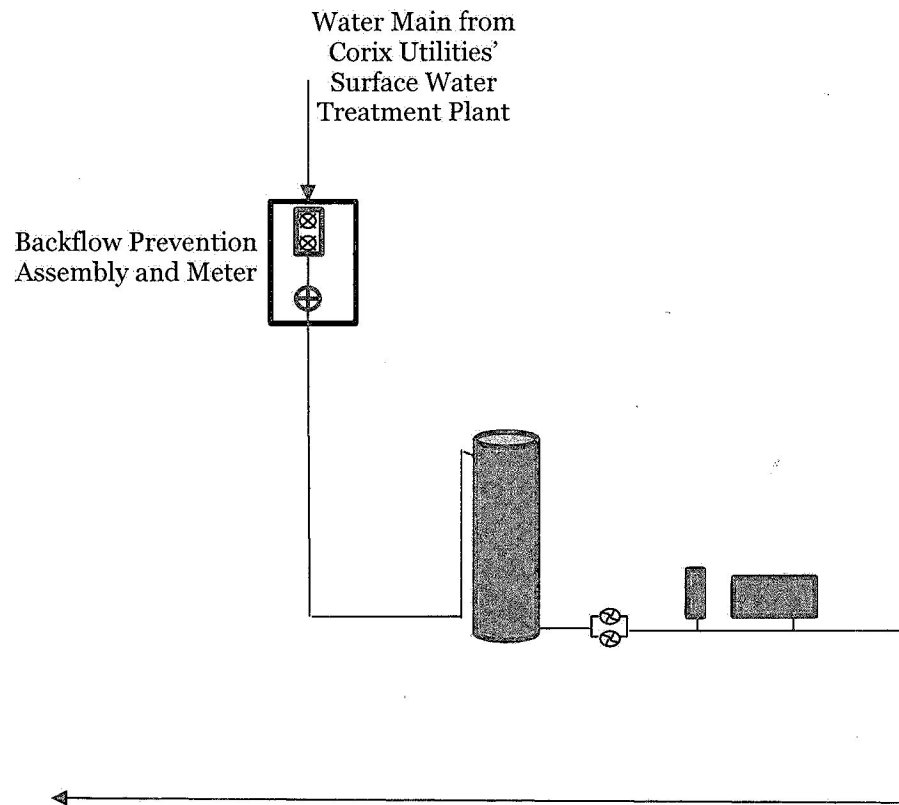
Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Stewart".

Shawn Stewart
Water Section Manager
Austin Region Office

SS/lok

Water Works 1 floyd Acres
Public Water Supply 1500018
January 9, 2019



PUBLIC WATER SYSTEM DATA

Name of System:	Water Works I Floyd Acres		
CCN Number:	11674	PWS ID:	1500018
Classification:	Not Applicable	Type:	Community
Region Number:	11		
Interconnect with Other PWS:	Yes	Name of PWS I/C:	Corix Utilities
Type I/C:			
Retail Service Connections:	26	Retail Meters:	26
Retail Population:	78		
Wholesale Master Meters:	Wholesale Service Connections:		
Wholesale Population:			
Total Well Capacity:	GPM	MGD	
Raw Capacity:	GPM	MGD	
Total Elevated Storage:	MG	Total Storage Capacity:	0.01 MG
Pressure Tank Capacity:	0.000599		
Maximum Daily Usage:	0.021 MGD	Date:	09/02/2018
Average Daily Usage:	0.0044 MGD	Time Period:	01/01/2018to 12/31/2018
Wholesale Contract:	Yes	Maximum Purchase Rate :	0.0777 MGD
No. of Samples Required:	1	No. of Samples Submitted:	1
No. of Raw Samples Required:	No. of Raw Samples Submitted:		
Non-Comm Dates of Operation:	09/09/9999 to 09/09/9999		

WATER STORAGE TANKS

Type	Capacity	Material	Location
GR	0.01 MG	CC	plant

WATER SOURCES

EP No.	Source Code	Owner's Des	Location	Status	Pump Type	Tst. GPM	Est. GPM	Tst/Est.GPM Date
1	P1500018A	LCRA Upper Highland Lakes Meter	FM 261	O				12/16/2010

SERVICE PUMPS

Pump Number	Output	Location
1	45 GPM	pump house
2	45 GPM	Pump House

SYSTEM CAPACITIES

Pressure Plane Number: 1 Name: Floyd Acres

System Capacities		Required		Provided
Well Production	0.6	GPM Conn X 26	Conn = 15	GPM 54
Elevated Pressure Storage	20	Gal/Conn X 26	Conn = 0.00052	MG 0.000599
Ground/Total Storage	200	Gal/Conn X 26	Conn = 0.0052	MG 0.010
Service Pump Capacity	2	GPM/Conn X 26	Conn = 52	GPM 90
Service Pump Peaking Factor		MDD/1440 X	**	GPM
Tested PSI: 38 Tested CL2: 2.1 Total Location: 209 Iris				

<u>Texas Commission on Environmental Quality</u>	<u>Office of Water</u>	<u>Public Drinking Water Section</u>
<u>County Map of TX</u>	<u>Water System Search</u>	<u>Office of Compliance and Enforcement</u>

02/02/2019
11:02:35

Texas Commission on Environmental Quality
DWW Water System Summary Sheet

PWS ID	PWS Name	Central Registry RN
TX1500018	WATER WORKS 1 FLOYD ACRES	RN102685633

Organization/Customer *	Central Registry CN
WATER WORKS I & II	CN601363393

*Regulatory mail will be addressed to this organization/person

All Water System Contacts			
Type	Contact	Communication	
AC - Administrative Contact - OWNER	LEWIS, CODY, BRENT PO BOX 142 BUCHANAN DAM, TX 78609-0142	Phone Type	Value
		BUS - Business	325-379-1329
		MOB - Mobile	512-793-6126
OW - Owner	WATER WORKS I & II PO BOX 472 BUCHANAN DAM, TX 78609-0472		

Operator Grade	Number
SURFACE WATER TREATMENT OPERATOR Grade C	1

Water Operator Licenses		
License Holder:	LEWIS, CODY BRENT	
CURRENT	Class: C - SURFACE WATER TREATMENT OPERATOR	WS0006610

Owner Type	Owner Type Options: COUNTY, DISTRICT, FEDERAL GOVERNMENT, INVESTOR OWNED, MUNICIPALITY, NATIVE AMERICAN, PRIVATE, STATE GOVERNMENT, WATER SUPPLY CORPORATION
Investor Owned	

System Type	System Type Options: COMMUNITY, TRANSIENT/NON-COMMUNITY, NON-PUBLIC, NON-TRANSIENT/NON-COMMUNITY
C - Community	

Population Type	Population Served	# of Connect	# I/C w/other PWS
Residential	84	28	0
	78	26	

Total Product (MGD)	Average Daily Consump. (MGD)	Max Daily Demand (MGD)	Total Storage (MG)	Elev. Storage (MG)	Service Pump Cap. (MGD)	Max. Purchase Cap. (MGD/GPM)	Pressure Tank Cap. (MG)
0.0780 MGD	0.0030 MGD	0.0050 MGD	0.01 MG		.13 MGD		##### GAL
0.0780	0.0044	0.021	0.010				0.00059
		09/02/2018					

Activity Status	Inactivation Date
A - ACTIVE	

Last Survey Date	Surveyor	Survey Type	Region	County
04/26/2016	CLAUDIA, A CHAFFIN	Sanitary Survey	AUSTIN	LLANO
02/25/2014	CLAUDIA, A CHAFFIN	Sanitary Survey	AUSTIN	LLANO
12/16/2010	CHAD, W AHLGREN	Sanitary Survey	AUSTIN	LLANO
01/09/2019	Lawrence King	Survey		

(Treatment Plant)							
Entry Point	EP Name/Source Summation (Activity Status)	Plant Name (Activity Status)	Plant Num	Chemical Mon Type	Chem Sample Point	Distribution Mon Type	Dist Sample Point
EP001	TRT-TAP / Purchased Surface Water(A)	PLANT 1(I)	TP9211		NO		NO

Train: Unnamed				
(Treatments)				
Disinfection Zone	Treatment Sequence	Objective	Process	Treatment
null	null	P	341	FILTRATION, CARTRIDGE

null	null	D	423	HYPOCHLORINATION, PRE
------	------	---	-----	-----------------------

(Active Sources)

(Inactive/Offline Sources)			
SourceNumber	Name	Status	Depth
G1500018B	2 - COVE / BEHIND BLDG	O	150
G1500018A	1 - COVE / INSIDE BLDG	O	180

Code Explanations
Monitoring Type Codes: (GW) GROUNDWATER , (GUP) GROUNDWATER UNDER THE INFLUENCE - PURCHASED , (SWP) SURFACE WATER - PURCHASED , (GU) GROUNDWATER UNDER THE INFLUENCE OF SURFACE WATER , (N) NO SOURCES , (SW) SURFACE WATER
Activity Status Codes: (A) ACTIVE , (D) DELETED/DISSOLVED , (I) INACTIVE , (P) PROPOSED ,
Operational Status Codes: (E) EMERGENCY , (I) INTERIM/PEAK (O) OTHER , (P) PERMANENT , (S) SEASONAL
Source Types: (G) GROUND WATER , (S) SURFACE WATER , (U) GROUND WATER UNDER THE INFLUENCE

- End of Report -

At the time of your query this data was the most current information available from our database, which is in real time. Every effort was made to retrieve it according to your query. Thank-you for using DWW.