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MATHEWS & FREELAND, L.L.P.

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March 1, 2022

Via Hand Delivery

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

Re: Application of the City of Justin for Approval of a Service Area Agreement Under

Texas Water Code §13.248 and to Amend Certificates of Convenience and Necessity

in Denton County

To the Public Utility Commission of Texas:

On behalf of the City of Justin ("Justin"), please accept this application under Texas Water Code §13.248 and 16 Tex. Admin. Code §24.253 for approval of a service area agreement and to transfer a portion of Aqua Texas, Inc.'s, ("Aqua's") CCN No. 13201 in Denton County, Texas to Justin's CCN No. 10167. Justin and Aqua have both agreed to the transfer. A copy of the agreement is attached as Exhibit A. The agreement was presented to and approved by Justin's City Council. The agenda and minutes from Justin's January 25, 2022, City Council meeting in which the agreement was approved, and an affidavit attesting to the meeting, are attached as Exhibit B.

The amount of territory is approximately 9.7 acres, and there are no existing customers in the tract. Small and large-scale maps of the area to be transferred are attached as Exhibit C. The digital data supporting the maps will be uploaded along with this document. Justin consulted with Aqua regarding these maps.

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

Sincerely,

Joe Freeland

Attorney for City of Justin

cc: Chuck Ewings, City Manager, City of Justin Geoffrey Kirshbaum, Attorney for Aqua Texas, Inc.

Exhibit A

TWC §13.248 Agreement between Justin and Aqua Texas, Inc.

SERVICE AREA AGREEMENT – GLEN COE PROPERTY

This Service Area Agreement (the "Agreement") is by and between the City of Justin, Texas, ("Justin" or "City") and Aqua Texas, Inc. d/b/a Aqua Texas ("Aqua") (all the above are also sometimes referred to herein collectively as the "Parties" or individually as a "Party").

RECITALS

WHEREAS, the City of Justin is a municipal corporation in Denton County, Texas, owning a retail public water utility operating under water CCN No. 10167 in Denton County; and

WHEREAS, Aqua Texas, Inc., is an investor-owned, retail public water utility operating under water CCN No. 13201 in Denton County; and

WHEREAS, Glen Coe Enterprises, LLC ("Property Owner") owns an approximately 9.7 acre-tract in Denton County located FM 156, approximately 1.4 miles south of downtown Justin, inside Aqua's CCN but immediately adjacent to Justin's CCN and corporate boundaries and shown as the "Requested Transfer Area" on Exhibit A; and,

WHEREAS, Property Owner has requested retail water utility service from Justin; and,

WHEREAS, Aqua consents, pursuant to the terms of this Agreement, to allowing Justin to provide retail water utility service to the Requested Transfer Area; and,

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

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

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

ARTICLE I TERMS

- 1.1 <u>Term.</u> This Agreement shall remain valid and enforceable until superseded by subsequent written agreement.
- 1.2 <u>Property Subject to the Agreement.</u> The property subject to this Agreement is the property identified as "Requested Transfer Area" as shown on Exhibit A.
- 1.3 <u>Transfer of Water Utility Service Area</u>. Aqua consents and agrees to the transfer of CCN service territory that includes the Requested Transfer Area to Justin provided the following conditions are satisfied:

- A. Property Owner shall provide just and adequate compensation to Aqua pursuant to separate agreement for the requested CCN transfer. Aqua shall notify Justin when the reimbursement occurs. In the event Developer fails to reimburse Aqua within 30 days after PUC approves the transfer, Justin agrees to seek PUC approval for transfer of the Property back into Aqua's CCN No. 13201 at Justin's expense (for which it may seek reimbursement from Developer).
- B. Justin shall prepare, file, and diligently prosecute, at Justin's expense, an application pursuant to Texas Water Code §13.248 with the PUC to have the Requested Transfer Area transferred from CCN No. 13201 to CCN No. 10167. Aqua shall support the 13.248 Application and will not object or otherwise attempt to defeat Justin's 13.248 Application to include the Requested Transfer Area in Justin's water CCN.
- C. If the PUC denies the 13.248 Application for any reason, Justin and Aqua shall work in good faith to implement a reasonable alternative administrative approach providing Justin with the necessary authority to serve the Requested Transfer Area.
- Retail Service. Aqua hereby consents to Justin providing retail water service to the Requested Transfer Area during the pendency of the 13.248 Application subject to the possibility that the conditions specified above may require return of the Requested Transfer Area to Aqua.

ARTICLE II MISCELLANEOUS

- 2.1 No agreements other than this Agreement now exist between Justin and Aqua concerning the subject matter of this Agreement.
- 2.3 This Agreement shall be binding on Justin and Aqua, and this Agreement shall be binding on and inure to the benefit of the successors and assigns of the respective Parties to this Agreement.
- 2.4 This Agreement is the entire agreement between the Parties hereto with respect to the subject matter hereof. No modifications of this Agreement shall be of any force or effect, whatsoever, except as by subsequent modification in writing signed by the Parties.
- 2.5 The provisions of this Agreement shall be governed by and construed and entered in accordance with the substantive laws of the State of Texas. Any action at law or in equity brought to enforce any provision of this Agreement shall be brought in a court of competent jurisdiction with venue in Denton County, Texas.
- 2.6 The individuals executing this Agreement on behalf of the respective parties below represent that all necessary and appropriate action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is

signing, and that each individual affixing his or her signature is authorized to do so, and such authorization is valid and effective on the date hereof. If the authority of the individual executing this Agreement is subsequently challenged, the party for which the individual was acting shall take all steps necessary to ratify the authority of the individual.

- 2.7 This Agreement may be executed in multiple originals, either copy of which shall be considered an original.
 - 2.8 This Agreement shall be effective on the date of execution below.
- 2.9 No Party will be penalized for alleged authorship of a particular provision on judicial construction of this Agreement.
- 2.10 No Party to this Agreement shall initiate any litigation or arbitration challenging the validity or enforceability of any provision of this Agreement once it has been signed. The Parties reserve only their right to enforce the terms of this Agreement to the extent they are not fully performed by any other Party.

EXECUTED AND AGREED TO by the Parties he	reto this day of	2/16/2022, 2022.
AQUA TEXAS, INC. D/B/A AQUA TEXAS	Darryl Waldock	Danielle Jouenne
By: EBICIEAA30794F5 Printed Name: Mark H. McKoy Title: President	2/16/2022	DS 2/16/2022

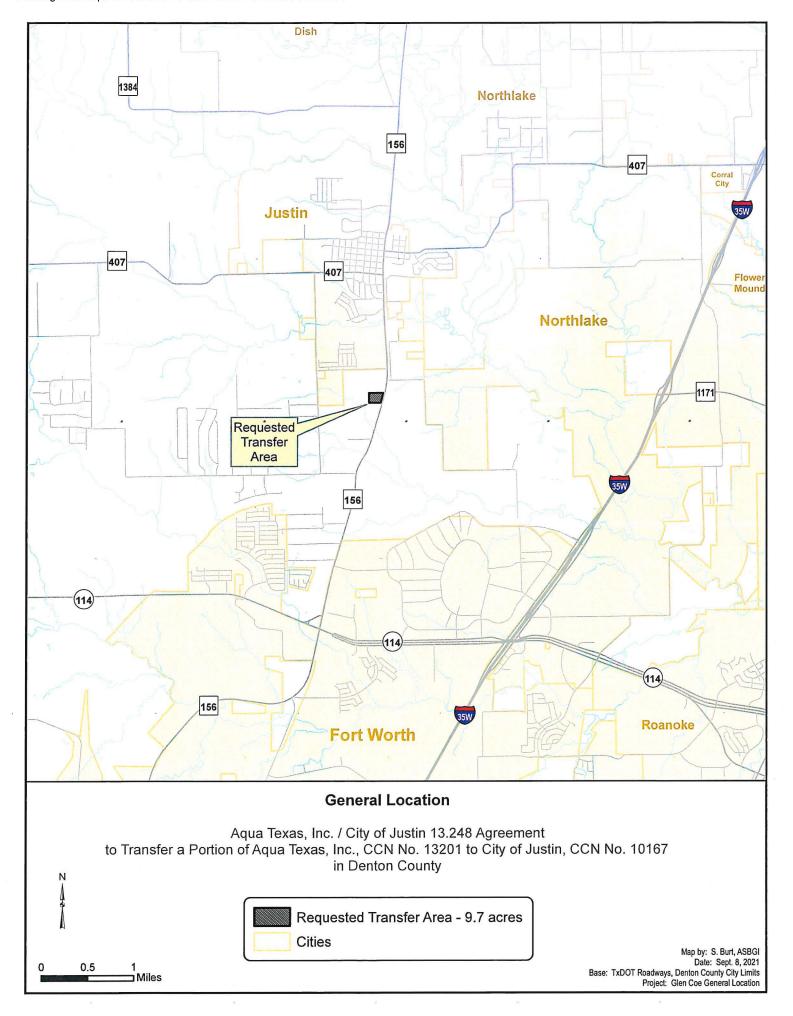
CITY OF JUSTIN, TEXAS

Printed Name: Elizabeth Woodall

Title: Mayor

EXHIBIT A

Requested Transfer Area





Detailed Map on Imagery

Aqua Texas, Inc. / City of Justin 13.248 Agreement to Transfer a Portion of Aqua Texas, Inc., CCN No. 13201 to City of Justin, CCN No. 10167 in Denton County

Requested Transfer Area - 9.7 acres

Map by: S. Burt, ASBGI Date: Sept. 7, 2021 Base: ESRI World Imagery Project: Glen Coe Detail Map on Imagery

Exhibit B

City of Justin City Council Meeting January 25, 2022 Agenda and Minutes and Supporting Affidavit

STATE OF TEXAS COUNTY OF DENTON

AFFIDAVIT OF CHUCK EWINGS

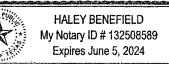
BEFORE ME, the undersigned authority, personally appeared Chuck Ewings, known to me to be the person who subscribed her name below, who, being by me first duly sworn did depose on her oath as follows:

- 1. "I am over 18 years of age, have not been convicted of a crime, and I am of sound mind.
- 2. The City of Justin, Texas ("City") employs me a City Manager. I am capable of making this Affidavit, and personally acquainted withthe facts herein stated.
- 3. The City considered and approved an agreement between the City and Aqua Texas, Inc., ("Aqua") whereby certain water certificate of convenience and necessity ("CCN") service territory of Aqua's would be transferred to the City.
- 4. A true and correct copy of the City's City Council meeting agenda and minutes for the regular meeting on January 25, 2022, are attached hereto. Notice for this meeting complied with the Texas Open Meetings Act. At this meeting, the City Council discussed and approved the agreement with Aqua.
- 5. There are no customers being transferred pursuant to the agreement referenced above.
- 6. Further affiant sayeth not."

Chuck Ewings, City Manager

Subscribed to and sworn to before me, the undersigned authority on this the 15 day of February 2022.

Notary Public in and for the State of Texas





James Clark, Mayor Pro Tem Jim Tate, Councilmember

Elizabeth Woodall, Mayor

CITY OF JUSTIN CITY COUNCIL AGENDA TUESDAY, JANUARY 25, 2022 415 N. COLLEGE AVE. 6:00 P.M.

CALL TO ORDER

Convene into Session: Invocation and Pledge of Allegiance American Flag

Texas Flag: "Honor the Texas Flag; I pledge allegiance to thee, Texas, one state, under God, one and indivisible"

STAFF/BOARD UPDATES

• Financial update

PUBLIC COMMENT

In order to expedite the flow of business and to provide all citizens the opportunity to speak, the Mayor may impose a three-minute limitation on any person addressing the Council. The Texas Open Meetings Act prohibits the City Council from discussing issues, which the public have not been given a seventy-two (72) hour notice. Issues raised may be referred to City staff for research and/or placed on a future agenda.

POSSIBLE ACTION ITEMS

- 1. Consider and take appropriate action approving award of contract to Brightview Landscape Services, INC. in the amount of \$52,200.00 for grounds maintenance.
- 2. Consider and take appropriate action regarding a service area agreement between the City of Justin and Aqua Texas, Inc. regarding service of water to an approximately 9.7 acre-tract of land in Denton County located FM 156, approximately 1.4 miles south of downtown Justin.
- 3. Consider and take appropriate action regarding appointments to the Keep Justin Beautiful Committee.

4. Consider and take appropriate action regarding appointments to and membership of the Justin Community Library Board.

CONSENT

Any Council Member may request an item on the Consent Agenda to be taken up for individual consideration

5. Consider and take appropriate action Consider and take appropriate action to approve Ordinance 715-22 authorizing and calling a general municipal election to be held on Saturday, May 7, 2022 for the purpose of electing three (3) City Council Members to two (2) year terms, authorizing the notice of election; authorizing a joint election order with other Denton County political subdivisions; and authorizing the City Manager to enter into a contract with Denton County, Texas for election services.

EXECUTIVE SESSION

Any item on this posted agenda could be discussed in Executive Session as long as it is within one of the permitted categories under sections 551.071 through 551.076 and Section 551.087 of the Texas Government Code.

- Under Section 551.071, to conduct private consultation with the City Attorney regarding:
 - West Side Wastewater Improvement Agreement
 - o Range Creek Municipal Utility District of Denton County
- Under Section 551.087, Deliberation regarding economic development negotiations:
 - o Chapter 380 Agreement with OES

Convene into executive session

Adjourn into open meeting.

6. Discuss, consider, and act on items discussed in Executive Session.

FUTURE AGENDA ITEMS

ADJOURN

I, the undersigned authority, do hereby certify that the above notice of the meeting of the City Council of the City of Justin, Texas, is a true and correct copy of the said notice that I posted on the official bulletin board at Justin Municipal Complex, 415 North College Street, Justin, Texas, a place of convenience and readily accessible to the general public at all times, and said notice posted this 20th day of January 2022 by 5:00 p.m., at least 72 hours preceding the scheduled meeting time.

<u>Brittany Andrews</u>

Brittany Andrews, City Secretary



Jim Tate, Councilmember Chrissa Hartle, Councilmember

Mayor, Elizabeth Woodall

MINUTES

State of Texas County of Denton City of Justin

Justin City Council Regular Session Meeting- January 25, 2022

The Justin City Council Meeting convened into a Regular Session being open to the public the 25th day of January, 2022 at 6:00 pm in the Council Chambers of Justin Municipal Complex, and notice of said meeting giving the time, place, date and subject there of having been posted as prescribed by Article 5 of the Texas Government Code, with the following members present and in attendance to wit: Mayor, Elizabeth Woodall, Mayor Pro Tem, James Clark, Councilmembers, Chrissa Hartle, John Mounce, Tomas Mendoza, and Jim Tate. City Staff: City Manager, Chuck Ewings, Director of Strategic Services, Abbey Reece, City Secretary, Brittany Andrews, Finance Director, Josh Armstrong, Public Works Director, Josh Little, City Engineer, Chris Cha, and City Attorney, Sam Hawk.

Convene into Session: Mayor Woodall called the meeting to order at 6:00PM Invocation led by: Mayor Pro Tem, Clark Pledge of Allegiance, and American Flag

STAFF/BOARD UPDATES

• Financial update - Finance Director, Josh Armstrong presented.

PUBLIC COMMENT

In order to expedite the flow of business and to provide all citizens the opportunity to speak, the Mayor may impose a three-minute limitation on any person addressing the Council. The Texas Open Meetings Act prohibits the City Council from discussing issues, which the public have not been given a seventy-two (72) hour notice. Issues raised may be referred to City staff for research and/or placed on a future agenda.

Tom Cronberger - 806 W. 12th St. Justin, TX 76247, Asked about the mowing contract item and was the cost figured for monthly, or annually?

Mayor Woodall read the following submitted by residents Chris and Amy Hughes. Ms Mayor, City Council, and City of Justin: We have been asking for years now, that someone takes action on the danger that the City has placed our homes in. So as you can imagine the relief we felt hearing Councilman John Mounce, Councilman Tomas Mendoza, and Councilman Chrissa Hartle speak out against the Frisbee Golf course placement. They very specifically each mentioned the unsafe nature of the sport and Both Mr Mounce and Mr Mendoza spoke to the unsavoriness of many whom play that sport. They also agreed and supported our neighbors in stating that a frisbee

could kill a child, or the severe injury of someone due to the speed of the Frisbee as a projectile. Along with the conversation and ultimate decision to place a cease-anddesist order and immediately remove the course, they discussed Frisbees entering vards, homeowners wearing helmets to be in their backvards, and individuals trespassing to retrieve frisbees. We would like to thank the Council for setting this precedent and want to know when the Baseball field that faces our homes will also be shutdown. The field faces our homes. One of the Frisbee arguments was that the disc could break windows. This Baseball field has actually broken multiple windows, and destroyed a saltwater aquarium, killing some very expensive fish. Fence panels have been broken, and on many many occasions, baseball players have destroyed fences while trying to climb into our yards to retrieve balls. The field were never built appropriately and yet the City continues to spend money on them, instead of tearing them out and making them right. It is only 320 ft from home plate to our home. The field is too short, the fences are not tall enough, the lights illuminate just about every room in our home. The individuals that come into our yards are very disrespectful, and often times the adults that practice there are an even bigger problem because they are drinking, and belligerent about getting their balls when they hit them into our yards. The fields need to be redesigned, with our safety in mind, and with the precedence set by Mr Mounce, Mr Mendoza and Ms Hartle with the Frisbee Golf decision, when can we expect a much much more dangerous baseball field to be closed, and properly engineered facing away from our homes. Some facts to consider: Disc golf average speed 45 to 65 MPH Hit Baseball Average speed 70 – 90 mph Disc Golf impact 25 to 40 Ft lbs Baseball impact 80 to 100 Ft lbs. Please immediately close this one field so that our Children can be safe in our own yards. Parking is another issue. During the weekends when multiple fields are being used, many vehicles are parked on the roads and in the grass. During Justin's spring festival, parking was along our fence line, and up and down both sides of the streets. It is time a real plan is make for our park, and it is time to take the safety of homeowners and our Children into account. Thank you, Residents of Hardeman Estates, Cedar Crest Drive. Chris and Amy Hughes

POSSIBLE ACTION ITEMS

1. Consider and take appropriate action approving award of contract to Brightview Landscape Services, INC. in the amount of \$52,200.00 for grounds maintenance.

Councilman Mounce moved to approve the contract with Brightview Landscape Services, INC. as presented.

Seconded by: Mayor Pro Tem, Clark Aye votes: Councilmembers Hartle, Clark, Mounce, Mendoza and Tate. Motion carries

2. Consider and take appropriate action regarding a service area agreement between the City of Justin and Aqua Texas, Inc. regarding service of water to an approximately 9.7 acretract of land in Denton County located FM 156, approximately 1.4 miles south of downtown Justin.

Mayor Pro Tem, Clark moved to approve the item.

Seconded by: Councilman Tate

Ave votes: Councilmembers Hartle, Clark, Mounce, Mendoza and Tate.

Motion carries

3. Consider and take appropriate action regarding appointments to the Keep Justin Beautiful Committee.

Mayor Pro Tem, Clark moved to approve the Park Board appointments to the Keep Justin Beautiful Committee and applicant Kati Taylor to Place 3 on the Parks and Recreation Board and Keep Justin Beautiful Committee.

Seconded by: Councilwoman Hartle

Aye votes: Councilmembers Hartle, Clark, Mounce, Mendoza and Tate.

Motion carries

4. Consider and take appropriate action regarding appointments to and membership of the Justin Community Library Board.

Mayor Pro Tem, Clark moved to approve applicant Brian Ovens to Place 3 on the Justin Community Library Board.

Seconded by: Councilman Mounce

Aye votes: Councilmembers Hartle, Clark, Mounce, Mendoza and Tate.

Motion carries

CONSENT

Any Council Member may request an item on the Consent Agenda to be taken up for individual consideration

5. Consider and take appropriate action to approve Ordinance 715-22 authorizing and calling a general municipal election to be held on Saturday, May 7, 2022 for the purpose of electing three (3) City Council Members to two (2) year terms, authorizing the notice of election; authorizing a joint election order with other Denton County political subdivisions; and authorizing the City Manager to enter into a contract with Denton County, Texas for election services.

Councilman Mounce moved to approve Ordinance 715-22 as presented.

Seconded by: Mayor Pro Tem, Clark

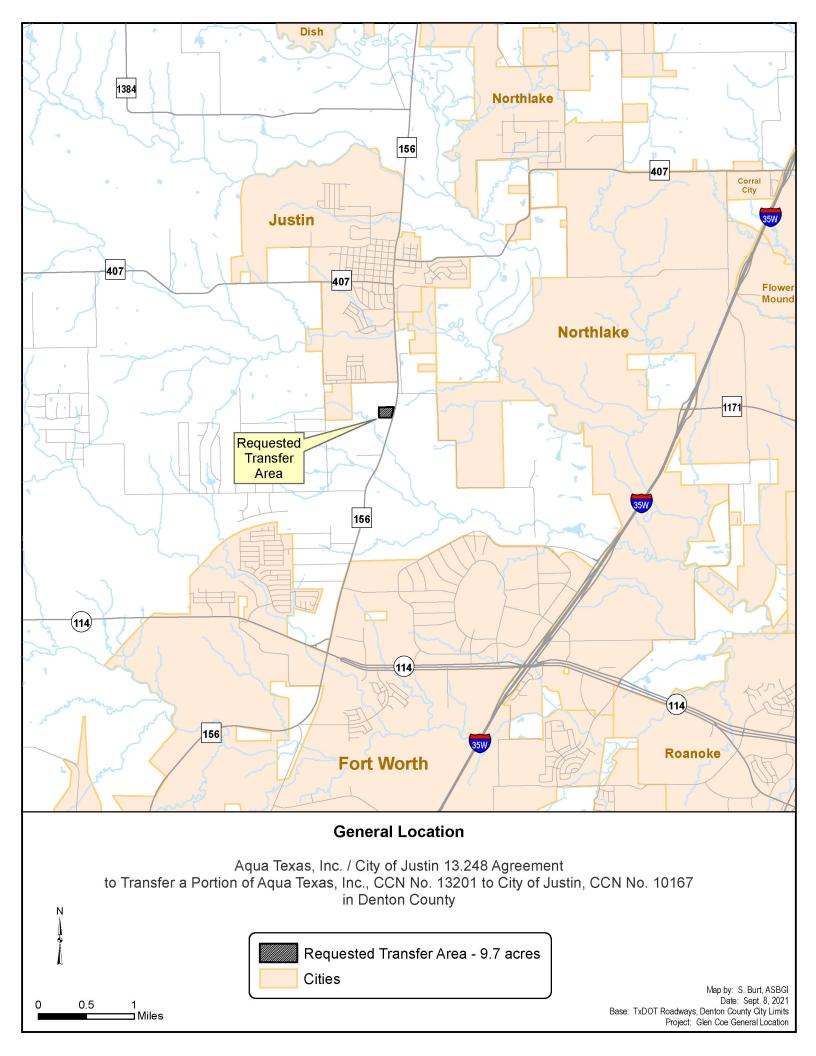
Ave votes: Councilmembers Hartle, Clark, Mounce, Mendoza and Tate.

Motion carries

EXECUTIVE SESSION

Exhibit C

Small and Large Scale Maps





Detailed Map on Imagery

Aqua Texas, Inc. / City of Justin 13.248 Agreement to Transfer a Portion of Aqua Texas, Inc., CCN No. 13201 to City of Justin, CCN No. 10167 in Denton County

Requested Transfer Area - 9.7 acres

N

Map by: S. Burt, ASBGI Date: Sept. 7, 2021 Base: ESRI World Imagery Project: Glen Coe Detail Map on Imagery