



## **Filing Receipt**

**Filing Date - 2023-11-22 10:09:18 AM**

**Control Number - 53698**

**Item Number - 33**

Mr. Gershon's Direct Line: (512) 322-5872  
Email: mgershon@lglawfirm.com

November 22, 2023

Central Records  
Public Utility Commission of Texas  
1701 N. Congress Avenue, 7<sup>th</sup> Floor  
Austin, Texas 78701

RE: PUC Docket 53698; *Petition of AM Real Estate Solutions, Inc., Trustee of the AM Business Trust 2021-001, to Amend the City of Grand Prairie's Certificate of Convenience and Necessity in Ellis County by Streamlined Expedited Release*

Dear Sir or Madam:

Enclosed for filing in the above-referenced docket please find the City of Grand Prairie's Appraiser's Report prepared by NewGen Strategies and Solutions, LLC. Please process this document for filing in your usual manner.

Please do not hesitate to contact me should you have any questions.

Sincerely,



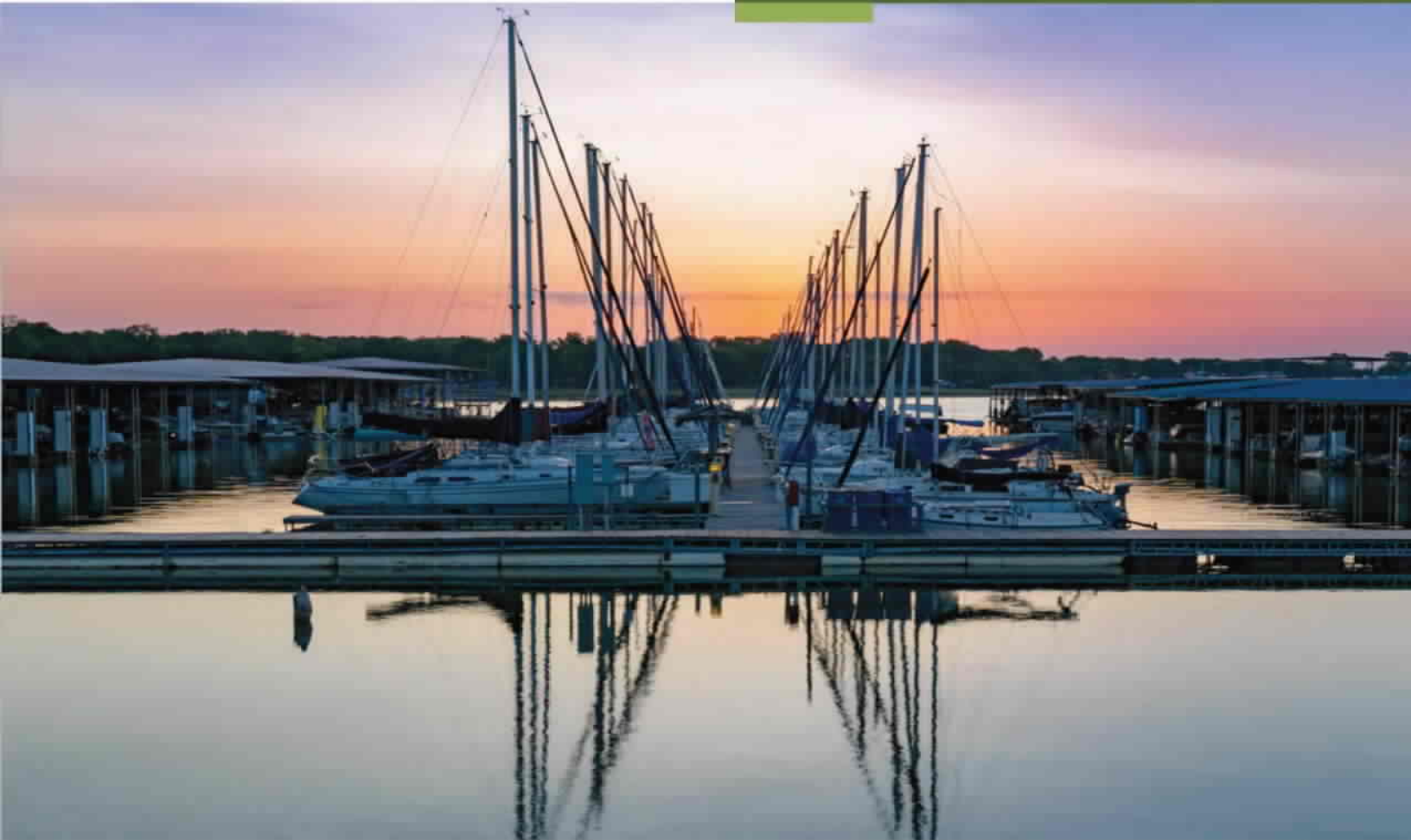
Michael A. Gershon  
State Bar No. 24002134

MAG/dsr

Enclosure

# NewGen Strategies & Solutions

[www.newgenstrategies.net](http://www.newgenstrategies.net)



DOCKET NO. 53698

## COMPENSATION FOR DECERTIFICATION OF A PORTION OF CITY OF GRAND PRAIRIE'S CERTIFICATE OF CONVENIENCE & NECESSITY

NOVEMBER 2023

Prepared for:  
Lloyd Gosselink Rochelle & Townsend, P.C.  
816 Congress Avenue, Suite 1900  
Austin, TX 78701



275 W Campbell Road  
Suite 440  
Richardson, TX 75080  
Phone: (972) 680-2000

November 22, 2023

Mr. Michael A. Gershon  
Principal  
Lloyd Gosselink Rochelle & Townsend, P.C.  
816 Congress Ave., Suite 1900  
Austin, TX 78701

**Re: Decertification Compensation - Docket No. 53698 – Report**

Dear Mr. Gershon:

We are pleased to provide Lloyd Gosselink Rochelle & Townsend, P.C. with a summary report for the appraisal to determine appropriate compensation for the expedited decertification of a portion of the City of Grand Prairie's service area covered under water certificate of convenience and necessity number 10105.

If you have any questions concerning this report, please do not hesitate to contact us.

Sincerely,

DocuSigned by:  
  
FB62F346CFA8440...  
Chris Ekrut, Chief Financial Officer


DocuSigned by:  
  
1870379CE9854F5  
Zak Wright, ASA, CDP

Table of Contents

**Section 1 Premise of the Appraisal .....1-1**  
    Scope of Services ..... 1-1  
    Date of Valuation..... 1-1  
    Date of Report ..... 1-1  
    Factors for Compensation ..... 1-1  
    NewGen Strategies and Solutions ..... 1-2  
**Section 2 Assumptions, Considerations and Limiting Conditions.....2-1**  
**Section 3 Analyses .....3-1**  
    Introduction..... 3-1  
    Analysis of Factors for Compensation ..... 3-1  
    Conclusions..... 3-4  
**Section 4 Certification .....4-1**

List of Schedules

- 1 Allocation of Debt Service and Master Plan Expenditures to the Decertified Area

List of Exhibits

- 1 Copies of Legal Invoices – Lloyd Gosselink Rochelle & Townsend, P.C.
- 2 Agreement for the Sale and Delivery of Treated Water to the City of Grand Prairie by the City of Midlothian
- 3 City of Mansfield Water Contract
- 4 Master Planning History

List of Tables

Table 3-1 Compensation Summary..... 3-4



## Section 1

# PREMISE OF THE APPRAISAL

---

Lloyd Gosselink Rochelle & Townsend, P.C (LG) retained NewGen Strategies and Solutions, LLC (NewGen) to perform an independent appraisal to determine appropriate compensation for the decertification of a portion of the City of Grand Prairie's (Grand Prairie) service area covered under water certificate of convenience and necessity (CCN) number 10105. The particular area at issue in this analysis (Decertified Area) is composed of a contiguous tract of land in Ellis County, Texas. The tract of land is approximately 318.6 acres. The Decertified Area was requested to be decertified via streamlined expedited release, as codified in Texas Water Code §13.2541 and Texas Water Code §13.254, by AM Real Estate Solutions, Inc., as trustee of the AM Business Trust 2021-001 (AM Real Estate) in Docket No. 53698 at the Public Utility Commission of Texas (PUCT).

### Scope of Services

The purpose of the appraisal is to determine appropriate compensation for the decertification in accordance with applicable laws, statutes and the Uniform Standards of Professional Appraisal Practice (USPAP). In particular, the conduct of this analysis was dictated by Texas Water Code §13.2541 and the compensation factors pursuant to Texas Water Code §13.254(g). Thus, NewGen relied upon a jurisdictional exception to conduct the scope of services as described herein. This report was prepared in conformance with the 2020-2021 Edition of USPAP as promulgated by the Appraisal Standards Board of the Appraisal Foundation (extended through December 31, 2023).

### Date of Valuation

The compensation was determined as of November 22, 2023.

### Date of Report

The date of this report is November 22, 2023.

### Factors for Compensation

The factors ensuring just and adequate compensation in Texas Water Code §13.254(g) include:

- The value of real property owned and utilized by the retail public utility for its facilities (as determined according to the standards set forth in Chapter 21, Property Code, governing actions in eminent domain);
- The amount of the retail public utility's debt allocable for service to the area in question;
- The value of the service facilities of the retail public utility located within the area in question;
- The amount of any expenditures for planning, design, or construction of service facilities that are allocable to service to the area in question;
- The amount of the retail public utility's contractual obligations allocable to the area in question;



## Section 1

---

- Any demonstrated impairment of service or increase of cost to consumers of the retail public utility remaining after the decertification;
- The impact on future revenues lost from existing customers;
- Necessary and reasonable legal expenses and professional fees; and
- Other relevant factors.

## **NewGen Strategies and Solutions**

NewGen Strategies and Solutions, LLC is a management and economic consulting firm specializing in serving the utility industry and market. We provide financial, valuation, strategy, expert witness, stakeholder and sustainability consulting services to water, wastewater, solid waste, and energy clients across the country. Our expertise includes litigation support in state and federal regulatory proceedings, valuation of utility property, business and financial planning, and strategic planning for electric, water, wastewater, solid waste, and natural gas utilities.

## Section 2

# ASSUMPTIONS, CONSIDERATIONS AND LIMITING CONDITIONS

---

In the preparation of this report, NewGen has made certain assumptions and used certain considerations with respect to conditions which may exist or events which may occur in the future. While we believe these considerations and assumptions to be reasonable based upon conditions known to us as of the date of this report, they are dependent upon future events and actual conditions may differ from those assumed.

While we believe the use of such information and assumptions to be reasonable for the purposes of this report, we offer no other assurances with respect thereto, and some assumptions may vary significantly due to unanticipated events and circumstances. To the extent actual future conditions differ from those assumed herein, or from the assumptions provided by others, the actual results may vary from those estimated.

The conclusion and opinions found in this report are made expressly subject to the following conditions and stipulations:

■ **Extraordinary Assumptions<sup>1</sup>**

- NewGen assumed it was reasonable to expect the Decertified Area to be built out with lot sizes that are consistent with a “rural standard” of development. NewGen’s analysis is limited to the level of development that the Decertified Utility’s existing facilities may be able to serve based on review of publicly available data. This is described in further detail, below, in the analysis of compensation Factor 2.
- NewGen assumed it is reasonable that Grand Prairie’s ability to potentially serve the decertified area is limited by the production capacity of the existing system. Grand Prairie has an existing 16-inch water supply main that runs parallel to the eastern portion of the Decertified Area. The geographic area containing and surrounding the decertified area is primarily served through a contract for Grand Prairie to purchase treated water from the City of Midlothian (Midlothian). Based on NewGen’s analysis,<sup>2</sup> Grand Prairie has existing excess capacity sufficient to provide continuous and adequate service to the Decertified Area.<sup>3</sup>
- NewGen estimated the Decertified Area could support approximately 255 new connections. This was based on the approximately 318.6 acres in the Decertified Area, less 20% for undevelopable purposes (e.g., roadways, creeks, stormwater ditches, etc.), leaving approximately 254.9 net acres for development. NewGen assumed the development would be comprised of one single-family dwelling per net acre based on the on-site sewage facility (e.g., septic tank) regulations in Ellis County for subdivisions served by a public water supply. This is consistent with a “rural standard” of development.<sup>4</sup>

---

<sup>1</sup> Extraordinary assumptions, in the context of this analysis, are statements that are believed to be true but, if found to be false, could alter the opinions or conclusions of value. (USPAP Definitions).

<sup>2</sup> See Schedule 1, Table 1: Midlothian Water Supply Contract – Remaining Capacity Calculation

<sup>3</sup> Docket No. 53698, City of Grand Prairie’s Verified Response to AM Business Trust 2022-001’S, Dated September 28, 2022.

<sup>4</sup> Ellis County Quality Growth Initiatives, Volume 1 - Subdivision & Development Standards, dated August 22, 2023.





## Section 2

---

- NewGen assumes that the estimated connection count and a five-year timeline for the complete buildout of the Decertified Area beginning in year 2024 is reasonable. This assumption results in approximately 51 connections in years two through six of the study period. NewGen understands that the Certificate Holder's nearby existing facilities can supply an additional 1.47 MGD of water. This is detailed further in the assumptions below and subsequent analysis of the compensation factors.
- Grand Prairie entered into a water purchase contract with Midlothian in 2021 to secure adequate water supply to serve existing and future developments within its CCN and extraterritorial jurisdiction (ETJ).<sup>5</sup> Through this water purchase contract, Grand Prairie has access to an annual daily average of 2.0 MGD of treated water from Midlothian. The contract further specifies that Grand Prairie's maximum allowed daily demand is 1.5 times the annual daily average. This yields total potential treated water supply of up to 3.0 MGD from Midlothian. Grand Prairie's recent purchase history under the Midlothian contract indicates that approximately 1.47 MGD of excess capacity exists from this source of supply.
- NewGen assumed an average monthly residential usage of 6,600 gallons was reasonable based on the Texas Municipal League 2023 Water and Wastewater Survey.<sup>6</sup>
- NewGen estimated the City's water supply from Midlothian could accommodate 15,228 total equivalent residential connections (ERCs) based off the Midlothian water purchase contract available supply and the average residential consumption for Texas municipalities. As mentioned in an assumption above, Grand Prairie has 1.47 MGD of excess available supply through the Midlothian water purchase contract. NewGen assumes the calculated additional equivalent residential connections the source of supply can accommodate of 7,442 is reasonable.
- Grand Prairie entered into a water purchase contract with the City of Mansfield to secure adequate water supply to serve the southern portion of the Grand Prairie's ETJ.<sup>7</sup> The water secured in the water contract with the City of Mansfield allows Grand Prairie to fully commit the water purchased from Midlothian to the Decertified Area and other future developments in addition to its current customers.<sup>2</sup>
- NewGen's analysis of just and adequate compensation is limited to the level of development that Grand Prairie's existing facilities are able to serve based on our review of publicly available data and data provided by Grand Prairie.
- The scope of work was dictated by Texas Water Code §13.2541 and Texas Water Code §13.254(g) and, thus, NewGen relied on a jurisdictional exception to conduct the scope of services as described herein.
- No personal inspection of the property that is the subject of this report was made.
- No responsibility is assumed by NewGen for matters that are legal in nature, nor does NewGen render any opinion as to the title, land and/or land rights, which are assumed to be good and marketable. No opinion is intended to be expressed for matters that would require specialized investigation or knowledge beyond that normally used by an appraiser engaged in valuing the type of system described in this report.
- NewGen made no determination to the validity, enforceability, or interpretation of any law, contract, rule, or regulation applicable to the water system or its operation. However, for the purposes of this report, NewGen assumed that all such laws, contracts, rules, and regulations will be fully enforceable

---

<sup>5</sup> Agreement for the Sale and Delivery of Treated Water to the City of Grand Prairie by the City of Midlothian

<sup>6</sup> Texas Municipal League – 2023 Water & Wastewater Survey: Average Monthly Residential Consumption

<sup>7</sup> City of Mansfield – Water Purchase Contract

## Assumptions, Considerations and Limiting Conditions

---

in accordance with their terms as NewGen understands them and that the operators of the water system will operate the utility in accordance with all applicable laws, contracts, rules, and regulations. NewGen assumed that the water system conforms to all applicable zoning and use regulations and restrictions.

- We assume there are no hidden conditions that would make the Decertified Area more or less valuable.
- Certain data and assumptions have been provided by third parties, including, but not limited to, historical costs, active connection counts, and plant capacities. NewGen reserves the right to adjust the results in this report as may be required by changes to these third-party assumptions.
- NewGen assumes the growth projections for Grand Prairie's geographical area, inclusive of extra territorial jurisdiction (ETJ), published in the Texas Water Development Board's 2021 Regional Water Plan, are a reasonable basis to escalate annual connection counts on the Remaining System available to serve the Decertified Area.
- NewGen's recommendation of compensation for decertification is irrespective of any compensation that may have been paid to Grand Prairie for prior decertification of portions of service area within the CCN. NewGen is not aware of any compensation being paid under other decertification dockets that might share existing facilities with the Decertified Area in Docket No. 53698. NewGen notes further that there is no certainty that any compensation will be awarded in any pending docket to decertify a portion of Grand Prairie's service area.<sup>8</sup>
- Individuals affiliated with NewGen and contributing to this report are Mr. Chris Ekrut, Chief Financial Officer, Mr. Zak Wright, ASA, CDP, Manager and Mr. Nicholas Coomer, Consultant.

---

<sup>8</sup> To the extent compensation is paid on other pending dockets our opinion of just compensation could be subject to change.

## Section 3 ANALYSES

---

### Introduction

The compensation factors contained in Texas Water Code §13.254(g) are designed to ensure the utility losing a portion of its service territory, or CCN, (the Decertified Utility) is not financially harmed by the decertification. These factors are intended to provide just and adequate compensation to the Decertified Utility so that the remaining customers of the Decertified Utility will not have to bear a greater portion of the Decertified Utility's total costs as a result of the decertification. Water utilities are fixed cost intensive entities, which make investments in infrastructure to provide water service to existing and expected future customers. Water utilities are tasked with planning for the provision of service to future customers and, further, water utilities have an obligation to provide continuous and adequate service to the area within their CCN, as required under Chapter 13 of the Texas Water Code.

The Decertified Area, discussed in this report, is comprised of undeveloped land within Grand Prairie's CCN. The PUCT has determined the Decertified Area is not currently receiving water service.<sup>9</sup> However, Grand Prairie contends it is capable of serving the water needs of the Decertified Area.<sup>4</sup>

### Analysis of Factors for Compensation

1. **Factor:** The value of real property owned and utilized by Grand Prairie for its facilities (as determined according to the standards set forth in Chapter 21, Property Code, governing actions in eminent domain)

**Analysis:** There is no real property being transferred as a result of the decertification nor any real property rendered useless or permanently under-utilized as a result of the decertification. Therefore, there is no compensation due related to this factor.

2. **Factor:** The amount of Grand Prairie's debt allocable for service to the area in question

**Analysis:** Grand Prairie is obligated to provide continuous and adequate service to current and future customers within the area of its CCN. Advanced planning and investment in critical infrastructure and source of supply is required to meet this obligation. Debt is a key source of funding for capital projects undertaken by water utilities, and Grand Prairie has outstanding debt issuances whose proceeds were used for investments in its system. An outcome of Grand Prairie's use of debt financing for long-term capital investments in the System is the general alignment of the payment for these assets with their expected service lives. This financing structure provides what could be considered a more equitable balance for the recovery of fixed costs from investments in the system amongst existing and future ratepayers. Further, because Grand Prairie has a system-wide rate structure that applies to all customers receiving service from the system, fixed costs related to debt service must be allocated and considered across all ratepayers within the system on the same basis. When a portion of Grand Prairie's CCN is decertified, the debt payment component of system-wide rates is serviced on a going forward basis by a smaller amount of connections than might otherwise exist on the system if the decertification had not occurred. To ensure existing customers are not financially harmed from the

---

<sup>9</sup> Docket No. 53698, Order, Dated September 14, 2023

## Section 3

---

decertification action, the impact to fixed cost recovery of the debt service payment included in system-wide rates must be recognized until the debt service payments are concluded in 2043.

Grand Prairie provided annual financial statements that summarize the existing annual water system debt service payments on all outstanding debt. This payment schedule is included in the attached Schedule 1. If the decertification had not occurred, Grand Prairie would have been able to recover a portion of the fixed debt service costs from future connections within the Decertified Area. However, the number of connections that would be expected to be able to share in the debt service cost is limited by the existing capacity to serve the Decertified Area. The Decertified Utility provided capacity data for the total system available to serve the Decertified Area. NewGen estimated that the existing source of supply from Midlothian dedicated to the Decertified Area and surrounding tracts could support approximately 7,442 additional connections based on historic water purchases from Midlothian and the remaining source of supply capacity. It is NewGen's opinion that any potential compensation for debt service can only be expected to be spread across the maximum number of connections on the Remaining System that the existing source of supply serving the Decertified Area has the capacity to serve.

### **Assumed Connections in the Decertified Area**

NewGen assumed that the active water connection count of 52,335<sup>10</sup> was an accurate representation of the total active connections on the existing Grand Prairie system as of the date of valuation. According to the 2021 Regional Water Plan<sup>11</sup> and population data provided by Grand Prairie, the population in Grand Prairie's service area is projected to grow at approximately 1.72%, annually, from 2020 to 2030. NewGen assumed the buildout period discussed in Section 2 of this Report is reasonable for the Decertified Area. This implies that the Decertified Utility's remaining growth will occur in the portions of the CCN that are not being decertified (the Remaining System).

### **Compensation**

Schedule 1, Tables 3, show the forecasted growth in retail connections for the Remaining System. Since the Decertified Area is projected to reach a buildout of 255 ERCs, as discussed above, through completion of the buildout over a five-year period beginning at the start of 2024. The allocation to the Decertified Area is based on the new connections in the Decertified Area less organic growth on the Remaining System (if the source of supply providing service to the Decertified Area reaches maximum capacity) on an annual basis. The maximum allocation of debt service to the Decertified Area in any year of the study is limited by the number of connections that the existing facilities can support. This allocation of debt service ceases when the outstanding debt issuances are fully repaid in 2043.

Schedule 1, Table 2, shows the debt service allocated to the Decertified Area by multiplying the annual allocation of debt service to each retail connection. This dollar amount is multiplied by the additional connections that are projected to be built out in the Decertified Area, less the projected annual new connections on the Remaining System if the source of supply from Midlothian dedicated to the Decertified Area and surrounding tracts reaches maximum capacity, on a cumulative basis. Allocations are made at the beginning of each projection year based on the cumulative new connections present in the Remaining System at the end of the prior year. Once the outstanding debt issuances are repaid,

---

<sup>10</sup> Active Meters on Active Accounts provided by Grand Prairie

<sup>11</sup> Texas Water Development Board, 2021 Regional Water Plan – Population Projections for 2020-2070 for Water Users Groups by Region and County, dated March 28, 2019

the payment stream allocated to the Decertified Area ceases. Finally, the debt service allocated to the Decertified Area by year is discounted to represent the present value today based on a 4.50% discount rate.<sup>12</sup> This discount rate was selected to represent the approximate cost of debt for Grand Prairie, based on the financial statements made available and a review of recent interest rates. Grand Prairie does not have equity shareholders and does not operate to deliver a monetary return from capital investments in the System. Grand Prairie's cost of capital, or opportunity cost, to invest in projects, is equal to its effective cost of debt to finance projects in the System. The present value of the debt service allocated to the Decertified Area equals **\$85,643**.

3. **Factor:** The value of the service facilities of Grand Prairie located within the area in question

**Analysis:** Grand Prairie has no service facilities being transferred as a result of the decertification and are also not providing service to the Decertified Area as determined by the PUCT.<sup>9</sup> Thus, there is no compensation due related to this factor.

4. **Factor:** The amount of any expenditures for planning, design, or construction of service facilities that are allocable to service to the area in question

**Analysis:** Grand Prairie paid for professional services associated with planning and engineering related to a water master planning study to ensure continuous and adequate service is available for both existing and future connections within its CCN and ETJ. The study helps ensure that the System is prepared for both immediate and required future investments. The cost associated with the planning and engineering study for the water system is approximately \$756,000.<sup>13</sup> The projected water system connection count at full buildout was not available as of the date of this report, however NewGen assumed it was reasonable to allocate a portion of the expenses related to the planning study based on the geographic footprint of Grand Prairie's CCN and ETJ. This approach is reasonable as the planning efforts were conducted using Grand Prairie's entire service area and ETJ as the basis from which immediate and future investments were identified. Grand Prairie's CCN and ETJ consists of approximately of 64,000 acres.<sup>14</sup> Allocating the expenses incurred from the water master planning study to the 318.6 acres that comprise the Decertified Area, NewGen finds that compensation of **\$3,763** is attributable to the Decertified Area.

5. **Factor:** The amount of Grand Prairie's contractual obligations allocable to the area in question

**Analysis:** Grand Prairie has an existing contract with Midlothian for the purchase of treated groundwater. NewGen understands that Grand Prairie is historical purchases exceed the minimum volumes subject to the take-or-pay requirement contained in this contract. NewGen did not find evidence of any increased cost related to these contracts to remaining customers as a result of the Decertification based on the review of the existing contract and historic water purchase volumes. Thus, there is no compensation due related to this factor.

6. **Factor:** Any demonstrated impairment of service or increase of cost to consumers of Grand Prairie remaining after the decertification

**Analysis:** NewGen did not identify the need for any incremental compensation related to this factor. NewGen has not been made aware of circumstances that would cause the infrastructure to be impaired or permanently underutilized as a result of the Decertification. There was no demonstrated

<sup>12</sup> FMS Bonds, Inc. AAA 30-Year Municipal Bond, Dated October 25, 2023

<sup>13</sup> City of Grand Prairie: Compensation Analysis Support - Decertification of City of Grand Prairie, Freese and Nichols, Page 2

<sup>14</sup> Grand Prairie, Texas: Development Assets, <https://www.gptx.org/>

## Section 3

---

impairment of service and the only potential source of increased cost to remaining Grand Prairie customers was addressed in compensation Factors 2 and 8.

7. **Factor:** The impact on future revenues lost from existing customers

**Analysis:** Given there are no existing customers being taken from Grand Prairie in this decertification, NewGen did not identify any relevant compensation for this factor.

8. **Factor:** Necessary and reasonable legal expenses and professional fees

**Analysis:** Grand Prairie is entitled to recovery of any necessary and reasonable legal expenses and professional fees related to this decertification. NewGen was provided legal expenses and professional fees related to this decertification. At the time these costs were provided, legal expenses were approximately **\$56,806**. The total compensation for this factor is **\$56,806**. However, compensation for this factor may need to be updated at a later date if additional legal or professional expenses related to this decertification are identified or incurred.

9. **Factor:** Other relevant factors.

**Analysis:** NewGen did not identify any other relevant factors requiring compensation.

## Conclusions

The resulting compensation for decertification under Texas Water Code §13.254(g) is summarized in Table 3-1.

**Table 3-1**  
**Compensation Summary**

<b>Factor Allocable to Decertified Area</b>	<b>Compensation</b>
Debt Service	\$ 85,643
Planning and Design	\$ 3,763
Legal Expenses and Professional Fees *	\$ 56,806
	<b>\$ 146,212</b>

\* May need to be updated if additional expenses related to this decertification are incurred

## Section 4

### CERTIFICATION


---

I, the undersigned, certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the Client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (2020-2021 Edition) (extended through December 31, 2023)*.
- No personal inspection of the property that is the subject of this report was made.
- Chris Ekrut (Chief Financial Officer and Partner at NewGen Strategies and Solutions, LLC) and Nick Coomer (Consultant at NewGen Strategies and Solutions, LLC) provided significant personal property appraisal assistance to the person signing this certification.

Respectfully submitted,

**NewGen Strategies & Solutions, LLC**

DocuSigned by:  
  
1870379CE9854F5...  
Zak Wright, ASA, CDP  
November 22, 2023





## **SCHEDULE 1: ANALYSIS OF DEBT SERVICE TO THE DECERTIFIED AREA**

Table 1 General Assumptions  
Table 2 Existing Debt Service  
Table 3 Connection Count Approach

DOCKET NO. 53698

**DECERTIFICATION  
COMPENSATION**



**Table 1**  
**Assumptions**  
**General Assumptions for Fixed Cost Allocation**

**All Counties**

<b>Grand Prairie - Growth Projections [1]</b>	2020	2030
Potential Annual Connection Growth	1.72%	

<b>Current Connection Count [2]</b>	
City of Grand Prairie Total System	52,335

<b>Rural Standard Method</b>		
Acreage of Decertified Area [3]	318.6 Acre	
80% of Total Parcel Acreage [4]	254.9 Acre	
Minimum Lot Size Requirement for OSSF [5]	1 Acre	
Additional Connections to be built in Decertified Area	255 Connections	
Assumed Connections per Year	51 Connections	

<b>Cost of Debt [6]</b>	4.50%
-------------------------	-------

<b>Midlothian Water Supply Contract - Remaining Capacity [7]</b>		
Maximum Capacity	3.00 MGD	
Average Daily Usage (October 2022 - September 2023)	1.53 MGD	
Available Capacity	1.47 MGD	
Average Residential Consumption [8]	197 Gallons per Day	
Additional Connections the Midlothian Water Supply can Accommodate	7,442 Connections	
<b>Total Possible Connections</b>	<b>15,228 Connections</b>	

<b>Master Plan Cost Allocation</b>		
Grand Prairie Extraterritorial Jurisdiction [9]	64,000 Acres	
Acreage of Decertified Area [3]	318.6 Acres	
Allocation %	0.50%	
Total Master Plan Cost (2011, 2018, 2023) [10]	\$ 756,000	
<b>Allocated Master Plan Cost</b>	<b>\$ 3,763</b>	

**Footnotes:**

[1] Growth Projection Data from 2020 Population Record provided by Client and 2021 Regional Plan - Population Projections for 2020-2070 for Water user Groups by Region and county. Growth Rate shown for Grand Prairie.

[2] Active Meters on Active Accounts provided by Grand Prairie

[3] Docket 53698 Order, dated September 14, 2023

[4] Assumes 20% of total parcel is not used for residential development. Creeks and streams, roadways, etc

[5] Ellis County Quality Growth Initiatives, Volume 1 - Subdivision & Development Standards, dated August 22, 2021

[6] FMS Bonds, Inc. AAA 30-Year Municipal Bond, Dated October 25, 2023

[7] Agreement for the Sale and Delivery of Treated Water to the City of Grand Prairie by the City of Midlothian

[8] Texas Municipal League - 2023 Water & Wastewater Survey: Average Monthly Residential Consumption

[9] Grand Prairie, Texas: Development Assets, <https://www.gptx.org/>

[10] City of Grand Prairie: Compensation Analysis Support - Decertification of City of Grand Prairie, Freese and Nichol

**Table 2**  
**Existing Debt Service**  
**Allocation of Debt Service Fixed Costs per Connection**

Debt Service - Water Portion [1]	2010 Revenue Bond			2011 Revenue Refunding Bonds			2013 Revenue Refunding Bonds			2015 Revenue Refunding Bonds		
Year	Principal	Interest	Debt Service	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 265,000	\$ 53,605	\$ 318,605	\$ 130,000	\$ 2,763	\$ 132,763	\$ 1,435,000	\$ 105,144	\$ 1,540,144	\$ 420,000	\$ 83,400	\$ 503,400
2024	\$ 275,000	\$ 47,952	\$ 322,952				\$ 1,485,000	\$ 68,644	\$ 1,553,644	\$ 440,000	\$ 66,200	\$ 506,200
2025	\$ 280,000	\$ 41,879	\$ 321,879				\$ 1,515,000	\$ 30,197	\$ 1,545,197	\$ 455,000	\$ 48,300	\$ 503,300
2026	\$ 290,000	\$ 35,244	\$ 325,244				\$ 375,000	\$ 5,156	\$ 380,156	\$ 480,000	\$ 29,600	\$ 509,600
2027	\$ 300,000	\$ 28,143	\$ 328,143							\$ 500,000	\$ 10,000	\$ 510,000
2028	\$ 310,000	\$ 20,583	\$ 330,583									
2029	\$ 320,000	\$ 12,547	\$ 332,547									
2030	\$ 325,000	\$ 4,204	\$ 329,204									
2031												
2032												
2033												
2034												
2035												
2036												
2037												
2038												
2039												
2040												
2041												
2042												
2043												
<b>TOTAL</b>	<b>\$ 2,365,000</b>	<b>\$ 244,156</b>	<b>\$ 2,609,156</b>	<b>\$ 130,000</b>	<b>\$ 2,763</b>	<b>\$ 132,763</b>	<b>\$ 4,810,000</b>	<b>\$ 209,141</b>	<b>\$ 5,019,141</b>	<b>\$ 2,295,000</b>	<b>\$ 287,500</b>	<b>\$ 2,532,500</b>

Fixed Cost per Connection					
Fiscal year	Total System Beginning of Year Connection Count	Decertified Area Growth [2]	Remaining System Organic Growth	Total System End of Year Connection Count	Fixed Cost per Connection
2023	52,335	0	901	53,236	\$ 97.24
2024	53,236	51	916	54,203	\$ 99.07
2025	54,203	51	932	55,186	\$ 91.75
2026	55,186	51	948	56,185	\$ 69.65
2027	56,185	51	964	57,200	\$ 61.79
2028	57,200	51	981	58,232	\$ 39.31
2029	58,232	0	998	59,230	\$ 38.56
2030	59,230	0	1,015	60,245	\$ 33.75
2031	60,245	0	1,033	61,278	\$ 27.86
2032	61,278	0	1,050	62,328	\$ 23.01
2033	62,328	0	1,068	63,396	\$ 22.62
2034	63,396	0	1,087	64,483	\$ 17.75
2035	64,483	0	1,105	65,588	\$ 17.41
2036	65,588	0	1,124	66,712	\$ 17.17
2037	66,712	0	1,144	67,856	\$ 12.24
2038	67,856	0	1,164	69,020	\$ 12.02
2039	69,020	0	1,184	70,204	\$ 11.78
2040	70,204	0	1,204	71,408	\$ 11.61
2041	71,408	0	1,225	72,633	\$ 11.42
2042	72,633	0	1,246	73,879	\$ 11.22
2043	73,879	0	1,267	75,146	\$ 11.00

## Footnotes:

[1] City of Grand Prairie - Water System Debt Schedule by Issuance

[2] Decertified Area reaches full buildout in year 2028

Debt Service - Water Portion [1]	2016 Revenue Refunding and Improvement Bonds					2017 A Revenue Bonds			2020 Revenue Refunding Bonds			2022 Revenue Bonds		
	<i>Only 63% Attributable to Water</i>													
Year	Principal	Interest	Total	Total Attributable to Water		Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 1,525,000	\$ 537,050	\$ 2,062,050	\$	1,299,092	\$ 195,000	\$ 89,550	\$ 284,550	\$ 680,000	\$ 137,250	\$ 817,250	\$ -	\$ 280,725	\$ 280,725
2024	\$ 1,595,000	\$ 466,675	\$ 2,061,675	\$	1,298,855	\$ 205,000	\$ 84,525	\$ 289,525	\$ 820,000	\$ 99,750	\$ 919,750	\$ -	\$ 478,963	\$ 478,963
2025	\$ 1,675,000	\$ 384,925	\$ 2,059,925	\$	1,297,753	\$ 210,000	\$ 78,300	\$ 288,300	\$ 200,000	\$ 75,250	\$ 275,250	\$ 360,000	\$ 471,763	\$ 831,763
2026	\$ 1,765,000	\$ 298,925	\$ 2,063,925	\$	1,300,273	\$ 220,000	\$ 71,850	\$ 291,850	\$ 210,000	\$ 66,000	\$ 276,000	\$ 375,000	\$ 455,188	\$ 830,188
2027	\$ 1,845,000	\$ 217,900	\$ 2,062,900	\$	1,299,627	\$ 225,000	\$ 65,175	\$ 290,175	\$ 220,000	\$ 55,250	\$ 275,250	\$ 395,000	\$ 435,938	\$ 830,938
2028	\$ 725,000	\$ 166,500	\$ 891,500	\$	561,645	\$ 235,000	\$ 57,100	\$ 292,100	\$ 230,000	\$ 44,000	\$ 274,000	\$ 415,000	\$ 415,688	\$ 830,688
2029	\$ 755,000	\$ 136,900	\$ 891,900	\$	561,897	\$ 240,000	\$ 47,600	\$ 287,600	\$ 240,000	\$ 32,250	\$ 272,250	\$ 435,000	\$ 394,438	\$ 829,438
2030	\$ 385,000	\$ 114,100	\$ 499,100	\$	314,433	\$ 250,000	\$ 37,800	\$ 287,800	\$ 255,000	\$ 19,875	\$ 274,875	\$ 455,000	\$ 372,188	\$ 827,188
2031	\$ 400,000	\$ 98,400	\$ 498,400	\$	313,992	\$ 260,000	\$ 27,600	\$ 287,600	\$ 270,000	\$ 6,750	\$ 276,750	\$ 480,000	\$ 348,813	\$ 828,813
2032	\$ 415,000	\$ 82,100	\$ 497,100	\$	313,173	\$ 275,000	\$ 16,900	\$ 291,900				\$ 505,000	\$ 324,188	\$ 829,188
2033	\$ 435,000	\$ 65,100	\$ 500,100	\$	315,063	\$ 285,000	\$ 5,700	\$ 290,700				\$ 530,000	\$ 298,313	\$ 828,313
2034	\$ 450,000	\$ 47,400	\$ 497,400	\$	313,362							\$ 560,000	\$ 271,063	\$ 831,063
2035	\$ 470,000	\$ 29,000	\$ 499,000	\$	314,370							\$ 585,000	\$ 242,438	\$ 827,438
2036	\$ 490,000	\$ 9,800	\$ 499,800	\$	314,874							\$ 615,000	\$ 215,513	\$ 830,513
2037												\$ 640,000	\$ 190,413	\$ 830,413
2038												\$ 665,000	\$ 164,313	\$ 829,313
2039												\$ 690,000	\$ 137,213	\$ 827,213
2040												\$ 720,000	\$ 109,013	\$ 829,013
2041												\$ 750,000	\$ 79,613	\$ 829,613
2042												\$ 780,000	\$ 49,013	\$ 829,013
2043												\$ 810,000	\$ 16,706	\$ 826,706
TOTAL	\$ 12,930,000	\$ 2,654,775	\$ 15,584,775	\$	9,818,408	\$ 2,600,000	\$ 582,100	\$ 3,182,100	\$ 3,125,000	\$ 536,375	\$ 3,661,375	\$ 10,765,000	\$ 5,751,494	\$ 16,516,494

Bond Year	FY Year	Bond Amount	Water %		
2010	2010	4,995,000.00	100%		
2011	2011	8,940,000.00	100%	Total Bonds	78,420,000.00
2013	2013	14,045,000.00	100%	Water Portion	61,048,750.00
2014	2014	2,560,000.00	0%	Water % of Total WWW Debt	78%
2015	2016	4,155,000.00	100%		
2016	2017	17,625,000.00	63%		
2017	2017	5,110,000.00	0%		
2017a	2018	2,755,000.00	100%		
2019	2019	3,180,000.00	0%		
2020	2020	4,290,000.00	100%		
2022	2023	10,765,000.00	100%		
		<u>78,420,000.00</u>			

**Table 3**  
**Allocation of Debt Service to Decertified Area**  
**Connection Count Approach**

Connection Count	Facilities									
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Total System Service Area - Potential Connections	52,335	53,236	54,203	55,186	56,185	57,200	58,232	59,230	60,245	61,278
City of Grand Prairie Growth Rate [1]	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%
New Connections on Remaining System [2]	901	916	932	948	964	981	998	1,015	1,033	1,050
New Connections from Decertified Area	-	51	51	51	51	51	-	-	-	-
Total System Service Area - EOY Potential Connections	53,236	54,203	55,186	56,185	57,200	58,232	59,230	60,245	61,278	62,328
<b>Decertified Area Annual Allocation of DS Payments [3]</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>
Total Annual Allocable Connections in Decertified Area	-	51	102	153	204	255	255	255	255	255
Total Payment Allocable to Decertified Area Connections	\$ -	\$ 5,053	\$ 9,359	\$ 10,657	\$ 12,604	\$ 10,024	\$ 9,832	\$ 8,607	\$ 7,104	\$ 5,868
Total Payment from Decertified Area	\$ -	\$ 5,053	\$ 9,359	\$ 10,657	\$ 12,604	\$ 10,024	\$ 9,832	\$ 8,607	\$ 7,104	\$ 5,868
Total payment	\$ 118,947									
2023 NPV of Total Payment Amount	\$ 85,643									

**Footnotes:**

[1] Data from 2021 Regional Plan - Population Projections for 2020-2070 for Water user Groups by Region and county. Data shown for Grand Prairie total system.

[2] Organic growth on the Remaining System

[3] Annual Connections in Decertified Area allocable to debt service payments are calculated by the Decertified Area additional connections while taking into account the Total System Maximum Capacity and the organic growth on the Remaining System. See report for discussion of assumed buildout period and maximum capacity.

Connection Count	Nearby Decertified Area										
	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Total System Service Area - Potential Connections	62,328	63,396	64,483	65,588	66,712	67,856	69,020	70,204	71,408	72,633	73,879
City of Grand Prairie Growth Rate [1]	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%	1.72%
New Connections on Remaining System [2]	1,068	1,087	1,105	1,124	1,144	1,164	1,184	1,204	1,225	1,246	1,267
New Connections from Decertified Area	-	-	-	-	-	-	-	-	-	-	-
Total System Service Area - EOY Potential Connections	63,396	64,483	65,588	66,712	67,856	69,020	70,204	71,408	72,633	73,879	75,146

Decertified Area Annual Allocation of DS Payments [3]	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Total Annual Allocable Connections in Decertified Area	255	255	255	255	255	255	255	255	255	255	255
Total Payment Allocable to Decertified Area Connections	\$ 5,768	\$ 4,526	\$ 4,439	\$ 4,378	\$ 3,121	\$ 3,064	\$ 3,005	\$ 2,960	\$ 2,913	\$ 2,861	\$ 2,805
Total Payment from Decertified Area	\$ 5,768	\$ 4,526	\$ 4,439	\$ 4,378	\$ 3,121	\$ 3,064	\$ 3,005	\$ 2,960	\$ 2,913	\$ 2,861	\$ 2,805

NewGen  
Strategies & Solutions



## EXHIBIT 1 COPIES OF LEGAL INVOICES

DOCKET NO. 53698

**DECERTIFICATION  
COMPENSATION**



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

City of Grand Prairie  
Mark Dempsey  
Attn: Mark Dempsey  
PO Box 534045  
Grand Prairie, TX USA 75053-4045

212110-61360  
V2300  
P0871

September 29, 2022

ok mwr  
9/26/22

Invoice: 97534526  
Client: 1658  
Matter: 19  
Billing Attorney: MAG

Tax ID # 74-2308445

---

### INVOICE SUMMARY

For professional services and disbursements rendered through August 31, 2022:

**RE: Grand Prairie CCN Decertification**

Professional Services	\$ 592.50
Total Disbursements	<u>\$ .00</u>
<b>TOTAL THIS INVOICE</b>	<b>\$ 592.50</b>



**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
 Grand Prairie CCN Decertification  
 I.D.1658-19-MAG

September 29, 2022  
 Invoice: 97534526

**PROFESSIONAL SERVICES RENDERED**

Date	Atty	Description Of Services Rendered	Hours
8/04/22	MAG	Review order received today; follow up with client.	.70
8/04/22	AAC	Review petitioner's response to Order No. 2 filed in PUC Docket 53698 and follow up with M. Gershon regarding same.	.20
8/11/22	MAG	Review incoming client correspondence and documentation and mapping intended to serve as evidence in decertification proceeding.	.80

**TOTAL PROFESSIONAL SERVICES** **\$ 592.50**

**SUMMARY OF PROFESSIONAL SERVICES**

Name	Staff Level	Hours	Rate	Total
Michael A Gershon	Principal	1.50	375.00	562.50
Audrey A Cooper	Paralegal	.20	150.00	30.00
<b>TOTALS</b>		<b>1.70</b>		<b>\$ 592.50</b>

**TOTAL THIS INVOICE** **\$ 592.50**



816 Congress Avenue, Suite 1900  
 Austin, Texas 78701  
 Telephone: (512) 322-5800  
 Facsimile: (512) 472-0532

www.lglawfirm.com

February 01, 2023

City of Grand Prairie  
 Mark Dempsey  
 Attn: Mark Dempsey  
 PO Box 534045  
 Grand Prairie, TX 75053-4045 USA

Client: 1658  
 Matter: 19  
 Billing Atty.: MAG

## REMINDER STATEMENT

RE: Grand Prairie CCN Decertification

Invoice Number	Invoice Date	Fees	Expenses	Invoice Total	Payments / Credits	Balance
97534526	September 29, 2022	592.50	0.00	592.50	0.00	592.50
Total Amount Due:						<u>\$592.50</u>

\*Note: Last payment of \$ 5,449.50 was received/applied on January 06, 2023

## AGED ACCOUNTS RECEIVABLE

0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Over 120 Days
-	-	-	-	592.50

Lloyd Gosselink Rochelle & Townsend, P.C.



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

October 14, 2022

City of Grand Prairie  
Mark Dempsey  
Attn: Mark Dempsey  
PO Box 534045  
Grand Prairie, TX USA 75053-4045

212110-601360  
✓2800  
P.O. 871

OK  
mm  
11/4/22

Invoice: 97535251  
Client: 1658  
Matter: 19  
Billing Attorney: MAG  
Tax ID # 74-2308445

### INVOICE SUMMARY

For professional services and disbursements rendered through September 30, 2022:

**RE: Grand Prairie CCN Decertification**

Professional Services	\$ 23,277.00
Total Disbursements	<u>\$ .00</u>
<b>TOTAL THIS INVOICE</b>	<b>\$ 23,277.00</b>

## Lloyd Gosselink Rochelle & Townsend, P.C.

Grand Prairie, City of  
Grand Prairie CCN Decertification  
I.D.1658-19-MAG

October 14, 2022  
Invoice: 97535251

### PROFESSIONAL SERVICES RENDERED

Date	Atty	Description Of Services Rendered	Hours
9/08/22	MAG	Review PUC order; exchange correspondence with client regarding same.	.30
9/08/22	AAC	Review PUC Staff's supplemental recommendation regarding AM Real Estate Solutions' petition in PUC Docket 53698 and follow up regarding same; review Order No. 3 establishing procedural schedule in Docket 53698 and calendar upcoming deadlines.	.50
9/09/22	MAG	Work session on PUC docket--detailed review of our evidence and what petitioner believes evidence to be; outline arguments, affidavits, and other evidence we will need, and research of recent PUC precedent that would be helpful given significant developments with PUC precedent and change in composition of Commission.	3.50
9/12/22	MAG	Conference call with client; work on reply; instructions and guidance to M. Huerta regarding drafting of standards section and affidavits.	2.30
9/12/22	MLH	Conduct legal research in support of response, including various standards established in recent court decision, by statute, and by PUC precedent; prepare summary of same for use in briefing.	2.40
9/13/22	MAG	Review M. Huerta's research assessment of PUC precedent; work session with M. Huerta.	2.20
9/13/22	AAC	Assist M. Huerta with preparation of business records affidavit for filing in PUC Docket 53698.	.40
9/19/22	MLH	Work on Business Record Affidavits, Declaration and other affidavits for City's Planning and Development Director and Engineering and Public Works Director, providing detail to address relevant legal standard.	3.00
9/20/22	MAG	Work session--review and edit four affidavits; review recent court decision regarding decertification; begin work on reply.	4.60
9/21/22	MAG	Extensive work on reply and affidavits; work with M. Huerta regarding additional research required of PUC precedent given dozens of cases decided immediately before and after court decision.	6.20
9/21/22	MLH	Conduct legal research regarding the Court's standard for granting and denying petitions for decertification; review PUC orders considering petitions for decertification to determine factors PUC considers in granting and denying petitions; draft analysis of Court and PUC precedent.	5.00
9/22/22	MAG	Multiple telephone calls with client; review M. Huerta's research assessments; work on reply, four affidavits.	6.30
9/22/22	MLH	Conduct research regarding the evidentiary standard for decertification issues in front of PUC; conduct research regarding City's TCEQ compliance history and summarize complaints in support of judgment call whether to proactively address same; call with client to discuss response to petition for decertification; strategy meeting with M. Gershon regarding drafting affidavits and response; review City's water supply agreements with City of Midlothian and City of Mansfield.	5.70
9/23/22	MAG	Review M. Huerta's assessment of agreements; work on reply.	4.70

Lloyd Gosselink Rochelle & Townsend, P.C.

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
Grand Prairie CCN Decertification  
I.D.1658-19-MAG

October 14, 2022  
Invoice: 97535251

<b>Date</b>	<b>Atty</b>	<b>Description Of Services Rendered</b>	<b>Hours</b>
9/23/22	MAG	No Charge - Review M. Huerta's assessment of agreements; work on reply.	1.50
9/23/22	MLH	Complete review of client's agreements with City of Midlothian and City of Mansfield; draft language for affidavits detailing City's agreements and capability to provide water service; work on declaration for City's Engineering and Public Works Director; research cites to brief the statutory-construction arguments regarding streamlined expedited release versus expedited release; draft section of response regarding legal standard; work on section of response describing email correspondence between the City and AM Trust; edit response.	8.00
9/23/22	AAC	Follow up with M. Huerta regarding complaints against City of Grand Prairie; research TCEQ violations and complaints database for records of complaints against Grand Prairie; follow up regarding same.	.50
9/26/22	MAG	Review strategy with J. Mauldin in light of recent Commission decision.	.20
9/26/22	JLM	Confer with M. Gershon on status of proceeding and CCN-holder response.	.30
9/26/22	MLH	Review draft affidavits, exhibits, and legal precedent; work on fact analysis section of response describing City's facilities and capacity to serve water.	3.00
9/26/22	AAC	Follow up with M. Gershon regarding filing process at PUC for verified response to petition in PUC Docket 53698.	.30
9/27/22	MLH	Review memorandum regarding City's capacity to serve from the City Engineering and Public Works Director; revise affidavit to reflect information included in memorandum; draft section of affidavit describing maps; compile exhibits to be included in final response; review and finalize affidavit for City's Planning and Development Director; call with MAG to review affidavits and discuss revisions to response; revise analysis section of response based on updated affidavits; draft sections of response refuting specific allegations included in AM Trust's petition for decertification; conduct legal research to support arguments.	7.50
9/27/22	MLH	No Charge - Review memorandum regarding City's capacity to serve from the City Engineering and Public Works Director; revise affidavit to reflect information included in memorandum; draft section of affidavit describing maps; compile exhibits to be included in final response; review and finalize affidavit for City's Planning and Development Director; call with MAG to review affidavits and discuss revisions to response; revise analysis section of response based on updated affidavits; draft sections of response refuting specific allegations included in AM Trust's petition for decertification; conduct legal research to support arguments.	2.50
9/27/22	MAG	Work on reply; multiple telephone calls with client; work on affidavits.	2.00
9/27/22	AAC	Compile and label exhibits for filing with response to AM Real Estate Solutions' petition for streamlined expedited release in PUC Docket 53698; follow up with M. Huerta regarding final affidavits and acknowledgements for attachments; follow up with M. Gershon regarding filing process at PUC.	1.00
9/28/22	MLH	Review and edit final draft of response, affidavits, and exhibits; Call with MAG to discuss finalizing and filing response.	2.00
9/28/22	MAG	Finalize reply and coordinate filing; telephone call with E. McCarthy.	4.00

Lloyd Gosselink Rochelle & Townsend, P.C.

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
 Grand Prairie CCN Decertification  
 I.D.1658-19-MAG

October 14, 2022  
 Invoice: 97535251

**TOTAL PROFESSIONAL SERVICES** **\$ 23,277.00**

**SUMMARY OF PROFESSIONAL SERVICES**

<b>Name</b>	<b>Staff Level</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>	<b>N/C Hr</b>	<b>N/C \$</b>
Michael A Gershon	Principal	375.00	36.30	13,612.50	1.50	667.50
Jamie L Mauldin	Principal	365.00	.30	109.50	.00	.00
Madison L Huerta	Associate-T	250.00	36.60	9,150.00	2.50	525.00
Audrey A Cooper	Paralegal	150.00	2.70	405.00	.00	.00
<b>TOTALS</b>			<b>75.90</b>	<b>\$ 23,277.00</b>	<b>4.00</b>	<b>\$ 1,192.50</b>

**TOTAL THIS INVOICE** **\$ 23,277.00**



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

November 9, 2022

City of Grand Prairie  
Mark Dempsey  
Attn: Mark Dempsey  
PO Box 534045  
Grand Prairie, TX USA 75053-4045

212110-61360  
V2300  
PO 871

OK  
mm 12/6/22

Invoice: 97536007  
Client: 1658  
Matter: 19  
Billing Attorney: MAG  
Tax ID # 74-2308445

### INVOICE SUMMARY

For professional services and disbursements rendered through October 31, 2022:

**RE: Grand Prairie CCN Decertification**

Professional Services	\$ 1,759.50
Total Disbursements	<u>\$ .00</u>
<b>TOTAL THIS INVOICE</b>	<b>\$ 1,759.50</b>

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
 Grand Prairie CCN Decertification  
 I.D.1658-19-MAG

November 9, 2022  
 Invoice: 97536007

**PROFESSIONAL SERVICES RENDERED**

<b>Date</b>	<b>Atty</b>	<b>Description Of Services Rendered</b>	<b>Hours</b>
10/12/22	MAG	Review petitioner's reply to our response; follow up with client regarding same.	1.30
10/17/22	MAG	Internal discussion regarding PUC staff development of recommendation to Commissioners; telephone call with PUC attorney I. Groetsch; respond to I. Groetsch's correspondence and request for extension of PUC staff deadline to file recommendation.	.70
10/17/22	RMD	Confer with M. Gershon to strategize correspondence with PUC Staff.	.30
10/18/22	MAG	No Charge - Brief discussion with T. Dennison regarding I. Groetsch and staff's perspective and vetting of recent precedent.	.10
10/18/22	TPD	No Charge - Call with M. Gershon regarding PUC Staff correspondence.	.10
10/19/22	MAG	Correspondence with I. Groetsch; review PUC staff's filing.	.20
10/19/22	MLH	Legal research regarding Public Utility Commission's recent flexibility with procedure in allowing multiple responses in a docket for an expedited streamlined release petition; draft email summarizing standard and applicable provisions of Texas Administrative Code; discuss findings with M. Gershon.	1.80
10/27/22	AAC	Review Order No. 4 granting extension and revising the procedural schedule in PUC Docket 53698; follow up with M. Gershon and M. Huerta regarding revised deadlines.	.30
10/28/22	AAC	Review PUC Staff's second request for extension in Docket 53698 and follow up with M. Gershon and M. Huerta regarding same.	.40
10/31/22	MAG	Review petitioner's filing, and immediately draft response in support of PUC staff's request for second extension; coordinate with A. Cooper to file and serve same.	.50
10/31/22	AAC	Finalize Rresponse to Commission Staff's Request for Extension in PUC Docket 53698; e-file Response to Commission Staff's Request for Extension with the PUC and obtain filing confirmation of same; follow up with M. Gershon regarding same; send courtesy service email to counsel for other parties.	.70

**TOTAL PROFESSIONAL SERVICES****\$ 1,759.50****SUMMARY OF PROFESSIONAL SERVICES**

<b>Name</b>	<b>Staff Level</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>	<b>N/C Hr</b>	<b>N/C \$</b>
Michael A Gershon	Principal	375.00	2.70	1,012.50	.10	37.50
Taylor P Denison	Associate	.00	.00	.00	.10	30.50
Roslyn M Dubberstein	Associate	290.00	.30	87.00	.00	.00
Madison L Huerta	Associate-T	250.00	1.80	450.00	.00	.00
Audrey A Cooper	Paralegal	150.00	1.40	210.00	.00	.00
<b>TOTALS</b>			<b>6.20</b>	<b>\$ 1,759.50</b>	<b>.20</b>	<b>\$ 68.00</b>



**Lloyd Gosselink Rochelle & Townsend, P.C.**

---

Grand Prairie, City of  
Grand Prairie CCN Decertification  
I.D.1658-19-MAG

November 9, 2022  
Invoice: 97536007

**TOTAL THIS INVOICE**

**\$ 1,759.50**



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

November 11, 2022

City of Grand Prairie  
Mark Dempsey  
Attn: Mark Dempsey  
PO Box 534045  
Grand Prairie, TX 75053-4045 USA

Client: 1658  
Matter: 19  
Billing Atty.: MAG

## REMINDER STATEMENT

RE: Grand Prairie CCN Decertification

Invoice Number	Invoice Date	Fees	Expenses	Invoice Total	Payments / Credits	Balance
97534526	September 29, 2022	592.50	0.00	592.50	0.00	592.50
97535251	October 14, 2022	23,277.00	0.00	23,277.00	0.00	23,277.00
<b>Total Amount Due:</b>						<b>\$23,869.50</b>

\*Note: Last payment of \$ 1,778.00 was received/applied on September 16, 2022

## AGED ACCOUNTS RECEIVABLE

0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Over 120 Days
23,277.00	592.50	-	-	-

Lloyd Gosselink Rochelle & Townsend, P.C.



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532

[www.lglawfirm.com](http://www.lglawfirm.com)

December 8, 2022

City of Grand Prairie  
Mark Dempsey  
Attn: Mark Dempsey  
PO Box 534045  
Grand Prairie, TX USA 75053-4045

Invoice: 97536936  
Client: 1658  
Matter: 19  
Billing Attorney: MAG  
  
Tax ID # 74-2308445

---

### INVOICE SUMMARY

For professional services and disbursements rendered through November 30, 2022:

**RE: Grand Prairie CCN Decertification**

Professional Services	\$ 5,449.50
Total Disbursements	<u>\$ .00</u>
<b>TOTAL THIS INVOICE</b>	<b>\$ 5,449.50</b>

212110 - 61360  
V2300  
PO 871

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
 Grand Prairie CCN Decertification  
 I.D.1658-19-MAG

December 8, 2022  
 Invoice: 97536936

**PROFESSIONAL SERVICES RENDERED**

<b>Date</b>	<b>Atty</b>	<b>Description Of Services Rendered</b>	<b>Hours</b>
11/01/22	AAC	Review Order No. 5 granting PUC Staff's extension request and follow up with attorney regarding same.	.20
11/02/22	MAG	Review staff recommendation; follow up internally and with valuation expert C. Ekrut at NewGen Strategies, then with client; coordinate deadlines and action items with A. Cooper; brief follow up with J. Mauldin in light of her recent PUC streamlined case.	.80
11/02/22	AAC	Review PUC Staff's final recommendation filed in PUC Docket 53698 and follow up with attorney regarding same.	.30
11/05/22	JLM	Review Staff's recommendation for approval of Petition and M. Gershon's analysis; correspondence with analysis to M. Gershon.	.30
11/07/22	MAG	Review Judge's memorandum, proposed order and findings of fact and conclusions of law; review J. Mauldin's assessment of staff position; follow up with client; instructions and guidance to team to outline next steps/action items and to calendar deadlines.	1.20
11/07/22	AAC	Review memorandum and proposed order issued by PUC Docket 53698 and follow up with M. Gershon and M. Huerta regarding same.	.20
11/08/22	MLH	Review PUC rules and outline client's substantive and procedural options to except to Judge's recommendation.	1.20
11/08/22	AAC	Assist attorneys with deadlines and possible exceptions to proposed order.	.70
11/09/22	MAG	Review statutory timeframe within which PUC is supposed to make decisions, and PUC Commission's options to deviate from same; telephone call with client to discuss procedural path forward, our options and strategy.	1.50
11/09/22	MLH	No Charge - Call with M. Gershon and City Attorneys to discuss Proposed Order and strategy to file Exceptions to Proposed Order; strategy discussion with M. Gershon regarding drafting Exceptions to Proposed Order.	1.50
11/10/22	MAG	Respond to correspondence then telephone call from E. McCarthy; immediate follow-up telephone call with client regarding petitioner's interest in settlement discussion, with withdrawal of petition proposed.	.50
11/10/22	MLH	Legal research and prepare brief internal memo regarding procedural timeline, exceptions, and remedies.	1.50
11/15/22	AAC	Case management.	.30
11/16/22	MAG	Exchange correspondence with C. Phung regarding filing exceptions and path forward with discussions between our senior management and AM Business Trust; work with M. Huerta regarding plan for exceptions; correspondence to E. McCarthy.	1.20
11/17/22	AAC	Review Petitioner AM Real Estate's request to modify service list in PUC Docket 53698 and follow up regarding same.	.40
11/18/22	MLH	Draft Exceptions to the Proposed Order; legal research regarding same.	1.00
11/18/22	MLH	No Charge - Draft Exceptions to the Proposed Order; legal research regarding	1.00

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
 Grand Prairie CCN Decertification  
 I.D.1658-19-MAG

December 8, 2022  
 Invoice: 97536936

Date	Atty	Description Of Services Rendered	Hours
		same.	
11/21/22	MAG	Follow up with E. McCarthy regarding settlement; work on exceptions.	1.90
11/21/22	MAG	No Charge - Follow up with E. McCarthy regarding settlement; work on exceptions.	1.90
11/21/22	MLH	Edit and draft conclusion section for Exceptions to Proposed Order.	.70
11/22/22	MAG	Finalize exceptions and coordinate filing same; follow up client; follow up with E. McCarthy.	2.30
11/22/22	MLH	Review and final edits to the City's Exceptions to Proposed Order.	.70
11/22/22	AAC	Finalize and efile Exceptions to the Administrative Law Judge's Proposed Order in PUC Docket 53698 and obtain filing confirmation of same; serve copy of pleading on all parties.	.50
11/23/22	MAG	Exchange correspondence with M. Dempsey.	.20
11/29/22	MAG	Coordinate with client regarding PUC matter and related development issues raised by AM Business Trust.	.20

**TOTAL PROFESSIONAL SERVICES****\$ 5,449.50****SUMMARY OF PROFESSIONAL SERVICES**

Name	Staff Level	Rate	Hours	Amount	N/C Hr	N/C \$
Michael A Gershon	Principal	375.00	9.80	3,675.00	1.90	712.50
Jamie L Mauldin	Principal	365.00	.30	109.50	.00	.00
Madison L Huerta	Associate	250.00	5.10	1,275.00	2.50	625.00
Audrey A Cooper	Paralegal	150.00	2.60	390.00	.00	.00
<b>TOTALS</b>			<b>17.80</b>	<b>\$ 5,449.50</b>	<b>4.40</b>	<b>\$ 1,337.50</b>

**TOTAL THIS INVOICE****\$ 5,449.50**



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532

www.lglawfirm.com

December 08, 2022

City of Grand Prairie  
Mark Dempsey  
Attn: Mark Dempsey  
PO Box 534045  
Grand Prairie, TX 75053-4045 USA

Client: 1658  
Matter: 19  
Billing Atty.: MAG

## REMINDER STATEMENT

RE: Grand Prairie CCN Decertification

Invoice Number	Invoice Date	Fees	Expenses	Invoice Total	Payments / Credits	Balance
97534526	September 29, 2022	592.50	0.00	592.50	0.00	592.50
97536007	November 09, 2022	1,759.50	0.00	1,759.50	0.00	1,759.50
<b>Total Amount Due:</b>						<b>\$2,352.00</b>

\*Note: Last payment of \$ 23,277.00 was received/applied on November 25, 2022

## AGED ACCOUNTS RECEIVABLE

0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Over 120 Days
1,759.50	-	592.50	-	-

Lloyd Gosselink Rochelle & Townsend, P.C.



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

*OK  
mm  
2/6/22* January 31, 2023

City of Grand Prairie  
Mark Dempsey  
Attn: Mark Dempsey  
PO Box 534045  
Grand Prairie, TX USA 75053-4045

*012110-61360  
V0300  
P0871*

Invoice: 97537655  
Client: 1658  
Matter: 19  
Billing Attorney: MAG  
  
Tax ID # 74-2308445

---

### INVOICE SUMMARY

For professional services and disbursements rendered through December 31, 2022:

**RE: Grand Prairie CCN Decertification**

Professional Services	\$ 4,285.00
Total Disbursements	<u>\$ .00</u>
<b>TOTAL THIS INVOICE</b>	<b>\$ 4,285.00</b>

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
Grand Prairie CCN Decertification  
I.D.1658-19-MAG

January 31, 2023  
Invoice: 97537655

**PROFESSIONAL SERVICES RENDERED**

<b>Date</b>	<b>Atty</b>	<b>Description Of Services Rendered</b>	<b>Hours</b>
12/01/22	MAG	Review today's filing by PUC staff with revised memo and proposed order with findings; follow up with client, including email correspondence and telephone call with C. Phung; follow-up telephone call with E. McCarthy, attorney for petitioner AMB Trust; follow up with PUC staff attorney I. Groetsch; telephone call to and correspondence with PUC legal counsel S. Journeay; research past failed abatement request and review PUC rules.	1.70
12/01/22	AAC	Review revised proposed order and memorandum prepared by Commission Counsel in PUC Docket 53698 and follow up regarding same; compare revised proposed order to initial proposed order issued in Docket 53698 and follow up regarding same.	.60
12/02/22	MAG	Prepare pleading; multiple telephone calls to PUC legal counsel and staff attorney; telephone calls with E. McCarthy; finalize and file pleading; review and reply to M. Dempsey regarding AMB Trust settlement; correspondence to S. Journeay.	3.30
12/02/22	AAC	Phone call with M. Gershon regarding Unopposed Joint Request to Abate for PUC Docket 53698; finalize Unopposed Joint Request to Abate with AM Business Trust 2021-001 and e-file in PUC Docket 53698; phone call with PUC Central Records regarding issues with online filing portal; obtain confirmation of filing; serve filing on all parties.	1.30
12/05/22	MAG	Respond to correspondence from M. Dempsey regarding plan for settlement discussion and appellate remedies and strategy in pending PUC proceeding; work with team internally regarding same.	1.00
12/05/22	MLH	Legal research regarding whether a final order issued by the Public Utility Commission granting streamlined expedited release may be appealed to District Court; discussion with M. Gershon regarding applicability of relevant case precedent to City of Grand Prairie decertification matter.	1.50
12/06/22	MAG	Telephone call with L. Zent regarding lobby effort and nuance in decertification laws; review correspondence between City and developer's attorney; correspondence with and telephone call with M. Dempsey regarding strategy and next steps; review M. Huerta's research findings; independent research of remedies and legislature's distinction between expedited and streamlined remedies on appeal.	2.90
12/12/22	MAG	Review exchange of correspondence regarding settlement meeting.	.10
12/14/22	MLH	Legal research regarding what is required for the City to exhaust their administrative remedies in a proceeding before the Public Utility Commission for purposes of further appeal; draft analysis regarding same.	1.00
12/14/22	MLH	No Charge - Legal research regarding what is required for the City to exhaust their administrative remedies in a proceeding before the Public Utility Commission for purposes of further appeal; draft analysis regarding same.	1.00

**TOTAL PROFESSIONAL SERVICES****\$ 4,285.00**

Lloyd Gosselink Rochelle &amp; Townsend, P.C.



**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
Grand Prairie CCN Decertification  
I.D.1658-19-MAG

January 31, 2023  
Invoice: 97537655

**SUMMARY OF PROFESSIONAL SERVICES**

<b>Name</b>	<b>Staff Level</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>	<b>N/C Hr</b>	<b>N/C \$</b>
Michael A Gershon	Principal	375.00	9.00	3,375.00	.00	.00
Madison L Huerta	Associate	250.00	2.50	625.00	1.00	210.00
Audrey A Cooper	Paralegal	150.00	1.90	285.00	.00	.00
<b>TOTALS</b>			<b>13.40</b>	<b>\$ 4,285.00</b>	<b>1.00</b>	<b>\$ 210.00</b>

**TOTAL THIS INVOICE**

**\$ 4,285.00**



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

February 21, 2023

City of Grand Prairie  
Mark Dempsey  
Attn: Mark Dempsey  
PO Box 534045  
Grand Prairie, TX USA 75053-4045

212110-61360  
V2300  
PO871

Invoice: 97538319  
Client: 1658  
Matter: 19  
Billing Attorney: MAG  
  
Tax ID # 74-2308445

### INVOICE SUMMARY

For professional services and disbursements rendered through January 31, 2023:

**RE: Grand Prairie CCN Decertification**

Professional Services  
Total Disbursements  
  
**TOTAL THIS INVOICE**

\$ 237.00  
\$ .00  
\$ 237.00  
OK mm  
3/7/23

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
 Grand Prairie CCN Decertification  
 I.D.1658-19-MAG

February 21, 2023  
 Invoice: 97538319

**PROFESSIONAL SERVICES RENDERED**

<b>Date</b>	<b>Atty</b>	<b>Description Of Services Rendered</b>	<b>Hours</b>
1/13/23	MAG	Review and follow up on opposing counsel's correspondence.	.10
1/25/23	MAG	Correspondence to client regarding upcoming PUC deadline for status report.	.10
1/25/23	AAC	Follow up regarding deadline to file status report on settlement negotiations in PUC Docket 53698.	.30
1/30/23	MAG	Review E. McCarthy email and follow up with M. Dempsey; email E. McCarthy.	.30

**TOTAL PROFESSIONAL SERVICES** **\$ 237.00**

**SUMMARY OF PROFESSIONAL SERVICES**

<b>Name</b>	<b>Staff Level</b>	<b>Hours</b>	<b>Rate</b>	<b>Total</b>
Michael A Gershon	Principal	.50	375.00	187.50
Audrey A Cooper	Paralegal	.30	165.00	49.50
<b>TOTALS</b>		<b>.80</b>		<b>\$ 237.00</b>

**TOTAL THIS INVOICE** **\$ 237.00**



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

City of Grand Prairie  
Mark Dempsey  
Attn: Mark Dempsey  
PO Box 534045  
Grand Prairie, TX USA 75053-4045

212110-61360  
V2300  
P0871

March 6, 2023  
b/k 4/6/22

Invoice: 97539274  
Client: 1658  
Matter: 19  
Billing Attorney: MAG  
Tax ID # 74-2308445

### INVOICE SUMMARY

For professional services and disbursements rendered through February 28, 2023:

**RE: Grand Prairie CCN Decertification**

Professional Services	\$ 745.50
Total Disbursements	<u>\$ .00</u>
<b>TOTAL THIS INVOICE</b>	<b>\$ 745.50</b>

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
 Grand Prairie CCN Decertification  
 I.D.1658-19-MAG

March 6, 2023  
 Invoice: 97539274

**PROFESSIONAL SERVICES RENDERED**

<b>Date</b>	<b>Atty</b>	<b>Description Of Services Rendered</b>	<b>Hours</b>
2/10/23	MAG	Forward market data points to client; telephone call with M. Dempsey; exchange correspondence with E. McCarthy and client.	1.10
2/23/23	MAG	Review and follow up on M. Dempsey's correspondence.	.20
2/24/23	MAG	Telephone call with Trust's attorney E. McCarthy.	.30
2/28/23	MAG	Respond to telephone call from E. McCarthy.	.30
2/28/23	AAC	Case management.	.20

**TOTAL PROFESSIONAL SERVICES****\$ 745.50****SUMMARY OF PROFESSIONAL SERVICES**

<b>Name</b>	<b>Staff Level</b>	<b>Hours</b>	<b>Rate</b>	<b>Total</b>
Michael A Gershon	Principal	1.90	375.00	712.50
Audrey A Cooper	Paralegal	.20	165.00	33.00
<b>TOTALS</b>		<b>2.10</b>		<b>\$ 745.50</b>

**TOTAL THIS INVOICE****\$ 745.50**



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

City of Grand Prairie  
Mark Dempsey  
Attn: Mark Dempsey  
PO Box 534045  
Grand Prairie, TX USA 75053-4045

212110 - 61360  
V2300  
P0871

pk  
mm  
5/4/23  
April 26, 2023

Invoice: 97540023  
Client: 1658  
Matter: 19  
Billing Attorney: MAG  
Tax ID # 74-2308445

### INVOICE SUMMARY

For professional services and disbursements rendered through March 31, 2023:

**RE: Grand Prairie CCN Decertification**

Professional Services  
Total Disbursements

\$ 2,824.00  
\$ .00

**TOTAL THIS INVOICE**

**\$ 2,824.00**

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
 Grand Prairie CCN Decertification  
 I.D.1658-19-MAG

April 26, 2023  
 Invoice: 97540023

**PROFESSIONAL SERVICES RENDERED**

<b>Date</b>	<b>Atty</b>	<b>Description Of Services Rendered</b>	<b>Hours</b>
3/01/23	MAG	Telephone call with Trust's attorney E. McCarthy; work with M. Huerta to prepare for meeting exhaustion-of-administrative-remedies and other decertification requirements; review PUC Judge's Order No. 6; follow up regarding same.	.60
3/01/23	AAC	Review Order No. 6 issued in PUC Docket 53698 instructing the parties to file a joint settlement status report and follow up regarding same; calendar procedural deadlines.	.30
3/02/23	MAG	Follow up with client.	.10
3/03/23	MAG	Telephone call with M. Dempsey; prepare correspondence to Trust; respond to PUC staff attorney I. Groetsch regarding status of case.	.90
3/03/23	MLH	Prepare for interlocutory appeal and traditional appeal pursuant to Public Utility Commission rules and Texas Government Code; work regarding statutory and regulatory requirements for "Phase 2" of decertification proceeding that requires submission of an appraisal and filing appeal; prepare informal outline/analysis regarding same to M. Gershon.	2.20
3/04/23	MAG	Review file/correspondence to/from Trust and finalize draft of counterproposal for client's review; forward same to M. Dempsey.	.50
3/06/23	MAG	Correspondence and telephone call with M. Dempsey; follow up with I. Groetsch at PUC; correspondence with revised counterproposal sent to client; follow up with E. McCarthy.	.50
3/06/23	MLH	Brief work on City's proposed settlement offer to AMB Trust; review correspondence regarding proposals.	.40
3/07/23	MAG	Finalize and forward counterproposal to Trust; review Trust's response and immediate follow up with client; work with M. Huerta to prepare status report to PUC by tomorrow's deadline; review M. Huerta's findings; follow up with C. Ekrut.	.50
3/07/23	MLH	Draft joint settlement status report providing an update to Public Utility Commission staff and Administrative Law Judge regarding the status of settlement negotiations and communicating desire of parties to have order set for a hearing; review correspondence between parties regarding same; review PUC precedent that appears inconsistent with parties' intentions in the event of settlement/withdrawal of petition for decertification.	2.30
3/08/23	MAG	Telephone call with I. Groetsch; exchange correspondence with client then Trust; edit response to Judge's order requiring status report; coordinate with other parties and internally to file.	.90
3/08/23	AAC	E-file final joint settlement status report in PUC Docket 53698 and obtain filing confirmation of same.	.30

**TOTAL PROFESSIONAL SERVICES****\$ 2,824.00****SUMMARY OF PROFESSIONAL SERVICES**


---

 Lloyd Gosselink Rochelle & Townsend, P.C.

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
Grand Prairie CCN Decertification  
I.D.1658-19-MAG

April 26, 2023  
Invoice: 97540023

<b>Name</b>	<b>Staff Level</b>	<b>Hours</b>	<b>Rate</b>	<b>Total</b>
Michael A Gershon	Principal	4.00	375.00	1,500.00
Madison L Huerta	Associate	4.90	250.00	1,225.00
Audrey A Cooper	Paralegal	.60	165.00	99.00
<b>TOTALS</b>		<b>9.50</b>		<b>\$ 2,824.00</b>

**TOTAL THIS INVOICE**

**\$ 2,824.00**





816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

City of Grand Prairie  
Mark Dempsey  
Attn: Mark Dempsey  
PO Box 534045  
Grand Prairie, TX USA 75053-4045

212110-61360  
V2300  
P0871

May 10, 2023

OK  
mm  
5/10/23

Invoice: 97540752  
Client: 1658  
Matter: 19  
Billing Attorney: MAG  
Tax ID # 74-2308445

### INVOICE SUMMARY

For professional services and disbursements rendered through April 30, 2023:

**RE: Grand Prairie CCN Decertification**

Professional Services  
Total Disbursements

\$ 250.00  
\$ .00

**TOTAL THIS INVOICE**

**\$ 250.00**

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
 Grand Prairie CCN Decertification  
 I.D.1658-19-MAG

May 10, 2023  
 Invoice: 97540752

**PROFESSIONAL SERVICES RENDERED**

<b>Date</b>	<b>Atty</b>	<b>Description Of Services Rendered</b>	<b>Hours</b>
4/27/23	MAG	Work with M. Huerta to prepare for imminent action by Commission to protect client's appellate remedies; follow up with NewGen regarding expert appraisal that will be mandated if Commission approves ALJ's recommendation to grant decert and move to Phase II/compensation.	.40
4/27/23	MLH	Conference with M. Gershon regarding the status of the petition for CCN decertification; Outline next steps to appeal decision.	.40

**TOTAL PROFESSIONAL SERVICES** **\$ 250.00**

**SUMMARY OF PROFESSIONAL SERVICES**

<b>Name</b>	<b>Staff Level</b>	<b>Hours</b>	<b>Rate</b>	<b>Total</b>
Michael A Gershon	Principal	.40	375.00	150.00
Madison L Huerta	Associate	.40	250.00	100.00
<b>TOTALS</b>		<b>.80</b>		<b>\$ 250.00</b>

**TOTAL THIS INVOICE** **\$ 250.00**

**CHECK REQUEST FORM**

Check request forms will only be accepted for exempt purchases (direct pays). Direct pays include the following expenditure categories (please check the appropriate box). **Do not use this form in place of a purchase order.** Contact the Purchasing Department for specific instructions on processing invoices without a purchase order.

**PART I: DIRECT PAY CATEGORY**

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Utility/Telephone Bill | <input type="checkbox"/> Certification/Dues/Subscription | <input type="checkbox"/> Payment to State/Local Government                    |
| <input type="checkbox"/> Rental Payment         | <input type="checkbox"/> Reimbursement                   | <input type="checkbox"/> Refund   |
| <input type="checkbox"/> Freight Bill           | <input type="checkbox"/> Travel/Training                 | <input type="checkbox"/> Exempt Vendor ( <a href="#">click here</a> for list) |
| <input type="checkbox"/> Advertising            | <input type="checkbox"/> Petty Cash Reimbursement        | <input type="checkbox"/> Exempt from bid laws (explanation required)          |

Explanation:

*Legal Services*

**PART II: VENDOR INFORMATION**Vendor Number: 2300 If one-time vendor, enter "ONE-TIME"Vendor Name: Lloyd GosselinkMailing Address: required ONLY for one-time vendors

City, St and Zip

**PART III: PAYMENT INFORMATION** (if more lines needed, see page 2)

Invoice Number	Accounting Unit	GL Account	Activity (if applicable)	Amount
<u>97541462</u>	<u>400192</u>	<u>61360</u>	<u>02314403</u>	<u>1097.50</u>
			(from page 2)	<u>0.00</u>
			<b>Total Payment</b>	<b>\$ <u>1097.50</u></b>

Separate check requested? ☐ Yes ☒ NoHold Check (approval required) ☐ Yes ☒ NoEnclosures required to be mailed with check? ☐ Yes ☒ No(Required enclosures must be delivered to the AP Department no later than 5pm on Wednesday to be included with checks mailed on Thursday.)

Check Memo (optional):

Information entered here will be printed on the vendor check/remittance stub in addition to invoice number(s).**PART IV: DEPARTMENT INFORMATION**Department/Division: LegalAuthority Code: LGOEmployee Requesting Payment: Daphne HolmesExtension: 8026Print Name**PART V: AUTHORIZED SIGNATURE FOR APPROVAL**

*[Signature]*

Megan Mahan

Print Name HereDate: 8/7/23

The same level of authority used for requisition approval is used for check request approvals. The level of authority is based on the amount of each invoice listed on this request (not on total). The list of approvers for your department is located at M:\Purchasing\Approvers. Unauthorized signatures will be rejected.



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532

www.lglawfirm.com

June 22, 2023

City of Grand Prairie  
Mark Dempsey  
Attn: Mark Dempsey  
PO Box 534045  
Grand Prairie, TX USA 75053-4045

400192-61360-0234403  
V2300  
P0871  
OK  
8/7/23

Invoice: 97541462  
Client: 1658  
Matter: 19  
Billing Attorney: MAG

Tax ID # 74-2308445

### INVOICE SUMMARY

For professional services and disbursements rendered through May 31, 2023:

RE: Grand Prairie CCN Decertification

Professional Services  
Total Disbursements

\$ 1,097.50  
\$ .00

**TOTAL THIS INVOICE**

**\$ 1,097.50**

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
 Grand Prairie CCN Decertification  
 I.D.1658-19-MAG

June 22, 2023  
 Invoice: 97541462

**PROFESSIONAL SERVICES RENDERED**

Date	Atty	Description Of Services Rendered	Hours
5/02/23	MAG	Teams meeting with client; review client's correspondence and contract.	1.40
5/04/23	MAG	Work session with team to prepare for Commission action with filings required to exhaust remedies and protect client's interests on appeal.	.40
5/04/23	CCR	Office conference with M. Gershon and M. Huerta regarding City of Grand Prairie motion for reconsideration and potential appeal of a CCN decertification petition.	.50
5/04/23	MLH	Conference with M. Gershon to review applicable timelines and statutes governing appeal of a decision by the Public Utility Commission to grant decertification; develop strategy for appeal and to exhaust administrative remedies; determine preliminary arguments to include in motion for rehearing; establish next steps to prepare necessary pleadings and motions for appeal.	1.10

**TOTAL PROFESSIONAL SERVICES****\$ 1,097.50****SUMMARY OF PROFESSIONAL SERVICES**

Name	Staff Level	Hours	Rate	Total
Michael A Gershon	Principal	1.80	375.00	675.00
Christian Cole Ruiz	Associate	.50	295.00	147.50
Madison L Huerta	Associate	1.10	250.00	275.00
<b>TOTALS</b>		<b>3.40</b>		<b>\$ 1,097.50</b>

**TOTAL THIS INVOICE****\$ 1,097.50**


---

 Lloyd Gosselink Rochelle & Townsend, P.C.



## CHECK REQUEST FORM

Check request forms will only be accepted for exempt purchases (direct pays). Direct pays include the following expenditure categories (please check the appropriate box). **Do not use this form in place of a purchase order.** Contact the Purchasing Department for specific instructions on processing invoices without a purchase order.

## PART I: DIRECT PAY CATEGORY

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Utility/Telephone Bill | <input type="checkbox"/> Certification/Dues/Subscription | <input type="checkbox"/> Payment to State/Local Government                    |
| <input type="checkbox"/> Rental Payment         | <input type="checkbox"/> Reimbursement                   | <input type="checkbox"/> Refund   |
| <input type="checkbox"/> Freight Bill           | <input type="checkbox"/> Travel/Training                 | <input type="checkbox"/> Exempt Vendor ( <a href="#">click here</a> for list) |
| <input type="checkbox"/> Advertising            | <input type="checkbox"/> Petty Cash Reimbursement        | <input type="checkbox"/> Exempt from bid laws (explanation required)          |

Explanation: Professional Services

## PART II: VENDOR INFORMATION

Vendor Number:  *If one-time vendor, enter "ONE-TIME"*

Vendor Name:

Mailing Address: required ONLY for one-time vendors

City, St and Zip:

## PART III: PAYMENT INFORMATION (if more lines needed, see page 2)

Invoice Number	Accounting Unit	GL Account	Activity (if applicable)	Amount
97541463	400192	61360	02314403	\$ 4,160.00
				0.00
				0.00
(from page 2)				0.00
Total Payment				\$ 4,160.00

Separate check requested? ☐ Yes ☒ No

Hold Check (approval required) ☐ Yes ☒ No

Enclosures required to be mailed with check? ☐ Yes ☒ No

*(Required enclosures must be delivered to the AP Department no later than 5pm on Wednesday to be included with checks mailed on Thursday.)*

Check Memo (optional):

*Information entered here will be printed on the vendor check/remittance stub in addition to invoice number(s).*

## PART IV: DEPARTMENT INFORMATION

Department/Division:  Authority Code:

Employee Requesting Payment:  Extension:

Print Name

## PART V: AUTHORIZED SIGNATURE FOR APPROVAL

Print Name Here

Date:

The same level of authority used for requisition approval is used for check request approvals. The level of authority is based on the amount of each invoice listed on this request (not on total). The list of approvers for your department is located at M:\Purchasing\Approvers. Unauthorized signatures will be rejected.



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

June 22, 2023

City of Grand Prairie  
Attn Tiffany Bill  
PO Box 534045  
Grand Prairie, TX 75053

400192-61360-02314403  
V2300  
P0871

ok mm  
7/27/23

Invoice: 97541463  
Client: 1658  
Matter: 21  
Billing Attorney: MAG  
Tax ID # 74-2308445

### INVOICE SUMMARY

For professional services and disbursements rendered through May 31, 2023:

RE: CCN-SE ETJ/city limits-MPSUD-Midlothian

Professional Services  
Total Disbursements  
  
**TOTAL THIS INVOICE**

\$ 4,160.00  
\$ .00

**\$ 4,160.00**

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
CCN-SE ETJ/city limits-MPSUD-Midlothian  
I.D.1658-21-MAG

June 22, 2023  
Invoice: 97541463

**PROFESSIONAL SERVICES RENDERED**

<b>Date</b>	<b>Atty</b>	<b>Description Of Services Rendered</b>	<b>Hours</b>
5/19/23	MAG	Review client's correspondence received today and attached contracts; brief follow-up.	1.60
5/22/23	MAG	Complete review of contracts from client; prep for tomorrow's meeting.	1.30
5/23/23	MAG	Extended telephone call with client (1.7); review Midlothian agreements; review ECFWSD and JCFWSC agreement; work on amendment to 2014 interlocal agreement with City of Midlothian.	4.20
5/24/23	MAG	Work on amendment to Midlothian interlocal agreement.	1.30
5/25/23	MAG	Teams call with T. Bull and N. Housewright (1.3); review multiple contracts with City of Midlothian emailed by client post-call; work with C. Ruiz on request to Midlothian required by 2021 agreement.	2.30
5/25/23	CCR	Strategy discussion regarding various City of Grand Prairie CCN issues.	.50

**TOTAL PROFESSIONAL SERVICES****\$ 4,160.00****SUMMARY OF PROFESSIONAL SERVICES**

<b>Name</b>	<b>Staff Level</b>	<b>Hours</b>	<b>Rate</b>	<b>Total</b>
Michael A Gershon	Principal	10.70	375.00	4,012.50
Christian Cole Ruiz	Associate	.50	295.00	147.50
<b>TOTALS</b>		<b>11.20</b>		<b>\$ 4,160.00</b>

**TOTAL THIS INVOICE****\$ 4,160.00**





816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

June 22, 2023

City of Grand Prairie  
Attn Tiffany Bill  
PO Box 534045  
Grand Prairie, TX 75053

400192-61360-02314403  
V2300  
P0871

Invoice: 97541463  
Client: 1658  
Matter: 21  
Billing Attorney: MAG  
Tax ID # 74-2308445

### INVOICE SUMMARY

For professional services and disbursements rendered through May 31, 2023:

**RE: CCN-SE ETJ/city limits-MPSUD-Midlothian**

Professional Services  
Total Disbursements

\$ 4,160.00  
\$ .00

**TOTAL THIS INVOICE**

**\$ 4,160.00**

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
CCN-SE ETJ/city limits-MPSUD-Midlothian  
I.D.1658-21-MAG

June 22, 2023  
Invoice: 97541463

**PROFESSIONAL SERVICES RENDERED**

<b>Date</b>	<b>Atty</b>	<b>Description Of Services Rendered</b>	<b>Hours</b>
5/19/23	MAG	Review client's correspondence received today and attached contracts; brief follow-up.	1.60
5/22/23	MAG	Complete review of contracts from client; prep for tomorrow's meeting.	1.30
5/23/23	MAG	Extended telephone call with client (1.7); review Midlothian agreements; review ECFWSD and JCFWSC agreement; work on amendment to 2014 interlocal agreement with City of Midlothian.	4.20
5/24/23	MAG	Work on amendment to Midlothian interlocal agreement.	1.30
5/25/23	MAG	Teams call with T. Bull and N. Housewright (1.3); review multiple contracts with City of Midlothian emailed by client post-call; work with C. Ruiz on request to Midlothian required by 2021 agreement.	2.30
5/25/23	CCR	Strategy discussion regarding various City of Grand Prairie CCN issues.	.50

**TOTAL PROFESSIONAL SERVICES** **\$ 4,160.00**

**SUMMARY OF PROFESSIONAL SERVICES**

<b>Name</b>	<b>Staff Level</b>	<b>Hours</b>	<b>Rate</b>	<b>Total</b>
Michael A Gershon	Principal	10.70	375.00	4,012.50
Christian Cole Ruiz	Associate	.50	295.00	147.50
<b>TOTALS</b>		<b>11.20</b>		<b>\$ 4,160.00</b>

**TOTAL THIS INVOICE** **\$ 4,160.00**



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

City of Grand Prairie  
Attn Tiffany Bill  
PO Box 534045  
Grand Prairie, TX 75053

400192-61360-02314403  
V2300  
P0871  
OK  
mm  
8/25/23  
July 7, 2023

Invoice: 97542230  
Client: 1658  
Matter: 21  
Billing Attorney: MAG  
Tax ID # 74-2308445

### INVOICE SUMMARY

For professional services and disbursements rendered through June 30, 2023:

**RE: CCN-SE ETJ/city limits-MPSUD-Midlothian**

Professional Services	\$ 1,852.50
Total Disbursements	<u>\$ .00</u>
<b>TOTAL THIS INVOICE</b>	<b>\$ 1,852.50</b>

**Lloyd Gosselink Rochelle & Townsend PC**  
is committed to offering a more secure, and convenient option to pay your bill using:  
Visa, MasterCard, Discover, and American Express and eCheck.  
*A convenience fee applies.*

Visit our website to make a payment at: <https://www.lglawfirm.com/client-payment-information>

## Lloyd Gosselink Rochelle & Townsend, P.C.

Grand Prairie, City of  
CCN-SE ETJ/city limits-MPSUD-Midlothian  
I.D.1658-21-MAG

July 7, 2023  
Invoice: 97542230

### PROFESSIONAL SERVICES RENDERED

Date	Atty	Description Of Services Rendered	Hours
6/05/23	MAG	Correspondence with client; work on request to City of Midlothian with C. Ruiz; brief review of contract with guidance to C. Ruiz on same.	.80
6/07/23	CCR	Review water sale and delivery agreement between Grand Prairie and Midlothian; review diagram of Grand Prairie's proposed system expansion and new delivery point; work on formal request for new delivery point in strict accordance with the agreement.	1.50
6/07/23	CCR	No Charge - Review water sale and delivery agreement between Grand Prairie and Midlothian; review diagram of Grand Prairie's proposed system expansion and new delivery point; work on formal request for new delivery point in strict accordance with the agreement.	1.00
6/08/23	MAG	Edit and forward to client the proposed formal request to City of Midlothian.	.60
6/08/23	CCR	Complete review of applicable contractual provisions for securing additional delivery point, and draft details in formal request to satisfy contract; work with M. Gershon on same.	3.00

### TOTAL PROFESSIONAL SERVICES

**\$ 1,852.50**

### SUMMARY OF PROFESSIONAL SERVICES

Name	Staff Level	Rate	Hours	Amount	N/C Hr	N/C \$
Michael A Gershon	Principal	375.00	1.40	525.00	.00	.00
Christian Cole Ruiz	Associate	295.00	4.50	1,327.50	1.00	325.00
<b>TOTALS</b>			<b>5.90</b>	<b>\$ 1,852.50</b>	<b>1.00</b>	<b>\$ 325.00</b>

### TOTAL THIS INVOICE

**\$ 1,852.50**



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

City of Grand Prairie  
Mark Dempsey  
Attn: Mark Dempsey  
PO Box 534045  
Grand Prairie, TX USA 75053-4045

V2300  
400192-61360  
02314403  
P0871

OK  
mmw  
9/12/23  
August 29, 2023

Invoice: 97542982  
Client: 1658  
Matter: 19  
Billing Attorney: MAG  
  
Tax ID # 74-2308445

---

### INVOICE SUMMARY

For professional services and disbursements rendered through July 31, 2023:

**RE: Grand Prairie CCN Decertification**

Professional Services	\$ 1,395.50
Total Disbursements	<u>\$ .00</u>
<b>TOTAL THIS INVOICE</b>	<b>\$ 1,395.50</b>

**Lloyd Gosselink Rochelle & Townsend PC**  
is committed to offering a more secure, and convenient option to pay your bill using:  
Visa, MasterCard, Discover, and American Express and eCheck.  
*A convenience fee applies.*

Visit our website to make a payment at: <https://www.lglawfirm.com/client-payment-information>

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
 Grand Prairie CCN Decertification  
 I.D.1658-19-MAG

August 29, 2023  
 Invoice: 97542982

**PROFESSIONAL SERVICES RENDERED**

<b>Date</b>	<b>Atty</b>	<b>Description Of Services Rendered</b>	<b>Hours</b>
6/28/23	MLH	In response to M. Gershon's instructions, confirm status of PUC Commissioners' proceeding and outline points for anticipated order granting decertification.	.30
7/18/23	MLH	Review applicable timelines and statutes governing appeal of a decision by the Public Utility Commission to grant decertification; review Public Utility Commission Docket for updates; work on motion for rehearing.	3.00
7/18/23	MLH	No Charge - Background research.	1.70
7/19/23	MLH	Work on pleading to exhaust administrative hearings and seek reconsideration.	1.40
7/28/23	MAG	Respond to telephone call from E. McCarthy regarding PUC Commissioners' agenda.	.20
7/28/23	MLH	Review timeline for exhausting administrative appeals based on new information from opposing counsel; brief conference with M. Gershon regarding same.	.30
7/31/23	MAG	Review Trust's filing today.	.10
7/31/23	AAC	Review Petitioner's Request for Scheduling of Commission Consideration filed in PUC Docket 53698 and follow up regarding same.	.20

**TOTAL PROFESSIONAL SERVICES****\$ 1,395.50****SUMMARY OF PROFESSIONAL SERVICES**

<b>Name</b>	<b>Staff Level</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>	<b>N/C Hr</b>	<b>N/C \$</b>
Michael A Gershon	Principal	375.00	.30	112.50	.00	.00
Madison L Huerta	Associate	250.00	5.00	1,250.00	1.70	450.50
Audrey A Cooper	Paralegal	165.00	.20	33.00	.00	.00
<b>TOTALS</b>			<b>5.50</b>	<b>\$ 1,395.50</b>	<b>1.70</b>	<b>\$ 450.50</b>

**TOTAL THIS INVOICE****\$ 1,395.50**



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

August 24, 2022

City of Grand Prairie  
Mark Dempsey  
Attn: Mark Dempsey  
PO Box 534045  
Grand Prairie, TX USA 75053-4045

Invoice: 97533767  
Client: 1658  
Matter: 19  
Billing Attorney: MAG  
  
Tax ID # 74-2308445

---

### INVOICE SUMMARY

For professional services and disbursements rendered through July 31, 2022:

**RE: Grand Prairie CCN Decertification**

Professional Services	\$ 1,778.00
Total Disbursements	<u>\$ .00</u>
<b>TOTAL THIS INVOICE</b>	<b>\$ 1,778.00</b>

## Lloyd Gosselink Rochelle & Townsend, P.C.

Grand Prairie, City of  
Grand Prairie CCN Decertification  
I.D.1658-19-MAG

August 24, 2022  
Invoice: 97533767

### PROFESSIONAL SERVICES RENDERED

Date	Atty	Description Of Services Rendered	Hours
6/18/22	MAG	Review incoming correspondence and confirm status of CCN decertification proceeding and next deadline.	.50
6/20/22	MAG	Telephone call with M. Dempsey, T. Brocato.	.40
6/24/22	MAG	Review several emails to/from client and developer; telephone call with client regarding same.	.80
7/14/22	MAG	Review and respond to client's correspondence, including update on PUC staff's July 8th filing and need for Judge's ruling to determine our deadline for response; review late-afternoon issuance of Order No. 2; summarize and forward same to client.	.80
7/14/22	AAC	Review and pull petition and pleadings filed in PUC Docket 53698; review Order No. 2 issued in Docket No. 53698 and follow up with M. Gershon regarding revised deadlines; calendar upcoming deadlines in Docket 53698.	.50
7/21/22	MAG	Review PUC docket; summarize and email C. Phung regarding recently issued Order No. 2.	.50
7/25/22	MAG	Teams call with C. Phung, G. Johnson, R. Jackson; review incoming correspondence and map regarding water system and CIP.	1.40
7/26/22	AAC	Case management.	.30

### TOTAL PROFESSIONAL SERVICES

**\$ 1,778.00**

### SUMMARY OF PROFESSIONAL SERVICES

Name	Staff Level	Hours	Rate	Total
Michael A Gershon	Principal	4.40	375.00	1,650.00
Audrey A Cooper	Paralegal	.80	160.00	128.00
<b>TOTALS</b>		<b>5.20</b>		<b>\$ 1,778.00</b>

### TOTAL THIS INVOICE

**\$ 1,778.00**





816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

September 6, 2023

City of Grand Prairie  
Attn Chuong Phung  
P O Box 534045  
Grand Prairie, TX USA 75053-4045

Invoice: 97543776  
Client: 1658  
Matter: 19  
Billing Attorney: MAG  
  
Tax ID # 74-2308445

---

### INVOICE SUMMARY

For professional services and disbursements rendered through August 31, 2023:

**RE: Grand Prairie CCN Decertification**

Professional Services	\$ 315.00
Total Disbursements	<u>\$ .00</u>
<b>TOTAL THIS INVOICE</b>	<b>\$ 315.00</b>

**Lloyd Gosselink Rochelle & Townsend PC**  
is committed to offering a more secure, and convenient option to pay your bill using:  
Visa, MasterCard, Discover, and American Express and eCheck.  
*A convenience fee applies.*

Visit our website to make a payment at: <https://www.lglawfirm.com/client-payment-information>

**Lloyd Gosselink Rochelle & Townsend, P.C.**

Grand Prairie, City of  
Grand Prairie CCN Decertification  
I.D.1658-19-MAG

September 6, 2023  
Invoice: 97543776

**PROFESSIONAL SERVICES RENDERED**

<b>Date</b>	<b>Atty</b>	<b>Description Of Services Rendered</b>	<b>Hours</b>
8/17/23	MAG	Work session with M. Huerta to prepare to exhaust remedies to protect right to appeal.	.50
8/17/23	MLH	Work session with M. Gershon to discuss status of petition to decertify at PUC and strategy for filing motion for rehearing.	.50

**TOTAL PROFESSIONAL SERVICES****\$ 315.00****SUMMARY OF PROFESSIONAL SERVICES**

<b>Name</b>	<b>Staff Level</b>	<b>Hours</b>	<b>Rate</b>	<b>Total</b>
Michael A Gershon	Principal	.50	375.00	187.50
Madison L Huerta	Associate	.50	255.00	127.50
<b>TOTALS</b>		<b>1.00</b>		<b>\$ 315.00</b>

**TOTAL THIS INVOICE****\$ 315.00**



816 Congress Avenue, Suite 1900  
Austin, Texas 78701  
Telephone: (512) 322-5800  
Facsimile: (512) 472-0532  
[www.lglawfirm.com](http://www.lglawfirm.com)

October 31, 2023

City of Grand Prairie  
Attn Chuong Phung  
P O Box 534045  
Grand Prairie, TX USA 75053-4045

Invoice: 97545103  
Client: 1658  
Matter: 19  
Billing Attorney: MAG  
  
Tax ID # 74-2308445

---

### INVOICE SUMMARY

For professional services and disbursements rendered through September 30, 2023:

**RE: Grand Prairie CCN Decertification**

Professional Services	\$ 6,787.50
Total Disbursements	<u>\$ 2,612.50</u>
<b>TOTAL THIS INVOICE</b>	<b>\$ 9,400.00</b>

**Lloyd Gosselink Rochelle & Townsend PC**  
is committed to offering a more secure, and convenient option to pay your bill using:  
Visa, MasterCard, Discover, and American Express and eCheck.  
*A convenience fee applies.*

Visit our website to make a payment at: <https://www.lglawfirm.com/client-payment-information>

## Lloyd Gosselink Rochelle & Townsend, P.C.

Grand Prairie, City of  
Grand Prairie CCN Decertification  
I.D.1658-19-MAG

October 31, 2023  
Invoice: 97545103

### PROFESSIONAL SERVICES RENDERED

Date	Atty	Description Of Services Rendered	Hours
9/08/23	MAG	Review incoming PUC ALJ's revised order; review A. Cooper's comparison of revised and original order.	.40
9/08/23	MLH	Draft Motion for Rehearing requesting the Public Utility Commission to reconsider its decision to grant AM Business Trust's petition for release from the City's CCN; Draft introduction to Motion outlining the authority under which the Motion may be filed and relevant procedural facts; Begin drafting summary of legal argument to support our request for rehearing; Review relevant administrative case law for purposes regarding same.	4.00
9/08/23	AAC	Review memorandum and revised proposed order filed by ALJ in PUC Docket 53698 and follow up with M. Gershon regarding same; compare revised order to proposed order filed by ALJ in December 2022; follow up with M. Gershon regarding same.	.50
9/15/23	MAG	Detailed review of PUC order; internal follow-up on immediate next steps.	.50
9/15/23	MLH	Review final Order from the Public Utility Commission granting AM Business Trust's petition; Review and calendar applicable timelines related to the appraisal process for the City to receive compensation for the de-certificated land and to exhausting administrative remedies for purposes of appeal.	.30
9/15/23	AAC	Review and obtain copies of final order and outgoing Commission mail log issued in PUC Docket 53698; follow up with M. Gershon regarding same; calendar deadline to comply with CCN map and certificate recording requirements; phone call with M. Huerta regarding lack of notice issued in Docket 53698.	.60
9/19/23	MLH	Continue drafting Motion for Rehearing; Revise "Introduction" section laying out legal argument for seeking a Motion for Rehearing; Review evidence to be included in Motion and draft "Evidence" section of the Motion; Identify specific points of error included in the Commission's final Order; Draft "Argument and Authority" section of the Motion addressing the fourteen specific points of error included in the Commission's final order.	5.50
9/19/23	AAC	Follow up with M. Huerta regarding process for calculating response and appraisal deadlines; calendar deadline to file statement regarding agreed-upon appraiser in Docket 53698.	.30
9/20/23	MAG	Telephone call with E. McCarthy with subsequent exchange of correspondence regarding phase two of PUC case; forward order to E. McCarthy; prepare notice to PUC and forward same to E. McCarthy.	1.00
9/20/23	MLH	Continue drafting "Argument and Authority" section of the Motion addressing the fourteen specific points of error included in the Commission's final order.	2.50
9/20/23	MLH	Conference with M. Gershon to discuss legal strategy for simultaneously pursuing compensation for the de-certificated land and an appeal of a decision by the Public Utility Commission; Review timeline for purposes regarding same.	.20
9/21/23	MLH	Draft joint filing statement for the City to file informing the Public Utility	2.20

## Lloyd Gosselink Rochelle & Townsend, P.C.

Grand Prairie, City of  
Grand Prairie CCN Decertification  
I.D.1658-19-MAG

October 31, 2023  
Invoice: 97545103

Date	Atty	Description Of Services Rendered	Hours
		Commission that the City will be undergoing the appraisal process for purposes of seeking compensation; Research legal precedent for simultaneously pursuing compensation for the de-certificated land and an appeal of a decision from the Public Utility Commission.	
9/22/23	MAG	Review and respond to E. McCarthy's proposed edits to joint filing due at PUC; finalize and file same; follow up with NewGen; message to client.	.70
9/22/23	MLH	Review final joint settlement to be shared with opposing counsel and to be filed with the Public Utility Commission.	.20
9/22/23	MLH	Draft overarching legal argument explaining why the Commission erred in granting the petition in addition to be included with the other points of error identified in the Commission's final Order.	1.50
9/24/23	MAG	Review and follow up on E. McCarthy's edits to filing due today; finalize and file.	.40
9/25/23	MLH	Continue to draft "Argument and Authority" section of the Motion addressing the fourteen specific points of error included in the Commission's final order; Conduct legal research for purposes regarding same; Review Public Utility Commission docket to identify key pieces of evidence to include in addressing each error.	2.30
9/25/23	MLH	No Charge - Background research.	2.00
9/26/23	MLH	Continue to draft "Argument and Authority" section of the Motion addressing the fourteen specific points of error included in the Commission's final order; Conduct legal research for purposes regarding same; Review Public Utility Commission docket to identify key pieces of evidence to include in addressing each error.	1.50
9/26/23	MLH	No Charge - Continue to draft "Argument and Authority" section of the Motion addressing the fourteen specific points of error included in the Commission's final order; Conduct legal research for purposes regarding same; Review Public Utility Commission docket to identify key pieces of evidence to include in addressing each error.	1.50
9/27/23	MLH	Revise and edit "Introduction," "Evidence," and "Argument and Authority" sections of Motion for Rehearing; Review points of error addressed in Motion for accuracy; Begin adding legal citations to the Motion.	1.10

### TOTAL PROFESSIONAL SERVICES

**\$ 6,787.50**

### SUMMARY OF PROFESSIONAL SERVICES

Name	Staff Level	Rate	Hours	Amount	N/C Hr	N/C \$
Michael A Gershon	Principal	375.00	3.00	1,125.00	.00	.00
Madison L Huerta	Associate	255.00	21.30	5,431.50	3.50	927.50
Audrey A Cooper	Paralegal	165.00	1.40	231.00	.00	.00
<b>TOTALS</b>			<b>25.70</b>	<b>\$ 6,787.50</b>	<b>3.50</b>	<b>\$ 927.50</b>

### DISBURSEMENTS

Lloyd Gosselink Rochelle & Townsend, P.C.

**Lloyd Gosselink Rochelle & Townsend, P.C.**

---

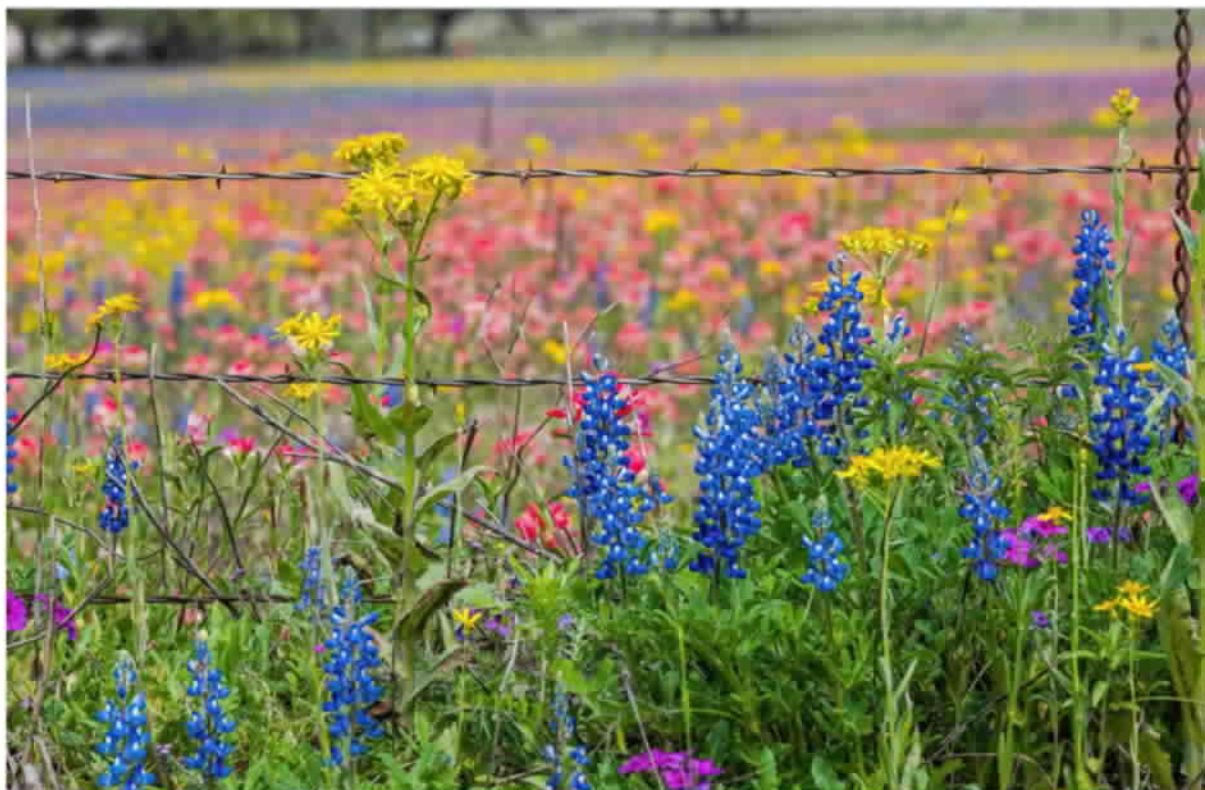
Grand Prairie, City of  
Grand Prairie CCN Decertification  
I.D.1658-19-MAG

October 31, 2023  
Invoice: 97545103

<b>Date</b>	<b>Description</b>	<b>Amount</b>
9/30/23	NewGen Strategies an Voucher # - 000119606 NewGen Strategies and Solutions, LLC, Consultant Services, Professional services through October 15, 2023 regarding Grand Prairie Comp Determination, Docket 53698, 10/16/2023	2,612.50

**TOTAL DISBURSEMENTS** **\$ 2,612.50**

**TOTAL THIS INVOICE** **\$ 9,400.00**



## **EXHIBIT 2 AGREEMENT FOR THE SALE & DELIVERY OF TREATED WATER TO GRAND PRAIRIE**

DOCKET NO. 53698

**DECERTIFICATION  
COMPENSATION**

**Agreement for the Sale and Delivery of Treated Water to**  
**the City of Grand Prairie by**  
**the City of Midlothian**

STATE OF TEXAS       §  
                                   §  
 COUNTY OF ELLIS     §

THIS AGREEMENT (the "Agreement") entered into this 14th day of September, 2021 (the "Effective Date") by and between the City of Midlothian, a home rule municipality operating under and governed by the laws and Constitution of the State of Texas ("Midlothian"), and the City of Grand Prairie, a home rule municipality operating under and governed by the laws and Constitution of the State of Texas ("Grand Prairie") hereinafter collectively referred to as the ("Parties"), evidences a binding agreement between the Parties regarding the sale and delivery of treated water. For good and valuable consideration and in consideration of the agreements contained in this Agreement, the adequacy, receipt, and sufficiency of which are acknowledged, the Parties hereby agree as follows:

**Recitals**

**WHEREAS**, Midlothian is a home rule municipality operating under and governed by the laws and Constitution of the State of Texas, with its corporate limits and ETJ (defined herein) in Ellis County, Texas; and

**WHEREAS**, Grand Prairie is a home rule municipality operating under and governed by the laws and Constitution of the State of Texas, with its corporate limits and ETJ extending in portions of Dallas, Ellis, Johnson, and Tarrant Counties, Texas; and

**WHEREAS**, Midlothian owns, operates, and maintains facilities for storing, treating and transmitting Treated Water (defined herein); and

**WHEREAS**, Midlothian is agreeable to providing Treated Water to Grand Prairie, provided that rights to Raw Water (defined herein) to be treated on behalf of Grand Prairie shall be secured by Grand Prairie at their sole expense and all existing water rights that Midlothian has in Joe Pool Reservoir and other sources are specifically excluded from this Agreement; and

**WHEREAS**, Midlothian and Grand Prairie have two (2) existing treated water contracts, entitled, "Midlothian-Grand Prairie Interlocal Cooperative Treated Water Agreement to Supply Ellis County Freshwater District No. 1 and Johnson County Freshwater District No. 2" ("City/District Contract"), which is dated September 30, 2005 and "Agreement for the Sale and Delivery of Treated Water to the City of Grand Prairie by the City of Midlothian" ("Midlothian/GP Contract"), which is dated March 25, 2014 (collectively, the "Existing Contracts"); and



**WHEREAS**, the Existing Contracts do not meet the present needs of all Parties due to changed conditions and Grand Prairie and Midlothian desire to replace these Existing Contracts in order to meet current needs and conditions; and

**WHEREAS**, it is deemed to be in the best interest of both Midlothian and Grand Prairie that said Parties do enter into a new mutually satisfactory agreement by means of which Grand Prairie may obtain Treated Water from Midlothian, replacing the Existing Contracts; and

**WHEREAS**, Grand Prairie desires to purchase wholesale from Midlothian Treated Water in sufficient quantities to supply customers located within Grand Prairie's corporate limits and ETJ; and

**WHEREAS**, Grand Prairie desires to resell on a wholesale or retail basis, Treated Water purchased from Midlothian under this Agreement to customers in the Grand Prairie corporate limits, the Grand Prairie ETJ, and the Grand Prairie Water CCN boundaries; and

**WHEREAS**, there is an existing 24" diameter pipeline owned by Grand Prairie, paralleling U.S. 287 and extending from a 12" line owned by Midlothian ("Line I") to a delivery point northwest of the westernmost corporate limits of Midlothian on U.S. Highway 287 (hereinafter known as "Delivery Point A"); and

**WHEREAS**, there is an existing 16" diameter pipeline owned by Grand Prairie ("Line II") that delivers Treated Water from the Midlothian Tayman Plant ("Delivery Point B") to Grand Prairie's existing water distribution system; and

**WHEREAS**, the Parties may choose to share in certain costs and cooperate in the construction of all or segments of an additional water transmission pipeline to be generally located along the western corporate limits of Midlothian and the eastern corporate limits and/or ETJ of Grand Prairie ("West Side Supply Line") to provide Treated Water to Grand Prairie's water distribution system at Delivery Point A and other delivery point(s) to be determined in accordance with this Agreement as well as provide local water service and the transmission of Treated Water for Midlothian; and

**WHEREAS**, Midlothian and Grand Prairie concur that the terms, conditions and considerations stated herein are fair, just and reasonable and will mutually benefit the Parties and serve the public interest.

**NOW, THEREFORE**, pursuant to *Chapter 791, Texas Government Code*, and as otherwise authorized and permitted by the laws of the State of Texas for and in consideration of the covenants, conditions and undertakings hereinafter described, and subject to each and every term and condition of this Agreement, the Parties contract, covenant and agree as follows:

## **ARTICLE 1**

### **Findings and Purpose**

- 1.1 Recitals.** The recitals hereinabove set forth are incorporated herein for all purposes and are found to be true and correct.
- 1.2 No Grant of Equity or Ownership.** Unless otherwise stated, no provision of this Agreement shall be construed to create any type of joint or equity ownership of any property or any partnership or joint venture. Unless otherwise stated, neither this Agreement, nor any acts of the Parties hereunder, nor Grand Prairie's payments, shall be construed as granting to or otherwise vesting in Grand Prairie any right, title, interest, or equity in the Midlothian Raw Water System (defined herein) nor in the Midlothian Treated Water System (defined herein) or any element thereof.
- 1.3 Purpose.** This Agreement provides the terms and conditions whereby Treated Water may be purchased by Grand Prairie from Midlothian.
- 1.4 City/District Contract and Midlothian/GP Contract.** The Parties agree that this Agreement shall replace the City/District Contract and the Midlothian/GP Contract in their entireties, with these Existing Contracts terminating on the Effective Date of this Agreement.

## **ARTICLE 2**

### **Definitions and Interpretation**

- 2.1 Definitions.** The following terms and expressions used in this Agreement, unless the context indicates otherwise, shall mean:

*Agreement* means this "Agreement for the Sale and Delivery of Treated Water" and any subsequent amendments agreed to in writing by the Parties.

*Annual Daily Average* means the measured annual usage as determined through Meter readings divided by the total number of days in the year.

*AWWA* means the American Water Works Association.

*Business Day* means any Day other than Saturdays, Sundays and legal holidays that are observed by both Grand Prairie and Midlothian.

*City/District Contract* – shall have the meaning provided in the Recitals of this Agreement.

*CCN* means certificate of convenience and necessity.

*Cost of Service Study* means that study performed pursuant to Article 5.2(b) of this Agreement.

*Cost of the System* means all costs of acquiring, constructing, developing, permitting, implementing, expanding, improving, enlarging, bettering, extending, replacing, repairing, maintaining and operating the Midlothian Raw Water System and the Midlothian Treated Water System. The costs of property, interests in property, water and water rights, capitalized interest, land, easements and rights-of-way, damages to land and property, leases, treatment and other facilities, equipment, telemetry, machinery, pumps, pipes, tanks, lines, meters, taps, valves, fittings,

mechanical devices, office equipment, assets, contract rights, wages and salaries, employee benefits, chemicals, storage, materials, supplies, power, supervision, engineering, testing, auditing, franchises, charges, assessments, claims, insurance, financing, consultants, administrative expenses, auditing expenses, legal expenses, amounts for an operation and maintenance reserve fund, amounts for a debt service reserve fund, amounts for principal and interest on bonds issued by Midlothian to pay for the Costs of the System, amounts required for bond coverage reflective of Midlothian's policies and obligations to pay for Costs of the System, bond issuance expenses, amounts for working capital, appropriate general and administrative costs of Midlothian and other similar or dissimilar expenses and costs related to providing wholesale water service required for the Midlothian Raw Water System and the Midlothian Treated Water System.

*Day* means a 24-hour period from 12:00 a.m. to 11:59 p.m.

*Delivery Point(s)* means the point(s) at which Midlothian agrees to deliver, and Grand Prairie agrees to receive, Treated Water under this Agreement.

*Delivery Point A* shall have the meaning provided in the Recitals of this Agreement, as shown on Exhibit A, attached hereto and incorporated herein for all purposes.

*Delivery Point B* shall have the meaning provided in the Recitals of this Agreement, as shown on Exhibit B, attached hereto and incorporated herein for all purposes.

*Effective Date* means the date that this Agreement has been signed by both Parties acting under authority provided by the governing bodies of the respective Parties.

*Emergency* means a bona-fide emergency condition created by unforeseeable mechanical failure, by unprecedented high rate of Treated Water usage, such as a major fire or a major water main break, or by circumstances beyond the Parties' control.

*ETJ* means extraterritorial jurisdiction.

*Existing Contracts* shall have the meaning provided in the Recitals of this Agreement.

*Expiration Date* means the last effective date of this Agreement as specified in Article 8.1, absent the renewal of this Agreement.

*Fiscal Year* is the fiscal year of Midlothian from October 1 through September 30.

*Initial Maximum Day Demand* means the estimated daily maximum usage specified in Article 5.2(a) of this Agreement.

*Initial Rates* means the rates set under Article 5.2(a) of this Agreement until the recalculated rates, from the first Cost of Service Study that is completed after the Effective Date of this Agreement, become effective.

*Maximum Allowed Daily Demand* means a Maximum Day Usage, which shall be 1.5 times the Annual Daily Average amount as established during the preceding Rate Year, unless a mutually agreed upon change is made by the Parties in writing.

*Maximum Day Usage* means the highest amount of Treated Water delivered to Grand Prairie at the Delivery Point(s) during any Day, as determined through Meter readings.

*Meter(s)* means the metering facility or devices installed or to be installed at each Delivery Point to measure the amount of Treated Water delivered to Grand Prairie by Midlothian as provided in this Agreement.

*Midlothian/GP Contract* – shall have the meaning provided in the Recitals of this Agreement.

*Midlothian Raw Water System* means all facilities, structures, improvements, property, rights, certificates of adjudication, permits, licenses, contracts and other property of any nature whatsoever, now or hereafter owned by Midlothian, in connection with the storage, diversion, transportation, and delivery of Raw Water. All existing water rights that Midlothian has in Joe Pool Reservoir and other sources are specifically excluded from this Agreement.

*Midlothian Supply Line I or Line I* means an existing 24" diameter pipeline owned by Grand Prairie, paralleling U.S. 287 and extending from a 12" line owned by Midlothian to Delivery Point A, as is more particularly described by Exhibit A, attached hereto and incorporated herein for all purposes.

*Midlothian Supply Line II or Line II* means an existing 16" diameter water transmission line owned by Grand Prairie that transports Treated Water from Delivery Point B at Midlothian's Tayman Water Treatment Plant to a location within Grand Prairie's city limits, as is more specifically depicted in Exhibit B, attached hereto and incorporated herein for all purposes.

*Midlothian Treated Water System* means all facilities, structures, improvements, property, rights, permits, licenses, and other property of any nature whatsoever, now or hereafter owned by Midlothian, in connection with the diversion, storage, transportation, treatment, and delivery of Treated Water.

*Municipal Customer* means any entity receiving wholesale water service from Midlothian including wholesale customers of either entity.

*Party* means either Midlothian or Grand Prairie, and "Parties" means Midlothian and Grand Prairie, collectively.

*Rate of Flow* means usage on a per minute basis (i.e., gallons per minute (gpm)).

*Rate Year* means each twelve-month period beginning October 1 and ending September 30 of the next calendar year.

*Raw Water* means water that is purchased by Midlothian from TRWD and Grand Prairie's raw water rights in Joe Pool Reservoir, in its natural state prior to treatment.

*Raw Water Charge* means the charge calculated by applying the Raw Water Rate to the number of gallons of Treated Water provided to Grand Prairie by Midlothian, as measured by each Meter and billed on a monthly basis.

*Raw Water Rate* means the raw water rate charged to Midlothian for Raw Water by TRWD.

*Regulatory Requirements* means all applicable requirements and provisions of federal, state, and county constitutions, laws, statutes, rules, regulations and ordinances enacted or issued from time to time, including, without limitation, all applicable sections of the Texas Water Code and the rules and regulations of the Texas Commission on Environmental Quality, and the Texas Administrative Code, and all judicial and administrative orders, judgments, and decrees of any governmental authority having jurisdiction concerning the matters contained herein issued from time to time.

*TCEQ* means the Texas Commission on Environmental Quality or its successor agency(ies).

*Treated Water* means Raw Water that has been treated and purified to at least Drinking Water Standards as required by applicable TCEQ rules and regulations for Public Water Systems, as amended from time to time.

*TRWD* means Tarrant Regional Water District.

*TRWD Buy-In* means charges by the TRWD for reserving a quantity of Raw Water for use by the payer.

*Volume Charge* means the charge calculated by applying the Volume Rate to the number of gallons of Treated Water provided to Grand Prairie by Midlothian as measured by each Meter (or as estimated in accordance with Section 4.3 of this Agreement) and billed on a monthly basis.

*Volume Rate* means the dollar amount per 1,000 gallons applied to Grand Prairie's usage of Treated Water in order to calculate the Volume Charge. The Volume Rate excludes Midlothian's Raw Water costs, which are captured within the Raw Water Rate.

*Water* means either Raw Water or Treated Water, or both Raw Water and Treated Water, as indicated by the context in which the word appears.

*Water Conservation* means those practices, techniques, and technologies that will reduce the consumption of water, reduce the loss or waste of water, improve efficiency in the use of water, and/or increase the recycling and reuse of water.

*West Side Supply Line* means all or segments of a water transmission line that is proposed to be financed and constructed by the Parties pursuant to the West Side Supply Line Agreement and is to be installed in the general location of the western city limits of Midlothian and along the eastern city limits and/or ETJ line of Grand Prairie as shown in Exhibit C, attached hereto and incorporated herein for all purposes.

*West Side Supply Line Agreement* means a potential future "Agreement between the City of Midlothian and the City of Grand Prairie for the Funding and Construction of the West Side Supply Line," to be negotiated and agreed upon and constructed at a later date.

*Wholesale Customer* means the class of customers, including, but not limited to, Grand Prairie, to whom, under the terms of a specific agreement, Midlothian sells and provides Treated Water for re-sale.

**2.2 Interpretations.** The following principles shall control the interpretation of this Agreement:

- (a) Unless otherwise stated, reference to any document, other than a license, certificate of adjudication or permit, means the document as amended or supplemented from time to time.
- (b) Reference to any Party (including the Parties) or governmental regulatory agency means that entity and its successors and assigns.
- (c) Misspelling of one or more words in this Agreement shall not void the Agreement. Such misspelled words shall be read so as to have the meaning apparently intended by the Parties.
- (d) Words of any gender used in this Agreement shall be held and construed to include any other gender.
- (e) Words in the singular number shall be held to include the plural, unless the context otherwise requires.
- (f) Articles and headings contained herein are for convenience and reference and are not intended to define or limit the scope of any provision of this Agreement.

### **ARTICLE 3 Water Provided Under Agreement**

**3.1 Treated Water.**

**(a) Delivery and Acceptance.**

- (1)** Midlothian acknowledges that Grand Prairie has satisfied the conditions contained in Subsection 5.1(a) relating to the securing of Raw Water from TRWD and therefore, except as limited in this Agreement, Midlothian agrees to furnish and sell to Grand Prairie up to an Annual Daily Average of 2.0 MGD of Treated Water. Midlothian shall deliver any and all portions of such 2.0 MGD supply of Treated Water at Delivery Points A, B, and other future Delivery Point(s) that are mutually agreed upon, in the quantities and at the times requested by Grand Prairie so long as the Rate of Flow at each Delivery Point does not exceed the amounts set forth or otherwise determined in accordance with Section 3.11 of this Agreement or as determined in accordance with Section 4.2, or such lesser amount as Midlothian may

be able to supply in the event of an Emergency. Midlothian's obligation to deliver the requested portion of the 2.0 MGD of Treated Water specified under this Subsection, that is over and above the initial volume stipulated in Subsection 5.2(a), is triggered upon Grand Prairie providing Midlothian with one hundred twenty (120) days written notice prior to the start of the next Rate Year of the increased amount of Treated Water to be delivered; provided, however, that increase(s) in the Annual Daily Average shall be in increments of no less than 0.10 MGD and no more than 0.25 MGD unless agreed to by Midlothian, with a corresponding Maximum Day Demand of 1.5 times the Annual Daily Average.

- (2)** By executing this Agreement, Grand Prairie agrees to accept delivery of the Treated Water furnished by Midlothian to meet the conditions of Subsection 3.1(a)(1) of this Agreement and to pay for such Water in accordance with the terms herein, including any future TRWD buy-in for additional quantities of Raw Water. Raw Water that Grand Prairie furnishes Midlothian from Joe Pool Reservoir for treatment under terms of this Agreement, if any, is not subject to the TRWD buy-in cost or Raw Water Charge.
- (b) Source of Supply and Capacity.** Midlothian's agreement to make Treated Water available is limited to the extent that Raw Water, as that term is defined in this Agreement, is available and the extent to which capacity is available in the Midlothian Treated Water System.
- (c) Additional Water.** To the extent Treated Water is available in amounts greater than the Maximum Allowed Daily Demand, Midlothian may, at its sole discretion, provide Grand Prairie with additional Treated Water, subject to the charges described in Article 5; save and except any TRWD buy-in fees or take-or-pay fees. Should Midlothian elect to provide Grand Prairie with Treated Water in excess of the Maximum Allowed Daily Demand, Midlothian may terminate or reduce providing Treated Water at the excess amount by providing Grand Prairie with twenty-four (24) hours prior written notice of such termination or reduction. Grand Prairie agrees that Midlothian shall never be obligated during the term of this Agreement to make Treated Water available to Grand Prairie in excess of the Maximum Allowed Daily Demand. The purchase of any additional supplies of Treated Water over the Maximum Allowed Daily Demand does not guarantee that Midlothian shall make Treated Water available on that basis at any time other than the timeframe Midlothian elects to provide additional supplies of Treated Water to Grand Prairie.
- (d) Water Pressure.** Midlothian agrees to furnish and sell to Grand Prairie Treated Water delivered under the operating pressure prevailing in the Midlothian Treated Water System at each Delivery Point that is mutually agreed upon. Notwithstanding anything in this Agreement or in the requirements of any regulatory agency to the contrary, Midlothian does not represent or guarantee to Grand Prairie that Treated Water provided to Grand Prairie under this Agreement shall be provided at any specific minimum

pressure at each Delivery Point, and Midlothian is under no obligation with respect thereto. **Grand Prairie understands and acknowledges that maintaining a certain water pressure in Grand Prairie's delivery system shall require the use of storage or pumps on Grand Prairie's system and will require, at such time in Grand Prairie's discretion, the construction of a pump station and elevated water tanks.**

- (e) **Interruption of Service for Maintenance.** Notwithstanding anything in this Agreement or in the requirements of any regulatory agency to the contrary, Midlothian shall be entitled at any and all times to install, repair, maintain, and replace such equipment or devices or to take any other action under an Emergency (including reduction or cessation of water service to Grand Prairie) as necessary or appropriate to allow Midlothian at all times to maintain a minimum pressure as required by law at all retail service locations directly served by the Midlothian Treated Water System. Midlothian shall use all reasonable efforts to install, repair, maintain, and replace such equipment and devices in a manner that minimizes, to the extent practical under the circumstances, any reduction in the amount of Treated Water furnished by Midlothian to Grand Prairie under this Agreement. Midlothian may install at each Delivery Point appropriate devices to monitor and enforce all or any of these limitations or any other limitations on the volume or pressure of Treated Water delivered by Midlothian to Grand Prairie pursuant to this Agreement. In the event of such service interruptions, Midlothian shall make all reasonable efforts to expedite the restoration of service in a timely manner. Midlothian shall provide Grand Prairie with twenty-four (24) hours prior written notice of all known repairs that are expected to interrupt service.

**3.2 Regulatory Requirements.** Grand Prairie acknowledges and agrees that this Agreement defines the extent of Midlothian's obligations to supply Treated Water to Grand Prairie and that, except as expressly provided by this Agreement, Midlothian is under no obligation to provide Grand Prairie with a sufficient amount of Treated Water for Grand Prairie to meet its minimum production, storage, service pump, or pressure maintenance requirements, or any other requirements imposed on Midlothian by virtue of 30 Texas Administrative Code, Chapters 290 or 291, or any other Regulatory Requirements.

**3.3 Delivery Points.** Subject to the conditions set forth herein, Midlothian agrees to divert, transport, treat, and deliver Treated Water to Grand Prairie at each Delivery Point. The location of Delivery Points shall be mutually agreed upon by and between Grand Prairie and Midlothian. Delivery Points shall not be moved or relocated except by mutual consent of the Parties in writing. The Delivery Points are more particularly described in Exhibits "A" and "B", which are attached hereto and incorporated for all purposes.

**3.4 Relocated Delivery Point.** Any request to relocate a Delivery Point shall be submitted in writing by the requesting Party. If the relocated Delivery Point is mutually agreed upon, then the requesting Party shall be responsible for funding all costs related to constructing the improvements for such relocated Delivery Point, unless the Parties agree on a division of costs based on mutual benefit; provided,



however, that if Grand Prairie submits a request to relocate a Delivery Point, then the following shall also apply:

- (1) If Midlothian is to construct all necessary improvements, Grand Prairie shall be responsible for reimbursing Midlothian, as agreed upon in writing, including the acquisition of any easements or right-of-way. Prior to any act being performed to effectuate the construction, the Parties shall enter into a written agreement to specify the manner and timeframe for such reimbursement to Midlothian and the time for construction.
- (2) If Grand Prairie is to construct the necessary improvements for a relocated Delivery Point, Grand Prairie shall submit documents to acquire rights-of-way and will submit plans for the construction of the improvements to Midlothian for approval prior to construction commencing; provided, however, that such approval shall not be unreasonably withheld or delayed if the plans comply with Midlothian's technical standards and incorporate Midlothian's requirements. If Midlothian approves the documents and plans submitted, Midlothian will give Grand Prairie notice of said approval in writing within a commercially reasonable time. During the construction, Midlothian may, but is not obligated to, inspect improvements under construction at its sole cost. All costs for the construction of the improvements, including the costs for any easements and/or rights-of-way, shall be borne as agreed upon in writing. Midlothian may, but is not obligated to, make a final inspection at its sole cost, after construction of the improvements are completed and before the improvements are approved by Midlothian for use. Midlothian agrees to notify Grand Prairie of the date it will do a final inspection, should Midlothian choose to do a final inspection, within seven (7) days of being notified of the completion of the improvements.

**3.5 Additional Delivery Points and Delivery Line.** It is anticipated that Grand Prairie may request one or more additional Delivery Point(s) and/or delivery line(s). Such request(s) shall be made in writing by Grand Prairie and Midlothian shall provide a written response within a commercially reasonable amount of time upon receipt of such request. If additional Delivery Point(s) and/or line(s) are mutually agreed upon, then Grand Prairie shall submit documents to acquire rights-of-way and/or easements and shall submit plans for the construction of the improvements to Midlothian for approval prior to construction commencing; provided, however, such approval shall not be unreasonably withheld or delayed if the plans comply with Midlothian's technical standards and incorporate Midlothian's requirements. If Midlothian approves the documents and plans submitted, Midlothian shall give Grand Prairie notice of said approval in writing. During the construction of such improvements, Midlothian may, but is not obligated to, inspect improvements under construction at its sole cost. All costs for the construction of the improvements, including the costs for any easements and/or rights-of-way, shall be borne by Grand Prairie. Midlothian

may, but is not obligated to, make a final inspection at its sole cost, after construction of the improvements are completed and before the improvements are approved by Midlothian for use.

- 3.6 Improvements to Existing Delivery Points.** If Grand Prairie requests that improvements be made to an existing Delivery Point, then Grand Prairie shall submit the request in writing to Midlothian. If Midlothian approves the request, then the Parties shall then decide whether Midlothian or Grand Prairie will be responsible for constructing the improvements and shall follow the procedures set forth in Article 3.4.
- 3.7 Responsibilities for Water Line that Connects to the Delivery Points.** Grand Prairie shall maintain ownership of water transmission lines that connect to the Delivery Points for so long as this Agreement and any renewal thereof is in effect, and Grand Prairie shall be responsible for the maintenance and repair of said water lines. Costs for the West Side Supply Line shall be pursuant to the West Side Supply Line Agreement if entered into by the Parties.
- 3.8 Valves at Delivery Point.** All valves releasing water from the Midlothian Treated Water System to Grand Prairie shall be solely operated and maintained by Midlothian. Grand Prairie shall not obstruct or block access to those valves.
- 3.9 Property of Parties.** Acquired easements, rights-of-way, and water supply assets shall be owned by the acquiring Party. The acquiring Party shall not charge rental or other fees to the other Party for the use of such rights-of-way or easements. Easements, rights-of-way and water supply assets jointly purchased by the Parties shall be owned by the Party in which the easements, rights-of-way and water supply assets lay.
- 3.10 Title to and Responsibility for Water.** Title to, possession and control of the Treated Water shall remain with Midlothian to each Delivery Point, whereupon title to, possession and control of the Treated Water shall pass to Grand Prairie.
- 3.11 Maximum Delivery Rate.** The Parties agree that Midlothian's obligation under this Agreement to deliver Treated Water to Grand Prairie is subject to the maximum Rate of Flow as set forth below:

Delivery Point A: 2,083 GPM (3.0 MGD)\*

Delivery Point B: 2,083 GPM (3.0 MGD)\*

The maximum Rate of Flow at each additional Delivery Point, which is mutually agreed to under this Agreement, shall be agreed upon by the Parties in accordance with Section 4.2 at the time the Parties agree upon each additional Delivery Point.

\*maximum combined Rate of Flow between Delivery Points A and B shall not exceed 2,083 gpm (3.0 MGD)

- 3.12 Additional Treatment.** To the extent any additional, or alternative treatment or processing is required to make the water delivered by Midlothian to Grand Prairie at each Delivery Point, suitable, compatible, or of a quality for introduction into the Grand Prairie distribution system with the water then-within Grand Prairie's distribution system, Grand Prairie is responsible, at its sole cost, for installing any

additional facilities or processes within Grand Prairie's Water System for any additional treatment, conditioning or processing.

#### **ARTICLE 4**

##### **Metering and Rate of Flow Control**

- 4.1 Treated Water Measurement and Control.** Grand Prairie shall install at its sole cost, any Meters and appropriate valves, back flow prevention, flow controllers, or other appropriate equipment, including Supervisory Control and Data Acquisition (SCADA) at each Delivery Point and the necessary SCADA improvements at Midlothian's water treatment plant to measure and control the amount of Treated Water delivered to Grand Prairie under the terms of this Agreement. Each Meter shall be specified by Midlothian and meet appropriate AWWA standards. Each Meter shall be installed and tested prior to actual delivery of Treated Water. Each Meter and related equipment shall be solely owned, operated, and maintained by Midlothian at Midlothian's cost, but such cost, or projected cost, shall be included within the cost of service study.
- 4.2 Rate-of-Flow Controllers.** The rate at which Treated Water is withdrawn by Grand Prairie from the Midlothian System shall be regulated by rate-of-flow controllers. The rate of withdrawal shall be controlled so that the maximum rate shall not exceed the Maximum Allowed Rate of Flow without a specific written request by Grand Prairie and approval from Midlothian. Notwithstanding anything in this Agreement to the contrary, approval of a request to increase the rate of flow and the length of time the request will be met, shall be at Midlothian's sole discretion. Midlothian shall respond to the request within seventy-two (72) hours of receiving the request. If Midlothian approves the request, Midlothian shall make the adjustments within forty-eight (48) hours of responding to the request. Rate of Flow setting shall be solely operated and maintained by Midlothian.
- 4.3 Calibration of Meters.**
- (a) Annual Testing.** For Meters that require calibration, Midlothian shall routinely test for accuracy at its sole cost. Meters shall be serviced and tested per manufacture's recommendations, or as necessary. Copies of the results of such tests and all related information shall be provided to Grand Prairie within thirty (30) days of such calibration. Grand Prairie shall have access to the Meter(s) at all reasonable times; provided, however, that any reading, calibration or adjustment to such Meter(s) shall be done by employees or agents of Midlothian, or other mutually approved third Party calibration agent, in the presence of representatives of Grand Prairie and Midlothian, if so requested by Grand Prairie. Midlothian shall provide Grand Prairie with seventy-two (72) hours prior notice of such reading, calibration or adjustment. Midlothian shall retain the right to test the Meter(s) more frequently than once each twelve (12) month period; provided, such additional tests are at Midlothian's sole cost.

- (b) **Inaccuracy.** After any calibration, if it is determined that the accuracy envelope of such Meter(s) is found to be lower than ninety-five percent (95%) or higher than one hundred five percent (105%) expressed as a percentage of the full scale of the Meter(s), or Meter(s) fail to perform to AWWA water metering standards (whichever is more restrictive), then the registration of the flow as determined by such defective Meter(s) shall be corrected for a period extending back to the time such inaccuracy began, if such time is ascertainable; or, if such time is not ascertainable, then for a period extending back one-half (1/2) of the time elapsed since the date of the last calibration, but in no event further back than a period of six (6) months. In the event it is determined that there are inaccuracies with any Meter, Midlothian shall charge or credit Grand Prairie's next invoice in an equal amount per month for the time period that the inaccuracies were determined to have occurred as appropriate, to reflect Grand Prairie's prior underpayments or overpayments. Midlothian shall charge or credit Grand Prairie's account in an amount equal to the difference between the amount actually paid by Grand Prairie and the amount that should have been paid by Grand Prairie, as determined by the corrected registration of the flow of the inaccurate Meter during the period of inaccuracy as determined in this subsection. Each Meter shall be properly sealed, and the seals shall not be broken unless representatives of both Grand Prairie and Midlothian have been notified and given a reasonable opportunity to be present.
- (c) **Meter out of Service - No Readings.** If a Meter used to determine the flow of Treated Water to Grand Prairie is out of service or out of repair so that the amount of Treated Water metered cannot be ascertained or computed from the reading thereof, the Treated Water delivered during the period such Meter is out of service or out of repair shall be estimated and agreed upon by Grand Prairie and Midlothian upon the basis of the best data available. The basis for estimating such flow includes, but is not limited to, extrapolation of past patterns of flow for said Meter under similar conditions. In the event that Grand Prairie and Midlothian cannot agree on the extrapolated estimate of Treated Water volume delivered before the payment due date, Grand Prairie shall make payment to Midlothian based on the same month in the previous year on or before the payment due date. After making such payment, Grand Prairie may request that the matter be submitted to non-binding mediation as provided herein. Midlothian may also request that the matter be submitted to non-binding mediation, as herein provided.

#### 4.4 **Meter Reading.**

- (a) Midlothian shall read each Meter provided for herein at monthly intervals, and Grand Prairie and Midlothian shall have free access to read any Meter daily, if either Party so desires. It shall be the duty of both Grand Prairie and Midlothian to give immediate notice, each to the other, should any Meter be found to not be functioning properly, and, upon such notice, repairs to such Meter shall be made promptly.

- (b) Grand Prairie shall have access to records on the Meter(s) readings during reasonable business hours and shall be furnished a copy of readings upon request.

**4.5 Additional Meter Testing.** Grand Prairie shall have the right to request Midlothian to test any Meter, but no more frequently than once per month. Upon any such request, Midlothian agrees to perform its testing and calibration of the Meter with notice to Grand Prairie, and the Parties shall be entitled to jointly observe any testing, calibration, and adjustments that are made to the Meter, in the event such modifications shall be necessary. For such additional testing requests, Midlothian shall give Grand Prairie notice forty-eight (48) hours in advance of the time when any such testing shall occur. Grand Prairie shall pay the cost of any such additional testing request for any Meter if the test shows that such Meter is accurate (within five percent (5%) registration), but Midlothian shall pay the costs of such additional test if the results indicate that such Meter is not accurate (in excess of five percent (5%) registration).

## **ARTICLE 5**

### **Fees, Billing, and Payment**

#### **5.1 Charges for Water.**

- (a) **Untreated Water.** In accordance with Subsection 3.1(a)(2), herein, Midlothian acknowledges that Grand Prairie, with Midlothian's cooperation, has secured and paid or caused others to pay (i) Midlothian the TRWD Buy-In cost for 2.0 MGD of Raw Water, and (ii) the portion of the "take-or-pay" rates attributable to Grand Prairie, if any, that is charged to Midlothian by TRWD. Unless Grand Prairie furnishes Raw Water from Joe Pool Reservoir to Midlothian for treatment under the terms of this Agreement, if any, all Raw Water treated by Midlothian shall be considered TRWD Raw Water, regardless of the source and/or treatment facility providing the treatment, and shall be subject to the TRWD Raw Water Rate.
- (b) **Treated Water.** Except as otherwise provided in this Agreement, Grand Prairie shall pay to Midlothian the following fees and charges for the Treated Water delivered by Midlothian to Grand Prairie at each Point of Delivery: Volume Charge and Raw Water Charge. Such fees and charges may include Late Fees.

#### **5.2 Water Rates.**

- (a) **Initial Rates.** Upon the Effective Date and until the recalculated rates from the first Cost of Service Study that is completed after the Effective Date become effective, the Volume Rate shall be:

Volume Rate - \$2.620 per 1,000 gallons

The Initial Annual Daily Average Demand is 1.33 MGD.

The Initial Maximum Day Demand is 2.0 MGD.

Upon the Effective Date of this Agreement and until TRWD adjusts its raw water rate charged to Midlothian, the Raw Water Rate shall be:

Raw Water Rate - \$1.25448 per 1,000 gallons.

- (b) **Cost of Service Study and Subsequent Rates.** Grand Prairie shall be charged a Volume Rate, based on Grand Prairie's Treated Water consumption. The Volume Rate may be annually reviewed in a Cost of Service Study; provided however, that an independent cost of service study shall be performed no less than once every five (5) years. The recalculated Volume Rate shall become effective on October 1 following the completion of the Cost of Service Study and action by the Midlothian City Council. In addition, Grand Prairie shall be charged a Raw Water Charge as defined herein. The Raw Water Rate shall be adjusted as TRWD adjusts its raw water rate charged to Midlothian and shall be passed through to Grand Prairie as specified herein.
- (c) **Rate Methodology.** The rates subsequent to the Initial Rates, excluding the Raw Water Rate, which Grand Prairie pays to Midlothian for Treated Water shall be calculated in a Cost of Services Study in accordance with the methodology described in Exhibit D. The rate methodology set forth in Exhibit D is hereby specifically agreed to between Midlothian and Grand Prairie.

### 5.3 Billing and Payment.

- (a) **Volume Charge.** Each month during the term of this Agreement, Midlothian shall read each Meter measuring the amount of Treated Water provided to Grand Prairie. The number of gallons of Treated Water measured by each Meter shall be multiplied by the Volume Rate to determine the Volume Charge. Midlothian shall prepare and deliver to Grand Prairie a statement showing the Volume Charge for all Treated Water delivered to Grand Prairie. Payment shall be made no later than the 30th day after receipt of the statement.
- (b) **Raw Water Charge.** Each month during the term of this Agreement, Midlothian shall read each Meter measuring the amount of Treated Water provided to Grand Prairie. The numbers of gallons of Treated Water measured by each Meter plus an amount equal to five percent (5%) of the total number of gallons treated shall be multiplied by the Raw Water Rate as charged to Midlothian by TRWD to calculate the Raw Water Charge. The billing and payment for the Raw Water Charge shall be made in accordance with the billing and payment for the Volume Charge in Article 5.3(a). The Raw Water Charge invoiced by Midlothian to Grand Prairie each month shall not include the amount of Treated Water provided to Grand Prairie that was initially Raw Water supplied by Grand Prairie from their Joe Pool Reservoir water rights, if any.
- (c) **Late Fees.** If Grand Prairie is late in the payment of any charge or fee due and payable to Midlothian under this Agreement, late payments shall bear per

annum interest at a rate equal to the lesser of two percentage points (2%) above the Prime Interest Rate as published in the Wall Street Journal on the day said statement becomes delinquent, or the maximum allowed by law to be charged to Grand Prairie. If any charges remain unpaid at the expiration of thirty (30) days after receipt of the statement, Grand Prairie shall be in default under this Agreement, and Midlothian may invoke the remedies specified herein or otherwise available by law.

- (d) **Settle-Up.** Excluding the Raw Water Rate component, a "settle-up" shall be made no less than sixty (60) days after the end of Midlothian's fiscal year, whereupon any under or over payment shall be paid or remitted to the appropriate Party. For the Raw Water Rate component, a separate "settle-up" shall be made no less than sixty (60) days after receipt by Midlothian of the previous years audited "actual" Raw Water Rate from TRWD, whereupon any under or over payment shall be paid or remitted to the appropriate Party.

#### 5.4 **Billing Questions and Disputes.**

- (a) **Statement Dispute; Protest.** If Grand Prairie has a protest or dispute concerning a statement, Grand Prairie shall notify Midlothian in writing within thirty (30) days of receipt of said statement. Grand Prairie shall pay the portion of the statement that is not being disputed or protested. Upon written notification, the portion of the statement under dispute or protest (provided the dispute or protest is made in good faith and is not unreasonable) shall be set aside until resolved and shall not be subject to the penalties (such as Late Fees and Excess Demand Charge) stated herein. If Midlothian is not notified in writing, with such notice being postmarked within thirty (30) days of Grand Prairie's receipt of said statement, said protest or dispute shall be considered waived.

The Parties agree to negotiate in good faith to resolve the dispute. The Parties shall agree to submit the dispute to non-binding mediation as provided in Article 13.1 of this Agreement.

- (b) **Inspection and Audit.** Complete records and accounts required to be maintained by each Party shall be kept for a period of five (5) years. Each Party shall at all times, upon notice, have the right at reasonable times to examine and inspect said records and accounts during normal business hours. If required by any law, rule or regulation, a Party shall make said records and accounts available to auditors acting for or on behalf of the federal government or the State of Texas.

## ARTICLE 6

### Treated Water Transmission Lines

- 6.1 West Side Supply Line Construction.** The Parties contemplate entering into a Treated Water Transmission Line Agreement at a later date, which shall address the responsibilities of the Parties related to the design, construction, and maintenance of the West Side Supply Line. This Agreement will be complementary to, and not replace, any existing water line agreements unless specifically cancelling or modifying such previous agreements. Cost sharing arrangements and operational responsibilities for future treated water transmission lines shall be established through either written agreement separate from this Agreement or as an amendment to this Agreement. Either Midlothian or Grand Prairie may trigger the need to enter into the West Side Supply Line Agreement by providing written notice to the other Party at least one hundred and eighty (180) days before the design of the West Side Supply Line must commence in order to meet projected demand in the area to be served by the West Side Supply Line. In the event an agreement relating to the West Side Supply Line is not mutually agreed to by the Parties by the time one Party projects the need for the West Side Supply Line, that Party may proceed with the design and construction of the West Side Supply Line with capacity required for only that Party.
- 6.2 Delivery Point A Limitations.** It is expressly understood by the Parties that the current Midlothian water distribution system delivery capability to Delivery Point A is limited. As a result, at a minimum, the West Side Supply Line shall consist of a new segment of treated water transmission line that will transport treated water from the high service pump station at Midlothian's Auger Water Treatment Plant to Delivery Point A. This line must be installed and in service prior to (i) the 801 single family connection or its equivalent being provided treated water purchased from Midlothian at Delivery Point A or (ii) within five (5) years from the effective date of this Agreement, whichever occurs first. In the event that the conditions in (i) or (ii) above are triggered and the Parties have not entered into a Treated Water Transmission Line Agreement, the following shall apply:
- (a) Grand Prairie shall design and construct or cause others to design and/or construct this segment of the West Side Supply Line, with the minimum size of this line being designed to convey an amount of treated water that is sufficient to meet Grand Prairie's needs, with this capacity only being available for Grand Prairie.
  - (b) Grand Prairie shall acquire the necessary easements for this segment of the West Side Supply Line, with Midlothian approving the final alignment and design of the project in writing prior to the commencement of construction, with such approval not being unreasonably withheld or delayed if the alignment and design plans comply with Midlothian's technical standards and incorporate Midlothian's requirements.



- (c) During the construction, Midlothian may, but is not obligated to, inspect improvements under construction at its sole cost. All costs for the construction of the improvements, including costs for any easements and/or rights-of-way, shall be borne by Grand Prairie. Midlothian may, but is not obligated to, make a final inspection at its sole cost, after construction of the improvements are completed and before the improvements are approved by Midlothian for use. Upon completion of construction, Grand Prairie shall convey the improvements to Midlothian.

## **ARTICLE 7**

### **Restrictions and Conditions**

- 7.1 Resale of Treated Water.** Grand Prairie and Midlothian agree that the Treated Water supplied to Grand Prairie by Midlothian shall be used solely by Grand Prairie to meet the reasonable water supply needs of Grand Prairie's potable retail and wholesale water customers located within Grand Prairie's boundaries, ETJ, or service area as defined by Grand Prairie's water CCN, as currently authorized or as may be amended in the future, whichever is more expansive. Grand Prairie shall not sell Treated Water to customers of Midlothian.
- 7.2 Amendments to Certificates of Convenience and Necessity.** The Parties agree that during the term of this Agreement, except as provided herein, neither Party shall seek to amend its water CCN to increase its service area within the corporate limits or ETJ of the other Party without the prior written consent of such Party.
- 7.3 Water Conservation and Demand Management.**
  - (a) **Water Conservation.** Grand Prairie shall cooperate with and assist Midlothian and TRWD in their efforts to promote water conservation, so long as the water conservation measures placed on Grand Prairie by Midlothian or TRWD are not more restrictive than the measures Midlothian or TRWD places on its other Municipal Customers. This may include the development of any conservation or rationing plans by either Midlothian, TRWD, or Grand Prairie that may be necessary or appropriate to address operational constraints, whether or not the same are required by any state or federal regulatory agency. Additionally, upon the development and distribution of model drought contingency or water conservation plans by TRWD, Grand Prairie agrees to implement any such drought contingency or water conservation plan, or substitute plan approved by TRWD, within a reasonable amount of time from receipt of the model plan. Grand Prairie agrees to notify TRWD in writing of any deviation from the model plan and obtain TRWD's consent to such proposed deviation. Furthermore, Grand Prairie agrees to develop and implement plans, programs and rules to develop water resources and to promote practices, techniques and technologies that will reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in use of water or increase the recycling and reuse of water and to include the foregoing provision in all future contracts for resale of Treated

Water on a wholesale basis. Grand Prairie shall provide a copy of any drought contingency or water conservation plan adopted by Grand Prairie to Midlothian and TRWD within thirty (30) days from the Effective Date.

- (b) **Demand Management.** When Midlothian or TRWD shall manage water demand through rationing the use of water to its Municipal Customers, then a proportional rationing of Treated Water supplied to Grand Prairie by Midlothian shall be instituted, at Midlothian's option; provided, however, the rationing measures placed on Grand Prairie shall not be more restrictive than the measures placed on the other Municipal Customers of Midlothian or TRWD. Rationing does not relieve Grand Prairie from its obligation to pay the monthly take-or-pay obligations and the Raw Water Charge unless such rationing extends for a continuous period exceeding ninety (90) days. At such time rationing exceeds a continuous ninety (90) day period, Grand Prairie's monthly take-or-pay obligations and the Raw Water Charge will be proportionally adjusted to reflect its reduced demand instituted through rationing measures. Upon Midlothian's removal of such rationing measures, the monthly take-or-pay obligations and the Raw Water Charge will be adjusted to reflect the removal of the rationing measures.
- (c) **Temporary Rationing.** Where an Emergency may dictate temporary conservation or rationing requirements for either Midlothian or Grand Prairie, either Party may implement any measures considered appropriate by it to alleviate the Emergency. If either Party implements measures to alleviate an Emergency, such Party shall notify the other Party in writing within five (5) days of implementing such measures.

**7.4 Federal and State Laws.** This Agreement is subject to all applicable federal and state laws and any applicable permits, amendments, orders, or regulations of any state or federal governmental authority having or asserting jurisdiction, but nothing contained herein shall be construed as a waiver of any right to question or contest any such law, order, rule or regulation in any forum having jurisdiction. Grand Prairie agrees to abide by any changes in this Agreement made necessary by any new, amended, or revised state or federal regulation.

**7.5 Support of Midlothian on Permits and Governmental Agency Approvals.** Grand Prairie shall use all reasonable efforts to support and assist Midlothian in obtaining permits and approvals from governmental agencies in order to protect, repair, maintain, replace, add to, supplement and/or enlarge the Midlothian Raw Water System and/or the Midlothian Treated Water System. Such support and assistance shall include, but is not limited to: providing information to Midlothian when requested by Midlothian in order to facilitate any permit or approval; providing written and oral statements of support and assistance or testimony, information, and evidence if appropriate and if requested by Midlothian in order to obtain any permit or approval; and taking all such other action as may be appropriate to support and assist Midlothian in obtaining any permit or approval.

**ARTICLE 8**  
**Term of Agreement and Extension**

- 8.1 Term of Agreement.** Unless terminated as provided for in this Agreement, this Agreement shall commence upon the Effective Date and shall remain in effect for a term of thirty (30) years from the Effective Date.
- 8.2 Renewal of Agreement.** At the end of the term of this Agreement, this Agreement shall automatically renew for a five (5) year term, unless either Party notifies the other in writing that it does not wish to renew this Agreement for the additional five (5) year term. Such written notification shall be delivered to the Parties at least five (5) years prior to the Expiration Date. In the event that both Parties wish to renew this Agreement past the five (5) year term, this Agreement can be renewed for a new term that is agreeable to both Parties upon written notification by both Parties, with such written notification being delivered to each Party on or before the end of the second year of the five (5) year term.

Grand Prairie expressly acknowledges that it has no right or entitlement to Raw Water or Treated Water from Midlothian after the expiration of this Agreement except to the extent that this Agreement is renewed as provided herein. Midlothian expressly acknowledges that it has no right or entitlement to the Raw Water that Grand Prairie secures for treatment by Midlothian as provided for in this Agreement after the expiration or termination of this Agreement except to the extent that this Agreement is renewed as provided herein. Midlothian further agrees to support the transfer of the Raw Water rights that Grand Prairie secures for treatment by Midlothian as provided for in this Agreement from Midlothian to Grand Prairie or their designee after the expiration or termination of this Agreement.

- 8.3 Alternate Water Supply.** Grand Prairie agrees to take the steps to acquire water supply from another source of supply upon the Expiration Date in the event that Grand Prairie notifies Midlothian that it does not elect to renew this Agreement, in accordance with Section 8.2, above; and Grand Prairie shall provide Midlothian evidence that Grand Prairie is taking steps to secure such alternative and sufficient water supply. This requirement is expressly enforceable by Midlothian. If at least two (2) years prior to the Expiration Date of this Agreement Grand Prairie and Midlothian have not agreed to the quantity of water or the rate for the water, then, Grand Prairie shall provide Midlothian evidence that Grand Prairie has secured an alternative and sufficient water supply. This requirement is expressly enforceable by Midlothian.
- 8.4 Payments After Non-Renewal.** If this Agreement is not renewed, after expiration of this Agreement, Grand Prairie shall nonetheless pay Midlothian for all Raw Water Charges and Volume Charges for Treated Water delivered prior to the expiration of this Agreement, as well as penalties such as Late Fees, under the terms of this Agreement.

## ARTICLE 9

### Termination and Default

- 9.1 Termination by Mutual Consent.** This Agreement may be terminated in whole or in part by the mutual written consent of Grand Prairie and Midlothian. In the event of termination of this Agreement by such mutual consent, all rights, powers, and privileges of the Parties hereunder shall cease and terminate without necessity of further action. Neither Party shall make any claim of any kind whatsoever against the other Party, its agents or representatives, by reason of such termination or any act incident thereto. If the Parties agree to terminate this Agreement, Grand Prairie shall nonetheless pay Midlothian for all Raw Water Charges and Volume Charges for Treated Water delivered prior to the termination of this Agreement, as well as penalties such as Late Fees under the terms of this Agreement. The provisions of this section survive termination of this Agreement.
- 9.2 Default by Grand Prairie.** In the event Grand Prairie is in default under the terms of this Agreement, other than default by failing to timely pay the amount due Midlothian, Midlothian shall give Grand Prairie written notice of such default. If Grand Prairie's default is not cured after the expiration of thirty (30) days after the receipt of such written notification, then Midlothian may temporarily suspend the delivery of Treated Water to Grand Prairie.
- 9.3 Default by Midlothian.** In the event Midlothian is in default under the terms of this Agreement, Grand Prairie shall give Midlothian written notice of such default. If Midlothian's default is not cured after the expiration of thirty (30) days after such written notification is given to Midlothian, Grand Prairie may seek remedies, other than termination, in accordance with this Agreement.
- 9.4 Damages.** In no event shall either Party be liable to the other Party for any special, indirect, incidental, consequential, or punitive damages for any dispute arising under this Agreement. In the event either Party is awarded damages in a final, non-appealable judgment, then such damages shall be offset against all sums due or to become due to the other Party hereunder until the awarded Party's damages are fully compensated.
- 9.5 Other Charges.** In the event any sales or use taxes, or taxes, assessments, production fees or charges of any similar nature are imposed by a federal, state, or local authority (other than a Party to this Agreement) on production, storing, delivering, gathering, impounding, taking, selling, using, or consuming the water received by a Party to this Agreement, the amount of tax, assessment, or charge shall be borne by that Party, in addition to all other charges, and whenever a Party shall be required to pay, collect, or remit any tax, assessment, or charge on water received by such Party, then the other Party shall promptly pay or reimburse such Party for the tax, assessment, or charge in the manner directed by such Party.
- 9.6 Default in Payments.** All amounts due and owing to a Party to this Agreement by the other Party to this Agreement shall, if not paid when due, bear interest at the Texas post-judgment interest rate under Texas law from the date when due until paid,

provided that such rate shall never be usurious or exceed the maximum rate as permitted by law as set forth in Chapter 1204, as amended, Texas Government Code. If any amount due and owing by one Party to the other Party is placed with an attorney for collection, the Party owing the amount shall pay to the other Party, in addition to all other payments provided by this Agreement, including interest, the other Party's collection expenses, including court costs and attorneys' fees as may be the order of the court or tribunal. The Party who is owed the money may, to the extent permitted by law, suspend delivery of water to the other Party if the other Party remains delinquent in any payments due hereunder for a period of sixty (60) days, and is not required to resume delivery of water while the Party is so delinquent. Either Party may pursue all legal remedies against the other Party to enforce and protect the rights of the Party under this Agreement.

- 9.7 Pledge of Gross Revenue.** Each Party to this Agreement represents and covenants to the other Party that all payments to be made by it under this Agreement shall constitute reasonable and necessary "operating expenses" of its utility system, and that all such payments will be made from the gross revenues of its utility system. Each Party represents and has determined that the water supply to be obtained from the other Party is absolutely necessary and essential to the present and future operation of its utility system, and, accordingly all payments required by this Agreement to be made by the Party shall constitute reasonable and necessary operating expenses of the Party's utility system as described above with the effect that the obligation to make such payments from gross revenues of such utility system or systems shall have priority over any obligation to make any payments from such revenues, whether of principal, interest, or otherwise, with respect to all bonds heretofore or hereafter issued by the Party. Each Party agrees throughout the term of this Agreement to continuously operate and maintain its utility system and to fix and collect such rates and charges for water services to be supplied by its utility system as will produce gross revenues in an amount equal to at least all of its payments under this Agreement.
- 9.8 A PARTY TO THIS AGREEMENT SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT BY ANOTHER PARTY OF ANY OBLIGATIONS ASSUMED BY OR IMPOSED UPON THAT PARTY UNDER OR BY VIRTUE OF THIS AGREEMENT FROM ANY FUNDS RAISED OR TO BE RAISED BY TAXATION AND A PARTY'S OBLIGATION UNDER THIS AGREEMENT SHALL NEVER BE CONSTRUED TO BE A DEBT OF THE PARTY OF SUCH KIND AS TO REQUIRE IT UNDER THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS TO LEVY AND COLLECT A TAX TO DISCHARGE SUCH OBLIGATION.**
- 9.9 Payment under Protest.** If a Party at any time disputes the amount to be paid by it to the other Party, the Party shall nevertheless promptly make the disputed payment or payments, but if it is subsequently determined by agreement or court decision that the disputed amount paid by the Party should have been less, or more, the other Party

shall promptly revise the monthly payment in a manner that the Party, will recover the amount due within six (6) months.

- 9.10 Stipulations.** By signing this Agreement, each Party stipulates and agrees that the other Party will be prejudiced if a Party avoids the obligation to furnish water while accepting the benefits of payments, or avoids the obligation to pay the rates for water specified in this Agreement while accepting the benefits of obtaining water, from the other Party. Nothing in this Agreement shall be construed as constituting an undertaking by a Party to furnish water to the other Party except pursuant to the terms of this Agreement.
- 9.11 Remedies.** Recognizing that failure in the performance of any Party's obligations hereunder could not be adequately compensated in money damages alone, each Party agrees in the event of any default on its part that each Party shall have available to it the equitable remedy of mandamus and/or specific performance, but not termination. It is the intent of the Parties that any default shall be subject to the remedy of specific performance and/or mandamus to the extent that specific performance and/or mandamus is possible under the existing circumstances. The remedy of specific performance and/or mandamus shall be first requested by either Party in the event of default by the other Party. However, if, despite a Party's request for specific performance or mandamus, a court determines that the other Party has breached this Agreement, but the court declines to order specific performance as a remedy, the Party shall then be entitled to seek damages. In either event, the prevailing Party may recover court costs, attorneys' fees, and witness fees.

## **ARTICLE 10**

### **Joe Pool Water**

- 10.1 Availability and Usage.** Subject to availability as determined by Grand Prairie, Midlothian may be allowed to utilize unused Grand Prairie raw water reserve rights in Joe Pool Reservoir to meet Midlothian's water source requirements under this Agreement. However, Midlothian is not obligated to treat any of Grand Prairie's raw water from Joe Pool Reservoir and will only do so if Midlothian has the capacity available to treat such raw water, which will be at Midlothian's discretion. If Grand Prairie authorizes Midlothian in writing to use a portion of its Joe Pool Reservoir raw water, and Midlothian agrees to treat said water, then Midlothian shall not include the Raw Water from Joe Pool Reservoir in the cost billed to Grand Prairie.
- 10.2 Volume Determination.** The volume of Grand Prairie's Raw Water that Midlothian uses from the Joe Pool Reservoir shall be based upon written agreement between the Parties for the volume to be treated.
- 10.3 Reporting.** Midlothian shall report its withdrawals of Grand Prairie's Raw Water from Joe Pool Reservoir, if any, to Grand Prairie on a monthly basis.
- 10.4 Authorization.** The Parties agree that if Grand Prairie authorizes Midlothian to use any of Grand Prairie's Raw Water in the Joe Pool Reservoir and Midlothian agrees to

treat said water, Midlothian shall be authorized to use such water only for the amount of time agreed to in writing between the Parties. Nothing in this Agreement may be construed as permanently transferring any right that Grand Prairie has to Raw Water in the Joe Pool Reservoir to Midlothian.

## **ARTICLE 11**

### **Force Majeure**

- 11.1 Definition.** The term *Force Majeure* as used herein shall mean a cause or causes beyond the reasonable control of the Party claiming *Force Majeure*, and shall include but not be limited to natural disasters, strikes, lockouts or other industrial disturbances, acts of public enemy, orders of any kind of the United States of America or the State of Texas or any civil or military authority, insurrections, riots, epidemics, lightning, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions and breakage or accidents to machinery, pipelines, or facilities; however, lockouts shall be entirely within the discretion of the Party having the difficulty, and the above requirement that any *Force Majeure* shall be remedied with all dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing Party or Parties when such settlement is unfavorable in the judgment of the Party having the difficulty.
- 11.2 Notice; Suspension of Obligations.** By reason of *Force Majeure*, if any Party hereto shall be rendered partially or wholly unable to carry out its obligations under this Agreement, then such Party shall give notice in writing of such *Force Majeure* to the other Party within a reasonable time after occurrence of the event or cause relied on, so far as it is affected by such *Force Majeure*. Monthly Demand Charges for services actually received from Midlothian hereunder, shall be suspended during the continuance of the inability then claimed, and such Party shall endeavor to remove or overcome such inability with all commercially reasonable dispatch; and until such inability has been removed, no Party shall be deemed to be in default of this Agreement. If Midlothian is forced to curtail the amount of Treated Water delivered to Grand Prairie, then Midlothian agrees that such curtailment shall not be more severe than the curtailment Midlothian places on any other Municipal Customer receiving service from Midlothian using the same source of supply and treatment and transmission facilities.

## **ARTICLE 12**

### **Ownership, Liability, Indemnification, and Insurance**

- 12.1 Responsibility for Damages for Water.** Midlothian shall be the owner of and responsible for the Treated Water only to each Delivery Point. After the Treated Water has passed through each Delivery Point, it becomes the property and responsibility of Grand Prairie. Unless otherwise provided in this Agreement, responsibility for damages arising from the improper treatment, transportation, and delivery of all Treated Water provided under this Agreement shall remain with Midlothian to each Delivery Point. Upon passing through each Delivery Point,

liability for all damages arising from improper transportation and delivery of the Treated Water after it leaves the Midlothian system shall pass to Grand Prairie. Midlothian's sole responsibility is to provide to Grand Prairie at each Delivery Point potable water meeting the minimum quality requirements for human consumption as prescribed by the TCEQ or appropriate governing agency.

- 12.2 Immunities under State Law.** Nothing in this Agreement shall be construed as waiving sovereign immunity or any other immunity that Midlothian or Grand Prairie may be entitled to under state or federal law.
- 12.3 Direct or Consequential Damages.** Neither Midlothian nor Grand Prairie shall be liable to the other for loss, either direct or consequential, arising out of damage to or destruction of the rights-of-way or either Party's facilities thereon, when such loss is caused by an act of God or any of the perils that are included within or insured against by a form of property insurance. All such claims for any and all loss, however caused, hereby are waived. Said absence of liability shall exist whether or not the damage or destruction is caused by the negligence of either Party or by any of their respective agents, servants, or employees.
- 12.4 Indirect or Consequential Damages.** Grand Prairie's or Midlothian's liability, if any, to the other Party in contract or in tort under this Agreement specifically excludes any and all indirect or consequential damages that may arise from providing Treated Water to Grand Prairie or that may arise from the operation, maintenance, and management of the Midlothian Raw Water System and the Midlothian Treated Water System.
- 12.5 Waiver or Subrogation.** It is the intention and agreement of both Parties that any insurance carriers involved shall not be entitled to subrogation under any circumstances against any Party to this Agreement. Neither Party shall have any interest or claim in the other's insurance policy or policies, or in the proceeds thereof, unless specifically covered therein as an additional insured.

### **ARTICLE 13 Dispute Resolution**

- 13.1 Non-binding mediation.** Each Party agrees that prior to filing a lawsuit or an administrative complaint with a regulatory agency on an issue related to the terms of this Agreement, the Party shall submit the dispute to non-binding mediation. This provision survives termination of this Agreement.

### **ARTICLE 14 Notice**

- 14.1 Manner of Giving Notice.** Unless otherwise provided in this Agreement, any notice, communication, request, reply, advice, approval or consent herein provided or permitted to be given, made, or accepted by either Party to the other, must be in writing and may be given by personal delivery, electronic delivery, or be served by depositing the same in the United States Mail postpaid and registered or certified and addressed to the Party to be notified with return receipt requested, or by delivering the same to the Mayor/City Manager or Chief Executive Office, or by prepaid telegram,



when appropriate, addressed to the Party to be notified. Any such matter deposited in the mail in the manner hereinabove described shall become exclusively deemed to be effective, unless otherwise stated in this Agreement, from and after the earlier of actual receipt of notice or the expiration of four (4) days after it is so deposited. Any such notice given in any other manner shall be effective only if and when received by the Party to be notified.

**Notice to Midlothian.**

City Manager  
City of Midlothian  
104 W. Ave E  
Midlothian, Texas 76065

**Notice to Grand Prairie.**

City Manager  
City of Grand Prairie  
P.O. Box 534045  
Grand Prairie, Texas 75053-4045

The Parties shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify as its address any other address by at least five (5) days written notice to the other Party.

**ARTICLE 15**  
**Miscellaneous Provisions**

- 15.1 Governing Law.** This Agreement shall be governed by the applicable law of the State of Texas and due performance by each Party or any action arising under this Agreement shall lie in Ellis County, Texas. Jurisdiction and venue shall be in Ellis County, Texas, and each of the Parties submits to personal jurisdiction in the state district courts in such county.
- 15.2 No Waiver.** Nothing in this Agreement shall be deemed to waive, modify or amend any legal defense available at law or in equity to any of the Parties nor to create any legal rights or claim on behalf of any third Party. No Party waives, modifies, or alters to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas or the United States.
- 15.3 Entire Agreement.** This Agreement and any Exhibits hereto embody the entire agreement and understanding of the Parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein. No amendment, waiver of compliance with any provision or condition hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the Party against whom enforcement of any amendment, waiver or consent is sought. This Agreement may not be amended or modified except in writing executed by all Parties and authorized by their respective governing bodies.
- 15.4 Partial Invalidity.** If any provision of this Agreement is held to be invalid, illegal, or unenforceable in any judicial action, the remaining provisions shall be unaffected. In

the event any provision of this Agreement is held to be invalid, illegal, or unenforceable in any judicial action, the Parties shall, upon the request of a Party, promptly renegotiate in good faith a new provision to eliminate the invalidity and to restore this Agreement, as nearly as possible, to its original intent and effect.

- 15.5 Duty to Review and Revise.** The Parties shall review and revise this Agreement to ensure compliance with the federal and state laws and rules and regulations as necessary.
- 15.6 Survival.** Any provision that by its terms survives the termination of this Agreement shall bind the Parties' legal representatives, heirs, and assigns as set forth herein.
- 15.7 Assignment.** This Agreement shall not be assignable by either Party without the prior written consent of the other Party nor in contravention of any other provisions contained herein.
- 15.8 Benefits.** This Agreement shall bind and the benefits thereof shall inure to the respective Parties hereto, their heirs, legal representatives, executors, administrators, successors, and assigns. This Agreement shall not be construed as creating any rights in any third Party or any duty to any third Party.
- 15.9 Multiple Copies.** This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall be considered fully executed as of the date when all Parties have executed an identical counterpart, notwithstanding that all signatures may not appear on the same counterpart.
- 15.10 Deadlines.** To the extent that the date for any payment or notice due hereunder by either Party shall fall on a Day that is not a Business Day, such deadline for payment or notice, as the case may be, shall be automatically extended to the next following Business Day.
- 15.11 Third Party Beneficiaries.** Except as otherwise expressly provided herein, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the Parties hereto and their heirs, personal representatives, successors and assigns, any benefits, rights or remedies under or by reason of this Agreement.

*(signature page to follow)*

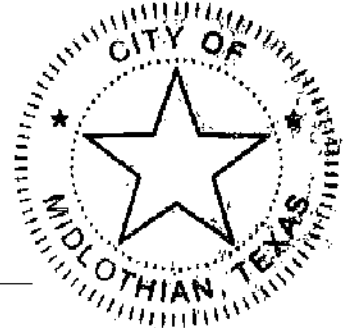
IN WITNESS WHEREOF, the Parties have executed and attested this Agreement by their officers thereunto duly authorized as of the date signed.

Executed this 14th day of September 2021

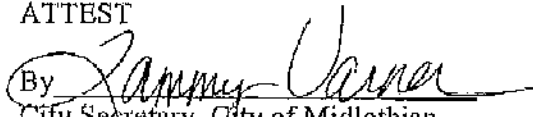
City of Midlothian

  
Chris Dick, City Manager

Date 9/14/2021



ATTEST

By   
City Secretary, City of Midlothian

City of Grand Prairie

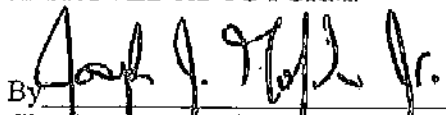
  
Steve Dye, Deputy City Manager

Date 9/13/2021

ATTEST

By   
City Secretary, City of Grand Prairie

APPROVED AS TO FORM:

By   
City Attorney, Midlothian

By   
City Attorney, Grand Prairie

**Exhibit A**  
**Delivery Point A and Midlothian Water Supply Line I**