

SECTION 13.08: PAYING AGENT/REGISTRAR. The form of agreement setting forth the duties of the Paying Agent/Registrar is hereby approved, and the appropriate officials of the District are hereby authorized to execute such agreement for and on behalf of the District.

SECTION 13.09: OFFICIAL STATEMENT. The Board of Directors of the District hereby ratifies, authorizes, and approves, in connection with the sale of the Bonds, the preparation and distribution of the Preliminary Official Statement, dated January 16, 2023 and a final Official Statement substantially in the same form containing such additional information and amendments as may be necessary to conform to the terms of the Bonds and this Order. The appropriate officials of the District are hereby authorized to sign such Official Statement and/or to deliver certificates pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

SECTION 13.10: REMEDIES IN EVENT OF DEFAULT. In addition to any other rights and remedies provided by the laws of the State of Texas, the District covenants and agrees that in the event of default in payment of principal of or interest on any of the Bonds when due, or, in the event it fails to make the payments required to be made into the Debt Service Fund, as defined in Section 7.01, or defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Order, the Holders shall be entitled to a writ of mandamus issued by a court of competent jurisdiction compelling and requiring the District and the officials thereof to observe and perform the covenants, obligations, or conditions prescribed in this Order. Any delay or omission to exercise any right or power accruing upon any default shall not impair any such right or power or be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

In consideration of the purchase and acceptance of the Bonds authorized to be issued hereunder by the Holders, the provisions of this Order shall constitute a contract between the District and the Holders; and the covenants and agreements herein set forth to be performed on behalf of the District shall be for the equal benefit, protection, and security of each of the Holders. The Bonds, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority, or distinction of any Bond over any other, except as expressly provided herein.

SECTION 13.11: AMENDMENTS TO BOND ORDER. The District may, without the consent of or notice to any Holders of the Bonds, amend, change, or modify this Order as may be required (a) by the provisions hereof, (b) for the purpose of curing any ambiguity, inconsistency, or formal defect or omission herein, or (c) in connection with any other change which is not to the prejudice of the Holders of the Bonds. Except for such amendments, changes, or modifications, the District shall not amend, change, or modify this Order in any manner without the consent of the Holders of the Bonds.

SECTION 13.12: NO PERSONAL LIABILITY. No recourse shall be had for payment of the principal of or interest on any Bonds or for any claim based thereon or in this Order, against any official or employee of the District or any person executing any Bonds.

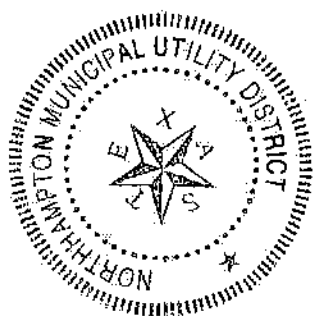
SECTION 13.13: EFFECTIVE DATE OF ORDER. This Order shall take effect and be in full force and effect upon and after its passage.

PASSED AND APPROVED this 6th day of February, 2023.

/s/ E. C. Thomas  
President, Board of Directors  
Northampton Municipal Utility District

ATTEST:

/s/ Terese Wahl  
Secretary, Board of Directors  
Northampton Municipal Utility District



**SOAH DOCKET NO. 473-24-09299**  
**PUC DOCKET NO. 54966**  
**NORTHAMPTON MUNICIPAL UTILITY DISTRICT'S RESPONSE TO**  
**STAFF'S THIRD REQUEST FOR INFORMATION**

**STAFF RFI 3-20**

**Please explain if there is any debt service included in the cost of service used to set the water rates for Ariza. If so, please provide the amount included.**

**RESPONSE:**

There is debt service included in the cost of service used to set the water rates for Ariza Gosling that are the subject of this appeal. The debt service amount included in the District's Tax Exempt Multi-family Residential rates is identified in Exhibit JRW-2. See the Direct Testimony of John R. Wallace filed in this proceeding on June 7, 2024.

Preparer: John R. Wallace, General Counsel, Northampton Municipal Utility District  
Sponsor: John R. Wallace, General Counsel, Northampton Municipal Utility District

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**STAFF RFI 3-21**

**Please explain if there is any debt service coverage included in the cost of service used to set the water rates for Ariza. If so, please provide the following:**

- a. the amount included;**
- b. the debt service coverage ratio included; and**
- c. the reason for the selected debt service coverage ratio.**

**RESPONSE:**

See the District's response to Staff RFI 3-20.

Preparer: John R. Wallace, General Counsel, Northampton Municipal Utility District  
Sponsor: John R. Wallace, General Counsel, Northampton Municipal Utility District

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**STAFF RFI 3-22**

**Please provide the breakdown of any debt issuance related specifically to the water utility, collected through any source of revenue, including the following:**

- a. the principle amount;**
- b. the interest rate;**
- c. the debt service payments required for the test year; and**
- d. the source of revenue.**

**RESPONSE:**

See the District's response to Staff RFI 3-20.

Preparer: John R. Wallace, General Counsel, Northampton Municipal Utility District  
Sponsor: John R. Wallace, General Counsel, Northampton Municipal Utility District

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**STAFF RFI 3-23**

**Please explain if any amounts are included in the cost of service used to set water rates for Ariza to pay for future plant (i.e. cash). If so, please provide the amount included.**

**RESPONSE:**

No specific amounts are included for future plant, but the District maintains a reserve margin that is adequate to preserve its financial integrity based on the recommendations of its financial advisors and general counsel and as reviewed and approved by the Board of Directors.

Preparer: John R. Wallace, General Counsel, Northampton Municipal Utility District  
Sponsor: John R. Wallace, General Counsel, Northampton Municipal Utility District

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**STAFF RFI 3-24**

If the water utility's assets are not financed entirely through debt, please provide the following:

- a. explanation as to how the assets for the water utility are financed;
- b. the amount included in the cost of service used to set the water rates for Ariza;
- c. the total amount collected from all sources of revenue yearly; and
- d. the source of revenue.

**RESPONSE:**

All capital assets are financed through debt. See Exhibit JRW-2 to the Direct Testimony of John R. Wallace, filed in this proceeding on June 7, 2024. In addition, see the tax reports included in the workpapers to Mr. Wallace's testimony.

Preparer: John R. Wallace, General Counsel, Northampton Municipal Utility District  
Sponsor: John R. Wallace, General Counsel, Northampton Municipal Utility District