



Filing Receipt

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Item Number - 1



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

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

Sale, Transfer, or Merger (STM) Application Instructions

- I. **COMPLETE:** In order for the Commission to find the application sufficient for filing, the Applicant should:
 - i. Provide an answer to every question and submit any required attachment applicable to the STM request (i.e., agreements or contracts).
 - ii. Use attachments or additional pages to answer questions as necessary. If you use attachments or additional pages, reference their inclusion in the form.
 - iii. Provide all mapping information as detailed in Part G: Mapping & Affidavits.
- II. **FILE:** Seven (7) copies of the completed application with numbered attachments. One copy should be filed with no permanent binding, staples, tabs, or separators; and 7 copies of the portable electronic storage medium containing the digital mapping data.
 - i. **SEND TO:** Public Utility Commission of Texas, Attention: Filing Clerk, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326 (NOTE: Electronic documents may be sent in advance of the paper copy, however they will not be processed and added to the Commission's on-line Interchange until the paper copy is received and file-stamped in Central Records).
- III. The application will be assigned a docket number, and an administrative law judge (ALJ) will issue an order requiring Commission Staff to file a recommendation on whether the application is sufficient. The ALJ will issue an order after Staff's recommendation has been filed:
 - i. **DEFICIENT (Administratively Incomplete):** Applicants will be ordered to provide information to cure the deficiencies by a certain date, usually 30 days from ALJ's order. ***Application is not accepted for filing.***
 - ii. **SUFFICIENT (Administratively Complete):** Applicants will be ordered by the ALJ to give appropriate notice of the application using the notice prepared by Commission Staff. ***Application is accepted for filing.***
- IV. Once the Applicants issue notice, a copy of the actual notice sent and an affidavit attesting to notice should be filed in the docket assigned to the application. Recipients of notice may request a hearing on the merits.
HEARING ON THE MERITS: An affected party may request a hearing within 30 days of notice. In this event, the application may be referred to the State Office of Administrative Hearings (SOAH) to complete this request.
- V. **TRANSACTION TO PROCEED:** at any time following the provision of notice, or prior to 120 days from the last date that proper notice was given, Commission Staff will file a recommendation for the transaction to proceed as proposed or recommend that the STM be referred to SOAH for further investigation. The Applicants will be required to file an update in the docket to the ALJ every 30 days following the approval of the transaction. The transaction must be completed within six (6) months from the ALJ's order (Note: The Applicants may request an extension to the 6 month provision for good cause).
- VI. **FILE:** Seven (7) copies of completed transaction documents and documentation addressing the transfer or disposition of any outstanding deposits. After receiving all required documents from the Applicants, the application will be granted a procedural schedule for final processing. The Applicants are requested to consent in writing to the proposed maps and certificates, or tariff if applicable.
- VII. **FINAL ORDER:** The ALJ will issue a final order issuing or amending the applicable CCNs.

FAQ:

Who can use this form?

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

Who is required to use this form?

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

Terms

Transferor: Seller

Transferee: Purchaser

CCN: Certificate of Convenience and Necessity

STM: Sale, Transfer, or Merger

IOU: Investor Owned Utility

Application Summary

Transferor: Albury Manor Utility Company, Inc.

(selling entity)

CCN No.s: 11507

☒ Sale
 ☐ Transfer
 ☐ Merger
 ☐ Consolidation
 ☐ Lease/Rental

Transferee: SP Utility Company, Inc

(acquiring entity)

CCN No.s: 12978

☐ Water
 ☐ Sewer
 ☒ All CCN
 ☐ Portion CCN
 ☐ Facilities transfer

County(ies): Harris

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Please mark the items included in this filing

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

Part A: General Information

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

Albury Manor Utility Company, Inc. CCN 11507 transferor, does sell in its entirety to SP Utility Company, Inc. CCNs 12978 transferee, all land, equipment and assets of Albury Manor Utility Company, Inc.

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

For **Transferee** (Purchaser) CCN:

For **Transferor** (Seller) CCN:

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

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

Part B: Transferor Information

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

3. A. Name: Albury Manor Utility Company, Inc.
(individual, corporation, or other legal entity)
☐ Individual ☒ Corporation ☐ WSC ☐ Other: _____

B. Mailing Address: 400 Randal Way, Ste 106 Spring, TX 77388

Phone: (281) 350-7000

Email: _____

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

Name: Stephen Chauvin

Title: Gen Manager

Mailing Address: 400 Randal Way, Ste 106 Spring, TX 77388

Phone: (832) 928-6365

Email: _____

4. If the utility to be transferred is an Investor Owned Utility (IOU), for the most recent rate change, attach a copy of the current tariff and complete A through B:

A. Effective date for most recent rates: March 29, 2022

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

☐ No ☒ Yes Application or Docket Number: 53164

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

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

☐ There are no customers that will be transferred

☒ # of customers without deposits held by the transferor 49

☐ # of customers with deposits held by the transferor*

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

Part C: Transferee Information

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

6. A. Name: SP Utility Company, Inc

(individual, corporation, or other legal entity)

☐ Individual

☒ Corporation

☐ WSC

☐ Other:

B. Mailing Address: PO BOX 690521 HOUSTON TX 77269 - 521

Phone: (713) 651-0220

Email: harrison.ftu@gmail.com

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

Name: Harrison Williams

Title: President

Address: PO Box 690521 Houston, TX 77269

Phone: (832) 534-8545

Email: harrison.ftu@gmail.com

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

☐ No

☒ Yes

☐ N/A

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

☐ No

☒ Yes

☐ N/A

7. The legal status of the transferee is:

☐ Individual or sole proprietorship

☐ Partnership or limited partnership (*attach* Partnership agreement)

☒ Corporation

Charter number (as recorded with the Texas Secretary of State): 800200690

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

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

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

☐ Municipally-owned utility

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

- ☐ County
- ☐ Affected County (a county to which Subchapter B, Chapter 232, Local Government Code, applies)
- ☐ Other (please explain): _____

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

Name: N/A

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

Name: Harrison Williams

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

Address: _____

Phone: _____ Email: _____

Name: _____

Position: _____ Ownership % (if applicable): 0.00%

Address: _____

Phone: _____ Email: _____

Name: _____

Position: _____ Ownership % (if applicable): 0.00%

Address: _____

Phone: _____ Email: _____

Name: _____

Position: _____ Ownership % (if applicable): 0.00%

Address: _____

Phone: _____ Email: _____

10. **Financial Information**

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

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

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

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

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

Part D: Proposed Transaction Details

11. A. Proposed Purchase Price: \$ _____

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

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

☒ No ☐ Yes ☐ N/A

Total Original Cost of Plant in Service: \$ _____ 0.00

Accumulated Depreciation: \$ _____ 0.00

Net Book Value: \$ _____ 0.00

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

☒ No ☐ Yes

Total Customer CIAC: \$ _____

Accumulated Amortization: \$ _____

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

☒ No ☐ Yes

Total developer CIAC: \$ _____

Accumulated Amortization: \$ _____

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

☒ No ☐ Yes

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

N/A

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

None

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

Utility Plant in Service:	\$	500,823.00
Accumulated Depreciation of Plant:	\$	193,758.00
Cash:	\$	0.00
Notes Payable:	\$	0.00
Mortgage Payable:	\$	0.00
(Proposed) Acquisition Adjustment*:	\$	0.00

* Acquisition Adjustments will be subject to review under 16 TAC § 24.41(d) and (e)

Other (NARUC account name & No.): 0

Other (NARUC account name & No.): 0

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

No proposed billing changes

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

Undertermined at this time. A rate study will be conducted after the tranfer has been approved by the PUC and the trasnfer has been finanlized.

Part E: CCN Obtain or Amend Criteria Considerations

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

The quality of service is expected to improve as a result of the water utility being under the ownership and operation of a full-time professional with 20 years of experience of owning and operating Investor Owned Public Water and Wastewater Utilities.

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

Harrison Williams has over 20 years experience ng and operating Investor Owned Public Water and Wastewater Utilities. SP Utilities has 2 CCN 12978 & 20817.
SP Utiliy has no outstanding compliance violation. The last compliance violation was in 2010 and was corrected. DOCKET NO.:2010-0301-PWS-ETCEQ ID:RN103779039CASE NO.:3920

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

☒ No ☐ Yes

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

The environmental integrity will not be impacted or disrupted becasue these is no new construction or any chnages that will impact the land.

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

The public interest will be served by the delivery of imporved service with professional management of the water utilities.

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

12946 INLINE DEVELOPMENT CORPORATION, 13257 & 21103 City of Tomball, 13158 & 21030 Pinewood Community LP, 13203 Aqua Texa Inc

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

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

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

TCEQ PWS Identification Number: 1012052 (7 digit ID)

Name of PWS: Albury Manor utility Company, Inc

Date of last TCEQ compliance inspection: November 7, 2018 (attach TCEQ letter)

Subdivisions served: Albury Manor

B. For Sewer service:

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

Name of Wastewater Facility: N/A

Name of Permittee: _____

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

Subdivisions served: _____

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

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

Water				Sewer	
	Non-metered		2"		Residential
49	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:			44	Total Sewer Connections:	

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

☒ No ☐ Yes

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

Description of the Capital Improvement:	Estimated Completion Date:	Estimated Cost:

C. Is there a moratorium on new connections?

☒ No ☐ Yes:

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

☒ No ☐ Yes: _____ (name of municipality)

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

Water: _____ Sewer: _____

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

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

Capacity is purchased from: _____

Water: _____

Sewer: _____

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

☒ No ☐ Yes

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

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

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

☒ No ☐ Yes:

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

☐ No ☒ Yes:

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

Name (as it appears on license)	Class	License No.	Water or Sewer
James Williams	B	WG 0014737	Water
Francisco Ontiveros	C	WG00107862	Water
Abel Reyna	C	WG0012760	Water

Part G: Mapping & Affidavits

ALL applications require mapping information to be filed in conjunction with the STM application.

Read question 29 A and B to determine what information is required for your application.

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

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

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

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

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

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

Part H: Notice Information

The following information will be used to generate the proposed notice for the application.

DO NOT provide notice of the application until it is found sufficient and the Applicants are ordered to provide notice.

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

The total acreage of the requested area is approximately: 105.15

Number of customer connections in the requested area: 44

Affected subdivision : Albury Manor

The closest city or town: City of Tomball

Approximate mileage to closest city or town center: _____

Direction to closest city or town: East

The requested area is generally bounded on the North by: City of Tomball

on the East by: Magic Spell Drive

on the South by: Inline Development Corporation

on the West by: City of Tomball

31. A copy of the proposed map will be available at: SP Utility Office

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

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

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

☐ higher monthly bill ☐ lower monthly bill

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

☐ higher monthly bill ☐ lower monthly bill

Oath for Transferor (Transferring Entity)

STATE OF Texas

COUNTY OF Harris

I, Randal A. Hendricks being duly sworn, file this application for sale,
transfer,

merger, consolidation, acquisition, lease, or
rental, as

President

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

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

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

Randal A. Hendricks

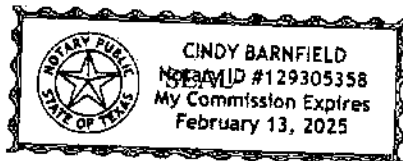
AFFIANT

(Utility's Authorized Representative)

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

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

this day the 3 of May, 2023



Cindy Barnfield

**NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS**

Cindy Barnfield

PRINT OR TYPE NAME OF NOTARY

My commission expires: 2/13/2025

WORK EXPERIENCE

Flow-Tech Utility

3/2013- Current

President/General Manager

- Formulate and implement departmental goals, procedures and operating policies
- Insuring productivity levels are maintained through effective monitoring
- Conduct job site inspections and evaluations to assure compliance to permits and safety guidelines.
- Review completed work
- Communicate complex customer complaints and issues
- Conduct training sessions to keep employees updated on new systems that are implemented and to review normal operating procedures.
- Manage office and field personnel
- Currently operate, maintain 26 wastewater treatment facilities, 62 water treatment facilities and conduct billing for 9 water and wastewater systems including Manvel Terrace Subdivision.

Severn Trent Services

12/2009- 3/2013

Operations- Assistant Area Manager

- Formulate and implement departmental goals, procedures and operating policies
- Insuring productivity levels are maintained through effective monitoring of SCADA and Hansen systems.
- Conduct job site inspections and evaluations to assure compliance to permits and safety guidelines.
- Review completed work
- Communicate complex customer complaints and issues
- Conduct training sessions to keep employees updated on new systems that are implemented and to review normal operating procedures

Severn Trent Services

8/2006 – 12/2009

Operations- Lead Facilities operator/ Field supervisor

- Operate multiple wastewater plants, off site lift stations and water plants remotely
- Reduced the volume of solids being removed from facilities, saving M.U.D. districts 40% of their budgeted amount for solids removal
- Engaged in the emergency repair and maintenance of treatment equipment
- Operation and monitoring of SCADA systems for water and wastewater systems
- Trained employees on team work, scada systems, proper plant operations and schematics, repair and installation techniques and safe work practices
- Communicate with client and customers related to routine technical aspects of operations
- Managed personnel in facilities (19)
- Responds to call outs and after hours emergencies
- Diagnosing control problems individually and as a team.

Severn Trent Services

9/2004 – 7/2006

Plant Operator II

- Monitor the performance of all plant equipment, gauges and charts in the treatment plant and pump stations
- Operated multiple wastewater treatment plants, lift stations and ground water treatment facilities
- Managed solids in wastewater plants to keep effluent at highest quality
- Conducts routine sampling and field testing of water and wastewater
- Compiles data for chemical use and keeps records on equipment and plant operations
- Performed routine maintenance, monitoring and samples on all water wells
- Responded to call outs and after hours emergencies

- **Severn Trent Services** 2/2004 – 9/2004
- Field Technician II
- Repaired minor leaks
- Completed tasks of district customers
- Operate and maintain valves, fire hydrants and collection systems.
- Repair and replace meters, gaskets and other equipment as needed
- Assist crews in making major repairs to collection systems and water systems
- On call 24 hours a day to assist with any issues

- **City Of Houston** 2/2002 – 2/2004
- Plant Operator Trainee
- Assist Senior Operators in the operation and maintenance of the surface water plant
- Monitor several facilities via SCADA
- Check pump and motors operation
- Run lab tests on the quality of water
- Check proper dosages of chemicals in water
- Clean and maintain water plant as needed
- Operated sludge dewatering facility

EDUCATION

University of Houston-Downtown, Houston TX 9/2008 –2010

Lone Star College, Cypress TX 9/2006 – 12/2008

LICENSES

Class B wastewater license
Class B groundwater license

ASSET PURCHASE AGREEMENT
between
ALBURY MANOR UTILITY COMPANY, INC.
and
SP UTILITY CO., INC.

THIS ASSET PURCHASE AGREEMENT (this “**Agreement**”) executed as of this the ____ day of April, 2023, (the “**Effective Date**”), is by and between Albury Manor Utility Company, Inc., owner of the Public Water Supply (“**PWS**”) (referred to herein as “**Seller**”), and SP UTILITY CO., INC. (referred to herein as “**Purchaser**”). The Purchaser and Seller may be referred to individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

WHEREAS, Seller operates a potable water supply system located 11219 Albury Park Ln, Tomball, TX 77375, Harris County identified with the Public Utility Commission of Texas (“**PUCT**”) under its Water Certificate of Convenience and Necessity (“**CCN**”) number 11507, Public Water Supply (“**PWS**”) number 1012052, (all together, the “**Water System**”);

WHEREAS, Purchaser desires to purchase from Seller, and Seller desires to sell to Purchaser, all of Seller’s assets that it utilizes in the Water System on the terms and conditions set forth herein; and

WHEREAS, the Parties acknowledge and agree that Seller gave notice to Purchaser of the requirements of Section 13.301(k) of the Texas Water Code before either Party executed this Agreement.

NOW, THEREFORE, in consideration of the above premises and the respective representations, warranties, agreements and conditions herein set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I
DEFINITIONS

1.1 As used in this Agreement:

- (a) “*Acquired Assets*” has the meaning set forth in Section 2.1.
- (b) “*Final Order Date*” means the date on which the PUCT Final Order becomes final and non-appealable in all respects.
- (c) “*Person*” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, any other business entity or a governmental authority.

- (d) “*Water System*” has the meaning set forth in the first recital of this Agreement.
- (e) “*TCEQ*” means the Texas Commission on Environmental Quality or its successor.
- (f) “*PUCT*” means the Public Utility Commission of Texas or its successor.
- (g) “*STM Application*” means an “Application for Sale, Transfer or Merger of a Retail Public Utility” that is required to be filed with the PUCT in connection with the sale and transfer of the Water System from Seller to Purchaser and the assignment to Purchaser of Seller’s CCN service area.
- (h) “*PUCT Final Order*” means the final order issued by the PUCT after approval of the STM Application authorizing the transfer of the Water System from Seller to the Purchaser and the assignment to Purchaser of Seller’s CCN service area.

ARTICLE II

SALE OF ASSETS AND ASSUMPTION OF LIABILITIES

2.1 Sale of Assets. At the Closing, Seller shall sell and transfer to Purchaser, and Purchaser shall accept from Seller, free and clear of all liens, encumbrances and adverse claims of any kind, except as may otherwise be expressly set forth herein, all right, title and interest in and to the assets used by or for the benefit of the Seller in connection with the operation of the Water System (collectively, the “Acquired Assets”), which assets include the following:

- (a) all of the real property set forth on **Schedule 2.1(a)** (the “Owned Real Property”);
- (b) all of Seller’s personal property, equipment and fixtures used by Seller in the operation of the Water System, including, but not limited to, that property described on **Schedule 2.1(b)**, **subject to the following**:
 - (i) Seller shall provide to Purchaser copies of all of Seller’s records regarding the operation and maintenance of the water company and Water System, including electronic records;
 - (2) Seller shall provide to Purchaser the hard copy version of all other of Seller’s records regarding the operation and maintenance of the water company and Water System, unless declined by Purchaser.
 - (3) Purchaser shall retain copies of the hard copy version of records pertaining to the Acquired Assets or Water System obtained by Purchaser from Seller prior to the Closing Date and such records shall be made available for review and copying by Seller upon reasonable request and notice until the Closing Date; and
 - (4) No other personal property located within the confines of Seller’s office shall convey, unless specifically listed on Schedule 2.1(b); and

- (5) Purchaser shall not be liable to Seller, its agents or assigns, for the unintentional loss, damage, or destruction of any records provided to Purchaser from Seller in accordance with this Section 2.1(b).
- (d) all of Seller's rights of recovery under any insurance policies or otherwise existing under law or in equity regarding damages or losses relating to the Water System, except that Seller shall first receive from such proceeds reimbursement for actual expenses incurred and paid or incurred by Seller prior to Closing, if covered under the policy, after allowing for the policy's threshold deductible;
- (e) all rights to surface water and groundwater related to, and used by, the Water System;
- (f) all historical groundwater production rights associated with the wells on the Owned Real Property, the wells used by or for the benefit of the Water System, and any production credit associated with the lands served by such wells.

2.2 Condition and Suitability. Except as stated herein, the assets to be conveyed by Seller to Purchaser in Section 2.1 shall be conveyed "*Where Is, As Is*" as of the date of Closing. Without limiting the foregoing, Seller shall make a general warranty of title to all of the Acquired Assets, and as a material part of this Agreement, the Parties agree as follows:

EXCEPT FOR ANY WARRANTY AS TO TITLE CONTAINED IN THE DEED TO BE DELIVERED BY SELLER TO PURCHASER AND THE WARRANTIES EXPRESSLY MADE IN THIS ASSET PURCHASE AGREEMENT, SELLER HEREBY DISCLAIMS AND PURCHASER HEREBY WAIVES, ANY AND ALL OTHER WARRANTIES OF ANY NATURE, EXPRESS OR IMPLIED, REGARDING THE ACQUIRED ASSETS, INCLUDING WITHOUT LIMITATION ANY AND ALL OTHER WARRANTIES RELATED TO THE CONDITION, CONSTRUCTION, FITNESS, HABITABILITY, SAFETY, PROFITABILITY AND/OR MERCHANTABILITY, OF THE PROPERTY OR THE ACQUIRED ASSETS, OR TO CUSTOM AND USAGE, OR TO COMPLIANCE OF THE ACQUIRED ASSETS WITH ANY LEGAL REQUIREMENTS APPLICABLE THERETO, AND PURCHASER SHALL ACCEPT THE ACQUIRED ASSETS SUBJECT TO ANY AND ALL DEFECTS THEREIN, WHETHER LATENT OR PATENT, "AS-IS," "WHERE-IS," AND "WITH ALL FAULTS".

PURCHASER HAS MADE, WILL MAKE, OR STATES THAT IT HAS HAD THE OPPORTUNITY TO MAKE ITS OWN INDEPENDENT INSPECTION OF ALL ASPECTS OF THE ACQUIRED ASSETS, AND SHALL HAVE NO RECOURSE WHATSOEVER AGAINST SELLER IN THE EVENT OF DISCOVERY BY PURCHASER OF ANY DEFECTS OF ANY KIND, LATENT OR PATENT, EXCEPT

The Parties agree that language substantially to this effect will be included in the deed at Closing, but that this limitation of warranty shall survive Closing and not merge with the deed or any other document.

3.2 The Closing. The Closing shall take place at the offices of Stewart Title Company of the Woodlands or such other place as may be agreed upon by the Parties no later than ninety (90) days following the latter of: (i) the earlier of (a) the 120th day after proper notice has been given to each of Seller's customers and each utility within 2 miles of Seller's CCN service area in accordance with the requirements of the Purchaser's STM Application, or (b) Purchaser has received written notice from the PUCT that a hearing on the sale will not be requested; (ii) if a hearing is requested or if proper notice is not provided, the written determination by the PUCT that the sale serves the public interest; or (iii) the satisfaction or waiver by Purchaser that the conditions of Section 7.1 have been met by Seller. However, in no event will the Closing Date be later than December 31st 2023, unless otherwise agreed to in writing by both Parties. If this transaction has not closed by December 31st, 2023, and the Parties have not otherwise extended the Closing Date, this Agreement will terminate, and in such event, the Title Company is hereby authorized and directed to unilaterally make disbursement of the Earnest Money to the Party or Parties entitled thereto, without any further joinder or approval of Seller or Purchaser, and neither Party shall have any further rights or obligations under this Agreement or otherwise, except as may be set forth herein with respect to rights or obligations which survive termination.

Management, title and control of the Water System, along with the Owned Real Property, shall transfer from Seller to Purchaser at Closing. Seller shall be responsible for the operation, repair, and upgrade of the Water System and the Owned Real Property, the payment of all expenses associated therewith, and be entitled to all revenues accrued prior to Closing. Purchaser shall be responsible for the operation, repair and upgrade of the Water System and the Owned Real Property after Closing, the payment of all expenses associated therewith, and Purchaser will be entitled to all revenues from water sales from the date of Closing forward.

ARTICLE IV SELLER'S REPRESENTATIONS

Seller represents to Purchaser as follows, such representations being deemed to be made as of the time specified. All representations made by Seller in this Agreement are made to the personal knowledge of Seller current as of the time deemed made, under no duty to further investigate after such time specified.

- 4.1 Organization of Seller. As of the Effective Date and at the time of Closing, Sellers are individuals doing business as Albury Manor Utility Company, Inc. validly existing in the State of Texas and in good standing with the Comptroller of the State of Texas with regards to the payment of all taxes, franchise or otherwise.
- 4.2 Authorization of Transaction. As of the Effective Date and on a continuous basis until the Closing, the execution, delivery and performance of this Agreement and all other transaction documents contemplated by this Agreement, to which Seller is a party, have been duly authorized by Seller.
- 4.3 Non-contravention. As of the Effective Date and at the time of Closing, the transactions contemplated by this Agreement will not (i) violate any legal requirement to which Seller is subject or any provision of its organizational documents, (ii) conflict with, or result in a breach of, any contract to which Seller is a party; or (iii) violate any ordinance, regulation, statute or law of any governmental entity or authority.
- 4.4 Third Party Consents. As of the Effective Date and at the time of Closing, except for the consents set forth in **Schedule 4.4 ("Seller's Required Consents")**, no consent, approval, waiver or authorization of any governmental authority or any other person, other than the PUCT, is necessary in connection with the execution, delivery or performance by Seller of this Agreement, the conveyance of the Water System, along with the Owned Real Property, to Purchaser, or the subsequent operation of the Water System, along with the Owned Real Property, by Purchaser.
- 4.5 Brokers' Fees. As of the Effective Date and on a continuous basis until the Closing, Seller has no obligation to pay any fees or commissions to any broker, finder, or similar agent with respect to the transactions contemplated herein for which Purchaser could become liable or obligated to pay.

4.6 Title to Assets. At Closing, Seller will have good and marketable title to all of the Acquired Assets, meaning that they are free and clear of any liens, encumbrance, third-party claim or ownership, or restriction on transfer, except for Permitted Encumbrances (as that term is defined below) and as may otherwise be set forth herein.

4.7 Tax Matters. As of the Effective Date and at the time of Closing, each of the following: There are no liens, or unpaid accounts, for taxes or assessments or unpaid taxes (other than taxes or assessments not yet due and payable), including ad valorem taxes and assessments, upon any of the Acquired Assets. Seller has withheld and paid all taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, or other third party, and all Forms W-2 and 1099 required with respect thereto have been properly completed in all respects and timely filed. No proceeding is pending against or involving Seller with respect to any of Seller's tax returns or with respect to Seller's taxes, and Seller has not waived any statute of limitations in respect of taxes or agreed to any extension of time with respect to a tax assessment or deficiency. Seller will pay, at or before Closing, for all unpaid and due property or ad valorem taxes attributable to the Acquired Assets (assessed against both the personal and real property of Seller) for years prior to the year of the Closing, and it will pay at Closing its prorated share of any property or ad valorem taxes or estimates thereof attributable to the Acquired Assets up to the date of the Closing, except that Seller will pay only for any rollback taxes due as a result of any change of use of any of the Acquired Assets by Seller prior to Closing, and Purchaser will pay for any such rollback taxes due to change of use by Purchaser.

4.8 Rights of Third Parties. As of the Closing Date, Seller has not leased or otherwise granted to any Person the right to use or occupy any of the Acquired Assets, and there are no outstanding options, rights of first offer or rights of first refusal to purchase any of the Acquired Assets and any interest therein.

4.9 Condition of Acquired Assets. Seller makes no representation or warranty (other than title) of the condition of all buildings, structures, fixtures, building systems and equipment, and all components thereof, included in the Acquired Assets. As of the Closing Date, Seller owns title to the easements or fee attributable to the real property underlying all of the Water System, and there are no third-party claims to any of that underlying real property that would affect or diminish the value of the Water System to Purchaser.

4.10 Compliance. Except as disclosed in writing to Purchaser in **Schedules 4.10, 4.13 and 4.15(f)**, as of the Effective Date this Agreement, and except as Seller may otherwise be notified by the TCEQ or PUCT up to the time of Closing, Seller is, in general compliance with all legal requirements applicable to the lawful operation of the Water System. Except as disclosed to Purchaser in an applicable schedule to this Agreement or in accordance with Section 4.15(f), and except as Seller may be otherwise notified after the Effective Date, at Closing, Seller has not received any notice of pending material violation or impending violation of any state regulations, legal requirements, or insurance requirements relating to the Acquired Assets, and there is no material basis for the issuance of any such notice or the taking of any action for such violation. In the event that Seller has received notice after the Effective Date that the Acquired Assets are not in

such compliance (including those outstanding violations disclosed in Schedule 4.15(f)), Seller shall use commercially reasonable efforts to bring the Acquired Assets into compliance prior to Closing. In the event that Seller is unable to bring the Acquired Assets into compliance prior to Closing, then Purchaser shall have the right to terminate under Section 9.1. Any and all reports or notices of non-compliance received by Seller after the Effective Date shall be provided to Purchaser within 48 hours of Seller's receipt of the same. Any administrative or penalties sought by the TCEQ, PUCT or other governmental entity at the time of closing and as disclosed in Schedules 4.10, 4.13 or 4.15(f) in a pending Order or other instrument, will remain the responsibility and be paid by Seller. If any such enforcement Order is issued by the TCEQ or PUCT or other governmental entity, the Seller will remain liable for compliance with said Order.

4.11 Access. At Closing, each parcel of real property that is a part of the Acquired Assets has direct access to a public street adjoining that property or has access to a public street via an insurable easement benefiting such parcel, and such access is not dependent on any land or other real property interest that is not included in the Acquired Assets, or such easements shall be provided at Closing. None of the improvements or any portion thereof is dependent on access, use or operation on any land, building, improvement or other real property interest that is not included in the Acquired Assets.

4.12 Prepayments and Customer Deposits. At the time of Closing, Seller shall have refunded all customer deposits, improperly collected pass-through charges, and any and all other monies owed the Water System customers by Seller, with interest accrued to the benefit of those customers if applicable. At Closing, Seller shall supply Purchaser with an affidavit executed by Seller contained in the form agreement attached hereto in **Schedule 4.12** (the "**Closing Agreement**"), which affidavit shall evidence Seller's payment of the aforementioned refunds. The affidavit provided for in Schedule 4.12 may be modified by the Parties at any time prior to the PUCT Final Order Date in order to facilitate the PUCT's acceptance of the same as evidence that all amounts mentioned in this Section 4.12 have been refunded by Seller to Seller's customer's on or prior to the Closing Date.

4.13 Litigation and Insurance Claims. Except as disclosed to Purchaser as set forth on **Schedule 4.13**, as of the Effective Date and, except as Seller may be otherwise notified after the Effective Date, and up to the time of Closing, Seller is not subject to any outstanding court or administrative order or other legal or regulatory proceedings, nor does the Seller have any knowledge of any notice or threat of it to be made a party to any legal proceeding or subject to any administrative order or investigation. In the event that Seller has received notice of such suit, order, or proceeding and Seller is unable to fully resolve such prior to Closing, then Purchaser shall have the right to terminate under Section 9.1. Any and all notices of administrative, legal, or regulatory proceeding received by Seller after the Effective Date shall be provided to Purchaser within 48 hours of Seller's receipt of the same.

As of the Effective Date, Seller has no claims outstanding against any insurer of any property, general liability, worker's compensation, automotive, or umbrella insurance policy in any way related to the Acquired Assets.

4.14 Employees. As of the Effective Date and on a continuous basis until the Closing, Seller has not made any representations to any of Seller's employees that would cause any such employee to expect that any of them would or will become an employee of SP UTILITY CO., INC.

4.15 Environmental, Health, and Safety Requirements.

- (a) As of the Effective Date and at the time of Closing and with the exception of any enforcement action identified on Schedule 4.10, 4.13, or 4.15(f), Seller is in compliance, with all governmental environmental, health and safety requirements.
- (b) A list of all permits, licenses and governmental authorizations known by Seller as of the Effective Date to be required by all governmental environmental, health and safety requirements for the occupation of Seller's facilities and Seller's operation of the Seller's Water System is set forth on **Schedule 4.15(b)**.
- (c) As of the Effective Date and at the time of Closing and with the exception of those enforcement cases identified in Schedules 4.10, 4.13 and 4.15(f), Seller has not received any written notice, report or other information from any governmental authority regarding any actual or alleged existing violation of environmental, health and safety requirements, or any liabilities, including any investigatory, remedial or corrective obligations, relating to the Water System arising under any environmental, health or safety requirement. Any and all such reports or notices received by Seller after the Effective Date shall be provided to Purchaser within 48 hours of Seller's receipt of the same.
- (d) As of the Effective Date and except as may be discovered due to any environmental studies done during the pendency of this Agreement, Seller does not have any knowledge that any of the following exists at any property or facility used by the Water System:
 - (i) underground storage tanks,
 - (ii) asbestos-containing material in any friable and damaged form or condition,
 - (iii) materials or equipment containing polychlorinated biphenyls,
 - (iv) landfills, surface impoundments, or disposal areas, or
 - (v) lead paint.
- (e) As of the Effective Date and the Closing Date and on a continuous basis until the Closing, excepting chlorine, Seller has not treated, stored, disposed of, arranged for or permitted the disposal of, transported, handled, manufactured, distributed,

or released any substance, including any hazardous substance, or owned or operated any property or facility (and no such property or facility is contaminated by any such substance) so as to give rise to any current or future liabilities, including any liability for fines, penalties, response costs, corrective action costs, personal injury, property damage, natural resources damages or attorney's fees, pursuant to any environmental, health or safety requirement. Seller has used and maintained on premises chlorine for the sole purpose of water disinfection as required by TCEQ regulations and that chlorine is a known hazardous substance.

- (f) As of the Effective Date, Seller has given to Purchaser written copies of all environmental audits, environmental reports, TCEQ inspection reports, notices of violation, environmental notices and other environmental documents and related correspondence from any governmental authority relating to Seller's Water System, current properties, facilities, or operations that are in their possession or under their reasonable control and of any environmental audits, reports, and other material environmental documents and correspondences that Seller has conducted, prepared or received in the last two (2) years. **Schedule 4.15(f)** lists each of the environmental audits, reports, inspection reports, notices of violation and other material environmental enforcement documents that have been delivered to Purchaser as of the Effective Date. Seller shall give to Purchaser a copy of any such audits, inspection reports, et al. that Seller receives after the Effective Date and prior to the Final Order Date within 48 hours of Seller's receipt of the same.
- 4.16 Customers. **Schedule 4.16** lists all of Seller's customers at the time of the Effective Date which Purchaser will rely on in its STM Application filing in connection with the transactions hereunder. This list shall be updated by Seller at Closing. As of the Effective Date no customer listed on Schedule 4.16 has given Seller written notice of its intent to protest this transaction. All prepayments and customer deposits received by Seller, described in Section 4.12, shall be returned or refunded to said customers by Seller prior to the Closing Date in accordance with Section 7.1.7.
- 4.17 Operations. Until Closing, Seller will continue to operate the Water System and to service its customers under the same manner and methods that Seller has used historically, and Seller will use its best efforts to maintain the condition and operating standards of the Water System throughout that period.
- 4.18 Access to Books and Records and Facilities. Seller shall provide Purchaser with reasonable access to the Water System and Seller's books and records related thereto at any time before Closing. Purchaser shall give Seller at least forty-eight (48) hour notice of an inspection. Purchaser shall be liable for and shall repair any damage to the Water System due to the fault of Purchaser occurring during Purchaser's inspection(s). Books and records of Seller will be available at 400 Randall Way, STE 106, Spring, TX 77388, unless Purchaser agrees to pay for copy

of same to be made and delivered to Purchaser, in which case Seller will reasonably cooperate with Purchaser to accomplish that delivery.

ARTICLE V

PURCHASER'S REPRESENTATIONS AND WARRANTIES

Purchaser represents and warrants to the Seller as follows (such representations and warranties being deemed to be made as of the date hereof and on a continuous basis until the Closing).

- 5.1 Organization of Purchaser. Purchaser is duly organized, validly existing, and in good standing under the laws of the State of Texas.
- 5.2 Operation after Closing. Purchaser shall be completely responsible for the operation and maintenance of the Water System, including compliance with all state and federal regulations, after Closing, and knowingly assumes all duties, obligations and liabilities associated therewith without any recourse to Seller, except those arising from any liability to TCEQ, PUCT, other governmental entity, or person under enforcement order or for breach by Seller of the representations made by Seller or its principal herein.
- 5.3 Service after Closing. Purchaser further covenants that it shall continue to serve the property and provide services to all property currently under Albury Manor Utility Company's service boundaries, unless a property owner consents in writing to removal. Including but not limited to an approximately 30 acres of undeveloped property (legal description to be provided). This provision shall survive Closing.

ARTICLE VI

PRE-CLOSING COVENANTS

The Parties agree as follows with respect to the period between the execution of this Agreement and the Closing:

- 6.1 Cooperation. Each of the Parties will use commercially reasonable efforts to take all actions and to do all things necessary, proper or advisable to close this transaction.
- 6.2 Consents; Regulatory Matters and Approvals. Seller will give any notices needed to accomplish the transaction, and it will execute all applications and related documents and use commercially reasonable efforts to obtain the Seller's Required Consents and, at no further cost to Seller, to assist Purchaser in obtaining the necessary PUCT approvals, PUCT Final Order and all other authorizations, consents, and approvals necessary to complete the transaction. Purchaser shall prepare and file the Parties' STM Application no later than Sixty (60) days following the Effective Date of this Agreement. Purchaser shall pay all costs associated with the preparation, filing, prosecution, and notice of the STM

application. Seller covenants and agrees to fully cooperate with, and to assist, Purchaser in submitting the STM Application and any other related filing requirements.

6.3 Preservation of Business. Seller shall carry on its business in the ordinary course of business and shall: (a) use its best efforts in the manner specified in Section 4.17 to preserve intact the Water System, the Acquired Assets, its present operations, physical facilities, working conditions, insurance policies, and business organization, and (b) keep and endeavor to preserve its relationships with customers, lessors, landlords, partners, suppliers and others having business dealings with it to the end that its goodwill and ongoing business shall not be impaired in any material respect at the Closing. Without limiting the generality of the foregoing, Seller will not: (i) intentionally and willfully engage in any practice or take any action that would cause or result in, or permit by inaction, any of the representations and warranties contained in Article IV to become untrue or misleading, (ii) intentionally and willfully engage in any practice, take any action or otherwise act in any manner that may result in a material adverse effect on Seller, Purchaser, the Acquired Assets, the Assumed Liabilities or the transactions contemplated herein, or (iii) intentionally and willfully engage in any act that would cause Seller to deplete the Acquired Assets other than in the ordinary course of business.

6.4 Transfer of Utility Accounts. Within five (5) days preceding the Closing, or such other time agreed to by the Parties, Seller and Purchaser shall conduct final meter readings of all meters related to the operation of the systems, including, without limitation, water, natural gas and electric meters. They each shall use their best efforts to have all such accounts transferred to the name of the Purchaser as of the date of Closing. Seller shall be entitled to the refund of all of Seller's outstanding deposits with its utility suppliers and other vendors.

6.5 Notice of Developments. Each Party will give prompt written notice to the other Party of any adverse development causing a breach of any of its own representations and warranties in Article IV or Article V or likely to cause a material adverse effect. No disclosure by any Party pursuant to this Section 6.5, however, shall be deemed to amend or supplement such Party's disclosure schedules or to prevent or cure any misrepresentation, breach of warranty, or breach of covenant.

6.6 Survey. Within forty-five (45) days of the Effective Date, Seller shall provide Purchaser with a survey of the Owned Real Property, at Seller's expense.

ARTICLE VII

CONDITIONS TO OBLIGATION TO CLOSE

7.1 Conditions to Purchaser's Obligation. The Purchaser's obligation to close is subject to satisfaction of all the following conditions:

- 7.1.1 In compliance with Section 13.301 of the Texas Water Code, Purchaser shall have obtained all approvals from the PUCT of the STM Application and any others necessary to close the transactions contemplated by this Agreement without the imposition of any restrictions, conditions or obligations that are deemed to be unacceptable to Purchaser in its sole discretion;
- 7.1.2 The representations set forth in Article IV shall be true and correct in all material respects as of the Closing, and there has been no material adverse change in the value of the Water System;
- 7.1.3 Seller shall have complied with all of its covenants in this Agreement in all material respects through the Closing;
- 7.1.4 Seller and Purchaser shall each be in compliance with all material regulatory requirements of all applicable governmental authorities necessary to close this transaction;
- 7.1.5 Seller shall be able to transfer good and marketable title to the Owned Real Property, meaning being free and clear of any liens, encumbrance, third-party claim or ownership, or restriction on transfer, except for Permitted Encumbrances (as that term is defined below), as may otherwise be set forth on **Schedule 2.1(b)**, and as may otherwise be set forth herein, by the execution of a special warranty deed described in Section 8.1.1, and Purchaser shall have received enforceable title commitments dated as of the Closing (from a title company reasonably acceptable to Purchaser) covering the Owned Real Property in such form and substance reasonably acceptable to Purchaser in its sole and absolute discretion;
- 7.1.6 Seller shall have good and indefeasible title to all of the Acquired Assets, being free and clear of any liens, encumbrance, third-party claim or ownership, or restriction on transfer, except as may otherwise be set forth herein. Any Acquired Assets owned by Seller, shall have been transferred to Purchaser prior to Closing.
- 7.1.7 As of its final billing to the customers of the Water System, Seller shall have refunded all customer deposits, improperly collected pass-through charges, and any and all other monies owed the Water System customers by Seller, with interest accrued to the benefit of those customers, and Seller shall have supplied Purchaser reasonable proof of such refunds in such form and substance as is reasonably necessary to prove the same to the PUCT, said form being attached hereto in Schedule 4.12, as may be amended prior to the PUCT Final Order Date; and
- 7.1.8 Seller shall have resolved, to the satisfaction of the TCEQ, PUCT and Purchaser, any and all of the Water System violations disclosed, and that are required to be disclosed, to Purchaser by Seller in accordance with Section 4.10 and Section 4.15(f) (altogether, the "Water System Violations").

7.2 Purchaser may waive any condition specified in Section 7.1, but that waiver must be in writing and signed by Purchaser, except that if Purchaser proceeds to Closing, such condition shall be deemed waived.

7.3 Conditions to Seller's Obligation. The obligation of Seller to close is subject to the following conditions:

7.3.1 The representations and warranties set forth in Article V shall be true and correct in all material respects at and as of the Closing; and

7.3.2 Purchaser shall have complied with all of its covenants in this Agreement in all material respects through the Closing.

7.4 Seller may waive any condition specified in Section 7.3, but that waiver must be in writing signed by Seller, except that if Seller proceeds to Closing, such condition shall be deemed waived.

ARTICLE VIII CLOSING DELIVERIES

8.1 Items to be delivered by the Seller. At the Closing, the Seller shall deliver to Purchaser the following:

8.1.1 Closing documents acceptable to Purchaser of all conveyances of all interests in and to the Acquired Assets currently owned by Seller (as defined later herein), which conveyances convey unencumbered title to the assets owned by Seller;

8.1.2. Access to and possession and control of the Acquired Assets;

8.1.3. Tax certificates evidencing Seller's payment of any and all past-due ad valorem taxes assessed against the Acquired Assets (personal and real property); and

8.1.4. Title commitment policy insuring title into Purchaser with no exceptions other than the Permitted Encumbrances.

8.2 Items to be delivered by Purchaser. At the Closing, Purchaser shall deliver:

8.2.1 The Closing Payment, as described in Section 3.1; and,

8.2.2 The Assignment and Assumption of Non-Realty Assets, as described above, executed by Purchaser.

ARTICLE IX TERMINATION

9.1 Termination of Agreement. The Parties may terminate this Agreement by mutual written consent at any time prior to the Closing. Purchaser may terminate this Agreement by giving written notice to the Seller: (a) if the Seller has materially breached any material representation, or covenant contained in this Agreement, including those obligations listed in Section 7.1, Purchaser has notified the Seller of the breach in writing, and the breach has continued without cure for a period of ten (10) days after Seller's receipt of the notice of breach, (b) if there has been any material adverse change in the Seller's Water System, including, without limitation, the Cash Flow, as that term is defined at the end of this subparagraph, from the Acquired Assets, Purchaser has notified the Seller of the change in writing, and the change has continued without cure for a period of ten (10) days after Seller's receipt of the notice of change, (c) if any consent or approval of any governmental authority or entity necessary to consummate the transactions contemplated by this Agreement has imposed any restrictions, conditions, or obligations that are deemed to be unacceptable to Purchaser, if Purchaser has otherwise complied with all terms of this Agreement, (d) Seller has not conveyed to Purchaser the Owned Real Property and all other Acquired Assets that are owned by Seller on or before the Closing Date. For purposes of this subparagraph "Cash Flow" means normal, long-term operating cash flow without consideration for any extraordinary expense, including emergency repairs, incurred due to an event or cause that occurred after the Effective Date and that Seller had no knowledge nor reasonable expectation would occur between the Effective Date and the Closing; or

ARTICLE X MISCELLANEOUS

10.1 Notices. Notice may be given by certified mail, return receipt requested, regular mail, personal delivery, courier delivery, facsimile transmission, electronic mail (email), or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein. Copies of each notice must be given by one of these methods to the attorney of the party to whom notice is given. Contact information is as follows:

If to Seller: Albury Manor Utility Company, Inc.
 Attn: Randal Hendricks
 400 Randal Way, STE 106
 Spring, Tx 77388
 E-mail: Bhendricks@hendricksinterests.com

If to Purchaser: Harrison Williams
 SP UTILITY CO.
 P.O. Box 690521
 Houston, Tx. 77269

- 10.2 Amendments and Waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by all of the Parties hereto. No waiver by any Party of any provision of this Agreement or any individual default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be valid unless the same shall be in writing and signed by the Party making such waiver.
- 10.3 Incorporation of Exhibits and Schedules. The Exhibits and Schedules referred to or identified in this Agreement are incorporated herein by reference and made a part hereof.
- 10.4 Entire Agreement. This Agreement (including the Schedules and Exhibits of even date herewith and the other documents referred to herein) constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements or representations by or between the Parties, written or oral, to the extent they relate in any way to the subject matter hereof.
- 10.5 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Facsimile signatures shall be given the same effect as original signatures.
- 10.6 Section Headings. The section headings are intended for the convenience of reference only, and they have no substantive meaning or effect on the agreement of the Parties.
- 10.7 Time is of the essence. In matters related to this Agreement, time is of the essence.
- 10.8 Days. The term "business day" shall mean any calendar day other than Saturday, Sunday or a day which is generally recognized as a holiday by financial institutions in the State of Texas. Any other reference to day or days shall refer to calendar days. If any date or any period provided in this Agreement ends on a day which is not a business day, then the applicable period shall be extended to 5:00 p.m. Central Standard Time on the next business day.
- 10.9 Governing Law. This Agreement shall be governed by and construed under the laws of the State of Texas. Venue of any arbitration, mediation or litigation arising under or related to this Agreement shall be in Harris County, Texas.

ARTICLE XI

Purchaser's Indemnity of Seller

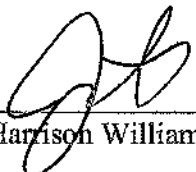
- 11.1 Purchaser's Indemnity of Seller. Purchaser agrees to indemnify, defend and hold harmless Seller and all of its respective officers, directors, employees, and agents harmless, from and against any and all losses, claims, damages, liabilities, fines, penalties, judgments ("Seller

Claims") to which those indemnified herein may become subject to after the Closing, including reasonable costs and attorney fees, insofar as such Claims, arise out of or are based on Purchaser's obligations under Section 5.2, and such indemnification obligations shall survive Closing.

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

PURCHASER:


SP UTILITY CO., INC.

By: 
Harrison Williams, President

Date: 4/12/2023

SELLER:

Albury Manor Utility Company, Inc.

By: 
Randal Hendricks, President

Date: April 11, 2023

SCHEDULE 2.1(a)
Owned Real Property (being acquired by Purchaser)

1. Any and all water utility easements, recorded or unrecorded, owned by Seller and used in the operation of the Acquired Assets.
2. All system fixtures used or useful in the operation of the Acquired Assets located on or within the aforementioned real property and easements as described on Schedule 2.1(b).
3. The land identified by exhibit "A" hereto, with legal description to be provided after Survey.

SCHEDULE 2.1(b)
Personal Property, Equipment and Fixtures

1. (2) 120 GPM Booster Pumps
2. One steel 5,000-gallon pressure tank.
3. One Galvanized 20,000-gallon Ground Storage Tank

SCHEDULE 4.4
Third Party Consents – “Seller’s Required Consents”

Public Utility Commission of Texas approval of Application for Sale, Transfer, or Merger of a Retail Public Utility.

SCHEDULE 4.10
Compliance

Seller has no information responsive to this request other than what Seller has already disclosed in Schedule 4.15(f).

SCHEDULE 4.12
Closing Agreement

**CLOSING AGREEMENT between ALBURY MANOR UTILITY COMPANY,
INC.
and
SP UTILITY CO., INC.**

THIS CLOSING AGREEMENT executed effective as of _____, 2022, is by and between Albury Manor Utility Company, Inc. ("Seller"), and SP UTILITY CO., INC., a Texas Corporation ("Purchaser"). The Purchaser and Seller are referred to individually as a "Party" and collectively as the "Parties." Capitalized terms not defined in this Closing Agreement shall have the same definitions set forth in the Asset Purchase Agreement.

RECITALS

WHEREAS, Purchaser and Seller entered into that Asset Purchase Agreement dated _____, 2022, (the "Asset Purchase Agreement"), under which Purchaser agreed to purchase from Seller, and Seller agreed to sell to Purchaser, all of Seller's water distribution system assets and associated real and personal property utilized by Seller in the operation of Seller's potable water supply system in Harris County, Texas, better known as the Albury Manor Utility Company, Inc. public water supply system, identified with the Public Utility Commission of Texas under its Certificate of Convenience and Necessity ("CCN") number 11507 and Public Water System number 1012052, (all together, the "Water System"); and

WHEREAS, all of the conditions, representations, and warranties of the Asset Purchase Agreement have been met, and the Parties wish to commemorate the Closing of the purchase and sale of the Water System.

NOW, THEREFORE, in consideration of the above premises and the respective representations, warranties, agreements and conditions herein set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. All the transactions contemplated by the Asset Purchase Agreement have been completed and funded.
2. Seller certifies, represents to Purchaser as of the date hereof, that each and every one of Seller's representations contained in Asset Purchase Agreement are and continue to be true and correct on the date hereof.
3. Seller certifies, represents to Purchaser that in accordance with Section 4.12 of the Asset Purchase Agreement, as of the date of Closing, and the effective date of this Closing Agreement, Seller has refunded all customer deposits, improperly collected passthrough

charges, and any and all other monies owed the Water System customers by Seller, including interest accrued to the benefit of those customers if applicable. Accordingly,

4. Seller hereby consents to the transfer of the Water System assets to Purchaser according to the terms of the Asset Purchase Agreement.

The Parties understand and accept that this consent will serve to authorize the Executive Director of the PUCT to take action upon receipt of Purchaser's signed consent form alone and that Seller is relying on Purchaser to provide the final consent on the transfer of the Water System and corresponding amendment to Purchaser's Certificate of Convenience and Necessity in accordance with Title 16, Chapter 24, Subchapter G, of the Texas Administrative Code.

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

PURCHASER: SP UTILITY CO., INC., a Texas Corporation

By: _____
Harrison Williams, President

SELLER: Albury Manor Utility Company, Inc.

By: _____
Randal Hendricks, President

SCHEDULE 4.13
Litigation and Insurance Claims

Seller has no information to disclose responsive to this request other than what Seller has already disclosed in Schedule 4.15(f).

SCHEDULE 4.15(b)
Permits, Licenses and Governmental Authorizations

1. PUCT Certificate of Convenience and Necessity (CCN) No. 11507.
2. TCEQ Public Water System (PWS) No.1012052.

SCHEDULE 4.15(f)

Environmental Audits, Reports, Notices, and “Other” Material Environmental Documents

Seller has no information to disclose responsive to this request

SCHEDULE 4.16
Customer List

ALBURY MANOR UTILITY COMPANY CUSTOMER LIST

5/5/2023

lot	ord	mrmrs	lname	fname	mi	lotaddr1	mailaddr1	mailaddr2	zip2	house	wkphone	hmphone	meter
00	48		AMPOA			Entrace Sprinkler	P O Box 1282	Tomball, TX	77377				A
00	46		AMPOA			OLD MINT HOUSE	P O Box 1282	Tomball, TX	77377				A
1	2		McAlister	Jack and Debbie		11211 Albury Park Lane	11211 Albury Park Lane	Tomball, TX	77375	X		703-897-4531	A
2	3	Mr. & Mrs.	DePonte	Michael and Cheryl		11207 Albury Park Lane	11207 Albury Park Lane	Tomball, TX	77375	X		858-774-9449	A
3	42		Storfer	James		11215 Olde Mint House Ln	11215 Olde Mint House Ln	Tomball, TX	77375	X	281-448-0923	281-357-0969	A
4	40	Mr. & Mrs.	Howell	Jimmie		11211 Olde Mint House Ln	11211 Olde Mint House Ln	Tomball, TX	77375	X	281-880-6206	281-255-2818	A
5	39		Hughes	Cori		11207 Olde Mint House Ln	11207 Olde Mint House Ln	Tomball, TX	77375	X			A
6	44		Bullard	Debbie		11203 Olde Mint House Ln	11203 Olde Mint House Ln	Tomball, TX	77375	X	281-469-5544	281-351-0664	A
7	36		Liberto	Kenny and Amanda		11115 Olde Mint House Ln	11115 Olde Mint House Ln	Tomball, TX	77375	X		713-870-5423	A
8	35		Kendrick	Derek		11111 Olde Mint House Ln	11111 Olde Mint House Ln	Tomball, TX	77375	X			A
9	32	Mr. & Mrs.	Johnson	Bruce & Randie		11107 Olde Mint House Ln	11107 Olde Mint House Ln	Tomball, TX	77375	X	713-542-0133		A
10	31	Mr. & Mrs.	Shotwell	Tamika		11103 Olde Mint House Ln	11103 Olde Mint House Ln	Tomball, TX	77375	X		281-516-0102	A
11	29	Ms.	Steffani	Kimery		11015 Olde Mint House Ln	11015 Olde Mint House Ln	Tomball, TX	77375	X		408-640-8275	A
12	28	Mr. & Mrs.	Sin	Si		11011 Olde Mint House Ln	11011 Olde Mint House Ln	Tomball, TX	77375	X	281-351-3413	281-290-6469	B
13	51		Papillion	Ricshalla		11007 Olde Mint House Ln	PO Box 808	Tomball, TX	77377	X		346-382-0046	B
14	47		Rum	Tom		10914 Olde Mint House Ln	10914 Olde Mint House Ln	Tomball, TX	77375	X	281-586-1100	281-351-8676	B
15	49		Kilgore	Catrese		11002 Olde Mint House Ln	11002 Olde Mint House Ln	Tomball, TX	77375	X		630-240-5500	B
16	50		Campbell	Bryan		11006 Olde Mint House Ln	11006 Olde Mint House Ln	Tomball, TX	77375	X		281-620-3038	B
17	26		Khordaji	Adam		11010 Olde Mint House Ln	11010 Olde Mint House Ln	Tomball, TX	77375	X		281-793-9854	A
18	27	Mr. & Mrs.	Haas	Kathy		11014 Olde Mint House Ln	11014 Olde Mint House Ln	Tomball, TX	77375	X	281-351-9823	281-351-8711	A
19	21	Mr. & Mrs.	Stilwell	Chris & Charlotte		20802 Hightet Place	20802 Hightet Place	Tomball, TX	77375	X		713-299-1621	A
20	30	Mr. & Mrs.	Reid	Henry		11102 Olde Mint House Ln	11102 Olde Mint House Ln	Tomball, TX	77375	X	713-895-9100	281-351-0338	A
21	33	Mr. & Mrs.	Liddell	Maurice		11106 Olde Mint House Ln	11106 Olde Mint House Ln	Tomball, TX	77375	X			A
22	34		Hargrove	Amy		11110 Olde Mint House Ln	11110 Olde Mint House Ln	Tomball, TX	77375	X	281-379-2998	281-807-5478	A
23	37	Mr. & Mrs.	Lieder	Lawrence		11114 Olde Mint House Ln	P.O. Box 1129	Crockett, TX	75835	X		281-351-9646	A
24	38		Boeker	Dianne		11202 Olde Mint House Ln	11202 Olde Mint House Ln	Tomball, TX	77375	X		713-557-2289	A
25	41	Mr. & Mrs.	Culley	Paul		11210 Olde Mint House Ln	11210 Olde Mint House Ln	Tomball, TX	77375	X	281-514-5543	281/351-5200	A
26	43	Ms.	Honeck	Jennifer	M.	11214 Olde Mint House Ln	11214 Olde Mint House Ln	Tomball, TX	77375	X	281-704-8189		A
27	45	Ms	Sampson	Deanne		11218 Olde Mint House Ln	11218 Olde Mint House Ln	Tomball, TX	77375	X	713-853-6384	281-351-4637	A
28	1	Mr. & Mrs.	Mulville	Tim & Lynda		11210 Albury Park Lane	11210 Albury Park Lane	Tomball, TX	77375	X		713-416-9574	A
29	4	Dr.	Proske	Paul		11206 Albury Park Lane	11206 Albury Park Lane	Tomball, TX	77375	X		832-264-0768	A
30	5	Mr. & Mrs.	Brooks	Kelly		11202 Albury Park Lane	11202 Albury Park Lane	Tomball, TX	77375	X	281-389-8715	281-290-9006	A
31	6	Mr. & Mrs.	Pena	Yarami		11114 Albury Park Lane	11114 Albury Park Lane	Tomball, TX	77375	X		281-290-7044	A
32	7	Mr. & Mrs.	Redfern	Rex	A.	11110 Albury Park Lane	11110 Albury Park Lane	Tomball, TX	77375	X	281-235-7898	281-351-6451	A
33	8	Mr. & Mrs.	Speed	Howard		11106 Albury Park Lane	11106 Albury Park Lane	Tomball, TX	77375	X		281-290-0503	A
34	12		Mitchell	Jeff		11018 Albury Park Lane	11018 Albury Park Lane	Tomball, TX	77375	X	713-296-3601	281-290-8141	B
36	13	Mr. & Mrs.	Kallmeyer	Charles		11010 Albury Park Lane	11010 Albury Park Lane	Tomball, TX	77375	X	713-366-5340		A
37	11	Mr. & Mrs.	Hessemer	Keith		11014 Albury Park Lane	11014 Albury Park Lane	Tomball, TX	77375	X	713-676-0600	281-357-5569	A

38	9		VonSeggern	Mark		11002 Albury Park Lane	11002 Albury Park Lane	Tomball, TX	77375	X		832-541-4965	A
39	17		Belobrajdic	Barbara		10014 Albury Park Lane	10014 Albury Park Lane	Tomball, TX	77375	X		832-928-3733	A
40	18	Mr. & Mrs.	Powell	Jeff		10010 Albury Park Lane	10010 Albury Park Lane	Tomball, TX	77375	X	832-857-1755	281-516-1099	A
41	10	Mr. & Mrs.	White	Richard		11107 Albury Park Lane	11107 Albury Park Lane	Tomball, TX	77375	X	713-939-2369	281-351-0292	A
42	14		Nokeo	Khammy		11015 Albury Park Lane	11015 Albury Park Lane	Tomball, TX	77375	X		713-896-4815	A
43	15	Mr. & Mrs.	Streeter, III	J. Kenneth		11011 Albury Park Lane	11011 Albury Park Lane	Tomball, TX	77375	X	281-350-7000	281-351-0554	A
44	16		Speed	Lonnie		11007 Albury Park Lane	11007 Albury Park Lane	Tomball, TX	77375	X		563-590-3314	A
45	20		Cervantes	Maria		20819 Highet Place	20819 Highet Place	Tomball, TX	77375	X	713-302-2100		A
46	19	Mr. & Mrs.	Petty	Robert		20823 Highet Place	20823 Highet Place	Tomball, TX	77375	X			A
47	25	Mr. & Mrs.	McBroom	Michael		20822 Highet Place	20822 Highet Place	Tomball, TX	77375	X	281-381-2208	281-290-6642	A
48	24	Mr. & Mrs.	Marquez	David & Andrea		20818 Highet Place	20818 Highet Place	Tomball, TX	77375	X	916-533-6983	916-595-0193	A
49	22		Harding	Keith		20810 Highet Place	20810 Highet Place	Tomball, TX	77375	X		281-460-8424	A

Texas Commission on Environmental Quality Investigation Report

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

Customer: Albury Manor Utility Company, Inc.
Customer Number: CN600632731

Regulated Entity Name: ALBURY MANOR UTILITY COMPANY

Regulated Entity Number: RN101437408

Investigation # 1511253

Investigator: NICHOLE NUNES

Conducted: 08/17/2018 -- 08/17/2018

Program(s): PUBLIC WATER SYSTEM/SUPPLY

Investigation Type: Compliance Investigation

Additional ID(s): 1012052

Incident Numbers

Site Classification P <=50 CONNECTION

No Industry Code Assigned

Location: 11219 ALBURY PARK LANE
KEY MAP 289T

Address: ,
, ,

Local Unit: REGION 12 - HOUSTON

Activity Type(s): PWSCCICMOD - A modified investigation (sanitary survey) of a community system to determine compliance with applicable regulations. This activity code should only be used at management direction for fulfilling the federal requirements during periods with declared disas

Principal(s):

Role

Name

RESPONDENT

ALBURY MANOR UTILITY COMPANY INC

Contact(s):

Role

Title

Name

Phone

REGULATED
ENTITY MAIL
CONTACT

PRESIDENT

MR RANDALL
HENDRICKS

Work (281) 350-7000

REGULATED
ENTITY
CONTACT

ADMINISTRATIVE &
ENVIRONMENTAL
SPECIALIST

MS MARCIA
STOPPELBERG

Fax (281) 353-6105
Work (281) 353-9809

NOTIFIED

OPERATIONS
SUPERVISOR

MS JAQUETTA BAKER

Cell (281) 415-7308
Work (281) 353-9809

REGULATED
ENTITY
CONTACT

OPERATIONS
SUPERVISOR

MS JAQUETTA BAKER

Cell (281) 415-7308
Work (281) 353-9809

PARTICIPATED
IN

OPERATOR

MR RONALD
STRIPLING

Fax (281) 353-6105
Work (281) 353-9809
Cell (281) 961-0177

ALBURY MANOR UTILITY COMPANY -

8/17/2018 Inv. # - 1511253

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Other Staff Member(s):

Role	Name
Investigator	DESTINY GEPPERT
Supervisor	CHRISTINA BERNAL
QA Reviewer	DESTINY GEPPERT
Supervisor	LATRICHIA SPIKES
Investigator	KELLEY KARTYE

Associated Check List

<u>Checklist Name</u>	<u>Unit Name</u>
PWS GENERIC VIOLATIONS	Violations
PWS INVESTIGATION - EQUIPMENT	Equipment
MONITORING AND SAMPLING revised 06/2013	
PWS MODIFIED CCI	Mod CCI

Investigation Comments:

INTRODUCTION

A Modified Comprehensive Compliance Investigation (Mod CCI) was conducted at Albury Manor Utility Company, Public Water Supply (PWS) ID 1012052, on August 17, 2018, by Texas Commission on Environmental Quality (TCEQ) Environmental Investigators (EIs) Nichole Batista Nunes, Destiny Geppert, and Kelley Kartye to determine compliance with applicable PWS regulations. The Mod CCI was coordinated with Ms. Jaquetta "JQ" Baker, Operations Supervisor with Hays Utility South, on August 13, 2018 via email.

The investigation was conducted with Mr. Ronald Stripling, Operator with Hays Utility South.

The exit interview was conducted on August 22, 2018 and the TCEQ Exit Interview Form was emailed to Ms. Baker on August 22, 2018 (Attachment No. 1).

The investigation included portions of the source water, treatment, distribution system, finished water storage, pumps, monitoring and reporting, management and operations, and operator compliance.

A Notice of Violation letter was mailed to the water system. A detailed description of the violations listed in the exit interview forms are addressed in the Alleged Violation section of the Summary of Investigation Findings.

GENERAL FACILITY AND PROCESS INFORMATION

Albury Manor Utility Company is a community PWS. At the plant, the regulated entity receives purchase water from Harris County Municipal Utility District (MUD) 401, Source ID No. P1012052A. This system serves 47 total connections, with an estimated population of 141 (population data provided by the operator). The water plant serves Albury Manor Subdivision. The facility is not required to have an emergency power source. For a detailed description of the water plant, see the Water System Schematic and Drinking Water Watch Summary Sheet (Attachment Nos. 2 and 3).

As of the site visit on August 17, 2018, the system meets the minimum capacity requirements for systems with less than 50 connections with ground storage. The regulated entity has a purchase interconnect (I/C) with Harris County MUD 401, PWS ID No. 1013289, Source ID No. P1012052A. For more detailed information see the water system capacity calculations spreadsheet (Attachment No. 4).

The water system employs the following operator:

Mr. Ronald Stripling has a B – ground water license, license number WG0015659, which expires on September 4, 2021.

The operator has the appropriate level of certification for the system.

Emergency Preparedness Plan (EPP):

Albury Manor Utility Company has implemented their approved EPP of having chosen option 2 of having a contract agreement with another affected utility. Albury Manor Utility Company is sharing auxiliary generator

ALBURY MANOR UTILITY COMPANY -

8/17/2018 Inv. # - 1511253

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capacity with Harris County MUD 401. In addition, if necessary the interconnect with Harris County MUD 401 can bypass the plant and go directly into distribution.

Field Monitoring Activities:

At the time of the field investigation, the disinfectant residual concentration and distribution pressure were monitored at the intersection of Albury Park Lane and Olde Mint House Lane at a flush valve. The location had a 1.87 milligrams per Liter (mg/L) free chlorine residual concentration and a pressure of 40 pounds per square inch (psi). A free chlorine residual was collected at the entry point and results indicated a 2.0 mg/L concentration. The pressure and chlorine readings were compliant.

BACKGROUND

The previous comprehensive compliance investigation (CCI) was conducted on April 2, 2015 through April 16, 2015. See Investigation No. 1240766 for more information.

Albury Manor Utility Company has had three complaints within the five years preceding this investigation for odor, a water outage, and low pressure. The allegation regarding the low water pressure was confirmed and a violation was issued and subsequently resolved.

ADDITIONAL INFORMATION

At the time of the investigation, an excess amount of tree limbs was observed covering the ground storage tank (Attachment No. 5).

On August 28, 2018, Ms. Marcia Stoppelberg, Administrative and Environmental Specialist for Hays Utility, submitted documentation showing that the tree limbs had been removed (Attachment No. 6).

After reviewing records, corresponding with the regulated entity and a member of the Water Supply Division Plan Review Team in Austin, Mr. Alan Wong, it was determined that Albury Manor Utility Company did not have approval for the installation of new booster pumps, piping at the water plant or control panel installation at the plant. In addition, the Albury Manor Utility Company had discontinued the use of the well and water treatment that was previously approved in 1984 (Attachment Nos. 6 and 7). An exit interview form was emailed to Ms. Stoppelberg on November 1, 2018 with the new violation and a records request for the plugged report for Well 1, Source ID No. G1012052A (Attachment No. 8). The State of Texas plugging report was received November 6, 2018 (Attachment No. 6).

Following a conference call with Ms. Carmen Portillo, TCEQ Drinking Water Inventory and Protection Team, and Mr. Craig Stowell, TCEQ Water Supply Division Plan Review Team, on November 6, 2018, an email was sent on November 7 and 8, 2018 indicating that no documentation was required by the PWS to address the changes in the system (Attachment No. 9).

At this time, there is no additional information regarding this compliance investigation.

NOV Date 11/09/2018 **Method** AREA OF CONCERN

AREA OF CONCERN

Track Number: 695629

Resolution Status Date: 11/6/2018

Violation Start Date: Unknown

Violation End Date: 8/28/2018

30 TAC Chapter 290.46(m)

Alleged Violation:

Investigation: 1511253

Comment Date: 10/17/2018

Failure to maintain the good working condition and general appearance of the system's facilities and equipment. The grounds and facilities shall be maintained in a manner so as to minimize the possibility of the harboring of rodents, insects, and other disease vectors, and in such a way as to prevent other conditions that might cause the

ALBURY MANOR UTILITY COMPANY -

8/17/2018 Inv. # - 1511253

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contamination of the water.

Specifically, at the time of the investigation, branches were observed covering the top of the ground storage tank.

Recommended Corrective Action: Submit compliance documentation demonstrating corrective measures have been taken to resolve the alleged violation.

Resolution: On August 28, 2018, the TCEQ Houston Region Office received, via email, a photo showing that the tree limbs had been removed and cut back from the ground storage tank.

Signed

Bear
Environmental Investigator

Date

11/9/18

Signed

Christina E. Bernal
Supervisor

Date

11-09-2018

Attachments: (in order of final report submittal)

 Enforcement Action Request (EAR)

✓ Letter to Facility (specify type) : NCN - AGC

 Investigation Report

 Sample Analysis Results

 Manifests

 Notice of Registration

✓ Maps, Plans, Sketches

✓ Photographs

✓ Correspondence from the facility

✓ Other (specify) :

Exit interview

Correspondence with TCEQ
in Austin

Summary of Investigation Findings

ALBURY MANOR UTILITY COMPANY	Investigation # 1511253
, HARRIS COUNTY,	Investigation Date: 08/17/2018
Additional ID(s): 1012052	

AREA OF CONCERN

Track No: 695629

30 TAC Chapter 290.46(m)

Alleged Violation:

Investigation: 1511253

Comment Date: 10/17/2018

Failure to maintain the good working condition and general appearance of the system's facilities and equipment. The grounds and facilities shall be maintained in a manner so as to minimize the possibility of the harboring of rodents, insects, and other disease vectors, and in such a way as to prevent other conditions that might cause the contamination of the water.

Specifically, at the time of the investigation, branches were observed covering the top of the ground storage tank.

Recommended Corrective Action: Submit compliance documentation demonstrating corrective measures have been taken to resolve the alleged violation.

Resolution: On August 28, 2018, the TCEQ Houston Region Office received, via email, a photo showing that the tree limbs had been removed and cut back from the ground storage tank.

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

November 9, 2018

CERTIFIED MAIL # 91 7199 9991 7038 7353 4251
ELECTRONIC RECEIPT REQUESTED

Mr. Randal Hendricks
President
Albury Manor Utility Company, Incorporated
400 Randal Way, Suite 106
Spring, Texas 77388-8908

Re: Notice of Violation for the Modified Comprehensive Compliance at:
Albury Manor Utility Company, 11219 Albury Park Lane, Spring, Harris, Texas
Regulated Entity No.: 101437408, TCEQ ID No.: 1012052, Investigation No.: 1511253

Dear Mr. Hendricks:

On August 17, 2018, Ms. Nichole Batista Nunes, Ms. Destiny Geppert, and Ms. Kelley Kartye of the Texas Commission on Environmental Quality (TCEQ) Houston Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for Public Water Supply. Enclosed is a summary which lists the investigation findings. During the investigation, a concern was noted which was an alleged noncompliance that has been resolved as an Area of Concern based on subsequent corrective action. Based on the information you have provided, the TCEQ has adequate documentation to resolve the alleged violation. Therefore, no further action is required. Please be advised that a violation could be issued upon further review of your system's records or self-reported documentation.

The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions regarding these matters, please feel free to contact Ms. Batista Nunes in the Houston Region Office at (713) 767-3638.

Sincerely,

A handwritten signature in cursive script that reads "Latrichia Spikes".

Latrichia Spikes
Team Leader
Public Water Supply
Houston Region Office

Mr. Randal Hendricks, President

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November 9, 2018

Texas Commission on Environmental Quality

LS/NBN/tj

cc: Harris County Public Health and Environmental Services
101 South Richey Street, Suite G
Pasadena, Texas 77506-1023

Ms. Marcia Stoppelberg, Administrative & Environmental Specialist
Commercial Project Coordinator for Hays Utility South
Post Office Box 1209, Spring, Texas 77383-1209

Enclosure: Summary of Investigation Findings

Albury Manor Utility Company
RN #: 101437408, PWS ID #: 1012052
Investigation No.: 1511253
Investigation Type: Modified CCI

LIST OF ATTACHMENTS

1. Exit Interview from August 22, 2018
2. Water System Schematic
3. Drinking Water Watch
4. Capacity Calculations Spreadsheet
5. Photographs taken by investigator
6. Facility Correspondence from August 9 - November 6, 2018
7. Correspondence with TCEQ in Austin
8. Exit Interview from November 1, 2018
9. Correspondence with TCEQ Plan Review and Inventory November 7-8, 2018

Attachment 1

From: Nichole Batista Nunes
Sent: Wednesday, August 22, 2018 10:04 AM
To: JQ Baker
Subject: RE: Friday 08/17/2018
Attachments: exit interview.pdf

Good Morning Ms. Baker,

Attached is the exit interview from the inspection this past Friday, August 17, 2018, at Albury Manor. There is one record request and one other.

Mr. Stripling did not have a copy of the most recent and up to date copy of the distribution map for this system. Please send this to me via email, so that I may review it.

After climbing the ground storage tank, it was noted that there was an excess amount of tree limbs above the tank. Please have these cut back.

If you have any questions, feel free to email or call at (713)767-3638 any time during my office hours.

Thank you,

Nichole Batista Nunes

TCEQ - Region 12
5425 Polk Street
Houston, TX 77023, Ste H
PH:713-767-3638
Nichole.nunes@tceq.texas.gov

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

Regulated Entity/Site Name	Albury Manor Utility Company			TCEQ Add. ID No. RN No (optional)	1012052
Investigation Type	CCI	Contact Made In-House (Y/N)	Y	Purpose of Investigation	Compliance
Regulated Entity Contact	JQ Baker			Telephone No.	
				Email address	
				Date Contacted	08/17/2018
				Email date	08/22/2018

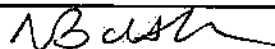
NOTICE: The information provided in this form is intended to provide clarity to issues that have arisen during the investigation process between the TCEQ and the regulated entity named above and *does not represent final TCEQ findings related to violations*. Any potential or alleged violations discovered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

Issue		For Records Request, identify the necessary records, the company contact and date due to the agency. For Alleged and Potential Violation issues, include the rule in question with the clearly described potential problem. Other type of issues: fully describe.	
No.	Type ¹	Rule Citation (if known)	Description of Issue
1	RR	290.46(n)	Up to date distribution map
1	O		Tree limbs above the ground storage tank need to be cut back.

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

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

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

Nichole Batista Nunes 	08/22/2018		
Investigator Name (Signed & Printed)	Date	Regulated Entity Representative Name (Signed & Printed)	Date

If you have questions about any information on this form, please contact your local TCEQ Regional Office.

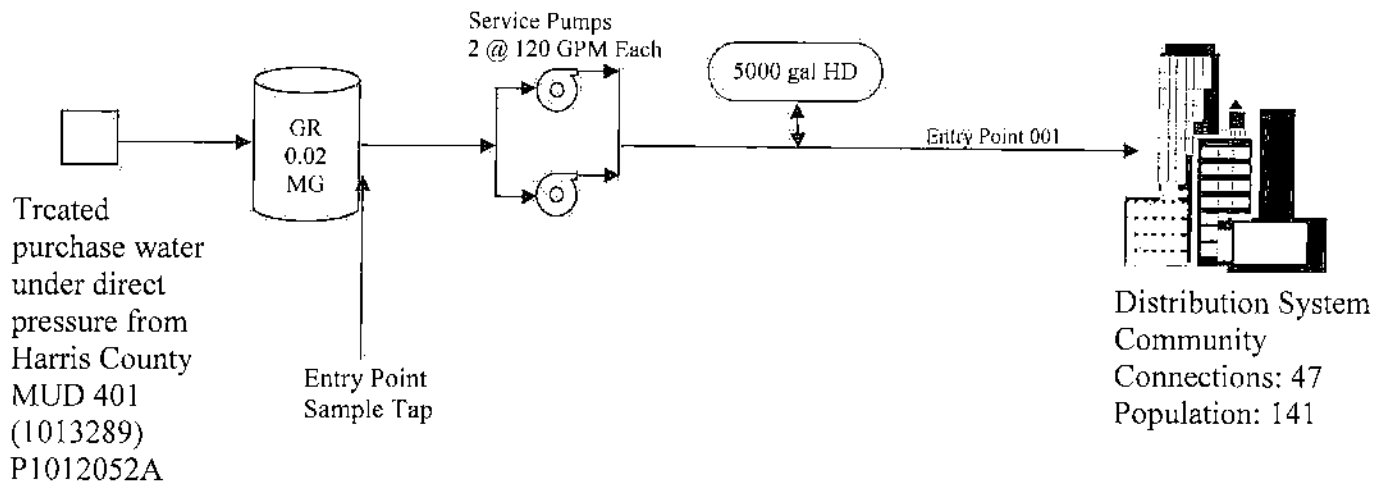
Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, call 512/239-3282.

Attachment 2

PWS - SYSTEM FLOW DIAGRAM

Name of System:	Albury Manor Utility Company	Additional ID:	1012052
Investigation #:	1511253	Investigation Date:	08/17/2018
Description of Sources, Treatment, Entry Points and Distribution Labeling: owner's source names and TCEQ wtrsrc code designation, types of treatment and chemicals, entry points to distribution, entry point sample taps, booster disinfection, distribution connections and layout (if possible).			

11219 Albury Park Lane
Harris County



Attachment 3

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

08/16/2018

Texas Commission on Environmental Quality

01:08:17

DWW Water System Summary Sheet

PWS ID	PWS Name	Central Registry RN
TX1012052	ALBURY MANOR UTILITY COMPANY	RN101437408

Organization/Customer *	Central Registry CN
ALBURY MANOR UTILITY COMPANY INC	CN600632731

*Regulatory mail will be addressed to this organization/person

All Water System Contacts			
Type	Contact	Communication	
AC - Administrative Contact - PRESIDENT	HENDRICKS, RANDAL, A 400 RANDAL WAY STE 106 SPRING, TX 77388-8908	Phone Type	Value
		BUS - Business	281-350-7000
EC - Emergency Contact - OPERATIONS MANAGER	BAKER, JAQUETTA, Q PO BOX 1209 SPRING, TX 77383-1209	Electronic Type	Value
		Phone Type	Value
		BUS - Business	281-353-9809
ECS - Emergency Contact - Secondary - OPERATOR	WILHITE, HOWARD, S PO BOX 1209 SPRING, TX 77383-1209	MOB - Mobile	281-415-7308
		Electronic Type	Value
		Phone Type	Value
		BUS - Business	281-353-9809
LCC - Lead and Copper Program Contact - ENGINEER	KING, GARY, B 400 RANDAL WAY STE 106 SPRING, TX 77388-8908	MOB - Mobile	281-808-6912
		FAX - Facsimile	281-353-6105
		Phone Type	Value
OW - Owner	ALBURY MANOR UTILITY COMPANY INC 400 RANDAL WAY STE 106 SPRING, TX 77388-8908	BUS - Business	281-350-7000
		MOB - Mobile	281-728-0624
PWS - Public Water System Contact - OPERATOR	Baker, Jaquetta "JQ" WILHITE, HOWARD, S PO BOX 1209 SPRING, TX 77383-1209	Electronic Type	Value
		Phone Type	Value
		BUS - Business	281-353-9809
		MOB - Mobile	281-808-6912
		FAX - Facsimile	281-353-6105

281-415-7308

Operator Grade	Number
WATER OPERATOR Grade A	1
GROUND WATER TREATMENT OPERATOR Grade B	1

Water Operator Licenses		
License Holder:	COLLINS, ERNEST G JR	
CURRENT	Class: A - WATER OPERATOR	WO0013748
License Holder:	HENDERSON, RUSSELL W	
CURRENT	Class: B - GROUND WATER TREATMENT OPERATOR	WG0002716
License Holder:	HAYS UTILITY SOUTH CORPORATION	
EXPIRED	Class: NONE - WATER OPERATIONS COMPANY	WC0000037

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

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

Population Type	Population Served	# of Connect	# I/C w/other PWS
Residential	150	50	0
	141	47	1

Total Product (MGD)	Average Daily Consump.	Max Daily Demand (MGD)	Total Storage (MG)	Elev. Storage (MG)	Service Pump Cap.	Max. Purchase Cap. (MGD/GPM)	Pressure Tank Cap. (MG)
			0.02 mg		2 @ 120 gpm		0.05 mg

Activity Status	Inactivation Date
A - ACTIVE	

Last Survey Date	Surveyor	Survey Type	Region	County
04/16/2015	RENEA, M ALLEN	Sanitary Survey	HOUSTON	HARRIS
04/16/2015	LATRICHIA SPIKES	Sanitary Survey	HOUSTON	HARRIS
05/14/2012	MELODY, E KIRKSEY	Sanitary Survey	HOUSTON	HARRIS

0817118 Batista Nunes, Nichole Sanitary Survey Houston Harris

(Treatment Plant)
No Active Treatment Plant

11219 Albury Park Lane
Spring, TX 77375

(Entry Point)							
Distribution Point	Sample Point Name/Source Summation (Activity Status)	Entry Point Name (Activity Status)	Entry Point Num	Chemical Mon Type	Chem Sample Point	Distribution Mon Type	Dist Sample Point
DS01	TRT-TAP / Purchased Ground Water (A)	10010 ALBURY PARK LN, TOMBALL (A)	EP002		NO		NO

(Active Sources)

Purchase source ID
P1012052A

(Entry Point)							
Distribution Point	Sample Point Name/Source Summation (Activity Status)	Entry Point Name (Activity Status)	Entry Point Num	Chemical Mon Type	Chem Sample Point	Distribution Mon Type	Dist Sample Point
DS01	EWQP / Purchased Ground Water (A)	10010 ALBURY PARK LN; TOMBALL (A)	PBCU002		NO		NO

(Active Sources)

(Entry Point)							
Distribution Point	Sample Point Name/Source Summation (Activity Status)	Entry Point Name (Activity Status)	Entry Point Num	Chemical Mon Type	Chem Sample Point	Distribution Mon Type	Dist Sample Point
DS01	ELCR / Purchased Ground Water (A)	10010 ALBURY PARK LN; TOMBALL (A)	PBCU002		NO		NO

(Active Sources)

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

- End of Report -

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

Attachment 4

Capacity Calculations Worksheet

Community Systems (Groundwater)

Fill in green cells only

System Name: ALBURY MANOR UTILITY COMPANY

PWS ID: 1012052

Inv. No.: 1511253

Community (Y/N) MHP (≥ 8 units/ac) or Apts? (Y/N) CCN? (Y/N) Number of Connections Population Maximum Daily Demand (MDD): MGDAverage Daily Demand (ADD): MDD Date (mm/dd/yyyy): ADD Dates (mm/dd/yyyy): to

	Rate	Units	Conn.	Required	Units	Provided	85% Rule	% Short	Sufficient?(Y/N)
Prod. Capacity:	0.6	gpm/conn	47	28.2	gpm	42.88	N/A	N/A	Y
Production ACR:		gpm/conn							
Pressure Storage (HD):	20	gal/conn	47	0.00094	MG	0.005	N/A	N/A	Y
HD ACR:		gal/conn							
Elevated Storage (EL):	0	gal/conn	47	0	MG		N/A	N/A	N/A
EL ACR:	0	gal/conn							
Ground Storage (GR):						0.02			
Total Storage*:	200	gal/conn	47	0.0094	MG	0.02	N/A	N/A	Y
Tot. Storage ACR:		gal/conn							
	*Total Storage = GR + EL + ST								
SP Capacity:	2	gpm/conn	47	94	gpm	240	N/A	N/A	Y
SP ACR:		gpm/conn							
SP Capacity:	(w/largest pump out of service)				gpm				
SP Peaking Factor:	N/A	-	47	0	gph	0	N/A		N/A

Bacti Samples:

Wholesale Contract? (Y/N) Maximum Purchase Rate? MGD

	Required	Submitted
Distribution	<input type="text" value="1"/>	<input type="text" value="1"/>
Raw	<input type="text" value="0"/>	<input type="text" value="0"/>

Capacity Calculations Worksheet

System Name: ALBURY MANOR UTILITY COMPANY

PWS ID: 1012052

Inv. No.: 1511253

Additional Comments:

ALBURY MANOR UTILITY COMPANY is contracted to received 61,750 gallons per day. That equates to 2,572.92 gallons per hour which is equal to 42.88 gallons per minutes.

Attachment 5

Investigation Photos

Albury Manor Utility Company
11219 Albury Park Lane
Tomball (Harris County), Texas
Regulated Entity No: 101437408
TCEQ PWS ID No: 1012052
Investigation Date: August 17, 2018



PHOTO #1

Photograph taken by Investigator Batista Nunes on August 17, 2018 of the tree limbs above the ground storage tank at Albury Manor Utility Company.

ATTACHMENT 6

From: Marcia - Hays Utility South
Sent: Tuesday, August 28, 2018 3:16 PM
To: Nichole Batista Nunes
Cc: Robb Clark; JQ Baker
Subject: ALBURY MANOR UTIL. CO. PWS ID: 1012052 TCEQ Inspection 08-17-18
Attachments: IMG951890.jpg; IMG951891.jpg; IMG951893.jpg; IMG951894.jpg; Albury Manor TCEQ Exit Interview Form Inspection 08-17-18 (8-22-18).pdf; Albury Manor - Distribution Map -Overall Layout.pdf; Albury Manor TCEQ Exit Interview Form Inspection 08-17-18 (8-22-18).pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Nichole,

In regards to the Exit Interview Form, I have attached pictures showing the tree limbs have been trimmed above the ground storage tank.

I have also attached the up to date Distribution Map for Albury Manor.

This should complete all compliance and record requests for the Albury Manor Util. Co. TCEQ WP Inspection.

Thank you.

Sincerely,
Marcia Stoppelberg

**Administrative & Environmental Specialist
Commercial Project Coordinator**



Investigation Photos

Albury Manor Utility Company
11219 Albury Park Lane
Tomball (Harris County), Texas
Regulated Entity No: 101437408
TCEQ PWS ID No: 1012052
Investigation Date: 08/17/2018

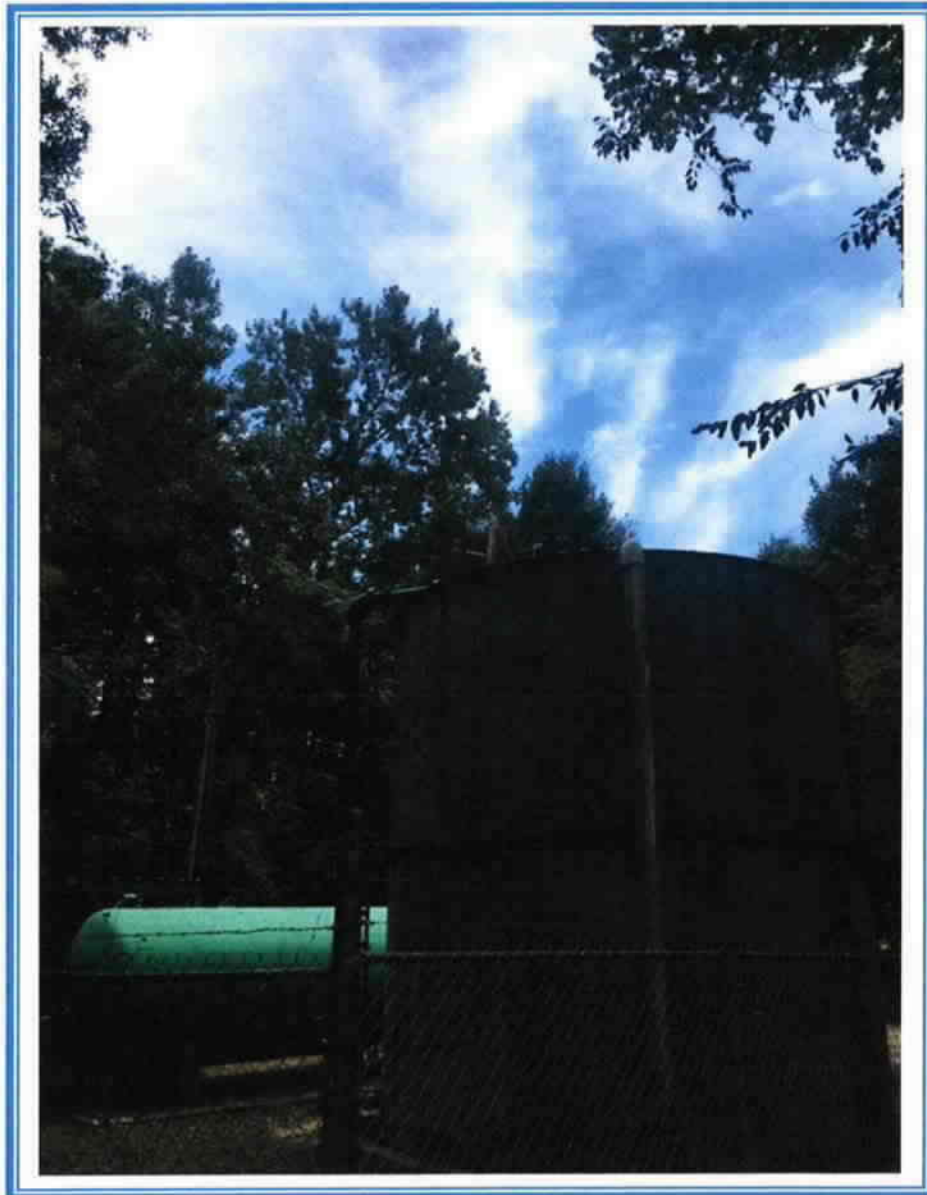


PHOTO #1

Photo showing that the limbs about the ground storage tank have been removed. This photo was received August 28, 2018 via email from Marcia Stoppelbery, Administrative & Environmental Specialist Commercial Project Coordinator with Hays Utility South Corporation.

From: Marcia - Hays Utility South
To: Nichole Batista Nunes
Cc: JQ Baker; Robb Clark
Subject: FW: AMUC start up approval letter
Date: Thursday, November 1, 2018 11:53:32 AM
Attachments: TCEQ Submittal Letter.pdf

Nichole,

Please see email below and I have also included the attachment with the submittal letter that was sent to Ms. Poe. October 20, 2016.

Thank you.

Sincerely,
Marcia Stoppelberg

**Administrative & Environmental Specialist
Commercial Project Coordinator**



**2200 Sciaaca Road
Spring, Texas 77373**

**[REDACTED]
F.281-353-6105**

From: Steven Perez [REDACTED] >
Sent: Thursday, November 01, 2018 11:21 AM
To: Marcia - Hays Utility South <[REDACTED]>; Robb Clark <[REDACTED]>;
'Ken Streeter' <[REDACTED]>
Cc: JQ Baker [REDACTED] >
Subject: RE: AMUC start up approval letter

Good Morning Marcia,

The plant was not operational when we starting doing our repairs. When the original problem with the water plant arose, we were required to get approval of the water interconnect with HCMUD 401 through TCEQ. This option was chosen in lieu of rehabbing the well inside the plant to provide service to Albury Manor. I'm assuming this means TCEQ was well aware that we were no longer using the plant to provide service but I don't know that we have documentation of that.

We were keeping Melody Kirksey (who was in charge of the violation) updated throughout the construction process of the waterline. Julia Thorp was involved with granting an extension for construction. I have attached the submittal letter that was sent to Ms. Poe which discusses revitalizing the water plant. This is what was used to get approval of our waterline improvements that we just did with TCEQ.

Let me know if you have further questions.

Thanks,
Steven

From: Marcia - Hays Utility South <[REDACTED]>
Sent: Thursday, November 01, 2018 10:59 AM
To: Steven Perez <[REDACTED]>; Robb Clark <[REDACTED]>; 'Ken Streeter' <[REDACTED]>
Cc: JQ Baker <[REDACTED]>
Subject: RE: AMUC start up approval letter

Steven,

Response from Inspector Nichole Nunes with TCEQ;
I sent an email to Ms. Poe. I am hoping she will clear this up for us. Do you know if you ever informed the TCEQ in Austin that you would be taking the plant down the first time? If you only informed us and not them, maybe it will be fine. I will call her today to follow up with my email sent yesterday. Thank you for the additional approval letter.

I will keep you informed.

Thank you,

Sincerely,
Marcia Stoppelberg

**Administrative & Environmental Specialist
Commercial Project Coordinator**



**2200 Sciaaca Road
Spring, Texas 77373**

F.281-353-6105

From: Marcia - Hays Utility South
Sent: Thursday, November 01, 2018 10:31 AM
To: Steven Perez <[REDACTED]>; Robb Clark <[REDACTED]>; Ken Streeter <[REDACTED]>
Cc: JQ Baker <[REDACTED]>
Subject: RE: AMUC start up approval letter

Steven,

I believe she is wanting the approval to put the plant back online. Something more current. However I will send this to her and see what her reply is.

Am I correct in that there is not an Approval letter to put back online, all we have is the Approval to Construct, no Approval to Use. If this is the case we will probably need to obtain that Approval letter. If they put us in violation we will have 90 days. I am being told we cannot obtain that Approval in 90 days and therefore will be under enforcement. Do what you can. This is going to be an issue with all facilities going forward.

Thank you.

Sincerely,
Marcia Stoppelberg

**Administrative & Environmental Specialist
Commercial Project Coordinator**



**2200 Sciaaca Road
Spring, Texas 77373
[REDACTED]
F.281-353-6105**

From: Steven Perez <[REDACTED]>
Sent: Thursday, November 01, 2018 10:10 AM
To: Robb Clark <[REDACTED]>; Ken Streeter <[REDACTED]>
Cc: Marcia - Hays Utility South <[REDACTED]>; JQ Baker <[REDACTED]>
Subject: RE: AMUC start up approval letter

Good Morning Robb,
Attached is the approval letter from TCEQ that I have for the original water plant. Does this cover what you need?
Thanks,
Steven

From: Robb Clark <[REDACTED]>
Sent: Wednesday, October 31, 2018 9:06 AM
To: Ken Streeter <[REDACTED]>
Cc: Steven Perez <[REDACTED]>; Marcia - Hays Utility South <[REDACTED]>; JQ Baker <[REDACTED]>
Subject: AMUC start up approval letter

Ken,

Please see email string below, TCEQ inspector is asking for a start up approval letter that would have gone to the engineer or owner of the system. Would you have a copy available in your files you could send over?

Thank you,

Robb

From: JQ Baker

Sent: Wednesday, October 31, 2018 8:41 AM

To: Nichole Batista Nunes <Nichole.Nunes@Tceq.Texas.Gov>

Cc: Robb Clark <[REDACTED]>; Marcia - Hays Utility South <[REDACTED]>

Subject: Re: Friday 08/17/2018

Yes the plant can be bypassed. We could just feed district directly from 401.

Second question, both HPT and GST are the existing tanks. The booster pumps, piping and control panels are all new.

On the date for start up and approval letter I'll get back to you. I'm currently out in field.

*Jaquetta "JQ" Baker
Operations Manager*

Hays Utility South
[REDACTED]
[REDACTED]

----- Original message -----

From: Nichole Batista Nunes <Nichole.Nunes@Tceq.Texas.Gov>

Date: 10/31/18 08:35 (GMT-06:00)

To: JQ Baker <[REDACTED]>

Cc: Robb Clark <[REDACTED]>, Marcia - Hays Utility South <[REDACTED]>

Subject: RE: Friday 08/17/2018

Albury. The operator stated that the plant was reinstalled due to pressure issues. If the plant was no longer there (hypothetically speaking of course) would that affect your customers receiving water? Can the Albury plant be bypassed if necessary?

In addition to that question, in 2009, the Houston region was told the plant you originally had would be torn down and the well plugged. The equipment that is currently present (GST, pressure, etc), is that all new equipment or the same as previously used? When was the physical plant brought back online, and do you have the approval letter from TCEQ?

Nichole Batista Nunes

TCEQ – Region 12
5425 Polk Street
Houston, TX 77023, Ste H
PH:713-767-3638
Nichole.nunes@tceq.texas.gov

From: JQ Baker <[REDACTED]>
Sent: Wednesday, October 31, 2018 8:28 AM
To: Nichole Batista Nunes <Nichole.Nunes@tceq.texas.gov>
Cc: Robb Clark <[REDACTED]>; Marcia - Hays Utility South <[REDACTED]>
Subject: Re: Friday 08/17/2018

Are you asking if 401 or Albury has a bypass to district directly?

Jaquetta "JQ" Baker
Operations Manager

Hays Utility South
[REDACTED]
[REDACTED]

----- Original message -----

From: Nichole Batista Nunes <Nichole.Nunes@Tceq.Texas.Gov>
Date: 10/30/18 09:14 (GMT-06:00)
To: JQ Baker <[REDACTED]>
Cc: Robb Clark <[REDACTED]>
Subject: RE: Friday 08/17/2018

Were you able to find the answers? Or do you know who I should potentially speak with?

From: Nichole Batista Nunes
Sent: Thursday, October 25, 2018 7:29 AM
To: 'JQ Baker' <[REDACTED]>
Cc: 'Robb Clark' <[REDACTED]>

Subject: RE: Friday 08/17/2018

In addition to those questions, I have one other. Since your approved EPP requires that Harris CO MUD 401 provide you sufficient water in case of emergency as well as normal conditions, with the addition of the plant, if something were to happen, is the facility capable of bypassing the plant and going directly into distribution?

From: Nichole Batista Nunes

Sent: Wednesday, October 24, 2018 4:00 PM

To: JQ Baker [REDACTED] >

Cc: Robb Clark [REDACTED] >

Subject: RE: Friday 08/17/2018

Good Afternoon Ms. Baker,

I have a few additional questions in regard to Albury Manor. In 2009, the Houston region was told the plant you originally had would be thrown down and the well plugged. The equipment that is currently out there, is that all new of the same as previously used? When was it brought back online, and do you have the approval letter from TCEQ?

Thank you,

Nichole Batista Nunes

TCEQ - Region 12

5425 Polk Street

Houston, TX 77023, Ste H

PH:713-767-3638

Nichole.nunes@tceq.texas.gov

From: Robb Clark <[REDACTED]>

Sent: Tuesday, October 23, 2018 10:20 AM

To: JQ Baker [REDACTED] >

Cc: Nichole Batista Nunes <Nichole.Nunes@tceq.texas.gov>; Marcia - Hays Utility South <[REDACTED]>

Subject: RE: Friday 08/17/2018

JQ,

Randall Hendricks would be the President.

Robb

From: JQ Baker

Sent: Tuesday, October 23, 2018 9:04 AM

To: Robb Clark <[REDACTED]>; Marcia - Hays Utility South <[REDACTED]>
Subject: FW: Friday 08/17/2018

From: Nichole Batista Nunes <Nichole.Nunes@Tceq.Texas.Gov>
Sent: Monday, October 22, 2018 7:24 AM
To: JQ Baker <[REDACTED]>
Subject: RE: Friday 08/17/2018

Good Morning Ms. Baker,

I was finalizing the report from the investigation on August 17th at Albury Manor, and I needed to clarify one thing. Is the current President Randall Hendricks? Or do you have someone else that is your regulated entity mail contact?

Thank you,

Nichole Batista Nunes
TCEQ - Region 12
5425 Polk Street
Houston, TX 77023, Ste H
PH: 713-767-3638
Nichole.nunes@tceq.texas.gov

From: JQ Baker <[REDACTED]>
Sent: Monday, August 13, 2018 2:51 PM
To: Nichole Batista Nunes <Nichole.Nunes@tceq.texas.gov>
Cc: Marcia - Hays Utility South <[REDACTED]>; Ron - Hays Utility South <[REDACTED]>; Robb Clark <[REDACTED]>
Subject: RE: Friday 08/17/2018

Ok 11. With paperwork at plant.

From: Nichole Batista Nunes <Nichole.Nunes@Tceq.Texas.Gov>
Sent: Monday, August 13, 2018 2:49 PM
To: JQ Baker <[REDACTED]>
Subject: RE: Friday 08/17/2018

I have a system before yours at 9am. I don't think it will take that long. It's about 8 minutes from you, but there are two plants. How about 11am?

From: JQ Baker <[REDACTED]>

Sent: Monday, August 13, 2018 7:47 AM

To: Nichole Batista Nunes <Nichole.Nunes@tceq.texas.gov>

Cc: Marcia - Hays Utility South [REDACTED]; Robb Clark <[REDACTED]>;
Ron - Hays Utility South [REDACTED]>

Subject: RE: Friday 08/17/2018

Importance: High

Nichole,

This day will work for us. What time are you wanting to meet of Friday?

Jaquetta "JQ" Baker
Operations Manager

Hays Utility South
[REDACTED]
[REDACTED]

----- Original message -----

From: Nichole Batista Nunes <Nichole.Nunes@Tceq.Texas.Gov>

Date: 8/9/18 3:53 PM (GMT-06:00)

To: [REDACTED], Howard Wilhite <[REDACTED]>

Subject: Friday 08/17/2018

Good Afternoon,

My name is Nichole Batista Nunes, and I have been trying to get in touch with someone at the office in order to schedule a compliance investigation at Albury Manor Utility Company. I will be there in the afternoon this upcoming Friday, August 17, 2018. If there anyone who can meet me and provide me with the systems records and entrance to the facility for compliance?

Thank you,

Nichole Batista Nunes

TCEQ - Region 12
5425 Polk Street
Houston, TX 77023, Ste H
PH:713-767-3638
Nichole.nunes@tceq.texas.gov

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



PWS_1012052_CO_20161222_Plan Ltr

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

December 22, 2016

Mr. Steven Perez, P.E.
LJA Engineering, Inc.
2929 Briarpark Drive, Suite 600
Houston, Texas 77042

Re: Albury Manor Utility Company - Public Water System ID No. 1012052
Proposed Waterline Improvements to Serve Albury Manor Section 1
Engineer Contact Telephone: (713) 953-5200
Plan Review Log No. P-10242016-116
Harris County, Texas

CN600632731; RN101437408

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OCT 31 2018

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Dear Mr. Perez:

On October 24, 2016, the Texas Commission on Environmental Quality (TCEQ) received planning material with your letter dated October 21, 2016 for the proposed Waterline Improvements to Serve Albury Manor Section 1. Revised planning material was received on November 4, 2016 via email. Based on our review of the information submitted, the project generally meets the minimum requirements of Title 30 Texas Administrative Code (TAC) Chapter 290 - Rules and Regulations for Public Water Systems and is **conditionally approved for construction** if the project plans and specifications meet the following requirement(s):

- Specifications for this plan submittal state that construction shall be in accordance with standard specifications of the City of Houston. Please note that TCEQ's specifications for location of waterlines as required in Title 30 TAC, Section 290.44(e) are minimum requirements. When conflicts are noted with local requirements, stricter requirement shall apply. Construction for public water systems must always, at a minimum, meet TCEQ's Rules and Regulations for Public Water Systems.

The submittal consisted of 12 sheets of engineering drawings and technical specifications. The approved project consists of approximately:

- 2,035 linear feet of 6-inch, American Water Works Association standard C-900, DR18 polyvinyl chloride waterline; and
- Various valves, fittings, and appurtenances.

This approval is for the construction of the above listed items only.

The Albury Manor Utility Company public water supply system provides water treatment.

Mr. Steven Perez, P.E.
Page 2
December 22, 2016

The project is located along Albury Park Lane between Hufsmith-Kohrville Road and Mystic Stone Drive in Harris County, Texas.

An appointed engineer must notify the TCEQ's Region 12 Office in Houston at (713) 767-3500 when construction will start. Please keep in mind that upon completion of the water works project, the engineer or owner will notify the commission's Water Supply Division, in writing, as to its completion and attest to the fact that the completed work is substantially in accordance with the plans and change orders on file with the commission as required in 30 TAC §290.39(h)(3).

Please refer to the Plan Review Team's Log No. P-10242016-116 in all correspondence for this project.

Please Note: In order to determine if a new source of water or a new treatment process results in corrosive or aggressive finished water that may endanger human health, we are requesting additional sampling and analysis of lead, alkalinity (as calcium carbonate), calcium (as calcium carbonate) and sodium in addition to the required chemical test results for public water system new sources. We are requiring these additional sampling results as listed in our currently revised checklists (Public Well Completion Data Checklist for Interim Use - Step 2 and Membrane Use Checklist - Step 2) which can be found on TCEQ's website at the following address:

<https://www.tceq.texas.gov/drinkingwater/udpubs.html>

Please include these additional sampling results in well completion submittals, membrane use submittals, and other treatment process submittals.

New surface water sources will need to also include lead, total dissolved solids, pH, alkalinity (as calcium carbonate), chloride, sulfate, calcium (as calcium carbonate) and sodium with the analysis required in 30 TAC Section 290.41(e)(1)(F).

Please complete a copy of the most current Public Water System Plan Review Submittal form for any future submittals to TCEQ. Every blank on the form must be completed to minimize any delays in the review of your project. The document is available on TCEQ's website at the address shown below. You can also download the most current plan submittal checklists and forms from the same address.

<https://www.tceq.texas.gov/drinkingwater/udpubs.html>

For future reference, you can review part of the Plan Review Team's database to see if we have received your project. This is available on TCEQ's website at the following address:

<https://www.tceq.texas.gov/drinkingwater/planrev.html/#status>

You can download the latest revision of 30 TAC Chapter 290 - Rules and Regulations for Public Water Systems from this site.

Mr. Steven Perez, P.E.
Page 3
December 22, 2016

If you have any questions concerning this letter or need further assistance, please contact Raj Khadka at 512-239-1188 or by email at raj.khadka@tceq.texas.gov or by correspondence at the following address:

Plan Review Team, MC-159
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Sincerely,



for Vera Poe, P.E., Team Leader
Plan Review Team
Plan and Technical Review Section
Water Supply Division
Texas Commission on Environmental Quality

VP/RK/av

cc: Albury Manor Utility Company - Attn: Water Utilities Official, 400 Randal Way, Suite 106,
Spring, Texas 77388-8908



RECEIVED SEP 24 1984

Texas Department of Health

Robert Bernstein, M.D., F.A.C.P.
Commissioner

1100 West 49th Street
Austin, Texas 78756
(512) 458-7111

Robert A. MacLean, M.D.
Deputy Commissioner
Professional Services

Hermas L. Miller
Deputy Commissioner
Management and Administration

September 20, 1984

Mr. Gregory J. McVeigh, P.E.
Langford Engineering, Inc.
1450 West Belt Drive North, Suite 108
Houston, Texas 77043

SUBJECT: Water System Improvements
Albury Manor Utility Corporation
TDH Log No. 7/92
Harris County, Texas

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REGION 12

Dear Mr. McVeigh:

We have completed review of four sheets of engineering drawings and single bound set of contractual documents and technical specifications furnished for review/approval action with your letter of July 17, 1984.

The improvements to this system, as described in the drawings and specifications comprise:

- a. Revisions to and upgrading of the water well head discharge piping,
- b. Provision of a new bolted steel 22,000 gallon ground storage tank with accessories,
- c. Provision of two each 200 GPM - 15 HP horizontal centrifugal booster pumps,
- d. A new gas solution chlorinator,
- e. Yard piping rearrangements,
- f. Yard fencing alterations, and
- g. Appurtenances to provide a complete usable facility.


Mr. Gregory J. McVeigh, P.E.
Page Two
September 20, 1984

Analysis of the proposed components in relation to the existing components show that the ground storage tank and the booster pumps will be limiting factors of the modified system. The limiting number of connections is 100. Before the 101st connection is made, additional capacity will be required for those elements.

Our review indicates that your design meets our standard and the work, therefore, is approved for construction.

Please call us if we may be of further assistance.

Sincerely,

A handwritten signature in dark ink, appearing to read "Robert R. Matthews". The signature is fluid and cursive, with the first name "Robert" and last name "Matthews" clearly distinguishable.

Robert R. Matthews, P.E.
Plan Review and Wastewater Branch
Division of Water Hygiene

RRM/jh

ccs: Hendricks Management Co., Inc.
Harris County Health Department
Public Health Region 11
Public Utility Commission
Attn: Director of Engineering

LJA Engineering, Inc.

2929 Briarpark Drive
Suite 600
Houston, Texas 77042
TBPE No F-1386

Phone 713 953 5200
Fax 713 953 5026
www.ljaengineering.com
TBPLS No 10110501

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REGION 12

October 20, 2016

Ms. Vera Poe, PE
Texas Commission on Environmental Quality
Utilities Technical Review Team
Plan and Technical Review Section
Water Supply Division (MC-153), Room, 1301
12100 Park 35 Circle
Austin, Texas 78753

Re: Albury Manor Waterline Improvements
Albury Manor Utility Company, Inc.
Regulated Entity No: 101437408
TCEQ ID No.: 1012052, Investigation No.:1358196
Harris County, Texas
LJA Job No. 1605-0307D (2.0)

Dear Ms. Poe:

Please accept this letter as documentation of the modifications that we proposing for Albury Manor water system that is owned by the Albury Manor Utility Company, Inc. Currently this system is supplied pressurized water for distribution from Harris County Municipal Utility District No. 401 just to the east of the subdivision. Albury Manor Utility Company, Inc. received a Notice of Violation in regards to the water pressure supplied by Harris County Municipal Utility District No. 401 on October 3, 2016 and was requested to submit a solution to the violation by October 30, 2016. In response to this violation, Albury Manor Utility Company, Inc wishes to modify the supply of water as follows:

- Revitalize the Existing Albury Manor Utility Company Water Plant (Texas Department of Health Log No. 7/92) which has already been approved by the commission and is currently out of service. The plant is located on the west side of the property and it will be used to provide additional pressure to the water system. We have included a copy of the approval letter for the water plant with this submittal for your reference.
- Construct a 6" Waterline from the existing waterline interconnect to the existing water plant. This waterline will be used to supply the plant with the water necessary to provide the additional water pressure and bring the water system in compliance.

The pressure supplied by the addition of the existing water plant to this system will be more than adequate to provide the minimum 35 PSI at flow rates of at least 1.5 gallons per minute per connection.

Mrs. Vera Poe
Texas Commission on Environmental Quality
October 20, 2016
Page 2

As a requirement to this violation, we are requesting that the TCEQ Utilities Technical Review Team provide a letter to the Albury Manor Utility Company, Inc. which states the timeframe necessary to complete the review of the construction plans and specifications. This will provide Julia Thorp with the Public Water Supply Division of the Houston Region Office the appropriate documentation in order for a determination to be made of how much time we have to complete the improvements.

If you need additional information, please call me at 713.953.5098.

Sincerely,

A handwritten signature in black ink, appearing to read 'SP', is written over a horizontal line.

Steven Perez, PE
Project Manager

SP/lb

From: Marcia - Hays Utility South
To: [Nichole Batista Nunes](#)
Cc: [Melody Kirksey](#); [Steven Perez](#)
Subject: FW: Albury Manor Waterline Improvements(TCEQ ID No. 1102052, Investigation No. 1358196
Date: Tuesday, November 6, 2018 8:38:41 AM
Attachments: [TDHOriginalWaterPlantSubmittal.pdf](#)
[TDHOriginalWaterPlantApproval.pdf](#)
[TDHOriginalWaterPlantApprovalRev.pdf](#)
[TDHRevisedWaterPlantApproval.pdf](#)
[AMUCResponseLetter051608.pdf](#)
[TCEQWaterlineInterconnectApproval071108.pdf](#)
[WaterWellPluggingReport.pdf](#)

Nichole,

Please get with Melody Kirksey. Steve Perez, the District Engineer has been corresponding with her regarding the approvals. I thought she was talking to you as well.

Thank you.

Sincerely,

Marcia Stoppelberg

**Administrative & Environmental Specialist
Commercial Project Coordinator**



**2200 Sciaaca Road
Spring, Texas 77373**



From: Steven Perez [REDACTED]
Sent: Monday, November 05, 2018 5:59 PM
To: Melody.Kirksey@tceq.texas.gov
Subject: FW: Albury Manor Waterline Improvements(TCEQ ID No. 1102052, Investigation No. 1358196

Good Evening Ms. Kirksey,

Attached for your review is documentation that we found for the water plant approval. I tried to provide a summary of the timeline below:

The 1st pdf is the original submittal that was done to the Texas department of Health in 1979. This included the pressure tank that was in question previously.

The 2nd pdf is the approval to construct the water plant improvements. The 3rd pdf was an approval of a revision to the original submittal to just change the county to Harris County. The original

STATE OF TEXAS PLUGGING REPORT for Tracking #168761

Owner:	Albury Manor Utility Company	Owner Well #:	1
Address:	11219 Albury Park Ln Spring, TX 77388	Grid #:	60-60-4
Well Location:	11219 Albury Park Ln Spring, TX 77388	Latitude:	30° 04' 04.2" N
Well County:	Harris	Longitude:	095° 35' 19.2" W
		Elevation:	No Data

Well Type: Public Supply

Drilling Information

Company:	N/A	Date Drilled:	No Data
Driller:	N/A	License Number:	N/A

	Diameter (in.)	Top Depth (ft.)	Bottom Depth (ft.)
Borehole:	6	0	400

Plugging Information

Date Plugged: 5/12/2017 Plugger: Rick Olsen
Plug Method: Tremmie pipe cement from bottom to top

Casing Left in Well:			Plug(s) Placed in Well:		
Dia (in.)	Top (ft.)	Bottom (ft.)	Top (ft.)	Bottom (ft.)	Description (number of sacks & material)
6	0	360	0	400	Cement 65 Bags/Sacks

Certification Data: The driller certified that the driller plugged this well (or the well was plugged under the driller's direct supervision) and that each and all of the statements herein are true and correct. The driller understood that failure to complete the required items will result in the reports(s) being returned for completion and resubmittal.

Company Information: Johnstons Water Well Drilling
PO BOX 370
New Waverly, TX 77358

Driller Name: Mitchell Marsh License Number: 59570

Comments: No Data

JOHNSTON WATER WELL DRILLING

P.O. BOX 370
NEW WAVERLY, TX 77358
FAX (936) 344-9838

PHONE (281) 351-5643

INVOICE

DATE
6/3/2017

INVOICE #
1406

BILL TO:

Hendricks Interest
400 Randall Way Ste #106
Spring, Tx 77388

				P.O. NUMBER	TERMS	PROJECT
					Net 30	
QUANTITY	DESCRIPTION				RATE	AMOUNT
	PLUG 6" WATER WELL REMOVE SLAB AND PIPING				3,790.00	3,790.00

Attachment 7

From: [Alan Wong](#)
To: [Nichole Batista Nunes](#)
Subject: RE: AMUC start up approval letter
Date: Thursday, November 1, 2018 2:49:37 PM

Ms. Nunes,

No, the 2008 approval would not void any other approvals.

Alan Wong
Plan Review Team – Water Supply Division
University of Texas – Arlington Contractor
Texas Commission on Environmental Quality
Phone: 512-239-4648

From: Nichole Batista Nunes
Sent: Thursday, November 01, 2018 1:12 PM
To: Alan Wong <Alan.Wong@Tceq.Texas.Gov>
Subject: RE: AMUC start up approval letter

Mr. Wong,

I apologize. I just want to be clear. We have the original approval from the Texas Department of Health in 1984 for the plant with well and treatment etc. Then we have our conditional approval for the waterlines and interconnect to Harris County MUD 401. Would the most recent one (2008) potentially void the other since the plant in and of itself is not mentioned in the approval?

Thank you,

Nichole Batista Nunes
TCEQ - Region 12
5425 Polk Street
Houston, TX 77023, Ste H
PH:713-767-3638
Nichole.nunes@tceq.texas.gov

From: Alan Wong
Sent: Thursday, November 1, 2018 11:57 AM
To: Nichole Batista Nunes <Nichole.Nunes@tceq.texas.gov>
Subject: RE: AMUC start up approval letter

The only other submittal that we have, aside from the distribution approval is the attached approval from 2008 for an interconnection to Harris County MUD 401. It may be possible that the engineer mentioned that they intended to disconnect the existing water plant as a reason for the interconnection in the submission, however, we do not have any existing documentation of that. If

you have any other questions, let me know.

Best Regards,

Alan Wong
Plan Review Team -- Water Supply Division
University of Texas -- Arlington Contractor
Texas Commission on Environmental Quality
Phone: 512-239-4648

From: Nichole Batista Nunes
Sent: Thursday, November 01, 2018 11:39 AM
To: Alan Wong <Alan.Wong@Tceq.Texas.Gov>
Subject: RE: AMUC start up approval letter

Good Morning Mr. Wong,

Thank you for your quick response. I do not know if they do have anything documenting their discussions or if it was verbal only. I will speak with the compliance manager and ask for further documentation.

In addition to my original question, do you know if there was any documentation showing that the regulated entity was disconnecting the original plant? They provided me with an approval letter from the Texas Department of Health from 1984. In the letter, it approves the use of the ground storage, etc, but the TCEQ Houston office was informed that the plant would be disconnected in 2009. Did they inform the Austin office of this?

Thank you,

Nichole Batista Nunes
TCEQ – Region 12
5425 Polk Street
Houston, TX 77023, Ste H
PH:713-767-3638
Nichole.nunes@tceq.texas.gov

From: Alan Wong
Sent: Thursday, November 1, 2018 11:16 AM
To: Nichole Batista Nunes <Nichole.Nunes@tceq.texas.gov>
Subject: RE: AMUC start up approval letter

Hello Nichole,

I have gone through our records and we do not any documentation regarding approval for use of the

water plant. It appears that they are in violation and the PWS will need to submit as-built information for approval. Would the engineer have anything from the TCEQ where they were informed that additional information would not be needed?

Best Regards,

Alan Wong
Plan Review Team – Water Supply Division
University of Texas – Arlington Contractor
Texas Commission on Environmental Quality
Phone: 512-239-4648

From: Nichole Batista Nunes
Sent: Wednesday, October 31, 2018 2:08 PM
To: Vera Poe <Vera.Poe@tceq.texas.gov>
Subject: FW: AMUC start up approval letter

Good Afternoon Ms. Poe,

Happy Halloween! I hope it has been a good one so far.

I have a question relating to an approval letter and subsequent correspondence between Hays Utility South's Water Plant, Albury Manor PWS 1012052, and plan review in Austin.

Albury Manor is a distribution only system that had been having pressure issues in distribution. In 2009, they had a water plant that was taken out of service. In 2017, they decided to place the previously used pressure tank and ground storage tank back in service and brand new booster pumps, piping and control panels in service to help with the pressure issues. They have an approval letter for water lines, valves, etc (the letter is attached), but it does not mention the plant itself. According to the engineer, TCEQ informed them that they would not need anything else. Is this correct, or should I pursue a violation for not obtaining approval to place the plant back in service?

Thank you for your help!

Nichole Batista Nunes
TCEQ – Region 12
5425 Polk Street
Houston, TX 77023, Ste H
PH:713-767-3638
Nichole.nunes@tceq.texas.gov

From: Nichole Batista Nunes
Sent: Wednesday, October 31, 2018 1:56 PM
To: 'Marcia - Hays Utility South' [REDACTED] >

Attachment 8

From: Nichole Batista Nunes
Sent: Thursday, November 1, 2018 3:13 PM
To: Marcia - Hays Utility South
Cc: JQ Baker; Robb Clark
Subject: RE: AMUC start up approval letter
Attachments: 1790_001.pdf

Ms. Stoppleberg,

I think I have it all sorted out. I appreciate the attachments and continued fast response on your part. I believe the time line is as follows:

In 1984, Albury was approved for a PWS including a well and treatment.

In 2008, Albury was approved for the waterlines and interconnect.

The issue is that I do not have documentation showing that Albury was approved to take everything from the plant offline except the ground storage and pressure tank (I was told prior that these are the only two original items).

So everything that is currently 'new' (was not included in the previous approval letter, 1984) or no longer being used (the well and the treatment) has not been approved by Austin as of yet. I have attached a new Exit interview here for Ms. Baker with a Potential Violation for not obtaining approval and a records request for the plugged well that was previously at the site. If needed, we can set up a compliance plan for the approval.

Thank you,

Nichole Batista Nunes

TCEQ - Region 12
5425 Polk Street
Houston, TX 77023, Ste H
PH:713-767-3638
Nichole.nunes@tceq.texas.gov

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

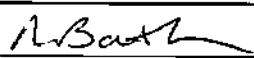
Regulated Entity/Site Name	Albury Manor Utility Company			TCEQ Add. ID No. RN No (optional)	1012052
Investigation Type	ModCCI	Contact Made In-House (Y/N)	Y	Purpose of Investigation	Compliance
Regulated Entity Contact	JQ Baker			Telephone No.	
				FAX #/Email address	
				Date Contacted	11/01/2018
				FAX/Email date	

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

Issue		For Records Request, identify the necessary records, the company contact and date due to the agency. For Alleged and Potential Violation issues, include the rule in question with the clearly described potential problem. Other type of issues: fully describe.	
No.	Type ¹	Rule Citation (if known)	Description of Issue
1	PV	290.39(j)	Failure by the public water systems to notify the executive director prior to making any significant change or addition to the system's production, treatment, storage, pressure maintenance, or distribution facilities. Significant changes in existing systems or supplies shall not be instituted without the prior approval of the executive director.
2	RR		Plugged well

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

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

Document Acknowledgment. Signature on this document establishes only that the regulated entity (RE) representative received a copy of this document and associated continuation pages on the date noted. If contact was made by telephone, the document will be sent via FAX or Email to RE; therefore, the RE signature is not required.			
Nichole Batista Nunes 	11/01/2018		
Investigator Name (Signed & Printed)	Date	Regulated Entity Representative Name (Signed & Printed)	Date

If you have questions about any information on this form, please contact your local TCEQ Regional Office.

Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, call 512/239-3282.

White Copy: Regulated Entity Representative
TCEQ 20085 (4/08)

Yellow Copy: TCEQ

(Note: use additional pages as necessary) Page ____ of ____

Attachment 9

From: Steven Perez
Sent: Thursday, November 8, 2018 3:01 PM
To: Nichole Batista Nunes
Subject: FW: Albury Manor Water Plant

Please see below.

From: Alan Wong <Alan.Wong@Tceq.Texas.Gov>
Sent: Wednesday, November 07, 2018 1:37 PM
To: Steven Perez <sperez@lja.com>
Subject: RE: Albury Manor Water Plant

Mr. Perez,

Yes, that is correct. There is no required action that the Albury Manor Utility Company must take at this time. There will be no violation issued for failure to report plugging the existing well or use of the water plant facilities in regards to providing additional pressure maintenance. If you have any other questions, please let me know.

Best Regards,

Alan Wong
Plan Review Team – Water Supply Division
University of Texas – Arlington Contractor
Texas Commission on Environmental Quality
Phone: 512-239-4648

From: Steven Perez [mailto:sperez@lja.com]
Sent: Wednesday, November 07, 2018 11:28 AM
To: Alan Wong <Alan.Wong@Tceq.Texas.Gov>
Subject: RE: Albury Manor Water Plant

Good Morning Mr. Wong,

I received your voice message concerning the review of the Albury Manor Water Plant. My understanding is that there is nothing further needed at this time and the Albury manor utilities are approved as it stands now without a violation being issued. Can you respond to this email as confirmation for our records? Thank you for your patience resolving this manner with us.

Best Regards,

Civilization

From: Craig Stowell
Sent: Thursday, November 8, 2018 2:22 PM
To: Nichole Batista Nunes; Carmen Portillo;
Cc: Vera Poe; Alan Wong
Subject: RE: Albury Manor PWS 1012052

They are still approved for disinfection at the plant, but my understanding is they are not using it or may have removed it. If they are meeting minimum system residuals under 290.104. They do not need to boost.

Craig A. Stowell, P.E.

Texas Commission on Environmental Quality
Water Supply Division
Plan Review Team, MC-159
P.O. Box 13087
Austin, Texas 78711-3087
Tel. 512-239-4633

How is our customer service? Fill out our online customer satisfaction survey at www.tceq.texas.gov/customersurvey.

From: Nichole Batista Nunes
Sent: Thursday, November 8, 2018 2:19 PM
To: Craig Stowell <Craig.Stowell@tceq.texas.gov>; Carmen Portillo <Carmen.Portillo@tceq.texas.gov>
Cc: Vera Poe <Vera.Poe@tceq.texas.gov>; Alan Wong <Alan.Wong@Tceq.Texas.Gov>
Subject: RE: Albury Manor PWS 1012052

Was the lack of disinfection at the current plant an issue? I do not have documentation addressing this.

Nichole Batista Nunes
TCEQ - Region 12
5425 Polk Street
Houston, TX 77023, Ste H
PH:713-767-3638
Nichole.nunes@tceq.texas.gov

From: Craig Stowell
Sent: Thursday, November 8, 2018 2:16 PM
To: Nichole Batista Nunes <Nichole.Nunes@tceq.texas.gov>; Carmen Portillo <Carmen.Portillo@tceq.texas.gov>; sperez@lja.com
Cc: Vera Poe <Vera.Poe@tceq.texas.gov>; Alan Wong <Alan.Wong@Tceq.Texas.Gov>
Subject: RE: Albury Manor PWS 1012052

When systems choose to abandon or plug their approved Public Water System (PWS) wells. It is not usually done by a plan submittal through the Plan Review Team. They typically contact the Inventory team, who has a process where they contact region and ensure that it is okay to abandon the well. The inventory team will then update the well information in SDWIS. In these cases, there are no plan approval letters, nor do we require them.

The Plan review team did review the line extension that connected the distribution system to the old treatment plant. This effectively converted the treatment plant to a distribution pump station. Large systems do this all the time. At this time, Plan Review does not feel it needs any plan submittals for the current state of the PWS. We are happy to see that SDWIS is also up-to-date with the current information that reflects the current operating system.

Craig A. Stowell, P.E.

Texas Commission on Environmental Quality
Water Supply Division
Plan Review Team, MC-159
P.O. Box 13087
Austin, Texas 78711-3087
Tel. 512-239-4633

How is our customer service? Fill out our online customer satisfaction survey at www.tceq.texas.gov/customersurvey.

From: Nichole Batista Nunes
Sent: Wednesday, November 7, 2018 4:42 PM
To: Carmen Portillo <Carmen.Portillo@tceq.texas.gov>
Cc: Craig Stowell <Craig.Stowell@tceq.texas.gov>; Vera Poe <Vera.Poe@tceq.texas.gov>
Subject: RE: Albury Manor PWS 1012052

Good Afternoon Ms. Portillo,

Thank you for that. I will wait on the email from Mr. Stowell and then remove the violation based on both of your responses.

Thank you,

Nichole Batista Nunes
TCEQ - Region 12
5425 Polk Street
Houston, TX 77023, Ste H
PH:713-767-3638
Nichole.nunes@tceq.texas.gov

From: Carmen Portillo
Sent: Wednesday, November 7, 2018 1:39 PM
To: Nichole Batista Nunes <Nichole.Nunes@tceq.texas.gov>
Cc: Craig Stowell <Craig.Stowell@tceq.texas.gov>; Vera Poe <Vera.Poe@tceq.texas.gov>
Subject: RE: Albury Manor PWS 1012052

Hi Nichole,
As requested per the schematic provided the facilities have updated and are now active.
Let me know if there is anything else I can do for you.
Sincerely,

Carmen Portillo
Drinking Water Inventory and Protection Team
Public Drinking Water Section
Water Supply Division
Texas Commission on Environmental Quality
Phone: 512-239-4758
Fax: 512-239-6050
E-mail: carmen.portillo@tceq.texas.gov

From: Nichole Batista Nunes
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