

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Bobby Janecka, *Commissioner*
Kelly Keel, *Interim Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

June 30, 2023

Laurie Gharis, Chief Clerk
Office of the Chief Clerk
Texas Commission on Environmental Quality
P.O. Box 13087, MC-105
Austin, Texas 78711-3087

Re: TCEQ Docket No. 2023-0560-DIS; Hunt County Municipal Utility District No. 5;
Request filed regarding Internal Control No. D-10212022-034.

Dear Ms. Gharis:

Transmitted herewith for filing with the Texas Commission on Environmental Quality (Commission or TCEQ) are the following items to be filed as backup materials for the July 19, 2023 Agenda on a hearing request for the creation of Hunt County Municipal Utility District No. 5:

1. Petition;
2. Notice of Petition;
3. Technical memo prepared by staff; and
4. Temporary Director Affidavits.

Please do not hesitate to contact me if you have any questions regarding this material. Thank you for your attention to this matter.

Respectfully submitted,

A handwritten signature in black ink that reads "Bobby Salehi".

Bobby Salehi, Staff Attorney
Environmental Law Division

(the “Petition for Consent”) on the City Secretary for the City of Caddo Mills, Texas. A copy of the Petition for Consent is attached hereto as **Exhibit B**. The City has not consented to the creation of the District.

V.

On January 22, 2022, Petitioner posted the Notice of Petition to the City of Caddo Mills, Texas for Water and Sanitary Sewer Service (the “Notice of Petition), in three places convenient to the public within the boundaries of the Land sought to be added to the District. The affidavit of posting of the Notice of the Petition (the “Affidavit of Posting”) is attached hereto as **Exhibit C**.

On January 27, 2022, the Petitioner published the Notice of Petition in the Herald-Banner, a newspaper of general circulation within and around the District. The Notice of Petition and proof of publication of the Notice of Petition are attached hereto as **Exhibit D**.

VI.

On February 15, 2022, Petitioner petitioned the City to provide water and sanitary sewer services to the Land in accordance with Sec. 42.042(b) of the Texas Local Government Code. Such petition is attached hereto as **Exhibit E**. The City has not contractually agreed to provide water and wastewater service to the Land and now more than 120 days have passed since Petitioner submitted its Petition for Water and Sanitary Sewer Service to the City. The City has not consented to the creation of the District and has failed to execute a contract providing for the water or sanitary sewer services requested by the Petitioner within the time limits prescribed by Section 42.042, Texas Local Government Code.

VII.

Petitioners are the record owner of the described land, as evidenced by the execution of this Petition. Petitioners represent that there are no lienholders with respect to the Land.

VIII.

The District shall be created for all of the purposes set forth in Article XVI, Section 59 and Article III, Section 52, Texas Constitution; Chapters 49 and 54, Texas Water Code, as amended; and purposes and authority concurrently or subsequently acquired and approved for roadways by Chapter 54, Water Code or other applicable law.

IX.

The general nature of the work proposed to be done by the District at the present time is the construction, maintenance and operation of a waterworks system, including the

purchase and sale of water, for domestic and commercial purposes; the construction, maintenance and operation of a sanitary sewer collection, treatment and disposal system, for domestic and commercial purposes; the construction, installation, maintenance, purchase and operation of drainage and roadway facilities and improvements; and the construction, installation, maintenance, purchase and operation of facilities, systems, plants and enterprises of such additional facilities as shall be consonant with the purposes for which the District is organized.

X.

There is a necessity for the improvements described above for the following reasons: The area of the District is urban in nature and is in close proximity to populous and developed sections of Hunt County. The District's area will, within the immediate future, experience a substantial and sustained residential and commercial growth. Said area is not supplied with adequate water and sanitary sewer facilities and services or with adequate drainage facilities and does not have adequate fire suppression facilities, parks and recreational land and facilities, or roads or improvements in aid thereof. The health and welfare of the future inhabitants of the area and of territories adjacent thereto require the installation and acquisition of an adequate water supply and sewage disposal system, an adequate drainage system for and within the area of the District, adequate fire suppression facilities, adequate parks and recreational land and facilities, and roads or improvements in aid thereof.

A public necessity exists for the organization of such District to provide for the purchase, construction, extension, improvement, maintenance and operation of such waterworks and sanitary sewer system, such drainage facilities, such fire suppression facilities, parks and recreational land and facilities, and roads or improvements in aid thereof, in order to promote and protect the purity and sanitary condition of the State's waters and the public health and welfare of the community.

XI.

Said proposed improvements are practicable and feasible, in that the terrain of the territory to be included in the District is of such a nature that a waterworks, sanitary sewer, drainage and roadway system can be constructed at a reasonable cost, currently estimated at \$23,785,000, with reasonable ad valorem tax and assessment rates and water and sewer rates, and said territory will be developed for residential and commercial purposes. The District shall be designated a noncity service district in the meaning of Section 54.016, Texas Water Code, as the District does not currently propose to connect to the City's water or sewer system or propose to contract with a regional water and wastewater provider to which the City has made a capital contribution for the water and wastewater facilities serving the area within the proposed District, as of the date this Petition is filed.

XII.

The following named persons are (i) all over eighteen (18) years of age, (ii) resident citizens of the State of Texas, (iii) reside in Hunt County or a county in the same metropolitan statistical area as Hunt County, (iv) owners of land subject to taxation within the District, and (v) are otherwise qualified to serve as directors of the District under the provisions of the Texas Water Code:

1. Jason Cooper
2. Logan Pruitt
3. John King
4. Dana Allen Nollette
5. Dylan Patel

WHEREFORE, the undersigned respectfully pray that this Petition be properly filed, as provided by law; that notice of the application be given as provided therein, that a hearing be held if necessary and that this Petition be in all things granted; that the proposed municipal utility district be organized; that the five (5) persons named herein be appointed to serve as temporary directors until their successors are duly elected and qualified; and for such other orders, acts, procedures and relief as are proper, necessary and appropriate to the purpose of creating and organizing the District.

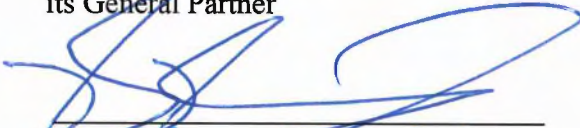
[Signature Page Follows]

RESPECTFULLY SUBMITTED, this 20th day of September, 2022

PETITIONER:

HMH CADDO MILLS LAND, LP,
a Texas limited partnership

By: BNM Land, LLC,
a Texas limited liability company,
its General Partner

By: 
Name: B. Nelson Mitchell, Jr.
Title: President

THE STATE OF TEXAS §
 §
COUNTY OF Tarrant §

This instrument was acknowledged before me on this the 20th day of September, 2022, by B. Nelson Mitchell, Jr. President of BNM Land, LLC, a Texas limited liability company, General Partner of HMH Caddo Mills Land, LP, a Texas limited partnership, on behalf of said limited partnership.

Danae Sheridan
Notary Public, State of Texas

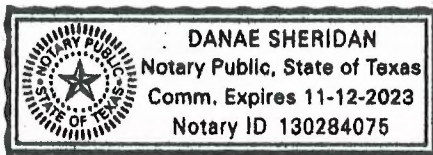


EXHIBIT "A"
Legal Descripti

MUD BOUNDARY DESCRIPTION

BEING all that tract of land in Hunt County, Texas, out of the Clements Bustilla Survey, A-49, and being all of that called 123.93 acres of land described in a deed to HMH Caddo Mills Land, L.P. as recorded under Document No. 2020-22751 of the Official Public Records of Hunt County, Texas, and being all of that called 4.33 acres of land described in deed to HMH Caddo Mills Land, L.P. as recorded under Document No. 2021-23280 of the Official Public Records of Hunt County, Texas, and being further described as follows:

BEGINNING at a 60d nail found at the centerline intersection of County Road No. 2628 and County Road No. 2630, same being the Northeast corner of said 123.93 acres;

THENCE South 00 degrees 43 minutes 40 seconds West, 2015.01 feet along the center of said County Road No. 2630 to a 1/2 inch steel rod found at centerline intersection of a turn in said County Road No. 2630, and at the Southeast corner of said 123.93 acres;

THENCE South 89 degrees 50 minutes 07 seconds West (Directional Control Line), 2813.63 feet along the South line of said 123.93 acres to a 1/2 inch steel rod found at the Southerly most Southwest corner of said 123.93 acres, and at the Southeast corner of that called 1.00 acres of land described in deed to Edward J. Armstrong as recorded under Document No. 2013-11756 of the Official Public Records of Hunt County, Texas;

THENCE North 00 degrees 14 minutes 43 seconds West, 208.31 feet to a 1/2 inch steel rod found at an inside corner of said 123.93 acres, and at the Northeast corner of said 1.00 acres;

THENCE North 89 degrees 24 minutes 21 seconds West, 208.56 feet to a 1/2 inch steel rod found on the East line of F.M. Highway No. 1565, at the Westerly most Southwest corner of said 123.93 acres, and at the Northwest corner of said 1.00 acres;

THENCE North 00 degrees 13 minutes 26 seconds West, 943.66 feet along the East line of said F.M. Highway No. 1565 to a 5/8 inch steel rod set at point of curve;

THENCE Northeasterly, 195.46 feet along said highway and a curve to the right having a radius of 1095.92 feet and a central angle of 10 degrees 13 minutes 08 seconds (Chord bears North 04 degrees 53 minutes 08 seconds East, 195.20 feet) to a 1/2 inch steel rod found at the Westerly most Northwest corner of said 123.93 acres, and at the Southwest corner of that called 6.83 acres of land described in a deed to Henry E. Morris and Eunice K. Morris as recorded under Document No. 2012-8130 of the Official Public Records of Hunt County, Texas;

THENCE South 89 degrees 25 minutes 27 seconds East, 582.88 feet to a 5/8 inch steel rod set at the Southwest corner of said 4.33 acres;

THENCE North 00 degrees 29 minutes 31 seconds East, 672.18 feet to a point in the center of said County Road No. 2628, and the Northwest corner of said 4.33 acres, from which a 5/8 inch steel rod set bears South 00 degrees 29 minutes 31 seconds East, 20.00 feet for witness;

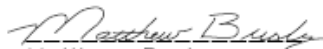
THENCE South 89 degrees 47 minutes 36 seconds East, 1231.96 feet along the center of said County Road No. 2628 to a pk nail found at a Northeast corner of said 123.93 acres, and at the Northwest corner of that called 1.64 acres of land described in a deed to Ann Taylor as recorded under Document No. 2011-7287 of the Official Public Records of Hunt County, Texas;

THENCE South 00 degrees 06 minutes 14 seconds West, 200.00 feet to a 5/8 inch steel rod set at an inside corner of said 123.93 acres, and at the Southwest corner of said 1.64 acres;

THENCE South 89 degrees 53 minutes 46 seconds East, 360.50 feet to a 5/8 inch steel rod set at another inside corner of said 123.93 acres, and at the Southeast corner of said 1.64 acres;

THENCE North 00 degrees 06 minutes 14 seconds East, 200.00 feet to a pk nail found in the center of said County Road No. 2628, at a Northwest corner of said 123.93 acres, and at the Northeast corner of said 1.64 acres;

THENCE North 89 degrees 07 minutes 15 seconds East, 854.75 feet along the center of said County Road No. 2628 to the POINT OF BEGINNING, containing 128.26 acres of land.


Matthew Busby

R.P.L.S. No. 5751

September 13, 2022



2209-009

on – Metes and Bounds

EXHIBIT "B"
Petition for Consent – Filed with City

RECEIVED
OCT 19 2021

PETITION FOR CONSENT TO CREATION OF POLITICAL SUBDIVISION.....
IN THE EXTRATERRITORIAL JURISDICTION
OF THE CITY OF CADDO MILLS, TEXAS

THE STATE OF TEXAS §
 §
COUNTY OF HUNT §

TO THE HONORABLE MAYOR AND
CITY COUNCIL OF THE CITY OF CADDO MILLS:

The undersigned petitioner (herein the "Petitioner", whether one or more), being a majority of the persons who hold title to land(s) situated within the area hereinafter described, which represents a total value of more than 50% of the value of all such area, and being a majority in value of the holders of title of the land within said area as indicated by the tax rolls of the Hunt County Appraisal District, acting pursuant to the applicable provisions of the Texas Water Code, as amended, and Section 42.042, Texas Local Government Code, together with all amendments and additions thereto, respectfully petitions this Honorable Body for consent to the creation of a conservation and reclamation district and political subdivision of the State of Texas under Article XVI, Section 59 and Article III, Section 52 of the Texas Constitution within the extraterritorial jurisdiction of the City of Caddo Mills, Texas (the "City"), and would respectfully show the following:

I.

The name of the proposed district shall be "HUNT COUNTY MUNICIPAL UTILITY DISTRICT NO. 5" (the "District"). There is no other conservation or reclamation district in Hunt County, Texas with the same name.

II.

The District shall be created and organized and shall exist under the terms and provisions of Article XVI, Section 59 and Article III, Section 52 of the Texas Constitution and Chapters 49 and 54 of the Texas Water Code, as amended, together with all amendments and additions thereto.

III.

The District shall contain an area of approximately 128.26 acres of land, situated within Hunt County, Texas, described by metes and bounds in **Exhibit "A"**, which is attached hereto and made a part hereof for all purposes. The described property is located within the extraterritorial jurisdiction of the City of Caddo Mills.

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IV.

The undersigned constitute the current landowners of the property to be included within the District.

V.

The District shall be created for all of the purposes set forth in Article XVI, Section 59 and Article III, Section 52, Texas Constitution; Chapters 49 and 54, Texas Water Code, as amended; and if required by law, subsequently acquired and approved by an election held within the District, Chapter 257, Texas Transportation Code, or by any other State law.

VI.

The general nature of the work proposed to be done by the District at the present time is the construction, maintenance and operation of a waterworks system, including the purchase and sale of water, for domestic and commercial purposes; the construction, maintenance and operation of a sanitary sewer collection, treatment and disposal system, for domestic and commercial purposes; the construction, installation, maintenance, purchase and operation of drainage and roadway facilities and improvements; and the construction, installation, maintenance, purchase and operation of facilities, systems, plants and enterprises of such additional facilities as shall be consonant with the purposes for which the District is organized.

VII.

There is a necessity for the improvements described above for the following reasons: The area of the District is urban in nature and is in close proximity to populous and developed sections of Hunt County. The District's area will, within the immediate future, experience a substantial and sustained residential and commercial growth. Said area is not supplied with adequate water and sanitary sewer facilities and services or with adequate drainage facilities and does not have adequate fire suppression facilities, parks and recreational land and facilities, or roads or improvements in aid thereof. The health and welfare of the future inhabitants of the area and of territories adjacent thereto require the installation and acquisition of an adequate water supply and sewage disposal system, an adequate drainage system for and within the area of the District, adequate fire suppression facilities, adequate parks and recreational land and facilities, and roads or improvements in aid thereof.

A public necessity exists for the organization of such District to provide for the purchase, construction, extension, improvement, maintenance and operation of such waterworks and sanitary sewer system, such drainage facilities, such fire suppression facilities, parks and recreational land and facilities, and roads or improvements in aid thereof, in order to promote and protect the purity and sanitary condition of the State's waters and the public health and welfare of the community.

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VIII.

Said proposed improvements are practicable and feasible, in that the terrain of the territory to be included in the District is of such a nature that a waterworks, sanitary sewer, drainage, storm sewer and roadway system can be constructed at a reasonable cost, currently estimated at \$37,086,000, with reasonable ad valorem tax and assessment rates and water and sewer rates, and said territory will be developed for residential and commercial purposes. The District shall be designated a noncity service district in the meaning of Section 54.016, Texas Water Code, as the District does not currently propose to connect to the City's water or sewer system or propose to contract with a regional water and wastewater facilities provider serving the area within the District, as of the date this Petition is filed.

WHEREFORE, the undersigned respectfully pray that this Petition be granted in all respects and that the City of Caddo Mills give its written consent to the creation of the District, and for such other orders, acts, procedure and relief as are proper and necessary and appropriate to the purpose of creating and organizing the District and to the execution of the purposes for which the District shall be organized.

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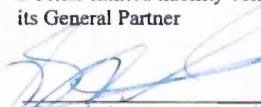
4829-0995-8654v.1 49198-10 10/8/2021

EXECUTED THIS 18th day of October, 2021.

PETITIONER:

HMH CADDO MILLS LAND, LP,
a Texas limited partnership

By: BNM Land, LLC,
a Texas limited liability company,
its General Partner

By: 
Name: B. Nelson Mitchell, Jr.
Title: President

THE STATE OF TEXAS §
 §
COUNTY OF Tarrant §

This instrument was acknowledged before me on this the 18th day of October, 2021, by B. Nelson Mitchell, Jr. President of BNM Land, LLC, a Texas limited liability company, General Partner of HMH Caddo Mills Land, LP, a Texas limited partnership, on behalf of said limited partnership.

(SEAL)



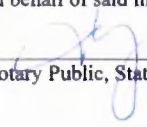

Notary Public, State of Texas

EXHIBIT "A"

TRACT A

BEING all that tract of land in Hunt County, Texas, out of the Clements Bustilla Survey, A-49, and being all of that called 123.59 acres of land described in a deed to Laura L. Morris as Volume 788, Page 400 of the Official Public Records of Hunt County, Texas, and being further described as follows:

BEGINNING at a 60d nail found at the centerline intersection of County Road No. 2628 and County Road No. 2630, same being the Northeast corner of said 123.59 acres;

THENCE South 00 degrees 43 minutes 40 seconds West, 2015.01 feet along the center of said County Road No. 2630 to a 1/2 inch steel rod found at centerline intersection of a turn in said County Road No. 2630, and at the Southeast corner of said 123.59 acres;

THENCE South 89 degrees 50 minutes 07 seconds West (Directional Control Line), 2813.63 feet along the South line of said 123.59 acres to a 1/2 inch steel rod found at the Southerly most Southwest corner of said 123.59 acres, and at the Southeast corner of that called 1.00 acres of land described in deed to Edward J. Armstrong as recorded under Document No. 2013-11756 of the Official Public Records of Hunt County, Texas;

THENCE North 00 degrees 14 minutes 43 seconds West, 208.31 feet to a 1/2 inch steel rod found at an inside corner of said 123.59 acres, and at the Northeast corner of said 1.00 acres;

THENCE North 89 degrees 24 minutes 21 seconds West, 208.56 feet to a 1/2 inch steel rod found on the East line of F.M. Highway No. 1565, at the Westerly most Southwest corner of said 123.59 acres, and at the Northwest corner of said 1.00 acres;

THENCE North 00 degrees 13 minutes 26 seconds West, 943.66 feet along the East line of said F.M. Highway No. 1565 to a 5/8 inch steel rod set at point of curve;

THENCE Northeasterly, 195.46 feet along said highway and a curve to the right having a radius of 1095.92 feet and a central angle of 10 degrees 13 minutes 08 seconds (Chord bears North 04 degrees 53 minutes 08 seconds East, 195.20 feet) to a 1/2 inch steel rod found at the Westerly most Northwest corner of said 123.59 acres, and at the Southwest corner of that called 6.83 acres of land described in a deed to Henry E. Morris and Eunice K. Morris as recorded under Document No. 2012-8130 of the Official Public Records of Hunt County, Texas;

THENCE South 89 degrees 25 minutes 27 seconds East, 863.07 feet to a 1/2 inch steel rod found at an ell corner of said 123.59 acres, and at the Southeast corner of that called 4.32 acres of land described in deed to Stanley J. Young and Nelda S. Young as recorded in Volume 18, Page 726 of the Real Records of Hunt County, Texas;

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THENCE North 00 degrees 29 minutes 31 seconds East, 673.99 feet to a point in the center of said County Road No. 2628, at the Northerly most Northwest corner of said 123.59 acres, and at the Northeast corner of said 4.32 acres, from which a 3/8 inch steel rod found bears South 00 degrees 29 minutes 31 seconds West, 14.78 feet for witness;

THENCE South 89 degrees 47 minutes 36 seconds East, 951.76 feet along the center of said County Road No. 2628 to a pk nail found at a Northeast corner of said 123.59 acres, and at the Northwest corner of that called 1.64 acres of land described in a deed to Ann Taylor as recorded under Document No. 2011-7287 of the Official Public Records of Hunt County, Texas;

THENCE South 00 degrees 06 minutes 14 seconds West, 200.00 feet to a 5/8 inch steel rod set at an inside corner of said 123.59 acres, and at the Southwest corner of said 1.64 acres;

THENCE South 89 degrees 53 minutes 46 seconds East, 360.50 feet to a 5/8 inch steel rod set at another inside corner of said 123.59 acres, and at the Southeast corner of said 1.64 acres;

THENCE North 00 degrees 06 minutes 14 seconds East, 200.00 feet to a pk nail found in the center of said County Road No. 2628, at a Northwest corner of said 123.59 acres, and at the Northeast corner of said 1.64 acres;

THENCE North 89 degrees 07 minutes 15 seconds East, 854.75 feet along the center of said County Road No. 2628 to the POINT OF BEGINNING, containing 123.93 acres of land.

TRACT B

BEING all that tract of land in Hunt County, Texas, out of the Clements Bustilla Survey, A-49, and being all of that called 4.32 acres of land described in a deed to Stanley J. Young and Nelda S. Young as recorded in Volume 18, Page 726 of the Real Records of Hunt County, Texas, and being further described as follows:

BEGINNING at a point in the center of County Road No. 2628, at the Northeast corner of said 4.32 acres, and at the Northerly most Northwest corner of that called 123.93 acres of land described in a deed to HMH Caddo Mills Land, L.P. as recorded under Document No. 2020-22751 of the Official Public Records of Hunt County, Texas, from which a 3/8 inch steel rod found bears South 00 degrees 29 minutes 31 seconds West, 14.78 feet for witness;

THENCE South 00 degrees 29 minutes 31 seconds West (Directional Control Line), 673.99 feet along the common line of said 4.32 acres and said 123.93 acres to a 1/2 inch steel rod found at the Southeast corner of said 4.32 acres, and at an ell corner of said 123.93 acres;

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THENCE North 89 degrees 25 minutes 27 seconds West, 280.20 feet to a 5/8 inch steel rod set at the Southwest corner of said 4.32 acres, and at the Southeast corner of that called 6.83 acres of land described in deed to Henry E. Morris and Eunice K. Morris as recorded under Document No. 2012-8130 of the Official Public Records of Hunt County, Texas;

THENCE North 00 degrees 29 minutes 31 seconds East, 672.18 feet to a point in the center of said County Road No. 2628, at the Northwest corner of said 4.32 acres, and at the Northeast corner of said 6.83 acres, from which a 5/8 inch steel rod set bears South 00 degrees 29 minutes 31 seconds West, 20.00 feet for witness;

THENCE South 89 degrees 47 minutes 36 seconds East, 280.20 feet along the center of said County Road No. 2628 to the POINT OF BEGINNING, containing 4.33 acres of land.

4829-0995-8654v.1 49198-10 10/8/2021

EXHIBIT "C"
Affidavit of Posting

CERTIFICATE OF POSTING OF
PETITION FOR SERVICES OTHERWISE PROVIDED BY
HUNT COUNTY MUNICIPAL UTILITY DISTRICT NO. 5

THE STATE OF TEXAS

§

COUNTY OF HUNT

§

I, W. GARRETT WESP, the undersigned, hereby state that I posted the Petition for Services Otherwise Provided by Hunt County Municipal Utility District No. 5 to the City of Caddo Mills, attached hereto, at three locations convenient to the public, within the boundaries of the land proposed to be added to the district, as shown on the map also attached hereto, on the 22 day of JANUARY, 2022, at 11:30 A.m.

W. Garrett Wesp
Signature of Person Posting

Printed Name of

Person Posting: W. GARRETT WESP

4839-0660-4259v.3 57279-12.4/1/2021

EXHIBIT "D"
Notice of Petition and Proof of Publication

AFFIDAVIT

STATE OF TEXAS
COUNTY OF HUNT

Advertiser: Winstead

Before me, the undersigned authority, in this day personally appeared
Lisa Chappell

who duly swears, deposes and says that he/she is the **Publisher / Advertising Manager / Editor**
of the **Herald-Banner**; that said newspaper is regularly published in Greenville, Hunt County,
Texas; and that the attached notice was published in said newspaper on the following date(s):
01/27/2022

ACE
Publisher / Advertising Manager / Editor

Subscribed and sworn to, before me, this date 2-28-22

Witness my hand and seal of office.
Cheri Webb

CHERI WEBB
Notary Public, State of Texas
Comm. Expires 12-09-2022
Notary ID 12441467-8



**PETITION FOR SERVICES OTHERWISE PROVIDED BY
HUNT COUNTY MUNICIPAL UTILITY DISTRICT NO. 5**

STATE OF TEXAS §
 §
COUNTY OF HUNT §

TO THE HONORABLE MAYOR AND
CITY COUNCIL OF THE CITY OF CADDO MILLS:

The undersigned petitioner (herein the "Petitioner", whether one or more), being the holder of title to all of, and therefore, a majority in value of the land hereinafter described, as such values are indicated by the tax rolls of the central appraisal district of Hunt County, Texas, acting pursuant to the provisions of the Section 42.042, Texas Local Government Code, as amended, previously petitioned the City Council of the City of Caddo Mills on October 19, 2021, for consent to the creation of Hunt County Municipal Utility District No. 5 (the "District"). The City Council of the City of Caddo Mills failed or refused to give such consent within 90 days of the date it received the petition; therefore, Petitioner now respectfully petitions that the City of Caddo Mills make available to such land the water and sanitary sewer services that would otherwise be provided by the District. In support of this petition, Petitioner shows as follows:

I.

Petitioner is the sole owner of the land sought to be served by the City of Caddo Mills, as indicated by the tax rolls of the central appraisal district of Hunt County, Texas.

II.

The land sought to be served by the City of Caddo Mills contains approximately 128.26 acres of land, more or less, and it lies wholly within Hunt County, Texas. No part of said area is within the limits of any incorporated city or town. Under the provisions of Section 42.001, Local Government Code, as amended, said land is within the extraterritorial jurisdiction of the City of Caddo Mills and is not within the jurisdiction of any other city.

III.

The land sought to be served by the City of Caddo Mills is described by metes and bounds in Exhibit "A" attached hereto and incorporated herein for all purposes.

IV.

The general nature of the work proposed to be done in the area sought to be served shall be the construction, maintenance and operation of a waterworks system, including the purchase and sale of water, for domestic and commercial purposes; the construction, maintenance and operation of a sanitary sewer collection, treatment and disposal system, for domestic and commercial purposes; the construction, installation, maintenance, purchase and operation of drainage and roadway facilities and improvements; and the construction, installation, maintenance, purchase and operation of facilities, systems, plants and enterprises of such additional facilities as shall be consistent with the purposes for which the District is organized.

V.

The land sought to be served by the City of Caddo Mills is urban in nature and is in close proximity to populous and developed sections of Hunt County. There is a necessity for the improvements described above because the land sought to be served by the City of Caddo Mills is not supplied with adequate water, sanitary sewer, drainage or roadway facilities, nor is it presently economically feasible for such facilities to be added to said land. The health and welfare of the present and future inhabitants of the land sought to be served by the City of Caddo Mills and of the territories adjacent thereto require the installation and acquisition of adequate water and sanitary sewer facilities for and within such land.

A public necessity exists for the service of said lands by the City of Caddo Mills to promote and protect the purity and sanitary condition of the State's water and the public health and welfare of the community, by and through the construction, extension, improvement, maintenance and operation of water and sanitary sewer facilities.

WHEREFORE, Petitioner respectfully prays this petition be granted in all respects and that the City of Caddo Mills execute a legally binding contract on commercially reasonable terms providing for the services requested herein within the time limits prescribed by Section 42.042, Texas Local Government Code, as amended

EXECUTED THIS 19th day of January, 2022.

PETITIONER:

EMH CADDO MILLS LAND, LP
a Texas limited partnership

EXHIBIT "A"

A portion of land situated in the Clements Bustilla Survey, Abstract Number A-49, all in Hunt County, Texas. The metes and bounds description for the proposed District is on-file and available for review at the offices of Winstead PC, 2728 N. Harwood Street, Suite 500, Dallas, Texas 75201.

EXHIBIT "E"
Petition for Services – Filed with City

RECEIVED
FEB 15 2022
BY: *Jana Sanchez*

**PETITION FOR SERVICES OTHERWISE PROVIDED BY
HUNT COUNTY MUNICIPAL UTILITY DISTRICT NO. 5**

STATE OF TEXAS §
 §
COUNTY OF HUNT §

TO THE HONORABLE MAYOR AND
CITY COUNCIL OF THE CITY OF CADDO MILLS:

The undersigned petitioner (herein the "Petitioner", whether one or more), being the holder of title to all of, and therefore, a majority in value of the land hereinafter described, as such values are indicated by the tax rolls of the central appraisal district of Hunt County, Texas, acting pursuant to the provisions of the Section 42.042, Texas Local Government Code, as amended, previously petitioned the City Council of the City of Caddo Mills on October 19, 2021, for consent to the creation of Hunt County Municipal Utility District No. 5 (the "District"). The City Council of the City of Caddo Mills failed or refused to give such consent within 90 days of the date it received the petition; therefore, Petitioner now respectfully petitions that the City of Caddo Mills make available to such land the water and sanitary sewer services that would otherwise be provided by the District. In support of this petition, Petitioner shows as follows:

I.

Petitioner is the sole owner of the land sought to be served by the City of Caddo Mills, as indicated by the tax rolls of the central appraisal district of Hunt County, Texas.

II.

The land sought to be served by the City of Caddo Mills contains approximately 128.26 acres of land, more or less, and it lies wholly within Hunt County, Texas. No part of said area is within the limits of any incorporated city or town. Under the provisions of Section 42.001, Local Government Code, as amended, said land is within the extraterritorial jurisdiction of the City of Caddo Mills and is not within the jurisdiction of any other city.

III.

The land sought to be served by the City of Caddo Mills is described by metes and bounds in Exhibit "A" attached hereto and incorporated herein for all purposes.

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IV.

The general nature of the work proposed to be done in the area sought to be served shall be the construction, maintenance and operation of a waterworks system, including the purchase and sale of water, for domestic and commercial purposes; the construction, maintenance and operation of a sanitary sewer collection, treatment and disposal system, for domestic and commercial purposes; the construction, installation, maintenance, purchase and operation of drainage and roadway facilities and improvements; and the construction, installation, maintenance, purchase and operation of facilities, systems, plants and enterprises of such additional facilities as shall be consistent with the purposes for which the District is organized.

V.

The land sought to be served by the City of Caddo Mills is urban in nature and is in close proximity to populous and developed sections of Hunt County. There is a necessity for the improvements described above because the land sought to be served by the City of Caddo Mills is not supplied with adequate water, sanitary sewer, drainage or roadway facilities, nor is it presently economically feasible for such facilities to be added to said land. The health and welfare of the present and future inhabitants of the land sought to be served by the City of Caddo Mills and of the territories adjacent thereto require the installation and acquisition of adequate water and sanitary sewer facilities for and within such land.

A public necessity exists for the service of said lands by the City of Caddo Mills to promote and protect the purity and sanitary condition of the State's water and the public health and welfare of the community, by and through the construction, extension, improvement, maintenance and operation of water and sanitary sewer facilities.

WHEREFORE, Petitioner respectfully prays this petition be granted in all respects and that the City of Caddo Mills execute a legally binding contract on commercially reasonable terms providing for the services requested herein within the time limits prescribed by Section 42.042, Texas Local Government Code, as amended.

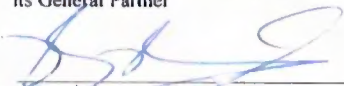
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EXECUTED THIS 19th day of January, 2022.

PETITIONER:

HMH CADDO MILLS LAND, L.P.
a Texas limited partnership

By: BNM Land, LLC,
a Texas limited liability company,
its General Partner

By: 
Name: B. Nelson Mitchell, Jr.
Title: President

THE STATE OF TEXAS §
 §
COUNTY OF Tarrant §

This instrument was acknowledged before me on this the 19th day of January, 2022, by B. Nelson Mitchell, Jr. President of BNM Land, LLC, a Texas limited liability company, General Partner of HMH Caddo Mills Land, LP, a Texas limited partnership, on behalf of said limited partnership.


Notary Public, State of Texas



EXHIBIT "A"

TRACT A

BEING all that tract of land in Hunt County, Texas, out of the Clements Bustilla Survey, A-49, and being all of that called 123.59 acres of land described in a deed to Laura L. Morris as Volume 788, Page 400 of the Official Public Records of Hunt County, Texas, and being further described as follows:

BEGINNING at a 60d nail found at the centerline intersection of County Road No. 2628 and County Road No. 2630, same being the Northeast corner of said 123.59 acres;

THENCE South 00 degrees 43 minutes 40 seconds West, 2015.01 feet along the center of said County Road No. 2630 to a 1/2 inch steel rod found at centerline intersection of a turn in said County Road No. 2630, and at the Southeast corner of said 123.59 acres;

THENCE South 89 degrees 50 minutes 07 seconds West (Directional Control Line), 2813.63 feet along the South line of said 123.59 acres to a 1/2 inch steel rod found at the Southerly most Southwest corner of said 123.59 acres, and at the Southeast corner of that called 1.00 acres of land described in deed to Edward J. Armstrong as recorded under Document No. 2013-11756 of the Official Public Records of Hunt County, Texas;

THENCE North 00 degrees 14 minutes 43 seconds West, 208.31 feet to a 1/2 inch steel rod found at an inside corner of said 123.59 acres, and at the Northeast corner of said 1.00 acres;

THENCE North 89 degrees 24 minutes 21 seconds West, 208.56 feet to a 1/2 inch steel rod found on the East line of F.M. Highway No. 1565, at the Westerly most Southwest corner of said 123.59 acres, and at the Northwest corner of said 1.00 acres;

THENCE North 00 degrees 13 minutes 26 seconds West, 943.66 feet along the East line of said F.M. Highway No. 1565 to a 5/8 inch steel rod set at point of curve;

THENCE Northeasterly, 195.46 feet along said highway and a curve to the right having a radius of 1095.92 feet and a central angle of 10 degrees 13 minutes 08 seconds (Chord bears North 04 degrees 53 minutes 08 seconds East, 195.20 feet) to a 1/2 inch steel rod found at the Westerly most Northwest corner of said 123.59 acres, and at the Southwest corner of that called 6.83 acres of land described in a deed to Henry E. Morris and Eunice K. Morris as recorded under Document No. 2012-8130 of the Official Public Records of Hunt County, Texas;

THENCE South 89 degrees 25 minutes 27 seconds East, 863.07 feet to a 1/2 inch steel rod found at an ell corner of said 123.59 acres, and at the Southeast corner of that called 4.32 acres of land described in deed to Stanley J. Young and Nelda S. Young as recorded in Volume 18, Page 726 of the Real Records of Hunt County, Texas;

THENCE North 00 degrees 29 minutes 31 seconds East, 673.99 feet to a point in the center of said County Road No. 2628, at the Northerly most Northwest corner of said 123.59 acres, and at

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the Northeast corner of said 4.32 acres, from which a 3/8 inch steel rod found bears South 00 degrees 29 minutes 31 seconds West, 14.78 feet for witness;

THENCE South 89 degrees 47 minutes 36 seconds East, 951.76 feet along the center of said County Road No. 2628 to a pk nail found at a Northeast corner of said 123.59 acres, and at the Northwest corner of that called 1.64 acres of land described in a deed to Ann Taylor as recorded under Document No. 2011-7287 of the Official Public Records of Hunt County, Texas;

THENCE South 00 degrees 06 minutes 14 seconds West, 200.00 feet to a 5/8 inch steel rod set at an inside corner of said 123.59 acres, and at the Southwest corner of said 1.64 acres;

THENCE South 89 degrees 53 minutes 46 seconds East, 360.50 feet to a 5/8 inch steel rod set at another inside corner of said 123.59 acres, and at the Southeast corner of said 1.64 acres;

THENCE North 00 degrees 06 minutes 14 seconds East, 200.00 feet to a pk nail found in the center of said County Road No. 2628, at a Northwest corner of said 123.59 acres, and at the Northeast corner of said 1.64 acres;

THENCE North 89 degrees 07 minutes 15 seconds East, 854.75 feet along the center of said County Road No. 2628 to the POINT OF BEGINNING, containing 123.93 acres of land.

TRACT B

BEING all that tract of land in Hunt County, Texas, out of the Clements Bustilla Survey, A-49, and being all of that called 4.32 acres of land described in a deed to Stanley J. Young and Nelda S. Young as recorded in Volume 18, Page 726 of the Real Records of Hunt County, Texas, and being further described as follows:

BEGINNING at a point in the center of County Road No. 2628, at the Northeast corner of said 4.32 acres, and at the Northerly most Northwest corner of that called 123.93 acres of land described in a deed to HMH Caddo Mills Land, L.P. as recorded under Document No. 2020-22751 of the Official Public Records of Hunt County, Texas, from which a 3/8 inch steel rod found bears South 00 degrees 29 minutes 31 seconds West, 14.78 feet for witness;

THENCE South 00 degrees 29 minutes 31 seconds West (Directional Control Line), 673.99 feet along the common line of said 4.32 acres and said 123.93 acres to a 1/2 inch steel rod found at the Southeast corner of said 4.32 acres, and at an ell corner of said 123.93 acres;

THENCE North 89 degrees 25 minutes 27 seconds West, 280.20 feet to a 5/8 inch steel rod set at the Southwest corner of said 4.32 acres, and at the Southeast corner of that called 6.83 acres of land described in deed to Henry E. Morris and Eunice K. Morris as recorded under Document No. 2012-8130 of the Official Public Records of Hunt County, Texas;

THENCE North 00 degrees 29 minutes 31 seconds East, 672.18 feet to a point in the center of said County Road No. 2628, at the Northwest corner of said 4.32 acres, and at the Northeast

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corner of said 6.83 acres, from which a 5/8 inch steel rod set bears South 00 degrees 29 minutes 31 seconds West, 20.00 feet for witness;

THENCE South 89 degrees 47 minutes 36 seconds East, 280.20 feet along the center of said County Road No. 2628 to the POINT OF BEGINNING, containing 4.33 acres of land.

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TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



NOTICE OF DISTRICT PETITION TCEQ INTERNAL CONTROL NO. D-10212022-034

PETITION. HMH Caddo Mills Land, LP, a Texas limited partnership, (Petitioner) filed a petition for creation of Hunt County Municipal Utility District No. 5 (District) with the Texas Commission on Environmental Quality (TCEQ). The petition was filed pursuant to Article XVI, §59 of the Constitution of the State of Texas; Chapters 49 and 54 of the Texas Water Code; 30 Texas Administrative Code Chapter 293; and the procedural rules of the TCEQ.

The petition states that: (1) the Petitioner holds title to a majority in value of the land to be included in the proposed District; (2) there are no lienholders on the property to be included in the proposed District (3) the proposed District will contain approximately 128 acres located within Hunt County, Texas; and (4) all of the land within the proposed District is wholly within the extraterritorial jurisdiction of the City of Caddo Mills.

The territory to be included in the proposed District is depicted in the vicinity map designated as Exhibit "A", which is attached to this document.

The petition further states that the proposed District will: (1) construct, maintain, and operate a waterworks system, including the purchase and sale of water for domestic and commercial purposes; (2) construct, maintain, and operate a sanitary sewer collection, treatment, and disposal system for domestic and commercial purposes; construct, install, maintain, purchase, and operate drainage and roadway facilities and improvements; and (3) construct, install, maintain, purchase, and operate facilities, systems, plants, and enterprises of such additional facilities as shall be consonant with all of the purposes for which the proposed District is created.

According to the petition, a preliminary investigation has been made to determine the cost of the project, and it is estimated by the Petitioner that the cost of said project will be approximately \$23,785,000 (\$15,860,000 for water, wastewater, and drainage and \$7,925,000 for roads).

The Property depicted in Exhibit "A" is located wholly within the extraterritorial jurisdiction of the City of Caddo Mills, Hunt County, Texas (the "City"). In accordance with Local Government Code §42.042 and Texas Water Code §54.016, the Petitioner submitted a petition to the City, requesting the City's consent to the creation of the District. After more than 90 days passed without receiving consent, the Petitioner submitted a petition to the City to provide water and sewer services to the proposed District. The 120-day period for reaching a mutually agreeable contract as established by the Texas Water Code §54.016(c) expired and the information provided indicates that the Petitioner and the City have not executed a mutually agreeable contract for service. Pursuant to Texas Water Code §54.016(d), failure to execute such an agreement constitutes authorization for the Petitioner to initiate proceedings to include the land within the proposed District.

CONTESTED CASE HEARING. The TCEQ may grant a contested case hearing on this petition if a written hearing request is filed within 30 days after the newspaper publication of this notice.

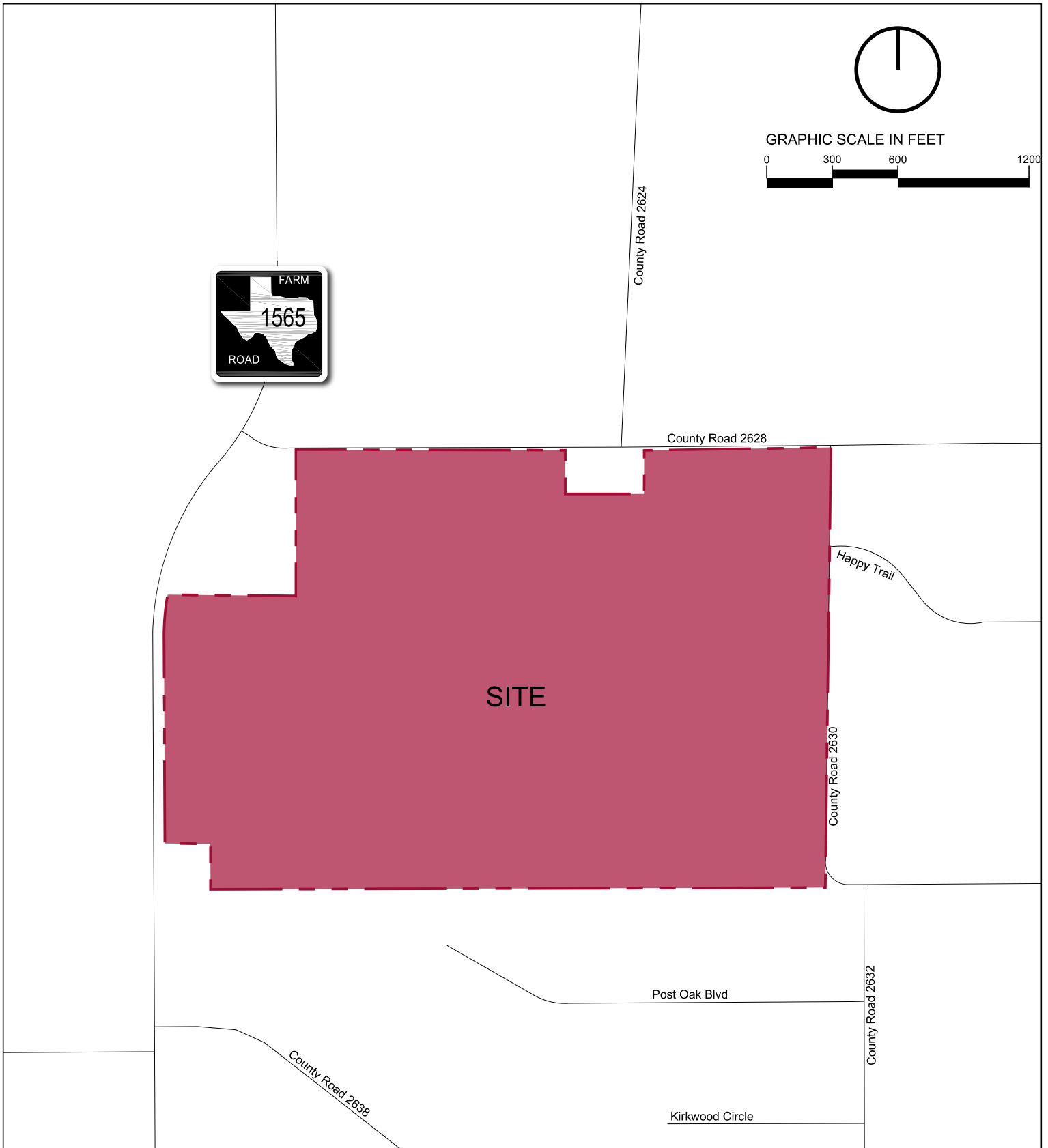
To request a contested case hearing, you must submit the following: (1) your name (or for a group or association, an official representative), mailing address, daytime phone number, and fax number, if any; (2) the name of the Petitioners and the TCEQ Internal Control Number; (3) the statement "I/we request a contested case hearing"; (4) a brief description of how you would be affected by the petition in a way not common to the general public; and (5) the location of your property relative to the proposed District's boundaries. You may also submit your proposed adjustments to the petition which would satisfy your concerns. Requests for a contested case hearing must be submitted in writing to the Office of the Chief Clerk at the address provided in the information section below.

The Executive Director may approve the petition unless a written request for a contested case hearing is filed within 30 days after the newspaper publication of this notice. If a hearing request is filed, the Executive Director will not approve the petition and will forward the petition and hearing request to the TCEQ Commissioners for their consideration at a scheduled Commission meeting. If a contested case hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

INFORMATION. Written hearing requests should be submitted to the Office of the Chief Clerk, MC-105, TCEQ, P.O. Box 13087, Austin, TX 78711-3087. For information concerning the hearing process, please contact the Public Interest Counsel, MC-103, at the same address. General information regarding TCEQ can be found at our web site <http://www.tceq.texas.gov/>.

Issued: December 21, 2022

Exhibit "A"



LOCATION MAP
SCALE: 1" = 600'

EXHIBIT 1

Hunt County MUD No. 5

Hunt County, Texas
September 2022


Kimley»Horn

400 North Oklahoma Drive, Suite 105
Celina, TX 75009
469-501-2200
State of Texas Registration No. F-928

NOTES:
1. THIS PLAN IS CONCEPTUAL IN NATURE AND HAS BEEN PRODUCED WITHOUT THE
BENEFIT OF A SURVEY OR CONTACT WITH THE CITY, COUNTY, ETC.
2. AERIAL IMAGE BY NEARMAP, COPYRIGHT 2021

Texas Commission on Environmental Quality

TECHNICAL MEMORANDUM

To: Justin P. Taack, Manager 
Districts Section
3/31/2023

Date: March 31, 2023

Thru: Michael Briscoe, Team Lead
Districts Section

From: James Walker
Districts Creation Review Team

Subject: Petition by HMH Caddo Mills Land, L.P. for Creation of Hunt County Municipal Utility District No. 5; Pursuant to Texas Water Code Chapters 49 and 54.
TCEQ Internal Control No. D-10212022-034 (TC)
CN: 606072361 RN: 111594487

A. GENERAL INFORMATION

The Texas Commission on Environmental Quality (TCEQ) received a petition within the application requesting approval for the creation of Hunt County Municipal Utility District No. 5 (District). The petition was signed by B. Nelson Mitchell, Jr. as the president of BNM Land, LLC, a Texas limited liability company, a general partner of HMH Caddo Mills Land, LP, a Texas limited partnership (Petitioner). The petition states that the Petitioner holds title to the land in the proposed District and it further states that there are no lienholders on the land in the proposed District.

The District is proposed to be created and organized according to the terms and provisions of Article XVI, Section 59 of the Texas Constitution, and Chapters 49 and 54 of the Texas Water Code (TWC).

Location and Access

The proposed District is located in Hunt County, Texas, north of I-30 and east of FM 1565. The proposed District is within the extraterritorial jurisdiction of the City of Caddo Mills (City). Access to the proposed District will be provided by FM 1565.

Metes and Bounds Description

The proposed District contains approximately 128 acres of land. The metes and bounds description of the proposed District has been reviewed and checked by TCEQ's staff and has been found to form an acceptable closure.

City Consent

In accordance with Local Government Code Section 42.042 and TWC Section 54.016, the Petitioner submitted a petition to the City, requesting the City's consent to the creation of the District. After more than 90 days passed without receiving consent, the Petitioner submitted a petition to the City to provide water or sewer services to the District. The 120-day period for reaching a mutually agreeable contract as established by TWC Section 54.016(c) expired and the

information provided indicates that the Petitioner and the City have not executed a mutually agreeable contract for service. Pursuant to TWC Section 54.016(d), failure to execute such an agreement constitutes authorization for the Petitioner to initiate proceedings to include the land within the district.

County Notification

In accordance with TWC Section 54.0161, a certified letter, dated November 2, 2022, was sent to the Commissioners Court of Hunt County which provided notice of the proposed District's pending creation application and provided them an opportunity to make their recommendations. To date, the county has not responded to this notification.

Statements of Filing Petition

Evidence of filing a copy of the petition with the City Secretary's office, the Hunt County Clerks' office, the TCEQ's Dallas/Fort Worth regional office, the Texas state representative, and the Texas state senator was included in the application.

Type of Project

The proposed District will be considered a "developer project" as defined by 30 Texas Administrative Code (30 TAC) Section 293.44(a). Therefore, developer cost participation in accordance with 30 TAC Section 293.47 will be required.

Developer Qualifications

Application material indicates that HMH Caddo Mills Land, LP, a Texas limited partnership is the sole owner and developer of 128.25 acres in the proposed District. HMH Caddo Mills Land, LP is managed by Jabez Development, LP. Jabez Development is the development arm for the History Maker Homes family of companies and oversees various development projects within the State of Texas, providing expertise and capital to develop neighborhoods for History Maker Homes and other well-established builders. Jabez will oversee the purchase, design, and construction of the 128.25 acres in the proposed District.

Certificate of Ownership

By signed certificate dated July 8, 2022, the Hunt County Appraisal District has certified that the appraisal rolls indicate that the Petitioner is the owner of all of the land in the proposed District. It is noted that subsequent to the appraisal district certificate, the developer deeded a lot to each of the directors in order to meet director qualifications, which does not affect the Petitioner's majority value.

Temporary Director Affidavits

The TCEQ has received affidavits for consideration of the appointment of the following five temporary directors:

Logan Pruitt

Dana A. Nollette

Dylan Patel

Jason Cooper

John King

Each of the above persons named is qualified, as required by 30 TAC Section 293.32(a), to serve as a temporary director of the proposed District as each (1) is at least 18 years old, (2) is a

resident of the State of Texas, and (3) either owns land subject to taxation within the proposed District or is a qualified voter within the proposed District. Additionally, as required by TWC Section 54.022, the majority are residents of the county in which the proposed District is located, a county adjacent to the county in which the proposed District is located, or if the proposed District is located in a county that is in a metropolitan statistical area designated by the United States Office of Management and Budget or its successor agency, a county in the same metropolitan statistical area as the county in which the proposed District is located.

Notice Requirements

Proper notice of the application was published on December 31, 2022, and January 7, 2023, in the *Herald-Banner*, a newspaper regularly published or circulated in Hunt County, the county in which the district is proposed to be located. Proper notice of the application was posted on December 28, 2022, in the Hunt County Courthouse, the place where legal notices in Hunt County are posted. Accordingly, the notice requirements of 30 TAC Section 293.12(b) have been satisfied. The opportunity for the public to request a contested case hearing (comment period) expired February 6, 2023.

B. ENGINEERING ANALYSIS

The creation engineering report indicates the following:

Availability of Comparable Service

The proposed District will construct the internal roadway system, water distribution system, wastewater collection system, and storm sewer system within its boundaries, as well as necessary perimeter and offsite facilities serving each system. It is anticipated that once constructed, the proposed District water improvements will be dedicated to, owned, maintained, and operated by BHP Water Supply Company (WSC). It is also anticipated that once constructed, the proposed District wastewater improvements will be owned, maintained, and operated by the proposed District. The City currently holds the Certificate for Convenience and Necessity (CCN) for retail wastewater service for the area within the proposed District. Wastewater service cannot be provided by the proposed District within the area contained within the City's CCN unless that area of the proposed District is release from the City's CCN. The proposed District will receive water, wastewater, drainage, and paving service from facilities to be built by the proposed District. The proposed District will maintain and operate the local roadway system and the storm drainage system. Construction of the facilities serving the proposed District is necessary since there are no other sources which have the facilities or capacity necessary to serve the development. All systems and facilities will be designed according to applicable criteria established by Hunt County, BHP WSC, the City, Texas Department of Transportation (TXDOT), and the TCEQ.

Water Supply Improvements

All water supply and distribution system improvements to serve the proposed District will be designed in accordance with criteria established by the TCEQ and BHP WSC. Per the engineering report, it is estimated that the District will contain 556 equivalent single-family connections (ESFCs) at ultimate development. Further, the engineering report indicates that BHP WSC holds the CCN for the land to be included in the proposed District. The ultimate average daily demand is estimated to be 0.35 million gallons per day (MGD) with a max day and peak hour demand of 0.79 MGD and 1.58 MGD, respectively. BHP WSC obtains their water through purchasing from North Texas Municipal Water District (NTMWD). It is anticipated that

NTMWD will deliver the necessary supply of water to the proposed District distribution system.

Water Distribution Improvements

The water distribution system for full development of the proposed District will consist of approximately 8,450 linear feet (LF) of offsite transmission waterline 12" in diameter of polyvinyl chloride (PVC) pipes, along with all related appurtenances as well as onsite distribution systems throughout the subdivision. The internal water distribution system will be looped where feasible to provide alternate service routes during emergencies and maintenance periods, and to equalize pressure in the system. Valves, fire hydrants, and other appurtenances will be provided at intervals as required by TCEQ and BHP WSC. The distribution system will be designed to meet TCEQ and BHP WSC design criteria.

Wastewater Treatment and Collection Improvements

It is estimated that the District will contain 556 ESFCs at ultimate development, requiring 194,600 gallons per day of wastewater treatment capacity, using 350 gallons per day per connection. The wastewater generated by the proposed District will flow by gravity through internal wastewater lines to its ultimate location at an onsite wastewater treatment plant located at the downstream end of the tract. The onsite wastewater collection system will consist of various 8" gravity mains which will combine at a manhole and gravity flow through 100 LF of 12" diameter PVC gravity flow sewer line. The tract sewers by gravity flow towards the southwest side of the property, to the wastewater treatment plant. The treatment and collection system will be designed to meet TCEQ design criteria.

Storm Water Drainage System and Drainage Improvements

The storm water runoff within the proposed District will be directed within the streets via curb and gutters to collector lines provided by the proposed District. The storm water collection system will be designed to convey the 100-year storm within a pipe system to its ultimate outfall location whether that be the existing creeks or the proposed pond location before out falling into the existing creek. The storm water collection system for full development of the proposed District will consist of a combination of street curbs and gutters with inlets, internal storm drain conduit, and detention ponds at locations necessary to ensure post developed flow mimics predeveloped flow. The proposed District is providing approximately 8 acres of detention facilities for the site that will be reimbursable by Texas Water Code Section 293.51(d). All storm drainage improvements will be designed in accordance with applicable design criteria established by the City, Hunt County, TxDOT, and the TCEQ. All internal storm sewer collection system will be designed to carry the runoff from a 100-year storm event.

Road Improvements

Application material indicates the paving within the proposed District will be concrete curb and gutter roadways provided by the proposed District. Improvements along FM 1565 will consist of right and left turn lanes. Improvements along the County Road will be to widen the existing pavement to county typical standards. All paving improvements will be designed in accordance with the applicable design criteria established by the City of Caddo Mills, Hunt County, TxDOT, and the North Central Texas Council of Governments.

Topography/Land Elevation

The topography of the proposed District is moderately flat. The approximate elevation ranges from 532 feet above mean sea level (msl) to 514 feet above msl. The fill and/or excavation associated with development of the District's systems will not cause changes in the overall land elevations other than that normally associated with the construction of the underground utility systems, drainage facilities, plants, and paving. Therefore, development within the District is not expected to have an unreasonable effect on overall land elevations.

Floodplain

According to Federal Emergency Management Agency Flood Insurance Rate Map No. 48231C0375G, dated January 6, 2012, the proposed District partially lies within the 100-year floodplain.

Subsidence

No facilities are proposed that will cause or contribute to subsidence. BHP WSC purchases all water from the NTMWD. All water sold by NTMWD is understood to be surface water, therefore there should be no cause of subsidence.

Dam Safety Analysis

The TCEQ Dam Safety Program personnel reviewed the location of the District and confirmed by letter dated July 25, 2022, that there are no dam safety issues associated with the proposed District.

Groundwater Levels/Recharge

No facilities are proposed that will contribute to adverse impacts or groundwater levels or recharge rate. The primary source of water is surface water.

Natural Run-off and Drainage

The proposed District is located on relatively flat agricultural fields. The majority of the existing drainage is through overland flow. The surface flow drains southwest to the existing creek onsite.

Water Quality

No adverse effect of the water quality of ground or surface water is anticipated as a result of this development. The treatment and disposal of wastewater from the proposed District will be provided by the proposed District in compliance with the terms of the waste discharge permit obtained from the TCEQ.

C. SUMMARY OF COSTS

WATER, WASTEWATER, AND DRAINAGE

<u>Construction Costs</u>		<u>District Share</u> ⁽¹⁾
1. Water Distribution System	\$	2,886,869
2. Wastewater Collection System		5,822,968

3. Stormwater Drainage System		<u>3,299,859</u>
TOTAL CONSTRUCTION COSTS (75.72% of BIR)	\$	12,009,696

Non-Construction Costs

A. Legal Fees	\$	396,500
B. Fiscal Agent Fees		318,200
C. Interest Costs		
1. Capitalized Interest (1 year @ 5.5%)		872,300
2. Developer Interest (2 years @ 5.5% of Construction Costs)		1,200,970 ⁽²⁾
D. Bond Discount (3%)		475,800
E. Bond Issuance Expenses		141,024
F. General Operating Cost		150,000
G. District Creation Expenses		100,000
H. Bond Application Report Costs		140,000
I. Attorney General Fee (0.1%)		15,860
J. TCEQ Bond Issuance Fee (0.25%)		<u>39,650</u>
TOTAL NON-CONSTRUCTION COSTS	\$	3,850,304
TOTAL W, WW, & D BOND ISSUE REQUIREMENT	\$	15,860,000

Notes: (1) Assumes 63.75% funding of anticipated developer contribution items, where applicable.

(2) Based on developer advancing funds approximately two years prior to reimbursement.

Eligibility of costs for District funding and 30% developer contribution requirements will be determined in accordance with TCEQ rules in effect at the time bond applications are reviewed.

ROAD IMPROVEMENTS

<u>Construction Costs</u>		<u>District Share</u> ⁽¹⁾
1. Paving	\$	<u>5,759,908</u>
TOTAL CONSTRUCTION COSTS (72.68% of BIR)	\$	5,759,908

Non-Construction Costs

A. Legal Fees	\$	198,125
B. Fiscal Agent Fees		158,500
C. Interest Costs		
1. Capitalized Interest (1 year @ 5.5%)		435,875
2. Developer Interest (2 years @ 5.5% of Construction Costs)		575,991 ⁽²⁾
D. Bond Discount (3%)		<u>237,750</u>
E. Creation Costs		<u>100,000</u>
F. Bond Issuance Expenses		160,926
G. Operating Costs		150,000
H. Bond Application Report Costs		140,000
I. Attorney General Fee (0.1%)		<u>7,925</u>
TOTAL NON-CONSTRUCTION COSTS	\$	2,165,092

TOTAL ROAD BOND ISSUE REQUIREMENT **\$ 7,925,000**

Notes: (1) Assumes 63.75% funding of anticipated developer contribution items, where applicable.
(2) Based on developer advancing funds approximately two years prior to reimbursement.

A preliminary layout of roads proposed for funding has been provided, and they appear to benefit the proposed District and the land included within the proposed District. TCEQ’s review of eligibility of costs may be determined in accordance with TCEQ rules in effect at the time bond applications are reviewed.

D. ECONOMIC ANALYSIS

Land Use

The land use for the proposed District is intended to accommodate single-family residential development. Planned ultimate development in the proposed District, as shown in the land use plan provided in the engineering report, is as follows:

<u>Land Use</u>	<u>Acreage</u>	<u>ESFCs</u>
Single Family/Residential	100.80	556
Open Space/Amenity	13.10	0
Wastewater Treatment Plant	5.50	0
Retail/Daycare	6.00	0
Perimeter Thoroughfares Right-of-way	<u>2.86</u>	<u>0</u>
Total	128.26	556

Market Study

A market study, prepared in July 2022 by Residential Strategies, Inc., was submitted in support of the creation of the proposed District. The proposed District is expected to include approximately 556 equivalent single-family connections on a tract totaling approximately 128 acres. The home values are expected to be approximately \$327,500 for 40-foot lots and \$357,500 for 50-foot lots. The study indicates single-family homes for that price range within the study’s market area are expected to be absorbed at a rate of approximately 106 homes/year over the first five years.

Project Financing

Per the engineering report, the projected taxable assessed valuation (AV) for the proposed District is as follows:

<u>Development Description</u>	<u>Lots</u>	<u>Developed Unit Value (per home per lot)</u>	<u>Total Buildout Value</u>
40-foot single-family lots	271	\$ 327,500	\$ 88,752,500
50-foot single-family lots	285	\$ 357,500	<u>\$ 101,887,500</u>
		Total Assessed Valuation	\$ 190,640,000

Considering the issuance of a total of \$23,785,000 (\$15,860,000 for utilities and \$7,925,000 for roads) in bonds, assuming 63.75% financing, a coupon bond interest rate of 5.5%, and a 25-year

bond life, the average annual debt service requirement would be \$1,773,156 (\$1,182,353 for utilities plus \$590,804 for roads). Assuming a 98% collection rate and an ultimate AV of \$190,640,000, a projected ultimate tax rate of approximately \$0.95 (\$0.63 for utilities and \$0.32 for roads) per \$100 AV was indicated to be necessary to meet the annual debt service requirements for the proposed District. An additional \$0.05 per \$100 AV is projected to be levied for maintenance and operating expenses, for a combined proposed District tax rate of \$1.00.

Based on the information provided and assuming 63.75% financing, the total year 2021 overlapping tax rates on land within the proposed District are shown as follows:

<u>Taxing Jurisdiction</u>	<u>Tax Rates</u> <u>(Hunt County)</u> ⁽¹⁾
Hunt County MUD No. 5 (District)	\$ 1.000000 ⁽²⁾⁽³⁾
Hunt County	\$ 0.361194
Caddo Mills Independent School District	\$ 1.442900
Hunt Memorial HD	\$ <u>0.208956</u>
TOTAL TAX per \$100 AV:	\$ 3.013050

- Notes: (1) Tax rate per \$100 assessed valuation.
(2) Represents \$0.63 for utilities, \$0.32 for roads, and \$0.05 for operation and maintenance tax.
(3) Assuming 63.75% funding of anticipated developer contribution items, where applicable.

Based on the proposed District tax rate and the year 2021 overlapping tax rate on land within the proposed District, and assuming 63.75% financing, the project is considered economically feasible.

Water and Wastewater Rates

According to information provided, BHP WSC will provide retail water service and the proposed District will provide retail wastewater services to the proposed District's customers. The estimated monthly fee for 10,000 gallons of water and wastewater would be \$140.80.

Comparative Water District Tax Rates

A tax rate of \$1.00 (\$0.63 for utilities, \$0.32 for roads, and \$0.05 for operation and maintenance tax) for the proposed District is comparable to other districts in the target market area. Based on the requirements of 30 TAC Section 293.59, this project is considered economically feasible.

E. SPECIAL CONSIDERATION

Request for Road Powers

A request for approval of road powers was included in the petition for creation of the proposed District. Pursuant to TWC Section 54.234, approval of road powers may be requested at the time of creation. The engineering report provided with the application included a summary of the estimated costs. The proposed roads appear to benefit the proposed District, and financing appears feasible.

F. CONCLUSIONS

1. Based on TCEQ policy, compliance with TCEQ rules, and review of the engineering report and supporting documents, the proposed District is considered feasible, practicable, a benefit to the land within the proposed District, and necessary as a means to finance utilities and to provide utility service to future customers.
2. Based on a review of the preliminary engineering report; market study; the proposed District's water, wastewater, drainage facilities, and road facilities; a combined projected tax rate of \$1.00 per \$100 AV when assuming 63.75% financing; the proposed District obtaining a 5.5% bond coupon interest rate; and other supporting data, the proposed District is considered feasible under the feasibility limits prescribed by 30 TAC Section 293.59.
3. The recommendations are made under authority delegated by the Executive Director of the TCEQ.

G. RECOMMENDATIONS

1. Grant the petition for creation of Hunt County Municipal Utility District No. 5.
2. Grant the District's request to acquire road powers in accordance with TWC Section 54.234 and 30 TAC Sections 293.11(d)(11), 293.201, and 293.202 subject to the requirement imposed by the TCEQ and the general laws of the state relating to the exercise of such powers.
3. The Order granting the petition should include the following statements:

“This Order shall in no event be construed as an approval of any proposed agreements or of any particular items in any documents provided in support of the petition for creation, nor as a commitment or requirement of the TCEQ in the future to approve or disapprove any particular items or agreements in future applications submitted by the District for TCEQ consideration.”

4. Appoint the following five persons to serve as temporary directors until permanent directors are elected and qualified:

Logan Pruitt

Dana A. Nollette

Dylan Patel

Jason Cooper

John King

H. ADDITIONAL INFORMATION

The Petitioner's professional representatives are:

Attorney: Mr. Ross Martin – Winstead, PC

Creation Engineer: Mr. Todd Hensley, P.E. – Kimley-Horn

AFFIDAVIT OF TEMPORARY DIRECTOR

THE STATE OF TEXAS §
 §
COUNTY OF Denton §

BEFORE ME, the undersigned duly constituted authority of the State and County aforesaid, on this day personally appeared Dana A. Nollette who expressed a desire to be appointed a director of Hunt County Municipal Utility District No. 5 (hereinafter the "District"), and who on oath did state:

1. I am at least eighteen (18) years of age, a resident citizen of the State of Texas, and own land subject to taxation within the District. I am a resident of Denton County, being a county located in the same metropolitan statistical area as the county in which the District is located.

2. I am not now and have no present plans to be a developer of property in the District as defined in Section 49.052(d), Texas Water Code, as amended (a person who owns land located within the District who has divided or proposes to divide the land into two or more parts for the purpose of laying out any subdivision or any tract of land or any addition to any town or city, or for laying out suburban lots or building lots, or any lots, streets, alleys or parks or other portions intended for public use or the use of purchasers or owners of lots fronting thereon or adjacent thereto).

3. I am not, to the best of my knowledge, related within the third degree of affinity (marriage) or consanguinity (blood) to a developer of property within the District; or to any of the other proposed Directors of the District; or to the attorney, engineer or manager of the District or other person providing professional services to the District.

4. I am not an employee of any developer of property within the District or any other Director or any attorney, engineer or manager of the District, or other person providing professional services to the District or a developer of property in the District in connection with the District or property located in the District.

5. I am not serving as an attorney, consultant, engineer, manager, architect, or in some other professional capacity for the District or a developer of property within the District.

6. Neither my employer nor I have any business or other connection with the developer of the District, the attorney representing the District, or any consulting engineer for the District in regard to the District and the development therein.

7. I am not a party to a contract with or along with the District (except, possibly,

for the purchase of public services furnished by the District to the public generally) or a contract with or along with a developer of property in the District relating to the District or property within the District (except, possibly, a contract related solely to the purpose of purchasing or conveying real property in the District for the purpose of qualifying as a director).

8. I do not, at the present time, plan to live in the District. I do plan to retain ownership of my land in the District for the indefinite future, but I anticipate that I will eventually offer it for resale.

9. I am generally familiar with the responsibilities of a director of a municipal utility district. I realize that as a Director I will be a public official charged with the responsibility of serving the best interests of the present and future property owners, taxpayers and residents of the District.

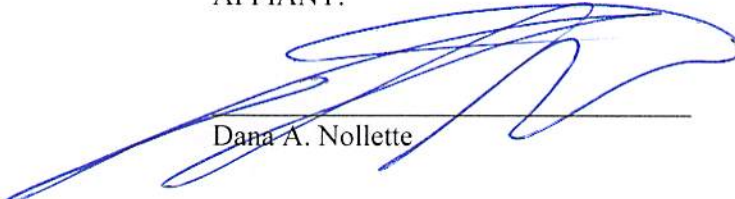
10. I am aware that the District is a public agency, that by law notice of its meetings must be posted, and that, subject to certain exceptions, its meetings must be open to the public and its records must be available for inspection by the public at all reasonable times.

11. I am aware that the District is subject to the continuing supervision of the Texas Commission on Environmental Quality, and I will fully cooperate with said Commission.

12. I am not presently an officer, director or official of the State of Texas or any other district, city, county, school district or political subdivision of this State.

13. I hereby affirm that I will faithfully execute the duties of the office of Director of the District and will to the best of my ability preserve, protect and defend the Constitution and laws of the United States and of the State of Texas; and I hereby affirm that I have not directly or indirectly paid, offered or promised to pay, contributed or promised to contribute any money or valuable thing, or promised any public office or employment as a reward to secure this appointment.

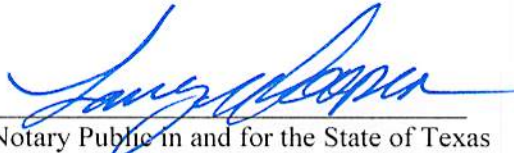
AFFIANT:



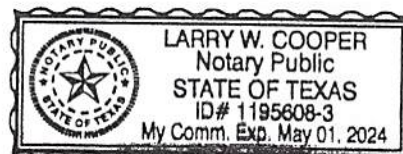
Dana A. Nollette

SWORN AND SUBSCRIBED BEFORE ME this 1 day of SEPT, 2022.

[SEAL]



Notary Public in and for the State of Texas



AFFIDAVIT OF TEMPORARY DIRECTOR

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned duly constituted authority of the State and County aforesaid, on this day personally appeared Dylan Patel who expressed a desire to be appointed a director of Hunt County Municipal Utility District No. 5 (hereinafter the "District"), and who on oath did state:

1. I am at least eighteen (18) years of age, a resident citizen of the State of Texas, and own land subject to taxation within the District. I am a resident of Dallas County, being a county adjacent to the county in which the District is located.

2. I am not now and have no present plans to be a developer of property in the District as defined in Section 49.052(d), Texas Water Code, as amended (a person who owns land located within the District who has divided or proposes to divide the land into two or more parts for the purpose of laying out any subdivision or any tract of land or any addition to any town or city, or for laying out suburban lots or building lots, or any lots, streets, alleys or parks or other portions intended for public use or the use of purchasers or owners of lots fronting thereon or adjacent thereto).

3. I am not, to the best of my knowledge, related within the third degree of affinity (marriage) or consanguinity (blood) to a developer of property within the District; or to any of the other proposed Directors of the District; or to the attorney, engineer or manager of the District or other person providing professional services to the District.

4. I am not an employee of any developer of property within the District or any other Director or any attorney, engineer or manager of the District, or other person providing professional services to the District or a developer of property in the District in connection with the District or property located in the District.

5. I am not serving as an attorney, consultant, engineer, manager, architect, or in some other professional capacity for the District or a developer of property within the District.

6. Neither my employer nor I have any business or other connection with the developer of the District, the attorney representing the District, or any consulting engineer for the District in regard to the District and the development therein.

7. I am not a party to a contract with or along with the District (except, possibly, for the purchase of public services furnished by the District to the public generally) or a contract

with or along with a developer of property in the District relating to the District or property within the District (except, possibly, a contract related solely to the purpose of purchasing or conveying real property in the District for the purpose of qualifying as a director).

8. I do not, at the present time, plan to live in the District. I do plan to retain ownership of my land in the District for the indefinite future, but I anticipate that I will eventually offer it for resale.

9. I am generally familiar with the responsibilities of a director of a municipal utility district. I realize that as a Director I will be a public official charged with the responsibility of serving the best interests of the present and future property owners, taxpayers and residents of the District.

10. I am aware that the District is a public agency, that by law notice of its meetings must be posted, and that, subject to certain exceptions, its meetings must be open to the public and its records must be available for inspection by the public at all reasonable times.

11. I am aware that the District is subject to the continuing supervision of the Texas Commission on Environmental Quality, and I will fully cooperate with said Commission.

12. I am not presently an officer, director or official of the State of Texas or any other district, city, county, school district or political subdivision of this State.

13. I hereby affirm that I will faithfully execute the duties of the office of Director of the District and will to the best of my ability preserve, protect and defend the Constitution and laws of the United States and of the State of Texas; and I hereby affirm that I have not directly or indirectly paid, offered or promised to pay, contributed or promised to contribute any money or valuable thing, or promised any public office or employment as a reward to secure this appointment.

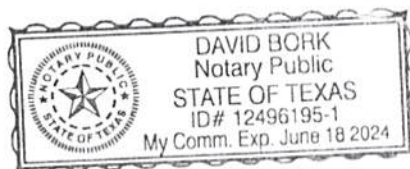
AFFIANT:




Dylan Patel

SWORN AND SUBSCRIBED BEFORE ME this 14 day of SEPTEMBER, 2022.

[SEAL]





Notary Public in and for the State of Texas

AFFIDAVIT OF TEMPORARY DIRECTOR

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned duly constituted authority of the State and County aforesaid, on this day personally appeared Jason Cooper who expressed a desire to be appointed a director of Hunt County Municipal Utility District No. 5 (hereinafter the "District"), and who on oath did state:

1. I am at least eighteen (18) years of age, a resident citizen of the State of Texas, and own land subject to taxation within the District. I am a resident of Tarrant County, being a county located in the same metropolitan statistical area as the county in which the District is located.

2. I am not now and have no present plans to be a developer of property in the District as defined in Section 49.052(d), Texas Water Code, as amended (a person who owns land located within the District who has divided or proposes to divide the land into two or more parts for the purpose of laying out any subdivision or any tract of land or any addition to any town or city, or for laying out suburban lots or building lots, or any lots, streets, alleys or parks or other portions intended for public use or the use of purchasers or owners of lots fronting thereon or adjacent thereto).

3. I am not, to the best of my knowledge, related within the third degree of affinity (marriage) or consanguinity (blood) to a developer of property within the District; or to any of the other proposed Directors of the District; or to the attorney, engineer or manager of the District or other person providing professional services to the District.

4. I am not an employee of any developer of property within the District or any other Director or any attorney, engineer or manager of the District, or other person providing professional services to the District or a developer of property in the District in connection with the District or property located in the District.

5. I am not serving as an attorney, consultant, engineer, manager, architect, or in some other professional capacity for the District or a developer of property within the District.

6. Neither my employer nor I have any business or other connection with the developer of the District, the attorney representing the District, or any consulting engineer for the District in regard to the District and the development therein.

7. I am not a party to a contract with or along with the District (except, possibly,

for the purchase of public services furnished by the District to the public generally) or a contract with or along with a developer of property in the District relating to the District or property within the District (except, possibly, a contract related solely to the purpose of purchasing or conveying real property in the District for the purpose of qualifying as a director).

8. I do not, at the present time, plan to live in the District. I do plan to retain ownership of my land in the District for the indefinite future, but I anticipate that I will eventually offer it for resale.

9. I am generally familiar with the responsibilities of a director of a municipal utility district. I realize that as a Director I will be a public official charged with the responsibility of serving the best interests of the present and future property owners, taxpayers and residents of the District.

10. I am aware that the District is a public agency, that by law notice of its meetings must be posted, and that, subject to certain exceptions, its meetings must be open to the public and its records must be available for inspection by the public at all reasonable times.

11. I am aware that the District is subject to the continuing supervision of the Texas Commission on Environmental Quality, and I will fully cooperate with said Commission.

12. I am not presently an officer, director or official of the State of Texas or any other district, city, county, school district or political subdivision of this State.

13. I hereby affirm that I will faithfully execute the duties of the office of Director of the District and will to the best of my ability preserve, protect and defend the Constitution and laws of the United States and of the State of Texas; and I hereby affirm that I have not directly or indirectly paid, offered or promised to pay, contributed or promised to contribute any money or valuable thing, or promised any public office or employment as a reward to secure this appointment.

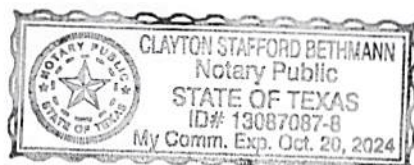
AFFIANT:




Jason Cooper

SWORN AND SUBSCRIBED BEFORE ME this 25th day of August, 2022.

[SEAL]





Notary Public in and for the State of Texas

AFFIDAVIT OF TEMPORARY DIRECTOR

THE STATE OF TEXAS §
 §
COUNTY OF DENTON §

BEFORE ME, the undersigned duly constituted authority of the State and County aforesaid, on this day personally appeared John King who expressed a desire to be appointed a director of Hunt County Municipal Utility District No. 5 (hereinafter the "District"), and who on oath did state:

1. I am at least eighteen (18) years of age, a resident citizen of the State of Texas, and own land subject to taxation within the District. I am a resident of Denton County, being a county located in the same metropolitan statistical area as the county in which the District is located.

2. I am not now and have no present plans to be a developer of property in the District as defined in Section 49.052(d), Texas Water Code, as amended (a person who owns land located within the District who has divided or proposes to divide the land into two or more parts for the purpose of laying out any subdivision or any tract of land or any addition to any town or city, or for laying out suburban lots or building lots, or any lots, streets, alleys or parks or other portions intended for public use or the use of purchasers or owners of lots fronting thereon or adjacent thereto).

3. I am not, to the best of my knowledge, related within the third degree of affinity (marriage) or consanguinity (blood) to a developer of property within the District; or to any of the other proposed Directors of the District; or to the attorney, engineer or manager of the District or other person providing professional services to the District.

4. I am not an employee of any developer of property within the District or any other Director or any attorney, engineer or manager of the District, or other person providing professional services to the District or a developer of property in the District in connection with the District or property located in the District.

5. I am not serving as an attorney, consultant, engineer, manager, architect, or in some other professional capacity for the District or a developer of property within the District.

6. Neither my employer nor I have any business or other connection with the developer of the District, the attorney representing the District, or any consulting engineer for the District in regard to the District and the development therein.

7. I am not a party to a contract with or along with the District (except, possibly,

for the purchase of public services furnished by the District to the public generally) or a contract with or along with a developer of property in the District relating to the District or property within the District (except, possibly, a contract related solely to the purpose of purchasing or conveying real property in the District for the purpose of qualifying as a director).

8. I do not, at the present time, plan to live in the District. I do plan to retain ownership of my land in the District for the indefinite future, but I anticipate that I will eventually offer it for resale.

9. I am generally familiar with the responsibilities of a director of a municipal utility district. I realize that as a Director I will be a public official charged with the responsibility of serving the best interests of the present and future property owners, taxpayers and residents of the District.

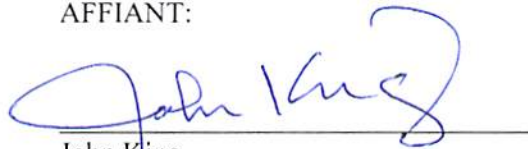
10. I am aware that the District is a public agency, that by law notice of its meetings must be posted, and that, subject to certain exceptions, its meetings must be open to the public and its records must be available for inspection by the public at all reasonable times.

11. I am aware that the District is subject to the continuing supervision of the Texas Commission on Environmental Quality, and I will fully cooperate with said Commission.

12. I am not presently an officer, director or official of the State of Texas or any other district, city, county, school district or political subdivision of this State.

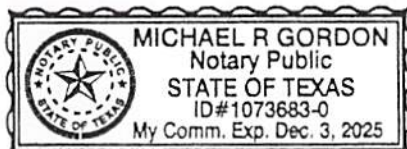
13. I hereby affirm that I will faithfully execute the duties of the office of Director of the District and will to the best of my ability preserve, protect and defend the Constitution and laws of the United States and of the State of Texas; and I hereby affirm that I have not directly or indirectly paid, offered or promised to pay, contributed or promised to contribute any money or valuable thing, or promised any public office or employment as a reward to secure this appointment.


AFFIANT:


John King

SWORN AND SUBSCRIBED BEFORE ME this 2nd day of SEPTEMBER, 2022.

[SEAL]




Notary Public in and for the State of Texas

AFFIDAVIT OF TEMPORARY DIRECTOR

THE STATE OF TEXAS §
 §
COUNTY OF TARRANT §

BEFORE ME, the undersigned duly constituted authority of the State and County aforesaid, on this day personally appeared Logan Pruitt who expressed a desire to be appointed a director of Hunt County Municipal Utility District No. 5 (hereinafter the "District"), and who on oath did state:

1. I am at least eighteen (18) years of age, a resident citizen of the State of Texas, and own land subject to taxation within the District. I am a resident of Tarrant County, being a county located in the same metropolitan statistical area as the county in which the District is located.

2. I am not now and have no present plans to be a developer of property in the District as defined in Section 49.052(d), Texas Water Code, as amended (a person who owns land located within the District who has divided or proposes to divide the land into two or more parts for the purpose of laying out any subdivision or any tract of land or any addition to any town or city, or for laying out suburban lots or building lots, or any lots, streets, alleys or parks or other portions intended for public use or the use of purchasers or owners of lots fronting thereon or adjacent thereto).

3. I am not, to the best of my knowledge, related within the third degree of affinity (marriage) or consanguinity (blood) to a developer of property within the District; or to any of the other proposed Directors of the District; or to the attorney, engineer or manager of the District or other person providing professional services to the District.

4. I am not an employee of any developer of property within the District or any other Director or any attorney, engineer or manager of the District, or other person providing professional services to the District or a developer of property in the District in connection with the District or property located in the District.

5. I am not serving as an attorney, consultant, engineer, manager, architect, or in some other professional capacity for the District or a developer of property within the District.

6. Neither my employer nor I have any business or other connection with the developer of the District, the attorney representing the District, or any consulting engineer for the District in regard to the District and the development therein.

7. I am not a party to a contract with or along with the District (except, possibly,

for the purchase of public services furnished by the District to the public generally) or a contract with or along with a developer of property in the District relating to the District or property within the District (except, possibly, a contract related solely to the purpose of purchasing or conveying real property in the District for the purpose of qualifying as a director).

8. I do not, at the present time, plan to live in the District. I do plan to retain ownership of my land in the District for the indefinite future, but I anticipate that I will eventually offer it for resale.

9. I am generally familiar with the responsibilities of a director of a municipal utility district. I realize that as a Director I will be a public official charged with the responsibility of serving the best interests of the present and future property owners, taxpayers and residents of the District.

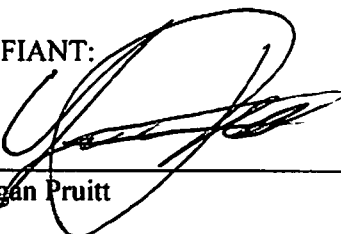
10. I am aware that the District is a public agency, that by law notice of its meetings must be posted, and that, subject to certain exceptions, its meetings must be open to the public and its records must be available for inspection by the public at all reasonable times.

11. I am aware that the District is subject to the continuing supervision of the Texas Commission on Environmental Quality, and I will fully cooperate with said Commission.

12. I am not presently an officer, director or official of the State of Texas or any other district, city, county, school district or political subdivision of this State.

13. I hereby affirm that I will faithfully execute the duties of the office of Director of the District and will to the best of my ability preserve, protect and defend the Constitution and laws of the United States and of the State of Texas; and I hereby affirm that I have not directly or indirectly paid, offered or promised to pay, contributed or promised to contribute any money or valuable thing, or promised any public office or employment as a reward to secure this appointment.

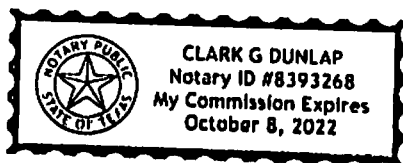
AFFIANT:

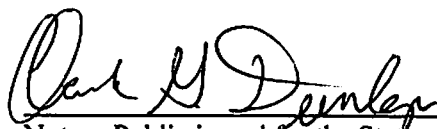


Logan Pruitt

SWORN AND SUBSCRIBED BEFORE ME this 26 day of August, 2022.

[SEAL]





Notary Public in and for the State of Texas