



A Letter from the Association President

February March 2nd , 2020

On March 27th, The Tri-County Point Property Owners Association will hold a Special Meeting to discuss many issues facing the Association. We, as a Community, must come together to discuss realistic solutions to move the Association forward into a promising future. Our most pressing issue is a water and sewer system that has been neglected of maintenance, upgrades, and foresight for future growth for many years. This was probably due to a lack of funding but it is an issue that must now be addressed. TCEQ requirements will force the Association to make many upgrades to our water and sewer system that is not within the financial capabilities of The Association. The Texas Commission on Environmental Quality will require upgrades such as a new Community Wastewater Treatment Plant, additions to overcapacity well systems, and water storage facilities to facilitate a minimum of 200 gallons per connection. The Association was notified of the requirement for 200 gallons of water storage per connection in May of 2017, yet no steps were taken for such system upgrades. The Association is now faced with making these upgrades as soon as possible in order to remain in Compliance with TCEQ requirements. In order for The Association to make the upgrades to the water and sewer infrastructure required by TCEQ, The Association will be forced to pass special assessments in the amount of an estimated \$800 to \$1,000 per lot. The Association would also have to file with the Public Utility Commission to raise water and sewer rates to an estimated \$120 per month. Even after these steps are taken, these very same steps may have to be taken again in the future as Community growth will require more upgrades to our water and sewer infrastructure. After assessing the status of our water and sewer system, the Association's Board has come to the conclusion that it is in the best interest of the Community to sell the water and sewer district to a private company that has the financial resources to upgrade and maintain our water system well into the future, like Central States Water Resources Group, whose prices are governed by the Public Utility Commission. Water and Sewer Rates would be an estimated \$120 per month under the ownership of Central States Water Resources. However there would then be no need Special Assessments passed by the Association to provide capital for water and sewer infrastructure upgrades. Central States would make the necessary system upgrades to the system as an investment. A Company like Central States would not offer any payment for

the system in its current condition, so the system would be sold for one dollar. But, they would take over the system, provide the required upgrades, and assume responsibility for any current fines and debt of the system. Tri-County is currently making payments on roughly 40 thousand dollars in fines from TCEQ and more judgments against the system are imminent. The Board has the legal authority to sell the Water & Sewer System, as an asset of the Association, with a simple majority vote by The Association's Board. But, I feel that it is in the best interest of the Community that we make this decision together, as a Community. Therefore, we will hold a "Support Vote" from the Community. Community members can vote "Yes" to selling the water and sewer system to a private company or they can vote "No". The board will vote with the Majority of the Community. The Board will hold an open discussion relating to this matter at the March 27th meeting. The vote will be held by proxy and in person at the March 27th Special Meeting. I believe that the path to a promising future for our Community begins with selling the Water and Sewer System to a Company, like CSWR, that is willing to make a major investment into our Community that is so desperately needed. An investment in water infrastructure also encourages increased long-term economic development in communities. With high-quality water resources, rural areas and neighborhoods like ours can grow even more. Central States' approach ultimately ensures consumers have clean, safe, and reliable water and wastewater systems with long-term rate stability. By investing in water and wastewater systems, CSWR increases the value of homes, properties and communities — all through the continued transformation of essential water resources. So, please take time to research Central States Water Resources and let your vote be counted as we try to take a head on approach at developing a promising future for our families and our Community.

Tri-County Point POA President,

Mark Porter