

NORTH COLLIN SPECIAL UTILITY DISTRICT

P.O. BOX 343 2333 Sam Rayburn Hwy.
MELISSA, TEXAS 75454
PH. 972-837-2331 www.northcollinsud.com FAX 972-837-2930

Notice of Special Called Board of Directors' Meeting

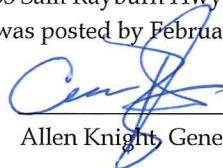
For the health and safety of the public during the COVID-19 pandemic, the NCSUD Board of Directors will hold a regular meeting on **Monday, February 22, 2021 at 7:00p.m. via videoconference by using the Zoom Application; via teleconference by dialing this toll-free number: +1 346 248 7799, or by visiting the website: <https://us02web.zoom.us/j/85015191814?pwd=Y1R3M2x4dGdCUDluZlMvVDg2d1QyQT09>; all mediums will use **Meeting ID: 850 1519 1814, Passcode: 038984**. This meeting will be held in accordance with the following:**

Agenda

1. Call to order and Roll Call.
2. Discuss and approve minutes of previous meeting/s.
3. Hear public comments. (The NCSUD Board will hear public comments for items not listed on the agenda, but any discussion shall be limited to the item being placed on a future agenda for further consideration or, if appropriate, direct the speaker to District staff for more information. Limit individual comments to three minutes with a maximum of fifteen minutes total for public comments.)
4. Discuss and accept financial report.
5. Acceptance of Certification of Unopposed Candidates. Discuss and take appropriate action regarding Ordinance No. 2021-002, declaring one (1) unopposed candidate for the office of director at-large in the District's General Election ordered to be held on Saturday, May 1, 2021; adopting an order to cancel the General Election; and providing for an effective date.
6. Discuss and take appropriate action regarding proposed agreement between NCSUD and NTMWD Sister Grove RWRRF.
7. Discuss and take appropriate action regarding Oxford Place development on CR 412 and CR 409.
8. Discuss and take action regarding the Assumption Agreement by and between Texas Water Development Board (TWDB) and North Collin SUD regarding Altoga WSC's 2010 TWDB loan.
9. Discuss and take appropriate action regarding purchase of emergency generator and related equipment.
10. Discuss and take appropriate action regarding actions related to response to recent winter storm.
11. Discuss and take appropriate action regarding Resolution No. 2021-002, approving and adopting the District's Second Amended Annual Budget for fiscal year beginning January 1, 2021 and ending December 31, 2021; providing for severability, conflicts and savings, and an effective date.
12. Manager's Report, including but not limited to:
 - a. System maintenance and repairs for North Collin SUD and Altoga WSC
13. Future agenda items.
14. Adjournment.

CERTIFICATION

I, the undersigned authority, do hereby certify that this Notice of Meeting was posted on the District's website and on the front door of the North Collin Special Utility District office/building, facing the outside, at 2333 Sam Rayburn Hwy., in Melissa, Texas, a place convenient and readily accessible to the general public at all times, and that said Notice was posted by February 19, 2021 at 4:30 p.m., and remained so posted at least 72 hours before said meeting was convened.



Allen Knight, General Manager

EXECUTIVE SESSION

The North Collin Special Utility District Board of Directors reserves the right to retire into a closed or executive session concerning any of the items listed on this Agenda whenever it is considered necessary and legally justified under the Texas Open Meetings Act, Texas Government Code 551.001 et. seq., for any and all purposes permitted by the Act, including, but not limited to the following: (1) Section 551.071 – Private consultation with the attorney for North Collin Special Utility District; (2) Section 551.072 - Discussing purchase, exchange, lease or value of real property; (3) Section 551.074 – Discussing personnel or to hear complaints against personnel. Notice is hereby given that the North Collin Special Utility District Board of Directors reserves the right to discuss, consider, and take all necessary action, including expenditure of funds, regarding each of the agenda items.

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P.O. BOX 343 2333 Sam Rayburn Hwy.

MELISSA, TEXAS 75454

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Board of Directors' Meeting

Minutes

January 21, 2021

1. Call to order and Roll Call. President Duke Monson called the meeting to order at 7:00 p.m. and declared a quorum to be present with directors Debbie Herbst, Ellen Hartley, Rick Hoenigman and Barbara Wilson present. Others present were General Manager Allen Knight, Office Manager Cynthia Wills, the District's attorney Maria Huynh and visitor Billy Boone.
2. Discuss and approve minutes of previous meeting/s. After review, Director Ellen Hartley made a motion to approve the minutes from 11-19-2020 as presented. Director Barbara Wilson seconded the motion and it passed unanimously. There was no December 2020 meeting.
3. Hear public comments. (The NCSUD Board will hear public comments for items not listed on the agenda, but any discussion shall be limited to the item being placed on a future agenda for further consideration or, if appropriate, direct the speaker to District staff for more information. Limit individual comments to three minutes with a maximum of fifteen minutes total for public comments.) There were none.
4. Discuss and accept financial report. After review, Director Ellen Hartley made a motion to accept the financial report for November and December 2020, as presented. Director Barbara Wilson seconded the motion and it passed unanimously.
5. Discuss and take appropriate action regarding Ordinance No. 2021-001, ordering the General Election to be held on Saturday, May 1, 2021 for the purpose of election two (2) directors at-large to the District's Board of Directors; authorizing the General Election and early voting to be administer by Collin County Elections Administrator in accordance with the County's contract for election services; providing information regarding Application for Place on the Ballot; designating the Elections Administrator as Early Voting Clerk; providing for the location and time of voting by personal appearance; providing for the request and submission of ballots by mail; providing for other related matters in connection to the General Election; and providing for an effective date. After review, Director Rick Hoenigman made a motion to adopt Ordinance No. 2021-001 as presented. Director Ellen Hartley seconded the motion and it passed unanimously.
6. Discuss and take appropriate action regarding proposed agreement between NCSUD and NTMWD Sister Grove RWRRF. This item was tabled.
7. Discuss and take appropriate action regarding a draft version of Non-Standard Service Agreement for Oxford Place development on CR 412 and CR 409. This item was tabled.
8. Manager's Report, including but not limited to:
 - a. System maintenance and repairs for North Collin SUD and Altoga WSC
General Manager Allen Knight reported that meters continue to be installed and gave an overview of general maintenance of the system including some leak repairs.
9. Future agenda items. Items #6 and #7 above, and appropriate General Election items.
10. Adjournment. President Duke Monson adjourned the meeting at 7:45 p.m.

APPROVED by the Board of Directors of North Collin Special Utility District, Collin County, Texas, on the 22nd day of February, 2021.

Ellen Hartley, Secretary/Treasurer

NORTH COLLIN SPECIAL UTILITY DISTRICT

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MELISSA, TEXAS 75454

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FAX 972-837-2930

Special Called Board of Directors' Meeting

Minutes

January 27, 2021

1. Call to order and Roll Call. President Duke Monson called the meeting to order at 7:00 p.m. and declared a quorum to be present with directors Debbie Herbst, Ellen Hartley, Rick Hoenigman and Barbara Wilson present. Others present were General Manager Allen Knight, Office Manager Cynthia Wills, the District's attorney Maria Huynh and visitor Billy Boone.
2. Hear public comments. (The NCSUD Board will hear public comments for items not listed on the agenda, but any discussion shall be limited to the item being placed on a future agenda for further consideration or, if appropriate, direct the speaker to District staff for more information. Limit individual comments to three minutes with a maximum of fifteen minutes total for public comments.) There were none.
3. Discuss and take appropriate action regarding Resolution No. 2021-001, approving and adopting the District's Amended Annual Budget for Fiscal Year beginning January 1, 2021 and ending December 31, 2021; providing for severability, conflicts and savings, and an effective date. After review, Director Debbie Herbst made a motion to adopt Resolution No. 2021-001 as presented. Director Ellen Hartley seconded the motion and it passed unanimously.
4. Discuss and take appropriate action regarding the payment of interest and principal of the District's revolving line-of-credit with Independent Financial. After discussion, Director Rick Hoenigman made a motion to pay in full the balance of the revolving line-of-credit immediately.
5. Future agenda items. Generator purchase and items listed from 1/21/2021 BOD meeting.
6. Adjournment. President Duke Monson adjourned the meeting at 7:30 p.m.

APPROVED by the Board of Directors of North Collin Special Utility District, Collin County, Texas, on the 22nd day of February, 2021.

Ellen Hartley, Secretary/Treasurer

1/31/2021
INCOME STATEMENT
Balance as of January 31, 2021

	Jan-20	YTD	Budget
Water Sales	196,618.70	196,618.70	3,500,000.00
Meter Installations	0.00	0.00	90,000.00
Tower Rental	2,002.03	2,002.03	48,000.00
Reimbursed Expenses	0.00	0.00	0.00
Interest Income	29.43	29.43	1,900.00
Miscellaneous Income	1,613.00	1,613.00	90,000.00
Transfer of Funds	0.00	0.00	200,000.00
Grand Total Sales	200,263.16	200,263.16	3,929,900.00
 Cost of Water	 87,714.00	 87,714.00	 1,070,000.00
Gross Profit On Sales	112,549.16	112,549.16	2,859,900.00
 Alarm System	 125.77	 125.77	 2,620.00
Automobile Expense	881.50	881.50	15,000.00
Bank Charges	171.89	171.89	0.00
Petty Cash	0.00	0.00	200.00
Credit Card Service Fee	1,259.31	1,259.31	17,500.00
Dues	42.88	42.88	25,300.00
Employee 401K	0.00	0.00	12,000.00
Fuel Expense	1,740.57	1,740.57	22,000.00
Insurance	7,438.19	7,438.19	118,000.00
Disability Insurance	164.27	164.27	
Interest Expense	4,557.90	4,557.90	54,300.00
Materials & Supplies	6,391.98	6,391.98	105,000.00
Water Testing	222.66	222.66	3,000.00
Office	832.00	832.00	
Office Expense	5,182.42	5,182.42	102,500.00
Postage & Delivery	287.05	287.05	1,700.00
Printing & Reproduction	0.00	0.00	1,500.00
Professional Fees - Accounting	0.00	0.00	
Professional Fees - Engineering	0.00	0.00	
Professional Fees - Legal Fees	1,349.78	1,349.78	80,000.00
Repairs & Maintenance	40.33	40.33	60,000.00
Licenses & Permits	0.00	0.00	5,500.00
Conference Fees	0.00	0.00	3,000.00
Refunds	0.00	0.00	0.00
Reimbursement	0.00	0.00	0.00
Returned Checks	0.00	0.00	750.00
Meals, Travel & Entertainment	0.00	0.00	6,000.00
Telephone	442.19	442.19	14,500.00
Telephone - Mobile	666.86	666.86	0.00
Trash Pickup	68.18	68.18	650.00
Utilities - Electric	5,031.45	5,031.45	160,000.00
Payroll Expense	46,810.38	46,810.38	560,000.00
Payroll Tax Expense	3,313.18	3,313.18	42,000.00
Total Expenses(less water)	87,020.74	87,020.74	1,413,020.00
Grand Total Expenses(with water)	174,734.74	174,734.74	2,483,020.00
 Net Income	 25,528.42	 25,528.42	 1,446,880.00
 Balances			
Operation	347,916.70		
Capital	408,672.91		
CD	444,503.94		
ICS	23,444.14		
 Total	 \$ 1,224,537.69		

**CERTIFICATION OF UNOPPOSED CANDIDATES FOR
THE GENERAL ELECTION ON MAY 1, 2021
OF NORTH COLLIN SPECIAL UTILITY DISTRICT**

To: Duke Monson, President of North Collin Special Utility District

As the authority responsible for having the official ballot prepared, I hereby certify that the following candidates are unopposed for election to office for the General Election scheduled to be held on May 1, 2021.

List of offices and names of candidates:

<u>Offices</u>	<u>Candidates</u>
Director	Duke Monson

[District seal]

Allen Knight, Election Agent

Date of signing: February 22, 2021

***CERTIFICACIÓN DE CADIDATOS ÚNICOS PARA
LA ELECCIÓN GENERAL EL 1 DE MAYO DE 2021
DE NORTH COLLIN SPECIAL UTILITY DISTRICT***

Al: Allen Knight, Presidente de North Collin Special Utility District

Como autoridad a cargo de la preparación de la boleta de votación oficial, por la presente certifico que los siguientes candidatos son candidatos únicos para un cargo en la elección que se llevará a cabo el 1 de mayo de 2021.

Lista de cargos y nombres de los candidatos:

<u>Cargos</u>	<u>Candidatos</u>
Director	Duke Monson

/s/ Allen Knight, Agente Electoral

Fecha de firma: 22 de febrero de 2021

ORDINANCE NO. 2021-002

AN ORDINANCE OF NORTH COLLIN SPECIAL UTILITY DISTRICT, COLLIN COUNTY, TEXAS (DISTRICT), DECLARING ONE UNOPPOSED CANDIDATE FOR THE OFFICE OF DIRECTOR AT-LARGE IN THE GENERAL ELECTION TO BE HELD ON SATURDAY, MAY 1, 2021; ADOPTING AN ORDER OF CANCELLATION FOR THE GENERAL ELECTION; PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH AND AN EFFECTIVE DATE.

WHEREAS, North Collin Special Utility District, Collin County, Texas (the "District") is a political subdivision of the State of Texas, created under authority of the Article XVI, Section 59 of the Texas Constitution, and operating pursuant to Chapters 49 and 65 of the Texas Water Code, among other statutes governing political subdivisions;

WHEREAS, the District, through its Board of Directors, ordered a general election to be held on Saturday, May 1, 2021 for the purpose of electing two (2) directors at-large to the District's Board of Directors (the "General Election") by adoption of Ordinance No. 2021-001 during its board meeting, open to the public, on January 21, 2021;

WHEREAS, the filing deadlines for placement on the ballot and list of write-in candidates for the election have expired; and

WHEREAS, pursuant to Texas Election Code § 2.052, the authority responsible for having the official ballot prepared has certified in writing to the Board of Directors that one (1) candidate Duke Monson has filed an application to be placed on the ballot, and said candidate is unopposed for election to the office of director at-large ("Director") of the District.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF NORTH COLLIN SPECIAL UTILITY DISTRICT THAT:

SECTION 1. The above findings and recitals are incorporated into the body of this Ordinance for all purposes as if fully set forth herein.

SECTION 2. Pursuant to Tex. Elec. Code § 2.053(a), candidate Duke Monson has been certified as unopposed and is hereby declared elected to the office of director at-large. Further, the attached Order of Cancellation (the "Order") is hereby approved and adopted, and a copy of the executed Order shall be posted during early voting and on election day in the time and manner prescribed by law.

SECTION 3. Pursuant to Tex. Elec. Code § 2.053(b), the General Election to be held on Saturday, May 1, 2021 for the purpose of electing two (2) directors at-large to the District's Board of Directors shall not be held and is hereby canceled.

SECTION 4. Pursuant to Tex. Elec. Code § 2.053(e), a certificate of election shall be issued to the candidate in the same manner and same time as provided for a candidate elected at the General Election. The candidate will be administered the Oath of Office upon commencement of the first regular or special meeting of the Board of Directors held on or after May 1, 2021 and will thereafter exercise the duties of said office.

SECTION 5. This Ordinance shall take effect immediately upon adoption.

APPROVED and ADOPTED by the Board of Directors of North Collin Special Utility District, Collin County, Texas, on this 22nd day of February, 2021.

[District seal]

Duke Monson, President

ATTEST:

APPROVED AS TO FORM:

Ellen Hartley, Secretary
or Allen Knight, Assistant Secretary

Maria Huynh, Attorney

**NORTH COLLIN SPECIAL UTILITY DISTRICT
ORDER OF CANCELLATION**

The Board of Directors of North Collin Special Utility District hereby cancels the General Election scheduled to be held on Saturday, May 1, 2021, in accordance with Texas Election Code (TEC) § 2.053(b). Pursuant to TEC § 2.053(a), the following candidate has been certified as unopposed and is hereby elected:

Candidate:
Duke Monson

Office Sought:
Director

A copy of this order will be posted during early voting and on election day at each polling place that would have been used in the election.

Date of adoption: February 22, 2021

North Collin Special Utility District

[District seal]

Duke Monson, President

ATTEST:

Ellen Hartley, Secretary
or Allen Knight, Assistant Secretary

**NORTH COLLIN SPECIAL UTILITY DISTRICT
ORDEN DE CANCELACIÓN**

La Junta Directiva de North Collin Special Utility District por la presente cancela la Elección Generales que, de lo contrario, se hubiera celebrado el sábado, 1 de mayo de 2021 de conformidad, con la Sección 2.053(b) del Código de Elecciones de Texas (TEC). De conformidad con la TEC Sección 2.053(a), los siguientes candidatos han sido certificados como candidatos únicos y por la presente quedan elegidos como se haya indicado a continuación:

Candidato:
Duke Monson

Cargo al que presenta candidatura:
Director

Se publicará una copia de esta orden durante la votación anticipada y el día de la elección en cada lugar de votación que se habría utilizado en la elección.

Fecha de adopción: 22 de febrero de 2021

North Collin Special Utility District

/s/ Duke Monson, Presidente

/s/ Ellen Hartley, Secretaria
o Allen Knight, Asistente Secretario

**ASSUMPTION AGREEMENT
BY AND BETWEEN
TEXAS WATER DEVELOPMENT BOARD
AND
NORTH COLLIN SPECIAL UTILITY DISTRICT**

Transferee (Assuming Party):

North Collin Special Utility District
P. O. Box 343
Melissa, Texas 75454

Transferor:

Altoga Water Supply Corporation
P. O. Box 547
Princeton, Texas 75407

This Assumption Agreement by and between **Texas Water Development Board** ("TWBD") and **North Collin Special Utility District**, a political subdivision of the State of Texas ("Transferee") is dated _____, 2021 (this "Agreement").

WHEREAS, TWDB is the holder of a debt instrument executed by **Altoga Water Supply Corporation**, a Texas non-profit, member-owned water supply corporation ("Transferor") on January 12, 2010 (the "Loan") and further identified as follows:

TABLE I

Instrument Type	Date Executed	Principal Amount	UNPAID ON DATE HEREOF		Interest Rate
			Principal	Accrued Interest	
Deed of Trust USI	1-12-2010	\$1,060,000.00	\$719,999.96 (as of 6-1-20)	\$0.00	0.00%

WHEREAS, in connection with the Loan and in order to secure the payment of the Loan, the following Security Instrument, described in Table II below, was taken on property described therein which is located in Collin County, Texas:

TABLE II

TYPE OF INSTRUMENT	DATE EXECUTED	OFFICE WHERE RECORDED	BOOK/VOLUME/ DOCUMENT NUMBER
Deed of Trust-USI	1-12-2010	Texas Secretary of State	File No. 20100309000223930

WHEREAS, Transferor and Transferee entered into a Transfer Agreement executed in August 2016, in which it was agreed that Transferor would, among other things, take all necessary actions to transfer all of its assets and debts, including but not limited to the Loan, to Transferee (the "Transfer"); and

WHEREAS, the Public Utility Commission of Texas has approved the transfer of Transferor's facilities and rights and obligations under Transferor's certificate of convenience and necessity to Transferee, as related to the Transfer.

NOW THEREFORE, in consideration of the assumption of the Loan ("Indebtedness") as herein provided and TWDB's consent to the assumption and related conveyance of security property, if applicable, it is agreed as follows:

1. The Transferee hereby jointly and severally assumes liability for and agrees to pay to the order of TWDB, or to the order of the insured holder through TWDB if and when an insured holder is the holder of said debt instrument(s), at the office of TWDB shown below, the entire unpaid Indebtedness in accordance with the rates and terms specified as follows: The entire unpaid Indebtedness will be paid in accordance with the rates and terms stipulated in the debt and security instruments listed in Tables I and II of this Agreement.
2. The provisions of said debt and security instruments, and of any outstanding agreements executed or assumed by the Transferor pertinent thereto shall, except as modified herein, remain in full force and effect, and the Transferee hereby assumes the obligations of and agrees to be bound by and to comply with all covenants, agreements and conditions contained in said instruments and agreements, except as modified herein, the same as if they had executed them as of the dates thereof as principal obligors or grantees, including any obligation to pay TWDB an insurance charge in addition to interest if and as provided in any such instruments.
3. This Agreement shall be subject to present regulations of TWDB and to its future regulations which are not inconsistent with the express provisions hereof.
4. When the Indebtedness hereby assumed is held by an insured holder, prepayments made by the Transferee may, except for final payment, be remitted by TWDB to the holder on an annual installment due date basis or other basis established by Board regulation. Final payment will be remitted promptly. The effective date of every payment made by the Transferee shall be the date the payment is received by TWDB.
5. Each signatory to this Agreement represents and affirms that he or she has the authority to execute this Agreement on behalf of the respective party as indicated.

EXECUTED BY **TRANSFeree** on this ____ day of _____, 2021.

[seal]

NORTH COLLIN SPECIAL UTILITY DISTRICT

By: _____
Duke Monson, President

Attest:

Ellen Hartley, Secretary

EXECUTED BY **TWDB** on this ____ day of _____, 2021.

TEXAS WATER DEVELOPMENT BOARD

By: _____

Print name: _____

Title: _____

NOTICE OF UTILITY SECURITY INSTRUMENT AFFECTING REAL PROPERTY

(Ref: Sec. 261.011, Texas Business & Commerce Code)

WHEREAS, **Altoga Water Supply Corporation** (the "Corporation") is a non-profit member-owned water supply corporation operating under Chapter 67 of the Texas Water Code and previously providing retail water service under Certificate of Convenience and Necessity ("CCN") No. 12580;

WHEREAS, **North Collin Special Utility District** (the "District") is a political subdivision of the State of Texas, created under the authority of Article XVI, Section 59 of the Texas Constitution, and providing retail water service under CCN No. 11035;

WHEREAS, the Corporation and the District executed a Transfer Agreement, respectively on August 29, 2016 and August 25, 2016, whereby all assets and liabilities of the Corporation were to be transferred to and assumed by the District (the "Transfer Agreement"), among other things;

WHEREAS, the Public Utility Commission of Texas approved, among other things, the transfer of the facilities and certificate rights formerly held by the Corporation to the District under the provisions of an Order issued on March 13, 2019, and the assets of the Corporation have been transferred to the District and the District is now operating the retail water system, in accordance with the Transfer Agreement;

WHEREAS, the Transfer Agreement reflected the Corporation's indebtedness to the **Texas Water Development Board** ("TWDB") on account of the loan described as follows:

DATE OF LOAN	ORIGINAL PRINCIPAL AMOUNT
January 12, 2010	\$1,060,000.00

(the "Loan");

WHEREAS, the Loan is evidenced by a promissory note of even date and the payment of the Loan is secured by a Deed of Trust-Utility Security Instrument filed with the Office of the Texas Secretary of State, which is more particularly described as follows:

TYPE OF INSTRUMENT	DATE EXECUTED	OFFICE WHERE RECORDED	INSTRUMENT NO.
Deed of Trust-USI	01/12/2010	Texas Secretary of State	File No. 20100309000223930

and

WHEREAS, the District will assume payment of the Loan to TWDB.

NOW THEREFORE, **notice** is hereby given that **District** has assumed the Loan which is secured by the USI filed with the Office of the Texas Secretary of State described above. The USI covers and affects real property formerly owned by **Corporation** and now owned by **District** situated in **Collin County, Texas**, and which is more particularly described in that above-referenced USI. The USI and the lien covering the said real estate remains in full force and effect as to the real property described therein until the Loan is paid in full.

Executed this _____ day of _____, 2021.

NORTH COLLIN SPECIAL UTILITY DISTRICT,
a political subdivision of the State of Texas

(District seal)

By: _____
Duke Monson, President

Attest:

Ellen Hartley, Secretary

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

This instrument was acknowledged before me on _____, 2021, by Duke Monson, as president and on behalf of North Collin Special Utility District, a political subdivision of the State of Texas.

(Notary seal)

Notary Public, State of Texas

Executed this _____ day of _____, 2021.

TEXAS WATER DEVELOPMENT BOARD

By: _____

Print Name: _____

Title: _____

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2021, by
(print name) _____, as (title) _____
and on behalf of Texas Water Development Board.

(Notary seal)

Notary Public, State of Texas

RESOLUTION NO. 2021-002

A RESOLUTION OF THE BOARD OF DIRECTORS OF NORTH COLLIN SPECIAL UTILITY DISTRICT, COLLIN COUNTY, TEXAS (DISTRICT), APPROVING AND ADOPTING THE DISTRICT'S SECOND AMENDED ANNUAL BUDGET FOR FISCAL YEAR BEGINNING JANUARY 1, 2021 AND ENDING DECEMBER 31, 2021; PROVIDING FOR SEVERABILITY, CONFLICTS AND SAVINGS, AND AN EFFECTIVE DATE.

WHEREAS, North Collin Special Utility District, Collin County, Texas (the "District") is a political subdivision of the State of Texas, created under authority of the Article XVI, Section 59 of the Texas Constitution, and operating pursuant to Chapters 49 and 65 of the Texas Water Code, among other statutes;

WHEREAS, Texas Water Code § 49.057 requires the Board of Directors of the District (the "Board") to adopt an annual budget for the District prior to the beginning of its fiscal year, and the Board approved and adopted the District's annual budget for fiscal year beginning January 1, 2021 and ending December 31, 2021 (FY 2021) through Resolution No. 2020-002 at its regular board meeting, open to the public, on November 19, 2020 (the "Annual Budget"), and approved and adopted the District's first amended annual budget for FY 2021 at its special board meeting, open to the public, on January 27, 2021 (the "First Amended Budget");

WHEREAS, District officers and staff have reviewed the First Amended Budget and related appropriations and recommend that the First Amended Budget be amended as shown in Exhibit A, attached hereto and incorporated for all purposes herein; and

WHEREAS, the Board has reviewed the proposed second amended annual budget for FY 2021 in attached Exhibit A (the "Second Amended Budget") and finds that it is in the best interest of the District and its customers to adopt the Second Amended Budget for sound financial management.

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF NORTH COLLIN SPECIAL UTILITY DISTRICT THAT:

Section 1. Seconded Amended Budget. The District's annual budget for FY 2021 is hereby approved, amended, and adopted as the Second Amended Budget in accordance with Exhibit A, on behalf of the District. All expenditures of District funds shall be made in accordance with the Second Amended Budget or as subsequently amended according to law.

Section 2. Severability. Should any word, clause, phrase, paragraph, or section of this Resolution be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of this Resolution, which shall remain in full force and effect.

Section 3. Conflicts and Savings. All resolutions and provisions of resolutions of the District in conflict with the provisions of this Resolution are hereby repealed, and all resolutions and provisions of resolutions of the District not in conflict with the provisions of this Resolution shall remain in full force and effect.

Section 4. Effective Date. This Resolution shall be effective immediately from and after its passage by the District's Board of Directors.

PASSED and ADOPTED by the Board of Directors of North Collin Special Utility District, Collin County, Texas, on this 22nd day of February, 2021.

[District seal]

Duke Monson, President

ATTEST:

APPROVED AS TO FORM:

Ellen Hartley, Secretary
or Allen Knight, Assistant Secretary

Maria Huynh, Attorney

EXHIBIT A
TO
RESOLUTION NO. 2021-002

**2/22/2021 Proposed Ammended
2021 Capital Budget**

Category	Income	Increase	
Capital Fees (50meters @ \$2100.00)	\$105,000.00		\$231,900.00
Excess from 2020 Capital Budget(NCSUD)	\$297,172.76		\$297,172.76
			\$0.00
Transferred from Operating Account	\$200,000.00		\$620,000.00
Total Income	\$602,172.76	\$0.00	\$1,149,072.76

	Expense		
Waterline replacement	\$75,000.00		\$75,000.00
2020 F-250	\$45,000.00		\$45,000.00
Parking lot concrete paving (partial)	\$10,000.00		\$10,000.00
Repair #3 Pump Station pressure tank	\$10,200.00		\$10,200.00
Line of Credit Note Payoff			\$413,273.33
Emergency Generator and Equipment		\$30,000.00	\$30,000.00
Altoga OST Site Generator Connection		\$7,500.00	\$7,500.00
Total Expenses	\$140,200.00	\$30,000.00	\$590,973.33

Surplus (Deficit)	\$461,972.76	\$30,000.00	\$558,099.43
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