

# CITY OF BUDA WATER PROJECT

---

Electro Purification

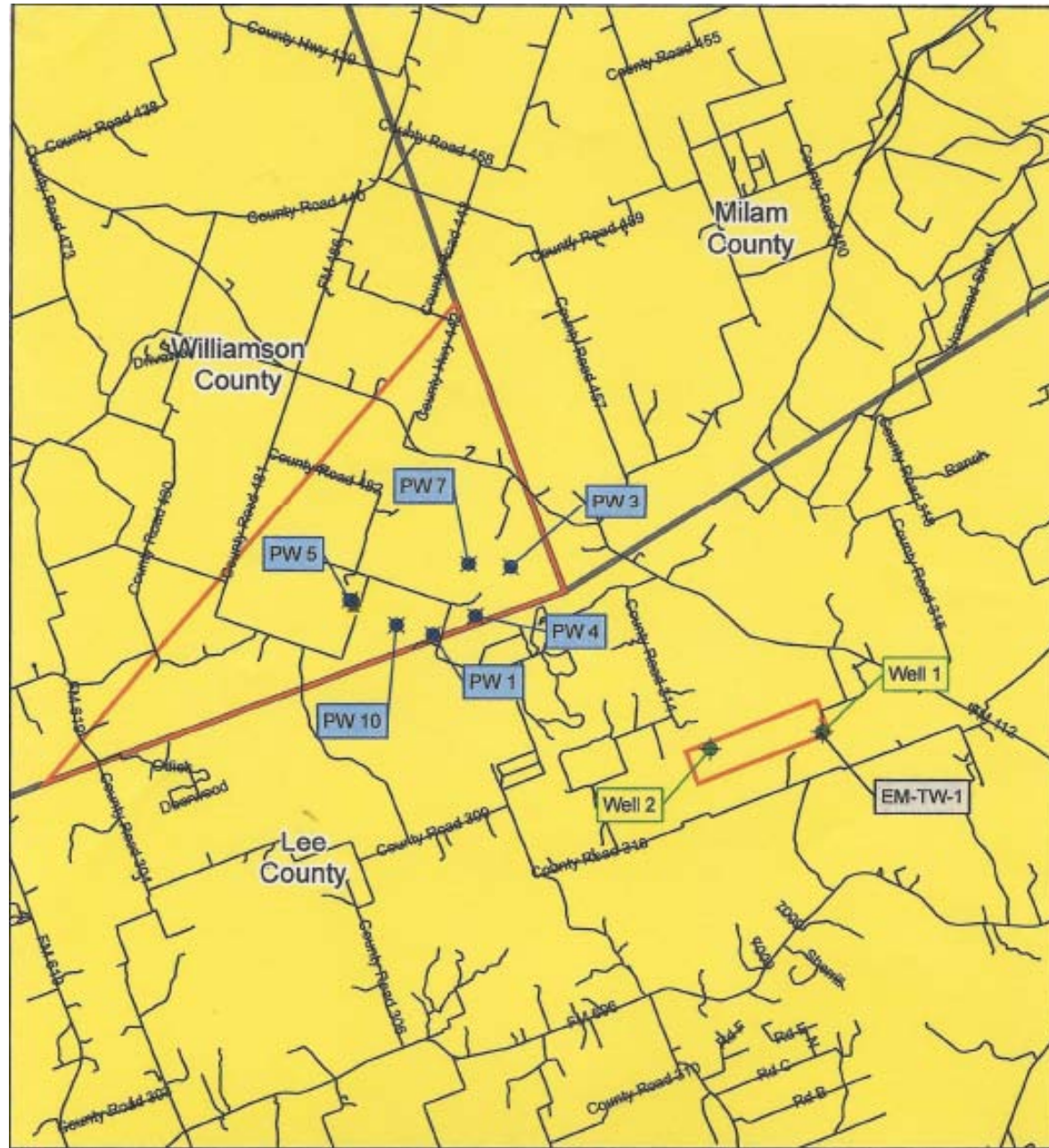
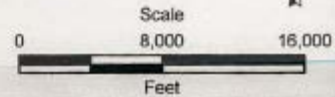
Bart Fletcher & Tim Throckmorton

# Heart of Texas Suppliers, LP

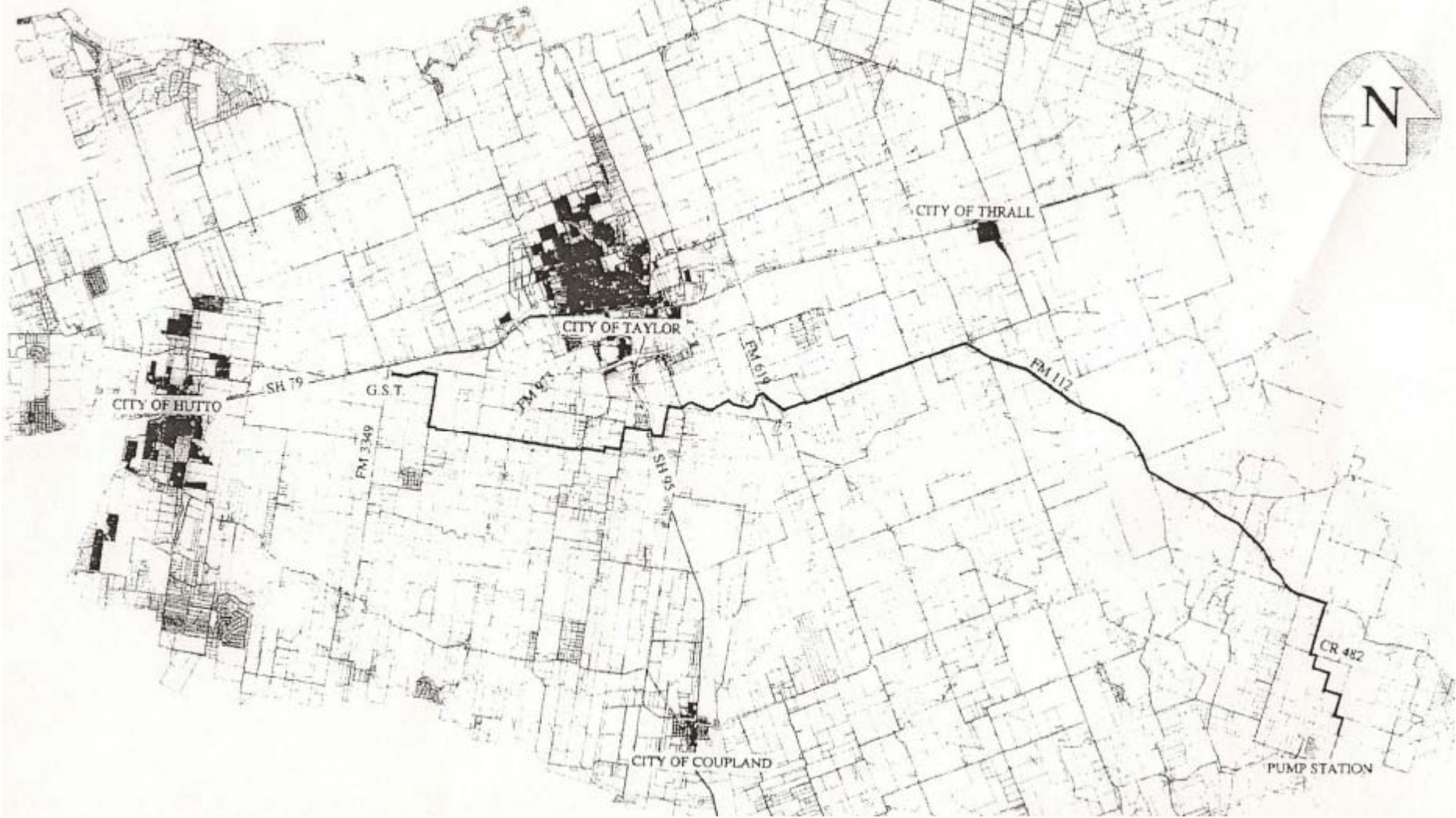
## Well Field Locations

### Explanation

- City of Hutto Production Wells
- City of Hutto - Pump Station
- Malish Test Well (EM-TW-1)
- Malish Proposed Production Wells
- Property Boundaries
- Transportation
- County Boundaries



# Heart of Texas Water Pipeline - City of Hutto



## Electro Purification LLC

- The management of Electro Purification was intimately involved in the development, construction and financing of the Heart of Texas Water Project, that supplies water to the City of Hutto.
- We currently manage this project and work with The City of Hutto to explore avenues to improve the project for the mutual benefit of both parties.
- We developed the Hornsby Bend Water Project that supplies water to The Hornsby Bend Utility District, who distributes the water to communities in the Hornsby Bend area.
- We currently manage our Hornsby Bend well field and the transmission of water to Hornsby Bend Utility District.
- Electro Purification has patented processes to remove heavy metals from water.
- Electro Purification has a team of engineers and hydrologists with many years of experience in developing water projects in Texas.
- Electro Purification has the capital, management and financial resources to build large water projects.

## **City of Buda/Electro Purification LLC Groundwater Supply Project**

**Under the proposed groundwater supply project, Electro Purification LLC would supply treated potable groundwater from the Trinity Aquifer to the City of Buda. The Project would include development of a well field in Hays County and construction of ground storage facilities and an approximately 13-mile pipeline. More specifically, Electro Purification would be responsible for:**

- Purchasing or leasing the groundwater rights for the Project;
- Acquiring all well sites, facility sites and sanitary control easements;
- Drilling test wells to confirm the quality and quantity of water, and developing and constructing all production wells;
- Securing and maintaining all permits, licenses and approvals for the Project, including water well drilling, production and other permits from the appropriate groundwater conservation district, and public water system approvals from the TCFQ.
- Performing all design, engineering and construction for the Project, including evaluating the quality and quantity of groundwater;
- Acquiring easements or other rights-of-way for the pipeline and associated appurtenances;
- Purchasing all materials and equipment for the Project and paying all costs;
- Constructing the gathering system, storage tanks, treatment facilities, pump stations, transmission pipeline, and related infrastructure;
- Treating the groundwater to all TCEQ standards and the City of Buda's reasonable specifications; and
- Operating and maintaining the Project.

## Project Phases

The Project would be pursued in the following 3 phases:

- **Phase 1.** Investigation Phase – During this phase, Electro Purification will confirm water quantity, water quality and taste to the City of Buda’s reasonable specifications. If Electro Purification fails to complete the Investigation Phase and meet all required quality and quantity specifications within [18 months] after the execution of a definitive agreement by the parties, the agreement will automatically terminate, and the parties will not be obligated to proceed to the subsequent phases, unless otherwise agreed to by the parties.
- **Phase 2.** Reserve Water Phase – During this phase, except for the construction of the pipeline, Electro Purification will complete all actions necessary to produce and deliver treated water to the City of Buda, including acquiring easements for the water transmission line. Electro Purification shall make necessary lease payments to hold groundwater leases which are part of the Project.
- **Phase 3.** Pipeline Construction Phase – At least [18 months] before the City of Buda anticipates needing delivery of the reserved groundwater supply, the City of Buda will notify Electro Purification to initiate the Pipeline Construction Phase. During this phase, Electro Purification will construct the water transmission from the well field to the City of Buda’s delivery point, complete construction of storage, treatment and pumping facilities, and take all remaining steps necessary to deliver water to Buda.