

CAUSE NO. D-1-GV-09-002065

STATE OF TEXAS, Plaintiff	§	IN THE DISTRICT COURT OF
	§	
VS.	§	
	§	TRAVIS COUNTY, TEXAS
KATHIE BRYANT, dba BUENA VISTA WATER SYSTEM, Defendant	§	
	§	250 th JUDICIAL DISTRICT

RECEIVER'S MONTHLY REPORT
BUENA VISTA WATER SYSTEM
BURNET COUNTY, TEXAS
For the Month Ending August 31, 2012


COMES NOW, JOHN M. FULTZ, duly appointed Receiver for Buena Vista Water System (the "Water System"), and files this Receiver's Monthly Report for the month ending August 31, 2012, and would show this Court the following:

1. John M. Fultz was appointed Receiver of the Water System by Receivership Order signed by this Court on July 8, 2010 (the "Order").
2. The Water System is alleged to be owned by Kathie Bryant, individually, d/b/a Buena Vista Water System.
3. The Order authorized the Receiver to take possession and control of the Water System located in Burnet County, Texas.
4. The Receiver employed Gulf Utility Service, Inc., (the "Operator"), on July 12, 2010. The Operating Agreement between the Receiver and Gulf Utility Service, Inc. is available and on file in the Receiver's office. The resume and operator's license are available and on file in the Receiver's office.
5. The Receiver operates the Water System through the Operator. The Operator has maintained the Water System, performed monthly maintenance of the Water System, filed the appropriate monthly water reports, read the meters, billed the customers, collected and deposited the funds received in payment, and prepared checks for payment of the monthly bills and returned the same to the Receiver for review and payment to the appropriate vendors.
6. The Receiver reviewed the Operator's Buena Vista Water System's Systems Totals Report, Profit & Loss Report, Balance Sheet and A/P Aging Detail for the reporting month, copies of which are attached.

7. The Receiver confirmed through the Operator that the plant at the Water System was running well and that repairs continue to be made on an as needed basis to provide continuous and adequate supply of water to the customers of the Water System.
8. The Receiver took the following actions during the reporting month:
 - a. On or about August 27, 2012, the Receiver reviewed TCEQ correspondence dated August 21, 2012, regarding the Notice of Violations of Trihalomethanes for quarter two in 2012. The correspondence was forwarded to the operator for action by the deadline of November 19, 2012.
 - b. On August 27, 2012, the Receiver efiled the Receiver's Monthly Reports for the months of April, May, and June, and March 2012. The appropriate parties were copied.
 - c. On August 31, 2012, the Receiver met with Tom Bohl, Assistant Attorney General, Terry Webb, TCEQ Receivership coordinator, Dorothy Young, Vera Poe, Doug Holcomb and Peipey Tang of TCEQ and Susan Roth, Engineer to discuss Buena Vista and the water plans for Burnet County.
 - d. The Receiver, through the Operator, is gathering technical data to submit to the engineer to ascertain if it may be appropriate to seek an alternative capacity requirement if the system qualifies under 290.45 (g).
 - e. The Receiver is in the process of gathering financial data and technical information to prepare the Application for Rate Change to be submitted upon completion to TCEQ.
9. The Operator performed the tasks shown on the attached work orders for the reporting month.
10. The Receiver will continue to operate the System through the Operator.

This concludes the Receiver's Monthly Report for the month ending August 31, 2012.

Respectfully Submitted,

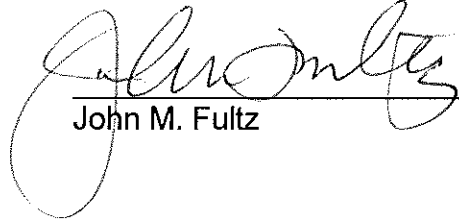

John M. Fultz, Receiver
P. O. Box 868
Navasota, Texas 77868

936-825-7833
936-825-2354 fax

Certificate of Service

I, John M. Fultz, Receiver, certify that a copy of the foregoing Receiver's Monthly Report for the month of August, 2012, for the Buena Vista Water System, was forwarded via email on the 31st day of December, 2012, to the following:

Mr. George Thomas "Tom" Bohl, Assistant Attorney General
Mr. Terence Webb, Receivership Coordinator
Mr. Keith Kebodeaux, Attorney for Kathy Bryant
Mr. Roger Borgelt, Attorney for the Buena Vista Property Owners Association
Ms. Tracy Killebrew, Attorney in Fact for Kathie Bryant



John M. Fultz