



Date: 9/23/2013

Melanie Edwards
Office of Compliance and Enforcement
Texas Commission on Environmental Quality
6300 Ocean Drive, NRC Bldg., Ste 1200, Unit 5839
Corpus Christi, TX 78412-5839
[Address 3]

Dear Ms. Edwards:

Please find the attached letter describing the proposed rate hike for water in Port Alto Texas. I agree with Dr. Alton K. Easton and would also like to protest the proposed water rate increase by "Farmers Transport Inc. dba Enchanted Harbor Utility(CCN#12683) proposed to take place January 1, 2014 and desire a public hearing on this issue.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael Gilbert', written over a horizontal line.

Michael Gilbert
Managing Partner

Dr. Alton K. Easton, PhD
207 Marshall Johnson Ave S
Port Lavaca-Alto, TX
77979-5341

361-893-5110

September 16, 2013

Texas Commission on Environmental Quality
Water Supply Division
Utilities & Districts Section, MC 153
PO Box 13087
Austin, Texas
78711-3087

To Whom It Concerns,

I am protesting the proposed water rate increase by "Farmers Transport Inc. dba Enchanted Harbor Utility (CCN #12683) proposed to take place January 1, 2014. And desire a public hearing on this issue.

I feel that increase is excessive for the following reasons:

1. The proposed base rate increase is a 134.8% increase; more than twice the current rate.
2. The proposed rate increase is not just and reasonable based upon the company's expenses.
3. The company's prior year's profits (since 2001) should have been sufficient to provide a reasonable profit and a reserve upgrade account to maintain the water system according to code.
4. The rate increase will inhibit economic growth in a county that already suffers from very limited economic growth. The Port Alto area has in the last few years

has seen more growth than seen in the cities of Port Lavaca, Port Comfort, and Seadrift.

5. The rate increase will inhibit sales of homes in the area and drive down selling pricing.
6. The current base rates already exceed the water rates of Calhoun County Water Authority by 226%; the new rates will be 538% above that of Calhoun County Water authority of \$15.91.
7. The stated expenses of the operations associated with Enchanted Harbor Utilities are questionable and overstated, due to other business operations occurring in association with Farmers Transport Inc. Company source documents associated with expenses should be made available to the committee and public for review/verification.

Thank you for your attention to this matter,

Dr. Alton K. Easton, PhD

10/2/13 TT



Date: 9/23/2013

Melanie Edwards
Office of Compliance and Enforcement
Texas Commission on Environmental Quality
6300 Ocean Drive, NRC Bldg., Ste 1200, Unit 5839
Corpus Christi, TX 78412-5839
[Address 3]

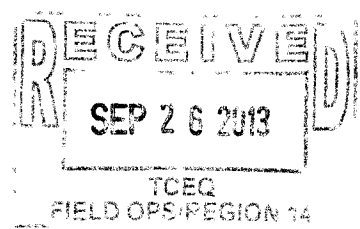
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Thank you for your attention to this matter,

Dr. Alton K. Easton, PhD

MD/KA 3728-R
2/10/14 TT (2)

Tuyet Truong

From: Tammy Benter
Sent: Thursday, February 06, 2014 4:13 PM
To: gandygirl2013@aol.com
Cc: Tuyet Truong; Lisa Fuentes
Subject: RE: Rate Increase Enchanted Harbor Utility

H.J. and Virgie:

Thank you for filing your protest to the Enchanted Harbor Utility CCN 12683 Farmers Transport rate application by email. Your protest was received by our office and will be processed accordingly.

Best Regards,

Tammy Benter

-----Original Message-----

From: gandygirl2013@aol.com [<mailto:gandygirl2013@aol.com>]
Sent: Thursday, February 06, 2014 3:26 PM
To: Tammy Benter
Subject: Rate Increase Enchanted Harbor Utility

To Whom it May Concern:

We have a home at 655 Marshall Johnson Ave, Port Alto, Texas. We are provided water by Enchanted Harbor Utility CCN 12683 Farmers Transport at this location. We have received our bill for January water and the bill increased by \$100.00. We were notified in September 2013 that there would be an increase, but were also told there would be improvements to the system. We got the increase but have not seen improvements.

I am would like this letter to stand as our protest and request a hearing regarding this matter.

H. J. and Virgie Houck
Homeowners

Tuyet Truong

From: Tammy Benter
Sent: Wednesday, February 05, 2014 3:39 PM
To: abillclark@sbcglobal.net
Cc: Tuyet Truong; Lisa Fuentes
Subject: FW: public hearing on proposed rate increase by Farmers Transport Inc. dba Enchanted Harbor Utility CCN #12683

Importance: High

Mr. & Mrs. Clark:

Thank you for contacting the Texas Commission on Environmental Quality (TCEQ) to discuss your concerns with the proposed rate increase for Farmers Transport, Inc., dba Enchanted Harbor Utility, CCN 12683. Your protest was received in our office and will be logged in accordingly.

Thanks,
Tammy Benter

From: Anne and Bill Clark [<mailto:abillclark@sbcglobal.net>]
Sent: Wednesday, February 05, 2014 7:08 AM
To: Melanie Edwards
Cc: greg.abbott@texasattorneygeneral.gov
Subject: Re: public hearing on proposed rate increase by Farmers Transport Inc. dba Enchanted Harbor Utility CCN #12683
Importance: High

We received our water bill from Enchanted Harbor Utility.

- The total went from 36.87 to 133.66 per month for NO usage.
- The bill is more than triple prior bills.
- Was this increase approved and is it legal?

Who can we contact for answers? We received no hearing notice.

Anne and William R "Bill" Clark
1212 West Live Oak Street
Lockhart TX 78644
512-398-6071
512-376-8483

From: Anne and Bill Clark
Sent: Wednesday, September 25, 2013 6:55 PM
To: Melanie.edwards@tceq.texas.gov
Subject: public hearing on proposed rate increase by Farmers Transport Inc. dba Enchanted Harbor Utility CCN #12683

We are protesting the proposed rate increase by Farmers Transport Inc. dba Enchanted Harbor Utility (CCN #12683) proposed to take place January 1, 2014. We desire a public hearing on this issue.

The proposed rate increase would more than double our monthly rates yet there is no consideration for conservation. More than doubling the base rate, while keeping usage rates, appears environmentally irresponsible. We could support a more balanced approach for example a 50% increase on the base fee and a 50% increase on water usage.

We fully understand the need to charge a fair amount for water usage. We want a compliant system that protects the bay for the future.

Our Port Alto home is located at 142 Marshall Johnson Ave North

Anne and William R “Bill: Clark
1212 West Live Oak Street
Lockhart TX 78644
512-398-6071
512-376-8483

Tuyet Truong

From: Lisa Fuentes
Sent: Tuesday, February 11, 2014 11:30 AM
To: Adam Ulbricht
Cc: Tuyet Truong
Subject: RE: Port Alto, Texas South Side

Mr. Ulbricht,

Your protest will be counted towards the requirement of 10 percent or 1,000 whichever is less, of the ratepayers protesting the application(s) within 90 days of the effective date of the proposed rates.

If the Texas Commission on Environmental Quality (TCEQ) receives the minimum required protests, the application will be sent to the State Office of Administrative Hearings (SOAH) to schedule and conduct a hearing.

If you have further questions, please contact Ms. Mary Damron at 512/239-4667, or Mr. Kamal Adhikari at 512/239-0680.

Sincerely,
Lisa

Lisa Fuentes
Team Leader
Utilities Financial Review Team
Water Supply Division
512/239-6117
512/239-6972 fax

From: Adam Ulbricht [mailto:adam_ulbricht@yahoo.com]
Sent: Tuesday, February 11, 2014 11:10 AM
To: Lisa Fuentes
Subject: Port Alto, Texas South Side

Lisa

Good morning! My wife and I just closed on a house there last month, only to find out that the water bill was increased significantly. To my knowledge this amount of change comes with NO upgrades, improvements or anything for that matter. He has had sufficient time with the money paid in over the course of the years to repair and/or replace and lines that need attention. There are many concerns with this Utility owner as this appears to be unfair for the home owners in the area. Majority of the home owners do not live there and are only there certain times of the year. Paying what he has started charging, for water we DO NOT use, is unfair. I believe in being fair and paying a fair amount for water and water used, but is over the top. It would behoove us to drill our own water well, and not worry about over-chlorination of our water, or low flow, as is often the case now, especially on a holiday weekend. We are protesting the proposed rate increase by Jesse Wood in Port Alto, Texas South Side (Enchanted Harbor Area).

Sincerely

Adam Ulbricht

Other than by email (Adam_Ulbricht@yahoo.com), Adam Ulbricht can be contacted by phone at 361-648-8073 at any time.

Tuyet Truong

From: Tuyet Truong
Sent: Monday, February 10, 2014 11:37 AM
To: 'pjulbricht@a1txedna.com'
Cc: Lisa Fuentes; Mary Damron; Kamal Adhikari
Subject: RE: Public hearing on proposed rate increase by Farmers Transport Inc. dba Enchanted Harbor Utility CCN #12683

Dear Mr. Ulbricht,

Your protest will be counted towards the requirement of 10 percent or 1,000 whichever is less of the ratepayers protesting the application(s) within 90 days of the effective date of the proposed rates.

If the Texas Commission on Environmental Quality (TCEQ) receives the minimum required protests, the application(s) will be sent to the State Office of Administrative Hearings (SOAH) to schedule and conduct a hearing.

If you have further questions, please contact Ms. Mary Damron at 512/239-4667, or Mr. Kamal Adhikari at 512/239-0680.

Sincerely,

Tuyet Truong, Auditor
Texas Commission on Environmental Quality
12100 Park 35 Circle, Bldg. F, MC-153
Austin, Texas 78753
Phone: 512/239-0605
Fax: 512/239-6190
E-mail: tuyet.truong@tceq.texas.gov

From: P. J. Ulbricht [<mailto:pjulbricht@a1txedna.com>]
Sent: Sunday, February 09, 2014 1:51 PM
To: Lisa Fuentes
Subject: Public hearing on proposed rate increase by Farmers Transport Inc. dba Enchanted Harbor Utility CCN #12683

I would like to protest the recent increase of my water bill for our house on Marshall Johnson Avenue South in the Port Alto Community just outside of Port Lavaca. Our bill went from \$36 87 minimum to \$133 66 minimum effective January 1, 2014. This is just our weekend home and we did not even use any water last month. We might come close to using the minimum amount of water one month a year. This bill only includes water for our house and not sewer or garbage pickup. My biggest problems with this increase are obviously the amount and the fact that Mr. Woods has not been keeping up with the regular maintenance over the years like he should. He only does the bare minimum to fix things once they break from what I can see. I would like to know where he is putting the money he makes off of Enchanted Harbor Utility because it does not look like he put much back in the company. I know that well over the 10% requirement of protests have been received to have a public hearing so I would appreciate you letting me know the date and time once it have been set. Thanks and I appreciate your help.

P. J. Ulbricht
Assurance One of Texas, LLC
PO Box 808
Edna, TX 77957
361-782-2283

Martin K. Smith

8 Marshall Johnson Ave.

Port Lavaca, Texas 77979

936-661-6679

02.07.14



UTILITIES & DISTRICTS
SECTION

Texas Commission on Environmental Quality

Water Supply Division

Utilities & Districts Section MC 153

P.O. Box 13087

Austin, Texas 78711-3087

Re: Farmers Transport Inc. dba Enchanted Harbor Utility CCN 12683, Document Rate Increase ID#330537

To Whom it May Concern,

I am writing again in protest of the proposed rate increase and surcharge by the above mentioned utility. Being a retired State of Texas employee and living on a fixed income I can little afford such a large increase in my water rate.

I noticed that nowhere on the Proposed Rate Change submitted to the TCEQ was there a mention of the \$47.00 surcharge added to my January 2014 water bill. It should also be noted that not all customers of this water utility are receiving an increase in water rates. Only the homes with addresses on Marshall Johnson Ave. This is well less than the total number of residences served by the same system.

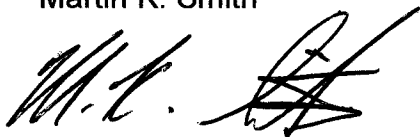
I spelled out in my first letter of protest (attached), reasons why this rate increase should not be approved in full. I would like to add that this utility has no current major violations and no Notice of Enforcement claims against it. That said, a small modest increase in rates to guard against future deficiencies would be acceptable to most customers here. The current rate request amounts to an over 200% increase (including surcharge) from current rates and is totally unacceptable.

The request was slated to be effective January 1, 2014. I have enclosed copies of my December 2013 bill and my just received January 2014 bill for your review.

Please consider this request for reconsideration in setting a reasonable rate for this utility and community of mostly retirees.

Thank you for your attention to this matter,

Martin K. Smith

A handwritten signature in black ink, appearing to read 'M.K. Smith', with a stylized flourish at the end.

**Enchanted Harbor
Utility**

2301 Nancy Lou
El Campo, TX 77437
(979) 543-0085

**Enchanted Harbor
Utility**

2301 Nancy Lou
El Campo, TX 77437
(979) 543-0085



CELL: 979-637-0010

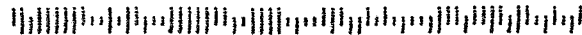
EMAIL: WATER@JWNFT.NET

DESCRIPTION	TOTAL	PREVIOUS	PRESENT	USAGE	TOTAL	DESCRIPTION
WATER USAGE	86.12	308800	312500	3700	86.12	
TCEQ 1% RRA	0.87	12/31/2013	1/01/2014	TCEQ	0.87	
PREVIOUS	47.73				0.00	PREVIOUS
TOTAL	134.72	Added \$47.73 Surcharge			134.72	TOTAL
AFTER 2/17/14 PAY	139.72	AFTER 2/17/14 LATE CHARGE WILL BE ADDED			139.72	GROSS
		\$5.00				

ACCOUNT # S
BILLING DATE 1/31/14
LATE DATE 2/17/14

ACCOUNT # MARTY & CATHY SMITH
8 MARSHALL JOHNSON AVE N.
PORT LAVACA, TX 77979

PLEASE RETURN
WITH REMITTANCE



**Enchanted Harbor
Utility**

2301 Nancy Lou
El Campo, TX 77437
(979) 543-0085

NORTH HOUSTON TX 773

**Enchanted Harbor
Utility**

31 DEC 2013 PM 5 L
2301 Nancy Lou
El Campo, TX 77437
(979) 543-0085



USA 33

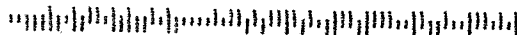
CELL: 979-637-0010

DESCRIPTION	TOTAL	PREVIOUS	PRESENT	USAGE	TOTAL	DESCRIPTION
WATER USAGE	45.81	300590	308800	8210	45.81	
TCEQ 1% RRA	0.46	12/02/2013	12/03/2013	TCEQ	0.46	
PREVIOUS	5.00				5.00	PREVIOUS
TOTAL	51.27	PAY THIS AMOUNT			51.27	TOTAL
AFTER 1/17/14 PAY	56.27	AFTER 1/17/14 LATE CHARGE WILL BE ADDED			56.27	GROSS
		\$5.00				

ACCOUNT # S
BILLING DATE 12/31/13
LATE DATE 1/17/14

ACCOUNT # MARTY & CATHY SMITH
8 MARSHALL JOHNSON AVE N.
PORT LAVACA, TX 77979

PLEASE RETURN
WITH REMITTANCE



Martin K. Smith

8 Marshall Johnson Ave.

Port Lavaca, Texas 77979

936-661-6679

09/25/2013

Texas Commission on Environmental Quality

Water Supply Division

Utilities & Districts Section, MC 153

P.O. Box 13087

Austin, Texas 78711-3087

Re: Farmers Transport Inc. dba Enchanted Harbor Utility CCN 12683

To Whom it May Concern,

I am writing to protest the above mentioned water utility proposed rate increase.

My wife and I have been property owners and customers of the water supply utility since 2003. For the last 3+ years we have lived full time in Port Alto in our newly constructed home.

I feel the increase is excessive for the following reasons:

1. The proposed base rate increase including surcharge is approximately 134.8% greater than the current rate.
2. The proposed rate increase is not just and reasonable based on upon observed company expenditures.
3. The utilities revenues accrued since 2001 have not been applied to upgrade of the system, with only a small fraction spent on repair of water leaks and very little on water treatment chemicals such as chlorine.
4. The current base rate far exceeds rates charged by any other water utility provider in Calhoun County.
5. The Notice of Proposed Rate Change company name is confusing. While it states Farmers Transport Inc. dba Enchanted Harbor Utility, TCEQ utility records show it as

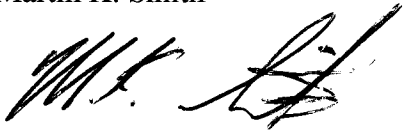
Enchanted Harbor Utility, serving two Customers. Those being Enchanted Harbor Utility and Farmers Transport Inc. dba Sunilandings Utilities. Is the rate change effective for both customers. The rate change is being filed as a single CCN 12683.

My observations of being a property owner since 2003 and full time resident for the last 3+ years is that no consideration was given by the utility to provide necessary and required upgrades to the water system with the revenue collected in that time. The owner/operator Jessie Wood was very aware of deficiencies in his system to meet TCEQ rules and regulations for public water systems but did not apply revenues collected to proper upgrades of the system.

In conclusion I believe the TCEQ should investigate where these revenues were spent before allowing any rate increase.

Thank you for your attention to this matter,

Martin K. Smith

A handwritten signature in black ink, appearing to read 'M.K. Smith', with a stylized flourish at the end.

Mary Damron

From: Melanie Edwards
Sent: Monday, February 10, 2014 11:08 AM
To: Monty King
Cc: Kamal Adhikari; Mary Damron; Kelly Ruble
Subject: RE: Water Utility @ Port Alto, Texas

Mr. King,

Regarding the rate increase, the effective date of the proposed rates for Farmers Transport Inc. dba Enchanted Harbor Utility was January 1, 2014. The protest period (90 days from the effective date) ends on March 31, 2014. The TCEQ has already received protests from more than 10 percent of the ratepayers for this application and is the process of referring this case for a hearing. The application is still under review and the rates have not been approved yet. As per the TCEQ rules, even though the application is pending, the Utility can start charging the proposed rates after providing the notices to its customers 60 days prior to the effective date. Once the hearing is set, all the customers will receive a notice with the location, date and time of the hearing at least 10 days prior to the actual hearing date.

I have included Kamal Adhikara and Mary Damron with the TCEQ Utilities & District Section since they have been assigned this rate increase application. They may be reached at (512) 239-4691. I'm not sure if this e-mail will count as your protest or if you have to mail your protest to the following:

Texas Commission on Environmental Quality

Water Supply Division

Utilities & Districts Section, MC 153

P. O. Box 13087

Austin, Texas 78711-3087

Here is a link to a searchable database of analytical results and compliance data to learn more about the quality of your drinking water

<http://dww.tceq.texas.gov/DWW/>

Are you wanting to submit a complaint? We are available 24 hours a day to receive complaints. Complaints can be reported by calling the region office (361) 825-3100 or by using our online form (<http://www2.tceq.texas.gov/oce/complaints/index.cfm>). After normal business hours (M-F; 8-5) you can call us toll-free at 1-888-777-3186. I don't mind you e-mailing me directly; however, if I was out of the office your complaint would not be handled in a timely manner.

Have you contacted Mr. Wood about the water in the ditch (possible leak)?

Thanks



Melanie Edwards
Water Section Work Leader
Region 14 – Corpus Christ

Direct (361) 825-3113
Office (361) 825-3100
Fax (361) 825-3101
melanie.edwards@tceq.texas.gov

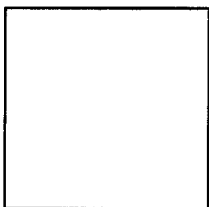
From: Monty King [<mailto:montyking@laward.net>]
Sent: Friday, February 07, 2014 10:34 PM
To: Melanie Edwards
Subject: Water Utility @ Port Alto, Texas

Hello, my name is Monty King and I reside at 187 Marshall Johnson Ave. N. Port Lavaca, Tx. This property is in the Port Alto area.

We have received our water bill for the month and it has increased by a factor of 3.69. I see there is a surcharge for water line replacement in our system. I hear this is to increase water pressure for the residents near the end of the addition. The water usage part of the bill has also increased. My wife and I feel that the new charges are excessive and will have to consider going back to our private well on our property. We shutdown this well when the water utility co. became available to us at a competitive rate. However... the reasons for using a water utility company in the first place is for reliability. The reliability of our system has also not been in line. We have received notice from said company that recommends that we do not drink this water. The analysis, of the water, shows that an organic substance is slightly above the Texas State level. Also when repairs are made to the system, invariably it has to shut down multiple times to get an effective repair. Quick-fix compression "O" ring fittings are used through out the repair process. No repair that I've seen has been of a permanent nature. Leaks in the system have been put off for months at a time. I've had water plants growing in my front ditch from a neighbor's repair job. Right now there is stagnant water standing in the ditch around the corner from my house. Also my dogs have had to have very expensive surgery to their knees from tripping in open water meter covers. Even the inspection window cover is never replaced when reading the meters.

I have just paid \$10,000 to have a well drilled on our ranch, about 9 miles up the river. I'll get with the driller and see if I can get him to reopen the well here on my property at 187 Marshall Johnson Ave. N. Port Lavaca, Tx.

Thank you,
Monty King



This email is free from viruses and malware because [avast! Antivirus](#) protection is active.

MD /KA 37728-R
11/7/13 TT(1)

Charles E. Stehr
5434 Fieldwood Dr.
Houston, TX 77056
November 1, 2013

Certified Mail
Return Receipt Requested

Texas Commission on Environmental Quality
Water Supply Division
Utilities & Districts Section, MC 153
P. O. Box 13087
Austin, TX 78711-3087

Gentlemen:

This letter is to protest the proposed water rate change for the Enchanted Harbor Utility in Port Alto Texas (copy enclosed).

My son, Robert C. Stehr, and I purchased lot 73 on Redfish Lane in March, 2000. Shortly thereafter we placed a mobile home on the lot and have been supplied water by the above utility since that time.

We, like the majority of property owners in the area, use our home there infrequently, probably 3-4 days per month. We presently pay the lowest rate of \$36.50 for 2000 gallons of water monthly, and we rarely, if ever, use that amount of water. Our average invoice is for \$36.87 per month.

The proposed rate for 3000 gallons per month, which we will never use (plus the surcharge) is approximately a 360% increase over what we now pay. This increase, in effect, puts the part time users of water in a position to subsidize this proposed rate increase. While we do not deny that improvements in the system may be needed, we do object to the impact of the increase on the part time occupants of the area properties. Some provision needs to be made to reduce the impact of a rate increase on us.

Very truly yours,



Charles E. Stehr

Enclosure

cc Robert C. Stehr

RECEIVED
TOE
WATER SUPPLY DIV.
2013 NOV 4 PM 3 41

NOTICE OF PROPOSED RATE CHANGE

Farmers Transort Inc. DBA Enchanted Harbor Utility 12683
Company Name CCN Number

has submitted a rate change application to the Texas Commission on Environmental Quality (Commission). The proposed rates listed on the next page will apply to service received after the effective date provided below. If the Commission receives protests to the proposed increase from 10 percent of the ratepayers or from any affected municipality before the 91st day after the proposed effective date, a public hearing will be scheduled to determine if the proposed rates are reasonable. Protests should be mailed to:

Texas Commission on Environmental Quality
Water Supply Division
Utilities & Districts Section, MC 153
P. O. Box 13087
Austin, Texas 78711-3087

Unless protests are received from 10 percent of the ratepayers or the Commission staff requests a hearing, no hearing will be held and rates will be effective as proposed. Please read the following information carefully:

Enchanted Harbor Utility				
Subdivisions or Systems Affected by Rate Change				
2301 Nancy Lou st.	El Campo	Texas	77437	979-637-0054
Company Address	City	State	Zip	Telephone
\$53,621		10-30-2013		
Annual Revenue Increase		Date Customer Notice Mailed		
10/01/2001		Last day of month		
Date of Last Rate Change		Date Meters Typically Read		
EFFECTIVE DATE OF PROPOSED INCREASE: January 1, 2014				

2013 NOV 4 PM 3:41
RECEIVED
TCEQ
WATER SUPPLY DIV.

BILLING COMPARISON

Water					
Existing	10,000 gallons:	\$ 48.50	/mo	Existing	30,000 gallons: \$ 78.50 /mo
Proposed	10,000 gallons:	\$ 95.57	/mo	Proposed	30,000 gallons: \$ 125.57 /mo
Sewer					
Existing	10,000 gallons:	\$ n/a	/mo	Proposed	10,000 gallons: \$ /mo

The proposed rates will apply to all service rendered after the effective date and will be reflected on the bill you receive approximately 30 to 45 days after the effective date.

In the event that the application is set for hearing, the specific rates requested by the utility may be decreased or increased by order of the Commission. If the Commission orders a lower rate to be set, the utility may be ordered to refund or credit against future bills all sums collected during the pendency of the rate proceeding in excess of the rate finally ordered plus interest. You may inspect a copy of the rate change application at your utility's office or at the Commission's office at Park 35 - Building F, 12015 Park 35 Circle, Suite 3101, Austin, Texas, west side of IH-35, south of Yager Lane. Additional information about the application can be obtained by contacting the Utilities and Districts Section at 512/239-4691. Information about how you can participate in the rate setting process can be obtained by contacting the Public Interest Counsel at 512/239-6363.

Si desea informacion en Espanol, puede llamar al 512-239-0200

CURRENT RATES	PORPOSED RATES
Monthly base rate including 2000 gallons	Monthly base rate including 3000 gallons
Meter Size:	Meter Size:
RESIDENTIAL	RESIDENTIAL
5/8" or 3/4" \$ 36.50	5/8" or 3/4" \$ 85.07
1" \$	1" \$
1 1/2" \$	1 1/2" \$
2" \$	2" \$
3" \$	3" \$
Other: \$	Other: Surcharge \$ 47.73
Total Surcharge of \$455,000 at \$4,390.85 per month for 20 years at 10%	
GALLONAGE CHARGE:	GALLONAGE CHARGE:
\$ 1.50 for each additional 1000 gallons over the the minimum	\$ 1.50 for each additional 1000 gallons over the the minimum

MISCELLANEOUS FEES	MISCELLANEOUS FEES
Tap Fee \$ 200	Tap Fee \$ 500
Tap unique cost,large/relocate meter Actual Cost	Tap unique cost,large/relocate meter Actual Cost
Reconnect fee: Non-payment (Maximum - \$25.00) \$ 25	Reconnect fee: Non-payment (Maximum - \$25.00) \$ 25
Customer's Request \$ 100	Customer's Request \$ 500
Transfer Fee \$ 10	Transfer Fee \$ 10
Late Charge \$ 5	Late charge: (Indicate either \$5.00 or 10%) \$ 5
Returned Check Charge \$ 20	Returned Check Charge \$ 20
Deposit \$ 50	Deposit (Maximum \$50.00) 50
Meter test fee \$ 25	Meter test fee \$ 25.00

Regulatory Assessment of 1% is added to base rate and gallonage charges

MD/KA 37728-R
10/31/13 TT

(1)

RECEIVED
OCT 24 2013
UTILITIES & DISTRICTS
SECTION

October 21, 2013

Texas Commission on Environmental Quality
Water Supply Division
Utilities & Districts Section, MC 153
P.O. Box 13087
Austin, TX 78711-3087

To whom it may concern:

We are writing in opposition to the proposed rate increase of Enchanted Harbor Utility (EHU) effective 1/1/2014 (attached). The premise of our protest is for TCEQ to revisit the needs of South Port Alto establishing a Municipal Utility District (MUD), and that Mr. Wood has demonstrated a lack of competence in his management of the existing system. This includes misleading residents, extortion, and gross incompetence in failing to meet the needs of the community.

Mr. Wood has demonstrated on numerous occasions that he is unable to operate his utility in a compliant and professional manner. Over the course of many years, we often receive letters stating that it is "now safe to drink the water," when communication stating that it was unsafe to drink the water was never received. This has occurred on too many times to count and has become tiring. In addition, the management of the existing system has included sudden shut downs without notice, repairs that were not completed, and bullying of residents. The aging system and drought no doubt cause problems for the water lines, however, once a repair is made, Mr. Wood frequently leaves a mound of dirt for months on end, without dressing his repair site. The responsibility to repair the surface damage is left up to property owners who are oftentimes elderly residents or the county. The excuses for failing to fix surface disruptions have ranged from, "I am too busy to repair the surface damage," to bullying such as, "if you don't like it, purchase the system from me." This is extremely unprofessional and leads us to question his management abilities.

Several years ago, an effort to propose and establish a MUD was defeated. The effort to establish the MUD was disorganized and ineffective. Many facts were not properly conveyed and were easily dispelled by Mr. Wood. He sent every EHU customer a letter stating that he opposed the proposed MUD because he could provide a sewer on Marshall Johnson Avenue and upgrade water lines cheaper than a MUD. In addition, he stated that a MUD would increase our taxes significantly and become an environmental catastrophe. Now Mr. Wood is asking for a rate increase without providing a sewer. It is difficult to imagine that an incremental tax increase to fund a modern sewage and water system (MUD), secured by bonds at all time low interest rates, would be more expensive than the rate that Mr. Wood is proposing. I ask that TCEQ consider how to best serve the long term needs of the community. I assume that Mr. Wood would have lost out on a substantial profit had the MUD been enacted, and you must decipher if Mr. Wood is truly more interested in his venture (EHU) or the interests of the residents and the environment. I believe that the disinformation postulated by Mr. Wood during the previous

evaluation of a MUD simply served the purpose to deceive and disorganize concerned citizens and propel his business venture.

During the failed MUD process, Mr. Wood sent an email with the following statement (see Exhibit A),

I have never opposed a sewer line for MJ Ave. These folks want to abandon perfect good sewer plan (that doesn't begin to serve the majority of the populace), purchase property from YOU KNOW WHO, then build a complete new plant...All they really want is to be a part of another governmental agency and get more of your tax dollars.

Mr. Wood goes on to hypothecate that a MUD would purchase a new vehicle annually, office, and engage in business trips at taxpayer expense. It is confusing as to the basis of this opinion expressed by Mr. Wood. And now we are backhanded with a proposed doubled rate increase when the empty promises of a sewer on Marshall Johnson are unfulfilled during the failed MUD process. Meanwhile, part of Mr. Wood's proposed rate increase is to fund an additional employee. We can only assume the additional employee is not to handle a growing utility company, but to allow for Mr. and Mrs. Wood to spend less personal time operating and managing the system.

South Port Alto is an environmental tragedy waiting to happen. Carancahua Bay is a fragile ecosystem that is an estuary for shrimp, oysters, and game fish. It is also a body of water where children ski, knee board, and swim. It is bordered by many houses and properties with septic systems in which some date back to the early 1960's. Many of these septic systems are simply fifty five gallon drums while some are modern aerobic systems. Due to the concentration, lack of capacity, and sensitivity of the ecosystem, a MUD was the desirable outcome of managing our current needs and growth to help provide more consistent sewage disposal and reliable water.

In the summer of 2013 Mr. Wood sent a letter to the customers regarding personal business (Exhibit B) unrelated to EHU, extorting EHU customers not to oppose his project on the grounds that it would cause a dramatic rate increase to EHU customers. Mr. Wood foreshadowed this rate increase with a letter sent to his Sunilandings Customers (exhibit C) dated March 2, 2013, but not to his EHC customers. Ironically, he mentioned the rate increase as a warning, but later extorted EHU customers in a letter when opposition regarding zoning issues surfaced to his personal endeavor alleging that a rate increase would not happen if his venture came to fruition (Exhibit B). In my opinion, this is not the ethical standard in which we should hold an operator of a utility system and leads us to question his true intentions of the proposed rate increase.

Mr. Wood demonstrated that he is not a friend of the community and that his personal interests come before the customers EHU. He has engaged in extortion, opposed a proposed MUD that would upgrade the current system, failed to deliver on promises, and consistently failed to provide adequate customer service. The short term desired outcome of our protest is to request a hearing on the proposed rate increase of EHU on the grounds of incompetency of Jesse Wood to meet the needs of the residents based on the simple fact that he has consistently failed to properly manage this system in the past. In addition, we do not trust his motives due to previous

intimidation and extortion. The long term desired outcome is for TCEQ to visit South Port Alto, evaluate the environmental and social concerns, and revisit the need of a MUD to meet the needs of the community. Please do not hesitate to contact us if you have any questions or if we can be of further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith L. and Rebecca T. Smith". The signature is written in a cursive, flowing style.

Keith L. and Rebecca T. Smith
750 Bradshaw
Corpus Christi, TX 78412

Owners of Lots 27, 28, & 29 Arnold Koop Subdivision, Enchanted Harbor Utility, Port Alto, TX

ENCHANTED HARBOR UTILITY

2301 Nancy Lou St
El Campo, Texas 77437
973-637-0054 / water@jwnet.net

September 12, 2013

Dear Customers,

Enclosed is a notice of a Proposed Rate Change for Enchanted Harbor Utility. The last Rate Change was twelve years ago and an increase was delayed the last several years waiting on the outcome of the proposed MUD. Because rate changes are time consuming and expensive, we do them only when necessary instead of every few years. This makes the proposed increase of \$48.57 appear to be high, even though it is the first change in twelve years.

Although expenses have increased every year, we have done all we can to keep the system operating without increasing rates. As many of you know, Jesse & Debbie Wood have been doing all of the managing, monitoring, sampling, maintenance, accounting, meter reading, billing, customer service, and state reporting with very little outside help. Because of this we now find ourselves at a point where we need to hire help and due to the rising cost of fuel, electricity, materials, fees and the ever-increasing regulatory demand we are left with no choice but to request a substantial rate increase.

As some of you know, our water lines are old and undersized and do not meet the TCEQ requirements. TCEQ had taken no action on this problem until June 2013 when we received a violation that "Enchanted Harbor failed to meet the maximum number of connections per the minimum waterline size requirements of two inches". To be in compliance, we have over a mile of 2 inch water lines that need to be replaced with 4 inch line. We also need a larger pressure tank and new meters. The engineering firm for the MUD had recently calculated the water upgrade to cost \$600,000.00, but we have managed to reduce that to about \$455,000.00. Therefore we are also requesting a Surcharge of \$47.73 per month to make these required capital improvements.

We are seeking financing at this time, but in the current financial atmosphere funding could be difficult and anyone interested in financing all or part of this project, please let us know as soon as possible.

Please use the above email account for any questions you may have, or if you would like to have a group meeting. We would be more than happy to travel to a location of your choosing for a "town hall" meeting since most customers do not live full time in Port Alto.

IT IS CRUCIAL that we be able to communicate with our customers and the best way to communicate is by email as this tends to avoid confusion and misunderstandings. Please take time to drop us an email with your name and phone number to water@jwnet.net. Or call us at 973-637-0054

NOTICE OF PROPOSED RATE CHANGE

Farmers Transport Inc. dba Enchanted Harbor Utility	12683
Company Name	CCN Number

has submitted a rate change application to the Texas Commission on Environmental Quality (Commission). The proposed rates listed on the next page will apply to service received after the effective date provided below. If the Commission receives protests to the proposed increase from 10 percent of the ratepayers or from any affected municipality before the 91st day after the proposed effective date, a public hearing will be scheduled to determine if the proposed rates are reasonable. Protests should be mailed to:

Texas Commission on Environmental Quality
Water Supply Division
Utilities & Districts Section, MC 153
P. O. Box 13087
Austin, Texas 78711-3087

Unless protests are received from 10 percent of the ratepayers or the Commission staff requests a hearing, no hearing will be held and rates will be effective as proposed. Please read the following information carefully:

Enchanted Harbor Utility

Subdivisions or Systems Affected by Rate Change

2301 Nancy Lou St	El Campo Texas	77437	973-637-0054
Company Address	City	State	Zip
			Telephone
\$53,621	09/12/2013		
Annual Revenue Increase	Date Customer Notice Mailed		
10/01/2001	Last day of month		
Date of Last Rate Change	Date Meters Typically Read		

EFFECTIVE DATE OF PROPOSED INCREASE: January 1, 2014

BILLING COMPARISON

Water

Existing	10,000 gallons:	\$ <u>48.50</u> /mo	Existing	30,000 gallons:	\$ <u>78.50</u> /mo
Proposed	10,000 gallons:	\$ <u>95.57</u> /mo	Proposed	30,000 gallons:	\$ <u>125.57</u> /mo

Sewer

Existing	10,000 gallons:	\$ <u>NA</u> /mo	Proposed	10,000 gallons:	\$ <u>NA</u> /mo
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The proposed rates will apply to all service rendered after the effective date and will be reflected on the bill you receive approximately 30 to 45 days after the effective date.

In the event that the application is set for hearing, the specific rates requested by the utility may be decreased or increased by order of the Commission. If the Commission orders a lower rate to be set, the utility may be ordered to refund or credit against future bills all sums collected during the pendency of the rate proceeding in excess of the rate finally ordered plus interest. You may inspect a copy of the rate change application at your utility's office or at the Commission's office at Park 35 - Building F, 12015 Park 35 Circle, Suite 3101, Austin, Texas, west side of IH-35, south of Yager Lane. Additional information about the application can be obtained by contacting the Utilities and Districts Section at 512/239-4691. Information about how you can participate in the rate setting process can be obtained by contacting the Public Interest Counsel at 512/239-6363.

Si desea informacion en Espanol, puede llamar al 512-239-0200

Suzy Freeman
<luckysuzy1@yahoo.com>

10/06/2009 09:03
AM

To

Carol Crist
<ccrist@firstvictoria.com>, Virgie
Houck <virgiecapka@aol.com>, Glenda
Stavinoha
<glenda.stavinoha@gmail.com>, Anna
Williams <annakwilliams@yahoo.com>,
Anne Clark
<Anne.Clark@tpwd.state.tx.us>

cc

Subject

Fw: Port Alto Rumors/FYI

I had rec'd an e-mail from Jesse about rumors going around....I did not know the rumors, so I asked him. Here is his reply

Suzy

----- Forwarded Message -----

From: Jesse Wood <jwood@jwnet.net>
To: Suzy Freeman <luckysuzy1@yahoo.com>
Sent: Mon, October 5, 2009 6:19:14 PM
Subject: RE: Port Alto Rumors

They vary but go something like this: The sewer plant is in major disrepair and is about to be shut down by the state. NOT! He is running the plant with extension cords all over the ground. Not sure where that one came from. Skeeter and Debbie are going to shut off the water and simply walk away. NOT UNLESS I LIKE SPENDING TIME IN JAIL! They are trying to convince people that we need a new sewer plant and water well at the cost of a couple million dollars.

At both meetings and to everyone I have talked to I have maintained the need for a sewer line on Marshall Johnson. Some REALLY need it, other would not mind it, and some do not want it, but I have never opposed a sewer line for MJ Ave. My sewer plant is more than capable of handling all the sewer in Port Alto. These folks want to abandon a perfectly good sewer plant, purchase property from, YOU KNOW WHO, then build a complete new plant. They realize the State won't let them do that so they have decided to attempt to discredit me and the plant. All they really want is to be part of another governmental agency (the MUD) and get more of your tax dollars. The ONLY people who can vote once the MUD is formed are the permanent residences. They can vote themselves a new \$40,000 truck every year, a new \$100,000 office, expensive "business trips" etc. If you want another governmental agency spending your money then you need to give them all the support you can, but don't think about voting or having any say in the matter because unless you change your address to Calhoun County then you will not be able to vote on anything. Thanks for getting back. Please pass along my email address to those who may not have it.

Thank you,

Jesse Wood

Confidential - This Document is Subject to
The Attorney-Client and/or Work Product Privilege

From: Suzy Freeman [mailto:luckysuzy1@yahoo.com]
Sent: Monday, October 05, 2009 4:02 PM
To: Jesse Wood
Subject: Re: Port Alto Rumors

Guess I am out of the loop, what are the rumors, and why was I not in on them?

Suzy

From: Jesse Wood <jwood@jwnet.net>
To: baygal <baygal@laward.net>; Beverly Hensley <bhensley@BVCCPA.COM>; Bruce Kacal <bkacal@shell.com>; Butch & Virgie Houck <capka@aol.com>; Carol Lee <carolpiwonkalee@hotmail.com>; CCristu@firstvictoria.com; Evelyn Saucier <esaucier@juno.com>; Fred Dennick <fred.dennick@fjdengr.com>; "Gilbert, Mike" <rdnckhop@charter.net>; HARRY FORBES <hforbes@flash.net>; Jody Harrington <jody.harrington@gmail.com>; joyerfurdt@netscape.com; jwood@jwnet.net; LEANN LUBBOCK <llubbock@yahoo.com>; Leonard G. Johnson <ljl@johnsonsdreamproperties.com>; nelda zwahr <zwahr@laward.net>; Palmetto Realty <palmettorealty@sbcglobal.net>; Ron Crain <rlcrain@intergate.com>; Roy Floyd <refi@consolidated.net>; Stehr77056@aol.com; Suzy Freeman <luckysuzy1@yahoo.com>; T. Normann-Petersen <torstenl@lskyconnect.net>; Tim Mullen <Tim@metcoat.com>
Sent: Sun, October 4, 2009 11:48:51 AM
Subject: Port Alto Rumors
It seems we have a few people in the area, in an effort to further their agenda, starting malicious and harmful rumors about the Enchanted Harbor and Sunilandings Utilities. I would ask these folks to cease and desist from further derogatory comments about these utilities before it becomes a legal matter. More importantly these folks need to cease this course of action before the state of Texas gets wind that someone is spreading vicious rumors about one of its highly regulated entities as if the state were not doing its job properly. These utilities as all utilities within the state are monitored on a regular basis. We have weekly water and sewer samples, weekly, quarterly, and annual compliance paperwork along with annual plant inspections. The 2 water plants and the sewer plant are in fine working order as can be attested to by the great state of Texas, in particular the Texas Commission on Environmental Quality (TCEQ). Anyone that says otherwise is either intentionally misleading you or absolutely has no clue as to what they are talking about.

I only have about 1/3 of the Enchanted Harbor email accounts even though I took the time to send out a letter requesting everyone's email address and assuring them that I would NOT give it to anyone else and would NOT blast them with a bunch of junk emails. In fact I think that this is only the 2nd blanket email that I have sent this year. Therefore I plan on sending a letter to everyone in the near future so for those of you who get this email you may get a follow up letter of about the same content.

Please forward my email address to anyone you talk to that wants it, asking them to drop me a quick email and I will add them to my address book.

Thank you,

Jesse Wood

Confidential - This Document is Subject to
The Attorney-Client and/or Work Product Privilege

NOTICE: This E-Mail, including attachments, is covered by the Electronic Communications Privacy Act 18 U.S.C. -2510 - 2521; it is confidential and may be legally privileged. If you are not the intended recipient, or an authorized agent, you are hereby notified that any disclosure, retention, dissemination, distribution, copying, or taking action in reliance of this communication is strictly prohibited. Please reply to the sender of this error then delete this message. NOTICE: This E-Mail, including attachments, is covered by the Electronic Communications Privacy Act 18 U.S.C. -2510 - 2521; it is confidential and may be legally privileged. If you are not the intended recipient, or an authorized agent, you are hereby notified that any disclosure, retention, dissemination, distribution, copying, or taking action in reliance of this communication is strictly prohibited. Please reply to the sender of this error then delete this message.

<http://mail.aol.com/37776-111/aol-6/en-us/Suite.aspx>

6/7/2013

Jesse & Debbie Wood
2301 Nancy Lou St.
El Campo, Texas

Exhibit B

Summer 2013

Community of Port Alto:

In order to keep Sunilandings from having a dramatic rate increase WE NEED MORE CUSTOMERS and we think a small 24 space RV Park may be the solution.

My name is Jesse Wood and as most of you know my wife and I manage the water and wastewater for South Port Alto. We are in the process of putting in a real estate office on Hwy 159 near the corner of CR 306 that I have leased to a local realtor. Our plans also include a small 24 unit RV park. The office will be landscaped with a viewing pond with night lights and fountain and should look really nice when finished. I would like to install an ice machine and have ice available to our community. Everyone I've talked to is tickled pink to have a realtor in the immediate area and double tickled to have access to ICE!

Our plans are to sell our home in El Campo and move to Port Alto. Our dream was to invest in a quiet little RV park which we hoped would supplement our retirement income and also provide a place for others to enjoy the pleasures of this peaceful little coastal community. Not a shoddy, run down RV Park but a new, well maintained park full of your friends and family that come to visit you at Port Alto.

Up until the point that the investor appeared, the RV Park was ONLY a dream, not an engineer-required and county-approved project, but only a dream. A dream of a community garden, paved walking trails, two or three nice ponds stocked with fish for the kids that grandpa brought fishing, and maybe a bike trail or two. This was, and still is, to be shared with ALL of Port Alto, not just the ones within the RV Park.

The Park plans on getting water and sewer service from the Sunilandings utility system. Sunilandings has enough water capacity to provide water to over 300 customers which is more than double what we need. The sewer plant is designed to handle 25,000 gallons per day and we are averaging less than 5,000 per day. ANY rumors you may have heard to the contrary are simply false. The great state of Texas insures that we are doing things correctly through regular and rigorous inspections of our facility and books.

Sunilandings is very expensive to maintain and operate. Large purchases need to be made in the near future to keep us up and running and in compliance with the State. As many of you know Debbie and I do ALL the maintenance and repairs ourselves, most times at 3 am when everyone is asleep as to not disrupt service.

All those folks using Sunilandings water or sewer please listen up! The new equipment will cost over \$100,000, or about \$1,500 per month financed! Divide \$1500 that by 37 customers and you have a rate increase of over \$40.00 per month! Double what you pay now! If you add in the additional cost for labor and insurance....well you get the message.

Debbie and I propose to let the RV Park purchase ALL the equipment listed above and simply "loan" it to the Utility when it needs it. In addition we predict that the increase in revenue from the RV Park will offset any rate increase due to labor. In order to avoid a steep rate increase, WE NEED THAT RV PARK!

The purpose of this letter is to provide transparency with respect to our intentions and to dispel all the rumors. Please voice your opinions and/or concern to me at: jwood@jwnet.net. Please send me an email today as your opinion matters.

Sincerely,

Jesse & Debbie Wood

SUNILANDINGS UTILITIES

(Information for Sunilandings and Enchanted Harbor Utilities, Port Alto Texas)
Mailing Address: 2301 Nancy Lou St, El Campo, Texas 77437 Tele: 973-637-0054
Updated: March 2, 2013

	<p>UPDATES: <u>"The 3 year effort to form a MUD for South Port Alto has been officially declined by the TCEQ (State of Texas)"</u>.</p> <p>Three years ago we were in the process of putting all the numbers together to get a rate increase for the Enchanted Harbor Water System. These state of Texas upgrades included all new water mains of the proper size. A new high capacity well, a new 20,000 gallon ground storage tank, a new 2,500 gallon pressure tank, an updated and more secure pump and control building just to name a few. <u>We also are going to be installing all new water meters and software to facilitate online payments. The preliminary cost estimates are around \$700,000.</u></p> <p>This is a lot of money folks but the great state of Texas is not going to let us get by with what we have any longer. We have <u>94</u> customers on the Enchanted Harbor system so if you would like to do the math based on a <u>15 year business</u> loan at let's say 6% you can come up with a monthly payment to service the note. Take the monthly payment and divide that by those 94 customers and that will be the monthly amount needed to pay for the upgrades. Add in the employee labor and bookkeeping cost and you should have an idea of what your new monthly minimum water bill will be. More info to follow.</p>	

MD/KA 3728-R
3/6/14 TT ①

Bay House Address
James Sansing
757 Marshall Johnson
ave., South
Port Lavaca, TX 77979

RECEIVED
MAR - 3 2014

To: Texas Commission on Environment Quality
Water Supply Division

UTILITIES & DISTRICTS
SECTION

Re: Protest concerning Water Rate Increase from:
Farmers Transport Inc. DBA Enchanted Harbor Utility -
Company name
12683
CCN Number

Concerns

1. Water bill went from \$26.87 a month to 133.66 a month with no usage.
2. Concerned that past requirements were not made and system isn't in compliance. Where has past money gone?
3. That in the past we would receive a letter with our water bill stating - do not drink the tap water if you have cancer or a young baby, buy your drinking water. Can we still ~~expect~~ ^{expect} this for \$133.66 a month?
4. We are not notified when a water line breaks, and repairs are going to be made. Water is just turned off and if you aren't there you have no way to know your water line need to be flushed for safety.

James David Sansing
235 Carroll Rd
Richmond TX 77469

MD/KA

37728-R

10/9/13 TT (1)

October 1, 2013

Mr. & Mrs. Lee Struble
54 Flounder Lane
Port Lavaca (Port Alto South), 77979-5341
936-293-0650

Texas Commission on Environmental Quality
Water Supply Division
Utilities & Districts Section, MC 153
PO Box 13087
Austin, Texas 78711-3087

Ref: Notice of Proposed Rate Change-Water (Attached)

To Whom it May Concern,

We are protesting the proposed water rate increase by "Farmers Transport Inc." dba Enchanted Harbor Utility (CCN #12683) proposed to take place January 1, 2014. We desire a public hearing on this issue.

We are deeply concerned over the proposed rate increase and the potential impact on the community. Port Alto South is primarily a weekend community with maximum occupancy on Memorial Day, Fourth of July and Labor Day weekends and Christmas through New Years week. Of the approximately 130 residences, our home is one of 22 full time homes in Port Alto South utilizing Enchanted Harbor Utility services (aka. Sunilandings Utilities as indicated on the letterhead of monthly billing). The TCEQ web site indicates the CCN #12683 has two customers, Enchanted Harbor and Sunilandings with 96 connections.

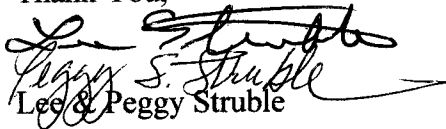
Our concerns focus on the following issues:

1. Currently Port O'Connor charges \$87 for water, sewer and garbage collection. We currently pay monthly rate of \$115.64 for water and sewer services (water \$48.91, sewer \$65.58, the remainder is TCEQ RRA charges), and an additional \$30 a month for garbage collection from another vendor. A total of \$145.64 per month for basic utility services. Although it is not totally related to the water rate increase issue it should be noted that those of us fortunate enough to be on the sewer system pay 135% of the water charge for sewer. This is exceptionally higher than the normal 85% to 90% charged to residences across Texas.
2. Weekend and full-time residents pay the same base rate and that must remain in effect.
3. The proposed base rate increase is 134.8% increase; more than twice the current rate.
4. Enchanted Harbor Utility has also notified us that a \$47.73 surcharge will also be applied for capital improvements.
5. The surcharge is not accounted for in the Notice of Rate Change-Water form,. TCEQ-10423 (09/2012)
6. The current base rates already exceed the water rates of Calhoun County Water Authority by 226%; The new proposed rates will be 538% above that of Calhoun County Water authority of \$15.91.
7. The proposed rate increase will have significant impact on property sales and existing home resale pricing and decelerate the growth of Port Alto South and economic growth of Calhoun county.

8. No improvements to the water system in Port Alto South have been witnessed in my two and half years of residence. If there have been, then it would be prudent for Enchanted Harbor Utility to produce specific source documents and costs as evidence.
9. Only routine repairs and maintenance have been observed to repair leaks etc. and apparently allowed the system to go into a state of disrepair.
10. Where have revenues received by Enchanted Harbor Utility been spent and have there been no funds set-aside for capital improvements? A complete financial audit may be required to determine where the funds have been used.
11. If the projected cost of \$445,000 is truly required to upgrade the water system, then it would be extremely prudent for the owner of Enchanted Harbor Utility services to provide for review a current, detailed estimate approved by a licensed Texas Professional Engineer (P.E.). This should be completed prior to implementing the \$47.73 monthly surcharge.
12. It should be noted that small segments of the water system could be, and should have been over the years, repaired and upgraded to code which would not of required engineering.

In summary, the stated expenses for the operation and upgrade associated with Enchanted Harbor Utility water system appear to be questionable and overstated. Detailed source documents associated with operating expenses and costs should be made available for review, verification and consideration before any rate increase be considered.

Thank You,


Lee & Peggy Struble

NOTICE OF PROPOSED RATE CHANGE

Farmers Transport Inc. dba Enchanted Harbor Utility	12683
Company Name	CCN Number

has submitted a rate change application to the Texas Commission on Environmental Quality (Commission). The proposed rates listed on the next page will apply to service received after the effective date provided below. If the Commission receives protests to the proposed increase from 10 percent of the ratepayers or from any affected municipality before the 91st day after the proposed effective date, a public hearing will be scheduled to determine if the proposed rates are reasonable. Protests should be mailed to:

**Texas Commission on Environmental Quality
Water Supply Division
Utilities & Districts Section, MC 153
P. O. Box 13087
Austin, Texas 78711-3087**

Unless protests are received from 10 percent of the ratepayers or the Commission staff requests a hearing, no hearing will be held and rates will be effective as proposed. Please read the following information carefully:

Enchanted Harbor Utility				
Subdivisions or Systems Affected by Rate Change				
2301 Nancy Lou St	El Campo Texas	77437	973-637-0054	
Company Address	City	State	Zip	Telephone
\$53,621		09/12/2013		
Annual Revenue Increase		Date Customer Notice Mailed		
10/01/2001		Last day of month		
Date of Last Rate Change		Date Meters Typically Read		
EFFECTIVE DATE OF PROPOSED INCREASE:		January 1, 2014		

BILLING COMPARISON

Water

Existing	10,000 gallons:	\$ 48.50	/mo	Existing	30,000 gallons:	\$ 78.50	/mo
Proposed	10,000 gallons:	\$ 95.57	/mo	Proposed	30,000 gallons:	\$ 125.57	/mo

Sewer

Existing	10,000 gallons:	\$ NA	/mo	Proposed	10,000 gallons:	\$ NA	/mo
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The proposed rates will apply to all service rendered after the effective date and will be reflected on the bill you receive approximately 30 to 45 days after the effective date.

In the event that the application is set for hearing, the specific rates requested by the utility may be decreased or increased by order of the Commission. If the Commission orders a lower rate to be set, the utility may be ordered to refund or credit against future bills all sums collected during the pendency of the rate proceeding in excess of the rate finally ordered plus interest. You may inspect a copy of the rate change application at your utility's office or at the Commission's office at Park 35 - Building F, 12015 Park 35 Circle, Suite 3101, Austin, Texas, west side of IH-35, south of Yager Lane. Additional information about the application can be obtained by contacting the Utilities and Districts Section at 512/239-4691. Information about how you can participate in the rate setting process can be obtained by contacting the Public Interest Counsel at 512/239-6363.

Si desea informacion en Espanol, puede llamar al 512-239-0200

NOTICE OF PROPOSED RATE CHANGE -WATER (Cont.)

Page 2

CURRENT RATES		PORPOSED RATES	
Monthly base rate including 2000 gallons		Monthly base rate including 3000 gallons	
Meter Size: RESIDENTIAL		Meter Size: RESIDENTIAL	
5/8" or 3/4"	\$ 36.50	5/8" or 3/4"	\$ 85.07
1"	\$	1"	\$
1 1/2"	\$	1 1/2"	\$
2"	\$	2"	\$
3"	\$	3"	\$
Other:	\$	Other:	\$
GALLONAGE CHARGE:		GALLONAGE CHARGE:	
\$ 1.50 for each additional 1000 gallons over the minimum		\$ 1.50 for each additional 1000 gallons over the minimum	

MISCELLANEOUS FEES		MISCELLANEOUS FEES	
Tap Fee	\$ 200	Tap Fee	\$ 500
Reconnect fee: Non-payment (Maximum - \$25.00)	\$ 25	Reconnect fee: Non-payment (Maximum - \$25.00)	\$ 25
Customer's Request	\$ 100	Customer's Request	\$ 500
Transfer Fee	\$ 10	Transfer Fee	\$ 10
Late Charge	\$ 5	Late charge: (Indicate either \$5.00 or 10%)	\$ 5
Returned Check Charge	\$ 25	Returned Check Charge	\$ 25
Deposit	\$ 50	Deposit (Maximum \$50.00)	\$ 50
Meter test fee	\$ 25	Meter test fee	\$ 25.00

Regulatory Assessment of 1% is added to base rate and gallonage charges

MD/KA

37728-R
10/14/13 TT (1)

Martin K. Smith

8 Marshall Johnson Ave.

Port Lavaca, Texas 77979

936-661-6679

09/25/2013

Texas Commission on Environmental Quality

Water Supply Division

Utilities & Districts Section, MC 153

P.O. Box 13087

Austin, Texas 78711-3087

Re: Farmers Transport Inc. dba Enchanted Harbor Utility CCN 12683

To Whom it May Concern,

I am writing to protest the above mentioned water utility proposed rate increase.

My wife and I have been property owners and customers of the water supply utility since 2003. For the last 3+ years we have lived full time in Port Alto in our newly constructed home.

I feel the increase is excessive for the following reasons:

1. The proposed base rate increase including surcharge is approximately 134.8% greater than the current rate.
2. The proposed rate increase is not just and reasonable based on upon observed company expenditures.
3. The utilities revenues accrued since 2001 have not been applied to upgrade of the system, with only a small fraction spent on repair of water leaks and very little on water treatment chemicals such as chlorine.
4. The current base rate far exceeds rates charged by any other water utility provider in Calhoun County.
5. The Notice of Proposed Rate Change company name is confusing. While it states Farmers Transport Inc. dba Enchanted Harbor Utility, TCEQ utility records show it as

Enchanted Harbor Utility, serving two Customers. Those being Enchanted Harbor Utility and Farmers Transport Inc. dba Sunilandings Utilities. Is the rate change effective for both customers. The rate change is being filed as a single CCN 12683.

My observations of being a property owner since 2003 and full time resident for the last 3+ years is that no consideration was given by the utility to provide necessary and required upgrades to the water system with the revenue collected in that time. The owner/operator Jessie Wood was very aware of deficiencies in his system to meet TCEQ rules and regulations for public water systems but did not apply revenues collected to proper upgrades of the system.

In conclusion I believe the TCEQ should investigate where these revenues were spent before allowing any rate increase.

Thank you for your attention to this matter,

Martin K. Smith

A handwritten signature in black ink, appearing to read 'M. K. Smith', written over the printed name.

MO/KA

37728-R
10/4/13 TT (1)

Mr. Albert E. Brown III

221 Marshall Junction Ave. N.

Port Worth TX

76134

City of Dallas

September 16, 2013

Dear Mr. Brown: Thank you for your letter of August 14,

Water Supply Division

City of Dallas & District Board of Water

Box 1000

Austin, Texas

Dear Mr. Brown:

City of Dallas

I am writing to you regarding the proposed water rate increase by City of Dallas Water Supply Division (CWD) #12603 proposed to take effect January 1, 2014. And also to a public hearing on this issue.

I feel that increase is excessive for the following reasons:

1. The proposed basic rate increase is a 1.04% increase more than twice the current rate.
2. The proposed rate increase is not just and reasonable based on the company's expenses.
3. The company's prior years profits (since 2007) should have been sufficient to provide a reasonable profit and a reserve upgrade account to maintain the water system and fund its needs.
4. The rate increase will inhibit economic growth in a city that already suffers from very limited economic growth. The Fort Worth area has in the last few years

has seen more growth than seen in the cities of Port Lavaca, Port Comfort, and Seadrift.

5. The rate increase will inhibit sales of homes in the area and drive down selling pricing.
6. The current base rates already exceed the water rates of Calhoun County Water Authority by 226%; the new rates will be 538% above that of Calhoun County Water authority of \$15.91
7. The stated expenses of the operations associated with Enchanted Harbor Utilities are questionable and overstated, due to other business operations occurring in association with Farmers Transport Inc. Company source documents associated with expenses should be made available to the committee and public for review/verification

Thank you for your attention to this matter.

Dr. Ailton K. Easton, PhD

This letter states exactly the concerns of all the homeowners under Enchanted Harbor Utility. My husband and I are also one of these property owners. We are in full agreement and support all the concerns stated above. Our home is located at 262 Dolphin Drive. Please request a public ^{Port Alto} hearing on this enormous increase on water rate.

Sincerely,

John C. Amy, Claudia H. Amy
Property owners: 262 Dolphin Dr., Port Alto, Tx.

MD/KA

37728-R

10/4/13

①

September 28, 2013

Dear Texas Commission on Environmental Quality - Water Supply Division,

I am writing to protest the new rate change for Enchanted Harbor Utility (CCN Number 12683), whose address is 2301 Nancy Lou Street, El Campo, Texas 77437. I own property in Port Alto, Texas, which Enchanted Harbor Utility is the water supplier.

At this time, I am being charged a base rate for 2000 gallons monthly (\$38.50), which I do not even come close to using. If this proposal goes through, I will be charged base rate for 3000 gallons monthly at a rate of \$85.07, which will be more than double of what I have been paying.

I was under the impression that the lines were to be changed out several years ago with funds that had been set aside. Now, they are wanting to more than double my bill to pay for lines that should have already been in place. With the apparent mismanagement of funds, it should not be the consumers' responsibility to pay, but the company which mismanaged the funds.

Sincerely,

Mrs. Bobby Girndt

Mrs. Bobby Girndt

PO Box 415

Ganado, Texas 77962

Telephone 1-(361)-771-3746

MD/KA 37728-2
10/1/13 TT (2)

September 27, 2013

Texas Commission on Environmental Quality
Water Supply Division
Utilities & Districts Section, MC 153
PO Box 130897
Austin, Texas 78711-3087

REF: Notice of Proposed Rate Change-Water

To Whom It May Concern:

We would like to be on record in protest of the applied for water rate increase by "Farmers Transport Inc." dba Enchanted Harbor Utility (CCN #12683) proposed to take place January 1, 2014. We are asking that the TCEQ schedule a public hearing on the matter.

We have owned property in the community for approximately seven years. About four years ago, we built a weekend home, and in March of 2013, made Port Alto our permanent home. During the time we have been owners, we have had the opportunity to observe first-hand the apparent lack of maintenance on both the water and waste treatment facilities. We have often observed leaks in the water mains that go untended for lengthy periods of time. We live a very short distance from the waste treatment facility and never see operations or maintenance activities at the site.

The current owner/operator of the system has recently been trying to open an RV park near the community. A number of residents were opposed to the endeavor for numerous reasons, but mainly, because of concerns that the utility system was not sufficient to accommodate the possible increase in usage. The utility operator responded to those protests by issuing basically a threatening letter stating that if the park was not approved, he was going to raise water rates. To my knowledge, the park has not been approved and suddenly he proposes to increase rates.

We are of the opinion that if an increase is justified, the operator, at the very least, should have to make his presentation before a TCEQ panel with the residents allowed to attend.

Thank you for your attention to this matter.

~~Claude & Joan Manning~~

Claude & Joan Manning

EAST TEXAS LICENSE SERVICE
702 NORTH THOMPSON SUITE 150 P. O. BOX 664
CONROE, TEXAS 77305-0664
936-539-4959 FAX 936-756-7825

September 25, 2013

Texas Commission on Environmental Quality
Rates & Services MC 153
P. O. Box 13087
Austin, Texas 78711-3087

Re: ccn 12683

Dear Sirs

I am writing this letter in response to notification from Farmers Transport, Inc. dba Enchanted Harbor Utility (ccn # 12683) of a rate increase and surcharge. The last time the utility increased the rate was 2010 and the rate went from 18.25 to 37.88 for 2000 gallons. While I am not opposed to a basic rate increase the proposed rate of 48.57 and the surcharge of 47.73 makes this rate increase excessive. According to this notification it is your agency that has caused this surcharge. Why did the utility with its rate increase 10 years ago not begin the replacement and upgrades they are wanting to charge us for now? If some of these funds were used for maintenance and upgrades in the past 10 years the system would be current at this time.

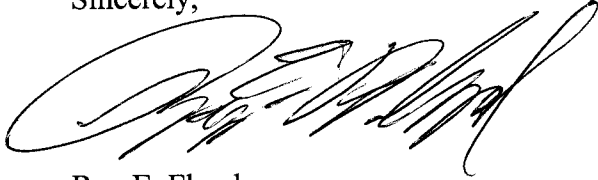
Why has the TCEQ let this go on to where the residents will be penalized the 47.73 per month surcharge for these improvements? I believe a thorough investigation should be done by your agency to determine why these upgrades have not been done in the past and what the past rate increase funds have been used for. Someone should be held accountable for these funds.

For years we have been told a mud was being organized and we would have sewer and water at a very low rate. Then we found out how the rate structure and taxing would effect each homeowner and the control of the mud would be limited to a few. We also found out that unless you were a registered voter in the precinct you had no vote on how the mud was to be operated. I was told the mud finally fell thru. We were also told that Enchanted harbor was then going to make the improvements. More false information. There is something wrong with this whole picture.

In 10 years there are more permanent residents but the vast majority of these homes are occupied by weekenders. In the past 10 years the Port Alto area has seen growth. If these rates are approved I believe sales and selling prices of the real estate will be affected.

I strongly protest the water rate increase to Enchanted Harbor Utility (ccn #12683) and request a public hearing.
Thank you for your time.

Sincerely,

A handwritten signature in black ink, appearing to read "Roy E. Floyd", with a large, stylized flourish at the end.

Roy E. Floyd
Property Owner Port Alto
rfloyd@easttxlic.com

EAST TEXAS LICENSE SERVICE

702 NORTH THOMPSON SUITE 150 P. O. BOX 664

CONROE, TEXAS 77305-0664

936-539-4959 FAX 936-756-7825

RECEIVED
TCEQ
WATER SUPPLY DIV.

2013 NOV 6 PM 3 29

November 1, 2013

Texas Commission on Environmental Quality
Rates & Services MC 153
P. O. Box 13087
Austin, Texas 78711-3087

Re: ccn 12683

Dear Sirs

This is my second letter with no response to the first. Now I have been presented with an additional notice of proposed rate change for the above utility. In response to notification from Farmers Transport, Inc. dba Enchanted Harbor Utility (ccn # 12683) the utility now wishes to go up to 85.07 per month with an additional surcharge of 47.73. I am still not opposed to a basic rate increase but the proposed rate of 85.07 and the surcharge of 47.73 makes this rate increase excessive and unaffordable.

I strongly protest the water rate increase to Enchanted Harbor Utility (ccn #12683) and request a public hearing.

Thank you for your time.

Sincerely,



Roy E. Floyd
Property Owner Port Alto
rfloyd@easttxlic.com

MD/KA 37728-R
9/26/13 TT (1)

Tuyet Truong

From: Tuyet Truong
Sent: Thursday, September 26, 2013 8:52 AM
To: Melanie Edwards
Cc: Kelly Ruble; Mary Damron; Kamal Adhikari
Subject: RE: public hearing on proposed rate increase by Farmers Transport Inc. dba Enchanted Harbor Utility CCN #12683

Hi Melanie,

This protest has been recorded to the protest count report.

Thank you,

Tuyet Truong, Auditor
Texas Commission on Environmental Quality
12100 Park 35 Circle, Bldg. F, MC-153
Austin, Texas 78753
Phone: 512/239-0605
Fax: 512/239-6190
E-mail: tuyet.truong@tceq.texas.gov

From: Melanie Edwards
Sent: Thursday, September 26, 2013 8:39 AM
To: Kamal Adhikari; Tuyet Truong
Cc: Kelly Ruble
Subject: FW: public hearing on proposed rate increase by Farmers Transport Inc. dba Enchanted Harbor Utility CCN #12683

Hi Kamal and Tuyet,

We received another protest.

Thanks
Melanie

From: Melanie Edwards
Sent: Thursday, September 26, 2013 8:38 AM
To: 'Anne and Bill Clark'
Cc: Kelly Ruble; Kamal Adhikari
Subject: RE: public hearing on proposed rate increase by Farmers Transport Inc. dba Enchanted Harbor Utility CCN #12683

Hi Anne and Bill,

I will forward your e-mail to the team member of the Utilities & District Section handling the rate change application.

If you have any questions, please feel free to contact me at the below listed telephone number or Kamal Adhikari at (512) 239-0680.

Thanks
Melanie Edwards
Water Section Work Leader
Corpus Christi Region Office
Texas Commission on Environmental Quality
(361) 825-3113

From: Anne and Bill Clark [<mailto:abillclark@sbcglobal.net>]

Sent: Wednesday, September 25, 2013 6:55 PM

To: Melanie Edwards

Subject: public hearing on proposed rate increase by Farmers Transport Inc. dba Enchanted Harbor Utility CCN #12683

We are protesting the proposed rate increase by Farmers Transport Inc. dba Enchanted Harbor Utility (CCN #12683) proposed to take place January 1, 2014. We desire a public hearing on this issue.

The proposed rate increase would more than double our monthly rates yet there is no consideration for conservation. More than doubling the base rate, while keeping usage rates, appears environmentally irresponsible. We could support a more balanced approach for example a 50% increase on the base fee and a 50% increase on water usage.

We fully understand the need to charge a fair amount for water usage. We want a compliant system that protects the bay for the future.

Our Port Alto home is located at 142 Marshall Johnson Ave North

Anne and William R "Bill" Clark
1212 West Live Oak Street
Lockhart TX 78644
512-398-6071
512-376-8483

Anne and William R "Bill" Clark
1212 West Live Oak Street
Lockhart TX 78644
512-398-6071
512-376-8483

Melanie Edwards
Office of Compliance and Enforcement
Texas Commission on Environmental Quality
6300 Ocean Drive, NRC Bldg., Ste 1200, Unit 5839
Corpus Christi, TX 78412-5839
Melanie.edwards@tceq.texas.gov

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC 153
PO Box 13087
Austin, TX 78711-3087

We are protesting the proposed rate increase by Farmers Transport Inc. dba Enchanted Harbor Utility (CCN #12683) proposed to take place January 1, 2014. We desire a public hearing on this issue.

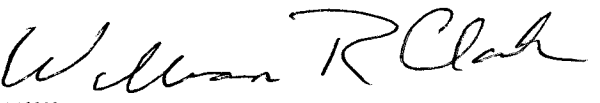
The proposed rate increase would more than double our monthly rates yet there is no consideration for conservation. More than doubling the base rate, while keeping usage rates, appears environmentally irresponsible. We could support a more balanced approach for example a 50% increase on the base fee and a 50% increase on water usage.

We fully understand the need to charge a fair amount for water usage. We want a compliant system that protects the bay for the future. Our Port Alto home is located at 142 Marshall Johnson Ave North and we are Enchanted Harbor customers.

Sincerely,
Port Alto homeowners



Anne Clark


William R Bill Clark

MD/KA

37728-R
9/25/13 TT (1)

Tuyet Truong

From: Tuyet Truong
Sent: Wednesday, September 25, 2013 8:28 AM
To: Kamal Adhikari; Melanie Edwards
Cc: Mary Damron
Subject: RE: Enchanted Harbor Utility

Hi Kamal,

This protest has been recorded to the protest count report.

Thanks,
Tuyet

-----Original Message-----

From: Kamal Adhikari
Sent: Tuesday, September 24, 2013 2:49 PM
To: Melanie Edwards
Cc: Tuyet Truong; Mary Damron
Subject: RE: Enchanted Harbor Utility

Thanks Melanie!

Tuyet - Here is another one for Enchanted Harbor. Please record this one as well.

Thanks

Kamal Adhikari, E.I.T.
Plan and Technical Review Section, MC-159 Water Supply Division
Phone: 512/239-0680
Fax: 512/239-6972
email: kamal.adhikari@tceq.texas.gov

-----Original Message-----

From: Melanie Edwards
Sent: Tuesday, September 24, 2013 2:45 PM
To: Kamal Adhikari
Cc: Kelly Ruble
Subject: Enchanted Harbor Utility

Hi Kamal,

I received another protest from a customer of Enchanted Harbor Utility regarding the rate increase. The original letter will be placed in the mail to you today.

Thanks
Melanie Edwards
Water Section Work Leader