

FOR CRYSTAL MOUNTAIN HOA:

c/o Linda McLean
907 Crystal Mountain Drive
Austin, Texas 78733

Jerri Strain
jlstrain@aquaaamerica.com

FOR EANES ISD:

601 Camp Croft Road
Austin, Texas 78746

FOR TRAVIS COUNTY MUD NO. 12:

c/o Ms. Sue Littlefield
Armbrust & Brown, LLP
100 Congress Avenue, Ste. 1300
Austin, Texas 78701
Slittlefield@abaustin.com

FOR TRAVIS COUNTY WCID NO. 17:

Ms. Deborah S. Gernes
General Manager
3812 Eck Lane
Austin, Texas 78734
DebbieGernes@wcid17.org

FOR LAZY NINE MUD:

Mr. William T. Gunn, III
Gunn & Whittington Development Co.
6836 Bee Caves Road, Suite 400
Austin, Texas 78746

Mr. Steve Robinson
Allen Boone Humphries Robinson, LLP
Phoenix Tower
3200 Southwest Freeway
Suite 2600
Houston, TX 77027
srobinson@abhr.com

FOR HAYS COUNTY WCID NO. 1:

Attn: President, Board of Directors
c/o Andrew Barrett
Barrett & Associates PLLC
3006 Bee Caves Rd., Ste. D-310
Austin, Texas 78746
abarrett@barrettsmithlaw.com
2256056.2

FOR HAYS COUNTY WCID NO. 2:

Attn: President, Board of Directors
c/o Matthew B. Kutac
Barrett & Associates PLLC
3006 Bee Caves Rd., Ste. D-310
Austin, Texas 78746

FOR DRIPPING SPRINGS WSC:

Mr. Ron Kelly
President, Board of Directors
PO Box 354
Dripping Springs TX 78620
rkelly@drippingspringswater.com

Mr. Phil Haag
McGinnis Lochridge & Kilgore LLP
600 Congress Ave, Ste. 2100
Austin TX 78701
phaag@mcginnislaw.com

FOR CITY OF DRIPPING SPRINGS:

Attn: Ms. Michelle Fisher, City Administrator
P.O. Box 384
Dripping Springs, Texas 78620-0384
mfischer@cityofdrippingsprings.com

Attn: Mayor Todd Purcell
P.O. Box 384
Dripping Springs, Texas 78620-0384

Ms. Susan Zachos
901 South Mopac Exwy
Barton Oaks Plaza One
Suite 300
Austin TX 78746
zachos@zachoslaw.com

FOR HAYS REUNION RANCH, LP:

Attn: Mr. William C. Bryant
700 Lavaca, Suite 900
Austin, Texas 78701

Ms. Robin Melvin
Graves, Dougherty, Hearon & Moody
515 Congress Avenue, Suite 2300
Austin, Texas 78701
RMelvin@gdhm.com

Mr. Mike Willatt
Willatt & Flickinger
2001 North Lamar Blvd.
Austin, Texas 78705
mwillatt@wfaustin.com

FOR SENNA HILLS MUD:

Mr. Mike Willatt
Willatt & Flickinger
2001 North Lamar Blvd.
Austin, Texas 78705
mwillatt@wfaustin.com

Mr. Jeff Garrett
Severn Trent Services, Inc.
14050 Summit Drive
Austin, Texas 78728
jgarrett@stes.com



ATTACHMENT E

3006 Bee Caves Road, Suite D-310, Austin, TX 78746
Phone: 512.600.3800 Fax: 512.600.3899

October 18, 2012

Via US Mail and Email

West Travis County Public Utility Agency
c/o Lauren Kalisek
LLOYD GOSSELINK
816 Congress Ave., Ste. 1900
Austin, TX 78701
Email: lkalisek@lglawfirm.com

RECEIVED

OCT 22 2012

Lloyd Gosselink

RE: Final Report on Wholesale Cost of Service and Rate Design Study ("Report")

To the Honorable Board Members of the West Travis County Public Utility Agency:

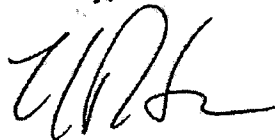
This firm represents Hays County Water Control & Improvement District No. 1 ("District 1") and Hays County Water Control and Improvement District No. 2 ("District 2"). The Districts provide water service to approximately 1,100 residential and commercial connections within the Belterra community, and are wholesale water customers of the West Travis County Public Utility Agency ("WTCPUA"). On Monday, October 15, we received the above-referenced Report. The Districts appreciate the WTCPUA's cooperation in providing this information. The day following our receipt of the Report, I met with committee members from both District 1 and District 2 for an initial review of the Report. Although time did not allow for a thorough and comprehensive review of the, we have made our best effort to review the entirety of the Report and relate to the WTCPUA our concerns.

Among the most significant of those concerns is that revenues from water services were categorized by schedules attached to the Report according to wholesale and retail customer classifications. However, there was no corresponding categorization of costs for water services among wholesale and retail customer classifications. If one of the purposes of the Report is to identify the revenue requirement for wholesale customers, it would seem that the categorization of wholesale water costs would be crucial information. An allocation of water system costs among wholesale and retail customers, by a substantiated percentage or some other method, would appear to be appropriate, especially for a study entitled "*Wholesale Cost of Service and Rate Design Study*." In the absence of a clear allocation of costs attributable to wholesale and retail customer classifications, we had difficulty understanding why wholesale rates, and only wholesale rates for that matter, are proposed to be increased. In the event that allocation information is included in underlying calculations, or some data set that is not included in the Report, the Districts would very much appreciate an opportunity to review such information. If an allocation of water service costs between wholesale and retail customers has not been made, the Districts would request that such an allocation be undertaken prior to finally determining new rates for wholesale customers.

In addition, we were not able to determine why Schedule 1 (Operating Budget) and Schedule 2 (Revenue Requirement) seem to require over \$7,000,000 for a reserve and/or capital fund. Given that the remainder of those schedules account only for operating revenues and expenses, this fund requirement seems out of place. Moreover, we were not able to find an explanation in the Report as to the reason that this reserve/capital fund must be increased over a single budget year to an amount that is nearly 80% of the projected annual operating expense for such year, especially when there are already contingencies in such budget. To the extent that the WTCPUA is attempting to recover capital costs from wholesale customers by virtue of the proposed rate increases, the Districts respectfully request the opportunity to verify that appropriate considerations and credits for capital fees paid by the Districts in the past, and scheduled to be paid in the future by the Districts, have been made.

We reiterate that our initial review of the Report and recommended rate increases was limited in certain respects by time, as our goal was to provide comments in a timely fashion prior to the October 19th meeting of WTCPUA Wholesale Customers, and this letter does not contain an exhaustive statement of our concerns. Any additional opportunities to address further questions would be appreciated. Again, the Districts appreciate the opportunity to review the Report and provide input on ratemaking decisions, and we look forward to the opportunity to meet with you and address our concerns.

Sincerely,



Matthew B. Kutac

Direct Phone: 512.600.3805

Email: mkutac@thebarrettfirm.com

cc: HCWCID1 Board of Directors (*via email*)
HCWCID2 Board of Directors (*via email*)
Andy Barrett (*firm*)
Judy McAngus, Kelly Hart & Hallman (*via email*)

From: Larry Fox [larrydna@gmail.com]
Sent: Sunday, October 28, 2012 9:56 AM
To: Chet Palesko
CC: Gregg Kronenberger; Mike Dansby; David Perl; Kenneth A. Fox; Mike Willatt; Allen Douthitt; Robert Ferguson; Garrett, Jeff; Bruce Aupperle; Don Rauschuber; David J. Klein; Nelisa Heddin
Subject: Re: Opposition to the proposed 31% wholesale water rate increase

Mr. Palasko,

Thank you for your comments. We are sorry that your travels have not allowed you to participate more fully in the committee's activities, but appreciate your attention to the problems. Let me make a few things clear:

1. The Legislature established a statute some years ago requiring a minimum of 40% representation on an Impact Fee Rate Setting Committee for commercial interests, i.e. developers and builders. We sought to balance the committee by having both retail and wholesale customers.
2. As you probably know, our lease-purchase of the LCRA system has prevented LCRA plans to increase rates by 25% in successive future years and well below the 70-90% increases the sale to a privately owned utility would have had to implement.
3. The retail customers have already experienced two successive 25% rate increases since 2007 while wholesale customers received no increases.
4. It was only through our rate petition and rate cases, expenses for which were shared only by the two MUDs in Lake Pointe and the City of Bee Cave, that we prevented further rate increases.
5. Thus, retail customers have long since been paying for the costs of service, in part subsidizing the cost of service to wholesale customers.
6. The discrepancy in rates was determined by a very conservative means of cost accounting that revealed that wholesale customers have not been paying their fair share since 2007.
7. This is not an effort to reach backwards, just an effort to bring the wholesale customers up to a level where their costs of services are covered and not subsidized by retail customers.
8. While the calculated catch-up is 31%, we recognize that this is a very large jump in a single year. Therefore we are discussing an interim solution of a more palatable amount, such as a first year increase (January 1) of 15%. This includes a stipulation that as we near the end of the 2013 fiscal year in September, the ongoing rates for cost of service coverage are re-examined and alterations in ongoing rates be again calculated.
9. In other words, during this first year, wholesale costs of service will continue to be subsidized by the retail customers, a situation which continues to disturb many retail customers.
10. The Committee was presented with all of the figures and calculations. I understand that the Committee is meeting again on Tuesday to further discuss this situation.

With appreciation for your contributions,
Larry Fox
President, West Travis County Public Utility Agency Board of Directors

On Oct 27, 2012, at 11:06 PM, "Chet Palesko" <chetp@savansys.com> wrote:

Dear Dr. Fox -

As a wholesale customer of WTCPUA, I strongly oppose the proposed 31% increase in water rates based on the following facts -

- No rate increase is proposed for retail customers.
- Setting a water service impact fee at 100% would allow the WTCPUA to only increase the wholesale rate by 10%. In other words, growth cost will be paid by new customers instead of subsidized by existing customers.

WTCPUA00015036

As you know, I was also a member of the WTCPUA advisory committee on impact fees. While the debate among the committee members was constructive and positive, the committee did not reach a consensus regarding the recommended impact fees. I am not surprised given the makeup of the committee.

- 2 members representing developers - Developers would like current customers to subsidize growth.
- 2 members representing retail customers - Retail customers are not facing a proposed rate increase.
- 1 member representing wholesale customers - Wholesale customers are facing a proposed 31% water rate increase.

Not surprisingly, the vote on impact fees was 4 to 1 as reflected in the minutes of the meeting. Unfortunately, I am out of the country through November 1st and will not be able to attend either the public hearing on rates or your next board meeting. As such, I am now handing this matter over to Gregg Kronenberger who is another Senna Hills MUD board member.

Hopefully, the WTCPUA board will reconsider the proposed 31% rate increase as I believe our calculation of "cost of service" would not support such an increase.

Thank you for your time and consideration of this important matter. I can be reached by email through November 1 if you have any questions.

Sincerely,

Chet Palesko
President, Senna Hills MUD
WTCPUA Impact Fee Committee Member

ATTACHMENT F

From: Nelisa Heddin [nheddin@wrmlp.com]
Sent: Thursday, October 18, 2012 7:16 PM
To: 'Lauren Kalisek'; 'Don Rauschuber'; 'George Murfee'; 'Dennis Lozano'; 'Larry Fox'
CC: 'Stefanie Albright'; 'David Klein'; 'Judy Bentley'
Subject: RE: PUA Meeting Tomorrow

If these are their concerns, we're in great shape!

Concern 1: they need to understand the base-extra capacity methodology which will be discussed tomorrow. Further, I had already made this offer to a few of their board members, I can sit down with them and review the roughly 500+ pages of work papers with them to show them precisely how and where the numbers are derived from. I will make this offer in the morning as well. It sounds like they just need more detail which in a topic as technical as base-extra, really had to be done in person to discuss what was done, how and why otherwise that report would have been somewhere in the 700 page range.

Concern 2: they need a thorough explanation of the debt obligation with LCRA and while the line item is titled debt and capital reserve, it is a reserve we are making so we can issue \$100M in bonds next year again, this just needs to be explained so everyone can understand.

I have addressed both of these in the presentation for tomorrow.

From: Lauren Kalisek [mailto:lkalisek@lglawfirm.com]
Sent: Thursday, October 18, 2012 4:48 PM
To: Don Rauschuber; Nelisa D. Heddin; George Murfee; Dennis Lozano; Larry Fox
Cc: Stefanie Albright; David Klein; Judy Bentley
Subject: Fwd: PUA Meeting Tomorrow

Letter from Belterra Muds. I have not reviewed yet.

Begin forwarded message:

From: "Matt Kutac" <mkutac@thebarrettfirm.com>
To: "Lauren Kalisek" <lkalisek@lglawfirm.com>
Cc: "Andy Barrett" <Andy@thebarrettfirm.com>, "Judy McAngus" <judy.mcangus@kellyhart.com>
Subject: PUA Meeting Tomorrow

Lauren,

Please find attached a letter to the WTCPUA Board submitted on behalf of Hays County WCID No. 1 and Hays County WCID No. 2. Please let me know if you have any questions, and we look forward to the discussion tomorrow.

Sincerely,

Matt Kutac

Matthew B. Kutac

Barrett & Associates, PLLC
3006 Bee Caves Road, Suite D-310

WTCPUA00015038

F 512 600 3899
M 512 983 7949
mkutac@thebarrettfirm.com

IRS CIRCULAR 230 NOTICE: To the extent this communication contains a statement relating in any way to federal taxes, that statement is not a "covered opinion" and was not written or intended to be used, and it cannot be used, by any person (I) as a basis for avoiding federal tax penalties that may be imposed on that person, or (II) to promote, market or recommend to another party any transaction or matter addressed herein.

CONFIDENTIALITY NOTICE:

This email (and all attachments) is confidential, legally privileged, and covered by the Electronic Communications Privacy Act. Unauthorized use or dissemination is prohibited. If you have received this message in error please delete it immediately. For more detailed information click www.lglawfirm.com/emaildisclaimer.asp.

NOT AN E-SIGNATURE:

No portion of this email is an "electronic signature" and neither the author nor any client thereof will be bound by this e-mail unless expressly designated as such as provided in more detail at www.lglawfirm.com/emaildisclaimer.asp.

From: Lauren Kalisek [lkalisek@lglawfirm.com]
Sent: Friday, April 05, 2013 9:42 AM
To: Stefanie Albright; David Klein; Judy Bentley
Subject: FW: Wholesale Minimum Bill

From: Nelisa Heddin
Sent: Friday, April 05, 2013 10:43:29 AM (UTC-06:00) Central Time (US & Canada)
To: Lauren Kalisek; 'George Murfee'; 'Don Rauschuber'; Stefanie Albright; dlozano@murfee.com
Subject: Wholesale Minimum Bill

Team,

In looking at the wholesale minimum bill issue - overall, the customers seem to like the approach of getting a capital cost allocation and paying debt related to that allocation. While they like the overall big picture, the devil is in the details - which is where we are getting push-back. I wanted to run by you all the issues, and options available and get your feedback on these items.

As far as an approach to work with the customers, I'm contemplating laying it out in the manner I have outlined below (the memo would probably be a little more articulate, but same basic principle). But, before I proceed with that, I wanted your feedback on these issues.

Now, we have 2 issues to address:

1. How to allocate the capital - I really see two options here:
 - a. Geographic - we've already split based upon 2 regions (71 vs. 290 systems) - the question is, would it be beneficial to create sub-categories from there. We have lots of push back from folks saying - why should I pay for a line I'll never use?
 - b. Point in time - the concept here is - first come, first serve - the first guy in, gets the cheaper rate. We are getting push back from folks saying, I've been here for 30 years, why should sign on to ever increasing rates to allow others to grow. The major ones on this argument are Senna Hills, Barton Creek West, Crystal Mountain, Belterra. My issue with this one:
 - i. A portion of capital costs are rehab/replacement in nature, and anything prior to march 19, 2012, we have no way of determining what that was.
 - ii. Also, people build out over time - so, unless you're completely built out, I can't determine which plant phase (or any other phase) is to serve you.

Given that we are getting push back on the allocation itself. I'm wondering if the sub-regional approach is worth looking into. Perhaps you create subcategories such as:

- Bee Cave Rd.
- HWY 71
- Bee Cave West
- Sawyer Ranch Road
- Etc - whatever makes sense give the hydraulics of the system.

Then, we fully allocate the cost to the sub-regions - we're still at a 100% fully allocated cost (in other words, the total capacity of the sub-regions still adds up to 27 MGD). I really think this will alleviate some of the push-back from those who are complaining since the sub-regions may partially reflect some of the timing concerns as well - since Senna Hills, Barton Creek West, Crystal Mountain, etc would be in a sub-region and then they aren't paying for the line out to Sweet

Thoughts??

2. Impact Fee Credits – the complaint we are hearing is – we have already paid into the system in impact fees/rates – we should get a greater credit. In addition to saying – call LCRA and ask them where your money is – I've already tried to explain to those making this complaint that – first, their impact fees only reduced the total system debt by 4M – so, the money isn't there; secondly, they're getting a greater credit by taking a portion of the other wholesalers are paying since the new guys are paying a higher rate. The other issue is that the data doesn't exist to know exactly who paid how much in impact fees. That being said, I see three options here:
 - a. Provide everyone, regardless of build-out, an impact fee credit equal to the PUA's effectively achieved impact fees – determined by taking the ratio of the PUA purchase price for the assets divided by the total capital contribution we anticipate to receive through impact fees (per the impact fee study). The credit would be determined on an individual system/region basis and would go to everyone regardless of where they are in build-out. This is a one-time calculation. The upside of this is that it is a simple calculation and is easy to understand. Also, it only needs to be done when we issue debt and/or when the board amends the impact fees. The down side is that the balance of the PUA takes on risk if impact fees aren't collected – that's a stranded cost to the Agency.
 - b. Allocate costs on a basis of what LCRA paid, NOT what the PUA paid – i.e. add the \$4M back in – assuming that the \$4M difference between LCRA's price and the PUA's price paid down the regional assets (which is likely a true statement). Then, allocate that \$4M credit differential between the houses on the ground at the time the PUA purchased the facilities. This would then get back to an allocation of the PUA's capital cost. From there, I'd recommend/suggest that that's the payment to each wholesale customer – the customer would then collect and apply the impact fees – the payment to the PUA would be the total debt payment – and the wholesale customer can either adopt the PUA's impact fees, or their own – it becomes their decision. My fear on this option is that it will essentially penalize the existing customers since they didn't pay as high of an impact fee as everyone else.
 - c. Finally, Randy's suggestion was somewhat of a merge of the two above. Basically, we would gross up the capital cost to be allocated by some fictitious impact fee number (which would be derived by data collected from wholesale customers reflecting what they actually paid into the system in impact fees), then we'd give the impact fee credit to those who paid. The problem with this option is that it isn't going to be reflective of what LCRA paid or the PUA paid – making it much more difficult to defend. Secondly, it relies on information submitted from the wholesale customers – all of whom may not have the data.

In part, I personally like option b as it would be as closely reflective of the true costs/contributions of customers. I would say that if you did that, however, you would need to also do some sort of sub-regional approach to also reflect the differences in geography within the different customer groups. Also, by putting the burden of paying down debt via impact fees on the wholesale customers, you take the risk of whether they grow off the PUA entirely. They become married in all aspects to their own projections and the risks of such – and the PUA has a 30-year guarantee of payment. Further, it puts the impact fee policies in their court not the PUA's.

Nelisa Heddin
Vice President

ph: 512.420.9841
fx: 512.420.9237
cell: 512.589-1028

ATTACHMENT G

WTCPUA00015042

From: Lauren Kalisek [lkalisek@lglawfirm.com]
Sent: Friday, April 05, 2013 9:42 AM
To: Stefanie Albright; David Klein; Judy Bentley
Subject: FW: Wholesale Minimum Bill

From: Nelisa Heddin
Sent: Friday, April 05, 2013 10:43:29 AM (UTC-06:00) Central Time (US & Canada)
To: Lauren Kalisek; 'George Murfee'; 'Don Rauschuber'; Stefanie Albright; dlozano@murfee.com
Subject: Wholesale Minimum Bill

Team,

In looking at the wholesale minimum bill issue - overall, the customers seem to like the approach of getting a capital cost allocation and paying debt related to that allocation. While they like the overall big picture, the devil is in the details - which is where we are getting push-back. I wanted to run by you all the issues, and options available and get your feedback on these items.

As far as an approach to work with the customers, I'm contemplating laying it out in the manner I have outlined below (the memo would probably be a little more articulate, but same basic principle). But, before I proceed with that, I wanted your feedback on these issues.

Now, we have 2 issues to address:

1. How to allocate the capital - I really see two options here:
 - a. Geographic - we've already split based upon 2 regions (71 vs. 290 systems) - the question is, would it be beneficial to create sub-categories from there. We have lots of push back from folks saying - why should I pay for a line I'll never use?
 - b. Point in time - the concept here is - first come, first serve - the first guy in, gets the cheaper rate. We are getting push back from folks saying, I've been here for 30 years, why should sign on to ever increasing rates to allow others to grow. The major ones on this argument are Senna Hills, Barton Creek West, Crystal Mountain, Belterra. My issue with this one:
 - i. A portion of capital costs are rehab/replacement in nature, and anything prior to March 19, 2012, we have no way of determining what that was.
 - ii. Also, people build out over time - so, unless you're completely built out, I can't determine which plant phase (or any other phase) is to serve you.

Given that we are getting push back on the allocation itself, I'm wondering if the sub-regional approach is worth looking into. Perhaps you create subcategories such as:

- Bee Cave Rd.
- HWY 71
- Bee Cave West
- Sawyer Ranch Road
- Etc - whatever makes sense give the hydraulics of the system.

Then, we fully allocate the cost to the sub-regions - we're still at a 100% fully allocated cost (in other words, the total capacity of the sub-regions still adds up to 27 MGD). I really think this will alleviate some of the push-back from those who are complaining since the sub-regions may partially reflect some of the timing concerns as well - since Senna Hills, Barton Creek West, Crystal Mountain, etc would be in a sub-region and then they aren't paying for the line out to Sweet

Thoughts??

2. Impact Fee Credits - the complaint we are hearing is - we have already paid into the system in impact fees/rates - we should get a greater credit. In addition to saying - call LCRA and ask them where your money is - I've already tried to explain to those making this complaint that - first, their impact fees only reduced the total system debt by 4M - so, the money isn't there; secondly, they're getting a greater credit by taking a portion of the other wholesalers are paying since the new guys are paying a higher rate. The other issue is that the data doesn't exist to know exactly who paid how much in impact fees. That being said, I see three options here:
 - a. Provide everyone, regardless of build-out, an impact fee credit equal to the PUA's effectively achieved impact fees - determined by taking the ratio of the PUA purchase price for the assets divided by the total capital contribution we anticipate to receive through impact fees (per the impact fee study). The credit would be determined on an individual system/region basis and would go to everyone regardless of where they are in build-out. This is a one-time calculation. The upside of this is that it is a simple calculation and is easy to understand. Also, it only needs to be done when we issue debt and/or when the board amends the impact fees. The down side is that the balance of the PUA takes on risk if impact fees aren't collected - that's a stranded cost to the Agency.
 - b. Allocate costs on a basis of what LCRA paid, NOT what the PUA paid - i.e. add the \$4M back in - assuming that the \$4M difference between LCRA's price and the PUA's price paid down the regional assets (which is likely a true statement). Then, allocate that \$4M credit differential between the houses on the ground at the time the PUA purchased the facilities. This would then get back to an allocation of the PUA's capital cost. From there, I'd recommend/suggest that that's the payment to each wholesale customer - the customer would then collect and apply the impact fees - the payment to the PUA would be the total debt payment - and the wholesale customer can either adopt the PUA's impact fees, or their own - it becomes their decision. My fear on this option is that it will essentially penalize the existing customers since they didn't pay as high of an impact fee as everyone else.
 - c. Finally, Randy's suggestion was somewhat of a merge of the two above. Basically, we would gross up the capital cost to be allocated by some fictitious impact fee number (which would be derived by data collected from wholesale customers reflecting what they actually paid into the system in impact fees), then we'd give the impact fee credit to those who paid. The problem with this option is that it isn't going to be reflective of what LCRA paid or the PUA paid - making it much more difficult to defend. Secondly, it relies on information submitted from the wholesale customers - all of whom may not have the data.

In part, I personally like option b as it would be as closely reflective of the true costs/contributions of customers. I would say that if you did that, however, you would need to also do some sort of sub-regional approach to also reflect the differences in geography within the different customer groups. Also, by putting the burden of paying down debt via impact fees on the wholesale customers, you take the risk of whether they grow off the PUA entirely. They become married in all aspects to their own projections and the risks of such - and the PUA has a 30-year guarantee of payment. Further, it puts the impact fee policies in their court not the PUA's.

Nelisa Heddin
Vice President

ph: 512.420.9841
fx: 512.420.9237
cell: 512.589-1028

ATTACHMENT G

WTCPUA00015042

From: Nelisa Heddin [nheddin@wrmlp.com]
Sent: Thursday, March 28, 2013 9:01 AM
To: 'Don Rauschuber'; 'George Murfee'; Lauren Kalisek; Stefanie Albright; 'Dennis Lozano'
Subject: Revised Wholesale Customer Analysis
Attachment(s): "2013 03 11 LUE Reservation Fee workpapers DRAFT.pdf", "2013 03 28 LUE Reservation Fees Scenario 2.pdf"

All,

We met with wholesale customers on Monday to go through the proposed minimum bill analysis; overall, they seemed to like the proposal of being allocated a specific capital cost for their share of the assets and assessed a debt payment to recover that cost. They liked the concept of individual structure of debt as well. As such, I believe it was a very successful meeting.

They did, however, want to see an alternative strategy for the capital cost allocation. The alternative allocation would reflect two changes:

1. We would allocate costs on a basis of 27 MGD rather than 20 MGD. As such, all future projects would also be allocated on that same basis.
2. We change the impact fee credit from a flat 50% to reflect the effective impact fee credit the PUA would achieve based on the historical lack of impact fees, and the future impact fees at 50%.

I have made this change. The alternative model is attached (labeled Scenario 2 - I also included Scenario 1 for comparative purposes. As it turns out, the results are remarkably similar to the previous model). But, I do believe that while effectively the previous model got us to where we needed to be, this scenario is more reflective of the PUA's true costs and provides a truly reflective trail of the costs. It also helps alleviate any concerns that there is a cross-subsidization between retail and wholesale.

We are meeting with wholesale customers again on Monday to go through this alternative scenario.

Please review the attached and comment - I'd like comments by the end of today so I can make appropriate changes and get to Judy for inclusion in the board packets tomorrow and get them printed for the Monday meeting.

The other change I'm making to this model, for purposes of illustration for the wholesale customers is reflecting the retail current and other un reserved capacity on the allocation sheets - so they can see that retail is in fact getting their fair share allocated to them. I'll circulate the reservation sheet once compiled.

Thanks again for all of your help!

Nelisa Heddin
Vice President



Water Resources
Management, L.P.

ph: 512.420.9841
fx: 512.420.9237
cell: 512.589-1028

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 1

Existing Projects, Before Interest Expense

	Actual Project Cost	Costs Allocated to 2012-2021 Growth*	Impact Fee Recovered Costs**	Remaining Balance
Systemwide Projects				
Uplands WTP Chem Building	\$ 2,141,458	\$ 749,510	\$ (374,755)	\$ 1,766,703
Uplands WTP Plant	40,249,533	14,087,337	(7,043,668)	33,205,865
Uplands Raw Water Intake Expansion	416,305	145,707	(72,853)	343,451
High Service Pump Station 8 MGD to 14 MGD	4,034,066	1,411,923	(705,962)	3,328,104
Uplands Clearwell #2	997,229	349,030	(174,515)	822,714
	\$ -47,838,591	\$ -16,743,507	\$ (8,371,753)	\$ 39,466,838

	Actual Project Cost	Costs Allocated to 2012-2021 Growth*	Impact Fee Recovered Costs**	Remaining Balance
SH 71 System Projects				
Lazy 9 SW 71 Transmission Main	\$ 3,090,461	\$ 1,081,661	\$ (540,831)	\$ 2,549,630
Transmission Main from Uplands Plant to Bee Cave Pump Station	1,556,779	544,872	(272,436)	1,284,342
Wolf Mountain (Crystal Mountain) EST	1,917,518	671,131	(335,566)	1,581,952
Senna Hills By-Pass Line	559,677	195,887	(97,944)	461,734
Hamilton Pool Road 1280 Pump Station Water Line	330,552	115,693	(57,847)	272,705
Hamilton Pool Road Water Line	6,624,510	2,318,579	(1,159,289)	5,465,221
Home Depot Pump Station	392,792	137,477	(68,739)	324,053
Home Depot Ground Storage Tank	147,043	51,465	(25,732)	121,310
Bee Cave Ground Storage Tank, Pump Station, Piping (off Cuernavaca)	699,851	244,948	(122,474)	577,377
Bee Cave Water Line to Cuernavaca	990,492	346,672	(173,336)	817,156
	\$ -16,309,675	\$ -5,708,386	\$ (2,854,193)	\$ 13,455,482

	Actual Project Cost	Costs Allocated to 2012-2021 Growth*	Impact Fee Recovered Costs**	Remaining Balance
US 290 System Projects				
Countyline Pump Station Upgrade				
1800 gpm to 3450 gpm	\$ -1,684,429	\$ -589,550	\$ (294,775)	\$ 1,389,654
290 Pipeline				
a) 24" SWPPS to County Line	12,841,593	4,494,557	(2,247,279)	10,594,314
b) 20" Countyline to 1420 HGL EST	3,411,212	1,193,924	(596,962)	2,814,250
20" Main Uplands to SW Parkway (Easements)	506,714	177,350	(88,675)	418,039
1420 Elevated storage	2,197,353	769,073	(384,537)	1,812,816
Sawyer Ranch Road Ph 1 20"	1,183,948	414,382	(207,191)	976,757
Sawyer RR Ph 1 (Darden Hill)	1,293,619	452,767	(226,383)	1,067,236
	\$ 23,118,867	\$ 8,091,603	\$ (4,045,802)	\$ 19,073,065

Total \$ 87,267,133 \$ 30,543,497 \$ (15,271,748) \$ 71,995,385

*Costs allocated to 2012-2021 Growth were as stated in 2012 Impact Fee Study.

**Impact fee recovered costs were assumed to be 50% of project cost allocated to 2012-2021 growth, based on board adopted impact fee.

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 2

Future CIP Projects, Before Interest Expense

System Wide Projects	Year Scheduled	Future Cost	Funded with Series 2013 Bonds	Impact Fee Recovered Costs	Remaining Balance
Surge Tank on Raw Water Line	2013	1,273,358	1,273,358	(636,679)	636,679
WTP Expansion	2018	25,451,225		-	-
Raw Water Pump Station Improvements	2018	2,545,122		-	-
20" Raw Water TM	2018	3,817,684		-	-
		\$ 33,087,389	\$ 1,273,358	\$ (636,679)	\$ 636,679

US 290 Projects	Year Scheduled	Future Cost	Funded with Series 2013 Bonds	Impact Fee Recovered Costs	Remaining Balance
SW Parkway PS 3567 to 5900 GPM (Ongoing)	2012	\$ 282,424	\$ 282,424	\$ (141,212)	\$ 141,212
SW Parkway PS Upgrade 5900 - 7800 gpm	2015	698,744	698,744	(349,372)	349,372
SWPPS 20" TM	2013	4,149,391	4,149,391	(2,074,696)	2,074,696
1240 Pressure Plane Study and WL	2014	1,571,609	1,571,609	(785,805)	785,805
1340 EST (0.6 MG) Pump Station Upgrade, WL	2015	7,569,730	7,569,730	(3,784,865)	3,784,865
FM 1826 Ph 4 - 16" TM	2013	1,042,836	1,042,836	(521,418)	521,418
FM 1826 Extension - 16" TM	2016	2,399,022		-	-
Heritage Line - 16" TM	2016	1,439,413		-	-
1420 HGL Pump Station	2015	1,164,574	1,164,574	(582,287)	582,287
		\$ 20,317,744	\$ 16,479,308	\$ (8,239,654)	\$ 8,239,654

SH 71 Projects	Year Scheduled	Future Cost	Funded with Series 2013 Bonds	Impact Fee Recovered Costs	Remaining Balance
HPR 1420 Hydrotank Upgrade (add 750 gpm pump)	2014	\$ 291,143	\$ 291,143	\$ (145,572)	\$ 145,572
Hwy 71 EST (0.35 MG)	2014	2,562,062	2,562,062	(1,281,031)	1,281,031
Bee Cave PS Upgrade 1500-3000 gpm firm	2014	628,870	628,870	(314,435)	314,435
Misc. Impacts for 1280 pressure plane	2015	1,164,574	1,164,574	(582,287)	582,287
		\$ 4,646,649	\$ 4,646,649	\$ (2,323,325)	\$ 2,323,325

TOTAL \$ 58,051,782 \$ 22,399,316 \$ (11,199,658) \$ 11,199,658

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 3
Determination of Effective Impact Fee Credit

Project Summary by System	Total Debt Funded Cost	Less Impact Fee Credit
System Wide		
Existing Projects	\$ 47,838,591	\$ (8,371,753)
Future Projects	1,273,358	(636,679)
Total System Wide Projects	\$ 49,111,949	\$ (9,008,433)
HWY 71		
Existing Projects	\$ 16,309,675	\$ (2,854,193)
Future Projects	4,646,649	(2,323,325)
Total System Wide Projects	\$ 20,956,324	\$ (5,177,518)
US 290		
Existing Projects	\$ 23,118,867	\$ (8,371,753)
Future Projects	16,479,308	(8,239,654)
Total System Wide Projects	\$ 39,598,175	\$ (16,611,408)
Total Projects Funded with Series 2013 Bonds	\$ 109,666,449	\$ (30,797,358)

Individual System Impact Fee Credit	Total Debt Funded Cost	Less Impact Fee Credit
HWY 71		
System Wide Project Cost Allocation	\$ 26,973,794	\$ (4,947,708)
HWY 71 System Project Cost	20,956,324	(5,177,518)
	\$ 47,930,118	\$ (10,125,226)
US 290		
System Wide Project Cost Allocation	\$ 22,138,156	\$ (4,060,724)
HWY 71 System Project Cost	39,598,175	(16,611,408)
	\$ 61,736,331	\$ (20,672,132)

HWY 71 System Percent of Total Capacity
US 290 System Percent of Total Capacity

55%
45%

***Per Impact Fee Study Growth Assumptions**

Total Rate Funded Cost
\$ 39,466,838
\$ 636,679
\$ 40,103,517
\$ 13,455,482
\$ 2,323,325
\$ 15,778,806
\$ 14,747,114
\$ 8,239,654
\$ 22,986,768
\$ 78,869,091

Total Rate Funded Cost	Effective Impact Fee Credit
\$ 22,026,085	
15,778,806	
\$ 37,804,892	21%
\$ 18,077,431	
22,986,768	
\$ 41,064,199	33%

ATTACHMENT G

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 4

Total Existing and Future Regional Project Costs

	Total Project Cost	MGD Plant Capacity	Cost per Gallon Capacity
Systemwide			
Existing Project	\$ 47,838,591	27	\$ 1.77
Future CIP (2012-2015)	1,273,358	27	\$ 0.05
Future CIP (after 2015)	<u>excluded</u>		
	\$ 49,111,949		\$ 1.82
SH 71 System			
Existing Project	\$ 16,309,675	15	\$ 1.10
Future CIP (2012-2015)	4,646,649	15	\$ 0.31
Future CIP (after 2015)	<u>excluded</u>		
	\$ 20,956,324		\$ 1.41
US 290 System			
Existing Project	\$ 23,118,867	12	\$ 1.90
Future CIP (2012-2015)	16,479,308	12	\$ 1.35
Future CIP (after 2015)	<u>excluded</u>		
	\$ 39,598,175		\$ 3.25
Total	\$ 109,666,449		

West Travis County Public Utility
Agency
FYE2014 Planning Fee Planning

Schedule 5
Summary of Total Cost per Gallon
Reserved

SH 71 System Costs	Systemwide Projects Cost per Gallon	SH71 Projects Cost per Gallon	Total Cost per Gallon
Existing Project	\$ 1.77	\$ 1.10	\$ 2.87
Future CIP (2012-2015)	\$ 0.05	\$ 0.31	\$ 0.36
Future CIP (after 2015)	\$ -	\$ -	\$ -
	\$ 1.82	\$ 1.41	\$ 3.23

US 290 System Costs	Systemwide Projects Cost per Gallon	US290 Projects Cost per Gallon	Total Cost per Gallon
Existing Project	\$ 1.77	\$ 1.90	\$ 3.67
Future CIP (2012-2015)	\$ 0.05	\$ 1.35	\$ 1.40
Future CIP (after 2015)	\$ -	\$ -	\$ -
	\$ 1.82	\$ 3.25	\$ 5.07

West Travis County Public Utility
 Agency
 FYE2014 Planning Fee Planning

Schedule 6

Determination of Capital Component of LUE Reservation Fee

		SH 71 System	US 290 System
Total Capital Cost per gpd Capacity		\$ 3.23	\$ 5.07
LUE Reservation - capacity planning (gpm)	0.86		
Required gpd per LUE per day	1,238		
Total Capital Cost (before interest) per LUE Reserved		\$ 4,003	\$ 6,282
Debt Term	30		
Interest Rate	5%		
Effective Impact Fee Credit		21%	33%
Annual Debt Service Payment for Capital Cost, per LUE		\$ 260.38	\$ 408.64
Less Impact Fee Credit		\$ (55.01)	\$ (136.83)
Adjusted Capital Cost per LUE - Annual Debt Service Only		\$ 205.37	\$ 271.81
Add Times Coverage Requirement		\$ 65.10	\$ 102.16
Total Annual Capital Component of LUE Reservation Fee (per LUE)		\$ 270.47	\$ 373.97

West Travis County Public Utility
 Agency
 FYE2014 Planning Fee Planning

Schedule 7
 Determination of Raw Water Component of LUE Reservation Fee

Current Raw Water Reservation fee to LCRA (per acre foot)	\$ 75.50
Gallons per Acre Foot	325,851.43
Cost per Gallon	\$ 0.00023
Average Daily Demand per LUE (gpd)	450
Annual Demand per LUE (gallons)	164,250
Total Annual Cost per LUE Reserved	\$ 38.06

ATTACHMENT G

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 8
Determination of Fixed Operating Costs

	FYE 2013 Revenue Requirement	% Fixed	Total Fixed Cost	Notes
(1) Water Department - Expense				
16100 - LCRA Raw Water Reservation Fees				
16101 - LCRA - Raw Water Used (W)	623,406	0%	-	Excluded from Analysis, included later.
16102 - LCRA - Raw Water Reservation(W)	373,254	0%	-	Excluded from Analysis, included later.
16110 - Contract Operations - Water				
16111 - Base Fee for Services (W)	875,424	100%	875,424	
16112 - Maintenance & Repairs (W)	528,000	50%	264,000	
16113 - Customer Service (W)	297,789	0%	-	
16114 - Engineering/ Const Fees (W)	-	0%	-	
16120 - Material & Supplies (W)	10,000	40%	4,000	
16130 - Chemicals (W)	220,150	0%	-	
16140 - Transportation (W)	-	0%	-	
16150 - Outside Services (W)	13,900	50%	6,950	
16160 - Utilities - Electric (W)	1,385,476	0%	-	
16170 - Utilities - Telephone (W)	14,078	50%	7,489	
16180 - Environmental Regulatory Fee(W)	10,000	50%	5,000	
16190 - Other Expenses (W)	250,000	50%	125,000	
(2) Wastewater Department - Exp				
16200 - Contract Operations-Wastewater				
16201 - Base Fee for Services (WW)	-	-	-	
16202 - Maintenance & Repairs (WW)	-	-	-	
16203 - Customer Services (WW)	-	-	-	
16204 - Engineering/ Const Fees (WW)	-	-	-	
16210 - Materials & Supplies (WW)	-	-	-	
16220 - Chemicals (WW)	-	-	-	
16230 - Sludge Disposal (WW)	-	-	-	
16240 - Utilities - Electric (WW)	-	-	-	
16250 - Utilities - Telephone (WW)	-	-	-	
16260 - Environmental Regulatory Fe(WW)	-	-	-	
Special Programs	100,000	50%	50,000	
16270 - Other Expense (WW)	-	-	-	
16280 - Utilities - Gas (WW)	-	-	-	
(3) Shared Department - Expense				
16300 - Professional Services				
General Operating				
16311 - General Counsel - Operating	207,000	50%	103,500	
16312 - Engineering - Operating	90,000	50%	45,000	
16313 - General Manager - Operating	-	-	-	
16314 - Bookkeeping - Operating	-	-	-	
16315 - Financial Manager - Operating	-	-	-	
16316 - General Counsel - Legislative	-	-	-	
Special Contract Services				
16321 - General Counsel - Special Contr	-	-	-	
16322 - Rate Study - Special Contract	45,000	100%	45,000	
16323 - Inspections/Plan Review-Special	45,000	50%	22,500	
16324 - Other Engineering Analyses-Spec	410,044	50%	205,022	
Transitional Support Services				
16301 - General Counsel - Transitional	-	-	-	
16302 - Engineering - Transitional	-	-	-	
630201 - Task 22 - SER Activities	-	-	-	
16302 - Engineering - Transitional - Other	-	-	-	
16303 - General Manager - Transitional	-	-	-	
16304 - Bookkeeping - Transitional	-	-	-	
16305 - Financial Manager -Transitional	-	-	-	
16306 - Misc - Transitional	-	-	-	
Personnel Expenses				
Salaries	437,542	50%	218,771	
PTCA	57,784	50%	28,892	
16331 - Inventory Purchases Not Funded	100,000	50%	50,000	
Training	14,269	50%	7,134	
Vehicles	-	50%	-	
16332 - Leak Detection Program	35,000	50%	17,500	
16333 - SCADA Control System Maintenance	50,000	50%	25,000	
16334 - Mapping/GIS Program	-	0%	-	

WTCPUA00015053

ATTACHMENT G

16335 • Tools & Shop Supplies	16,307	50%	8,153
16336 • Computer Maintenance & Repair	11,089	50%	5,544
16337 • Furniture	-	0%	-
16338 • Janitor/Contract Labor	-	0%	-
16339 • Office Data & Supplies	16,762	50%	8,381
16341 • Utilities - Office & Outside Fa	2,299	50%	1,150
16342 • Conservation Education & Enforc	20,000	50%	10,000
16343 • Insurance - General	80,498	100%	80,498
16344 • Bank Charges	1,285	50%	642
16345 • Misc. Operating Expense	15,927	50%	7,963
16346 • Developer Reimburse Int	-		-
16347 • Lease Expense	<u>47,979</u>	100%	<u>47,979</u>
16560 • Miscellaneous Expense	<u>71,379</u>	50%	<u>35,640</u>
17110 • Capital Outlay	<u>140,986</u>	100%	<u>140,986</u>
	<u>6,617,426</u>		<u>2,453,119</u>

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 9
Allocation of Fixed O&M Expense

Total Fixed Cost O&M Expense		\$ 2,453,119
System Capacity (gpd)	20,000,000	
Total Fixed Cost per gpd Capacity		\$ 0.12
GPD Reservation per LUE	1,238	
O&M Cost per LUE		\$ 151.90

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 10

Determination of Total LUE Reservation Fee

	SH 71 System	US 290 System
Capital Cost per LUE	\$ 270.47	\$ 373.97
Raw Water Cost per LUE	38.06	38.06
O&M Cost per LUE	151.90	151.90
Total LUE Reservation Fee	\$ 460.42	\$ 563.92

ATTACHMENT G

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 11
Capital Cost Allocation

21%

	Contractual Commitment (gal/max day)	Cost per Gallon	Capital Cost Allocated to Customer	Annual Debt Service	Impact Fee Credit	Plus Coverage	Total Annual Debt Service Cost	Adjusted Monthly Debt Service Cost
SH 71 System								
Barton Creek West	965,952	\$ 3.23	\$ 3,122,090	\$ 203,096	\$ (42,904)	\$ 50,774	\$ 210,966	\$ 17,581
Senna Hills	907,000	\$ 3.23	\$ 2,931,549	\$ 190,701	\$ (40,286)	\$ 47,675	\$ 198,091	\$ 16,508
Crystal Mountain	144,000	\$ 3.23	\$ 465,428	\$ 30,277	\$ (6,396)	\$ 7,569	\$ 31,450	\$ 2,621
EISD	42,900	\$ 3.23	\$ 138,659	\$ 9,020	\$ (1,905)	\$ 2,255	\$ 9,369	\$ 781
Lazy Nine	5,068,000	\$ 3.23	\$ 16,380,475	\$ 1,065,573	\$ (225,102)	\$ 266,393	\$ 1,106,865	\$ 92,239
Deer Creek	576,000	\$ 3.23	\$ 1,861,711	\$ 121,107	\$ (25,584)	\$ 30,277	\$ 125,800	\$ 10,483
Travis County MUD #12	2,073,600	\$ 3.23	\$ 6,702,161	\$ 435,985	\$ (92,102)	\$ 108,896	\$ 452,880	\$ 37,740
Masonwood	538,272	\$ 3.23	\$ 1,739,769	\$ 113,174	\$ (23,908)	\$ 28,294	\$ 117,560	\$ 9,797

33%

	Contractual Commitment (gal/max day)	Cost per Gallon	Capital Cost Allocated to Customer	Annual Debt Service	Impact Fee Credit	Plus Coverage	Total Annual Debt Service Cost	Adjusted Monthly Debt Service Cost
US 290 System								
Dripping Springs WSC	1,000,000	\$ 5.07	\$ 5,072,509	\$ 329,974	\$ (110,490)	\$ 82,493	\$ 301,977	\$ 25,165
Beterra - HCWCID #1*	1,512,576	\$ 5.07	\$ 7,672,555	\$ 499,111	\$ (167,125)	\$ 124,778	\$ 456,763	\$ 38,064
Beterra - HCWCID #2*	1,137,024	\$ 5.07	\$ 5,767,564	\$ 375,188	\$ (125,630)	\$ 93,797	\$ 343,355	\$ 28,613
Hays City Reunion Ranch (Krasovok)*	553,000	\$ 5.07	\$ 2,805,097	\$ 182,476	\$ (61,101)	\$ 45,619	\$ 166,993	\$ 13,916
City of Dripping Springs (Headwaters)*	1,612,800	\$ 5.07	\$ 8,180,942	\$ 532,182	\$ (178,199)	\$ 133,046	\$ 487,029	\$ 40,586
City of Dripping Springs	1,460,000	\$ 5.07	\$ 7,405,862	\$ 481,762	\$ (161,316)	\$ 120,440	\$ 440,887	\$ 36,741

*These agreements also include an LUE reservation fee paid by the developer. As such, LUE reservation revenues paid to the PUA would be credited against the wholesale minimum bill.

WTCPUA00015057

West Travis County Public Utility Agency
FY2014 Planning Fee Planning

Schedule 22
Sample Individual Capital Amortization Schedule

Customer X

Capital Cost Allocation \$ 8,100,000

Built-out LUEs 1,616

Current LUEs (January 2013) 100

Annual Payment per LUE \$ 518

	Projected LUEs	Beginning Balance	Interest Expense	Subtotal	Total Annual Payment*	Ending Balance	Annual Payment per LUE
2014	120	\$ 8,100,000	\$ 405,000	\$ 8,505,000	\$ 62,138	\$ 8,442,862	\$ 518
2015	220	\$ 8,442,862	\$ 422,143	\$ 8,865,006	\$ 113,919	\$ 8,751,087	\$ 518
2016	320	\$ 8,751,087	\$ 437,554	\$ 9,188,641	\$ 165,700	\$ 9,022,941	\$ 518
2017	420	\$ 9,022,941	\$ 451,147	\$ 9,474,088	\$ 217,481	\$ 9,256,607	\$ 518
2018	520	\$ 9,256,607	\$ 462,830	\$ 9,719,437	\$ 269,263	\$ 9,450,174	\$ 518
2019	620	\$ 9,450,174	\$ 472,509	\$ 9,922,683	\$ 321,044	\$ 9,601,639	\$ 518
2020	720	\$ 9,601,639	\$ 480,082	\$ 10,081,721	\$ 372,825	\$ 9,708,896	\$ 518
2021	820	\$ 9,708,896	\$ 485,445	\$ 10,194,340	\$ 424,607	\$ 9,769,734	\$ 518
2022	920	\$ 9,769,734	\$ 488,487	\$ 10,258,220	\$ 476,388	\$ 9,781,833	\$ 518
2023	1,020	\$ 9,781,833	\$ 489,092	\$ 10,270,924	\$ 528,169	\$ 9,742,755	\$ 518
2024	1,120	\$ 9,742,755	\$ 487,138	\$ 10,229,893	\$ 579,950	\$ 9,649,942	\$ 518
2025	1,220	\$ 9,649,942	\$ 482,487	\$ 10,132,430	\$ 631,732	\$ 9,500,708	\$ 518
2026	1,320	\$ 9,500,708	\$ 475,035	\$ 9,975,743	\$ 683,513	\$ 9,289,230	\$ 518
2027	1,420	\$ 9,289,230	\$ 464,612	\$ 9,756,842	\$ 735,294	\$ 9,021,547	\$ 518
2028	1,520	\$ 9,021,547	\$ 451,077	\$ 9,472,625	\$ 787,076	\$ 8,685,549	\$ 518
2029	1,616	\$ 8,685,549	\$ 434,797	\$ 9,119,826	\$ 838,786	\$ 8,283,041	\$ 518
2030	1,616	\$ 8,283,041	\$ 414,152	\$ 8,697,193	\$ 890,786	\$ 7,806,407	\$ 518
2031	1,616	\$ 7,806,407	\$ 393,020	\$ 8,253,427	\$ 936,786	\$ 7,316,642	\$ 518
2032	1,616	\$ 7,316,642	\$ 370,892	\$ 7,787,474	\$ 976,786	\$ 6,850,688	\$ 518
2033	1,616	\$ 6,850,688	\$ 347,534	\$ 7,298,223	\$ 1,016,786	\$ 6,441,437	\$ 518
2034	1,616	\$ 6,441,437	\$ 322,073	\$ 6,784,509	\$ 1,056,786	\$ 6,047,723	\$ 518
2035	1,616	\$ 5,947,723	\$ 297,386	\$ 6,245,109	\$ 1,096,786	\$ 5,408,324	\$ 518
2036	1,616	\$ 5,408,324	\$ 270,816	\$ 5,678,740	\$ 1,136,786	\$ 4,841,954	\$ 518
2037	1,616	\$ 4,841,954	\$ 242,098	\$ 5,084,052	\$ 1,176,786	\$ 4,247,266	\$ 518
2038	1,616	\$ 4,247,266	\$ 212,363	\$ 4,459,630	\$ 1,216,786	\$ 3,622,844	\$ 518
2039	1,616	\$ 3,622,844	\$ 181,547	\$ 3,803,866	\$ 1,256,786	\$ 2,967,201	\$ 518
2040	1,616	\$ 2,967,201	\$ 148,260	\$ 3,115,561	\$ 1,296,786	\$ 2,278,775	\$ 518
2041	1,616	\$ 2,278,775	\$ 113,939	\$ 2,392,714	\$ 1,336,786	\$ 1,555,928	\$ 518
2042	1,616	\$ 1,555,928	\$ 77,796	\$ 1,633,724	\$ 1,376,786	\$ 706,939	\$ 518
2043	1,616	\$ 706,939	\$ 39,847	\$ 836,786	\$ 1,376,786	\$ 0	\$ 518

**Total Annual Minimum Bill = Total Annual Payments + (Total Annual Payment * 25% Times Coverage) - (Total Annual Payments * Impact Fee Credit)

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 1

Existing Projects, Before Interest Expense

	Actual Project Cost	Costs Allocated to 2012-2021 Growth*	Impact Fee Recovered Costs**	Remaining Balance
Systemwide Projects				
Uplands WTP Chem Building	\$ 2,141,458	\$ 749,510	\$ (374,755)	\$ 1,766,703
Uplands WTP Plant	40,249,533	14,087,337	(7,043,668)	33,205,865
Uplands Raw Water Intake Expansion	416,305	145,707	(72,853)	343,451
High Service Pump Station 8 MGD to 14 MGD	4,034,066	1,411,923	(705,962)	3,328,104
Uplands Clearwell #2	997,229	349,030	(174,515)	822,714
	\$ 47,838,591	\$ 16,743,507	\$ (8,371,753)	\$ 39,466,838

	Actual Project Cost	Costs Allocated to 2012-2021 Growth*	Impact Fee Recovered Costs**	Remaining Balance
SH 71 System Projects				
Lazy 9 SW 71 Transmission Main	\$ 3,090,461	\$ 1,081,661	\$ (540,831)	\$ 2,549,630
Transmission Main from Uplands Plant to Bee Cave Pump Station	1,556,779	544,872	(272,436)	1,284,342
Wolf Mountain (Crystal Mountain) EST	1,917,518	671,131	(335,566)	1,581,952
Senna Hills By-Pass Line	559,677	195,887	(97,944)	461,734
Hamilton Pool Road 1280 Pump Station Water Line	330,552	115,693	(57,847)	272,705
Hamilton Pool Road Water Line	6,624,510	2,318,579	(1,159,289)	5,465,221
Home Depot Pump Station	392,792	137,477	(68,739)	324,053
Home Depot Ground Storage Tank	147,043	51,465	(25,732)	121,310
Bee Cave Ground Storage Tank, Pump Station, Piping (off Cuernavaca)	699,851	244,948	(122,474)	577,377
Bee Cave Water Line to Cuernavaca	990,492	346,672	(173,336)	817,156
	\$ 16,309,675	\$ 5,708,386	\$ (2,854,193)	\$ 13,455,482

	Actual Project Cost	Costs Allocated to 2012-2021 Growth*	Impact Fee Recovered Costs**	Remaining Balance
US 290 System Projects				
Countyline Pump Station Upgrade				
1800 gpm to 3450 gpm	\$ 1,684,429	\$ 589,550	\$ (294,775)	\$ 1,389,654
290 Pipeline				
a) 24" SWPPS to County Line	12,841,593	4,494,557	(2,247,279)	10,594,314
b) 20" Countyline to 1420 HGL EST	3,411,212	1,193,924	(596,962)	2,814,250
20" Main Uplands to SW Parkway (Easements)	506,714	177,350	(88,675)	418,039
1420 Elevated storage	2,197,353	769,073	(384,537)	1,812,816
Sawyer Ranch Road Ph 1 20"	1,183,948	414,382	(207,191)	976,757
Sawyer RR Ph 1 (Darden Hill)	1,293,619	452,767	(226,383)	1,067,236
	\$ 23,118,867	\$ 8,091,603	\$ (4,045,802)	\$ 19,073,065

Total \$ 87,267,133 \$ 30,543,497 \$ (15,271,748) \$ 71,995,385

*Costs allocated to 2012-2021 Growth were as stated in 2012 Impact Fee Study.

**Impact fee recovered costs were assumed to be 50% of project cost allocated to 2012-2021 growth, based on board adopted impact fee.

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 2
Future CIP Projects, Before Interest Expense

System Wide Projects	Year Scheduled	Future Cost	Funded with Series 2013 Bonds	Impact Fee Recovered Costs	Remaining Balance
Surge Tank on Raw Water Line	2013	1,273,358	1,273,358	(636,679)	636,679
WTP Expansion	2018	25,451,225		-	-
Raw Water Pump Station Improvements	2018	2,545,122		-	-
20" Raw Water TM	2018	3,817,684		-	-
		\$ 33,087,389	\$ 1,273,358	\$ (636,679)	\$ 636,679

US 290 Projects	Year Scheduled	Future Cost	Funded with Series 2013 Bonds	Impact Fee Recovered Costs	Remaining Balance
SW Parkway PS 3567 to 5900 GPM (Ongoing)	2012	\$ 282,424	\$ 282,424	\$ (141,212)	\$ 141,212
SW Parkway PS Upgrade 5900 - 7800 gpm	2015	698,744	698,744	(349,372)	349,372
SWPPS 20" TM	2013	4,149,391	4,149,391	(2,074,696)	2,074,696
1240 Pressure Plane Study and WL*	2014	1,571,609	1,571,609	(785,805)	785,805
1340 EST (0.6 MG), Pump Station Upgrade, WL	2015	7,569,730	7,569,730	(3,784,865)	3,784,865
FM 1826 Ph 4 - 16" TM	2013	1,042,836	1,042,836	(521,418)	521,418
FM 1826 Extension - 16" TM	2016	2,399,022		-	-
Heritage Line - 16" TM*	2016	1,439,413		-	-
1420 HGL Pump Station	2015	1,164,574	1,164,574	(582,287)	582,287
		\$ 20,317,744	\$ 16,479,308	\$ (8,239,654)	\$ 8,239,654

SH 71 Projects	Year Scheduled	Future Cost	Funded with Series 2013 Bonds	Impact Fee Recovered Costs	Remaining Balance
HPR 1420 Hydrotank Upgrade (add 750 gpm pump)	2014	\$ 291,143	\$ 291,143	\$ (145,572)	\$ 145,572
Hwy 71 EST (0.35 MG)	2014	2,562,062	2,562,062	(1,281,031)	1,281,031
Bee Cave PS Upgrade 1500-3000 gpm firm	2014	628,870	628,870	(314,435)	314,435
Misc. Impacts for 1280 pressure plane	2015	1,164,574	1,164,574	(582,287)	582,287
		\$ 4,646,649	\$ 4,646,649	\$ (2,323,325)	\$ 2,323,325

TOTAL \$ 58,051,782 \$ 22,399,316 \$ (11,199,658) \$ 11,199,658

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 3

Determination of Effective Impact Fee Credit

Project Summary by System	Total Debt Funded Cost	Less Impact Fee Credit
System Wide		
Existing Projects	\$ 47,838,591	\$ (8,371,753)
Future Projects	1,273,358	(636,679)
Total System Wide Projects	\$ 49,111,949	\$ (9,008,433)
HWY 71		
Existing Projects	\$ 16,309,675	\$ (2,854,193)
Future Projects	4,646,649	(2,323,325)
Total System Wide Projects	\$ 20,956,324	\$ (5,177,518)
US 290		
Existing Projects	\$ 23,118,867	\$ (8,371,753)
Future Projects	16,479,308	(8,239,654)
Total System Wide Projects	\$ 39,598,175	\$ (16,611,408)
Total Projects Funded with Series 2013 Bonds	\$ 109,666,449	\$ (30,797,358)

Individual System Impact Fee Credit	Total Debt Funded Cost	Less Impact Fee Credit
HWY 71		
System Wide Project Cost Allocation	\$ 26,973,794	\$ (4,947,708)
HWY 71 System Project Cost	20,956,324	(5,177,518)
	\$ 47,930,118	\$ (10,125,226)
US 290		
System Wide Project Cost Allocation	\$ 22,138,156	\$ (4,060,724)
HWY 71 System Project Cost	39,598,175	(16,611,408)
	\$ 61,736,331	\$ (20,672,132)

HWY 71 System Percent of Total Capacity
US 290 System Percent of Total Capacity

55%
45%

*Per Impact Fee Study Growth Assumptions

ATTACHMENT G

Total Rate Funded Cost
\$ 39,466,838
\$ 636,679
\$ 40,103,517
\$ 13,455,482
\$ 2,323,325
\$ 15,778,806
\$ 14,747,114
\$ 8,239,654
\$ 22,986,768
\$ 78,869,091

Total Rate Funded Cost	Effective Impact Fee Credit
\$ 22,026,085	
15,778,806	
\$ 37,804,892	21%
\$ 18,077,431	
22,986,768	
\$ 41,064,199	33%

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 4

Total Existing and Future Regional Project Costs

	Total Project Cost	MGD Plant Capacity	Cost per Gallon Capacity
Systemwide			
Existing Project	\$ 47,838,591	27	\$ 1.77
Future CIP (2012-2015)	1,273,358	27	\$ 0.05
Future CIP (after 2015)	<u>excluded</u>		
	\$ 49,111,949		\$ 1.82
SH 71 System			
Existing Project	\$ 16,309,675	15	\$ 1.10
Future CIP (2012-2015)	4,646,649	15	\$ 0.31
Future CIP (after 2015)	<u>excluded</u>		
	\$ 20,956,324		\$ 1.41
US 290 System			
Existing Project	\$ 23,118,867	12	\$ 1.90
Future CIP (2012-2015)	16,479,308	12	\$ 1.35
Future CIP (after 2015)	<u>excluded</u>		
	\$ 39,598,175		\$ 3.25
Total	\$ 109,666,449		

ATTACHMENT G

West Travis County Public Utility
Agency
FYE2014 Planning Fee Planning

Schedule 5
Summary of Total Cost per Gallon
Reserved

SH 71 System Costs	Systemwide Projects Cost per Gallon	SH71 Projects Cost per Gallon	Total Cost per Gallon
Existing Project	\$ 1.77	\$ 1.10	\$ 2.87
Future CIP (2012-2015)	\$ 0.05	\$ 0.31	\$ 0.36
Future CIP (after 2015)	\$ -	\$ -	\$ -
	\$ 1.82	\$ 1.41	\$ 3.23

US 290 System Costs	Systemwide Projects Cost per Gallon	US290 Projects Cost per Gallon	Total Cost per Gallon
Existing Project	\$ 1.77	\$ 1.90	\$ 3.67
Future CIP (2012-2015)	\$ 0.05	\$ 1.35	\$ 1.40
Future CIP (after 2015)	\$ -	\$ -	\$ -
	\$ 1.82	\$ 3.25	\$ 5.07

West Travis County Public Utility
 Agency
 FYE2014 Planning Fee Planning

Schedule 6
 Determination of Capital Component of LUE Reservation Fee

		SH 71 System	US 290 System
Total Capital Cost per gpd Capacity		\$ 3.23	\$ 5.07
LUE Reservation - capacity planning (gpm)	0.86		
Required gpd per LUE per day	1,238		
Total Capital Cost (before interest) per LUE Reserved		\$ 4,003	\$ 6,282
Debt Term	30		
Interest Rate	5%		
Effective Impact Fee Credit		21%	33%
Annual Debt Service Payment for Capital Cost, per LUE		\$ 260.38	\$ 408.64
Less Impact Fee Credit		\$ (55.01)	\$ (136.83)
Adjusted Capital Cost per LUE - Annual Debt Service Only		\$ 205.37	\$ 271.81
Add Times Coverage Requirement		\$ 65.10	\$ 102.16
Total Annual Capital Component of LUE Reservation Fee (per LUE)		\$ 270.47	\$ 373.97

ATTACHMENT G

West Travis County Public Utility
 Agency
 FYE2014 Planning Fee Planning

Schedule 7
 Determination of Raw Water Component of LUE Reservation Fee

Current Raw Water Reservation fee to LCRA (per acre foot)	\$ 75.50
Gallons per Acre Foot	325,851.43
Cost per Gallon	\$ 0.00023
Average Daily Demand per LUE (gpd)	450
Annual Demand per LUE (gallons)	164,250
Total Annual Cost per LUE Reserved	\$ 38.06

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 8
Determination of Fixed Operating Costs

	FYE 2013 Revenue Requirement	% Fixed	Total Fixed Cost	Notes
(1) Water Department - Expense				
16100 - LCRA Raw Water Reservation Fees				
16101 - LCRA - Raw Water Used (W)	623,406	0%	-	Excluded from Analysis, included later.
16102 - LCRA - Raw Water Reservation(W)	372,254	0%	-	Excluded from Analysis, included later.
16110 - Contract Operations - Water				
16111 - Base Fee for Services (W)	875,424	100%	875,424	
16112 - Maintenance & Repairs (W)	528,000	50%	264,000	
16113 - Customer Service (W)	297,789	0%	-	
16114 - Engineering/ Const Fees (W)	-	0%	-	
16120 - Material & Supplies (W)	10,000	40%	4,000	
16130 - Chemicals (W)	220,150	0%	-	
16140 - Transportation (W)	-	0%	-	
16150 - Outside Services (W)	13,900	50%	6,950	
16160 - Utilities - Electric (W)	1,385,476	0%	-	
16170 - Utilities - Telephone (W)	14,978	50%	7,489	
16180 - Environmental Regulatory Fee(W)	10,000	50%	5,000	
16190 - Other Expenses (W)	250,000	50%	125,000	
(2) Wastewater Department - Exp				
16200 - Contract Operations-Wastewater				
16201 - Base Fee for Services (WW)	-	-	-	
16202 - Maintenance & Repairs (WW)	-	-	-	
16203 - Customer Services (WW)	-	-	-	
16204 - Engineering/ Const Fees (WW)	-	-	-	
16210 - Materials & Supplies (WW)	-	-	-	
16220 - Chemicals (WW)	-	-	-	
16230 - Sludge Disposal (WW)	-	-	-	
16240 - Utilities - Electric (WW)	-	-	-	
16250 - Utilities - Telephone (WW)	-	-	-	
16260 - Environmental Regulatory Fee(WW)	-	-	-	
Special Programs	100,000	50%	50,000	
16270 - Other Expense (WW)	-	-	-	
16280 - Utilities - Gas (WW)	-	-	-	
(3) Shared Department - Expense				
16300 - Professional Services				
General Operating				
16311 - General Counsel - Operating	207,000	50%	103,500	
16312 - Engineering - Operating	90,000	50%	45,000	
16313 - General Manager - Operating	-	-	-	
16314 - Bookkeeping - Operating	-	-	-	
16315 - Financial Manager - Operating	-	-	-	
16316 - General Counsel - Legislative	-	-	-	
Special Contract Services				
16321 - General Counsel - Special Contr	-	-	-	
16322 - Rate Study - Special Contract	45,000	100%	45,000	
16323 - Inspections/Plan Review-Special	45,000	50%	22,500	
16324 - Other Engineering Analysis-Spec	410,044	50%	205,022	
Transitional Support Services				
16301 - General Counsel - Transitional	-	-	-	
16302 - Engineering - Transitional				
630201 - Task 22 - SER Activities	-	-	-	
16302 - Engineering - Transitional - Other	-	-	-	
16303 - General Manager - Transitional	-	-	-	
16304 - Bookkeeping - Transitional	-	-	-	
16305 - Financial Manager -Transitional	-	-	-	
16306 - Misc - Transitional	-	-	-	
Personnel Expenses				
Salaries	437,542	50%	218,771	
FICA	57,784	50%	28,892	
16331 - Inventory Purchases Not Funded	100,000	50%	50,000	
Training	14,269	50%	7,134	
Vehicles	-	50%	-	
16332 - Leak Detection Program	35,000	50%	17,500	
16333 - SCADA Control System Maintenance	50,000	50%	25,000	
16334 - Mapping/GIS Program	-	0%	-	

ATTACHMENT G

16335 • Tools & Shop Supplies	16,307	50%	8,153
16336 • Computer Maintenance & Repair	11,089	50%	5,544
16337 • Furniture	-	0%	-
16338 • Janitor/Contract Labor	-	0%	-
16339 • Office Data & Supplies	16,762	50%	8,381
16341 • Utilities • Office & Outside Fa	2,299	50%	1,150
16342 • Conservation Education & Enforc	20,000	50%	10,000
16343 • Insurance • General	80,498	100%	80,498
16344 • Bank Charges	1,285	50%	642
16345 • Misc. Operating Expense	15,927	50%	7,963
16346 • Developer Reimburse Int	-	-	-
16347 • Lease Expense	47,979	100%	47,979
16560 • Miscellaneous Expense	71,279	50%	35,640
17110 • Capital Outlay	140,986	100%	140,986
	<u>6,617,426</u>		<u>2,453,119</u>

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 9
Allocation of Fixed O&M Expense

Total Fixed Cost O&M Expense		\$ 2,453,119
System Capacity (gpd)	20,000,000	
Total Fixed Cost per gpd Capacity		\$ 0.12
GPD Reservation per LUE	1,238	
O&M Cost per LUE		\$ 151.90

ATTACHMENT G

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 10

Determination of Total LUE Reservation Fee

	SH 71 System	US 290 System
Capital Cost per LUE	\$ 270.47	\$ 373.97
Raw Water Cost per LUE	38.06	38.06
O&M Cost per LUE	151.90	151.90
Total LUE Reservation Fee	\$ 460.42	\$ 563.92

ATTACHMENT G

West Travis County Public Utility Agency
FYE2014 Planning Fee Planning

Schedule 11
Capital Cost Allocation

21%

SH 71 System	Contractual Commitment (gal/max day)	Cost per Gallon	Capital Cost Allocated to Customer	Annual Debt Service	Impact Fee Credit	Plus Coverage	Total Annual Debt Service Cost	Adjusted Monthly Debt Service Cost
Barton Creek West	965,952	\$ 3.23	\$ 3,122,090	\$ 203,096	\$ (42,904)	\$ 50,774	\$ 210,966	\$ 17,581
Senna Hills	907,000	\$ 3.23	\$ 2,931,549	\$ 190,701	\$ (40,286)	\$ 47,675	\$ 198,091	\$ 16,508
Crystal Mountain	144,000	\$ 3.23	\$ 465,428	\$ 30,277	\$ (6,396)	\$ 7,569	\$ 31,450	\$ 2,621
EISD	42,900	\$ 3.23	\$ 138,659	\$ 9,020	\$ (1,905)	\$ 2,255	\$ 9,369	\$ 781
Lazy Nine	5,068,000	\$ 3.23	\$ 16,380,475	\$ 1,065,573	\$ (225,102)	\$ 266,393	\$ 1,106,865	\$ 92,239
Deer Creek	576,000	\$ 3.23	\$ 1,861,711	\$ 121,107	\$ (25,584)	\$ 30,277	\$ 125,800	\$ 10,483
Travis County MUD #12	2,073,600	\$ 3.23	\$ 6,702,161	\$ 435,985	\$ (92,102)	\$ 108,996	\$ 452,880	\$ 37,740
Masonwood	538,272	\$ 3.23	\$ 1,739,769	\$ 113,174	\$ (23,908)	\$ 28,294	\$ 117,560	\$ 9,797

33%

US 290 System	Contractual Commitment (gal/max day)	Cost per Gallon	Capital Cost Allocated to Customer	Annual Debt Service	Impact Fee Credit	Plus Coverage	Total Annual Debt Service Cost	Adjusted Monthly Debt Service Cost
Dripping Springs WSC	1,000,000	\$ 5.07	\$ 5,072,509	\$ 329,974	\$ (110,490)	\$ 82,493	\$ 301,977	\$ 25,165
Bellarra - HCWCID #1*	1,512,576	\$ 5.07	\$ 7,672,555	\$ 499,111	\$ (167,125)	\$ 124,778	\$ 456,763	\$ 38,064
Bellarra - HCWCID #2*	1,137,024	\$ 5.07	\$ 5,767,564	\$ 375,188	\$ (125,630)	\$ 93,797	\$ 343,355	\$ 28,613
Hays City Reunion Ranch (Krasovek)*	553,000	\$ 5.07	\$ 2,805,097	\$ 182,476	\$ (61,101)	\$ 45,619	\$ 166,993	\$ 13,916
City of Dripping Springs (Headwaters)*	1,612,800	\$ 5.07	\$ 8,180,942	\$ 532,182	\$ (178,189)	\$ 133,046	\$ 487,029	\$ 40,586
City of Dripping Springs	1,460,000	\$ 5.07	\$ 7,405,862	\$ 481,762	\$ (161,316)	\$ 120,440	\$ 440,887	\$ 36,741

*These agreements also include an LUE reservation fee paid by the developer. As such, LUE reservation revenues paid to the PUA would be credited against the wholesale minimum bill.

WTCPUA00015072

ATTACHMENT G

West Travis County Public Utility Agency
FY2014 Planning Fee Planning

Schedule 12
Sample: Individual Capital Amortization Schedule

Customer X

Capital Cost Allocation \$ 8,100,000

Build-out LUEs 1,616

Current LUEs (January 2013) 300

Annual Payment per LUE \$ 518

	Projected LUEs	Beginning Balance	Interest Expense	Subtotal	Total Annual Payment*	Ending Balance	Annual Payment per LUE
2014	120	\$ 8,100,000	\$ 405,000	\$ 8,505,000	\$ 63,138	\$ 8,441,862	\$ 518
2015	120	\$ 8,442,862	\$ 422,141	\$ 8,865,006	\$ 113,919	\$ 8,751,087	\$ 518
2016	120	\$ 8,751,087	\$ 437,554	\$ 9,188,641	\$ 165,700	\$ 9,022,941	\$ 518
2017	120	\$ 9,022,941	\$ 451,147	\$ 9,474,088	\$ 217,481	\$ 9,256,607	\$ 518
2018	120	\$ 9,256,607	\$ 462,830	\$ 9,719,437	\$ 269,263	\$ 9,450,174	\$ 518
2019	120	\$ 9,450,174	\$ 472,509	\$ 9,922,683	\$ 321,044	\$ 9,601,639	\$ 518
2020	120	\$ 9,601,639	\$ 480,883	\$ 10,082,522	\$ 372,825	\$ 9,708,696	\$ 518
2021	120	\$ 9,708,696	\$ 485,445	\$ 10,194,140	\$ 424,607	\$ 9,769,534	\$ 518
2022	120	\$ 9,769,534	\$ 488,483	\$ 10,258,017	\$ 476,388	\$ 9,781,629	\$ 518
2023	1,020	\$ 9,781,629	\$ 489,092	\$ 10,270,721	\$ 528,169	\$ 9,742,452	\$ 518
2024	1,120	\$ 9,742,452	\$ 487,136	\$ 10,229,588	\$ 579,950	\$ 9,649,632	\$ 518
2025	1,220	\$ 9,649,632	\$ 482,497	\$ 10,132,129	\$ 631,731	\$ 9,500,398	\$ 518
2026	1,320	\$ 9,500,398	\$ 475,025	\$ 9,975,423	\$ 683,513	\$ 9,281,910	\$ 518
2027	1,420	\$ 9,281,910	\$ 464,612	\$ 9,746,522	\$ 735,294	\$ 8,991,228	\$ 518
2028	1,520	\$ 8,991,228	\$ 451,077	\$ 9,442,305	\$ 787,076	\$ 8,655,229	\$ 518
2029	1,616	\$ 8,655,229	\$ 434,377	\$ 9,119,606	\$ 836,786	\$ 8,282,820	\$ 518
2030	1,616	\$ 8,282,820	\$ 414,152	\$ 8,696,972	\$ 886,786	\$ 7,860,186	\$ 518
2031	1,616	\$ 7,860,186	\$ 393,020	\$ 8,253,206	\$ 936,786	\$ 7,416,420	\$ 518
2032	1,616	\$ 7,416,420	\$ 370,832	\$ 7,787,252	\$ 986,786	\$ 6,950,466	\$ 518
2033	1,616	\$ 6,950,466	\$ 347,534	\$ 7,298,000	\$ 1,036,786	\$ 6,461,214	\$ 518
2034	1,616	\$ 6,461,214	\$ 323,072	\$ 6,784,286	\$ 1,086,786	\$ 5,847,500	\$ 518
2035	1,616	\$ 5,847,500	\$ 297,386	\$ 6,245,109	\$ 1,136,786	\$ 5,100,323	\$ 518
2036	1,616	\$ 5,100,323	\$ 270,416	\$ 5,678,739	\$ 1,186,786	\$ 4,481,953	\$ 518
2037	1,616	\$ 4,481,953	\$ 242,098	\$ 5,084,052	\$ 1,236,786	\$ 4,247,266	\$ 518
2038	1,616	\$ 4,247,266	\$ 212,363	\$ 4,459,629	\$ 1,286,786	\$ 3,621,843	\$ 518
2039	1,616	\$ 3,621,843	\$ 181,142	\$ 3,803,985	\$ 1,336,786	\$ 2,967,201	\$ 518
2040	1,616	\$ 2,967,201	\$ 148,360	\$ 3,115,561	\$ 1,386,786	\$ 2,778,775	\$ 518
2041	1,616	\$ 2,778,775	\$ 113,939	\$ 2,892,714	\$ 1,436,786	\$ 1,555,928	\$ 518
2042	1,616	\$ 1,555,928	\$ 77,796	\$ 1,633,724	\$ 1,486,786	\$ 996,939	\$ 518
2043	1,616	\$ 796,939	\$ 39,847	\$ 836,785	\$ 1,536,786	\$ 0	\$ 518

**Total Annual Minimum Bill = Total Annual Payment - (Total Annual Payment * 21% Texas Coverage) - (Total Annual Payment * Impact Fee Credit)

From: Joe DiQuinzio <jadco@austin.rr.com>
Sent: Thursday, October 25, 2012 5:06 PM
To: 'Don Rauschuber'
Subject: RE: Comment Period for Proposed Rate Increase

Don,
Thanks for the updates. I have a conflict on Tuesday but will see what I can do.

From: Don Rauschuber [mailto:generalmanager@wtcpua.org]
Sent: Thursday, October 25, 2012 5:03 PM
To: 'Joe DiQuinzio'
Subject: RE: Comment Period for Proposed Rate Increase

Joe:

1. There is no formal Wholesale Water Comment Deadline set at this time.
2. However, I recommend submitting comments by noon Friday, October 26, 2012, for inclusion in our Board packets for their November 1, Board meeting.
3. As you may know, the PUA's next Wholesale Customer meeting is at 3:00 p.m., Tuesday, October 30, 2012, - PUA offices (12117 Bee Cave Road, Bldg. 3, Suite 120).
4. If possible, please attend this meeting or send a representative.

Let me know if I may be of further assistance.

Tks
Don
263-0100

From: Joe DiQuinzio [mailto:jadco@austin.rr.com]
Sent: Thursday, October 25, 2012 4:19 PM
To: generalmanager@wtcpua.org
Subject: Comment Period for Proposed Rate Increase

Don,
Is there a deadline for submitting comments on the Wholesale Cost of Service and Rate Design Study? If so, when is it?
thank-you.

From: Joe DiQuinzio <jadco@austin.rr.com>
Sent: Thursday, October 25, 2012 4:19 PM
To: generalmanager@wtcpua.org
Subject: Comment Period for Proposed Rate Increase

Don,

Is there a deadline for submitting comments on the Wholesale Cost of Service and Rate Design Study? If so, when is it?
thank-you.

From: Joe DiQuinzio <jadco@austin.rr.com>
Sent: Tuesday, October 30, 2012 10:09 AM
To: 'Don Rauschuber'
Subject: Today's Meeting

Don,

I have been unable to reschedule my conflict so I won't be at today's meeting. What is the best way to find out what was discussed? We are very interested in the rate issue and will be submitting comments.

From: Joe DiQuinzio <jadco@austin.rr.com>
Sent: Friday, November 02, 2012 4:03 PM
To: nheddin@wrmlp.com; 'Don Rauschuber'
Subject: RE: Today's Meeting

Thank-you. I have forwarded this to our rate analyst. Once he has had a chance to look at it, I will get back to you.

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

From: Nelisa Heddin [mailto:nheddin@wrmlp.com]
Sent: Friday, November 02, 2012 8:23 AM
To: 'Don Rauschuber'; 'Joe DiQuinzio'
Subject: RE: Today's Meeting

Joe,

Please find attached, the workpapers which we went through during our October 30, 2012 meeting as well as the power point presentation for that meeting. Please let me know if you need additional information or have any other questions. We can set a meeting to review those workpapers if you'd prefer.

Nelisa Heddin
Water Resources Management, LLC
(512) 589-1028

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

From: Don Rauschuber [mailto:generalmanager@wtcpua.org]
Sent: Thursday, November 01, 2012 9:32 PM
To: 'Joe DiQuinzio'
Subject: RE: Today's Meeting

Joe:

For details concerning our October 30 Wholesale Customer, please contact Nelisa Heddin at 589-1028 to discuss her presentation details and to obtain copies of her Wholesale Rate Schedules.

At today's Board meeting, the Board approved the W and WW Impact Fees as per the Advisory Committee Recommendations:

Water 290 System = \$8,809.00 per LUE

Water Hwy 71 System (including RR 620 at Hwy 71 area) = \$5,992 per LUE

WW = \$11,500 per LUE