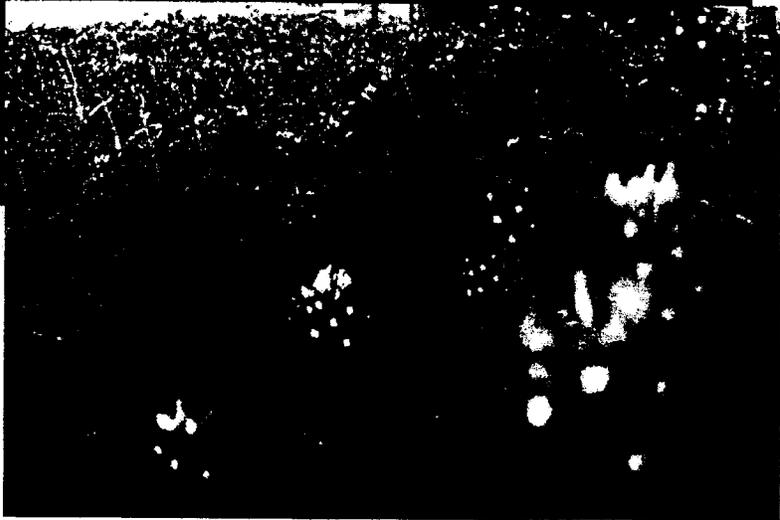


West Towns County Public Utility Agency
 FY2013 Budget Planning

Schedule 4
 Base-Extra Capacity Cost Functionalization

	FY2013 Revenue Requirement	% Base	% Extra	% Contingent Costs	Base Costs	Extra Capacity Costs	Contingent Costs	Notes
Total (J) Shared Department - Expense	1,601,744				297,338	663,967	164,749	
6558 - Miscellaneous Expense	2,273	41%	99%	0%	29,443	2,261	-	Contingent
6718 - Capital Outlay	148,966			100%	-	-	148,966	
Total O&M Expense	6,517,425				2,711,311	1,134,139	447,254	
In-Lieu of Debt Service (Operating Funded - Wastewater, Total 5.0)	1,225,917	42%	100%		-	-	-	Severely Base-Extra Capacity
In-Lieu of Debt Service (Operating Funded - Water, Total 5.0)	1,225,917	42%	100%		1,637,666	2,072,611	-	Severely Base-Extra Capacity
In-Lieu of Debt Service (Operating Funded - Water, Retail Only)	1,225,917				-	-	-	Removed from Analysis and Allocated to Retail Only
Total Expense	12,043,303				4,348,617	3,622,942	647,254	
	FALSE				FALSE			
Ordinary Income/Expense								
Revenue Off-Set								
(D) Water Department - Revenue								
14100 - Retail Revenues - Water								
14101 - Minimum Bill Revenues (W)		41%	99%	0%	-	-	-	Contingent
14102 - Volumetric Revenues (W)		41%	99%	0%	-	-	-	Contingent
14103 - Application Fee (W)	41,343			100%	-	-	41,343	Customer Cost
14104 - Tap Fee (W)	542,450			100%	-	-	542,450	Customer Cost
14105 - Late Fee (W)	152,142			100%	-	-	152,142	Customer Cost
14106 - Return Check Fee (W)	477			100%	-	-	477	Customer Cost
14107 - Inspection Fee (W)	473			100%	-	-	473	Customer Cost
14108 - Inquiry Fee	1,717			100%	-	-	1,717	Customer Cost
Total 14100 - Retail Revenues - Water	588,610			100%	-	-	588,610	Customer Cost
14110 - Wholesale Revenues - (W)W								
14111 - Minimum Bill Revenues (W)W		41%	99%	0%	-	-	-	Contingent
14112 - Volumetric Revenues (W)W		41%	99%	0%	-	-	-	Contingent
Total 14110 - Wholesale Revenues - (W)W								
14120 - Other Revenues (W)								
14121 - LUE Reservation Fees (W)		41%	99%	0%	-	-	-	Contingent
14122 - Infiltration Customer Sales (W)		41%	99%	0%	-	-	-	Contingent
14123 - Meter Set Fee (W)	11,923			100%	-	-	11,923	Customer Cost
14124 - Connection Fee	473			100%	-	-	473	Customer Cost
14125 - Billing Services (W)	6,454			100%	-	-	6,454	Customer Cost
14126 - Drainage Fees		41%	99%	0%	-	-	-	Contingent
Total 14120 - Other Revenues (W)	19,850				-	-	19,850	
Total (D) Water Department - Revenue	6,074,113				-	-	6,094,460	
(E) Wastewater Department - Rev								
14200 - Retail & Wholesale Revenues (W)W								
14201 - Minimum Bill/Volumetric Rev (W)W		41%	99%	0%	-	-	-	Contingent
14202 - Application Fee (W)W)		41%	99%	0%	-	-	-	Contingent
14203 - Tap Fee (W)W)		41%	99%	0%	-	-	-	Contingent
14204 - Late Fees (W)W)		41%	99%	0%	-	-	-	Contingent
14205 - Return Check Fee (W)W)		41%	99%	0%	-	-	-	Contingent
14207 - Inspection Fee (W)W)		41%	99%	0%	-	-	-	Contingent
Total 14200 - Retail & Wholesale Revenues (W)W								
14220 - Other Revenues (W)W)								
14221 - Grinder Pump Surcharges (W)W)		41%	99%	0%	-	-	-	Contingent
14222 - Billing Services (W)W)		41%	99%	0%	-	-	-	Contingent
Total 14220 - Other Revenues (W)W)								
Total (E) Wastewater Department - Rev								
(F) Shared Department - Revenue								
14300 - Shared Department								
14301 - Inspection Fees & Plan Review		41%	99%	0%	-	-	-	Contingent
14302 - Legal Review Fees		41%	99%	0%	-	-	-	Contingent
14303 - Vehicle Lease		41%	99%	0%	-	-	-	Contingent
14304 - Interest Earned on Checking	244	41%	99%	0%	244	229	-	Contingent
Total 14300 - Shared Department	244				244	229	-	
Total (F) Shared Department - Revenue	244				244	229	-	
Total Revenue Off-Set	6,074,357				244	229	6,094,460	
Total Revenue Requirement	11,162,038				4,368,373	3,622,713	1,233,361	
Rev JJ					7,757,724			
Raw Water, Also goes to 2 wholesale customers	995,660				3,119,620			
Repairs and Maintenance	528,000				10,877,344			
Debt Service	1,595,960							
	3,119,620							
System Base / Extra Capacity Comparison	1,692,242	47%	54%	0%	699,051	656,702	-	



**Water Resources
Management, LLC**

8705 Shoal Creek Blvd., Suite 101, Austin, TX 78757

Phone (512) 420-9841,

Fax (512) 420-9237

WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY
 WHOLESALE CUSTOMER MEETING
 SIGN-IN SHEET
 19-Oct-12

NAME	ORGANIZATION/REPRESENTING	TELEPHONE NO.	E-MAIL ADDRESS
Arlin Khoury	Taylor Morrison (Reunion Ranch WCID)	(512) 532-2115	akhoury@taylor Morrison.com
GREG PERRIN	DSWSC	512-858-7897	
Bruce Angjich	Bcwsce	512 422 7838	Angjich@ATT.NET
Meryl Stoller	Bcwsce	(512) 263-5687	mstoller@austln.rr.com
RICK WHEELER	LAZY NINE WCID 1-A	512-899-0601	rickw@malheurwater.net
Roger Durden	Hays County WCID No. 1	512-677-4221	Roger.Durden@quad.com gwalker@austrn.rr.com
George Baker	HAYS WCID #1	512-417-2737	gbaker@
Steve Cooper	BCWNSC	512-402-1547	MANU@AUSTIN.EL.COM
Matt Kuhn	Hays WCID #1	512-600-3805	mkuhn@thebarrettfirm.com

WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY
 WHOLESale CUSTOMER MEETING
 SIGN-IN SHEET
 19-Oct-12

NAME	ORGANIZATION/REPRESENTING	TELEPHONE NO.	E-MAIL ADDRESS
Tyler Gutenwood	Masonwood	706-8300	tyler@ masonwooddevelopment.com
Melody Venzel	City of Dripping Springs	858-4125	info@cityofdrifingsprings.com
Julie Ross	Customer	402-1006	LKRoss@Austinfl.com

WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY
 WHOLESale CUSTOMER MEETING - OCTOBER 30, 2012 - 3:00 p.m.
 SIGN IN SHEET

NAME (PRINT)	ORGANIZATION	EMAIL
Dan Robison	WCID #1 - Hays	drobison@cowtown,rr.com
Matt Schreck	Hays WCID #2	maschrck@gmail.com
GREG PEREIN	Dripping Springs WSC	gperin@dripping springs water.com
Tyler Gatewood	Masonwood	tyler@masonwooddevelopment.com
Dancee Anggunde	BrewWSC	Anggunde@att.net
Matt Kutner	Hays WCID 1 / Hays WCID 2	mcutner@thebarneffirm.com
Meryl Stoller	BCW WSC	mstoller@autlin,rr.com
Michelle Fischer	City of Dripping Springs	michelle@cityofdrippingsprings.com
Roger Durden	Hays WCID No.1	roger.durden@gmail.com
ROBERT LOGG	LAZY WINE MUD	LOGG@WHITELOCKSTREETLAW.COM

22649013.1

From: Nelisa Heddin [nheddin@wrmlp.com]
Sent: Tuesday, May 14, 2013 6:53 PM
To: 'Nelisa Heddin'; mfisher@cityofdrippingsprings.com; chetp@savansys.com;
GPerrin@drippingspringswater.com; MSlack@taylormorrison.com; manu@austin.rr.com;
mstoller@austin.rr.com; tyler@masonwooddevelopment.com; dhoedebeck@eanesisd.net;
dgames@wcid17.org; rbw@randallwilburmlaw.com; roger.durden@gmail.com;
jjoyce@expergy.com; tphillips@hayswcid.org; 'Linda Mclean'; lsmith@leonardsmithlaw.com;
'Ray Whisenant'; 'bruce aupperle'
CC: 'Don Rauscher'; salbright@lglawfirm.com; lkalisek@lglawfirm.com
Subject: Draft Amendment
Attachment(s): "Draft amended agreement for wholesale customers.docx"

Committee Members,

Once again, thank you for your continued time, input and assistance in working through wholesale rates.

Attached, please find the rough draft contract amendment for your consideration.

Please provide comments/red-line versions of the agreement back to myself, Stefanie or Don by or before 5:00 p.m. Friday, May, 17th.

Have a great afternoon!

Nelisa Heddin
Vice President

 Water Resources
Management, L.P.
ph: 512.420.9841
fx: 512.420.9237
cell: 512.589-1028

**THIS IS A DRAFT FORM AND WILL BE COMPLETED WITH CROSS-REFERENCES
SPECIFIC FOR EACH PUA WHOLESALE CUSTOMER**

**FIRST AMENDMENT TO
WHOLESALE WATER SERVICES AGREEMENT**

This First Amendment to the Wholesale Water Services Agreement (the "First Amendment") is made and entered into by and between the West Travis County Public Utility Agency, a public utility agency created and functioning under Chapter 572, Texas Local Government Code ("PUA) and _____, a conservation and reclamation district created and functioning under Article 16, Section 59 of the Texas Constitution and Chapters 49 and 54, Texas Water Code (the "District")

Recitals

PUA and the District entered into that certain Wholesale Water Services Agreement between _____ and _____ effective _____ ("Wholesale Water Agreement").

The parties desire to amend the Wholesale Water Agreement to further define the Minimum Monthly Charge to be paid by the District to the PUA [*and to revise the capacity reserved for the District, if applicable*].

Agreement

Now, therefore, for and in consideration of the mutual covenants and agreements set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, PUA and District agree as follows:

1. The term "Regional Facilities" is added to Section _____ as follows:

"Regional Facilities" means those facilities in the PUA System as identified on Schedule A as well as additional facilities necessary to expand the system capacity to 27 MGD.

2. The term "Max Day Reservation" is added to Section _____ as follows:

“Max Day Reservaton” means the maximum amount of water to be delivered to the District on a daily basis based on the flow rates and capacity commitments established in this Agreement. The District’s Max Day Reservation is _____ gallons per day

3. Section _____ is hereby amended to add new subsections (x) (xx) and (xxx) as follows:

(x) The Minimum Monthly Charge to be paid by the District to the PUA shall be determined by the following formula;

$$\{ \text{Annual Allocated Debt Service Payment} + (.25\% \text{ times coverage} * \text{Annual Allocated Debt Service Payment}) - (\text{Effective Impact Fee Credit} * \text{Annual Debt Service Payment}) \} / 12 \text{ months.}$$

The Annual Allocated Debt Service Payment shall be based on the District’s allocated pro-rata share of the PUA’s capital costs for the Regional Facilities (including interest expense) and taking into consideration the District’s projected absorption schedule as of the date of this agreement for its Wholesale Service Area. The District’s pro-rata share of the PUA’s capital costs is calculated based on its Max Day Reservation, multiplied by the PUA’s Cost per Gallon of the Regional Facilities. **Schedule B** attached hereto and incorporated herein for all purposes sets forth the current schedule of the Annual Allocated Debt Service Payment.

The PUA’s Cost per Gallon of the Regional Facilities, further classified as “System-Wide” Facilities shall be calculated by dividing the total cost of the System Wide Regional Facilities by 27,000,000 gallons. The PUA’s Cost per Gallon of the Regional Facilities, further classified as “Hwy 71” shall be calculated by dividing the total cost of the Hwy 71 Regional Facilities by 15,000,000 gallons. The PUA’s Cost per Gallon of the Regional Facilities, further classified as “US 290” shall be calculated by dividing the total cost of the US 290 Regional Facilities by 12,000,000.

Schedule B may be amended from time to time by the PUA to reflect future LCRA installment payments as well as future debt issuances associated with future Regional Facility projects.

The Effective Impact Fee Credit shall be determined based upon the following formula:

Project Costs Recovered by Impact Fees / Total Project Costs

Project Costs Recovered by Impact Fees shall be determined by the following formula:

Project costs eligible for impact fee recovery as determined by the PUA’s most recent impact fee study * the percent level of impact fees adopted by the PUA Board of Directors (currently 50%).

The District shall pay the Minimum Monthly Charge regardless of whether the District meets the buildout projections used to develop the annual debt payment schedule.

The PUA shall not allocate costs for future Regional Facilities to the District beyond 27 million gallons per day (MGD) of water treatment plant capacity if the District establishes to the PUA's satisfaction that it has reached eighty percent (80%) of its projected buildout of the Wholesale Service Area six months prior to the PUA's issuance of bonds for such expansion.

(xx) Within ten business days of a written request from the PUA, the District shall provide the PUA with copies of the District's monthly operating reports indicating the District's peak day consumption. At any time, the PUA may also install, at its sole discretion, a max-day meter and/or a flow regulator on the District System to assess or control actual maximum daily demands by the District.

If the PUA determines that the District is exceeding the Max Day Reservation the District will be subject to a surcharge as determined by the PUA's service rules and policies.

(xxx) The Volume Charge shall recover the PUA's expenses associated with operating and maintaining the Regional Facilities, including a systems raw water loss fee per thousand gallons to be calculated as follows:

LCRA Raw Water cost per Thousand Gallons/(1-.10 water loss)]/10

The PUA shall utilize the base-extra capacity methodology performed by a qualified professional to determine appropriate Volume Charge for each wholesale customer and may be adjusted from time to time by the PUA's Board of Directors.

4. All other terms and conditions of the Wholesale Water Agreement remain in full force and effect.

{insert signature blocks}

**RESOLUTION OF WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY
AUTHORIZING THE NEGOTIATION AND EXECUTION OF FORM AMENDMENTS
TO WHOLESALE CUSTOMER AGREEMENTS**

THE STATE OF TEXAS §
 §
COUNTIES OF TRAVIS §
AND HAYS §

WHEREAS, West Travis County Public Utility Agency (the "*Agency*") is a public utility agency created by concurrent ordinances of Hays County, the City of Bee Cave and West Travis County Municipal Utility District No. 5, governed by Chapter 572 of the Texas Local Government Code; and

WHEREAS, the Agency is in the process of amending wholesale water and wastewater agreements to allow wholesale customers to reduce the contractually reserved capacity, if requested; and

WHEREAS, the Agency is utilizing a form wholesale amendment, attached as Exhibit A, to effect these capacity changes and establish wholesale rate methodology; and

WHEREAS, the Agency desires to authorize the General Manager and Board President to negotiate and execute amendments to wholesale agreements in substantially the form as presented in the form amendment provided as Exhibit A; and

WHEREAS, the Agency Board of Directors requires that all wholesale contract amendments be executed prior to the December 19, 2013 Board of Directors meeting, and that a summary of all executed amendments be provided to the Board at such meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY:

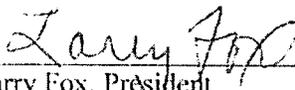
Section 1. The Board of Directors authorizes the Agency General Manager and Board President to negotiate and execute amendments with wholesale customers as substantially the form as presented in Exhibit A.

Section 2. The Board of Directors authorizes the Agency General Manager to include in any wholesale contracts an adjustment of reserved capacity, so long as such adjustment is a decrease from the applicable wholesale customer's current contractually reserved capacity.

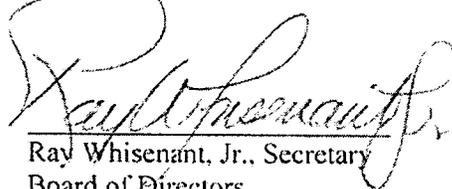
Section 3. The Agency Board of Directors requires that any wholesale contract amendments based on the form provided in Exhibit A be executed prior to the December 19, 2013 Board of Directors meeting, and that a summary of all executed amendments be provided at such meeting.

Section 4. The Agency's Board of Directors further authorizes the General Manager to take all other actions necessary that are consistent with the purposes of this Resolution.

PASSED AND APPROVED this 21st day of November, 2013.



Larry Fox, President
Board of Directors

ATTEST:


Ray Whisenant, Jr., Secretary
Board of Directors

THIS IS A DRAFT FORM AND WILL BE COMPLETED WITH CROSS-REFERENCES SPECIFIC FOR EACH PUA WHOLESALE CUSTOMER

**FIRST AMENDMENT TO
WHOLESALE WATER SERVICES AGREEMENT**

This First Amendment to the Wholesale Water Services Agreement (the "First Amendment") is made and entered into by and between the West Travis County Public Utility Agency, a public utility agency created and functioning under Chapter 572, Texas Local Government Code ("PUA) and _____, a conservation and reclamation district created and functioning under Article 16, Section 59 of the Texas Constitution and Chapters 49, 51 and 54, Texas Water Code (the "District")

Recitals

PUA and the District entered into that certain Wholesale Water Services Agreement between _____ and _____ effective _____ ("Wholesale Water Agreement").

The parties desire to amend the Wholesale Water Agreement to further define the Monthly Charge to be paid by the District to the PUA [*and to revise the capacity reserved for the District, if applicable*].

Agreement

Now, therefore, for and in consideration of the mutual covenants and agreements set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, PUA and District agree as follows:

1. The term "Regional Facilities" is added to Section _____ as follows:

"Regional Facilities" means those facilities in the PUA System as identified on **Schedule A** as well as additional facilities necessary to expand and maintain the system capacity to 27 MGD which may include rehabilitation and regulatory improvements which may be necessary to provide continuous and adequate service.

2. The term "Max Day Reservation" is added to Section _____ as follows:

“Max Day Reservaton” means the maximum amount of water to be delivered to the District on a daily basis based on the flow rates and capacity commitments established in this Agreement. The District’s Max Day Reservation is _____ gallons per day

3. Section _____ is hereby amended to add new subsections (x) (xx) and (xxx) as follows:

(x) The Monthly Charge to be paid by the District to the PUA shall be determined by the following formula;

$$\{ \text{Annual Allocated Debt Service Payment} + (25\% \text{ times coverage} * \text{Annual Allocated Debt Service Payment}) - (\text{Effective Impact Fee Credit} * \text{Annual Debt Service Payment}) \} / 12 \text{ months.}$$

The Annual Allocated Debt Service Payment, from time to time due and payable, shall be based on the District’s allocated pro-rata share of the PUA’s capital costs for the Regional Facilities (including interest expense) as determined based on input from the District prior to the issuance of bonds to fund the Regional Facilities so long a the total capital cost allocated to the District is recovered within the life of the bonds, including interest expense. . The District’s pro-rata share of the PUA’s capital costs is calculated based on its Max Day Reservation, multiplied by the PUA’s Cost per Gallon of the Regional Facilities. **Schedule B** attached hereto and incorporated herein for all purposes sets forth the current schedule of the Annual Allocated Debt Service Payment.

The PUA’s Cost per Gallon of the Regional Facilities, further classified as “System-Wide” Facilities shall be calculated by dividing the total cost of the System Wide Regional Facilities by 27,000,000 gallons. The PUA’s Cost per Gallon of the Regional Facilities, further classified as “Hwy 71” shall be calculated by dividing the total cost of the Hwy 71 Regional Facilities by 14,829,230 gallons. The PUA’s Cost per Gallon of the Regional Facilities, further classified as “US 290” shall be calculated by dividing the total cost of the US 290 Regional Facilities by 12,170,770.

Schedule B may be amended from time to time by the PUA to reflect future LCRA installment payments as well as future debt issuances associated with future Regional Facility projects.

The Effective Impact Fee Credit shall be determined based upon the following formula:

Project Costs Recovered by Impact Fees / Total Project Costs

Project Costs Recovered by Impact Fees shall be determined by the following formula:

Project costs eligible for impact fee recovery as determined by the PUA’s most recent impact fee study * the percent level of impact fees adopted by the PUA Board of Directors (currently 50%).

The District shall pay the Monthly Charge regardless of whether the District meets the buildout projections used to develop the annual debt payment schedule.

The PUA shall not allocate costs for future Regional Facilities to the District beyond 27 million gallons per day (MGD) of water treatment plant capacity if the District establishes to the PUA's satisfaction that it has reached eighty percent (80%) of its projected buildout of the Wholesale Service Area six months prior to the PUA's issuance of bonds for such expansion.

(xx) Within ten business days of a written request from the PUA, the District shall provide the PUA with copies of the District's monthly operating reports indicating the District's peak day consumption. At any time, the PUA may also install, at its sole discretion, a max-day meter and/or a flow regulator on the District System to assess or control actual maximum daily demands by the District.

If the PUA determines that the District is exceeding the Max Day Reservation the District will be subject to a surcharge as determined by the PUA's service rules and policies.

(xxx) The Volume Charge shall recover the PUA's expenses associated with operating and maintaining the Regional Facilities, including a systems raw water loss fee per thousand gallons to be calculated as follows:

[LCRA Raw Water cost per Thousand Gallons/(1-.10 water loss)]/10

The PUA shall utilize the base-extra capacity methodology performed by a qualified professional to determine appropriate Volume Charge for each wholesale customer and may be adjusted from time to time by the PUA's Board of Directors.

4. Section 3.03 of the Wholesale Service Agreement is deleted in its entirety and replaced with the following:

Subject to the limitations set forth herein, upon completion of construction of the Improvements, PUA agrees to divert, transport, and treat for the District all water needed and requested by the District for the District's Service Area, up to, but not in excess of (i) a peak daily flow rate of _____ gallons per day within the District's Service Area, or (ii) such lesser amount as PUA may be able to supply in the event of an Emergency. PUA shall make the water available at the Delivery Point(s) at a minimum pressure of thirty-five (35) psi under non-Emergency operating conditions. The initial Delivery Point(s) is shown on Exhibit A. The parties may agree to additional Delivery Points in the future.

5. The following definitions in Section {1.01} are deleted in their entirety:

“‘Reservation Fee’ means a fee of One hundred and sixty Dollars (\$160.00) per Reserved LUE. The Reservation Fee relates to the reservation for the District of a portion of the limited capacity in the PUA's System capable of serving northern Hays County. District acknowledges and

agrees that this Reservation Fee is separate and apart from, and in addition to, any reservation fees that may be due under the District's Raw Water Contract."

"Reservation Period' means a period of time beginning at the execution of this Agreement and ending at 12:01 a.m. on April 1, 2013."

6. Section {4.01(e)} of the Wholesale Service Agreement is deleted in its entirety and replaced with the following:

PUA hereby reserves for the District capacity in the PUA System for ____ LUEs ("Reserved LUEs"). It is expressly understood that District, upon first giving PUA three hundred sixty-five (365) days prior written notice, may reduce the number of Reserved LUEs hereunder. Any such Reserved LUEs so released shall reduce PUA's service capacity reservation to District accordingly.

7. The terms of the Wholesale Service Agreement are hereby modified and amended pursuant to the terms of this Second Amendment. The provisions contained herein shall not be interpreted to in any way restrict the ability of the PUA to use any funds received pursuant to the Wholesale Water Agreement, as amended, for any legal purposes. Except as otherwise expressly amended by this Second Amendment, all other terms and conditions of the Wholesale Service Agreement remain in full force and effect, and are hereby confirmed and ratified.

{insert signature blocks}

**MINUTES OF MEETING OF
THE BOARD OF DIRECTORS OF THE
WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY**

November 21, 2013

Present:

Larry Fox, President
Michael Murphy, Vice President
Ray Whisenant, Secretary/Treasurer
Bill Goodwin, Director
Scott Roberts, Director

Consultants:

Don Rauschuber, Agency General Manager
Stefanie Albright (Lloyd Gosselink Rochelle & Townsend, P.C.), Agency General Counsel
David Klein (Lloyd Gosselink Rochelle & Townsend, P.C.), Agency General Counsel
Lauren Kalisek (Lloyd Gosselink Rochelle & Townsend, P.C.), Agency General Counsel
Dennis Lozano (Murfee Engineering Company, Inc.), Agency Engineer
George Murfee (Murfee Engineering Company, Inc.), Agency Engineer
Curtis Wilson, Agency Engineer
Keli Kirkley (Municipal Accounts), Agency Bookkeeper
Nelisa Heddin, (Water Resource Management), Agency Rate Consultant

I. CALL TO ORDER

Director Fox called the meeting to order at 9:03 a.m.

II. ESTABLISH A QUORUM

A quorum was established with Directors Fox, Murphy, Whisenant, Roberts and Goodwin present. Also present were the above-referenced consultants.

III. PUBLIC COMMENT

Public comment was received during the associated agenda item.

IV. CONSENT AGENDA

- A. Approve minutes of the October 17, 2013 Board of Directors Meeting and minutes of the October 23, 2013 Special Board of Directors Meeting. (See Exhibit A)

MOTION: Motion was made by Director Murphy and seconded by Director Whisenant to approve the October 17, 2013 and October 23, 2013 minutes as presented.

The vote was taken with the following result:

Voting Aye: Directors Fox, Murphy, Whisenant, Roberts, and Goodwin.
Voting Nay: None
Absent: None

- B. Approve bookkeepers report, payment of outstanding invoices, and other related bookkeeping matters. **(See Exhibit B)**

MOTION: Motion was made by Director Murphy and seconded by Director Roberts to approve the bookkeepers report.

The vote was taken with the following result:

Voting Aye: Directors Fox, Murphy, Whisenant, Roberts, and Goodwin.
Voting Nay: None
Absent: None

V. OPERATOR'S REPORT

- A. Discuss, consider and take action on report from Severn Trent Environmental Services, Inc. regarding water and wastewater system operations, maintenance and billing.

Jason Tyler presented the Operator's Report to the Board. **(See Exhibit C)** Director Fox referenced PUA items that were missing from the water plant to which Mr. Tyler recommended getting a security camera in addition to the existing keypad entry. Kristi Hester presented the billing report. **(See Exhibit D)**

VI. GENERAL MANAGER'S REPORT

Discuss, consider and take action on report from General Manager, including:

- A. Agency Administrative and Operations Report;
- B. Fire Hydrant Meter Requests, including:
 - 1. Austin Engineering Co.
 - 2. CC Carlton Industries, Ltd.
 - 3. Chasco Constructors
 - 4. Harman Construction, Inc.
 - 5. DNT Construction

- C. Status update regarding Severn Trent Environmental Services, Inc. /including Action Item List and invoicing matters;
- D. Discuss, consider and take action concerning the USFWS-LCRA Memorandum of Understanding and its relationship to such developments like the Hatchett Tract.
- E. Drought status and forecast and implementation of drought contingency plan measures.
- F. Discuss, consider and take action authorizing the Agency to secure a BB&T Bank Visa Business Credit Card.
- G. Discuss, consider and take action concerning execution of an Owner's and Contractor's Liability Agreement with Travis County for the installation of utilities within Travis County Public Right-of-Way.

Mr. Don Rauschuber presented the General Manager's Report (See Exhibit E) and reviewed the Agency Operations Report with the Board.

Next Mr. Rauschuber presented variance requests for temporary fire hydrant meters s. The Board approved all the fire hydrant requests as they were all construction meters.

1. Austin Engineering Co. — 250,000 gallons for 4 months
2. CC Carlton Industries, Ltd. — 50,000 gallons for 2 months
3. Chasco Constructors — 10,000 gallons for 1 month
4. Harman Construction, Inc. — 50,000 gallons for 4 months
5. DNT Construction — 10,000 gallons for 4 months.

MOTION: Motion was made by Director Whisenant and seconded by Director Murphy to approve fire hydrant requests as presented by the General Manager.

The vote was taken with the following result:

Voting Aye: Directors Fox, Murphy, Whisenant, Roberts, and Goodwin.

Voting Nay: None

Absent: None

Mr. Rauschuber gave an update on the Severn Trent Action Item List and stated that meeting between Agency staff and Severn Trent are continuing.

The Board next moved to the next agenda item regarding the USFWS-LCRA Memorandum of Understanding ("MOU") and its relationship to such developments like the Hatchett Tract. Ms. Lauren Kalisek first provided the Board with background on the MOU and provided a history of LCRA's policies regarding application of the MOU to developments within the West Travis County System. She explained that although the MOU originally

was entered into for the Highway 290 pipeline, LCRA later by policy required Memorandum of Understanding compliance from developers on the Hamilton Pool Road waterline. Ms. Kalisek explained that the PUA Board made a policy decision in October 2013 to withdraw the requirements for MOU compliance for developments on Hamilton Pool Road to streamline administrative functions of the PUA and reduce the costs involved in the required inspections. She stated that the effect of reinstating the MOU to apply to Hamilton Pool Road developments would mean that developers would be required to comply with the TCEQ Optional Enhanced Measures.

The Board received public comments from the following residents and community members:

Ariel Axelrod presented his comment via audio file. He stated that he opposed the PUA abandoning the MOU compliance. He urged the Board to continue to require compliance with the MOU and re-establish the MOU compliance requirement in the PUA's Tariff.

Betty and Pete Gold (Belvedere) requested that the Board reinstate the MOU and deny the Hatchett Tract service availability. Mrs. Gold presented a petition signed by residents in the Belvedere community. (See Exhibit F.) She also requested that the Board provide notification to adjacent property owners in the future when proposed developments request water service.

Stephen England (Rocky Creek) was concerned about stress on the water system by Masonwood West. He stated that the City of Bee Cave is formalizing their objections to the Hatchett Tract and asked the Board to reverse any Hamilton Pool Road policy decisions and rescind the Hatchett Tract service availability letter until the Masonwood West developers are compliant with the MOU like other developers.

Lisa Roden (Destiny Hills) also stated concerns with Masonwood West that included roads, schools, water and density. She wants a responsible development that fits in with what is already there. She presented a petition from the Destiny Hills subdivision (See Exhibit G.)

Jenna James (Destiny Hills) stated that the PUA has a responsibility to protect the environment. She requested that the Board rescind the Masonwood West service availability letter unless the developers follow the MOU.

Malcolm Harris (Harris Ranch property) asked that Masonwood West be required to follow the MOU. Director Roberts asked Mr. Harris if Hatchett followed the MOU would that be acceptable to him. Mr. Harris replied that yes it would.

J. J. Priour addressed the Board on behalf of his family. He stated that he is opposed to the highly dense Hatchett Tract. He requested the Board rescind the service availability letter and subject the development to the MOU.

M.E. Cook (Lake Pointe) asked the Board to rescind the service availability letter to Hatchett due to operational problems already existing in the system without adding the additional customers. She read a letter from Tony Bennett relaying this request.

Carol Killebrew (Homestead) stated that he felt like communications regarding the October board meeting should have been better. He is concerned with Little Barton Creek flooding should Masonwood West continue as currently proposed.

Karen Schultz (Belvedere) stated that she was speaking as a resident and on behalf of the Belvedere Homeowners' Association. She provided a statement from Joel Robuck, developer of the Belvedere community, in objecting to the granting of service availability to Masonwood West without requiring MOU compliance. She is concerned that there was not a public hearing about the Hatchett Tract as well as Severn Trent operations issues that could be worsed by the granting of additional service commitments.

Adam Swick (Lake Pointe) was concerned with problems in Lake Pointe and believes that resources need to be focused on existing residents.

Maureen Appling (Homestead) is opposed to Masonwood West.

Don Walden, speaking as an individual, stated that he is opposed to the current Masonwood West service availability letter. He is concerned that the land plan is over reaching and will cause environmental issues.

Melissa Urich agrees with the previous comments. She stated that the PUA needs to look at all utility issues when considering granting service to the Masonwood West development.

Bill McLean, attorney for Masonwood Development, addressed the Board. He stated that the USFWS gave concurrence to the optional enhanced measures ("OEM") and the plan submitted to Travis County complies with the OEM, except for crossing over buffer zones which he stated the developer will reconsider. He stated that the intent of Masonwood is to be respectful to the governmental entities. Director Murphy asked Mr. McLean what the current impervious cover was for this project. Mr. McLean stated that the master development plan was for 25-30% impervious cover with drip irrigation and no septic tanks.

Director Fox reported that the PUA serves no entities in the Edwards Aquifer recharge zone, only the contributing zone. He pointed out that environmental interests defeated PUA legislation, which would have strengthened the PUA position for such

actions as those that are currently being discussed. He further pointed out that the service availability letter is a conditional commitment to service.

Director Murphy addressed the issues regarding Masonwood West. He stated that the PUA does not have land use authority and has to look at whether the PUA has the capacity to serve. He further stated that there is capacity to serve Masonwood West on Hamilton Pool Road, but he supports requiring Masonwood West to meet the MOU requirements.

Director Goodwin asked Ms. Kalisek why Section 7 Endangered Species Act consultation was not done on Hamilton Pool Road. Ms. Kalisek replied that because of the routing of the Hamilton Pool Road line, certain permits were not required that would have triggered a Section 7 consultation. He also wanted to know what the burdens of enforcing the MOU would be for the PUA. Don Rauschuber replied that the burden would be with inspections and certifications. Director Goodwin asked Ms. Kalisek if there would be legal issues in reinstating the MOU in the PUA tariff. She replied that there could be an issue with changing a policy that may affect pending applications for service.

Mr. McLéan wanted to clarify that the MOU and OEM have technical standards. He stated that he will look at the current plan to determine compliance with the OEM. He pointed out that when you comply with the OEM, your water quality is as good as or better than developments with lower density and impervious cover.

Director Whisenant thanked the public for their participation in the discussions regarding Masonwood West. He stated that there was no effort by the PUA to make "back room deals" as had been represented during public comment, and he encouraged the audience to be patient and listen to the comments of others.

Director Roberts stated he had no issues with compliance to the MOU. He pointed out that there have been successful developments in Hays County and Travis County while complying with the MOU. He believes the PUA should serve water to its members, but can also attach conditions to that service.

MOTION: Motion was made by Director Roberts to adopt a policy that MOU compliance is a standard condition for service system wide for all service applicants. Director Whisenant seconded the motion to proceed with discussion.

At 11:22 a.m. President Fox announced that the Board would move into Executive Session regarding the following items:

1. USFWS-LCRA Memorandum of Understanding (Item No. VI D) pursuant to the Open Meetings Act, Tex. Gov't Code Ann. § 551.071 – Consultation with Attorney.

The Board of Directors reconvened in open session at 11:45 a.m. President Fox stated that no action was taken during Executive Session.

AMENDMENT TO MOTION: Motion was made by Director Murphy to amend the motion to adopt a policy that MOU compliance is a standard condition for service for all areas outside the corporate limits of City of Bee Cave. Director Whisenant seconded the motion.

The vote was taken on the amended motion with the following result:

Voting Aye: Directors Fox, Murphy, Whisenant, Roberts, and Goodwin.

Voting Nay: None

Absent: None

The vote was taken on the original motion, as amended, with the following result:

Voting Aye: Directors Fox, Murphy, Whisenant, Roberts, and Goodwin.

Voting Nay: None

Absent: None

Director Roberts asked staff to work out compliance fees and process compliance procedures.

Addressing the next agenda item, Mr. Rauschuber indicated that the drought status update was included in his General Manager report and he had no additional information to discuss.

Mr. Rauschuber presented a request for the PUA to obtain a VISA Business Credit Card for office purchases.

MOTION: Motion was made by Director Goodwin and seconded by Director Roberts to authorize the General Manager to obtain a PUA credit card.

The vote was taken with the following result:

Voting Aye: Directors Fox, Murphy, Whisenant, Roberts, and Goodwin.

Voting Nay: None

Absent: None

Mr. Rauschuber discussed the Owner's and Contractor's Liability Agreement with Travis County for the installation of utilities within Travis County public right-of-way.

MOTION: Motion was made by Director Goodwin and seconded by Director Murphy to execute the Owner's and Contractor's Liability Agreement as presented (See Exhibit H).

The vote was taken with the following result:

Voting Aye: Directors Fox, Murphy, Whisenant, Roberts, and Goodwin.

Voting Nay: None

Absent: None

Mr. Rauschuber provided an update on the Lake Pointe Wastewater Treatment plant odor abatement measures. He stated that the Phase 1 & 2 reports are being finalized and will be presented at the December board meeting. Director Roberts asked Mr. Rauschuber if there would be any operational cost savings to move the Lake Pointe plant to the current Bohls tract. Mr. Rauschuber replied that there could be savings over an extended time period (30-50 years). The Board continued to discuss options for sewer treatment.

VII. ENGINEER'S REPORT

Discuss, consider and take action on report from Agency Engineers, including:

- A. SH71 TxDOT Water Line Relocation Project;
- B. Bohls Tract 0.325 MGD Wastewater Treatment Plant;
- C. Wastewater Force Main — LS14 to Bohls Wastewater Treatment Plant;
- D. Recommendation of Award and Bid Tabulation regarding Lake Pointe Wastewater Plant Filter Replacement and Metering Improvements Project;
- E. Vapex Odor Control Unit Installation;
- F. Wastewater Master Plan
- G. SH71 20" Transmission Main;
- H. Authorization to undertake feasibility study for alternative water sources.

Mr. Dennis Lozano presented the Engineer's Report. (See Exhibit I)

Mr. Lozano stated that the water line relocation project was completed. He presented Pay Application No. 1 (See Exhibit J) to Brandes Brothers for \$56,848.50 and recommended approval.

MOTION: Motion was made by Director Whisenant and seconded by Director Murphy to approve Pay Application No. 1 as presented by Mr. Lozano.

The vote was taken with the following result:

Voting Aye: Directors Fox, Whisenant, Murphy, Roberts and Goodwin
Voting Nay: None
Absent: None

Mr. Lozano presented Pay Application No. 4 (See Exhibit K) for the Bohls Wastewater Treatment Plant for \$232,680.41 and recommended approval for payment. Mr. Lozano updated the Board on the progress of the Bohls plant.

MOTION: Motion was made by Director Whisenant and seconded by Director Roberts to approve Pay Application No. 4 as presented by Mr. Lozano.

The vote was taken with the following result:

Voting Aye: Directors Fox, Whisenant, Murphy, Roberts and Goodwin
Voting Nay: None
Absent: None

Mr. Lozano provided the Recommendation of Award and Bid Tabulation regarding Lake Pointe Wastewater Plant Filter Replacement and Metering Improvements Project (See Exhibit L). He stated that the bid opening was November 5, 2013. He recommended awarding bid to MGC Construction for \$617,650.

MOTION: Motion was made by Director Goodwin and seconded by Director Roberts to approve the Recommendation of Bid Award to MGC Construction as presented by Mr. Lozano.

The vote was taken with the following result:

Voting Aye: Directors Fox, Whisenant, Murphy, Roberts and Goodwin
Voting Nay: None
Absent: None

Mr. Lozano stated that the installation of the Vapex Unit was complete. He presented and recommended approval of Pay Application No. 1 (See Exhibit M) for \$23,208.50 to G Creek.

MOTION: Motion was made by Director Roberts and seconded by Director Whisenant to approve Pay Application No. 1 as presented by Mr. Lozano.

The vote was taken with the following result:

Voting Aye: Directors Fox, Whisenant, Murphy, Roberts and Goodwin
Voting Nay: None

Absent: None

A discussion followed regarding funds spent to reduce odors and quality of effluent.

George Murfee presented the request for a feasibility study (See Exhibit N) to explore alternative water sources. He stated that the study is to look into the PUA participating in conjunction with Hays County. Mr. Murfee said the most cost effective option for the PUA is to participate with Hays County for 45,000 acre/ft.

MOTION: Motion was made by Director Roberts and seconded by Director Whisenant to approve the feasibility study for alternative water sources.

The vote was taken with the following result:

Voting Aye: Directors Fox, Whisenant, Murphy, and Roberts
Voting Nay: Director Goodwin
Absent: None

At 12:50 p.m. President Fox announced that the Board would move into Executive Session regarding the following items:

1. Wastewater Force Main-LS14 to Bohls Wastewater Treatment Plant (VII C.) pursuant to the Open Meetings Act, Tex. Gov't Code Ann. § 551.071 – Consultation with Attorney.
2. Wastewater Master Plan (VII F.) pursuant to the Open Meetings Act, Tex. Gov't Code Ann. § 551.071 – Consultation with Attorney.

The Board of Directors reconvened in open session at 1:52 p.m. President Fox stated that no action was taken during Executive Session.

Mr. Rauschuber stated that Murfee Engineering is going to continue to work on the Wastewater Master Plan and bring it back to the Board for consideration in December.

VIII. NEW BUSINESS

- A. Discuss, consider and take action on Wholesale Agreements with the following customers:
 1. Barton Creek West Water Supply Corporation;
 2. Crystal Mountain Homeowners Association;
 3. Senna Hills Municipal Utility District, and
 4. Lazy 9 Municipal Utility District 1A

Stefanie Albright asked the Board to approve a resolution that will give the General Manager, Board President and staff the authority to execute amendments wholesale contracts as long as the reserved capacity is staying the same or decreasing.

MOTION: Motion was made by Director Murphy and seconded by Director Whisenant to authorize PUA staff to negotiate wholesale contract amendments in substantially the form as presented in Exhibit O, and further authorized the Board President to execute such amendments prior to the December 19, 2013 Board meeting.

The vote was taken with the following result:

Voting Aye: Directors Fox, Whisenant, Murphy, Roberts and Goodwin

Voting Nay: None

Absent: None

Director Whisenant noted that this is another indicator of the Board's willingness to work with the wholesale customers to provide a timely and equitable resolution.

B. Discuss, consider and take action on requests for service availability or non-standard service agreements, including:

1. Gateway to Falconhead

Stefanie Albright presented the Gateway to Falconhead Non-Standard Service Agreement for 101 LUE's. (See Exhibit P)

MOTION: Motion was made by Director Murphy and seconded by Director Goodwin to approve the Gateway to Falconhead NSSA as presented by staff.

The vote was taken with the following result:

Voting Aye: Directors Fox, Whisenant, Murphy, Goodwin and Roberts

Voting Nay: None

Absent: None

C. Discuss, consider and take action on Amendments to Wholesale Rates, including:

- 1. Dripping Springs Water Supply Corporation;**
- 2. Senna Hills Municipal Utility District;**
- 3. Crystal Mountain Homeowners Association;**
- 4. Barton Creek West Water Supply Corporation;**
- 5. Eanes Independent School District;**

6. Travis County Municipal Utility District No. 18 (Masonwood);
7. Hays County Water Control and Improvement District No. 1 (Belterra);
8. Hays County Water Control and Improvement District No. 2 (Belterra);
9. Lazy Nine Municipal Utility District No. 1A;
10. Deer Creek Ranch Water Company;
11. Reunion Ranch Water Control and Improvement District;
12. Travis County Municipal Utility District No. 12 (Rough Hollow)
13. Travis County Water Control and Improvement District No. 17

Nelisa Heddin gave a presentation outlining the wholesale committee process. The Board discussed allocation to customers and potential surcharges.

Randy Wilburn, representing Deer Creek Ranch Water Company, addressed the Board. He stated that Deer Creek is different from other wholesale customers because it is an Investor Owned Utility and he feels that they should be treated differently. He would like the minimum bill to stay the same or decrease based on O&M costs. He requested that Deer Creek Ranch not be allocated costs that aren't required to get water to Deer Creek.

Director Roberts asked if the wholesale customers were informed of the rate changes to which Mr. Rauschuber said yes. Three of the wholesale customers have signed the amendment contracts (Hays County Water Control and Improvement District Nos. 1 & 2 and Reunion Ranch Water Control and Improvement District).

MOTION: Motion was made by Director Goodwin and seconded by Director Whisenant to approve the Order Regarding Amendments to Wholesale Water and Wastewater Rates (See Exhibit Q) to adopt the recommended wholesale rates that will become effective January 1, 2014.

The vote was taken with the following result:

Voting Aye: Directors Fox, Whisenant, Murphy, and Goodwin

Voting Nay: Director Murphy

Absent: None

D. Discuss, consider and take action on retail water service rates.

Ms. Heddin gave a report that presented minimum bill analysis and options for volumetric rates for retail water customers. Ms. Heddin explained that she is just presenting options for the Board to consider at the public hearing in December. Director Roberts asked why not include all options and let the public comment. The Board agreed with letting the public have input on all four rate options.

E. Discuss, consider and take action on treated effluent and raw water rates.

Ms. Heddin discussed the treated effluent and raw water rates. The Board discussed options for effluent use. Director Murphy stated that the PUA needs be encouraging customers to use effluent for irrigation. He believes that the PUA needs to think about the future and being price competitive.

F. Discuss, consider and take action on the acquisition of a water line easement on Chris Nygard property, Fieldstone Loop.

Don Rauschuber presented the request for a water line easement on Fieldstone Loop. There is a water line that services the adjacent property and the property owner will not allow access to the water line because the PUA does not have a valid easement. The property owner, Mr. Nygard, is now requesting water service and will secure the easement if the PUA waives the impact fees and tap fees with the understanding that in the future if the line needs to be moved, it will be at the owner's expense.

MOTION: Motion was made by Director Murphy and seconded by Director Whisenant to approve the request to waive impact fees in exchange for the property easement.

The vote was taken with the following result:

Voting Aye: Directors Fox, Whisenant, Murphy, Roberts, and Goodwin
Voting Nay: None
Absent: None

G. Discuss, consider and take action on accepting Amy Lynn Payne (formerly Amy Frederickson) resignation from the Impact Fee Advisory Committee and appointment of a new member to such Committee.

Don Rauschuber addressed the resignation of Amy Payne from the Impact Fee Advisory Committee. Director Whisenant requested having this item on the December agenda. David Klein asked the Board to approve the Resolution (*See Exhibit R*) in the packet to accept the resignation of Ms. Payne.

MOTION: Motion was made by Director Goodwin and seconded by Director Murphy to approve the resolution as presented.

The vote was taken with the following result:

Voting Aye: Directors Fox, Whisenant, Murphy, Roberts, and Goodwin
Voting Nay: None
Absent: None

H. Discuss, consider and take action on the following Service Extension Request ("SER") Applications:

- 1. Lot 1C, Mountain Laurel Subdivision; and**
- 2. Lot 1-6 Block A, Old Bee Cave Square Subdivision**

Curtis Wilson presented the SER for Mountain Laurel Subdivision. This application is for 16 water LUE's and 2 irrigation LUE's for a day care center and retail building.

MOTION: Motion was made by Director Murphy and seconded by Director Roberts to approve the SER application for Mountain Laurel Subdivision.

The vote was taken with the following result:

Voting Aye: Directors Fox, Whisenant, Murphy, Roberts, and Goodwin

Voting Nay: None

Absent: None

Mr. Wilson stated that Old Bee Cave Square SER had been withdrawn for consideration for the November meeting.

X. ADJOURNMENT

MOTION: Motion was made by Director Goodwin and seconded by Director Roberts to adjourn the meeting at 4:50 p.m.

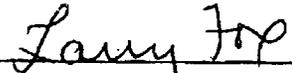
The vote was taken with the following result:

Voting Aye: Directors Fox, Whisenant, Murphy, Roberts and Goodwin.

Voting Nay: None

Absent: None

PASSED AND APPROVED this 19 day of December, 2013.



Larry Fox, President

ATTEST:


Ray Whisenant, Jr., Secretary/Treasurer

ORDER REGARDING AMENDMENTS TO WHOLESALE WATER AND WASTEWATER RATES

THE STATE OF TEXAS §
 §
COUNTIES OF TRAVIS AND HAYS §

The Board of Directors of the West Travis County Public Utility Agency (the "PUA") met in a regular session, open to the public, after due notice, at City of Bee Cave, City Hall, 4000 Galleria Parkway, Bee Cave, Texas 78738, an official meeting place within the boundaries of the Agency, on November 21, 2013; whereupon the roll was called of the members of the Board of Directors, to wit:

Larry Fox	President
Michael Murphy	Vice President
Ray Whisenant, Jr.	Secretary
Scott Roberts	Director
Bill Goodwin	Director

All members of the Board were present.

WHEREUPON, among other business conducted by the Board, Director Goodwin introduced the order set out below and moved its adoption, which motion was seconded by Director Whisenant, and, after full discussion and the question being put to the Board of Directors, said motion was carried by the following vote:

"Aye" 4 ; "No" 1 .

The Order thus adopted is as follows:

WHEREAS, the PUA entered into that certain "Utility Installment Purchase Contract" between the PUA and the Lower Colorado River Authority ("**LCRA**") on January 17, 2012, providing in part for the sale of certain water and wastewater assets in west Travis County and north Hays County from LCRA to the PUA;

WHEREAS, in taking over and operating such LCRA facilities, the PUA in part provides wholesale water and wastewater service to the following 13 wholesale customers, based upon their existing contracts, as may be amended from time to time:

1. Dripping Springs Water Supply Corporation
2. Senna Hills Municipal Utility District No. 1
3. Crystal Mountain Homeowners Association, Inc.
4. Barton Creek West Water Supply Corporation

5. Eanes Independent School District
6. Travis County Municipal Utility District No. 18
7. Hays County Water Control and Improvement District No. 1
8. Hays County Water Control and Improvement District No. 2
9. Lazy Nine Municipal Utility District No. 1A
10. Deer Creek Ranch Water Company
11. Reunion Ranch Water Control and Improvement District
12. Travis County Municipal Utility District No. 12
13. Travis County Water Control and Improvement District No. 17;

WHEREAS on November 15, 2012, the PUA adopted wholesale water and wastewater rates at a public meeting, open to the public;

WHEREAS, the PUA's fiscal year ends September 30 of each calendar year;

WHEREAS, the PUA has been in the process of evaluating its wholesale water and wastewater rates for each of its wholesale water and wastewater customers as a part of the PUA's planning for the current fiscal year;

WHEREAS, the PUA has conducted meetings with its wholesale water and wastewater customers in 2013 regarding future amendments to the PUA's wholesale water and wastewater rates, and it has received comments from these customers regarding the proposed amendments; and

WHEREAS, the PUA desires to amend its wholesale water and wastewater rates for each of the 13 wholesale customers, to be effective January 1, 2014.

NOW THEREFORE, it is ordered by the Board of Directors of West Travis County Public Utility Agency that:

Section 1: The above recitals are true and correct and are incorporated into this Order for all purposes.

Section 2: The Board of Directors of the PUA hereby approves, adopts, and orders that the wholesale water rate for the Dripping Springs Water Supply Corporation shall include a monthly minimum charge of \$10,917.33 and a volumetric rate of \$2.14 per 1,000 gallons, effective January 1, 2014.

Section 3: The Board of Directors of the PUA hereby approves, adopts, and orders that the wholesale water rate for the Senna Hills Municipal Utility District No. 1 shall include a monthly minimum charge of \$13,466.51 and a volumetric rate of \$2.11 per 1,000 gallons, effective January 1, 2014.

Section 4: The Board of Directors of the PUA hereby approves, adopts, and orders that the wholesale water rate for the Crystal Mountain Homeowners Association, Inc. shall

include a monthly minimum charge of \$2,237.34 and a volumetric rate of \$2.69 per 1,000 gallons, effective January 1, 2014.

Section 5: The Board of Directors of the PUA hereby approves, adopts, and orders that the wholesale water rate for the Barton Creek West Water Supply Corporation shall include a monthly minimum charge of \$14,187.66 and a volumetric rate of \$2.59 per 1,000 gallons, effective January 1, 2014.

Section 6: The Board of Directors of the PUA hereby approves, adopts, and orders that the wholesale water rate for the Eanes Independent School District shall include a monthly minimum charge of \$739.32 and a volumetric rate of \$2.35 per 1,000 gallons, effective January 1, 2014.

Section 7: The Board of Directors of the PUA hereby approves, adopts, and orders that the wholesale water rate for the Travis County Municipal Utility District No. 18 shall include a monthly minimum charge of \$1,112.77 and a volumetric rate of \$2.11 per 1,000 gallons, effective January 1, 2014.

Section 8: The Board of Directors of the PUA hereby approves, adopts, and orders that the wholesale water rate for the Hays County Water Control and Improvement District No. 1 shall include a monthly minimum charge of \$16,477.28 and a volumetric rate of \$2.02 per 1,000 gallons, effective January 1, 2014.

Section 9: The Board of Directors of the PUA hereby approves, adopts, and orders that the wholesale water rate for the Hays County Water Control and Improvement District No. 2 shall include a monthly minimum charge of \$12,113.97 and a volumetric rate of \$2.06 per 1,000 gallons, effective January 1, 2014.

Section 10: The Board of Directors of the PUA hereby approves, adopts, and orders that the wholesale water rate for the Lazy Nine Municipal Utility District No. 1A shall include a monthly minimum charge of \$12,815.48 and a volumetric rate of \$1.86 per 1,000 gallons, effective January 1, 2014.

Section 11: The Board of Directors of the PUA hereby approves, adopts, and orders that the wholesale water rate for the Deer Creek Ranch Water Company shall include a monthly minimum charge of \$7,011.28 and a volumetric rate of \$2.00 per 1,000 gallons, effective January 1, 2014.

Section 12: The Board of Directors of the PUA hereby approves, adopts, and orders that the wholesale water rate for the Reunion Ranch Water Control and Improvement District shall include a monthly minimum charge of \$947.20 and a volumetric rate of \$2.08 per 1,000 gallons, effective January 1, 2014.

Section 13: The Board of Directors of the PUA hereby approves, adopts, and orders that the wholesale water rate for the Travis County Municipal Utility District No. 12 shall

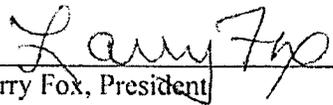
include a monthly minimum charge of \$8,140.89 and a volumetric rate of \$2.11 per 1,000 gallons, effective January 1, 2014.

Section 14: The Board of Directors of the PUA hereby approves, adopts, and orders that the wholesale wastewater rate for the Travis County Water Control and Improvement District No. 17 shall include a monthly minimum charge of \$10,981.89 and a volumetric rate of \$3.67 per 1,000 gallons, effective January 1, 2014.

Section 15: The Agency's General Manager, Engineer, and General Counsel are authorized to take all actions necessary to carry out the purposes of this Order, including, but not limited to, providing notice of the proposed increases to Agency customers and amended Tariff.

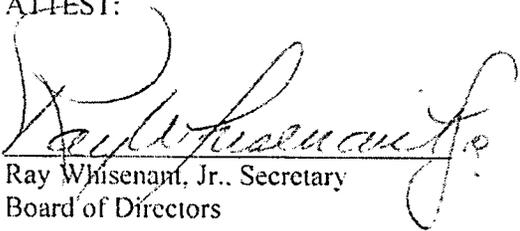
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PASSED AND APPROVED this 21st day of November, 2013.



Larry Fox, President
Board of Directors

ATTEST:



Ray Whisenant, Jr., Secretary
Board of Directors

WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY
 BOARD MEETING - NOVEMBER 15, 2012 - 9:00 a.m.
 SIGN IN SHEET

<u>NAME (PRINT)</u>	<u>ORGANIZATION</u>	<u>EMAIL</u>
TED MADORY	CMHDA	Tpmadory@earthlink.net
Noah Shaffer	Huff Assoc.	nshaffer@huff.com
Lisa Hardy	STS	lhardy@stes.com
Bill Fry	STS	bfry@stes.com
Roger Durdan	HCWOOD No.1	roger.durdan@gmail.com

1513389.45

WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY
 WHOLESale CUSTOMER MEETING
 SIGN-IN SHEET
 28-Jan-13

NAME	ORGANIZATION/REPRESENTING	TELEPHONE NO.	E-MAIL ADDRESS
Michael Slack	Taylor Morrison	512-568-7390	mslack@taylor Morrison.com
ROBERT LOSE	WS-COS DEVELOPMENT/ LAZY NINE MUD	512-264-7715	LOSE@WILFLOCKSTREET LAND.COM
Steve Cooper	BLWNSC	512-917-7580	MANU@AUSTON.BE.COM
Tyler Gatewood	Masonwood	512-576-4660	tyler@masonwooddevelopment.com
Chet Palosko	Sanna Hills MUD	512-263-2130	chetp@sannasys.com
GREG PERRIN	Dripping Springs WSC	512-858-7897	gperrin@dripping Springs water.com
Linda McLean	Crystal Mountain	512-368- 4094	lmclean@austin.cc.com

WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY
 WHOLESAL WATER COMMITTEE MEMBERS - 2013

March 25, 2013 - MEETING

NAME	REPRESENTATIVE	E-MAIL ADDRESS	TELEPHONE NO.
Barton Creek West WSC			512/917-7580
Crystal Mountain HOA	Linda McLean	lmclean@caustin.tn.tn	512-368-4094
Deer Creek Ranch Water Company	Randy Wilson	randy@wilsonlaw.com	512/431-8442
Dripping Springs WSC	CHES PERRIN	gperrin@dripping Springs water.com	512-858-7897
Eanes ISD			
Hays County WCID No. 1	Roger Darden	rodger.darden@gmail.com	512.627-4221
Hays County WCID No. 2	Thomas Phillips	tom@trinitz.com	512-422-4766
Lazy Nine MUD	A. ROBERT LONG	LONG@WHITEGLOCK STREETLAND.COM	512/264-1715
Reunion Ranch HCWCID			512/568-7390
Senna Hills MUD	CHET PALESKO	CHETP@SAVANNAH.COM	512/402-9943
TCMUD 12 (Rough Hollow)			512/478-0017 - 512/775-7035
TCMUD 18 (Masonwood)			512/306-8300
Travis County WCID 17			512/266-1111 ext. 13

City of Dripping Springs road water service included City of Dripping Springs. call 512-858-4125

Wholesale Committee Sign-In
April 1, 2013

Location	Member Name	Address	Phone #	Meeting Date	Sign-In
City of Dripping Springs	Michelle Fischer	P.O. Box 384 Dripping Springs, Texas 78620	512-858- 4785	4/1/13	<i>[Signature]</i>
Senna Hills MUD	Chet Palesko	10409 Peonia Court Austin, Texas 78733	253-2230		<i>[Signature]</i>
Dripping Springs WSC	Bruce Turbow, Greg Perrin (GM)	101 Hays Street, Suite 406 Dripping Springs, Texas 78620	258-7877		<i>[Signature]</i>
Crystal Mountain HOA	Linda McLean	907 Crystal Mountain Drive Austin, Texas 78733	508- 4054		<i>[Signature]</i>
Reunion Ranch HCWCID	Michael Slack	11200 Lakeline Blvd., Suite 150 A	562- 7390	4.1.13	MS
Lazy Nine MUD	Robert Long	5348 Pedernales Summit Parkway Austin, Texas 78738	266-1715	4/1/13	<i>[Signature]</i>
Barton Creek West	Steve Cooper Meyl J. J. J.	3103 Barton Point Circle Austin, Texas 78733	512-478- 5000	4/1/13	<i>[Signature]</i>
TCMUD 18 (Masonwood)	Tyler Gatewood	1004 Mopac Circle, Suite 201 Austin, Texas 78746	(512) 253-5107		<i>[Signature]</i>
Eanes ISD M&O Coordinated	David Hoedebeck	601 Camp Craft Road Austin, Texas 78746			
Travis County	Debbie Gernes	3812 Eck Lane Austin, Texas 78734			
Deer Creek Ranch Water Company	Randy Wilburn	7408 Rain Creek Water Company Austin, Texas 78759	512-535-1064	4/1/13	<i>[Signature]</i>
Hays County WCID No. 1	Roger Durden	160 Stratton Ct. Austin, Texas 78637	512- 627-4724	4/1/2013	<i>[Signature]</i>

TCMUD 12 (Rough Hollow)	Sue Littlefield Access Document	100 Congress Avenue, Suite 1300 Austin, Texas 78701	903-2217	4-11-15	<i>[Signature]</i>
Hays County WCID No. 2	Tom Phillips	490 Korns Dr 78737	4-20-16	4-1-13	<i>[Signature]</i>

Wholesale Committee Sign-In
April 9, 2013

Location	Member Name	Address	Phone #	Meeting Date	Sign-In
City of Dripping Springs	Michelle Fischer	P.O. Box 384 Dripping Springs, Texas 78620		4/6/2013	<i>[Signature]</i>
Senna Hills MUD	Chet Palesko	10409 Peonia Court Austin, Texas 78733		4/9/2013	<i>[Signature]</i>
Dripping Springs WSC	Bruce Turbow, Greg Perrin (GM) ✓	101 Hays Street, Suite 406 Dripping Springs, Texas 78620		4/9/2013	<i>[Signature]</i>
Crystal Mountain HOA	Linda McLean	907 Crystal Mountain Drive Austin, Texas 78733		4/9	<i>[Signature]</i>
Reunion Ranch HCWCID	Michael Slack ✓	11200 Lakeline Blvd, Suite 150 A		4/9	<i>[Signature]</i>
Lazy Nine MUD	Robert Long	5348 Pedernales Summit Parkway Austin, Texas 78738		4/9	<i>[Signature]</i>
Barton Creek West <i>[Handwritten: Barton Creek West MUD]</i>	Steve Cooper <i>[Handwritten: Steve Cooper]</i>	3103 Barton Point Circle Austin, Texas 78733		4/9	<i>[Signature]</i>
TCMUD 18 (Masonwood)	Tyler Gatewood	1004 Mopac Circle, Suite 201 Austin, Texas 78746			<i>[Signature]</i>
Fanes ISD M&O Coordinated	David Hoedebeck	601 Camp Craft Road Austin, Texas 78746		4/9/13	<i>[Signature]</i>
Travis County	Debbie Gernes	3812 Eck Lane Austin, Texas 78734			
Deer Creek Ranch Water Company	Randy Wilburn	7408 Rain Creek Water Company Austin, Texas 78759		4/9/13	<i>[Signature]</i>
Hays County WCID No. 1	Roger Dурden	160 Stratton Ct. Austin, Texas 78637		4/9/13	<i>[Signature]</i>

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TCMUD 12 (Rough Hollow)	Sue Littlefield 761-7333	100 Congress Avenue, Suite 1300 Austin, Texas 78701	4.13.13	9/9/13	<i>[Signature]</i>
Hays County WCID No. 2	Tom Phillips				

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exp. 9/9/13

West Travis County Public Utility Agency
 12117 Bee Cave Road, Building 3, Suite 120
 Bee Cave, Texas 78738
 512.263.0100

Wholesale Committee Sign-In
 May 6, 2013

Location	Member Name	Address	Phone #	Meeting Date	Sign-In
City of Dripping Springs	Michelle Fischer	P.O. Box 384 Dripping Springs, Texas 78620	512-858- 4735	5/6/13	MS
Senna Hills MUD	Chet Palesko	10409 Peonia Court Austin, Texas 78733			
Dripping Springs WSC	Bruce Furbow, Greg Perrin (GM) ✓	101 Hays Street, Suite 406 Dripping Springs, Texas 78620			
Crystal Mountain HOA	Linda McLean	907 Crystal Mountain Drive Austin, Texas 78733	365- 4094	5-6-13	MS
Reunion Ranch HCWCID	Michael Slack M. Slack	11200 Lakeline Blvd., Suite 150 A	565- 7370	5/6/13	MS
Lazy Nine MUD	Robert Long	5348 Pedernales Summit Parkway Austin, Texas 78738			
Barton Creek West	Steve Cooper Bruce Auspere Meryl Stoller (mstoller@austin.rr.com)	3103 Barton Point Circle Austin, Texas 78733			
TCMUD 18 (Masonwood)	Tyler Gatewood	1004 Mopac Circle, Suite 201 Austin, Texas 78746	512-378- 4610	5/6/13	76
Eanes ISD M&O Coordinated	David Hoedebeck	601 Camp Craft Road Austin, Texas 78746			
Travis County	Debbie Gernes	3812 Eck Lane Austin, Texas 78734			
Deer Creek Ranch Water Company	Randy Wilburn ✓	7408 Rain Creek Water Company Austin, Texas 78759			

Hays County WCID No. 1	Roger Durdan	160 Stratton Ct. Austin, Texas 78637	607-920	5/6/2013	[Signature]
TCMUD 12 (Rough Hollow)	Sue Littlefield	100 Congress Avenue, Suite 1300 Austin, Texas 78701	214 432-2300	11	[Signature]
Hays County WCID No. 2	Tom Phillips			5/1/2013	[Signature]

TCMUD 17 Debbie Gerns 3812 Eck Ln
AUSTIN TX 78734 512 266-7111 EXT 13 MAY 6 2013

RAYHISENANTER, WTCPUA

Hendrixers MIND Leonard Smith

POB 684633
Austin, TX 78768

512-941-3732

May 6, 2013

[Signature]

Don Krausshuber

WTCPUA

12117 Bar Court Road

512-265-0100

8143 S. Dunde 120
Bee Cave, TX 78730

Stefanie Albright Lloyd Gosselink

816 Congress Ave.
Ste. 1900
Austin 78701

(512) 522-5814

West Travis County Public Utility Agency

12117 Bee Cave Road, Building 3 Suite 120

Bee Cave, Texas 78738

Wholesale Committee Sign-in

May 14, 2013

Location	Member Name	Address	Phone #	Sign-in
City of Dripping Springs	Michelle Fischer	P.O. Box 384 Dripping Springs, Texas 78620		
Senna Hills MUD	Chet Palesko	10409 Peonias Court Austin, Texas 78733	512-440-7803	
Dripping Springs WSC	Greg Perrin	101 Hays Street, Suite 406 Dripping Springs, Texas 78620	512-358-7897	
Crystal Mountain HOA	Linda McLean	907 Crystal Mountain Drive Austin, Texas 78733	368 4294	
Reunion Ranch HCWCID	Michael Slack	11200 Lakeline Blvd., Suite 150A Austin, Texas 78733	512-568-7390	
Lazy Nine MUD	Robert Long	5348 Pedernales Summit Parkway Austin, Texas 78738		
Barton Creek West	Steve Cooper Bruce Aufpere Meryl Stoller	3103 Barton Point Circle Austin, Texas 78733		
TCMUD 18 (Masonwood)	Tyler Gatewood	1004 Mopac Circle, Suite 201 Austin, Texas 78746		
Eanes ISD	David Hoedebeck	601 Camp Craft Road Austin, Texas 78746	(512) 732-9051	
M&O Coordinated	Debbie Gernes	3812 Eck Lane Austin, Texas 78734		
Travis County	Randy Wilburn	7408 Rain Creek Water		
Deer Creek Ranch				

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Water Company		Company		
Hays County WCID No. 1	Roger Durden	Austin, Texas 78759 160 Stratton Ct.	677.4221	<i>[Signature]</i>
TCMUD 12 (Hough Hollow)	Sue Littlefield Jay Joyce (jjoyce@expergy.com)	Austin, Texas 78637 100 Congress Avenue, Suite 1300	(214) 432-2500	<i>[Signature]</i>
Hays County WCID No. 2	Tom Phillips	Austin, Texas 78701		

Members: *Wanda Smith* 612 634-3333
Ann 612 634-3772
 Austin, TX 78702 *Frank*

Joe Bidwin@tc mud.com
 jbidwin@austin.tx.gov

WHEREAS, on September 27, 2012, the Board of Directors of WTCPUA adopted land use assumptions and a capital improvements plan;

WHEREAS, on November 1, 2012, the Board of Directors of WTCPUA adopted the imposition of water impact fees for the Highway 71 Service Area and Highway 290 Service Area;

WHEREAS, WTCPUA desires to update the land use assumptions, capital improvements plan, and water impact fees related to the System and Highway 71 and 290 Service Areas, in accordance with Chapter 395 of the Texas Local Government Code;

WHEREAS, WTCPUA has received a report from its engineer, entitled "*Land Use Assumptions and Capital Improvements Plan for West Travis County Public Utility Agency 2014 Impact Fee Study*" (the "*Study*"), attached hereto as Exhibit A, providing recommended amendments regarding WTCPUA's land use assumptions and capital improvements plan;

WHEREAS, WTCPUA has received a report from its rate consultant, entitled "*Technical Report - Land Use Assumption & Impact Fee Report*" (the "*Report*"), attached hereto as Exhibit B, providing recommended amendments regarding WTCPUA's land use assumptions and water impact fees for the Highway 71 Service Area and Highway 290 Service Area;

WHEREAS, the Study was made available to the public in accordance with Chapter 395 of the Texas Local Government Code;

WHEREAS, WTCPUA previously appointed an impact fee advisory committee ("*Committee*"), and such Committee met on August 11, September 5, October 3, October 8, and November 17, 2014, to consider potential amendments to WTCPUA's land use assumptions, capital improvements plan, and water impact fees;

WHEREAS, the Committee has prepared written recommendations regarding such amendments (attached hereto as Exhibit C), and it has provided such recommendations to WTCPUA's Board of Directors in a timely manner;

WHEREAS, after providing proper notice to the public, WTCPUA held a public hearing on December 18, 2014, regarding the adoption of amendments to WTCPUA's land use assumptions, capital improvements plan, and water impact fees for the Highway 71 and 290 Service Areas;

WHEREAS, the Board of Directors has reviewed the Study, the Report, all public input provided at the public hearing, and the recommendations from the Committee regarding the proposed amendments; and

WHEREAS, the Board of Directors desires to adopt amendments to WTCPUA's land use assumptions, capital improvements plan, and water impact fees, as provided herein.

NOW THEREFORE, it is ordered by the Board of Directors of West Travis County Public Utility Agency as follows:

Section 1: The above recitals are true and correct and are incorporated into this Order for all purposes.

Section 2: After considering the Study, the Report, public input from the public hearing, recommendations of the Committee, and other related information, the Board of Directors has determined that WTCPUA's land use assumptions and capital improvements plan for water service, previously approved on September 27, 2012 should be replaced with the land use assumptions and capital improvements plan for water service provided in the Study and Report, attached hereto as Exhibits A and B; save and except for the Service Unit Table and the Highway 71 and Highway 290 Service Areas boundaries contained in the September 27, 2012 land use assumptions and capital improvements plan. The Board of Directors of WTCPUA hereby (1) approves the land use assumptions and capital improvements plan for water service provided in the Study and Report, attached hereto as Exhibits A and B, and (2) affirms and re-approves the Service Unit Table and Highway 71 and Highway 290 Service Areas contained in the September 27, 2012 land use assumptions and capital improvements plan.

Section 3: After considering the Study, the Report, public input from the public hearing, recommendations of the Committee, and other related information, the Board of Directors has determined that for the Highway 71 Service Area, a water impact fee in the amount of \$7,476.00 per living unit equivalent ("**LUE**") is reasonable and necessary to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to new development, in accordance with Chapter 395 of the Texas Local Government Code, so that WTCPUA can provide water service to Highway 71 Service Area.

Section 4: After considering the Study, the Report, public input from the public hearing, recommendations of the Committee, and other related information, the Board of Directors has determined that for the area served by the Highway 290 Service Area, a water impact fee in the amount of \$12,938.00 per LUE is reasonable and necessary to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to new development, in accordance with Chapter 395 of the Texas Local Government Code, so that WTCPUA can provide water service to Highway 290 Service Area.

Section 5: The Board of Directors of WTCPUA hereby amends the amount of the water impact fee for the Highway 71 Service Area to \$7,476.00 per LUE, effective on February 1, 2015.

Section 6: The Board of Directors of WTCPUA hereby amends the amount of the water impact fee for the Highway 290 Service Area to \$12,938.00 per LUE, effective on February 1, 2015.

Section 7: WTCPUA's water impact fees for the Highway 71 and 290 Service Areas shall be assessed and collected by WTCPUA in compliance with Chapter 395 of the Texas Local Government Code, WTCPUA's Tariff and policies, and other applicable laws.

Section 8: All funds collected from the water impact fees for the Highway 71 and 290 Service Areas shall only be used for the purposes for which such impact fees were imposed, in accordance with WTCPUA's approved capital improvements plan and Chapter 395 of the Texas Local Government Code.

Section 9: None of the funds collected from the water impact fees for the Highway 71 and 290 Service Areas shall be used or expended for an improvement or expansion that is not identified in WTCPUA's approved capital improvements plan or in a manner inconsistent with Chapter 395 of the Texas Local Government Code.

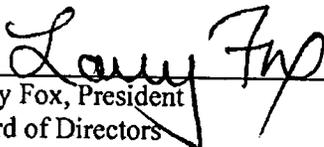
Section 10: All funds collected from the water impact fees for the Highway 71 and 290 Service Areas shall be deposited in interest-bearing accounts clearly identifying the category of capital improvements or facility expansions within each respective Service Area.

Section 11: All interest earned on the water impact fees for the Highway 71 and 290 Service Areas shall be considered funds of the account in which it is earned and will be subject to all restrictions placed on use of those fees as provided in Chapter 395 of the Texas Local Government Code.

Section 12: The records of the accounts into which the water impact fees for the Highway 71 and 290 Service Areas are deposited shall be open for public inspection and copying during ordinary business hours.

Section 13: WTCPUA's Board President, General Manager, engineer, legal counsel, and other consultants are authorized to take all actions consistent with the purposes of this Order, including amending WTCPUA's Tariff to reflect the directives included herein.

PASSED AND APPROVED this 18th day of December, 2014.


Larry Fox, President
Board of Directors

ATTEST:


~~Ray Whisenant, Jr., Secretary~~ Mike Murphy, Vice President
Board of Directors