



Control Number: 42867



Item Number: 83

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SOAH DOCKET NO. 473-14-5138.WS
PUC DOCKET NO. 42857

2014 NOV 18 PM 2:54

PETITION OF NORTH AUSTIN § BEFORE THE STATE OFFICE
MUNICIPAL UTILITY DISTRICT NO. 1, §
NORTHTOWN MUNICIPAL UTILITY §
DISTRICT, TRAVIS COUNTY WATER §
CONTROL AND IMPROVEMENT §
DISTRICT NO. 10 AND WELLS §
BRANCH MUNICIPAL UTILITY § OF
DISTRICT §
FROM THE RATEMAKING ACTIONS §
OF THE CITY OF AUSTIN §
AND REQUEST FOR INTERIM RATES §
IN WILLIAMSON AND TRAVIS §
COUNTIES § ADMINISTRATIVE HEARINGS

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PETITION OF NORTH AUSTIN § BEFORE THE STATE OFFICE
MUNICIPAL UTILITY DISTRICT NO. 1, §
NORTHTOWN MUNICIPAL UTILITY §
DISTRICT, AND WELLS BRANCH §
MUNICIPAL UTILITY DISTRICT § OF
FROM THE RATEMAKING ACTIONS §
OF THE CITY OF AUSTIN §
AND REQUEST FOR INTERIM RATES §
IN WILLIAMSON AND TRAVIS §
COUNTIES § ADMINISTRATIVE HEARINGS

WELLS BRANCH MUNICIPAL UTILITY DISTRICT'S
FIRST SUPPLEMENTAL RESPONSE TO ITS FIRST AMENDED RESPONSE TO
CITY OF AUSTIN'S AMENDED
FIRST REQUEST FOR PRODUCTION OF DOCUMENTS

TO: City of Austin, by and through its attorneys of record, Stephen P. Webb and Gwendolyn Hill Webb, Webb & Webb, 712 Southwest Tower, 211 East 7th Street, Austin, Texas 78701.

COMES NOW, Wells Branch Municipal Utility District ("Wells Branch" or "Petitioner"), in the above-styled and numbered cause, and serves this, its First Supplemental Response to Its First Amended Response to the City of Austin's Amended First Request for Production of Documents.

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Respectfully submitted,

Randall B. Wilburn, Attorney at Law
State Bar No. 24033342
3000 South IH 35, Suite 150
Austin, Texas 78704
Telephone: (512) 535-1661
Fax: (512) 535-1678

John Carlton
State Bar No. 03817600
The Carlton Law Firm, P.L.L.C.
2705 Bee Cave Road, Suite 200
Austin, Texas 78746
Telephone: (512) 614-0901
Fax: (512) 900-2855

By: 

JOHN J. CARLTON

COUNSEL FOR PETITIONER

CERTIFICATE OF SERVICE

I certify that I served a true and correct copy of the foregoing document on all parties of record in this proceeding on November 18, 2014 via hand delivery, facsimile, electronic mail, overnight mail, U.S. mail and/or certified mail.



JOHN J. CARLTON

PRODUCTION REQUESTS

1. Please provide budgets formally adopted by Wells Branch for current year and previous five (5) years. Please include all back up data for each budget formally adopted by Wells Branch.

Objection: Wells Branch objects to this request on the following independent bases: the request is overbroad in its time frame; the request is irrelevant, because this Petitioner does not have the burden of proof and its budgets are not a basis for the underlying rate action; the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence (*K-Mart Corp. v. Sanderson*, 937 S.W.2d 429, 431-32 (Tex. 1996); *see also* Tex. R. Civ. P. 192.3); the request is irrelevant and unduly burdensome as it is simply a part of a fishing expedition (*In re American Optical Corp.*, 988 S.W. 2d 711, 713-14 (Tex. 1998) and cases cited therein); and the request is overbroad as it requests "all back up data" which is not limited in scope or time, and would likely include documents protected by attorney work product or attorney-client privileges.

Response: Notwithstanding and without waiving the objections noted above, responsive and non-privileged documents will be produced. See Supplemental Documents attached.

4. Please provide copies of the resolutions or orders to establish water rates that have been formally adopted by Wells Branch for current year and previous five (5) years.

Objection: Wells Branch objects to this request on the following independent bases: the request is overbroad in its time frame; the request is irrelevant, because this Petitioner does not have the burden of proof; the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence (*K-Mart Corp. v. Sanderson*, 937 S.W.2d 429, 431-32 (Tex. 1996); *see also* Tex. R. Civ. P. 192.3); and the request is irrelevant as it is simply a part of a fishing expedition (*In re American Optical Corp.*, 988 S.W. 2d 711, 713-14 (Tex. 1998) and cases cited therein).

Response: Notwithstanding and without waiving the objections noted above, responsive documents will be produced. See Supplemental Documents attached.

5. Please provide documents that show the number of customers served by Wells Branch by each customer class for current year and previous five (5) years.

Objection: Wells Branch objects to this request on the following independent bases: the request is overbroad in its time frame; the request is irrelevant, because this Petitioner does not have the burden of proof and its customer numbers and customer classes are not a basis for the underlying rate action; the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence (*K-Mart Corp. v. Sanderson*, 937 S.W.2d 429, 431-32 (Tex. 1996); *see also* Tex. R. Civ. P. 192.3); and the request is irrelevant and unduly burdensome as it is simply a part of a fishing expedition (*In re American Optical Corp.*, 988 S.W. 2d 711, 713-14 (Tex. 1998) and cases cited therein).

Response: Notwithstanding and without waiving the objections noted above, responsive documents will be produced. See Supplemental Documents attached.

8. Please provide all documents which describe, with specificity, the Wells Branch's state approved water conservation plan.

Objection: Wells Branch objects to this request on the following independent bases: the request is overbroad as it is not limited in time; the request is irrelevant, because this Petitioner does not have the burden of proof and its water conservation programs are not a basis for the underlying rate action; the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence (*K-Mart Corp. v. Sanderson*, 937 S.W.2d 429, 431-32 (Tex. 1996); *see also* Tex. R. Civ. P. 192.3); the request is irrelevant and unduly burdensome as it is simply a part of a fishing expedition (*In re American Optical Corp.*, 988 S.W. 2d 711, 713-14 (Tex. 1998) and cases cited therein); and the request is overbroad as it requests "all documents" which is not limited in scope or time, and could include documents protected by attorney work product or attorney-client privileges.

Response: Notwithstanding and without waiving the objections noted above, responsive and non-attorney/client privileged documents will be produced. See Supplemental Documents attached.

10. Please provide documents, reports, memoranda, and pamphlets that describe Wells Branch's current financial reserves fund policy; its treatment of reserve funds, and its use of such funds for new construction and operations and maintenance. Provide copies of documents that describe said policy.

Objection: Wells Branch objects to this request on the following independent bases: the request is overbroad as it is not limited in time; the request is irrelevant, because this Petitioner does not have the burden of proof and its reserve funds are not a basis for the underlying rate action; the request seeks information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence (*K-Mart Corp. v. Sanderson*, 937 S.W.2d 429, 431-32 (Tex. 1996); *see also* Tex. R. Civ. P. 192.3); the request is irrelevant and unduly burdensome as it is simply a part of a fishing expedition (*In re American Optical Corp.*, 988 S.W. 2d 711, 713-14 (Tex. 1998) and cases cited therein); and the request is overbroad as it requests "documents" which is not limited in scope, and could include documents protected by attorney work product or attorney-client privileges.

Response: Notwithstanding and without waiving the objections noted above, responsive and non-attorney/client privileged documents will be produced. See Supplemental Documents attached.

RESPONSE TO REQUEST NO. 1

RESOLUTION ADOPTING BUDGET

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

WHEREAS, the Board of Directors of Wells Branch Municipal Utility District (the "District") has projected the operating expenses and revenues for the District for the period October 1, 2014 through September 30, 2015, and desires to adopt a budget consistent therewith;

IT IS RESOLVED BY THE BOARD OF DIRECTORS OF THE DISTRICT THAT:

Section 1. The Budget attached as Exhibit "A" is hereby adopted.

Section 2. The Secretary of the Board of Directors is directed to file a copy of this Resolution Adopting Budget in the official records of the District.

* * *

[signature page follows]

ADOPTED this 16th day of September, 2014.

Donna Howe
Donna Howe, President
Board of Directors

(SEAL)

ATTEST:

R.B.
Robert Baugh, Secretary
Board of Directors

EXHIBIT "A"

**Wells Branch Municipal Utility District
General Operating Fund
Approved Budget FY 2015
(In Whole Dollars)**

	GL ACCT	FY-2015 Budget
<u>REVENUES:</u>		
<u>Utility Services</u>		
Basic Services	40000	1,708,200
Water Services Fees	41000	2,230,020
Sewer Services Fees	42000	2,574,622
Drainage Fees	43100	93,600
Water Tap Fees	42100	0
Sewer Tap Fees	42200	0
Inspection Fees	42300	0
Application Fee	43000	7,200
Service Penalties	43010	72,680
Total Utility Revenue		6,686,322
<u>Parks & Recreation</u>		
Recreational Fees	46010	82,200
Commercial Pool Rentals	46040	19,000
Recreation Tags	46050	88,200
Facilities Rental	46060	33,500
Total Parks & Rec Revenue		222,900
<u>Taxes & Miscellaneous</u>		
Property Tax	43200	3,275,890 *
Property Tax Penalty	43250	3,300
Interlocal Revenues	50000	14,800
Trees for Trail	53800	7,200
Interest Investment	53910	4,200
Miscellaneous Revenue	53990	18,000
Total Tax & Misc Revenue		3,323,390
TOTAL REVENUE		10,232,612
<u>EXPENDITURES:</u>		
<u>Water & Sewer Service</u>		
Bulk Water Purchases	60010	1,807,713 **
Bulk Water Purchases Base Fee		223,200
Bulk Sewer Purchases	60020	2,176,402
Utility Management	60030	290,286
Water System Maintenance	60050	122,240
Sewer System Maintenance	60060	181,700
Storm Sewer/MS4 Permit	60080	120,000
Water & Sewer Service Fees	60085	93,900
Conservation Education	60090	8,000
Total Water & Sewer Service		5,023,441

Wells Branch Municipal Utility District
General Operating Fund
Approved Budget FY 2015
(In Whole Dollars)

	GL ACCT	FY-2015 Budget
<u>Solid Waste</u>		
Garbage Collection	62010	504,600
Total Solid Waste		504,600
<u>Administrative</u>		
Director Fees	64010	38,754
Legal Fees - General	64020	216,000
Legal Fees - Special	64030	24,000
Restrictive Covenants	64000	16,000
Engineering Fees - General	64040	18,000
Engineering Fees - Special	64050	72,000
Auditing	64060	17,000
Office Personnel	64070	359,000
Other Professional Consulting	64080	132,100
Training/Conf/Travel-Employees	64090	22,200
Training/Conf/Travel-Directors	64094	18,800
Tax Coll/Appr Fees	64100	21,500
Office/Meeting Supplies	64110	18,000
Facility Utilities	64120	60,000
457 Contributions/Exp	64130	51,168
Homestead Operations	64170	12,400
Employee Insurance	64150	278,091
Information Technology	64160	66,000
Election	64180	4,000
Bookkeeping	64200	66,750
Bank Fees	64300	7,800
Total Administrative		1,519,553
<u>Recreation Programming</u>		
Recreation Contractors	66010	24,000
Recreation Employees	66020	306,613
Recreation Supplies	66030	45,000
Rec Recreation Event Supplies	66031	91,950
Recreation Center Utility	66040	55,600
Pool Maintenance	68020	86,900
Pool Personnel	66023	380,044
Recreation Service Fees	69434	12,550
Total Recreation Programming		1,002,657
<u>Parks & Rec Maint/Supp/Util</u>		
Greenbelt Maintenance	68071	357,339
Landscape Projects	68076	123,500
Special Projects & Tree Removal	68077	0
Seasonal Landscape Maintenance	68078	72,500
Capital Project Landscape	68079	0
Trees for Trails	68080	40,000
Disc Golf	68075	10,000
Park Fac Maintenance	68090	68,000
Composting Collection	62021	151,241
Composting Distribution	62022	15,000

Wells Branch Municipal Utility District
General Operating Fund
Approved Budget FY 2015
(In Whole Dollars)

	OL ACCT	FY-2015 Budget
Office/Community Center	68110	20,000
Fence Maintenance		25,000
Maintenance & Supplies	68120	106,200
Maintenance Personnel	68130	645,098
Vandalism Damages/Repairs	68140	3,000
Safety Supplies	68150	10,560
Total Parks & Rec Maint/Supp/Util		1,847,438
Public Information Services		
Printing/Publicity/Mailing	69010	39,000
Total Information Services		39,000
Security Services		
Security Lights	69110	60,000
Security Monitoring	69124	9,396
Security Patrol	69121	136,800
Total Security Services		206,196
Miscellaneous		
Permits/Member Dues/Lic	69410	19,900
Facilities Insurance	69421	27,000
Miscellaneous	69431	18,000
Total Miscellaneous		64,900
TOTAL OPERATING EXPENSES		10,007,795
TOTAL OPERATING GAIN/(LOSS)		224,817
Capital Outlay		
Capital Outlay	85000	4,544,000
Capital Outlay		4,544,000
TOTAL EXPENSES		14,551,795
EXCESS REVENUE/(EXPENSE)		(4,319,183)

Footnotes:

*Tax revenues based on an O&M rate of \$.3969 / \$100 of AV ;
DSF rate - \$.0331 ; Total tax rate - \$.4500 ; AV - \$842,213,009

**Wholesale water purchases are budgeted per the City of
Austin's adopted 2014/2015 rates.

RESPONSE TO REQUEST NO. 4

ORDER ESTABLISHING RATES, CHARGES, AND FEES

Adopted September 16, 2014

Under Section 49.212, Texas Water Code, the Board of Directors (the “**Board**”) of Wells Branch Municipal Utility District (the “**District**”) is authorized to adopt and enforce charges, fees, or rentals, in addition to taxes, for providing or making available any District facility or service. Further, the Board is authorized to require a deposit for any facility or service.

IT IS, THEREFORE, ORDERED BY THE BOARD OF DIRECTORS OF Wells Branch Municipal Utility District as follows:

- I. **In General.** The rates, charges, fees, and deposits of the District will be charged, collected, held, and returned, as applicable, in accordance with the District’s “Order Adopting General Policies with Respect to the District’s Water, Wastewater, and Drainage Systems”, as revised from time to time (the “**General Policies**”). Capitalized terms not defined in this Order Establishing Rates, Charges, and Fees (the “**Order**”) have the meanings ascribed thereto in the General Policies.
- II. **Tap, Inspection, and Service Initiation Fees.**
 - A. Water Tap Fee. \$400 per LUE.
 - B. Wastewater Tap Fee. \$600 per LUE.
 - C. Inspection Fees.
 1. Single-family residence or duplex residence dwelling unit (with individual meters for each dwelling unit):
 - a. Water tap -- \$60 per meter;
 - b. Wastewater tap -- \$60 per tap.
 2. Commercial structure (including apartment complexes):
 - a. Water tap -- \$110 per meter;
 - b. Wastewater tap -- \$110 per tap.
 3. Plumbing Inspections:
 - a. Single-family residential inspections -- \$250;
 - b. Other -- To be determined by the District’s representative based upon the size and scope of the project;
 - c. Irrigation -- \$40 per inspection;
 - d. Re-inspection -- \$50 per re-inspection.

{W0544753.43}

- D. Service Initiation Fee (for new accounts at existing connections):
1. \$30 for a connection requested to be made by the close of business on the next business day;
 2. \$80 for a connection requested to be made on the same day as request if request is made before 2:00 p.m. on a business day;
 3. \$130 for a connection requested to be made (a) on the same day as request if request is made after 2:00 p.m. on a business day or (b) on a weekend or holiday.

III. Security Deposits and Clean Builder Deposits.

- A. Generally. *All security deposits must be paid prior to initiation of service to the customer.*
- B. Residential Security Deposits (5/8 or 3/4 inch residential meter).
1. Initial Security Deposit:
 - a. Owner occupied -- \$100;
 - b. Non-owner occupied -- \$200.
 2. Additional Security Deposit. \$100 per triggering event, subject to the cap specified in the General Policies.
- C. Commercial Security Deposits.
1. Initial Security Deposit -- An amount equal to 45 days' water and wastewater usage is required for each commercial customer. The amount of the security deposit will be based on historical usage when this information is available, and will be based upon an estimate of usage by the District's representative when this information is not available.
 2. Additional Security Deposit. An amount equal to an average month's service (calculated using the prior 12 months of service) per triggering event, subject to the cap specified in the General Policies.
- D. Homebuilder Deposit.
1. One house -- \$1,000;
 2. More than one house -- \$2,000.
- E. Commercial Builder Deposit. The lesser of:
1. \$1,000 multiplied by the number of acres of land contained in the commercial or land development project; or
 2. \$3,000.
- F. Fire Hydrant Meter Deposit. \$1,200.

IV. **Rates and Charges.** All rates effective for bills rendered after the November 2013 meter-reading.

A. **General Provisions.** The rates and charges specified in this Section will be in effect for the sale of water and the collection and disposal of sewage for all customers, including builders, developers, and contractors.

B. **Water and Wastewater Rates.**

1. **Monthly Charges for Single-Family and Duplex Residential Customers.**

a. **Minimum Monthly Charge:**

- | | | |
|----|--|--|
| 1. | Standard: | \$30.50 |
| 2. | Senior Discount:
(aged 65 or older) | \$ 3.00 less than Standard
Minimum Monthly Charge |

b. **Water Commodity Charge** (per 1,000 gallons per month):

<u>Gallons Used</u>	<u>Commodity Charge</u>
0001 - 6000	\$4.96
6001 - 12,000	\$6.18
12,001 - 18,000	\$9.70
over 18,000	\$11.58

c. **Wastewater Commodity Charge** (per 1,000 gallons per month): \$8.01 times the customer's winter average, as established under the General Policies.

2. **Monthly Charges for Commercial Customers, excluding apartment complexes, schools, churches and non-profit public health and safety facilities.**

a. **Minimum Monthly Charge – Water:**

<u>Meter Size</u>	<u>Minimum</u>
5/8"	\$ 23.27
3/4"	\$ 36.53
1"	\$ 63.07
1½"	\$ 129.38
2"	\$ 208.96
3"	\$ 394.65
4"	\$ 659.92
6"	\$ 2,118.93
8"	\$ 3,710.56
10" or larger	\$ 5,832.75

b. **Minimum Monthly Charge – Wastewater:** \$15.00 per connection

c. **Water Commodity Charge** (per 1,000 gallons per month), where "Base" means the customer's winter average, as established under the General Policies:

<u>Gallons Used</u>	<u>Commodity Charge</u>
0001 to Base	\$4.96
Over Base to Base x 1.25	\$6.18
Over Base x 1.25 to Base x 1.50	\$9.70
Over Base x 1.50	\$11.58

- d. Wastewater Commodity Charge (per 1,000 gallons per month): \$8.01 times the customer's winter average, as established under the General Policies.

3. Monthly Charges for Apartment Complexes.

- a. Minimum Monthly Charge – Water:

<u>Meter Size</u>	<u>Minimum</u>
5/8"	\$ 23.27
3/4"	\$ 36.53
1"	\$ 63.07
1½"	\$ 129.38
2"	\$ 208.96
3"	\$ 394.65
4"	\$ 659.92
6"	\$ 2,118.93
8"	\$ 3,710.56
10" or larger	\$ 5,832.75

- b. Minimum Monthly Charge – Wastewater: \$15.00 per connection

- c. Water Commodity Charge (per 1,000 gallons per month), where "Base" means the product of 3,500 multiplied by the total number of apartment units in the complex:

<u>Gallons Used</u>	<u>Commodity Charge</u>
0001 to Base	\$4.96
Over Base to Base x 1.25	\$6.18
Over Base x 1.25 to Base x 1.50	\$9.70
Over Base x 1.50	\$11.58

- d. Wastewater Commodity Charge (per 1,000 gallons per month): \$8.01 times the customer's winter average, as established under the General Policies.

4. Monthly Charges for schools, churches and non-profit public health and safety facilities.

- a. Minimum Monthly Charge – Water:

<u>Meter Size</u>	<u>Minimum</u>
5/8"	\$ 23.27
3/4"	\$ 36.53
1"	\$ 63.07
1½"	\$ 129.38

2"	\$ 208.96
3"	\$ 394.65
4"	\$ 659.92
6"	\$ 2,118.93
8"	\$ 3,710.56
10" or larger	\$ 5,832.75

- b. Minimum Monthly Charge – Wastewater: \$15.00 per connection
- c. Water Commodity Charge (per 1,000 gallons per month), where "Base" means the customer's winter average, as established under the General Policies:

<u>Gallons Used</u>	<u>Commodity Charge</u>
0001 to Base	\$4.96
Over Base to Base x 1.25	\$6.18
Over Base x 1.25 to Base x 1.50	\$9.70
Over Base x 1.50	\$11.58

- d. Wastewater Commodity Charge (per 1,000 gallons per month): \$8.01 times the customer's winter average, as established under the General Policies.

5. Monthly Charges for irrigation-only meters.

- a. Minimum Monthly Charge:

<u>Meter Size</u>	<u>Minimum</u>
5/8"	\$ 23.27
3/4"	\$ 36.53
1"	\$ 63.07
1½"	\$ 129.38
2"	\$ 208.96
3"	\$ 394.65

- b. Water Commodity Charge (per 1,000 gallons per month), where "Base" means the customer's winter average, as established under the General Policies:

<u>Gallons Used</u>	<u>Commodity Charge</u>
0001 to Base	\$4.96
Over Base to Base x 1.25	\$6.18
Over Base x 1.25 to Base x 1.50	\$9.70
Over Base x 1.50	\$11.58

- c. Winter Irrigation Surcharge (per 1,000 gallons per month): For months in which water is used, an amount equal to the District's then-current wholesale wastewater cost times the customer's winter average or actual usage, whichever is less, as established under the General Policies, plus ten percent (10%).

6. Monthly In-District Fire Hydrant Rates per Fire Hydrant Meter.
 - a. Service Availability Charge per Fire Hydrant Meter: \$50
 - b. Commodity Charge (per 1,000 gallons): \$11.58
 7. Monthly Out-of-District Rates. To be negotiated, but no less than 150% of in-District rates.
 8. Temporary Water and Wastewater Service. Temporary water and wastewater service will be provided for a five-calendar-day period for the purpose of maintaining lease property. A flat fee of \$75 must be paid to the District manager at the time the temporary service is requested. The fee is nonrefundable.
 9. State Assessment. The District will collect a monthly regulatory assessment of ½% of the District's charges for retail water and/or wastewater service from all retail customers. This regulatory assessment will be listed on each retail customer's bill as a separate line item, and will be collected in addition to other charges for utility service.
- C. Recreational Facility Fees.
1. Single-family and duplex residential customer -- \$1 per month per customer;
 2. Commercial customer (except apartment complex) -- \$1 per LUE; and
 3. Apartment complex -- the greater of: (a) \$1 per LUE; or (ii) \$0.70 multiplied by the number of apartment units within the apartment complex.
- D. Additional Charges Imposed for Delinquent Accounts.
1. Late charge -- a late charge in the amount of 10% of the bill will be assessed on the Delinquency Date.
 2. Delinquency fee -- a \$35 delinquency fee will be assessed on the Termination Date.
 3. If payment of all delinquent bills, past-due bills, and all other applicable fees and charges is not received before the Termination Date, then, service will be deemed to have been disconnected and, regardless of whether or not service is physically disconnected, the customer must pay the following in order to avoid physical disconnection or to resume service following physical disconnection:
 - a. all current billed charges;
 - b. all past-due amounts;
 - c. any applicable additional security deposit;
 - d. the late charge;
 - e. the delinquency fee;

- f. any other applicable District fees and charges;
 - g. a \$50 after-hours reconnect fee in order to obtain same day reconnection of service, if payment is tendered after 2:00 p.m. on the Termination Date;
 - h. a \$150 water meter re-installation charge, if the customer's water meter was removed; and
 - i. two times the District's cost of reconnecting wastewater services, if services were physically disconnected.
- E. Meter Re-Read and Meter Test Fees (if original reading/test was accurate):
- 1. Re-Read; Field Accuracy Test -- Actual cost for re-reads and tests exceeding three per calendar year;
 - 2. Test if Meter Pulled -- All associated costs and expenses.
- F. Stormwater Management; Drainage; Detention.
- 1. Stormwater Management Fee: \$1.75 per month per LUE.
 - 2. Stormwater Management Pond Inspection Fee: All associated costs and expenses.
 - 3. Regional Stormwater Detention Fees:
 - a. If the District's engineer determines that adequate capacity in the District's regional detention pond is available, the fee for reservation of capacity for property located within the District will be determined according to the following formula:

Single-Family	$\$800/\text{acre} + \$80/\text{acre} [(C25-0.45)(100)]$
Multi-Family	$\$1,600/\text{acre} + \$80/\text{acre} [(C25-0.55)(100)]$
Commercial	$\$2,400/\text{acre}$
 - b. Out-of-district regional detention fees will be negotiated on a case-by-case basis.
- G. Water Well Permit Fee -- \$2,500 per well.
- H. Leak Adjustment Rate:
- 1. Water -- The District's then-current wholesale cost plus five percent (5%), per 1,000 gallons.
 - 2. Wastewater -- In accordance with the General Policies, the District manager and the District's utility manager acting jointly may establish an alternative winter-averaging period for a customer who experiences a water leak during the winter-averaging period.

V. **Service Commitments, Development Plan, and Other District Approvals.**

A. **Application Fees.** The fees for review of service commitment applications, construction plan review, and inspection of developments and subdivisions are as follows:

1. **Service Availability and Service Commitment or Application Fees:**

Service Availability Application Fee \$ 50

Service Commitment Application Fee \$ 200

Service Commitment Extension Fee \$ 200

2. **Site Development and Subdivision Application Fees:**

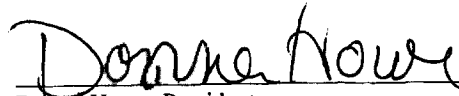
Site Development and/or Plan Review Application Fee \$ 200

Auto CAD Conversion Fee \$ 400
(unless a reduced fee is
approved by the Board)

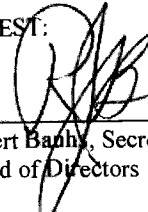
VI. **Filing.** The attorney for the District is hereby directed to file a copy of this Order (i) with the Texas Commission on Environmental Quality and (ii) in the principal office of the District.

* * *

ADOPTED the 16th day of September, 2014.


Donna Howe, President
Board of Directors

ATTEST:


Robert Banly, Secretary
Board of Directors

RESPONSE TO REQUEST NO. 5

Wells Branch MUD Water Usage Analysis

Billing Period	Residential (gallons)	Builder (gallons)	Fire Hydrant (gallons)	Irrigation (gallons)	Church (gallons)	School (gallons)	District (gallons)	Commercial (gallons)	Multifamily (gallons)	Monthly Totals (gallons)	Number of Residential Connections	Average Usage	Letters	Terminations
October 2013	16,919,000	-	45,000	3,406,000	6,000	223,000	993,000	4,181,000	17,826,000	43,599,000	2,763	6.1	267	13
November 2013	11,763,000	-	0	1,597,000	5,000	149,000	774,000	3,198,000	15,043,000	32,529,000	2,763	4.3	290	39
December 2013	11,448,000	-	0	660,000	5,000	153,000	956,000	2,413,000	13,378,000	29,013,000	2,763	4.1	356	13
January 2014	13,153,000	-	0	387,000	23,000	111,000	1,338,000	2,410,000	15,521,000	32,943,000	2,763	4.8	266	29
February 2014	11,163,000	-	0	426,000	3,000	156,000	298,000	2,603,000	13,170,000	27,819,000	2,763	4.0	343	12
March 2014	10,432,000	-	0	721,000	3,000	147,000	549,000	3,060,000	13,512,000	27,743,000	2,763	3.8	281	9
April 2014	12,999,000	-	0	2,028,000	3,000	159,000	578,000	3,060,000	13,512,000	32,337,000	2,763	4.7	334	14
May 2014	16,655,000	-	0	2,184,000	4,000	192,000	951,000	3,488,000	14,502,000	37,976,000	2,763	6.0	289	18
June 2014	15,065,000	-	0	2,278,000	3,000	122,000	1,574,000	3,165,000	13,437,000	35,645,000	2,763	5.5	241	9
July 2014	18,882,000	-	0	2,691,000	6,000	24,000	1,797,000	3,891,000	15,950,000	43,241,000	2,763	6.8	279	6
August 2014	15,125,000	-	22,000	2,090,000	6,000	25,000	1,354,000	3,379,000	14,551,000	36,562,000	2,763	5.5	242	5
September 2014	20,483,000	-	1,000	3,515,000	6,000	135,000	3,319,000	3,962,000	18,496,000	49,917,000	2,763	7.4	297	15
Total	174,067,000	-	68,000	21,962,000	73,000	1,596,000	14,481,000	38,351,000	178,576,000	429,314,000				
Active	Residential 2758	Builder 0	Fire Hydrant 1	Irrigation 37	Church 1	School 3	District 23	Commercial 47	Multifamily 25	2902				
Vacant	5			1			1							

RESPONSE TO REQUEST NO. 8

**ORDER ADOPTING REVISED WATER CONSERVATION
AND DROUGHT CONTINGENCY PLAN**

April 15, 2014

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

WHEREAS, Wells Branch Municipal Utility District (the "District") is a political subdivision of the State of Texas, created and operating under Chapters 49 and 54, *Texas Water Code*; and

WHEREAS, under Section 13.146, *Texas Water Code*, the Board of Directors of the District (the "Board") is required to develop and submit to the Texas Water Development Board a water conservation plan based on specific targets and goals using appropriate best management practices or other water conservation strategies; and

WHEREAS, under Section 11.1272, *Texas Water Code*, the Board is required to establish and enforce a drought contingency plan; and

WHEREAS, as required by Sections 13.146 and 11.1272, *Texas Water Code*, and in an effort to ensure that water supplied to the District is used reasonably and to its maximum beneficial use, the Board previously adopted an Order Adopting Revised Water Conservation and Drought Contingency Plan by Order dated September 1, 2009 (the "Plan"); and

WHEREAS, 30 *Texas Administrative Code* Section 288.30 requires the District to prepare and adopt the next revision of the Plan by May 1, 2014; and

WHEREAS, the Board now desires to prepare and adopt the next revision of the Plan in accordance with 30 *Texas Administrative Code* Section 288.30 in order to ensure that the Plan remains accurate and suits the needs of the District.

IT IS, THEREFORE, ORDERED BY THE BOARD OF DIRECTORS OF WELLS BRANCH MUNICIPAL UTILITY DISTRICT THAT:

Section 1: The revised Water Conservation and Drought Contingency Plan attached as **Exhibit "A"** (the "Revised Plan") is hereby established and will be implemented during periods of water shortage and drought in an effort to reduce water loss, waste, or consumption and increase the efficiency of water use. The Revised Plan replaces and supersedes the Plan.

Section 2: If any provision, section, sentence, clause, or phrase of this Order, or its application to any person or set of circumstances, is for any reason held to be unconstitutional, void, invalid, or for any reason unenforceable, the validity of the remaining portions of this Order and its application to other persons or sets of circumstances will not be affected, it being

{W0613054.2}

the intent of the Board in adopting this Order that no portion hereof or provision contained herein will become inoperative or fail by reason of any unconstitutionality or invalidity of any other portion or provision.

Section 3: The Secretary of the Board is directed to file a copy of this Order in the principal office of the District, with the Executive Director of the Texas Commission on Environmental Quality, and with the Lower Colorado Regional Water Planning Group (Region K). This Order will remain in full force and effect from the date of its adoption until amended or replaced by the Board.

Section 4. If necessary, the District's attorney is directed to publish a substantive statement of the rules or regulations contained in the Revised Plan, and the penalty for their violation, in accordance with Section 54.207, *Texas Water Code*.

* * *

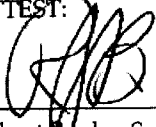
[signature page follows]

PASSED AND APPROVED this 15th day of April, 2014.

**WELLS BRANCH MUNICIPAL UTILITY
DISTRICT**

By: Donna Howe
Donna Howe, President
Board of Directors

ATTEST:


Robert Bauhs, Secretary
Board of Directors

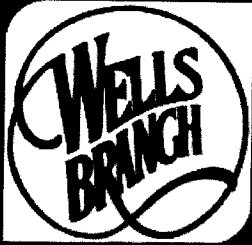


EXHIBIT "A"

WATER CONSERVATION & DROUGHT CONTINGENCY PLAN

Well Branch MUD
3000 Shoreline Drive

2014

LaCosta
ENVIRONMENTAL LLC

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INTRODUCTION

Wells Branch Municipal Utility District, "Wells Branch MUD" or the "District", is a Public Water Supplier that provides water service to customers in northern Travis County and southern Williamson County, Texas. Originally created in 1981 as North Austin Growth Corridor Municipal Utility District No. 1, the District officially became Wells Branch MUD in 1989. The District is located wholly within the extra territorial jurisdiction, outside of the city limits of the City of Austin, Texas, the "City".

Vision Statement

To continue to make Wells Branch Municipal Utility District an excellent community in which to live by providing superior and reliable services and programs which contribute to maintaining property values and the quality of life for the residents.

Mission Statement

The District works in a cost effective and efficient way to support the vision by monitoring, tracking, and ensuring quality of life in the District. Quality of life has been defined as safe water supply, well maintained amenities, recreational opportunities, general safety, and stable and appreciating property values.

The community can trace its roots to the late 1830's when settlers began to inhabit the area around Walnut Creek. The territory was then near the edge of Comanche country. In 1836, Wayman Wells and J.P. Whelan were the recipients of several land grants for their service in the Texas Revolution and the District exists today in part of that area. An original pioneer homestead building, built in 1855, is on display and located at Katherine Fleisher Park.

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The community offers a wide variety of parks and recreational facilities and amenities including a recreation center, community center, Katherine Fleisher Park, Mills Pond, two community pools, many hike and bike trails, a disc golf course, two off-leash dog parks, and a community garden. The District is also home to two elementary schools and three active homeowners associations.

Today, Wells Branch MUD continues to proudly serve water to the vibrant Wells Branch community of over 17,000 residential and commercial customers. Understanding the value of water today and into the future, the District is committed to achieving water conservation. This Water Conservation & Drought Contingency Plan is designed to serve as an educational and informational document for the people of Wells Branch as well as a regulatory compliance document for the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ).



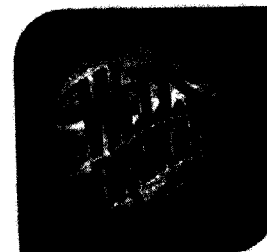
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E C O S E

L

A strategy or combination of strategies for reducing the volume of water withdrawn from a water supply source, for reducing the loss or waste of water, for maintaining or improving the efficiency in the use of water, for increasing the recycling and reuse of water, and for preventing the pollution of water.



Statutory Requirements

Texas Water Code §13.146. WATER CONSERVATION PLAN.

The [Texas Commission on Environmental Quality] shall require a retail public utility that provides potable water service to 3,300 or more connections to submit to the executive administrator of the [Texas Water Development Board] a water conservation plan based on specific targets and goals developed by the retail public utility and using appropriate best management practices, as defined by Section 11.002, or other water conservation strategies.

Regulatory Requirements

Title 30 Texas Administrative Code, Chapter 288.30(10)(A)

Water conservation plans for retail public water suppliers. For retail public water suppliers providing water service to 3,300 or more connections, a water conservation plan meeting the minimum requirements of Subchapter A of this chapter and using appropriate best management practices must be developed, implemented, and submitted to the executive administrator of the Texas Water Development Board not later than May 1, 2009, and every five years after that date to coincide with the regional water planning group.

Title 30 Texas Administrative Code, Chapter 290.38(15)

Connection--A single family residential unit or each commercial or industrial establishment to which drinking water is supplied from the system. As an example, the number of service connections in an apartment complex would be equal to the number of individual apartment units

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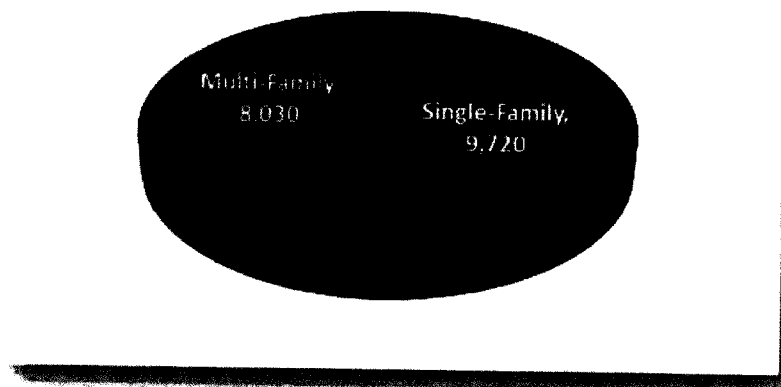
Utility Profile

A completed TWDB Retail Water Supplier Utility Profile is attached as Appendix A. The October 9, 2013 TCEQ Comprehensive Compliance Inspection Exit Interview Form is attached as Appendix B where no violations were noted.

Currently, the District provides water service to approximately 2,763 homes, 4,015 apartment units, and 43 commercial connections over a 2 square mile service area. Potable water is purchased via a water supply contract with the City and supplied through a master meter from the City. Wastewater collected by the District is delivered to the City for treatment and disposal.

Using an equivalent estimate of 3.5 people per household and 2.0 people per apartment, the District estimates the current population to be 17,701 people. Currently, 55% of the District's population live in houses and 45% live in apartments.

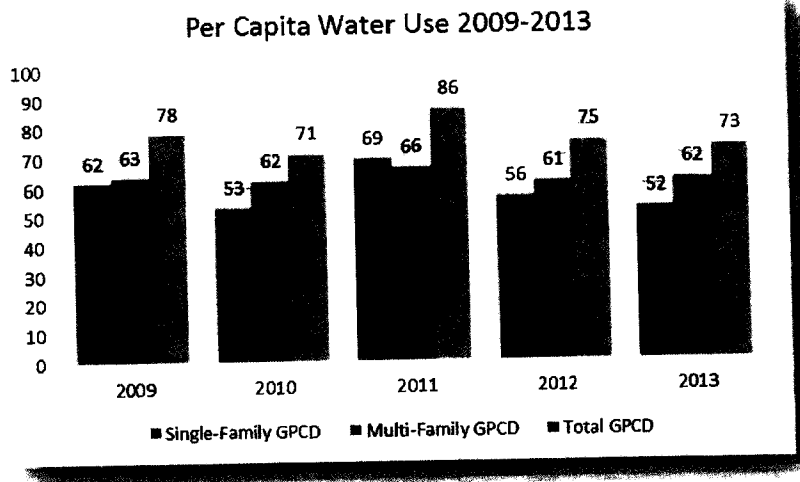
POPULATION



The population of the District continues to increase in graduated steps as multi-family residential units are added. The District has limited room for growth geographically but anticipates the addition of more multi-family residential units. The District projects that the population will be over 19,300 within a 5 year planning horizon.

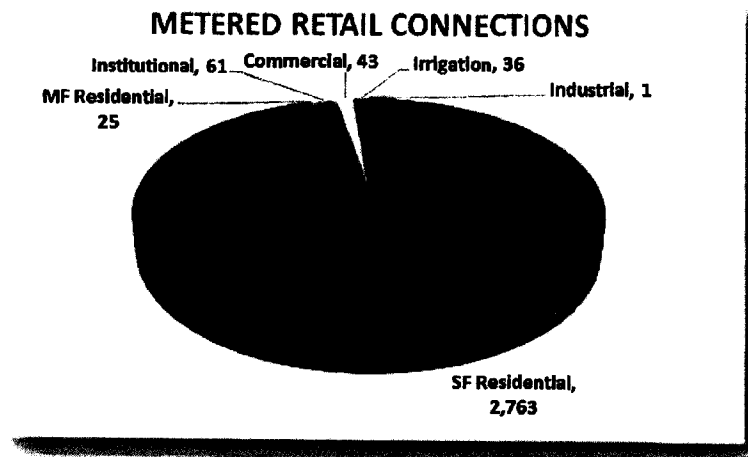
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Per capita water use, expressed as gallons per customer per day (GPCD) has remained fairly constant from 2009 to 2013. Total GPCD includes commercial and institutional uses while single and multi-family GPCD are specific to residential use. Customer education and awareness, water efficient plumbing fixtures and appliances, conservation rates, as well as water-use restrictions have all contributed to the comparatively low overall GPCD values in recent years.

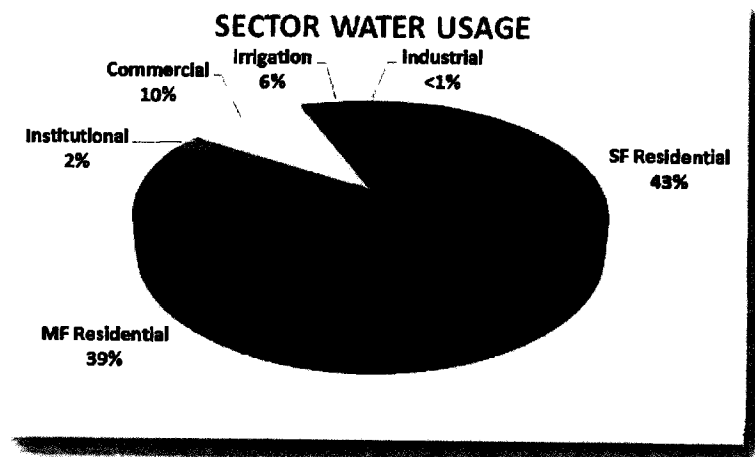


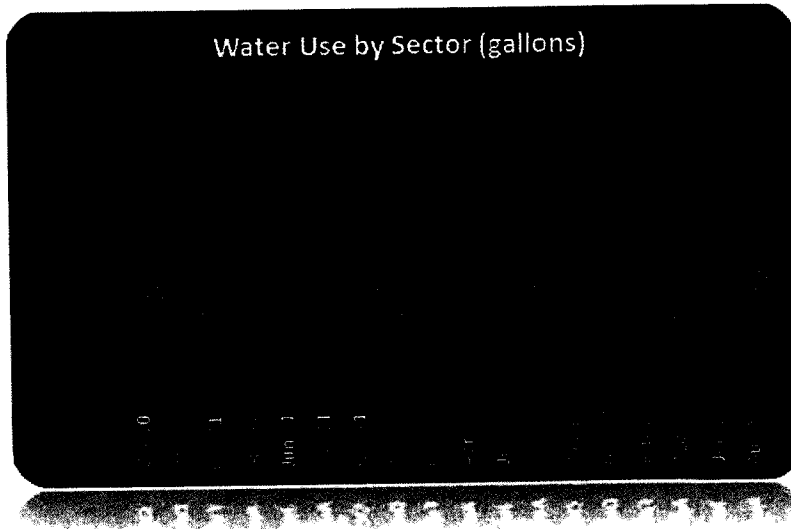
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The majority of metered retail service connections (96%) in the District are single-family residential users. The remaining 4% of water use sectors include multi-family residential, commercial, institutional, and irrigation. The District has one significant industrial user and does not have any agricultural connections.

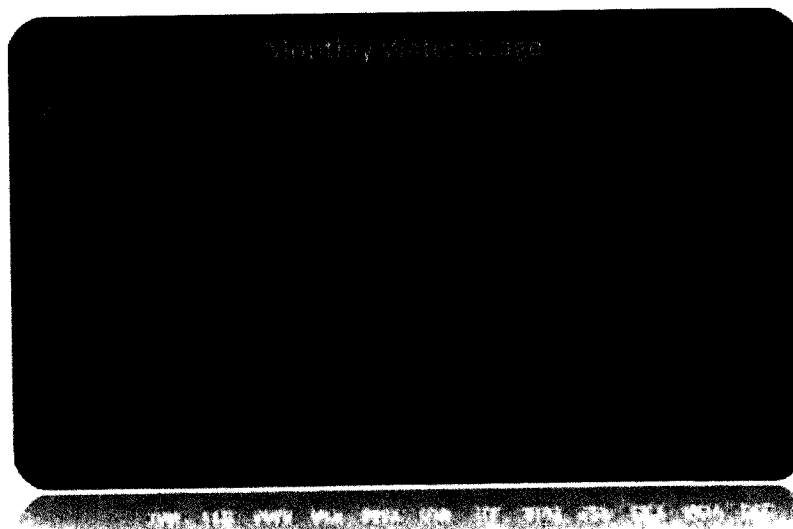


The distribution of water use for the District is shown below. Over 80% of water use in the District is residential. Residential water use is divided almost evenly between single and multi-family sectors. Commercial, institutional, and irrigation uses represent nearly 20% of water use in the District.





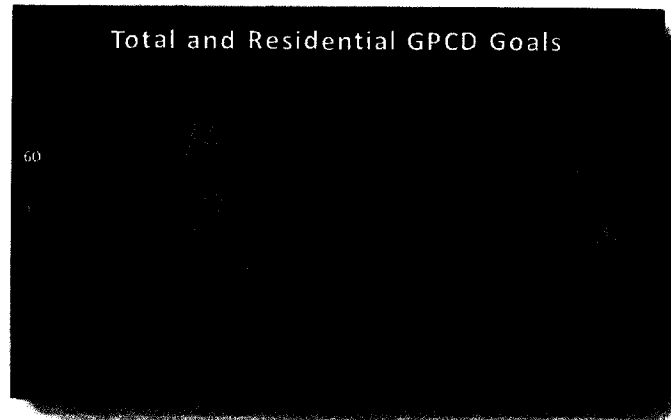
As is the case with most water systems, the District experiences a seasonal dynamic in water usage. During the growing season, outdoor water use represents a significant amount of use. The previous 5 years of monthly usage is shown below.



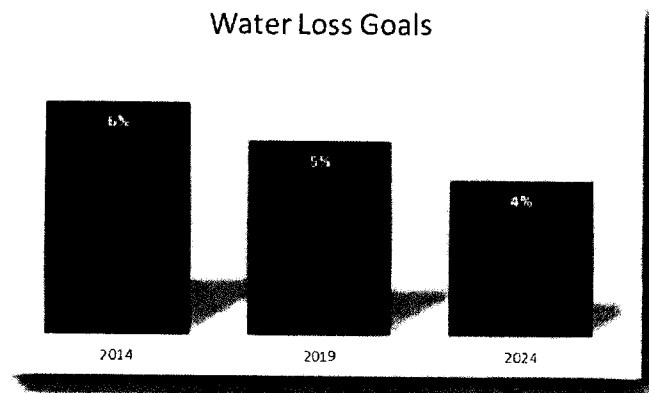
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Water Conservation Goals

The District is required to provide 5 and 10-year goals for GPCD (Total and Residential). Using the recommendation of the Water Conservation Task Force of Texas of a reduction of 0.5% per year for GPCD, the goals for the District are shown below.



The District is also required to provide 5 and 10-year goals for reducing water loss. The District's goal is to achieve an average of 1% reduction in water loss in each successive 5-year increment. Water loss and certain strategies for reducing water loss are discussed in greater detail on page 13.

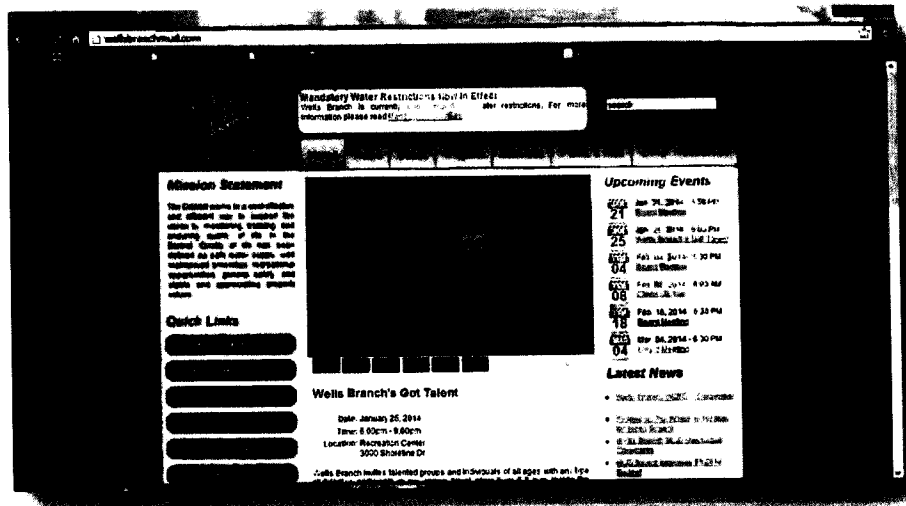


On an annual basis, the District Manager will assess the District's progress in achieving the stated GPCD and water loss goals as well as the effectiveness of water conservation activities.

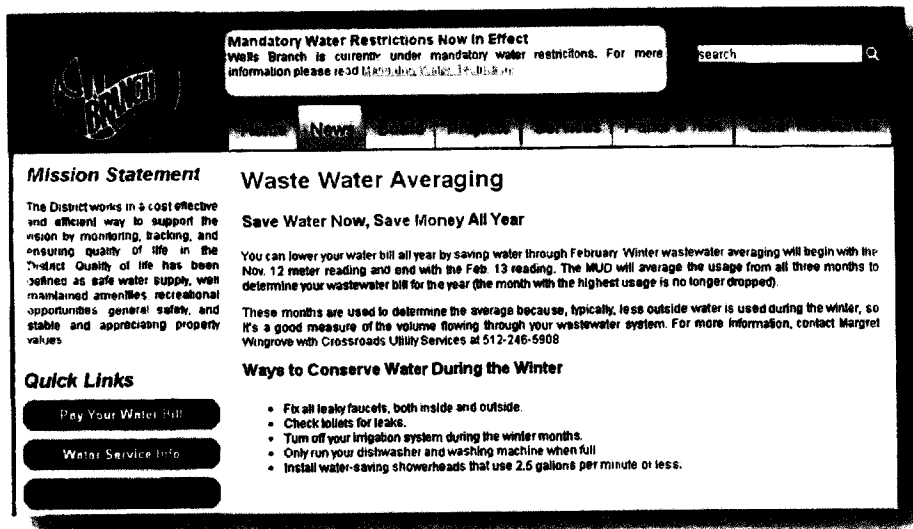
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Public Education (Conservation)

The District maintains a website: <http://www.wellsbranchmud.com> that provides information and news articles about the utility and the water supply.



The District continues to provide education and information to customers about ways to lower usage and reduce monthly water bills.



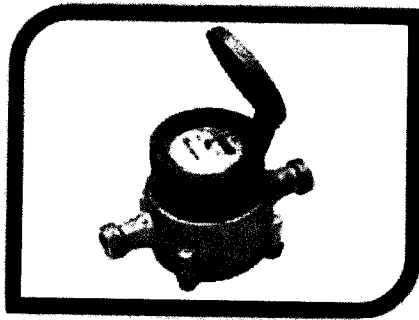
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Wells Branch MUD periodically hosts and/or sponsors water related community events for customers. The District has plans for specific water conservation activities throughout the next planning cycle. Occasionally, the District will partner with other local water systems to implement various programs or activities.

The District publishes a monthly newsletter, The Wells Branch WORD, that provides information about water conservation practices and drought contingency measures. Wells Branch MUD also provides water conservation materials to schools within the District. Indoor water conservation tips from the Texas Water Development Board are provided in Appendix C of this Water Conservation and Drought Contingency Plan.

Metering Devices

The District maintains a program of universal metering for all water accounts. All meters are purchased through the city of Austin. Inoperable meters are replaced or repaired immediately.

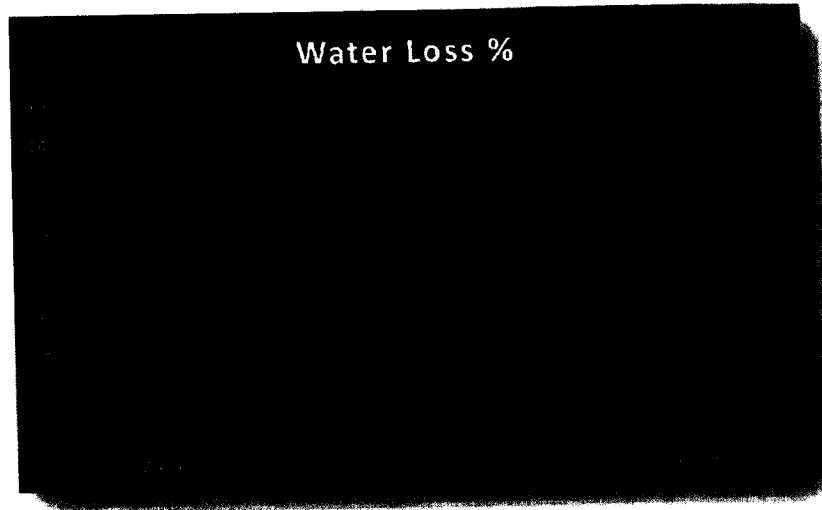


Residential meters are replaced after registering one million gallons of use. Apartment meters are tested every 6 to 9 months and calibrated, replaced, or repaired as necessary. High consumption commercial meters are tested annually and 1" meters are replaced as necessary. Chambers/registers are replaced for meters greater than 1" registering over ten million gallons.



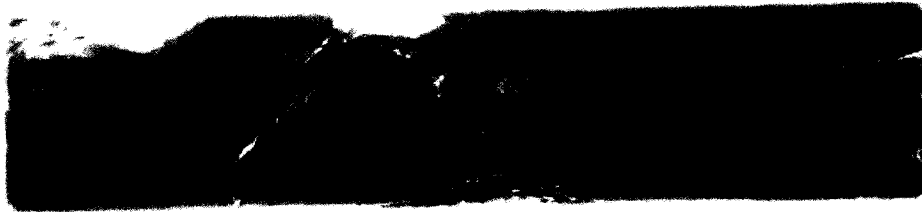
Water Loss

Water loss for the District is monitored on a monthly basis. Leak detection activities, including listening equipment, is performed as necessary when water loss data indicates the possibility of a leak. Meter readers and utility staff are continuously checking for any visual signs of water loss and high consumption. Inoperable meters are replaced routinely as discussed on page 12.



The rise in water loss during 2012 (6.07%) and 2013 (5.06%) can be partly attributable to the recent and persistent drought. Long term dry conditions can subject system components to greater stress. Due to increased efforts to control water loss, the District reports that the water loss for 2014 is 4.69% to date.

The District is well within the range of "acceptable" water loss which is generally less than 10 to 15% across the State of Texas. The District, however, will continue to maximize efforts to reduce water loss. Wells Branch MUD continues to explore state-of-the-art techniques and practices that can help to identify water loss and achieve conservation.



April 2014

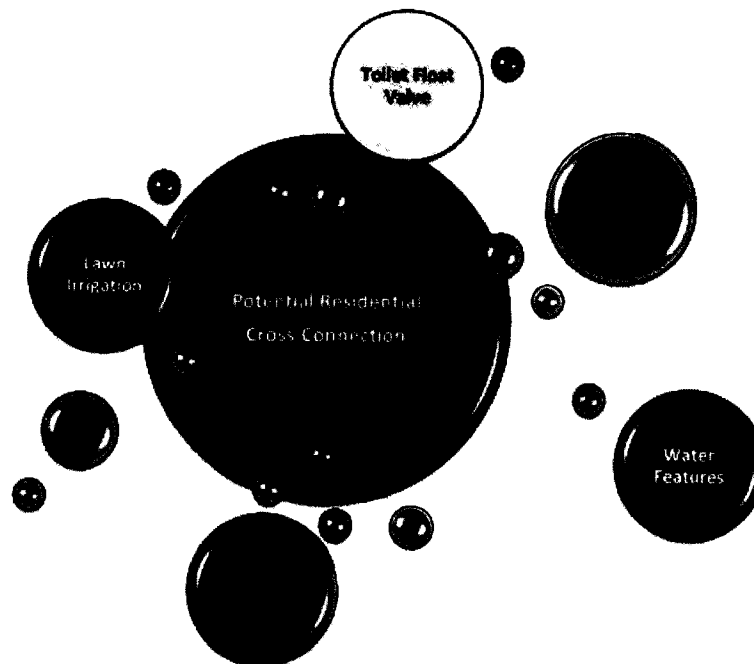
Water Rates

The District uses an inclining block rate that is cost based and does not encourage the excessive use of water.

Four inclining usage blocks (tiers) are set up in increments of six thousand gallons for residential accounts and based upon usage multipliers of base use for institutional, commercial, and multi-family accounts. The rates for each successive inclining block are designed to discourage the excessive use of water by charging an incrementally higher rate per thousand gallons. Senior citizens receive a discount off the residential base rate.

Cross Connection Control

The District maintains required cross connection control. Risk of backflow is reduced by taking steps to ensure that system pressures do not fall during periods of emergency repairs and asking for the cooperation of customers when there is a risk that system pressures could fall below safe levels. Facilities and structures determined to have a high hazard are ensured to have devices that prevent water flowing in the opposite of its intended direction, either from a loss of pressure in the supply lines or an increase in pressure on the customer's side.



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Landscape/Park Irrigation

A recent renovation of the Mills Pond Phase I and Community Center entrance landscapes by the District's landscape consultant, TexaScapes, has incorporated several state-of-the-art techniques:

Organic soil mixtures of at least 8 inch depth are in all turf and landscape areas

Soil Moist granules incorporated into the soil hold moisture within the root zone and decrease the frequency of irrigation cycles

Hunter MP Rotator Multi-Stream irrigation heads deliver water to plants at a more ideal soil absorption rate minimizing runoff to reduce watering use by up to 30%

A Hunter Rain/Freeze Click device automatically shuts the irrigation system off during a ¼ to ½ rain event or when temperatures drop below 35 degrees F

Hunter bubbler heads provide tree by tree direct watering at a 20% reduced rate

Netafim Subsurface Micro-Irrigation applies a low volume of water into the soil and root zone of turfgrass and completely eliminates surface evaporation thus reducing use from 25 to 50%

Hill Country native and low water adapted plant materials, use of river rock aggregate and cedar mulch groundcover can withstand the heat and dryness of the current drought as well as thrive once normal rainfall returns

April 2014

Periodically, the District will provide information to customers regarding water efficient landscaping and irrigation system maintenance. Materials are posted on the website and occasionally in the District newsletter as well. Currently, the District is undergoing a major initiative to move parks irrigation systems from potable water from the City to private water wells owned by the District.





The District supports the responsible use of rain barrels for water conservation purposes. Residents with rain barrels are reminded that the installation of the barrels should be done in a manner that does not detract from property values and approved in accordance with applicable restrictive covenants.



Plumbing Fixtures

The State of Texas has recently adopted more stringent water saving performance measures for plumbing fixtures, found in the Health & Safety Code Chapter 372. The following maximum flow standards are subsequently listed in the Texas Administrative Code Title 30 Chapter 290 Subchapter G:

				
Faucet 2.2 gpm	Shower head 2.5 gpm	Toilet 1.28 gpf	Urinal 0.5 gpf	Pre-rinse spray valve 1.6 gpm

Customers in existing buildings that do not have water saving plumbing fixtures are encouraged to retrofit their old plumbing fixtures. New construction, including remodeling of existing structures, must comply with City and State plumbing fixture standards. There are a wide assortment of water efficient fixtures, clothes and dish washers that provide the same performance, but use less water. A water efficient home can save more than 20% of annual indoor water use. The District currently administers a program to periodically provide to its customers free water efficient showerheads and faucet aerators obtained from the City. More information can be found on the District's website: <http://www.wellsbranchmud.com/>

Mandatory Water Restrictions Now in Effect
Wells Branch is currently under mandatory water restrictions. For more information please read [Mandatory Water Restrictions](#).

Free Water Conservation Devices

WB MUD is offering FREE water conservation showerheads and faucet aerators. They are available to Wells Branch residents and can be picked up at the WB Recreation Center, 3000 Shoreline Dr. Each household will be allowed 2 shower heads, 2 bathroom aerators, and 1 kitchen aerator.

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Water Waste

Water waste is prohibited and can be enforced at all times.

WATER WASTE

Failure to repair a controllable leak, including:

- Irrigation systems
- Plumbing fixtures
- Pipes

Operating a permanently installed irrigation system with:

- A broken or missing head
- A head that is out of adjustment where the arc of the spray head is over a street, parking area, or other impervious surface

During irrigation:

- Allowing water to run off a property
- Allowing water to pond to a depth greater than $\frac{1}{4}$ of an inch in a street, parking area, or other impervious surface

DROUGHT CONTINGENCY PLAN

A strategy or combination of strategies for temporary supply and demand management responses to temporary and potentially recurring water supply shortages and other water supply emergencies.



Statutory Requirements

Texas Water Code, Sec. 11.1272(a) ADDITIONAL REQUIREMENT: DROUGHT CONTINGENCY PLANS FOR CERTAIN APPLICANTS AND WATER RIGHT HOLDERS.

The [Texas Commission on Environmental Quality] shall by rule require wholesale and retail public water suppliers and irrigation districts to develop drought contingency plans consistent with the appropriate approved regional water plan to be implemented during periods of water shortages and drought.

Regulatory Requirements

Title 30 Texas Administrative Code, Chapter 288.30(5)(A)

For retail public water suppliers providing water service to 3,300 or more connections, the drought contingency plan must be submitted to the executive director not later than May 1, 2005. Thereafter, the retail public water suppliers providing water service to 3,300 or more connections shall submit the next revision of the plan not later than May 1, 2009, and every five years after that date to coincide with the regional water planning group.

April 2014

Declaration of Policy, Purpose, and Intent

In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and fire protection, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of water supply shortage or other water supply emergency conditions, the District hereby adopts the following regulations and restrictions on the delivery and consumption of water.

Authorization

The Board of Directors and District Manager are hereby authorized and directed to implement the applicable provisions of this Drought Contingency Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. The Board of Directors and District Manager shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Drought Contingency Plan.

Application

The provisions of this Drought Contingency Plan shall apply to all persons, customers, and property utilizing water provided by the District. The terms "person" and "customer" as used in this Drought Contingency Plan include individuals, corporations, partnerships, associations, and all other legal entities.

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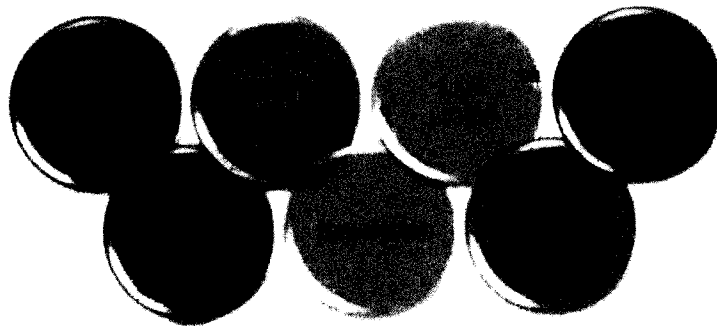
Public Involvement

Opportunity for the public to provide input into the preparation of this Drought Contingency Plan was provided through the District's scheduling and providing public notice of a public meeting at which members of the public were provided with an opportunity to provide input to the Board on this Drought Contingency Plan. Ongoing public involvement continues to be provided by means of:

Mailing	3000 Shoreline Drive, Austin, TX 78728
Telephone	(512) 251-9814
Website	WellsBranchMUD.com
Events	Periodic water related activities Citizens communication at Board meetings

Public Education (Drought)

The District will periodically provide the public with information about this Drought Contingency Plan, including information and/or notification about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. Water conservation tips and information will also be provided. This information may be provided by means of:



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