



Control Number: 42931



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PUBLIC UTILITY COMMISSION
FILING CLERK

APPLICATION OF MANVILLE §
WATER SUPPLY CORPORATION §
AND LAKESIDE WATER CONTROL §
AND IMPROVEMENT DISTRICT §
NO. 1 FOR APPROVAL OF A §
SERVICE AGREEMENT IN TRAVIS §
COUNTY §

PUBLIC UTILITY COMMISSION

OF TEXAS

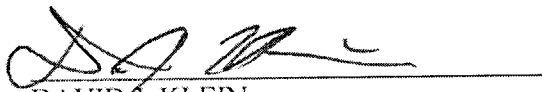
**LAKESIDE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1'S
RESPONSE TO COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION
QUESTION NOS. STAFF 3-1 THROUGH STAFF 3-2**

Pursuant to 16 Tex. Admin. Code ("TAC") § 22.144, comes now Lakeside Water Control and Improvement District No. 1 (the "District"), by and through its undersigned attorneys of record, and files this Response to the Public Utility Commission ("Commission") Staff's Third Request for Information to Lakeside Water Control and Improvement District No. 1 Question Nos. Staff 3-1 through Staff 3-2 ("RFI"). This response may be treated by all parties as if it was filed under Oath.

Respectfully submitted,

**LLOYD GOSSELINK ROCHELLE &
TOWNSEND, P.C.**

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ATTORNEYS FOR LAKESIDE WATER
CONTROL AND IMPROVEMENT DISTRICT
NO. 1

DOCKET NO. 42931

LAKESIDE WCID NO. 1'S RESPONSE TO
COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION
QUESTION NOS. STAFF 3-1 THROUGH STAFF 3-2

Staff 3-1 Please provide a letter from the District's financial advisor indicating that, (a) the District has the financial ability to pay all debt service for the next two years, and (b) the District has the ability to issue bonds to cover any required improvements to provide continuous and adequate service in the area requested.

RESPONSE: Please see the letter from the District's financial advisor, attached hereto as Attachment 1.

Prepared by: David Klein
Sponsored by: John Barganski



John Barganski
Director

June 28, 2016

Ms. Margaret Uhlig Pemberton
Division Director
Public Utility Commission of Texas
1701 N. Congress Avenue
Austin, Texas 78711

Dear Ms. Pemberton:

This letter is written in connection with the Application of Manville Water Supply Corporation and Lakeside Water Control and Improvement District 1 for Approval of a Service Agreement in Travis County (Docket No. 42931).

Staff 3-1: Please provide a letter from the District's financial advisor indicating that, (a) the District has the financial ability to pay all debt service for the next two years, and (b) the District has the ability to issue bonds to cover any required improvements to provide continuous and adequate service in the area requested.

Sponsor: John Barganski, FirstSouthwest, a Division of Hilltop Securities

Answer: As the District's Financial Advisor, I believe the District does have the financial ability to pay all debt service for the next two years. Also, the District is able to issue bonds in an amount sufficient to cover any required improvements to provide continuous and adequate service in the area requested.

Please let me know if you have any questions.

Sincerely,

John Barganski
Director

cc: Mr. David Klein, Lloyd Gosselink Rochelle & Townsend, P.C.
Ms. Christie Dickenson, Lloyd Gosselink Rochelle & Townsend, P.C.

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LAKESIDE WCID NO. 1
Statement of Projected Revenues and Expenditures
Budget for the Fiscal Year October 1, 2015 to September 30, 2016

Revenues

Water Service	\$ 365,000
Sewer Service	265,000
Maintenance Taxes	620,289
Interest Income	<u>4,000</u>
Total Revenues	<u>1,254,289</u>

Expenditures

Audit Fees	10,500
Legal Fees	65,000
Accounting Fees	12,000
Engineering Fees	25,000
Lease Purchase	172,742
Water Fees	202,000
Sewer Fees	265,000
City of Pflugerville Fees	95,000
Maintenance	125,000
Director Fees and Payroll Taxes	10,000
Insurance	3,000
Appraisal and Collection Fees	7,000
Other Fees	10,000
Bank Charges	300
Meeting expense	3,000
Mileage Reimbursement	500
MS4 permitting	12,500
Channel & outfall maintenance	5,000
Website Development & Maintenance	20,000
Sewer CCN application - legal	6,000
PUC CCN Legal Fees	2,000
Land Acquisition Feasibility	<u>20,000</u>
Total Expenditures	<u>1,071,542</u>

Projected Excess Revenue Over Expenditures	182,747
Operating Fund Bank Balance 9/30/15	<u>1,677,582</u>
Projected Operating Fund Bank Balance 9/30/16	<u>\$ 1,860,309</u>

LAKESIDE WCID NO. 1

Budget for the Fiscal Year October 1, 2015 to September 30, 2016

<u>Property Taxes</u>		<u>Debt</u>	<u>M & O</u>
Taxable value	\$ 134,669,829		
Tax rate		\$ 0.33	\$ 0.47
Tax levy		<u>\$ 444,410</u>	<u>\$ 632,948</u>
98% collection rate		<u>\$ 435,522</u>	<u>\$ 620,289</u>

<u>Wastewater</u>	
Wastewater	Provider fee
<u>\$265,000</u>	<u>\$265,000</u>

<u>Water</u>		
Water	City fee	Provider fee
<u>\$365,000</u>	<u>\$95,000</u>	<u>\$202,000</u>