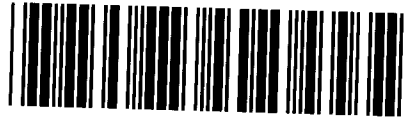


Control Number: 43175



Item Number: 38

Addendum StartPage: 0

SOAH DOCKET NO. 473-15-2274.WS  
PUC DOCKET NO. 2015-175N 26 AM 9:55

APPLICATION OF COMMUNITY §  
WATER SERVICE, INC. and WALTER J. § BEFORE THE STATE OFFICE  
CARROLL WATER COMPANY, INC. §  
FOR SALE, TRANSFER, OR MERGER § OF  
OF FACILITIES AND CERTIFICATE §  
RIGHTS IN ELLIS COUNTY § ADMINISTRATIVE HEARINGS

WALTER J. CARROLL WATER CO., INC.'S NOTICE OF FILING SUPPLEMENTAL DOCUMENTATION IN SUPPORT OF APPLICATION

COMES NOW Walter J. Carroll Water Co., Inc., and files this *Notice of Filing Supplemental Documentation in Support of Application* and requests that the Administrative Judge assigned herein and all parties of record take notice of the Exhibits attached hereto, listed below, and filed herein, in support of the above-referenced Application.

<u>Exhibit</u>	<u>Description</u>
A-20	Supplemental documentation regarding Walter J. Carroll Water Company's financial wherewithal necessary to purchase Red Oak Community Water System as indicated in the Application filed herein.
A-21	Documentation of Walter J. Carroll Water Company Inc.'s Water and Wastewater Utilities Annual Report for 2014.
A-22	Documentation evidencing Walter J. Carroll Water Company timely paid all regulatory assessment fees for Reporting Year 2014 which were due in January 2015.

These documents have been redacted so as to redact Walter J. Carroll Water Company's financial account numbers

Respectfully submitted,

WEYCER, KAPLAN, PULASKI & ZUBER, P.C.



---

CORY D. HALLIBURTON

State Bar No. 24041044

3030 Matlock Road, Suite 201

Arlington, TX 76015

Telephone: (817) 795-5046

Facsimile: (866) 248-4297

[challiburton@wkpz.com](mailto:challiburton@wkpz.com)

ATTORNEYS FOR WALTER J. CARROLL  
WATER CO., INC.

**CERTIFICATE OF SERVICE**

The undersigned does hereby certify that on this 23<sup>rd</sup> day of June, 2015, a true and correct copy of the forgoing Notice of Filing Supplemental Documentation in Support of Application thereto have been forwarded to the parties listed on the service list below via Certified Mail, Return Receipt Requested. I certify that this Certificate of Service complies with Title 1, Part 7, Chapter 155, Subchapter C, Rule § 155.103 of the Texas Administrative Code.



---

Cory Halliburton

**SERVICE LIST**

<u>PARTIES</u>	<u>REPRESENTATIVE / ADDRESS</u>
SOAH	<p><u>CM/RRR#7013 0600 0001 8792 4950</u>                      The Honorable Lilo D. Pomerleau                      State Office of Administrative Hearings                      PO Box 13025                      Austin, Texas 78711-3025</p>
PUBLIC UTILITY COMMISSION	<p><u>CM/RRR #7013 0600 0001 8792 4967</u>                      Mr. Doug M. Brown                      Attorney-Legal Division                      Public Utility Commission                      1701 N Congress Ave., Ste 8-110                      Austin, TX 78711</p>
Walter J Carroll Water Co., Inc.	<p>Mr. Walter Carroll                      Walter J. Carroll Water Co., Inc.                      513 Winding Creek Trail                      Red Oak, TX 75154</p>
Community Water Service, Inc.	<p><u>CM/RRR#7011 1570 0001 6654 9593</u>                      Ms. Bonnie Frame                      Community Water Service, Inc.                      P.O. Box 850155                      Mesquite, TX 75185</p> <p><u>CM/RRR#7011 3500 0003 3093 2942</u>                      Mr. Dustan Dewinne                      Consulting Environmental Engineers, Inc.                      150 N. Harbin Dr., Ste. 408                      Stephenville, TX 76401</p>
City of Red Oak	<p><u>CM/RRR#7011 3500 0003 3093 2935</u>                      Mr. Albert E. Lawrence Jr.                      City of Red Oak                      200 Lakeview Parkway                      Red Oak, TX 75154</p> <p><u>CM/RRR#7013 0600 0001 8792 4943</u>                      Mr. Robert E. Hager                      NICHOLS, JACKSON, DILLARD,                      HAGER &amp; SMITH, L.L.P.                      1800 Ross Tower                      500 North Akard                      Dallas, Texas 75201</p>



NATIONAL BANK  
An Independent Bank

Main Office  
7621 Inwood Road • Dallas, Texas 75209  
214/358-5281



Date 5/29/15  
Account Number  
Enclosures

Page 1  
[Redacted]  
38

WALTER J CARROLL WATER COMPANY INC  
513 WINDING CREEK  
RED OAK TX 75154

"INWOOD NATIONAL BANK'S 24-HOUR TELEPHONE BANKING"  
ACCESS YOUR ACCOUNT ANYTIME DAY OR NIGHT  
DIAL 214-366-0943

.....CHECKING ACCOUNT.....

YOU CAN HELP SAVE THE ENVIRONMENT BY SIGNING UP FOR FREE  
E-STATEMENTS FROM INWOOD. LOG IN TO NETTELLER AND CLICK ON  
THE E-STATEMENTS TAB. MAKE THIS YOUR LAST PAPER STATEMENT.

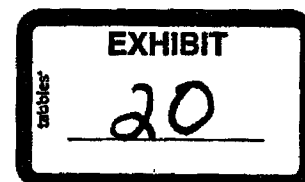
Business Checking		Number of Enclosures	38
Account Number	[Redacted]	Statement Dates	5/01/15 thru 5/31/15
Previous Balance	15,225.88	Days in the statement period	31
10 Deposits/Credits	58,208.46	Average Balance	36,515.99
33 Checks/Debits	38,232.96	Average Collected	35,564.73
Service Charge	.00		
Interest Paid	.00		
New Balance	35,201.38		

..... DEPOSITS AND OTHER ADDITIONS .....

Date	Description	Amount
5/06	Deposit	40,000.00 ✓
5/08	Deposit Correction Credit	31.42 ✓
5/08	Deposit	3,079.12 ✓
5/11	Deposit	1,629.15 ✓
5/12	Deposit	2,770.12 ✓
5/15	Deposit	2,872.76 ✓
5/18	Deposit	2,462.14 ✓
5/19	Deposit	1,843.82 ✓
5/26	Deposit	1,598.75 ✓
5/26	Deposit	1,921.17 ✓

..... CHECKS AND WITHDRAWALS .....

Date	Description	Amount
5/04	INS PREM State Mutual PPD	97.34 ✓



**WATER AND WASTEWATER UTILITIES  
ANNUAL REPORT**

**Docket No.** \_\_\_\_\_

(this number will be assigned by the Public Utility Commission after your document is filed)

*of*

Carroll Water Co., Inc.  
Exact Legal Name of Utility/Respondent

11543

Certificate of Convenience and Necessity (CCN) No.

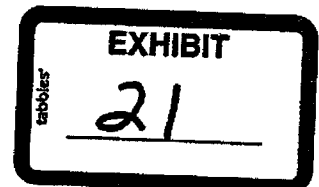
*Submitted to the*



*for the*

**Calendar Year Ended**

12-31-2014



**Section 1: Utility Information**

Utility Name Carroll Water Co. Inc.  
Address 513 Winding Creek Trail  
Red Oak, Tx 75154

Please check this box if your Official Address, which is noted on the enclosed letter, has changed.

Telephone Number 972-617-0817 Fax Number 972-617-0817  
E-mail Address carrollwater@att.net  
Contact Person Patty Hilton Title Secretary

Check the business ownership entity of the utility as filed with the Internal Revenue Service

Individual     Partnership     Corporation     Nonprofit Association

**Section 2: Utility Background**

Water CCN No. \_\_\_\_\_  
Number of PWSs 11543  
TCEQ PWS ID No. 4  
TCEQ PWS ID No. 0700063, 0700058  
(if the utility has more PWS ID Nos., please indicate in Section 10) 0700057, 0700064

Number of Wastewater Systems \_\_\_\_\_  
Sewer CCN No. \_\_\_\_\_  
TCEQ Sewer Discharge Permit No. \_\_\_\_\_  
TCEQ Sewer Discharge Permit No. \_\_\_\_\_  
(if the utility has more Discharge Permit Nos., please indicate in Section 10)

### Section 3: Revenues

	Water	Wastewater	Total Water + Wastewater
<b>OPERATING REVENUES:</b>			
Utility Service/Sales	256,160	—	\$ 0.00
Fees (Tap, Reconnection, etc.)	15,622	—	\$ 0.00
<b>OTHER REVENUES:</b>			
Please Identify:	—	—	\$ 0.00
<b>TOTAL REVENUES</b>	<b>271,782</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>

### Section 4: Expenses

	Water	Wastewater	Total Water + Wastewater
Salaries & Wages	73,800	/	\$ 0.00
Contract Labor	1,790	/	\$ 0.00
Purchased Water	-0-	/	\$ 0.00
Chemicals for Treatment	9,820	/	\$ 0.00
Utilities (electricity)	33,091	/	\$ 0.00
Repairs/Maintenance/Supplies	39,700	/	\$ 0.00
Office Expenses (3)	13,539	/	\$ 0.00
Professional Fees (Accounting, Legal)	3,455	/	\$ 0.00
Insurance	2,921	/	\$ 0.00
Depreciation & Amortization	23,323	/	\$ 0.00
Miscellaneous (describe in remarks below) (1)	11,980	/	\$ 0.00
Subtotal	213,419	\$ 0.00	\$ 0.00
<b>Taxes:</b>			
Federal Income Taxes	5,901	/	\$ 0.00
Property and Other Taxes (Payroll, etc.)	1,798	/	\$ 0.00
Regulatory Expenses (Rate Case, Permits)	3,326	/	\$ 0.00
Other (describe in remarks below) (2)	9,950	/	\$ 0.00
<b>TOTAL EXPENSES</b>	<b>234,394</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>

Remarks: (1) Includes samples, training, & other fees  
 (2) Includes vehicle loan & other misc.  
 (3) Includes bank fees & telephones



**Section 5: Operating Items**

<b>Debt Information:</b>	
Annual interest expense on long and/or short term debt?	\$ 5,824.68
Annual principal payment on debt?	\$ 861.72
Annual interest rate on debt?	4.49 %
Annual debt principal and interest?	\$ 6,686.40
Principal balance on outstanding debt at end of this reporting period?	\$ 19,645.77
<b>Regulatory Assessment Fee:</b>	
What was the Regulatory Assessment fee amount submitted to TCEQ for the applicable Calendar Year	\$ 2,599.99
<b>Rate Change:</b>	0700063
What was the effective date of the last Rate Change?	0700064
	0700057
	0700058
	<u>July 2010</u>

**Section 6: Customer Information**

Connection Type	Number of Connections at	
	Beginning of the Calendar Year	End of the Calendar Year
Water		
Total	454	456

Connection Type	Number of Connections at	
	Beginning of the Calendar Year	End of the Calendar Year
Wastewater		
Total	—	—

**Section 7: Water Production & Consumption**

A What is the total amount of water produced/pumped?	<u>514,273</u> gallons
B What is the total amount of water sold/billed?	<u>316,373</u> gallons
C How much water was lost?	<u>198,254</u> gallons
What is the total percent of water loss?	<u>39</u> %

To calculate the above, please reference the attached document Water and Wastewater Utilities Annual Report Instructions. Comments?

**Section 8: Wastewater Treated**

What is the total amount of wastewater treated?	<u>NA</u> gallons
Comments?	

**Section 9: Utility Management & Operations Assessment**

Utility Policy and Procedures

Do you have an Application Form or Formal Process for New Customers?  Yes  No

Do you have a copy of your approved tariff and drought contingency plan for customers to review?  Yes  No

Do you have Written Operating Procedures for Routine Operations?  Yes  No

Do you have Written Emergency Actions Plan(s)?  Yes  No

Do you have Written Personnel Procedures?  Yes  No

Do you have Risk Management & Safety Policies?  Yes  No

Do you have Customer Service Policies (including billing & collection)?  Yes  No

Do you have a Written Budget (normally updated annually)?  Yes  No

Did you or any utility staff attend any other utility/business related conferences?  
this year? If so, please list them in Section 10.

Do you record complaints or keep a complaint log?

Yes  No

Is a customer service representative, water system employee, or  
answering service accessible by phone at all times to all customers?

Yes  No

**Rules and Regulations**

If you own/operate a public water system, do you have a copy of  
or have access to 30 Texas Administrative Code (TAC) Chapter 290?

Yes  No

If you own/operate a sewer system, do you have a copy of or have access  
to 30 TAC 30 Subchapter J, 30 TAC 217, 30 TAC 308, and 30 TAC 309?

Yes  No

Do you have a copy of or have access to the TAC 16?

Yes  No

Do you have a copy of or have access to Texas Water Code Chapter 13?

Yes  No

**Administrative Information**

Do you notify customers prior to shutting down the system for repairs?

Yes  No  Sometimes  Only if greater than 2 hours

How do you keep your customers informed?

Billing Statements  Newsletter  Meetings

Other \_\_\_\_\_

Are water records kept separate from other business and personal records?

Yes  No

Are records kept for additions to fixed assets?

Yes  No

Is the financial position of the system reviewed at least quarterly?

Yes  No

Are accounting records for water and wastewater kept separately?

Yes  No

**Section 10: Remarks (please feel free to attach additional pages if necessary)**

PW ID# 0700064  
0700058  
6700057  
0700063

**Section 11: Sworn Statement**

I HEREBY CERTIFY THAT THE INFORMATION PROVIDED IN THIS REPORT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. (This document MUST be signed by the President or Owner of the Utility)

This 29 day of May, 2015.

President or Owner:

Walter J. Carroll

(Signature)

Walter J. Carroll

(Printed name)

**TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**  
 Revenue and Regulatory Assessment Report  
 For PUBLIC UTILITY

UTILITY: CARROLL WATER

ACCOUNT: 11543

Revenue and Regulatory Assessment Report for the Calendar Year 2014	
1. Enter total revenues from retail water and sewer service in year 2014	1. 255,999.21
2. Enter amount collected OR multiply item 1 by 0.01	2. 2,559.99
3. Late payment penalty: 5% - If paid after January 30th and before March 1st - multiply line 2 by 0.05 10% - If paid after March 1st - multiply line 2 by 0.10	3. 0.00
4. Late payment interest, 1% per month if paid after March 31st: a. Multiply line 2 by 0.01 = monthly interest due, then b. Multiply monthly interest due by the number of months payment is made after March 31, rounded to the nearest month.	4. 0.00
5. Amount due and payable (Add lines 2, 3, and 4).	5. 2,559.99

Please note if the utility was inactive for more than a month during the year or experienced other circumstances which affected revenues (attach an additional page if necessary):

I declare that the above information is true and correct to the best of my knowledge and belief.

Signature Patty Hilton Date 01, 23, 15  
 Preparer's name Patty Hilton Phone number 214-476-983  
 (Please Print)

VIPP Form WC04C6 / TCEQ-20098

**Calendar Year 2014**  
**REVENUE & REGULATORY ASSESSMENT REPORT**  
 For PUBLIC UTILITY

PLEASE RETURN ENTIRE ORIGINAL FORM  
 WITH CHECK OR MONEY ORDER PAYABLE TO:



**TEXAS COMMISSION ON  
 ENVIRONMENTAL QUALITY**



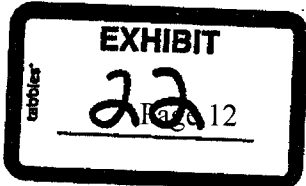
CARROLL WATER  
 513 WINDING CREEK TRL  
 RED OAK, TX 75154-3965

AMOUNT ENCLOSED	ACCOUNT NO.
2,559.99	11543

CHECK HERE IF YOUR ADDRESS OR YOUR PHONE NUMBER HAVE CHANGED. PLEASE INDICATE ADDRESS OR PHONE NUMBER CHANGE ON BACK.

**PAYMENTS NOT RECEIVED BY JANUARY 30,  
 WILL RECEIVE A NOTICE OF VIOLATION**

0000011543 1533242 00000000000130151



<small>WALTON A. CARROLL 8871          110 WILSON CIRCLE, BIRMINGHAM, AL 35202          205 963 7510</small>		<b>23923</b> <small>NUMBER</small>
		DATE <u>1-23-15</u>
PAY TO THE ORDER OF <u>Texas Commission on Environmental Quality</u>	\$ <u>2,559.99</u>	
<u>Two Thousand Five Hundred Fifty Nine &amp; 99/100</u>		DOLLARS & <u>00</u>
<small>FOR DEPOSIT ONLY</small>		
FOR <u>1700</u>	<u>11547</u>	<u>Robert J. Carroll</u>
<small>#0289237 CA</small>		

Check 23923 Amount \$2,559.99 Date 1/29/2015