

Control Number: 43340



Item Number: 9

Addendum StartPage: 0



WATERENGINEERS, INC.

WATER & WASTEWATER TREATMENT CONSULTANTS

17230 HUFFMEISTER ROAD, SUITE A~CYPRESS, TEXAS 77429-1643

TEL: 281-373-0500 FAX: 281-373-1113 RECEIVED

2014 NOV 14 AM 11:34

PUBLIC UTILITY COMMISSION
FILING CLERK

November 13, 2014

Public Utility Commission of Texas
Central Records
1701 N. Congress, Suite 8-100
Austin, TX 78701

Re: Application from Crystal Springs Water Company, Inc.
to Amend Water CCN No. 11373 in Montgomery County, TX
Docket No. 43340

Dear Mr. Henley:

Please accept the following in response to Order No. 3 – Finding Application Deficient, Establishing Deadlines and Opportunity to Cure for Crystal Springs Water Company, Inc. and Memorandum from Mary Lupo, Water Utility Division – Docket No. 43340.

1. **SUBMITTAL OF PLANS AND SPECIFICATIONS:** The water system plans and specifications were originally submitted to TCEQ in May 2014. However, a series of miscommunications resulted in the submittal being “dumped”, unbeknownst to us. We have resubmitted the plans and specifications to TCEQ and they are currently under review (Plan Review Log No. P-10142014-109).
2. **SUBMITTAL OF A PLANNING REPORT:** In a conversation with Ms. Mary Lupo on October 30, 2014, regarding the planning report, she indicated that the inclusion of that requirement was in error and should be disregarded.
3. **SUBMITTAL OF ANTICIPATED COSTS FOR THE PROPOSED SYSTEM:** The anticipated costs for the proposed system were included in the Pro Forma located in Attachment K of the original application. In the same October 30, 2014 conversation with Mary Lupo, I directed her to the location in the application where the anticipated cost of the proposed system was located, fulfilling the requirement of this item.
4. **SUMBITTAL OF DOCUMENTATION INDICATING ABILITY TO FINANCE OR PAY FOR THE PROPOSED SYSTEM:** Please find attached Financial Statement information and a Bank Letter indicating ability to pay and/or finance costs associated with the system.
5. **SUBMITTAL OF TCEQ INSPECTION REPORT:** Please find attached the most recent TCEQ inspection report on TCEQ ID Number 1700622.

Mr. Hollis Henley
November 13, 2014
Page 2

Please feel free to contact me if you require any additional information or if you have any questions regarding this submittal.

Sincerely,
WATERENGINEERS, INC.

A handwritten signature in cursive script that reads "Shelley Young". The signature is written in black ink and is positioned above the printed name and title.

Shelley Young, P.E.
Project Engineer

Encl. – 10 copies of attachments

Crystal Springs Water Co., Inc.

P.O. Box 603
Porter, Texas 77365
281-354-5136

November 6, 2014

WaterEngineers, Inc.
Shelly Young
17230 Huffmeister Road
Cypress, TX 77429

RE: Financial Structure
Construction Financing
Willis Waukegan WS, SS

Shelly;

Attached are the 2014 Financial Statements for Crystal Springs Water Co., Inc., Martin Realty & Land, Inc. and Tom A. Martin Personally.

As shown, Crystal Springs Water Co., Inc. has sufficient financial strength to pay for the entire water plant and infrastructure. It also has the financial strength to pay for 20% or more of our new sewer System, along with the borrowing ability to finance up to 80% of new sewer systems.

Tom A. Martin personally has the financial strength to lend Crystal Springs Water Co., Inc. any borrowing needs to complete the planned sewer systems if Crystal Springs chooses to borrow (in house) rather than thru outside financial sources.

Sincerely,



Tom A. Martin, President
Crystal Springs Water Co., Inc.

P.S. Crystal Springs, Martin Realty and Tom A. Martin together have over \$1,000,000 in lines of credit.

Crystal Springs Water Co., Inc.

P.O. Box 603
Porter, Texas 77365
281-354-5136

Financial Statement October 13, 2014

Assets:

Cash & Current Assets;	
Cash & Checking Accounts	\$ 200,994
C.D.'s, Money Market Accounts, Reserves	221,828
	<hr/>
	\$ 422,822
Customer Base – 24 Systems, 3271 Customers	\$4,906,500
2 Sewer Systems – 1180 Customers	1,770,000
Sewer Infra Structure – New Sections	325,000
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	\$7,001,500
Company Equipment	\$ 410,000
Company Vehicles	175,000
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	\$ 585,000
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Total Assets	\$7,586,500

Liabilities:

Short Term Notes Payable	\$ 85,550
Sewer Plant Expansion	313,915
Misc.	10,000
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Total Liabilities	(\$409,465)
	<hr/>
Net Worth	\$7,177,035

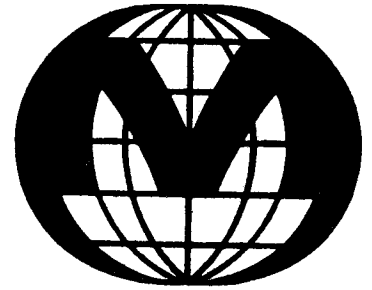


MARTIN REALTORS®

P.O. Box 603, Hwy. 59 North at FM 1314

Porter, Texas 77365

Telephone: 281-354-5141



**Martin Realty & Land Inc.
Financial Statement
October 13, 2014**

Assets:

Liquid Assets:

Cash, Operating Account	\$209,105
Accrual & Trust Accts.	435,859
CD's, Money Market Accts.	81,642
	<hr/>
	\$ 726,606

Current Assets:

Notes Receivable	\$1,011,350
Commissions Pending	56,910
Project Commissions	72,950
	<hr/>
	\$1,141,210

Subdivision Ownership Percentage:

B&T Properties (75%)	\$ 31,056
Little Princess (50%)	1,454,268
M&M Farms (50%)	245,967
Timberland West (5%)	217,007
Splendor North (50%)	657,500
White Oak-Splendor (50%)	814,000
Tram/Hill & Dale 9.9 Acres	99,000
	<hr/>
	\$3,518,798

Office Building, Equipment, Fixtures \$ 900,000

Total Assets \$6,286,614

Liabilities:

Current Liabilities	\$ 15,000
Agent Commissions	51,065
Splendor North Property	226,944
White Oak-Splendor	335,556
Tax Acruals (Property & IRS)	30,000
	<hr/>

Total Liabilites \$ 658,565

Net Worth \$5,628,049



MARTIN REALTY & LAND, INC.

**Tom A. Martin
P.O. Box 603
Porter, Texas 77365**

**October 2014
Financial Analysis**

Assets

Cash & Liquid Assets \$ 2,141,723
Real Estate Partnerships \$16,258,397
Real Estate (Other) \$ 4,293,212
Automobiles \$ 162,500
Equip/Furniture \$ 50,000
Personal Property & Rent Property \$ 7,945,000

Liabilities

T.A. Martin Properties \$ 709,685
T.A. Martin Line of Credit \$ 51,808
Building/Warehouse \$ 238,818
Property Tax Accruals \$ 50,000
Miscellaneous \$ 15,000

Total Assets \$30,850,832

Total Liabilities \$ 1,065,311

Net Worth (Assets-Liabilities) \$29,785,521

Total Liabilities & Net Worth \$30,850,832

This financial statement is for the purpose of securing or maintaining credit,
And is true and accurate to the best of my knowledge.

Date: 10/14/14


Tom A. Martin

Borrower: Tom A. Martin
Social Security Number 443-38-1837
Date Of Birth 9/30/40
Employment: Martin Realty & Land Inc.

Address: P.O. Box 603
Porter, Texas 77365
Phone: 281-354-5141
Fax: 281-354-6627

Assets – 2014 (Con't)
Tom A. Martin

Real Estate (Other)

Mark/Tom Properties (50%) \$4,293,212

Sub Total

\$4,293,212

PERSONAL AUTOMOBILES

2014 Lexus \$ 68,000
2005 Infinity \$ 8,000
2014 Infinity \$ 56,500
2012 Infinity \$ 30,000

Sub-Total

\$ 162,500

PERSONAL OFFICE EQUIP

Computers, Programs \$ 25,000
Supplies, Furnishings \$ 25,000

Sub-Total

\$ 50,000

PERSONAL PROPERTIES

119 Northgate – The Woodlands \$1,350,000
Grand Cayman Villa \$2,500,000
South Texas Family Ranch (1000 acres) \$2,100,000
91 Woodbury (Lake House) \$ 900,000
232 Sheel St. Durango, CO \$ 895,000
Property & Equipment \$ 200,000

Sub-Total

7,945,000

Total Assets

\$30,850,832

LIABILITIES

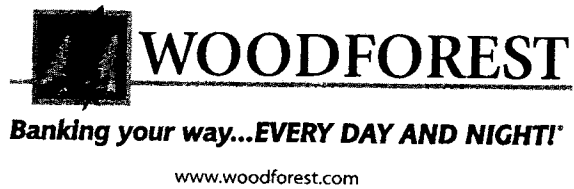
Tom Martin Lines of Credit \$ 51,808
Tom Martin Properties (Colorado, Ranch) \$ 709,685
Property Tax Accruals \$ 50,000
Misc. \$ 15,000
Company Building/Warehouse \$ 238,818

Total Liabilities

(\$1,065,311)

Net Worth

\$29,785,521



November 10, 2014

RE: Crystal Springs Water Company, Inc.

TO WHOM IT MAY CONCERN:

Crystal Springs Water Company, Inc. and its owners have been highly valued customers of Woodforest National Bank for over 20 years.

We have extended credit in the medium six figure range to Crystal Springs Water Company, Inc. with all payments being handled as agreed.

Based on our experience, I am confident in their ability to satisfy any financial obligation they undertake.

If you need additional information, please feel free to contact me at 936-538-1411.

Sincerely,

Carolyn Price
Sr. Vice President
NMLS ID: 723321

Bryan W. Shaw, Ph.D., Chairman
Buddy Garcia, Commissioner
Carlos Rubinstein, Commissioner
Mark R. Vickery, P.G., Executive Director

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 6, 2011

Mr. Tom Martin, President
Crystal Springs Water Company, Inc.
P. O. Box 603
Porter, Texas 77356-0603

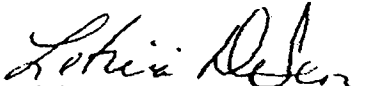
Re: Compliance Evaluation Investigation at:
Crystal Springs Water Company Chasewood, Conroe, Montgomery County, Texas
TCEQ ID No. 1700622, Investigation No. 905813.

Dear Mr. Martin:

On March 18, 2011, Mr. Miguel Galvan of the Texas Commission on Environmental Quality (TCEQ) Houston Region Office conducted an investigation of the above-referenced facility to evaluate compliance with the applicable requirements for public water supply systems. No violations are being alleged as a result of the investigation.

The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions regarding these matters, please feel free to contact Mr. Miguel Galvan in the Houston Region Office at 713-767-3650.

Sincerely,


Leticia De Leon, Team Leader
Public Water Supply
Houston Region Office

LD/MG/ra

cc: Montgomery County Environmental Health Services