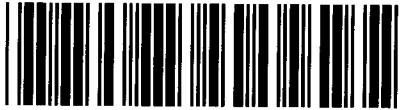


Control Number: 43377



Item Number: 20

Addendum StartPage: 0

DOCKET NO. 43377

APPLICATION OF CP LIMITED § PUBLIC UTILITY COMMISSION  
PARTNERSHIP AND AMC CREEKSIDE §  
LLC FOR SALE, TRANSFER, OR § OF TEXAS  
MERGER OF FACILITIES AND §  
CERTIFICATES OF CONVENIENCE §  
AND NECESSITY IN DENTON §  
COUNTY (37953-S & 37954-S) §

RECEIVED  
2015 APR 20 PM 12:04  
PUBLIC UTILITY COMMISSION  
FILING CLERK

**SUPPLEMENTAL FILING NO. 1**

**COMES NOW** AMC Creekside, Applicant in the above-referenced matter, and files this its Supplemental Filing No. 1. Applicant respectfully shows the following:

**I. BACKGROUND**

On April 14, 2015, Public Utility Commission of Texas (Commission) Staff contacted Applicant and requested supplemental information related to the Application.

**II. SUPPLEMENTAL INFORMATION**


Pursuant to the request of the Commission Staff, attached as Exhibit 1 is an Income Statement for the months of March 2014 thru March 2015 and attached as Exhibit 2 is the agreement between the City of Lewisville and the utility for wastewater service.

**III. CONCLUSION**

Applicant has worked diligently and in good faith with the Commission Staff to provide the requested information. Accordingly, Applicant requests a finding of administrative completeness. In the course of review, should additional information be needed following the determination of administrative completeness, Applicant will continue to work with the Commission Staff to provide any such information; however, Applicant believes that a procedural schedule for processing will most efficiently accomplish this.

Respectfully Submitted,


JOHNSON PETROV LLP on behalf of the  
Applicant

By: 

Alan P. Petrov  
1001 McKinney Street, Suite 1000  
Houston, Texas 77002  
State Bar No. 15852900

CERTIFICATE OF SERVICE

I certify that a copy of this document was served on all parties of record on April 17, 2015 in accordance with the Public Utility Commission Proc. R. 22.74.

A handwritten signature in black ink, appearing to read 'Alan P. Petrov', is written over a horizontal line.

Alan P. Petrov

EXHIBIT 1.

Database: MRI-PROD

ENTITY: 2252

**Income Statement  
Summary Statement  
MRI-PROD  
CREEKSIDE**

Page: 1

Date: 4/15/2015

Time 09:20 AM

Accrual

	Current Period	T12
	1 Month	12 Months
Thru.	Mar 2015	Mar 2015
Revenue		
Gross Potential Rent	284,209 65	3,361,551 00
Vacancy Loss		
Dealer/ Lender Discounts	(498 00)	(7,650 00)
Concessions/Promotions	(4,213.46)	(24,201 00)
Non Rev Units - Models	(2,991.62)	(64,822 00)
Vacancy Loss	(4,422.00)	(57,245.00)
Total Vacancy/Concessions	(12,125.08)	(153,919 00)
Net Rental Income	272,084 57	3,207,633 00
Other Resident Income.		
Application Fee	0 00	2,713 00
Attorney/Court Cost Recovery	0.00	3,790 00
Cleaning & Damage Fees	3,580 00	5,260.00
Late Charges	2,895.26	50,500 00
Maint/Repair Recovery	1,020.00	6,697.00
Month to Month Premium	5,750.00	68,372.00
Double Wide Premium	8,640 00	90,221.00
Miscellaneous Income	551.00	(1,642.00)
NSF Charges	30.00	755 00
Security Deposit Forfeiture	3,266.06	6,888 00
Pet Fees	300.00	6,400.00
Total Other Resident Income	26,032.32	239,954 00
Gross Resident Income	298,116 89	3,447,587 00
Bad Debt (Expense)/Recovery	(7,855 09)	(34,217.00)
Net Resident Income	290,261.80	3,413,370 00
Utility Recovery Income.		
Trash Recovery	10,716.00	126,918 00
Water/Sewer Income Recovery	20,208.06	248,955.00
Total Utility Recovery Income	30,924 06	375,873.00
Other Property Income:		
Vending Revenue	0.00	385 00
Storage Rental Income	420.00	5,040.00
Total Other Property Income	420.00	5,425 00
Gross Effective Income	321,605 86	3,794,668 00

Database: MRI-PROD

ENTITY: 2252

**Income Statement  
Summary Statement  
MRI-PROD  
CREEKSIDE**

Page: 1

Date 4/15/2015

Time: 09.20 AM

Accrual

	Current Period	T12
	1 Month	12 Months
Thru	Mar 2015	Mar 2015

## Operating Expenses:

## Employee Staffing &amp; Benefits

14,145.26

207,861.00

## Utility Expenses

## Electric

1,782.10

37,292.00

## Gas

206.11

3,053.00

## Water &amp; Sewer

11,324.56

169,697.00

## Rubbish - Curbside

0.00

72,599.00

## Rubbish - Rolloff/Dumpster

489.86

6,782.00

## Communication Expense

613.82

7,849.00

## Total Utility Expenses

14,416.45

297,272.00

## R &amp; M Expenses

## Building R &amp; M

847.15

16,177.00

## Grounds R &amp; M

360.99

69,232.00

## Total R &amp; M Expenses

1,208.14

85,409.00

## General and Administrative

5,594.78

43,845.00

## Resident / Landlord Legal Filings

0.00

5,631.00

## Marketing Expenses

1,029.48

13,554.00

## Management Fee

8,381.02

111,298.00

## Insurance

4,744.76

53,149.00

## Taxes

32,617.00

386,487.00

## Total Operating Expenses

82,136.89

1,204,506.00

## Net Operating Income

239,468.97

2,590,162.00

EXHIBIT 2.

# Fisher & Newsom, P.C.

Attorneys at Law

111 Congress Avenue, Suite 820  
Austin, Texas 78701-4043  
(512) 477-4121  
FAX (512) 477-2860

Las Colinas Office:  
4201 Wingren, Suite 106  
Irving, Texas 75062  
(972) 281-5820  
FAX: (972) 650-1057

Skip Newsom\*

January 17, 2000

VIA FAX AND U.S. FIRST CLASS MAIL

Steven L. Bacchus  
Assistant City Manager  
City of Lewisville  
1197 W. Main at Civic Circle  
P.O. Box 299002  
Lewisville, Texas 75029-9002

RE: Creekside Mobile Community Investors, L.P., TPDES Permit No. 13043-001; Sewer Connection Agreement

Dear Mr. Bacchus:

This correspondence will constitute Creekside Mobile Community Investor's (Creekside) letter of intent to connect its Creekside Community Mobile Home Park retail wastewater collection system to the City of Lewisville's (City) wastewater treatment and disposal system and the terms and conditions thereof. Should the City desire a more formal connection and service agreement to effectuate the parties' intent, please let me know, but this format was used in order to have this matter considered at the City's January 18, Council session. I have attempted to incorporate the substantive provisions of your discussions with Creekside personnel, with two modifications. I have removed the requirement that Creekside immediately withdraw its pending application with the TNRCC, as to do so would result in Creekside's interim operation of wastewater facilities without any permit authority, in violation of state law. I have also included a provision addressing Creekside's ability to recover its costs through future rate change applications to be filed with the City, since, following municipal annexation of the property, the City is now Creekside's Regulatory Authority for rate change approvals under Texas Water Code Chapter 13. The terms of the agreement are as follows:

1. TPDES Permit No. 13043-001, TNRCC Docket No. 1999-1573-MWD
  - 1.1 City shall withdraw its protest of Creekside's Application to amend and renew TPDES Permit No. 13043-001, currently scheduled for contested case proceedings in TNRCC Docket No. 1999-1573-MWD; and

\*Board Certified, Administrative Law--Texas Board of Legal Specialization

221  
1221  
72



- 1.2 Creekside shall request that TNRCC's renewal or amendment of TPDES Permit No. 13043-001 be made subject to Creekside's connection to the City's wastewater treatment and disposal system on or before January 31, 2001. Upon Creekside's connection to the City's wastewater system, Creekside will abandon its rights under said permit and close its wastewater treatment plant in accordance with applicable TNRCC closure requirements.

2. **Wastewater Extension Project Construction and Funding**

- 2.1 City shall construct a wastewater pipeline extension of approximately 1500 linear feet from its existing pipeline facilities north of State Highway 121 to Creekside's property, where City shall also construct a metering station at the terminus of said line on Creekside's property with which to measure the volume of Creekside wastewater flows transmitted to City for treatment and disposal. City shall be responsible for the acquisition of any and all easements necessary to the installation, maintenance and operation of such facilities constructed by City provided, however, if any portion of such easements are on Creekside's property and such property can reasonably accommodate City's intended use, Creekside shall donate said easements at no cost to Lewisville;
- 2.2 Creekside, at its own expense, shall construct, maintain and operate all necessary wastewater lines, extensions and lift stations located or to be located upon its own property and on its side of the City's Creekside metering station for the transmittal of all wastewater generated within Creekside's certificated sewer service area boundaries to said metering station constructed by City;
- 2.3 City shall pay 50% of all offsite project expenses and costs associated with the extension and connection of the City's existing system to Creekside's property line, including, but not limited to the costs of Engineering, design, geotechnical evaluations and surveys, appraisals, legal fees, easements, costs of court, meter station and pipe installation; provided that City shall pay 100% of all oversizing costs associated with the construction of a line extension exceeding a 12 inch diameter pipe. Such offsite project expenses, with contingencies, are currently estimated to total \$260,000.00;
- 2.4 Creekside shall pay 50% of offsite project expenses associated with the City's extension of its existing system to Creekside's property line as enumerated in 2.3 above, but shall not be responsible for the costs of oversizing such line extension beyond a 12 inch diameter pipe;

7/11/00  
WBA  
TR

- 2.5 Creekside shall place \$130,000.00 in an interest bearing escrow account to be maintained by the City as Creekside's initial payment for its 50% share of project costs. Interest earnings will accrue to and be part of the escrow account. Total project costs will be calculated upon the completion of construction by City. Should Creekside's 50% share of project costs be less than the funds remaining in the escrow account, City shall reimburse Creekside all such funds remaining in the account. Should Creekside's 50% share of such project costs exceed such funds remaining in the escrowed account, Creekside shall forward the difference to the City upon receipt of an invoice from City for the balance owed;
- 2.6 Creekside and City jointly agree to facilitate the connection of Creekside's wastewater collection system to the City's treatment and disposal system and to complete all construction work required therefor as expeditiously as practicable following execution of this agreement;
- 2.7 City agrees to calculate and assess, and Creekside agrees to pay, City's current sewer service impact fee for Creekside's physical connection to the City's wastewater system, such fee to be based upon a 2 inch water meter equivalence; and
- 2.8 Upon completion of project construction and the connection of Creekside's sanitary sewer facilities to the City's wastewater system, Creekside, at its sole expense, will be responsible for the closure of its wastewater treatment plant in accordance with all applicable TNRCC regulatory criteria and will notify the TNRCC of its abandonment of TPDES Permit No. 13043-001.

**3. Creekside Service Obligations and Rates**

- 3.1 Nothing in this agreement affects, or shall be construed to affect, Creekside's ownership of, or its rights and obligations under, its water and sewer certificates of convenience and necessity issued by the TNRCC or its statutory predecessors for retail water and wastewater service. Creekside shall provide a copy of its certificated water and sewer service area maps to the City;
- 3.2 Following the commencement of City wastewater service to Creekside, City shall invoice Creekside for monthly wastewater service, based upon City's applicable minimum retail customer charge and gallonage rate (multiplied by Creekside's actual metered volume) as established from time to time by the City's Code of Ordinances for all other City retail customers;

CITY SECRETARY OFFICE  
OFFICIAL FILE COPY

881  
WOT  
TF

- 3.3 Creekside shall be responsible for its own internal wastewater service billing and revenue collection from its own retail customers as it deems necessary to provide payment to the City for its single sewer meter charges invoiced by the City and any and all other expenses and costs incurred by Creekside in connection with its private ownership and separate operation and maintenance of retail wastewater facilities and services;
- 3.4 Creekside shall be responsible for the construction, replacement, repair, maintenance and operation of all sewer service facilities located upon its property and on its side of the meter used to measure the volume of Creekside wastewater transmitted to City for treatment and disposal. Creekside shall be further responsible for the prevention of any sewage spills or overflows associated with the operation of its private retail sewer system and agrees both that it will maintain and operate its lift station and all other wastewater system components in a manner designed to prevent the spillage, overflow or release of sewage and that any such release will be subject to enforcement under applicable local, state and federal laws; and
- 3.5 City recognizes that, as a private retail utility, Creekside is entitled to pass on to its individual customers the prorata cost of municipal wastewater service invoiced by City to Creekside pursuant to 3.2 above and to recover its investment and depreciation costs of its existing collection and wastewater treatment system, and of its soon to be incurred costs of connection to the City's wastewater system and closure of Creekside's wastewater treatment plant, together with all reasonable costs of wastewater maintenance, repair, operation, billing and administration. Accordingly, as Creekside's Regulatory Authority having original jurisdiction over Creekside's service rates and tariffs under Texas Water Code Section 13.042, City agrees that it will give due, deliberate and expeditious consideration to all such costs of treatment and disposal service and invested capital, depreciation and operations expenses when presented to City in conjunction with a Statement of Intent to change rates filed by Creekside. City agrees that by entering into this agreement with Creekside, Creekside's utility operations and the financial integrity thereof will not be compromised or jeopardized in the exercise of City's authority and original jurisdiction to establish fair and reasonable retail service rates.

CITY SECRETARY'S OFFICE  
OFFICIAL FILE COPY

8/8/01  
1001  
7/2

Steven L. Bacchus  
January 17, 2000  
Page 5

Should you believe that this letter of intent satisfies the City's requirements and is acceptable, please set same for your City Council's consideration and authorization for execution. I appreciate your help and attention in this matter.

Yours very truly,

Skip Newsom

SN/keg

cc: Ron Freeman  
Wayne Loper

This agreement with each of the above foregoing terms is hereby accepted:

City of Lewisville

  
Claude King, City Manager

Creekside Mobile Home Investors, L.P.

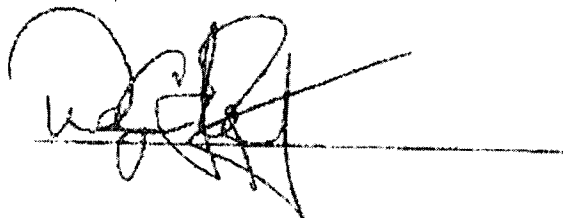
  
Joe Sherwood, Registered Agent

CITY SECRETARY OFFICE  
OFFICIAL FILE COPY

Attest:

  
Marty Hendrix, CMC/AAE, City Secretary

Attest:



904  
1004  
TR