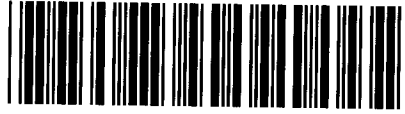




Control Number: 43704



Item Number: 262

Addendum StartPage: 0



43704
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PUBLIC UTILITY COMMISSION
FILING CLERK

Bowen J. Jones
Investors' Property Services
15707 Rockfield Blvd. Suite 225
Irvine, CA 92618
P: (949) 900-6180
F: (949) 900-6601

February 26th, 2015

Public Utility Commission of Texas
Central Records
1701 N Congress PO Box 13326
Austin, Texas 78711-3326

RE: Notice of Violation – Takara So. Apartments

This letter is to serve as our formal response to the January 29th, 2015 Notice of Violation of Takara So. Apartments. Please be advised that (1) Prior to November 1, 2014 tenants were not billed for water and sewer; (2) only new tenants and on lease renewal are tenants allocated water and sewer.

We have reviewed the newly implemented program with National Water Power (NWP), our trusted 3rd party utility billing specialist and they have ensured us that this property is operating within compliance of the PUC.

In addition, 10 copies of the newly filled out Registration of Submetered OR Allocated Utility Service form have been filled out and mailed as requested.

Please reach out to me directly if there is any further action needed on this item and I will be happy to address.

Sincerely,

Bowen J Jones
Vice President

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Please provide a written request to change from submetered to allocated billing by **March 2, 2015**. Your request should include the submeter manufacturer's name, a description of problems with the existing submeter system, an estimate of costs to repair or replace that system, and receipts of repair costs already incurred.

§24.123(c) states that a tenant's billing method cannot be changed unless they have signed a new lease or a lease addendum, and have been issued a notice at least 35 days prior to implementation of the new billing method. In the situation where a tenant has been provided proper notice but has not signed a new lease or lease addendum, the property is not authorized to bill them under the new billing method and must continue to bill them in accordance with their existing lease.

Please mail the requested information to this address:

Mailing Address:

Public Utility Commission of Texas
Central Records
1701 N Congress PO Box 13326
Austin, Texas 78711-3326

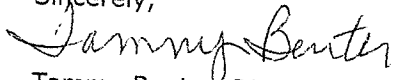
Shipping / Overnight Delivery Address:

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

Enclosed is a copy of Subchapter M and H of the Texas Water Code.

Thank you for your attention to this matter. If you have any questions, please contact Ms. Debbie Reyes Tamayo at (512) 936-7221 or if by e-mail: debbie.revestamayo@puc.texas.gov.

Sincerely,



Tammy Benter, Director
Water Utilities Division
Public Utility Commission

TB/DRT

Enclosures: Subchapter H, Subchapter M., A Tenant Guide, and Form 10363



Registration of Submetered OR Allocated Utility Service

NOTE: Please **DO NOT** include any person or protected information on this form (ex: tax identification #'s, social security #'s, etc.)

Date: _____
 By: _____
 Docket No. _____
 (this number to be assigned by the PUC after your form is filed)

PROPERTY OWNER: Do not enter the name of the owner's contract manager, management company, or billing company.

Name	TAKARA HOLDINGS, LLC.						
Mailing Address:	1919 W. MAIN ST.	City	HOUSTON	State	TX	Zip	77098
Telephone #	(110) 529-8445	Fax # (if applicable)	()	E-mail	BO.JONES@INVESTORSHR.COM		

NAME, ADDRESS, AND TYPE OF PROPERTY WHERE UTILITY SERVICE IS PROVIDED

Name	Takara South Apartments						
Mailing Address:	1919 West Main Street	City	Houston	State	TX	Zip	77098
Telephone #	(713) 529-8445	Fax # (if applicable)	(713) 529-2353	F mail	elizabeth.gaitan@ipsapts.com		
<input checked="" type="checkbox"/>	Apartment Complex	<input type="checkbox"/>	Condominium	<input type="checkbox"/>	Manufactured Home Rental Community	<input type="checkbox"/>	Multiple-Use Facility

If applicable, describe the "multiple-use facility" here:

INFORMATION ON UTILITY SERVICE

Tenants are billed for	<input checked="" type="checkbox"/>	Water	<input checked="" type="checkbox"/>	Wastewater	<input type="checkbox"/>	Submetered <u>OR</u>	<input checked="" type="checkbox"/>	Allocated ★★★
Name of utility providing water/wastewater	City of Houston							
Date submetered or allocated billing begins (or began)	10/30/2014			Required				

METHOD USED TO OFFSET CHARGES FOR COMMON AREAS Check one line only.

<input type="checkbox"/>	Not applicable, because	<input type="checkbox"/>	Bills are based on the tenant's actual submetered consumption
<input type="checkbox"/>	There are <u>neither</u> common areas <u>nor</u> an installed irrigation system		
<input type="checkbox"/>	All common areas and the irrigation system(s) are metered or submetered: We deduct the actual utility charges for water and wastewater to these areas then allocate the remaining charges among our tenants.		
<input checked="" type="checkbox"/>	This property has an installed irrigation system that is <u>not</u> separately metered or submetered: We deduct <input type="text" value="25%"/> percent (we deduct at least 25 percent) of the utility's total charges for water and wastewater consumption, then allocate the remaining charges among our tenants.		
<input type="checkbox"/>	This property has an installed irrigation system(s) that <u>is/are</u> separately metered or submetered: We deduct the actual utility charges associated with the irrigation system(s), then deduct at least 5 percent of the utility's total charges for water and wastewater consumption, then allocate the remaining charges among our tenants.		
<input type="checkbox"/>	This property does <u>not</u> have an installed irrigation system: We deduct at least 5 percent of the retail public utility's total charges for water and wastewater consumption, and then allocate the remaining charges among our tenants.		

★★★ IF UTILITY SERVICES ARE ALLOCATED, YOU MUST ALSO COMPLETE PAGE TWO OF THIS FORM ★★★

Send this form by mail to:
 Filing Clerk, Public Utility Commission of Texas
 1701 North Congress Avenue
 P.O. Box 13326
 Austin, Texas 78711-3326

METHOD USED TO ALLOCATE UTILITY CHARGES

Check the box or boxes that describe the allocation method used to bill tenants.

Occupancy method: The number of occupants in the tenant's dwelling unit is divided by the total number of occupants in all dwelling units at the beginning of the month for which bills are being rendered.

<input type="checkbox"/> Ratio occupancy method: The number of occupants in the tenant's dwelling unit is adjusted as shown in the table to the right. This adjusted value is divided by the total of these values for all dwelling units occupied at the beginning of the retail public utility's billing period.	Number of Occupants	Number of Occupants for Billing Purposes
	1	1.0
	2	1.6
	3	2.2
	>3	2.2 + 0.4 for each additional occupant

<input type="checkbox"/> Estimated occupancy method: The estimated occupancy for each unit is based on the number of bedrooms as shown in the table to the right. The estimated occupancy in the tenant's dwelling unit is divided by the total estimated occupancy in all dwelling units regardless of the actual number of occupants or occupied units.	Number of Bedrooms	Number of Occupants for Billing Purposes
	0 (Efficiency)	1
	1	1.6
	2	2.8
	3	4.0
>3	4.0 + 1.2 for each additional bedroom	

Occupancy and size of rental unit percent (in which no more than 50%) of the utility bill for water/wastewater consumption is allocated using the occupancy method checked above. The remainder is allocated according to either:

- the size of the tenant's dwelling unit divided by the total size of all dwelling units, OR
- the size of the space rented by the tenant of a manufactured home divided by the size of all rental spaces.

Submetered hot water:
The individually submetered hot water used in the tenant's dwelling unit is divided by all submetered hot water used in all dwelling units.

Submetered cold water is used to allocate charges for hot water provided through a central system:
The individually submetered cold water used in the tenant's dwelling unit is divided by all submetered cold water used in all dwelling units.

As outlined in the condominium contract. Describe:

Size of manufactured home rental space:
The size of the area rented by the tenant divided by the total area of all the size of rental spaces.

Size of the rented space in a multi-use facility:
The square footage of the space rented by the tenant divided by the total square footage of all rental spaces.