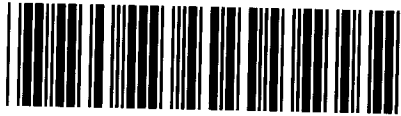


Control Number: 43704



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43704



Investment Builders Since 1958

2015 JUL 16 AM 10:07

MAILING CLERK

July 10, 2015

Ms. Tammy Benter
Public Utility Commission of Texas
1701 N Congress PO Box 13326
Austin, Texas 78711-3326

Re: Post Oak at Woodway Apartments – Change to Allocated Billing

Dear Ms. Benter:

This letter was prepared in anticipation of obtaining your approval for a change from submetered billing to an approved allocation billing method pursuant to Texas Water Code, Subchapter M, Sec. 13.502(e)(1) and (2).

The Post Oak at Woodway apartment community, which is located at 99 North Post Oak Lane, Houston, Texas 77024 is comprised of 216 dwelling units that have individual water submeters installed. Regrettably, the submetering system is in need of on-going repairs and has proved much too costly to maintain and repair on a regular basis and, unfortunately, it is not economically feasible for us at this time. Please find attached for your review a proposal to repair the submetering system.

Therefore, we respectfully request your approval of a change from submetered billing to an approved allocation method due to the considerable capital that would be involved in replacing the un-serviceable submetering system. We will adhere to the additional Public Utility Commission (“PUC”) requirements if our request is approved, which includes the following under reference Subchapter H, § 24.123(c).

1. We shall provide to all tenants a new lease addendum or other written agreement which provides for the allocation method, in this case a method based on occupancy
2. We shall provide to all tenants a 35-day prior written notice advising tenants of the proposed change.

We trust the information we have provided to the PUC is sufficient in detail as to warrant approval of a change to an approved allocation method of billing. However, in the event you require additional information, please feel free to contact me.

Respectfully,

Mark Linsey
Controller for Femco, Inc as managing agent

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NWP Submeter Maintenance Proposal

<u>PROPERTY INFORMATION</u>			
Property	The Post Oak at Woodway (14271)	Units	216
Portfolio	The Finger Companies (89)	MAP	No
Address	99 POST OAK LN, Houston, TX 77024		
Services	Electronics	Data Collector Connection	Meter Manufacturer(s)
Water	Aclara	Phone: 7136824267	

To authorize, please sign this NWP Submeter Maintenance Proposal and send it via email to nwptechsupport@nwpsc.com OR fax it to 949-250-6397. Terms and Conditions are included on the last page.

NWP Submeter completed a quality check on your submetering system and identified some issues that need inspection and/or repair. These units may receive estimated, rather than actual, usage bills until the issues are resolved.

Please refer to the following pages for a detailed list of issues, service addresses and customer names.

PROPOSAL SUMMARY

Issue	Materials	Labor	Combined	Quantity	Total
Meter Non-Incrementing	\$80.00	\$21.25	\$101.25	11	\$1,113.75
New Transmitter	\$910.00	\$148.75	\$1,058.75	1	\$1,058.75
Transmitter Inactive	\$130.00	\$21.25	\$151.25	71	\$10,738.75
Transmitter Inactive	\$0.00	\$5.00	\$5.00	1	\$5.00
Transmitter Inactive	\$0.00	\$0.00	\$0.00	29	\$0.00
Subtotal					\$12,916.25
Discount 15.00%					\$1,937.44
Tax					\$1,099.79
Shipping					\$75.00
Total					\$12,153.60

Work Start Date To Be Determined Work Stop Date To Be Determined

Invoicing will be on a parts & labor basis according to the fee schedule in this 'Not to Exceed' proposal. NWP Submeter warrants repairs for one (1) year. This includes any labor performed & all equipment that is repaired/replaced at time of service .

The Do Not Exceed proposal is based on properties in normal condition. Circumstances that would require significant extra labor -- such as corroded piping, brittle piping, buried meters, equipment in tight crawl spaces, equipment behind dry wall, etc... -- can result in a need to re-price the service. NWP commits to communicate any non-normal conditions as soon as possible after identification.

NWP Submeter will contact you to schedule a date and time for a Field Technician to repair these issues. Prior to the visit, NWP Submeter will provide you with a list of units to be serviced. The property will be responsible for notifying residents/tenants and having keys ready. A Post-Visit Report documenting the repairs will be sent after completion of the service. If access is not granted to any designated units during the scheduled visit, a return visit may be required and will be subject to the Surcharge/Travel Fee of \$350 for all visits.

Proposal Date 6/12/2015	NWP Submeter Owner Stuart Baker	Approval
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Phone: (800) 254-9710

Fax: (949) 250-6397

Email: nwptechsupport@nwpsc.com

Pages 2 thru 15

contains personal resident information



NWP Submeter Maintenance Proposal

Issue Definitions

Meter Non-Incrementing

- Definition:

The transmitter has sent data, but there has been zero meter usage reported for the past 30 days or more. The zero usage may be valid (unit is not occupied, residents were traveling, or the utility is only used during part of the year) or it may be a hardware problem (examples include sediment in a water meter or the connection to the transmitter is not correct).

- Normal Solution(s):

The most common resolution is to replace the meter or the probe (connection between transmitter and meter) or to reconnect the wires.

Transmitter Inactive

- Definition:

A transmitter has not reported (sent data) for a period of at least 12 days or more. If a property is manually read, then the period is 60 days or more. Conditions that may cause an inactive flag include dead transmitter, expired battery, bad phone line, inclement weather, radio interference, and vegetation growth.

- Normal Solution(s):

While other scenarios are possible, it is often necessary to replace the battery (if possible) or the entire transmitter.

Transmitter Low Battery

- Definition:

For those systems with the capability, transmitters are flagged several weeks in advance when the batteries are weak and nearing the end of their useful life.

- Normal Solution(s):

Replace the battery in the transmitter.

High Usage

- Definition:

While the threshold can vary from property to property and between utility services (water, gas, electric), this flag occurs when usage increases by a significant amount (such as 50%) versus the unit's prior daily average (over the past 3 months). While high usage is often valid (excessive consumption or large number of residents per unit), potential problems include a faulty transmitter or a leak in the unit.

- Normal Solution(s):

While there are rare occasions when it is necessary to replace a transmitter or the meter, the typical solution is to test the usage (such as a bucket test for water meters) and provide the analysis to the resident / tenant.

Low Usage

- Definition:

Meters with this flag have exceptionally low usage. While there may not be an issue with the meter, it is recommended that the property manager confirm that the unit was occupied for the entire period. If occupied, then there may a problem with the meter or the resident / tenant may not consume much of the utility.

- Normal Solution(s):

If not due to low usage, then it may be necessary to validate that the meter factor is correct or replace a faulty meter.

Vacant Usage

- Definition:

Units that are known to be vacant but display usage above a certain threshold are flagged for this issue. This threshold varies.

- Normal Solution(s):

If the property or maintenance staff cannot identify the underlying issue, such as a leak or the unit was really occupied, then the meter should be inspected to determine if it needs to be replaced.



NWP Submeter Maintenance Proposal

Terms and Conditions

Terms of Sale

These terms of sale ("Agreement") shall govern the sale of the meters purchased herein and any maintenance services for the meters to be provided by NWP Services Corporation ("NWP"). A purchaser, contractor, subcontractor, owner, manager, agent for such, or their successors or assigns (collectively, the "Purchaser") shall be bound by this Agreement.

Limitation of Liability

NWP SHALL HAVE NO LIABILITY TO THE PURCHASER OF THE METERS OR MAINTENANCE SERVICES PROVIDED BY NWP FOR INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, SPECIAL, INDIRECT, INCIDENTAL OR PUNITIVE DAMAGES, (INCLUDING WITHOUT LIMITATION LOSS OF REVENUE, UTILITY COST RECOUPMENT, OR PROFITS), FROM ALL CAUSES OF ACTION OF ANY KIND, INCLUDING CONTRACT, TORT OR OTHERWISE, EVEN IF PURCHASER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL NWP'S AGGREGATE LIABILITY UNDER THIS PURCHASE ORDER EXCEED THE AMOUNT ACTUALLY RECEIVED BY NWP PURSUANT TO THIS PURCHASE ORDER.

NWP Warranties

NWP PROVIDES NO WRITTEN OR ORAL WARRANTIES WHATSOEVER. NWP MAKES NO REPRESENTATIONS OR EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE PURCHASED SERVICES OR METERS. NWP HEREBY SPECIFICALLY DISCLAIMS ANY OTHER REPRESENTATIONS AND WARRANTIES, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE FOR THE METERS OR ANY MAINTENANCE SERVICES TO BE PROVIDED BY NWP.

Construction

The parties agree that this Agreement was fully negotiated by and between the parties and, therefore, no part of this Agreement shall be interpreted against the party that drafted it.

Confidentiality

Confidentiality: Each of the parties agree to keep the terms of this Agreement confidential and shall not disclose such terms to any other party except on a need-to-know basis in order to carry out the terms of this Agreement as may be required by law, or upon the express written consent of the other party.

Entire Agreement

This Agreement comprises the entire agreement between the parties regarding the subject matter hereof. All prior written and or oral agreements, including any proposals not set forth herein are hereby merged into this Agreement. This Agreement shall not be modified, amended or changed except by written instrument signed by authorized representatives of both parties and designated as an amendment

Purchaser agrees that any legal action between the NWP and Purchaser shall be commenced only in Orange County, California which shall be the exclusive venue and forum