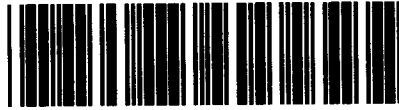




Control Number: 44200



Item Number: 17

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83<sup>rd</sup>  
Legislature, Regular Session, transferred the functions  
relating to the economic regulation of water and sewer  
utilities from the TCEQ to the PUC effective  
September 1, 2014

SOAH DOCKET NO. 582-01-3914  
TNRCC DOCKET NO. 2001-0845-UCR

APPLICATION BY VILLAGE OF	§	BEFORE THE
WIMBERLEY TO OBTAIN A SEWER	§	STATE OFFICE OF
CERTIFICATE OF CONVENIENCE	§	ADMINISTRATIVE
AND NECESSITY IN HAYS COUNTY	§	HEARINGS

**VILLAGE OF WIMBERLEY'S**  
**PREFILED DIRECT TESTIMONY OF STEVE KLEPFER**

BICKERSTAFF, HEATH, SMILEY,  
POLLAN, KEVER & MCDANIEL, L.L.P.  
1700 Frost Bank Plaza  
816 Congress Avenue  
Austin, Texas 78701-2443  
(512) 472-8021  
(512) 320-5638 (FAX)

Dated: April 19, 2002

**SOAH DOCKET NO. 582-01-3914  
TNRCC DOCKET NO. 2001-0845-UCR**

**APPLICATION BY VILLAGE OF  
WIMBERLEY TO OBTAIN A SEWER  
CERTIFICATE OF CONVENIENCE  
AND NECESSITY IN HAYS COUNTY**

§  
§  
§  
§

**BEFORE THE  
STATE OFFICE OF  
ADMINISTRATIVE  
HEARINGS**

**VILLAGE OF WIMBERLEY'S  
PREFILED DIRECT TESTIMONY OF STEVE KLEPFER**

1 Q. Please state your name and your business address.

2 A. My name is Steve Klepfer. My business address is The Old Mill Store on the Square,  
3 Ranch Road 12, Wimberley, Texas 78676.

4  
5 Q. In what capacity are you testifying for the Village of Wimberley?

6 A. I am testifying as the Mayor Pro Tem of the Village of Wimberley ("Wimberley").

7  
8 Q. How long have you been the Mayor Pro Tem?

9 A. Since August 2000.

10  
11 Q. Have you ever held any other position with Wimberley?

12 A. No.

13  
14 Q. Describe your academic background.

15 A. I have a B.S. in chemistry and biology from the University of the Pacific and a M.B.A.  
16 from St. Edwards University.

PREFILED TESTIMONY OF STEVE KLEPFER  
SOAH DOCKET NO. 582-01-3914  
TNRCC DOCKET NO. 2001-0845-UCR

1 Q. Please describe your duties as Mayor Pro Tem.

2 A. I am one of the five (5) elected councilmembers. In the Mayor's absence, I act as the  
3 Chief Executive of Wimberley. I am the liaison to the Water/Wastewater Advisory  
4 Board and to the Transportation Advisory Board.  
5

6 Q. Please describe Wimberley with respect to its population and size.

7 A. Wimberley is a general law city with a population of approximately 7000. The city limits  
8 cover approximately nine (9) square miles.  
9

10 Q. When was Wimberley incorporated?

11 A. May 2000.  
12

13 Q. Please describe Wimberley's past and current budgets.

14 A. A certified copy of Wimberley's Budget for the Fiscal Year October 1, 2000 through  
15 September 30, 2001 is attached to my testimony as Wimberley Exhibit 1. Total Income  
16 and Expenses were budgeted at approximately \$367,000. In fact, the estimated income  
17 and expenses for Wimberley were approximately \$294,000. A certified copy of  
18 Wimberley's current budget for the Fiscal Year October 1, 2001 through September 30,  
19 2002 is attached to my testimony as Wimberley Exhibit 2. Budgeted income and  
20 Expenses are approximately \$589,100.  
21

1 Q. What are the sources of revenue for Wimberley?

2 A. Wimberley has several sources of revenue, including franchise fees, sales taxes,  
3 development fees, municipal court fines, interest, donations, and grants. These sources of  
4 income are listed in more detail in Wimberley's budget which is attached to my  
5 testimony as Wimberley Exhibit 2.

6  
7 Q. When were Wimberley's financial statements last audited?

8 A. Wimberley's financial statements were last audited in March 2002. A certified copy of  
9 Wimberley's Audited Financial Report for the Year Ended September 30, 2001 is  
10 attached to my testimony as Wimberley Exhibit 3. Also attached to my testimony as  
11 Wimberley Exhibit 4, is a certified copy of a report dated March 7, 2002 from Freeman,  
12 Shapard & Story, Certified Public Accounts addressing Wimberley's internal control  
13 over financial reporting and tests of Wimberley's compliance with certain laws,  
14 regulations, contracts and grants.

15  
16 Q. Have you reviewed this Audited Financial Report attached as Wimberley Exhibit 3 and  
17 the March 7, 2002 report attached as Wimberley Exhibit 4?

18 A. Yes, I have.

19  
20 Q. What was the outcome of the audit and report?

21 A. The auditors issued an unqualified opinion stating that Wimberley's general-purpose

1 financial statements present fairly, in all material respects, the financial position of  
2 Wimberley as of September 30, 2001, and the results of Wimberley's operations for the  
3 year then ended in conformity with United States generally accepted accounting  
4 principals.

5  
6 Q. Does Wimberley currently provide any utility services to its citizens?

7 A. No, it does not.

8  
9 Q. Does Wimberley currently have a sewer Certificate of Convenience and Necessity  
10 (CCN)?

11 A. No, but we are actively seeking to obtain a new sewer CCN and actively seeking to  
12 purchase an existing wastewater system and CCN No. 20702 currently owned and  
13 operated by Blue Hole Management Ltd. A certified copy of a statement signed by the  
14 Mayor with a copy of the MOU attached verifying that the Wimberley City Council has  
15 approved the Memorandum of Understanding among Wimberley, GBRA, and Blue Hole  
16 Management, Ltd. is attached to my testimony as Exhibit 5.

17  
18 Q. Please describe the efforts of Wimberley to obtain sewer service for its citizens.

19 A. Beginning in the mid 1980's, citizens living in the community of Wimberley recognized  
20 a need to move toward a centralized sewer system. Plans and studies were made  
21 outlining options for the community. In March 1996, the Wimberley Regional

1 Wastewater Planning Study prepared by GBRA and R.J. Brandes Company and financed  
2 through the Texas Water Development Board was completed. It confirmed the need for a  
3 centralized sewer system. Wimberley's application for a new sewer CCN and possible  
4 transfer of CCN No. 20702 are part of Wimberley's ongoing efforts started in the mid  
5 1980's to address Wimberley's ever increasing wastewater treatment needs.  
6

7 Q. Has the City Council of Wimberley approved the filing of an application to obtain a  
8 CCN?

9 A. Yes. A copy of Resolution No. R-002-2001 whereby the Wimberley City Council  
10 authorized the Mayor or her designee to submit an application to TNRCC for a sewer  
11 CCN is included in Wimberley's CCN application.  
12

13 Q. Did the City Council authorize Mayor to act on behalf of Wimberley?

14 A. Yes.  
15

16 Q. Has the City Council also authorized you to act on behalf of Wimberley?

17 A. Yes. Since the filing of Wimberley's application, Mayor Hewlett decided not to seek re-  
18 election and by the time of the hearing on Wimberley's CCN's application, Mayor  
19 Hewlett will no longer hold the office of Mayor. The City Council therefore authorized  
20 me as Mayor Pro Tem to act on behalf of Wimberley in this matter. I have attached to  
21 my testimony as Wimberley Exhibit 6 a certified copy of a statement signed by the

1 Mayor verifying that the Wimberley City Council has approved such authorization.

2  
3 Q. Has Wimberley filed an application to obtain a sewer CCN?

4 A. Yes.

5  
6 Q. Please describe your role with respect to Wimberley's sewer CCN application?

7 A. I have been designated by the Mayor of Wimberley to oversee the preparation and the  
8 processing of Wimberley's CCN application and the negotiation of contracts with GBRA.  
9 I assisted the Mayor and Wimberley's consultants in the preparation of the information  
10 submitted with Wimberley's application and the additional information provided to the  
11 TNRCC since Wimberley filed its application. All of these activities were done with the  
12 advice from Wimberley's nine (9) member Water/Wastewater Advisory Board.

13  
14 Q. Who prepared Wimberley's application for a sewer CCN?

15 A. The original application was prepared by representatives of the Guadalupe-Blanco River  
16 Authority on behalf of Wimberley. The preparation of the application was under my  
17 direction and supervision; and was reviewed and edited by both Wimberley's  
18 Water/Wastewater Advisory Board and the City Council.

19  
20 Q. Did you sign the application?

21 A. No. Mayor Linda Hewlett signed the application on behalf of Wimberley.



PREFILED TESTIMONY OF STEVE KLEPFER  
SOAH DOCKET NO. 582-01-3914  
TNRCC DOCKET NO. 2001-0845-UCR

1 Q. Are you familiar with the Mayor's signature?

2 A. Yes.

3 Q. And is the signature on the verification page of the application the Mayor's signature?

4 A. Yes.

5

6 Q. Is the information in the Application true and correct?

7 A. Yes, to the extent the information has not been supplemented or superseded by additional  
8 information. A certified copy of Wimberley's CCN application is attached to my  
9 testimony as Wimberley Exhibit 7.

10

1 Q. Did Wimberley provide TNRCC with additional information at the TNRCC's request?

12 A. Yes. A certified copy of the February 8, 2001 letter from Peggy Hiscoe to Mayor  
13 Hewlett requesting additional information concerning plans and specifications is attached  
14 to my testimony as Wimberley Exhibit 8. A certified copy of the March 22, 2001 letter  
15 from Wimberley's attorney, Bruce Wasinger, acting on behalf of Wimberley, responding  
16 to Ms. Hiscoe's request is attached to my testimony as Wimberley Exhibit 9. A certified  
17 copy of the April 10, 2001 letter from Victoria Harkins to Mayor Hewlett concerning  
18 notices and overlapping territory is attached to my testimony as Wimberley Exhibit 10.  
19 A certified copy of the May 1, 2001 letter from Mr. Wasinger to Mike Howell concerning  
20 the April 10, 2001 letter is attached to my testimony as Wimberley Exhibit 11. A  
21 certified copy of the May 10, 2001 letter from Mr. Wasinger to Mike Howell revising the

1 area Wimberley is requesting to certificate is attached to my testimony as Wimberley  
2 Exhibit 12. A certified copy of the July 26, 2001 letter from Emily Rogers, attorney for  
3 Wimberley, to Michael Howell concerning requests for service is attached to my  
4 testimony as Wimberley Exhibit 13. A certified copy of the October 15, 2001 letter from  
5 Mike Howell to Bruce Wasinger requesting additional information is attached to my  
6 testimony as Wimberley Exhibit 14. A certified copy of the November 15, 2001 and  
7 November 30, 2001 letters from Bruce Wasinger to Mike Howell responding to Mr.  
8 Howell's October 15, 2001 request for additional information is attached to my testimony  
9 as Wimberley Exhibit 15. Lastly, I have attached to my testimony as Wimberley Exhibit  
10 16 a certified copy of the October 29, 2001 letter from Wimberley's counsel, Mr.  
11 Wasinger, to the Office of the Chief Clerk transmitting for filing Wimberley's original  
12 Affidavit of Notice to Customers of the Public Hearing with the Notice of Hearing  
13 attached as well as copies of Wimberley's letters forwarding the Notice of Hearing to  
14 potentially affected persons.

15  
16 Q. Was the above-listed information prepared under your direction and control?

17 A. Yes.

18  
19 Q. To the best of your knowledge, is the information in the application as supplemented by  
20 the additional information Wimberley has provided to the TNRCC true and correct?

21 A. Yes.

1 Q. Why did Wimberley file an application to obtain a sewer CCN?

2 A. As part of a 20 year effort to address the wastewater treatment needs of the community,  
3 Wimberley has determined that a municipal wastewater treatment program be started.  
4 This program is being implemented to address current on-site wastewater treatment  
5 problems, sensitive groundwater and surface water quality concerns and an exploding  
6 population within the city limits of Wimberley and the adjacent areas. There is particular  
7 concern in the area of Wimberley commonly known as the Square. This downtown area  
8 has some of the oldest on-site septic systems, many of which would be out of compliance  
9 with Wimberley's current on-site septic regulations and the highest concentration of on-  
10 site septic systems. Additionally, this area is almost surrounded by the Cypress Creek  
11 and the Blanco River. Both water bodies are very sensitive do to the vast range of lows,  
12 anywhere from a high of 26 feet at flood stage to zero flow in dry periods. Cypress  
13 Creek is currently on the EPA's 303(d) list for impaired water quality. Wimberley's  
14 position is that increasing on-site septic systems in this densely populated area is an  
15 environmental and health hazard.

16  
17 Q. Are you generally familiar with the area Wimberley is requesting to certificate?

18 A. Yes.

19  
20 Q. In your service as Mayor Pro Tem, do you have personal knowledge of Wimberley's city  
21 limits, its ETJ, and the proposed CCN boundaries?

1 A. Yes.

2

3 Q. Could you please describe generally the boundaries of the city limits of Wimberley, its  
4 ETJ, and the proposed CCN boundaries?

5 A. Wimberley's city limits are roughly bounded in the north by Deer Lake Road, in the east  
6 by Spoke Hollow Road, in the south by Ranch Roads 12 and 32, and in the west by  
7 Wayside Road. A more specific description is provided in Wimberley CCN Application  
8 attached to my testimony as Wimberley Exhibit 7. Wimberley's ETJ extends one mile  
9 from Wimberley's city limits. Wimberley is requesting to certificate its city limits and its  
10 ETJ, with a few exceptions. Wimberley's request does not include the existing  
11 certificated service areas held by Woodcreek Utilities, Inc. (CCN No. 20124),  
12 AquaSource Development Company (CCN No. 20867), and Blue Hole Management  
13 Ltd. (CCN No. 20702) as of May 10, 2001. Additionally, Wimberley has not included a  
14 portion of its ETJ northwest of the Village of Wimberley city limits. A revised map  
15 showing Wimberley's requested area was provided to the TNRCC under cover of the  
16 May 10, 2001 letter from Bruce Wasinger to Mike Howell and is attached to my  
17 testimony as Wimberley Exhibit 12. Recently, Woodcreek Utilities, Inc., in SOAH  
18 Docket No. 582-00-1469, TNRCC Docket No. 2000-0335-UCR, amended its CCN No.  
19 20124 to include a portion of the area that Wimberley is requesting to be certificated.  
20 Since Woodcreek's amendment occurred after Wimberley filed its application,  
21 Wimberley is now requesting that its application be amended further to duly certificate

1 the area recently certificated to Woodcreek Utilities.

2  
3 Q. Does Wimberley have written policies or ordinances relevant to and establishing  
4 standards for the operation, maintenance or use of the sewer systems inside the city limits  
5 of Wimberley?

6 A. Yes, we do. Wimberley has adopted several ordinances and resolutions, including a  
7 Subdivision Ordinance, a certified copy of which is attached to my testimony as  
8 Wimberley Exhibit 17; a Comprehensive Zoning Ordinance, a certified copy of which is  
9 attached to my testimony as Wimberley Exhibit 18; a certified copy of the ordinance  
10 adopting a Building Code which is attached to my testimony as Wimberley Exhibit 19; an  
11 Interim Comprehensive Plan, a certified copy of which is attached to my testimony as  
12 Wimberley Exhibit 20; and Flood Damage Prevention regulations, a certified copy of  
13 which is attached to my testimony, as Wimberley Exhibit 21. Additionally, Wimberley  
14 has adopted regulations concerning on-site disposal systems, or septic tanks, within the  
15 city limits of Wimberley. Wimberley has entered into an interlocal agreement with Hays  
16 County relating to the regulation of septic tanks systems.

17 Q. As part of its application, did Wimberley inquire about possibly connecting with other  
18 neighboring utilities, other than the Guadalupe-Blanco River Authority (GBRA)?

19 A. Yes. AquaSource Utility, Inc. (ASU) and Blue Hole Management, Ltd. (Blue Hole)  
20 responded. Certified copies of those letters are attached to my testimony as Wimberley  
21 Exhibits 22 and 23.

1 Q. Why did Wimberley choose not to pursue obtaining wastewater service from ASU or  
2 Blue Hole?

3 A. Wimberley is concerned about ASU's compliance problems, as well as ASU's responses  
4 in enforcement actions; ASU's and Blue Hole's wastewater treatment capacity; and has  
5 questions concerning a commitment to provide sewer service to the entire requested area.  
6 GBRA is a better alternative because Wimberley has been working with GBRA for over  
7 ten (10) years to address Wimberley's sewer system needs. Just because Woodcreek  
8 Utilities was sold to ASU, which is an aggressive investor owned utility from  
9 Pennsylvania, does not mean it is the right solution for Wimberley. ASU has clearly  
10 demonstrated to Wimberley its unwillingness to cooperate within the city limits of  
11 Wimberley. This has been shown through the difficulties of setting sewer rates,  
12 responding to citizen input regarding discharge permits; failure to upgrade its lift stations  
13 to community standards; the crossing of Cypress Creek with wastewater collector lines;  
14 inadequate responses to citizen complaints and failure to involve community leaders in  
15 problem solving.

16  
17 Q. Have individuals and potential developers approached Wimberley requesting sewer  
18 service?

19 A. Yes.

20  
21 Q. Have you met with any of these individuals or potential developers?

1 A. Yes, I have met with Blue Hole Development, Sam Davis, the Lumberyard, Wimberley

2 Log Home Cabins and others.

3 Q. Are you familiar with where their properties or proposed developments are located?

4 A. Yes.

5  
6 Q. Please describe the requests for sewer service received by Wimberley.

7 A. Wimberley has received approximately 100 written requests from various landowners in  
8 the proposed certificated area. Most of these requests are located along Ranch Roads 12  
9 and 2325. Certified copies of those requests are included as attachments to Wimberley's  
10 letters to the TNRCC dated November 15, 2001 and November 30, 2001, which is  
11 attached to my testimony as Wimberley Exhibit 15. Wimberley has received additional  
12 requests from the Lumberyard, Sam Davis' project, Blue Hole Development and  
13 Wimberley Log Home Cabins.

14  
15 Q. Does Wimberley expect growth in the requested area?

16 A. Yes.

17  
18 Q. How much growth and over what period of time does Wimberley expect?

19 A. Wimberley expects a doubling of its population in the next 10 years. This would increase  
20 the population to approximately 14,000-15,000 or more.

1 Q. How does Wimberley plan to provide sewer service in the requested area?

2 A. GBRA and Wimberley have entered into an Operating Agreement and an Interlocal  
3 Agreement wherein GBRA has agreed, on behalf of Wimberley, to provide sewer service  
4 in the requested area and to operate and maintain the system on behalf of Wimberley.  
5 Certified copies of both agreements are attached to David Welsch's testimony as  
6 Wimberley Exhibits 26 and 27. Wimberley has also entered into an Engineering Services  
7 Agreement with Black & Veatch Corporation to develop a wastewater masterplan for  
8 Wimberley. A certified copy of this Agreement is attached to my testimony as  
9 Wimberley Exhibit 24. Mr. Phillip L. Cook, P.E. with Black & Veatch will testify in  
10 more detail regarding the scope of services that Black & Veatch will perform for  
11 Wimberley per the Engineering Services Agreement.

12  
13 Q. Did you participate in the negotiation and drafting of the Operating Agreement and  
14 Interlocal Agreement?

15 A. Yes.

16  
17 Q. And, were those agreements approved by Wimberley?

18 A. Yes.

19  
20 Q. Is there adequate sewer service currently provided in the requested area?

21 A. No. For the most part, there is no sewer service being provided except for the area that



1 was recently certificated to Woodcreek Utilities Inc. To my knowledge, there are less  
2 than ten (10) customers being served by Woodcreek Utilities (ASU) within Wimberley's  
3 requested area.  
4

5 Q. Will service by Wimberley, through its operator, GBRA, be an improvement for potential  
6 customers in the requested area? Why?

7 A. Yes, since there is very limited sewer service currently being provided in the requested  
8 area, sewer service by Wimberley will be an improvement. Most people in Wimberley,  
9 including myself, have septic systems. Many of those systems are old and do not comply  
10 with the current Wimberley and Hays County regulations. They are, nevertheless,  
11 grandfathered. When these systems need to be either expanded or replaced, they will  
12 have to comply with Wimberley's or Hays County's regulations. Many of these septic  
13 systems will not be able to meet those regulations. Having a sewer system alternative  
14 will be an improvement. Having septic systems throughout the entire nine (9) square  
15 miles within the prestine and sensitive watershed of Cypress Creek and Blanco River, as  
16 well as over the Trinity Aquifer is not environmentally acceptable to Wimberley.  
17

18 Q. Is Wimberley willing to be responsible for providing sewer service to the requested area?

19 A. Yes, which is why Wimberley is requesting the sewer CCN and seeking to obtain the  
20 existing Blue Hole sewer system.  
21

1 Q. Does the requested area lie inside any other certificated area?

2 A. The requested area in Wimberley's application, as amended, did not overlap with any  
3 other certificated areas. However, as I have testified earlier, recently Woodcreek Utilities  
4 was successful in its efforts to amend CCN No. 20124 to certificate a portion of  
5 Wimberley's requested area thereby creating an overlap of service areas between the two  
6 entities. Wimberley is now requesting that its application be amended to duly certificate  
7 this area.

8

9 Q. Are there other retail public utilities serving the proximate area? Which ones?

10 A. Yes. AquaSource, Utilities, Inc., which also owns the CCN for Woodcreek Utilities, and  
11 Blue Hole Management, Ltd.

12

13 Q. Are any of these utilities serving within the city limits of Wimberley? Which ones?

14 A. Yes. AquaSource, Utilities, Inc., which also owns the CCN for Woodcreek Utilities, and  
15 Blue Hole Management, Ltd.

16

17 Q. As Mayor Pro Tem, are you familiar with the type of sewer service these utilities are  
18 providing to the citizens of Wimberley and to the people living in Wimberley's ETJ?

19 A. Yes.

20

21 Q. Has Wimberley received any complaints about the sewer service from these utilities?

1 A. Yes. Wimberley has received complaints about ASU's quality of service, odors from  
2 their wastewater treatment plants, discharges from their wastewater treatment plants,  
3 spills and billing issues and operating wastewater plants after the permits have expired.

4  
5 Q. How did Wimberley handle those complaints?

6 A. Wimberley forwards the information in these complaints to officials at the TNRCC.  
7 Wimberley itself reported on ASU's lift station spill to TNRCC.

8  
9 Q. Are you familiar with how the utility responded to those complaints?

10 A. Yes.

11  
12 Q. What is your understanding about how the utility responded to the complaints?

13 A. In one word, poorly. ASU in many instances failed to even acknowledge that a  
14 complaint had been made.

15 Q. What effect will granting Wimberley its CCN have on those neighboring utilities?

16 A. There should be little to no effect because Wimberley's requested area, except for the  
17 area that Wimberley is requesting dual certification, does not overlap any of the  
18 neighboring utilities' service areas. The projected build-out within ASU's current CCN  
19 will put ASU's current wastewater treatment plant to over capacity. ASU has more  
20 projected wastewater effluent than ASU's current wastewater treatment system can  
21 handle.

1 Q. What effect will the granting of the CCN have on Wimberley?

2 A. It will be positive. Growth is inevitable and welcome because it adds to the economic  
3 base, attracts business and stabilizes Wimberley's economy. However, Wimberley wants  
4 to ensure that the environmentally-sensitive groundwater and surface water in the area are  
5 protected as growth occurs. It is my opinion, as Mayor Pro Tem, that an organized sewer  
6 collection and treatment system is a preferable means of providing sewer service to the  
7 area. A sewer system will allow development to occur while protecting Wimberley's  
8 unique natural resources.

9  
10 Q. How will the construction, operation, and maintenance of the Wimberley sewer system  
11 be financed?

12 A. Operation of the sewer system will be paid for by the customers to the system in  
13 accordance with the Operating Agreement with GBRA and the rates reviewed and  
14 approved by Wimberley.

15  
16 Q. Why is the CCN requested by Wimberley necessary for service, accommodation,  
17 convenience, or safety of the citizens of Wimberley?

18 A. There is currently inadequate service being provided to Wimberley's requested area.  
19 There is a need for sewer service in Wimberley's requested area. There will be a positive  
20 effect of the granting of the CCN on Wimberley. There will be an adverse effect on  
21 Wimberley of granting the CCN to any retail public utility of the same kind already

1 serving in the proximate area. Wimberley and/or GBRA, acting on behalf of Wimberley,  
2 has the ability to provide adequate sewer service. Except for obtaining sewer service  
3 from GBRA, it is not feasible to obtain adequate sewer service from an adjacent retail  
4 public utility because there is no guarantee those utilities will provide sewer service to the  
5 entire requested area in accordance with Wimberley's master plan. Wimberley and/or  
6 GBRA acting on behalf of Wimberley are financially stable. There will be a probable  
7 improvement to the environmental integrity in the requested area. There will be probable  
8 improvement in sewer service or lowering of costs to customers in Wimberley's  
9 requested area. Wimberley and/or GBRA, acting on behalf of Wimberley, are capable of  
10 meeting the Commission's design criteria for sewer treatment systems.

11  
12 Q. As Mayor Pro Tem, are you familiar with the feasibility of Wimberley connecting with  
13 another retail public utility other than GBRA?

14 A. Yes.  
15

16 Q. Is it feasible for Wimberley to connect with another retail public utility providing sewer  
17 service in the area? Why?

18 A. No. It is not feasible for Wimberley to connect with another retail public utility other  
19 than GBRA. First, Wimberley is under contract to have GBRA as its sewer system  
20 operator for the requested area. Second, no other retail public utility has made any  
21 contractual commitments to providing sewer service to the requested area and there are

1 no guarantees they will provide sewer service or certificate the area. Third, based on my  
2 experience as Mayor Pro Tem, sewer service being provided currently by the other  
3 systems is inadequate and, more importantly, I do not believe the other systems have  
4 adequate capacity to meet the projected needs of citizens and businesses within  
5 Wimberley's requested area nor do they have plans to meet those needs.

6  
7 Q. Does this conclude your testimony?

8 A. Yes. I reserve the right to amend or supplement my testimony at time of trial to correct  
9 any inadvertent mistakes and to reflect intervening changes in circumstances.

# Bickerstaff, Heath, Smiley, Pollan, Kever & McDaniel, L.L.P.

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April 19, 2002

Via Messenger

Office of the Chief Clerk - MC 105  
Texas Natural Resource Conservation Commission  
12100 Park 35 Circle  
Building F, 1<sup>st</sup> Fl.  
Austin, Texas 78711-3087

Re: *Application of Village of Wimberley to Obtain New Sewer CCN*  
SOAH Docket No. 582-01-3914  
TNRCC Docket No. 2001-00845-UCR

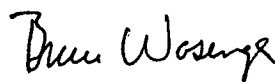
Dear Clerk:

Enclosed for filing in the above-referenced matter please find an original and one copy of the City of Wimberley's direct testimonies of Steve Klepfer, Mr. David Welsch, Mr. Fred M. Blumberg, Mr. Alvin E. Schuerg, C.P.A., Debbie C. Magin, and Phillip L. Cook to be considered. I will present Wimberley's testimonies in this order.

Please have the copies file-stamped and returned to our runner. I have served a copy of these documents to all persons on the attached mailing list.

Thank you for your assistance in this matter.

Sincerely,



Bruce Wasinger

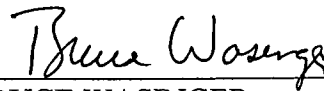
BW/bc

Enclosures

cc: All Parties on Service List

**CERTIFICATE OF SERVICE**

I hereby certify, by my signature below, that a true and correct copy of the City of Wimberley's direct testimonies of Steve Klepfer, Mr. David Welsch, Mr. Fred M. Blumberg, Mr. Alvin E. Schuerg, C.P.A., Debbie C. Magin, and Phillip L. Cook was forwarded by U.S. Mail on April 19, 2002 to those persons on the attached mailing list.

A handwritten signature in cursive script, reading "Bruce Wasinger", is written over a horizontal line.

BRUCE WASINGER

State Bar Number 20901100



**SERVICE LIST**  
**SOAH Docket No. 582-01-3914**  
**TNRCC Docket No. 2001-0845-UCR**  
**Village of Wimberley**

Mark Zeppa, Attorney  
4833 Spicewood Springs Rd., Ste. 202  
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the Texas Natural Resource  
Conservation Commission

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Fax (512)320-5638

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April 19, 2002

## *Via Messenger*

The Honorable Sarah G. Ramos  
State Office of Administrative Hearing  
300 West 15<sup>th</sup>, Ste. 502  
Austin, Texas 78701

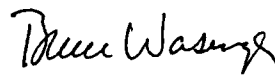
Re: *Application of Village of Wimberley to Obtain New Sewer CCN*  
SOAH Docket No. 582-01-3914  
TNRCC Docket No. 2001-00845-UCR

Dear Judge Ramos:

Enclosed is a copy of the City of Wimberley's direct testimonies of Steve Klepfer, Mr. David Welsch, Mr. Fred M. Blumberg, Mr. Alvin E. Schuerg, C.P.A., Debbie C. Magin, and Phillip L. Cook to be considered. I will present Wimberley's testimonies in this order. I have served a copy of these documents to all persons on the attached mailing list.

Thank you for your assistance in this matter.

Sincerely,



Bruce Wasinger

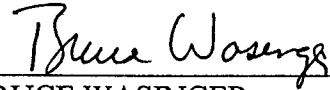
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