



Control Number: 44463



Item Number: 26

Addendum StartPage: 0

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PUBLIC UTILITY COMMISSION
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PETITION OF BLUEBERRY HILLS § BEFORE THE STATE OFFICE
WATER WORKS, LLC APPEALING §
A DECISION BY THE CITY OF § OF
BEEVILLE TO CHANGE WHOLESALE §
WATER RATES § ADMINISTRATIVE HEARINGS

CITY OF BEEVILLE'S RESPONSE TO BLUEBERRY HILLS'
MOTION FOR INTERIM RATES

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

NOW COMES, the City of Beeville ("Beeville"), the responding wholesale water supplier in the above styled and docketed matter, and subject to its plea to the jurisdiction, files this Response to Blueberry Hills Water Works, LLC ("Blueberry") Motion for Interim Rate Order (April 10, 2015) ("Motion"). Blueberry's Motion should be denied because interim rates are not warranted in this proceeding under standards set forth in P.U.C. SUBST. R. 24.29(d).¹ This Response is timely filed. In support of its Response, Beeville would respectfully show the following:

I. BLUEBERRY LACKS PROOF OF UNREASONABLE ECONOMIC HARDSHIP

Interim rates lower than the rates set forth in Beeville Ordinance No. 2246,² are not justified because the petitioner will be unable to show that the adopted rates result in an

¹ Indeed, Petitioner's Motion at 2-3 exaggerates the increase by claiming that their February 5, 2015 bill was \$2,809.23 more than their January 5, 2015 bill, without explaining that petitioner had increased their water consumption by 4249.63 gallons over their previous month's consumption. Petitioner's February 5, 2015 bill was for 11,954 gallons versus January 5, 2015 bill for 6222 gallons, i.e., Petitioner doubled their water consumption shortly before filing this rate increase appeal. See Exhibit 8 (Certified copy of Beeville's Billing Records for Blueberry Hill Water Works, LLC, Account No. 13-1925-00, Records for 2/5/2013 to 3/6/2015) at 1, 2.

² See Exhibit 1 hereto (certified copy of Beeville's Ordinance No. 2246); Petitioner's Original Petition Appealing the City of Beeville Texas' Wholesale Water Rate and Petitioner's Request for Interim Water Rates at Exhibits A (Notice of Beeville Ordinance No. 2246 with envelope post marked December 1, 2014) & B (Summary Table of Beeville's Rates and Charges) (February 18, 2015) ("Original Petition"); and Exhibit 2 hereto (Certified copy of Beeville's City Council Meeting Minutes for November 11, 2014 adopting Ordinance No. 2246).

unreasonable economic hardship on the petitioner or the petitioner's customers, or are unjust or unreasonable, for the following reasons, among others:

Beeville's rate increase effective January 1, 2015, pursuant to Ordinance No. 2246 should not result in any greater economic hardship to Blueberry's customers as Blueberry's costs primarily involve that of a billing company, as Blueberry receives treated water under pressure from the Beeville Water System.³ Timely formal notice of this new water rate in Ordinance No. 2246 was sent to Blueberry on December 1, 2014 (not December 29 as alleged by petitioner) and said notice did not state "plus administrative costs, as alleged by petitioner."⁴ Blueberry's retail customers have been paying petitioner a base rate of \$38.50 per month plus \$5.35 per thousand gallons since December 2006.⁵ Thus the increase in water rates charged by Beeville should be absorbed in the margin Blueberry has been charging since 2006, as demonstrated by the worksheets attached to the affidavit of Victoria Harkins, Ph.D., P.E., D.WRE, Beeville's professional consultant, regarding its water utility services.⁶

Indeed Dr. Harkins' analysis confirms that Beeville provides treated and pressurized water to Blueberry at *lesser* cost than it does to its own customers, both inside and outside retail

³ See Exhibit 3, Affidavit of Jack Hamlett, Beeville City Manager, attached hereto and incorporated herein by reference, at ¶11; Exhibit 4, Affidavit of Victoria Richards Harkins, Ph.D., P.E., D.WRE., and worksheets 1 and 2, attached hereto and incorporated herein by reference at ¶¶6,7,8; and Exhibit 5, Curriculum Vitae of Victoria Richards Harkins, Ph.D., P.E., D.WRE., attached hereto and incorporated herein by reference at ¶ 11.

⁴ See Petitioner's Original Petition at Exhibits A (Notice with envelope post-marked December 1, 2014, not December 29, 2014 as represented in Petitioner's Motion for Interim Water Rate Order at 1). "Plus administrative costs" is nowhere mentioned in said Notice, contrary to representation made in Petitioner's Motion for Interim Water Rate Order, at 1-2. *Id.*

⁵ Petitioner's Original Petition at Exhibit C (Blueberry Hills TCEQ Water Certificate of Convenience and Necessity ("CCN") No. 12772).

⁶ See Exhibit 4, Affidavit of Victoria Richards Harkins, Ph.D., P.E., D.WRE., and worksheets 1 and 2.

ratepayers.⁷ Blueberry collects excess revenue above the cost of the wholesale water because Blueberry's retail water rates are higher than the retail rates charged by Beeville.⁸ Blueberry charges \$38.50 per month as a base rate and \$5.35/1,000 gallons.⁹ Beeville charges outside city retail customers \$35 per month as a base rate and \$4.00/1,000 gallons (includes 2,000 gallons) volume charge.¹⁰

Specifically, Dr. Harkins' Worksheet No. 1 shows that Blueberry collects from \$3,347 to \$9,555 excess revenue *each month*.¹¹ For 2012, Blueberry collected approximately \$65,000 in excess of the costs for wholesale water including the asset payment.¹² In 2014, Blueberry collected approximately \$60,000 in excess revenue including the asset payment.¹³ Dr. Harkins confirms that, as Beeville provides pressurized potable water, the Blueberry system only has its distribution assets and administrative costs for cost of service.¹⁴ Also, as an investor owned utility, Blueberry may not use for cost and rate-making those assets that are not used and useful during the test year.¹⁵

Dr. Harkins' Worksheet No. 2, analysis of the projected actual costs Blueberry customers incur with the new wholesale rate, additionally supports the conclusion that Beeville's wholesale rate does not result in an unreasonable economic hardship on Blueberry's customers, or result in

⁷ *Id.* at ¶6.

⁸ *Id.* at ¶7.

⁹ *Id.*

¹⁰ See Exhibit 4, Affidavit of Victoria Richards Harkins, Ph.D., P.E., D.WRE., and worksheets 1 and 2 at ¶7.

¹¹ *Id.* at ¶8.

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

¹⁵ See Exhibit 4, Affidavit of Victoria Richards Harkins, Ph.D., P.E., D.WRE., and worksheets 1 and 2 at ¶8..

unjust or unreasonable rates.¹⁶ Likewise Dr. Harkins' analysis confirms that the failure to set interim rates will not result in an unreasonable economic hardship on Blueberry.¹⁷ Dr. Harkins recommends the wholesale rate remain at \$600 base rate and \$4.00 per 1,000 gallons.¹⁸

To date, the petitioner has not availed itself of remedies available under the Commission rules to pass-through the rate increase to its customers because Blueberry did not include within its tariff a provision allowing it to pass-through increases in purchased water costs and Blueberry has not filed an application to revise its rates.¹⁹ Thus, this rate increase does not present a burden to Blueberry's customers. In any event, Blueberry's customers are still paying *less* than inside city Beeville customers when you consider they are not paying the property tax levied on property within Beeville's corporate limits to pay debt service relating to water system infrastructure.

Beeville also disputes petitioner's allegations regarding the "magnitude of the rate increase imposed by Beeville."²⁰ Blueberry misrepresents the amount of the increase by using the \$2.76 per thousand as a bench mark, but the increase is only \$0.83 per thousand above the rate previously paid by Blueberry, plus a service availability charge of \$600 for a 6-inch meter.²¹

¹⁶ *Id.* at ¶¶9, 10.

¹⁷ *Id.* at ¶¶7,8,9,10.

¹⁸ *Id.* at ¶10.

¹⁹ Petitioner's Original Petition at Exhibit D (Water Utility Tariff for Blueberry Hills Water Works, LLC).

²⁰ Petitioner's Motion at 3.

²¹ Under Blueberry's tariff, the monthly service charge for a 4-inch meter is \$950 contrasted to Beeville's monthly charge of only \$600 for a 6-in meter. Petitioner's Original Petition at Exhibit D at p.2.

Beeville also denies petitioner's allegations that Beeville is exercising monopoly power over Blueberry.²² Beeville does not hold monopoly power over the petitioner because the petitioner had an alternative source of water when the petitioner requested service from Beeville; the petitioner continues to have an alternative water supply; and the contract between Beeville and the petitioner does not obligate the petitioner to take or pay for a minimum volume of water. Even if Beeville held a monopoly power, a rate increase of \$0.83 per thousand gallons and the service availability charge of \$600 per month does not evidence an abuse of monopoly power.

Additionally, Beeville denies petitioner's allegations and requires strict proof that Beeville committed "clear violations of state law by adopting Ordinance No. 2246 without an approved rate design or alternative rate method and without a calculation of the costs of service."²³ The PUCT rule 24.31 cited by Blueberry in its petition as requiring a cost of service study, is not applicable to municipalities, just investor-owned utilities.²⁴ As demonstrated by the Affidavit of Jack Hamlett, Ordinance No. 2246 was adopted to allow Beeville to recover its cost of service and to end the preferential rate paid by Blueberry in comparison to Beeville's retail customers.

Blueberry began receiving treated water under pressure from the Beeville Water System on September 18, 2012, because it took the parties almost one year after the contract was signed to complete construction of the water transmission line and infrastructure connecting these two water systems.²⁵ From the very beginning, Beeville charged

²² Petitioner's Motion at ¶10. See Original Petition at Exhibit C and D showing Blueberry had CCN 12772 since 2005 and CCN 12772 Tariff was approved Dec. 2006.

²³ Petitioner's Motion at 3.

²⁴ Petitioner's Original Petition at 6.

²⁵ Exhibit 3, Affidavit of Jack Hamlett at ¶9.

Blueberry and Blueberry paid a volumetric charge of \$3.17 per thousand gallons pursuant to Ordinance No. 2198.²⁶ Ordinance No. 2198 was passed by City Council on September 27, 2011 and therefore is conclusively presumed valid by the validation statute.²⁷ Blueberry did not timely appeal the rates set forth in Ordinance No. 2198. Accordingly, the amount of the current rate increase is \$0.83 per thousand gallons, significantly less than the \$1.24 per thousand gallons represented by the petitioner.

The petitioner has requested the imposition of interim rates less than the amounts that the petitioner paid to Beeville prior to the most recent rate increase. The Commission, and thus the Administrative Law Judge, is prohibited under P.U.C. Subst. R. 24.29(e) from setting interim rates lower than the rates that the petitioner paid to Beeville prior to the effective dates of the rates adopted by Ordinance No. 2246. In any event, the Administrative Law Judge should exclude any consideration of interim rates less than \$3.17 per thousand gallons.

The petitioner is charged the same rates that Beeville charges outside-city residential and outside-city commercial customers.²⁸ The petitioner is Beeville's only wholesale customer. As demonstrated by the worksheets attached to the affidavit of Victoria Harkins,

²⁶ Exhibit 6, (Missing Records Affidavit of Barbara Trevino, Custodian of Records) (stating inability to locate copy of Ordinance No. 2198, and, in lieu of same, offering a certified copy of the September 27, 2011, City Council Meeting Minutes which reflects adoption of Ordinance No. 2198 in which a 15% fee increase was applied to water and wastewater service fees effective October 1, 2011) attached hereto and incorporated by reference. These City Council Minutes are offered as the best evidence of Ordinance No. 2198, further supported by Exhibit 7 (Certified copy of Beeville's Billing Records for Blueberry Hill Water Works, LLC, Account No. 13-1925-00, Records for 10/05/2012 to 1/7/2013) and Exhibit 8 (Certified copy of Beeville's Billing Records for Blueberry Hill Water Works, LLC, Account No. 13-1925-00, Records for 2/5/2013 to 3/6/2015).

²⁷ See TEX. LOC. GOV'T CODE ANN. § 51.003 (a)(1) and (2), providing:

(a) A governmental act or proceeding of a municipality is conclusively presumed, as of the date it occurred, to be valid and to have occurred in accordance with all applicable statutes and ordinances if: (1) the third anniversary of the effective date of the act or proceeding has expired; and (2) a lawsuit to annul or invalidate the act or proceeding has not been filed on or before that third anniversary.

²⁸ Exhibit 1, Beeville Ordinance No. 2246.

the inside and outside retail customers of Beeville will be paying for water service once the property taxes paid by Beeville inside city customers for water infrastructure improvements are considered.²⁹

The agreement between the petitioner and Beeville requires the petitioner to pay Beeville a monthly charge to reimburse Beeville for a portion of the cost of extending service to the petitioner.³⁰ If interim rates are adopted, the interim rates should include the continuation of this monthly payment to Beeville.

II. PUBLIC DOCUMENTS CONFIRM PETITIONER LACKS PROOF OF UNREASONABLE ECONOMIC HARDSHIP

Documents that are publicly available show that the petitioner will not suffer unreasonable economic hardship. Petitioner's owner and Managing Director, Linda Eissler Unger, inherited the Blueberry Hills Water Works property in 2004 through the probate of her mother Rosa Lee Eissler's August 14, 1991 will.³¹ Rosa Lee Eissler bequeathed her "beloved daughter, Linda-Kay Eissler" all of her "property of whatsoever nature, kind or character, whether real, personal or mixed" after the payment of her debts.³²

Rosa Lee Eissler died on April 12, 2004 and her will was filed for probate on April 21, 2014.³³ On July 29, 2004, Linda E. Unger, as Manager 1 and Ronald N. Unger, II, as Manager 2, filed with Texas Secretary of State the Articles of Organization of Blueberry

²⁹ See Exhibit 4, Affidavit of Victoria Richards Harkins, Ph.D., P.E., D. WRE., worksheets 1 and 2 at ¶9.

³⁰ Petitioner's Original Petition at Exhibit E, Agreement for Wholesale Potable Water Supply, Sec. 4.03, Pro Rata reimbursement; Exhibit 3 hereto, Affidavit of Jack Hamlett at ¶10.11;

³¹ Exhibit 9, Certified copy of Application to Probate a Holographic Will and for Issuance of Letters Testamentary, Last Will and Testament, Citation on Application Death Certificate, Proof of Decedent's Handwriting and Signature, and Order Probating Will and Authorizing Letters Testamentary, attached hereto and incorporated herein by reference.

³² *Id.* at Last Will and Testament.

³³ *Id.* at Application to Probate a Holographic Will and for Issuance of Letters Testamentary.

Hills Water Works, LLC., a limited liability company to be managed by Managers 1 and 2.³⁴ As Ms. Unger inherited the water system from her mother, she should not owe any money for the construction of the water system or the acquisition of the water system. Further petitioner pays property taxes in the amount of only \$270.07 for four lots that are held in the name of the petitioner and the petitioner appears to pay no property tax on the value of the utility system.³⁵

Additionally petitioner's Owner and Managing Director, Linda Eissler Unger is a major landowner and developer in the area. Records from the appraisal district show three business entities affiliated with Linda Eissler Unger,³⁶ own at least 73 lots in the area valued on the tax rolls at \$1,716,250: Blueberry Hills Water Works, LLC, (4 properties) Abeja Properties, LLC,(55 properties) and Blueberry Hills Rentals, LLC (14 properties).³⁷

The great majority, i.e., 53 of said 73 lots were inherited by Petitioner's Owner and Managing Director, Linda Eissler Unger in April 2004 through the probate of her mother Rosa Lee Eissler's will.³⁸ The records from Bee County Appraisal District ("BeeCAD") reflect that 53 of these 73 lots were owned by Rosa Lee Eissler or her estate and then transferred to Linda Kay Eissler and then ultimately transferred to one of the three Limited

³⁴ *Id.*; see Exhibit 10, Certified copy of Articles of Organization of Blueberry Hills Water Works, LLC., attached hereto and incorporated herein by reference.

³⁵ See Exhibit 14 (Duplicate Receipts for the four properties owned by petitioner, obtained from the Bee County Tax Assessor Collector's public data website located at) attached hereto and incorporated herein by reference.

³⁶ See Exhibits 10 (Certified copy of Articles of Organization of Blueberry Hills Water Works, LLC); 11 (Certified copy of Articles of Organization of Abeja Properties, LLC) & 12 ((Certified copy of Articles of Organization of Blueberry Hills Rentals, LLC), attached hereto and incorporated herein by reference.

³⁷ See Exhibit 13 (A summary compilation of public tax-related data available on 73 properties owned by Blueberry Hills Water Works, LLC, Abeja Properties, LLC, and Blueberry Hills Rentals, LLC, based on information on the public BeeCAD Website <http://beecad.org>) attached hereto and incorporated herein by reference.

³⁸ See Exhibit 9 (Certified copy of Application to Probate a Holographic Will and for Issuance of Letters Testamentary, Last Will and Testament, Citation on Application Death Certificate, Proof of Decedent's Handwriting and Signature, and Order Probating Will and Authorizing Letters Testamentary.

Liability Companies incorporated on July 29, 2004 by Linda E. Unger, as Manager 1 and Ronald N. Unger, II as Manager 2: Blueberry Hills Water Works, LLC, Abeja Properties, LLC, and Blueberry Hills Rentals, LLC.³⁹

III. BEEVILLE WILL SUFFER UNREASONABLE ECONOMIC HARDSHIP UNLESS RATES INCREASE

By contrast and in support of the rates set forth in Ordinance No. 2246, Beeville can show that it will sustain unreasonable economic hardship if it is not permitted to raise its rates to petitioner. Beeville, like Blueberry Hills is located in an economically distressed area in Bee County, Texas. Property located within the corporate limits of Beeville has been and remains subject to a tax levied and collected by the Beeville Water Supply District to pay debt service on bonds issued by the district to finance the Morrill Water Treatment Plant, other water supply related facilities, and a 24-inch water transmission line from Lake Mathis to the Morrill Water Treatment Plant.⁴⁰ The petitioner and the residential lots served by the petitioner are not subject to this tax.⁴¹

Additionally in May of 2014, Beeville received notice from TCEQ that certain improvements would be required at its Morrill Water Treatment Plant in order to maintain compliance.⁴² These improvements will have to be implemented by December 31, 2015.⁴³

The most expensive improvement is construction of a new clarifier with a cost estimate of \$3,006,000.⁴⁴ In order to begin the engineering plans, Beeville issued Certificate of Obligations in the amount of \$920,000 on September 23, 2014 for improvements at the Morrill

³⁹ See Exhibit 13..

⁴⁰ Exhibit 3, Affidavit of Jack Hamlett at ¶5.

⁴¹ *Id.*

⁴² *Id.* at ¶6.

⁴³ *Id.*

⁴⁴ *Id.* at ¶7.

Water Treatment Plant.⁴⁵ The debt service on said Certificate is backed by city property tax not paid by water customers located out of the City limits as Blueberry Hill.⁴⁶

Another mandated improvement was to upgrade the communication system for emergency situation.⁴⁷ The Beeville Water Supply District approved funding of \$177,663 for said improvements.⁴⁸ These funds were received from District bond proceeds paid by property tax rate for properties within the city limits only.⁴⁹

A compound meter exists at the connection between Beeville and the petitioner; a six-inch meter for high volume flows and a 1.5-inch meter to measure low volume flows.⁵⁰ Ordinance No. 2246 imposes a monthly charge based upon meter size.

Finally the contract between Beeville and the petitioner requires petitioner to pay Beeville on a monthly basis a charge that reimburses Beeville for the cost of extending a main and related facilities.⁵¹ This charge needs to remain in effect until Beeville receives payment in full as failure to make this payment constitutes a default and breach of this Agreement and termination of Beeville's duty to perform any part of this contract.⁵²

IV. CONCLUSION AND PRAYER

WHEREFORE, PREMISES CONSIDERED, Beeville respectfully requests the Administrative Law Judge deny Petitioner's Motion for Interim Water Rate Order and find that Interim rates lower than the rates set forth in Beeville Ordinance No. 2246, are not justified

⁴⁵ *Id.*

⁴⁶ *Id.*

⁴⁷ *Id.* at ¶8.

⁴⁸ *Id.*

⁴⁹ *Id.*

⁵⁰ *Id.* at ¶9.

⁵¹ *Id.* at ¶10; Petitioner's Original Petition at Exhibit E (Agreement for Wholesale Potable Water Supply, Sec. 4.03, Pro Rata reimbursement).

⁵² *Id.*

because the petitioner will be unable to show that the increased rates result in an unreasonable economic hardship on the petitioner or the petitioner's customers. If interim rates are adopted, the interim rate should not be less than the \$3.17 per thousand gallons and must include the pro rata reimbursement charge.

Respectfully submitted,

DAVIDSON, TROILO, REAM & GARZA, P.C.
7550 West IH-10, Suite 800
San Antonio, Texas 78229-5815
Telephone: (210) 349-6484
Facsimile: (210) 349-0041

By: 

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jreser@dtgrlaw.com

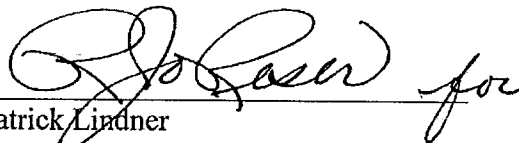
**ATTORNEYS FOR CITY OF BEEVILLE,
TEXAS**

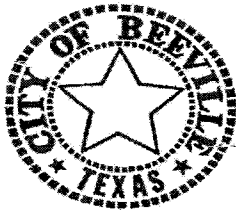
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been sent by overnight delivery service to the following persons on this 23 day of April, 2015:

Ronnie Jones
Attorney at Law
9951 Anderson Mill Road, Unit 201
Austin, Texas 78750
(512) 291-6821 (Telephone)
(512) 291-6823 (Facsimile)

Brian MacLeod – Legal Division
Public Utility Commission of Texas
1701 N. Congress Avenue
P. O. Box 13326
Austin, Texas 78711-3326
(512) 936-7230 (Telephone)
(512) 936-7268 (Facsimile)


Patrick Lindner



CITY OF BEEVILLE

400 N. Washington Street
Beeville, Texas 78102
361-358-4641
361-358-7355 FAX

STATE OF TEXAS

COUNTY OF BEE

} **CERTIFICATE OF COPY OF PUBLIC RECORD**

I hereby certify, in the performance of the functions of my office, that the attached instruments are a full, true and correct copy of the City of Beeville, Ordinance No. 2246 dated November 15, 2014 as they appear of record in my office.

I further certify that I am the City Secretary for the City of Beeville, Texas, which I have legal custody of said records, and I am the lawful possessor and keeper of said record.

In witness whereof I have hereunto set my hand and affixed the official seal of said office this 9th day of April, 2015.



BARBARA TREVINO, City Secretary

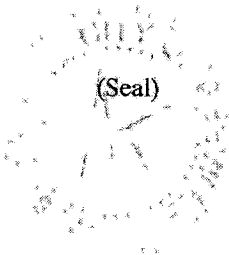


EXHIBIT 1

CITY OF BEEVILLE

ORDINANCE NO. 2246

AN ORDINANCE OF THE CITY OF BEEVILLE, TEXAS ESTABLISHING RATES FOR WATER SERVICES PROVIDED BY THE CITY.

WHEREAS, the City of Beeville has reviewed water utility rates; and

WHEREAS, City staff recommends modification to the rate schedule to ensure the rates are clear to administer and implemented equitably to all customers; and

WHEREAS, the Beeville City Council finds that the rate modifications are reasonable.

NOW, THEREFORE BE IT ORDINANCED BY THE CITY COUNCIL OF THE CITY OF BEEVILLE, TEXAS, THAT THE FOLLOWING WATER RATES ARE ADOPTED:

Section 1: RESIDENTIAL

- a) Capacity fee per meter (First 2,000 gallons) \$19.85
- b) Above 2,000 gallons \$2.98 Per 1,000 gallons

Section 2: RESIDENTIAL (65 years age and older)

- a) Capacity fee per meter (First 2,000 gallons) \$5.00
- b) Above 2,000 gallons \$2.98 Per 1,000 gallons

Section 3: COMMERCIAL, INDUSTRIAL

- a) Above 2,000 gallons \$2.98 per 1,000 gallons
- b) Capacity Fee based on Meter Size
 - 1 inch \$29.78
 - 1.5 inch \$49.63
 - 2 inch \$99.25
 - 3 inch \$158.80
 - 4 inch \$317.60

6 inch \$496.25

Section 4: RESIDENTIAL OUTSIDE CITY LIMITS

- a) Capacity fee \$35.00
(First 2,000 gallons)
- b) Above 2,000 gallons \$4.00 per 1,000 gallons

Section 5: COMMERCIAL, INDUSTRIAL, WHOLESALE OUTSIDE CITY LIMITS

- a) Above 2,000 gallons \$4.00 Per 1,000 gallons
- b) Capacity Fee based on Meter Size
 - o 1 inch \$40.00
 - o 1.5 inch \$60.00
 - o 2 inch \$120.00
 - o 3 inch \$190.00
 - o 4 inch \$380.00
 - o 6 inch \$600.00

Section 6: WATER METER RECONNECT FEE

- a) In City \$50.00
- b) Outside of City Limits \$75.00

This Ordinance shall be effective January 1, 2015, following approval of the Beeville City Council.

This Ordinance shall rescind all Ordinances or parts of Ordinances which established fees for water services.

If any clause or provision of this Ordinance shall be deemed to be unenforceable for any reason, such unenforceable clause or provision shall be severed from the remaining portions of this Ordinance, which shall continue to have full force and effect.

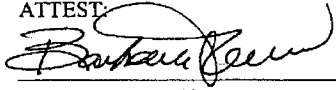
PASSED AND APPROVED this the 11th day of November 2014, A.D.

THE CITY OF BEEVILLE, TEXAS


David Carabaja, Mayor

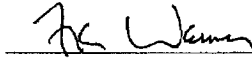
Ord. No. 2246

ATTEST:



Barbara Trevino, City Secretary

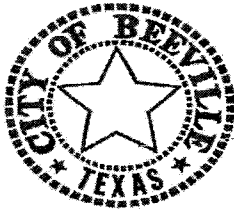
APPROVED AS TO FORM:



Frank Warner, City Attorney

PUBLISHED AS REQUIRED BY CHARTER ON November 15, 2014

Ord. No. 2246



CITY OF BEEVILLE

400 N. Washington Street
Beeville, Texas 78102
361-358-4641
361-358-7355 FAX

STATE OF TEXAS

COUNTY OF BEE

} **CERTIFICATE OF COPY OF PUBLIC RECORD**

I hereby certify, in the performance of the functions of my office, that the attached instruments are a full, true and correct copy of the City Council Meeting Minutes, dated November 11, 2014 as they appear of record in my office.

I further certify that I am the City Secretary for the City of Beeville, Texas, which I have legal custody of said records, and I am the lawful possessor and keeper of said record.

In witness whereof I have hereunto set my hand and affixed the official seal of said office this 9th day of April, 2015.



BARBARA TREVINO, City Secretary

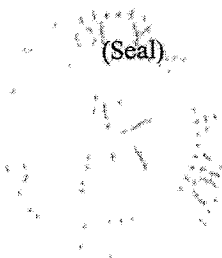


EXHIBIT 2

CITY COUNCIL OF THE CITY OF BEEVILLE

REGULAR MEETING MINUTES

November 11, 2014 (Tuesday)

6:00 P.M.

CITY COUNCIL CHAMBERS
400 N. WASHINGTON STREET
BEEVILLE, TEXAS 78102

THE COUNCIL MAY, DURING THE COURSE OF A MEETING, CONVENE INTO EXECUTIVE SESSION ON ANY ITEM LISTED ON THE AGENDA REGARDLESS OF THE ITEM'S LOCATION ON THE AGENDA IF AN EXECUTIVE SESSION IS AUTHORIZED BY THE TEXAS OPEN MEETINGS ACT

1. Call to order

The meeting was called to order by Mayor Carabajal at 6:03 p.m.

- Mayor David Carabajal

Councilmembers present:

- Libby Spires, Mayor Pro-tem
- Yvonne Dunn
- John Fulghum
- Trace Morrill

Staff present:

- Jack Hamlett, City Manager
- Barbara Trevino, City Secretary
- Gabriela Hernandez, Interim Deputy City Secretary
- Sandy Clarkson, Interim Finance Director
- Albert Vilches, Building Inspector
- Cesario Vela, Utilities System Director

2. Prayer/pledge

The prayer / pledge was led by B. Trevino.

3. Public comment

Mr. Tom Healey voiced his concerns over the City's water issues and comments included the following:

- What happens if water turns salty in agreement with BDA
- Is there protection for the City in the BDA contract
- You withdrew permit that would have noted how cheap a reverse osmosis plant would be
- Why was a permit not issued, that is really bad, enough to recall you (Mayor)
- "It makes no economic sense, you passed up the most economic way to provide water to Beeville forever"

The Mayor advised Mr. Healey to get his facts straight before making ill-informed comments.

4. Consent agenda

The item noted under letter "G", (Water storage tank project) of the purchase approvals consent agenda will be omitted as it was approved through a separate contract.

CITY COUNCIL REGULAR AGENDA – NOVEMBER 11, 2014

Discussion and possible action on approving the following items:

- A. Accounts payable
- B. Purchase Approvals (See Attached letter Dated November 11, 2014)

Councilmember Fulghum moved to approve the consent agenda, omitting letter "G" (Water storage tank project). Councilmember Morrill seconded the motion and carried unanimously.

5. Discussion and presentation on status and Audit Issues Report on the 2013 Fiscal Year Audit.

S. Clarkson introduced Mr. John Sheppard & Pamela De La Pena, of Collier, Johnson & Woods in Corpus Christi, Texas. Gave a status report update of the 2013 audit and make a presentation for the 2013 audit at the next available City Council meeting. Some of the items addressed in the status update included the following:

- Net assets increased by 1.8 million dollars
- Finances are in good shape and strong
- Finance director needs to reconcile accounts
- Former finance director failed to reconcile and caused significant problems
- Utility / garbage active accounts receivable had remaining balances not written off of over \$83,000
- Over 70 journal entries required made to get statements to acceptable level
- City converted a full health insurance plan to self-insured plan in 2012, but still accounting it as if were a fully insurance plan
- This year health insurance plan decreased by \$120,000
- Accounts payable open items need to be reconciled
- City has too many payroll accounts
- Ad Valorem taxes being deposited in general fund, it is a complicated methodology and can be directly placed in correct fund

6. Public Hearing on request by Republic Services for an increase of 3.43% on City's monthly garbage rate.

J. Hamlett stated in accordance with the franchise agreement and the Consumer Price Index (CPI), Republic Services has a right to request a rate increase.

Mayor Pro-tem Spires moved to open the public hearing for Republic Services for an increase of 3.43% on City's monthly garbage rate, seconded by Councilmember Fulghum. The public hearing opened at 6:30 p.m.

Mr. Mike Reeves of Republic Services, stated this a past due increase. He added that due to a drop in the 2014 CPI of gasoline, the rate is established at 3.43% instead of a 3.74% increase.

Effective December 1, 2014 the base rate will increase to 3.43%. Rates to commercial accounts will also be applied to same rate.

Councilmember Fulghum moved to close the public hearing at 6:32 p.m., seconded by Mayor Pro-tem Spires, motion carried unanimously.

CITY COUNCIL REGULAR AGENDA – NOVEMBER 11, 2014

7. Discussion and possible action on Ordinance No. 2245 to increase the rates by 3.43% for the services provided by Republic Services in accordance with the Franchise Agreement. Councilmember Fulghum moved to approve Ordinance No. 2245 to increase the rates by 3.43% for the services provided by Republic Services in accordance with the franchise agreement, seconded by Councilmember Morrill, motion carried unanimously.
8. Discussion and possible action on request to Republic Services for assistance to address problems related to commercial accounts. Mike Reeves stated there are widespread problems relating to commercial accounts:
- Debris outside of trash containers (both residential & commercial)
 - "Unacceptable" items in trash, ie. Tires, furniture, etc.
 - Unacceptable items cause trucks to malfunction
 - Republic wants to address additional fees for violations & illegal dumping
 - Want to charge an overflow fee

NO ACTION TAKEN

9. Discussion and possible action on an Inter-local Agreement between the City of Beeville and the Bee Development Authority regarding development of a ground water well-system at Chase Field. Councilmember Morrill thanked the City Manager and Marvin Townsend for their recent approach and research done regarding the development of the ground water-well system at Chase Field.
- Councilman Fulghum stated this is a powerful compromise between the City and the BDA.
- Mayor Carabajal stated that this is a prime example of the community working together for the betterment of this community and it is the most cost effective.
- "Current water rates with Corpus Christi are in excess of .90 cents per thousand and this one is going to give 2/3 discount at that rate, and at the same, time nowhere near the amount to treat fresh water as it is surface water or brackish water".
- BDA has been reasonable to carry out this rate out to the term of whatever bond the City may enter into, it's a win-win situation and this Council has the community at heart.
- Mayor Carabajal noted that engineers will look at this and come back with a report.
- Councilmember Fulghum moved to enter into an inter-local agreement for water supply between the City of Beeville and the Bee Development Authority regarding development of a ground water-well system at Chase Field, seconded by Councilmember Morrill, (he added that there is still work to be done as far as research and development and feasibility studies, this is not the end of the process it is the beginning), motion carried unanimously.

CITY COUNCIL REGULAR AGENDA – NOVEMBER 11, 2014

10. Discussion and possible action on request by Country Villas Mobile Home Park for the City to extend water service across Highway 202. Councilman Morrill inquired if ground water rights required a deed. The City Attorney noted that more research was required and may possibly need a deed to convey water rights, will need an easement document too.

Councilman Morrill moved to TABLE this item, seconded by Councilman Fulghum, motion carried unanimously.

11. Discussion and possible action on Ordinance No. 2246 to Adopt Water rates for the City of Beeville. J. Hamlett noted that there are inconsistencies in billing customers due to a confusing ordinance on water rates. If approved, this will be effective January 1, 2015, and customers will be notified in advance via mail. No difference in reconnect fee if you were inside / outside of City limits, therefore, a surcharge of \$50 to \$75 was added. Biggest impact was Blue Berry Hill.

Mayor Pro-tem Spires moved to approve Ordinance No. 2246 to adopt water rates for the City of Beeville, seconded by Councilmember Morrill, motion carried unanimously.

Go to item #13.

12. Discussion and possible action to approve an agreement with Bureau Veritas to provide building inspection services. Mayor Pro-tem Spires moved to approve the agreement with Bureau Veritas subject to City Attorney, F. Warner's approval to provide building inspection services, seconded by Councilmember Fulghum, motion carried unanimously.

13. Discussion and possible action on Board Member Appointment(s) to the following: A) The following persons submitted applications for membership of the Planning & Zoning Commission:

- a) Planning and Zoning Commission
 - b) Board of Adjustments
- 1 Jody Alaniz
 - 2 Erie Head
 - 3 Louis Longoria Jr
 - 4 Mario Muniz
 - 5 John Salinas
 - 6 Sheila Poorman
 - 7 Carlos Lopez
 - 8 James Wilson
 - 9 James Crumrine

Councilmember Morrill moved to appoint Board Members 1 thru 7, seconded by Councilmember Dunn, motion approved by acclamation.

These 3 year appointments made 11-11-14 will expire on 11-11-17.

B) The following persons submitted applications for membership of the Board of Adjustments:

- 1 James Wilson

CITY COUNCIL REGULAR AGENDA – NOVEMBER 11, 2014

2 Carlos Lopez

3 James Crumrine (currently a member of BOA until May 2015)

Councilmember Morrill moved to appoint James Wilson and Carlos Lopez; Mayor Carabajal moved to re-appoint Marie Herrera to the Board of Adjustments, seconded by Councilmember Fulghum, motion approved by acclamation.

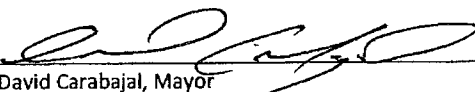
14. Discussion and possible action to approve the City's Manager's recommendation to upgrade the City's salaries for the water plant operator and wastewater plan operators.

J. Hamlett informed the Council that TCEQ mandates a corrective action plan to address adequate staffing at the Morrill Water Treatment Plant. Presently, there are several available positions at the water \ wastewater plant and the hourly rate is unattractive and no financial incentive for certifications. It is also time consuming for new applicants to obtain an upgrade to their certifications. Recommendation for upgrade an in salary rates for each certification obtain is proposed and would be effective November 16, 2014.

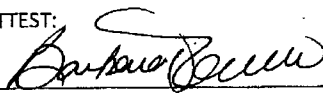
Councilmember Fulghum moved to approve the City Manager's recommendation to upgrade the City's salaries for the water plant operator and wastewater plant operator, seconded by Mayor Pro-tem Spires, motion carried unanimously.

15. Adjournment

Councilmember Dunn moved to adjourn the meeting at 7:19 p.m., seconded by Councilmember Fulghum, motion carried.

 12-2-14
David Carabajal, Mayor Date

ATTEST:


Barbara Trevino, City Secretary

P. U. C. DOCKET NO. 44463
SOAH DOCKET NO. 473-15-2671.WS

PETITION OF BLUEBERRY HILLS	§	PUBLIC UTILITY COMMISSION
WATER WORKS, LLC APPEALING	§	
A DECISION BY THE CITY OF	§	OF TEXAS
BEEVILLE TO CHANGE WHOLESALE	§	
WATER RATES	§	

AFFIDAVIT

Before me, the undersigned notary, on this day personally appeared JACK S. HAMLETT, the affiant, a person whose identity is known to me. After I administered the oath to affiant, affiant testified:

1. "My name is JACK S. HAMLETT and I am over 18 years of age, of sound mind, and capable of making this affidavit. The facts stated in this affidavit are within my personal knowledge and are true and correct.
2. I have been the City Manager for the City of Beeville, Texas since May 1, 2014. As the City Manager, I am responsible for the management of all city departments to include public works, utilities and finance.
3. I have worked in city management for 40-years. Prior to being hired by the City of Beeville, I was the City Manager for the City of Seguin for 11-years and the City Manager for the City of Rosenberg for 7-years.
4. The City of Beeville is working to establish alternate water sources so that it can supplement what it presently obtains from the City of Corpus Christi.
5. Property located within the corporate limits of Beeville has been and remains subject to a tax levied and collected by the Beeville Water Supply District to pay debt service on bonds issued by the district to finance a 24-inch water line from Lake Mathis, the Morrill Water Treatment Plant, and other water supply related facilities. Most of the property served by the petitioner is not within the City of Beeville's city limits and therefore not subject to this tax.
6. In May, 2014, the City of Beeville received notice from the TCEQ that certain improvements would be required at the Morrill Water Treatment Plant in order to maintain compliance. These improvements will have to be implemented by December 31, 2015.
7. The most expensive improvement is construction of a new clarifier with a cost estimate of \$3,006,000. In order to begin the engineering plans, the City of Beeville issued a Certificate of Obligations in the amount of \$920,000 on

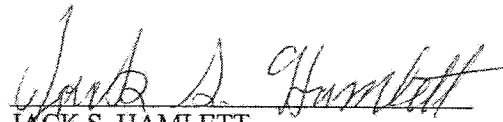
EXHIBIT 3

236238v3

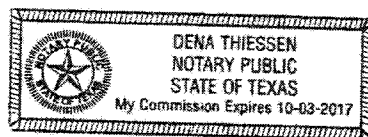
September 23, 2014. The debt service on said Certificate is backed by city property tax and not paid by water customers located out of the city limits, such as Blueberry Hill.

8. Another TCEQ mandated improvement was to upgrade the communication system for emergency situations. The Beeville Water Supply District approved funding of \$177,663 for said improvements. These funds were received from district bond proceeds paid by property tax for properties within the city limits only.
9. It took the parties over one year to construct the water transmission line and infrastructure connecting Beeville's Morrill Water Treatment Plant and Blueberry. A compound meter exists at the connection between Beeville and the petitioner, a 6 inch meter to measure high volume flows and a 1.5-inch meter to measure low volume flows. Ordinance No. 2246 imposes a monthly charge based upon meter size.
10. The contract between Beeville and the petitioner requires petitioner to reimburse Beeville on a monthly basis for the pro rata cost of extending a water main and building the related facilities needed to bring water to petitioner's point of delivery. This charge needs to remain in effect until Beeville receives payment in full.
11. The petitioner is Beeville's only wholesale customer. Blueberry receives treated water under pressure from the Beeville Water System. The petitioner is charged the same rates that Beeville charges outside-city residential and outside-city commercial customers. Beeville has historically used and continues to use the cash-method of calculating its water rates.
12. In my opinion based on the above facts, Beeville will sustain unreasonable economic hardship if it is not permitted to raise its rates to petitioner."

Further Affiant sayeth not.


JACK S. HAMLETT,
Affiant

Sworn to and subscribed before me on this the 22 day of April, 2015.




NOTARY PUBLIC IN AND FOR

THE STATE OF TEXAS

[SEAL]

DOCS1#236238

236238v3

AFFIDAVIT

STATE OF TEXAS

§

§

COUNTY OF TRAVIS

§

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Victoria Richards Harkins, Ph.D., P.E., D.WRE. who being by me duly sworn, upon oath states the following:

1. My name is Victoria Richards Harkins. I am of sound mind, over 21 years of age, and am in all other respects competent to make this affidavit. The facts herein contained are true and correct and are based on my own personal knowledge.
2. I am president of Harkins Engineering, Inc. since January 2006. I have been retained by the City of Beeville as a professional consultant related to water utility services.
3. I am a professional engineer registered in the States of Texas, License No.87733 and Oklahoma, License No. 20957.
4. In my role as a consultant for the City of Beeville (Beeville), I have reviewed the following information:
 - Blueberry Hills, LLC (Blueberry) original wholesale rate petition and Petitioner's Motion for Interim Rate Order
 - Blueberry approved tariff
 - Beeville approved rate ordinance and related Beeville city council documents
 - Beeville and Blueberry Agreement signed in 2011
 - Blueberry Usage Data from October 2012 through February 2015
 - Applicable PUC rules and regulations
 - Applicable Texas Water Code statutes
5. I am advised by legal counsel that PUC rule 24.29 allows the PUC to establish interim rates in those cases where the proposed increase in rates could result in an unreasonable economic hardship on the utility's customers, unjust or unreasonable rates, or failure to set interim rates could result in an unreasonable economic hardship on the utility.
6. Beeville provides treated and pressurized water to Blueberry at lesser cost than it does to its own customers, both inside and outside ratepayers. Blueberry continues to provide water service. Calculations will be presented below to demonstrate the excess revenue Blueberry collects. Beeville, as needed to maintain its financial and managerial capability, has instituted rate increases for all its customers and Blueberry as its only wholesale customer. In May 2014, the Texas Commission on Environmental Quality (TCEQ) notified Beeville of required improvements needed for the surface water

EXHIBIT 4

treatment plant and treatment facilities. Beeville immediately began appropriate measures to finance required improvements which included water rate increases.

7. Blueberry continues to provide water service since the rate increase. Blueberry collects excess revenue above the cost of the wholesale water. Blueberry receives water service under pressure and treated with no further operations required for final use by Blueberry customers. Blueberry's retail water rates are higher than the retail rates charged by Beeville. Blueberry charges \$38.50 per month as a base rate and \$5.35/1,000 gallons. Beeville charges outside city customers \$35 per month as a base rate and \$4.00/1,000 gallons (includes 2,000 gallons) volume charge.
8. I have personally created the attached worksheets to demonstrate the revenue generated by Blueberry in excess of the costs of the wholesale water. Per the attached Worksheet No. 1, Blueberry collects from \$3,347 to \$9,555 excess revenue each month. For 2012, Blueberry collected approximately \$65,000 in excess of the costs for wholesale water including the asset payment. In 2014, Blueberry collected approximately \$60,000 in excess revenue including the asset payment. It must be noted that as an investor owned utility, Blueberry may not use for cost and rate-making those assets that are not used and useful during the test year. As pressurized potable water is provided, the Blueberry system only has its distribution assets and administrative costs for cost of service.
9. Further, as seen on Worksheet No. 2, the projected actual costs Blueberry customers incur with the new wholesale rate is presented, if and when Blueberry requests and obtains authority to change its retail rates. There are approximately 100 current customers. With a meter charge of \$600 per month, each customer will have a \$6 base rate charge. Usage billed per 1,000 gallons is \$4.00 per 1,000 gallons. Utilizing historical usage numbers, customers of Blueberry have monthly actual costs of \$8.23 to \$122.13 per month allocable to Beeville's charges. Using the same usage volumes, Beeville outside city residents will pay a minimum of \$35.00 to a maximum of \$143.13. Again, using the same usage volumes, inside Beeville City customers will have on average a higher monthly cost from \$19.85 per month to a maximum \$100.41. Beeville residents also pay and have paid taxes to the Beeville Water Supply District as part of a bond package to design and construct a surface water treatment plant and related infrastructure used to provide treated surface water to the City of Beeville who in turn provides treated and pressurized retail water service to Blueberry.

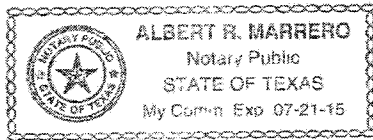
10. Per my review, calculations, and professional experience, Beeville's wholesale rate does not result in an unreasonable economic hardship on the utility's customers, unjust or unreasonable rates, or failure to set interim rates could result in an unreasonable economic hardship on the utility. I recommend the wholesale rate remain at \$600 base rate and \$4.00 per 1,000 gallons.

"Further, Affiant sayeth naught."

Signed this 22nd day of April, 2015.

Victoria R. Harkins
Victoria Richards Harkins, Ph.D., P.E.

Sworn to and **Subscribed** before me the undersigned authority on the 22 day of April, 2015 to certify which witness my hand and official seal.



[Signature]
Notary Public, State of Texas

My commission expires: 7-21-15

[SEAL]

Worksheet No. 1

Historical Comparison									
Meter # 8149612					Meter # 8149612CM				
Consumption (1,000 gallons)	Rate	Total	Consumption (1,000 gallons)	Rate	Total	Actual Billed	Asset Payment	Base Rate	Actual Billed w asset pymt
Oct 2012	\$ 3.17	\$ 304.00	12.1	\$ 3.17	\$ 38.36	\$ 342.36	574		\$ 916.36
Nov 2012	\$ 3.17	\$ 264.06	1	\$ 3.17	\$ 3.17	\$ 267.23	574		\$ 841.23
Dec 2012	\$ 3.17	\$ 174.67	0.6	\$ 3.17	\$ 1.90	\$ 176.57	574		\$ 750.57
Jan 2013	\$ 3.17	\$ 872.11	154.9	\$ 3.17	\$ 491.03	\$ 920.14	574		\$ 9,777.14
Feb 2013	\$ 3.17	\$ 2,221.54	6	\$ 3.17	\$ 19.02	\$ 2,240.56	574		\$ 2,814.56
Mar 2013	\$ 3.17	\$ 2,001.86	14	\$ 3.17	\$ 44.38	\$ 2,046.24	574		\$ 2,620.24
Apr 2013	\$ 3.17	\$ 2,305.54	48	\$ 3.17	\$ 152.16	\$ 2,457.70	574		\$ 3,031.70
May 2013	\$ 3.17	\$ 2,451.68	39	\$ 3.17	\$ 123.63	\$ 2,575.31	574		\$ 3,149.31
Jun 2013	\$ 3.17	\$ 2,524.91	135	\$ 3.17	\$ 427.95	\$ 2,952.86	574		\$ 3,526.86
Jul 2013	\$ 3.17	\$ 2,875.82	185	\$ 3.17	\$ 586.45	\$ 3,462.27	574		\$ 4,036.27
Aug 2013	\$ 3.17	\$ 2,248.80	99	\$ 3.17	\$ 313.83	\$ 2,562.63	574		\$ 3,136.63
Sep 2013	\$ 3.17	\$ 1,998.37	139	\$ 3.17	\$ 440.63	\$ 2,439.00	574		\$ 3,013.00
Oct 2013	\$ 3.17	\$ 1,604.34	294	\$ 3.17	\$ 931.98	\$ 2,536.32	574		\$ 3,110.32
Nov 2013	\$ 3.17	\$ 2,679.28	93	\$ 3.17	\$ 294.81	\$ 2,974.09	574		\$ 3,548.09
Dec 2013	\$ 3.17	\$ 2,429.17	76	\$ 3.17	\$ 240.92	\$ 2,670.09	574		\$ 3,244.09
Jan 2014	\$ 3.17	\$ 2,073.50	8	\$ 3.17	\$ 25.36	\$ 2,098.86	574		\$ 2,672.86
Feb 2014	\$ 3.17	\$ 2,037.04	3	\$ 3.17	\$ 9.51	\$ 2,046.55	574		\$ 2,620.55
Mar 2014	\$ 3.17	\$ 3,135.00	12	\$ 3.17	\$ 38.04	\$ 3,173.04	574		\$ 3,747.04
Apr 2014	\$ 3.17	\$ 3,119.91	89	\$ 3.17	\$ 282.13	\$ 3,402.04	574		\$ 3,975.04
May 2014	\$ 3.17	\$ 2,608.28	43	\$ 3.17	\$ 136.31	\$ 2,744.59	574		\$ 3,318.59
Jun 2014	\$ 3.17	\$ 2,460.24	136	\$ 3.17	\$ 431.12	\$ 2,891.36	574		\$ 3,465.36
Jul 2014	\$ 3.17	\$ 3,329.13	227	\$ 3.17	\$ 719.59	\$ 4,048.72	574		\$ 4,622.72
Aug 2014	\$ 3.17	\$ 2,850.46	161	\$ 3.17	\$ 510.37	\$ 3,360.83	574		\$ 3,934.83
Sep 2014	\$ 3.17	\$ 2,015.17	45	\$ 3.17	\$ 142.65	\$ 2,157.82	574		\$ 2,731.82
Oct 2014	\$ 3.17	\$ 2,767.09	187	\$ 3.17	\$ 592.79	\$ 3,359.88	574		\$ 3,933.88
Nov 2014	\$ 3.17	\$ 1,110.13	44	\$ 3.17	\$ 139.48	\$ 1,249.61	574		\$ 1,823.61
Dec 2014	\$ 3.17	\$ 1,677.56	93	\$ 3.17	\$ 294.81	\$ 1,972.37	574		\$ 2,546.37
Jan 2015	\$ 4.00	\$ 3,761.60	255	\$ 4.00	\$ 1,020.00	\$ 4,781.60	574	600	\$ 5,955.60
Feb 2015	\$ 4.00	\$ 2,620.80	102	\$ 4.00	\$ 408.00	\$ 3,028.80	574	600	\$ 4,202.80

BlueBerry Hills Rate and Ordinance 2246									
Base Rate, \$38/conn	Gallonge Charge, \$5.35/1,000	Blueberry Revenue	Excess Revenue from Beeville Rate and asset pymt	Annual Excess Revenue					
\$ 3,800	\$ 377.80	\$ 4,377.80	\$ 3,461.44		Total Usage				
\$ 3,800	\$ 451.01	\$ 4,251.01	\$ 3,409.77		108				
\$ 3,800	\$ 298.00	\$ 4,098.00	\$ 3,347.43		84.3				
\$ 3,800	\$ 5,532.12	\$ 19,332.12	\$ 9,554.98		55.7				
\$ 3,800	\$ 3,781.38	\$ 7,581.38	\$ 4,766.82		2903.2				
\$ 3,800	\$ 3,453.43	\$ 7,253.43	\$ 4,633.19		706.8				
\$ 3,800	\$ 4,147.86	\$ 7,947.86	\$ 4,916.15		645.5				
\$ 3,800	\$ 4,346.34	\$ 8,146.34	\$ 4,997.03		775.3				
\$ 3,800	\$ 4,983.53	\$ 8,783.53	\$ 5,256.67		812.4				
\$ 3,800	\$ 5,843.27	\$ 9,643.27	\$ 5,607.00		931.5				
\$ 3,800	\$ 4,324.94	\$ 8,124.94	\$ 4,988.31		1092.2				
\$ 3,800	\$ 4,116.29	\$ 7,916.29	\$ 4,903.29		808.4				
\$ 3,800	\$ 4,280.54	\$ 8,080.54	\$ 4,970.22		769.4				
\$ 3,800	\$ 5,019.37	\$ 8,819.37	\$ 5,271.28		800.1				
\$ 3,800	\$ 4,506.31	\$ 8,306.31	\$ 5,062.21		938.2				
\$ 3,800	\$ 3,542.24	\$ 7,342.24	\$ 4,669.38		842.3				
\$ 3,800	\$ 3,453.96	\$ 7,253.96	\$ 4,633.41		662.1				
\$ 3,800	\$ 3,667.43	\$ 7,467.43	\$ 4,720.39		645.6				
\$ 3,800	\$ 5,741.62	\$ 9,541.62	\$ 5,565.58		685.5				
\$ 3,800	\$ 4,632.03	\$ 8,432.03	\$ 5,113.44		1073.2				
\$ 3,800	\$ 4,879.74	\$ 8,679.74	\$ 5,214.38		865.8				
\$ 3,800	\$ 6,833.02	\$ 10,633.02	\$ 6,010.30		912.1				
\$ 3,800	\$ 5,672.07	\$ 9,472.07	\$ 5,537.24		1277.2				
\$ 3,800	\$ 3,641.75	\$ 7,441.75	\$ 4,709.93		1060.2				
\$ 3,800	\$ 5,670.47	\$ 9,470.47	\$ 5,536.58		680.7				
\$ 3,800	\$ 2,108.97	\$ 5,908.97	\$ 4,085.36		1059.9				
\$ 3,800	\$ 3,328.77	\$ 7,128.77	\$ 4,582.40		394.2				
\$ 3,800	\$ 6,395.39	\$ 10,195.39	\$ 4,239.79		622.2				
\$ 3,800	\$ 4,051.02	\$ 7,851.02	\$ 3,648.22		1195.4				
					757.2				

Worksheet No. 2

Actual Cost

BlueBerry Hills Usage

	Total Usage
Oct. 2012	108
Nov. 2012	84.3
Dec. 2012	55.7
Jan. 2013	2903.2
Feb. 2013	706.8
Mar. 2013	645.5
Apr. 2013	775.3
May. 2013	812.4
Jun. 2013	931.5
Jul. 2013	1092.2
Aug. 2013	808.4
Sep. 2013	769.4
Oct. 2013	800.1
Nov. 2013	938.2
Dec. 2013	842.3
Jan. 2014	662.1
Feb. 2014	645.6
Mar. 2014	685.5
Apr. 2014	1073.2
May. 2014	865.8
Jun. 2014	912.1
Jul. 2014	1277.2
Aug. 2014	1060.2
Sep. 2014	680.7
Oct. 2014	1059.9
Nov. 2014	394.2
Dec. 2014	622.2
Jan. 2015	1195.4
Feb. 2015	757.2

Blueberry, 100 customers

Base Fee, \$600/100 customers	Avg. usage	Bill, base + \$4/1,000
\$ 6.00	1.08	\$ 10.32
\$ 6.00	0.843	\$ 9.37
\$ 6.00	0.557	\$ 8.23
\$ 6.00	29.032	\$ 122.13
\$ 6.00	7.068	\$ 34.27
\$ 6.00	6.455	\$ 31.82
\$ 6.00	7.753	\$ 37.01
\$ 6.00	8.124	\$ 38.50
\$ 6.00	9.315	\$ 43.26
\$ 6.00	10.922	\$ 49.69
\$ 6.00	8.084	\$ 38.34
\$ 6.00	7.694	\$ 36.78
\$ 6.00	8.001	\$ 38.00
\$ 6.00	9.382	\$ 43.53
\$ 6.00	8.423	\$ 39.69
\$ 6.00	6.621	\$ 32.48
\$ 6.00	6.456	\$ 31.82
\$ 6.00	6.855	\$ 33.42
\$ 6.00	10.732	\$ 48.93
\$ 6.00	8.658	\$ 40.63
\$ 6.00	9.121	\$ 42.48
\$ 6.00	12.772	\$ 57.09
\$ 6.00	10.602	\$ 48.41
\$ 6.00	6.807	\$ 33.23
\$ 6.00	10.599	\$ 48.40
\$ 6.00	3.942	\$ 21.77
\$ 6.00	6.222	\$ 30.89
\$ 6.00	11.954	\$ 53.82
\$ 6.00	7.572	\$ 36.29

\$122.13
\$ 8.23

Excludes asset payment

Outside Beeville Rate	Avg usage	Bill, base + \$4/1,000 *
\$ 35	1.08	\$ 35.00
\$ 35	0.843	\$ 35.00
\$ 35	0.557	\$ 35.00
\$ 35	29.032	\$ 143.13
\$ 35	7.068	\$ 55.27
\$ 35	6.455	\$ 52.82
\$ 35	7.753	\$ 58.01
\$ 35	8.124	\$ 59.50
\$ 35	9.315	\$ 64.26
\$ 35	10.922	\$ 70.69
\$ 35	8.084	\$ 59.34
\$ 35	7.694	\$ 57.78
\$ 35	8.001	\$ 59.00
\$ 35	9.382	\$ 64.53
\$ 35	8.423	\$ 60.69
\$ 35	6.621	\$ 53.48
\$ 35	6.456	\$ 52.82
\$ 35	6.855	\$ 54.42
\$ 35	10.732	\$ 69.93
\$ 35	8.658	\$ 61.63
\$ 35	9.121	\$ 63.48
\$ 35	12.772	\$ 78.09
\$ 35	10.602	\$ 69.41
\$ 35	6.807	\$ 54.23
\$ 35	10.599	\$ 69.40
\$ 35	3.942	\$ 42.77
\$ 35	6.222	\$ 51.89
\$ 35	11.954	\$ 74.82
\$ 35	7.572	\$ 57.29

\$143.13
\$ 35.00

* 2,000 gallons included

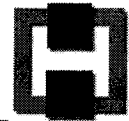
Inside Beeville Rate	Avg usage	Bill, base + \$2.98/1,000*
\$ 19.85	1.08	\$ 19.85
\$ 19.85	0.843	\$ 19.85
\$ 19.85	0.557	\$ 19.85
\$ 19.85	29.032	\$ 100.41
\$ 19.85	7.068	\$ 34.95
\$ 19.85	6.455	\$ 33.13
\$ 19.85	7.753	\$ 36.99
\$ 19.85	8.124	\$ 38.10
\$ 19.85	9.315	\$ 41.65
\$ 19.85	10.922	\$ 46.44
\$ 19.85	8.084	\$ 37.98
\$ 19.85	7.694	\$ 36.82
\$ 19.85	8.001	\$ 37.73
\$ 19.85	9.382	\$ 41.85
\$ 19.85	8.423	\$ 38.99
\$ 19.85	6.621	\$ 33.62
\$ 19.85	6.456	\$ 33.13
\$ 19.85	6.855	\$ 34.32
\$ 19.85	10.732	\$ 45.87
\$ 19.85	8.658	\$ 39.69
\$ 19.85	9.121	\$ 41.07
\$ 19.85	12.772	\$ 51.95
\$ 19.85	10.602	\$ 45.48
\$ 19.85	6.807	\$ 34.17
\$ 19.85	10.599	\$ 45.48
\$ 19.85	3.942	\$ 25.64
\$ 19.85	6.222	\$ 32.43
\$ 19.85	11.954	\$ 49.51
\$ 19.85	7.572	\$ 36.45

\$100.41 Maximum
\$ 19.85 Minimum

Excludes district taxes

Victoria Richards Harkins, Ph.D., P.E., President

Harkins Engineering, Inc., 3300 Lost Oasis Hollow, Austin, Texas 78739



Education:

- B.A. Biochemistry, Texas Tech University, 1992
- M.S. Civil Engineering, Texas Tech University, 1995
- Ph.D. Civil Engineering, Texas Tech University, 1998

Professional/Technical Affiliations:

- Texas State Board of Professional Engineers – Professional Engineer No. 87733
- Oklahoma State Board of Professional Engineers – Professional Engineer No. 20957
- Member of American Society of Engineers
- Diplomate Water Resources Engineer –American Academy of Water Resources Engineers
- Texas Tech University Civil Engineering Academy Member
- Texas Tech Civil and Environmental Engineering Advisory Council

Awards/Recognitions:

- Texas Tech University Distinguished Engineer, 2014
- American Society of Civil Engineers Texas Outstanding Civil Engineering Award, 2012
- American Council of Engineering Companies Texas Gold Medal/Eminent Conceptor, 2011
- American Council of Engineering Companies National Recognition Award, 2011

Fields of Experience:

Dr. Victoria Richards Harkins is currently a private engineering consultant in Austin, Texas. Dr. Harkins provides project management and engineering services for small, private, and multi-million dollar projects which included water and wastewater engineering, environmental engineering including water quality and soil contamination and remediation, and general civil engineering projects. Dr. Harkins has several years of experience in environmental site investigations, regulatory compliance, and environmental engineering including soil, subsurface soil, surface water, groundwater and solid and hazardous waste.

Selected Water and Wastewater Rate and Asset Evaluation Experience

Expert Witness, Wholesale Water Rate Appeal, Manor, Texas. Dr. Harkins provided professional engineering services for a master district and three sub districts for a wholesale rate appeal. Work included detailed capital assets inventory, used and useful review, depreciation expense, and developer/customer aid in construction contributions.

Water and Wastewater Utility Inventory, Texas. Dr. Harkins was the project manager for the development of a detailed water and wastewater utility asset inventory as well as completing a trending study to determine costs at installation as well as depreciation values used for rate making procedures.

Water Rate Analysis and Application, Cleburne, Texas. Dr. Harkins completed a water rate analysis as well as an asset inventory for the prosecution of a water rate application with the TCEQ for a multi-system public water utility.

Water Rate Analysis, Granbury, Texas. Dr. Harkins provided professional engineering services to a private water company that serves potable water service to three subdivisions in Hood County, Texas. Services include asset inventory, rate applications, and potential litigation support.

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Water and Wastewater Rate Analyses, Manvel, Texas. Dr. Harkins provided expert professional services for water and wastewater rate applications which included a detailed water and wastewater capital assets inventory and trending analysis.

Expert Witness, Water and Sewer Rate and Tariff Change Application, Austin, Texas. Dr. Harkins provided expert witness testimony for the largest rate case filed with the State of Texas. The applicant provides service to 50,000 connections in the State of Texas. Dr. Harkins testified on the just and reasonability of the rates, the substantially similarity issues for consolidated systems, used and useful requirements for items to be included in rate base, basic rate design, and all discovery and other formal requirements of the application as it proceeded through the State Office of Administrative Hearings.

Water Rate and Tariff Change Application, Lake Whitney, Texas. Dr. was the project manager for a rate change application filed with the TCEQ for eleven water systems located in central Texas. Dr. Harkins' was overall responsible for the creation and prosecution of the application as well as providing supporting documentation as required for the application. Dr. Harkins provided detailed information for the systems' capital assets.

Certificate of Convenience and Necessity, City of Royse City, Texas. Dr. Harkins has provided and continues to provide the City of Royse City professional services related to the City's CCN which includes address of neighboring utilities. Dr. Harkins has assisted and prepared several CCN amendments, STMs, and related petitions for the City.

CCN Decertification, Keralla Development, Royse City, Texas. Dr. Harkins was the project manager for a large acreage petition for expedited release of a CCN. Dr. Harkins prepared the petition with all the required documentation for decertification to obtain service from an adjacent provider. Decertification was successful. Dr. Harkins also assisted in the determination of monies due as a result of the decertification.

CCN Decertification, Red Wolf Golf Resort, Humble, Texas. Dr. Harkins was the project manager for a large acreage request for expedited release from a CCN. Dr. Harkins presented and prosecuted the petition. Decertification was successful.

Expedited Release, City of Midlothian, Texas. Dr. Harkins is currently assisting the City of Midlothian with a petition to the Texas Public Utility Commission for the release of a 120 acre tract from a current CCN holder.

Town of Annetta, Parker County, Texas. Dr. Harkins is currently the project manager for the development of long term planning for the Town of Annetta including 5, 10, and 20 year projections for land use, population projections, water use demand, and development of additional water supplies. The long-term planning includes term capital assets to be used for financial budgeting.

Capital Asset Planning, City of Cibolo, Texas. Dr. Harkins was the project manager for the asset inventory and costing of a large water purveyor. Trending and asset inventories will be used to determine the cost of replacement and cost for sale purposes.

Publications:

Harkins, V., Kullbreth, M. (2011) "DEL Tank Uses Dewatering System to Clarify and Restore Texas Hill Country Landmark" International Dredging Review.

Harkins, V. (2008) TCEQ FY09 Annual Water Quality, CAFO, Pretreatment, and Storm Water Training, Assessment of Aquatic Habitat Damage due to Unauthorized Storm Water Discharges, Clear Lake, Texas.



Harkins, V. (2008) "Why Conduct a Water and Wastewater Rate Study" Presentation for Texas Rural Water Association, Tyler, Texas.

Harkins, V. (2002) "Retail Public Water and Sewer Utility Service in Texas" Proceedings of the Fall Meeting of the Texas Section of ASCE, Waco, Texas.

Harkins, V. (2002) "Water and Sewer Utilities 101" Proceedings of the Texas Environmental Trade Fair, Austin, Texas

Harkins, V., Mollhagen, T., Rainwater, K. and Heintz, C. (1999) "Aerobic Biodegradation of High Explosives, Phase I - HMX" Bioremediation Journal. 3(4):285-290.

Harkins, V, Mollhagen, T., Rainwater, K. and Heintz, C. (1998) "Aerobic Biodegradation of Octahydro-1,3,5,7-tetranitro-1,3,5,7 tetrazocine (HMX)" Proceedings of the Spring Meeting of the Texas Section of ASCE, South Padre Island, Texas.

Harkins, V., Mollhagen, T., Rainwater, K. and Heintz, C. (1998) "Aerobic Biodegradation of Octahydro-1,3,5,7-tetranitro-1,3,5,7 tetrazocine (HMX)" Proceedings of the Remediation of Chlorinated or Recalcitrant Hydrocarbons Battelle Conference.

Expert Witness Testimony:

- In the matter of the City of Pearland, Texas (SOAH Docket Nos. 582-98-0994 and 582-98-1977)
- In the matter of AquaSource Development Company regarding Briar Creek Subdivision in Travis County (SOAH Docket No. 98-1479-UCR)
- In the matter of Hays v. Frankford Properties in the 72nd District court in Lubbock, Texas
- In the matter of Creedmoor-Maha Water Supply Corporation (SOAH Docket No. 582-00-0546)
- In the matter of the City of Fort Worth (SOAH Docket No. 582-00-1092)
- In the matter of Woodcreek Utilities, inc. (SOAH Docket No. 582-00-1469)
- In the matter of City of Crandall (SOAH Docket No. 582-00-1479)
- In the matter of Mustang Water Supply Corporation and the Town of Little Elm (SOAH Docket No. 582-01-1618)
- In the matter of East Medina Special Utility District (SOAH DOCKET NO. 582-04-1012)
- In the matter of the City of Prosper (SOAH DOCKET NO. 582-03-1994)
- In the matter of AquaTexas, Inc. for a water and wastewater tariff change and rate increase (SOAH DOCKET NOS. 582-05-2770, 582-05-2771, 582-05-3745, 582-05-4181, 582-05-4182, 582-05-4184)
- In the matter of Cease And Desist Petition Of Wax Mid, Inc. Certificate Of Convenience And Necessity (CCN) No 11966 Against The City Of Midlothian, CCN No. 11706 In Ellis County, Texas (SOAH DOCKET NO. 582-06-1029, TCEQ DOCKET NO. 2006-0487-UCR).

Selected Water and Sewer Utility Experience:

Engineer V, Texas Commission on Environmental Quality (TCEQ), Austin, Texas. Dr. Harkins was a senior engineer for the Water Supply Division of the TCEQ for over four years. Dr. Harkins' team processed over 300 certification applications a year and over 75 ratemaking applications per year. Dr. Harkins served as a legislative resource and provided testimony for a variety of legislators as well as numerous committee hearings at the Capitol.

TCEQ, Austin, Texas: Dr. Harkins reviewed and approved/disapproved over 300 design plans and specifications submitted by public water supply systems in the State of Texas. The review consisted of



technical design, capacity calculations and compliance for distribution water lines, ground storage tanks, elevated storage tanks, hydropneumatic tanks, and service pumps and public drinking water wells with well pump capacities. The review was made to ensure compliance with the requirements of TCEQ's Chapter 290 Rules and Regulations for Public Drinking Water Systems and the Texas Health and Safety Code.

Expert Witness, Wholesale Rate Appeal, City of Gladewater, Texas. Dr. Harkins provided expert testimony related to a wholesale water and wastewater rate appeal. As a governmental entity, a rate may be changed without state approval. The water and/or wastewater recipient may file an appeal with the State for review. At such time, evidence must be provided that the rate is fair and justifiable. Dr. Harkins assisted in settlement negotiations through SOAH arbitration.

Outside City Customer Appeal, Parker County, Texas. Dr. Harkins was retained by the Parker County Communities Coalition to provide professional engineering services as related to a rate increase made by the City of Willow Park. Dr. Harkins will provide a professional opinion on the reasonableness of the rates set for outside city customers as well as an opinion of the expenses used to determine the rate established.

Expert Witness, Certificate of Convenience and Necessity (CCN), City of Royse City, Texas. Dr. Harkins was retained to assist the City of Royse City in a contested hearing related to the utility's ability to provide continuous and adequate service and amend its current CCN for water service and to obtain a sewer CCN.

Expert Witness, Certificate of Convenience and Necessity, City of Prosper, Texas. Dr. Harkins was retained to provide expert witness testimony for the City of Prosper related to the City of Prosper's CCN. Dr. Harkins has testified as to the City of Prosper's ability to serve as well as address each of the required criteria to amend a CCN.

Expert Witness, Certificate of Convenience and Necessity, City of Midlothian, Texas. Dr. Harkins provided expert witness testimony for the City of Midlothian related to the City of Midlothian's CCN and its service area.

Expert Witness, Certificate of Convenience and Necessity, East Medina County Special Utility District, Medina County, Texas. Dr. Harkins was retained to assist the District in a contested hearing related to the utility's ability to provide continuous and adequate service and amend its current CCN for water service. Dr. Harkins testified as to the District's ability to serve as well as address each of the required criteria to amend and obtain a CCN.

Certificate of Convenience and Necessity, City of Midlothian, Texas, Dr. Harkins was retained by the City of Midlothian to prepare and prosecute a CCN amendment for a large development within the city's corporate limits as well as address a potential cease and desist request.

Certificate of Convenience and Necessity, Towns of Annetta, Annetta South, Annetta North, Hudson Oaks and Aledo, Texas. Dr. Harkins is currently retained by the Parker County Cities Coalition to provide professional engineering services as related to a sale, transfer, merger application made by the City of Willow Park.

Certificate of Convenience and Necessity, Houston, Texas. Dr. Harkins was retained by BCWK to complete a wastewater transfer, public water system transfer, and CCN cancellation for a privately owned water and wastewater system.



CCN Amendment Application, Mission, Texas. Dr. Harkins provided professional consultation services for the City of Mission and its application to certificate additional wastewater service area.

Water and Wastewater Service Extension Policy, Austin, Texas. Dr. Harkins made an in depth review of a water and wastewater supply corporation service extension policy with reference to the applicable rules and regulations of the TCEQ and made recommendations for changes and/or improvements.

Selected Environmental Experience:

Environmental Information Document (EID)/Environmental Assessment, City of Grand Prairie, Texas: Dr. Harkins was the project manager for the development and prosecution of an EID/EA as required as part of the NEPA process for submittal to the USACE for easement related to a large wastewater collection line. The EA focused on a range of resources: soil, water, air, biological, cultural resources, land use, aesthetic resources, hazardous, toxic, and radioactive materials, socioeconomics, geology, and vegetation. The analysis included the evaluation of surface and ground water; biological resources of plant and wildlife species, terrestrial communities, wetlands, and freshwater aquatic communities; cultural resources (Archeology); and socioeconomic factors that could potentially affect the citizens of Ellis County, Texas. Consideration was made to the affected environment as it exists currently as well as impacts to such under four different alternative project scenarios. The EID has been submitted with revisions made. The Finding of No Significant Impact is expected.

LCRA SAWS Water Supply Project, Affected Environment, EID - Matagorda Bay Health Study, Austin, Texas: Dr. Harkins served as task leader for data inventory, acquisition, evaluation and management of physical, chemical, hydrological, biological data for the Matagorda Bay and all the connecting and minor bays as part of a project team for the development of an Environmental Information Document/Environmental Assessment of the large water resources project. Data was been evaluated for its period of record, quality, format, and accessibility for all water quality and biological parameters of Matagorda Bay to establish the current existing status of the bay for future consideration of potential project alternatives.

Nationwide Permit No. 12, City of Grand Prairie, Texas. Dr. Harkins served as the project manager for the development and acquisition of a Nationwide Permit for the location and construction of a large collection system through Waters of the United States. The permit application included address of current conditions, waters of the US, historic properties, threatened and endangered species, wetlands, wildlife, noise, and use characteristics. The permit was secured.

Hamilton Pool Hamilton Creek and Davis Creek Assessment and Remediation, Travis County, Austin, Texas: Dr. Harkins was the project manager for a detailed creek assessment and natural pond remediation due to point source pollution upstream due to failure of on-site erosion control measures and insufficient best management practices. As a result large and repetitive stormwater runoff events led to the discharge of sediment laden stormwater. As a result, large amounts of silt have been deposited in the creek and in Hamilton Pool. A detailed project assessment was completed. Remediation design has been completed. Restoration activities included a crude clean-up and a combination of crude and washdown method. Clean-up of the pool was conducted using divers and high pressure filter presses with a return of treated water to maintain water level vegetative benches.

Water Quality Assessment and Remediation, Austin, Texas: Dr. Harkins was the field manager for a natural pond remediation due to point and non-point source pollution upstream. The project contained many sensitive biological and ecological factors. Remediation encompassed a pump and treat system with careful return of treated water. Project assessment included a detailed assessment of the current water quality, nutrient loadings from sediments (in the pool and upstream), background concentrations,



and comparable water quality concentrations. A detailed literature review has been completed as well as an extensive field assessment. The project met its goals and was successfully completed.

Water Quality and Streambed Assessment and Restoration, Hays County, Texas: Dr. Harkins was the project manager to assess a streambed affected by upstream development activities. Point and non-point source pollution entered a contributing stream affecting a large subdivision downstream. Results of the assessment have been presented, and remediation alternatives were presented.

Oil and Gas Assessment and Remediation, Texas: Dr. Harkins is currently the project manager to provide professional civil and environmental engineering and consulting services related to environmental oversight, and representation for a private client for response to oil and gas contamination of the clients' private property due to the pipeline transfer of refined and unrefined petroleum product. Dr. Harkins has conducted an independent assessment of the remediation of a refined product spill from a ruptured pipeline into shallow groundwater on the property including an analysis of groundwater data, product recovery efforts, and overall remediation effectiveness. This review demonstrated the pipeline company had overstated the effectiveness of remediation. Dr. Harkins established a remediation endpoint based on recovery data, developed a groundwater monitoring well network for the site, and provided continued recovery recommendations to the TCEQ.

Dr. Harkins is also conducting a creek and lake assessment from previous metals contamination. Dr. Harkins has also completed an on-site sampling of a recent discovery of a petroleum product spill during pipeline assessment and repair. Dr. Harkins is also project manager for the placement and installation of several groundwater monitoring wells to test for the presence and potential restoration of petroleum related discharge.

Water Quality Pond Assessment and Wastewater Reuse, Austin, Texas: Dr. Harkins served as field manager for a project to assess the applicability of using treated wastewater effluent as make-up water for a stormwater quality pond/detention pond. An extensive literature review was completed and field analysis and prototype studies were scoped. Field studies were designed to test the pond's ability to treat the potentially higher levels of nutrients and other potential contaminants.

Vista and Encantada Environmental Assessment, Llano County, Texas: Dr. Harkins was a project manager for a surface water pond water quality investigation for potential herbicide, pesticide, and other potential contaminants of concern as part of a due diligence for a property transfer.

PCB Contamination and Remediation, Houston, Texas: Dr. Harkins served as a project manager of a multi-million dollar remediation of an industrial site in Texas contaminated with PCBs, heavy metals and total petroleum hydrocarbons. Work has included: delineation of the contamination profile, site surveys, groundwater assessment, remediation design, on site management, soil samples, and contractor bid and oversight. The site was accepted into the VCP program of the TCEQ. Dr. Harkins completed all the site delineation, remediation design and managed first hand all field work. Remediation was accomplished via excavation and disposal with concrete pad for final overlay. Post closure documentation has been provided to both the TCEQ and EPA for completion. A release of liability has been awarded by the TCEQ.



Pantex/BWXT Site-Wide Ecological Risk Assessment (ERA), Amarillo, Texas: Dr. Harkins served as the field manager for the sample collection requirement for additional data needed to support the ERA. Tasks include coordination with Pantex personnel, organization of sampling crews, sampling, QA/QC and reporting requirements. Both surface water and sediment samples were collected at five separate playas at approximately 18 sites per playa to represent potential points of exposure and biologically active zones.

New Braunfels, TX Landa Lake: Dr. Harkins through a subcontract is currently providing environmental restoration a part of a habitat enhancement for the endangered species, the Riffle Beetle and Fountain Darter. Work has included sediment removal, riparian restoration, erosion control, and re-vegetation.

Phase II Environmental Site Investigation: Total Petroleum Hydrocarbons and BTEX Contamination, Possum Kingdom, Texas: Dr. Harkins served a project manager for a Phase II environmental site investigation for a currently planned development. The site has a history of oil and gas production with a resulting contamination around well heads and storage tank embankments.

Water Quality Modeling, The Tidelands, Port O'Connor, Texas, Dr. Harkins completed a water quality study of a proposed subdivision located northwest of Port O' Connor, Texas. Modeling of the subdivision was done to ensure adequate dissolved oxygen levels in the far reaches of the subdivision. Parameters included sediment oxygen demand, aerations, dispersion, biochemical oxygen demand, tides, meteorological factors, surface water runoff, temperature, etc.

Water Quality Modeling, Beachside Development, Seadrift, Texas, Dr. Harkins completed a water quality study of a proposed subdivision located along San Antonio Bay, Texas. Modeling of the subdivision was done to ensure adequate dissolved oxygen levels in the far reaches of the subdivision. Parameters included biochemical oxygen demand, tides, meteorological factors, benthic demand, surface water runoff, temperature, etc.

Water Quality Modeling, The Sanctuary, Port O'Connor, Texas, Dr. Harkins completed a water quality study of a proposed subdivision located along Matagorda Bay, Texas. Modeling of the subdivision was done to ensure adequate dissolved oxygen levels in the far reaches of the subdivision. Parameters included biochemical oxygen demand, tides, meteorological factors, benthic demand, surface water runoff, temperature, etc.

Water Quality Modeling, Seadrift, Texas, Dr. Harkins was project manager for a water quality model of a proposed subdivision near Seadrift, Texas located along Espiritu Santo Bay. Initial data collection was completed for model development including biochemical oxygen demand, tides, meteorological factors, benthic demand, surface water runoff, temperature, etc. Alternatives for subdivision design were completed with related water quality effects being addressed.

Water Quality Modeling, Copano Bay Development, Dr. Harkins completed a water quality study of a proposed subdivision located along Copano Bay, Texas. Modeling of the subdivision was done to ensure adequate dissolved oxygen within the proposed channel lengths. Parameters included biochemical oxygen demand, tides, meteorological factors, benthic demand, surface water runoff, temperature, etc.

Environmental Site Assessment (ESA), Jonestown, Texas, Texas, Dr Harkins performed a Phase I environmental site assessment for a commercial property used for boat storage, off-site storage, a small mobile home park, and vacant land. The ESA was completed in accordance with all applicable ASTM standards.



Environmental Site Assessment (ESA), Possum Kingdom, Texas, Texas, Dr Harkins performed a Phase I environmental site assessment for a large undeveloped ranch land planned for a large multi-family, marina and estates development. The site had numerous oil and gas production facilities. The ESA was completed in accordance with all applicable ASTM standards.

Environmental Site Assessment (ESA), San Marcos, Texas, Dr Harkins performed a Phase I environmental site assessment for a commercial property for a previous auto restoration and salvage operations. The ESA was completed in accordance with all applicable ASTM standards.

Environmental Site Assessment (ESA), Austin, Texas, Dr Harkins performed a Phase I environmental site assessment for a land development project. The ESA was completed in accordance with all applicable ASTM standards.

Environmental Site Assessment (ESA), Buffalo, Texas, Dr. Harkins performed an ESA compliant with (Texas Department of Housing and Community Affairs, Real Estate Division, Real Estate Analysis Rules, 1.35) and ASTM Practice E 1527-09. Assessment included a site reconnaissance and area survey which included a detailed physical observation of the property, interviews with identified person(s) familiar with the property's history, and inquiries to the appropriate public agencies in an attempt to determine if past practices or current conditions at the site may have caused an environmental impact on the property, a 50-year chain-of-title and environmental lien search was performed and reviewed to assess historical ownership of the property, review of available historical aerial photographs, federal, state, and local regulatory agencies enforcement and permitting records were reviewed for evidence of prior contamination on the property or in the vicinity of the property, a review was completed of state and federal environmental databases for areas of environmental concern within the recommended American Society for Testing and Materials (ASTM) radius of the property, a review of USEPA Radon Zone Information, a review of TCEQ Drinking Water Database, and a review of HUD guidelines for Noise Assessment Study triggers.

Environmental Site Assessment (ESA), Buffalo, Texas, Dr. Harkins performed an ESA compliant with (Texas Department of Housing and Community Affairs, Real Estate Division, Real Estate Analysis Rules, 1.35) and ASTM Practice E 1527-09. See description above.

Environmental Site Assessment (ESA), Taft, Texas, Dr. Harkins performed an ESA compliant with (Texas Department of Housing and Community Affairs, Real Estate Division, Real Estate Analysis Rules, 1.35) and ASTM Practice E 1527-05. See description above.

Environmental Site Assessment (ESA), West Columbia, Texas, Dr. Harkins performed an ESA compliant with (Texas Department of Housing and Community Affairs, Real Estate Division, Real Estate Analysis Rules, 1.35) and ASTM Practice E 1527-05. See description above.

Environmental Site Assessment (ESA), Three Rivers, Texas, Dr. Harkins performed two ESAs compliant with (Texas Department of Housing and Community Affairs, Real Estate Division, Real Estate Analysis Rules, 1.35) and ASTM Practice E 1527-05. See description above.

Water Resources/Civil Experience:

Lower Colorado River Authority, Burnet County, Texas. Dr. Harkins served as the project manager of a groundwater well design, installation and development project for a public water supply. In addition, the project involved a study of the localized groundwater to assess the potential for development of additional ground water supplies and the feasibility of obtaining service from a neighboring utility.



Town of Annetta, Parker County, Texas. Dr. Harkins is currently the project manager for the design of a groundwater treatment plant including three groundwater wells, two storage tanks, piping, chlorination, and related appurtenances. Water distribution modeling will be used to establish the initial network and all future additions.

Private Country Club, Austin, Texas, Dr. Harkins was the project manager for the development and acquisition of potable water supply for a new planned subdivision and golf resort. Tasks include conceptual planning, water source development and development.

City of Italy, Ellis County, Texas. Dr. Harkins completed a detailed and comprehensive audit of the city's water and wastewater utilities and management. A final report with models and templates was provided.

City of Italy, Ellis County, Texas. Dr. Harkins served as the project manager for the design, construction and completion of a groundwater well, piping and related appurtenances for the City of Italy. The City of Italy is at capacity for its production requirements. Dr. Harkins completed and provided the required documentation for the application of a grant to assist in funding the new well.

Village at Northlake, II, Jonestown, Texas. Dr. Harkins served as the project manager for a wastewater treatment plant design, construction and permitting for a pending light commercial and hotel development.

City of Josephine, Texas: Dr. Harkins is currently assisting the City of Josephine with water extension and water utility service which includes permitting and address of neighboring utility issues.

Emergency Action Plans, Large Private Ranch, Texas. Dr. Harkins is the project manager for civil engineering services related to the Texas Commission on Environmental Quality Dam Safety Program for a private client. A total of six lakes are located within the project site, five of which are impounded by earthen dams and one impounded by a concrete dam. Tasks have included dam breach analysis modeling. Three EAPs have been submitted for TCEQ approval and prosecution. In addition, Dr. Harkins is currently assisting in two major dam modifications to re-route spillway flow and decrease dam height and flood storage.

Selected Wastewater Permitting Experience:

Austin Independent School District, Wastewater Permit Renewal, Austin, Texas: Dr. Harkins served as the project manager of a wastewater permit renewal for a package plant with a storage lagoon and on-site irrigation for disposal.

Flagship Emerald Point Marinas, Lake Travis, Texas: Dr. Harkins served as the project manager for an on-site wastewater treatment plant modification as well as the modification to the wastewater treatment plant permit to add an additional 10,000 gallons per day package plant to enhance treatment and effluent quality.

Water Quality Modeling of Lake Dunlap (New Braunfels Utilities), New Braunfels, Texas: Dr. Harkins was the field manager for a large multi year water quality study for the processing of a large wastewater treatment plant permit renewal with studies completed to assess nutrient limitations, flow changes and downstream conditions. Dr. Harkins conducted an eighteen month water quality sampling project. The scope of the project was to collect surface water samples in order to obtain information to assist in determining whether nutrient limitations on point source discharges from NBU's wastewater treatment plants (WWTPs) will prevent the growth of excessive aquatic vegetation in receiving waters, as



provided by the Texas Commission on Environmental Quality (TCEQ) regulations at 30 TAC 307.4(e). As part of the water quality study numerous water quality studies related to point and non-point source loadings entering Lake Dunlap from the Comal and Guadalupe were evaluated to determine the impact of point and non-point source nutrient loadings on Lake Dunlap.

Private Subdivision, Austin, Texas: Dr. Harkins served as the project manager for a on-site wastewater treatment plant permit renewal with the TCEQ. Service is provided by a package plant with drip irrigation.

Village at Northlake, II, Jonestown, Texas. Dr. Harkins served as the project manager for a wastewater treatment plant design, construction and permitting for a pending light commercial and hotel development.

Flagship Emerald Point Marinas, Lake Travis, Texas: Dr. Harkins served as the project manager for a wastewater treatment plant permit renewal for an on-site wastewater treatment plant utilizing a large in-ground treatment plant and low-dose pressure drainfields.

Austin Independent School District, Wastewater Permit Renewal, Austin, Texas: Dr. Harkins is currently project manager of a wastewater permit renewal process as well as a study of alternatives for future service.

Town of Annetta, Texas: Dr. Harkins served as the project manager for a wastewater treatment plant permit renewal for a wastewater treatment plant that provides treated wastewater effluent to a nearby golf course.

Town of Annetta, Texas: Dr. Harkins serves as the project manager for several modification to the Town of Annetta's WWTP including modification to the pond receiving effluent, contact chambers, and digester.

City of Lago Vista, Texas: Dr. Harkins served as the project manager for a wastewater treatment plant permit renewal for a large wastewater treatment plant permit modification to increase use of treated wastewater irrigation and golf course irrigation.

BCWK, L.P., Houston, Texas: Dr. Harkins served as the project manager for a wastewater treatment plant permit renewal for a large wastewater treatment plant permit with discharge into nearby water courses.

Austin Independent School District, Wastewater Permit Renewal, Austin, Texas: Dr. Harkins was the project manager for the closure and decommissioning of an on-site wastewater treatment plant for a package plant with a storage lagoon and on-site irrigation for disposal.

City of Corpus Christi, TX, Wastewater Treatment Plant Permit Assisance: Dr. Harkins is currently the project manager for permit renewals for three large municipal wastewater treatment plans with discharges into a variety of receiving water bodies with multiple permit effluent requirements, WET, mixing zones, nutrients, DO, etc.



PETITION OF BLUEBERRY HILLS	§	PUBLIC UTILITY COMMISSION
WATER WORKS, LLC APPEALING	§	
A DECISION BY THE CITY OF	§	OF TEXAS
BEEVILLE TO CHANGE WHOLESALE	§	
WATER RATES	§	

AFFIDAVIT

**Records pertaining to: CITY OF BEEVILLE ORDINANCE NO. 2198 ADOPTED
SEPTEMBER 27, 2011**

Before me, the undersigned authority, personally appeared BARBARA TREVINO,
who, being by me duly sworn, deposed as follows:

I, the undersigned, am the duly authorized custodian of records for the City of
Beeville, am over 18 years of age, competent of making this affidavit and personally
acquainted with the facts herein stated:


That after a diligent exhaustive search we are not able to locate a copy of the
City of Beeville Ordinance No. 2198 Adopted September 27, 2011.

In lieu of a copy of the missing ordinance, attached hereto is a certified copy of
the September 27, 2011, City Council Meeting Minutes which reflects adoption
of Ordinance No. 2198 in which a 15% fee increase was applied to water and
wastewater service fees effective October 1, 2011.

Further Affiant sayeth not.


BARBARA TREVINO,
Affiant

Sworn to and subscribed before me on this the 21st day of April, 2015.


NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

[SEAL]

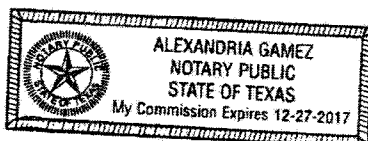
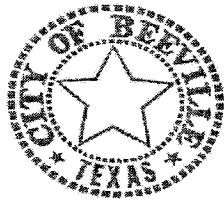


EXHIBIT 6



CITY OF BEEVILLE

400 N. Washington Street
Beeville, Texas 78102
361-358-4641
361-358-7355 FAX

STATE OF TEXAS

COUNTY OF BEE



CERTIFICATE OF COPY OF PUBLIC RECORD

I hereby certify, in the performance of the functions of my office, that the attached instruments are a full, true and correct copy of the City Council Meeting Minutes, dated September 27, 2011 as they appear of record in my office.

I further certify that I am the City Secretary for the City of Beeville, Texas, which I have legal custody of said records, and I am the lawful possessor and keeper of said record.

In witness whereof I have hereunto set my hand and affixed the official seal of said office this 9th day of April, 2015.



BARBARA TREVINO, City Secretary

(Seal)

**CITY COUNCIL MEETING MINUTES
SEPTEMBER 27, 2011
6:00 p.m.**

The City Council meeting was opened with prayer by City Secretary Tomas P. Saenz at the request of Mayor Pro-Temp Mike Scotten who chaired the meeting due to the absence of Mayor Jimmy Martinez, Jr. Also in attendance were Councilmember David Carabajal, John Fulghum, Libby Spires, City Manager Tom Ginter, Assistant City Manager/Finance Director Deborah Balli and City Attorney Frank Warner.

HEARING OF VISITORS

Sarah Milnarich, the Library Director, addressed the Council acknowledging that they were about to finalize their next fiscal year budget. She advised that due to cuts in funding from the County, the Library now wishes more than the \$70,000.00 currently budgeted for them. She advised that by "limiting dollars, horizons are limited". She advised that if the additional funding is considered, it would give the library the ability to provide additional computers for children, and a study center with Wi-Fi service. She explained that the Library now has special presentations for the youth, a story time and are now providing special programs for teens. She concluded asking that the City "grow with us".

Mr. Ronnie Jones, representing Blueberry Hill and their water contract advised he wished to make a "quick briefing". He reminded the Council that Ms. Linda Unger, owner of Blueberry Hill is his client and that, as they all know, a contract has been in the works to bring water to the colonias area. He informed the Council that his client has "signed a firm contract" which he believe has all that the City wanted a year ago. He reported that this contract would allow 138 new connections from the Blueberry Hill area adding that he and his client believes it is a "good deal for all around". He concluded that Ms. Unger is excited about moving forward and felt it was time to put the issue to rest.

ACCOUNTS PAYABLE

Upon a motion by Councilman Carabajal, seconded by Councilwoman Spires the Council unanimously authorized payment of all the presented accounts payable.

**APPROVAL OF AUGUST 28, 2011
SEPTEMBER 16, 2011 AND
SEPTEMBER 21, 2011 MEETING
MINUTES**

Upon a motion by Councilman Carabajal, seconded by Councilwoman Spires the Council unanimously approved the August 28, 2011, September 16, 2011 and September 21, 2011 meeting minute as presented.

**TOURISM PRESENTATION AND
DISCUSSION PERTAINING TO
2011-2011 TOURISM EVENTS BY
THE CHAMBER OF COMMERCE
TOURISM CENTER**

Isabel Ramirez, the Tourism Director from the Chamber of Commerce made a brief tourism report of events by the Bee County Chamber of Commerce. She first acknowledged all the volunteers that assisted them in the many events that they have assisted. She advised that they are now a part of the Texas Mile Committee and are working with the Western Week and Winter Fest Directors. She assured the Council that through her office they do provide the best uses of the Hotel-Occupancy Tax (H.O.T.) Funds and did let the Council know that she felt that "reducing H.O.T. Funds would be an injustice". In conclusion she asked that the Council send the right message to the hard working volunteers of the Community by continuing its funding of H.O.T. Funds.

**CONSIDERATION OF DONATION
OF SMALL STRIP OF LAND TO
QCT PROPERTIES TO FURTHER
AUGMENT UPCOMING ECONOMIC
DEVELOPMENT**

The City Manager advised the Council that Mr. Adrian Iglesias, of Generation Housing Development, is requesting that the City donate ground to GHD to assist them with the development of the Amber Stone Apartment Complex Project. He added that the small strip of land, 25' x 191.7' is appraised at approximately \$800.00.

The City Attorney suggested that the matter be tabled to allow him to research the statutes as well as the City Charter to see if that small of an amount of property can just be donated

to a firm acknowledging that it would augment their upcoming economic development in the locale.

Upon a motion by Councilman Carabajal, seconded by Councilman Fulghum the Council unanimously tabled further action on the matter.

PUBLIC HEARING TO CONSIDER
UTILITY RATE AND FEE
INCREASES

Mayor Pro-Temp Mike Scotten opened the public hearing at 6:21 p.m. to consider public input concerning the City's intent of increasing utility rates and fees.

Acknowledging that no one wished to address the Council on the matter, the public hearing was unanimously closed at 6:22 p.m. following a motion from Councilman Fulghum, seconded by Councilwoman Spires.

CONSIDERATION OF ORDINANCE
INCREASING UTILITY RATES AND
FEES

The City Manager informed the Council that the upcoming fiscal year budget has a \$500,000.00 shortage in its utility fund. He explained that the shortage is attributed mostly to a \$440,000.00 increase in raw water costs and also for an additional \$220,000.00 for chemical costs which have gone up along with electricity. He added that for this reason, the public hearing has been formally held and that a 10% increase in water and wastewater fees is being recommended. He cautioned the Council that often, raw water costs are increased by the City of Corpus Christi at the beginning of each calendar year and that this 10% increase would not be sufficient to cover the expense if such increase occurs.

During that the discussion that ensued, Councilman Fulghum suggested a 12.5% increase. Councilman Carabajal suggested a 13.5% increase.

After considerable discussion, Councilman Carabajal moved that 15% fee increase be applied to water and wastewater service fees effective October 1, 2011 by Ordinance No. 2198. Councilwoman Spires seconded the motion and it carried unanimously.

(ORDINANCE NO. 2198)

CONSIDERATION OF SOLICITING
PROPOSALS FOR AUTOMATED
METER READING SYSTEM

The City Manager advised the Council that, as mentioned the previous week, the staff is ready to start the process of securing a vendor for the proposed automated meter reading system. He then referred to a Request for Proposals (RFP) for their review. The City Manager concluded that if the Council approves the RFP form then the staff will mail it out to appropriate vendors.

Upon a motion by Councilwoman Spires, seconded by Councilman Carabajal the Council unanimously authorized the administration to request proposal for automated meter reading system.

CONSIDERATION OF APPROVING
PURCHASE OF A USE VEHICLE
FROM AZTEC CHEVROLET FOR
WASTEWATER TREATMENT PLANT

The City Manager reminded the Council that at the last budget workshop, Wastewater Treatment Superintendent Kevin Creswell had informed the Council of the bad condition of his City pickup. The City Manager added that the City has capital outlay funds available to purchase a used vehicle then referred to a "cost sheet" for a used 2002 Chevrolet Pickup with a 75,830 miles for \$10,000.00. He concluded that these funds would cover this purchase.

During the short discussion that ensued, Mayor Pro-Temp Scotten first felt that the price was too high for a ten (10) year vehicle however through the use of the internet services acknowledged that it was "in line". The other Councilmembers also indicated that perhaps a newer vehicle should be considered.

No further action was taken on this matter.

DISCUSSION OF FISCAL YEAR
2011-2012 BUDGET FOR STREET
MAINTENANCE FUNDS

Councilmembers were provided an example of a Street Maintenance Fund Budget for Fiscal Year 2011-2012. The City Manager added that he had included a request from Councilman John Fulghum for approving the resurfacing of Adams Street. While going through the material provided, the City Manager advised that he had also included two (2) estimates for Adams Street for an overlay and one (1) for seal coating. He advised that the figures provided pertained to work for Adams Street, Kennedy and Inez Streets. In conclusion he reminded the Council that the date for the renewal of the Street Maintenance Sales Tax is April 2013 and that to renew this ability to obtain funding from the 4B Sales Tax, the Council will have to hold an election in 2012.

This matter was acknowledged to be a discussion item and no further action was taken.

CONSIDERATION OF REQUEST
FROM THE FIRST UNITED
METHODIST CHURCH FOR
CLOSURE OF CLEVELAND
STREET FROM ST. MARY'S
TO JEFFERSON ON OCTOBER
15, 2011

Councilmembers were provided a copy of a letter from Mr. David L. Morgan, a member of the Board of Trustees for the First United Methodist Church of Beeville requesting temporary closure of East Cleveland Street from St. Mary's to Jefferson Street on October 15, 2012 and for celebration of their 150 years in the City.

Mr. Morgan, in the audience, advised he was present on behalf of the Church and explained that the 150th Year Celebration is very important for their Church adding that their Bishop will be attending the ceremony. He concluded that this request is strictly for the safety of those attendants and that other traffic will still be able to have egress, ingress to their parking area since it is the same time the annual Western Week Parade is held

It was acknowledged that the request was for closure between the hours of 11:30 a.m. to 5.00 p.m.

Upon a motion by Councilman Fulghum, seconded by Councilman Carabajal the Council unanimously granted the First United Methodist Church their request.

CONSIDERATION OF FILLING
VACANCY LEFT BY TODD
ROBERSON IN THE CITY'S
PLANNING AND ZONING
COMMISSION

The Council acknowledged that at the previous regular meeting they had accepted the resignation of Mr. Todd Roberson who was in the City's Planning and Zoning Commission. They also acknowledged they did not have a replacement at the time and therefore were not ready to take action.

Upon a motion by Councilman Fulghum, seconded by Councilwoman Spires the Council unanimously tabled further action on this matter.

APPOINTMENTS/REAPPOINTMENT
OF TWO (2) MEMBERS TO THE
HOUSING STANDARDS BOARD

The City Building Inspector reported to the Council that the two (2) members that are up for appointment/reappointment were Mr. Adolf Loya and Johnny Padilla. Mr. Holland further advised that upon contacting Mr. Loya, Mr. Loya had expressed a desire to not continue his service and that Mr. Padilla had expressed a willingness to continue serving if it the Council's desire.

Upon a motion by Councilwoman Spires, seconded by Councilman Carabajal the Council unanimously reappointed Mr. Johnny Padilla to another term in the City's Housing Standards Board and tabled the appointment of a member to replace Mr. Adolf Loya.

CONSIDERATION OF NOMINATING
TO THE BEE COUNTY APPRAISAL
DISTRICT BOARD OF DIRECTORS

The City Manager advised the Council that nomination of individuals to be considered for the Bee County Appraisal District's Board of Directors can be done now but that if they were not ready they had until October 14, 2011.

Upon a motion by Councilman Carabajal, seconded by Councilman Fulghum the Council unanimously tabled action until their next regular meeting of October 11, 2011.

CONSIDERATION OF REQUEST
FROM THE POLICE DEPARTMENT
TO TEMPORARILY CLOSE
CORPUS CHRISTI STREET FROM
WASHINGTON TO ST. MARY'S
FOR NATIONAL NIGHT OUT

Councilmembers were informed by the City Manager that Police Chief Trevino is requesting temporary street closure of Corpus Christi Street between Washington and St. Mary's on October 4, 2011 from 6:00 p.m. to 8:00 p.m. for the National Night Out activities.

Upon a motion by Councilman Fulghum, seconded by Councilwoman Spires the Council unanimously granted the Police Department and Chief the request for temporary closure of the 100 Block of West Corpus Christi Street

REVIEW AND CONSIDERATION OF
ACTION FOR THE HOTEL/MOTEL
FUND GENERAL APPLICATION FOR
SPECIAL EVENTS

The City Manager advised the Council that this particular item had been placed on the agenda at the request of Councilman Carabajal. He added that it is probably a good idea to review the City's Application for these H.O.T. Funds every now and then to better scrutinize and maximize the use of said H.O.T. Funds.

Councilman Carabajal introduced the concept of establishing a committee to look over the applications now being used and that said committee bring back to the Council possible amendments to make the best use of the H.O.T. Funds. He concluded he would be willing to serve in such a committee. Councilman Fulghum volunteered to serve in said committee as well.

Upon a motion by Mayor Pro-Temp Scotten, seconded by Councilwoman Spires the Council unanimously appointed the committee comprised of Councilmembers Carabajal and Fulghum along with the City Manager or his designee to review the current applications now being handed out to applicants for H.O.T. Funds and that said committee bring back their ideas to the entire Council.

CITY MANAGER REPORTS
STATUS ON VETERANS
MEMORIAL PARK PUMP STATION
STATUS REPORT ON PARK
IMPROVEMENT PROGRAM

In providing a status report on the Veterans Memorial Park Pump Station, the City Manager advised that the project completion is within two (2) weeks away.

In reporting on the park improvement program, the City Manager reported that the program was "on track" and that Mr. John Longoria has been working with Amstar and will have a report for the Council at their October 11, 2011 meeting. He concluded that Mr. Longoria will also be addressing the Beeville Independent School District Board of Directors on the same subject.

EXECUTIVE SESSIONS

Mayor Pro-Temp Scotten announced that the City Council would be going into a closed executive session pursuant to Local Government Code Section 551.071(1)(A) to discuss pending litigation and on a separate matter pursuant to Texas Local Government Code Section 551.071 to consult with the City Attorney on to separate matters. The time was 7:14 p.m.

Mayor Pro-Temp Scotten reconvened the open meeting at 8:13 p.m. and announced that no formal action would be taken concerning the first session in the discussion of pending litigation. He also advised that the Council would also take no formal action concerning the third matter addressing the Council's consultation with the City Attorney. Mayor Pro-Temp Scotten then entertained action concerning the matter discussed in executive session concerning the TD Water Supply Agreement.

Upon a motion by Councilman Carabajal, seconded by Councilman Fulghum the Council unanimously authorized the administration to enter into a Letter of Agreement with Mathews and Freeland, Attorneys for the City's sale of its treated wastewater effluent from the Wastewater Treatment Plant to TD Water Resource Management, L.L.C.

ADJOURNMENT

With no other business before the Council the meeting was unanimously adjourned following a motion from Councilman Fulghum, seconded by Councilman Carabajal.

(MEETING ADJOURNED)


Jimmy Martinez, Jr., Mayor

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