



Control Number: 45522



Item Number: 724

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BASSHAM
PROPERTIES

45522

May 2, 2016

Public Utility Commission of Texas, Filing Clerk
1701 North Congress Ave
P.O. Box 13326
Austin, TX 78711-3326

RECEIVED
2016 MAY -6 AM 9:47
PUBLIC UTILITY COMMISSION
FILING CLERK

RE: Conversion from Submetering to Allocation at Sonterra Apartments

Dear Public Utility Commission of Texas:

The submetering system at Sonterra Apartments is an old submetering system in which is in need of replacement. Employees and contractors of Sonterra have made diligent efforts to repair the meters without success.

The property has explored the feasibility of replacing the submetering system, but the cost would be prohibitive. Attached is a proposal for the upgrade to a new wireless meter reading system. As you can see, the cost is significant. Consequently, we believe that good cause exists pursuant to Section 291.123(d) to change from submetered to allocated billing. The residents currently sign a Texas Apartment Association form lease which indicated that they will be responsible for water and wastewater and also sign a "Lease Addendum for Water/Wastewater Submeter Billing in Apartments" and receive the "Tenant Guide to Submetered Water or Wastewater Service". It is our intent to provide existing residents 35-day notice of the new allocation and request their written approval of such modification following Section 291.123(c). This would typically only occur upon new leases and when existing tenants renew their lease.

We intend to use the following allocation system: deduct five (5%) of the water/wastewater bill to account for common area and allocate the remaining ninety-five (95%) back to the residents based on a factor using a combination of square footage and occupancy in which no more than 50% is based on square footage per Section 291.124(e)(ii)(A)(iv). Irrigation is in use at the property and separately metered by the city, which will not be used in the allocation per Section 291.124(e)(iii).

Please provide written approval of the conversion to water allocation billing for Sonterra. If you have any questions, please do not hesitate to contact me.

Sincerely,

Deborah E. Parker
Chief Financial Officer

enc: (1)

724



4/8/2016

TRACY DREWITT
Property Manager
Bassham Trust/Palm Valley I, LLC.

Re: Proposal - Wireless Water Submetering System Upgrade

Dear Ms. Drewitt,

PayLease is pleased to provide Bassham Trust/Palm Valley I, LLC. with a proposal to install a Wireless Submetered Read System at Sonterra Apartment Homes (573 units), in Austin, TX. PayLease is a leading provider of convergent billing services and has been providing utility submetering conversion services to clients across the country since 1999. In addition to our industry leading convergent billing we provide meter installation, meter system repair, ongoing meter maintenance and system upgrade programs.

System Assessment

Based upon the manual read system at your property, we suggest upgrading the current water meters at Sonterra Apartment Homes to the newer Next Century wireless meter reading system. The system upgrade would consist of a wireless reading system, by installing a new MJ20 Water meter per unit, transmitter/Transceiver on each meter, a central collector/Gateway and 28 signal repeaters.

Scope of Services:

PayLease proposes to install, warranty and service, a wireless submeter system installing a new Next Century wireless transmitter in each unit. The meter reading system is manufactured by *Next Century*. The *Next Century* system has been specifically designed to eliminate the need for low-voltage wiring and can be read via a centralized computer, typically located in the management office. PayLease would be responsible for all aspects of the project and utilize qualified technicians as part of our nation-wide installation network to conduct the work. Once the project is complete and activated, PayLease would warranty the workmanship for a period of 1 year.

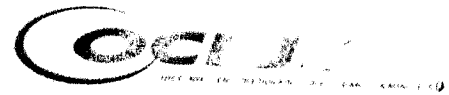
This proposal is based on the following general information and assumptions:

- Sonterra Apartment Homes management will schedule, blanket notice the residents (buildings) for a 5-7 days and provide access to all residential units, based on our installation schedule.
- Sonterra Apartment Homes will provide a 110V AC power outlet in a location above grade, generally in the leasing office, for the RDL, along with an Ethernet connection made available by the site's network administrator.
- Sonterra Apartment Homes will provide outlets where needed in order to have the most efficient repeater network possible.

PayLease will be responsible for:

- PayLease will provide on-site a project manager and all installation technicians in order to canvass the property in the most efficient manner possible.
- PayLease will provide all general and liability insurance with the property named as an additional insured.
- PayLease will enter each unit and remove the old meter and install a new MJ20 meter that will then be paired with a Next Century Transceiver.
- PayLease will enter each unit and install a new Next Century Radio-Frequency transceiver.
- PayLease will provide and install 28 Next Century signal repeaters.
- PayLease will provide a "schedule of work" for the site.
- PayLease will verify all system wiring and signal continuity from meter to data collector.
- PayLease will perform a unit-by-unit system check and verify 100% system operability and produce a meter reading report to the property manager, upon completion of the project.
- There will be a \$150.00 trip charge and a \$30.00 per unit charge if PayLease has to return after last scheduled day of project to complete units that were not accessible during original schedule.

4/8/2016



Equipment to be supplied

- 1 – Next Century Central Collector/Gateway
- 28 – Next Century Signal Repeaters
- 573 – Next Century Wireless Transceivers
- 573 – MJ20 Multi-jet Pulse Meters (1:10)
- 1146 – 3/4" Poly Meter Couplings

Pricing

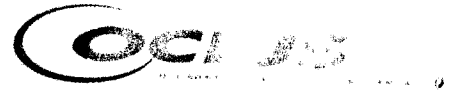
PayLease proposes to furnish the above described components **fully installed, and, activate a wireless radio-frequency submetering reading system** for Sonterra Apartment Homes (573 units): **\$78,772.40.**

****In such case, Bassham Trust/Palm Valley I, LLC.** requests negotiation for termination of contract, PayLease shall be entitled to receive as full compensation for all services performed hereunder, payment for all Work performed prior to the date of termination, together with all retainage withheld

General Notes: If a new power outlet needs to be run to an attic (typical location) to power a signal repeater, there will be an additional \$300 charge per repeater. Signal repeaters are only used where necessary based on the layout of the property. If there is already an outlet present, there will be no additional charge.

Schedule of Values

Due Upon Unit Activation			
Product	Quantity	Cost	Total
NC Gateway	1	\$ 1,250.00	\$ 1,250.00
Repeater	28	\$ 237.50	\$ 6,650.00
Transceiver	573	\$ 47.50	\$ 27,217.50
Meters	573	\$ 35.00	\$ 20,055.00
3/4" Couplings	1146	\$ 2.50	\$ 2,865.00
Labor	573	\$ 31.30	\$ 17,934.90
Shipping	1	\$ 2,800.00	\$ 2,800.00
			<u>\$78,772.40</u>



4/8/2016

We appreciate the opportunity to work at Sonterra Apartment Homes and look forward to developing our relationship with Bassham Trust/Palm Valley I, LLC. Please let us know if you have any questions regarding our proposal. We will follow up with you in the coming days.

Respectfully Submitted,

Neil Keane

Submeter Program Associate

nkeane@PayLease.net

T: 312-850-3500 EX: 236

F: 312-275-7747



ACCEPTANCE OF PROPOSAL & PAYMENT TERMS

The above prices and conditions are satisfactory and are hereby accepted. Upon execution you are authorized to furnish these materials as proposed.

Note: This proposal may be withdrawn if not accepted within 30 Days. Any variation in the assumptions on which this proposal is based that result in additional costs will become an extra charge over and above the amounts in this proposal. PayLease is not responsible for delays due to strikes, accidents, or delays beyond our control. A service charge of 1.5% per month will be added to any unpaid balance over thirty days past due. If collection is necessary, purchaser agrees to pay all collection expenses including Court costs and Attorney's fees.

Date _____ Accepted By Owner _____ Title _____

Date _____ Accepted By PayLease _____ Title _____