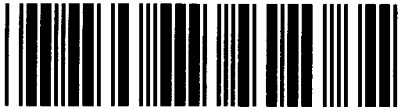


Control Number: 46047



Item Number: 3

Addendum StartPage: 0

NOACK WATER SUPPLY CORPORATION
P. O. BOX 323
Thrall, Texas 76578
Phone: 512/352-2005

RECEIVED
2016 JUL -8 PM 2:46
PUBLIC UTILITY COMMISSION
FILING CLERK

July 7, 2016

Public Utility Commission of Texas
Commission Filing Clerk
Attn: Mr. Jeffrey J. Huhn
Administrative Law Judge
1701 N. Congress Ave.
P. O. Box 13326
Austin, Texas 78711-3326

Re: Noack Water Supply Corporation Docket No. 46047, Mark Groba's Appeal of the cost of obtaining Service.

Dear Mr. Huhn:

In response to Order No. 1 Requiring Responses and Addressing Other Procedural Matters for the above referenced docket, Noack WSC offers the following:

Noack Water Supply Corporation is a non-profit water supply corporation created under Article 1434a of the Revised Civil Statutes of Texas of 1925, as amended. A copy of our current tariff is on file with your agency.

Contact Information:
Noack WSC
P. O. Box 323
Thrall, Texas 76578
Ph: 512/352-2005

It is unclear from information submitted by Mr. Groba and submitted to the Public Utility Commission (PUC), what is being appealed. It is our understanding from his letter that he has simply filed a complaint with the PUC and with the office of the attorney general. No one from the PUC has contacted our office to discuss this complaint or to get information on the matter. We have only received your Docket order requesting comments on how this "petition" should be processed and a proposed schedule.

We do not believe that there is a valid appeal and that the matter should be dismissed or handled by program staff as a complaint. The cost to obtain service quoted to Mr. Groba follows the provisions for service provided for in Noack WSC's tariff (see attached letter to Mr. Groba dated March 21, 2016). There has been no discrimination against Mr. Groba. It is evident from his complaints that he is upset due to the fact that approximately 10 years ago we pulled a meter

because of inactivity and lack of payment. He now wants us to reinstall the meter without paying any back fees. Payment of the minimum monthly service charge on the meter is clearly required under our tariff (again, see our response dated March 21, 2016).


On March 3, 2016, Mr. Groba appeared before our board of directors to express his desire to get a meter installed to serve a vacant lot he purchased in 2003. A copy of our response to that request dated March 21, 2016 is attached. This letter serves as our response to any complaints regarding that request. A copy of the approved minutes of that meeting is also attached along with a copy of the email to Mr. Groba transmitting the minutes.

Mr. Groba has also inquired about getting an emergency livestock meter to serve other property which he owns. He stated that the pond located on the property does not hold water and he wants to put livestock on it. We advised that the board did approve the installation of emergency meters for members who did not have water for their livestock due to the drought which started in 2010. No capital improvement fee or impact fee was charged, only the cost of installation. The meters were installed with the understanding that they would be pulled when the drought ceased. Since the rainfall has returned to above normal rates this last year, we have since pulled these meters and no longer offer the program.

By cover letter dated June 8, 2016, Mr. Groba mailed Noack WSC a copy of his complaint filed with the PUC along with a check in the amount of \$150.00. Our response letter dated June 24, 2016 explaining why we could not give him an emergency livestock meter and returning the \$150 is attached. This letter serves as our response to any complaints regarding that request.

Noack WSC's tariff serves includes a table reflecting the cost of service. We have not treated Mr. Groba any different than any of our shareholders. We trust that this response adequately addresses your order. If not, I am available and will attempt to answers any questions you have.

We are including 10 copies of this correspondence as directed by your order and mailing Mr. Groba a copy.



Sam Jones, President
Noack WSC

Cc: Mr. Mark Groba

Attachments:

Noack response to Mr. Groba dated March 21, 2016

Email transmitting copy of minutes

Noack response to Mr. Groba dated June 24, 2016

**NOACK WATER SUPPLY CORPORATION
P. O. BOX 323
Thrall, Texas 76578
Phone: 512/352-2005**

March 21, 2016

Mr. Mark Groba
mdg1952@att.net
Sent by email

Re: Request for water service to serve tract located at 1331 CR 448.

Dear Mr. Groba,

Thank you for attending our board meeting on March 3, 2016. This letter is to follow up with our response to your request for documentation about a meter that was existing on the property at the time of your purchase and later pulled by Noack without notification to you. We acknowledge that a meter did exist on this tract and water service can be reinstated but past due minimum payments will have to be paid. We will waive the meter and meter installation charge if you request service within a reasonable time.

According to the deed records, you purchased the tract by deed dated August 12, 2003. The meter apparently existed at that time; however, no use has since been recorded and no transfer of the stock certificate into your name has been made. You advised the board that you received nothing from Noack WSC, you received no water bill for the meter and you used no water from the meter. Because of a leak at the service connection, Noack WSC later had a contractor pull the meter and repair the leak.

In response to your request we have searched our records and can not find any record on the stock certificate. We acknowledge that a meter did exist but have to assume that no minimum payments were made to keep the certificate in good standing nor was a request for transfer ever made. Section 2, Paragraph 3(b) of Noack WSC's tariff states:

"Re-Service – In the event an application is made for service on property where service previously existed, and for which an inactive account exists, the Corporation shall charge the Membership Fee and labor and materials costs necessary to restore service. In addition, the Corporation shall charge accumulated Reserved Service Fees which have been entered on the in-active account as monthly debits for the purpose of allowing the Corporation to recover the costs of reserving capacity at the location for which re-service has been requested. If restoration of service is not requested, this fee will accumulate monthly until the total balance of Reserved Service Fees equals the amount of the Front-end Capital Contribution previously paid for service to the property. At such

time, all service equipment shall be removed by the Corporation and all subsequent service requests shall be treated as new applications. (*emphasis added*)”

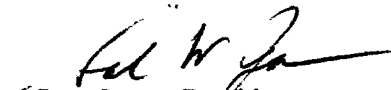
At such time as service is requested, compliance with this provision will be required and a water service contract will have to be executed.

The minimum monthly fees from the date of your deed are calculated as follows:

Minimum Monthly Fee				Totals	
From	To	Fee	Months	Required Fee	
9/1/2003	8/1/2014	\$ 25.00	131	\$	3,275.00
8/1/2014	4/1/2015	\$ 25.00	8	\$	200.00
4/1/2015	4/1/2016	\$ 40.00	12	\$	480.00
				\$	3,955.00

This exceeds the amount of our current Capital Recovery Fee for new service which is \$3500.00 which makes a request for new service more economical for this situation. As stated before, we will waive the \$500 new meter fee if a request for service is made (within the next 12 months).

Sincerely,


Sam Jones, President
Noack Water Supply Corporation

Sam Jones

From: Sam Jones <samj752@yahoo.com>
Sent: Monday, April 18, 2016 11:23 AM
To: Mark Groba
Subject: NOACK WSC Minutes
Attachments: Appr Minutes 2016-3-3054.pdf

Mark, attached is a copy of the approved minutes from our March 3rd meeting.

NOACK WATER SUPPLY CORPORATION

Minutes of Meeting

March 03, 2016

At

NOACK WSC Office

6700 FM 619

Taylor, Texas

- 1) Call to order at 6:40 pm.

Board of Directors present: Willie Brinkmeyer, Richard Chandler, Steve Hubnik, Sam Jones, Harold Fischer, Sid Srensky, and Carter Thornton

Absent: Darrell Hall, Terry Poldrack,

Vistor Present, Mark Groba

- 2) Approval of minutes (January 7, 2016 & February 6, 2016);

Motion made by Mr. Brinkmeyer to approve the January 7, 2016 & February 6, 2016 meeting minutes as presented.

Motion was seconded by Mr. Srensky

Motion passed.

- 3) Mr. Groba asked the board to reinstate a meter which was removed from his property when he purchased it. He stated that he did not have the certificate on the meter and had not received or paid any fees on the meter since he had purchased the property. Mr. Jones advised that we would write him a letter acknowledging that a meter had been on the property but before we could reinstall the meter, he would have to pay the back charges on the meter since the last payments had been made or pay for a new meter, including a capital recovery fee of \$3,500.

Old Business:


- 1) Update on discussions with Manville WSC;

Mr. Jones has repeatedly contacted the City of Taylor to request for a resolution for the City of Taylor interest in the 8" line and CCN but the City Manager has been non-responsive.

- 2) Update on Taylor / Thrall lawsuit;

There have been no additional updates at the time of the meeting. Board discussions were focused on beginning direct talks with City of Thrall. Mr. Jones will report back to Board in April.

- 3) Discuss agenda for annual meeting;


Apr: 1 07, 2016

Not required; no action needed.

New Business:

1) Update on meter reading;

- a. Replace and/or reset meter boxes
- b. Replace markers
- c. Magnetic sign for meter reader vehicle

Board discussion included that the meter reader make notes on where there are issues with meter boxes; missing lids; broken boxes, etc. Also have supplies with meter reader to replace simple issues as they are found.

Motion made by Mr. Hubnik to approve the reimbursement for magnetic vehicle signs for meter reader. Signs should make it clear that the meter reader is a contractor, not an employee.

Motion seconded by Mr. Carter

Motion passed.

2) Discuss customer service inspection program;

Board discussed the customer service inspection (new home inspection) fee; initial \$75 and the follow-up inspection on completion. Board discussed options to ensure all outdoor faucets are protected with backflow preventers. A note will be added to future bills to request that the outdoor faucets are protected.

3) Treasurer Report;

At time of meeting balance is \$35,780 with outstanding invoices totaling \$19,535.

4) Operators Report;

- a. Letter sent to delinquent customers
- b. Contract for bookkeeping services

Mr. Hubnik reported that there were 24 customers that were delinquent on their accounts. A certified letter was sent to each delinquent customer. If the amount owed is not paid or if a payment plan is not in place by March 15, 2016 the water will be turned off and the meter locked.

Motion made by Mr. Hubnik to set new rates as follows:

New tap & meter installation \$650;

Customer Service (inspection fee) \$100.

Motion seconded by Mr. Carter

Motion passed.

5) Other business;

| **Motion made by -Mr. Hubnik that all livestock meters which had been set as
emergency livestock meters due to drought are to be pulled.**

| **Motion seconded by -Mr. Chandler**

Motion passed.

6) Adjourn.

Motion was made by Mr. Fischer to adjourn

Motion was seconded by Mr. Brinkmeyer

Motion passed

Meeting adjourned at 10:00 pm

Richard Chandler, Secretary

NOACK WATER SUPPLY CORPORATION
P. O. BOX 323
Thrall, Texas 76578
Phone: 512/352-2005

June 24, 2016

Mr. Mark Groba
1331 County Road 448
Taylor, Texas 76574

Re: Request for Emergency Livestock Meter.


Dear Mr. Groba,

We received your letter dated June 8, 2016 transmitting a copy of your complaint filed with the Public Utility Commission and requesting that we install an emergency livestock meter on property you have located on County Road 450. You also submitted a check dated June 8, 2016 in the amount of \$150.00.

Noack Water Supply Corporation is no longer providing emergency livestock meters since the area is no longer in a drought situation. I believe we have pulled all meters set for that purpose. I am returning your check with this letter. If we get into another drought situation, you may contact the board about installing a meter for emergency use. Please remember though, this program was intended for watering livestock that had insufficient water due to a drought and not due to improperly constructed ponds. In those cases, a membership and request for meter along with associated fees outlined in our tariff will be required.

Enclosed, please find your check dated June 8, 2016.

Sincerely,


Sam Jones, President
Noack Water Supply Corporation