



Control Number: 46247



Item Number: 143

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SOAH DOCKET NO. 473-17-0067.WS  
PUC DOCKET NO. 46247

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2017 JUN -1 AM 10:47

APPLICATION OF DOUBLE DIAMOND §  
PROPERTIES CONSTRUCTION CO. §  
DBA ROCK CREEK FOR WATER §  
RATE/TARIFF CHANGE §

BEFORE THE STATE OFFICE OF  
PUBLIC UTILITY COMMISSION  
ADMINISTRATIVE HEARINGS  
FILING CLERK

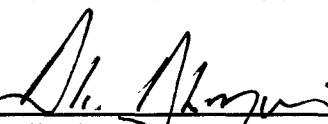
**DOUBLE DIAMOND PROPERTIES CONSTRUCTION CO. D/B/A ROCK CREEK'S  
SECOND SUPPLEMENTAL RESPONSE TO ROCK CREEK HOMEOWNERS'  
FIRST REQUEST FOR INFORMATION TO  
DOUBLE DIAMOND PROPERTIES CONSTRUCTION CO.**

To: Rock Creek Homeowners, by and through its attorney, Trey Nesloney, Booth, Ahrens & Werkenthin, P.C., 206 East 9<sup>th</sup> Street, Suite 1501, Austin, Texas 78701

COMES NOW, Double Diamond Properties Construction Co. d/b/a Rock Creek ("Double Diamond") and files these Second Supplemental Responses to Rock Creek Homeowners' First Request for Information to Double Diamond Properties Construction Co., Question RCH No. 1-1. Double Diamond agrees and stipulates that all parties may treat these responses as if they were filed under oath.

Respectfully submitted,

JACKSON WALKER L.L.P.

By: 

Ali Abazari  
State Bar No. 00796094  
100 Congress, Suite 1100  
Austin, Texas 78701  
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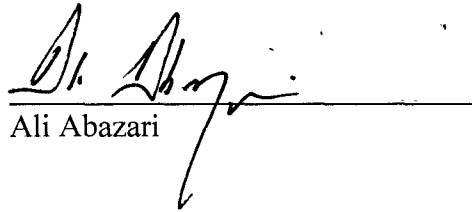
**ATTORNEYS FOR DOUBLE DIAMOND  
PROPERTIES CONSTRUCTION CO. D/B/A  
ROCK CREEK**

## **CERTIFICATE OF SERVICE**

This is to certify that on the 1st day of June, 2017, a true and correct copy of the foregoing document was served via email pursuant to Rule 22.74:

Michael Crnich  
Vera Dygert  
Attorney-Legal Division  
Public Utility Commission of Texas  
1701 North Congress Avenue  
P. O. Box 13326  
Austin, Texas 78711-3326  
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E: [vera.dygert@puc.texas.gov](mailto:vera.dygert@puc.texas.gov)

Trey Nesloney  
Fred B. Werkenthin, Jr.  
Michael J. Booth  
Booth, Ahrens & Werkenthin, P.C.  
206 East 9th Street, Suite 1501  
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Ali Abazari

**SOAH DOCKET NO. 473-17-0067.WS  
PUC DOCKET NO. 46247**

<b>APPLICATION OF DOUBLE DIAMOND PROPERTIES CONSTRUCTION CO. DBA ROCK CREEK FOR WATER RATE/TARIFF CHANGE</b>	§ § § §	<b>BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS</b>
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**DOUBLE DIAMOND PROPERTIES CONSTRUCTION CO. D/B/A ROCK CREEK'S  
SECOND SUPPLEMENTAL RESPONSE TO ROCK CREEK HOMEOWNERS'  
FIRST REQUEST FOR INFORMATION TO  
DOUBLE DIAMOND PROPERTIES CONSTRUCTION CO.**

**RCH NO. 1-1:** Please provide the information or materials described in Texas Rule of Civil Procedure 194.2(a), (b), (c), (e), (f), (g), (h), and (i), as follows:

(f) for any testifying expert: (1) the expert's name, address, and telephone number; (2) the subject matter on which the expert will testify; (3) the general substance of the expert's mental impressions and opinions and a brief summary of the basis for them, or if the expert is not retained by, employed by, or otherwise subject to the control of the responding party, documents reflecting such information; (4) if the expert is retained by, employed by, or otherwise subject to the control of the responding party: (A) All documents, tangible things, reports, models, or data compilations that have been provided to, reviewed by, or prepared by or for the expert in "anticipation of the expert's testimony; (B) the expert's current resume and bibliography.

**SUPPLEMENTAL RESPONSES:**

**Timothy P. Grout  
Double Diamond Companies  
5495 Belt Line Rd., Suite 200  
Dallas, Texas 75254**

**Mr. Grout is the Chief Financial Officer and has knowledge of the accounting practices of Double Diamond-Delaware, Inc. and subsidiaries. He will testify that DDPC acquired the water utility assets at the Rock Creek Resort and that those assets were not contributed to it by the developer.**

**This response will be supplemented as necessary.**

**A copy of Mr. Grout's resume is attached hereto as Exhibit A.**

**Steve Gohn, CPA  
Huselton, Morgan & Maulsby, P.C.  
12221 Merit Dr. Suite 1800  
Dallas, Texas 75251**

**Mr. Gohn is a Certified Public Accountant with Huselton, Morgan & Maulsby and has been responsible for auditing the consolidated financial statements of Double Diamond-Delaware, Inc. and subsidiaries. Mr. Gohn is expected to provide expert rebuttal testimony regarding the financial accounting by Double Diamond-Delaware, Inc., Double Diamond, Inc., and DDPC as it relates to the water utility infrastructure associated with the Rock Creek Resort.**

**Based on Mr. Gohn's experience auditing the consolidated financial statements of Double Diamond-Delaware, Inc. and its subsidiaries and his experience as a CPA, Mr. Gohn will opine that the costs or value of the water utility infrastructure have not been expensed or written off against the revenues generated by the sale of lots at Rock Creek Resort.**

**This response will be supplemented as necessary.**

**Peter Moore, CPA  
Whitley Penn  
8343 Douglas Avenue, Suite 400  
Dallas, Texas 75225**

**Mr. Moore is a Certified Public Accountant and a Tax Partner with Whitley Penn. He is expected to provide expert rebuttal testimony regarding Double Diamond-Delaware, Inc.'s tax statement filings. Mr. Moore will opine that water utility assets at the Rock Creek Resort were not written off or expensed as a cost of sale when incurred.**

**This response will be supplemented as necessary.**

**A copy of Mr. Moore's resume is attached hereto as Exhibit B.**

**Stephen A. Miller  
Vice President of Sales & Marketing  
Double Diamond Companies  
5495 Belt Line Rd., Suite 200  
Dallas, Texas 75254**

**Mr. Miller is the Vice President of Sales & Marketing and is responsible for establishing lot prices at the Rock Creek Resort. Mr. Miller is expected to testify about the manner in which lots are priced at Rock Creek. Mr. Miller will opine that utility costs were not factored into lot prices. This response will be supplemented as necessary.**

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**Summary of Qualifications**

- \*Strategic Planning
- \*Treasury
- \*Risk Management
- \*Capital

- \*M&A-Post Merger Integration
- \*Forecasting / Budgeting
- \*Cash Management/Forecast
- \*SQL, Report Creation

- \*ERP System Integration
- \*Business Process / Re-engineering
- \*Debt / Equity
- \*Cost, Job, Project Accounting

**Professional Experience**

**Double Diamond Companies, Dallas, Texas**

**2017-Present**

*Hospitality and Construction*

**Chief Financial Officer**

NAVISON

**SOUTHWEST PETROLEUM, Dallas, Texas**

**2015-2017**

*Oil and Gas Mineral Acquisition*

**Chief Financial Officer/VP Finance**

Oversee accounting, finance, human resources, treasury, audit and tax.

**Generated \$1.3 million federal tax refund.**

Reduced overhead cost via process review and implementation.

QuickBooks Enterprise 2015.

**PINNACLE COMPANIES, Sulphur Springs, Texas**

**2013 - 2015**

*\$120 Million manufacturer in Oil and Gas*

**Chief Financial Officer**

Oversee accounting, finance, human resources, treasury, IT, and insurance with multiple manufacturing locations.

- \*Created Strategic/Operational Plans, Customer/Product Contribution mix/margins, Financial and Cash forecasts.

- \*Enhanced financial reporting and analysis for multiple plant locations.

- \*Facilitated wind-up of company working with Banks, Legal and Suppliers.

- \*Identified bank liability overstatement resulting in **cash of \$147k**, corrected plant labor reporting.

- \***Identified and corrected \$460k work-in-process overstatement.**

- \*ERP system – Syspro.

**UNITED RENOVATIONS L.P., Carrollton, Texas**

**2003 to 2012**

*\$50 million national Apartment Renovation Company*

**Chief Financial Officer**

Directed accounting, finance, purchasing, human resources, treasury, risk management, legal and insurance.

- \*Fostered relationships with banking, insurance, legal and CPA firms.

- \***Facilitated revenue growth of 316%.**

- \***Created start-up entity- generated \$12 Million in sales first 12 months.**

- \***Increased credit line by 400%.**

- \***Responsible for saving multi-million dollar customer.**

- \*Divested a supply division, and facilitated merger via due diligence and implementation.

- \*Established 401k safe-harbor plan.

- \***Created profit sharing program.**

- \*Involved in selection, implemented and training of tier II mid-market ERP system.

- \*Reviewed and executed all legal contracts.

- \*Developed company-wide standard operating procedures.

- \*Prepared monthly, quarterly covenant reporting.

- \*Managed financial, reporting and analysis for other legal entities.

- \*Facilitated CPA reviews / secured bonding requirements and oversaw corporate insurance.

- \*Systems: *GEAC-Construction Manager, SAGE -Master Builder*

## EXHIBIT A

Tim Grout - MBA  
(Cell) 972-342-5013  
[tgrout@sbcglobal.net](mailto:tgrout@sbcglobal.net)

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### **PDP GROUP LLC, Dallas, Texas**

2002 to 2003

*\$5 million consulting firm specializing in re-engineering of small to midsize private companies.*

#### **Project Director**

Worked with owners, senior management, and staff personnel in analyzing operations, performance and creating solutions to enhance and optimize results.

\*Managed professionals in sales, warehousing, distribution, manufacturing, and accounting to achieve client goals.

\*Created financial models – cash forecasting, budgets, and strategic plans and SOP's

\*Identified and eliminated non-value added activities in multiple processes through-out organizations.

### **COMPUTER ASSOCIATES, Dallas, Texas**

1999 to 2001

*\$7 billion Software Company, designs, develops, markets, and supports BtoB and BtoC integrated solutions.*

#### **Pre-Sales - Senior Sales Consultant:**

Responsible for consultative activity related to supply-chain applications – ERP Solutions, BtoB and BtoC on both AS400 and UNIX / NT environments.

\*Assisted in closing \$2 million in sales

### **ARROW (subsidiary of Conagra Foods), Dallas, Texas**

1995 to 1998

*\$300 million manufacturer of private label consumer goods.*

#### **Cost Manager:**

Responsible for management accounting department, four locations. \*Forecasting, budgeting, financial analysis and management reporting. \*Leader in manufacturing supply chain conversion, JBA. \*Directed implementation of annual operating plan. \*Identified annualized savings of eight million dollars. \*Created financial flash reporting. \*Enhanced forecasting accuracy and timeliness. \*Reduced financial close cycle from 2 weeks to 1 week. \*Leader of multiple re-engineering process teams.

### **VALEO CLIMATE CONTROL, Fort Worth, Texas**

1993 to 1995

*\$300 million manufacturer of HVAC units for the automotive industry.*

#### **Senior Financial Analyst:**

### **DELL COMPUTER, Austin, Texas**

1989 to 1991

*\$62 Billion manufacturer and distributor of computer systems.*

#### **Cost Manager:**

### **MARY KAY COSMETICS, Dallas Texas**

1986 to 1989

*\$3 Billion International Cosmetic Company*

#### **Cost Analyst:**

### **Texas Instruments, Dallas, Texas**

1984 to 1986

*\$14 Billion International Manufacturer of Semi-conductor products*

#### **Cost Engineer:**

#### **Education & Certifications**

##### **MBA - Finance**

University of North Texas, Denton, Texas

##### **BBA - Accounting**

Texas Tech University, Lubbock, Texas

CPA, CMA, Texas; inactive

#### **Affiliations**

FEI (Financial Executives International), CFMA, (Construction Financial Management Association), FENG (Financial Executives Networking Group).

US Air Force



# Peter Moore

## Tax Partner

**Office**

Dallas

**Email**

[Peter.Moore@whitleypenn.com](mailto:Peter.Moore@whitleypenn.com)

**Direct Dial**

214.393.9515

**Fax**

214.393.9301

**Services**

Tax & Consulting

**Industries**

Manufacturing, Wholesale & Retail,

Professional Services, Real Estate &

Construction, Technology

**Education**

B.S. in Accounting, Louisiana Tech University

Peter Moore is a Certified Public Accountant with more than 20 years of experience in public accounting with a primary focus on tax and accounting services for a broad category of clients. His primary industries are real estate and high-net worth individuals.

## Experience

Whitley Penn, Dallas Office (2017 – present)

- Partner
- Areas of Practice
  - Real estate development and management



**EXHIBIT B**

- Partnership taxation
- Manufacturing
- High Net Worth Individuals
- Retail and wholesale

Wagner, Eubank & Nichols, LLP (2001 – 2016)

- Partner
- Areas of Practice
  - Real estate development and management
  - S corporations
  - Partnership taxation
  - High Net Worth Individuals

Eubank, Wofford & Nichols, LLP (1996 – 2000)

- Areas of Practice
  - Real estate development and management
  - S corporations
  - Partnership taxation
  - High Net Worth Individuals

Cole, Evans & Peterson, CPAs (Shreveport, LA) (1992 – 1996)

- Areas of Practice:
  - Professional service corporations
  - Auto dealership taxation
  - S corporations
  - High Net Worth Individuals

**Professional Certifications**

**EXHIBIT B**

- Certified Public Accountant

**Professional Organizations**

- American Institute of Certified Public Accountants (AICPA)
- Texas Society of Certified Public Accountants (TSCPA)

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