

Control Number: 46782



Item Number: 1

Addendum StartPage: 0

KAMIRA PROPERTY OWNERS ASSOCIATION, INC DBA

KAMIRA WATER SYSTEM

152 Kamira Drive
Kerrville, Texas 78028
December 12, 2016

46782

RECEIVED

2017 JAN 19 PM 4:02

PUBLIC UTILITY COMMISSION
FILING CLERK

Public Utility Commission of Texas
1701 North Congress Avenue
Post Office Box 13326
Austin, Texas 78711-3326

Attn: Filing Clerk

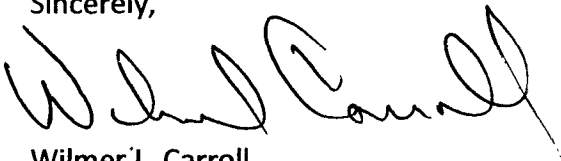
Dear Sir or Madame:

We are requesting your approval of the enclosed application for amendment of our Certificate of Convenience and Necessity (CCN).

Historically, the CCN 12176 was expanded in 1998 to include the Box S subdivision, as a result of our purchase of the well and distribution lines in that area. We are now seeking to make that area a stand-alone geographical area with its own CCN. With reference to the map (Appendix 5) note that the area can be conveniently divided by Texas Ranch Road 783. The CCN area on the west side of RR 783 is very thinly populated and lends itself to a non-PWS status, which will be achieved with approval of this application. We would then manage the Box S area as a separate entity.

If you have any questions, please do not hesitate to contact me.

Sincerely,



Wilmer L. Carroll
Manager, Kamira Water System for the
Kamira Property Owners Association, Inc

List of Appendices:

- Appendix 1: Requests for service
- Appendix 1a: Customers for proposed CCN
- Appendix 2: Information on decertification
- Appendix 3: Effect of granting a certificate amendment
- Appendix 4: Financial information (not included here)
- Appendix 5: CCN map as currently exists
- Appendix 5a: CCN map as proposed
- Appendix 6: Most recent TCEQ inspection report



PURSUANT TO PUC CHAPTER 24, SUBSTANTIVE RULES APPLICABLE TO WATER AND SEWER
SERVICE PROVIDERS, SUBCHAPTER G: CERTIFICATES OF CONVENIENCE AND NECESSITY

Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

Docket Number: _____

(this number will be assigned by the Public Utility Commission after your application is filed)

7 copies of the application, including the original, shall be filed with

Public Utility Commission of Texas

Attention: Filing Clerk

1701 N. Congress Avenue

P.O. Box 13326

Austin, Texas 78711-3326

If submitting digital map data, two copies of the portable electronic storage medium (such as CD or DVD) are required.

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Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

Purpose of Application

<input type="checkbox"/> Obtain	<input type="checkbox"/> New Water CCN	<input type="checkbox"/> New Sewer CCN
<input checked="" type="checkbox"/> Amend	<input checked="" type="checkbox"/> Water CCN# (s) <u>12176</u>	
<input type="checkbox"/> Amend	<input type="checkbox"/> Sewer CCN#(s) <u>Not Applicable</u>	

1. Applicant Information

Applicant	
Utility name: Kamira Property Owners Association, INC dba Kamira Water System	
Certificate number: 12176	
Street address (City/ST/ZIP/Code): 152 Kamira Drive, Kerrville, Texas 78028	
Mailing address(City/ST/ZIP/Code): 152 Kamira Drive, Kerrville, Texas 78028	
Utility Phone Number and Fax: (210) 316-8751	
Contact information	
Please provide information about the person(s) to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant manager, or other title related to the applicant.	
Name: Wilmer Carroll	Title: Manager, Kamira Water System
Mailing address: 152 Kamira Drive, Kerrville, Texas 78028	
Email: willie@ktc.com	Phone and Fax: (210) 316-8751
List all counties in which service is proposed: Kerr County only	

A. Check the appropriate box and provide information regarding the legal status of the applicant:

- ☐ Investor Owned Utility ☐ Individual ☐ Partnership
☒ Home or Property Owners Association ☐ For-profit Corporation

☐ Non-profit, member-owned, member-controlled cooperative corporation
(Water Code Chapter 67, Water Supply or Sewer Service Corporation)

- ☐ Municipality ☐ District ☐ Other - Please explain:

Owned by Kamira Property Owners Association, Inc. dba Kamira Water System

B. If the applicant is a For-Profit business or corporation, please include the following information:

- i. A copy of the corporation's "Certification of Account Status" from the Texas State Comptroller of Public Accounts.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State: 01125422-01
- iii. A listing of all stockholders and their respective percentages of ownership.
- iv. A copy of the company's organizational chart, if available.
- v. A list of all directors and disclose the title of each individual.
- vi. A list of all affiliated organizations (if any) and explain the affiliate's business relationship with the applicant.

C. If the applicant is a Texas Water Code (TWC) Chapter 67 water supply or sewer service corporation please provide:

- i. A copy of the Articles of Incorporation and By-Laws.
- ii. The corporation's charter number as recorded with the Office of the Texas Secretary of State.
- iii. Identification of all board members including name, address, title, and telephone number.
- iv. A copy of the corporation's *Certificate of Account Status* from the Texas Comptroller of Public Accounts.

2. Location Information

- A. Are there people already living in the proposed area? ☒ Yes ☐ No
If YES, are any currently receiving utility service? ☒ Yes ☐ No
If YES, from WHOM? Kamira Property Owners Association, Inc, dba Kamira Water System

B. Demonstrate the Need for Service by providing the following:

Have you received any requests for service in the requested service area?

☒ Yes

☐ No

See PUC CCN Appendix 1

If YES, provide the following:

- i. Describe the service area and circumstances driving the need for service in the requested area. Indicate the name(s) and address(es) of ~~landowner(s)~~ prospective landowner(s) tenant(s), or resident(s) that have requested service; and/or See PUC CCN Appendix 1A
- ii. Describe the economic need(s) for service in the requested area (i.e. plat approvals, recent annexation(s) or annexation request(s), building permits, septic tank permits, hospitals, etc.); and/or
- iii. Discuss in detail the environmental need(s) for service in the requested area (i.e. failing septic tanks in the requested area, fueling wells, etc.); and/or
- iv. Provide copies of any written application(s) or request(s) for service in the requested area; and/or
- v. Provide copies of any reports and/or market studies demonstrating existing or anticipated growth in the requested area.
- vi. If none of these items exist or are available, please justify the need for service in the proposed area in writing.

Note: Failure to demonstrate a need for additional service in the proposed service area may result in the delay and /or possible denial of the application.

C. Is any portion of the proposed service area inside an incorporated city or district?

☐ Yes

☒ No

If YES, within the corporate limits of: Not Applicable

Provide a copy of any franchise, permit, or consent granted by the city or district. If not available please explain:

Not Applicable

D. Is any portion of the proposed service area inside another utility's CCN area?

☐ Yes

☒ No

If YES, has the current CCN holder agreed to decertify the proposed area?

If NO, are you seeking dual or single certification of the area? Explain why decertification of the area is in the public interest:

See PUC CCN Appendix 2

3. Map Requirements

Attach the following hard copy maps with each copy of the application:

- A. A location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
- B. A map showing only the proposed area by: See PUC CCN Appendix 5 & 5a
- i. metes and bounds survey certified by a licensed state or register professional land surveyor; or
 - ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled). Also, a data disk labeled with the applicant's name must be provided; or
 - iii. following verifiable natural and man-made landmarks; or
 - iv. a copy of recorded plat map with metes and bounds.
- C. A written description of the proposed service area.
- D. Provide separate and additional maps of the proposed area(s) to show the following:
- i. all facilities, illustrating separately facilities for production, transmission, and distribution of the applicant's service(s); and
 - ii. any facilities, customers or area currently being served outside the applicant's certificated area(s).

Note: Failure to provide adequate mapping information may result in the delay or possible denial of your application.

Digital data submitted in a format other than ArcView shape file or Arc/Info E00 file may result in the delay or inability to review applicant's mapping information.

For information on obtaining a CCN base map or questions about sending digital map data, please visit the Water Utilities section of the PUC website for assistance.

4. New System Information or Utilities Requesting a CCN for the First Time

- A. Please provide the following information:
- i. a list of public drinking water supply system(s) or sewer system(s) within a 2 mile radius of the proposed system; Harper Water Company, INC
 - ii. copies of written requests seeking to obtain service from each of the public drinking water systems or sewer systems listed in a. 1 above or documentation that it is not economically feasible to obtain service from each entity; None
 - iii. copies of written responses from each system or evidence that they did not reply; and None
 - iv. for sewer utilities, documentation showing that you have obtained or applied for a wastewater discharge permit.
- B. Were your requests for service denied? ☐ Yes ☐ No Not Applicable

- i. If yes, please provide documentation of the denial of service and go to c.
 - ii. If no, please provide a detailed analysis which justifies your reasons for not accepting service. A separate analysis must be prepared and submitted for each utility that granted your request for service.
- C. Please summarize how the proposed utility system will be constructed and describe each projected construction phase, if any:

Not Applicable

D. Date of plat approval, if required: _____
 Approved by: Not Applicable

E. Date Plans & Specifications submitted to the TCEQ for approval:
Not Applicable Attach copy of approval letter, if available. If the letter is not available by the time your CCN application is submitted, please supplement your application with a copy of the letter once you receive it from the TCEQ.

F. Date construction is scheduled to commence: _____

G. Date service is scheduled to commence: _____

5. Existing System Information

A. Please provide the following information for each water and/or sewer system, attach additional sheets if necessary.

i. Water system(s): TCEQ Public Water System identification number(s):

1	3	3	0	1	3	5												

ii. Sewer system(s): TCEQ Discharge Permit number(s)

Not Applicable

W	Q					-				
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W	Q						-				
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W	Q								
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W	Q								
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W	Q								
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W	Q								
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- iii. Date of last TCEQ water and/or sewer system inspection(s): 7/16/2014
- iv. Attach a copy of the most recent TCEQ water and/or sewer inspection report letter(s).
- v. For each system deficiency listed in the TCEQ inspection report letter; attach a brief explanation listing the actions taken or being taken by the utility to correct the listed deficiencies, including the proposed completion dates.

See Appendix 6

B. Provide the following information about the utility's certified water and/or sewer operators

[illegible]

- Attach additional sheet(s) if necessary -

- C. Using the current number of customers, is any facility component in systems named in #5A above operating at 85% or greater of minimum standard capacity?

☐ Yes☒ **Nó**

Attach a copy of the 85% rule compliance document filed with the TCEQ if the system is operating at 85% or greater of the TCEQ's minimum standard capacity requirements.

- D. In the table below, the number of existing and/or proposed metered and non-metered connections (by size). The proposed number should reflect the information presented in the business plan or financial **documentation** and reflect the number of service requests identified in Question 2.b in the application.

TCEQ Water System			TCEQ Sewer System		
Connection	Existing	Proposed	Connection	Existing	Proposed
5/8" or 3/4" meter	0	0	Residential	0	0
1" meter or larger	34	20	Commercial	0	0
Non-Metered	0	0	Industrial	0	0

TCEQ Water System			TCEQ Sewer System		
Other:	0		Other:	0	0
Total Water	34	20	Total Sewer	0	0

E. If this application is for a water CCN only, please explain how sewer service is or will be provided:

Sewer service will not be provided. This is a rural CCN, and each home has its own sewer provisions.

F. If this application is for a sewer CCN only, please explain how water service is or will be provided:

Not Applicable

G. Effect of Granting a Certificate Amendment. See PUC CCN Appendix 3

Explain in detail the effect of granting of a certificate or an amendment, including, but not limited to regionalization, compliance and economic effects on the following:

- i. the applicant,
- ii. any retail public utility of the same kind already serving the proximate area; and
- iii. any landowner(s) in the requested area.

H. Do you currently purchase or plan to purchase water or sewer treatment capacity from another source?

i. ☒ No, (skip the rest of this question and go to #6)

ii. ☐ Yes, Water

Purchased on a ☐ Regular ☐ Seasonal ☐ Emergency basis?

Water Source	% of Total Treatment
	0.00%

Water Source	% of Total Treatment
N/A	0.00%
N/A	0.00%

iii. ☐ Yes, Sewer treatment capacity

Purchased on a

☐ Regular

☐ Seasonal

☐ Emergency basis?

Sewer Source	% of Total Treatment
N/A	0.00%
N/A	0.00%
N/A	0.00%

iv. Provide a signed and dated copy of the most current water or sewer treatment capacity purchase agreement or contract.

I. Ability to Provide Adequate Service.

Describe the ability of the applicant to provide adequate service, including meeting the standards of the commission, taking both of the following items into consideration:

i. the current and projected density; and

ii. the land use of the requested area.

Not Applicable, currently being served

J. Effect on the Land. Explain the effect on the land to be included in the certificated area.

Not Applicable. Service will continue as before.

6. Financial Information

A. For new water and/or sewer systems and for applicants with existing CCNs who are constructing a new stand-alone water and/or sewer system:

Not Applicable, no new construction required.

i. the applicant must provide an analysis of all necessary costs for constructing, operating, and maintaining the system, and the source of that capital (such as a financial statement for the developing entity) for which the CCN is requested for at least the first five years. In addition, if service has been offered by an existing retail water service provider as stated in #4.A., but the applicant has determined that the cost of service as finally offered renders the project not economically feasible, the applicant must provide a comparison analysis of all necessary costs for acquiring and continuing to receive service from the existing system for the same period.

ii. Attach projected profit and loss statements, cash flow worksheets, and balance sheets (projected five year financial plan worksheet is attached) for each of the first five years of operation. Income from rates

should correlate to the projected growth in connections, shown on the projected profit and loss statement.

- iii. Attach a proposed rate schedule or tariff. Describe the procedure for determining the rates and fees and indicate the date of last change, if applicable. Attach copies of any cost of service studies or rate analysis worksheets.

B. For existing water and/or sewer systems:

See PUC CCN Appendix 4 & 4a

- i. Attach a profit and loss statement and current balance sheet for existing businesses (end of last fiscal year is acceptable). Describe sources and terms for borrowed capital such as loans, bonds, or notes (profit and loss and balance sheet worksheets are attached, if needed).
- ii. Attach a proposed rate schedule or tariff.

❖ **Note: An existing water and/or sewer system may be required to provide the information in 6.A.i. above during the technical review phase if necessary for staff to completely evaluate the application**

- C. Identify any funds you are required to accumulate and restrict by lenders or capital providers.
- D. In lieu of the information in #6.A. thru #6.C., you may provide information concerning loan approvals within the last three (3) years from lending institutions or agencies including the most recent financial audit of the applicant.

❖ **Note: Failure to provide adequate financial information may result in the delay or possible denial of your application.**

7. Notice Requirements

- A. All proposed notice forms must be completed and submitted with the application. Do not mail or publish the notices until you receive written approval from the commission to do so.
- B. The commission cannot grant a CCN until proper notice of the application has been given. Commission rules do not allow a waiver of notice requirements for CCN applicants.
- C. It is the applicant's responsibility to ensure that proper notice is given to all entities that are required to receive notice.
- D. Recommended notice forms for publication, neighboring cities and systems, landowners with 25 acres or more, and customers are included with this application for use in preparing proposed notices. (Notice forms are available in Spanish upon request.)
- E. After reviewing and, if necessary, modifying the proposed notice, the commission will send the notice to the applicant after the application is accepted for filing along with instructions for publication and/or mailing. Please review the notice carefully before providing the notice.
- F. **Notice For Publication:**
The applicant shall publish the notice in a newspaper with general circulation in the county(ies) where a CCN is being requested. The notice must be published once each week for two consecutive weeks beginning with the week after the notice is received from the commission. Proof of publication in the form of a publisher's affidavit shall be submitted to the commission within 30 days of the last publication date. The affidavit shall state with specificity each county in which the newspaper is of general circulation.
- G. **Notice To Neighboring Utilities:**
 - i. List all neighboring retail public utilities and cities providing the same utility service within the following vicinities of the applicant's proposed certificate area.
 - ii. For applications for the issuance of a NEW CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within five (5) miles of the requested service area.

- iii. For applications for the AMENDMENT of a CCN, the applicant must mail the notice with a copy of the proposed CCN map to all cities and neighboring retail public utilities providing the same utility service within two (2) miles of the requested service area.

H. Notice to Customers:

Investor Owned Utilities (IOUs) that are currently providing service without a CCN must provide individual mailed notice to all current customers. The notice must contain the current rates, the date those rates were instituted and any other information required in the application.

- I. The commission may require the applicant to deliver notice to other affected persons or agencies.

Do not publish or send copies of the proposed notices to anyone at the time you submit the application to the commission. Wait until you receive written authorization to do so. Authorization occurs after the commission has reviewed the notices for completeness, and your application has been accepted for filing. Once the application is accepted for filing, you will receive written authorization to provide notice. Please check the notices for accuracy before providing them to the public. It is the applicant's burden to ensure that correct and accurate notice is provided.

OATH

STATE OF Texas
COUNTY OF Kerr

I, Wilmer Lee Carroll, being duly sworn, file this application as Manager (indicate relationship to Applicant, that is, owner, member of partnership, title as officer of corporation, or other authorized representative of Applicant); that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the maps and financial information filed with this application, and have complied with all the requirements contained in this application; and, that all such statements made and matters set forth therein are true and correct. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Public Utility Commission of Texas.

I further represent that the application form has not been changed, altered or amended from its original form.

I further represent that the Applicant will provide continuous and adequate service to all customers and qualified applicants for service within its certificated service area.

Wilmer Lee Carroll

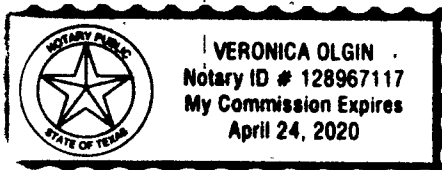
AFFIANT

(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas,
This day 15 of December 2016

SEAL



Veronica Olgin
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Veronica Olgin
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES April 24, 2020

Notice for Publication

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

KERR COUNTY(IES), TEXAS

Name of Applicant KAMIRA PROPERTY OWNERS ASSOCIATION, Inc dba KAMIRA WATER SYSTEM has filed an application for a CCN to obtain or amend CCN No. (s), 12176 and to decertify a portion(s) of Kamira Property Owners Association, Inc dba Kamira Water System with the (Name of Decertified Utility)

Public Utility commission of Texas to provide WATER
(specify 1) water or 2) sewer or 3) water & sewer)

utility service in KERR County (ies).

The proposed utility service area is located approximately 9 miles NORTHWEST [direction] of downtown Kerrville, [City or Town] Texas, and is generally bounded on the north by Box S Subdivision North border; on the east by Box S Subdivision East border; on the south by Box S Subdivision South Border; and on the west by Texas Ranch Rd 783

The total area being requested includes approximately 350 acres and 20 current customers.

A copy of the proposed service area map is available at (Utility Address and Phone Number): 152 Kamira Dr, Kerrville, Texas 78028 210-316-8751

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should file with the PUC at the following address:

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

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

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

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea informacion en Espanol, puede llamar al 1-888-782-8477

Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

Kerr COUNTY(IES), TEXAS

To: Aqua Vista Water Supply Corporation Date Notice Mailed 20
(Neighboring System, Landowner or City)

1106 Clayton Lane, Ste 400W

(Address)

Austin, Texas 78723-2496

City

State

Zip

Name of Applicant KPOA, Inc dba Kamira Water System has filed an application for a
CCN to obtain or amend CCN No. (s) 12176 and to
decertify a portion(s) of KPOA, INC dba Kamira Water System with the
(Name of Decertified Utility)

Public Utility Commission of Texas to provide

Water

(specify 1) water or 2) sewer or 3) water & sewer)

utility service in Kerr County(ies).

The proposed utility service area is located approximately 9 miles NW
[direction] of downtown Kerrville, [City or Town] Texas, and is
generally bounded on the north by North boundary, Box S subdivision; on the east by
East boundary, BS subdivision; on the south by S boundary, BS; and on the west by Texas Ranch Rd 783

See enclosed map of the proposed service area.

The total area being requested includes approximately 350 acres and 20
current customers.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

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within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

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A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea informacion en Espanol, puede llamar al 1-888-782-8477

Notice to Customers of IOUs in Proposed Area

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO
PROVIDE WATER/SEWER UTILITY SERVICE IN
KERR COUNTY(IES), TEXAS

Dear Customer: _____ Date Notice Mailed _____ 20 _____

Name of Applicant KAMIRA WATER SYSTEM has filed an application for a
CCN to obtain or amend CCN No. (s) 12176 and to
decertify a portion(s) of KAMIRA WATER SYSTEM with the
(Name of Decertified Utility)

Public Utility commission of Texas to provide WATER
(specify 1) water or 2) sewer or 3) water & sewer)
utility service in KERR County(ies).

The proposed utility service area is located approximately 9 miles NORTHWEST
[direction] of downtown KERRVILLE, [City or Town] Texas.

A copy of the proposed service area map is available at (Utility Address and Phone
Number): KAMIRA WATER SYSTEM 152 KAMIRA DRIVE KERRVILLE, TX 210-316-8751

The current utility rates which were first effective on January 1, 2013

Monthly Flat Rate of \$ _____ Per connection

-OR-

Monthly Base Rate Including per 0 gallons
connection for:

5/8" meter \$ 18.00

1" meter \$ 25.00

1 1/2" meter \$

2" meter \$

Other\$ _____

Gallonage charge of \$ 5.00 Per 1,000
Gallons above minimum (same for all meters sizes)

Miscellaneous Fees

Regulatory Assessment

Tap Fee (Average Actual Cost)

Reconnecting fee:

- Non Payment (\$25.00 max)
- Transfer
- Customer's request

Late fee

Returned Check charge

Customer Deposit (\$50.00 max)

Meter test fee

(Actual Cost not Exceed \$25.00)

Other Fees

1%

\$ 500.00

\$

\$ 25.00

\$ 0.00

\$ 25.00

\$5.00 or 10%

\$ 25.00

\$ 0.00

\$ 25.00

\$

Your utility service rates and fees cannot be changed by this application. If you are currently paying rates, those rates must remain in effect unchanged. Rates may only be increased if the utility files and gives notice of a separate rate change application.

2. Location Information

B. Demonstrate the Need for Service by providing the following:

Have you received any requests for service in the requested service area?

X Yes ☐ No

If YES, provide the following:

i. Describe the service area and circumstances driving the need for service in the requested area. Indicate the name(s) and address(es) of landowner(s), prospective landowner(s), tenant(s), or resident(s) that have requested service; and/or

The area specified currently has service from the entity filing the amendment – i.e., the Kamira Property Owners Association, Inc. dba the Kamira Water System. We are seeking to amend the CCN to separate the current system into two separate, more manageable areas of service. Names and addresses of residents are in attachment 1a.

ii. Describe the economic need(s) for service in the requested area (i.e. plat approvals, recent annexation(s) or annexation request(s), building permits, septic tank permits, hospitals, etc.); and/or

The economic need for service is best described as a continuation of current service, but by two separate water supply corporations, the Kamira Property Owners Association, Inc., dba the Kamira Water System (for the Box S Subdivision) and the Bracero Water Supply Corporation (for the Kamira Subdivision).

iii. Discuss in detail the environmental need(s) for service in the requested area (i.e. failing septic tanks in the requested area, fueling wells, etc.); and/or

Water conservation will have a major impact on the environment. The continuation of service in an amended CCN will significantly reduce the requirement of residents to drill personal wells. The owner of the CCN has a drought contingency plan as part of the tariff – all customers will be subject to the DCP.

iv. Provide copies of any written application(s) or request(s) for service in the requested area; and/or

Service in the area has been supplied continuously since 1998 and no additional requests are anticipated.

v. Provide copies of any reports and/or market studies demonstrating existing or anticipated growth in the requested area.

No reports or market studies exist to support additional growth.

vi. If none of these items exist or are available, please justify the need for service in the proposed area in writing.

With reference to the map, note that the current CCN area is separated by Ranch Road 783. Our intent is to divide the system into an east area (Box S Subdivision) and a west area (Kamira Subdivision). The ultimate goal is to make each side self-supporting and independent of TCEQ/PUC/EPA regulatory requirements. We have communicated this intent to all residents of the affected area.

**NAMES AND ADDRESSES OF
CUSTOMERS FOR PROPOSED CCN
(AMENDED)**

Walter Little
244 Cully Drive #294237
Kerrville, TX 78029

Dan Kuykendall
313 Jackson Road
Kerrville, TX 78028

Bob Sieker
190 Box S Drive
Kerrville, TX 78028

Wayland White
180 Box S Drive
Kerrville, Texas 78028

Sheldon Grabill
123 Holly Drive
Kerrville, Texas 78028

Estate of Pat Tinley
439 Forest Ridge Dr.
Kerrville, Texas 78028

William Shea
127 Box S Drive
Kerrville, Texas 78028

Donald Nunley
212 Woodduck Lane N.
Kerrville, Texas 78028

Mary Ann Zimmerhanel
134 Holly Drive
Kerrville, Texas 78028

Bob Weber
165 Box S Drive
Kerrville, Texas 78028

Dugan Sabins
1465 Harper Road
Kerrville, Texas 78028

Gary Kneese
119 Box S Drive
Kerrville, Texas 78028

Kathy Laabs
19 Stone Springs Ct.
Spring, Texas 77381

Susie Hopkins
244 Wood Duck Lane
Kerrville, Texas 78028

Marjorie A. Johnson
210 Wood Duck Lane
Kerrville, Texas 78028

Bill Kolb
194 Wood Duck Lane
Kerrville, Texas 78028

Barbara Wise
196 Box S Drive
Kerrville, Texas 78028

J.F. Weathersbee
300 Box S Drive
Kerrville, Texas 78028

Bailey Reynolds
113 Box S Drive
Kerrville, Texas 78028

LOCATION INFORMATION, 2D

We are seeking single certification of the area. This process is in the public interest in that it effectively splits CCN #12176 into two easily manageable areas, each with its own well, its own population and the needs thereof. The two areas were combined in approximately 1998 to form a large, cumbersome system that does not lend itself to the voluntary management which the applicant (Kamira POA, Inc. dba Kamira Water System) has been required to use.

The applicant's current CCN serves both areas. We are seeking to amend the CCN to separate the two areas of the current system into more manageable areas of service. With reference to the map, note that the CCN area is divided by Ranch Road 783. The east side consists of the Box S Subdivision and is served exclusively by a well in Box S. The west side consists of the Kamira Subdivision and is served exclusively by a well in Kamira. Neither well serves the other side. Our intent is to divide the current system into separate east and west systems.

The amended CCN would consist of the Box S Subdivision. The west system would consist of the Kamira Subdivision. A new non-public, nonprofit water supply corporation has been formed (Bracero Water Supply Corporation - SOS Client ID No. 565198105; Tex. Comptroller of Public Accounts taxpayer No. 32060629881) to service the Kamira Subdivision. Bracero Water Supply, Inc. will be non-public because (1) the service connections will be no more than 14, (2) it will serve no more than 24 individuals on any day out of the year, and (3) it is not owned by or affiliated with another provider of retail potable water service. The ultimate goal is to make each water system self-supporting. We have communicated this intent to all residents of the affected areas, and no one has registered a complaint.

PART 6. Financial Information

6A: Not applicable. We do have an existing CCN, but no new construction is required.

6B: A profit and loss statement and current balance sheet is attached to this document. This document is designated PUC CCN Appendix 4a & 4b

6C: Not applicable.

6D: Not applicable

10:15 AM

12/15/16

Cash Basis

KAMIRA WATER SYSTEM
Profit & Loss
 January through December 2015

	Jan - Dec 15
Ordinary Income/Expense	
Income	
Water sales	33,351.81
Total Income	33,351.81
Expense	
Annual assessment	600.00
Interest Expense	168.32
Kamira operating expense	
Labor	8,185.10
Parts (major purchases)	2,848.97
Kamira operating expense - Other	3,595.78
Total Kamira operating expense	14,629.85
Lab water sampling fees	1,094.99
Loan - Bank of the Hills	
Loan payoff to KPOA	960.03
Total Loan - Bank of the Hills	960.03
Office expenses	
Meter reading and mailing	2,098.18
Tax Preparation	420.00
Office expenses - Other	192.00
Total Office expenses	2,710.18
Operations and maintenance	11,000.00
Property Taxes	249.14
Regulatory Fees	487.86
Sales Tax	0.00
Utilities	
Box S electricity	1,403.39
KWS Electricity	1,843.24
Total Utilities	3,246.63
Total Expense	35,147.00
Net Ordinary Income	-1,795.19
Other Income/Expense	
Other Expense	
Ask My Accountant	0.00
Total Other Expense	0.00
Net Other Income	0.00
Net Income	-1,795.19

Appendix 4

KAMIRA WATER SYSTEM
Balance Sheet
As of December 31, 2015

	<u>Dec 31, 15</u>
ASSETS	
Current Assets	
Checking/Savings	
Kamira Water System	3,119.57
Total Checking/Savings	3,119.57
Total Current Assets	3,119.57
TOTAL ASSETS	<u><u>3,119.57</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	-6,041.45
Total Accounts Payable	-6,041.45
Total Current Liabilities	-6,041.45
Long Term Liabilities	
Bank of the Hills Loan	15,000.00
Total Long Term Liabilities	15,000.00
Total Liabilities	8,958.55
Equity	
Opening Balance Equity	4,695.02
Retained Earnings	-8,738.81
Net Income	-1,795.19
Total Equity	-5,838.98
TOTAL LIABILITIES & EQUITY	<u><u>3,119.57</u></u>

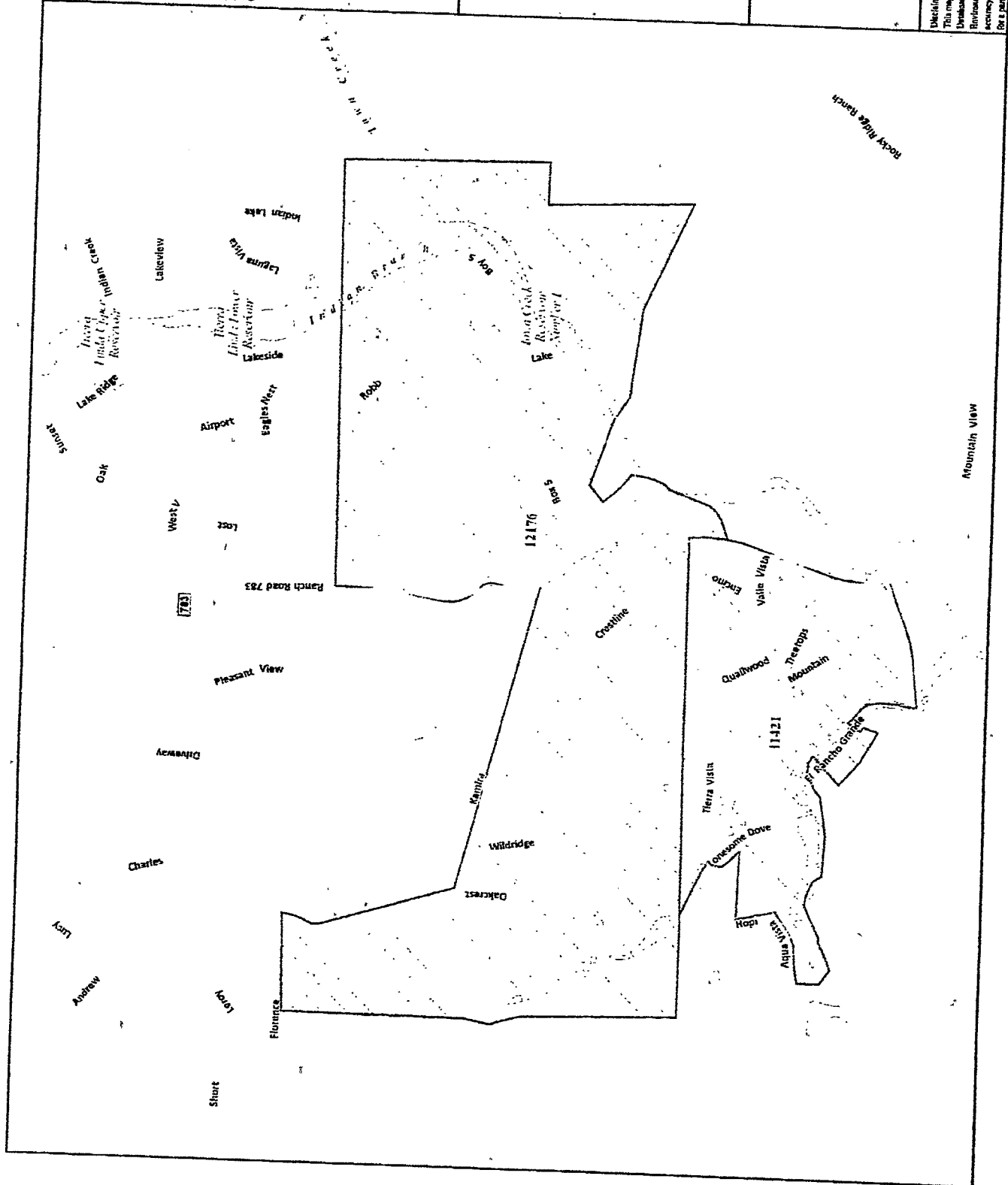
Appendix 4A

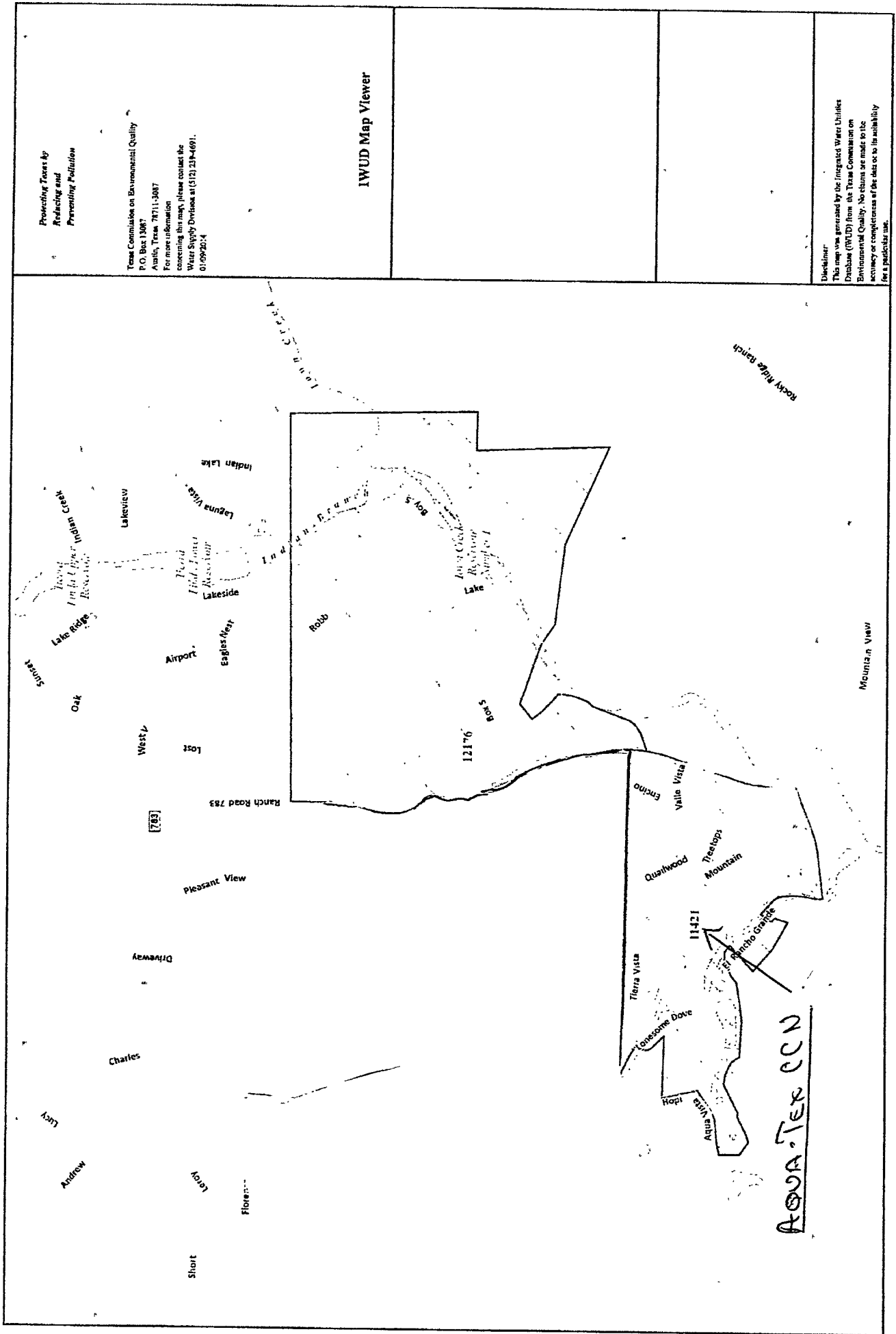
Protecting Texas by
Reducing and
Preventing Pollution

Texas Commission on Environmental Quality
P.O. Box 11087
Austin, Texas 78711-3087
For more information
concerning this map, please contact the
Water Supply Division at (512) 238-4891.
01/09/2014

IWUD Map Viewer

Disclaimer:
This map was generated by the Ingested Water Utilities
Division (IWUD) from the Texas Commission on
Environmental Quality. No claim is made to the
accuracy or completeness of the data or the liability
for a particular use.





Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Zak Covar, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

February 20, 2015

CERTIFIED MAIL NO.: 91 7199 9991 7034 4962 3099
RETURN RECEIPT REQUESTED

Mr. Wilmer Carroll, President/Manager
Kamira POA, Inc.
320 Kamira
Kerrville, Texas 78028-8899

Re: Notice of Violation for Comprehensive Compliance Investigation at:
Kamira Water System; Located at 152 Kamira, Kerrville, Kerr County, Texas
Regulated Entity No.: RN101264380, TCEQ PWS-ID No.: 1330135, Investigation No.
1178545

Dear Mr. Carroll:

On June 30, 2014 and July 16, 2014, Mrs. Agnieszka Hobson of the Texas Commission on Environmental Quality (TCEQ) San Antonio Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for a public water supply. Enclosed is a summary which lists the investigation findings. During the investigation, certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by June 20, 2015 a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for each of the outstanding alleged violations.

In the listing of the alleged violations, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at <http://www.tceq.state.tx.us> for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the San Antonio Region Office at 210-490-3096 or the Central Office Publications Ordering Team at 512-239-0028.

The TCEQ appreciates your assistance in this matter. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. We anticipate that you will resolve the alleged violations as required in order to protect the State's environment. If you have additional information that we are unaware of, you have the opportunity to contest the violations documented in this notice. Should you choose to do so, you must notify the San Antonio Region Office within 10 days from the date of this letter. At that time, Water Section Manager, Mrs. Lynn Bumgardner will schedule a violation review meeting to be conducted within 21 days

TCEQ Region 13 • 14250 Judson Rd. • San Antonio, Texas 78233-4480 • 210-490-3096 • Fax 210-545-4329

Austin Headquarters: 512-239-1000 • tceq.texas.gov • How is our customer service? tceq.texas.gov/customer/survey

APPENDIX 6

Pg 1

Mr. Wilmer Carroll, President/Manager

Page 2

February 20, 2015

from the date of this letter. However, please be advised that if you decide to participate in the violation review process, the TCEQ may still require you to adhere to the compliance schedule included in the enclosed Summary of Investigation Findings until an official decision is made regarding the status of any or all of the contested violations.

If you or members of your staff have any questions, please feel free to contact Mrs. Hobson in the San Antonio Region Office at 210-403-4075.

Sincerely,



Joy Thurston-Cook
Water Section Team Leader
San Antonio Region Office
Texas Commission on Environmental Quality

JTC/AMH/eg

Enclosure: Summary of Investigation Findings

cc: Mr. Greg Grinnan
P.O. Box 293065
Kerrville, TX 78029

APPENDIX 6

Pg 2

Summary of Investigation Findings

KAMIRA WATER SYSTEM

152 KAMIRA

KERRVILLE, KERR COUNTY, TX 78028

Investigation #

1178545

Investigation Date: 06/30/2014

Additional ID(s): 1330135

OUTSTANDING ALLEGED VIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 423454 Compliance Due Date: 06/20/2015

30 TAC Chapter 290.46(m)(4)

Alleged Violation:

Investigation: 887337

Comment Date: 02/03/2011

Failure to maintain all water storage facilities in a watertight condition. In this connection, the leaking ground storage tanks located at each of the well sites must be repaired or replaced as necessary. At the time of the investigation, both ground storage tanks were leaking.

Investigation: 1178545

Comment Date: 02/13/2015

Failure to maintain all water storage facilities in a watertight condition.

At the time of the investigation, the ground storage tank had several cracks that were leaking at the Kamira Subdivision, and on the wellhead, ground storage tank, and the line from the ground storage tank to the service pumps at the Box "S" Subdivision.

30 TAC 290.46(m)(4) - All water treatment units, storage and pressure maintenance facilities, distribution system lines, and related appurtenances shall be maintained in a watertight condition and be free of excessive solids.

Recommended Corrective Action: Repair all leaks to ensure that watertight conditions are maintained.

To document compliance, submit photographic documentation which indicates that the identified leaks have been repaired to this office by the compliance due date.

Track No: 560322 Compliance Due Date: 06/20/2015

30 TAC Chapter 290.41(c)(3)(K)

Alleged Violation:

Investigation: 1178545

Comment Date: 02/13/2015

Failure to properly seal a wellhead and install an adequate casing vent.

At the time of the investigation, cracks were observed on the wellhead gasket at the Kamira Subdivision. The Box "S" well casing vent was not elevated and facing downward, and the vent opening was not covered with 16-mesh or finer corrosion-resistant screen.

30 TAC 290.41(c)(3)(K)-Wellheads and pump bases shall be sealed by a gasket or sealing compound and properly vented to prevent the possibility of contaminating the well water. A well casing vent shall be provided with an opening that is covered with 16-mesh or finer corrosion-resistant screen, facing downward, elevated and located so as to minimize the drawing of contaminants into the well. Wellheads and well vents shall be at least two feet above the highest known watermark or 100-year flood elevation, if available, or adequately protected from possible flood damage by levees.

Recommended Corrective Action: Seal the wellhead and properly install the casing vent. To document compliance, submit photographic documentation which shows that the wellhead has been properly sealed and that the casing vent has been installed properly to this office by the compliance due date.

Track No: 560324 Compliance Due Date: 06/20/2015
30 TAC Chapter 290.46(v)

Alleged Violation:

Investigation: 1178545

Comment Date: 02/13/2015

Failure to securely install electrical wiring in compliance with local or national code.

At the time of the investigation, the electrical wiring at the Box "S" site was not installed in compliance with local or national code.

30 TAC 290.46(v) - Electrical wiring. All water system electrical wiring must be securely installed in compliance with a local or national electrical code.

Recommended Corrective Action: Install the system's electrical wiring in compliance with a local or national electrical code. To document compliance, submit photographic documentation which indicates that the electrical wiring has been installed in compliance with local or national electrical code to this office by the compliance due date.

Track No: 560341 Compliance Due Date: 06/20/2015
30 TAC Chapter 290.42(l)

Alleged Violation:

Investigation: 1178545

Comment Date: 02/13/2015

Failure to provide a plant operations manual.

At the time of the investigation, no plant operations manual was provided for review.

30 TAC 290.42(l) - Plant operations manual. A thorough plant operations manual must be compiled and kept up to date for operator review and reference. This manual should be of sufficient detail to provide the operator with routine maintenance and repair procedures, with protocols to be utilized in the event of a natural or man made catastrophe, as well as provide telephone numbers of water system personnel, system officials, and local/state/federal agencies to be contacted in the event of an emergency.

Recommended Corrective Action: Prepare a plant operations manual in accordance with 30 TAC 290.42(l).

To document compliance, submit a copy of the plant operations manual to this office by the compliance due date.

Track No: 560345 Compliance Due Date: 06/20/2015
30 TAC Chapter 290.46(t)

Alleged Violation:

Investigation: 1178545

Comment Date: 02/13/2015

Failure to post ownership signs.

At the time of the investigation, no signs were not present at the Kamira and Box "S" Subdivision water plant locations.

30 TAC 290.46(t) - System ownership. All community water systems shall post a legible sign at each of its production, treatment, and storage facilities. The sign shall be located in plain view of the public and shall provide the name of the water supply and an emergency telephone number where a responsible official can be contacted.

Recommended Corrective Action: Construct and install a legible sign located in plain view of the public at the water plant, providing the name of the water system and an emergency telephone number where a responsible official can be contacted. To document compliance, submit photographic documentation showing that the sign had been installed to this office by the

Track No: 560347 **Compliance Due Date:** 06/20/2015

30 TAC Chapter 290.39(e)

30 TAC Chapter 290.39(h)(1)

30 TAC Chapter 290.46(n)(1)

Alleged Violation:

Investigation: 1178545

Comment Date: 02/13/2015

Failure to submit and acquire approval of as built engineering plans prior to operating a public water supply.

At the time of the investigation, the water system could not produce any documentation indicating that the water system had submitted as built engineering plans and subsequently received approval or an exception to the requirement prior to operating the water system. Approved plans and specifications were not provided for Well #1 (Kamira), Well #2 (Box "S"), pressure maintenance facilities and treatment.

30 TAC 290.46(n)(1) - Accurate and up to date detailed as built plans or record drawings and specifications for each treatment plant, pump station, and storage tank shall be maintained at the public water system until the facility is decommissioned. As built plans of individual projects may be used to fulfill this requirement if the plans are maintained in an organized manner.

30 TAC 290.39(h)(1) - No person may begin construction on a new public water system before receiving written approval of plans and specifications and, if required, approval of a business plan from the executive director. No person may begin construction of modifications to a public water system without providing notification to the executive director and submitting and receiving approval of plans and specifications if requested in accordance with subsection (j) of this section.

30 TAC 290.39(e) - Submission of planning material.

Recommended Corrective Action: Acquire the needed approval for use or an exception to the rule.

Submit well completion data and as built engineering plans as required by 290.46(n)(1), 290.39(h)(1) and 290.39(e) or an exception requests to the TCEQ Utilities Technical Review Team (UTRT) for review and approval.

Engineering plans and/or exception requests must be submitted to:

Utilities Technical Review Team, MC 159
Texas Commission on Environmental Quality
PO BOX 13087
Austin, Texas 78711 3087

The entity must ensure that the as-built plans are submitted by a licensed professional engineer. For further assistance regarding the submittal contact the TCEQ UTRT at (512) 239-4691.

To document compliance, submit documentation indicating that the water system has been approved for use or that an exception has been acquired to this office by the compliance due date.

ADDITIONAL ISSUES

Description

Additional Comments

Item 7

Please be advised per the 30 Texas Administrative Code (TAC) 344.51(d), irrigation systems installed on properties served by an On site septic facility (OSSF) are deemed conduits to the known health hazard of the OSSF and are required to have reduced pressure principle backflow prevention assemble (RPBAs) installed to protect against this health hazard, these devices must be tested annually. If the system was installed prior to 2009, then the existing backflow prevention method is allowed but, it must meet the annual testing requirement. Please begin implementing this requirement in your cross connection control program in order to meet the requirements of 30 TAC 290.44(h)(1). For questions regarding irrigation systems, please contact the Landscape Irrigation Program, at (512) 239 5296. For questions regarding your Cross Connection Control Program, please contact the TCEQ Cross Connection Control Program at 512 239 4691. You may also e mail your question or comment to pdws@tceq.texas.gov.

Item 8

30 TAC 291.93(3)(A) After any commission field inspection, a retail public utility must analyze the system's capacity to determine if it has reached 85% of its capacity. If the retail public utility has reached 85% of its capacity, it must file this report no later than 90 days after the date of a commission letter detailing the results of the inspection. Capacity is considered to be the overall rated capacity in number of residential connection equivalents based on the most restrictive criteria for production, treatment, storage, or pumping.

At the time of the investigation, the water system (Kamira) was operating at 85% pressure tanks capacity. With the current capacity of 384 gallons of pressure tank capacity, the water system (Kamira) can serve a maximum of 19 connections.