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SOAH DOCKET NO.473-17-4369.WS  
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RATEPAYERS' APPEAL OF THE  
DECISION BY THE SAN PATRICIO  
COUNTY MUNICIPAL UTILITY  
DISTRICT NO. 1 TO CHANGE RATES

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§

BEFORE THE STATE OFFICE OF

PUBLIC UTILITY COMMISSION  
FILING CLERK

ADMINISTRATIVE HEARINGS

**SAN PATRICIO COUNTY MUNICIPAL UTILITY DISTRICT NO. 1  
RESPONSE TO COMMISSION STAFF'S MOTION FOR SUMMARY JUDGMENT**

**COMES NOW**, the San Patricio County Municipal Utility District No. 1 ("San Patricio" or the "MUD") and files this response to the Staff of the Public Utility Commission of Texas ("Staff") Motion for Summary Decision, requesting approval of San Patricio's rate and tariff change as just and reasonable. In support thereof, the MUD would show the following:

**I. THE RATES BEING CHARGED BY THE MUD TO CAMP STRYKER RV PARK  
ARE JUST AND REASONABLE**

The rates being charged to Camp Stryker RV Park ("RV Park") are not unreasonably preferential, prejudicial or discriminatory. Indeed, the rates are sufficient, equitable, and consistent with application to its classes of customers. The MUD operates a rural system with a 200 connection pump capacity and a 250 pressure tank connection capacity<sup>1</sup>. The MUD's existing system capacity shows that its service pumps are already at 66% of capacity followed closely by the hydropneumatic pressure tank at 52.8 capacity<sup>2</sup>. Pursuant to James Schwartz's (Professional Engineer) assessment of the system, it is his professional opinion that by allowing the RV Park to add its numerous connections it will cause a substantial strain on the load of the system<sup>3</sup>. Such an increase will require the MUD to spend money to expand the system. Accordingly, for the MUD

<sup>1</sup> Letter from J. Schwarz & Associates, Inc. (Professional Engineer) dated January 31, 2017 to San Patricio County Municipal Utility District No. 1, Exhibit A attached hereto.

<sup>2</sup> *Id.*

<sup>3</sup> *Id.*

to provide such services to the RV Park, it must be able to recoup its costs. Therefore, the MUD is allowed to charge its commercial minimum rate for each trailer pad connection. Otherwise, the MUD would absorb all of the costs to this system to meet the capacity requirements. The MUD is not trying to restrict the number of connections at the RV park. Instead, it is only trying to establish its rate based on the increase capacity the RV Park is causing to its small, rural system. Without doing so, the MUD would suffer severe economic hardship. Accordingly, the rates it is charging to the RV Park are just and reasonable.

## **II. CONCLUSION**

For the foregoing reasons, the MUD respectfully requests the issuance for an order denying Staff's Motion for Summary Decision, approving the rate change and establishing the rates at the new level.

Respectfully submitted,

**UPTON, MICKITS & HEYMANN, L.L.P.**

Frost Bank Plaza  
802 N. Carancahua, Suite 450  
Corpus Christi, Texas 78401  
(361) 698-8235  
(361) 884-5291 (Fax)

By: 

**R. BRYAN STONE**  
State Bar No. 19300050  
Email: [bstone@umhlaw.com](mailto:bstone@umhlaw.com)

**ATTORNEYS FOR RESPONDENT,  
SAN PATRICIO COUNTY MUNICIPAL  
UTILITY DISTRICT NO. 1**

**SOAH DOCKET NO.473-17-4369.WS  
PUC DOCKET NO. 47058**

**CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing instrument was served on all parties of record on September 12, 2017, in accordance with Tex. Admin. Code § 22.74.

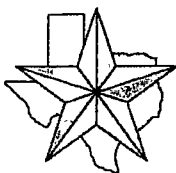
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**R. BRYAN STONE**

**VIA CM/RRR**

TJ Harris  
**PUBLIC UTILITY COMMISSION OF TEXAS**  
**LEGAL DIVISION**  
1701 N. Congress Avenue, Suite 8-110  
Austin, Texas 78711

Robert S. Hunter  
**RATEPAYERS OF SAN PATRICIO COUNTY**  
**MUNICIPAL UTILTIY DISTRICT NO. 1**  
6163 CR 523  
Skidmore, Texas 78389



# J. Schwarz & Associates, Inc.

## *Professional Engineering Solutions*

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January 31, 2017

Domingo Lopez  
San Patricio County Municipal Utility District #1  
17886 TX HWY 234  
Edroy, TX 78352

Re: San Patricio County Municipal Utility District –  
Potable Water System Evaluation

Mr. Lopez:

J. Schwarz & Associates has inventoried and reviewed the SPCMUD potable water system capacity and offers the following evaluation:

### Well, Storage and Pumping Review

For purposes of this report, the following system inventory was used:

- 132 system connection (assumed)
- (2) 15 hp, 3 stage, Well Pumps @ 250 gpm each
- 90,000 Gallon Bolted Ground Storage tank
- 5,000 Gallon Steel Hydropneumatic Pressure tank
- 10 hp, horizontal end suction high service pumps with capacity of 200 gpm @ 125'

With regards to the potable water system capacity:

TCEQ Chapter 290.45 (b) Minimum Water System Capacity Requirements states the following:

(1) Groundwater supplies must meet the following requirements.

(C) For 50 to 250 connections, the system must meet the following requirements:

- (i) a well capacity of 0.6 gpm per connection;
- (ii) a total storage capacity of 200 gallons per connection;
- (iii) two or more pumps having a total capacity of 2.0 gpm per connection at each pump station or pressure plane. For systems which provide an elevated storage capacity of 200 gallons per connection, two service pumps with a minimum combined capacity of 0.6 gpm per connection are required at each pump station or pressure plane. If only wells and elevated storage are provided, service pumps are not required; and
- (iv) an elevated storage capacity of 100 gallons per connection or a pressure tank capacity of 20 gallons per connection.

Regarding the SPCMUD capacities:

- Groundwater well pumps – 2 pumps at 250 gpm = 500 gpm total capacity @ 0.6 gpm per connection = 833 connection capacity. 132 existing / 833 total = 15.8% of capacity in use.

- Total Storage Capacity – 1 tank - 90,000 gallons @ 200 gallons per connection = 450 connection capacity. 132 existing/450 total = 29.3% of capacity
- Pump Capacity – 2 pumps @ 200 gpm = 400 gpm total capacity @ 2 gpm per connection = 200 connection capacity. 132 existing / 200 total = 66% of capacity
- Pressure Tank – 1 tank – 5,000 gallon capacity @ 20 gallons per connection = 250 connection capacity. 132 existing/ 250 total = 52.8% of capacity

As a system approaches its capacity, the TCEQ will require planning for expansion. According to Chapter 291.93 (3) Adequacy of Water Utility Service states the following: *Sufficiency of service. Each retail public utility which provides water service shall plan, furnish, operate, and maintain production, treatment, storage, transmission, and distribution facilities of sufficient size and capacity to provide a continuous and adequate supply of water for all reasonable consumer uses.*

(3) *A retail public utility that possesses a certificate of public convenience and necessity that has reached 85% of its capacity as compared to the most restrictive criteria of the commission's minimum capacity requirements in Chapter 290 of this title shall submit to the executive director a planning report that clearly explains how the retail public utility will provide the expected service demands to the remaining areas within the boundaries of its certificated area. A report is not required if the source of supply available to the utility service provider is reduced to below the 85% level due to a court or agency conservation order unless that order is expected to extend for more than 18 months from the date it is entered in which case a report shall be required.*

(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.*

(B) *The report should be submitted in writing and should contain the following:*

- (i) *a brief description of the overall utility system and service area;*
- (ii) *an analysis of the plant capacity as defined in subparagraph (A) of this paragraph;*
- (iii) *details on how the retail public utility will provide service to the remaining areas within the boundaries of its certificated area. This includes projections of cost and expected design and installation dates for additional facilities.*

(C) *The executive director may waive or limit the reporting requirements if the retail public utility demonstrates that the projected growth of the area will not require the retail public utility to exceed 100% of its current capacity for the next five years.*

(D) *Any retail public utility required to file reports under this section of the rules, including those requesting waivers, shall file updated reports within 90 days after the*

*retail public utility receives a copy of each subsequent commission field inspection report until the system demand is below 85% capacity.*

*(E) Submission of this report shall not relieve the retail public utility from abiding by the requirements of other regulatory agencies as set forth in §291.92 of this title (relating to Requirements by Others).*

Review of existing system capacity, the limiting factors regarding growth of the system lies with the high service pumps (66% of capacity) followed closely by the hydropneumatic pressure tank (52.8 % of capacity). Once the potable water system reaches 170 connections (38 additional connections), it will be at 85% of the pumping capacity and will trigger the necessity of the planning report as outlined above. At 213 connections (81 connections), the pressure tank will trigger the report. Well capacity and total storage are below 30% capacity and should not require expansion in the foreseeable future. In order to facilitate expansion of the potable water system, costs for an additional or larger pressure tank and additional of larger high service pumps should be evaluated and incorporated into the system master plans.

#### Distribution System Review

With regards to the potable water distribution system TCEQ chapter 290.44 (c) Water Distribution states the following:

*(c) Minimum waterline sizes. The minimum waterline sizes are for domestic flows only and do not consider fire flows. Larger pipe sizes shall be used when the licensed professional engineer deems it necessary. It should be noted that the required sizes are based strictly on the number of customers to be served and not on the distances between connections or differences in elevation or the type of pipe. No new waterline less than two inches in diameter will be allowed to be installed in a public water system distribution system. These minimum line sizes do not apply to individual customer service lines.*

Maximum Number of Connections	Minimum Line Size (inches)
10	2
25	2.5
50	3
100	4
150	5
250	6
>250	8 and larger

The attached system schematic outlines the capacity of each line in the distribution system with regards to the number of connections. The total capacity of the distribution system is limited to 250 connections as the entire system is serviced by a single 6" waterline. At a total capacity of 213 connections, the District will reach the 85% capacity limit and trigger the design report. As majority of the system is made up of 6" and 4", the

line capacity are generally adequate with the areas of concern focused on the dead end 2" lines. Expansion on any 2" waterlines should be reviewed carefully as it requires only 10 connections to meet the lines capacity.

Should you have any questions or require any additional information, please do not hesitate to call.

Sincerely,  
J. Schwarz & Associates, Inc.



James Schwarz, PE  
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James Schwarz, P.E.  
Project Engineer  
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