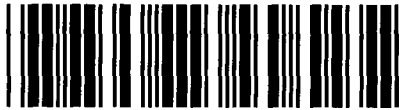


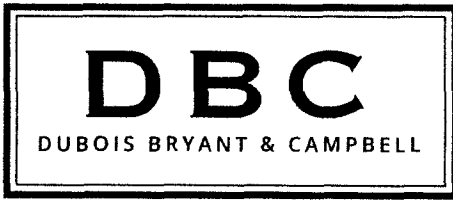


Control Number: 47073



Item Number: 4

Addendum StartPage: 0



**Peter T. Gregg**  
(512) 381-8085  
pgregg@dbcllp.com  
303 Colorado, Suite 2300  
Austin, TX 78701  
www.dbcllp.com

RECEIVED  
2017 APR 21 PM 4:33  
PUBLIC UTILITY COMMISSION  
FILING CLERK

April 21, 2017

Public Utility Commission of Texas  
Central Records  
1701 N Congress, Suite 8-100  
Austin, Texas 78701

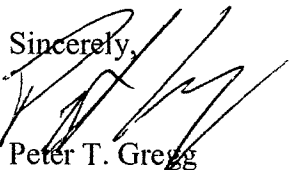
Re: Docket Number 47073; Quadvest, L.P. Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity (CCN)

Dear Clerk,

Enclosed please find the replacement application for Docket No. 47073 - APPLICATION OF QUADVEST, L.P. TO AMEND CERTIFICATES OF CONVENIENCE AND NECESSITY IN WALLER COUNTY."

Thank you for your consideration in this matter. If you have any questions, please contact Yvette Castro at 281-305-1124.

Sincerely,



Peter T. Gregg

PTG:agg

Enclosures



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: **47073**

(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.

RECEIVED  
2017 APR 18 AM 9:47  
PUBLIC UTILITY COMMISSION  
FILING CLERK

### Table of Contents

Purpose of Application .....	2
1. Applicant Information .....	2
2. Location Information .....	3
3. Map Requirements .....	5
4. New System Information or Utilities Requesting a CCN for the First Time .....	5
5. Existing System Information .....	6
6. Financial Information .....	9
7. Notice Requirements .....	10
OATH .....	12
Notice for Publication .....	13
Notice to Neighboring Systems, Landowners and Cities .....	15
Notice to Customers of IOUs in Proposed Area .....	17

Historical Balance Sheets .....	19
Historical Income Statement.....	20
Historical Expenses Statement.....	21
Projected Balance Sheets .....	22
Projected Income Statement .....	23
Projected Expenses Statement.....	24
Projected Sources And Uses Of Cash Statements .....	25

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

#### Purpose of Application

☐ Obtain ☐ New Water CCN ☐ New Sewer CCN

☒ Amend ☐ Water CCN# (s) 11612

☒ Amend ☐ Sewer CCN#(s) 20952

#### 1. Applicant Information

##### Applicant

Utility name: Quadvest, L.P

Certificate number: 742124371

Street address (City/ST/ZIP/Code): 26926 FM 2978, Magnolia, Tx 77354

Mailing address(City/ST/ZIP/Code): PO Box 409, Tomball, Tx 77377

Utility Phone Number and Fax: (281) 356-5347

##### 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: Yvette Castro

Title: Partner

Mailing address: PO Box 409, Tomball, TX 77377

Email: yvettc@quadvest.com

Phone and Fax: (281) 356-5347

List all counties in which service is proposed:

Waller

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:

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: 742124371
- 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? \_\_\_\_\_

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

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

☒ 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
- 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: \_\_\_\_\_

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

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:

single

### 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:
  - 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;
  - 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;
  - iii. copies of written responses from each system or evidence that they did not reply; and
  - 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

- C. Please summarize how the proposed utility system will be constructed and describe each projected construction phase, if any:

Water system will be build in phases to match development

D. Date of plat approval, if required: \_\_\_\_\_  
Approved by: \_\_\_\_\_

E. Date Plans & Specifications submitted to the TCEQ for approval: \_\_\_\_\_ 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):


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



W	Q	1	5	3	3	6	-	0	0	1	W	Q									
W	Q						-				W	Q									
W	Q						-				W	Q									

- iii. Date of last TCEQ water and/or sewer system inspection(s): \_\_\_\_\_
- 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.

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

Name	Classes	License Number
Quadvest, L.P.		

- 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
- ☒ No

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		850	Residential		850
1" meter or larger			Commercial		
Non-Metered			Industrial		

TCEQ Water System			TCEQ Sewer System		
Other:			Other:		
Total Water			Total Sewer		

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

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

G. Effect of Granting a Certificate Amendment.

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
	0.00%
	0.00%

iii. ☐ Yes, Sewer treatment capacity

Purchased on a ☐ Regular ☐ Seasonal ☐ Emergency basis?

Sewer Source	% of Total Treatment
	0.00%
	0.00%
	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.

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

no known effect

## 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:

- 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:**

- 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 Montgomery

I, Yvette Castro, being duly sworn,  
file this application as Partner (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.**

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 1 of January 20 11

SEAL

NOTARY PUBLIC IN AND FOR THE  
STATE OF TEXAS

PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 12/31/2011

## Notice for Publication

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

Waller, COUNTY(IES), TEXAS

Name of Applicant Quadvest, L.P. has filed an application for a  
CCN to obtain or amend CCN No. (s) 11612 and 20952 and to  
decertify a portion(s) of with the  
(Name of Decertified Utility)

Public Utility commission of Texas to provide

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

utility service in

Waller County  
(ies)

The proposed utility service area is located approximately 6 miles northwest  
[direction] of downtown Katy, [City or Town] Texas, and is  
generally bounded on the north by FM 529; on the east by  
1 mile east of FM 2855; on the south by Beckendorf Rd; and on the west by 1.45 miles east of FM 2855

The total area being requested includes approximately 281 acres and 0 current customers.

A copy of the proposed service area map is available at (Utility Address and Phone  
Number): 26926 FM 2978

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

Waller COUNTY(IES), TEXAS

To: \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_ 20 \_\_\_\_\_  
(Neighboring System, Landowner or City)

\_\_\_\_\_  
(Address)  
\_\_\_\_\_  
City State Zip

Name of Applicant Quadvest, L.P. has filed an application for a  
CCN to obtain or amend CCN No. (s) 11612 and 209527 and to  
decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide water and sewer  
(specify 1) water or 2) sewer or 3) water & sewer  
utility service in Waller County(ies).

The proposed utility service area is located approximately 6.4 miles northwest  
[direction] of downtown Katy, TX, [City or Town] Texas, and is  
generally bounded on the north by FM 529; on the east by  
1 mile east of FM 2855; on the south by Beckendorf Rd; and on the west by 45 mile east of FM 2855.

**See enclosed map of the proposed service area.**

The total area being requested includes approximately 281 acres and 0 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:**

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 Customers of IOUs in Proposed Area

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

Waller, COUNTY(IES), TEXAS

Dear Customer: [redacted] Date Notice Mailed [redacted] 20 [redacted]

Name of Applicant Quadvest, L.P. has filed an application for a CCN to obtain or amend CCN No. (s) 11612 and 20952 and to decertify a portion(s) of [redacted] with the (Name of Decertified Utility)

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

The proposed utility service area is located approximately 0.6 miles northwest [direction] of downtown Katy, [City or Town] Texas.

A copy of the proposed service area map is available at (Utility Address and Phone Number): 26926 FM 2978, Magnolia, TX 77354

The current utility rates which were first effective on [redacted] 20 [redacted]

Monthly Flat Rate of \$ 28.75 Per connection

-OR-

Monthly Base Rate Including per 0 gallons connection for:

5/8" meter \$ [redacted]  
1" meter \$ [redacted]  
1 1/2" meter \$ [redacted]  
2" meter \$ [redacted]

Other \$ [redacted]

Gallage charge of \$ 1.75 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%
\$810.00
\$25.00
\$25.00
\$45.00
\$50.00
\$5.00 or 10%
\$25.00
\$50.00
\$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.**

**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:**

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 A HEARING IS HELD**, it is important that you or your representative attend to present your concerns. Your request serves only to cause a hearing to be held and is not used during the hearing.

If you are a landowner with a tract of land at least 25 acres or more, and 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**

## HISTORICAL BALANCE SHEETS

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>CURRENT ASSETS</b>						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
Total						
<b>FIXED ASSETS</b>						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
<b>TOTAL ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
Total						
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term						
Other						
<b>TOTAL LIABILITIES</b>						
<b>OWNER'S EQUITY</b>						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>						
<b>TOTAL LIABILITIES AND EQUITY</b>						
<b>WORKING CAPITAL</b>						
<b>CURRENT RATIO</b>						
<b>DEBT TO EQUITY RATIO</b>						
<b>EQUITY TO TOTAL ASSETS</b>						

## HISTORICAL INCOME STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
METER NUMBER						
Existing Number of Taps						
New Taps per Year						
Total Meters at Year End						
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						

## HISTORICAL EXPENSES STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>ASSUMPTIONS</b>						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

## PROJECTED BALANCE SHEETS

	START UP	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>CURRENT ASSETS</b>						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
Total.						
<b>FIXED ASSETS</b>						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
<b>TOTAL ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
Total						
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term						
Other						
<b>TOTAL LIABILITIES</b>						
<b>OWNER'S EQUITY</b>						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>						
<b>TOTAL LIABILITIES AND EQUITY</b>						
<b>WORKING CAPITAL</b>						
<b>CURRENT RATIO</b>						
<b>DEBT TO EQUITY RATIO</b>						
<b>EQUITY TO TOTAL ASSETS</b>						



## PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
METER NUMBER						
Existing Number of Taps						
New Taps per Year						
Total Meters at Year End						
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						

## PROJECTED EXPENSES STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year						
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year						
<b>ASSUMPTIONS</b>						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

## PROJECTED SOURCES AND USES OF CASH STATEMENTS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>SOURCES OF CASH</b>						
Net Income						
Depreciation (if Funded)						
Loan Proceeds						
Other						
Total Sources						
<b>USES OF CASH</b>						
Net Loss						
Principle Portion of Pmts.						
Fixed Asset Purchase						
Reserve						
Other						
TOTAL USES						
<b>NET CASH FLOW</b>						
<b>DEBT SERVICE COVERAGE</b>						
Cash Available for Debt						
Service (CADS)						
Net Income (Loss)						
Depreciation , or Reserve						
Interest						
TOTAL						
<b>REQUIRED DEBT SERVICE (RDS)</b>						
Principle Plus Interest						
<b>DEBT SERVICE COVERAGE RATIO</b>						
CADS Divided by RDS						

## Attachment A



## Franchise Tax Account Status

As of: 04/11/2016 04:03:24 PM

This Page is Not Sufficient for Filings with the Secretary of State

### QUADVEST, L.P.

Texas Taxpayer Number 17421243712  
Mailing Address 26926 FM 297 RD  
MAGNOLIA, TX 77354-5148  
Right to Transact Business ACTIVE  
in Texas  
State of Formation TX  
Effective SOS Registration 09/01/2005  
Date  
Texas SOS File Number 0800539284  
Registered Agent Name SIMON SEQUEIRA  
Registered Office Street 26926 FM 2978  
Address MAGNOLIA, TX 77354

## Quadvest Ownership

Yvette Castro and Trust	19.9%	Secretary
Bartlett Sequeira and Trust	19.9%	Vice President
Simon Sequeira and Trust	21%	President
Tamara Sequeira and Trust	19.9%	
Mandi Brown and Trust	19.9%	



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.

### Table of Contents

Purpose of Application .....	2
1. Applicant Information.....	2
2. Location Information.....	3
3. Map Requirements.....	5
4. New System Information or Utilities Requesting a CCN for the First Time .....	5
5. Existing System Information .....	6
6. Financial Information .....	9
7. Notice Requirements.....	10
OATH.....	12
Notice for Publication.....	13
Notice to Neighboring Systems, Landowners and Cities.....	15
Notice to Customers of IOUs in Proposed Area .....	17

Historical Balance Sheets .....	19
Historical Income Statement.....	20
Historical Expenses Statement .....	21
Projected Balance Sheets .....	22
Projected Income Statement .....	23
Projected Expenses Statement.....	24
Projected Sources And Uses Of Cash Statements .....	25

### 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 type="checkbox"/> Water CCN# (s)	11612
<input checked="" type="checkbox"/> Amend	<input type="checkbox"/> Sewer CCN#(s)	20952

### 1. Applicant Information

Applicant	
Utility name: Quadvest, L.P	
Certificate number: 742124371	
Street address (City/ST/ZIP/Code): 26926 FM 2978, Magnolia, Tx 77354	
Mailing address(City/ST/ZIP/Code): PO Box 409, Tomball, Tx 77377	
Utility Phone Number and Fax: (281) 356-5347	
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: Yvette Castro	Title: Partner
Mailing address: PO Box 409, Tomball, TX 77377	
Email: yvetttec@quadvest.com	Phone and Fax: (281) 356-5347
List all counties in which service is proposed: Waller	



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:

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: 742124371
- 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? 9

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

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

☒ 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
- 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: \_\_\_\_\_

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

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:

single

### 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:
  - 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;
  - 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;
  - iii. copies of written responses from each system or evidence that they did not reply; and
  - 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

- C. Please summarize how the proposed utility system will be constructed and describe each projected construction phase, if any:

Water system will be build in phases to match development

D. Date of plat approval, if required: \_\_\_\_\_  
Approved by: \_\_\_\_\_

E. Date Plans & Specifications submitted to the TCEQ for approval: \_\_\_\_\_ 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):


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

W	Q	1	5	3	3	6	-	0	0	1	W	Q									
W	Q						-				W	Q									
W	Q						-				W	Q									

- iii. Date of last TCEQ water and/or sewer system inspection(s): \_\_\_\_\_
- 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.

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

Name	Classes	License Number
Quadvest, L.P.		

- 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
- ☒ No

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		850	Residential		850
1" meter or larger			Commercial		
Non-Metered			Industrial		

TCEQ Water System			TCEQ Sewer System		
Other:			Other:		
Total Water			Total Sewer		

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

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

G. Effect of Granting a Certificate Amendment.

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
	0.00%
	0.00%

iii. ☐ Yes, Sewer treatment capacity

Purchased on a ☐ Regular ☐ Seasonal ☐ Emergency basis?

Sewer Source	% of Total Treatment
	0.00%
	0.00%
	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.

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

no known effect

## 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:

- 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:

- 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 Montgomery

I, Yvette Castro, being duly sworn,  
file this application as Partner (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.**

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 11 of January 20 19

SEAL

NOTARY PUBLIC IN AND FOR THE  
STATE OF TEXAS

PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 12/31/2019

## Notice for Publication

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

Waller COUNTY(IES), TEXAS

Name of Applicant Quadvest L.P. has filed an application for a CCN to obtain or amend CCN No. (s) 11612 and 20952 and to decertify a portion(s) of  with the  
(Name of Decertified Utility)

Public Utility commission of Texas to provide

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

utility service in

Waller County  
(ies)

The proposed utility service area is located approximately 6.6 miles northwest [direction] of downtown Katy, [City or Town] Texas, and is generally bounded on the north by FM 529; on the east by 1 mile east of FM 2855; on the south by Beckendorf Rd; and on the west by 45 miles east of FM 2855

The total area being requested includes approximately 281 acres and 0 current customers.

A copy of the proposed service area map is available at (Utility Address and Phone Number): 26926 FM 2978

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

Waller COUNTY(IES), TEXAS

To: \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_ 20 \_\_\_\_\_  
(Neighboring System, Landowner or City)

\_\_\_\_\_  
(Address)  
\_\_\_\_\_  
City State Zip

Name of Applicant Quadvest, L.P. has filed an application for a  
CCN to obtain or amend CCN No. (s) 11612 and 20952 and to  
decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

Public Utility Commission of Texas to provide \_\_\_\_\_  
utility service in Waller \_\_\_\_\_ County(ies).  
(specify 1) water or 2) sewer or 3) water & sewer

The proposed utility service area is located approximately 1.6 miles northwest  
[direction] of downtown Katy, TX, [City or Town] Texas, and is  
generally bounded on the north by FM 529; on the east by  
1 mile east of FM 2855; on the south by Beckendorf Rd; and on the west by 1.45 mile east of FM 2855.

**See enclosed map of the proposed service area.**

The total area being requested includes approximately 281 acres and 0 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:**

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 Customers of IOUs in Proposed Area

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

Waller COUNTY(IES), TEXAS

Dear Customer: \_\_\_\_\_ Date Notice Mailed \_\_\_\_\_ 20 \_\_\_\_\_

Name of Applicant Quadvest, L.P. has filed an application for a  
CCN to obtain or amend CCN No. (s) 11612 and 20852 and to  
decertify a portion(s) of \_\_\_\_\_ with the  
(Name of Decertified Utility)

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

The proposed utility service area is located approximately 1.6 miles northwest  
[direction] of downtown Katy, [City or Town] Texas.

A copy of the proposed service area map is available at (Utility Address and Phone  
Number): 26926 FM 2978, Magnolia, TX 77354

The current utility rates which were first effective on \_\_\_\_\_ 20 \_\_\_\_\_

Monthly Flat Rate of \$ 28.75 Per connection

-OR-

Monthly Base Rate Including per 10 gallons  
connection for:

5/8" meter \$1.00  
1" meter \$1.00  
1 1/2" meter \$1.00  
2" meter \$1.00

Other\$ \_\_\_\_\_

Gallonge charge of \$ 1.75 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%
\$ 810.00
\$ 25.00
\$ 25.00
\$ 45.00
\$ 50.00
\$ 5.00 or 10%
\$ 25.00
\$ 50.00
\$ 25.00
\$ 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.**

**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:**

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 A HEARING IS HELD**, it is important that you or your representative attend to present your concerns. Your request serves only to cause a hearing to be held and is not used during the hearing.

If you are a landowner with a tract of land at least 25 acres or more, and 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 información en Español, puede llamar al 1-888-782-8477**



## HISTORICAL BALANCE SHEETS

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>CURRENT ASSETS</b>						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
Total						
<b>FIXED ASSETS</b>						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
<b>TOTAL ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
Total						
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term						
Other						
<b>TOTAL LIABILITIES</b>						
<b>OWNER'S EQUITY</b>						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>						
<b>TOTAL LIABILITIES AND EQUITY</b>						
<b>WORKING CAPITAL</b>						
<b>CURRENT RATIO</b>						
<b>DEBT TO EQUITY RATIO</b>						
<b>EQUITY TO TOTAL ASSETS</b>						

## HISTORICAL INCOME STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
METER NUMBER						
Existing Number of Taps						
New Taps per Year						
Total Meters at Year End						
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						

## HISTORICAL EXPENSES STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>ASSUMPTIONS</b>						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

## PROJECTED BALANCE SHEETS

	START UP	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>CURRENT ASSETS</b>						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
Total						
<b>FIXED ASSETS</b>						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
<b>TOTAL ASSETS</b>						
<b>CURRENT LIABILITIES</b>						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
Total						
<b>LONGTERM LIABILITIES</b>						
Notes Payable, Long-term						
Other						
<b>TOTAL LIABILITIES</b>						
<b>OWNER'S EQUITY</b>						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
<b>TOTAL OWNER'S EQUITY</b>						
<b>TOTAL LIABILITIES AND EQUITY</b>						
<b>WORKING CAPITAL</b>						
<b>CURRENT RATIO</b>						
<b>DEBT TO EQUITY RATIO</b>						
<b>EQUITY TO TOTAL ASSETS</b>						

## PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
METER NUMBER						
Existing Number of Taps						
New Taps per Year						
Total Meters at Year End						
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						

## PROJECTED EXPENSES STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>GENERAL/ADMINISTRATIVE EXPENSES</b>						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year						
<b>OPERATIONAL EXPENSES</b>						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year						
<b>ASSUMPTIONS</b>						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

## PROJECTED SOURCES AND USES OF CASH STATEMENTS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
<b>SOURCES OF CASH</b>						
Net Income						
Depreciation (if Funded)						
Loan Proceeds						
Other						
Total Sources						
<b>USES OF CASH</b>						
Net Loss						
Principle Portion of Pmts.						
Fixed Asset Purchase						
Reserve						
Other						
TOTAL USES						
<b>NET CASH FLOW</b>						
<b>DEBT SERVICE COVERAGE</b>						
Cash Available for Debt						
Service (CADS)						
Net Income (Loss)						
Depreciation , or Reserve						
Interest						
TOTAL						
<b>REQUIRED DEBT SERVICE (RDS)</b>						
Principle Plus Interest						
<b>DEBT SERVICE COVERAGE RATIO</b>						
CADS Divided by RDS						

## Attachment A

)  
,





## Franchise Tax Account Status

As of: 04/11/2016 04:03:24 PM

This Page is Not Sufficient for Filings with the Secretary of State

### QUADVEST, L.P.

Texas Taxpayer Number 17421243712  
Mailing Address 26926 FM 297 RD  
MAGNOLIA, TX 77354-5148  
Right to Transact Business ACTIVE  
in Texas  
State of Formation TX  
Effective SOS Registration 09/01/2005  
Date  
Texas SOS File Number 0800539284  
Registered Agent Name SIMON SEQUEIRA  
Registered Office Street 26926 FM 2978  
Address MAGNOLIA, TX 77354

## Quadvest Ownership

Yvette Castro and Trust	19.9%	Secretary
Bartlett Sequeira and Trust	19.9%	Vice President
Simon Sequeira and Trust	21%	President
Tamara Sequeira and Trust	19.9%	
Mandi Brown and Trust	19.9%	

# OVERSIZED MAP(S)

TO VIEW  
OVERSIZED MAP(S),  
PLEASE GO TO  
CENTRAL RECORDS.

(512) 936-7180

**Attachment B**



1450 Lake Robbins Drive, Suite 430  
The Woodlands, TX 77380  
Tel: 281.362.8998  
Fax: 281.210.2601  
lgihomes.com


April 12, 2017

Quadvest, L.P.  
P.O. Box 409  
Tomball, TX 77377

To Whom it May Concern,

LGI Homes is the owner of the 281 acre tract in Waller County on FM 529 and FM 2855. We formally request water and sewer service for this development.

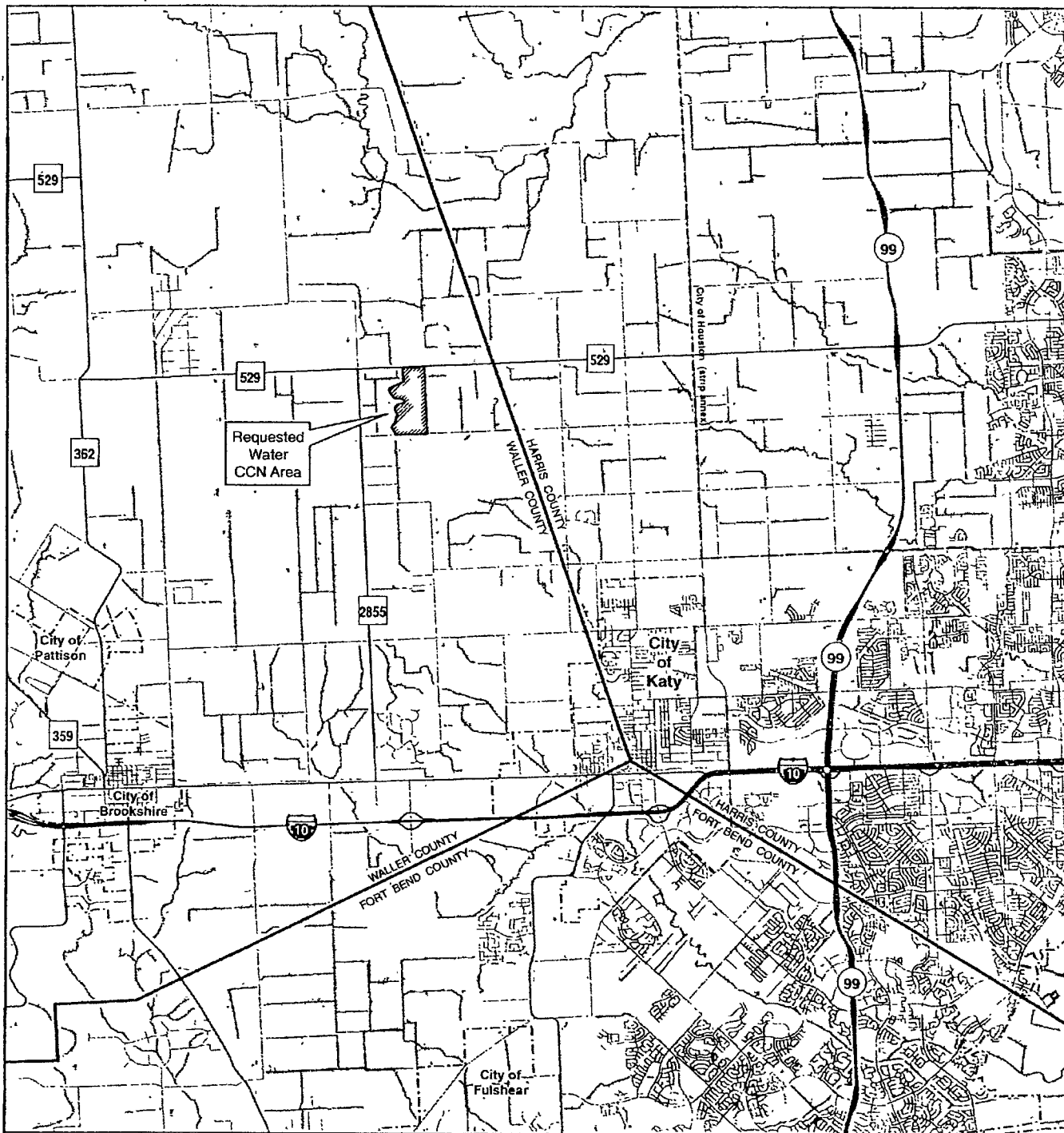
Thank you,

  
Kennon Masters

## Need for Service



1. Service Area
  - a. The service area consists of 281 acres.
  - b. The developer has requested Quadvest, L. P. to provide water and sewer service to their 281 acres and consists of approximately 850 lots.

## Attachment C



### General Location Water Map

Quadvest LP  
Application to Amend Water CCN No. 11612  
in Waller County

-  Requested Water CCN Area - 281 acres
-  Cities



0 1 2  
Miles

Map by: S Burt, AS8GI  
Date: March 24, 2017  
Base: TxDOT Roadways 2015  
Project: General Location Water





**Large Scale Water Map**

Quadvest LP  
Application to Amend Water CCN No. 11612  
in Waller County



Requested Water CCN Area - 281 acres



0 500 1,000  
Feet

Map by S. Burt, ASBGI  
Date: March 24, 2017  
Base: StratMap-Transv2  
Project: Large Scale Water



### Large Scale Water Map on Imagery

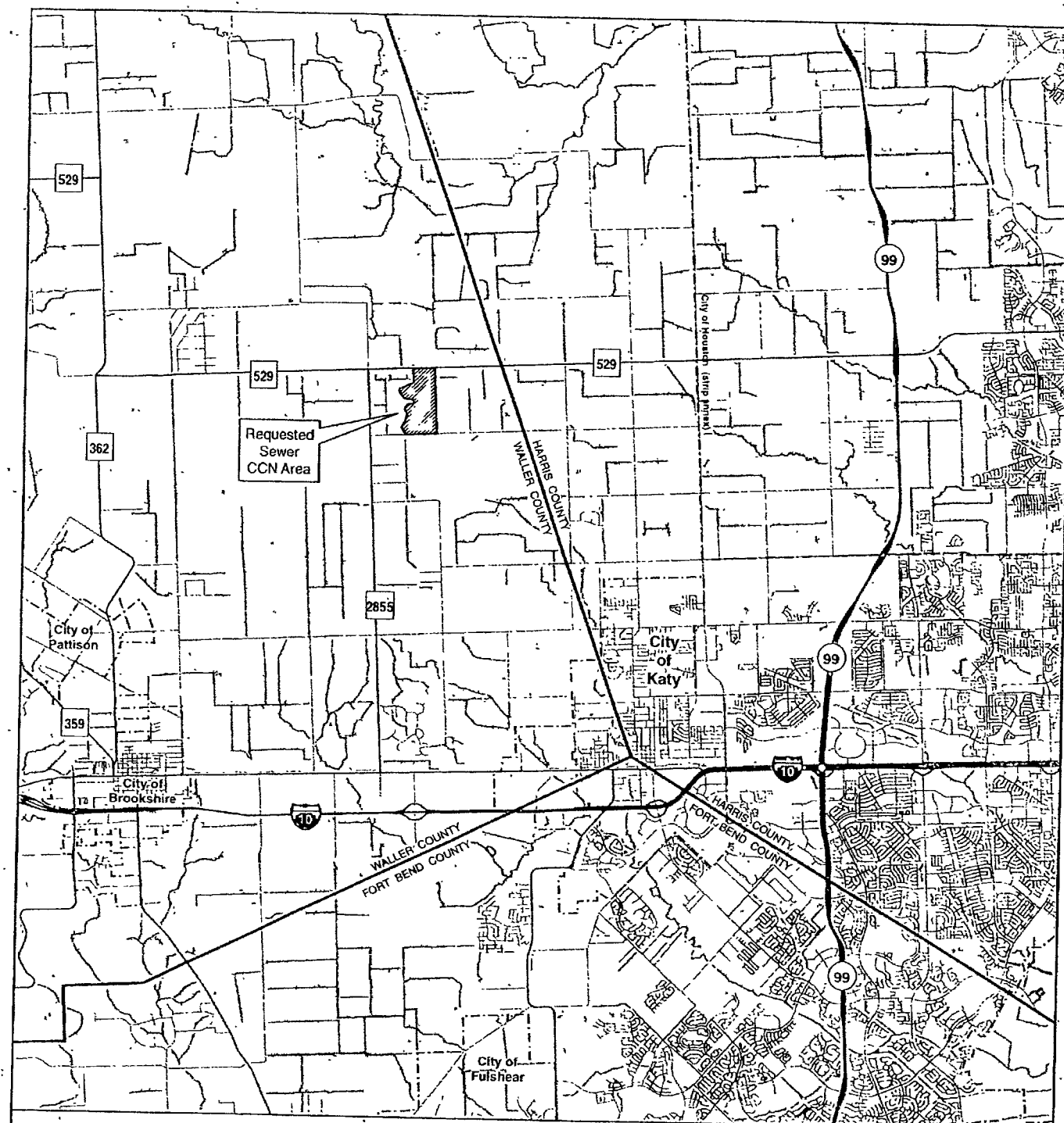
Quadvest LP  
Application to Amend Water CCN No. 11612  
in Waller County

 Requested Water CCN Area - 281 acres





0 500 1,000  
Feet

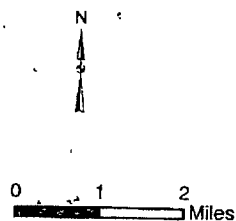
Map by: S. Burt, ASBG  
Date: March 24, 2017  
Base: ESRI World Imagery  
Project: Large Scale Water on Imagery



**General Location Sewer Map**

Quadvest LP  
 Application to Amend Sewer CCN No. 20952  
 in Waller County

-  Requested Sewer CCN Area - 281 acres
-  Cities



Map by: S Burt, ASBGI  
 Date: March 24, 2017  
 Base: TxDOT Roadways 2015  
 Project: General Location Sewer



### Large Scale Sewer Map

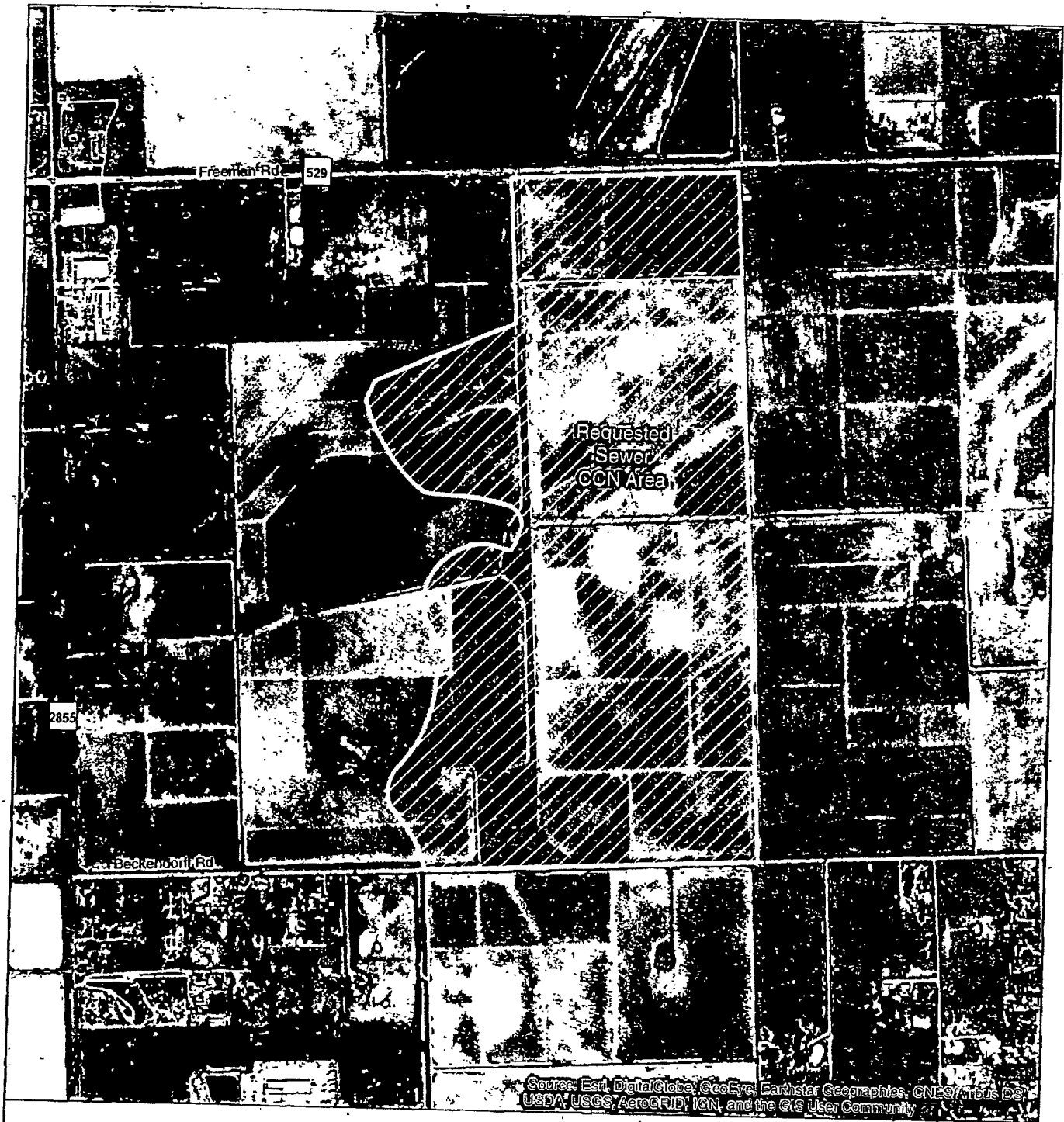
Quadvest LP  
Application to Amend Sewer CCN No. 20952  
in Waller County



Requested Sewer CCN Area - 281 acres


0 500 1,000  
Feet

Map by: S Burt, ASBGI  
Date: March 24, 2017  
Base: StratMap Transv2  
Project: Large Scale Sewer



### Large Scale Sewer Map on Imagery

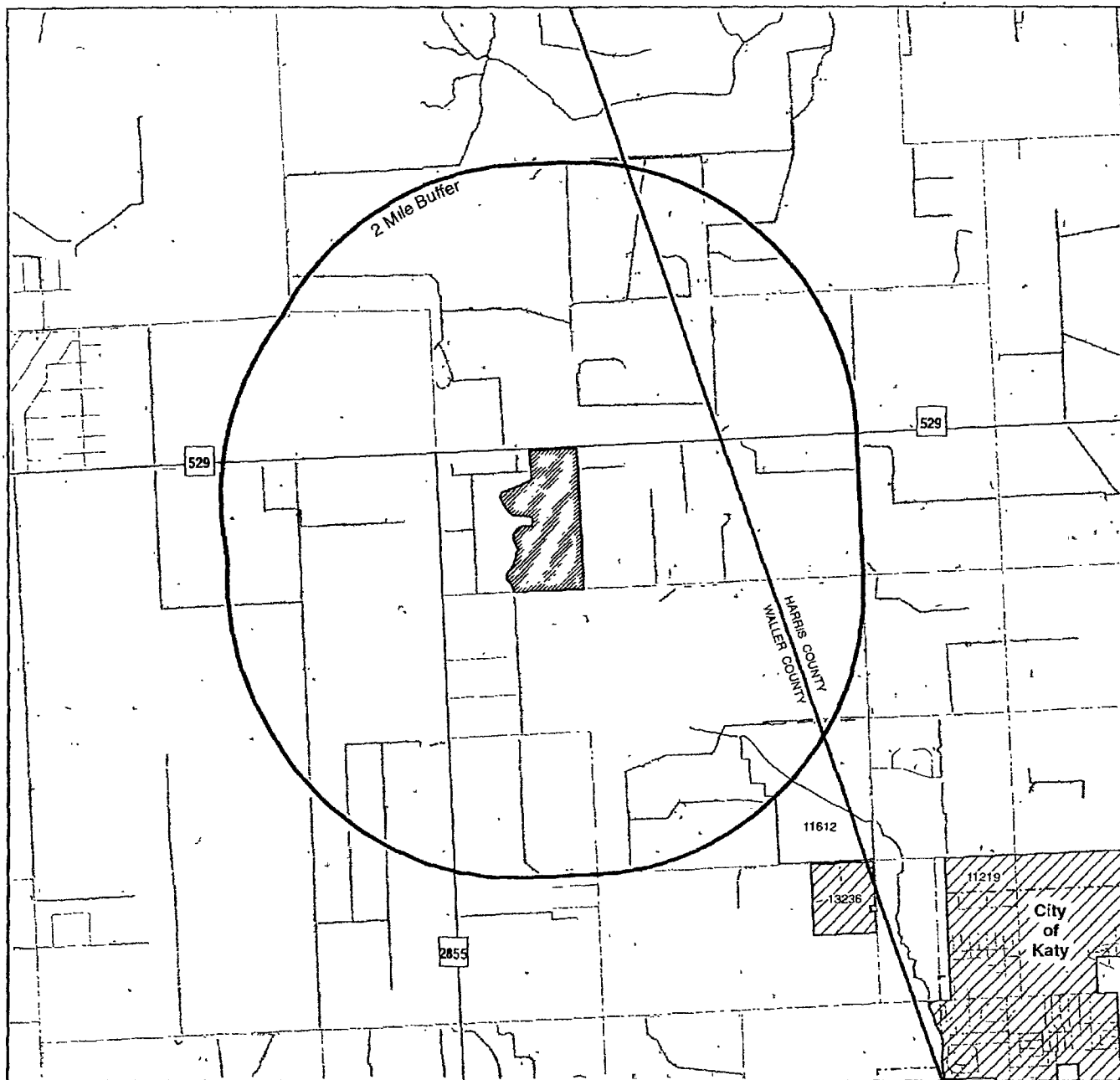
Quadvest LP  
Application to Amend Sewer CCN No. 20952  
in Waller County

 Requested Sewer CCN Area - 281 acres






0 500 1,000  
Feet

Map by: S Burt, ASBG  
Data: March 24, 2017  
Base: ESRI World Imagery  
Project: Large Scale Sewer on Imagery




**2 Mile Buffer Map w/ Water CCNs & Cities**  
**Quadvest LP**  
**Application to Amend Water CCN No. 11612**  
**in Waller County**



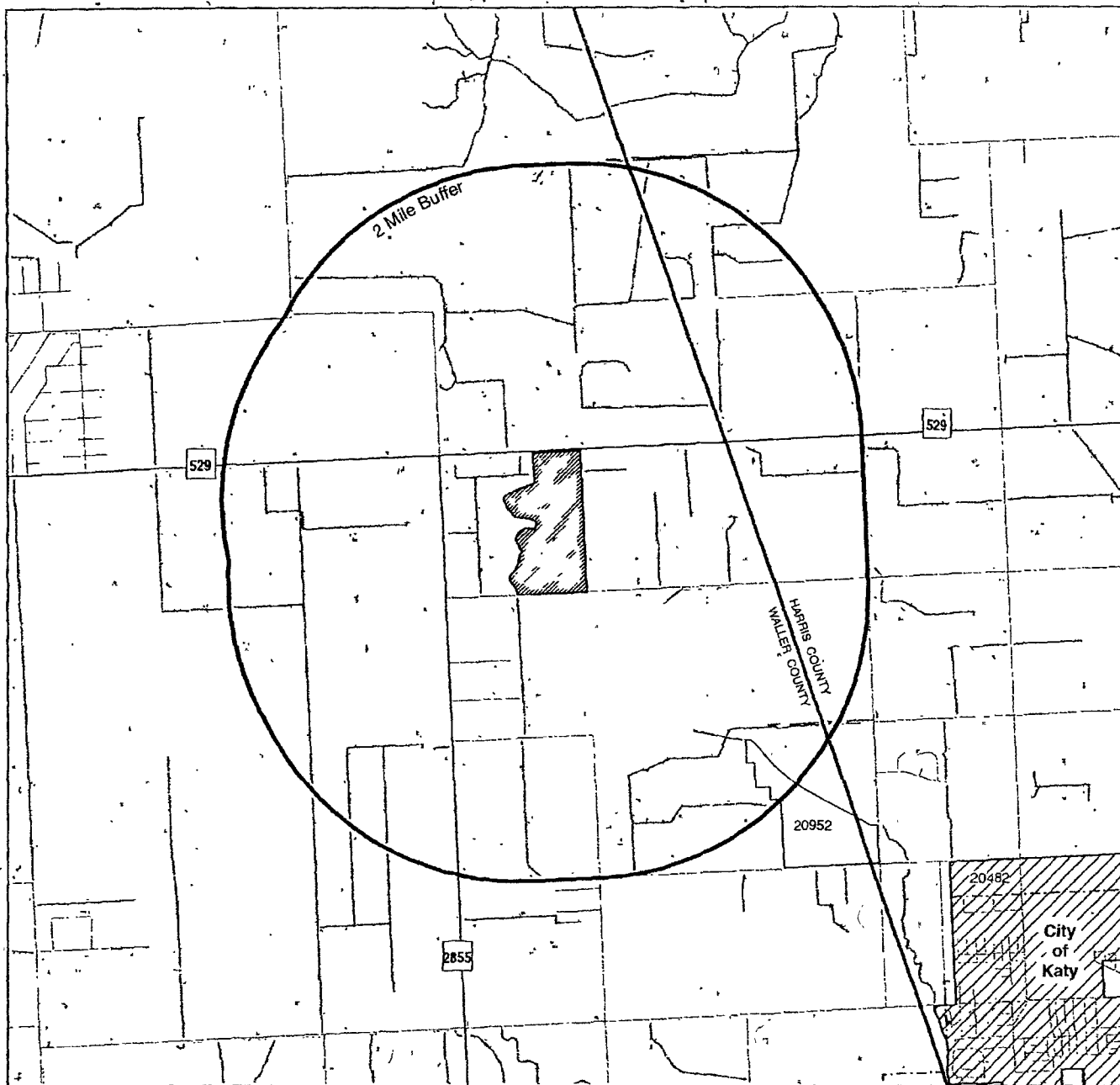
-  Requested Water CCN Area - 281 acres
-  2 Mile Buffer
-  Cities

**Water CCNs within 2 Miles**




-  11612 - Quadvest LP

0 0.5 1 Miles


Map by S. Burt, ASBGI  
 Date: March 26, 2017  
 Base: TxDOT Roadways 2015  
 Project 2 Mile Buffer with Water CCN Cities

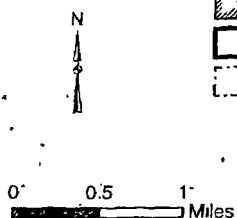


**2 Mile Buffer Map w/ Sewer CCNs & Cities**  
**Quadvest LP**  
**Application to Amend Sewer CCN No. 20952**  
**in Waller County**

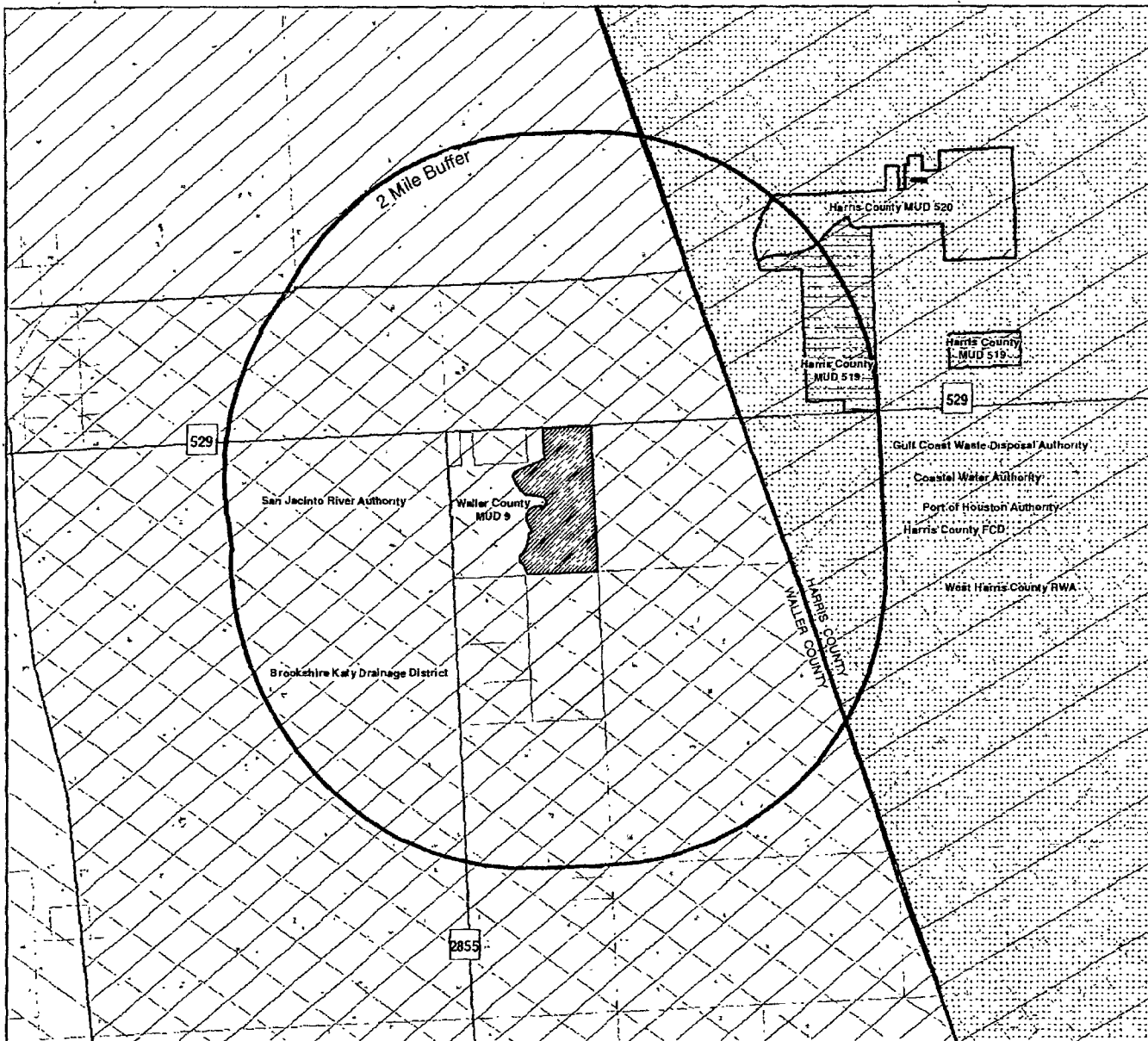
 Requested Sewer CCN Area - 281 acres  
 2 Mile Buffer  
 Cities

**Sewer CCNs within 2 Miles**

 20952 - Quadvest LP



Map by: S. Burt, ASBGI  
 Date: March 26, 2017  
 Base: TxDOT Roadways 2015  
 \* Project: 2 Mile Buffer with Sewer CCN Cities



### 2 Mile Buffer Map w/ Districts

Quadvest LP  
Application to Amend Water and Sewer CCNs No. 11612 and 20952  
in Waller County

#### Districts within 2 Miles

- Brookshire Katy Drainage District (No PWS)
- Coastal Water Authority
- Gulf Coast Waste Disposal Authority
- Harris County FCD
- Harris County MUD 519 (Inactive)
- Harris County MUD 520 (Inactive)
- Port of Houston Authority
- San Jacinto River Authority
- Waller County MUD 9 (Inactive)
- West Harris County RWA

- Requested CCN Area - 281 acres
- 2 Mile Buffer

Map by S. Burt, ASBG/

Date: March 26, 2017,

Base: TxDOT Roadways 2015

Project: 2 Mile Buffer with Districts



METES AND BOUNDS DESCRIPTION  
OF

A 281.000 acre (12,240,347 square feet) tract of land out of a called 562.636 acre tract of land located in the H. & T.C. Railroad Company Survey, Section 114, Fred Eule Survey, Abstract 374, Waller County, Texas, same said 562.636 acre tract of land as conveyed to KATY 884 PARTNERS, LTD, a Texas limited partnership, as recorded in Volume 1077, Page 592 of the Official Public Records of Waller County, Texas (WCOPR). Said 562.636 acre tract also being the residue of that certain called 571.666 acre tract as recorded in Volume 249, Page 140 of the Deed Records of Waller County, Texas (DRWCT). Said 281.000 acre tract being more fully described as follows, all bearings are based on the Texas Coordinate System, South Central Zone (4204), NAD-83 (NA2011), epoch 2010.00;

BEGINNING: At a ½-inch iron rod found for the southeast corner of said 562.636 acre tract, the same being the southeast corner of the herein described 281.000 acre tract, and also being the southeast corner of the Fred Eule Survey, Abstract 374, said ½-inch iron rod being in the apparent center of Beckendorf Road (called 80' wide), as recorded in Volume 1140, Page 287, Volume 1140, Page 292, Volume 1140, Page 297, and Volume 1140, Page 302 (DRWCT);

THENCE: Along and with the south line of said 562.636 acre tract, the same being the south line of said Fred Eule Survey, Abstract 374, same being the north line of the H. & T.C.R.R. Company Survey, Abstract 172, and also along the north lines of:

A called 107.257 acre tract of land as conveyed to KATY 884 PARTNERS, LTD, a Texas limited partnership, as recorded in Volume 1077, Page 608 (WCOPR),

A called 107.332 acre tract of land as conveyed to KATY 884 PARTNERS, LTD, a Texas limited partnership, as recorded in Volume 1077, Page 675 (WCOPR),

And a called 106.590 acre tract of land as conveyed to KATY 884 PARTNERS, LTD, a Texas limited partnership, as recorded in Volume 1077, Page 685 (WCOPR), S 88°04'32" W, for a distance of 2,562.57 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON, set for corner in the apparent centerline of Beckendorf Road;

THENCE: Departing the south line of said 562.636 acre tract, and said common survey lines, and over and across said 562.636 acre tract the following courses and distances:

Along a non-tangent curve to the left, having a radial bearing of S 78°19'11" W, a radius of 853.94 feet, a central angle of 36°36'07", a chord bearing of N 29°58'53" W, a distance of 536.29 feet, and an arc length of 545.52 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

Along a non-tangent curve to the right, having a radial bearing of N 65°38'15" E, a radius of 279.11 feet, a central angle of 65°31'49", a chord bearing of N 08°24'09" E, a distance of 302.11 feet, and an arc length of 319.22 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

Along a non-tangent curve to the left, having a radial bearing of N 44°47'57" W, a radius of 987.16 feet, a central angle of 43°57'41", a chord bearing of N 23°13'12" E, a distance of 738.98 feet, and an arc length of 757.42 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

Along a non-tangent curve to the right, having a radial bearing of S 75°38'32" E, a radius of 180.90 feet, a central angle of 50°20'55", a chord bearing of N 39°31'56" E, a distance of 153.90 feet, and an arc length of 158.97 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

N 27°06'38" W, a distance of 294.99 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

N 27°06'38" W, a distance of 103.76 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

N 09°42'55" W, a distance of 127.14 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

Along a non-tangent curve to the right, having a radial bearing of S 84°44'32" E, a radius of 475.36 feet, a central angle of 87°28'46", a chord bearing of N 48°59'51" E, a distance of 657.32 feet, and an arc length of 725.79 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

S 74°41'04" E, a distance of 178.23 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

N 27°41'57" E, a distance of 18.52 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

Along a non-tangent curve to the left, having a radial bearing of N 62°50'02" W, a radius of 1,248.15 feet, a central angle of 08°16'54", a chord bearing of N 23°01'31" E, a distance of 180.25 feet, and an arc length of 180.41 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

Along a non-tangent curve to the left, having a radial bearing of N 88°46'56" W, a radius of 171.22 feet, a central angle of 81°46'47", a chord bearing of N 39°40'20" W, a distance of 224.16 feet, and an arc length of 244.38 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

Along a non-tangent curve to the left, having a radial bearing of S 14°26'18" W, a radius of 1866.67 feet, a central angle of 12°00'46", a chord bearing of N 81°34'05" W, a distance of 390.65 feet, and an arc length of 391.37 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;  
N 85°46'10" W, a distance of 209.23 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

Along a non-tangent curve to the right, having a radial bearing of N 36°56'49" E, a radius of 1,273.29 feet, a central angle of 38°29'17", a chord bearing of N 33°48'33" W, a distance of 839.33 feet, and an arc length of 855.32 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

N 25°17'57" E, a distance of 161.34 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner;

N 67°22'45" E, a distance of 1,167.03 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner on the west line of a called 60-foot wide road easement as recorded in Volume 98, Page 494 (DRWCT);

N 02°19'51" W, along and with said road easement, a distance of 1,099.87 feet to a 5/8-inch iron rod with a yellow cap stamped PAPE-DAWSON set for corner on the south right-of-way line for FM 529 (width varies), the same being the north line of said 562.636 acre tract, and the north line of the herein described tract;

THENCE: Along and with said south right-of-way line of FM 529 and the north line of the herein described tract, N 88°02'40" E, a distance of 1,750.62 feet to a 1/2-inch iron rod found for corner, same said 1/2-inch iron rod being the northeast corner of said 562.636 acre tract and also being the northeast corner of said Fred Eule Survey, Abstract 374 and the northwest corner of the H.T.C.R.R. Company Survey, Abstract 200;

THENCE: Along and with said common survey lines, and the east line of said 562.636 acre tract, the same being the east line of the herein described tract and the west line of a called 4.4463 acre tract "Tract E" conveyed to Fred W. Ferguson Jr. as recorded in Volume 995, Page 407 (WCOPR), also along the west line of a called 42.2393 acre tract conveyed to IMAM HUSAIN SMB 1422 HOUSTON, INC. as recorded in Volume 995, Page 472 (WCOPR), and along the west line of a called 160 acre tract also conveyed to IMAM HUSAIN SMB 1422 HOUSTON, INC. as recorded in Volume 995, Page 461 (WCOPR), S 02°15'35" E; at 5,187.00 feet pass a 1/2-inch iron pipe and cap found on said common survey lines for reference, in all a distance of 5,222.03 feet to the POINT OF BEGINNING and containing 281.000 acres of land.



### **Written Description of proposed area**

The proposed water and sewer utility service area is located approximately 6 miles northwest of downtown Katy, TX, and is generally bounded on the north by FM 529; on the east by 1 mile east of FM 2855; on the south by Beckendorff Rd; and on the west by .45 mile east of FM 2855.

## Attachment D

## Entities within 2 miles

SJRA  
PO Box 329  
Conroe, Texas 77305

Coastal Water Authority  
1801 Main St Ste 800  
Houston, TX 77002

Harris County FCD  
9900 Northwest Fwy  
Houston, TX 77092

Bluebonnet Groundwater Conservation District  
303 E Washington Ave Ste D  
Navasota, TX 77868

City of Houston  
PO Box 1562  
Houston, TX 77251

Waller County- The Honorable Judge Carbett J Duhon III  
836 Austin Street Ste 203  
Hempstead, TX 77445

West Harris Cty Reg Water Authority  
Allen Boone Humphries Robinson LLP  
3200 Southwest Fwy Ste 2600  
Houston, TX 77027

Gulf Coast Waste Disposal  
910 Bay Area Blvd  
Houston, Tx 77058

Port of Houston  
111 East Loop N  
Houston, TX 77029



Quadvest, L.P.  
26926 FM 2978  
Magnolia, TX 77354

Main: 281-356-5347  
Fax: 281-356-5382  
Quadvest.com

April 11, 2017

Re: Service Availability Request

To Whom It May Concern:

Please be advised that Quadvest, L.P. is filing an application with the Public Utility Commission(PUC) to amend our certificate of convenience and necessity (CCN) for water and sewer utilities services in Waller County. This proposed development will consist of approximately 281 acres. Quadvest, L.P. has submitted an application to the PUC for proposed water facilities.

The proposed utility service area is located approximately 6 miles northwest of downtown Katy, Texas, and is generally bounded on the north by FM 529; on the east by 1 mile east of FM 2855; on the south by Beckendorff Rd; on the west by .45 mile east of FM 2855.

You have been identified as a neighboring utility of like kind and/or municipality with an extraterritorial jurisdiction (ETJ) within 2 miles of the proposed service area. Pursuant to PUC regulations, Quadvest, L.P formally asks whether you are willing or able to provide water utility service to this proposed property sufficient to meet the TCEQ's minimum service standards plus local demands thereby providing continuous and adequate utility service to the consuming public.

Your timely response to this inquiry is greatly appreciated. If you do not respond within ten days of the date of this letter, it will be presumed that you do not desire or can not provide utility service to the property. This will be reported to the PUC. If you have any questions please call me at the number above or my direct number at 281-305-1124.

Sincerely,

Yvette Castro





## Attachment E

Quadrant, LP				CCN: 11612			
NAME	SubID	ROUTE	CCN	PWS TCEQ ID#	County	CITY	ZIP
Bauer Rd Water	BR	56	12261	1013526	Harris	Hockley	77447
Bauer Rd Sewer	BR	56		014675-001	Harris	Hockley	77447
Bayer Water	BU	51		1010212	Harris	Spring	77373
Bayer Sewer	BU	51		013819-001	Harris	Spring	77373
Bella Vista Water	BV	52		1460175	Liberty	Cleveland	77327
Bella Vista Sewer	BV	52	21064	15061-001	Liberty	Cleveland	77327
Benders Landing	BN	26		1700678	Montgomery	Spring	77386
Benders Landing Estates	BD	33		1700678	Montgomery	Spring	77386
BD Sewer	BD	33		014755-001	Montgomery	Spring	77386
Bridlewood Estates	BE	4		0790350	FL Bend	Richmond	77469
Brazos Lakes	BL	22	11911	0790363	FL Bend	Richmond	77469
Caddo Village	CV	32		1700473	Montgomery	Wills	77378
Caddo Village-Sewer	CV	32		012870-001	Montgomery	Wills	77378
Chenango Ranch	CH	39		0200656	Brazoria	Angellon	77615
Colony	CL	3		1011806	Harris	Humble	77396
Intercontinental Water	IC	47	21064	1010627	Harris	Humble	77396
Cotulla	CT	49		xxxxxxx		Cotulla	
Creekside Village	CS	25		1700742	Montgomery	Spring	77386
Creekside Village Sewer	CS	25		014531-001	Montgomery	Spring	77386
Decker Oak Estates	DO	45		1700606	Montgomery	Pinehurst	77362
Village of Decker Oaks	VD	46	11911	0015003-001	Montgomery	Pinehurst	77362
Decker Prairie	DP	55			Montgomery	Pinehurst	77362
Fairhaven	FH	59		1013288	Harris	Cypress	77433
Grande San Jacinto	SJ	54		1460179	Liberty	Cleveland	
Indigo Lakes Estates ***	IL	17		1700576	Montgomery	Magnolia	77355
Clear Creek Forest	CC	2	21064	xxxxx	Montgomery	Magnolia	77355
Estates of Clear Creek	EC	13		xxxxx	Montgomery	Magnolia	77355
Sawmill Estates	SE	21		xxxxx	Montgomery	Magnolia	77355
Lake Windcrest	LW	18		1700624	Montgomery	Magnolia	77354
Canterbury Ranch	CR	5		xxxxx	Montgomery	Magnolia	77354
Campwood	CW	6	21064	1700404	Montgomery	Magnolia	77354
Sierra Woods	SW	27		xxxxx	Montgomery	Magnolia	77354
Lake Point Estates	LP	60			FL Bend	Katy	
Live Oak Landing	LO	43		1010128	Matagorda	Palacios	77465
Vaquero River	VR	44		xxxxx	Matagorda	Palacios	77465
Lone Star Ranch	LS	20	21064	1700655	Montgomery	Conroe	77302
Lone Star Ranch - Sewer	LS	20		014029-001	Montgomery	Conroe	77302
Summerset Estates	SS	29		xxxxx	Montgomery	Conroe	77302
Lakes of Magnolia	ML	31		1700736	Montgomery	Magnolia	77355
Lakes of Magnolia Sewer	ML	31		014542-001	Montgomery	Magnolia	77355
Mostyn Manor	MM	24	21064	1700669	Montgomery	Magnolia	77354
Mostyn Manor Sewer	MM	24		014711-001	Montgomery	Magnolia	77354
Northeast Ranch Sect 1	NR1	15		1700623	Montgomery	New Caney	77357
Northeast Ranch Sect 2/3	NR2	16		1700623	Montgomery	New Caney	77357
Rancho San Vicente	RV	53		1460178	Liberty	Cleveland	77327
Red Oak Ranch	RO	11	21064	1700609	Montgomery	Conroe	77364
Jacobs Reserve-RO	JR	48		1700609	Montgomery	Conroe	77364
Rocky Creek	RC	41		1013393	Harris	Hockley	77447
Sendra Ranch	SR	19		1700577	Montgomery	Magnolia	77354
Montgomery Trace	MT	14		xxxxx	Montgomery	Magnolia	77354
Windcrest Farms	WF	8	21064	xxxxx	Montgomery	Magnolia	77354
Shaw Acres	SA	1		1013488	Harris	Tomball	77377
Sonoma Ridge	SO	37		1700763	Montgomery	Magnolia	77355
McCall Sound	MS	38		1700763	Montgomery	Magnolia	77355
Stonecrest Ranch	SC	12		1700611	Montgomery	Conroe	77302
Sugartree-Sewer	ST	34	21064	014163-001	Parker	Lipan	78462
Suncreek Estates	SU	30		0200640	Brazoria	Rosharon	77583
Oaks Of Suncreek	OS	23		xxxxx	Brazoria	Rosharon	77583
Suncreek Ranch	SK	28		0200615	Brazoria	Rosharon	77583
Sunrise Bay	SY	42		1200037	Jackson	Port Lavaca	77979
Sunset Bay	SB	36	21064	0040055	Aransas Pass	Rockport	78362
Timberdale	TD	10		1011810	Harris	Tomball	77375
Telge Terrace	TT	7		1011805	Harris	Tomball	77375
Texas Grand Ranch	TG	58			Walker		
Waypoint Landing	WL	57		1610137	Matagorda	Palacios	77465
Waterstone Estates	WF	60		1610230	Harris	Tomball	77375

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



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

December 13, 2016

Mr. Simon Sequeira, President  
Quadvest LP  
PO Box 409  
Tomball, Texas 77377-0409

Re: Comprehensive Compliance Investigation at:  
Lone Star Public Water Supply, 16297 Lone Star Rand Dr., Conroe, Montgomery County,  
Texas  
Regulated Entity No.: RN101233864 TCEQ ID No.: 1700655  
Investigation No.: 1370241

Dear Mr. Sequeira:

On October 11, 2016, Ms. Sharon Salinas of the Texas Commission on Environmental Quality (TCEQ) Houston Region Office conducted an investigation of the above-referenced facility to evaluate compliance with the applicable requirements for public water supply systems. No violations are being alleged as a result of the investigation. In addition, please be advised that a violation could be issued upon further review of your system's records or self-reported documentation.

The TCEQ appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions regarding these matters, please feel free to contact Ms. Sharon Salinas in the Houston Region Office at (713) 767-3650.

Sincerely,

A handwritten signature in black ink, appearing to read "Julia Thorp".

Julia Thorp, Team Leader  
Public Water Supply,  
Houston Region Office

JT/sjs

cc: Montgomery County Environmental Health Services



Quadvest, L.P.  
26926 FM 2978  
Magnolia, TX 77354

Main: 281-356-5347  
Fax: 281-356-5382  
Quadvest.com

#### License Operators

Abel Reyna	WG0012670 WW0039104
Chris Daughtrey	WG0012909 WW0050205
Charles Holder	WG0012913 WW0042606
Mike Worsham	WG0034985 WW0054644
Randy Holley	WG0010139 WW0029446
Gabe Yanez	WS0010194 WW0046472
Jimmie Brock	WG0012407 WW0041926
Ryan Quigley	WO005568

*The glass is always full*

## Attachment F

## Effects of Granting CCN

1. The applicant
  - a. The applicant is an established utility with over 7500 +/- connections. This proposed development will not affect current customers.
2. Any Landowner In the requested area.
  - b. The landowner in the requested area is the developer requesting service. The granting of the CCN will allow the developer to develop his property.

## Attachment G

## Ability to Provide Adequate Service

The applicant has a long history providing water service to thousands in Texas. The current project of 850 lots will be built out over a couple of years.



Attachment H



## WATER UTILITY TARIFF

Docket Number: 44809

Quadvest, L.P.  
(Utility Name)

26926 FM 2978  
(Business Address)

Magnolia, Texas 77354  
(City, State, Zip Code)

281/356-5347  
(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity:

11612

This tariff is effective in the following counties:

Aransas, Brazoria, Fort Bend, Harris, Jackson, Liberty, Matagorda, Montgomery, Walker and Waller

This tariff is effective in the following cities or unincorporated towns (if any):

Richmond (portion of Bridlewood Estates only - same rates)

This tariff is effective in the following subdivisions or systems:

See attached chart.

### TABLE OF CONTENTS

The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

SECTION 1.0 -- RATE SCHEDULE .....	4
SECTION 2.0 -- SERVICE RULES AND POLICIES .....	7
SECTION 3.0 -- EXTENSION POLICY .....	14
APPENDIX A - DROUGHT CONTINGENCY PLAN	
APPENDIX B - SAMPLE SERVICE AGREEMENT	
APPENDIX C - APPLICATION FOR SERVICE	

SUBDIVISION	PWS ID NUMBER	COUNTY
Bauer Landing	1013526	Harris
Bayer Utility (Old Town Spring)	1010212	Harris
Bella Vista	1460175	Liberty
Benders Landing	1700678	Montgomery
Benders Landing Estates	1700678	Montgomery
Bridlewood Estates	0790350	Fort Bend
Brazos Lakes	0790363	Fort Bend
Caddo Village	1700473	Montgomery
Canterbury Ranch	1700624	Montgomery
Campwood	1700624	Montgomery
Clear Creek Forest	1700576	Montgomery
Chenango Ranch	0200656	Brazoria
The Colony	1011806	Harris
Creeside Village	1700742	Montgomery
Decker Oaks Estates	1700605	Montgomery
Estates of Clear Creek	1700576	Montgomery
Grande San Jacinto	1460179	Liberty
Indigo Lake Estates	1700576	Montgomery
Jacobs Reserve	1700609	Montgomery
Lake Windcrest	1700624	Montgomery
Live Oak Landing	1610129	Matagorda
Lone Star Ranch	1700655	Montgomery
Lakes of Magnolia	1700736	Montgomery
Magnolia Reserve	1700864	Montgomery
McCall Sound	1700763	Montgomery
Montgomery Trace	1700577	Montgomery
Mostyn Manor	1700669	Montgomery
Northcrest Ranch	1700623	Montgomery
Oaks of Suncreek	0200640	Brazoria
Red Oak Ranch	1700609	Montgomery
Rancho San Vicente	1460178	Liberty
Rocky Creek	1013393	Harris
Sawmill Estates	1700576	Montgomery
Sendera Ranch	1700577	Montgomery
Shaw Acres	1013468	Harris
Sierra Woods	1700624	Montgomery

SUBDIVISION	PWS ID NUMBER	COUNTY
Sonoma Ridge	1700763	Montgomery
Stonecrest Ranch	1700611	Montgomery
Summerset Estates	1700655	Montgomery
Suncreek Estates	0200640	Brazoria
Suncreek Ranch	0200616	Brazoria
Sunrise Bay	1200037	Jackson
Sunset Bay	0040055	Aransas
Texas Grand Ranch	2360088	Walker
Telge Terrace	1011805	Harris
Timberdale	1011810	Harris
Vaquero River Estates	1610129	Matagorda
Village of Decker Oaks	1700605	Montgomery
Waterstone Estates	1013389	Harris
Waypoint Landing	1610137	Matagorda
Westwood	2370042	Waller
Windcrest Farms	1700577	Montgomery
Yesterdays Crossing	1700758	Montgomery

The rates set or approved by the city for the systems entirely within its corporate boundary are not presented in this tariff. Those rates are not under the original jurisdiction of the PUC and will have to be obtained from the city or utility.

**SECTION 1.0 – RATE SCHEDULE****Section 1.01 – Rates**

<u>Meter Size</u>	<u>Monthly Minimum Charge*</u>	<u>Gallage Charge</u>
5/8" or 3/4"	<u>\$28.75</u> (Includes 0 gallons)	<u>\$1.75</u> per 1000 gallons for the first 10,000 gallons
1"	<u>\$71.88</u>	<u>\$2.00</u> per 1,000 gallons from 10,001 to 20,000 gallons
1½"	<u>\$143.75</u>	<u>\$2.25</u> per 1,000 gallons from 20,001 to 30,000 gallons
2"	<u>\$230.00</u>	<u>\$2.93</u> per 1,000 gallons thereafter
3"	<u>\$431.25</u>	
4"	<u>\$718.75</u>	
6"	<u>\$1,437.50</u>	
8"	<u>\$2,300.00</u>	
10"	<u>\$3,306.25</u>	
12"	<u>\$6,181.25</u>	

\*The Monthly Minimum Charge for any meter sizes larger than 12" will be calculated using American Water Works Association approved meter equivalency factors.

An additional pass through gallage charge of \$2.60 per 1,000 gallons of water will be added for fees imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the utility. Bluebonnet GCD, Brazoria County GCD, City of Rosenberg, North Fort Bend Water Authority, West Harris County Regional Water Authority, North Harris County Regional Water Authority, Harris-Galveston Subsidence District, Lone Star GCD, San Jacinto River Authority (Docket No. 45548). **SEE PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE.**

**FORM OF PAYMENT:** The utility will accept the following forms of payment:

Cash X, Check X, Money Order X, Credit Card X, Other (specify) Bank Draft  
THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

**REGULATORY ASSESSMENT** ..... 1.0%  
PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL AND TO REMIT THE FEE TO THE TCEQ.

**Section 1.02 – Miscellaneous Fees**

**TAP FEE** ..... \$810.00  
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL 5/8" x 3/4" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

**TAP FEE** ..... \$910.00  
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD 3/4" AND 1" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

**TAP FEE (Large meter)** ..... Actual Cost  
TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR METER SIZE INSTALLED.

**TAP FEE (Unique Costs)** ..... Actual Cost  
FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE A SUBDIVISION IS A UNIQUE COST. UNIQUE COSTS WILL BE DETERMINED ON A CASE BY CASE BASIS.

## SECTION 1.0 – RATE SCHEDULE (CONTINUED)

## RECONNECTION FEE

THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):

- a) Non payment of bill (Maximum \$25.00) .....\$25.00
- b) Customer's request that service be disconnected .....\$50.00

OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF

## SEASONAL RECONNECTION FEE:

BASE RATE TIMES NUMBER OF MONTHS OFF THE SYSTEM NOT TO EXCEED SIX MONTHS WHEN LEAVE AND RETURN WITHIN A TWELVE MONTH PERIOD.

TRANSFER FEE .....\$45.00

THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED.

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL) .....10%

PUC RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE .....\$25.00

RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50) .....\$50.00

COMMERCIAL & NON-RESIDENTIAL DEPOSIT..... 1/6TH OF ESTIMATED ANNUAL BILL

METER TEST FEE .....\$25.00

THIS FEE WHICH SHOULD REFLECT THE UTILITY'S COST MAY BE CHARGED IF A CUSTOMER REQUESTS A SECOND METER TEST WITHIN A TWO-YEAR PERIOD AND THE TEST INDICATES THAT THE METER IS RECORDING ACCURATELY. THE FEE MAY NOT EXCEED \$25.

METER RELOCATION FEE .....Actual Cost to Relocate the existing Meter

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS RELOCATION OF AN EXISTING METER.

METER CONVERSION FEE .....Actual Cost to Convert the existing Meter

THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS CHANGE OF SIZE OF AN EXISTING METER OR CHANGE IS REQUIRED BY MATERIAL CHANGE IN CUSTOMERS SERVICE DEMAND.

ILLEGAL RECONNECTION, LOCK REMOVAL OR DAMAGE FEE .....\$100.00

THIS FEE MAY BE CHARGED TO A DISCONNECTED CUSTOMER FOR DAMAGE CAUSED BY CUSTOMER'S ATTEMPT TO RESTORE WATER SERVICE BY CUTTING OR BREAKING LOCK, REMOVAL OR BYPASS OF METER.

## GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

WHEN AUTHORIZED IN WRITING BY PUC AND AFTER NOTICE TO CUSTOMERS, THE UTILITY MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER TESTING. [PUC Subst. R. 24.21(K)(2)]

## LINE EXTENSION AND CONSTRUCTION CHARGES:

REFER TO SECTION 3.0-EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

SECTION 1.0 – RATE SCHEDULE (CONTINUED)

**TEMPORARY WATER RATE:**

Unless otherwise superseded by PUC order or rule, if the Utility is ordered by a court or government body of competent jurisdiction to reduce its pumpage, production or water sales, the Utility shall be authorized to increase its approved gallonage charge according to the formula:

$$TGC = \frac{cgc + (pr)(cgc)(r)}{(1.0 - r)}$$

Where:

TGC = temporary gallonage charge

cgc = current gallonage charge

r = water use reduction expressed as a decimal fraction (the pumping restriction)

pr = percentage of revenues to be recovered expressed as a decimal fraction, for this tariff, pr shall equal 0.5

To implement the Temporary Water Rate, the Utility must comply with all notice and other requirements of 16 TAC 24.21(i).

**PURCHASED WATER AND/OR DISTRICT FEE PASS THROUGH CLAUSE:**

Changes in fees imposed by any non-affiliated third party water supplier or underground water district having jurisdiction over the Utility shall be passed through as an adjustment to the water gallonage charge according to the following formula:

$$WPC = (E + (AP - AC)) / (JC \times AU), \text{ Where:}$$

WPC = Water pass-through gallonage charge per 1,000 gallons, rounded to the nearest cent.

E = Estimated sum of upcoming 12 months of purchased water, groundwater conservation district costs, and fees.

AP = Actual payments by utility for prior 12 months for purchased water, district costs and fees.

AC = Actual collections by utility in prior 12 months from water pass-through gallonage charge.

JC = Year end customer connections.

AU = Average annual usage per connection, in 1,000 gallons from most recent year.

The WPC must be trueed up and adjusted every twelve months.

To implement, all notice requirements must be met. The utility may begin to charge the new filed WPC on the proposed effective date in the notice. Implementation of this WPC adjustment provision shall be governed by P.U.C. Subst. R. 24.21(h).

With each annual WPC adjustment, the utility must file a true-up report that shows the calculation for the next 12-month WPC reflected in the notice. The report shall contain up to five years' worth of data, as available, showing the annual and accumulated difference between WPC amounts collected from customers and amounts actually paid to the entities whose charges are included in the WPC.

## **SECTION 2.0 – SERVICE RULES AND POLICIES**

The utility will have the most current Public Utility Commission of Texas (PUC or Commission) Commission Rules, Chapter 24, available at its office for reference purposes. The Rules and this tariff shall be available for public inspection and reproduction at a reasonable cost. The latest Rules or Commission approved changes to the Rules supersede any rules or requirements in this tariff.

### **Section 2.01 - Application for Water Service**

All applications for service will be made on the utility's standard application or contract form (attached in the Appendix to this tariff), will be signed by the applicant, any required fees (deposits, reconnect, tap, extension fees, etc. as applicable) will be paid and easements, if required, will be granted before service is provided by the utility. A separate application or contract will be made for each service location.

### **Section 2.02 - Refusal of Service**

The utility may decline to serve an applicant until the applicant has complied with the regulations of the regulatory agencies (state and municipal regulations) and for the reasons outlined in the PUC Rules. In the event that the utility refuses to serve an applicant, the utility will inform the applicant in writing of the basis of its refusal. The utility is also required to inform the applicant that a complaint may be filed with the Commission.

### **Section 2.03 - Fees and Charges & Easements Required Before Service Can Be Connected**

#### **(A) Customer Deposits**

If a residential applicant cannot establish credit to the satisfaction of the utility, the applicant may be required to pay a deposit as provided for in Section 1.02 - Miscellaneous Fees of this tariff. The utility will keep records of the deposit and credit interest in accordance with PUC Rules.

Residential applicants 65 years of age or older may not be required to pay deposits unless the applicant has an outstanding account balance with the utility or another water or sewer utility which accrued within the last two years.

Nonresidential applicants who cannot establish credit to the satisfaction of the utility may be required to make a deposit that does not exceed an amount equivalent to one-sixth of the estimated annual billings.

Refund of deposit. - If service is not connected, or after disconnection of service, the utility will promptly refund the customer's deposit plus accrued interest or the balance, if any, in excess of the unpaid bills for service furnished. The utility may refund the deposit at any time prior to termination of utility service but must refund the deposit plus interest for any customer who has paid 18 consecutive billings without being delinquent.

#### **(B) Tap or Reconnect Fees**

A new customer requesting service at a location where service has not previously been provided must pay a tap fee as provided in Section 1.02 of this tariff. A customer requesting service where service has previously been provided must pay a reconnect fee as provided in Section 1.02 of this tariff. Any applicant or existing customer required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be given a written explanation of such costs prior to request for payment and/or commencement of construction. If the applicant or existing customer does not believe that these costs are reasonable or necessary, the applicant or existing customer shall be informed of their right to appeal such costs to the PUC or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's or existing customer's property(ies) is located.



**SECTION 2.0 -- SERVICE RULES AND POLICIES (CONTINUED)**

If the services of a registered professional engineer are required as a result of an application for service received by the Utility for service to that applicant's service extension only, such engineer will be selected by the Utility and the applicant, and the applicant shall bear all expenses incurred therein.

If an applicant requires service other than the standard service provided by the utility, such applicant will be required to pay all expenses incurred by the utility in excess of the expenses that would be incurred in providing the standard service and connection. Any applicant who places unique or non-standard service demands on the system may be required to provide contributions in aid of construction (as may be allowed by PUC rule) for the actual costs of, any additional facilities required to maintain compliance with the Texas Commission on Environmental Quality minimum design criteria for water production, treatment, pumping storage and transmission.

Fees in addition to the regular tap fee may be charged if listed specifically in Section 1.02 of this tariff to cover unique costs not normally incurred as permitted by 16 TAC 24.86(a)(1)(C). For example, a road bore for customers outside a subdivision or residential area could be considered a unique cost.

**(C) Easement Requirement**

Where recorded public utility easements on the service applicant's property do not exist or public road right-of-way easements are not available to access the applicant's property, the Utility may require the applicant to provide it with a permanent recorded public utility easement on and across the applicant's real property sufficient to provide service to that applicant. Such easement(s) shall not be used for the construction of production, storage, transmission or pressure facilities unless they are needed for adequate service to that applicant.

**Section 2.04 - Utility Response to Applications for Service**

After the applicant has met all the requirements, conditions and regulations for service, the utility will install tap, meter and utility cut-off valve and/or take all necessary actions to initiate service. The utility will serve each qualified applicant for service within 5 working days unless line extensions or new facilities are required. If construction is required to fill the order and if it cannot be completed within 30 days, the utility will provide the applicant with a written explanation of the construction required and an expected date of service.

Except for good cause where service has previously been provided, service will be reconnected within one working day after the applicant has met the requirements for reconnection.

**Section 2.05 - Customer Responsibility**

The customer will be responsible for furnishing and laying the necessary customer service pipe from the meter location to the place of consumption. Customers will not be allowed to use the utility's cutoff valve on the utility's side of the meter. Existing customers may install cutoff valves on their side of the meter and are encouraged to do so. All new customers may be required to install and maintain a cutoff valve on their side of the meter.

No direct connection between a public water supply system and any potential source of contamination or

SECTION 2.0 – SERVICE RULES AND POLICIES (CONTINUED)

between a public water supply system and a private water source (ex. private well) will be allowed. A customer shall not connect, or allow any other person or party to connect, onto any water lines on his premises.

Section 2.06 - Customer Service Inspections

Applicants for new service connections or facilities which have undergone extensive plumbing modifications are required to furnish the utility a completed customer service inspection certificate. The inspection certificate shall certify that the establishment is in compliance with the Texas Commission on Environmental Quality (TCEQ) Rules and Regulations for Public Water Systems, Section 290.46(j). The Utility is not required to perform these inspections for the applicant/customer, but will assist the applicant/customer in locating and obtaining the services of a certified inspector.

Section 2.07 - Back Flow Prevention Devices

No water connection shall be allowed to any residence or establishment where an actual or potential contamination hazard exists unless the public water facilities are protected from contamination by either an approved air gap, backflow prevention assembly, or other approved device. The type of device or backflow prevention assembly required shall be determined by the specific potential hazard identified in 290.47(i) Appendix I, Assessment of Hazards and Selection of Assemblies of the TCEQ Rules and Regulations for Public Water Systems.

The use of a backflow prevention assembly at the service connection shall be considered as additional backflow protection and shall not negate the use of backflow protection on internal hazards as outlined and enforced by local plumbing codes. When a customer service inspection certificate indicates that an adequate internal cross-connection control program is in effect, backflow protection at the water service entrance or meter is not required.

At any residence or establishment where it has been determined by a customer service inspection, that there is no actual or potential contamination hazard, as referenced in Section 290.47(i) Appendix I, Assessment of Hazards and Selection of Assemblies of the TCEQ Rules and Regulations for Public Water Systems, then a backflow prevention assembly or device is not required. Outside hose bibs do require, at a minimum, the installation and maintenance of a working atmospheric vacuum breaker. All backflow prevention assemblies or devices shall be tested upon installation by a TCEQ certified backflow prevention assembly tester and certified to be operating within specifications. Backflow prevention assemblies which are installed to provide protection against health hazards must also be tested and certified to be operating within specifications at least annually by a certified backflow prevention assembly tester.

If the utility determines that a backflow prevention assembly or device is required, the utility will provide the customer or applicant with a list of TCEQ certified backflow prevention assembly testers. The customer will be responsible for the cost of installation and testing, if any, of backflow prevention assembly or device. The customer should contact several qualified installers to compare prices before installation. The customer must pay for any required maintenance and annual testing and must furnish a copy of the test results demonstrating that the assembly is functioning properly to the utility within 30 days after the anniversary date of the installation unless a different date is agreed upon.

The Utility adopts the Uniform Plumbing Code pursuant to TCEQ Rule 290.46(i). The piping and other equipment on the premises furnished by the customer will be maintained by the customer at all times in conformity with the requirements of the PUC and/or TCEQ, the Uniform Plumbing Code and with the service rules and regulations of the Utility. The customer will bring out his service line to his property line at the point on the customer's property mutually acceptable to the customer and the Utility subject to such requirements as may exist by PUC and/or TCEQ rule. No water service smaller than 5/8" will be connected.

SECTION 2.0 – SERVICE RULES AND POLICIES (CONTINUED)

No pipe or pipe fitting which contains more than 0.2% lead can be used for the installation or repair of plumbing at any connection which provides water for human use. No solder or flux which contains more than 0.25% lead can be used at any connection which provides water for human use.

Section 2.08 - Access to Customer's Premises

The utility will have the right of access to the customer's premises at all reasonable times for the purpose of installing, testing, inspecting or repairing water mains or other equipment used in connection with its provision of water service, or for the purpose of removing its property and disconnecting lines, and for all other purposes necessary to the operation of the utility system including inspecting the customer's plumbing for code, plumbing or tariff violations. The customer shall allow the utility and its personnel access to the customer's property to conduct any water quality tests or inspections required by law. Unless necessary to respond to equipment failure, leak or other condition creating an immediate threat to public health and safety or the continued provision of adequate utility service to others, such entry upon the customer's property shall be during normal business hours and the utility personnel will attempt to notify the customer that they will be working on the customer's property. The customer may require any utility representative, employee, contractor, or agent seeking to make such entry identify themselves, their affiliation with the utility, and the purpose of their entry.

All customers or service applicants shall provide access to meters and utility cutoff valves at all times reasonably necessary to conduct ordinary utility business and after normal business hours as needed to protect and preserve the integrity of the public drinking water supply.

**Threats to or assaults upon utility personnel shall result in criminal prosecution.**

Section 2.09 - Meter Requirements, Readings, and Testing

One meter is required for each residential, commercial, or industrial connection. All water sold by the utility will be billed based on meter measurements. The utility will provide, install, own and maintain meters to measure amounts of water consumed by its customers.

Meters will be read at monthly intervals and as nearly as possible on the corresponding day of each monthly meter reading period unless otherwise authorized by the Commission.

Meter tests. The utility will, upon the request of a customer, and, if the customer so desires, in his or her presence or in that of his or her authorized representative, make without charge a test of the accuracy of the customer's meter. If the customer asks to observe the test, the test will be made during the utility's normal working hours at a time convenient to the customer.

Whenever possible, the test will be made on the customer's premises, but may, at the utility's discretion, be made at the utility's testing facility. If within a period of two years the customer requests a new test, the utility will make the test, but if the meter is found to be within the accuracy standards established by the American Water Works Association, the utility will charge the customer a fee which reflects the cost to test the meter up to a maximum \$25 for a residential customer. Following the completion of any requested test, the utility will promptly advise the customer of the date of removal of the meter, the date of the test, the result of the test, and who made the test.

Section 2.10 - Billing

(A) Regular Billing

Bills from the utility will be mailed monthly unless otherwise authorized by the Commission. The due date of bills for utility service will be at least sixteen (16) days from the date of issuance. The postmark on the

SECTION 2.0 – SERVICE RULES AND POLICIES (CONTINUED)

bill or, if there is no postmark on the bill, the recorded date of mailing by the utility will constitute proof of the date of issuance. Payment for utility service is delinquent if full payment, including late fees and the regulatory assessment, is not received at the utility or the utility's authorized payment agency by 5:00 p.m. on the due date. If the due date falls on a holiday or weekend, the due date for payment purposes will be the next workday after the due date.

(B) Late Fees

A late penalty of either \$5.00 or 10.0% will be charged on bills received after the due date. The penalty on delinquent bills will not be applied to any balance to which the penalty was applied in a previous billing. The utility must maintain a record of the date of mailing to charge the late penalty.

(C) Information on Bill

Each bill will provide all information required by the PUC rules. For each of the systems it operates, the utility will maintain and note on the monthly bill a local or toll-free telephone number (or numbers) to which customers can direct questions about their utility service.

In the event of a dispute between a customer and a utility regarding any bill for utility service, the utility will conduct an investigation and report the results to the customer. If the dispute is not resolved, the utility will inform the customer that a complaint may be filed with the Commission.

(D) Prorated Bills

If service is interrupted or seriously impaired for 24 consecutive hours or more, the utility will prorate the monthly base bill in proportion to the time service was not available to reflect this loss of service.

Section 2.11 - Payments

All payments for utility service shall be delivered or mailed to the utility's business office. If the business office fails to receive payment prior to the time of noticed disconnection for non-payment of a delinquent account, service will be terminated as scheduled. Utility service crews shall not be allowed to collect payments on customer accounts in the field. Payment of an account by any means that has been dishonored and returned by the payer or payee's bank, shall be deemed to be delinquent. All returned payments must be redeemed with cash or valid money order. If a customer has two returned payments within a twelve month period, the customer shall be required to pay a deposit if one has not already been paid.

Section 2.12 - Service Disconnection(A) With Notice

Utility service may be disconnected if the bill has not been paid in full by the date listed on the termination notice. The termination date must be at least 10 days after the notice is mailed or hand delivered. If the customer elects to receive electronic communications, the disconnect notice may be emailed in lieu of mailing or hand delivery.

The utility is encouraged to offer a deferred payment plan to a customer who cannot pay an outstanding bill in full and is willing to pay the balance in reasonable installments. However, a customer's utility service may be disconnected if a bill has not been paid or a deferred payment agreement entered into within 26 days from the date of issuance of a bill and if proper notice of termination has been given.

Notice of termination must be a separate mailing or hand delivery in accordance with the PUC Rules.

(B) Without Notice

Utility service may also be disconnected without notice for reasons as described in the PUC Rules.

SECTION 2.0 – SERVICE RULES AND POLICIES (CONTINUED)Section 2.13 - Reconnection of Service

Utility personnel must be available during normal business hours to accept payments on the day service is disconnected and the following day unless service was disconnected at the customer's request or due to a hazardous condition.

Service will be reconnected within 36 hours after the past due bill, reconnect fees and any other outstanding charges are paid or the conditions which caused service to be disconnected are corrected.

Section 2.14 - Service Interruptions

The utility will make all reasonable efforts to prevent interruptions of service. If interruptions occur, the utility will re-establish service within the shortest possible time. Except for momentary interruptions due to automatic equipment operations, the utility will keep a complete record of all interruptions, both emergency and scheduled and will notify the Commission in writing of any service interruptions affecting the entire system or any major division of the system lasting more than four hours. The notice will explain the cause of the interruptions.

Section 2.15 - Quality of Service

The utility will plan, furnish, 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. Unless otherwise authorized by the Commission, the utility will maintain facilities as described in the TCEQ Rules and Regulations for Public Water Systems.

Section 2.16 - Customer Complaints and Disputes

If a customer or applicant for service lodges a complaint, the utility will promptly make a suitable investigation and advise the complainant of the results. Service will not be disconnected pending completion of the investigation. If the complainant is dissatisfied with the utility's response, the utility must advise the complainant that he has recourse through the PUC complaint process. Pending resolution of a complaint, the Commission may require continuation or restoration of service.

The utility will maintain a record of all complaints which shows the name and address of the complainant, the date and nature of the complaint and the adjustment or disposition thereof, for a period of two years after the final settlement of the complaint.

In the event of a dispute between a customer and a utility regarding any bill for utility service, the utility will conduct an investigation and report the results to the customer. If the dispute is not resolved, the utility will inform the customer that a complaint may be filed with the Commission.

Section 2.17 - Customer And Utility Liability

Customer shall be liable for any damage or injury to utility-owned property shown to be caused by the customer, his invitees, his agents, his employees, or other directly under his control.

**Limitation on Product/Service Liability** - Public water utilities are required to deliver water to the customer's side of the meter or service connection that meets the potability and pressure standards of the Texas Commission on Environmental Quality. The utility will not accept liability for any injury or damage to individuals or their property occurring on the customer's side of the meter when the water delivered meets

SECTION 2.0 – SERVICE RULES AND POLICIES (CONTINUED)

these state standards. The utility makes no representations or warranties (expressed or implied) that customer's appliances will not be damaged by disruptions of or fluctuations in water service whatever the cause. The utility will not accept liability for injuries or damages to persons or property due to disruption of water service caused by: (1) acts of God, (2) acts of third parties not subject to the control of the utility if the utility has undertaken such preventive measures as are required by TCEQ rules, (3) electrical power failures in water systems not required by TCEQ rule to have auxiliary power supplies, or (4) termination of water service pursuant to the utility's tariff and the TCEQ's rules.

The utility is not required by law and does not provide fire prevention or fire fighting services. The utility therefore does not accept liability for fire-related injuries or damages to persons or property caused or aggravated by the availability (or lack thereof) of water or water pressure (or lack thereof) during fire emergencies. Utility may (but is not required to) contract with individual customers/applicants to provide water service capacities to their properties in excess of the TCEQ's domestic water system regulations so that such water volumes and pressures may be used by the customer/applicant or local fire department (at their sole election and responsibility) for fire fighting purposes. Such additional water service capacities shall be provided only in response to and according to design criteria and/or plans prepared by the customer/applicant's registered professional engineer. Notwithstanding any understanding or intent of such customer/applicant for the use of such excess water service capacity, Utility does not profess, state, warrant, guarantee, or imply that such additional water service capacity is, or shall ever be, adequate or sufficient for fire fighting. Utility neither possesses nor claims to possess knowledge or expertise in fire fighting or the requirements of fire fighting. No statement or action of Utility shall ever be implied or meant to suggest that any facilities of Utility comply with any state or local fire code.

### SECTION 3.0 – EXTENSION POLICY

#### Section 3.01 - Standard Extension Requirements

Line Extension and Construction Charges: No Contribution in Aid of Construction may be required of any customer except as provided for in this approved extension policy.

The Utility is not required to extend service to any applicant outside of its certified service area and will only do so under terms and conditions mutually agreeable to the Utility and the applicant, in compliance with PUC rules and policies, and upon extension of the Utility's certified service area boundaries by the PUC.

The applicant for service will be given an itemized statement of the costs, options such as rebates to the customer, sharing of construction costs between the utility and the customer, or sharing of costs between the customer and other applicants prior to beginning construction.

#### Section 3.02 - Costs Utilities and Service Applicants Shall Bear

Within its certified area, the utility will pay the cost of the first 200 feet of any water main or distribution line necessary to extend service to an individual residential customer within a platted subdivision.

However, if the residential customer requesting service purchased the property after the developer was notified in writing of the need to provide facilities to the utility, the utility may charge for the first 200 feet. The utility must also be able to document that the developer of the subdivision refused to provide facilities compatible with the utility's facilities in accordance with the utility's approved extension policy after receiving a written request from the utility.

Residential customers will be charged the equivalent of the costs of extending service to their property from the nearest transmission or distribution line even if that line does not have adequate capacity to serve the customer. However, if the customer places unique, non-standard service demands upon the system, the customer may be charged the additional cost of extending service to and throughout their property, including the cost of all necessary transmission and storage facilities necessary to meet the service demands anticipated to be created by that property.

Unless an exception is granted by the PUC, the residential service applicant shall not be required to pay for costs of main extensions greater than 2" in diameter for water distribution and pressure wastewater collection lines and 6" in diameter for gravity wastewater lines.

Exceptions may be granted by the PUC if:

- adequate service cannot be provided to the applicant using the maximum line sizes listed due to distance or elevation, in which case, it shall be the utility's burden to justify that a larger diameter pipe is required for adequate service;
- or larger minimum line sizes are required under subdivision platting requirements or building codes of municipalities within whose corporate limits or extraterritorial jurisdiction the point of use is located; or the residential service applicant is located outside the CCN service area.

If an exception is granted, the Utility shall establish a proportional cost plan for the specific extension or a rebate plan which may be limited to seven years to return the portion of the applicant's costs for overriding as new customers are added to ensure that future applicants for service on the line pay at least as much as the initial service applicant.

SECTION 3.0 – EXTENSION POLICY (CONTINUED)

For purposes of determining the costs that service applicants shall pay, commercial customers with service demands greater than residential customer demands in the certified area, industrial, and wholesale customers shall be treated as developers. A service applicant requesting a one inch meter for a lawn sprinkler system to service a residential lot is not considered nonstandard service.

If an applicant requires service other than the standard service provided by the utility, such applicant will be required to pay all expenses incurred by the utility in excess of the expenses that would be incurred in providing the standard service and connection beyond 200 feet and throughout his property including the cost of all necessary transmission facilities.

The utility will bear the full cost of any over-sizing of water mains necessary to serve other customers in the immediate area. The individual residential customer shall not be charged for any additional production, storage, or treatment facilities. Contributions in aid of construction may not be required of individual residential customers for production, storage, treatment or transmission facilities unless otherwise approved by the Commission under this specific extension policy.

Section 3.03 - Contributions in Aid of Construction

Developers may be required to provide contributions in aid of construction in amounts sufficient to furnish the development with all facilities necessary to provide for reasonable local demand requirements and to comply with TCEQ minimum design criteria for facilities used in the production, transmission, pumping, or treatment of water or TCEQ minimum requirements. For purposes of this subsection, a developer is one who subdivides or requests more than two meters on a piece of property. Commercial, industrial, and wholesale customers will be treated as developers.

Any applicant who places unique or non-standard service demands on the system may be required to provide contributions in aid of construction for the actual costs of any additional facilities required to maintain compliance with the TCEQ minimum design criteria for water production, treatment, pumping, storage and transmission.

Any service extension to a subdivision (recorded or unrecorded) may be subject to the provisions and restrictions of 16 TAC 24.86(d). When a developer wishes to extend the system to prepare to service multiple new connections, the charge shall be the cost of such extension, plus a pro-rata charge for facilities which must be committed to such extension compliant with the TCEQ minimum design criteria. As provided by 16 TAC 24.85(e)(3), for purposes of this section, commercial, industrial, and wholesale customers shall be treated as developers.

A utility may only charge a developer standby fees for unrecovered costs of facilities committed to a developer's property under the following circumstances:

- Under a contract and only in accordance with the terms of the contract; or
- if service is not being provided to a lot or lots within two years after installation of facilities necessary to provide service to the lots has been completed and if the standby fees are included on the utility's approved tariff after a rate change application has been filed. The fees cannot be billed to the developer or collected until the standby fees have been approved by the commission.
- For purposes of this section, a manufactured housing rental community can only be charged standby fees under a contract or if the utility installs the facilities necessary to provide individually metered service to each of the rental lots or spaces in the community.



### SECTION 3.0 – EXTENSION POLICY (CONTINUED)

#### Section 3.04 - Appealing Connection Costs

The imposition of additional extension costs or charges as provided by Sections 3.0 - Extension Policy of this tariff shall be subject to appeal as provided in this tariff, PUC rules, or the rules of such other regulatory authority as may have jurisdiction over the utility's rates and services. Any applicant required to pay for any costs not specifically set forth in the rate schedule pages of this tariff shall be given a written explanation of such costs prior to payment and/or commencement of construction. If the applicant does not believe that these costs are reasonable or necessary, the applicant shall be informed of the right to appeal such costs to the PUC or such other regulatory authority having jurisdiction over the utility's rates in that portion of the utility's service area in which the applicant's property is located.

#### Section 3.05 - Applying for Service

The Utility will provide a written service application form to the applicant for each request for service received by the Utility's business offices. A separate application shall be required for each potential service location if more than one service connection is desired by any individual applicant. Service application forms will be available at the Utility's business office during normal weekday business hours. Service applications can be sent by mail, email, or fax upon request. Completed applications can be returned by mail, email or fax.

Where a new tap or service connection is required, the service applicant shall be required to submit a written service application and request that a tap be made. A diagram, map, plat, or written metes and bounds description of precisely where the applicant desires each tap or service connection is to be made and, if necessary, where the meter is to be installed, along the applicant's property line may also be required with the tap request. The actual point of connection and meter installation must be readily accessible to Utility personnel for inspection, servicing, and meter reading while being reasonably secure from damage by vehicles and mowers. If the Utility has more than one main adjacent to the service applicant's property, the tap or service connection will be made to the Utility's nearest service main with adequate capacity to service the applicant's full potential service demand. Beyond the initial 200 feet, the customer shall bear only the equivalent cost of extending from the nearest main. If the tap or service connection cannot be made at the applicant's desired location, it will be made at another location mutually acceptable to the applicant and the Utility. If no agreement on location can be made, the applicant may refer the matter to the PUC for resolution.

#### Section 3.06 - Qualified Service Applicant

A "qualified service applicant" is an applicant who has: (1) met all of the Utility's requirements for service contained in this tariff, PUC rules and/or PUC order, (2) has made payment or made arrangement for payment of tap fees, (3) has provided all easements and rights-of-way required to provide service to the requested location, (4) delivered an executed customer service inspection certificate to the Utility, if applicable, and (5) has executed a customer service application for each location to which service is being requested.

The Utility shall serve each qualified service applicant within its certified service area as soon as practical after receiving a completed service application. All service requests will be fulfilled within the time limits prescribed by PUC rules once the applicant has met all conditions precedent to achieving "qualified service applicant" status. If a service request cannot be fulfilled within the required period, the applicant shall be notified in writing of the delay, its cause and the anticipated date that service will be available. The PUC service dates shall not become applicable until the service applicant has met all conditions precedent to becoming a qualified service applicant as defined by PUC rules.

**SEWER UTILITY TARIFF  
FOR**

Quadvest, L.P.  
(Utility Name)

P.O. Box 409  
(Business Address)

Tomball, Texas 77377  
(City, State, Zip Code)

281/356-5347  
(Area Code/Telephone)

This tariff is effective for utility operations under the following Certificate of Convenience and Necessity:

20952

This tariff is effective in the following county:

Harris, Montgomery

This tariff is effective in the following cities or unincorporated towns (if any):

None

This tariff is effective in the following subdivisions and water quality permit numbers:

Bauer Road: Permit No. 14675-001

Benders Landing: Permit No. 14755-001

Lonestar Ranch Section III, Lonestar Ranch Section IV and Somerset: Permit No. 14029-001

Creekside Village: Permit No. 14531-001

Magnolia Lakes: Permit No. 1452-001

Magnolia ISD, Mostyn Manor: Permit No. 14711-001

Decker Oaks Subdivision: WQ0013863-001

**TABLE OF CONTENTS**

The above utility lists the following sections of its tariff (if additional pages are needed for a section, all pages should be numbered consecutively):

SECTION 1.0 -- RATE SCHEDULE .....	2
SECTION 2.0 -- SERVICE RULES AND POLICIES.....	4
SECTION 3.0 -- EXTENSION POLICY.....	9
APPENDIX A -- SAMPLE SERVICE AGREEMENT	

## SECTION 1.0 - RATE SCHEDULE

Rates Effective April 8, 2013

<u>Meter Size</u>	<u>Monthly Flat Rate</u> (Includes 0 gallons)
5/8" x 3/4"	<u>\$67.50</u>
3/4"	<u>\$67.50</u>
1"	<u>\$67.50</u>
1 1/2"	<u>\$337.50</u>
2"	<u>\$540.00</u>
3"	<u>\$1,012.50</u>
4"	<u>\$1,687.50</u>
6"	<u>\$3,375.00</u>
8"	<u>\$5,400.00</u>
10"	<u>\$7,762.50</u>

Residential sewer service will be billed the monthly flat rate only.

Non-residential service connections will be billed the monthly flat rate plus \$3.33 per 1,000 gallons of actual water meter usage as supplied by the water utility.

Rates Effective January 8, 2014

<u>Meter Size</u>	<u>Monthly Flat Rate</u> (Includes 0 gallons)
5/8" x 3/4"	<u>\$76.00</u>
3/4"	<u>\$76.00</u>
1"	<u>\$76.00</u>
1 1/2"	<u>\$380.00</u>
2"	<u>\$608.00</u>
3"	<u>\$1,140.00</u>
4"	<u>\$1,900.00</u>
6"	<u>\$3,800.00</u>
8"	<u>\$6,080.00</u>
10"	<u>\$8,740.00</u>

Residential sewer service will be billed the monthly flat rate only.

Non-residential service connections will be billed the monthly flat rate plus \$3.33 per 1,000 gallons of actual water meter usage as supplied by the water utility.

FORM OF PAYMENT: The utility will accept the following forms of payment:

Cash X, Check X, Money Order X, Credit Card X, Other (specify) Bank Draft

THE UTILITY MAY REQUIRE EXACT CHANGE FOR PAYMENTS AND MAY REFUSE TO ACCEPT PAYMENTS MADE USING MORE THAN \$1.00 IN SMALL COINS. A WRITTEN RECEIPT WILL BE GIVEN FOR CASH PAYMENTS.

RATES LISTED ARE EFFECTIVE ONLY  
IF THIS PAGE HAS TCEQ APPROVAL STAMP

TEXAS COMM. ON ENVIRONMENTAL QUALITY  
37532-R, CCN 20952, APRIL 8, 2013 AND JANUARY 8, 2014  
APPROVED TARIFF BY 2120

SECTION 1.0 - RATE SCHEDULE CONT.

REGULATORY ASSESSMENT ..... 1.0%  
TCEQ RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL.

Section 1.02 - Miscellaneous Fees

TAP FEE (Gravity Sewer) for 5/8 x 3/4-Inch water meter..... \$790.00  
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD RESIDENTIAL CONNECTION. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE ..... \$870.00  
TAP FEE COVERS THE UTILITY'S COSTS FOR MATERIALS AND LABOR TO INSTALL A STANDARD 3/4" and 1" METER. AN ADDITIONAL FEE TO COVER UNIQUE COSTS IS PERMITTED IF LISTED ON THIS TARIFF.

TAP FEE (Large Meter)..... Actual Cost  
TAP FEE IS THE UTILITY'S ACTUAL COST FOR MATERIALS AND LABOR FOR TAP SIZE INSTALLED.

TAP FEE (Unique costs) ..... Actual Cost  
FOR EXAMPLE, A ROAD BORE FOR CUSTOMERS OUTSIDE OF SUBDIVISIONS OR RESIDENTIAL AREAS.

RECONNECTION FEE  
THE RECONNECT FEE MUST BE PAID BEFORE SERVICE CAN BE RESTORED TO A CUSTOMER WHO HAS BEEN DISCONNECTED FOR THE FOLLOWING REASONS (OR OTHER REASONS LISTED UNDER SECTION 2.0 OF THIS TARIFF):

- a) Non-payment of bill (Maximum \$25.00)..... \$25.00
- b) Customer's request that service be disconnected ..... \$50.00

TRANSFER FEE ..... \$45.00  
THE TRANSFER FEE WILL BE CHARGED FOR CHANGING AN ACCOUNT NAME AT THE SAME SERVICE LOCATION WHEN THE SERVICE IS NOT DISCONNECTED

LATE CHARGE (EITHER \$5.00 OR 10% OF THE BILL)..... 10%  
TCEQ RULES ALLOW A ONE-TIME PENALTY TO BE CHARGED ON DELINQUENT BILLS. A LATE CHARGE MAY NOT BE APPLIED TO ANY BALANCE TO WHICH THE PENALTY WAS APPLIED IN A PREVIOUS BILLING.

RETURNED CHECK CHARGE..... \$25.00  
RETURNED CHECK CHARGES MUST BE BASED ON THE UTILITY'S DOCUMENTABLE COST.

RATES LISTED ARE EFFECTIVE ONLY  
IF THIS PAGE HAS TCEQ APPROVAL STAMP

TEXAS COMM. ON ENVIRONMENTAL QUALITY  
37532-R, CCN 20952, APRIL 8, 2013 AND JANUARY 8, 2014  
APPROVED TARIFF BY [Signature]

SECTION 1.0 - RATE SCHEDULE CONT.

CUSTOMER DEPOSIT RESIDENTIAL (Maximum \$50).....\$50.00

COMMERCIAL & NON-RESIDENTIAL DEPOSIT .....1/6TH OF ESTIMATED ANNUAL BILL

SERVICE RELOCATION FEE.....Actual Cost to relocate that service connection  
THIS FEE MAY BE CHARGED IF A CUSTOMER REQUESTS RELOCATION OF AN EXISTING  
SERVICE CONNECTION

SEASONAL RECONNECTION FEE:

BASE RATE TIMES NUMBER OF MONTHS OFF THE SYSTEM NOT TO EXCEED SIX MONTHS  
WHEN LEAVE AND RETURN WITHIN A TWELVE MONTH PERIOD.

GOVERNMENTAL TESTING, INSPECTION AND COSTS SURCHARGE:

WHEN AUTHORIZED IN WRITING BY TCEQ AND AFTER NOTICE TO CUSTOMERS, THE UTILITY  
MAY INCREASE RATES TO RECOVER INCREASED COSTS FOR INSPECTION FEES AND WATER  
TESTING. [30 TAC 291.21(K)(2)]

LINE EXTENSION AND CONSTRUCTION CHARGES:

REFER TO SECTION 3.0--EXTENSION POLICY FOR TERMS, CONDITIONS, AND CHARGES  
WHEN NEW CONSTRUCTION IS NECESSARY TO PROVIDE SERVICE.

RATES LISTED ARE EFFECTIVE ONLY  
IF THIS PAGE HAS TCEQ APPROVAL STAMP