Disinfectant Residual Worksheet for MRDL Calculation

Groundwater or Purchased-Water PWSs with

Fewer than 750 Customers

PWS Name	ROLLING HILLS	PWS ID: 1700058
Month:	APRIL	2008

Type of Disinfectant Used in Distribution System:

1	YES					\ C /1 \
ı	AEG I	Eroo chiorino /	MIN = 0.2 mg/L	I KON	ramine (MIN = 0	1.5 mo// 1
ı	ILO I	THEE CHICKING (INITIA O E HIGHE!	1 10.	annino (min	, og,

Disinfectant Residual Collected with Coliform Samples

Number of Samples	Sample Site	Disinfectant Residual	Less than MIN? 1=Yes	NO Residual ? 1=Yes
1	19044 ROLLING HILLS	0.39		
2				
3				
4				
5				

Groundwater and purchased water systems that serve up to 1000 people must collect one colliform sample a month. The disinfectant should be measured at the same time. If you have a coliform-found sample, you must collect four repeat samples immediately. Then, themonth after the coliform-found, you must collect follow-uproutine samples. Therefore, this worksheet provids room to keep track of more than one sample. If you have multiple positive results, you will need another piece of paper.

Disinfectant Residual Collected in Distribution System

Number of Samples	Sample Site	Disinfectant Residual	Less than MIN ? 1=Yes	NO Residual ? 1=Yes
1	18995ROLLING HILLS	0.45		
2	18256 ROLLING HILLS	0.55		
3	18569 ROLLING HILLS	0.48		
4	19044 ROLLING HILLS	0.22		
5				

Groungwater and purchased water systems thatserve up to 750 peoplemust colect weekly distribution system disinfectant residual samples. This worksheet provides room to keep track of one sample a week for five weeks.

If you collect more than that, you will need another piece of paper.

Monthly Summary

Number of Samples (1)	Highest Reading (2)	Lowest Reading (3)	average (4)	# Below MIN (5)	# with NO residual (6)
4	0.55	0.22	0.52	0	0

These are the numbers that you will need to report on the GW PW Monthly Operating Report form.

- (1) Add up all the disinfectant results from samples collected withcoliform samples, plus weekly distribution system samples. Write that number here
- (2) Write in the highest residual from all your samples
- (3) Write in the lowest residual from all samples
- (4) Add up all the residual from all samples and divide by the number of samples
- (5) Write in the number of samples thathad less than 0.2 mg/L (if you use free chlorine) or 0.5 mg/L (if you use chloramines)
- (6) Write in the number of samples that no disinfectant at all.

POTABLE WATER STORAGE TANK

Inspection Form

"Section 290.46(p)(2)) of the Texas Natural Resource Conservation Commission's Rules and Regulations for public Water Systems requires documentation of annual ground, elevated and pressure storage tank maintenance inspections.'

Location ROLLING HILLS	
Description 3 PRESSURE TANKS	
Date & Material of Exterior Coating System	
Date & Material of Interior Coating System	

Exterior of Tank

O.K.	Problem	NA	Description
OK			Foundation: settling, cracks, deterioration
ОК			Protective Coating: rust, pitting, corrosion, leaks
			Water Level Indicator: operable, cable access opening protected
			Overflow Pipe: flap valve cover accessible, operable, sealed
			Access Ladder: loose bolts or rungs
			Roof: low spots for ponding water, holes along seams, rust
			Air vents: proper design, screened, sealed edges and seams
		NA	Cathodic Protection Anode Plates: secured and sealed
			Roof Hatch: proper design, locked, hinge bolts secured, gasket
OK			Pressure Tank Operational Status: pressure release device, pressure gauge, air-water volume device

Exterior of Tank

	Problem	Description
OK		Water Quality: insects, floating debris, sediment on the bottom
OK		Protective Coating: rust, corrosion, scaling
Date	12/07	Last Inspection of Pressure Tank Interior

Comments

TANKS COULD USE PAINTED	
	1
	1
	ı

Name of Inspector	LARRY PURCELL
Date of Inspection	1 2/ 07

Bryen W. Shaw, Ph.D., Charman Cerlos Rubinstein, Commissioner Toby Eaker Commissioner Zak Covor Executive Director

TEXA3 COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

December 16, 2013

CERTIFIED MAIL #7011 3500 0000 0279 5790 RETURN RECEIPT REQUESTED

Mr. Tom Martin, President Crystal Springs Water Company, Inc. PO Box 603 Porter, Texas 77365-0603

Re: Notice of Violation for the Comprehensive Compliance Investigation at:

Rolling Hills Oaks Subdivision, Rolling Hills Drive, Montgomery County, Texas

Regulated Entity No.: 102691821, TCEQ ID No.: 1700058, Investigation No.: 1128278

Dear Mr. Martin:

On November 1, 2013, Ms. Jennifer Sapp of the Texas Commission on Environmental Quality (TCEQ) Houston Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for Public Water Supply. Enclosed is a summary which lists the investigation findings. In addition, certain outstanding alleged violations were identified for which compliance documentation is required. Please submit to this office by March 21, 2014, a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for each of the outstanding alleged violations. Furthermore, please see the attached Additional Issues.

In the listing of the alleged violations, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at http://www.tceq.texas.gov for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Houston Region Office at Phone (713)767-3650 or the Central Office Publications Ordering Team at (512)239-0028.

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

Mr. Tom Martin, President Page 2 December 16, 2013

If you or members of your staff have any questions, please feel free to contact Ms. Jennifer Sapp in the Houston Region Office at (713)767-3650.

Sincerely,

Leticia De Leon, Team Leader Public Water Supply

Houston Region Office

LD/JS/ra

cc: Montgomery County Environmental Health Services

Summary of Investigation Findings Enclosures:

Plugging Report Instructions for Plugging Wells

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

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

June 6, 2014

Mr. Tom Martin, President Crystal Springs Water Company, Inc. P. O. Box 603 Porter, Texas 77356-0603

Re: Compliance Evaluation Investigation at:
The Oaks, 1384 Heritage, Montgomery County, Texas
TCEQ ID No. 1700626 Regulated Entity No.: 102674801
Investigation No. 1163663

Dear Mr. Martin:

On March 27, 2014, Ms. Elaine Jackson 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. Elaine Jackson in the Houston Region Office at (713)767-3650.

Sincerely,

Leticia De Leon, Team Leader

L'Acia Si Jean

Public Water Supply Houston Region Office

LD/ej/kc

cc: Montgomery County Environmental Health Services

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

April 13, 2016

Mr. Tom A. Martin, President Crystal Springs Water Company, Inc. P.O. Box 603 Porter, Texas 77365-0603

Re:

Notice of Compliance with Notice of Violation (NOV) dated February 25, 2016: Timberland Estates, 19135 Timberland Drive, Porter, Montgomery County, Texas Regulated Entity No.: 102670650, TCEQ ID No.:1700612, Investigation No. 1324404

Dear Mr. Martin:

On April 1, 2016, the Texas Commission on Environmental Quality (TCEQ) Houston Region Office received adequate compliance documentation to resolve the alleged violations documented during the investigation of the above-referenced regulated entity conducted on December 22, 2015. Based on the information submitted, no further action is required concerning this investigation.

The Texas Commission on Environmental Quality 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, please feel free to contact Ms. Maggie Wright in the Houston Region Office at (713) 767-3650.

Sincerely,

Latrichia Spikes, Team Leader

Public Water Supply Houston Region Office

LS/MW/ra

Enclosure: Summary of Investigation Findings

cc: Montgomery County Environmental Health Services

TIMBERLAND ESTATES

Investigation #

1324404 Investigation Date: 04/11/2016

, MONTGOMERY COUNTY,

Additional ID(s): 1700612

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 593872

30 TAC Chapter 290.46(s)(1)

Alleged Violation:

Investigation 1295358

Comment Date: 02/11/2016

Testing Equipment

Failure by the regulated entity to calibrate the well meters required by 30 TAC 290.41(c)(3)(N) according to the manufacturer's specifications at least once every three years

At the time of the investigation, the operator did not provide a copy of the well meter calibration reports for each well.

Investigation: 1324404

Comment Date: 04/11/2016

Testing Equipment

Failure by the regulated entity to calibrate the well meters required by 30 TAC 290.41(c)(3)(N) according to the manufacturer's specifications at least once every three years.

At the time of the investigation, the operator did not provide a copy of the well meter calibration reports for each well

Recommended Corrective Action: Submit a copy of the current well meter calibration reports to verify compliance.

Resolution: April 1, 2016 received by mail a copy of the invoice for the well meters

Track No: 593878

30 TAC Chapter 290.121(a)

Alleged Violation:

Investigation: 1295358

Comment Date: 02/11/2016

Monitoring Plan

Failure to develop and maintain an up to date system monitoring plan. The plan shall identify all bacteriological and chemical locations, describe the sampling frequency, and specify the analytical procedures and laboratories to be used to comply with monitoring requirements. The completed plan must be retained at each water plant, and made available for review during succeeding investigations.

At the time of the investigation, the monitoring plan needed to be updated Investigation: 1324404 Comment Date: 04/11/2016

Monitoring Plan

Failure to develop and maintain an up to date system monitoring plan. The plan shall identify all bacteriological and chemical locations, describe the sampling frequency, and specify the analytical procedures and laboratories to be used to comply with monitoring requirements. The completed plan must be retained at each water plant, and made available for review during succeeding investigations.

Recommended Corrective Action: Submit a letter certifying that a system monitoring plan has been completed OR a copy of the updated Monitoring Plan to verify compliance

Resolution: April 1, 2016 received by mail a copy of the updated monitoring plan.

Summary of Investigation Findings Page 2 of 2 107



March 28, 2016

Latrichia Spikes
Feam Lender, Public Water Supply
Houston Region, TCEQ
5425 Polk St., Suite H
Houston, Texas 77023-1452

RE: Fimberland Estates, ID 1700612

Investigation 1295358

Latrichia:

We appreciate the visit from Ms. Maggie Wright meeting with our President/General Manager, Larry Purcell, to inspect our Timberland Estates Water System, ID 1700612 from Dec 22, 2015 to January 11, 2016.

Our Timberland Estates system, with 663 customers, is almost built out. When completed, we could reach 750 customers. Attached is a separate page describing our current capacities, which are currently at 85% or below, but show that at 750 customers, our capacities for service pumpage, ground storage, and pressure tank capacities will all be above 85% but below 100%. Is this sufficient for a waiver to allow us to operate at above 85% capacity?

His page relates our current and final capacity requirements. As noted, at 750 customers, our capacities will be; Service Pumpage - 85%

Storage Fank Capacity - 88% Pressure Tank Capacity - 97%

Listed next are our corrective action reporting for all alleged violations plus the separate page answering the comments of item 6, capacity requirements.

Thank you for your help. Crystal Springs Water Co., Inc. contimies to strive for 100% compliance for all our systems

Sincerely

Crystal Springs Water Co. Inc.

Fration requests.

Item 1 - Testing Equipment

Attached are current will calibration requests.

Item 2 - Monitoring Plan

Attached is a copy of our current system monitoring plan.

Item 3 - Storage Tank Design

As your letter notes, we submitted storage tank inspections reports by email on 1/11/16.

Item 4 - Pressure Tank Design

As your letter noted, we submitted pressure tank inspection reports by email on 1/11/16.

Item 5 - Raw Water Sampling Tap

As your letter noted, a photo showing the raw water sample tap installed was submitted by email on 1/11/16.

Item 6 - See separate analysis page attached.

Timberland Estates System ID 1700612

Item 6 Capacity Requirements Analysis

Service Pumpage Capacity

 Well Site #1
 165 gpm

 Well Site #4
 360 gpm

Total Capacity 525 gpm

Current Requirements

663 customers 398 gmp 76%

Maximum Requirement

750 customers 450 gpm 86% capacity

Storage Tank Capacity

 Well Site #1
 105,000 gallons

 Well Site #4
 65,000 gallons

Total Capacity 170,000 gallons

Current Requirements

663 customers 132,600 gallons 78% Capacity

Maximum Requirement

750 Customers 150,000 gallons 88% Capacity

Pressure Tank Capacity

Well #1 7,500 gallons Well Site #4 6,500 gallons Rolling Hill Well Site 1,500 gallons

Total Capacity 15.500 gallons

Current Requirements

663 customers 13,260 gallons 85.5% Capacity

Maximum Requirement

750 customers 15,000 gallons 96.7% Capacity

REMIT TO. R SERVICES & SUPPLIES, INC 3A MDN ENTERPRISES, O BOX 1148 4EW CANEY,TX 77357



21371 US HWY 59 NOFITH NEW CANEY, TX 77357 PH: 281-354-9621 FX 281-354 9617 7929 LOOP 540 BEASLEY TX 77417 PH: 979-387-3180 FX 979 387 (14)12

WATTS: 800-360-6025

***** INVOICE**** 215829

SOLD TO.

SHIP TO.

CRYSTAL SPRINGS WATER

P O BOX 603

PORTER, TEXAS

77365

CRYSTAL SPRINGS WATER 23449 US HWY 59

PORTER, TEXAS

77365

CONTACT: LARRY PHONE. (281)354-5136-0000

 INVCE#
 INVCE-DATE SALESMAN
 REQ-DATE
 SHIP VIA
 WGHT PGE

 215829
 DEC 15 2015
 HG
 DEC 15 2015
 PICKUP
 58

CUST# CUST PO NUMBER DOC-REQ# SUB TERMS FREIGHT TRMS FOB INSD SALKS

C1210 FRANK O1 NET 30 INVALID CODE HG

OR ' D	SHIP	BKOR PRODUCT	UNIT DESC	CRIPTION	UNIT \$	EX (EII JED
	======	3655385385555585585	*=======			in triria
1	1	WMAIPCBPDR20	EA 2" 2	ZEN PD,D/R,BRS BODY FLG	493.46	493.16
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3	3	RCSJC2020	EACH 2" S	STL BOLTED CPLG (2 38 CD)	36.09	108 17
4	4	FPP4CDS20	EACH 2 S4	O DEEP SOCKET CPLC	2.45	g n

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ONE OUTNERSMINE TO

** **



Monitoring Plan For

Name of System:	Timberland	_/ Roll	ing Hills
Date of Monitorin	g Plan	March	19, 2014

PWS ID#: _.1700612 MONTG. County, Texas

Responsible Official: LARRY PURCELL Title:MGR. Water Supply Contact Name: CRYSTAL SPRINGS WATER

Mailing Address: PO BOX 603 Porter Texas 77365

(system includes 6 groundwater wells and 3 entry points. The water system serves. \$\sqrt{957}\$

metered connections

A. RAW WATER SAMPLING ()

We / are not required to collect raw water samples.

B. IN-PLANT SAMPLING

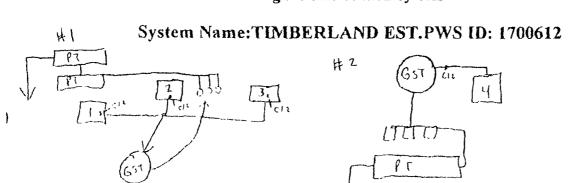
Our treatment is only chlorination / LMI CHEMICAL FEED PUMP @ 5 GAL PER DAY RATEING PER WELL

We use hypoclorite / chlorine to disinfect the water.

C. ENTRY POINT SAMPLING

Entry	Sample Site	Source	Plant Name
Point			
EP001-	Sample tap on WELL HEADER	Gulf Coast Aquifer	WELL1,2,3
	Timberland Blvd.		
EP002	Sample tap on Well Header	Gulf Coast	Well 4
	Erica Ct.		
EP003	Sample Tap On Well Header	Gulf Coast	Well 5, 6
	Rolling Hills Blvd		

1. Disinfectant Entering the Distribution System



Our system uses free chlorine in the distribution system.

- a. Frequency: Disinfectant residual is measured once week.
- b. <u>Location</u>: The residual for the entry point is measured at the sample tap on the Pressure Line entering the tank .c. Chlorine is measured using a colorimeter / DPD; Hach Pocket colorimeter.
 - d. <u>Compliance calculations</u>: The system is in compliance if the free chlorine residual entering the distribution system is over 0.22 mg / L.

2. Organic Chemicals, Inorganic Chemicals, and Radiochemical

- a. <u>Frequency</u>: The TCEQ's sampling contractor collects these samples. Letters informing us of changes in the sampling schedule are attached to the back of this monitoring plan.
- b. <u>Location</u>: The contaminant concentrations for the entry point are measured at the sample tap on the pump header.
- c. <u>Method</u>: Samples are sent to a certified lab (TDH / LCRA) by the TCEQ's sampling contractor.
- d. <u>Compliance Calculations</u>: If the concentratons of contaminants are less than the regulatory maximum contaminant levels, our system is in compliance. The TCEQ will inform us of violations. Copies of any letters informing us of violations will be attached in the back of this monitoring plan.

3. Chlorine Dioxide

We do not use chlorine dioxide.

4. Chlorite

•

We do not use chlorine dioxide.

5. Bromate

We do not use ozone.

D. DISTRIBUTION SYSTEM SAMPLING

The water is disinfected with free chlorine. Held in storage tanks pumped to pressure tanks.

tanks.

The water then goes out to the connection (s) in distribution.

1. Coliform Samples

a. <u>Frequency</u>: We collect one coliform sample on the <u>middle / end</u>

of

each month, so we have time to do repeats, if necessary. We rotate through the sample sites below.

b. Location: The sample is taken from the outside tap at the following locations:

1.21638 Mokenzie Circle West

2 19250 Amy Ln

3.19103 Timberland Blvd

4.10259 Venny Lare

Coliform samples are sent to a nearby lab:

Name of Lab: NORTH WATER DIST LAB

Attn: WENDY Phone:936-321-6060 Mailing / Physical Address: 8725 FAWN TRAIL THE WOODLANDS

- d. Compliance Calculations: The system is in compliance if:
 - no repeat samples are fecal or E. coli positive
 - no repeat following a fecal or E. coli positive routine sample is positive for total
 - coliform
 - no more than one of the routine samples are total coliform positive and none of the repeats are fecal or E. coli positive
- 2. Disinfectant Residual Free Chlorine
 - a. <u>Frequency</u>: The disinfectant residual is measured at the same time as microbial samples. The disinfectant residual is also measured once every seven days, rotating through the sample sites.
 - b. <u>Location</u>: The disinfectant residual is measured at the same place the microbial sample is taken, plus __ additional sites representing the whole distribution system. The other sites are the outside taps
 - c. <u>Method</u>: Chlorine is measured using a colorimeter / DPD; Hach Pocket colorimeter.
 - d. <u>Compliance Calculations</u>: The system is in compliance with the <u>minimum</u> residual requirement if the free chlorine residual throughout the distribution system is always greater than 0.2 mg/L.

The system is in compliance with the <u>maximum</u> residual disinfectant level (MRDL) if the running annual average of all samples taken in the distribution system is less than 4.0 mg/L.

- 3. Disinfection Byproducts (DBPs) TTHM and HAA5
 - a. <u>Frequency</u>: The TCEQ's sampling contractor collects these samples. Letters informing us of changes in sampling schedule are attached to the back of this monitoring plan.
 - b. Location: The sample is collected from the outside tap at 1 site listed above.
 - c. Method: Samples are taken to a certified lab by the TCEQ's sampling contractor.
 - d. <u>Compliance Calculations</u>: The system is in compliance if the running annual average of all samples is less than the maximum contaminant level. The TCEQ will notify us of any violation.
- 4. Lead Copper

)

Our system has / received an "all plastic waiver" from the TCEQ and will no longer be sampled for lead or copper, or our system is not required to collect lead and copper samples.

5. Asbestos

The TCEQ has assessed our system and determined that we have no asbestos concrete pipe or that asbestos is not regulated for our system.

6. Chlorine Dioxide

We do not use chlorine dioxide.

7. Chlorite

3

We do not use chlorine dioxide.



TABLE 2
COMBINED ROLLING HILLS OAKS AND TIMBERLAND ESTATES WATER SYSTEM
CAPACITY RATING & EXPANSION PLAN

	-	Facility Ra	Total		TCEQ SIde		Future Expansion V TCEQ Std/		Total
	Units	ESFC	ESFC	Units	**ESFC	ESFC	Units	ESFC	ESFC
Well Supply	<i>c -</i>	0.0	20		. 0.6	00		0.0	00
Timberland South WP Well # 1, gpm	55	0.6	92	55 82		82 127	55 82	0.6 0.6	92 137
Timberland South WP Well #2, gpm	82	0.6 0.6	137 137	82		137 137	82 82	0.6	137
Timberland South WP Well # 3, gpm	82						328	0.6	547
Timberland North WP Well # 1, gpm	0	0.6	0	,		547 0	200	0.6	333
Timberland North WP Well # 2, gpm	0	0.6	0				41	1,5	27
Rolling Hills Oaks WP Well # 1, gpm	0	0.6				-	54	1.5	36
Rolling Hills Oaks WP Well # 2, gpm	0	0.6	0				Total Control of the		
Total Capacity, gpm	219	0.6	365	642	2 0.6	1,0 7 0	842	0.6	1,403
Ground Storage									
Timberland South GST # 1 Volume, gal	105,000	200	525				105,000	200	525
Timberland North GST # 1 Volume, gal				64,60			64,600	200	323
Timberland North GST # 2 Volume, gal	0	200	0		200		67,240	200	336.2
Total Volume	105,000	200	525	169,60	200	848	236,840	200	1184.2
Booster Pumping Capacity									
Timberland South BP #1, gpm	250	2	125	250	2	125	250	2	125
Timberland South BP #2, gpm	350	2	175				350	2	175
Timberland North BP #1, gpm	0	2	0	47:	5 2	238	475	2	238
Timberland North BP #2, gpm	0	2	0	47	5 2	238	475	2	238
Timberland North BP # 3, gpm	0	2	0) 2	. 0	475	2	238
Total Capacity, gpm	600	2	300	1,55	0 2	775	2,025	2	1013
Hydropneumatic Tank									
Timberland South HPT # 1 Volume, gal	2,500	20	125	2,50	20	125	2,500	20	125
Timberland South HPT # 2 Volume, gal	5,000	20	250				5,000	20	250
Timberland North HPT # 1 Volume, gal	0,000	20	0				6,340	20	317
Timberland North HPT # 2 Volume, gal	0	20	0		0 20		6,340	20	317
Rolling Hills Oaks HPT # 1, gal	0		0	90	0 50	18	900	50	18
Rolling Hills Oaks HPT # 2, gal	0	20	0	1,00	0 50	20	1,000	50	20
Rolling Hills Oaks HPT # 3, gal	0	20	0	1,00		20	1,000	50	20
Total Volume, gal	7,500	20	375	16,74	0	750	23,080		1067
Overall System Capacity, ESFC			300)		750			1013
System Capacity @ TCEQ 85% Rule			255	5		638			861

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

February 25, 2016

CERTIFIED MAIL #7013 3020 0000 9763 8702 RETURN RECEIPT REQUESTED

Mr. Tom A. Martin, President Crystal Springs Water Company, Inc. P.O. Box 603 Porter Texas 77365-0603

Re: Notice of Violation for the Comprehensive Compliance Investigation at:

Timberland Estates, 19135 Timberland Drive, Porter, Montgomery County, Texas Regulated Entity No.: 102670650, TCEQ ID No.:1700612, Investigation No.: 1295358

Dear Mr. Martin:

On December 22, 2015 – January 11, 2016, Ms. Maggie Wright of the Texas Commission on Environmental Quality (TCEQ) Houston Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for Public Water Supply. Enclosed is a summary which lists the investigation findings. During the investigation, certain outstanding alleged violations were identified for which compliance documentation is required. In addition, an Additional Issue was noted. Please submit to this office by June 6, 2016, a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for each of the outstanding alleged violations. Please be advised that a violation could be issued upon further review of your system's records or self-reported documentation.

In the listing of the alleged violations, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at http://www.tceq.texas.gov for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Houston Region Office at Phone (713) 767-3650 or the Central Office Publications Ordering Team at (512) 239-0028.

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

Mr. Tom A. Martin, President Page 2 February 25, 2016

If you or members of your staff have any questions, please feel free to contact Ms. Maggie Wright in the Houston Region Office at (713) 767-3650.

Sincerely,

Latrichia Spikes, Team Leader

Public Water Supply Houston Region Office

LS/MW/ra

cc: Montgomery County Environmental Health Services

Enclosure: Summary of Investigation Findings

TIMBERLAND ESTATES

Investigation #

1295358 Investigation Date: 12/22/2015

, MONTGOMERY COUNTY,

Additional ID(s): 1700612

OUTSTANDING ALLEG DIVIOLATION(S) ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 593872

Compliance Due Date: 06/06/2016

30 TAC Chapter 290.46(s)(1)

Alleged Violation:

Investigation: 1295358

Comment Date. 02/11/2016

Testing Equipment

Failure by the regulated entity to calibrate the well meters required by 30 TAC 290 41(c)(3)(N) according to the manufacturer's specifications at least once every three years.

At the time of the investigation, the operator did not provide a copy of the well meter calibration reports for each well.

Recommended Corrective Action: Submit a copy of the current well meter calibration reports to verify compliance.

Track No: 593878

Compliance Due Date: 04/04/2016

30 TAC Chapter 290.121(a)

Alleged Violation:

Investigation: 1295358

Comment Date: 02/11/2016

Monitoring Plan

Failure to develop and maintain an up to date system monitoring plan. The plan shall identify all bacteriological and chemical locations, describe the sampling frequency, and specify the analytical procedures and laboratories to be used to comply with monitoring requirements. The completed plan must be retained at each water plant, and made available for review during succeeding investigations.

At the time of the investigation, the monitoring plan needed to be updated.

Recommended Corrective Action: Submit a letter certifying that a system monitoring plan has been completed OR a copy of the updated Monitoring Plan to verify compliance.

ALLEGED VIOLATION(S) NOTED AND RESOLVED ASSOCIATED TO A NOTICE OF V O ATION

Track No: 593868

30 TAC Chapter 290.46(f)(3)(D)(ii) 30 TAC Chapter 290.46(m)(1)(A)

Alleged Violation:

Investigation: 1295358

Comment Date: 02/11/2016

Design and Construction of Storage Tanks

Failure to conduct an inspection of the ground storage tanks at least annually, to determine that the vents are in place and properly screened, the roof hatches closed and locked, flap valves and gaskets provide adequate protection against insects, rodents, and other vermin, and that the interior and exterior coating systems are continuing to provide adequate

Description Item 6

Additional Comments 30 TAC, §291.93(3)

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

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

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

Specifically, it is noted on this investigation that your service pump 88%, ground storage tank 95%

and pressure tank 98% has reached their capacities. This was based on 663 connections.

Storese To-14 (-jacob is 10000 gellon,

(105000 of hells the ad 65000 of hells the 4)

Our stores (exact) percen equator to 850 curtomes so current area

Total Pumperc well 5.th # 1 165 gpm

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Printer Corect 15 15, 500 Sellors or corect for 775 Curton. 663 Curtons, (13, 260 gellons requirements 35% cores. 5.

15 35% coroc. 6.

120

Page 3 of 3

Summary of Investigation Finding

Crystal Springs Water Co., Inc.

P. O. BOX 603 PORTER, TEXAS 77365 281-354-5136

December 22, 2014

Leticia DeLeon Team Leader, Public Water Supply Houston Region 12 TCEQ 5425 Polk St., Ste H Houston, TX 77023-1452

RE Failure to submit Compliance Documentation, Tower Glen Systems ID 1700433, Investigation 1210093

Crystal Spring Water Company, Inc.

Leticia:

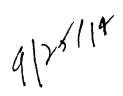
It's hell to get old and forgetful. My employees remind me that they run the company much better when I am not at the office. Maybe that is a hint to retire.

After receiving your letter dated 12/1/14 about noncompliance on the Tower Glen system's meter, I went through my stack of "to do" items and found your letter dated 9/11/14.

Realizing my mistake, I got Larry Purcell to call for meter calibrations. He has not found anyone willing to come calibrate the Tower Glen meter, so he ordered a new meter. It will be installed before January 1, 2015.

Sorry for my forgetfulness.

Bry&n W. Shaw, Ph.D., P.E., Chairman Toby Baker, Commissioner Zak Covar, Commissioner Richard A. Hyde, P.E., Executive Director



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

December 1, 2014

CERTIFIED MAIL #7013 3020 0000 9763 0454 RETURN RECEIPT REQUESTED

Mr. Tom Martin, President Crystal Springs Water Company, Inc. PO Box 603 Porter, Texas 77365-0603

Re:

Failure to Submit Compliance Documentation for:

Tower Glen Estates, Tommy Smith Road, Conroe, Montgomery County, Texas

Regulated Entity No.: 102682648, TCEQ ID No.: 1700433, Investigation No.: 1210093

Dear Mr. Martin:

By letter dated September 11, 2014, the Texas Commission on Environmental Quality (TCEQ) Houston Region Office requested that you submit information to us by October 11, 2014, verifying that the outstanding alleged violation referenced in the letter has been corrected. The alleged violation was noted during the investigation of the above-referenced facility conducted on July 24, 2014. Enclosed for your information is a copy of the letter. As of this date, we have not received from you a written description of the corrective action taken and the required compliance documentation for this alleged violation. Please submit this information to us by no later than January 2, 2015.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and looks forward to receiving your response. Please note that the Legislature has granted TCEQ enforcement powers which we may exercise to ensure compliance with environmental regulatory requirements. If you or members of your staff have any questions, please feel free to contact Ms. Tom in the Houston Region Office at (713) 767-3650.

Sincerely.

Leticia De Leon, Team Leader

Public Water Supply Houston Region Office

LD/DT/ra

cc: Montgomery County Environmental Health Services

Enclosures: Copy of Previous Letter

Summary of Investigation Findings

TOWER GLEN ESTATES

Investigation #

1210093 Investigation Date: 11/21/2014

, MONTGOMERY COUNTY.

Additional ID(s): 1700433

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

Track No: 547329

Compliance Due Date: 10/09/2014

30 TAC Chapter 290.46(s)(1)

Alleged Violation:

Investigation: 1184765

Comment Date: 09/02/2014

Testing Equipment

Failure by the regulated entity to calibrate the well meter required by 30 TAC 290.41(c)(3)(N) according to the manufacturer's specifications at least once every three years. Specifically, a well meter calibration certificate was not provided during the investigation.

Investigation: 1210093

Comment Date: 11/21/2014

Failure by the regulated entity to calibrate the well meter required by 30 TAC 290.41(c)(3)(N) according to the manufacturer's specifications at least once every three years. To date, this violation is unresolved.

Recommended Corrective Action: Submit documentation indicating that the well meter has been calibrated according to the manufacturer's specifications within the past three years to verify compliance.

Bryan W. Shaw, Ph.D., P. E., Chairman

Toby Baker, Commissioner
Zak Covar, Commissioner
Richard A. Hyde, P. E., Executive Director



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 11, 2014

CERTIFIED MAIL #7099 3220 0002 7146 3296 RETURN RECEIPT REQUESTED

Mr. Tom Martin, President Crystal Springs Water Company, Inc. PO Box 603 Porter, Texas 77365-0603

Re: Notice of Violation for the Comprehensive Compliance Investigation at:

Tower Glen Estates, Tommy Smith Road, Conroe, Montgomery County, Texas

Regulated Entity No.: 102682648, TCEQ ID No.: 1700433, Investigation No.: 1184765

Dear Mr. Martin:

On July 24, 2014, Ms. Denise Tom 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. Enclosed is a summary which lists the investigation findings. During the investigation, a certain outstanding alleged violation was identified for which compliance documentation is required. Please submit to this office by October 11, 2014 a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for the outstanding alleged violation.

In the listing of the alleged violation, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled *Obtaining TCEQ Rules* (GI 032) are located on our agency website at http://www.tceq.texas.gov for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Houston Region Office at Phone (713)767-3650 or the Central Office Publications Ordering Team at (512) 239-0028.

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

COPY

TOWER GLEN ESTATES

Investigation #

1184765 Investigation Date: 07/24/2014

, MONTGOMERY COUNTY.

Additional (D(s): 1700433

THE THE PROPERTY OF THE PROPER

Track No: 547329

Compliance Due Date: 10/09/2014

30 TAC Chapter 290.46(s)(1)

Alleged Violation:

Investigation: 1184765

Comment Date: 09/02/2014

Testing Equipment

Failure by the regulated entity to calibrate the well meter required by 30 TAC 290.41(c)(3)(N) according to the manufacturer's specifications at least once every three years. Specifically, a well meter calibration certificate was not provided during the investigation.

Recommended Corrective Action: Submit documentation indicating that the well meter has been calibrated according to the manufacturer's specifications within the past three years to verify compliance.

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

October 28, 2015

Mr. Tom A. Martin, President Crystal Springs Water Company, Inc. PO Box 603 Porter, Texas 77365-0603

Re: Comprehensive Compliance Investigation at:

Tower Woods, on Towerwood Dr., Montgomery County, Texas

Regulated Entity No.: 102683984, TCEQ ID No.: 1700289, Investigation No.: 1281930

Dear Mr. Martin

On September 30, 2015, Ms. Christina Bernal 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. Christina Bernal in the Houston Region Office at (713) 767-3650.

Sincerely,

Julia Thorp, Team Leader Public Water Supply Houston Region Office

JT/CB/ra

c: Montgomery County Environmental Health Services



August 29, 2014

Leticia DeLeon, Team Leader Public Water Supply Houston Region Office TCEQ Region 12 5425 Polk St. Suite H Houston, Texas 77023-1452

RE: Inspection 1152312

Western Hill RN 102670809 ID #1700629

Leticia;

I appreciate your representative, Mary Hopkins meeting with my operating systems representative, (President & General Manager) Larry Purcell on June 4, 2014 to inspect our Western Hills System.

The violation, failure to verify the accuracy of the manual disinfectant residual analyzer at least every 90 days by calibration with a chlorine solution has been corrected. See attached completed meter calibration request. We will continue to do this on a quarterly basis for all our systems.

If anything else is needed, please let me know.

Sincerely,

Crystal Springs Water Co., Inc.

NWDLS

concentration

2110

0.21

0.88

1.60

Blank

5401

Std 2

Std 3

Tolerance

0.19+1-009

0.83 +1-0.10

1.50 +1-014

zero

NORTH WATER DISTRICT LABORATORY SERVICES, INC.

8725 Fawn Trail • The Woodlands, Texas 77385 936)321-6060 • fax (936)321-6061 • email· lab@nwdls.com

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BIAIL

Std 1

Stel 2

Std 3

Tolerance

gnitz 22.1 1/. 02

38 +/- 0.3

6.7 1/- 0128

CIZ DOMETER CALIBRATION REQUEST

Name: Larry Purcell (Person requesting calibration)	Phone: 834-473-626
Company: Crystal Sprinss hater	Date: 8-25-14 (Drop Off)
District to Bill: Same ((If applicable)	Model: Hack
PLEASE NOTE - YSI DO200 NEEDS CAP I	N ORDER TO CALIBRATE
DO: Temp.:	Calibration %:
Notes: Meter was shelted with a Low Secondary 5th Lit. All reading w Std. (commentions. Meter seem	range and High Ronge here with in range of is to working properly
Tech: AFTUR RUZO	•
Time/Date Calibrated: 8/26/14 @ 1145	
R CM. 26353-00 LC+: A4133 HR	Cont. 28933-00 Lot: 43141

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

October 21, 2014

Mr. Tom A. Martin, President Crystal Springs Water Company Inc. PO Box 603 Porter, Texas 77365-0603

Re:

Notice of Compliance with Notice of Violation (NOV) dated July 17, 2014: Western Hills Crystal Springs Water, 15795 Sage Brush Ct, Porter, County, Texas RN102670809, TCEO ID No. 1700629, Investigation No. 1202547

Dear Mr. Martin:

On September 2, 2014, the Texas Commission on Environmental Quality (TCEQ) Houston Region Office received adequate compliance documentation to resolve the alleged violation documented during the investigation of the above-referenced regulated entity conducted on June 4, 2014. Based on the information submitted, no further action is required concerning this investigation

The Texas Commission on Environmental Quality 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, please feel free to contact Ms. Mary Hopkins in the Houston Region Office at (713) 767-3650.

Sincerely,

Leticia De Leon, Team Leader

Public Water Supply Houston Region Office

LD/MVH/ra

Enclosure: Summary of Investigation Findings

cc: Montgomery County Environmental Health Services

WESTERN HILLS CRYSTAL SPRINGS WATER

Investigation #

1202547 Investigation Date: 10/10/2014

, MONTGOMERY COUNTY,

Additional ID(s): 1700629

AFFEGED VIOLATION(S) NOTED AND RESOLVED ASSOCIATED TO A NOTICE OF VIOLATION

Track No: 540924

30 TAC Chapter 290.46(s)(2)(C)(i)

Alleged Violation:

Investigation. 1152312 Comment Date: 07/14/2014

Failure by the regulated entity to verify the accuracy of the manual disinfectant residual analyzer at least once every 90 days by calibrating it with chlorine solutions of a known concentration.

At the time of the investigation, no documentation was provided that the results of the chlorine analyses were being checked for accuracy.

Investigation: 1202547 Comment Date: 10/10/2014

Failure to verify the accuracy of the chlorine meter.

Recommended Corrective Action: Provide documentation demonstrating that the accuracy of the chlorine analyzer is being verified at least every 90 days.

Resolution: On September 2, 2014, the Region 12 Office received documentation demonstrating compliance.

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



Hando Jours TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

July 17, 2014

CERTIFIED MAIL #7012 1640 0001 7339 0390 RETURN RECEIPT REQUESTED

Mr. Tom A. Martin, President Crystal Springs Water Company Inc. P.O. Box 603 Porter, Texas 77365-0603

Re: Notice of Violation for the Comprehensive Compliance Investigation at:

Western Hills Crystal Springs Water, 15795 Sage Brush Ct, Porter, County, Texas RN102670809, TCEO ID No. 1700629. Investigation No. 1152312

Dear Mr. Martin:

On June 4, 2014, Ms. Mary Hopkins of the Texas Commission on Environmental Quality (TCEQ) Houston Region Office conducted an investigation of the above-referenced regulated entity to evaluate compliance with applicable requirements for Public Water Supply. Enclosed is a summary which lists the investigation findings. An outstanding alleged violation was identified for which compliance documentation is required. Please submit to this office by September 2, 2014, a written description of corrective action taken and the required documentation demonstrating that compliance has been achieved for the outstanding alleged violation.

In the listing of the alleged violation, we have cited applicable requirements, including TCEQ rules. Please note that both the rules themselves and the agency brochure entitled Obtaining TCEQ Rules (GI 032) are located on our agency website at http://www.tceq.texas.gov for your reference. If you would like a hard copy of this brochure mailed to you, you may call and request one from either the Houston Region Office at Phone (713)767-3650 or the Central Office Publications Ordering Team at (512)239-0028.

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

If you or members of your staff have any questions, please feel free to contact Ms. Mary Hopkins in the Houston Region Office at (713)767-3650.

Mr. Tom A. Martin July 17, 2014 Page 2

Sincerely,

Leticia De Leon, Team Leader Public Water Supply Houston Region Office

LD/ MVH/kc

cc: Montgomery County Environmental Health Services

Summary of Investigation Findings Enclosures:

WESTERN HILLS CRYSTAL SPRINGS WATER

Investigation #

1152312 Investigation Date: 06/04/2014

, MONTGOMERY COUNTY,

Additional ID(s): 1700629

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

Track No: 540924

Compliance Due Date: 09/02/2014

30 TAC Chapter 290.46(s)(2)(C)(i)

Alleged Violation:

Investigation: 1152312

Comment Date 07/14/2014

Failure by the regulated entity to verify the accuracy of the manual disinfectant residual analyzer at least once every 90 days by calibrating it with chlorine solutions of a known concentration.

At the time of the investigation, no documentation was provided that the results of the chlorine analyses were being checked for accuracy.

Recommended Corrective Action: Provide documentation demonstrating that the accuracy of the chlorine analyzer is being verified at least every 90 days

WESTERN HILLS CRYSTAL SPRINGS WATER

Investigation #

1152312 Investigation Date: 06/04/2014

, MONTGOMERY COUNTY,

Additional ID(s): 1700629

OUTSTANDING ALEGED VIOUATION(S) ASSOCIATED TO AT TOTH GEODEVIOLATION OF LEGISLATION

Track No: 540924 Compliance Due Date: 09/02/2014

30 TAC Chapter 290.46(s)(2)(C)(i)

Alleged Violation:

Investigation: 1152312 Comment Date: 07/14/2014

Failure by the regulated entity to verify the accuracy of the manual disinfectant residual analyzer at least once every 90 days by calibrating it with chlorine solutions of a known concentration.

At the time of the investigation, no documentation was provided that the results of the chlorine analyses were being checked for accuracy.

Recommended Corrective Action: Provide documentation demonstrating that the accuracy of the chlorine analyzer is being verified at least every 90 days.

WESTERN HILLS CRYSTAL SPRINGS WATER

Investigation #

1152312 Investigation Date: 06/04/2014

, MONTGOMERY COUNTY,

Additional ID(s): 1700629

Track No: 540924

Compliance Due Date: 09/02/2014

30 TAC Chapter 290.46(s)(2)(C)(i)

Alleged Violation:

Investigation: 1152312

Comment Date: 07/14/2014

Failure by the regulated entity to verify the accuracy of the manual disinfectant residual analyzer at least once every 90 days by calibrating it with chlorine solutions of a known concentration.

At the time of the investigation, no documentation was provided that the results of the chlorine analyses were being checked for accuracy.

Recommended Corrective Action: Provide documentation demonstrating that the accuracy of the chlorine analyzer is being verified at least every 90 days.

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





TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 25, 2015

Tom A. Martin, President Crystal Springs Water Company, Inc. PO Box 603 Porter, Texas 77365-0603

Re: Comprehensive Compliance Investigation at:

Whispering Pines, FM 1485 @Nightingale Dr., Conroc, Montgomery County, Texas

Regulated Entity No.: 102690740

TCEQ ID No.: 1700066 Investigation No.: 1280406

Dear Mr. Martin:

On September 9, 2015, Ms. Kathryn Roeder, 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. Roeder, in the Houston Region Office at (713) 767-3650.

Sincerely,

for Julia Thorp, Team Leader

Public Water Supply Houston Region Office

JT/KR/mar

cc: Montgomery County Environmental Health Services

Prv in W. Shav, Ph.D. P.F. Chairing, Toby Ballet, Commissioner Zik Covat Commissioner Richard A. Hide, I.A. Receptive Duy, 19

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Posteriory Lexis by Rydnema well Presentate Polymen.

March 25, 2015

Mr. Tom Martin, President Crystal Springs Water Company, Inc. P.O. Box 603 Porter, Texas 77365-0603

Re: Notice of Compliance with Notice of Violation (NOV) dated October 10, 2014:

White Oak Hills, 11720B Oak Moss Ln, Willis, Montgomery County, Texas

Regulated Entity No.: 102671518, TCEQ ID No.: 1700613, Investigation No.: 1239098

Dear Mr. Martin:

On March 12, 2015, the Texas Commission on Environmental Quality (TCEQ) Houston Region Office received adequate compliance documentation to resolve the alleged violations documented during the investigation of the above-referenced regulated entity conducted on August 28, 2104. Based on the information submitted, no further action is required concerning this investigation.

The Texas Commission on Environmental Quality 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, please feel free to contact Ms. Denise Ehrlich, in the Houston Region Office at (713) 767-3650.

Sincerely,

Leticia De Leon, Team Leader

Public Water Supply Houston Region Office

LD/DE/mar

Enclosure: Summary of Investigation Findings

ce: Montgomery County Environmental Health Services

Summary of Investigation Findings

WHITE OAK HILLS

Investigation #

1239098 Investigation Date: 03/13/2015

, MONTGOMERY COUNTY,

Additional ID(s): 1700613

ALLEGED VIOLATION(S) NOTED AND RESOLVED

Track No: 549938

30 TAC Chapter 290.45(b)(1)(A)(i)

Alleged Violation:

Investigation 1192319

Comment Date 10/07/2014

Capacity Requirement

Failure to provide minimum well capacity of 0 6 gallons per minute per connection.

At the time of the inspection the facility had a total of 90 active connections and is required to provide 0.6 gallons per minute (gpm) per connection (conn). Your well produced a total of 44 gpm and is short a total of 10 gpm. This is calculated in the following manner.

0 6 gpm /conn X 90 conn. = 54 gpm Required

54 gpm Required - 44 gpm Produced = 10 gpm Short

Your water system must be modified to meet this requirement to assure an adequate supply of water at all times.

Please be advised that public water systems shall notify the executive director prior to making any significant change or addition to the system's production, treatment, storage, or distribution facilities. Public water systems shall submit plans and specifications for the proposed changes upon request.

The water system may request an exception to these requirements by writing to TCEQ, Water Supply Division, Public Drinking Water Section, Technical Review & Oversight, MC 159, P.O. Box 13087, Austin, TX 78711-3087; phone: (512) 239-4691.

Investigation: 1239098

Comment Date: 03/13/2015

Failure to provide minimum well capacity of 0 6 gallons per minute per connection

Recommended Corrective Action: Submit a compliance plan

Resolution: Documentation was received on March 12, 2015 via email indicating that well #1 was placed back into service and that well #1 produced 54 gpm.

Track No: 549939

30 TAC Chapter 290.46(s)(1)

Alleged Violation:

Investigation 1192319

Comment Date 10/07/2014

Testing Equipment

Failure by the regulated entity to calibrate the well meter required by 30 TAC 290 41(c)(3)(N) according to the manufacturer's specifications at least once every three years. Specifically, a well meter calibration, to according to the investigation.

Investigation: 1239098

Comment Date: 03/13/2015

Failure by the regulated entity to calibrate the well meter required by 30 TAC 290.41(c)(3)(N) according to the manufacturer's specifications at least once every three years.

Summary of Investigation Findings

Hervar W. Shaw Ph.D. Chairman Buddy Garery Commissioner Carlos Rubinstein, Commissioner Mark R. Vakery, P.G. Lycentric Director

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Proceeding Polluton

May 9, 2011

Mr Tom Martin, President Crystal Springs Water Company, Inc. P. O. Box 603 Porter, Texas 77356-0603

Re: Compliance Evaluation Investigation at:

Winchester Place, Ferne Drive off FM 1314, Porter, Montgomery County, Texas TCEQ ID No. 1700466, Investigation No. 908448.

Dear Mr. Martin:

On April 05, 2011, Mr. Miguel Galvan 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.

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 Mr. Miguel Galvan in the Houston Region Office at 713-767-3650.

Sincerely,

Leticia De Leon, Team Leader

Public Water Supply Houston Region Office

LD/MG/pt

cc: Montgomery County Environmental Health Services

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 18, 2015

Mr. Tom A. Martin, President Crystal Springs Water Company, Inc. PO Box 603 Porter, Texas 77365-0603

Re: Comprehensive Compliance Investigation at:

Woodridge Estates Water System, FM 1314 @Woodridge Circle, Conroe, Montgomery

County, Texas

Regulated Entity No.: 102679099

TCEQ ID No.: 1700075 Investigation No.: 1280248

Dear Mr. Martin:

On September 9, 2015, Ms. Kathryn Roeder, 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; however, please see the attached Additional Issues. 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. Roeder, in the Houston Region Office at (713) 767-3650.

Sincerely,

Júlia Thorp, Team Leader Public Water Supply Houston Region Office

JT/KR/mar

Enclosure: Summary of Investigation Findings

ce: Montgomery County Environmental Health Services

Summary of Investigation Findings

WOODRIDGE ESTATES WATER SYSTEM

Investigation #

1280248 Investigation Date: 09/09/2015

, MONTGOMERY COUNTY,

Additional ID(s): 1700075

No Violations Associated to this Investigation

ADDITIONAL ISSUES

Description Item 1

Additional Comments

30 TAC, §291.93(3) Adequacy of Water Utility Service Failure, by a retail public utility that possesses a certificate of public convenience and necessity that has reached 85% of its capacity as compared to the most restrictive criteria of the commission's minimum capacity requirements in Chapter 290 T.A.C., to submit to the executive director a planning report that clearly explains how the retail public utility will provide the expected service demands to the remaining areas within the boundaries of its certificated area. A report is not required if the source of supply available to the utility service provider is reduced to below the 85% level due to a court or agency conservation order unless that order is expected to extend for more than 18 months from the date it is entered in which case a report shall be required.

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

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

Specifically, it is noted on this investigation that your well has reached 86 % of its capacity. This was based on 23 connections.

Compliance Documentation Submit a planning report or waiver request within 90 days to TCEQ, Water Supply Division, Public Drinking Water



September 23, 2015

Julia Thorp
Team Leader, PWS
TCEQ Region 12
5425 Polk St. St. H
Houston, Texas 77023-1452

RI: Violation

Woodridge Estates Water System, ID 1700075, Reg. Fntity #102679099

Ms Thorp.

We appreciate the visit from Ms. Kathryn Roeder, meeting with our President General Manager, Larry Purcell to inspect our water system, Woodridge Estates, ID 1700075.

Regarding Item #1 the 85% criteria, this is an old system that has never had more than 24 customers, and will never reach the 100^{6} capacity range. We will submit a waiver request within the next 60 days.

Regarding Item #2, we will begin treating our water production to reduce the level of manganese and iron to acceptable levels. This chemical treatment will be installed within 60 days.

Thank you for your help. Crystal Springs Water Co., Inc. continues to strive for 100% compliance on all our systems.

sin ordy.

Tom A Martin, CEO Crystal Springs Water Co., Inc.

3

ATTACHMENT "K" EFFECT OF GRANTING A CERTIFICATE

CRYSTAL SPRINGS WATER CO., INC.

ATTACHMENT K

EFFECT OF GRANTING A CERTIFICATE

The effect of granting amended water and sewer certificates to Crystal Springs Water Co., Inc. would be to allow the development of a residential area in Montgomery County. There are no other retail utilities in the proximate area that can supply the water or sewer requirements of the proposed development.

ATTACHMENT "L" ABILITY TO PROVIDE ADEQUATE SERVICE

CRYSTAL SPRINGS WATER CO., INC.

ATTACHMENT L

ABILITY TO PROVIDE SERVICE

Crystal Springs Water Co., Inc. has been in the utility business since 1977, successfully providing high quality water and wastewater service to over 3200 current customers in 24 different neighborhoods in Montgomery and Walker Counties. Crystal Springs Water Co., Inc. proposes to build and grow the proposed Monterrey Oaks subdivision system in the same way that it has built and grown its other water systems. Crystal Springs Water Co., has a good operations, maintenance and performance record with TCEQ and plans to operate this new system in the same manner.

ATTACHMENT "M"

PRO FORMA CONSTRUCTION COST ESTIMATE PROFIT/LOSS STATEMENT BALANCE SHEET LONG TERM LOAN LIABILITIES FINANCIAL ASSURANCE FORM

CRYSTAL SPRINGS WATER CO., INC.

FINANCIAL ASSUMPTIONS AND DATA FOR CCN AMENDMENT APPLICATION FOR MONTERREY OAKS SUBDIVISION BY CRYSTAL SPRINGS WATER CO., INC.

INCOME AND EXPENSE

Development Rate, New Connections/Month =	5.0					
Maximum Number of Connections =	240					
AVERAGE ANNUAL WATER USE/EQUIV. CONN	225	GAL/DAY				
AVERAGE ANNUAL WATER USE/EQUIV. CONN. =	6.750	GALMONTH				
BASE WATER RATE =	\$43.80	Gal Included	-	Plus	\$3.33	/1000 GAL
WATER CONSERVATION RATE =	\$0.00	Gal in Excess	of	•	Gat/Month	
SEWER RATE =	\$30,00	Gal Included	•		\$2.50	
EXCESS SEWER USE RATE =		/Gal in Excess	s of		Gal/Month	
AVERAGE MONTHLY WATER/SEWER BILL/CONN. =	\$113,15					
Water Tap Fee =	\$900,00					
Sewer Tap Fee =	\$600.00					
BAD DEBTS =	1.00%	OF SALES				
CAPITAL INVESTMENT SCHEDULE (CUMMULATIVE)	FY1		FY3	FY4	FY5	
WATER PLANT CONSTRUCTION COST =	\$400,000		\$400,000	\$400,000	\$500,000	
WWTP CONSTRUCTION COST =	\$800,000		\$800,000	\$800,000	\$800,000	
WATER DISTRIBUTION SYSTEM CONSTRUCTION COST =	\$120,000		\$240,000	\$240,000		
SEWAGE COLLECTION SYSTEM CONSTRUCTION COST =	\$300,000		\$480,000	\$480,000		
TOTAL SYSTEM CONSTRUCTION COST =	\$1,620,000		\$1,920,000	\$1,920,000	\$2,020,000	
CONTRIBUTIONS IN AID OF CONSTRUCTION =	\$0	\$0	\$0	\$0	\$0	
NET SYSTEM CAPITAL COST TO UTILITY .	\$1,620,000	\$1,740,000	\$1,920,000	\$1,920,000	\$2,020,000	
SALVAGE VALUE =	\$0	\$0	\$0	\$0	\$0	
AVG LIFE, YEARS =	48	48	48	48	48	
DEPRECIATION/MONTH =	\$2,813	\$3,021	\$3,333	\$3,333	\$3,507	

VARIABLE OPERATING COSTS

	v	MUNDER OLEVAIN	10 00	3/3
EMPLOYEE SALARIES =	\$1,000	/Mo. Plus	\$0.00	/CONNECTION
OFFICE EXPENSE COST =	\$100	/Mo. Plus	\$1.00	/CONNECTION
CUSTOMER BILLING/COLLECTION COST =	\$100	Mo. Plus	\$3.00	/CONNECTION
OPERATOR COST =	\$1,500	/Mo. Plus	\$1,00	/CONNECTION
VEHICLE & EQUIPMENT COST =	\$500	/Mo. Plus	\$1.00	/CONNECTION
ELEC, COST =	\$500	/Mo. Plus	\$2.00	/CONNECTION
CHEMICAL COST =	\$50	/Mo. Plus	\$1.00	/CONNECTION
SLUDGE DISPOSAL COST =	\$100	/Mo. Plus	\$2.50	/CONNECTION
TCEQ PERMIT FEES =	\$50	/Mo. Plus	\$1.00	/CONNECTION
REPAIR COST/MO., % CAP =	0.10%	Of invested Capital		
RESERVE ACCT DEPOSIT/MO., % CAP =	0.10%	Of Invested Capital	1	

· · · · · · · · · · · · · · · · · · ·	'IXEU UPERA I	ING COSTS		
LABORATORY COST =	\$500	/Mo. Plus	\$0.50	/CONNECTION
PROFESSIONAL FEES =	\$500	Mo. Plus	\$0.50	CONNECTION
EFFECTIVE LOCAL TAX RATE =	\$0.75	/\$100		
LIAB/PROP INSURANCE =	\$0.75	/\$100		

Fisca	l Year	Seasonal Use	Projected Use	M	Projected onthly Cost	Projected Monthly
Month		Multiplier	GaVDay	for \	Vater/Sewer	BIII (°)
1	JAN	0.65	146	\$	100.23	\$101,23
2	FEB	0.65	148	\$	97,67	\$96.65
3	MAR	0.75	169	\$	104.30	\$105.34
4	APR	1.00	225	\$	113.15	\$114.28
5	MAY	1.20	270	\$	122.60	\$123.52
6	JUN	1.35	304	\$	126.93	\$128.20
7	JUL	1.35	304	\$	128.70	\$129.98
8	AUG	1.35	304	\$	128.70	\$129.98
9	SEP	1.20	270	\$	121,02	\$122,23
10	OCT	1.10	248	5	118.53	\$119.72
11	NOV	0.75	169	\$	103,31	\$104.35
12	DEC	0.65	148	\$	100.23	\$101.23
	SUMMATION	12.00	225.00		\$1,365.37	\$1,379.03

(*) Including 1% TCEQ Regulatory Assessment (Sales Tax)

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PROJECTED INCOME & EXPENSE STATEMENT FOR CCN AMENDMENT APPLICATION FOR MONTERREY OAKS SUBDIVISION BY CRYSTAL SPRINGS WATER CO., INC.

		NN.	FEB	M		APR		MAY		JUN		JUL		AUG		SEP	•	OCT		NOV		DEC	TOTAL
TOTAL ON-LINE CONNECTIONS.	-	.0	10.0	15		20.0		25.0		30.0		35.0		40.0		45.0		50.0		55.0		5 0.0	390
Seasonal Multiplier, mo. avg/ annual avg	0.0	-	0.65	0.7	-	1.00		1.20		1.35		1.35		1.35		1.20		1.10		0.75		0.65	12.00
Monthly Water Use/Customer, Gal	4,5	4	4,095	5,23	11	6,750		8,370		9,113		9,416		9,418		8,100		7,673		5,063		4,534	
Monthly Water Use in Base Rate, Gal	-		-	-		-		-		•		-		-		-		-		-		-	
Monthly Water Use Subject to Water Charge, Gal	4,53		4,095	5,23		6,750		8,370		9,113		9,416		9,418		8,100		7,673		5,063		4,534	
Monthly Water Income Per Customer, \$	\$ 58.9	1G \$	57.44	\$ 61.2	2 \$	66.28	\$	71.67	\$	74.14	\$	75,18	\$	75.16	\$	70.77	\$	89.35	\$	60.68	\$	58.90	\$ 799.64
Monthly Sewer Use in Base Rate, Gal	-		•			-		-		•		-		-		-		-		-		-	
Monthly Sewer Use Subject to Sewer Charge, Gal	-		•	-		-		-		•		•		•		-		•		-		-	
Monthly Sewer Income Per Customer, \$	\$ 41.3	3 \$	40.24	\$ 43.0	6 5	46.88	\$	50.93	\$	52.78	\$	53,54	\$	53.54	\$	50.25	\$	49.18	\$	42.86	\$	41.33	\$ 565.73
Monthly Water Bill, \$	\$ 100.2	3 \$	97.67	\$ 104.3	0 \$	113.15	\$	122.60	\$	126.93	\$	128.70	\$	128.70	\$	121.02	\$	118.53	\$	103.31	\$	100.23	\$ 1,365.37
Total Monthly Water Pumped, Gal	22,66	9	40,950	78,46	8	135,000		209,250	2	73,375		329,560		376,650		364,500		383,625		278,438		272,025	2,764,519
GROSS WATER/SEWER USE INCOME	\$50	1	\$977	\$1,56	4	\$2,263		\$3,065	:	\$3,808		\$4,504		\$5,148		\$5,448		\$5,927		\$5,682		\$8,014	\$44,899
RESERVE FOR BAD DEBTS	1	5	\$10	\$1	6	\$23		\$31		\$38		\$45		\$51		\$54		\$59		\$57		580	\$449
WATER/SEWER INCOME (ADJUSTED)	\$49	8	\$967	\$1,54	9	\$2,240		\$3,034		3,770		\$4,459		\$5,096		\$5,392		\$5,867		\$5,625		\$5,954	\$44,450
TAP FEE INCOME	\$7,50	0	\$7,500	\$7,50	0	\$7,500		\$7,500	•	7.500		\$7,500		\$7,500		\$7,500		\$7,500		\$7,500		\$7,500	\$50,000
TOTAL MONTHLY INCOME	\$7,99	6	\$8,467	\$9,04	9	\$9,740		\$10,534	\$1	1,270	:	\$11,959	:	\$12,596	;	\$12,892		\$13,367		\$13,125		\$13,454	\$134,450
EXPENSE																							
GENERAL & ADMINISTRATIVE																							
OFFICE EXPENSE	\$10	5	\$110	511	5	\$120		\$125		\$130		\$135		\$140		\$145		\$150		\$155		\$160	\$1,590
EMPLOYEE SALARIES	\$1,00	D	\$1,000	\$1,00)	\$1,000		\$1,000	5	1.000		\$1,000		\$1,000		\$1,000		\$1,000		\$1,000		\$1,000	\$12,000
PROFESSIONAL FEES	\$50	3	\$505	\$50	9	\$510		\$513	•	\$515		\$518		\$520		\$523		\$525		\$528		\$530	\$8,195
INSURANCE	\$1,01	3	\$1,013	\$1.01	3	\$1,013		\$1,013	5	1.013		\$1,013		\$1,013		\$1,013		\$1.013		\$1,013		\$1,013	\$12,150
ADVALOREM TAXES	\$1,01		\$1,013	\$1.01		\$1,013		\$1,013		1.013		\$1,013		\$1,013		\$1,013		\$1.013		\$1,013		\$1.013	\$12,150
TCEO PERMIT FEES	\$5		\$80	\$8		\$70		\$75	•	\$80		\$85		\$90		\$95		\$100		\$105		\$110	\$990
MONTHLY GEA	\$3.68		\$3,700	\$3.71		\$3,725		\$3,738	\$	3.750		\$3,783		\$3,775		\$3,788		\$3,800		\$3,813		\$3,825	\$45,075
OPERATIONS			•-,	••••		4-1 ,		,	•	-,		4-4.		4-4 - 1-		•-,		,		,		40,000	0.040.2
OPERATOR COST	\$1,50	5	\$1,510	\$1.51	.	\$1,520		\$1,525	\$	1.530		\$1,535		\$1,540		\$1,545		\$1,550		\$1.555		\$1,580	\$18,390
VEHICLE & EQUIPMENT COST	\$50		\$510	\$51		\$520		\$525	-	\$530		\$535		\$540		\$545		\$550		\$555		\$560	\$6,390
CUSTOMER BILLING COST	\$11		\$130	\$14		\$160		\$175		\$190		\$205		\$220		\$235		\$250		\$265		\$280	\$2,370
ELECTRICITY	\$510	_	\$520	\$530	-	\$540		\$550		\$560		\$570		\$580		\$500		\$600		\$610		\$820	\$6,780
CHEMICAL COST	\$5		\$80	\$85		\$70		\$75		580		\$85		\$90		\$95		\$100		\$105		\$110	1990
SLUDGE DISPOSAL COST	\$11		\$125	\$13		\$150		\$163		\$175		\$188		\$200		\$213		\$225		\$238		\$250	\$2,175
TAP MAT'L & FIELD LABOR COST	\$5,62		\$5,625	\$5,82		\$5.825		\$5.625		5.825		\$5.625		\$5,625		\$5.625		\$5.825		\$5.825		\$5,625	\$67,500
REPAIR COSTS	\$1,62		\$1,620	\$1,620		\$1,620		\$1,620		1.620		\$1,620		\$1,620		\$1,620		\$1.820		\$1,620		\$1,620	\$19,440
CONTRIBUTION TO RESERVE ACCT	\$1,620		\$1,620	\$1,620		\$1,620		\$1,820		1,620		\$1,620		\$1,620 \$1,620		\$1,620		\$1,820		\$1,620		•	
MONTHLY O & M COST	\$11,68		\$1,020 \$11,720	\$1,02		\$1,020 \$11,825		\$1,0 <i>2</i> 0 \$11,878		1,020 1,9 30		\$1,020 11,9 83		31,020 12,035		12,088						\$1,620	\$19,440
MONTHLI O DIM COST	\$11,000	•	\$11,720	\$11,773		311,023	•	¥11,878	31	1,830	•	111,883	•	12,035	•	12,008	•	12,140	•	12,193	3	12,245	\$143,475
TOTAL MONTHLY EXPENSE	\$15,35		\$15,420	\$15,485		\$15,550		\$15,615	\$1:	5,680	_\$	15,745	_\$	15,810	\$	15,875	5	15,940		16,005	_1	16,070	 \$188,550
NET INCOME OR EXPENSE/MONTH	(\$7,359)	(\$6,953)	(\$5,436)	(\$5,810)		(\$5,081)	(\$4	4,410)	ŧ	(\$3,786)	(\$3,214)	(\$2,983)	(\$2,573)	(\$2,800)	((\$2,616)	(\$54, 100)

PROJECTED INCOME & EXPENSE STATEMENT FOR CCN AMENDMENT APPLICATION FOR MONTERREY OAKS SUBDIVISION BY CRYSTAL SPRINGS WATER CO., INC.

TOTAL ON-LINE EQUIVALENT CONN.		JAN		FEB 70	MAI		APR		MAY		NUL	ì	JUL		AUG		SEP		ОСТ	•	NOV		DEC		TOTAL
Sessonal Multiplier, mo, avo/ annual avo		65 0.65		0.65	75 0.75		80 1.00		85 1.20		90 1.35		95 1.35		100 1,35		105		110		115		120		1,110
Monthly Water Use/Customer, Gal		U.05 1,534		0.05	5,231		6.750		8,370		9,113		9,416		9,416		100		1.10 7,673		0.75 5,053		0,65 4,534		12.00
Monthly Water Use in Bese Rate, Gal	•	1,334	•	-	3,231		0,750		0,310		W, 113		3,410		9,410	٥,	100		1,013		5,003		4,034		
Monthly Water Use Subject to Surcharge, Gal		1.534	4	.095	5.231		6.750		8.370		9.113		9.416		9.416		100		7,873		5,063		4,534		
Monthly Water Income Per Customer, \$		8.90		7.44	\$ 61.22		56.28	\$	71.67		74.14	\$	75.18		75.18			s	69.35	5	50.58	\$	58.90	2	799.64
Monthly Sewer Use in Base Rate, Gal	•	~	• •		¥ 01.22	•	-	•	7 1.07	•	-	•	75.10	•	13.10		-	•	00,55	•	00.00	•	50.50	•	/ 53.64
Monthly Sewer Use Subject to Sewer Charge, Gal	4	.534	4	.005	5.231		6,750		8.370		9.113		9.416		9.416		100		7.673		5,063		4.534		
Monthly Sewer Income Per Customer, \$		0.00		•	\$ 30.00	\$	30.00	\$	30.00	2	30.00	\$	30.00	\$	30.00			\$	30.00	s	30.00	s		s	360.00
Monthly Water Bill, \$		8.90		7.44	\$ 91.22		96.28	š	101.67	š	104.14	Š	105.16	Š	105.16	\$ 100		Š	99.35	š	90.66	š	88.90	Š	1,159.64
Total Monthly Water Pumped, Gal		.894	288		392,344	•	540,000	•	711.450	•	820,125	•	894,544	•	941.625	850.5		•	H3.975	•	582,188	•	544.050	•	7.702.144
GROSS WATER/SEWER USE INCOME		.778		.121	\$8,842		\$7,702		\$8,542		\$9,373		\$8,990		\$10,516	\$10.			10.928		10.426		\$10.868		\$107,566
RESERVE FOR BAD DEBTS		\$58	•	561	\$88		\$77		\$86		\$04		\$100		\$105		108		\$109		\$104		\$107		\$1,078
WATER/SEWER INCOME (ADJUSTED)	\$5	,721	\$6,	,059	\$6,773		\$7,825		\$8,558		\$9,279		\$9,890		\$10,410	\$10.4	175	5	10,819	9	10.321		\$10,561		\$106,490
TAP FEE INCOME	\$7	.500	\$7.	500	\$7,500		\$7,500		\$7,500		\$7,500		\$7,500		\$7,500	\$7.5	i00	•	\$7,500		\$7,500		\$7,500		\$90,000
TOTAL MONTHLY INCOME	\$13	221	\$13,	,559	\$14,273		\$15,125		\$16,056		\$16,779		\$17,390		\$17,910	\$17,9			18,319		17,821	:	\$18,061		\$196,490
EXPENSE																									
GENERAL & ADMINISTRATIVE																									
OFFICE EXPENSE	5	165	\$	170	\$175		\$180		\$185		\$190		\$195		\$200	\$2	05		\$210		\$215		\$220		\$2,310
EMPLOYEE SALARIES	\$1	,000	\$1,	000	\$1,000		\$1,000		\$1,000		\$1,000		\$1,000		\$1,000	\$1,0	00		\$1,000		\$1,000		\$1,000		\$12,000
PROFESSIONAL FEES	\$	533	\$	535	\$538		\$540		\$543		\$545		\$548		\$550	\$5	53		\$555		\$558		\$560		\$8,555
INSURANCE	\$1,	,088	\$1,	880	\$1,068		\$1,088		\$1,088		\$1,088		\$1,088		\$1,088	\$1,0	68		\$1,088		\$1,068		\$1,088		\$13,050
ADVALOREM TAXES	\$1,	880,	\$1,	880	\$1,068		\$1,068		\$1,088		\$1,088		\$1,088		\$1,088	\$1.0	68		\$1,088		\$1,088		\$1,088		\$13,050
TCEQ PERMIT FEES	5	115	\$	120	\$125		\$130		\$135		\$140		\$145		\$150	\$1	55		\$160		\$165		\$170		\$1,710
TOTAL GEA	\$3,	988	\$4,	000	\$4,013		\$4,025		\$4,038		\$4,050		\$4,063		\$4,075	\$4,0	58		\$4,100		\$4,113		\$4,125		\$48,675
OPERATIONS																									
OPERATOR COST		555		570	\$1,575		\$1,580		\$1,585		\$1,590		\$1,595		\$1,800	\$1,6	35	5	1,610	:	\$1,615		\$1,620		\$19,110
VEHICLE & EQUIPMENT COST	\$	565		570	\$575		\$580		\$585		\$500		\$595		\$600	\$8	25		\$610		\$615		\$620		\$7,110
CUSTOMER BILLING COST		295	•	310	\$325		\$340		\$355		\$370		\$385		\$400	\$4	15		\$430		\$445		\$460		\$4,530
ELECTRICITY		630		640	\$850		\$660		\$670		\$680		\$890		\$700	\$7			\$720		\$730		\$740		\$8,220
CHEMICAL COST		115		120	\$125		\$130		\$135		\$140		\$145		\$150	\$15			\$160		\$185		\$170		\$1,710
SLUDGE DISPOSAL COST	-	263		275	\$288		\$300		\$313		\$325		\$338		\$350	\$36	_		\$375		\$388		\$400		\$3,575
TAP MATE & FIELD LABOR COST	\$ 5,		\$5,6		\$5,625		\$5,625		\$5,625		\$5,825		\$5,625		\$5,625	\$5,63			5,625		5,625		\$5,625		\$67,500
REPAIR COSTS	\$1,		\$1,7		\$1,740		\$1,740		\$1,740		\$1,740		\$1,740		\$1,740	\$1,74			1,740		1,740		\$1,740		\$20,880
CONTRIBUTION TO RESERVE ACCT	\$1,		\$1,7		\$1,740		\$1,740		\$1,740		\$1,740		\$1,740		\$1,740	\$1,74			1,740		1,740		\$1,740		\$20,880
MONTHLY O & M COST	\$12,	538	\$12,5	590	\$12,543	1	\$12,695	:	\$12,748	\$	12,800	;	\$12,853	\$	12,905	\$12,95	ð	\$1	3,010	\$1	3,063	\$1	13,115		\$153,915
TOTAL MONTHLY EXPENSE	\$16,	525	\$16,	590	\$16,655	_	\$16,720		16,785	_5	16,850		\$16,515		16,900	\$17,04	5	\$1	7,110	\$1	7,175	\$1	17,240		\$202,590
NET INCOME OR EXPENSE/MONTH	(\$3,:	304)	(\$3,0)31)	(\$2,382)		(\$1,595)		(\$729)		(\$71)		\$475		\$930	\$93	0	\$	1,209		\$648		\$821		(\$6,100)

PROJECTED INCOME & EXPENSE STATEMENT FOR CCN AMENDMENT APPLICATION FOR MONTERREY OAKS SUBDIVISION BY CRYSTAL SPRII:GS WATER CO., INC.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	. AUG	SEP	001	NO/	DEC	TOTAL
TOTAL ON-LINE EQUIVALENT CONN.	125	130	135	140	145	150	155	160	155	170	175	180	1,830
Seasonal Multipiler, mo. avo/ annual avo	0.65	0.65	0.75	1.00	1.20	1.35	1.35	1.35	1.20	1,10	0.75	0.65	12.00
Monthly Water Use/Customer, Gal	4,534	4,095	5,231	6,750	8,370	9,113	9,416	9,416	8,100	7,673	5,063	4,534	
Monthly Water Use in Base Rate, Gal	-	•	-	-	-	•	-	-	-	-	-	-	
Monthly Water Use Subject to Surcharge, Gal	4,534	4,095	5,231	6,750	8,370	9,113	9,416	9,416	8,100	7,673	5,063	4,534	
Monthly Water Income Per Customer, \$	\$ 58.90	\$ 57.44	\$ 61.22	\$ 66.28	\$ 71.67	\$ 74.14	\$ 75.16	\$ 75.16	\$ 70.77	\$ 69.35	\$ 60.66	\$ 58.90	\$ 799.64
Monthly Sewer Use in Base Rate, Gal	-	-	•	-	•	-	-	•	-	-	-	•	
Monthly Sewer Use Subject to Sewer Charge, Gal	4,534	4,095	5,231	6,750	8,370	9,113	9,416	9,416	8,100	7,673	5,063	4,534	
Monthly Sewer Income Per Customer, \$	\$ 41.33	\$ 40.24	\$ 43.08	\$ 46.88	\$ 50.93	\$ 52.78	\$ 53.54	\$ 53.54	\$ 50.25	\$ 49.18		\$ 41.33	\$ 585,73
Monthly Water Bill, \$	\$ 100.23	\$ 97.67	\$ 104.30	\$ 113.15	\$ 122.80	\$ 126.93	\$ 128.70	\$ 128.70	\$ 121.02	\$ 118.53	\$ 103.31	\$ 100.23	\$ 1,365.37
Total Monthly Water Pumped, Gal	566,719	532,350	705,219	945,000	1,213,650	1,386,675	1,459,519	1,506,600	1,336,500	1,304,325	885,938	816,075	12,639,769
GROSS WATER/SEWER USE INCOME	\$12,529	\$12,696	\$14,080	\$15,841	\$17,777	\$19,039	\$19,948	\$20,591	\$19,969	\$20,150	\$18,080	\$18,042	\$298,744
RESERVE FOR BAD DEBTS	\$125	\$127	\$141	\$158	\$178	\$190	\$199	\$206	\$200	\$202	\$181	\$180	\$2,087
WATER/SEWER INCOME (ADJUSTED)	\$12,404	\$12,571	\$13,939	\$15,683	\$17,599	\$18,848	\$19,749	\$20,386	\$19,769	\$ 19,949	\$17,899	\$17,861	\$206,658
TAP FEE INCOME	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$90,000
TOTAL MONTHLY INCOME	\$19,904	\$20,071	\$21,439	\$23,183	\$25,099	\$26,348	\$27,249	\$27,886	\$27,269	\$27,449	\$25,389	\$25,361	\$296,658
EXPENSE													
GENERAL & ADMINISTRATIVE													
OFFICE EXPENSE	\$225	\$230	\$235	\$240	\$245	\$250	\$255	\$260	\$265	\$270	\$275	\$280	\$3,030
EMPLOYEE SALARIES	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$12,000
PROFESSIONAL FEES	\$563	\$565	\$568	\$570	\$573	\$575	\$578	\$580	\$583	\$585	\$588	\$590	\$6,915
INSURANCE	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$14,400
ADVALOREM TAXES	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$14,400
TCEQ PERMIT FEES	\$175	\$180	\$185	\$190	\$195	\$200	\$205	\$210	\$215	\$220	\$225	\$230	\$2,430
TOTAL G&A	\$4,363	\$4,375	\$4,388	\$4,400	\$4,413	\$4,425	\$4,438	\$4,450	\$4,463	\$4,475	\$4,488	\$4,500	\$53,175
OPERATIONS													
OPERATOR COST	\$1,625	\$1,630	\$1,635	\$1,640	\$1,645	\$1,850	\$1,655	\$1,660	\$1,665	\$1,670	\$1,875	\$1,680	\$19,830
VEHICLE & EQUIPMENT COST	\$625	\$830	\$835	\$640	\$845	\$650	\$655	\$660	\$665	\$670	\$675	\$880	\$7,830
CUSTOMER BILLING COST	\$475	\$490	\$505	\$520	\$535	\$550	\$565	\$580	\$595	\$510	\$625	\$640	\$6,690
ELECTRICITY	\$750	\$760	\$770	\$780	\$790	\$800	\$810	\$820	\$830	\$840	\$850	\$860	\$9,660
CHEMICAL COST	\$175	\$180	\$185	\$190	\$195	\$200	\$205	\$210	\$215	\$220	\$225	\$230	\$2,430
SLUDGE DISPOSAL COST	\$413	\$425	\$438	\$450	\$463	\$475	\$488	\$500	\$513	\$525	\$538	\$550	\$5,775
TAP MAT'L & FIELD LABOR COST	\$5,625	\$5,625	\$5,625	\$5,625	\$5,625	\$5,625	\$5,625	\$5,625	\$5,825	\$5,625	\$5,625	\$5,625	\$67,500
REPAIR COSTS	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$23,040
CONTRIBUTION TO RESERVE ACCT	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$23,040
MONTHLY O & M COST	\$13,528	\$13,580	\$13,633	\$13,685	\$13,738	\$13,790	\$13,843	\$13,895	\$13,948	\$14,000	\$14,053	\$14,105	\$165,795
TOTAL MONTHLY EXPENSE	\$17,890	\$17,955	\$18,020	\$18,985	\$18,150	\$18,215	\$18,280	\$18,345	\$18,410	\$18,475	\$18,540	\$18,605	\$218,970
NET INCOME OR EXPENSE/MONTH	\$2,014	\$2,116	\$3,419	\$5,096	\$6,949	\$8,133	\$8,969	\$9,541	\$8,859	\$8,974	\$6,859	\$8,756	\$77,688

PROJECTED INCOME & EXPENSE STATEMENT FOR CCN AMENDMENT APPLICATION FOR MONTERREY OAKS SUBDIVISION BY CRYSTAL SPRINGS WATER CO., INC.

	JAN	FE9	MAR	APR	R MAY	JUN	i JUL	. AUG	SEP	ОСТ	r NO	/ DEC	TOTAL
TOTAL ON-LINE EQUIVALENT CONN.	185	190	195	200	205	210	215	220	225	230	235	240	2,550
Seasonal Multiplier, mo. avg/ annual avg	0.65	0.65	0.75	1.00	1.20	1.35	1.35	1.35	1.20	1.10	0.75	0.65	12.00
Monthly Water Use/Customer, Gal	4,534	4,095	5,231	6,750	8,370	9,113	9,416	9,416	8,100	7,673	5,063	4,534	
Monthly Water Use in Base Rate, Gal	-		•	•		-	-	-	-	-	-	•	
Monthly Water Use Subject to Surcharge, Gr	4,534	4,095	5,231	6,750	8,370	9,113	9,416	9,416	8,100	7,673	5,063	4,534	
Monthly Water Income Per Customer, \$	\$ 58.90	\$ 57.44	\$ 61.22	\$ 68.28	\$ 71.67	\$ 74.14	\$ 75.16	\$ 75.16	\$ 70.77	\$ 69.35	\$ 60.66	\$ 58.90	\$ 799.64
Monthly Sewer Use in Base Rate, Gal	-	-	-	-	_	-	-	-	-	-	-	-	
Monthly Sewer Use Subject to Sewer Charge	4,534	4,095	5,231	6,750	8,370	9,113	9,416	9,416	6,100	7,673	5,063	4,534	
Monthly Sewer Income Per Customer, \$	41.33	\$ 40.24	\$ 43.08	\$ 46.88	\$ 50.93	\$ 52.78	\$ 53.54	\$ 53.54	\$ 50.25	\$ 49.18	\$ 42.68	\$ 41.33	\$ 565.73
	100.23	\$ 97.67	\$ 104.30	\$ 113.15	\$ 122.60	\$ 126.93	\$ 128.70	\$ 128.70	\$ 121.02	\$ 118.53	\$ 103.31	\$ 100.23	\$ 1,385.37
Total Monthly Water Pumped, Gal	638,744	778,050	1,020,094	1,350,000	1,715,850	1,913,625	2,024,494	2,071,575	1,822,500	1,764,675	1,189,688	1,068,100	17,577,394
GROSS WATER/SEWER USE INCOME	\$16,543	\$16,558	\$20,338	\$22,631	\$25,132	\$26,654	\$27,670	\$26,313	\$27,230	\$27,282	\$24,279	\$24,056	\$290,668
RESERVE FOR BAD DEBTS	\$185	\$186	\$203	\$226	\$251	\$267	\$277	\$283	\$272	\$273	\$243	\$241	\$2,907
WATER/SEWER INCOME (ADJUSTED)	\$18,357	\$18,372	\$20,135	\$22,404	\$24,881	\$26,388	\$27,393	\$25,030	\$26,958	\$26,969	\$24,036	\$23,815	\$287,760
TAP FEE INCOME	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$90,008
TOTAL MONTHLY INCOME	\$25,857	\$25,872	\$27,635	\$29,904	\$32,381	\$33,888	\$34,693	\$35,530	\$34,458	\$34,489	\$31,538	\$31,315	\$377,760
EXPENSE													
GENERAL & ADMINISTRATIVE													
OFFICE EXPENSE	\$285	\$290	\$295	\$300	\$305	\$310	\$315	\$320	\$325	\$330	\$335	\$340	\$3,750
EMPLOYEE SALARIES	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$12,000
PROFESSIONAL FEES	\$583	\$585	\$596	\$600	\$603	\$605	\$608	\$610	\$613	\$615	\$616	\$620	\$7,275
INSURANCE	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$14,400
ADVALOREM TAXES	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$14,400
TCEQ PERMIT FEES	\$235	\$240	\$245	\$250	\$255	\$260	\$265	\$270	\$275	\$250	\$285	\$290	\$3,150
TOTAL G&A	\$4,513	\$4,525	\$4,538	\$4,550	\$4,583	\$4,575	\$4,588	\$4,600	\$4,613	\$4,625	\$4,638	\$4,650	\$54,975
OPERATIONS													
OPERATOR COST	\$1,685	\$1,590	\$1,695	\$1,700	\$1,705	\$1,710	\$1,715	\$1,720	\$1,725	\$1,730	\$1,735	\$1,740	\$20,550
VEHICLE & EQUIPMENT COST	\$685	\$690	\$895	\$700	\$705	\$710	\$715	\$720	\$725	\$730	\$735	\$740	\$8,550
CUSTOMER BILLING COST	\$655	\$670	\$685	\$700	\$715	\$730	\$745	\$760	\$775	\$790	\$805	\$820	\$8,850
ELECTRICITY	\$870	\$880	\$890	\$900	\$910	\$920	\$930	\$94 0	\$950	\$960	\$970	\$980	\$11,100
CHEMICAL COST	\$235	\$240	\$245	\$250	\$255	\$260	\$265	\$270	\$275	\$280	\$285	\$290	\$3,150
SLUDGE DISPOSAL COST	\$563	\$575	\$588	\$800	\$613	\$625	\$638	\$650	\$663	\$875	\$688	\$700	\$7,575
TAP MAT'L & FIELD LABOR COST	\$5,625	\$5,625	\$5,625	\$5,625	\$5,625	\$5,625	\$5,625	\$ 5, 625	\$5,625	\$5,625	\$5,625	\$5,625	\$67,500
REPAIR COSTS	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$23,040
CONTRIBUTION TO RESERVE ACCT	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	\$23,040
MONTHLY O & M COST	\$14,158	\$14,210	\$14,263	\$14,315	\$14,368	\$14,420	\$14,473	\$14,525	\$14,578	\$14,630	\$14,683	\$14,735	\$173,355
TOTAL MONTHLY EXPENSE	\$18,670	\$18,735	\$18,000	\$18,865	\$18,930	\$1 ō ,995	\$19,060	\$19,125	\$19,190	\$19,255	\$19,320	\$19,385	\$228,330
NET INCOME OR EXPENSEMENTH	\$7,187	\$7,137	\$8,835	\$11,039	\$13,451	\$14,893	\$15,833	\$16,405	\$15,268	\$15,234	\$12,218	\$11,930	\$149,430

PROJECTED INCOME & EXPENSE STATEMENT FOR CCN AMENDMENT APPLICATION FOR MONTERREY OAKS SUBDIVISION BY CRYSTAL SPRINGS WATER CO., INC.

	JAN	FEE	MAR.	APR	MAY	JUN	JUL	. AUG	i SEP	ост	. NOA	DEC	TOTAL
TOTAL ON-LINE EQUIVALENT CONN.	240	240	240	240	240	240	240	240	240	240	240	240	2.880
Seasonal Multiplier, mo. avg/ annual avg	0.65	0.65	0.75	1.00	1.20	1.35	1.35	1.35	1.20	1.10	0.75	0.65	12.00
Monthly Water Use/Customer, Gal	4,534	4,095	5,231	6,750	8,370	9,113	9,416	9,416	8,100	7,673	5,063	4,534	
Monthly Water Use in Base Rate, Gal	•	-	•	•	-	-	-	-	-	-	-	-	
Monthly Water Use Subject to Surcharge, Ga	4,534	4,095	5,231	6,750	8,370	9,113	9,416	9,418	6,100	7,673	5,063	4,534	
Monthly Water Income Per Customer, \$	\$ 58.90	\$ 57.44	\$ 61.22	\$ 66.28	\$ 71.67	\$ 74.14	\$ 75.16	\$ 75.16	\$ 70.77	\$ 69.35	\$ 60.66	\$ 58.90	799.64
Monthly Sewer Use in Bese Rate, Gal	-	•	-	-	•	•	-	-	-	-	-	•	
Monthly Sewer Use Subject to Sewer Charge	4,534	4,095	5,231	6,750	8,370	9,113	9,416	9,416	8,100	7,673	5,063	4,534	
Monthly Sewer Income Per Customer, \$	\$ 41.33	\$ 40.24	\$ 43.06	\$ 46.88	\$ 50.93	\$ 52.78	\$ 53.54	\$ 53.54	\$ 50.25	\$ 49.18	\$ 42.66	\$ 41.33	565.73
Monthly Water Bill, \$	\$ 100.23	\$ 97.67	\$ 104.30	\$ 113.15	\$ 122.60	\$ 126.93	\$ 128.70	\$ 128.70	\$ 121.02	\$ 118.53	\$ 103.31	\$ 100.23	1,365.37
Total Monthly Water Pumped, Gal	1,088,100	982,800	1,255,500	1,620,000	2,008,800	2,187,000	2,258,900	2,259,900	1,944,000	1,841,400	1,215,000	1,088,100	19,758,500
GROSS WATER/SEWER USE INCOME	\$24,056	\$23,442	\$25,032	\$27,157	\$29,423	\$30,462	\$30,887	\$30,887	\$29,046	\$28,447	\$24,795	\$24,056	\$327,689
RESERVE FOR BAD DEBTS	\$241	\$234	\$250	\$272	\$294	\$305	\$309	\$309	\$290	\$284	\$248	\$241	\$3, <i>277</i>
WATER/SEWER INCOME (ADJUSTED)	\$23,815	\$23,207	\$24,781	\$28,885	\$29,129	\$30,158	\$30,578	\$30,578	\$28,755	\$28,163	\$24,547	\$23,815	\$324,413
TAP FEE INCOME	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL MONTHLY INCOME	\$23,815	\$23,207	\$24,781	\$26,885	\$29,129	\$30,158	\$30,578	\$30,578	\$28,755	\$28,183	\$24,547	\$23,815	\$324,413
EXPENSE													
GENERAL & ADMINISTRATIVE													
OFFICE EXPENSE	\$340	\$340	\$340	\$340	\$340	\$340	\$340	\$340	\$340	\$340	\$340	\$340	\$4,080
EMPLOYEE SALARIES	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$12,000
PROFESSIONAL FEES	\$620	\$620	\$620	\$620	\$620	\$620	\$620	\$820	\$620	\$620	\$620	\$620	\$7,440
INSURANCE	\$1,263	\$1,263	\$1,263	\$1,263	\$1,263	\$1,263	\$1,263	\$1,263	\$1,263	\$1,263	\$1,263	\$1,263	\$15,150
ADVALOREM TAXES	\$1,263	\$1,263	\$1,263	\$1,263	\$1,263	\$1,263	\$1,263	\$1,283	\$1,263	\$1,263	\$1,263	\$1,263	\$15,150
TCEQ PERMIT FEES	\$290	\$290	\$290	\$290	\$290	\$290	\$290	\$290	\$290	\$290	\$290	\$290	\$3,480
TOTAL G&A	\$4,775	\$4,775	\$4,775	\$4,775	\$4,775	\$4,775	\$4,775	\$4,775	\$4,775	\$4,775	\$4,775	\$4,775	\$57,300
OPERATIONS													\$0
OPERATOR COST	\$1,740	\$1,740	\$1,740	\$1,740	\$1,740	\$1,740	\$1,740	\$1,740	\$1,740	\$1,740	\$1,740	\$1,740	\$20,880
VEHICLE & EQUIPMENT COST	\$740	\$740	\$740	\$740	\$740	\$740	\$740	\$740	\$740	\$740	\$740	\$740	\$8,880
CUSTOMER BILLING COST	\$820	\$820	\$820	\$820	\$820	\$820	\$820	\$820	\$820	\$820	\$820	\$820	\$9,840
ELECTRICITY	\$980	\$980	\$980	\$980	\$980	\$980	\$980	\$960	\$980	\$980	\$980	\$980	\$11,760
CHEMICAL COST	\$290	\$290	\$290	\$290	\$290	\$290	\$290	\$290	\$290	\$290	\$290	\$290	\$3,480
SLUDGE DISPOSAL COST	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$8,400
TAP MAT'L & FIELD LABOR COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
REPAIR COSTS	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$24,240
CONTRIBUTION TO RESERVE ACCT	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$2,020	\$24,240
MONTHLY O & M COST	\$9,310	\$9 ,310	\$9,310	\$9,310	\$9,310	\$9,310	\$9,310	\$9,310	\$9,310	\$9,310	\$9,310	\$9,310	\$111,720
TOTAL MONTHLY EXPENSE	\$14,085	\$14,085	\$14,085	\$14,085	\$14,085	\$14,085	\$14,085	\$14,065	\$14,085	\$14,085	\$14,085	\$14,085	\$165,920
NET INCOME OR EXPENSE/MONTH	\$9,730	\$9,122	\$10,696	\$12,800	\$15,044	\$18,073	\$18,493	\$18,493	\$14,670	\$14,078	\$10,462	\$9,730	\$155,393

SUMMARY OF INCOME & EXPENSE FOR CCN AMENDMENT APPLICATION FOR MONTERREY OAKS SUBDIVISION BY CRYSTAL SPRINGS WATER CO., INC.

PROJECTED INCOME & EXPENSE PROJECTIONS

			DECEM	BER 31		
	FY 0	FY1	FY2	FY 3	FY 4	FY 5
AVERAGE NUMBER OF CUSTOMERS	0	33	93	153	213	240
TOTAL ANNUAL WATER USE, 1000 GAL	0	2,784,519	7,702,144	12,639,769	17.577.394	19,750,500
WATER/SEWER USE (NCOME (ADJUSTED)	50	\$44,450	\$106,490	\$206,656	\$287,760	\$324,413
TAP FEE INCOME	\$0	\$90,000	\$90,000	\$90,000	\$90,000	\$0
TOTAL ANNUAL INCOME	\$0	\$134,450	\$196,490	\$296,656	\$377,760	\$324,413
EXPENSE						
GENERAL & ADMINISTRATIVE						
OFFICE EXPENSE	\$0	\$1,590	\$2,310	\$3,030	\$3,750	\$4,080
EMPLOYEE SALARIES	\$0	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
PROFESSIONAL FEES	\$0	\$8,195	\$6,555	\$6,915	\$7,275	\$7,440
INSURANCE	\$0	\$12,150	\$13,060	\$14,400	\$14,400	\$15,150
ADVALOREM TAXES	\$0	\$12,150	\$13,050	\$14,400	\$14,400	\$15,150
TCEQ PERMIT FEES	\$0	\$990	\$1,710	\$2,430	\$3,150	\$3,480
TOTAL G&A	\$0	\$45,075	\$48,675	\$53,175	\$54,975	\$57,300
OPERATIONS						
OPERATOR COST	\$0	\$18,390	\$19,110	\$19,830	\$20,550	\$20,880
VEHICLE & EQUIPMENT COST	\$0	\$5,390	\$7,110	\$7,830	\$8,550	\$8,680
CUSTOMER BILLING COST	\$0	\$2,370	\$4,530	\$8,690	\$8,850	\$9,840
ELECTRICITY	\$0	\$6,780	\$8,220	\$9,660	\$11,100	\$11,760
CHEMICAL COST	\$0	\$990	\$1,710	\$2,430	\$3,150	\$3,480
SLUDGE DISPOSAL COST	\$0	\$2,175	\$3,975	\$5,775	\$ 7,575	\$8,400
TAP MAT'L & FIELD LABOR COST	\$0	\$87,500	\$67,500	\$67,500	\$67,500	\$0
REPAIR COSTS	\$0	\$19,440	\$20,880	\$23,040	\$23,040	\$24,240
CONTRIBUTION TO RESERVE ACCT	\$ 0	\$19,440	\$20,880	\$23,040	\$23,040	\$24,240
TOTAL OPERATING COST	\$0	\$143,475	\$153,915	\$165,795	\$173,355	\$111,720
TOTAL MONTHLY EXPENSE	\$0	\$188,550	\$202,590	\$218,970	\$226,330	\$169,020
INCOME (LOSS) BEFORE DEPRECIATION	\$0	(\$54,100)	(\$8,100)	\$77,686	\$149,430	\$155,393
DEPRECIATION	\$0	\$33,750	\$36,250	\$40,000	\$40,000	\$42,083
NET INCOME (LOSS)	\$0	(\$87,850)	(\$42,350)	\$37,686	\$109,430	\$113,309

PROJECTED BALANCE SHEET

_	FY 0	FY 1	FY 2	FY3	FY4	FY 5
ASSETS						
CASH (CHECKING)	\$100,000	\$20,900	\$14,801	\$42,487	\$165,917	\$322,309
RESERVE ACCOUNT	\$0	\$19,440	\$40,320	\$63,360	\$86,400	\$110,840
ACCOUNTS RECEIVABLE	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL CURRENT ASSETS	\$100,000	\$40,340	\$55,121	\$105,847	\$253,3 17	\$432,949
PROPERTY AND EQUIPMENT WATER PLANT	\$0	\$400,000	\$400,000	\$400,000	\$600,000	\$800,000
WASTEWATER PLANT	\$0	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000
WATER DISTRIBUTION LINES	\$0	\$120,000	\$240,000	\$240,000	\$240,000	\$240,000
SEWAGE COLLECTION LINES	\$0	\$300,000	\$300,000	\$480,000	\$480,000	\$480,000
TOTAL PROPERTY AND EQUIPMENT	\$ 0	\$1,620,000	\$1,740,000	\$1,920,000	\$2,120,000	\$2,120,000
LESS ACCUMULATED DEPRECIATION	\$0	\$33,750	\$70,000	\$110,000	\$150,000	\$192,083
TOTAL PROPERTY & EQUIPMENT, NET	\$0	\$1,588,250	\$1,670,000	\$1,810,000	\$1,970,000	\$1,927,917
TOTAL ASSETS	\$100,000	\$1,526,590	\$1,725,121	\$1,915,647	\$2,223,317	\$2,360,868
RETURN ON INVESTED CAPITAL ASSETS, %		-5.54%	-2.54%	2.08%	5.65%	5.88%
LIABILITIES AND CAPITAL						
LIABILITIES						
ACCOUNTS PAYABLE	\$0	\$0	\$0	\$0	\$0	\$0
SHORT TERM DEBT	\$100,000	\$75,000	\$75,000	\$25,000	\$0	\$0
ACCRUED RESERVES	\$0	\$19,440	\$40,320	\$63,380	\$86,400	\$110,840
LONG TERM DEBT	\$0	\$0	\$0_	\$0	\$0	50
TOTAL LIABILITIES	\$100,000	\$94,440	\$115,320	\$86,360	\$88,400	\$110,840
OWNER/STOCKHOLDER EQUITY						
COMMON STOCK	\$0	\$1,620,000	\$1,740,000	\$1,920,000	\$2,120,000	\$2,120,000
RETAINED EARNINGS (CUMMULATIVE)	\$0	\$0	(\$87,650)	(\$130,199)	(\$92,513)	\$16,917
NET INCOME	\$0	(\$87,850)	(\$42,350)	\$37,666	\$109,430	\$113,309
TOTAL CAPITAL	\$0	\$1,532,150	\$1,609,801	\$1,827,487	\$2,138,917	\$2,250,226
TOTAL LIABILITIES + CAPITAL	\$100,000	\$1,626,590	\$1,725,121	\$1,915,647	\$2,223,317	\$2,380,868

CONSTRUCTION COST ESTIMATE

Construction of Monterrey Oaks Groundwater Supply Plant Phase 1 to Serve 240 Connections

Item				Unit	
No.	Description	Quan.	Unit	Price	Total
1	SWPPP	200	LF	\$3	\$600
2	Portable Toilet Facilities During Construction	4	MO	\$150	\$600
3	Clearing & Grubbing	1	LS	\$2,500	\$2,500
4	Site Fencing - Chain Link	410	LF	\$30	\$12,300
5	6" Water Well, 15 HP Pump, 150 gpm	1	LS	\$75,000	\$75,000
6	4" GIP Piping, Well - GST	25	LF	\$60	\$1,500
7	10" GIP Piping GST-OP BLDG	20	LF	\$100	\$2,000
8	10" Gate Valve	1	EA	\$900	\$900
9	8" GIP Piping OP Bldg -HPT- Dist	30	LF	\$75	\$2,250
10	Pump Suction Manifold & Valves	1	EA	\$5,000	\$5,000
11	Pump Discharge Manifold & Valves	1	EA	\$5,000	\$5,000
12	8" Gate Valve & Box	3	EA	\$750	\$2,250
13	6" C-900 Piping HPT- Dist	20	LF	\$40	\$800
14	6" Gate Valve & Box	2	EA	\$600	\$1,200
15	4" C-900 Piping HPT- Dist	20	LF	\$30	\$600
16	4" Gate Valve & Box	3	EA	\$500	\$1,500
17	GST Concrete Foundation & Pad	30	CY	\$500	\$15,000
18	Concrete Foundation For HPT	6	CY	\$500	\$3,000
19	Booster Pump/Chem/Storage Slab & Cover	320	SF	\$50	\$16,000
20	Painting	1	LS	\$5,000	\$5,000
21	83,000 Gal Bolted Ground Storage Tank	1	LS	\$65,000	\$65,000
22	Hydropneumatic Tank, 5,000 gallon	1	LS	\$25,000	\$25,000
23	350 gpm @ 55 psi Booster Pumps, 25 HP	3	Ea	\$5,000	\$15,000
24	Chlorination Equipment (Liquid)	1	LS	\$2,500	\$2,500
25	Misc Piping & Tubing in Conduit	200	LF	\$10	\$2,000
26	Well Booster Pump Control Panel & Pressure Switche	1	LS	\$14,000	\$14,000
27	Electrical Service Rack & Disconnects	1	LS	\$10,000	\$10,000
28	Electrical Conduit, Wiring & Switches	1	LS	\$12,000	\$12,000
29	150 kW Diesel Generator & 200 Amp ATS	1	LS	\$65,000	\$65,000
30	Subtotal	, , , , , , , , , , , , , , , , , , ,			\$363,500
31	Contingency @ 10%			•	\$36,350
32	Total Estimated Construction Cost				\$399,850

Crystal Springs Water Co., Inc. Profit & Loss

January through December 2017

	Jan - Dec 17
Ordinary Income/Expense	
4515 · Tap Referral Fee	1,050.00
4510 · Water Receipts	
4511 · Tap Fees	471,365.00
4512 · Water Connect Fee	20,750.00
4513 · Sewer Connect Fee	8,575.00
4510 · Water Receipts - Other	4,149,948.34
Total 4510 · Water Receipts	4,650,638.34
4520 · Water Deposit	50.00
4650 · Interest Income-CSWC	406.83
4690 · Misc. Income-CSWC	7,500.00
Total income	4,659,645.17
Gross Profit	4,659,645.17
Expense	
7000 · Waukegan Way Sewer Plant	
7001 · Waukegan Way Sewer-Engineering	1,645.00
Total 7000 · Waukegan Way Sewer Plant	1,645.00
Loan	105,000.00
6011 · Boring	30,000.00
6112 · Licensing/Software	4.826.46
6111 · Meter Installation	81,753.00
6151 · Consulting Fee	120,000.00
6152 · Contract Labor	181,603.97
6000 · Building Rent	49,000.00
6010 · Accounting	7,150.00
6050 · Answering service	3,430.00
6070 · Auto Expenses	
6071 · Fuel Expenses	91,221.30
6072 · License Tags	6,205.30
6070 · Auto Expenses - Other	155,129.60
Total 6070 · Auto Expenses	252,556.20
6090 · Bank Charges	4,264.01
6110 · Call Outs	9,140.00
6130 · Chemicals	43,285.99
6230 · Donations	2,500.00
6250 · Dues and Subscriptions	8,417.00
6260 · Education	2,520.00
6270 · Engineering	27,337.19
6290 · Equipment Rental	6,405.85
6310 · Fee	0.004.54
6314 · Membership Fees	3,931.54
6313 · Assessment Fee	32,875.44
6312 · Pumpage Fees 6311 · Ground Water Reduction Fee	681.72
9311 - Glonin Akatal Madnettoli Las	402,434.81

Crystal Springs Water Co., Inc. Profit & Loss January through December 2017

	Jan - Dec 17
6310 · Fee - Other	11,789.81
Total 6310 · Fee	451,713.32
6350 - Insurance	
6351 · Auto ins.	42,822.60
6352 · Health ins.	162,048.00
6353 · Liability Ins.	13,387.51
6354 · Group Life Ins.	-188.20
6355 · Equipment Ins.	4,341.00
6356 · Workmans Comp	9,212.62
6350 · Insurance - Other	28,760.26
Total 6350 · Insurance	260,383.79
6360 · Interest Expense	48,140.82
6370 · Lab Fees	64,907.83
6390 · Land Lease	24,000.00
6410 · Legal and Professional	19,870.00
6430 · Maintenance and Repairs	215,236.16
6460 · Meals and Entertainment	1,256.32
6470 · Meter Readings	34,192.00
6490 · Miscellaneous expense	120,064.99
6510 · Office expenses	8,805.49 264,000.00
6530 · Operating expenses	31,211.76
6550 · Permit	23,426.64
6570 · Postage 6571 · Shipping Charges	1,779.01
6590 · Salaries-officer	60,000.00
6610 · Salaries and Wages	751,463.37
6630 · Salaries-Bonuses	48,400.00
6690 · Sewer Plant C. W.	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
6689 · C.W. Sewer Taxes	2.42
6691 · Sewer Plant C.WUtilities	22,561.92
6692 · Sewer Plant C.W. Chemicals	2,343.74
6693 · Sewer Plant C.W. Repairs	2,658.06
6694 · Sewer Plant C.W. Sludge Removal	14,931.86
6695 · Sewer Plant C.W. Supplies	500.00
6696 · Sewer Plant C.W. Lab Fees	12,515.00
6698 · C.W. Engineering	1,020.89
6699 · Sewer Plant C W Permit Fee	2,235.49
6690 · Sewer Plant C. W Other	10,225.15
Total 6690 - Sewer Plant C. W.	68,994.53
6700 · Sewer Plant-TLN	
6701 - Sewer Plant-TLN Repairs	49,537.11
6702 - Sewer Plant-TLN Chemicals	8,444.95
6704 · Sewer Plant TLN-Sludge Removal	51,250.77
6705 · Sewer Plant TLN Lab Exp	11,569.69
6706 · Sewer Plant TLN-Utilities	36,565.34 46,532.72
6707 • TLN Engineering	16,533.73
6708 - Sewer Plant TLN Permit Fee	4,396.63
6709 ⋅ Sewer Plant-Supplies	3,724.00

Crystal Springs Water Co., Inc. Profit & Loss

January through December 2017

_	Jan - Dec 17	
6711 · TLN Sewer Taxes	106.70	
6700 · Sewer Plant-TLN - Other	200.00	
Total 6700 · Sewer Plant-TLN	182,328.92	
6800 · Sewer Plant Forest Trace		
6801 · Sewer Plant-F Trace Engineering	3,536.67	
6802 · Sewer Plan Forest T-Utilities	7,455.19	
6804 · Forest Trace Sewer Supplies	46,573.43	
6805 - F Trace Sewer Repairs	3,310.47	
6806 · F Trace Sewer Lab Expenses	3,792.00	
6808 · Forest Trace Sewer-Chemicals	1,256.30	
6809 · F Trace Sewer Lab Fees	413.00	
6800 · Sewer Plant Forest Trace - Other	3,187.13	
Total 6800 · Sewer Plant Forest Trace	69,524.19	
6850 · Ponderosa Pines Sewer Plant		
6851 · Ponderosa Pines Engineering	2,630.29	
6852 · P Pines Permit Fee	-584.00	
6853 · Ponderosa Pines Sewer Supplies	4,892.23	
6854 · Ponderosa Pines Sewer Utilities	2,604.69	
6855 · P Pines Sewer-Chemicals	314.50	
6850 - Ponderosa Pines Sewer Plant - Ot	1,502.88	
Total 6850 · Ponderosa Pines Sewer Plant	11,360.59	
6900 · Sewer Plant Lilliput Farms		
6901 · Sewer Plant LPF-Engineering	5,930.69	
6902 · Liliput Farms Sewer Permit Fee	3,093.06	
6903 · Lilliput Farms Sewer - Supplies	21,200.32	
6900 - Sewer Plant Lilliput Farms - Other	2,639.62	
Total 6900 · Sewer Plant Lilliput Farms	32,863.69	
6950 · Monterey Oaks Sewer Plant		
6951 · Monterey Oaks Sewer-Engineering	7,870.06	
Total 6950 · Monterey Oaks Sewer Plant	7,870.06	
6710 · Simple IRA	115,137.46	
6750 · Supplies	389,620.49	
6760 · Surveying Exp.	9,587.84	
6770 · Taxes-payroll	58,586.25	
6790 ⋅ Taxes-property	21,977.67	
6810 · Taxes-other	14,374.80	
6820 · Telephone	17,539.33	
6830 · Utilities	113,221.24	
16999 · Payroll Expenses	718.36	
Total Expense	4,483,391.59	
Net Ordinary Income	176,253.58	
Net Income	176,253.58	

Crystal Springs Water Co., Inc. Balance Sheet As of January 31, 2017

	Jan 31, 17
ASSETS	
Current Assets	
Checking/Savings	
11072 - CSW Customer Deposit Acct.	14,975.00
11014 · Cash-Construction Account	1,040.95
11011 · Cash-Compass Bank 2	145,263.91
11012 · CSWC Accrual Acct Compass Bank	49,917.01
11013 - CSWC Cash Reserve- Compass B	262,299.02
11062 · CD-Woodforest	25,648.48
11064 - Cd Woodforest	14,362.54
Total Checking/Savings	513,506.91
Other Current Assets	
11340 · Advances-Employees	365.78
11410 · Advances to/from Affiliates	
11426 · Advances-Tom Martin	13,860.89
11416 · Advances-Mark Martin	23,709.37
Total 11410 · Advances to/from Affiliates	37,570.26
11480 · Advances to/from MRE	136,615.07
Total Other Current Assets	174,551.11
Total Current Assets	688,058.02
Fixed Assets	
11710 · Fixed Assets	5,425,761.45
11750 · Accumulated Depreciation	-4,333,478.42
11810 · Land	4,580.00
Total Fixed Assets	1,096,863.03
Other Assets	
11940 · Cumberland Crossing	6,485.55
11930 - Lot 1 Block 19C	12,500.00
Total Other Assets	18,985.55
TOTAL ASSETS	1,803,906.60
LIABILITIES & EQUITY Liabilities Current Liabilities	
Other Current Liabilities 12588 • Prosperity Bank Line of Credit	100,000.00
2110 - Direct Deposit Liabilities	-10,304.38
12150 · Aflac Ins.	-10,304.36 -86.19
12538 · N/P Kubota 45497914	82,333.68
12557 · John Deere Fin 510000882348	18,176.57
12578 · Toyota Fin Ser 012 6564374	19,209.69
12579 · N/P Chase AutoFin11422714133	25,424.62
12587 · N/P ProsperityB 98683 FT Sewer	658,731.85
12110a · P/R Tax Pay 123199	-108.93
12110 · Payroli Taxes Payable	108.93

01/26/18

Crystal Springs Water Co., Inc. Balance Sheet As of January 31, 2017

	Jan 31, 17
12120 · FUTA Payable	270.31
12130 · SUTA Payable	297.19
12140 · Simple IRA W/H	1,892.14
12145 · Medical Ins. W/H	3,914.02
12710 · Water Deposits	451,286.91
12711 · Water Deposit Refund	-127,079.38
12715 · Rent Deposit	3,600.00
12999 · Payroll Liabilities	658.54
Total Other Current Liabilities	1,228,325.57
Total Current Liabilities	1,228,325.57
Total Liabilities	1,228,325.57
Equity	
13010 · Common Stock	1,000.00
13150 · Distributions	-1,129,900.00
13090 · Paid in Capital	27,389.22
13900 · Retained Earnings	1,612,377.36
Net Income	64,714.45
Total Equity	575,581.03
TOTAL LIABILITIES & EQUITY	1,803,906.60

CRYSTAL SPRINGS LONG TERM LOAN-LIABILITIES

QB Account Number	Payment to	12/31/17 Balance	Principle Paid	Interest Paid	Interest Rate
12538	Kubota	\$61,271.54	\$22,976.88	0	0%
12592	Prosperity Bank PP Sewer	\$723,149.18	\$26,850.82	\$13,149.18	
12591	Prosperity Bank PP Water	\$237,304.18	\$12,695.82	\$7,304.18	5.25%
12588	Prosperity Bank Line of Credit	\$1,200,000.00		\$30,915.88	5.00
12587	Prosperity Bank (sewer plant)	\$663,074.34	\$53,436.55	\$32,815.07	5.5%
12578	Toyota Financial Services	\$10,866.09	\$9,131.00	\$317.80	1.90%
12557	John Deere Financial	\$1,721.25	\$19,897.50	\$755.58	5.99%
12579	Chase Auto Finance	\$16,649.36	\$9,631.49	\$643.27	2.89%
12589	Spirit of TX Bank	\$364,695.53	\$41,573.80	\$16,381.10	5.341%
TOTALS		\$3,278,731.47	\$196,193.86	\$102,282.06	-

Pd off 2018

DEMONSTRATION OF ADEQUATE FINANCIAL ABILITY

TCEQ Plan Review Log # P(if known)
Financial Responsible Individual or Company Information:
Name: Crystal Springs Water Company, Inc.
Signature of Company Officer (if applicable):
Address: P.O. Box 603, Porter, Texas 77365-0603
Phone Number: 231 359 5136
Contact Person: Toma Martis
• • • • • • • • • • • • • • • • • • • •
This Financial Responsible Individual or Company has funds available to operate the proposed public water system for at least one year and/or plug the well or appropriately close down operations, if legal and necessary, in compliance with TCEQ rules and regulations.
This Financial Responsible Individual or Company has net assets (Assets minus Liabilities), at market value, in excess of \$100,000.
This Financial Responsible Individual or Company has liquid assets (cash or near cash investments) in excess of \$10,000, and the financial capability to install and operate the system.
*If you are an entity registered with the Texas Secretary of State's Office, please provide your filing number and/or Tax ID number.
I, am a responsible officer/individual of
the entity listed on this form. I swear to the best of my knowledge that the
Information contained on this form is true and correct, and this form contains no
Notary Public State of Texas My Comm. Exp. 06/06/2018
SUBSCRIBED AND SWORN TO BEFORE ME,
Kecky J. Mixan a Notary Public in and for the State of
Texas this 2 (day) of //arch , 20 //

ATTACHMENT "N" WATER TARIFF

CRYSTAL SPRINGS WATER CO., INC.



WATER UTILITY TARIFF Docket Number: 43340

<u>Crystal Springs Water Company, Inc.</u> (Utility Name)

P.O. Box 603 (Business Address)

Porter, Texas 77365 (City, State, Zip Code)

(281) 354-5136 (Area Code/Telephone)

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

11373

This tariff is effective in the following counties:

Montgomery and Walker

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

None

This tariff is effective in the following subdivisions or systems:

See attached list.

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	11
SECTION 4.0 DROUGHT CONTINGENCY PLAN	16
APPENDIX A SAMPLE SERVICE AGREEMENT	
APPENDIX B APPLICATION FOR SERVICE	

CRYSTAL SPRINGS WATER COMPANY, INC. LIST OF SUBDIVISIONS

SUBDIVISION NAME	PWSID	COUNTY
Acorn Hills	1700322	Montgomery
Afton Park Water System	1700147	Montgomery
Arbor Oaks	1700322	Montgomery
Autumn Acres	1700756	Montgomery
Bennett Woods	1700290	Montgomery
Chaparral Place	1700434	Montgomery
Chasewood	1700622	Montgomery
Country West	1700435	Montgomery
Crystalwood Estates	1700322	Montgomery
Deer Glen	1700322	Montgomery
Deer Gien North	1700322	Montgomery
Deer Glen West	1700322	Montgomery
Emerald Forest	1700322	Montgomery
Emerald Woods	2360044	Walker ,
FM 1485 LTD	1700580	Montgomery
Lake Creek Falls	1700719	Montgomery
Lake Louise	1700184	Montgomery
Live Oak Estates	1700198	Montgomery
Oak Grove	1700322	Montgomery
Oak Grove South	1700322	Montgomery
Oak Tree Subdivision	1700695	Montgomery
Oak Creek Section II	1700432	Montgomery
Pinewood Village	1700290	Montgomery
Ranch Estates	1700322	Montgomery
Rolling Hill Oaks	1700058	Montgomery
The Oaks	1700626	Montgomery
Timberland Estates	1700612	Montgomery
Tower Woods	1700289	Montgomery
Tower Glen	1700433	Montgomery
Tower Glen North	1700433	Montgomery
Western Hill	1700629	Montgomery
Whispering Pines	1700066	Montgomery
White Oak Hills	1700613	Montgomery
Winchester Place	1700466	Montgomery
Woodland Forest Estates	1700066	Montgomery
Woodridge Estates	1700075	Montgomery

SECTION 1.0 -- RATE SCHEDULE

Section 1.01 - Rates

Meter Size	Monthly Minimum Charge	Gallonage Charge
5/8" or 3/4"	\$43.80 (Includes 0 gallons)	\$3.33 per 1000 gallons
1"	\$109.50	
11/2"	<u>\$219.00</u>	
2"	<u>\$350.40</u>	
3"	<u>\$657.00</u>	

Lone Star Ground Water Conservation District (Montgomery County): An additional charge of \$0.06 per 1,000 gallons of water usage will be added to the gallonage charge.

<u>San Jacinto River Authority (Montgomery County)</u>: An additional charge of <u>\$0.83</u> per 1,000 gallons will be added to the gallonage charge for ground water reduction fee.

Bluebonnet Ground Water Conservation District (Walker County): An additional charge of \$0.035 per 1,000 gallons of water usage will be added to the gallonage charge

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

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

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.

PUC RULES REQUIRE THE UTILITY TO COLLECT A FEE OF ONE PERCENT OF THE RETAIL MONTHLY BILL AND REMIT TO THE TCEQ.

Section 1.02 - Miscellaneous Fees

Crystal Springs Water Company, Inc.

Water Utility Tariff Page No. 2A

SECTION 1.0 - RATE SCHEDULE (Continued)

METER RELOCATION FEE	Actual Relocation Cost, Not to Exceed Tap Fee
THIS FEE MAY BE CHARGED IF A CUS	TOMER REQUESTS THAT AN EXISTING METER BE RELOCATED.

METER TEST FEE
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.

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
L	Combination and a second of the transfer for the second of	150 OO

RETURNED CHECK CHARGE \$35.00

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

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)

PURCHASED WATER/UNDERGROUND WATER DISTRICT FEE PASS THROUGH CLAUSE: Changes in fees imposed by any wholesale 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 formula:

AG = G + B, where:

AG = adjusted gallonage charge, rounded to the nearest one cent

G = approved per 1,000 gallon gallonage charge

B = change in district fee (per 1,000 gallons)

To implement or modify the Purchased Water/Underground Water District Fee, the utility must comply with all notice and other requirements of 30 TAC 24.21(h).

The utility will have the most current Public Utility Commission of Texas (PUC or 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 compiled 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. A customer requesting service where service has previously been provided must pay a reconnect fee as provided in Section 1. 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(les) is located.

Fees in addition to the regular tap fee may be charged to cover unique costs not normally incurred as permitted by 30 TAC 24.86(a)(1)(C) if they are listed on this approved tariff. 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 must 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 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 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

All non-residential customers requiring a greater than 1" meter or any customer with irrigation or firefighting systems, must install back flow prevention devices which have been approved by the utility or its consulting engineers on each of their customer service lines.

The back flow assembly shall be tested upon installation by a recognized prevention assembly tester and certified to be operating within specifications. Back flow prevention assemblies which are installed to provide protection against high health hazards must be tested and certified to be operating within specifications at least annually by a recognized back flow prevention device tester. The maintenance and testing of the back flow assembly shall occur at the customer=s expense.

No water connection shall be made to any establishment where an actual or potential contamination or system hazard exists without an approved air gap or mechanical backflow prevention assembly. The air gap or backflow prevention assembly shall be installed in accordance with the American Water Works Association (AWWA) standards C510, C511 and AWWA Manual M14 or the University of Southern California Manual of Cross-Connection Control, current edition. The backflow assembly installation by a licensed plumber shall occur at the customer's expense.

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 fallure, 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.

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 AWWA, 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 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.

(D) <u>Prorated Bills</u> - 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 payor 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.

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.

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SECTION 2.0 - SERVICE RULES AND POLICIES (CONT.)

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 2.13 - 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 24 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 Liability

Customer shall be liable for any damage or injury to utility-owned property shown to be caused by the customer.

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 customer 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.

Unless an exception is granted by the Commission, 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 Commission if:

- a) 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 oversizing 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.

The utility shall bear the cost of any over-sizing of water distribution lines or waste water collection lines necessary to serve other potential service applicants for customers in the immediate area.

For purposes of determining the costs that service applicants shall pay, commercial customers with service demands greater than residential customer demands in the certificated 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

SECTION 3.0 - EXTENSION POLICY (CONT.)

beyond 200 feet and throughout his property including the cost of all necessary transmission facilities.

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.

Section 3.02 - Costs Utilities Shall Bear

The utility will bear the full cost of any oversizing 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 <u>may not be required</u> of individual residential customers for production, storage, treatment or transmission facilities unless otherwise approved by the Commission under this specific extension policy.

Within its certificate 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 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.

The Utility is not required to extend service to any applicant outside of its certificated 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 certificated service area boundaries by the PUC.

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.

SECTION 3.0 - EXTENSION POLICY (CONT.)

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 30 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 30 TAC 24.85(e)(4), 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:

- a) Under a contract and only in accordance with the terms of the contract; or
- b) 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.
- c) 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 3.04 - 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(les) 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.

SECTION 3.0 - EXTENSION POLICY (CONT.)

Service applications will be sent by prepaid first class United States mail to the address provided by the applicant upon request. Completed applications should be returned by hand delivery in case there are questions which might delay fulfilling the service request. Completed service applications may be submitted by mail if hand delivery is not possible.

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. The tap request must be accompanied with 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. 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 necessary easements and rights-of-way necessary 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 certificated 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.

Section 3.07 - Developer Requirements

As a condition of service to a new subdivision, the Utility shall require a developer (as defined by PUC rule) to provide permanent recorded public utility easements as a condition of service to any location within the developer's property.

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SECTION 4.0 – Drought Contingency Plan (The utility must attach a copy of the TCEQ approved Drought Contingency Plan)