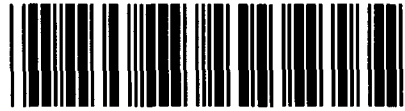


Control Number: 48454



Item Number: 18

Addendum StartPage: 0

DOCKET NO. 48454

COMPLAINT OF NZINGA HUGHES §
AGAINST THE TRAILS AT DOMINION §
PARK, AB-GO TRAILS AT DOMINION §
PARK PROPCO, LLC, NWP SERVICES §
CORPORATION, HARRIS COUNTY §
MUNICIPAL UTILITY DISTRICT NO. §
215, AND GOLDOLLER REAL ESTATE §
INVESTMENTS §

PUBLIC UTILITY COMMISSION

OF TEXAS

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PUBLIC UTILITY COMMISSION
FILING CLERK

REALPAGE RESPONSE TO COMMISSION STAFF

COME NOW RealPage Utility Management, Inc. (fka NWP Service Corporation), Trails at Dominion Park, Ab-Go Trails at Dominion Park Propco, LLC and GoldOller Real Estate Investments ("Respondents") in response to Commission Staff's first request for information to RealPage Utility Management, Inc.

ANSWERS TO COMMISSION STAFF'S QUESTION NOS. STAFF 2-1 THROUGH STAFF 2-27

Staff 2-1 Indicate, with a yes or no answer, whether you are the representative for The Trails at Dominion Park in this proceeding.

Answer 2-1: Yes.

Staff 2-2 Indicate, with a yes or no answer, whether you are the representative for Ab-Go Trails at Dominion Park Propco, LLC in this proceeding.

Answer 2-2: Yes.

Staff 2-3 Indicate, with a yes or no answer, whether you are the representative for Goldoller Real Estate Investments in this proceeding.

Answer 2-3: Yes.

Staff 2-4 Indicate the total number of days for which Nzinga Hughes was billed for water services each year from 2014 until 2017.

Answer 2-4: For the following calendar years, Nzinga Hughes was billed for water service for following:

2014 – 1 Day (RealPage began services in 2015 and initial bill period included December 31st, 2014)

2015 – 365 Days

2016 – 366 Days (Leap year)

2017 – 365 Days

Staff 2-5 Indicate the total number of days for which Nzinga Hughes was billed for sewer services each year from 2014 until 2017.

Answer 2-5: For the following calendar years, Nzinga Hughes was billed for sewer service for following:

2014 – 1 Day (RealPage began services in 2015 and initial bill period included December 31st, 2014)

2015 – 365 Days

2016 – 366 Days (Leap year)

2017 – 365 Days

Staff 2-6 Have water or sewer bills for tenants at The Trails at Dominion Park increased since RealPage began, in 2018, to itemize the previously "hidden" water dwelling unit base charge on its water bills?

Answer 2-6: As with any allocation billing, the total monthly charge will vary month to month due to many changes. For the most part, the billed amounts to residents for water and sewer charges have not changed much during 2018. The following are the total water and sewer amounts billed, including the base fees, during 2018 and 2017 for an overall comparison. As seen below, the charge before the base fees were broken out, and after are all within the same range. Details can be reviewed on the billing reports included at Exhibit 2-20 below.

Year/Month	Water/Sewer	CHCWA	Total
2018 - 12	\$29,561.02	\$13,376.72	\$42,937.74
2018 - 11	\$34,205.29	\$15,352.95	\$49,558.24
2018 - 10	\$30,378.90	\$13,767.21	\$44,146.11
2018 - 9	\$29,619.58	\$11,620.10	\$41,239.68
2018 - 8	\$33,552.13	\$12,015.46	\$45,567.59
2018 - 7	\$32,271.74	\$11,759.88	\$44,031.62
2018 - 6	\$29,207.04	\$13,431.47	\$42,638.51
2018 - 5	\$32,489.57	\$12,781.11	\$45,270.68
2018 - 4	\$30,914.94	\$14,294.38	\$45,209.32
2018 - 3	\$32,456.96	\$14,866.36	\$47,323.32
2018 - 2	\$30,623.11	\$13,644.94	\$44,268.05
2018 - 1	\$30,810.33	\$11,710.65	\$42,520.98
2017 - 12	\$45,549.37	\$0.00	\$45,549.37
2017 - 11	\$44,381.30	\$0.00	\$44,381.30
2017 - 10	\$46,262.61	\$0.00	\$46,262.61
2017 - 9	\$42,827.20	\$0.00	\$42,827.20
2017 - 8	\$42,250.08	\$0.00	\$42,250.08
2017 - 7	\$44,541.44	\$0.00	\$44,541.44
2017 - 6	\$44,323.60	\$0.00	\$44,323.60
2017 - 5	\$45,201.37	\$0.00	\$45,201.37
2017 - 4	\$43,633.39	\$0.00	\$43,633.39
2017 - 3	\$44,341.35	\$0.00	\$44,341.35
2017 - 2	\$40,830.55	\$0.00	\$40,830.55
2017 - 1	\$39,350.94	\$0.00	\$39,350.94

Staff 2-7 Did the existence of the "hidden" base charge result in any tenant ever being overcharged for water or sewer service at The Trails at Dominion Park?

Answer 2-7: We do not believe the existence of the "hidden" base charges resulted in any tenant ever being overcharged for water or sewer service. The charge has always been present and billed to tenants, it was only simply incorporated into the water and sewer portion of the billing prior to January 2018. Reviewing the overall billing amount prior to January 2018 compared to after January 2018, there does not appear to be an increase attributed to the fees being broken out separately as shown above.

Staff 2-8 Provide amounts paid and dates for each water and sewer base charge that Ms. Hughes paid to Trails at Dominion Park from May 2016 through the present.

Answer 2-8: The Account Activity report details each charge that was applied to Ms. Hughes account from the first RealPage charges through December 10th, 2018 and is attached as Exhibit 2-8.

Staff 2-9 Explain how the billing methodology employed by RealPage accounts for vacant units at The Trails at Dominion Park.

Answer 2-9: There are 2 impacts of vacant units. The first is a portion of the calculation using sqft. The second when determining the per unit calculation. In both cases, the square footage and the unit count of vacant apartments are included when determining the denominator of the billing calculation. Keep in mind the time-period of a given billing period that a unit is vacant is also used in the determination to split the particular charge between the occupied tenant and when the unit was vacant.

Staff 2-10 Provide an example calculation to demonstrate how RealPage accounts for vacant units at The Trails at Dominion Park.

Answer 2-10: There really is no calculation to demonstrate how the vacant units are accounted for other than showing them listed on the Property Level Allocation report attached as Exhibit 2-10. This report includes all the lines for each unit, occupied and vacant, and how they are calculated. As shown, there are charges for the vacant units listed on the lines that are attributable to vacant units (sqft and per unit).

Staff 2-11 Provide Ms. Hughes's water and sewer bills for May 2016 and June 2016.

Answer 2-11: Ms. Hughes' water and sewer bills from May 2016 and June 2016 are attached as Exhibit 2-11.

Staff 2-12 Provide Ms. Hughes's water and sewer bills from May 2018 through the present.

Answer 2-12: Ms. Hughes' water and sewer bills from May 2018 through the present are attached as Exhibit 2-12.

Staff 2-13 Explain how Ms. Hughes's water and sewer bills are calculated. Please select an example month and provide the calculation itself rather than just an explanation of the calculation methodology.

Answer 2-13: The monthly bills are calculated based on a combination of square footage and occupancy following 16 TAC 24.124(e)(2)(iv) as stated in Answer 1-4. The most recent Monthly Billing Breakdown Report is attached as exhibit 2-13. This report includes all the necessary information documenting the billing calculations. Similar reports for previous months were previously provided during the informal investigation.

Staff 2-14 Provide the invoices that RealPage received from Harris County Municipal Utility District (MUD) 215 from December 2016 through the present.

Answer 2-14: All invoices that RealPage received from Harris County Municipal Utility District (MUD) 215 from December 2016 through present are attached as Exhibit 2-14.

Staff 2-15 Provide the invoices that RealPage received from Harris County MUD 215 from May 2016 through November 2016.

Answer 2-15: All invoices that RealPage received from Harris County Municipal Utility District (MUD) 215 from May 2016 through November 2016 are attached as Exhibit 2-15.

Staff 2-16 Explain RealPage's methodology for calculating a tenant's portion of the bill from Harris County MUD 215 for the months in which RealPage did not receive an invoice from Harris County MUD 215.

Answer 2-16: When invoices are not received, in order to issue resident statements as promptly as possible as well as on a regular basis, RealPage will project the monthly invoice amounts based on the prior invoice received. The previous actual invoice is the best projection of the current charges.

Staff 2-17 Provide the rule or law under which RealPage derived the authority to bill tenants for service from Harris County MUD during the months in which RealPage did not receive an invoice from Harris County MUD 215.

Answer 2-17: RealPage is following §16 TAC 24.125 by estimating the invoices when they are not received. This process has been long established in the billing industry as the best way to maintain consistent billing of the tenants on a regular basis. There is no other alternative when circumstances beyond our control prevent the invoice form being received by the billing provider.

Staff 2-18 Provide the bills for any tenant billed for service from Harris County MUD 215 during any month in which RealPage did not receive an invoice from Harris County MUD 215.

Answer 2-18: There were 16 months that RealPage did not receive an invoice from Harris County MUD 215 for billing as listed below and in Answer 1-9 previously. As there are 843 units at the property, this would equate to over 12,000 statements given average occupancy. As such, we would reference Answer 2-20 which has all the billing registers for each month for all residents. As all invoices have the same appearance, providing the billing amounts that are contained within will assist the investigation. To recap, the following list are the months in which the invoices from Harris County MUD#125 were not received by RealPage Utility Management. In these cases, the prior monthly invoice amount was used for billing purposes.

5/15; 8/15; 10/15; 2/16; 8/16; 12/16; 4/17; 5/17; 7/17; 8/17; 9/17; 11/17; 12/17;
2/18; 3/18; 4/18

Staff 2-19 Provide a calculation that shows the amount each customer should have been billed during any month in which RealPage did not receive an invoice from Harris County MUD 215.

Answer 2-19: RealPage does not have any of the invoices for the periods above in answer 2-18. As such, we are unable to determine the amount each customer would have been billed during any of the above months in which RealPage did not receive an invoice.

Staff 2-20 Provide monthly billing registers for each month subject to this complaint.

Answer 2-20: Billing registers listing amount charged to each resident is attached as Exhibit 2-20. Each tab on the file represents each billing period.

Staff 2-21 Provide examples of the calculations utilized to determine the water and sewer bills subject to this complaint. Indicate specifically the 5% common area deduction and any month in which the billing methodology changed.

Answer 2-21: A Monthly Billing Breakdown Report is attached as Exhibit 2-21. The common area deduction can be seen as part of the calculation in the first row, furthest to the right.

Staff 2-22 Indicate the total number of occupied and unoccupied units in the complex for each month from January 2014 through the present

Answer 2-22: Occupancy has ranged from 97% in 2014 which is an average of 820 occupied units to as low as 88% in early 2016 which is an average of 740 occupied units. Each tab on the Billing Report lists the number of units that received statements in that particular billing month. This does not include the any residents that moved out during that particular month.

Staff 2-23 Provide documentation, including cancelled checks, bank transfers reflected on a bank statement, credit card statements, or other similar documentation for all amounts paid to Harris County MUD 215 from January 2014 through the present.

Answer 2-23: Compiling these records in a manner that will not compromise financial data security is difficult. We ask that these records not be specifically required, but rather that each invoice be reviewed which shows the previous payment amount and what such payment was received by Harris County MUD 215.

Staff 2-24 Explain why the resident billing periods on tenant invoices issued by RealPage differ from the service periods indicated by Harris County MUD 215 on its retail public utility invoices.

Answer 2-24: The billing periods on tenant invoices issued by RealPage were set to match the same length of time as that of Harris County MUD 215. For example, if the MUD billed for 28 days, the RealPage period would also be for 28 days. If the MUD billed for 32 days, again the RealPage period would be for 32 days. This is done to best match the billing period of the utility provider as required in the regulations under §24.125(c).

Staff 2-25 Provide a list of all records and documents at the on-site manager's office that are available to tenants to view during normal business hours upon request.

Answer 2-25: In addition to the information already provided in the lease documents, including the rules, all records that are required to be made available for inspection by the tenant under §24.122(e) are not routinely maintained at the on-site managers office. As such, they are provided upon written request with 15 days from the off-site location according to paragraph (f).

Staff 2-26 Provide a list of any information, apart from information available at the on-site manager's office, that is necessary for a tenant to calculate and verify a water or sewer bill.

Answer 2-26: Information that is necessary for a tenant to calculate and verify the billing includes the following:

Description of billing method
Utility Invoice Amounts including total used for billing
Occp Value Days and SqFt Value Days
The occupant factor and square footage of the tenant unit

Staff 2-27 Provide the date(s) on which Ms. Hughes requested information to calculate and verify her water and sewer bill(s).

Answer 2-27: We have been reviewing records to determine exact dates of any prior requests for specific information. Some of the previous material submitted by Ms. Hughes does contain emails regarding the billing and are being reviewed. An original investigation complaint was filed with the Public Utility Commission of Texas on March 27th, 2018. This was complaint CP2018030760.

Staff 2-28 Provide the documents given to Ms. Hughes upon her request for information related to her water and sewer bills and the dates on which those documents were provided.

Answer 2-28: Documents that were provided in response to the above complaint are attached as Exhibit 2-28. These include a response letter, billing description, detailed billing reports, utility invoices and resident statements. Utility invoices and resident statements are no included in this exhibit as they are included in other answers.

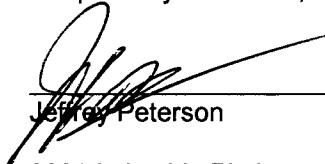
Staff 2-29 Indicate whether RealPage has provided Ms. Hughes with all of the billing information she has requested to date.

Answer 2-29: RealPage has provided all of the information requested to date including the billing reports, invoices and billing explanations that have been attached to this investigation, as well as the informal investigation previously.

Prayer for Relief

WHEREFORE, PREMISES CONSIDERED, Respondents respectfully request that the Commission deny Complainant's Request for Relief and that the Commission issue an order dismissing this Complaint.

Respectfully submitted,

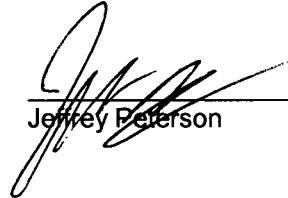
A handwritten signature in black ink, appearing to read 'Jeffrey Peterson', is written over a horizontal line.

2201 Lakeside Blvd
Richardson, TX 75082
Jeffrey.Peterson@RealPage.com

**Representative for
RealPage Utility Management, Inc.**
(fka NWP Service Corp) and,
**Trails at Dominion Park and,
Ab-Go Trails at Dominion Park Propco, LLC and,
GoldOller Real Estate Investments**

CERTIFICATE OF SERVICE

I, Jeffrey Peterson – Vice President Legal Counsel, certify that a copy of this document was serviced on all parties of record in this proceeding on December 11, 2018 in the following manner: fax, hand-delivery, first class mail and/or Overnight delivery.



Jeffrey Peterson