



Control Number: 48640



Item Number: 100

Addendum StartPage: 1

PUC DOCKET NO. 48640  
SOAH DOCKET NO. 473-19-4089-WS

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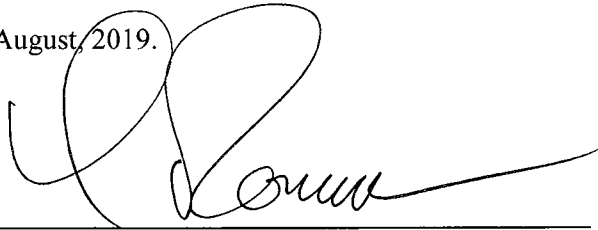
APPLICATION OF W.E. VLASEK FOR § BEFORE THE STATE OFFICE  
AUTHORITY TO CHANGES RATES § OF  
§ ADMINISTRATIVE HEARINGS

**PREFILED DIRECT TESTIMONY OF W.E. VLASEK**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

COMES NOW, Applicant W. E. VLASEK, by and through counsel, and hereby files this its Prefiled Direct Testimony of BRET W. FENNER, P.E. and LES ROMO to support the rate change application in this case to change the rates charged utility customers. All of the testimony of the afore-said witnesses will be supplement as new facts, information, and evidence becomes known to them and to the Applicant, and/or if there is a need to provide rebuttal testimony in this case. .

Respectfully submitted this 22<sup>d</sup> day of August, 2019.



Les Romo  
Law Offices of Les Romo  
102 West Morrow Street, Suite 202  
P.O. Box 447  
Georgetown, Texas 78627  
(512) 868-5600  
Fax: (512) 591-7815  
State Bar No. 17225800  
lesromo.lawoffice@gmail.com

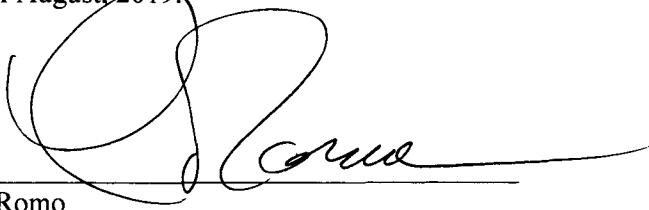
**ATTORNEY FOR W. E. VLASEK**

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served on all parties on the

100

service list in this proceeding on the 22<sup>nd</sup> day of August, 2019.



\_\_\_\_\_  
Les Romo

**PUC DOCKET NO. 48640**  
**SOAH DOCKET NO. 473-19-4089.WS**

**APPLICATION OF W.E. VLASEK FOR     §     BEFORE THE STATE OFFICE**  
**AUTHORITY TO CHANGES RATES     §                                   OF**  
**§     ADMINISTRATIVE HEARINGS**

**PREFILED DIRECT TESTIMONY OF LES ROMO**  
**ON BEHALF OF W.E. VLASEK**

**GENERAL BACKGROUND**

Q.     Please state your name and address for the record.

A.     Les Romo, 102 West Morrow Street, Suite 202, P.O. Box 447, Georgetown, Texas 78627.

**LEGAL EXPERTISE**

Q.     By whom are you employed, and in what capacity?

A.     I am the owner of Law Offices of Les Romo, a law firm experienced in public water utility regulation, administrative law, environmental law, water law, general business, real estate, commercial law and civil litigation. My resume is attached to this testimony as Attachment No. 1, in the context of this rate case, I am the counsel of record for the applicant, W.E. VLASEK.

Q.     Would you briefly review your legal experience related to your work with water utilities?

A.     Yes. I was in private legal practice from 1980 to 1989 practicing in the areas of business, commercial, real estate and general civil law in Anchorage, Alaska. In 1990, I was hired by the Office of the Attorney General for the State of Texas in the Environmental Protection Division, and worked in this office until 1994. In the course of my work for the Attorney General's Office, I represented the State of Texas, primarily, the Texas Natural Resource Conservation Commission ("TNRCC"), (now the Texas Commission on Environmental Quality ("TCEQ")), in enforcing the state's environmental laws as well as enforcing the rules and regulations of the TNRCC. During the course of this work I pursued a number of enforcement and receivership cases involving water utilities in the state. In 1994 I left the Office of the Attorney General, and opened my own private law practice. Since that time, I have represented Municipal Utility Districts, Water Supply Corporations and Investor Owned Utilities as general counsel and for a variety of legal matters. Besides being general legal counsel for my water utility clients, I have represented water utility clients in rate cases, boundary cases, bond issuances proceedings, the acquisition and amendment of Certificates of Convenience and Necessity, the sale and purchase of real property and other assets, open meeting and open records proceedings as well as a large variety of regulatory and other legal



proceedings. I have represented my water utility clients in state courts as well as legal proceedings before the State Office of Administrative Hearings and the Public Utility Commission of Texas ("PUC").

#### SCOPE OF TESTIMONY

Q. What is the purpose of your testimony in this cause?

A. I will present testimony and exhibits related to the fees and expenses charged to date, and anticipated to be charged by my firm for routine non-regulatory legal services ("legal expertise") and in the presentation and prosecution of this application ("regulatory expense"). Included in the scope of this testimony, shall be testimony on the services rendered or anticipated to be rendered, the need for those services, the customary fees and expenses charged for those services, the reasonableness of those fees and expenses in the community given my expertise and training. Also included is testimony related to other expenses W.E. VLASEK has incurred in the preparation and prosecution of this rate case. I will also provide testimony concerning the holder of the tariff and the Certificate of Convenience and Necessity ("CCN"), and other information related to the water systems.

Q. Did you perform rate case related legal services to W.E. VLASEK during the test year in this rate case?

A. Yes.

Q. Were the fees and expenses for those services listed in the original rate change application as "legal expense?"

A. Yes.

Q. What non-regulatory legal services did you provide W.E. VLASEK during the test year and to date?

A. Attached to my testimony here are copies of my invoices for work to date on this rate case on behalf of W.E. VLASEK. To the degree there are any non-rate related legal work performed by me for the Applicant, it has been redacted from these invoices, so the charges for my regulatory legal work and costs are set forth in the attached invoices which are attached hereto as Attachment No. 2. The information on legal services reflected in Attachment 2 is true and correct to the best of my knowledge and belief. It does not reflect all of the time that I worked on W.E. VLASEK matters because I customarily do not bill water companies for all of my professional time.

Q. What are your firm's customary billing rates?

A. I customarily bill my clients at the rate of \$300 per hour for attorney time. However, per prior agreement with the company, I charge W.E. VLASEK the reduced hourly rate of \$250.00. I also charge at the reduced hourly rate of \$190.00 for travel time. There is no pricing distinction for the

services being provided under this rate. No premium is charged for trial appearances. No attorney's services are billed on a fixed fee, i.e., incorporations, simple wills. There were no fixed fees in the test year. Some out-of-pocket expenses are billed, generally at invoiced costs, such as transcripts, filing fees, non-vehicle travel, postage and copies made by outside contractors. If voluminous copies are made, they are billed at \$.05 per page, less than the Texas GSA rate charged by state agencies for copies made in-house by the agency, or at the rate charged by a copier company.

Q. Are these billing rates within the range of professional billing rates for experienced administrative lawyers and/or law firms in the Austin and surrounding community?

A. Yes. Based upon over 30 years of practicing law in this community, I know that administrative law practitioners' billing rates run from \$180 to \$400 per billing hour depending upon their level of experience and training. Most administrative law specialists with my level of experience and training bill from \$250 to \$400 per hour. Clerical support billing rates tend to run from \$25 to \$40 per hour while trained support providers, such as qualified legal assistants, are billed \$60 to \$85 per hour.

Q. As of the last invoice you sent to W.E. VLASEK what has been the total cost for your legal services and for out-of-pocket expenses you have incurred on behalf of the company related to this case?

A. As of the date of this testimony, the total charges to the company for legal services in this case have been \$9,012.88, and the out-of-pocket expenses incurred by my office in this case have been \$145.71.

Q. Have you performed legal work for W.E. VLASEK related to this rate case that have not yet been paid?

A. Yes. I have performed legal services that have not yet been paid by W.E. Vlasek, and I will supplement my testimony when this work is paid for, and for future work on this case.

Q. Has W.E. VLASEK incurred other costs from any of its consultants for their work in assisting W.E. VLASEK in preparing and prosecuting this rate application and this rate case? If so, please describe these charges and provide the amounts charged to the company?

A. Yes. W.E. VLASEK has incurred expenses from its consulting engineer Bret W. Fenner, P.E. of B&D Environmental, Inc. for work related to preparing this rate application and in support of the prosecution of this rate case in the amount of \$4,025.00, as of the date of this testimony.

Q. Are copies of the invoices you and the consulting engineer sent to W.E. VLASEK attached to this testimony?

A. Yes. I have redacted all billings for general counsel work I performed for W.E. VLASEK, and am only stating the amounts directly related to the rate case. Copies of my invoices to the Applicant,

and copies from the consulting engineer BRET W. FENNER, P.E.'s invoice summary are attached hereto as Attachment No. 2.

Q. Were these services necessary for the prosecution of this rate case?

A. Yes. The utility is entitled to representation by counsel under the PUC's rules and the Administrative Procedures Act, and it is allowed and it is necessary for the company to have expert engineering consulting services to prosecute this case. Since the docket was not settled at the initial prehearing conference, it is a "contested case" and is subject to discovery and other time consuming legal matters. I could not properly represent W.E. VLASEK without engaging in the activities that have been billed or will be billed in the future.

Q. So, in your opinion, the expenses shown in Attachment 2 were and are necessary to the prosecution of this case by W.E. VLASEK?

A. Yes.

Q. Do you have an opinion of the reasonableness and need for the rate related legal services and engineering and consulting charges shown in Attachment No, 2?

A. Yes.

Q. What is that opinion and why do you hold it?

A. I believe that the services rendered are necessary for the continued operation of a regulated water company, especially one like W.E. VLASEK, plus the costs and expenses charged related to this hearing proceeding were reasonable and necessary given the number of parties to this case, and given the actions by customers and state agencies in their attempts to deny W.E. VLASEK its requested rate change. Further, this rate application by W.E. VLASEK is a direct result of the financial demands the company faces to operate, manage and make upgrades and repairs to the company's water facilities.

Q. Will you be providing W.E. VLASEK with rate case related legal services in the future?

A. Yes, I anticipate that W.E. VLASEK will be consulting with me to pursue the prosecution of this rate case on the company's behalf.

Q. How much time do you estimate you will spend on these future legal services?

A. Given that the final hearing in this case for October 15 - 16, 2019 it is difficult to estimate the amount of time and expenses for legal and other costs W.E. VLASEK will incur in this case, as it is not known what the other parties to this proceeding will do related to discovery, hearings, and the like. The Commission Staff has sent the Applicant requests for information, and we have sent the Commission Staff requests for information; all of which need replies. Plus the replies may lead to additional discovery. Given this, I will supplement my testimony at the time of the evidentiary

hearing in this case to provide a more complete and final figure as to the legal and other expenses that W.E. VLASEK will incur in this proceeding that will be added to and/or estimated to be incurred by the company in this case.

Q Are incurred legal expenses from other counsel included in the requested costs of services?

A. No.

Q. Do you have an opinion on the reasonableness of the level of requested legal expenses proposed to be recovered in these dockets? If so, what is it?

A. Yes. I believe that the level of legal expenses and consulting engineer and other expenses sought to be recovered is reasonable and necessary. While individual tasks performed during the past year in the test year may not be performed in the next year while these rates are in effect, a comparable level of necessary legal services will be needed. In addition, given that the Commission Staff and the rate payer Intervenor and their representatives will more than likely seek discovery from W.E. VLASEK, and there may be other legal issues that will have to be addressed, and discovery from the PUC and the Intervenor will be necessary, so there will be additional legal services I will perform for W.E. VLASEK in this case. Moreover, one of the methods used for the proposed rates is making a determination of how much cash flow the utility will need to provide continuous and adequate service while paying its operating expenses, recovering its capital investment through depreciation and attracting capital and providing a reasonable return, and for costs related to this rate case. All this must be accomplished while preserving the utility's financial integrity.

Q. Do you, then recommend that W.E. VLASEK be allowed to charge its customers to recover its expenses incurred in this case?

A. Most assuredly, yes. W.E. VLASEK has incurred its contested case expenses thus far as result of the challenges to these proposed rates from its customers and from state agencies. Given that W.E. VLASEK is pursuing the proposed rates as a result of its financial needs to manage, operate and upgrade its water facilities, the company should be allowed to recover its rate case expenses the company has thus far incurred, and will incur in this case through the final evidentiary hearing.

Q. What is the legal name and any assumed names, if any of the Applicant in this docket?

A. Mr. W.E. VLASEK owns the water utilities involved in this rate case application, and is doing business as the named utilities: SHALAKO ESTATES WATER SUPPLY, CANYON SPRINGS WATER SYSTEM, MARY MEADE WATER COMPANY, RUSTIC HILLS WATER SYSTEM, and VILLAGE WEST WATER SYSTEM.

Q. What is the name of the parent company for these water utilities, if any?

A. W.E. VLASEK owns, operates and manages all of these water utilities as a d/b/a for each company.

- Q. Are these water utilities considered a water utility pursuant to §13.002(23) of the Texas Water Code?.
- A. Yes.
- Q. What and/or who is the proper name of the utility or person who holds the Certificate of Convenience and Necessity for each of these utilities?
- A. W.E. VLASEK is the owner and title holder of the CCN for each of these water utilities.
- Q. To your knowledge, did the Applicant provide proper notice of the proposed rate change to each customer or other interested party? Texas Water Code §13.1871(b),(c); 16 Texas Administrative Code (“TAC”) §24.27?
- A. Yes. Proper notice was provided to each customer and interested party as required by these provisions of the law and Commission rules.
- Q. Which entity, or entities own the assets used in providing water service to the customers for which the rate changes is requested in this docket?
- A. Mr. W.E. VLASEK owns these assets.
- Q. Which entity, or entities, performs the day-to-day operations used in providing water service to the customers for which the rate change is requested in this docket?
- A. Mr. W.E. VLASEK and his employees perform these duties.
- Q. If a combination of entities constitutes the utility seeking the water rate change, which entities should be joined in this proceeding? 17 TAC §22.104(b).
- A. The utilities under which W.E. VLASEK is providing water service to the customers, SHALAKO ESTATES WATER SUPPLY, CANYON SPRINGS WATER SYSTEM, MARY MEADE WATER COMPANY, RUSTIC HILLS WATER SYSTEM, and VILLAGE WEST WATER SYSTEM should be joined together in this rate case proceeding.
- Q. In your opinion, are the utility expenses incurred in this rate case proceeding just, reasonable and necessary, and in the public interest as provided for in 16 TAC §24.33?
- A. Yes.
- Q. Are the expenses incurred by W.E. VLASEK as utility expenses as stated above, include any prospective rate-case expenses to be incurred after the Commission’s final order?
- A. Yes.
- Q. Should the utilities/W.E. VLASEK be able to recover their reasonable and necessary rate-case expenses from the ratepayers, and if so, how should the expenses be recovered by the utilities/W.E. VLASEK?
- A. The answer is yes, the utilities/W.E. VLASEK should be able to recover their reasonable and

necessary rate-case expenses from the ratepayers through the rates charged to the customers.

CONCLUSION


Q. Does this conclude your direct testimony?

A. Yes, it does. I reserve the right to correct, modify or supplement it at the time of the hearing, including, but not limited to, adding any additional costs to W.E. VLASEK for rate case related legal or other services and costs that the company may incur in the prosecution of its rate change application.

CERTIFICATION

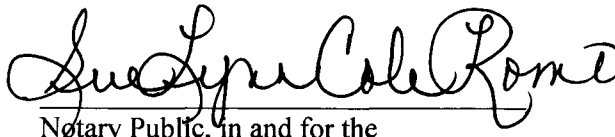
I hereby certify that this testimony has been prepared by me or under my direct supervision and control and the same is true to the best of my knowledge.

This 19<sup>th</sup> of August, 2019.



Les Romo

19<sup>th</sup> SUBSCRIBED AND SWORN TO before me the undersigned Notary Public by Les Romo on this day of August, 2019.



Notary Public, in and for the  
State of Texas



**PUC DOCKET NO. 48640**  
**SOAH DOCKET NO. 473-19-4089.WS**

<b>APPLICATION OF W.E. VLASEK FOR</b>	<b>§</b>	<b>BEFORE THE STATE OFFICE</b>
<b>AUTHORITY TO CHANGES RATES</b>	<b>§</b>	<b>OF</b>
	<b>§</b>	<b>ADMINISTRATIVE HEARINGS</b>

**PREFILED DIRECT TESTIMONY OF LES ROMO**

**ATTACHMENT A**

**Law Offices of Les Romo**  
102 West Morrow Street, Suite 202  
P.O. Box 447  
Georgetown, Texas 78627  
(512) 868-5600  
Fax: (512) 591-7815  
lesromo.lawoffice@gmail.com

## **THE FIRM**

**Les Romo practices law in Georgetown, Texas. Mr. Romo has over thirty (36) years of experience representing a variety of clients, including individuals, water districts and utilities, corporations, businesses and state agencies in federal and state regulatory proceedings, as well as in federal and state court proceedings. Mr. Romo's law firm was established in 1994.**

## **EXPERIENCE AND QUALIFICATIONS**

- **General counsel for municipal utility districts, water supply corporations, and investor owned water and sewer utilities.**

- **Representation of businesses, corporations, and other commercial entities.**

- **Extensive work with water utility clients in all aspects of their legal needs: legal assistance in obtaining the passage of legislation by the Texas Legislature; the creation, formation and incorporation of water utilities; assistance with Sales, Transfers and Merger ("STM") process, boundary disputes and modifications, modification and sale of Certificates of Convenience and Necessity ("CCN"), rate changes cases. Assistance with the drafting of deeds and real estate contracts and transactions for water utility and other clients, including contracts for the purchase and sale of water, water systems, and other services between water utilities. Assistance to water clients with bond projects, and their implementation, negotiations with developers and state regulatory authorities. Also, counseling clients with compliance with Texas Open Records Act and Texas Open Meetings Act.**

- **Representation of clients in state court and administrative proceedings, including rate cases, CCN related cases, STM cases, and other contested administrative rate case hearings before the State Office of Administrative Hearings, and the Public Utility Commission of Texas, and defending against enforcement actions by the Texas Commission on Environmental Quality.**

- **Assistance with employment, real estate, contracts, construction, and condemnation cases and proceedings.**

- **Over thirty-six (36) years of litigation experience in both jury and non-jury trials, and over thirty (30) years of experience with state administrative proceedings.**

- **Admitted to practice State Bar of Texas - J.D., 1979**

- **State of Texas Certified Mediator, October 16, 1994.**

**References available upon request.**



**PUC DOCKET NO. 48640**  
**SOAH DOCKET NO. 473-19-4089.WS**

<b>APPLICATION OF W.E. VLASEK FOR</b>	<b>§</b>	<b>BEFORE THE STATE OFFICE</b>
<b>AUTHORITY TO CHANGES RATES</b>	<b>§</b>	<b>OF</b>
	<b>§</b>	<b>ADMINISTRATIVE HEARINGS</b>

**PREFILED DIRECT TESTIMONY OF LES ROMO**

**ATTACHMENT B**

# INVOICE

Date: 8/19/2019  
Invoice # 09/18

B & D Environmental, Inc.  
200 Harbor Circle  
Georgetown, Texas 78633  
(512) 917-7541  
bretfenner@yahoo.com

To Vlasek Water Systems  
P.O. Box 326  
Hunt, Texas 78024  
Customer: Vlasek

Docket No.	Job	Due Date
48640	Rate/Tariff Change Application for Vlasek Water Systems	Due on receipt

Item	Description	Unit Price	Line Total
1	Prepared and submitted a Water Rate/Tariff Change Application to the PUC for Canyon Springs		\$ 1,600.00
1	Prepared and submitted a Water Rate/Tariff Change Application to the PUC for Shalako Estates		\$ 1,600.00
1	Prepared and submitted a Water Rate/Tariff Change Application to the PUC for Mary Meade Water System		\$ 1,600.00
1	Prepared and submitted a Water Rate/Tariff Change Application to the PUC for Rustic Hills Water		\$ 1,600.00
1	Prepared and submitted a Water Rate/Tariff Change Application to the PUC for Village West Water System		\$ 1,600.00
1	11/12/18: Partial Payment		\$ (3,200.00)
1	02/19/19: Partial Payment		\$ (4,800.00)
6 hours	02/15/19 to 03/05/19: Prepared responses for PUC staff's first request for information	\$ 175 / hour	\$ 1,050.00
3 hours	02/15/19 to 03/05/19: Prepared responses for PUC staff's second request for information	\$ 175 / hour	\$ 525.00
1	06/18/19: Partial Payment		\$ (1,575.00)
3 hours	06/04/19: Attended prehearing conference regarding Docket No, 45640	\$ 175 / hour	\$ 525.00
20 Hours	08/09/19-08/19/19: Prepared written testimony in support of the Rate/Tariff Change Application	\$ 175 / hour	\$ 3,500.00
<b>Subtotal</b>			\$ 4,025.00
<b>Sales Tax</b>			0
<b>Total</b>			\$ 4,025.00

Make all checks payable to B & D Environmental, Inc.

**Thank you for your business!**

**Law Office of Les Romo**  
**102 West Morrow Street, Suite 202**  
**Mailing Address: P.O. Box 447**  
**Georgetown, TX 78627**

**(512) 868-5600**

Invoice submitted to:  
W.E. Vlasek  
P.O. Box 326  
Hunt TX 78024

February 27, 2019

Invoice #2090

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
1/22/2019 Draft Notice of Appearance, file with PUC.	0.50 250.00/hr	125.00
2/6/2019 Phone call from Bret Fenner: Rate application, [REDACTED], Review notice to customers; Phone call to Shaleah Hill: [REDACTED].	0.50 250.00/hr	125.00
2/11/2019 Draft Proof of Notice to Customers, file with Commission; serve parties..	0.50 250.00/hr	125.00
2/19/2019 Phone call from Wendy: [REDACTED], number of protests from customers; Phone call with Alex Petak: Case, notice, effective date, referral for hearing.	0.47 250.00/hr	116.67
2/27/2019 Phone call with Alex Petak: Rate case, notice, approved, status, referral, recommendation; Message to Client and Bret Fenner: [REDACTED].	0.47 250.00/hr	116.67
For professional services rendered	2.44	\$608.34
Balance due		<u>\$608.34</u>

Thank you for your business. We now accept VISA, MasterCard, Discover and American Express credit cards as payment for services. If you wish to use a credit card for payment, please contact our office to arrange the payment of your balance due. Please pay the balance due at your earliest convenience.

1911-1912

1913-1914

1915-1916

**Law Office of Les Romo**  
**102 West Morrow Street, Suite 202**  
**Mailing Address: P.O. Box 447**  
**Georgetown, TX 78627**  
  
**(512) 868-5600**

Invoice submitted to:  
W.E. Vlasek  
P.O. Box 326  
Hunt TX 78024

April 30, 2019

Invoice #2103

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
3/28/2019 Review Staff's Request for Referral to SOAH: Message to Client and Bret Fenner: Staff, request for referral.	0.42 250.00/hr	104.17
4/9/2019 Review message from Bret Fenner: [REDACTED]	0.47 250.00/hr	116.67
4/26/2019 Review Commission Order of Referral of case to SOAH; Message to Client & Bret Fenner: [REDACTED]; Draft Response to Order of Referral.	0.58 250.00/hr	145.83
4/29/2019 Review Water Code, Commission rules; Draft list of issues in case; Message to Bret Fenner: [REDACTED]	1.00 250.00/hr	250.00
4/30/2019 Review Preliminary Order, schedule, preliminary hearing, notice; Message to Client: [REDACTED]	0.47 250.00/hr	116.67
Review information from Bret Fenner: Messages with Petak: Discovery, service by email, approved; Review Client information; Draft First Request for Information to the Commission & Staff; File with PUC, serve parties.	2.25 250.00/hr	562.50
For professional services rendered	5.19	\$1,295.84
Additional Charges :		
4/30/2019 Copying cost: Response to Order of Referral, First RFIs to Commission Staff. (118 pages at \$0.06/page)		7.08
Delivery Cost: Filing of Response to Order of Referral and First RFIs to Commission Staff with PUC.		20.00

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	<u>Amount</u>
Total costs	\$27.08
Total amount of this bill	\$1,322.92
Previous balance	\$608.34
4/3/2019 Payment - Thank You	(\$608.34)
Total payments and adjustments	(\$608.34)
Balance due	\$1,322.92

Thank you for your business. We now accept VISA, MasterCard, Discover and American Express credit cards as payment for services. If you wish to use a credit card for payment, please contact our office to arrange the payment of your balance due. Please pay the balance due at your earliest convenience.

**Law Office of Les Romo**  
**102 West Morrow Street, Suite 202**  
**Mailing Address: P.O. Box 447**  
**Georgetown, TX 78627**

**(512) 868-5600**

Invoice submitted to:  
W.E. Vasek  
P.O. Box 326  
Hunt TX 78024

June 03, 2019

Invoice #2111

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
5/6/2019 Review Staff's list of issues, send to Client and Bret Fenner.	0.42 250.00/hr	104.17
Phone calls with Bret Fenner and Shaleah: Hill: [REDACTED] from Staff, budgets, [REDACTED] terms, financial information.	0.50 250.00/hr	125.00
5/8/2019 Review Second RFI from PUC Staff; Review spreadsheet figures from Bret Fenner.	0.42 250.00/hr	104.17
5/13/2019 Review financial information from Client in response to Staff's First RFIs; Send and review messages with Petak: Response to RFIs, confidential, protective order; Review Code, work on Motion for Protective Order, Work on Protective Order.	2.00 250.00/hr	500.00
5/16/2019 Phone call with Bret Fenner: [REDACTED] and Second RFI to, witness, documents.	0.42 250.00/hr	104.17
5/17/2019 Review message and responses to RFIs 3 & 4 from Bret Fenner; Review proposed Preliminary Order.	0.50 250.00/hr	125.00
5/20/2019 Review Staff's Replies to Vasek Water's First RFIs to Staff.	0.58 250.00/hr	145.83
5/21/2019 Review RFI documents, information from Bret Fenner; Work on Protective Order motion, Phone call to Wendy Emley: [REDACTED] [REDACTED] [REDACTED] Draft Affidavit: Proof of notice to customers, Message to Wendy Emley: [REDACTED] [REDACTED].	1.33 250.00/hr	333.33



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	<u>Hrs/Rate</u>	<u>Amount</u>
5/24/2019 Review message and invoices and information from Bret Fenner and Wendy Emley: Staff's 2nd RFI.	0.47 250.00/hr	116.67
5/28/2019 Review Staff's 2nd RFI, Draft Response to Commission Staff's 2nd RFI to Client, file with clerk, serve Petak.	0.80 250.00/hr	200.00
6/3/2019 Review PUC rules, draft proposed Protective Order; Phone call to Bret Fenner: [REDACTED], Draft Proposed Procedural schedule; Message to Alex Petak: Proposed Protective Order and prehearing schedule.	1.20 250.00/hr	300.00
For professional services rendered	8.64	\$2,158.34
Additional Charges :		
5/15/2019 Copying cost: Discovery reply documents to Staff's First RFIs.		93.63
5/22/2019 Delivery Cost: File Discovery responses and pleadings with Commission.		25.00
Total costs		\$118.63
Total amount of this bill		\$2,276.97
Previous balance		\$1,322.92
5/23/2019 Payment - Thank You		(\$1,322.92)
Total payments and adjustments		(\$1,322.92)
Balance due		\$2,276.97

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**Law Office of Les Romo**  
**102 West Morrow Street, Suite 202**  
**Mailing Address: P.O. Box 447**  
**Georgetown, TX 78627**

**(512) 868-5600**

Invoice submitted to:  
W.E. Vlasek  
P.O. Box 326  
Hunt TX 78024

July 01, 2019

Invoice #2115

**Professional Services**

	<u>Hrs/Rate</u>	<u>Amount</u>
6/3/2019 Review file for Prehearing.	0.50 250.00/hr	125.00
6/4/2019 Travel to and from SOAH for mediation. (Travel rate: \$190/hour)	1.25 190.00/hr	237.50
Conference with Alex Petak and Bret Fenner: Case, notice, mediation; Appear before SOAH Judge, procedural schedule, mediation, agreement on mediation, designate parties.	1.00 250.00/hr	250.00
6/5/2019 Review Order from Judge, schedule, mediation; Message from Mediator: Mediation; Draft Motion for Adoption of Protective Order, file with PUC Clerk.	1.00 250.00/hr	250.00
6/12/2019 Review message from Petak: Mediation, Staff not ready, Message to Client and Bret Fenner: [REDACTED]	0.47 250.00/hr	116.67
Phone call with Wendy and Shalea: [REDACTED]; Phone call with Bret Fenner: [REDACTED].	0.50 250.00/hr	125.00
6/27/2019 Review Message from Petak: Pleading, suspension of rates, message with Bret Fenner, Petak: Effective date, mediation, motion to suspend rates, timing of suspension, clarification.	0.67 250.00/hr	166.67
Review SOAH Order, suspension of rates, Mesage to Client and Bret: SOAH Order, suspension of rates, RFIs.	0.42 250.00/hr	104.17
7/1/2019 Phone call from Bret Fenner: [REDACTED]	0.40 250.00/hr	100.00

1875-1876

1877-1878

1879-1880

W.E. Vlasek

Page 2

	<u>Hours</u>	<u>Amount</u>
For professional services rendered	6.21	\$1,475.01
Previous balance		\$2,276.97
6/24/2019 Payment - Thank You		<u>(\$2,276.97)</u>
Total payments and adjustments		<u>(\$2,276.97)</u>
Balance due		<u><u>\$1,475.01</u></u>

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**Law Office of Les Romo**  
**102 West Morrow Street, Suite 202**  
**Mailing Address: P.O. Box 447**  
**Georgetown, TX 78627**

**(512) 868-5600**

Invoice submitted to:  
W.E. Vlasek  
P.O. Box 326  
Hunt TX 78024

August 06, 2019

Invoice #2124

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
7/16/2019 Review SOAH Orders numbers 2 and 4, status report; Message to Petak: Status report, Staff's financial review of client.	0.40 250.00/hr	100.00
7/18/2019 Phone call with Bret Fenner: [REDACTED], Reveiw proposed schedlue from Bret Fenner; Message to Alex Petak: Proposed procedural schedule.	0.50 250.00/hr	125.00
7/22/2019 Review Order No. 4; Message from Bret Fenner: List of issues, Draft 2nd RFIs to Staff; Phone call to Bret Fenner: [REDACTED].	1.00 250.00/hr	250.00
7/29/2019 Review Staff's 3rd RFIs and Request for Admission; Message to Client and Bret Fenner: [REDACTED].	0.50 250.00/hr	125.00
Review 3rd and 4th RFIs from Staff; Send to Client and to Bret Fenner: RFIS.	0.50 250.00/hr	125.00
7/31/2019 Phone call from Bret Fenner: [REDACTED] information needed, [REDACTED] [REDACTED] payments, invoices.	0.47 250.00/hr	116.67
8/2/2019 Phone calll with Bret Fenner: [REDACTED] [REDACTED] and [REDACTED].	0.50 250.00/hr	125.00
8/5/2019 Review message from Bret Fenner: Annual reports, work on response to RFI 3, and 4.	0.67 250.00/hr	166.67
For professional services rendered	4.54	\$1,133.34
Previous balance		\$1,475.01
7/29/2019 Payment - Thank You		(\$1,475.01)

[illegible]

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**THE**

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\_\_\_\_\_



W.E. Vlasek

Page 2

	<u>Amount</u>
Total payments and adjustments	<u>(\$1,475.01)</u>
Balance due	<u><u>\$1,133.34</u></u>

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**SOAH DOCKET NO. 473-19-4089.WS  
PUC DOCKET NO. 48640**

**APPLICATION OF W. E. VLASEK           §     BEFORE THE STATE OFFICE  
FOR AUTHORITY TO CHANGE           §                   OF  
RATES                                   §     ADMINISTRATIVE HEARINGS**

**PREFILED TESTIMONY OF  
BRET WAYNE FENNER, P. E. ON BEHALF OF  
W. E. VLASEK**

Q: Please state your name for the record.

A: Bret Wayne Fenner.

**Witness Background**

Q: How are you employed?

A: I am the President of B & D Environmental, Inc. I was one of the founding shareholders of the company in 1997 and have been employed by B & D Environmental, Inc. since that time.

Q: Do you hold any professional licenses?

A: Yes. I am a licensed civil engineer in the State of Texas. My Professional Engineer License Number is 81939. I am also a License Real Estate Broker in the State of Texas. My Broker's License Number is 0605704.

Q: Please describe your educational background.

A: I hold a Bachelor of Science Degree in Architectural Engineering from the University of Texas in 1982 and a Master of Business Administration from Southwest Texas State University in 1991.

Q: Please describe your work experience and experience as a TCEQ and Court Appointed Receiver.

A: From November 1990 until May 1997 I was employed by the Texas Water Commission/Texas Natural Resources Conservation Commission ("TNRCC"), which was the predecessor agency to the Texas Commission on Environmental Quality ("TCEQ) as an Engineering Specialist. From January 1998 until May 2000, I was also employed by AquaSource, Inc. My job responsibilities for AquaSource, Inc. included the performance of field due diligence relating to the company's acquisitions of water and wastewater systems. In addition, from July 1998 until October 2005, I operated the Twin Creek Park Water Company in Travis County, Texas, as a court appointed Receiver and then as an owner/manager. I was also a court appointed Receiver for the both the High

Sierra Water System and the Bertram Woods Water Supply Corporation. I have been appointed by both the TCEQ and the Public Utility Commission (PUC) to conduct a third-party engineering appraisal to determine the compensation value for service areas being decertified. Currently, I am a consultant with B & D Environmental, Inc. consulting in water and wastewater utility operations and regulatory requirements. I have over 25 years' experience in public water and water management and regulatory work. I have qualified and testified as an expert witness in more than 28 water rate cases during my career. A true and correct copy of my resumé is attached hereto as **(Exhibit A)**.

### **Purpose of Testimony**

- Q. Please state the nature of this document and its purpose.
- A. This is my direct testimony. It was prepared to meet the burden of proof placed on W. E. Vlasek (the Utility) to present its cost of service, or revenue requirement, as reflected in its Water Rate/Tariff Change Application (Application). My testimony will also provide evidence that this cost of service is reasonable and necessary to provide water service to the Utility's ratepayers. In addition, this testimony is to support the Utility in addressing the issues identified in the Preliminary Order issued in this Docket.
- Q. Did you prepare the Rate/Tariff Change Application (Application) in question in Docket No. 48640?
- A. Yes, I prepared the Application which was filed with the Commission on August 29, 2018.
- Q. Are you aware of any changes in the requested required revenues that have occurred since filing the Application?
- A. Yes, while preparing this testimony, a number of necessary adjustments in the revenue requirement were discovered. These changes are noted throughout this testimony and any changes in the revenue requirement as requested in the Application are explained.

### **ISSUES TO BE ADDRESSED**

12. Did the utility seek the rate increase file its 2018 annual report? TWC §13.136; 16 TAC § 24.129
- A. The Utility is in the process of completing its 2018 annual report. This report will be filed with the Commission prior to the hearing on this matter.
13. What is the appropriate methodology to determine just and reasonable rates in this proceeding?
- A. The Utility method for rate making as defined by the American Water Works was used in this Application for determining the revenue requirement for water service.<sup>1</sup>

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<sup>1</sup> American Water Works Association, Manual 1, Fifth Edition, (Published 2000), Page 6-7.

14. What are the just and reasonable rates for the Utility that are sufficient, equitable, and consistent in application to each customer class and that are not unreasonably preferential, prejudicial, or discriminatory? TWC §13.182, 13.1871 (o); TAC §24.28 (d).
- A. The rate design that generates the required revenues in this testimony shows that the Utility's rates are reasonable and necessary to provide water service to all customers. The rates as proposed are not preferential, prejudicial, or discriminatory to any customer.
15. What revenue requirement will give the Utility a reasonable opportunity to earn a reasonable return on its invested capital used and useful in providing service to the public in excess of its reasonable and necessary operating expenses while preserving the financial integrity of the Utility? TWC § 13.183(a) (1) and (2); 16 TAC § 24.32(a).
- A. The revenue requirement recommended in this testimony allows the Utility a reasonable opportunity to earn a reasonable return on its invested capital more than reasonable and necessary operating expenses and will allow the Utility to preserve its financial integrity.
16. Are the Utility's proposed revisions to its tariffs and rate schedules appropriate?
- A. As previously stated, the proposed rate structure is just and reasonable and will give the Utility a reasonable opportunity to earn a reasonable return on its invested capital
17. What is the reasonable and necessary cost of providing service? 16 TAC § 24.31.
- A. In this testimony is the recommended cost of service to provided water service which calculates the reasonable and necessary cost of service for the Utility.
18. What adjustments, if any, should be made to the Utility's proposed test-year data? TWC § 13.185(d)(1);16 TAC § 24.31 (b), (c)(5).
- A. Given the length of time since the test year and now, occasionally changes have occurred in expenses that are known and measurable. Any allowable expense which have been adjusted for known and measurable adjustments will be noted throughout this testimony and any effect on the revenue requirement requested in the Application will be explained.
19. What is the appropriate debt-to-equity capital structure the Utility?
- A. The appropriate debt to equity ratio for the Utility is the actual debt to equity ratio of the Utility for the actual cost of service in the test year and not any unsupported arbitrary hypothetical debt-to-equity ratio.
20. What is the appropriate weighted cost of capital (also called the overall rate of return), including return on equity and cost of debt for the Utility? 16 TAC § 24.31(c)(1).
- A. The appropriate weighted cost of capital should be a weighted average of the return on equity and the cost of debt for the Utility's rate base on its actual debt and equity portions of the rate base in the test year and not any hypothetical weighted average.
21. What are the reasonable and necessary components of the Utility's invested capital? 16 TAC § 24.31(c) (2).
- a. Is the invested capital allocated from the utility's affiliates if any, used and useful in providing service to the utility's customers?

- A. The calculation of the reasonable and necessary components of the Utility's invested capital can be found in the water plant and equipment in service section of this testimony. No invested capital is allocated from any affiliate for this Application
22. What is the amount for an allowance for funds used during construction, if any, that is being transferred to invested capital in this proceeding? If such amounts are being transferred, for what facilities and at what rate did the allowance for funds used during construction accrue?
- A. The Utility has not requested an allowance for funds used during construction in this Application.
23. What is the original cost of the property used and useful in providing water service to the public at the time the property was dedicated to public use? TWC § 13.185(b); 16 TAC § 24.31(c)(2)(A) and (B). What is the amount if any, of accumulated depreciation on such property?
- A. The original cost of the Utility's invested capital used by and useful in providing water service to its customer can be found in the water plant and equipment in service section of this testimony. In addition, the amount of accumulated depreciation can be found in the Schedule III - 3 as revised in this testimony.
24. Is the Utility seeking the inclusion of construction work in progress? If so, what is the amount sought and for what facilities is it being sought? Additionally, has the Utility proven that the inclusion is necessary to its financial integrity and that major projects under construction have been efficiently and prudently planned and managed? TWC § 13.185(b); 16 TAC § 24.31(c)(4).
- A. The Utility is not seeking the inclusion of any amount as construction work in progress in this testimony.
25. Does the Utility have any debt? If so, what is the cost of that debt?
- A. The Utility does not have any debt outstanding.
26. What is the reasonable and necessary working capital allowance for the utility? 16 TAC § 24.31(c)(2)(C).
- A. The reasonable and necessary working capital allowance is calculated in Schedule II-5 of the Application per the method allowed for a Class C the Utility.
27. Does the Utility have any water or sewer property that was acquired from an affiliate or a developer before September 1, 1976? If so, has such property been included by the Utility in its rate base and has been in all ratemaking formulas at the actual cost of the property rather than the price set between the entities? TWC § 13.185(i).
- A. The Utility does not have any developer contributed property nor any property acquired from any affiliate.
28. Has the Utility acquired any water property from an affiliate? If so, do the payments for that property meet the requirements of TWC § 13.185(e)?

- A. The Utility has not acquired any property from any affiliate.
29. Has the Utility financed any of its plant with developer contributions? TWC § 13.185(j), 16 TAC § 24.31(b)(1)(B). What is the amount, if any, of accumulated depreciation on that property?
- A. The Utility has not financed any of its invested capital with developer contributions.
30. Has the utility included any customer contributions or donations in invested capital? TWC § 13.185(j), 16 TAC § 24.31(c)(2)(B)(v). If so, what is the amount of those customer contributions or donations?
- A. The Utility has not included any customer contributions or donations in its invested capital.
31. What are the utility's reasonable and necessary operations and maintenance expenses? 16 TAC § 24.31(b)(1)(A)?
- A. In this testimony is the cost of service to provided water service which calculates the Utility's reasonable and necessary operations and maintenance expenses.
32. What are the utility's reasonable and necessary administrative and general expenses?
- A. In this testimony is the cost of service to provided water service which calculates the reasonable and necessary administrative and general expenses for the Utility.
33. What is the reasonable and necessary amount for the utility's advertising expense, contributions, and donations? 16 TAC § 24.31(b)(1)(F).
- A. The Utility is not requesting the recovery of any advertising expense, contributions, and donations expenses in the revenue requirement in the Application.
34. Are any expenses, including but not limited to, executive salaries, advertising expenses, rate-case expenses, legal expenses, penalties and interest on overdue taxes, criminal penalties or fines, and civil penalties or fines, unreasonable, unnecessary, or not in the public interest? TWC § 13.185(h)(3); 16 TAC § 24.31(b)(2)(I).
- A. No executive salaries, advertising expenses, penalties and interest on overdue taxes, criminal penalties or fines, and civil penalties or fines are included in the cost of service requested in the Application.
35. If the utility has a self-insurance plan approved by the Commission or other regulatory authority, what is the approved target amount for the reserve account, and is it appropriate to charge that amount? What is the amount of any shortage or surplus for the reserve account, and what actions, if any, should be taken to return the reserve account to the approved target amount?
- A. The Utility does not have a self-insurance plan and is not claiming any such plan in its cost of service in this Application.
36. What are the utility's reasonable and necessary expenses, if any, for pension and other post-employment benefits?

- A. The Utility is not requesting the recovery of any expenses for any pension or other post-employment benefits in the revenue requirement in the Application.
37. Has the utility made any payments to affiliates?
- a. For affiliate transactions that affect the cost of service, are these transactions reasonable and necessary? TWC §13.185(e).
- b. For all affiliated transactions affecting the cost of service, what are the costs to the affiliate of each item or class of items in question, and is the price for each transaction no higher than prices charged by the supplying affiliate to its other affiliates or divisions for the same item or items, or to unaffiliated persons or corporations? TWC § 13.185(e).
- A. The Utility has transactions with an affiliate, Vlasek Pump Company, which is majority owned by Mr. W. E. Vlasek.
38. Is the method used to allocate cost attributable to the utility's affiliates appropriate and in accordance with the TWC?
- A. The methods used to allocate cost to the Utility's affiliate are appropriate and accordance to TWC as indicated by the supporting cost of service expense invoices in this testimony.
39. What is the reasonable and necessary depreciation expense? For each class of property, what are the proper and adequate depreciation rates (including service lives and salvage values) and methods for depreciation? TWC §13.1850(j); 16 TAC § 24.31(b)(1)(B).
- A. The depreciation expense for all components of capital invested property (Rate Base) were computed on a straight-line basis over the useful life of each asset using the Commission's approved service lives. For all components, salvage values were assumed to be zero. The calculation of reasonable and necessary depreciation expense can be found in the water plant and equipment in service section of this testimony.
40. Are any tax-savings derived from liberalized depreciation and amortization, investment tax credits, or similar Methods? If so, are such tax savings apportioned equitably between customers and the utility, and are the interests of present and future customers equitably balanced?
- A. The Utility is not requesting any liberalized depreciation and amortization, investment tax credits, or similar methods in the Application. Therefore, no tax-savings could be derived from these methods.
41. What is the reasonable and necessary amount, if any, for assessment and taxes other than federal income taxes? 16 TAC § 24.31(b)(1)(C).
- A. In this testimony is the cost of service to provided water service which calculates the Utility's reasonable and necessary expenses for assessment and taxes other than federal income taxes.
42. What is the reasonable and necessary amount for the utility's federal income tax expense? 16 TAC § 24.31(b)(1)(D); TWC § 13.185(f).

- a. Is the utility a member of an affiliated group that is eligible to file a consolidated income tax return? TWC § 13.185(f).
  - b. If so, have income taxes been computed as though a consolidated return had been filed and the utility realized its fair share of the savings resulting from the consolidated return? TWC § 13.185(f).
  - c. If not, has the utility demonstrated that it was reasonable not to consolidate returns? TWC § 13.185(f).
- A. This testimony calculates the reasonable and necessary federal income tax expenses for the Utility.
43. What is the reasonable and necessary amount of the utility's accumulated reserve for deferred federal income taxes, unamortized investment tax credits, contingency reserves, property insurance reserves, contributions in aid of construction, customer deposits, and other sources of cost-free capital? What other items should be deducted from the utility's rate base?
- A. The Utility is not requesting the recovery of any accumulated reserve funds in the revenue requirement in the Application.
44. Did the utility properly account for the effects of the Tax Cuts and Jobs Act of 2017? *Act to provide for Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018*. Pub. L. No. 115-97, 131 Stat. 2054 (Dec. 22, 2017)
- A. Given that the test year of this application is for year 2017 and this Act was not effective until the following year, the Utility did not take into account any effect of this Act in the original revenue requirement in the Application. However, as a revision to the revenue requirement in this testimony the effect of this Act on the income tax component will be considered.
45. What is the reasonable and necessary amount for municipal franchise fees, if any, to be included in rates?
- A. The Utility does not pay any municipal franchise fees nor is requesting recovery of any expenses for any franchise fees in the revenue requirement in the Application.
46. What regulatory assets, if any, are appropriately included in the utility's rate base? If such assets are included in rate base, what is the appropriate treatment of such assets?
- A. The Utility has not included any regulatory assets in the Utility's water rate base in the Application.
47. Is the utility seeking rates for both water and sewer service? If so, is each component of cost of service (each allowable expense and all return on invested capital) properly allocated between water and sewer services?
- A. No cost for sewer service was included in the cost of service in this Application as the Utility does not provide sewer service to its customer base.
48. What is the appropriate allocation of cost and revenue among rate classes?



- A. The allocation of the revenue requirement per connection can be found in the water rate design sections of this testimony.
49. What is the appropriate rate design for each rate class? 16 TAC § 24.32
- A. Since the Utility only has one customer class, the appropriate rate design would be for only one class.
50. Should the Utility use the current number of connections as of the date of the application as opposed to using the number of test-year-end connections in designing rates?
- A. The rate designed in the Application are based on the number of active connections at the end of the test year. The use of the test year ending connections in the design of rates based on the revenue requirement would reflect an accurate use of historical data in the test year.
52. If a refund or surcharge results from this proceeding, how and over what period of time should that be made? TWC § 13.1871.
- A. The Utility is a Class C utility and properly notice customers that February 1, 2019 would be the effective date of a change in rates for this Application, Thus, the period of time for a surcharge for the Utility to recover the difference between the currently approved Tariff rates and the final Commission approved rates should be recovered in a surcharge for the same period of time from February 1, 2019 until the date of Commission final approval. In addition, justifiable rate case expenses should be recovered in a surcharge over the same time period.
53. Has the utility met the requirements for a request for interim relief in the form of interim rates? If so, what are the appropriate levels of the interim rates? 16 TAC § 24.29.
- A. The Utility is not requesting interim relief in the form of interim rates in this docket.
54. What is the appropriate effective date of the rates fixed by the Commission in this proceeding? TWC § 13.1871.
- A. The effective date of the rates approved by the Commission should be February 1, 2019. TWC § 13.1871 effects Class B utilities and since the Utility has 455 connections it would be a Class C the Utility. Therefore, the effective date of this rate change should be February 11, 2019.

#### **REVENUE REQUIREMENT TO PROVIDE WATER SERVICE**

- Q. Can you please describe the five systems that are included in this Utility?
- A. The five systems are of similar size, facilities and geographic location. All systems are managed and operated as one utility. Therefore, the cost of service and quality of service will be similar among the five systems.
- Q. How did you determine the cost of service for this utility?
- A. I used a representative 12-month accounting period (Test Year) of January 1, 2017 to December 31, 2017. I reviewed the Utility's financial statements; available cost

information for the test year; and since the test year for those items for which a known and measurable change may have occurred. In addition, I reviewed available invoices reflecting the test year's expenses that were provided by the Utility. I removed any non-operational expenses that are not recoverable through the revenues generated from customers. This cost of service is based on the Utility's expenses in the historic test year and the period of known and measurable change as per TWC § 13.185 (d) (1).

- Q. Please indicate where the revenue requirement for the cost of service you recommend is in the Application?
- A. The revenue requirement that will generate enough income to cover the Utility's cost of service for water service to customers is located in Schedules I-1 Revenue Requirement Summary of the Application.
- Q. Do you have any changes to the requested revenue requirements that was presented in the Application?
- A. The Application was prepared based on the test year financial statements available from the Utility at the time of filing. A review of the Utility's expense invoicing for each system was conducted in the preparation of this testimony. The support for the revenue requirement in this testimony is based on the Utility's expense invoicing for the test year 2017. Several adjustments to the recommended revenue requirement were made based on these supporting invoices. Some adjustments were made for known and measurable changes that have occurred in the cost of service for the Utility in the period since the test year.
- Q. Can you explain how a revised revenue requirement for the Utility was determined?
- A. A spreadsheet of each systems expenses based on the Utility's invoicing was prepared. These spreadsheets allocate the operating expenses of the Utility's invoices to the cost accounts in the revenue requirement in Schedule I-1. Enclosed in **(Exhibit B)** are a spreadsheet of the allocated cost for each system along with supporting invoicing.
- Q. What supporting documentation did you base the cost in each account category in the recommended revenue requirement in this testimony?
- A. This revenue requirement is based on the actual invoices for each category in the cost of service of the Utility for the test year. The invoices to support each cost account are provided in (Exhibit B) of this testimony.
- Q. Based on the recommended adjustments you made to the revenue requirement, can you please explain the revised total cost recommended for each account category in the revised revenue requirement in this testimony?
- A. Yes, the following is a breakdown of each cost account of the recommended revenue requirement. Also included are any changes and/or adjustments recommended for the Utility's cost of service.

**Account No. 615.1: Power Expense - production only**

- Q. Do you have any adjustment to the recommended total of \$18,843 for Account No. 612: Power expense-production only in requested revenue requirement in the Application.
- A. Yes, based on the supporting invoicing in (Exhibit B) the recommended cost for the power expense should be increased to \$18,872.

**Account No. 618: Other volume related expense**

- Q. Do you have an adjustment to the recommended total of \$7,233 for Account No. 618: Other volume related expenses in the Application?
- A. Yes, attached in (Exhibit B) are the invoices for these expenses included in the cost of service. The cost included in Account No. 618: Other volume related expenses should be increased by a small amount to \$7,235.

**Account No. 620: Materials**

- Q. Do you have any changes to Account No. 620: Materials in the requested revenue requirement in the Application of \$8,421?
- A. Yes, in reviewing the invoices associated with some expenses included in this account it was determined that some of these expenses should be allocated to other cost accounts in the revenue requirement. In addition, some expenses were capitalized and allocated to the determination of rate base. The invoices associated with this account for the test year can be found in (Exhibit B). Thus, the total for Account No. 620: Materials in the cost of service should be reduced to \$3,275.

**Account No. 636: Contract Work**

- Q. Do you have any changes to the recommended total for Account No. 636: Contract Work in the revenue requirement in the Application?
- A. Yes, the invoices for contract work expenses included in this account category are attached in (Exhibit B). Based on these invoices, the revised recommended total for Account No. 636: Contract Work should be \$76,447.

**Account No. 650: Transportation Expense**

- Q. Do you have any changes to Account No. 650: Transportation Expense in the requested revenue requirement in the Application?
- A. Yes, based on the invoices in (Exhibit B) to support these expenses, the total recommended cost associated with this account should be \$13,985.

**Account No. 664: Other plant maintenance:**

- Q. Please explain your recommended total of \$37,934 for Account No. 664: Other plant maintenance in the requested revenue requirement in the Application?
- A. Attached in (Exhibit B) are the invoices for the expenses included in this cost account for each system. Based on the invoices supporting this cost account, a decrease in the total

for this account would be recommended in the revised revenue requirement in this testimony. The revised total expense for Account No. 664: other plant maintenance should be \$35,513.

**Account No. 615.2: Purchased power - office only**

- Q. Do you have any changes to the recommended total of \$4,030 for this account in the revenue requirement?
- A. No, the invoices supporting this expense located in (Exhibit B) support the total of \$4,030 for this account.

**Account No. 676: Office services & rentals**

- Q. Do you have any changes to Account No. 676: Transportation Expense in the requested revenue requirement in the Application?
- A. No, in (Exhibit B) are the invoices for the expenses associated with the cost for this account. Based on these expenses, the total for this account should remain the same.

**Account No. 677: Office supplies & expenses**

- Q. Do you have any changes to the recommended total of \$38,462 for Account No. 677: Office supplies & expenses in the requested revenue requirement in the Application?
- A. Yes, the invoices associated with this cost account in (Exhibit B) indicate the total for this account should be reduced. The total expenses included in Account No. 677: Office supplies & rentals in the recommended revenue requirement should be \$36,656.

**Account No. 666: Regulatory (rate case) expense**

- Q. Please explain your recommended total of \$ 8,000 for the cost item identified as rate case expense in the requested revenue requirement in the Application?
- A. This expense reflects only the cost for preparing the Application as submitted to the PUC and does not include any of the Utility's rate case expenses for the hearing process of this application. However, if it is decided that this cost should not be included in the cost of service. Then this cost expenses should be added to the rate-case expenses and legal cost surcharge incurred in supporting the Utility's Rate/Tariff Change Application.

**Account No. 667: Regulatory expense (other)**

- Q. Do you have any adjustments to your recommended total of \$9,820 for Account No. 667: Regulatory expense (other) in the requested revenue requirement in the Application?
- A. Yes, based on the attached invoices for cost contained in this account in (Exhibit B) the total for this account should be increased to \$10,474.

**Account No. 675: Miscellaneous expense**

- Q. Do you have any changes to Account No. 650: Transportation Expense in the requested revenue requirement in the Application?
- A. No, the expenses associated with this cost account are not recoverable in the revenue requirement. Thus, all cost associated with this account should still be removed from the revenue requirement as a known and measurable adjustment.

#### WATER PLANT AND EQUIPMENT IN SERVICE

- Q. What is net invested capital?
- A. Net invested capital, or rate base, includes the following components: (a) original cost of plant, property and equipment, less accumulated depreciation, used by and useful in rendering service to the public; (b) a working capital allowance which includes 1/8 of total annual operations and maintenance, and in some circumstances reasonable inventories, reasonable prepayments for operating expenses; and (c) construction work in process (CWIP).
- Q. Did you prepare Schedule III-3 The Utility Plant in Service (Water) found in the Application?
- A. Yes, this is water utility plant and equipment depreciation schedule for the Vlasek systems. This schedule was based upon original cost data gathered from historical records of the Utility available at the time of filing and from trending analysis.
- Q. Do you have any changes to Schedule III-3 The Utility Plant in Service (Water) in the Application?
- A. Yes.
- Q. Can you please explain these changes and how you determine the need for these adjustments.
- A. First, a review was conducted to determine for which assets in the depreciation schedule copies of invoicing were available to support these costs. Provided in (**Exhibit C**) are copies of invoices to support the cost of these assets. Secondly, for the few remaining assets which invoicing could not be obtained, a value was determined using trend analysis. The trending analysis for these items can also be found in Exhibit C. Finally, the land value was determined using the tax value of each piece of land. The value for each piece of property can also be found in Exhibit C.
- Q. What is Trending Analysis?
- A. Trending Analysis is the method of taking the known cost of an item, Example: a storage tank, at a known date and determining the cost of that item at a different point in time based on construction cost changes or trends over the years.
- Q. Please explain the trend analysis you have included in this testimony?
- A. The trending analysis used to determine the original cost for some assets in Schedule III-3 in this testimony were determined by the following method. A determined cost amount at a fixed period of time was found using the cost data for the Building Construction Cost

with RS Means Data Manual.<sup>2</sup> Next, trending was performed using the historical cost indexes and location factors located in the RS Means manual to derive a cost of each item at the time on installation. Finally, for pressure storage tanks, an invoice from another utility for a similar pressure tanks were used as its determined cost. A copy of this invoice is included in Exhibit C.

Q. What is depreciation?

A. Depreciation is recognized as a line item in the cost of service that allows the Utility to recover the cost of an asset over the useful life of that asset.

Q. What useful life did you use for each plant items?

A. I used the useful lives recommended the PUC.<sup>3</sup>

Q. What is the Net Book Value?

A. The Net Book Value is the value of the useful life and net present value of the Utility's plant. It is calculated from the original installed cost of all the plant items minus the total accumulated depreciation. It is used to establish the Rate Base which provides an investor owned the Utility, such as this one, an opportunity to earn a return on investment.

Q. Do you have any changes to Schedule III-3 The Utility Plant in Service (Water)?

A. Yes, in preparation for this testimony, a review was conducted of invoicing for items included in this schedule. Some assets were removed from the schedule while additional value for some capital assets were discovered. In addition, adjustments were made to the original trending analysis. Based on this additional review, recommended changes have been made to Schedule III-3 for the water utility plant in service. Located in (Exhibit C) is a revised Schedule III-3 based on this testimony. Table 3 summarizes the recommended revisions,

**Table 3: Revised Recommended Annual Depreciation, Accumulated Depreciation and Net Book Value**

Original Cost	\$	783,214
Annual Depreciation	\$	19,218
Accumulated Depreciation	\$	323,867
Net Book Value	\$	459,347

**Account No. 403: Depreciation**

Q. Do you recommend an adjustment to Account No. 403: Depreciation in the revenue requirement?

---

<sup>2</sup> Building Construction Cost with RS Means Data, 75<sup>th</sup> annual edition 2017, (Published 2016) City Cost Index.

<sup>3</sup> Publication of the Public Utility Commission of Texas "System of Accounts for Water and Wastewater Utilities - with 200 or More Connections"

- A. Yes, due to the revisions in the Utility's plant and equipment original cost, the annual depreciation expense for water should be adjusted to \$19,218.

**Account No. 408: Taxes Other than Income**

- Q. Please explain if you have any recommended changes for Cost Account No. 408: Taxes other than income in the requested revenue requirement in the Application.
- A. No, a copy of the 2017 property tax invoices can be found in (Exhibit B). Based on these invoices, the amount of \$4,749 for this account in the recommended revenue requirement should remain the same as included in the Application.

**Account No. 409: Income Tax Expense**

- Q. Do you wish to modify the income tax expense in this testimony?
- A. Yes.
- Q. Does this modification take into effect the revised return component and the Tax Cuts and Jobs Act of 2017?
- A. Yes, based on an adjusted return component in the revenue requirement in this testimony the income tax expense will need to be adjusted. The income tax expense was recalculated using the revised return total and the tax brackets put into effect by the Tax Cuts and Jobs Act of 2017. The following is a calculation of the revised income tax expense.

**Calculation 1: Revised Income Tax Expense**

\$ 9,700 x Tax Rate: 10% or .10 =	\$ 970
\$29,775 x Tax Rate: 12% or .12 =	\$ 3,573
<u>\$15,117 x Tax Rate: 22% or .22 =</u>	<u>\$ 3,326</u>
<b>Totals: \$54,592</b>	<b>\$7,869</b>

Therefore, the recommended Income Tax Expense in this testimony would be \$7,869.

**Requested Return**

- Q. Would you recommend an adjustment to the requested return as calculated in Schedule III-1 of the Application?
- A. Yes, included in **(Exhibit D)** are revised Schedules III-1, III-2 and III-5 of the Application. The revised Rate Base and other adjustments determined in this testimony will caused revisions in the requested return and thus changes to these Schedules.
- Q. Please explain why you recommend a 11.14 percent for return on the equity portion of the invested capital for this application?
- A. Yes, the PUC in its instruction for preparing a Class B Rate/Tariff Change Application states a first method for determining a rate of return on equity (ROE). For a Class C utility, the calculation for ROE should be the Moody's BAA Bond rating plus 7 percent

for a Class C utility not to exceed a 12 percent ROE<sup>4</sup>. The BAA bond rating for public utilities at the end of 2017 was 4.145. The ROE would be determined based on the following calculation:

**Calculation 2: Return on Equity**

$$\text{BAA Bond } 4.14 + 7 \% \text{ or } 0.07 = \$ 11.14 \text{ percent}$$

Thus, the 11.14 percent rate of return on equity requested in this Application is reasonable for an investor owned utility of this size and limited complexity.

- Q. Do you have a revised return expense based on the revisions you have recommended to the utility's revenue requirement?
- A. Yes, based on the revised Schedules III-1 in Exhibit D; the recommended return expense in the water revenue requirement should be \$54,592.

**Less: Other Revenues**

- Q. In the Application, the total for Other Revenues in the requested revenue requirement was \$3,885. Do you wish to revise this revenue item?
- A. Yes, other revenues should be increased by ten dollars. This increase is based on the revenue totals provided in **(Exhibit E)**. In addition, a revised Schedule II-3 Other Revenues Passed Through to reflect this adjustment is included in (Exhibit E). Therefore, the Other Revenues account of the revenue requirement should be revised to \$3,895.

**Revised Revenue Requirement**

- Q. Have the revisions you recommended for each account in the revenue requirement changed the total revenues the Utility needs to generate to cover its cost of service in providing water service to its customers?
- A. Yes, Schedule 1 reflects the revised recommended total for each account in the revenue requirement in this testimony. Based on this revised Schedule, the recommended total revenue requirement should be \$302,577.

**Schedule 1: Revised Total Revenue Requirement**

Account No.	Account Name	Revised Totals
615.1	Power Expense-production only	\$18,872
618	Other volume related expenses	\$7,235
620	Materials and/or Sewer, Instructions for Rate/Tariff Change Application 2015, (Published September 17, 2015), Pages 9-10.	\$3,275
631-636	Contract work	\$76,447
650	Transportation expense	\$13,985
664	Other plant maintenance	\$35,513
615.2	Purchased power – Office only	\$4,030
676	Office services & rentals	\$5,557
677	Office supplies & expenses	\$36,656

4 Class B Investor Owned Utility Water and/or Sewer, Instructions for Rate/Tariff Change Application 2015, (Published September 17, 2015), Pages 9-10.

5 Publication of the Public Utility Commission of Texas, PUC Website Forms, BAA Bond Ratings for Public Utilities

PREFILED TESTIMONY OF BRET WAYNE FENNER PAGE 15



### WATER RATE DESIGN

- Q. Please explain the determination of the Utility's active connection count as provided in Schedule I-3 of the Application determined?
- A. A total active connection count for the test year was determined from the Utility billing totals provided in **(Exhibit F)**.
- Q. Do you have any revisions to the active connection count in Schedule I-3 of the Application?
- A. No.
- Q. How did was the total gallons sold in Schedule II-1 of the Application determined?
- A. An accounting of billed gallons to customers in the test year is based on the gallonage totals provided by the Utility which are attached in **(Exhibit G)**.
- Q. Do you have any revisions to the total gallons billed to customer for the test year?
- A. No.
- Q. Would you recommend adjustments in the rate structure design for water service based on the revised revenue requirement in your testimony?
- A. No, a revised rate design for water service can be found in **(Exhibit H)**. This rate design reflects the revised revenue requirements supported by this testimony. The revised rate structure based on the revenue requirement in this testimony justifies a rate structure slightly higher than the rate structure noticed to the Utility customers in the Application. Therefore, the water rates requested for the Utility in the Application and noticed to the Utility's customers are justified and should remain as requested.

### CONCLUSION

- Q. Is the revenue requirement for water service as presented in your testimony reasonable and necessary for the Utility to provide water service to its customers?
- A. The revised revenue requirements supported in this testimony supports the revenue requirements requested in the Application. The water revenue requirement as supported by this testimony is reasonable and necessary for the Utility to provide water service to its customers. Therefore, the rates as proposed and notice to customers in the Application should be approved. In addition, a surcharge should be approved to allow W. E. Vlasek to recover the difference between the currently approved tariff rates and the final Commission approved rates. Also, a surcharge should be approved for justifiable rate case expenses incurred by W. E. Vlasek in this docket. These surcharges should be recovered over the period of time from February 1, 2019 until the date of Commission's final approval of the Utility's requested rate structures.
- Q. Do you have any conclusions from your testimony?
- A. Yes, this testimony was prepared to help the Utility meet its burden of proof to present its cost of service, or revenue requirement. This testimony presents a revenue requirement

that is reasonable and necessary for the Utility to provide water service to its ratepayers. The rate base as determined in this testimony is used and useful in providing water service to the public. The water rate structure as provided in the Application and supported by this testimony generates a revenue requirement to cover the Utility's cost of service and should be approved.

Q. Does this conclude your testimony?

A. Yes, it does. However, I reserve the right to supplement my testimony if additional information is made available to me.

# **Exhibit A**

# **BRET W. FENNER, P.E.**

200 Harbor Circle, Georgetown, Texas 78633 • (512) 264-9124 • Fax (512) 692-1967 • [bretfenner@yahoo.com](mailto:bretfenner@yahoo.com)

---

## **PROFESSIONAL EXPERIENCE**

---

### **B & D ENVIRONMENTAL, INC.**

200 Harbor Circle, Georgetown, Texas 78633

*President, May 1997 to Present*

Utility management and consulting - rates and regulations

### **AQUASOURCE, INC.**

1106 Clayton Lane, Suite 400w, Austin, Texas 78723

*Manager, January 1998 to May 2000*

Regulatory compliance and utility due diligence for acquisitions

### **TEXAS NATURAL RESOURCE CONSERVATION COMMISSION**

Water Utilities Division / Plans Review and Rate Design Section

P. O. Box 13087, Austin, Texas 78711-3087

*Engineering Specialist II, November 1990 to May 1997*

Water and wastewater utility rates and regulations

### **TEXAS DEPARTMENT OF PUBLIC SAFETY**

Division of Emergency Management

5805 N. Lamar Blvd., Austin, Texas 78752

*Engineering Assistant III, February 1989 to January 1990*

Emergency facilities inspector

### **AECO INTERIOR CONTRACTORS**

P.O. Box 92190, Houston, Texas 77029

*Branch Manager / Project Manager, March 1983 to August 1988*

Commercial interior construction

## **EDUCATION**

---

### **SOUTHWEST TEXAS STATE UNIVERSITY, SAN MARCOS, TEXAS**

*Masters of Business Administration, December 1991*

Specialization: Management and Finance

### **UNIVERSITY OF TEXAS, AUSTIN, TEXAS**

*Bachelors of Science in Architectural Engineering, December 1982*

Specialization: Construction Management

## **PROFESSIONAL REGISTRATION**

---

### **REGISTERED PROFESSIONAL ENGINEER, STATE OF TEXAS**

License No. 81938

### **REGISTERED REAL ESTATE BROKER, STATE OF TEXAS**

License No. 605704

**VERIFICATION**

**STATE OF TEXAS**

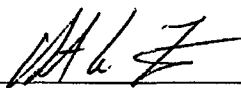
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**COUNTY OF WILLIAMSON**

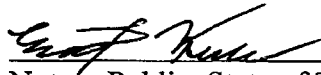
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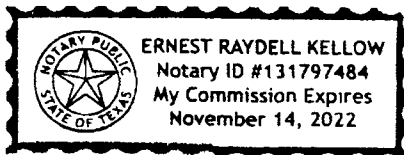
BEFORE ME, the undersigned authority, personally appeared Bret W. Fenner, P.E., who stated, upon oath, that the statements made in the foregoing instrument are within his personal knowledge and are true and correct.

  
Bret W. Fenner, P.E.

**SUBSCRIBED AND SWORN TO BEFORE ME** on August ~~29~~<sup>19-BK</sup>, 2019 before me the undersigned Notary Public.

  
Notary Public, State of Texas

[SEAL]



## **Exhibit B**

### Vlaseck Water Utility Totals

Account	Other Plant 664	Contract Work 636	Trans. Expense 650	Chemicals 618	Plant Utilities 615.1	Ofc. Utilities 615.2	Materials 620	Office Expense 681	Office Rental 676	Income Tax 409 / 10	Capital Expense	Reg. Expense 667	Other Taxes 408	Non O&M Expense	Totals
Canyon Springs Totals:	15469	30680	2820	1442	7544	806	2875	8298	2242	0	6936	5038	3330	1294	88773
Shalako Totals:	6651	10983	2653	1442	3653	806	0	6244	514	75	500	1882	361	0	35763
Mary Meade Totals:	1905	12726	2653	1442	4266	806	100	8000	1121	0	5586	1523	241	0	40369
Rustic Hills Totals:	7185	11161	2653	1469	1759	806	0	6512	1121	0	0	1013	380	100	34160
Village West Totals:	4303	10898	3205	1442	1649	806	300	7602	560	150	1000	1019	437	0	33372
<b>Vlaseck Totals:</b>	<b>35513</b>	<b>76447</b>	<b>13985</b>	<b>7235</b>	<b>18872</b>	<b>4031</b>	<b>3275</b>	<b>36656</b>	<b>5557</b>	<b>225</b>	<b>14022</b>	<b>10474</b>	<b>4749</b>	<b>1394</b>	<b>232437</b>

### Canyon Springs Water Systems

Account	Other Plant 664	Contract Work 636	Trans. Expense 650	Chemicals 618	Plant Utilities 615.1	Ofc. Utilities 615.2	Materials 620	Office Expense 681	Office Rental 676	Income Tax 409 / 10	Capital Expense	Reg. Expense 667	Other Taxes 408	Non O&M Expense	Totals
CC Processing Fees								2492.35							2492
Office Supplies								102.82							103
Office Cleaning								50							50
Water System Testing												317.75			318
Computer Software								2004.85							2005
Rent									2241.60						2242
Advertising														350	350
Auto Maintenance			504.10												504
Repairs			764.37												764
Bank Service Charges								617.13							617
Contract Labor		12367.94													12368
Donations														100	100
Equipment Repairs	6791.34		1551.49												8343
Equipment Fuel	104.33														104
Interest Expense														844.13	844
TECQ												2001.25			2001
Laboratory Fees - Other												1574.09			1574
Reg. Water System Fee												465.50			466
Licenses & Permits - Other												679			679
Meter Reading		3825													3825
Water Well Maint. & Testing		9811.97													9812
Shop / Yard Supplies							350								350
Mowing		4675													4675
Maintenance - Other							1670								1670
Postage and Delivery								806							806
Pressure Valve	276.60														277
Water Line Repairs	3,641.86														3642
Water Well Repairs	928.12										6936.45				7865
Building Repairs	3726.96														3727
Supplies - Poly Phosphates				459.40											459
Property													3330.12		3330
Tools & Shop Equipment							855								855
Utilities					7544.10										7544
Chlorine				982.16											982
Office Supplies								850.17							850
Office Telephone								1374.32							1374
Office Electricity						806.15									806
<b>Totals:</b>	<b>15469</b>	<b>30680</b>	<b>2820</b>	<b>1442</b>	<b>7544</b>	<b>806</b>	<b>2875</b>	<b>8298</b>	<b>2242</b>	<b>0</b>	<b>6936</b>	<b>5038</b>	<b>3330</b>	<b>1294</b>	<b>88773</b>



**Vlasek Pump Company**

PO Box 326  
Hunt TX 78024  
830-238-4877

**Invoice**

Date

Invoice #

1/31/2018

128674

Mailing Address

Canyon Springs Water System  
P.O. Box 326  
Hunt, Texas 78024

Job Site

**Terms**

Due on receipt

Description	Qty.	Rate	Amount
Reimbursement - Chlorine for the full year 2017	1	982.16	982.16
Reimbursement - Auto Repairs/Maint. for the full year 2017	1	818.00	818.00
Reimbursement - Fuel for the full year 2017	1	1,835.40	1,835.40
Reimbursement - Equipment Repairs for the full year 2017	1	1,465.79	1,465.79
Reimbursement - Office Supplies for the full year 2017	1	850.17	850.17
Reimbursement - Postage & Delivery for the full year 2017	1	367.43	367.43
Reimbursement - Office Telephone for the full year 2017	1	1,374.32	1,374.32
Reimbursement - Office Electric for the full year 2017	1	806.15	806.15

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

Sincerely,  
Vlasek Pump Co.

Regulated by  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
Phone 512-633-9202  
Fax 512-633-7880

E-mail

vlasekwater@hctc.net

**Subtotal** \$8,499.42**Sales Tax (8.25%)** \$0.00**Invoice Total** \$8,499.42**Payments/Credits** \$0.00**Balance Due** \$8,499.42

9/15/2017

Cartridge World

\*\*102.82

One Hundred Two and 82/100\*\*\*\*\*

Cartridge World

Cartridge World  
Office Supplies

9/15/2017

102.82

Bank of the Hills/Com

102.82

Cartridge World  
Office Supplies

9/15/2017

102.82

Bank of the Hills/Com

102.82

2/15/2017

Ella Hill

\*\*50.00

Fifty and 00/100\*\*\*\*\*

Ella Hill

cleaning

Ella Hill  
Office Cleaning

2/15/2017

50.00

Bank of the Hills/Com cleaning

50.00

Ella Hill  
Office Cleaning

2/15/2017

50.00

Bank of the Hills/Com cleaning

50.00

3/9/2017

DSHS Central Lab MC2004

\*\*8.49

Eight and 49/100\*\*\*\*\*

DSHS Central Lab MC2004  
P. O. Box 149347  
Austin, TX 78714-9347

DSHS Central Lab MC2004  
Water System Testing

3/9/2017

8.49

Bank of the Hills/Com

8.49

DSHS Central Lab MC2004  
Water System Testing

3/9/2017

8.49

Bank of the Hills/Com

8.49

4/20/2017

DSHS Central Lab MC2004

\*\*205.41

Two Hundred Five and 41/100\*\*\*\*\*

DSHS Central Lab MC2004  
P. O. Box 149347  
Austin, TX 78714-9347

DSHS Central Lab MC2004  
Water System Testing

4/20/2017

205.41

Bank of the Hills/Com

205.41

DSHS Central Lab MC2004  
Water System Testing

4/20/2017

205.41

Bank of the Hills/Com

205.41

9/11/2017

DSHS Central Lab MC2004

\*\*103.85

One Hundred Three and 85/100\*\*\*\*\*

DSHS Central Lab MC2004  
P. O. Box 149347  
Austin, TX 78714-9347

DSHS Central Lab MC2004  
Water System Testing

9/11/2017

103.85

Bank of the Hills/Com

103.85

DSHS Central Lab MC2004  
Water System Testing

9/11/2017

103.85

Bank of the Hills/Com

103.85

## Vlasek Pump Company

PO Box 326  
Hunt TX 78024  
830-238-4877

# Invoice

<i>Date</i>	<b>Invoice #</b>
3/31/2017	127724

Mailing Address	Job Site
<b>Canyon Springs Water System</b> <b>P.O. Box 326</b> <b>Hunt, Texas 78024</b>	

<b>Terms</b>
<b>Due on receipt</b>

Description	Qty.	Rate	Amount
Sydney's P/R for March 2017		593.00	593.00
Wendy's P/R for March 2017		436.50	436.50
Rebecca's P/R for March 2017		434.25	434.25
Postage for March 2017		40.00	40.00
Rent for March 2017		186.80	186.80
Office Supplies: QB Premier 2017 Software		304.20	304.20

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

Sincerely,  
Vlasek Pump Co.

Regulated by:  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
800/803-9202  
512/463-7880

E-mail
vlasekwater@hctc.net

<b>Subtotal</b>	\$1,994.75
<b>Sales Tax (8.25%)</b>	\$0.00
<b>Invoice Total</b>	\$1,994.75
<b>Payments/Credits</b>	-\$1,994.75
<b><i>Balance Due</i></b>	<b>\$0.00</b>



CONTINENTAL UTILITY SOLUTIONS, INC.

# Invoice

Invoice Date 4/19/2017

Invoice # U21476

Due Date 5/4/2017

Bill To

Vlasek Pump  
PO Box 326  
Hunt, TX 78024

PLEASE REMIT TO:

Continental Utility Solutions, Inc.  
P.O. Box 1515  
Jonesboro, AR 72403

800-240-1420

Invoice Questions: Option 4

Technical Support: Option 2

Bill Form Orders: Option 3

PO #

CUSI

Terms

15 Days

Rep

CUSI

QTY	Description	Price Each	Amount in US Dollars
1	CUSI Customer Web Portal Annual Service - 05/31/17-05/31/18 Includes Hosting, Backups, Updates, Maintenance and Support	1,500.00	1,500.00
	Tax	99.00	99.00

Pay 4-20-17  
see next page  
\$1,599.00

~~60%~~ c/s = 857.60  
~~40%~~ m/m = 277.38  
~~10%~~ P/H = 153.29  
~~40%~~ S/H = 169.86  
~~10%~~ V/W = 140.86  
\$1,599.00

Total

\$1,599.00

Payments/Credits

\$0.00

Thank you for choosing CUSI as your software provider!

Balance Due

\$1,599.00





CONTINENTAL UTILITY SOLUTIONS, INC., INC.

# Invoice

Invoice Date 5/17/2017

Invoice # M14183

**Bill To:**

Vlasek Pump  
PO Box 326  
Hunt, TX 78024

**PLEASE REMIT TO:**

Continental Utility Solutions, Inc.  
P.O. Box 1515  
Jonesboro, AR 72403

800-240-1420

Invoice Questions: Option 4

Technical Support: Option 2

Bill Form Orders: Option 3

Description	Quantity	Amount in US Dollars
Annual Maintenance & Technical Support 06/30/17-06/30/18	1	1,298.00
Tax		107.09

*Surie  
w/s only*



*All Paid 6-30-17*

*V# 1926 — 60% C/S = 843.05  
V# 2453 — 10% M/H = 140.51  
V# 1560 — 10% R/H = 140.51  
V# 1501 — 10% Shad = 140.51  
V# 1720 — 10% V/W = 140.51  
\$1405.09*

To ensure your payments are properly credited to your account, please validate your remittance systems have the correct remittance address:  
PO Box 1515, Jonesboro, AR 72403

**We appreciate your business!**

**Total** \$1,405.09

**Payments/Credits** \$0.00

**Balance Due** **\$1,405.09**

## Vlasek Pump Company

PO Box 326  
Hunt TX 78024  
830-238-4877

# Invoice

<i>Date</i>	<b>Invoice #</b>
1/31/2017	127722

Mailing Address	Job Site
<b>Canyon Springs Water System P.O. Box 326 Hunt, Texas 78024</b>	

<b>Terms</b>
<b>Due on receipt</b>

Description	Qty.	Rate	Amount
Sydney's P/R for January 2017		454.50	454.50
Rebecca's P/R for January 2017		300.25	300.25
Rent for January 2017		186.80	186.80
Postage for January 2017		40.00	40.00

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

Sincerely,  
Vlasek Pump Co.

Regulated by:  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
800/803-9202  
512/463-7880

E-mail
vlasekwater@hctc.net

<b>Subtotal</b>	\$981.55
<b>Sales Tax (8.25%)</b>	\$0.00
<b>Invoice Total</b>	\$981.55
<b>Payments/Credits</b>	-\$981.55
<b><i>Balance Due</i></b>	<b>\$0.00</b>

**Vlasek Pump Company**

PO Box 326  
Hunt TX 78024  
830-238-4877

**Invoice**

Date	Invoice #
2/28/2017	127723

Mailing Address

**Canyon Springs Water System**  
**P.O. Box 326**  
**Hunt, Texas 78024**

Job Site

**Terms****Due on receipt**

Description	Qty.	Rate	Amount
Sydney's P/R for February 2017		455.50	455.50
Wendy's P/R for February 2017		274.50	274.50
Rebecca's P/R for February 2017		375.00	375.00
Postage for February 2017		40.00	40.00
Rent for February 2017		186.80	186.80

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

**Subtotal** \$1,331.80**Sales Tax (8.25%)** \$0.00**Invoice Total** \$1,331.80**Payments/Credits** -\$1,331.80**Balance Due** \$0.00

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

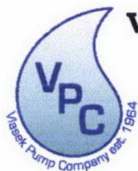
Sincerely,  
Vlasek Pump Co.

Regulated by:  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
800/803-9202  
512/463-7880

E-mail

vlasekwater@hctc.net



**Vlasek Pump Company**

PO Box 326  
Hunt TX 78024  
830-238-4877

**Invoice**

Date

Invoice #

4/30/2017

127725

Mailing Address

Job Site

**Canyon Springs Water System**  
**P.O. Box 326**  
**Hunt, Texas 78024**

**Terms****Due on receipt**

Description	Qty.	Rate	Amount
Sydney's P/R for April 2017		471.25	471.25
Wendy's P/R for April 2017		397.00	397.00
Rebecca P/R for April 2017		50.75	50.75
Postage for April 2017		40.00	40.00
Rent for April 2017		186.80	186.80

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

Sincerely,  
Vlasek Pump Co.

Regulated by:  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
800/803-9202  
512/463-7880

E-mail

vlasekwater@hctc.net

**Subtotal** \$1,145.80**Sales Tax (8.25%)** \$0.00**Invoice Total** \$1,145.80**Payments/Credits** -\$1,145.80**Balance Due** \$0.00

**Vlasek Pump Company**

PO Box 326  
Hunt TX 78024  
830-238-4877

**Invoice**

Date

Invoice #

5/31/2017

127784

Mailing Address

Job Site

**Canyon Springs Water System**  
**P.O. Box 326**  
**Hunt, Texas 78024**

**Terms****Due on receipt**

Description	Qty.	Rate	Amount
Sydney's P/R for May 2017		443.85	443.85
Wendy's P/R for May 2017		311.77	311.77
Rebecca's P/R for May 2017		259.92	259.92
Postage for May 2017		80.00	80.00
Rent for May 2017		186.80	186.80

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

**Subtotal** \$1,282.34**Sales Tax (8.25%)** \$0.00**Invoice Total** \$1,282.34**Payments/Credits** -\$1,282.34**Balance Due** \$0.00

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

Sincerely,  
Vlasek Pump Co.

Regulated by:  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
800/803-9202  
512/463-7880

E-mail

vlasekwater@hctc.net

**Vlasek Pump Company**

PO Box 326  
Hunt TX 78024  
830-238-4877

**Invoice**

Date

Invoice #

6/30/2017

127947

Mailing Address

Job Site

**Canyon Springs Water System**  
**P.O. Box 326**  
**Hunt, Texas 78024**

**Terms****Due on receipt**

Description	Qty.	Rate	Amount
Sydney's P/R for June 2017		562.03	562.03
Wendy's P/R for June 2017		329.88	329.88
Rebecca's P/R for June 2017		137.14	137.14
Rent for June 2017		186.80	186.80
Postage		80.00	80.00

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

Sincerely,  
Vlasek Pump Co.

Regulated by:  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
800/803-9202  
512/463-7880

E-mail

vlasekwater@hctc.net

**Subtotal** \$1,295.85**Sales Tax (8.25%)** \$0.00**Invoice Total** \$1,295.85**Payments/Credits** -\$1,295.85**Balance Due** \$0.00



## Vlasek Pump Company

PO Box 326  
Hunt TX 78024  
830-238-4877

# Invoice

<i>Date</i>	<b>Invoice #</b>
7/31/2017	127952

Mailing Address	Job Site
<b>Canyon Springs Water System</b> <b>P.O. Box 326</b> <b>Hunt, Texas 78024</b>	

<b>Terms</b>
<b>Due on receipt</b>

Description	Qty.	Rate	Amount
Sydney's P/R for July 2017		449.62	449.62
Wendy's P/R for July 2017		284.10	284.10
Rebecca's P/R for July 2017		363.70	363.70
Rent		186.80	186.80
Postage		80.00	80.00

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

Sincerely,  
Vlasek Pump Co.

Regulated by:  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
800/803-9202  
512/463-7880

E-mail
vlasekwater@hctc.net

<b>Subtotal</b>	\$1,364.22
<b>Sales Tax (8.25%)</b>	\$0.00
<b>Invoice Total</b>	\$1,364.22
<b>Payments/Credits</b>	-\$1,364.22
<b><i>Balance Due</i></b>	<b>\$0.00</b>

**Vlasek Pump Company**

PO Box 326  
Hunt TX 78024  
830-238-4877

**Invoice**

Date

Invoice #

8/31/2017

127957

Mailing Address

Job Site

**Canyon Springs Water System**  
**P.O. Box 326**  
**Hunt, Texas 78024**

**Terms****Due on receipt**

Description	Qty.	Rate	Amount
Sydney's P/R for August 2017		449.62	449.62
Wendy's P/R for August 2017		235.41	235.41
Rebecca's P/R for August 2017		372.55	372.55
Rent		186.80	186.80
Postage		80.00	80.00

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

Sincerely,  
Vlasek Pump Co.

Regulated by:  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
800/803-9202  
512/463-7880

E-mail

vlasekwater@hctc.net

**Subtotal** \$1,324.38**Sales Tax (8.25%)** \$0.00**Invoice Total** \$1,324.38**Payments/Credits** -\$1,324.38**Balance Due** \$0.00



# Bill

Canyon Springs Water System  
P.O. Box 326  
Hunt, Texas 78024  
830-238-4877

Date	Ref. No.
09/30/2017	Inv#128126

Vendor
Vlasek Pump Company P. O. Box 326 Hunt, TX 78024

**PAID**

Bill Due	09/30/2017
Terms	Due on receipt
Memo	Inv#128126

## Expenses

Account	Memo	Amount	Customer:Job
Payroll Reimb.V/P for WS	Inv#128126	1,483.58	
Share			
Rent		186.80	
Postage and Delivery		80.00	
Chemicals		139.80	

Expense Total : 1,890.18

**Bill Total : \$1,890.18**

**Canyon Springs Water System**  
P.O. Box 326  
Hunt, Texas 78024  
830-238-4877

<b>Date</b>	<b>Ref. No.</b>
10/31/2017	Inv#128127

Vendor
Vlasek Pump Company P. O. Box 326 Hunt, TX 78024

# PAINT

Bill Due	10/31/2017
Terms	Due on receipt
Memo	Inv#128127

Account	Memo	Amount	Customer:Job
Payroll Reimb.V/P for WS	Inv#128127	1,129.57	
Share			
Rent	-	186.80	
Postage and Delivery		80.00	

**Expense Total : 1,396.37**

**Bill Total :        \$1,396.37**

**Vlasek Pump Company**

PO Box 326  
Hunt TX 78024  
830-238-4877

**Invoice**

Date

Invoice #

11/1/2017

128126

Mailing Address

**Canyon Springs Water System**  
**P.O. Box 326**  
**Hunt, Texas 78024**

Job Site

**Terms****Due on receipt**

Description	Qty.	Rate	Amount
Sydney's P/R for September 2017	1	562.03	562.03
Wendy's P/R for September 2017	1	473.14	473.14
Rebecca's P/R for September 2017	1	448.41	448.41
Rent	1	186.80	186.80
Postage	1	80.00	80.00
Reimb. for Chemicals	1	139.80	139.80

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

Sincerely,  
Vlasek Pump Co.

Regulated by:  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
800/803-9202  
512/463-7880

E-mail

vlasekwater@hctc.net

**Subtotal** \$1,890.18**Sales Tax (8.25%)** \$0.00**Invoice Total** \$1,890.18**Payments/Credits** -\$1,890.18**Balance Due** \$0.00

**Vlasek Pump Company**

PO Box 326  
Hunt TX 78024  
830-238-4877

**Invoice**

Date

Invoice #

11/1/2017

128127

Mailing Address

Job Site

**Canyon Springs Water System**  
**P.O. Box 326**  
**Hunt, Texas 78024**

**Terms****Due on receipt**

Description	Qty.	Rate	Amount
Sydney's P/R for October 2017	1	449.62	449.62
Wendy's P/R for October 2017	1	265.72	265.72
Rebecca's P/R for October 2017	1	414.23	414.23
Rent	1	186.80	186.80
Postage	1	80.00	80.00

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

**Subtotal** \$1,396.37**Sales Tax (8.25%)** \$0.00**Invoice Total** \$1,396.37**Payments/Credits** -\$1,396.37**Balance Due** \$0.00

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

Sincerely,  
Vlasek Pump Co.

Regulated by:  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
800/803-9202  
512/463-7880

E-mail

vlasekwater@htc.net



**Vlasek Pump Company**

PO Box 326  
Hunt TX 78024  
830-238-4877

**Invoice**

Date

Invoice #

11/30/2017

128249

Mailing Address

Job Site

**Canyon Springs Water System**  
**P.O. Box 326**  
**Hunt, Texas 78024**

**Terms****Due on receipt**

Description	Qty.	Rate	Amount
Rebecca's P/R for November 2017	1	300.90	300.90
Wendy's P/R for November 2017	1	254.08	254.08
Sherry's P/R for November 2017	1	37.60	37.60
Sydney's P/R for November 2017	1	383.20	383.20
Rent	1	186.80	186.80
Postage	1	80.00	80.00

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

Sincerely,  
Vlasek Pump Co.

Regulated by:  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
800/803-9202  
512/463-7880

E-mail

vlasekwater@hctc.net

**Subtotal** \$1,242.58**Sales Tax (8.25%)** \$0.00**Invoice Total** \$1,242.58**Payments/Credits** -\$1,242.58**Balance Due** \$0.00

## Vlasek Pump Company

PO Box 326  
Hunt TX 78024  
830-238-4877

# Invoice

Date \_\_\_\_\_

**Invoice #**

11/30/2017

128300

**Mailing Address**

### Job Site

**Canyon Springs Water System**  
**P.O. Box 326**  
**Hunt, Texas 78024**

## Terms

**Due on receipt**

Description	Qty.	Rate	Amount
Rebecca's P/R for December 2017	1	473.60	473.60
Wendy's P/R for December 2017	1	429.25	429.25
Sherry's P/R for December 2017	1	53.92	53.92
Sydney's P/R for December 2017	1	657.10	657.10
Rent	1	186.80	186.80
Postage	1	80.00	80.00

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

Sincerely,  
Vlasek Pump Co.

Regulated by:  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
800/803-9202  
512/463-7880

E-mail

vlasekwater@hctc.net

<b>Subtotal</b>	<b>\$1,880.67</b>
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<b>Sales Tax (8.25%)</b>	<b>\$0.00</b>
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<b>Invoice Total</b>	<b>\$1,880.67</b>
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<b>Payments/Credits</b>	<b>-\$1,880.67</b>
-------------------------	--------------------

<b>Balance Due</b>	<b>\$0.00</b>
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2/7/2017

Hill Country Dist. Jr. Livestock Show

\*\*250.00

Two Hundred Fifty and 00/100\*\*\*\*\*

Hill Country Dist. Jr. Livestock Show

Buyer #8504

Hill Country Dist. Jr. Livestock Show  
Advertising

Buyer #8504

2/7/2017

250.00

Bank of the Hills/Com Buyer #8504

250.00

Hill Country Dist. Jr. Livestock Show  
Advertising

Buyer #8504

2/7/2017

250.00

Bank of the Hills/Com Buyer #8504

250.00

10/9/2017

Ingram Volunteer Fire Dept.

\*\*100.00

One Hundred and 00/100\*\*\*\*\*

Ingram Volunteer Fire Dept.

Ingram Volunteer Fire Dept.  
Advertising

10/9/2017

100.00

Bank of the Hills/Com

100.00

Ingram Volunteer Fire Dept.  
Advertising

10/9/2017

100.00

Bank of the Hills/Com

100.00



2/8/2017

Terry's Automotive

\*\*504.00

Five Hundred Four and 00/100\*\*\*\*\*

Terry's Automotive

S10 Truck

Terry's Automotive  
Automobile Expense:Auto Maintenance S10 Truck

2/8/2017

504.00

Bank of the Hills/Com S10 Truck

504.00

Terry's Automotive  
Automobile Expense:Auto Maintenance S10 Truck

2/8/2017

504.00

Bank of the Hills/Com S10 Truck

504.00

3/17/2017

Jimenez, Jorge

\*\*300.00

Three Hundred and 00/100\*\*\*\*\*

Jimenez, Jorge

Truck Tires Reimbursement

3/17/2017

Jimenez, Jorge  
Automobile Expense:Repairs

Truck Tires Reimbursement

300.00

Bank of the Hills/Com    Truck Tires Reimbursement

300.00

3/17/2017

Jimenez, Jorge  
Automobile Expense:Repairs

Truck Tires Reimbursement

300.00

Bank of the Hills/Com    Truck Tires Reimbursement

300.00

**discounttire.com**

[illegible]

CUSTOMER INFORMATION	VEHICLE INFORMATION	STORE LOCATION
NAME: VERBEX	MAKE: CHEVROLET	7910
MODEL: FLYP COMPANY	SILVERADO 1500	6182 JUNCTION HWY
PLANT: 122	BKTD CBA LS/LT BKD	PERVILLE LA 70281-4414
	MILEAGE: 376,643	PHONE: 332-357-1170
TEL: 332-348-9177		LT. DIRECTOR & ASST
FAX:	LARGE DIESEL: 142	WORK ORDER# _____



For more information, call 1-800-4-A-RENTAL or visit our website at [www.4arental.com](http://www.4arental.com).  
 \*This offer is available to members of the National Automobile Rental Association.  
 Further information is available from your Discount Tire salesperson.

Directorate of the

**discounttire.com**

Fig. 10.  $\alpha$  vs.  $\beta$ .

[illegible]

4/27/2017

A&A Tire Company

\*\*349.16

Three Hundred Forty-Nine and 16/100\*\*\*\*\*

A&A Tire Company

A&A Tire Company  
Equipment:Equipment Repairs

4/27/2017

349.16

Bank of the Hills/Com

349.16

A&A Tire Company  
Equipment:Equipment Repairs

4/27/2017

349.16

Bank of the Hills/Com

349.16

4/27/2017

Spears Mobil Home

\*\*350.00

Three Hundred Fifty and 00/100\*\*\*\*\*

Spears Mobil Home

Spears Mobil Home  
Equipment:Equipment Repairs

4/27/2017

350.00

Bank of the Hills/Com

350.00

Spears Mobil Home  
Equipment:Equipment Repairs

4/27/2017

350.00

Bank of the Hills/Com

350.00

4/27/2017

Car Quest

\*\*301.33

Three Hundred One and 33/100\*\*\*\*\*

Car Quest

Car Quest  
Equipment:Equipment Repairs

4/27/2017

301.33

Bank of the Hills/Com

301.33

Car Quest  
Equipment:Equipment Repairs

4/27/2017

301.33

Bank of the Hills/Com

301.33

11/27/2017

Discount Tires

\*\*551.00

Five Hundred Fifty-One and 00/100\*\*\*\*\*

Discount Tires

Discount Tires		11/27/2017	
Equipment:Equipment Repairs	Trailer		551.00

Bank of the Hills/Com			551.00
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Discount Tires		11/27/2017	
Equipment:Equipment Repairs	Trailer		551.00

Bank of the Hills/Com			551.00
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CK# 1906

5/1/2017

Ranch ATV & Tractor

\*\*3,429.25

Three Thousand Four Hundred Twenty-Nine and 25/100\*\*\*\*\*

Ranch ATV & Tractor

bobcat

Ranch ATV & Tractor  
Equipment:Equipment Repairs

5/1/2017

3,429.25

Bank of the Hills/Com    bobcat

3,429.25

Ranch ATV & Tractor  
Equipment:Equipment Repairs

5/1/2017

3,429.25

Bank of the Hills/Com    bobcat    1

3,429.25

5/24/2017

Ranch ATV & Tractor

\*\*57.24

Fifty-Seven and 24/100\*\*\*\*\*

Ranch ATV & Tractor

Lawn Mower

Ranch ATV & Tractor  
Equipment:Equipment Repairs

Lawn Mower

5/24/2017

57.24

Bank of the Hills/Com Lawn Mower

57.24

Ranch ATV & Tractor  
Equipment:Equipment Repairs

Lawn Mower

5/24/2017

57.24

Bank of the Hills/Com Lawn Mower

57.24

**Canyon Springs Water System**  
P.O. Box 326  
Hunt, Texas 78024  
830-238-4877

Vendor
Walter Hailey Canyon Springs Ranch Sales Hunt, Texas 78024

# PAI

Account	Memo	Amount	Customer:Job
Equipment Repairs	Inv#127823	1,124.15	

**Bill Total : \$1,124.15**

8/23/2017

Ranch ATV & Tractor

\*\*155.54

One Hundred Fifty-Five and 54/100\*\*\*\*\*

Ranch ATV & Tractor

Ranch ATV & Tractor  
Equipment:Equipment Repairs

8/23/2017

155.54

Bank of the Hills/Com

155.54

Ranch ATV & Tractor  
Equipment:Equipment Repairs

8/23/2017

155.54

Bank of the Hills/Com

155.54

**Vlasek Pump Company**

PO Box 326  
Hunt TX 78024  
830-238-4877

**Invoice**

Date

Invoice #

12/13/2017

128267

Mailing Address

Job Site

**Canyon Springs Water System**  
**P.O. Box 326**  
**Hunt, Texas 78024**

**Terms****Due on receipt**

Description	Qty.	Rate	Amount
Dec. 4, 2017 - Customer from 550 Ranch Rim called - Low water pressure			
Dec. 4, 2017 - Crew sent out to assess issue(s) - Found that motor on system needed to be replaced - System operating normally after repair			
Jorge and Chris - Service Hours	4	125.00	500.00
5 Hp Motor	1	1,100.00	1,100.00T
Pump Up Float w/ Plug	1	73.10	73.10T
Brass Check Valve - 1 1/4"	2	51.31	102.62T
Float Cable Weight	1	14.78	14.78T

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

Sincerely,  
Vlasek Pump Co.

Regulated by:  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
800/803-9202  
512/463-7880

E-mail

vlasekwater@hctc.net

**Subtotal** \$1,790.50**Sales Tax (8.25%)** \$106.47**Invoice Total** \$1,896.97**Payments/Credits** -\$1,896.97**Balance Due** \$0.00

**Vlasek Pump Company**

PO Box 326  
Hunt TX 78024  
830-238-4877

**Invoice**

Date	Invoice #
12/20/2017	128279

Mailing Address	Job Site
<b>Canyon Springs Water System</b> <b>P.O. Box 326</b> <b>Hunt, Texas 78024</b>	

Terms
Due on receipt

Description	Qty.	Rate	Amount
12/14/17 - Crew was sent out to install Packing Valve on Canyon Springs system			
Doug and Jorge - Service Hours	1	125.00	125.00
5/32" Packing Valve	1	2.95	2.95T

ONE YEAR LIMITED WARRANTY FROM DATE OF INSTALLATION  
On pumps & motor installed to be free from manufacturer defects in workmanship.  
\*\*Labor to repair or replace products is NOT included in this warranty.\*\*

Thank you very much for your business! We look forward to working with you again in the future and if you have any questions, please call me.

Sincerely,  
Vlasek Pump Co.

Regulated by:  
Texas Dept. of Licensing and Regulations  
P.O. Box 12157  
Austin, TX 78711  
800/803-9202  
512/463-7880

E-mail
vlasekwater@hctc.net

<b>Subtotal</b>	\$127.95
<b>Sales Tax (8.25%)</b>	\$0.24
<b>Invoice Total</b>	\$128.19
<b>Payments/Credits</b>	-\$128.19
<b>Balance Due</b>	\$0.00

1/20/2017

Matheson Tri Gas

\*\*104.33

One Hundred Four and 33/100\*\*\*\*\*

Matheson Tri Gas

Matheson Tri Gas  
Equipment:Equipment Fuel

1/20/2017

104.33

Bank of the Hills/Com

104.33

Matheson Tri Gas  
Equipment:Equipment Fuel

1/20/2017

104.33

Bank of the Hills/Com

104.33

1/27/2017

TCEQ

\*\*2,001.25

Two Thousand One and 25/100\*\*\*\*\*

TCEQ  
P.O. BOX 13087  
AUSTIN, TX 78711-3087

1/27/2017

TCEQ  
Laboratory Fees:TCEQ

2,001.25

Bank of the Hills/Com

2,001.25

1/27/2017

TCEQ  
Laboratory Fees:TCEQ

2,001.25

Bank of the Hills/Com

2,001.25



1/11/2017

Upper Guadalupe River Authority

\*\*72.00

Seventy-Two and 00/100\*\*\*\*\*

Upper Guadalupe River Authority

Upper Guadalupe River Authority  
Laboratory Fees

1/11/2017

72.00

Bank of the Hills/Com

72.00

Upper Guadalupe River Authority  
Laboratory Fees

1/11/2017

72.00

Bank of the Hills/Com

72.00

2/15/2017

Upper Guadalupe River Authority

\*\*162.00

One Hundred Sixty-Two and 00/100\*\*\*\*\*

Upper Guadalupe River Authority

Upper Guadalupe River Authority  
Laboratory Fees

2/15/2017

162.00

Bank of the Hills/Com

162.00

Upper Guadalupe River Authority  
Laboratory Fees

2/15/2017

162.00

Bank of the Hills/Com

162.00

3/3/2017

Upper Guadalupe River Authority

\*\*72.00

Seventy-Two and 00/100\*\*\*\*\*

Upper Guadalupe River Authority

Upper Guadalupe River Authority  
Laboratory Fees

3/3/2017

72.00

Bank of the Hills/Com

72.00

Upper Guadalupe River Authority  
Laboratory Fees

3/3/2017

72.00

Bank of the Hills/Com

72.00

4/7/2017

Upper Guadalupe River Authority

\*\*72.00

Seventy-Two and 00/100\*\*\*\*\*

Upper Guadalupe River Authority

Upper Guadalupe River Authority  
Laboratory Fees

4/7/2017

72.00

Bank of the Hills/Com

72.00

Upper Guadalupe River Authority  
Laboratory Fees

4/7/2017

72.00

Bank of the Hills/Com

72.00

5/3/2017

Upper Guadalupe River Authority

\*\*72.00

Seventy-Two and 00/100\*\*\*\*\*

Upper Guadalupe River Authority

Upper Guadalupe River Authority  
Laboratory Fees

5/3/2017

72.00

Bank of the Hills/Com

72.00

Upper Guadalupe River Authority  
Laboratory Fees

5/3/2017

72.00

Bank of the Hills/Com

72.00

6/13/2017

Upper Guadalupe River Authority

\*\*72.00

Seventy-Two and 00/100\*\*\*\*\*

Upper Guadalupe River Authority

May Testing

Upper Guadalupe River Authority  
Laboratory Fees

6/13/2017

72.00

Bank of the Hills/Com May Testing

72.00

Upper Guadalupe River Authority  
Laboratory Fees

6/13/2017

72.00

Bank of the Hills/Com May Testing

72.00

8/7/2017

Upper Guadalupe River Authority

\*\*144.00

One Hundred Forty-Four and 00/100\*\*\*\*\*

Upper Guadalupe River Authority

Upper Guadalupe River Authority  
Laboratory Fees

8/7/2017

144.00

Bank of the Hills/Com

144.00

Upper Guadalupe River Authority  
Laboratory Fees

8/7/2017

144.00

Bank of the Hills/Com

144.00

9/11/2017

Upper Guadalupe River Authority

\*\*422.00

Four Hundred Twenty-Two and 00/100\*\*\*\*\*

Upper Guadalupe River Authority

Upper Guadalupe River Authority  
Laboratory Fees

9/11/2017

422.00

Bank of the Hills/Com

422.00

Upper Guadalupe River Authority  
Laboratory Fees

9/11/2017

422.00

Bank of the Hills/Com

422.00