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DOCKET NO. 49154
SOAH DOCKET NO. 473-19-5677.WS

RATEPAYERS' APPEAL OF THE §
DECISION BY LAGUNA MADRE §
WATER DISTRICT TO CHANGE §
RATES §
STATE OFFICE OF
PUBLIC UTILITY COMMISSION
FILING CLERK
ADMINISTRATIVE HEARINGS

**LAGUNA MADRE WATER DISTRICT'S RESPONSE TO
SOUTH PADRE ISLAND GOLF COURSE'S OBJECTIONS TO AND
MOTION TO STRIKE DIRECT TESTIMONY AND ATTACHMENTS
OF DAN V. JACKSON AND EXCLUDE TESTIMONY OF DAN V. JACKSON**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

COMES NOW, Laguna Madre Water District ("**LMWD**") and files this Response to South Padre Island Golf Course's ("**SPI**") Objections and Motion to Strike Direct Testimony and Attachments of Dan V. Jackson ("**Mr. Jackson**") and exclude testimony of Dan V. Jackson, and would respectfully show as follows:

**I.
INTRODUCTION**

LMWD responds below to each of the objections set forth by SPI. LMWD agrees the procedural history as set forth in SPI's motion is accurate.

**II.
ARGUMENTS AND AUTHORITIES**

A. Dan V. Jackson is a Qualified Expert

The court should allow the opinion testimony of an expert if the expert is qualified to give an opinion by knowledge, skill, experience, training, or education. Tex. R. Evid. 702. An expert must have a higher degree of knowledge, skill, experience, training, or education about the subject of the testimony than an ordinary person has. *See id.*; *Roberts v. Williamson*, 111 S.W.3d 113, 121 (Tex. 2003); *Broders v. Heise*, 924 S.W.2d 148, 153 (Tex. 1996).

1. Education.

Dan Jackson is the Vice President of the southwest operation of Willdan Financial Services. He received his M.B.A. in finance and accounting from the University of Chicago in 1984. He has over thirty-five years professional experience as a consultant, including positions from 1984-1985 for Arthur Anderson & Co, 1988-1990 for Deloitte and Touche, and 1990-1996 for Reed-Stowe & Co., Inc. In 1997, Mr. Jackson co-founded Economists.com, an economic and financial firm providing services primarily to water and wastewater utilities, electric utilities and the telecommunications sector. In 1997 Economists.com was acquired by Willdan Financial Services.

2. Specialized Knowledge and Experience.

Mr. Jackson has provided economic and financial consulting services for water and wastewater utilities across the United States and Pacific region for over 30 years. His clients have been primarily public entities, ranging in population from less than 1,000 to over 300,000. He has prepared or overseen the production of over 300 utility rate studies and long-term financial plans over the last twenty-five years. He has prepared water and wastewater cost of service and rate studies, system privatization analyses, pro forma forecasts of growth and usage, CCN and system valuations, connection and impact fee studies, business and capital improvement plans, alternative water and wastewater treatment sources, contract negotiations, and economic feasibility analyses of desalination as a water treatment option. He has served over 90 separate clients in Texas, and 150 clients across the United States and in five sovereign nations.

Mr. Jackson has provided expert witness testimony in numerous cases before the Texas Commission on Environmental Quality, other state Public Utility Commissions, state courts, federal courts and territorial legislatures. He has testified numerous times on the reasonableness

of rates. His resume is included in his prefiled testimony for this appeal, and is attached hereto as **Exhibit “A.”**

B. RESPONSES TO OBJECTIONS

1. Response to First Objection

SPI objects to Mr. Jackson’s testimony pursuant to Texas Rules of Evidence §§ 701 and 702, claiming he is not an expert on calculations of raw water rates because he based his opinions on the calculation methodology he initiated with LMWD.

Dan Jackson’s analysis and methodology for analyzing the raw water rates utilizes the American Water Works Association’s (“*AWWA*”) Utility Basis Methodology. See Jackson’s Testimony at page 4, lines 19-20. The details of the calculations performed by Mr. Jackson are provided in the rate model both Appendix E of Jackson Testimony and Appendix B of the 2018 rate study, attached to Mr. Jackson’s Written Testimony. Mr. Jackson is a qualified expert, as noted above, and as demonstrated by his written testimony and resume. Exhibit “A.”

Pursuant to Rule 701, Mr. Jackson’s testimony and opinion of the raw water rate is rationally based on his perception, and helpful in determining the fact issue as to a reasonable raw water rate.

Pursuant to Rule 702, Mr. Jackson is a qualified expert whose opinion on the raw water rate will help the trier of fact understand the evidence and determine whether the raw water rate as set by LMWD is reasonable.

2. Response to Second Objection

SPI objects to Jackson’s testimony at page 4, lines 19-21 that the “customers of LMWD have accepted his raw water rate approach.”

On page 4, lines 17-21, Jackson states:

In this section I will outline the approach the District has adopted to develop its overall raw water cost of service and set its fair, just and reasonable raw water rate. The raw water rate approach utilizes the AWWA's Utility Basis Methodology, and has been utilized by the District, with the acceptance of its customers, since the raw water rate was first established in 1996.

Mr. Jackson is correct as no appeal had been filed up to this point, since the raw water rate was first established in 1996. Mr. Jackson's knowledge of the lack of appeals or formal complaints is based upon his conversations with LMWD staff.

An expert **may base an opinion on facts or data in the case that the expert has been made aware of**, reviewed, or personally observed. If experts in the particular field would reasonably rely on those kinds of facts or data in forming an opinion on the subject, **they need not be admissible** for the opinion to be admitted. Texas R. Evid. §703, *emphasis added*.

3. Response to Third Objection

SPI objects to Mr. Jackson's testimony that LMWD's financial position is "sound and stable."

Texas Rule of Evidence 703 provides an expert may base an opinion on facts or data the expert has been made aware of, reviewed, or personally observed. LMWD's financial condition is presented in Chart DVJ-4, and its financial statement is provided in its entirety in Appendix C, to Mr. Jackson's written testimony. This was data provided to him by LMWD. Further, Mr. Jackson has an MBA in finance from the University of Chicago.

The expert does not need to be qualified as an expert in the field that is the origin of every fact he uses to form his opinion. "Sound and stable" does not need a legal definition for the trier of fact to understand. These are common terms with clear meanings that do not require definition by an expert.

4. Response to Fourth Objection

SPI objects to Mr. Jackson's testimony that utilities throughout the state of Texas have increased rates in recent years.

Mr. Jackson has extensive experience providing water rate analysis for numerous entities in Texas over the last 25 years. He has performed rate studies for 85 cities in Texas. His observation that costs and inflation affect all utilities throughout the state is based on his direct knowledge and experience which are provided above and in his attached resume. An expert may testify as to his knowledge based on his expertise.

5. Response to Fifth Objection

SPI objects to Mr. Jackson's testimony that LMWD incurs significant costs in transporting raw water, delivering treated water, and collecting and treating wastewater for its unique service area.

As Mr. Jackson pointed out in his deposition, LMWD is in the unique position of having to transport its raw water 26 miles from the Rio Grande River. The fact this affects the cost of the treated water, as well as the raw water at issue in this case, is not a complicated or confusing observation for the SOAH ALJ. Tex. R. Evid. § 403.

6. Response to Sixth Objection

SPI objects to Mr. Jackson's testimony that LMWD is prudently managed and has set its rates to ensure continued financial health.

Mr. Jackson is an expert on setting water rates throughout the United States and the Pacific Region. Water rates are set with the goal of ensuring the continued financial health of water entities. Determining whether an entity is in good financial health is essential to his expertise, and he is qualified to testify to this opinion. Texas R. Evid. §703.

7. Response to Seventh Objection

SPI objects to Mr. Jackson's testimony that rate calculations include anticipated growth.

Mr. Jackson is an expert in setting rates. Anticipated and possible growth is an essential factor in setting such rates. Further, SPI is incorrect in implying that the number of raw customers has never changed and will never change. In fact, during the depositions in this case, LMWD staff testified there has recently been a new agricultural customer who has requested the use of raw water.

8. Response to Eighth Objection

SPI objects to Mr. Jackson's testimony on the cost of transporting raw water for 26 miles from the Rio Grande River to the reservoir.

The cost of such is not misleading. It is directly related to the cost of raw water. It is an essential component of the calculation of the raw water rate. The fact that raw water is used for treated water customers does not make this confusing or misleading.

9. Response to Ninth Objection

SPI objects to Mr. Jackson's testimony that any cost of the raw water transportation system should be born by the raw water customers because they were not using the raw water for the first 8 years after its installation.

This objection is an argument against the AWWA's Utility Basis Methodology for rates based on the life of the line. Mr. Jackson has demonstrated that he is an expert qualified to utilize and opine on the Utility Basis Methodology. As such, this objection has no merit pursuant to Tex. R. Evid. §§403, 702, and 703 and should be overruled.

10. Response to Tenth Objection

SPI objects to Mr. Jackson's testimony that he conveyed a spreadsheet outlining the Utility

Basis Methodology to SPI in 1996, and that SPI agreed to the methodology.

Mr. Jackson is qualified to testify that he presented this spreadsheet to SPI at this time, and that SPI had no objections. SPI's objections under Tex. R. Evid. §§403, 702, and 703 have no merit.

11. Response to Eleventh Objection

SPI objects to Mr. Jackson using the Utility Basis Methodology under Tex. R. Evid. §§403, 702, and 703. Those rules state as follows:

A witness who is qualified as an expert by knowledge, skill, experience, training, or education may testify in the form of an opinion or otherwise if the expert's scientific, technical, or other specialized knowledge will help the trier of fact to understand the evidence or to determine a fact in issue.

Tex. R. Evid. 702

An expert may base an opinion on facts or data in the case that the expert has been made aware of, reviewed, or personally observed. If experts in the particular field would reasonably rely on those kinds of facts or data in forming an opinion on the subject, they need not be admissible for the opinion to be admitted.

Tex. R. Evid. 703

The court may exclude relevant evidence if its probative value is substantially outweighed by a danger of one or more of the following: unfair prejudice, confusing the issues, misleading the jury, undue delay, or needlessly presenting cumulative evidence.

Tex. R. Evid. 403

Mr. Jackson's use of the Utility Basis Methodology to determine the raw water rate is within his knowledge, skill and experience. It is arrived at using data he has been made aware of or reviewed. The Utility Basis Methodology is not confusing nor misleading. Mr. Jackson's written testimony report provided details on why and how this methodology is used and how the rate was calculated. Jackson Report, pages 16-21.

12. Response to Twelfth Objection

SPI's twelfth objection is another argument against the AWWA's Utility Basis Methodology. Mr. Jackson's assertion of fairness is an explanation as to why this methodology is used rather than the Cash Basis Methodology. Mr. Jackson has established that he is an expert in establishing water rates and determining the methodology to use to set such rates.

Further, pursuant to Tex. R. Evid. § 702, Mr. Jackson may rely on data of which he was made aware. The knowledge of potential needs of the district can come from his experience and expertise as well as information gathered from LMWD. The assertion in the objection that there will never be growth in raw water usage is unsupported without merit.

While SPI can argue against the AWWA's Utility Basis Methodology, such methodology must be considered, as Mr. Jackson has established his expertise and that the use of such methodology is appropriate and common in his profession and experience. Further, there is no hearsay contained in his employment of the Utility Basis Methodology.

13. Response to Thirteenth Objection

SPI attacks Mr. Jackson's testimony as unreliable under Tex. R. Evid. §§ 701 and 703, based on their allegation that he improperly forecasted raw water rates. SPI argues that the 2015 rate study is "completely inconsistent" with the 2018 study. While SPI presents no argument supporting why this is so, it is presumably based on the increase between 2015 and 2018. This is inconsistent with Mr. Jackson's deposition where he established that his model is accurate, and the increases justified. Forecasts are forecasts, and do not guarantee rates will not change. Rate studies typically are performed every few years for this region. As established above, Mr. Jackson is an expert who is qualified to present his opinion under Tex. R. Evid. §703 and is rationally based

on his perception and helpful in determining whether the rate is reasonable under Tex. R. Evid. § 701.

14. Response to Fourteenth Objection

SPI objects to Mr. Jackson's opinions based on an assumption that he did not utilize a schedule of assets in forming his opinions. This objection is without merit, as all the facts and data reviewed by the expert do not have to be produced or admissible for his opinion to be admissible. Further, a schedule of assets was produced by Mr. Jackson at his deposition, as requested by SPI.

15. Response to Fifteenth Objection

SPI objects to Jackson relying on information from LMWD staff as to costs associated with raw water. An expert may base his opinion on facts or data he has been made aware of, if experts in that field would reasonably rely on those kinds of facts and data in forming their opinion. Tex. R. Evid. § 702. Mr. Jackson relied on facts and data from the LMWD staff to determine costs. There is no requirement to qualify the staff he received data from as experts. His opinion is based on information as contemplated by Rule 702.

16. Response to Sixteenth Objection

SPI objects to Jackson testifying that LMWD invested 17.8 million in asset for transporting raw water, and that such assumes a risk for LMWD. An expert may base his opinion on facts or data he has been made aware of, if experts in that field would reasonably rely on those kinds of facts and data in forming their opinion. Tex. R. Evid. 702. Mr. Jackson relied on facts and data from the LMWD staff to determine the amount of LMWD's investments. This data helped form his opinion, and such is allowed under Rule 702.

17. Response to Seventeenth Objection

SPI objects to Mr. Jackson's testimony that water rights are becoming increasingly scarce

and more expensive. The cost of water rights is within Mr. Jackson's knowledge and expertise, as they are essential factors in setting water rates. The objection under Tex. R. Evid. § 703 must be overruled.

18. Response to Eighteenth Objection

SPI objects to Mr. Jackson's testimony on the rate of return. SPI opines that his calculation is unreasonable and therefore so misleading as to be excluded. However, Mr. Jackson testifies how he calculated the rate of return, the components of such calculation, and provides a Table on page 32. His testimony is based on facts and data an expert in his field would reasonably rely and is thus admissible.

19. Response to Nineteenth Objection

SPI objects to Mr. Jackson testifying that he doesn't use comparables when establishing raw water rates. As LMWD has an unusual 26-mile system for transporting raw water, which is not comparable to other districts, Mr. Jackson's reasoning is justified. He testified at his deposition that comparables are presented on treated water rate reports for informational purposes. Mr. Jackson's testimony is admissible under Tex. R. Evid. § 703.

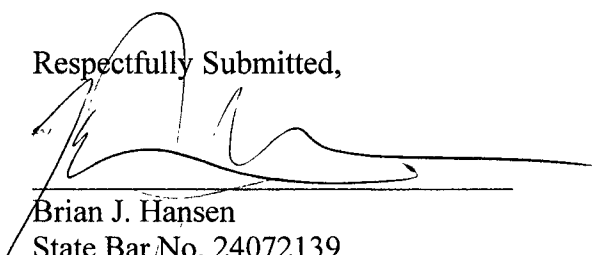
20. Response to Twentieth Objection

SPI objects to Mr. Jackson using assumptions to establish the raw water rate. Mr. Jackson states that such is an acceptable method in his industry based on his expertise, under the circumstances of the rate study. He further states that the assumptions were correct, as corroborated by his analysis for his written testimony. In fact, he could possibly justify a higher rate. As such, the raw water rate proposed by Mr. Jackson is admissible.

**III.
PRAYER**

WHEREFORE, PREMISES CONSIDERED, Laguna Madre Water District respectfully requests that the State Office of Administrative Hearings Administrative Law Judge overrule South Padre Island Golf Course's objections and deny South Padre Island Golf Course's Motion to Strike the Direct Testimony and Attachments of Dan V. Jackson and exclude Testimony of Dan V. Jackson, as requested herein, and grant any other further relief to which Laguna Madre Water District may be entitled.

Respectfully Submitted,



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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on December 5, 2019, in accordance with 16 TAC § 22.74 as follows:

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EXHIBIT “A”

Dan V. Jackson. M.B.A.

Vice President and Principal in Charge

Mr. Jackson has 35 years experience as an international financial expert, having completed more than 300 water, wastewater, electric, gas, solid waste and stormwater rate/cost of service studies and long-term financial plans for clients in the USA and the Pacific region. He also has served as an expert witness in state court, federal court and before several public utility commissions. Mr. Jackson's prior experience includes positions with Deloitte and Touche, Arthur Andersen and Reed-Stowe and Company. In 1997, Mr. Jackson co-founded Economists.com LLC, which became an international consulting firm with offices in Dallas and Portland, Oregon. Willdan acquired Economists.com in 2015, and Mr. Jackson now serves as Vice President and Managing Principal. Mr. Jackson has given dozens of lectures and presentations before professional associations, and is also a published author; his novel **The Forgotten Men** is available on Amazon.com.

His experience is summarized below.

Water/Wastewater – Rate Studies and Long Term Financial Plans for which Mr. Jackson served as Project Manager

▪ Allen, TX	2007, 2009, 2012
▪ Balch Springs, TX	2017
▪ Cedar Hill, TX	2016, 2018
▪ Celina, TX	2014, 2018, 2019
▪ Coppell, TX	2017
▪ Denton County FWSD 1A, TX	2017
▪ Denton County FWSD 8C, TX	2018
▪ DeSoto, TX	2005 -- 2019
▪ Duncanville, TX	2002, 2003, 2007, 2013, 2014, 2018
▪ Fairview, TX	2016, 2018
▪ Frisco, TX	2017
▪ Garland, TX	2009 –2012
▪ Grand Prairie, TX	2019
▪ Hackberry, TX	2006
▪ Hutchins, TX	2017,2019
▪ Kaufman, TX	1994
▪ League City, TX	2019
▪ Little Elm, TX	2001, 2004,2008-2016
▪ McKinney, TX	2016, 2010, 2019
▪ Mesquite, TX	2018
▪ Midlothian, TX	2000, 2003, 2006, 2010, 2011, 2016
▪ Oak Point, TX	2006, 2011
▪ Parker, TX	2016
▪ Plano, TX	2017
▪ Princeton, TX	2012
▪ Prosper, TX	2005, 2016, 2018
▪ Richardson, TX	2016
▪ Rowlett, TX	2009, 2017, 2019
▪ Royse City, TX	2007, 2011,2018
▪ Rockwall, TX	2018
▪ Sachse, TX	2014
▪ Venus, TX	2005, 2012
▪ Waxahachie, TX	2012
▪ Alamo Heights, TX	2018

Education

*Master of Business Administration,
University of Chicago,
1984;
Specialization in Finance/Accounting*

*Bachelor of Arts,
University of Chicago,
1982; Major in Social Sciences
Dean's Honor List*

Areas of Expertise

*Rate Design
Cost of Service
Financial Forecasting
Strategic Planning
Utility/Company Valuation
Acquisition Analysis
Privatization Analysis
Economic Impact and Development
Expert Witness Testimony*

Affiliations

Member, American Water Works Association

National Association for Business Economics

Commissioner, Community Development Commission, City of Dallas, Texas, 1993-1995

Other

The Forgotten Men – Fiction – Mediaguruz Publishing; Amazon.com

30 Years Experience

▪ Amarillo, TX	2017
▪ Aqua Water Supply Corporation, TX	2003
▪ Brady, TX	2016
▪ Castroville, TX	2016,2018
▪ Cibolo Creek Municipal Authority	2012, 2015
▪ Donna, TX	2007, 2011, 2012, 2013,2015-2018
▪ El Paso County WCID #4, TX	2005, 2007, 2010, 2011, 2015,2019
▪ El Paso County Tornillo WCID, TX	2006, 2010
▪ Groesbeck, TX	2001, 2004
▪ Harker Heights, TX	2006
▪ Hewitt, TX	2009 – 2015
▪ Hondo, TX	2019
▪ Jonah Special Utility District, TX	2006
▪ Kempner WSC, TX	2014-2015
▪ Laredo, TX	2018,2019
▪ Laguna Madre Water District, TX	1991, 1994, 1999, 2005, 2014, 2018
▪ La Villa, TX	2007
▪ Leander, TX	2017-2018
▪ League City, TX	2019
▪ Liberty Hill, TX	2018,2019
▪ Los Fresnos, TX	2007
▪ McLendon-Chisholm, TX	2019
▪ Mercedes, TX	2001, 2003
▪ New Braunfels, TX	2019
▪ North Fort Bend Water Authority, TX	2011, 2016
▪ Paris, TX	1995
▪ Port of Houston Authority, TX	2001
▪ Raymondville, TX	2001
▪ Robinson, TX	2012, 2014, 2015
▪ Robstown, TX	2014, 2015
▪ San Juan, TX	2019
▪ Schertz, TX	2012 – 2019
▪ Seguin, TX	2015 -- 2019
▪ Selma, TX	2018
▪ Schertz-Seguin Local Govt Corporation, TX	2010 – 2019
▪ Sonora, TX	2012
▪ Southmost Regional Water Authority, TX	2001
▪ Tomball, TX	2018
▪ Troup, TX	2006
▪ Venus, TX	2005, 2012
▪ West Harris County Regional Water Auth, TX	2003, 2006, 2010, 2011
▪ Webb County, TX	2011
▪ Whitehouse, TX	2008
▪ Winona, TX	2009
▪ Yancey Water Supply Corporation, TX	2005
▪ Bisbee, AZ	2000 – 2005, 2018
▪ Buckeye, AZ	2013, 2015, 2016
▪ Camp Verde Sanitary District, AZ	2006, 2008
▪ Carefree, AZ	2018
▪ Casa Grande, AZ	2009
▪ Chino Valley, AZ	2010-2018
▪ Chloride Domestic Water Imp District, AZ	2003
▪ Clarkdale, AZ	2005

▪ Clifton, AZ	2018
▪ Cottonwood, AZ	2004, 2007, 2009
▪ Douglas, AZ	2009, 2011
▪ Eagar, AZ	2006, 2011, 2012
▪ Eloy, AZ	2007, 2011-2013
▪ Florence, AZ	2008, 2012
▪ Flowing Wells Improvement District, AZ	2008
▪ Goodyear, AZ	2014, 2015, 2019
▪ Holbrook, AZ	2004
▪ Jerome, AZ	2019
▪ Marana, AZ	2008 – 2013, 2016
▪ Miami, AZ	2010 – 2012, 2015
▪ Nogales, AZ	2011, 2015-2016, 2018
▪ Patagonia, AZ	1999, 2002
▪ Payson, AZ	2006, 2010, 2012, 2013, 2014
▪ Prescott, AZ	2008
▪ Quartzsite, AZ	2004, 2009, 2011, 2012, 2018
▪ Queen Creek, AZ	2004, 2007, 2015, 2016
▪ Safford, AZ	2006
▪ San Luis, AZ	2002, 2012, 2013, 2017, 2018
▪ Show Low, AZ	2011, 2014
▪ Somerton, AZ	1999, 2002, 2005-2010, 2018
▪ Tombstone, AZ	2001
▪ Tonto Village DWID, AZ	2018
▪ Wellton, AZ	2003
▪ Willcox, AZ	2002
▪ Winslow, AZ	2016, 2018
▪ Yuma, AZ	2007, 2014, 2015, 2018
▪ North Chicago, IL	2001, 2005
▪ Ada, OK	2014, 2015, 2018
▪ Chickasha, OK	2016
▪ Edmond, OK	2010, 2015, 2017, 2018
▪ Miami, OK	2009, 2014, 2017
▪ Pryor, OK	2016
▪ Hot Springs, AR	2005, 2009-2018
▪ North Little Rock Wastewater Utility, AR	1999, 2003, 2006, 2011-2015
▪ Russellville, AR	2013, 2014, 2015, 2019
▪ Sarpy County, NE	2018
▪ South Adams County WSD, CO	2013

Solid Waste and Stormwater -- Rate Studies and Long Term Financial Plans

▪ Duncanville, TX	2007
▪ Hewitt, TX	2010
▪ Mercedes, TX	1999
▪ San Luis, AZ	2003, 2013
▪ Somerton, AZ	2006
▪ San Marcos, TX	2018
▪ Hot Springs, AR	2011, 2012, 2013, 2016
▪ Miami, OK	2009

Water/Wastewater –CCN/ System Valuations and Acquisitions

▪ Avondale, AZ	2006
▪ Buckeye, AZ	2013-2015
▪ Casa Grande, AZ (private)	2015
▪ Chino Valley, AZ	2006, 2016,2018
▪ Cottonwood, AZ	2009, 2012
▪ Clarksdale, AZ	2009
▪ Florence, AZ	2007, 2014
▪ Marana, AZ	2009, 2010
▪ Pine Strawberry Water Imp District, AZ	2009
▪ Prescott, AZ	2006
▪ Prescott Valley, AZ	1998
▪ Queen Creek, AZ	2008, 2011
▪ Show Low, AZ	2010, 2011
▪ Aubrey, TX	2015
▪ Arlington, TX	1999, 2001
▪ Celina, TX	2006, 2015
▪ Forney Lake WSC, TX	2016
▪ Gunter, TX	2006
▪ Kempner WSC, TX	2016
▪ Taylor, TX	1999
▪ Whitehouse, TX	2006
▪ Van Alstyne, TX	2019
▪ Rockwall, TX	2005
▪ Trinity Water Reserve, TX	2000
▪ North Chicago, IL	2001
▪ North Little Rock WWU, AR	2015

Water/Wastewater – Impact Fee Studies

▪ East Medina County Special Utility District, TX	2000
▪ Cibolo Creek Municipal Authority, TX	2015
▪ Harlingen, TX	2005
▪ Laguna Madre Water District, TX	1993, 1996, 2000, 2003
▪ Los Fresnos, TX	2006
▪ Mesquite, TX	1996
▪ San Luis, AZ	2002
▪ Marana, AZ	2011- 2014
▪ Wellton, AZ	2003
▪ Prescott, AZ	2007
▪ Yuma, AZ	2004, 2007, 2016
▪ Hot Springs, AR	2005, 2009, 2016

Regulated Utilities – Pacific Region

Water Authority of Fiji – Water and Wastewater Tariff Review, 2016. Tariff Review Update and Tariff Application, 2019. NOTE: projects funded by PRIF/ADB.

Palau Public Utilities Corporation -- Electric tariff study, 2008. Electric, Water and Wastewater Tariff Study, 2018. NOTE: projects funded by PRIF/ADB.

Republic of Kiribati – Water and Wastewater Cost of Service and Tariff Review Study, 2019.

Commonwealth Utilities Corporation Saipan – Ongoing water, wastewater and electric rate and financial consulting assistance, 2005-2018. 15 Separate engagements over the past decade.

American Samoa Power Authority -- Electric, water, wastewater and solid waste rate study, 2009, 2014; Water and Wastewater Bond Financing Assistance, 2016.

EPC, Independent State of Samoa - Electric cost of service and tariff study, 2013.

Guam Power Authority – Electric Load Forecast Study, 2011.

Water/Wastewater – Other Studies

City of Paris, TX – Campbell's Soup Co. wholesale contract review/negotiations.

City of Conroe, TX – Evaluation of proposed long-term wholesale contract.

Cities of Bellmead, Woodway and Hewitt, TX – Least cost alternative analysis and assistance with wholesale contract negotiations with City of Waco.

City of Lubbock, TX – Analysis of reasonableness of rates for Franklin Water System, January 2002.

City of Rockwall, TX – Wholesale contract review, 2005.

City of Miami, OK – Non-rate revenue study, 2010.

Town of Payson, AZ – Financial feasibility and economic impact study of C.C. Cragin Reservoir, 2011.

City of Duncanville, TX – Water and wastewater cost allocation study, 2002.

City of Whitehouse, TX – Economic analysis of potential acquisition of a water supply corporation, 2006.

City of Midlothian, TX – Drought management plans, 2001.

City of Midlothian, TX – Assistance with wholesale contract negotiations, 2000-2001.

City of Arlington, TX – Cost of service study for non water/sewer revenues, 1997.

City of Arlington, TX – Lease vs. purchase analysis of city fixed assets, 1998.

City of Donna, TX – Water and wastewater affordability analysis, 2005.

Southmost Regional Water Authority – Economic and financial impact of proposed desalination treatment plant, 2001.

Texas Water Development Board Region M – Financial feasibility analysis of water resource alternatives, 2006.

Laguna Madre Water District – Lost/unaccounted for water study, 1992.

Schertz Seguin Local Government Corporation – Assistance in contract negotiations with SAWS, 2010.

California-American Water Company – Reasonableness of rate structure for City of Thousand Oaks, 2003.

California-American Water Company – Reasonableness of rate structure for City of Felton, 2004.

Forsyth County, GA – Business plan with extensive recommendations for managing

unprecedented growth in volume and customer connections. Ten-year projection of operating income, 1998.

City of Lakeland, FL – Valuation of wastewater reuse alternatives over 20-year timeframe.

Border Environment Cooperation Commission and City of Bisbee, AZ – Wastewater system improvements plan, 2003.

Water Infrastructure Finance Authority of Arizona – Evaluation of 40-year wastewater construction financing plan for Lake Havasu City, 2002.

Water Infrastructure Finance Authority of Arizona – Comprehensive residential water and wastewater rate survey for the state of Arizona, 2004-2008.

City of Plano, TX – evaluation of long-term contract with North Texas Municipal Water District, 2015-2016.

D. Jackson
Resume Continued

Expert Witness Testimony

City of Arlington, TX – Seven separate cost of service analyses and testimony in wholesale contract rate proceedings before TNRCC. Largest ongoing wastewater rate dispute in Texas history, 1990-1994.

Cameron County Fresh Water Supply District No. 1 vs. Town of South Padre Island (TNRCC Docket 30346-W) – Expert testimony on reasonableness of rate structure, 1992.

Cameron County Fresh Water Supply District No. 1 vs. Sheraton Hotel/Outdoor Resorts (TNRCC Docket 95-0432-UCR) – Expert testimony on reasonableness of rate structure, 1993.

City of Celina, TX (SOAH Docket 2003-0762-DIS) – Expert testimony on the proposed creation of a Municipal Utility District, 2004.

East Medina County Special Utility District (SOAH Docket 582-02-1255) – Expert testimony on CCN application, 2003.

East Medina County Special Utility District (SOAH Docket 582-04-1012) – Expert testimony on CCN application, 2004.

City of Karnes City, TX – Expert testimony on valuation of CCN before the Texas Commission on Environmental Quality, 2009.

City of Princeton, TX (SOAH Docket 582-06-1641 and TCEQ Docket 2006-0044-UCR) – Expert testimony on ability to serve proposed service territory, 2007.

Town of Little Elm, TX (SOAH Docket 582-01-1618) – Expert testimony on reasonableness of rate structure, 2001.

Schertz Seguin Local Government Corporation – Expert testimony addressing application of San Antonio Water System for groundwater permits for Gonzalez County UWCD, 2009.

City of Ruidoso, NM – Expert testimony on reasonableness of Wastewater Rates, 2010.

City of Hot Springs, AR – Expert witness testimony on Reasonableness of Solid Waste Rates, 2010.

Dallas County Water Control and Improvement District No. 6 (TNRCC Docket 95-0295-MWD) – Hearing on the merits for proposed wastewater treatment plant permit, 1995.

Commonwealth Utilities Corporation Saipan -- Expert testimony before Commonwealth Public Utilities Commission on reasonableness of rate structure, 2010-2015.

City of Mesquite, Texas vs. Southwestern Bell Telephone Company (No. 3-89-0115-T, U.S. Federal Court Northern Texas) -- 18 year estimate of revenues excluded from municipal franchise fees by SWB. Expert testimony on SWB accounting and franchise policies and Discovery disputes, 1991-1995.

City of Port Arthur, et. al., vs. Southwestern Bell Telephone Company (No. D-142,176, 136th

D. Jackson
Resume Continued

Judicial District Court of Beaumont, Texas) -- 20 year estimate of revenues excluded from municipal franchise fees by SWB. Expert testimony on SWB accounting and franchise policies. Case settled on first day of trial for approximately \$30 million, 1993-1995.

Southwestern Bell Telephone Company vs. City of Arlington, Texas (No. 3:98-CV-0844-X, U.S. Federal Court Northern Texas) -- 15 year estimate of access revenues excluded from municipal franchise fees by SWB. Expert testimony on SWB accounting and franchise policies, 1996.

Metro-Link Telecom vs. Southwestern Bell Telephone Company (No. 89-CV-0240, 56th Judicial District Court Galveston County Texas) -- 20 year pro forma model calculating lost revenue from the cancellation of a trunk line leasing contract. The model formed the basis of a \$5.7 million judgment against SWB, 1994

Complaint of the City of Denton against GTE Southwest, Inc. (PUC Docket 14152), 1994.

GTE vs. City of Denton (No. 95-50259-367, 367th Judicial District Court of Denton County, Texas) -- 10 year estimate of revenues excluded from municipal franchise fees by GTE, 1994-1996.

MAS vs. City of Denton, Texas (No. 99-50263-367, Judicial District Court of Denton County, Texas) -- Testimony on reasonableness of franchise fee payment calculations.

Regulated Utilities -- USA

City of Miami, OK -- Electric, water and wastewater and electric rate study, 2006.

Bonneville Power Administration ---Participation in Average System Cost (ASC) program, including proposed changes in ASC methodology, 1988-1990.

Houston Lighting & Power -- Feasibility/Prudence analysis of South Texas Nuclear Project vs. alternate forms of energy. Analysis formed the basis of partner's expert testimony before the Public Utility Commission of Texas, 1988.

Kansas Power & Light -- Analysis of proposed merger with two separate companies, 1988.

Greenville Electric Utility System- Development of short-term cash investment policy in accordance with state law, 1989.

Horizon Communications-- Business plan development, 2000.

City of Mercedes, TX -- Economic Impact of New City Projects, 2000.

Telecommunications

City of Dallas, TX -- Forecast of economic and financial construction and non-construction damages resulting from franchise's failure to fulfill terms of agreement, 2004

City of Dallas, TX ---Financial evaluation and forecast of alternative wireless services contracts, 2005.

City of Dallas, TX --Evaluation and advice concerning VOIP contract with SBC, 2003

Voice Web Corporation-- Financial forecast and strategic plan for CLEC development, 2001

United Telephone of Ohio -- Pro forma forecast model forecasting the impact on financial statements of proposed changes in state telecommunications regulatory structures. Model was used as the basis for privatization bids for Argentine and Puerto Rican Telephone Companies, 1988.

Bonneville Power Administration -- Evaluation and financial forecast of long-term fiber optic leasing operation, 1999.

Bonneville Power Administration -- Economics of Fiber Analysis, 1999.

City of Portland, Oregon --Municipal Franchise Fee Review, 2000.

US West, Inc. -- Valuation study and financial forecast of headquarters operation. Used as basis for Partner's allocated cost testimony before the Public Utility Commission in Washington and

Utah.

Virgin Islands Telephone Company -- Business Interruption study assessing impact of Hurricane Hugo on company operations, outside plant, and total revenue. Included valuation and 10 year financial forecast of revenues and expenses, 1990.

Star-Tel -- Estimate of revenues lost due to rival's unfair business practices, 1995.

Cities of Denton and Carrollton, Texas -- Review of municipal franchise fee payments by GTE, 1994-1996.

Winstar Gateway Network -- forecast of average lifespan per ANI for specific customer classes.

Advisory Commission on State Emergency Communications -- Review of E911 Equalization Surcharge Payments by AT&T, ATC Sateco, and Lake Dallas Telephone Company.

Northern Telecom -- Projection of potential revenue generated from the long-term lease of DMS-100 switching units to Pacific Bell.

Publications/Presentations/Seminars

- ***The Forgotten Men (fiction)*** -- Mediaguruz Publishing, 2012.
- *Raising Water and Wastewater Rates -- How to Maximize Revenues and Minimize Headaches -- Arizona Small Utilities Association, August 2002; Texas Section AWWA, April 2003*
- *Wholesale Providers and the Duty to Serve: A Case Study* -- Water Environment Federation, September 1996.
- *Lease vs. Purchase -- A Guideline for the Public Sector* -- Texas Town and City, March 1998•.
- *An Introduction to Lease vs. Purchase* -- Texas City Managers Association -- May 1998.
- *Technische Universiteit Delft* -- Delft Netherlands -- Annual Infrastructure Conference -- May 2000, 2001.
- *The US Water Industry -- A Study in the Limits of Privatization* -- Technische Universiteit Delft -- Delft Netherlands -- March 2007.
- *The New Information Economy: Opportunity or Threat to the Rio Grande Valley?* -- Rio Grande Valley Economic Summit -- Oct 2000.
- *The Financial Benefits of Regionalization -- A Case Study* -- Texas Water Development Symposium -- September 2010.
- *Developing Conservation Water Rates Without Sacrificing Revenue* -- TWCA Conference, San Antonio Texas, October 2012.
- *Water Rates -- Challenges for Pacific Utilities* -- Pacific Water and Wastes Conference, American Samoa, September 2014.