



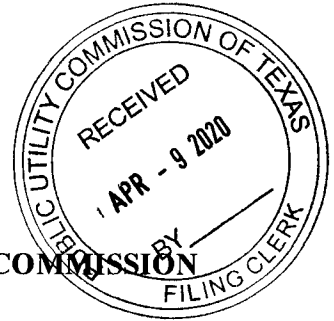
Control Number: 49225



Item Number: 84

Addendum StartPage: 0

SOAH DOCKET NO. 473-20-1554.WS
PUC DOCKET NO. 49225



PETITION BY OUTSIDE CITY
RATEPAYERS APPEALING THE
WATER AND WASTEWATER RATES
ESTABLISHED BY THE CITY OF
CELINA

§
§
§
§
§

PUBLIC UTILITY COMMISSION
OF TEXAS

**OUTSIDE CITY RATEPAYERS'
SIXTH REQUEST FOR INFORMATION TO CITY OF CELINA**

To: Respondent, City of Celina, by and through its attorneys of record, Scott Smyth and Patrick W. Lindner, Davidson Troilo Ream & Garza, P.C., 919 Congress Avenue, Suite 810, Austin, Texas 78701.

COME NOW, the Outside City Ratepayers ("Petitioners") and serve this, their Sixth Request for Information to the City of Celina pursuant to 16 Tex. Admin. Code Ann. § 22.144 (TAC) and request the following information and answers to the following questions be provided under oath.

Respectfully submitted,

By: 

Randall B. Wilburn
State Bar No. 24033342
Helen S. Gilbert
State Bar No. 00786263
GILBERT WILBURN PLLC
7000 North MoPac Blvd., Suite 200
Austin, Texas 78731
rbw@gwtxlaw.com
hgilbert@gwtxlaw.com
Telephone: (512) 535-1661
Facsimile: (512) 535-1678

John J. Carlton
State Bar No. 03817600
Kelli A. N. Carlton
State Bar No. 15091175
The Carlton Law Firm, P.L.L.C.
4301 Westbank Drive, Suite B-130
Austin, Texas 78746
john@carltonlawaustin.com
kelli@carltonlawaustin.com
Telephone: (512) 614-0901
Facsimile: (512) 900-2855

ATTORNEYS FOR PETITIONERS

CERTIFICATE OF SERVICE

I hereby certify that I have served or will serve a true and correct copy of the foregoing document via hand delivery, facsimile, electronic mail, overnight mail, U.S. mail and/or Certified Mail Return Receipt Requested to all parties on this the 9th day of April 2020.


John J. Carlton

**SOAH DOCKET NO. 473-20-1554.WS
PUC DOCKET NO. 49225**

**OUTSIDE CITY RATEPAYERS'
SIXTH REQUEST FOR INFORMATION TO CITY OF CELINA**

**I.
DEFINITIONS**

The following definitions apply herein unless otherwise indicated by the content or expressly stated:

1. The words “and” and “or” shall be construed either conjunctively or disjunctively, as required by the context, to bring within the scope of these discovery requests any response or document that might be deemed outside its scope by another construction.
2. “City” means the City of Celina.
3. “Communication” shall mean and include every manner or means of transmittal, disclosure, transfer, or exchange of information, and every form of transmission, disclosure, transfer or exchange of information, whether orally, electronically, or by document, and whether face-to-face, by telephone, mail, personal delivery, computer or otherwise.
4. “Concerning,” “relating to,” or “regarding,” and similar terms mean addressing, analyzing, referring, discussing, mentioning in any way, explaining, supporting, describing, forming the basis for, or being logically or casually connected in any way with the subject of these discovery requests.
5. “Describe,” “describe in detail” or “explain” means to give a complete and full description concerning the matter about which the inquiry is made in narrative form, including all facts and opinions known and held relating to what is requested to be described, and (i) to identify of each person or entity involved or having any knowledge of each fact or opinion that relates to what is so described, (ii) to identify each document evidencing the answer or response given or relating, referring or pertaining to said subject-matter in any way, and (iii) all relevant or material dates and time periods, specifying the way in which said dates or time periods are pertinent to the subject-matter described.
6. “Document” means any documents or tangible items made discoverable by Texas Rule of Civil Procedure 192.3, and includes all originals, electronic and non-identical copies of any and all documents, papers, books, accounts, writings, drawings, graphs, charts, maps, surveys, photographs, electronic or videotape recordings, electronic mail (e-mail), phone records, recordings, models, data and other data compilations from which information can be obtained and translated by you, if necessary, into reasonably useable form and tangible things. Documents and data are “electronic” if they exist in a medium that can be read through the use of computers. Such media include cache memory, magnetic disks (such as computer hard drives or floppy disks), optical disks (such as DVDs or CDs), and magnetic tapes. *See* Tex. R. Civ. P. 192.3 (2019).

7. "Fiscal year" means and refers to the City's fiscal year.
8. To "identify" an individual means to state the following about that individual: (i) the person's full name; (ii) the person's job title or former job title; (iii) the person's job (or former job) duties and responsibilities; (iv) the individual's superior(s); (v) current or last known telephone number(s); and (vi) current or last known business and home addresses.
9. To "identify" a person as defined herein, other than an individual, means to provide the following information: (i) the entity's full and correct legal name; (ii) the nature of the entity's structure and/or organization; (iii) the address and telephone number of its principal offices and, if applicable, the state in which it is incorporated; and (iv) its principal line(s) of business or activity.
10. To "identify" an act, event, occurrence, or communication means the following: (i) to state its date; (ii) to identify the persons that were parties to and/or witnesses of the act, event, occurrence, or communication; (iii) to describe where and how it took place; and (iv) to identify any document that constitutes or refers to such act, event, occurrence, or communication.
11. To "identify" a document means the following: (i) the electronic file name, if any; (ii) to identify its author; (iii) to identify its addressees, if any; (iii) to state the date of its preparation; and (iv) to describe its subject matter.
12. "Person" or "Persons" means any natural person, corporation, association, firm, partnership, or other business or legal entity and officers, employees, agents, attorneys, servants or representatives of such entity, as the context requires.
13. "Petition" means and refers to the petition that is the subject of SOAH Docket No. 473-20-1554.WS and PUC Docket No. 49225.
14. "Preliminary Order" means and refers to that certain Preliminary Order entered by the Commission on January 17, 2020, in this proceeding, SOAH Docket No. 473-20-1554.WS and PUC Docket No. 49225.
15. "PUC" or "Commission" refers to the Public Utility Commission of Texas and all predecessor agencies with similar responsibilities, including the Texas Commission on Environmental Quality, Texas Natural Resource Conservation Commission, Texas Water Commission, and Texas Department of Health.
16. "Ratepayers" means and refers to the petitioners in this proceeding, being the water and wastewater customers of the City of Celina residing outside the corporate limits of the municipality.
17. "Relate" or "relating to" means making or including a statement about, discussing, describing, reflecting, consisting of, constituting, comprising or in any way concerning in whole or in part the subject or thing.

18. "Statement" means and includes any written or graphic statement signed or otherwise adopted or approved by the user in making it, and stenographic, mechanical, electrical or other recording or transcription thereof, which is a substantially verbatim recital of an oral statement by the person making it and contemporaneously recorded.
19. "Willdan Rate Study" means and refers to the 2018 *Water and Wastewater Rate Study and Financial Forecast* for the City of Celina.
20. "You," "your" and "City" means and refers to the City of Celina, as well as its officers, employees, affiliates, and expert witnesses.

II.

INSTRUCTIONS

1. These discovery requests must be answered in strict compliance with the orders of the Administrative Law Judge hearing this Docket, the Texas Rules of Civil Procedure, and the rules of the PUC.
2. Your answers to the discovery requests must be answered separately and fully in writing, and the answers must be signed and verified under oath by the person making the answers.
3. In those instances when the responding party chooses to answer a discovery request by referring to a specific document or record, the specification must be in sufficient detail to permit the requesting party to locate and identify the records and/or documents from which the answer is to be ascertained as readily as the party served with the request.
4. Whenever you are asked in these discovery requests to describe, identify, or produce documents, the term "documents" is not limited to documents in your actual or constructive possession, custody or control (as defined by Tex. R. Civ. P. 192.7(b)), but also includes all documents that you know to exist or which have existed or which you have reason to suspect to be in existence or to have been in existence, irrespective of whether the document is one intended for or transmitted internally by you or intended for or transmitted to any other person or entity, including without limitation any governmental agency, department, administrative entity, or their personnel.
5. Whenever you are asked in these discovery requests to describe or identify documents that once existed, but which no longer exist, in addition to identifying the documents, please indicate the approximate date and the circumstances under which the documents ceased to exist. Whenever you are asked in these discovery requests to describe or identify documents that are not in your actual or constructive possession, custody or control, as those terms are defined in Tex. R. Civ. P. 192.7(b), please identify (by name, address and telephone number) the person whom you believe to have such possession, custody or control.
6. If a discovery request calls upon you to state your legal or factual contentions and/or the legal or factual basis for your contentions in this lawsuit, you should respond in accordance with Tex. R. Civ. P. 192.3(j). Such requests do not seek to require you to marshal all of your evidence.

7. As used in these discovery requests, the singular and masculine form of a noun or pronoun includes the plural form, the feminine, or the neuter form, where appropriate.
8. As used in these discovery requests, the past tense includes the present tense where the express meaning of the request is not distorted by that usage, and the verb form of a noun or pronoun may be used as appropriate in a particular context.

III.

DUTY TO SUPPLEMENT

You are under a duty to supplement any responses that are incomplete or incorrect when made. Furthermore, you are under a duty to amend your responses within a reasonable time after you obtain information on the basis of which you know that a response either (1) was incorrect or incomplete when made or (2) although correct and complete when made, is no longer correct and complete, and the circumstances are such that failure to amend the response is in substance misleading.

IV.

REQUESTS FOR INFORMATION

RATEPAYERS' REQUEST TO CITY 6-1. Please identify and produce all water/wastewater impact fee studies conducted in the past five years.

RATEPAYERS' REQUEST TO CITY 6-2. Please identify and produce all water/wastewater impact fee studies used to establish any impact fees currently in effect.

RATEPAYERS' REQUEST TO CITY 6-3. Please describe in detail how debt service coverage is calculated for each of the following:

- a. budget purposes,
- b. financial statement purposes, and
- c. rate setting purposes.

RATEPAYERS' REQUEST TO CITY 6-4. Please identify and produce all studies conducted since 2015 that compare the costs of the Water/Sewer Fund transfers and payments to other city departments to the costs of the same services and functions performed by unrelated third parties.

RATEPAYERS' REQUEST TO CITY 6-5. Please confirm that the payroll included in the Willdan Rate Study does not include costs for any position that was vacant at the end of the fiscal year 2018. If this cannot be confirmed, please provide a detailed schedule showing (a) the vacancies included and (b) the payroll costs associated with each of those vacancies.

RATEPAYERS' REQUEST TO CITY 6-6. Please describe in detail and identify and produce all documents concerning any incentive compensation plan that was in effect during fiscal

year 2018 and was available to the employees of the Water/Sewer utility. Please provide the total number of Water/Sewer Fund eligible for each incentive compensation plan, including a list of performance metrics that would render an employee eligible for an award under each incentive compensation plan, and the method of evaluation that was used to determine if an employee would receive an award under each incentive compensation plan.

RATEPAYERS' REQUEST TO CITY 6-7. Please provide an index to the 24,907-page response to the City's Responses to Ratepayers' First Request for Information.

RATEPAYERS' REQUEST TO CITY 6-8. Please identify the preparer and the sponsoring witness for each document in the City's Responses to Ratepayers' First Request for Information.

RATEPAYERS' REQUEST TO CITY 6-9. Please identify any customer types (e.g., government, schools, non-profit, etc.) eligible for discounts and/or exemptions from water/sewer impact fees.

RATEPAYERS' REQUEST TO CITY 6-10. Please identify and describe in detail the value of any discounts and/or exemptions from water/sewer impact fees from the date impact fees were first implemented to 9/30/18.

RATEPAYERS' REQUEST TO CITY 6-11. Please identify any customer types (e.g., government, schools, non-profit, etc.) eligible for discounts and/or exemptions from water or sewer rates.

RATEPAYERS' REQUEST TO CITY 6-12. Please identify and describe in detail the value of any discounts and/or exemptions from water or sewer rates in fiscal year 2017 and fiscal year 2018.

RATEPAYERS' REQUEST TO CITY 6-13. For each type of water/sewer impact fee collected, please reconcile all impact fee monies collected and dispersed from the original inception of the fee to 9/30/18.

RATEPAYERS' REQUEST TO CITY 6-14. For each capital project funded partially or entirely by water/sewer impact fees:

- a. Please identify the project,
- b. State the total cost of each project,
- c. State the amount of each project funded by impact fees,
- d. State the date each project was placed in service, and
- e. State the depreciable life of each project.

RATEPAYERS' REQUEST TO CITY 6-15. Please identify and describe in detail the depreciation methods used to calculate the fiscal year 2018 annual depreciation amounts and depreciation reserves and identify and explain the factors that were considered in arriving at estimates of service life and dispersion by account.

RATEPAYERS' REQUEST TO CITY 6-16. Please produce a complete copy of depreciation studies used. For each depreciation study produced:

- a. Please set forth, in exhibit form, charts depicting the original and estimated survivor curves and a tabular presentation of the original life table plotted on the chart for each account where the retirement rate method of analysis is utilized.
- b. Provide the surviving original cost at historic test year-end by vintage by account and include applicable depreciation reserves and accruals.

These calculations should be provided for plant in service as well as other categories of plant, including contributions in aid of construction and customers' advances for construction.

RATEPAYERS' REQUEST TO CITY 6-17. Please identify and produce copies of all compensation studies that were reviewed in setting base salaries, short-term incentive compensation, and long-term incentive compensation for each Water/Sewer Fund employee position during the fiscal year 2018 test year and from the test year through March 2019.

RATEPAYERS' REQUEST TO CITY 6-18. Please produce the City Council meeting notes, presentations, or other documents related to the approval of any Water/Sewer Fund compensation adjustments during the fiscal year 2018 through March 2019.

RATEPAYERS' REQUEST TO CITY 6-19. Please identify where in the Willdan Rate Study that water usage is annualized and describe the annualization process.

RATEPAYERS' REQUEST TO CITY 6-20. Please identify where in the Willdan Rate Study that water customer numbers are annualized and describe the annualization process.

RATEPAYERS' REQUEST TO CITY 6-21. Please identify where in the Willdan Rate Study that water usage is normalized and describe the normalization process.

RATEPAYERS' REQUEST TO CITY 6-22. Please identify where in the Willdan Rate Study that water revenue requirements are annualized and describe the annualization process.

RATEPAYERS' REQUEST TO CITY 6-23. Please identify where in the Willdan Rate Study that water revenue requirements are normalized and describe the normalization process.

RATEPAYERS' REQUEST TO CITY 6-24. Please identify where in the Willdan Rate Study that wastewater usage is annualized and describe the annualization process.

RATEPAYERS' REQUEST TO CITY 6-25. Please identify where in the Willdan Rate Study that wastewater customer numbers are annualized and describe the annualization process.

RATEPAYERS' REQUEST TO CITY 6-26. Please identify where in the Willdan Rate Study that wastewater usage is normalized and describe the normalization process.

RATEPAYERS' REQUEST TO CITY 6-27. Please identify where in the Willdan Rate Study that wastewater revenue requirements are annualized and describe the annualization process.

RATEPAYERS' REQUEST TO CITY 6-28. Please identify where in the Willdan Rate Study that wastewater revenue requirements are normalized and describe the normalization process.

RATEPAYERS' REQUEST TO CITY 6-29. Please identify and describe the substance of all conversations between you and Commission Staff regarding requests for information in this docket.

RATEPAYERS' REQUEST TO CITY 6-30. Please identify and describe the substance of all conversations between you and Commission Staff regarding the City's direct case in this docket.

RATEPAYERS' REQUEST TO CITY 6-31. Please identify and produce all documents provided by you to Commission Staff regarding requests for information in this docket, other than documents filed on the Commission's Interchange.

RATEPAYERS' REQUEST TO CITY 6-32. Please identify and produce all documents provided by you to Commission Staff regarding the City's direct case, other than documents filed on the Commission's Interchange.