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Evergreen Equities MHC LLC 1371 E 2100 S Suite 200 Salt Lake City, UT 84105

March 11, 2020

Cliff Crouch
Manager, Licensing and Compliance
Public Utility Commission of Texas
Central Records
1701 N Congress
Austin, TX 78711

50431



Dear Mr. Couch,

am writing on behalf of Evergreen Equities MHC LLC, a mobile home community located at 154 Evergreen Dr, Wichita Falls, TX, 76306. The park is managed by Vineyards Management Group. Vineyards Management Group acquired the park from the previous owners, Wichita Falls Evergreen MHP LLC, in December of 2019. We are given to understand the previous owners were registered with the Texas PUC to bill the tenants monthly for water and sewer via submetering. We are respectfully requesting as the new owners of the park to bill the tenants via an allocation method and have submitted the registration request as such.

During the due diligence period prior to the purchase of Evergreen, the previous owner reported a 61% recapture rate of their water and sewer bills during the last calendar year. Our extensive experience with our other mobile home communities in our management portfolio is that the meters are generally unreliable and do not allow us to bill tenants for their accurate usage or adequately recuperate our monthly expenses. Most frequently we have encountered faulty meters that are found to incorrectly calculate the water usage after testing, tampering from tenants, and theft of water from vacant sites within the park.

As such the majority of our properties, where not billed directly via the utility provider, are billed to tenants via an allocation method. To mitigate the risk of faulty, out of date meters and prevent tampering and theft, the cost for us to replace all the meters currently in the park would be \$19,350, a cost of \$450 for each meter across 43 sites. An additional 76 lots in the park are currently vacant on which we plan to setup new homes. The cost to install meters on these new homes would be \$34,200.

Additionally, we are aware of Texas State Code §24.279(c) regarding tenant agreement to changes in billing method. Due to our submission of the above request our counsel has prepared the appropriate notice and addendum to give our tenants 60-day notice prior to the effective date.

Please feel free to reach out to me at the below number should you require additional information. Thank you in advance for your consideration in this request.

Respectfully,

Lauren Taft
Property and Inventory Manager
Business Cell: 801.319.9572
Itaft@vineyardsmg.com