

Control Number: 51407



Item Number: 20

Addendum StartPage: 0

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Staff 2-1

Please provide the approval letter from the Texas Commission on Environmental Quality for the water plants and the distribution system that will provide service to the requested area.

Answer: Please find the attached TCEQ approval letter.

Jon Niermann, Chairman
Emily Lindley, Commissioner
Bobby Janecka, Commissioner
Toby Baker, Executive Director



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

February 25, 2021

Mr. Michael W. Mathena, P.E. Spear Point Engineering, LLC. 204 West Montgomery Street Willis, TX 77378

Re: Dos Aguas - Public Water System ID No. 1700917

Proposed Well and Water Plant No. 1 Engineer Contact Telephone: (956) 245-2547 Plan Review Log No. P-01292021-184 Montgomery County, Texas

CN: 605857093; RN: 111188272

Dear Mr. Mathena:

On January 29, 2021, the Texas Commission of Environmental Quality (TCEQ) received planning material with your email dated January 29, 2021 for the proposed well and Water Plant No. 1. Based on our review of the information submitted, the project generally meets the minimum requirements of Title 30 Texas Administrative Code (TAC) Chapter 290 – Rules and Regulations for Public Water Systems and is conditionally approved for construction if the project plans and specifications meet the following requirement(s):

Corrosive indices will be used to calculate corrosivity of the water from new source(s). Corrosive or aggressive water could result in aesthetic problems, increased levels of toxic metals, and deterioration of household plumbing and fixtures. If the water appears to be corrosive, the system will be required to conduct a study and submit an engineering report that addresses corrosivity issues or may choose to install corrosion control treatment before use may be granted. All changes in treatment require submittal of plans and specifications for approval by TCEQ.

Texas Water Code Section 36.0015 allows for the creation of groundwater conservation districts (GCDs) as the preferred method of groundwater management. GCDs manage groundwater in many counties and are authorized to regulate production and spacing of water wells. Public water systems drilling wells within an existing GCD are responsible for meeting the GCD's requirements. The authorization provided in this letter does not affect GCD authority to manage groundwater or issue permits.

The design engineer or water system representative is required to notify the Plan Review Team in writing by fax at (512) 239-6972 or by emailing Craig.Stowell@Tceq.Texas.Gov and cc: vera.poe@tceq.texas.gov at least 48 hours before the well casing pressure cementing begins. If pressure cementing is to begin on Monday, then they must give notification on the preceding Thursday. If pressure cementing is to begin on Tuesday, then they must give notification on the preceding Friday.

Mr. Michael W. Mathena, P.E. Page 2 February 25, 2021

The TCEQ does not approve this well for use as a public water supply at this time. We have enclosed a copy of the "Public Well Completion Data Checklist for Approval to Use (Step 2)". We provide this checklist to help you in obtaining approval to use this well.

The submittal consisted of 12 sheets of engineering drawings, technical specifications and an engineering summary. The proposed project consists of:

- One (1) public water supply well drilled to 905 feet with 540 linear feet (lf) of 10-inch outside diameter (od) steel casing and pressure-cemented 540 lf;
- 175 If of 6-inch od stainless steel screen, 165 If of 6-inch od blank liner, with underream approximately 400 If gravel pack;
- The well is rated for 175 gallons per minute (gpm) yield with a 25 horsepower, 4-inch, submersible pump set at 350 feet deep. The design capacity of the pump is 200 gpm at 180 feet total dynamic head;
- Three (3) 200 gpm high service pumps;
- One (1) 35,000-gallon American Water Works Association Standard D103, galvanized factory- bolted steel tank;
- One (1) 3,000-gallon, American Society of Mechanical Engineers Section VIII, Division 1, hydropneumatic pressure tank;
- One (1) Gas chlorination system including two 150lb gas cylinders, scales, vacuum feed regulators, and ejectors with associated piping, valves and controls;
- Various valves, piping, fittings, and appurtenances;
- · Intrude resistant fence; and,
- All weather access road.

This approval is for the construction of the above listed items only. Any wastewater components contained in this design were not considered. The authorization provided in this letter does not relieve a Public Water System from the need to comply with other applicable state and federal regulations.

The Dos Aguas public water system provides water treatment.

The project is located 1-mile south of the intersection of Farm-to-Market Road 1097 and Carroll Lane in Montgomery County, Texas.

An appointed engineer must notify the TCEQ's Region 12 Office in Houston at (713) 767-3500 when construction will start. Please keep in mind that upon completion of the water works project, the engineer or owner will notify the commission's Water Supply Division, in writing, as to its completion and attest to the fact that the completed work is substantially in accordance with the plans and change orders on file with the commission as required in 30 TAC \$290.39(h)(3).

Please refer to the Plan Review Team's Log No. P-01292021-184 in all correspondence for this project.

Please complete a copy of the most current Public Water System Plan Review Submittal form for any future submittals to TCEQ. Every blank on the form must be completed to minimize any delays in the review of your project. The document is available on TCEQ's website at the address shown below. You can also download the most current plan submittal checklists and forms from the same address.

Mr. Michael W. Mathena, P.E. Page 3 February 25, 2021

https://www.tceq.texas.gov/drinkingwater/udpubs.html

For future reference, you can review part of the Plan Review Team's database to see if we have received your project. This is available on TCEQ's website at the following address:

https://www.tceq.texas.gov/drinkingwater/planrev.html/#status

You can download the latest revision of 30 TAC Chapter 290 - Rules and Regulations for Public Water Systems from this site.

If you have any questions concerning this letter or need further assistance, please contact Mr. Craig A. Stowell, P.E. at (512) 239-4633 or by email at craig.stowell@tceq.texas.gov or by correspondence at the following address:

Plan Review Team, MC-159
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Sincerely

Craig A. Stowell, P.E. Plan Review Team

Plan and Technical Review Section

Water Supply Division

Texas Commission on Environmental Quality

Vera Poe, P.E., Team Leader

Plan Review Team

Plan and Technical Review Section

Water Supply Division

Texas Commission on Environmental Quality

VP/CAS/av

Enclosure: Public Well Completion Data Checklist for Appreval to Use (Step 2)

cc: Dos Aguas, Attn: Mr. Scott Rohe, President, 455 Farm-to-Market Road 2296, Huntsville, TX 77340

Docket # 51407

Staff 2-2

Please provide the requested Rate of Return utilized to determine the proposed Rate Schedules.

Answer:

The rate study was done on a basis of being out of debt within 2-3 years not a one number figure. Please find the attached rate study/pro forma.



WATER & WASTEWATER TREATMENT CONSULTANTS 17230 HUFFMEISTER ROAD, SUITE A ~ CYPRESS, TEXAS 77429-1643 Tel: 281-373-0500 Fax: 281-373-1113

August 14, 2020

Mr. Roark Rohe Mr. Scott Rohe Dos Aguas, LLC 455 FM 2296 Huntsville, Texas 77340

Re: Rate Design for New Certificate of Convenience & Necessity

Gentlemen:

Please find attached the pro forma that we have developed to aid in the application process for a new Certificate of Convenience and Necessity for the Republic Grand Ranch Subdivision in Montgomery County. The pro forma is based on a development rate of 8 connections per month, a base water rate of \$55.00/month, a gallonage rate of \$3.00/1,000 gallons up to 10,000 gallons of usage, \$4.50/1,000 gallons conservation rate for usage over 10,000 gallons, and a water tap fee of \$1,250. This rate design provides for positive monthly cash flow beginning mid-year 2 and a positive annual cash flow in year 3. Other assumptions used in developing this pro forma can be found on page 1.

We anticipate that this rate design will afford a successful business model for Dos Aguas, LLC, while providing safe drinking water at a fair cost to the consumers. We appreciate the opportunity to work with you and look forward to working with you in the future. Should you have questions or comments, please contact me by telephone at 281-373-0500 or by email at syoung@waterengineers.com.

Sincerely,

WATERENGINEERS, INC.

Shelley Young, P.E.

Encl. as noted

Financial assumptions and data for toeq water con application for republic grand ranch subdivision by dos aguas llc

INCOME AND EXPENSE

Dovelopment Rate, New Connections/Month =	8.0					
Maximum Number of Connections =	2,200					
AVERAGE ANNUAL WATER USE/EQUIV. CONN	225	GALIDAY				
AVERAGE ANNUAL WATER USE/EQUIV, CONH	6,750	GALMAONTH	1			
BASE WATER RATE .	\$55.00	Gal Included		Plus	\$3.00	/1000 GAL
WATER CONSERVATION RATE =	\$4,50	Galla Exces	s of	10,020	GaliMonth	
SEWER RATE .		Gal Included	•			
EXCESS SEWER USE RATE .		(Gel in Exces	is of	•	Gai/Month	
AVERAGE MONTHLY WATER/SEWER BILL/CONN	175,25					
Water Tap Foo =	\$1,250.00					
Sewar Tep For =	.,,					
BAD CERTS =	1.00%	OF SALES				
CAPITAL INVESTMENT SCHEDULE (CUMMULATIVE)	PYI	FY2	FY3	FY4	FYS	;
WATER PLANT CONSTRUCTION COST =	\$1,437,280	\$1,437,260	\$1,437,280	\$1,437,260	\$1,437,260	
WWTP CONSTRUCTION COST =						
WATER DISTRIBUTION SYSTEM CONSTRUCTION COST =	\$0	\$0	30	\$0	\$0	(Distribution Unes Paid for by Home Builders)
SEWAGE COLLECTION SYSTEM CONSTRUCTION COST .						
	\$1,437,280	\$1,437,280		\$1,437,280	\$1,437,280	
SEWAGE COLLECTION BYSTEM CONSTRUCTION COST .	\$0	\$0	\$0	\$0	\$0	
SEWAGE COLLECTION SYSTEM CONSTRUCTION COST = TOTAL SYSTEM CONSTRUCTION COST =	\$0 \$1,437,260	\$0 \$1,437,280	\$0 \$1,437,280	\$0 \$1,437,280	\$0 \$1,437,280	
SEWAGE COLLECTION SYSTEM CONSTRUCTION COST = TOTAL SYSTEM CONSTRUCTION COST = CONTRIBUTIONS IN AID OF CONSTRUCTION = NET SYSTEM CAPITAL COST TO UTILITY = SALVAGE VALUE =	\$0 \$1,437,280 \$0	\$0 \$1,437,280 \$0	\$0 \$1,437,280 \$0	\$0 \$1,437,280 \$0	\$0 \$1,437,280 \$0	
SEWAGE COLLECTION SYSTEM CONSTRUCTION COST * TOTAL SYSTEM CONSTRUCTION COST * CONTRIBUTIONS IN AID OF CONSTRUCTION * NET SYSTEM CAPITAL COST TO UTILITY * SALVAGE VALUE * ANG LIFE, YEARS *	\$0 \$1,437,280 \$0 48	\$0 \$1,437,280 \$0 48	\$0 \$1,437,280 \$0 48	\$0 \$1,437,280 \$0 48	\$0 \$1,437,280 \$0 48	
SEWAGE COLLECTION SYSTEM CONSTRUCTION COST = TOTAL SYSTEM CONSTRUCTION COST = CONTRIBUTIONS IN AID OF CONSTRUCTION = NET SYSTEM CAPITAL COST TO UTILITY = SALVAGE VALUE =	\$0 \$1,437,280 \$0	\$0 \$1,437,280 \$0	\$0 \$1,437,280 \$0	\$0 \$1,437,280 \$0	\$0 \$1,437,280 \$0	
SEWAGE COLLECTION SYSTEM CONSTRUCTION COST * TOTAL SYSTEM CONSTRUCTION COST * CONTRIBUTIONS IN AID OF CONSTRUCTION * NET SYSTEM CAPITAL COST TO UTILITY * SALVAGE VALUE * ANG LIFE, YEARS *	\$0 \$1,437,280 \$0 48	\$0 \$1,437,280 \$0 48	\$0 \$1,437,280 \$0 48	\$0 \$1,437,280 \$0 48	\$0 \$1,437,280 \$0 48	
SEWAGE COLLECTION SYSTEM CONSTRUCTION COST = TOTAL SYSTEM CONSTRUCTION COST = CONTRIBUTIONS IN AID OF CONSTRUCTION = NET SYSTEM CAPITAL COST TO UTILITY = SALVAGE VALUE = AVG LIFE, YEARS = DEPRECIATION/MONTH =	\$0 \$1,437,280 \$0 48 \$2,495	\$1,437,280 \$1,437,280 \$0 48 \$2,495 RIABLE OPE	\$0 \$1,437,280 \$0 48 \$2,495 RATING COS	\$0 \$1,437,280 \$0 48 \$2,495	\$0 \$1,437,280 \$0 48	
SEWAGE COLLECTION SYSTEM CONSTRUCTION COST = TOTAL SYSTEM CONSTRUCTION COST = CONTRIBUTIONS IN AND OF CONSTRUCTION = NET SYSTEM CAPITAL COST TO UTILITY = SALVAGE VALUE = AVG LIFE, YEARS = DEPRECIATION/MONTH =	\$0 \$1,437,280 \$0 48 \$2,495 VA \$2,500	\$1,437,280 \$1,437,280 \$0 48 \$2,495 RIABLE OPE Mo. Plus	\$0 \$1,437,280 \$0 48 \$2,495 RATING COS \$2,90	\$1,437,280 \$1,437,280 \$0 48 \$2,495 \$73 CONNECTION	\$0 \$1,437,280 \$0 48	
SEWAGE COLLECTION SYSTEM CONSTRUCTION COST = TOTAL SYSTEM CONSTRUCTION COST = CONTRIBUTIONS IN AID OF CONSTRUCTION = NET SYSTEM CAPITAL COST TO UTILITY = SALVAGE VALUE = ANG LIFE, YEARS = DEPRECIATION/MONTH = EMPLOYEE SALARIES = OFFICE EXPENSE COST =	\$0 \$1,437,280 \$0 49 \$2,495 VA \$2,500 \$500	\$1,437,280 \$0 48 \$2,495 RIABLE OPE Mo. Plus Mo. Plus	\$1,437,280 \$0 48 \$2,495 RATING COS \$2,00 \$1,00	\$1,437,280 \$1,437,280 \$0 48 \$2,495 \$73 CONNECTION CONNECTION	\$0 \$1,437,280 \$0 48	
SEWAGE COLLECTION SYSTEM CONSTRUCTION COST = TOTAL SYSTEM CONSTRUCTION COST = CONTRIBUTIONS IN AND OF CONSTRUCTION = NET SYSTEM CAPITAL COST TO UTILITY = SALVAGE VALUE = AVG LIFE, YEARS = DEPRECIATION/MONTH =	\$0 \$1,437,280 \$0 48 \$2,495 VA \$2,500	\$1,437,280 \$1,437,280 \$0 48 \$2,495 RIABLE OPE Mo. Plus	\$0 \$1,437,280 \$0 48 \$2,495 RATING CO: \$2,00 \$1,00 \$3,00	\$1,437,280 \$1,437,280 \$0 48 \$2,495 \$73 CONNECTION	\$0 \$1,437,280 \$0 48	

EMPLOYEE SALARIES =	\$2,500	Mo. Plus		CONNECTION
OFFICE EXPENSE COST =	\$500	Mo. Plus		CONNECTION
CUSTOMER BILLING/COLLECTION COST =	\$250	Ato. Plus	33 00	CONNECTION
OPERATOR COST =	\$1,000	Alto, Plus	\$2.00	CONNECTION
VEHICLE & EQUIPMENT COST .	\$250	Mo. Plus	\$3.00	CONNECTION
ELEC. COST .	\$600	AMO. Plus	\$3.00	CONNECTION
CHEMICAL COST =	\$200	/Mo Plus	\$1 00	CONNECTION
SLUDGE DISPOSAL COST #		/Mo. Plus		CONNECTION
TCEO FEES •	\$100	Mo. Plus	\$1.00	CONNECTION
REPAIR COSTMO., % CAP .	0.10%	Of Invested Capital		
RESERVE ACCY DEPOSIT/MO., % CAP =	0.10%	Of Invested Capital		

FORED OPERATING COSTS

LABORATORY COST • \$50 Mo. Pus
PROFESSIONAL FEES • \$250 Mo. Pus
EFFECTIVE LOCAL TAX RATE • \$0.75 /5100

LIAB/PROP INSURANCE • \$0.75 /5100 \$0.50 /CONNECTION \$0.50 /CONNECTION

Fis	csi Year	Sessonal Use	Projected Use	M	Projected antity Cost	Projected Monthly
Month		Mutuplier	G87Day	ter v	Nator/Sower	BØ (*)
1	JAN	0.65	146	\$	68.60	\$69.29
2	FEB	0.65	148	8	67.29	\$67.96
3	MAR	0.75	169		70.69	\$71.40
ă	APR	1.00	225		75.25	\$76.00
5	MAY	1.20	270		80.11	\$80.91
6	NUL	1.35	304		82.34	\$83.16
7	JUL	1,35	304		83.25	\$34,68
8	AUG	1 35	304	1	83.25	\$84,08
9	82P	1,20	270	8	79.30	\$60.09
10	OCT	1,10	248	5	78.02	\$75.80
11	NOV	0.75	169		70.19	\$70.09
12	CEC	0 05	146		69.60	\$69.29
	SUMMATION	12.00	225.00		1905.88	5915.95
	(") Including 1% T	ICEQ Rogulat	rry Assessm	ent ((Left selp	

PROJECTED INCOME & EXPENSE STATEMENT FOR TOEO WATER CCN APPLICATION FOR REPUBLIC GRAND RANCH SUBDIVISION BY DOS AGUAS LLC

FISCAL YEAR 1

	JAN	FEB	MAR	APR	MAY	NUL	JUL	AUG	250	oct	KOY	020	TOTAL
TOTAL CINLINE CONNECTIONS.	80	15.0	240	320	40.0	48.0	56 0	64 0	720	500	680	96.0	024
Seasonal Muttalier, mo avol arroual avo	065	0.65	0.73	100	1 20	1 25	1.35	1.35	1 20	1.10	0.75	0.65	12.00
Morchly Water Use/Customer, Gal	4,534	4.025	5,231	5.750	0,370	9.113	9,410	9,416	8,100	7,673	5,063	4,534	
MOSTRY Water Use in Base Rate, Gal	•		•	•	•	•		•	•	•	•		
Monthly Water Use Subject to Water Charge, Gal	4,534	4,095	5,231	6,750	8,370	9,113	9,416	9,415	8,100	7,673	5,053	4,534	
Monthly Water Income Per Customer, \$	\$ 68.60	\$ 67.29	\$ 7069	\$ 75.25	1 60 11	5 82 34	\$ 6325	\$ 83.25	\$ 79.30	\$ 78.02	\$ 70.19	\$ 65.60	\$ 900.64
Monthly Sewer Use in Base Rate, Gall	•	•							-			-	
Monthly Sever Use Subject to Sever Charge, Gal								-				•	
Monthly Seven Proume Por Customer, 1	s .	s .	s .	٠.	1 .	s .	.	s .		1 .	s .	\$ -	
Margete Witter Bill &	1 6460	\$ 67.29	\$ 7069	1 75 25	£ 5011	5 8234	\$ 83.25	1 83.25	\$ 7930	1 74.02	\$ 70.19	\$ 60.60	\$ 900.60
Total Monthly Water Purposed, Gat	30.270	65,670	125,550	210,000	334,800	437,400	527,310	602.640	583,200	613,800	445,500	435,240	4.423.230
GROSS WATER/SEWER USE INCOME	8549	\$1.077	\$1667	\$2,400	83,204	\$3,957	\$4,002	\$5,320	\$5,710	\$4.241	10,177	10,500	\$47,000
RESERVE FOR BAD DEBTS	\$5	511	117	\$24	\$32	\$40	347	153	\$57	142	102	508	\$470
WATERISENER INCOME LAD.RISTED	1543	\$1,066	\$1,660	\$2,384	\$3,172	\$2,013	\$4,015	15.275	15,653	\$6,179	\$0.115	\$6,520	\$47,114
TAP FEE DICCHE	\$10,000	\$10,000	110,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$120,000
TOTAL MONTHLY DICOME	\$10,843	\$11,000	\$11,000	\$12,364	\$13,172	\$12,913	\$14,515	615,276	\$15,653	\$18,170	\$10,115	\$14,520	\$167,114
EXPERSE													
GENERAL & ADVENDSTRATIVE													
OFFICE EXPENSE	1568	1516	\$524	\$532	\$540	\$540	1556	1564	\$572	1560	1568	1590	\$0,024
ENPLOYEE SALARIES	\$2.516	12,532	\$2,548	12,564	\$2,560	\$2,595	\$2,512	\$2,626	\$2,644	\$2,660	\$2,676	\$2,692	\$31,248
PROFESSIONAL FEES	1254	\$258	\$262	\$266	\$270	\$274	\$270	1202	\$256	1290	1294	\$290	\$3,312
PISURANCE	\$693	1098	1598	1630	1098	1898	\$890	1893	\$898	1096	1090	8898	\$10,780
ADVALOREM TAXES	5613	\$258	2858	1828	1898	1698	5885	1893	1898	\$858	1000	2628	\$10,780
TOGO PERMIT FEES	\$ t08	8116	\$124	1122	\$160	114	\$136	A164	\$172	\$150	\$158	8195	\$1,024
WONTHLY GEA	\$5,183	\$5,219	£5,255	15,291	\$5,327	15,363	15,399	15.425	15,471	\$5,507	15.543	15.579	144,507
OPERATIONS	70,100	****	*2,5.22	*****	**,***	33.303	+4,000	1444	****	24,500	****	-4,5-5	******
OPERATOR COST	31,016	51032	31.040	\$1,064	\$1,000	\$1,096	\$1,112	\$1,120	\$1,144	\$1,160	\$1.176	\$1,192	813,240
VENCLE & EQUIPMENT COST	\$274	1298	1322	1345	1270	1294	3415	\$442	\$466	1490	2514	1518	\$4472
CUSTOMER BILLING COST	5774	1292	1322	1344	\$370	1294	2416	1447	\$460	1490	1514	\$538	34,872
ELECTRICITY	1674	1640	1677	86238	1720	1744	1756	\$792	\$016	1840	5004	5004	\$9,072
CHEMICAL COST	\$200	1216	1224	1232	1240	\$248	1216	1264	1272	1260	1268	1290	12014
SLUDGE DISPOSAL COST	10	\$0	80	\$0	10	10		10	10	30	10	10	10
TAP MATE & FIELD LABOR COST	\$8,500	\$8,500	\$0,500	15.500	\$4,500	18 500	18,500	18,500	10,500	\$0,500	\$8,500	10,500	\$102,000
REPAIR COSTS	\$1,437	\$1,437	\$1,437	11,437	\$1,437	\$1,437	\$1,437	11,437	\$1,437	\$1,437	\$1,437	\$1,437	\$17,247
CONTRIBUTION TO RESERVE ACCT	\$1,437	81,437	11,437	\$1,427	\$1.437	\$1,437	\$1,437	\$1,437	11,437	\$1,437	\$1,437	\$1,437	117,247
MONTHLY O & M COST	\$13,771	\$13,667	\$12,963	\$14,050	\$14 155	\$14.251	\$14,347	\$14,443	\$14,539	\$14,635	\$14,731	\$14,827	\$171,553
TOTAL MONTRLY EXPENSE	\$18,953	\$19,085	\$19,217	\$19,349	\$19,401	\$19.613	\$19,745	\$19,877	120,000	\$20,141	\$20,273	\$20,405	\$234,150
NET UKCOME OR EXPENSEMENTH	(30,410)	(\$8,016)	(\$7,537)	(10,901)	(10,309)	(53,700)	(55,130)	(\$4,603)	(84397)	183,962)	(54,156)	63.88 5	(349,034)

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PROJECTED INCOME & EXPENSE STATEMENT FOR TCEQ WATER CCH APPLICATION FOR REPUBLIC GRAND RANCH SUBDIVISION BY OOS AGUAS LLC

FISCAL YEAR 2

	مر	N FEB	MAR	APR	MAY	nm	. Ju	. AUG	SEP	DCT	NOV	DEC	TOTAL
TOTAL CHILDS EQUIVALENT COMM	10		120	120	136	144	152	160	168	176	184	192	1,370
Seasonal Matteber, mo. avgi annual avg	062	0 65	0.75	100	1 20	1 35	1 35	1 35	1.20	1 10	0.75	065	12.00
Monthly Water Use/Customer, Gal	4,53	4,005	5,731	6,750	8,370	9,113	8,416	9,416	8,100	7,673	5,053	4,534	
Monthly Water Use in Base Rate, Gal								•	•	•	•		
Monthly Water Use Subject to Surcharge, Gal	4.53	4,095	5.231	6,750	8,370	9.113	9,416	9,418	8,100	7,673	5.063	4,534	
Morthly Water trooms Per Customer, \$	\$ 68.5		\$ 7069	\$ 75.25	\$ 50 11	5 82 34	\$ 83 25		\$ 7930		\$ 70 19		\$ 900.58
Monthly Sower Use in Base Rate, Gal	•										•		
Monthly Sever Use Subject to Sever Charge, Gal	4.53	4,095	5,231	6,750	6,370	9,113	9,416	9,416	6,100	7,673	5.063	4,534	
Mortitey Bewer trooms Per Customer, \$		s .	\$.		1 .	\$.	1 .	s -	4 -	\$.		8 .	
Monthly Water B4, \$	\$ 68.64	\$ 67.29	\$ 7069	\$ 75.25	3 80 11	\$ 8234	\$ 63.25	\$ 53.25	\$ 7930	\$ 75.02	\$ 70.19	\$ 64.60	\$ 908,88
Total Monthly Water Pumped, Gal	471,510	450,640	627,750	664,000	1,138,320	1,312,200	1,431,270	1,506,600	1,360,800	1,350,360	931,500	879,480	12,323,430
GROSS WATER/SEWER USE INCOME	87,130	\$7,536	\$0,483	19,632	\$10,695	\$11,657	\$12,654	\$13,320	\$13,322	\$13,731	\$12,915	\$13,171	£134,650
RESERVE FOR BAD DEBTS	871	175	\$55	\$95	\$109	\$119	\$127	\$133	\$133	\$137	\$129	\$132	\$1,347
Watersewer Mooke (adjusted)	\$7,083	\$7,461	\$8,398	\$9,536	\$10,786	\$11,738	\$12,527	\$13,107	\$13,189	\$13,594	\$12,785	\$13,040	8133,304
TAP FEE INCOME	\$10,000	\$10,000	\$10,000	810,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$120,000
TOTAL MOSTRLY DICOME	\$17,063	\$17,401	116,398	\$19,538	\$20,786	131,733	122,527	\$23,167	\$23,189	\$23,594	\$22,789	\$23,040	\$253,304
EXPENSE													
GENERAL & ADMINISTRATIVE													
OFFICE EXPENSE	\$504		\$620	\$623	\$636	8644	\$652	\$660	\$668	\$676	\$684	\$692	\$7,778
EUPLOYEE SALARIES	\$2,708		\$2,740	\$2,756	\$2,772	\$2,768	\$2,604	\$2,820	\$2,836	\$2,852	\$2,668	\$2,684	\$23,552
PROFESSIONAL FEES	\$302		\$310	\$314	\$318	\$322	\$326	\$330	1334	\$338	\$342	8346	\$2,848
UNSURANCE	\$698		\$096	\$898	\$698	2890	\$550	\$898	3838	\$898	\$898	\$855	\$10,780
ADVALOREM TAXES	\$898		1658	\$898	\$898	\$898	\$898	\$598	\$888	\$898	8688	8098	\$10,780
TCEO PERIOT FEES	\$204	\$212	\$220	\$228	\$236	1244	\$252	\$260	\$268	\$276	\$284	\$292	\$2,976
TOTAL GAA	\$5,615	15,651	\$5,667	\$5,723	\$5,759	\$5,795	\$5,631	\$5,667	\$5,903	\$5,939	\$5,975	\$5,011	\$69,751
OPERATIONS													
OPERATOR COST	\$1,208		\$1,240	\$1,256	11,277	\$1,260	\$1,304	\$1,320	\$1,336	\$1,352	\$1,368	\$1,304	\$15,552
VEHICLE & EQUIPMENT COST	1562		\$610	\$634	\$650	\$682	\$705	3730	8754	\$770	\$002	\$626	14,328
CUSTONER BILLING COST	\$502		1610	\$634	\$658	\$502	\$706	\$730	\$754	1770	1502	\$825	14,328
ELECTRICITY	\$912		8950	\$984	\$1,000	\$1,032	\$1,056	\$1,080	\$1,104	\$1,120	\$1,152	\$1,176	\$12,524
CHEMICAL COST	\$304		\$320	\$328	\$336	\$344	\$352	1360	\$368	\$376	\$304	\$292	\$4,176
SLUDGE DISPOSAL COST	\$0		50	50	\$0	50	\$0	50	\$0	80	50	80	50
TAP HAT'L & FIELD LABOR COST	\$8,500	\$6,500	\$8,500	\$0,500	\$8,500	86,500	\$0,500	\$8,500	\$8,500	\$8,500	\$0,500	\$0,500	6102,000
REPAIR COSTS	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,4)7	\$1,437	51,437	\$1,437	\$1,437	\$1,437	81,437	\$17,247
CONTRIBUTION TO RESERVE ACCT	\$1,437	51,437	81,437	\$1.437	81,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	81,437	\$17,247
MONTHLY O & M COST	\$14,923	\$15,019	\$15,115	\$15,211	\$15,307	\$15,403	\$15,499	\$15,595	\$15,691	\$15,787	\$15,663	\$15,979	\$105,407
TOTAL MONTHLY EXPENSE	\$20,537	120,059	\$20,001	\$20,633	\$21,065	\$21,197	\$21,329	\$21,401	121,593	\$21,725_	\$21.A57	521,639	\$255,150
NET INCOME OR EXPENSE/MONTH	(\$3,674	[\$3,200]	(\$2,403)	(\$1,397)	(1279)	8541	\$1,150	\$1,725	\$1,596	\$1,469	1928	\$1,051	(\$1,054)

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Projected income 8 expense statement for teed water ech application for republic grand ranch subdivision by dos aguas LLC

FISCAL YEAR 3

	HAL	FEB	RAM	APR	HAY	JUN	301	AUG	SEP	OCT	NOV		TOTAL
TOTAL CHLINE EQUIVALENT CONN.	200	208	216	224	232	240	248	256	254	272	260	265	2,926
Seasonal Multiplier, mg, avgl ensual avg	0.65	OAS	0.75	1.00	1.20	1.35	1.35	1.35	1.20	1.10	0.75	0.65	12,00
Monthly Water UserCustomer, Gel	4,534	4,093	6,231	6,750	8,370	9,113	9,416	9,416	8,100	7,573	5,063	4,534	
Manifely Water Use in Sane Rate, Gal	•	•	•		•	-	•	•	-	•	•	•	
Marately Water Uso Subject to Surcharge, Gal	4,534	4,095	5,231	6,750	8,370	9,110	9,416	9,416	8,100	7,673	5,063	4,534	
Monthly Water Income Per Customer, \$	\$ 68.60	\$ 67.29	1 70 69	\$ 15.25	\$ 80 11	\$ 82.34	\$ 83.25	\$ 53.25	\$ 79.30	\$ 78.92	\$ 70.19	\$ 68.60	\$ 905,63
Monthly Sewer Use in Base Rate, Gal	•	•	•		•	•	•	•			•	•	
Monthly Sewes Use Subject to Sewer Charge, Gal	4,534	4,095	5,231	6,750	8,370	9,113	9,418	9,416	4,100	7,573	5,053	4,534	
Monthly Bewer theome Per Customer, \$		8 -	.	\$.	3 ·	3 .	\$ -	s •	8 .	s -		8 -	
MonCify Water Bill, S	\$ 68.60	\$ 67.29	1 7069	\$ 75.25	\$ 60.11	\$ 62.34	3 83 25	\$ 83.25	\$ 79.30	\$ 78.02	\$ 70.19	\$ 68.50	\$ 10L48
Tetal Monthly Water Pumped, Gal	105,750	851,760	1,129,950	1,512,000	1,941,840	2,187,500	2,335,230	2,410,560	2,138,400	2,044,920	1,417,500	1,305,720	20,223,630
GROSS WATER/SEWER USE INCOME	\$13,720	\$13,995	\$15,270	\$16,855	\$10,500	\$19,761	\$20,646	\$21,312	\$20,935	\$21,221	\$19,533	\$19,757	\$221,711
RESERVE FOR BAD DEBTS	\$137	\$149	\$153	\$159	\$185	\$198	\$206	\$213	\$209	\$212	8197	\$198	12,217
Waterfewer Dicore (adjusted)	\$13,583	313,655	815,117	\$16,587	\$18,400	\$10,503	120,439	\$21,099	120,726	\$21,009	\$19,456	\$19,560	\$219,494
TAP FEE INCOME	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$120,000
TOTAL MONTHLY DECOME	\$13,563	\$23,465	626,117	\$26,687	\$28,600	\$29,543	\$30,439	\$31,099	\$30,726	\$31,009	\$20,456	\$29,560	\$239,494
EXPENSE													
GENERAL & ADMINISTRATIVE													
OFFICE EXPENSE	\$700	\$700	3715	\$724	\$732	1740	\$746	3754	1764	\$772	1760	5708	\$8,928
EMPLOYEE SALARIES	\$2,900	\$2,916	12,932	\$2,948	\$2,964	\$2,680	\$2,996	\$3,012	\$3,028	\$3,044	\$3,060	\$3,076	13144
PROFESSIONAL FEES	\$350	\$354	\$155	\$352	\$366	1370	1374	1378	1302	1386	1390	5394	84,484
INSURANCE	\$698	5850	\$498	3418	\$493	\$898	1451	1014	1498	1498	1818	2452	\$10,760
ADVALOREM TAXES	\$894	\$893	\$456	3414	5014	1888	1414	3858	1494	1490	1058	\$658	\$10,780
TCEO PERMIT FEES	\$300	\$369	\$316	\$324	\$332	\$340	1341	\$356	\$364	\$372	\$360	\$386	84,128
TOTAL GLA	\$6,047	\$6,053	\$6,119	\$6,155	\$5,191	\$6,227	16,263	\$5,299	\$6,335	\$6,371	\$5,407	\$6,443	874,936
OPERATIONS							******	*****	******	•	,		
OPERATOR COST	\$1,400	\$1,415	\$1,432	\$1,448	\$1,454	\$1,480	\$1,496	\$1,512	\$1,528	\$1,544	\$1,560	\$1,576	\$17,454
VEHICLE & EQUIPMENT COST	\$850	5874	1650	1922	1248	1970	1994	31,018	\$1,042	\$1,066	\$1,090	\$1,114	811,784
CUSTOMER BILLING COST	\$850	\$874	1898	1922	5946	1970	1994	\$1,010	31,042	\$1,000	\$1,090	31,114	811,784
ELECTRICITY	\$1,200	\$1,224	\$1,248	\$1,272	\$1,296	\$1,320	\$1,344	\$1,360	\$1,392	\$1,410	\$1,440	\$1,654	816,984
CHEMICAL COST	\$400	\$408	\$415	\$424	\$432	3440	\$148	\$456	\$464	\$472	\$450	5480	16,314
SLUDGE DISPOSAL COST	\$0	\$0	\$0	\$0	10	10	10	10	10	\$0	30	80	10
TAP MAT'L & FIELD LABOR COST	\$8,500	\$9,500	\$8,500	\$8,500	38,500	\$0,500	\$5,500	\$8,500	\$8,500	\$8,500	18,500	\$0,500	\$192,000
REPAIR COSTS	\$1,437	\$1,437	\$1,437	\$1,437	\$1,427	81,427	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$17,247
CONTRIBUTION TO RESERVE ACCT	81,437	\$1,437	81,437	\$1,437	\$1,437	\$1,427	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	317.247
MONTHLY O & M COST	\$16,07\$	\$16,171	\$16,207	\$16,363	\$16,449	\$16,555	\$10,651	\$16,747	\$16,843	\$16,939	\$17,035	\$17,131	8199,231
TOTAL MONTHLY EXPENSE	_\$22,121	135'111	. \$22,395	\$22,517	532,649	\$22,761	122,913	_ \$23,045 _.	\$23,177	127,309	123,441 <u>.</u>	\$23,673	\$274,166
NET DIGGME OR EXPENSEMENTH	81,462	\$1,402	62,732	\$4,170	\$5,761	14.762	\$7,526	53.053	67,549	17.599	14.016	25.215	\$45.224

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Projected income & expense statement for toeq water con application for republic grand ranch subdivision by dos aguas llc

FISCAL YEAR 4

	NAT	FEB	MAR	APR	MAY	JUN	ı an	AUG	SEP	ост	VOIL	DEC	TOTAL
TOTAL ONLINE EQUIVALENT CORN.	290	304	312	320	328	338	344	352	360	368	376	384	4,010
Scatonat Multiples, mo, ever exhust eve	0.65	0 65	0.75	1 00	1.20	1.35	1.35	1.35	1.20	1,10	0.75	2.65	12.00
Monthly Water Use/Customer, Gal	4,534	4,095	5,231	0,750	6,370	9.113	9.416	9,416	8,100	7,673	5,063	4,534	
Monthly Water Use in Base Rate, Gal	-,,,,,			•,		•	•	•	•				
Monthly Water Use Subject to Surthage, Ge	4,534	4,095	5,231	6,750	6,370	9,113	9.416	9.416	8,100	7,673	5.063	4.534	
Monthly Water Income Per Customer, \$ 1		8 67.29	\$ 70.69	\$ 75.25	8 60.11	\$ 62.34	\$ 43.25	8 83.25		\$ 78.02	\$ 70.10	\$ 68.60	\$ 105.83
Mossity Sower Use in Base Rate, Gal			•				• ••••			•	•	•	
Monthly Sewer Use Subject to Sewer Charge	4,534	4,095	5,231	0.750	8,370	9.113	9.416	9.416	8,100	7,673	5,063	4,534	
Monthly Sewer tocome Per Customer, \$ \$		1	\$.	3 .	1 .	8 .	1	1 .	\$.	\$.	\$	\$.	
Monthly Water BR. 5	63.60	8 07.29	\$ 70.69	\$ 75.25	\$ 60.11	1 87.34	\$ 83.25	1 83.25		\$ 78.02	\$ 70.19	5 68.60	\$ 906.65
	1.341.990	1,244,660	1,032,150	2,160,000	2,745,300	3,061,600	3,219,190	3,314,520	2.916.000	2,523,460	1 903 500	1,740,960	28,123,830
GROSS WATER/SEWER USE INCOME	\$20,305	\$20,455	\$22,056	\$24,680	\$26,274	\$27.005	\$20,638	\$29,304	\$28,548	\$28,710	\$26,391	\$20,343	\$308,771
RESERVE FOR SAD DEBTS	\$203	\$205	\$221	\$241	\$263	\$277	\$260	1293	\$265	\$287	\$264	1263	\$3,048
WATERSEWER INCOME (ADJUSTED)	\$20,103	\$20,250	\$21,036	\$23,839	\$20,013	\$27,389	\$28,351	\$29.011	324,263	\$20,423	\$20,127	\$20,079	\$305,684
TAP FEE INCOME	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	110,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$120,000
TOTAL MONTRLY INCOME	\$30,103	\$30,150	\$31,836	\$33,439	\$36,013	137,319	\$30,351	\$39,011	\$36,263	\$38,423	\$36,127	\$36,079	\$425,684
EXPENSE													
GENERAL & ADMONSTRATIVE													
OFFICE EXPENSE	1796	\$804	1012	\$820	1828	3838	1844	\$852	\$880	\$860	\$876	3884	\$10,680
EMPLOYEE SALARIES	\$3,092	\$3,108	53,124	83,140	\$3,154	\$3,172	\$3,188	\$3,204	\$3,220	83,236	\$3,252	\$3,268	
PROFESSIONAL FEES	\$394	\$462	\$406	2410	\$414	S418	\$422	1476	\$430	3434	\$438	8442	\$38,160 \$5,040
DISURANCE	\$898	1001	1888	1498	\$868	1098	2002	\$898	\$898	\$498	2222	3888	810,760
ADVALOREM TAXES	\$098	1001	8228	\$895	1194	\$698	1698	\$898	1898	\$498	\$295 \$288	2212	\$10,760
TCEO PERMIT FEES	2396	\$404	1412	\$420	\$428	3433	2444	\$452	\$460	\$488	\$476	3434	\$5,280
TOTAL GAA	\$6,479	\$0,515	50,551	\$6,507	\$8,623	\$6,059	16,695	\$0,731	\$6,767	\$0,603	50,639	38,875	840,113
OPERATIONS	30,57	30.713	50.551	50.307	20,023	*****	20,000	-0,731	30,107	30,003	30,030	60 ,073	440,819
OPERATOR COST	\$1,592	\$1,605	\$1,624	\$1,640	\$1,658	\$1,672	\$1,688	\$1,704	\$1,720	31,736	31,752	\$1,768	\$20,160
VEHICLE A EQUIPMENT COST	\$1,138	\$1,162	11,160	\$1,210	\$1,234	\$1,258	\$1,202	\$1,308	\$1,330	\$1,354	\$1,378	\$1,402	815,240
CUSTOMER BILLING COST	\$1,138	\$1,102	\$1,100	\$1,210	\$1,234	\$1,250	\$1,202	\$1,300	\$1,230	\$1,354	\$1,378	\$1,402	315,240
ELECTRICITY	\$1,488	\$1.512	\$1,536	\$1,500	\$1,584	\$1,608	\$1,632	\$1,650	\$1,650	\$1,704	\$1,728	\$1,752	\$19,440
CHEMICAL COST	\$498	\$504	\$512	3520	\$528	\$538	2544	3552	\$\$60	\$568	\$570	2564	\$4,480
SLUDGE DISPOSAL COST	20	30	14	30	10	22	30	30		\$0	\$410	10	\$0
TAP MATL & RELD LABOR COST	\$8,500	\$8,500	\$9,500	\$8,500	\$8,500	\$0,500	\$0,500	\$3,500	\$3,500	\$0,500	\$8,500	\$8,500	2102.000
REPAIR COSTS	\$1,437	\$1,437	31,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$17,247
CONTRIBUTION TO RESERVE ACCT	\$1,437	\$1,437	\$1,437	81,437	81,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,427	\$1,437	\$1,437	\$17,247
MONTHLY O & M COST	\$17,227	\$17,323	\$17,419	\$17,515	\$17,619	\$17,707	\$17,603	\$17,899	\$17,995	218,091	\$18,187	\$19,283	\$213,055
			417,419	***,***	417,414	***,**1	411,000	411,000	017,003	210,071	010,147		4419
TOTAL MONTHLY EXPENSE	\$23,706	\$23,837	\$73,069	\$24,101	530,233	\$24,365	\$24,497	\$24,639	. \$24,761 .	824,893	\$25,025	\$26,157	\$293,174
KET INCOME OR EXPENSEMENTH	\$6,388	\$5,413	\$7,847	\$9,734	\$11,749	\$13,024	\$13,864	\$14,381	\$13,501	\$13,530	811,101	\$10,922	\$132,510

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Projected income & expense statement for teed water con application for republic grand ranch subdivision by dos aguas llc

FISCAL YEAR 5

	JAN	FEO	MAR	APR	MAY	JUN	ME	AUG	SEP	ост	NOV	DEC	TOTAL
TOTAL CHILINE ECKNYALENT CONN.	392	400	408	415	424	432	440	448	456	464	472	480	5,232
Seasonal Muliphot, mo. evol annual evo	0.65	0.65	0.75	1.00	1.20	1.35	1,35	1 35	1.20	1.10	0.75	0.5\$	12,00
Monthly Water Use/Customer, Gal	4,534	4,095	5,231	6,750	8,370	9,113	9,416	9,416	6,100	7,673	5,063	4,534	
Monthly Water Use to Base Rate, Gal		-,,,,,	****		3,0.0	•	•	•	•	•	•	•	
Monthly Water Use Subject to Surcharge, Gr	4,534	4,085	5,231	6,750	6,370	9,113	9.415	9,410	6,100	7,673	5,063	4,534	
Monthly Water Incomo Per Customer, \$	\$ 68.60	\$ 67.29	\$ 70.69	\$ 75.25	\$ 80,11	\$ 82.34	\$ 63.25	\$ 83.25	\$ 79.30	\$ 75.02	\$ 70.19	\$ 65.60	88,898
Monthly Sower Use in Base Rate, Gel		•	•		•		•	•	•	•	•		•
Manifely Sewer Use Subject to Sewer Charge	4,534	4,095	5,231	6,750	6.370	9,113	9.415	9,416	8,100	7,673	5,063	4,534	
	\$.	s .	1 .	1 .	1	\$.	1	\$.	1 .	\$		\$.	
Monthly Water GO. \$	\$ 68.80	\$ 67.29	\$ 70.59	\$ 75.26	3 50.11	\$ 82.34	\$ 83.25	\$ 03.25	1 79.30	\$ 75.02	\$ 70.19	\$ 68.60	106.88
Total Monthly Water Pumped, Gal	1.777.230	1,638,000	2,134,350	2,508,000	3,548,680	3,930,600	4,143,150	4,210,450	3,893,600	3,560,040	2,369,500	2,170,200	38,024,030
GROSS WATER/SEWER USE INCOME	\$26,692	\$25,914	\$28,543	\$31,304	\$33,967	\$35,570	\$36,629	\$37,295	\$30,161	\$35,200	\$33,129	\$32,929	\$396,832
RESERVE FOR BAD DEBTS	\$269	\$269	\$255	1313	\$340	\$156	\$300	\$373	1382	\$362	\$331	\$329	13,558
WATER/SEWER DICOME (ADJUSTED)	\$26,623	\$26,645	128,535	\$30,991	\$33,627	\$35,214	\$36,263	\$30,922	\$35,709	535,038	\$32,797	\$32,509	\$391,474
TAP FEE INCOME	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$129,000
TOTAL MONTRLY IXCOME	\$36,523	\$36,643	\$38,666	840,991	343,627	\$45,214	\$46,263	\$45,922	\$45,799	\$45,838	842,797	\$42,599	\$611,874
EXPENSE													
GENERAL & ADMINISTRATIVE													
OFFICE EXPENSE	\$892	2900	1905	1918	\$924	1932	****	***	\$956	1964	1972	1950	811,232
EMPLOYEE SALARIES	\$3,264		13,316				\$940	3948					
PROFESSIONAL FEES	\$3,294	\$3,300		23,332	\$3,348	\$3,364	\$3,360	\$3,396	\$3,412	\$3,428	\$3,444	\$3,450	\$40,444
NSURANCE		\$450	3454	\$450	\$452	\$456	\$470	\$474	\$478	5482	\$486	\$490	\$6,616
ADVALOREM TAXES	3898 2888	\$598	\$398 \$498	3893	\$598	\$298	1698	3050	\$898	\$398	\$898	\$898	\$10,760
TCEO PERMIT FEES		\$898		\$888	8898	\$398	5894	\$898	\$358	\$398	\$698	\$593	\$10,710
TOTAL GLA	\$492 \$8,911	\$500 \$8,947	1508	3518	8524	\$532	\$540	3348	8555	3584	3572	\$550	\$6,432
OPERATIONS	\$0,911	30,947	56,983	\$7,019	\$7,055	\$7,091	\$7,127	\$7,163	87,190	\$7,23\$	37,271	\$7,307	\$48,303
OPERATOR COST	\$1,754	\$1,500	\$1.818	\$1,632	\$1,646	\$1,064	\$1,580	21,898	31,912	\$1,928	\$1,944	\$1,965	122,484
VEHICLE & EQUIPMENT COST	\$1,426	\$1,450	\$1.010		\$1,522								
CUSTOMER BILLING COST	\$1,420 \$1,428	\$1,450 \$1,450	\$1,474 \$1,474	\$1,498	\$1,522	\$1,546 \$1,548	\$1,570	\$1,594 \$1,594	\$1,618	\$1,642	\$1,666 \$1,566	\$1,590	\$18,696
ELECTRICITY	\$1,776			\$1,490		\$1,896	\$1,570		\$1.018	\$1,642		\$1,690	\$16,676
CHENICAL COST	\$592	\$1,600 \$600	\$1,824 \$608	31,848 3616	\$1,672 \$624	\$1,670 \$632	\$1,920 \$640	\$1,944 3648	\$1,968 \$656	\$1,092 \$864	\$2,016 \$672	\$2,040 \$680	\$22,696 87,632
SUDGE DISPOSAL COST												\$660	
TAP MATE & FIELD LABOR COST	\$0 \$8,500	\$0 \$8,500	\$0 \$8,500	\$0	30 \$8,500	\$0	\$0	\$0	\$0	\$0	\$0		\$5
REPAIR COSTS				\$8,500		\$8,500	\$8,500	\$3,500	\$8,500	\$4,500	\$8,500	18,500	\$102,000
CONTRIBUTION TO RESERVE ACCT	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$17,247
	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$1,437	\$17,247
MONTHLY O & M COST	318,379	816,475	\$10.571	\$18,607	\$10,763	\$10,059	318,955	\$19,051	\$19,147	\$19,243	\$19,339	\$19,435	\$226,879
TOTAL MONTKLY EXPENSE	\$25,200	\$25,421	\$25,553	\$25,686	\$25,917	\$25,949	\$26,081	\$26,213	\$26,346	\$25,477	\$26,609	\$26,741	\$312,162
NET DICOME OR EXPENSEMENTH	\$11,334	811,224	\$13,001	\$15,306	\$17,810	\$19,26\$	\$20,182	\$20,709	\$19,454	\$19,363	\$16,188	815,858	\$199,592

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SUMMARY OF INCOME & EXPENSE FOR TCEQ WATER CCN APPLICATION FOR REPUBLIC GRAND RANCH SUBDIVISION BY DOS AGUAS LLC

PROJECTED INCOME & EXPENSE PROJECTIONS

			DECE	MBER 31		
	FY 0	FY 1	FY 2	FY 3	FY4	FY 5
AVERAGE NUMBER OF CUSTOMERS	0	52	148	244	340	436
TOTAL ANNUAL WATER USE, 1000 GAL	0	4,423,230	12,323,430	20,223,630	28,123,830	36,024,030
WATER/SEWER USE INCOME (ADJUSTED)	\$0	\$47,114	\$133,304	\$219,494	\$305,684	\$391,874
TAP FEE INCOME	\$0	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000
TOTAL ANNUAL INCOME	\$0	\$167,114	\$253,304	\$339,484	\$425,684	\$511,874
EXPENSE						
GENERAL & ADMINISTRATIVE						
OFFICE EXPENSE	50	\$6.624	\$7,776	\$8,928	\$10,080	\$11,232
EMPLOYEE SALARIES	\$0	\$31,248	\$33,552	\$35,856	\$38,160	\$40,464
PROFESSIONAL FEES	\$0	\$3,312	\$3,888	\$4,484	\$5,040	\$5,616
INSURANCE	\$0	\$10,780	\$10,780	\$10,780	\$10,780	\$10,780
ADVALOREM TAXES	\$0	\$10,780	\$10,780	\$10,780	\$10,780	\$10,780
TCEO PERMIT FEES	\$0	\$1,824	\$2,978	\$4,128	\$5,280	\$8,432
TOTAL G&A	\$0	\$64,567	\$69,751	\$74,935	\$80,119	\$85,303
OPERATIONS						
OPERATOR COST	\$0	\$13,248	\$15,552	\$17,856	\$20,160	\$22,464
VEHICLE & EQUIPMENT COST	\$0	\$4,872	\$8,328	\$11,784	\$15,240	\$10,696
CUSTOMER BILLING COST	80	\$4,872	\$8,328	\$11,784	\$15,240	\$18,696
ELECTRICITY	\$0	\$9,072	\$12,528	\$15,984	\$19,440	\$22,896
CHEMICAL COST	\$0	\$3,024	\$4,176	\$5,328	\$6,480	\$7,632
SLUDGE DISPOSAL COST	20	\$0	\$0	\$0	\$0	\$0
TAP MAT'L & FIELD LABOR COST	\$0	\$102,000	\$102,000	\$102,000	\$102,000	\$102,000
REPAIR COSTS	\$0	\$17,247	\$17,247	\$17,247	\$17,247	\$17,247
CONTRIBUTION TO RESERVE ACCT	\$0	\$17,247	\$17,247	\$17,247	\$17,247	\$17,247
TOTAL OPERATING COST	\$0	\$171,583	\$185,407	\$199,231	\$213,055	\$226,879
TOTAL MONTHLY EXPENSE	\$0	\$236,150	\$255,158	\$274,166	\$293,174	\$312,182
INCOME (LOSS) BEFORE DEPRECIATION	\$0	(\$69,036)	(\$1,854)	\$65,328	\$132,510	\$199,692
DEPRECIATION	\$0	\$29,943	\$29,843	\$29,943	\$29,943	\$29,943
NET INCOME (LOSS)	\$0	(\$98,979)	(\$31,797)	\$35,385	\$102,567	\$169,749

PROJECTED BALANCE SHEET

_	FYO	FY 1	FY 2	FY 3	FY 4	FY 5
ASSETS		· · · · · · · · · · · · · · · · · · ·				
CASH (CHECKING)	\$75,000	\$5,984	\$29,110	\$49,438	\$128,947	\$326,639
RESERVE ACCOUNT	\$0	\$17,247	\$34,485	\$51,742	\$68,989	\$88,237
ACCOUNTS RECEIVABLE	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL CURRENT ASSETS	\$75,000	\$23,211	\$63,604	\$101,180	\$195,937	\$412,876
PROPERTY AND EQUIPMENT	,	*****		• •	• • •	
WATER PLANT	\$0	\$1,437,280	\$1,437,280	\$1,437,280	\$1,437,280	\$1,437,280
WASTEWATER PLANT	\$0	\$0	\$0	\$0	\$0	\$0
WATER DISTRIBUTION LINES	\$0	\$0	\$0	\$0	\$0	\$0
SEWAGE COLLECTION LINES	\$0	50	\$0	\$0	30	80
TOTAL PROPERTY AND EQUIPMENT	\$0	\$1,437,280	\$1,437,280	\$1,437,280	\$1,437,280	\$1,437,280
LESS ACCUMULATED DEPRECIATION	\$0	\$29,943	\$59,887	\$89,830	\$119,773	\$149,717
TOTAL PROPERTY & EQUIPMENT, NET	\$0	\$1,407,337	\$1,377,393	\$1,347,450	\$1,317,507	\$1,287,583
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TOTAL ASSETS	\$75,000	\$1,430,548	\$1,440,998	\$1,448,630	\$1,513,444	\$1,700,439
RETURN ON INVESTED CAPITAL ASSETS, %		-7.03%	-2.31%	2.63%	7.78%	13.18%
LIABILITIES AND CAPITAL						
LIABILITIES						
ACCOUNTS PAYABLE	\$0	\$0	\$0	so	\$0	\$0
SHORT TERM DEBT	\$75,000	\$75,000	\$100,000	\$55,000	\$0	so
ACCRUED RESERVES	\$0	\$17,247	\$34,495	\$51,742	\$68,989	\$86,237
LONG TERM DEBT	\$0	02	\$0	\$0	\$0	\$0
TOTAL LIABILITIES	\$75,000	\$92,247	\$134,495	\$106,742	\$68,989	\$86,237
TOTAL CARDICITIES	470,000	402,241	4104,400	4100,142	400,000	000,201
OWNER/STOCKHOLDER EQUITY						
COMMON STOCK	50	\$1,437,280	\$1,437,280	\$1,437,280	\$1,437,280	\$1,437,280
RETAINED EARNINGS (CUMMULATIVE)	\$0	\$0	(\$98,979)	(\$130,777)	(\$95,392)	\$7,174
NET INCOME	\$0	(\$98,979)	(\$31,797)	\$35,385	\$102,587	\$169,749
TOTAL CAPITAL	\$0	\$1,338,301	\$1,305,503	\$1,341,888	\$1,444,454	\$1,514,203
TOTAL LIABILITIES + CAPITAL	\$75,000	\$1,430,548	\$1,440,998	\$1,448,630	\$1,513,444	\$1,700,439