



Filing Receipt

Received - 2022-03-02 02:53:31 PM

Control Number - 52324

ItemNumber - 21

MANVEL TERRACE UTILITIES, INC
PO BOX 690521
HOUSTON, TX 77269
832-534-8545

1701 N. Congress Avenue
Public Utility Commission of Texas
Austin, Texas 78701

DOCKET 52324

Re: Application of Southwest Environmental Resources and Manvel Terrace Utilities, Inc. For sale Transfer, or Merger of Facilities and Certificate Rights in Fort Bend County

Commission Staff's First RFI

- Staff 1-1 Please provide a list of each the of the plant assets of Southwest Environmental Resources Inc. (Southwest) supporting the totals plant and accumulated depreciation amounts reported for application question of 11 and 14. Please include the following: a) Date in service, b) Original cost, and c) Accumulated depreciation amount.
- Response Attachment A – Plant in Service and depreciation
- Staff 1-2 Please provide the name of the company or companies Appendix B provided in item 8 represent(s).
- Response Appendix B provided in item 8 is Flow-Tech Utility which is an affiliated company of Manvel Terrace Utility
- Staff 1-3 Please provide the year-end financial statements including a balance sheet and income statement for the most recent 2 years for Flow-Tech Utility, LLC (FlowTech), Manvel Terrace Utility, Inc (Manvel) and Southwest.
- Response Flow-Tech Utility financials will be filed confidentially. There are no financials for Manvel Terrace as they were Acquired in 2021 and we have not completed our taxes yet. We do not have Southwest environmental financials except income and projections.
- Staff 1-4 Please provide an updated projected Appendix B for the operations of Manvel and Southwest once combined.
- Response See attachment B- Appendix B

Staff 1-5 If Flow-Tech is providing the funding to pay for the purchase price, then please provide a notarized affidavit from Flow Tech that includes the following: a written guarantee indicating Harrison Williams' ownership percentage of Flow Tech and Manvel, a guarantee that Flow-Tech is providing the funding to pay for the purchase price of Manvel, a written guarantee from Flow-Tech pursuant to the affiliate requirements in 16 TAC § 24.11(e)(2)(E) and 16 TAC § 24.11(e)(3), and a guarantee Flow Tech is also capable, available, and willing to cover temporary cash shortages for Manvel, a guarantee affirming that the financial information provided accurately presents the financial condition of Flow-Tech and Manvel.

Response Attachment C- Affidavit

Staff 1-6 Please provide an organization chart of all affiliated companies including the ownership name of each company and percentage of ownership by each owner.

Response Attachment D- Organization Chart

Staff 1-7 Staff 1-7 Please provide an original copy of the certified articles of incorporation of Flow-Tech and Manvel and any amendments as well as ownership percentages.

Response Will be filed confidentially- Original Articles of Incorporation and amendments. Flow tech and Manvel Terrace are owned 100% by Harrison Williams and each company is an affiliate of each other.

Harrison Williams

Harrison Williams

HARRISON WILLIAMS
PO BOX 690521
HOUSTON, TX 77269

FLOW-TECH UTILITIES IS THE OPERATOR FOR ALL SYSTEMS AND HARRISON WILLIAMS IS 100% OWNER.

<u>UTILITY</u>	<u>SP UTILITY</u>	<u>SP UTILITY</u>	<u>SOUTH COAST UTILITES</u>	<u>MANVEL TERRACE UTILITIES</u>
OWNER	HARRISON WILLIAMS	HARRISON WILLIAMS	HARRISON WILLIAMS	HARRISON WILLIAMS
OWNERSHIP %	100%	100%	100%	100%
CCN#	12978	20817	12999	12080
UTILITIES	SAVANNAH PLANTATION WATER JOHNSON WATER SYSTEM TEJAS TRAILS	SAVANNAH PLANTATION WWTP	CYPRESS GARDEN	MANVEL ROAD TERRACE SUBDIVISION

RESPONSE TO QUESTION NO. STAFF 1-5, 2-2

STATE OF TEXAS §
HARRIS COUNTY §

AFFIDAVIT OF HARRISON WILLIAMS

Before me, the undersigned notary, on this day personally appeared Harrison Williams, a person whose identity is known to me. After I administered an oath to Harrison Williams, upon his oath, he said:

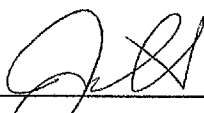
"My name is Harrison Williams. I am over 18 years of age, of sound mind, and capable of making this affidavit. The facts stated in this affidavit are within my personal knowledge and are true and correct.

I, Harrison Williams, being duly sworn, file this affidavit as the President of Flow-Tech Utility, LLC ("Flow-Tech"). I attest that in such capacity, I am qualified and authorized to file and verify such affidavit, am personally familiar with the STM application, subject of Docket No. 52324, and that all such statements made and matters set forth herein are true and correct.

In accordance with Title 16 Tex. Admin. Code ("TAC")§ 24.3(3) of the rules of the Public Utility Commission of Texas ("Commission"), Flow-Tech is an affiliate of applicant, Manvel Terrace Utility, INC ("Manvel Terrace").

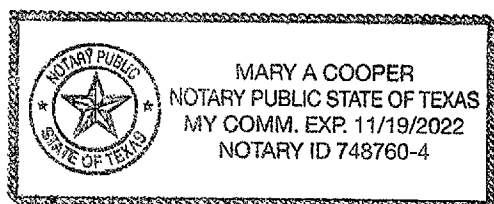
Pursuant to the Commission's financial assurance requirements, 16 TAC §§ 24.11(e)(2)(E) and 24.11(e)(3), Flow-Tech Utility will be providing funds to pay for the purchase price of part of Southwest Environmental water system and CCN. Additionally, Flow-Tech Utility is also capable, available and willing to cover temporary cash shortages for Southwest Environmental, including any projected operations and maintenance shortages in the first five years of Southwest Environmental operations. Additionally, Flow-Tech Utility is also capable, available and willing to cover the required capital improvements to the Southwest Environmental Resources system. This affidavit further serves as Flow-Tech's written guarantee affirming that the financial information provided herein and in the STM application and its amendments and supplementations accurately present the financial condition of both Flow-Tech and Manvel Terrace Utility. Flow-Tech has previously filed financial data in this docket to satisfy the leverage test."


Further affiant sayeth not.



HARRISON WILLIAMS

Given under my hand and seal of office on March 15th, 2022.





NOTARY PUBLIC STATE OF TEXAS

**SOUTHWEST ENVIRONMENTAL RESOURCES
UTILITY PLANT IN SERVICE AND DEPRECIATION WORKSHEET
FORT BEND COUNTY, TEXAS**

				2020	CURRENT YEAR VALUATION 2020									Remaining
NO.	DESCRIPTION	QUAN	ITEM COST-\$	OH&P @ 20.00%	TOTAL COST-\$	YEAR BUILT	AGE YEARS	SERVICE LIFE YRS	Depr.	YEARLY	Total	Remaining		
									Rate %/Yr	Depr	Depr to Date	Value Of Plant in Service		
1	WATER TREATMENT PLANT													
2	WELL #1 5"	1	21255.31	4251.062	25506.37	1980	40	30	3.3%	\$ 849.36	\$ 25,506.37	\$ -		
3	7.5 HP WELL PUMP	1	5136	1027.2	6163.2	2005	15	10	10.0%	\$ 616.32	\$ 6,163.20	\$ -		
4	WELL #2 5"	1	22000	4400	26400	1981	39	30	3.3%	\$ 879.12	\$ 26,400.00	\$ -		
5	5 HP WELL PUMP	1	4877	975.4	5852.4	2002	18	10	10.0%	\$ 585.24	\$ 5,852.40	\$ -		
6	WELL #3 6"	1	36322	7264.4	43586.4	1995	25	30	3.3%	\$ 1,451.43	\$ 36,285.68	\$ 7,300.72		
7	20 HP WELL PUMP	1	11522	2304.4	13826.4	2016	4	10	10.0%	\$ 1,382.64	\$ 5,530.56	\$ 8,295.84		
8	GROUND STORAGE TANK	1	19520	3904	23424	1990	30	30	3.3%	\$ 780.02	\$ 23,400.58	\$ 23.42		
9	PRESSURE TANK	1	28522	5704.4	34226.4	2020	0	30	3.3%	\$ 1,139.74	\$ -	\$ 34,226.40		
10	BOOSTER PUMPS	4	19522	3904.4	23426.4	2020	0	10	10.0%	\$ 2,342.64	\$ -	\$ 23,426.40		
11	BOOSTER PUMP SUCTION AND HEADER & VALVES	1	8500	1700	10200	2000	20	20	5.0%	\$ 510.00	\$ 10,200.00	\$ -		
12	YARD PIPING	1	9000	1800	10800	1985	35	30	3.3%	\$ 359.64	\$ 10,800.00	\$ -		
13	CONTROL PANELS	5	16452	3290.4	19742.4	2002	18	20	5.0%	\$ 987.12	\$ 17,768.16	\$ 1,974.24		
14	Hypochlorination Equipment	3	5800	1160	6960	2018	2	10	10.0%	\$ 696.00	\$ 1,392.00	\$ 5,568.00		
15	Plant Access Road	1	7500	1500	9000	1980	40	50	2.0%	\$ 180.00	\$ 7,200.00	\$ 1,800.00		
16	Chain Link Fence	1	8500	1700	10200	2009	11	30	3.3%	\$ 339.66	\$ 3,736.26	\$ 6,463.74		
17	200A/460V/3PH Electrical Service	1	21000	4200	25200	2000	20	30	3.3%	\$ 839.16	\$ 16,783.20	\$ 8,416.80		
18	SUBTOTAL WWTP				294514	32003					13938.0876	197018.404	\$ 97,495.57	
19														
20														
21	WATER DISTRIBUTION SYSTEM	1	72000	14400	86400	1980	40	30	3.33%	\$2,877.12	\$86,400.00	\$ -		
22														
23	Customer Service Lines	167	167000	33400	200400	2007	13	20	5.00%	\$10,020.00	\$130,260.00	\$ 70,140.00		
24	WATER METERS	167	12500	2500	15000	2005	15	10	10.00%	\$1,500.00	\$15,000.00	\$ -		
25	SUBTOTAL DISTRIBUTION SYSTEM LINES													
26														
27	TOTAL DISTRIBUTION SYSTEM VALUES												\$ 70,140.00	
28														
29														
30	TOTAL WATER COLLECTION & TREATMENT SYSTEM VALUES												\$ 167,635.57	