



Filing Receipt

Received - 2022-09-23 10:29:12 AM
Control Number - 52391
ItemNumber - 34



WATERENGINEERS, INC.

WATER & WASTEWATER TREATMENT CONSULTANTS

17230 HUFFMEISTER ROAD, SUITE A~CYPRESS, TEXAS 77429-1643

TEL: 281-373-0500 FAX: 281-373-1113

September 23, 2022

Public Utility Commission of Texas
Central Records
1701 N. Congress, Suite 8-100
Austin, TX 78701

Re: Application of Liberty County Utilities, LLC for Water and Sewer Certificates of Convenience
and Necessity in Liberty County, TX Docket No. 52391

Dear Public Utility Commission of Texas:

In reference to Commission Counsel's memo dated September 21, 2022 requesting identification of the location in the evidentiary record of the capital improvements plan required by Texas Water Code § 13.244 (d)(3), it can be found on the first page of the submitted pro forma. It is included here for simplicity of review.

The pro forma indicates that the water distribution lines have already been installed at a cost of \$2,571,600. The sewer collection lines have already been installed at a cost of \$5,143,200. The first phase water plant will be constructed in FY1 with a budget of \$1,288,650, upgraded in FY2 with a budget of \$98,918, in FY3 with a budget of \$255,250 and again in FY4 with a budget of \$130,559. The first phase wastewater plant will be built in FY1 with a budget of \$2,356,250 and upgraded in FY4 with a budget of \$2,591,875.

Please feel free to email me at syoung@waterengineers.com or call at 281-373-0500 if you have any questions regarding the information contained in this submittal.

Thank you for your assistance in this review process.

Sincerely,
WATERENGINEERS, INC.

Shelley Young

Shelley Young, P.E.
Project Engineer

**FINANCIAL ASSUMPTIONS AND DATA
FOR CCN AMENDMENT APPLICATION
FOR SANTA FE SUBDIVISION, SECTIONS 7-9
BY LIBERTY COUNTY UTILITIES**

INCOME AND EXPENSE

Development Rate, New Connections/Month =	40.0					
Maximum Number of Connections =	6,429					
AVERAGE ANNUAL WATER USE/EQUIV. CONN. =	200	GAL/DAY				
AVERAGE ANNUAL WATER USE/EQUIV. CONN. =	6,000	GAL/MONTH				
BASE WATER RATE =	\$38.00	Gal Included	-	Plus	\$2.00	/1000 GAL
WATER CONSERVATION RATE =	\$0.00	Gal In Excess of		-	Gal/Month	
SEWER RATE =	\$45.00	Gal Included	ALL		\$0.00	
EXCESS SEWER USE RATE =	\$0.00	/Gal in Excess of		-	Gal/Month	
AVERAGE MONTHLY WATER/SEWER BILL/CONN. =	\$95.00					
Water Tap Fee =	\$1,000.00					
Sewer Tap Fee =	\$1,000.00					
BAD DEBTS =	1.00%	OF SALES				
CAPITAL INVESTMENT SCHEDULE (CUMMULATIVE)	FY0	FY1	FY2	FY3	FY4	FY5
WATER PLANT CONSTRUCTION COST =		\$1,288,650	\$1,387,568	\$1,642,818	\$1,773,377	\$1,773,377
WWTP CONSTRUCTION COST =		\$2,356,250	\$2,356,250	\$2,356,250	\$4,948,125	\$4,948,125
WATER DISTRIBUTION SYSTEM CONSTRUCTION COST =	\$2,571,600.00	\$2,571,600	\$2,571,600	\$2,571,600	\$2,571,600	\$2,571,600
SEWAGE COLLECTION SYSTEM CONSTRUCTION COST =	\$5,143,200.00	\$5,143,200	\$5,143,200	\$5,143,200	\$5,143,200	\$5,143,200
TOTAL SYSTEM CONSTRUCTION COST =		\$11,359,700	\$11,458,618	\$11,713,868	\$14,436,302	\$14,436,302
CONTRIBUTIONS IN AID OF CONSTRUCTION =		\$0	\$0	\$0	\$0	\$0
NET SYSTEM CAPITAL COST TO UTILITY =		\$11,359,700	\$11,458,618	\$11,713,868	\$14,436,302	\$14,436,302
SALVAGE VALUE =		\$0	\$0	\$0	\$0	\$0
AVG LIFE, YEARS =		48	48	48	48	48
DEPRECIATION/MONTH =		\$19,722	\$19,893	\$20,337	\$25,063	\$25,063

VARIABLE OPERATING COSTS

EMPLOYEE SALARIES =	\$2,000	/Mo. Plus	\$3.00	/CONNECTION
OFFICE EXPENSE COST =	\$1,000	/Mo. Plus	\$1.00	/CONNECTION
CUSTOMER BILLING/COLLECTION COST =	\$250	/Mo. Plus	\$3.00	/CONNECTION
OPERATOR COST =	\$2,000	/Mo. Plus	\$2.00	/CONNECTION
VEHICLE & EQUIPMENT COST =	\$1,000	/Mo. Plus	\$1.00	/CONNECTION
ELEC. COST =	\$1,000	/Mo. Plus	\$5.00	/CONNECTION
CHEMICAL COST =	\$100	/Mo. Plus	\$2.00	/CONNECTION
SLUDGE DISPOSAL COST =	\$1,000	/Mo. Plus	\$2.50	/CONNECTION
TCEQ PERMIT & LAB FEES =	\$100	/Mo. Plus	\$1.00	/CONNECTION
REPAIR COST/MO., % CAP =	0.10%	Of Invested Capital		
RESERVE ACCT DEPOSIT/MO., % CAP =	0.10%	Of Invested Capital		

FIXED OPERATING COSTS

LABORATORY COST =	\$500	/Mo. Plus	\$1.00	/CONNECTION
PROFESSIONAL FEES =	\$500	/Mo. Plus	\$1.00	/CONNECTION
EFFECTIVE LOCAL TAX RATE =	\$0.75	/ \$100		
LIAB/PROP INSURANCE =	\$0.75	/ \$100		

Fiscal Year		Seasonal Use Multiplier	Projected Use Gal/Day	Projected Monthly Cost for Water/Sewer	Projected Monthly Bill (*)
Month					
1	JAN	0.65	130	\$ 91.06	\$91.97
2	FEB	0.65	130	\$ 90.28	\$91.18
3	MAR	0.75	150	\$ 92.30	\$93.22
4	APR	1.00	200	\$ 95.00	\$95.95
5	MAY	1.20	240	\$ 97.88	\$98.86
6	JUN	1.35	270	\$ 99.20	\$100.19
7	JUL	1.35	270	\$ 99.74	\$100.74
8	AUG	1.35	270	\$ 99.74	\$100.74
9	SEP	1.20	240	\$ 97.40	\$98.37
10	OCT	1.10	220	\$ 96.64	\$97.61
11	NOV	0.75	150	\$ 92.00	\$92.92
12	DEC	0.65	130	\$ 91.06	\$91.97
SUMMATION		12.00	200.00	\$1,142.30	\$1,153.72

(*) Including 1% TCEQ Regulatory Assessment (Sales Tax)