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DOCKET NO. 53254

PETITION OF STC GROUP MILLER,	§	PUBLIC UTILITY COMMISSION
LLC TO AMEND BOLIVAR WATER	§	
SUPPLY CORPORATION'S	§	OF TEXAS
CERTIFICATE OF CONVENIENCE	§	
AND NECESSITY IN DENTON	§	
COUNTY BY STREAMLINED	§	
EXPEDITED RELEASE		

COMMISSION STAFF'S SUBMISSION OF APPRAISAL REPORT

The Staff (Staff) of the Public Utility Commission of Texas (Commission) respectfully submits the appraisal report of the Commission-appointed appraiser, pursuant to Texas Water Code § 13.2541(i) and 16 Texas Administrative Code (TAC) § 25.245(i)(2)(B). Order No. 2 in this proceeding provided that this appraisal report was due to be filed within 100 days after the Commission approved the streamlined expedited release. The Commission approved the streamlined expedited release on August 4, 2022. On November 15, 2022, the administrative law judge (ALJ) granted an extension until December 5, 2022 for Staff to submit the appraisal report. Therefore, this pleading is timely filed.

Dated: December 5, 2022

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Keith Rogas
Division Director

Sneha Patel
Managing Attorney

/s/ Scott Miles
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DOCKET NO. 53254

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on December 5, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Scott Miles
Scott Miles

Public Utility Commission of Texas
Docket #53254

**Compensation Determination for
the Decertification of a Portion of
Bolivar Water Supply
Corporation's Certificate of
Convenience and Necessity**

CCN No. 11257

December 5, 2022



December 5, 2022

Mr. Scott Miles
Attorney-Legal Division
Public Utility Commission of Texas
1701 N. Congress Ave,
Austin, TX 78701

Subject: Compensation Determination for the Decertification of a Portion of CCN No. 11257

Dear Mr. Miles:

At your request, Raftelis has prepared a compensation determination for the decertification of a portion of Certificate of Convenience and Necessity ("CCN") No. 11257 serving portions of the Bolivar Water Supply Corporation ("BWSC" or "Corporation") and in relation to the Petition of STC Group Miller, LLC to amend BWSC's Certificate of Convenience and Necessity by Expedited Release (Docket No. 53254). This compensation determination was completed for this specific purpose and the resulting conclusion should not be used for any other purpose or by any other party for any purpose.

This report is intended to comply with a set of standards set forth by the Appraisal Foundation in its Uniform Standards of Professional Appraisal Practice ("USPAP"). Consistent with USPAP, this report presents a summary discussion of the data, reasoning, and analyses that were used in the process to prepare the compensation determination. Additional supporting documentation is retained in our project file. The depth of discussion and information provided in this report is specific to the intended use stated above.

It has been a pleasure working with you, and we thank you for the support provided during the course of this work.

Sincerely,

A handwritten signature in cursive script, reading 'John M. Mastracchio'.

John M. Mastracchio, ASA, CFA, P.E.
Executive Vice President



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Introduction

Background

The Bolivar Water Supply Corporation (“BWSC”) is located in northwestern Denton County. The District gets its water supplies from the Trinity aquifer¹. STC Group Miller, LLC is a Texas limited liability company, owns the tract of land, and intends for the decertified area to receive water service from the City of Sanger.²

On February 22, 2022, STC Group Miller filed a petition with the Public Utility Commission of Texas (“PUCT”) to amend BWSC’s Certificate of Convenience and Necessity (“CCN”) for streamlined expedited release. The subject area is located in Denton County, Texas and extends approximately 202.69 acres of land as shown in Figure 1. The petition was filed under Docket No. 53254 and in accordance with Texas Water Code § 13.2541.

The Commission ordered the release of the tract of land from BWSC’s service area and amended CCN 11257 to reflect as such under the following conditions³:

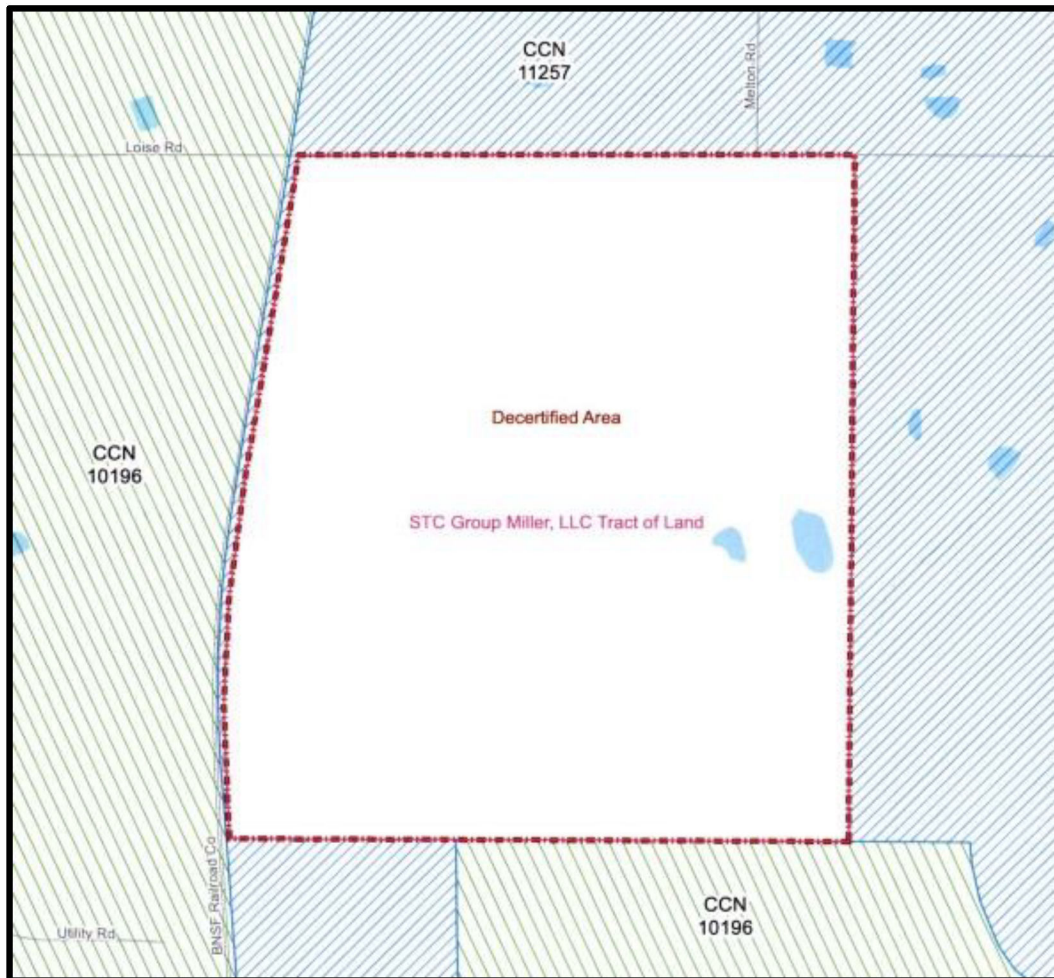
- Procedural documents have been submitted in a timely manner by both parties.
- Denton County is a qualifying county under TWC § 13.2541 (b) and 16 TAC § 24.245(h).
- The tract of land is at least 25 acres.
- Tract of land is not receiving water service under TWC § 13.2541 and 16 TAC § 13.2541.
 - Petitioner has not requested that the CCN holder provide water service.
 - Petitioner has not paid any charges or fees to the CCN holder to initiate or maintain water service.
 - CCN holder has not committed or dedicated any facilities or lines to the tract of land for water service.
 - CCN holder had no facilities or lines that provide water service to the tract of land.
 - CCN holder has not performed any acts for or supplied anything to the tract of land.
- Petitioner acquired the tract of land by a special warranty deed.

¹ 2021 Region C Water Plan, November 2020.

² Public Utilities Commission of Texas, Docket No. 53254 Petition for Streamlined Expedited Release dated February 2, 2022.

³ Public Utilities Commission of Texas, Docket No. 53254 Order dated August 4, 2022

Figure 1. Map of the Decertified Portion of CCN 11257



Description of the Assignment

The PUCT engaged Raftelis, specifically Mr. John M. Mastracchio, as a third-party appraiser for the compensation phase of a Streamlined Expedited Release in Docket No. 53254. Pursuant to Texas Water Code (“TWC” or “Texas Code”) § 13.2541(i). In accordance with the Texas Code, when the landowner and utility cannot come to an agreement as to an appraiser, Commission Staff must select a third appraiser to assess the monetary amount of compensation, if any, that is due to the utility as a result of the release of landowner’s property from its CCN.

Under TWC § 13.2541(i), the determination made by the appraiser appointed by the Commission may not be less than the lower appraisal or more than the higher appraisal. The Petitioner’s appraisal concludes a compensation amount of zero dollars (\$0.00)⁴ and the CCN Holder’s appraisal concludes a compensation amount of \$1,329,384.⁵

⁴Appraisal Report for Area Subject to Petition of STC Group Miller, LLC to Amend Bolivar Water Supply Corporation’s CCN by Expedited Release, prepared by Willdan Financial Services, dated October 11, 2022.

⁵Appraisal Report for Area Subject to Petition of STC Group Miller, LLC to Amend Bolivar Water Supply Corporation’s CCN by Expedited Release, prepared by KOR Group, dated October 13, 2022.

Table 1: Description of the Assignment

Parameter	Description
Subject	Portion of CCN No. 11257 associated 202.69 acres of land in Denton County, Texas
Purpose and Intended Use	Compensation for the decertification of a portion of CCN No. 11257
Type of Engagement	Appraisal
State or Jurisdiction of Incorporation	Texas
Principal Business Location	The CCN is located in Denton County, TX
Business Interest Under Consideration	Portion of CCN No. 11257.
Level of Value and Control	Control, 100% interest and ownership
Effective Date	December 5, 2022

Jurisdictional Exception

According to Texas Water Code §13.254(g) and the Texas Administrative Code 16 TAC § 24.245(j), the monetary compensation associated with the decertification of a CCN or portion thereof associated with the personal property must be based on the following factors:

1. the amount of the former CCN holder's debt allocable to service to the removed area;
2. the value of the service facilities belonging to the former CCN holder that are located within the removed area;
3. the amount of any expenditures for planning, design, or construction of the service facilities of the former CCN holder that are allocable to service to the removed area;
4. the amount of the former CCN holder's contractual obligations allocable to the removed area;
5. any demonstrated impairment of service or any increase of cost to consumers of the former CCN holder remaining after a CCN revocation or amendment under 16 TAC § 24.245;
6. the impact on future revenues lost from existing customers;
7. necessary and reasonable legal expenses and professional fees, including costs incurred to comply with TWC §13.257(r); and
8. any other relevant factors as determined by the commission.

The compensation determination that was completed specifically analyzed these factors and did not consider the potential value of the CCN as an intangible right to serve the area in the future. Complying with the Texas Code in completing the determination is considered a Jurisdictional Exception.⁶

⁶ According to USPAP, a Jurisdictional Exception is an assignment condition established by applicable law or regulation, which precludes an appraiser from complying with a part of USPAP.

Sources of Information

The sources of information that were reviewed, considered, or used to complete the compensation determination included the following:

1. Order associated with the STC Group Miller, LLC to Amend Bolivar Water Supply Corporations' Certificate of Convenience and Necessity in Denton County by Expedited Release, TPUC Docket No. 53254. February 22, 2022.
2. Texas Water Code TAC § 13.2541, Texas Administrative Code 16 TAC § 24.113 and 16 TAC § 24.245.
3. Bolivar Water Supply Corporation's Verified Response to Petition of STC Group Miller, LLC to Amend Certificate of Convenience and Necessity in Denton County by Expedited Release, TPUC Docket No. 53254. April 14, 2022.
4. Bolivar Water Supply Corporation's Responses to STC Group Miller, LLC's First Request for Information, Question Nos. 1-1 through 1-11, TPUC Docket No. 53254.
5. "Compensation Determination for Area Subject to Petition of STC Group Miller, LLC to Amend Bolivar Water Supply Corporation's Certificate of Convenience and Necessity in Denton County by Expedited Release (PUC Docket No. 53254)", Dated October 11, 2022. Dan V. Jackson, Willdan Financial Services.
6. "PUC Docket No. 53254; Petition of STC Group Miller, LLC to amend Bolivar Water Supply Corporation's Certificate of Convenience and Necessity in Denton County by Streamlined Expedited Release", Dated October 13, 2022, Joshua M. Korman, KOR Group.
7. "Petitioner's Response and Objections to Bolivar Water Supply Corporation's Appraisal Report", Leonard H. Dougal, Attorney's for STC Group Miller, LLC.
8. Texas Water Development Board's 2021 Regional Water Plan.
9. Bolivar Water Supply Corporation Financial Statements 2020 and 2021.
10. BWSC Provided Customer Connections Summary.
11. Bolivar Distribution System Asset Listing, June 2022.
12. "Letter of Engineering Review – STC Group Miller, LLC Tract". Dated April 8, 2022. Kerry D. Maroney, P.E. President, Biggs & Matthews, Inc.
13. Planning Report for Water Facility Improvements Year 2022 through 2032 Bolivar Water Supply Corporation, Cooke, Denton & Wise County, Texas. June 2022.
14. BWSC Rate Schedule, Effective March 15, 2021.
15. BWSC Map of Pressure Planes and 2020 System Schematic.
16. "Texas Water Development Board Water Use Survey". Dated January 10, 2020, through January 13, 2020.

Assumptions and Limiting Conditions

The compensation determination and results presented in this report are subject to the following assumptions and limiting conditions:

1. This report is based upon the limited information provided by PUCT, STC Group Miller, LLC, BWSC, KOR Group, Willdan Financial Services, and publicly available information. The information obtained from these sources was assumed to be complete, accurate, and reliable. If any inaccuracies or incomplete information are subsequently discovered, then the conclusions ascribed in this report are subject to change. The use of these data and information is considered an Extraordinary Assumption as defined by the Uniform Standards of Professional Appraisal Practice ("USPAP"). The use of this Extraordinary Assumption might have affected the assignment results. The appraisal is subject to change based upon the receipt of any additional information.
2. The opinions and conclusions contained in this report are as of the stated effective date, for a specific use and purpose, and made under specific assumptions and limiting conditions. Raftelis makes no representation as to the effect on the subject property of any unforeseen events after the effective date of the appraisal. Any statement in this report involving estimates or matters of opinion, whether or not specifically designated, are intended as such, and not as representation of fact.

Analysis of Valuation and Compensation Criteria

The monetary compensation associated with the decertification of the CCN was evaluated in accordance with the Texas Water Code §13.254(g) and the Texas Administrative Code 16 TAC § 24.245(j). The factors that were considered and the analysis of each factor are described below:

1. **Factor: the value of the service facilities belonging to the former CCN holder that are located within the removed area;**

Evaluation:

The Commission's Order releasing the CCN specifies that there are no service facilities in the decertified area.⁷ BWSC stated within its response to request for information by STC Group Miller, LLC. (RFI 1-3)⁸ that "Bolivar does not have facilities within the Subject Area." In addition, within BWSC's Letter of Engineering Review, it is stated that the 12-inch distribution line is "along the north frontage of this 203-acre tract," not within the property.⁹ In addition, Raftelis was not able to find any additional documentation stating otherwise. Therefore, no compensation is due related to this factor.

2. **Factor: the amount of the former CCN holder's debt allocable to service to the removed area;**

Evaluation:

According to the 2021 BWSC Financial Statements, in 2004, BWSC entered into an agreement with the Greater Texoma Utility Authority (GTUA) for certain water supply services which in turn resulted in the issuance of a \$1.5 million Contract Revenue Bonds issuance.¹⁰ BWSC agreed to make payments annually, which includes principal, interest, and administration fee until August 2028. In entering into a long-term agreement with the GTUA for water supply services, it is reasonable to assume that the BWSC considered the potential growth associated with its CCN in deciding the amount of water rights necessary to secure through the GTUA agreement. However, no information was provided or reviewed that indicated that BWSC contemplated growth specifically within the decertified area at the time BWSC committed to the GTUA agreement.

In addition, BWSC has an outstanding debt of \$1,078,720 (as of December 31, 2021) with the United States Department of Agriculture Rural Development (USDA). No information or documentation was provided that specified or identified the extent to which the capital investment made in connection with this USDA loan was incurred for the purpose of serving anticipated growth in the decertified CCN area.

⁷Order associated with the Petition of STC Group Miller, LLC to Amend Bolivar Water Supply Corporation's Certificate of Convenience and Necessity in Denton County by Expedited Release, Docket No. 53254. August 4, 2022, p.3.

⁸ Bolivar Water Supply Corporation's Responses to STC Group Miller, LLC's First Request for Information, Question Nos. 1-1 through 1-11, TPUC Docket No. 53254 p.5.

⁹ "Letter of Engineering Review – STC Group Miller, LLC Tract". Dated April 8, 2022. Kerry D. Maroney, P.E. President, Biggs & Matthews, Inc. p.1.

¹⁰ Bolivar Water Supply Corporation Financial Statements 2021 p.8.

Furthermore, BWSC stated within its response to request for information by STC Group Miller, LLC. (RFI 1-7) that it has no outstanding debt associated with assets located specifically within the decertified area.¹¹ No additional documentation stating otherwise was found in the docket. Therefore, it is concluded that no compensation is due related to this factor.

3. Factor: the amount of any expenditures for planning, design, or construction of the service facilities of the former CCN holder that are allocable to service to the removed area;

Evaluation:

The Commission's Order releasing the CCN stated "*the CCN holder has not performed any acts for or supplied anything to the tract of land.*" Although BWSC's Letter of Engineering Review¹² describes water lines located along the north frontage of the decertified area, we were not provided with, and were unable to find, any conclusive evidence that these waterlines were designed to be used to support service to the decertified area.

In addition, the Planning Report for Water Facility Improvements¹³ outlines costs that have been incurred for planning, design, and construction of facilities within Pressure Plane #2. BWSC currently serves approximately 512 connections within an area that totals 24,000 acres, 16,000 of which are served, and approximately 203 acres are the decertified area (See map below). The Pressure Plane #2 encompasses portions of both Denton and Cooke County. Planned, designed, and constructed facilities include a 100,000-gallon elevated tank, two pump stations and ground storage, three water supply wells, and a distribution system. The total cost of the facilities was estimated in the Planning Report to be \$14,170,000.

The population and demand projections contained in the 2021 Regional Water Plan Report provides an indication that there is significant population growth and additional water demands anticipated for BWSC's service area as of 2020.¹⁴ While the Pressure Plane area does not directly correlate to the Cooke County and Denton County areas, both counties are expected to grow and, therefore, Pressure Plane #2 as a whole is expected to experience growth. It is stated in the BWSC's Letter of Engineering Review that Pressure Plane #2 will experience a growth of approximately 552 connections by the year 2032.¹⁵ However, the specific growth area or distribution of growth within the Pressure Plane #2 is not evident in either report. Furthermore, there was no information presented to indicate that removing the 203 acres of decertified area (comprising approximately 0.8% of the acres in Pressure Plane #2) would render the assets unused and not useful. Rather, the Planning Report states that BWSC should "*continue to look for opportunities to acquire additional well, pump station, and/or storage tanks sites as various areas are*

¹¹ Bolivar Water Supply Corporation's Responses to STC Group Miller, LLC's First Request for Information, Question Nos. 1-1 through 1-11, TPUC Docket No. 53254 p.9.

¹² "Letter of Engineering Review – STC Group Miller, LLC Tract". Dated April 8, 2022. Kerry D. Maroney, P.E. President, Biggs & Matthews, Inc.

¹³ Planning Report for Water Facility Improvements Year 2022 through 2032 Bolivar Water Supply Corporation, Cooke, Denton & Wise County, Texas. June 2022 p.3.

¹⁴ Texas Water Development Board's 2021 Regional Water Plan

¹⁵ "Letter of Engineering Review – STC Group Miller, LLC Tract". Dated April 8, 2022. Kerry D. Maroney, P.E. President, Biggs & Matthews, Inc. p. 5.

developed and/or existing well production capacities diminish” indicating that future development would require the construction of additional facilities.

No additional information was reviewed to indicate that the facilities constructed are allocable to the removed area. Therefore, it is concluded that there is no compensation due related to this factor.

Figure 2. BWSC Pressure Planes

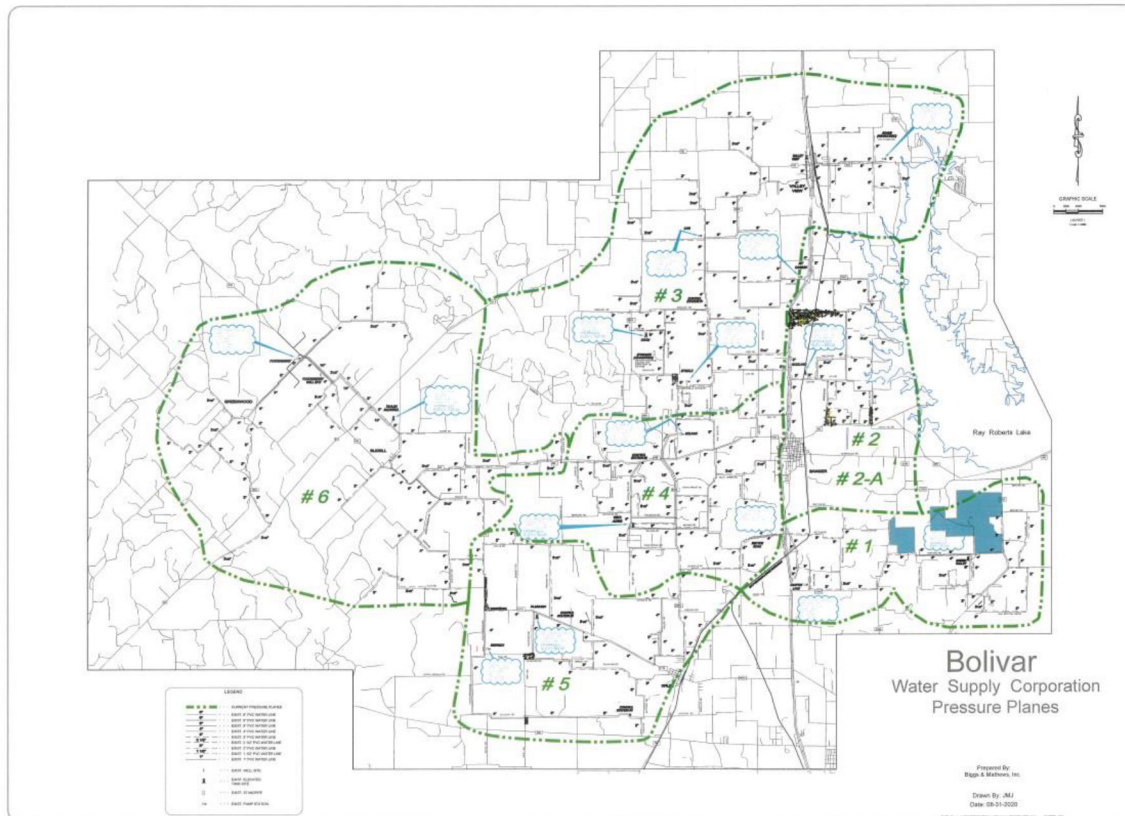


Table 2: Population and Demand Projections for BWSC

Description	2020	2030	2040	Source
Population Projections				
Bolivar WSC Population - Cooke County	1,169	1,255	1,320	P.24 of the 2021 Regional Water Plan Report
Bolivar WSC Population - Denton County	9,904	12,050	14,614	p.26 of the 2021 Regional Water Plan Report
Bolivar WSC Population - Wise County	<u>883</u>	<u>1,018</u>	<u>1,157</u>	p.37 of the 2021 Regional Water Plan Report
Total	11,956	14,323	17,091	p.42 of the 2021 Regional Water Plan Report
Municipal Demand Projections (Acre-Ft/Yr)				
Bolivar WSC - Cooke County	104	107	109	p.56 of the 2021 Regional Water Plan Report
Bolivar WSC - Denton County	885	1,028	1,212	p.58 of the 2021 Regional Water Plan Report
Bolivar WSC - Wise County	<u>79</u>	<u>87</u>	<u>96</u>	p.70 of the 2021 Regional Water Plan Report
Total	1,068	1,222	1,417	p.74 of the 2021 Regional Water Plan Report
Current Available Supplies (Ac-Ft/Yr)				
Trinity Aquifer	<u>1,264</u>	<u>1,264</u>	<u>1,264</u>	p.118 of the 2021 Regional Water Plan Report
Total	1,264	1,264	1,264	

4. Factor: the amount of the former CCN holder's contractual obligations allocable to the removed area;

Evaluation:

According to Bolivar's statement within its response to the information requested by STC Group Miller, LLC., Bolivar does not have any contracts related to the purchase or sale of water.¹⁶ Furthermore, as stated in the Commission's Order releasing the CCN, there are no current customers receiving service in the decertified area. In addition, no information reviewed indicated the existence of other relevant contractual obligations potentially applicable to the decertified portion of the CCN. Therefore, it is concluded that there is no compensation due related to this factor.

5. Factor: any demonstrated impairment of service or any increase of cost to consumers of the former CCN holder remaining after a CCN revocation or amendment under 16 TAC § 24.245;

Evaluation:

The Commission's Order releasing the CCN stated that there are no current customers receiving service in the decertified Area, the petitioner has not requested that the CCN holder provide water service to the tract of land, there are no facilities or lines that provide water service to the tract of land, the CCN holder has not committed or dedicated any facilities or lines in the tract of land for water service, and the CCN holder has not performed any acts for or supplied anything to the tract of land. Further, no additional information stating otherwise was found in the docket. Based on my review, there is no demonstrated impairment of service or any increase of cost to consumers of the BWSC resulting from the decertification of a portion of the CCN. Therefore, it is concluded that there is no compensation due related to this factor.

6. Factor: the impact on future revenues lost from existing customers;

Evaluation:

The Commission's Order releasing the CCN stated "*the tract of land is not receiving water service from the CCN holder*" and "*the petitioner has not requested that the CCN holder provide water service to the tract of land.*" In addition, Raftelis was not able to find any additional documentation stating otherwise. Therefore, it is concluded that there is no compensation due related to this factor.

7. Factor: necessary and reasonable legal expenses and professional fees, including costs incurred to comply with TWC §13.257(r); and

Evaluation:

BWSC has responded to Raftelis' Appraisal Data Request dated October 28, 2022 and has referenced KOR Group's Appraisal¹⁷ for a listing of legal and professional fees were incurred by BWSC in connection with the decertification. The expenses were outlined as \$5,750 for legal fees as of October 13,

¹⁶ Bolivar Water Supply Corporation's Responses to STC Group Miller, LLC's First Request for Information, Question Nos. 1-1 through 1-11, TPUC Docket No. 53254 p.5.

¹⁷ "PUC Docket No. 53254; Petition of STC Group Miller, LLC to amend Bolivar Water Supply Corporation's Certificate of Convenience and Necessity in Denton County by Streamlined Expedited Release", Dated October 13, 2022, Joshua M. Korman, KOR Group. p.5

2022, \$1,750 for legal expenses estimated after October 13, 2022, and \$8,000 for BWSC Appraisal Fee. Texas Code does not allow appraiser expenses, as stated within the code “If the former CCN holder and the prospective retail public utility do not agree on an independent appraiser, each shall engage its own qualified appraiser at its own expense”¹⁸. Therefore, based on the information provided, the compensation amount related to this factor was found to be \$7,450.

8. Factor: any other relevant factors as determined by the commission.

Evaluation:

No other relevant factors were identified. Therefore, no compensation is due as it relates to this factor.

Conclusion

The conclusion for each factor was evaluated based on data and information made available to me. As reflected in the analyses contained in this report, I conclude that the compensation due to BWSC for the decertification of the portion of CCN #11257 in accordance with the Texas Water Code and the Texas Administrative Code as referenced herein is \$7,450.

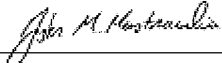
¹⁸ Texas Water Code §13.2541

Valuation Representation

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions. Any statement in this report involving estimates or matters of opinion, whether so specifically designated, are intended as such, and not as representation of fact.
3. I have no present or prospective interest in the property that is subject of this report, and we have no personal interest with respect of the parties involved.
4. I have not provided services as an appraiser or in any other capacity in connection with the subject property within the three-year period immediately preceding the agreement to perform this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. The engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this valuation assessment.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Diana Ling and Steven McDonald provided significant assistance in researching the subject, guideline companies, and transaction information, and compiling and reviewing information regarding the subject. Steven McDonald provided a technical review of the valuation analyzes employed. No others provided significant assistance in the preparation of this report.
10. In preparation of this report and the conclusions contained herein, I have relied on certain assumptions and information with respect to conditions which may exist or events which may occur in the future. While I believe such assumptions are reasonable, sources are reliable, and the information obtained to be accurate and appropriate for the analysis undertaken and the conclusions reached herein, as is often the case, there may be differences between actual and projected results, some estimates used in this report may not be realized, and unanticipated events and circumstances may occur.
11. This report summarizes the work completed up to the date of the issuance of this report. Changed conditions occurring or becoming known after such date could affect the opinions and conclusions contained herein to the extent of such changes. I have no responsibility for updating this report for changes that occur after the date of this report.

Raftelis Financial Consultants, Inc.

By:  December 5, 2022
John M. Mastracchio, ASA, CFA, PE

Appraiser Qualifications

John Mastracchio ASA, CFA, PE



PROFILE

Mr. Mastracchio is an Executive Vice President with Raftelis Financial Consultants, Inc. serving in a national role and leading the Northeast practice. He has 27 years of experience as a financial and management consultant serving the utility, governmental, and private sectors. His extensive experience includes over 250 financial projects covering technical areas including utility valuation, investment decision-making, transactional consulting, capital financing, financial planning, cost of service and rate studies, transactional consulting, alternative project delivery procurement support, capital financing, and real estate financial analysis. His experience spans several industries, including utilities (water, wastewater, electric, solid waste, stormwater), transportation, ports, and federal and municipal general government.

Mr. Mastracchio's business valuation experience includes appraisals for mergers and acquisitions, reorganizations (recapitalization and restructuring), eminent domain condemnation, real estate, tangible property valuation, cost to cure economic damages analyses, and litigation support. His valuation experience also includes providing acquisition and transactional advisory services to equity investors, business owners, and government officials on deals ranging in size from \$50 million to \$2.5 billion. He has provided other valuation-related services include due diligence investigations, development of financial projections, remaining useful life analyses, customer and supplier contracts, purchase price allocation, strategic investment decision-making, and deal structuring support.

Mr. Mastracchio is an Accredited Senior Appraiser (ASA), has earned the Chartered Financial Analyst (CFA) designation, is a Series 50 Municipal Advisor Representative, and is also a Licensed Professional Engineer. He is a member of several industry associations, including the CFA Institute, and American Water Works Association, and is the past chairperson of the Finance, Accounting, and Management Controls Committee of AWWA.

He has authored manuals of practice and utility industry papers on valuation, infrastructure investment, capital financing, financial management practices, and rate-setting, including a technical paper titled "How much is it worth? An overview of valuing water utilities," an industry research report titled "New and Emerging Capital Providers for Infrastructure Funding – Addressing the Infrastructure Gap," and an industry manual of practice titled "Water Capital Financing, Manual of Practice M29."

Specialties

- Transactional due diligence support
- Valuation and appraisals
- Financial analysis & modeling
- Financial planning, cost of service, rate design
- Bond feasibility studies
- Government consolidation/regionalization
- Public-private partnerships
- Inter-municipal agreement support
- Expert witness & litigation support
- Benchmarking
- Capital financing & project planning
- Business process improvement
- Asset management/business case evaluations

Professional History

- Raftelis: Vice President (2017-present)
- Arcadis, U.S., Inc. (2003-2017)
- Arthur Andersen (2001-2002)
- Parsons Corporation (1994-2000)

Education

- Master of Business Administration, Finance - Cornell University (2001)
- Master of Science, Civil & Environmental Engineering - Clarkson University (1994)
- Bachelor of Arts - State University of New York, College at Geneseo (1993)

Certifications

- Accredited Senior Appraiser
- Chartered Financial Analyst
- Professional Engineer (PA)
- Lean Six Sigma
- Series 50 Municipal Advisor Representative

Professional Memberships

- American Society of Appraisers
- AWWA: Chair of Finance, Accounting, & Management Controls Committee
- CFA Institute
- Water Environment Federation