



Control Number: 54713



Item Number: 1

Laura L Ellison  
93 Meadowview Drive  
Trinity, Texas, 75862  
936-581-0956

RECEIVED  
2023 FEB -3 PM 3:08  
PUBLIC UTILITY COMMISSION  
FILING CLERK

I'm writing to let you know I have sent the 7 individual packets of the petition that the residents of Westwood Shores would like to have rates reviewed. I have also included the rate increase study and the 3 rates that have went up since September. I personally have never done a petition and if there is any issue at all please let me know and we will redo the petition. It's very important that this issue is looked at because it's not fair to have residents pay this outrageous amount. The residents of WWS are appealing the rates as of Feb 1, 2023 rate increase 3 times the cost from September 2022.

Thank you,



Laura L Ellison

**PETITION TO APPEAL RATES ESTABLISHED BY WESTWOOD SHORES  
M.U.D. BOARD OF DIRECTORS**

**WESTWOOD SHORES M.U.D  
75 COTTONWOOD RD  
TRINITY, TEXAS 75862  
936-594-3411**

**The undersigned rate payers of Westwood Shores M.U.D. hereby appeal the decision of the board of directors of WWS M.U.D. affecting the rates charged to them by Westwood Shores M.U.D. The rate change was effective February 1, 2023 and affected the rates charged for water utility service, tap fees, late charges, and reconnect fees. On January 4, 2023 the ratepayers were notified by the service provider of this rate increase. Please note that there have been three rate changes in 2022. (March 21, 2022, October 17, 2022 and December 20, 2022, see attached rate changes) The undersigned request that the Public Utility Commission of Texas review the decision to determine if rates established are just and reasonable. The old rates charged by the service provider March 21, 2022 for 3000 gallons were \$65.00 plus \$9.50 for each additional 1000 gallons. Then on October 1, 2022 the service provider increased the rates to \$117.00 for 3000 gallons plus 9.50 for each additional 1000 gallons. On December 20, 2022 the service provider increased the rates to \$192.75 for 4000 gallons plus 1.50 for each additional 1000 gallons. The undersigned designate Tracey Smith as their representative on this matter. Correspondence to the ratepayers' representative may be directed to Tracey Smith 70 Cottonwood Rd Trinity, Texas 75862**

<b>Name (Please Print) and signature</b>	<b>Service Address (and Mailing address if Different from Service Address)</b>	<b>Phone Number</b>
<i>Tracey Smith</i>	<i>23 (203) DAWNS EDGE</i>	<i>936 581 9310</i>
<i>SAMMY Addison</i>	<i>2427 FM 356</i>	<i>936-433-0751</i>
<i>Stephanie Ruoff</i>	<i>5 Westlake North</i>	<i>360 722-4539</i>

**PETITION TO APPEAL RATES ESTABLISHED BY WESTWOOD SHORES  
M.U.D. BOARD OF DIRECTORS**

Name (Please Print) and signature	Service Address (and Mailing address if Different from Service Address)	Phone Number
Wesley Tyler Saxton	81 Westwood Dr. East	936-635-2508
Patricia Stone	175 Pine Arbor	(520) 705-4789
JAMES J. HAMRICK	149 Deep Springs	540 537-6389
Kimberly Holmes	19 Cottonwood	936-662-3371
CHARLIE McWilliams	17 Westpoint	931-517-4570
Sharon Schuetz	76 Chickadee	936-581-1701
Tammy Myler	57 Westwood Ar East	832-527-4861
Terrell Page	35 Corkwood Rd	281-318-8958
Frankie Gibson	41 E. Whipperwill (PO Box 1084)	281-904-1312
Christie Stephens	32 Driving Range Lane	936-661-6642
Jayla Satter	6 Forest Hollow	936-334-4147
Jenny Harlow	151 Coral Gables	936-438-6325
Edith James	48 E. Whipperwill LN.	936-204-3131
Annette Meadows	74 Fairway Dr	936-594-9016
Caleb Holcomb	190 Flaver	936-665-8371
LARRY GARNER	63 CANDLESTICK DR.	(210) 878-9894
Don Cook	93 Coral Gables	956-346-7924
Marilyn Margey Millard	22 Twisting Creek	409-217-9315
Allen Morgan	44 Wetmore Village Dr	281-639-8518
Stacy Peters	491 Pinnacle	501-749-4439
Jenna Forman	262 Coral Gables	936-714-6776
Kathleen Harrold	59 Chappell Hill	936-661-6357
Annette Banks	24 Westlake	832-612-9164
Celeste Dillard	87 Meadow Lake Dr	852-497-5011
Lance Ellis	93 Meadowview Dr	936-581-0956



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Name (Please Print) and signature	Service Address (and Mailing address if Different from Service Address)	Phone Number
JONATHAN DAVIS <i>JD</i>	70 CORAL GABLES	217-737-1019
GEORGE T. EICHORN <i>ME</i>	163 WESTWOOD DR. E	832-544-1588
MICHAEL Amick <i>MA</i>	74 CORE GABLE	936-672-0374
CARLA WOODWARD <i>Carla Woodward</i>	166 Broadmoor Dr.	936-662-9742
HAROLD NAASZ <i>Harold Naasz</i>	125 CLEAR SPRINGS	936-755-9504
Tracy Hall <i>Tracy Hall</i>	8 Lazy Springs	936 662-0027
Penny Machann <i>Penny Machann</i>	56 Hollow Forest	337-280-7268
Mark Legg <i>Mark Legg</i>	14 Mockingbird Ln	713 715 9222
TERRY L. CORN <i>Terry L. Corn</i>	69 CORAL GABLES	713 791 3311
JAMES W. JACKSON	131 WESTWOOD DR. E	281-684-6836
Gerald Jones <i>Gerald Jones</i>	19 Cormorant	281 781-4153
Michael Karnes <i>Michael Karnes</i>	5 DORA	281-650-5650
Jeremy Williams <i>Jeremy Williams</i>	9 COTTONWOOD ROAD	713-826-3406
Linda Schlittenhardt <i>Linda Schlittenhardt</i>	280 Clear Springs	936-594-6318
Elisa Kellen <i>Elisa Kellen</i>	82-2466401	682 246 6401
Jim Kelley <i>Jim Kelley</i>	10 Westwood Village DR	
Thomas MASSONALE <i>Thomas Massonale</i>	65 wood glen	281-386-8066
Donna Alvarez <i>Donna Alvarez</i>	174 Broadmoor Drive	832-721-5923
Bridget Ladner <i>Bridget Ladner</i>	38 Forrest Hollow	936-661-4757
GARY A. MARSHALL <i>Gary A. Marshall</i>	114 COTTONWOOD RD	713-574-1125
Roxisa Villanar <i>Roxisa Villanar</i>	122 Westwood DR E	936-282-7236
Thomas Jones <i>Thomas Jones</i>	23 TOWNHOUSE LN	702-466-7848
Marvin Miller <i>Marvin Miller</i>	98 Oak Lake	281-687-0765
Cek & Beane <i>Cek &amp; Beane</i>	49 Pecan Drive	936-662-5991
Joyce N. Francis <i>Joyce N. Francis</i>	30 Cormorant	413-575-7368



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M.U.D. BOARD OF DIRECTORS**

Name (Please Print) and signature	Service Address (and Mailing address if Different from Service Address)	Phone Number
Doris A Van Bibber <i>DVB</i>	42 Mockingbird,	832 652 9525
Miranda Rose <i>mr</i>	31 Driving Range Lane	936-661-0077
Paul Kelsberg	105 Cottonwood	713-820-5654
James C. Clibbs	James C. Clibbs 106 Westwood	936-355-8587
TERRY Willis	<del>Terry Willis</del> 20 Augusta DR	936-581-8367
Mary Patricia Wagnerspack <i>MPW</i>	83 Bayport	941-586-5729
Candice Barron <i>Candice Barron</i>	1148 Cardinal Trinity TX 75862	936-994-8181
Michael Steele	43 Forrest Hollow	309-275-0645
CHRIS LOWRY <i>CL</i>	10 CREEK BEND	936-222-4247
Jennifer Lewis <i>Jennifer Lewis</i>	77 High Meadow Dr. Trinity TX 75862	281-904-7608
Darrel S. Gordon <i>Darrel S. Gordon</i>	76 Fairway Trinity, TX 75862	702 542 1768
M. K. Bralson <i>M. K. Bralson</i>	15 Meadowhake Dr	325 642-1304
JOAN Towers <i>Joan Towers</i>	40 Westwood Dr W.	1-503-559-7508
Christopher Cote <i>CC</i>	129 Greenway Dr	713-806-4157
Leslie Hargraves	Bradford Langston 23 Raven	936 446-9752 936-446-9752
Teresa Webster	27 Great Oak Ln Trinity	803-439-8006
Bond Lake <i>Bond Lake</i>	85 Lake side Trinity	214-632-9810
DAVID CLOUGH <i>David Clough</i>	14 MEADOW LAKE DR, TRINITY	713-598-4041
Vera J. Bond	19 Westpoint Dr. Trinity	936 594 0166
Richard Buck	100 FAIRWAY DR. Trinity	936-577-7236
Krishna Block <i>Krishna Block</i>	34 Driving Range	936-223-2822
Preston Hess <i>Preston Hess</i>	37 Westwood W	832-985-4284
H.O. Dixon <i>H.O. Dixon</i>	46 Chapel Hill	936-355-1868
Janis Johnson <i>Janis Johnson</i>	13 Townhouse	281-381-5159



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M.U.D. BOARD OF DIRECTORS**

**Name (Please Print)**  
**and signature**

**Service Address (and Mailing address if Different from Service Address)**

**Phone  
Number**

William Loper	William Loper	7 Westlake Rd Trinity, TX 75862	936 662-3275
Richard O. Alba Jr.	Richard O. Alba Jr.	12 Huntington Trinit 75862	832-334-8774
Adam Hammer	Adam Hammer	1535 CARDINAL LN	936 707 1233
CHRIS GRESHAM	Chris Gresham	10 COCKWOOD RD.	15862 936-222-3054
JOSEPH TURNER	Joseph Turner	141 PECAN DR Trinity TX	541-450-5306
Linda Hilton	Linda Hilton	15 Heather Ln Trinity TX	936 355-3618
William Stapleton	William Stapleton	85 Westwood Dr. Trinity TX	832-466-2442
Ivy, Karen	Karen Ivy	80 PECAN DR Trinity TX	75862 936-581-4159
Kare & Ronald Reese	Kare & Ronald Reese	6 Lost Forest, Trinity, TX	75862 936-222-9977
Michael Harlow	Michael Harlow	6 Lost Forest, Trinity, TX	75862 832-851-9951
Andrea Farris	Andrea Farris	27 Westwood W Dr Trinity TX	75862 (409) 201-1782
Brenda Kreitzer	Brenda Kreitzer	188 Westwood DR. E. Trinity	75862 (209) 542-0168
Michael Gibson	Michael Gibson	4 Mockingbird	(979) 324-9206
Erin Murrill	Erin Murrill	18 MOCKINGBIRD	740-755-6671
Michael Gibson	Michael Gibson	38 Mockingbird	936-425-1609
Michael Gibson	Michael Gibson	88 Mockingbird Ln	630-400-6857
Michael Gibson	Michael Gibson	124 Mockingbird	713 256 1929
Michael Gibson	Michael Gibson	26 Mockingbird	281-578-6168
Michael Gibson	Michael Gibson	134 Coral gables	936-355-2608
Michael Gibson	Michael Gibson	49 Trail Lake	281-770-8499

[illegible]

**Name (Please Print)**  
**and signature**

**Service Address (and Mailing  
address if Different from Service**

**Phone Number**[illegible]

[illegible]

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M.U.D. BOARD OF DIRECTORS**

**Name (Please Print)  
and signature**

**Service Address (and Mailing address if Different from Service Address)**

**Phone Number**

Charles N. Ham, Her

28 Westwood Village Dr.

936-218-6957

Elaine Vaughn

16 Fairway

(916) 225-1391

ALAN VICTORY

136 Coral Gables

281 489-4426

CHARLES MOORE

92 WESTWOOD DR. E

832-652-6496

Kathy SCOFIELD

3 Brookside Dr.

361-903-0248

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Address)**

**Phone Number**[illegible]



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<i>Debra Fischer</i> Debra Fischer	94 Mockingbird Lane	936 327 6016
<i>Hill Love</i> Hill Love	124 Coral Gables	913-706-4052
<i>Barbara Vahldiek</i> Barbara Vahldiek	93 Westwood Dr. East	281-924-1751
<i>Shantel Vahldiek</i> Shantel Vahldiek	93 Westwood Dr. East	281-924-1332
<i>George Ritchie</i> George Ritchie	121 Cottonwood	936 744 0278
<i>Tami Dees</i> Tami Dees	61 Cherry Hills	936-577-0343
<i>William Brian W.B.</i> William Brian W.B.	34 Coral Gables	986 577 4944
<i>Terry Wood</i> Terry Wood	9 Heatley	281-435-3843
<i>Howard Edwards</i> Howard Edwards	28 Whippoorwill	281-806 8114
<i>Norene Finn</i> Norene Finn	1 Westwood Dr. W.	765 430 8343
<i>Aaron Edwards</i> Aaron Edwards	38 Whippoorwill	936-718-1553
<i>Ruthie Edwards</i> Ruthie Edwards	38 Whippoorwill	936-499-5455
<i>Barbara Henderson</i> Barbara Henderson	80 Indian Harbor	210 789 3131
<i>John Griffin</i> John Griffin	119 West Lake	713-501-7222
<i>Dwight Dennis</i> Dwight Dennis	37 East Whippoorwill	936-202-9247
<i>Lillian Barn</i> Lillian Barn	1 Cottonwood	832-372-6704
<i>Robert Wolborn</i> Robert Wolborn	89 Westwood Dr. E	936 436 2864
<i>Stephen McNeely</i> Stephen McNeely	148 Westwood Dr. E	832-640-4805
<i>Alex Price</i> Alex Price	75 Westwood Dr. E	281-795-0682
<i>Dean Kempf</i> Dean Kempf	105 Greenway Dr.	361-354-3143
<i>Sharon McKean</i> Sharon McKean	54 Westwood Village Dr.	936-594-2698
<i>Diana Backus</i> Diana Backus	61 Westwood Village Trinity	936-203-3189
<i>Dorothy Kuschwink</i> Dorothy Kuschwink	82 Westwood Dr. W Trinity	936-577-0145
<i>Megan Tenaglia</i> Megan Tenaglia	25 Raven	832-455-7403
<i>Ernest Dobbs</i> Ernest Dobbs	46 Westwood Dr. W Trinity	713-551-1776

**PETITION TO APPEAL RATES ESTABLISHED BY WESTWOOD SHORES  
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**Phone  
Number**[illegible]

## Amended Rate Order March 21, 2022

be charged a monthly water fee but will pay a \$50.00 connect fee upon their return. *(The MUD office will notify the customer if there is a leak.)*

### RATES FOR WATER AND SEWER SERVICE

*The following rates and charges for water and sewer service will be effective from the date of this Rate Order.*

#### RESIDENTIAL MONTHLY WATER/SEWER RATES

	\$30.00 (minimum monthly charge per connection) for 0-1,000 Gallons of Water Usage
-	
1,000 TO 3,000 Gallons Water	\$45.00 (minimum monthly charge per connection)
Sewer Rates	\$20.00 (minimum monthly charge per connection)
TOTAL MONTHLY RESIDENTIAL WATER/SEWER RATES	\$65.00 (MINIMUM MONTHLY CHARGE PER CONNECTION)

#### MINIMUM MONTHLY WATER USAGE CHARGE OVER 3,000 GALLONS

3,000 TO 20,000 Gallons	\$9.50 per 1,000 gallons usage
Over 20,000 Gallons	\$10.00 per 1,000 gallons usage

#### COMMERCIAL MONTHLY WATER/SEWER RATES

0 - 3,000 Gallons Water	\$49.00 (minimum monthly charge per connection)
Sewer Rates	\$24.00 (minimum monthly charge per connection)

## Amended Rate Order March 21, 2022

**TOTAL MONTHLY  
COMMERCIAL  
WATER/SEWER RATES**

\$73.00 (MINIMUM MONTHLY CHARGE PER CONNECTION)

**MINIMUM MONTHLY WATER USAGE CHARGE OVER 3,000 GALLONS**

**3,000 – 15,000 Gallons**

\$10.00 per 1,000 gallons usage

**Over 15,000 Gallons**

\$12.00 per 1,000 gallons usage

**Usage Fee**

\$0.50 per 1,000 gallons of metered water used in excess of 10,000 gallons

➤ Note

- Each sewer "hook-up" in the campground will be considered a sewer connection. There will be one usage fee charged per water meter regardless of the number of sewer connections.
- At the owner's consent, a donation of \$1.00 will be included monthly per connection for the Trinity Voluntary Fire Department (TVFD). Your donation will be sent to the TVFD for their use in case of a fire at Westwood Shores subdivision.

Delinquent Accounts

All residential and commercial accounts will be charged a late fee of 10% per account if not paid by the 20<sup>th</sup> of each month. Water meter(s) will be shut off and locked. An additional reconnect fee of \$50 residential and \$250 for commercial accounts per meter must be paid, along with the late charges before the meters are turned back on.

RIDER A

The District reserves the right to terminate service to any customer whose account is delinquent. In such event, service shall be disconnected only after sending the customer written notice by first class United States mail and providing the customer with an opportunity to appear in person or by written correspondence at a scheduled meeting of the Board of Directors to contest, explain, or correct the charges, services, or disconnection. The notice shall be sent as soon as practicable after the date of delinquency and shall inform the customer of the amount of the



# Westwood Shores M.U.D

75 Cottonwood  
Trinity, TX 75862

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October 17, 2022

## New Amended Water/Sewer Rates

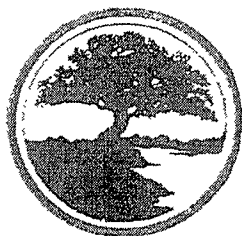
<u>WATER Meters</u>	<u>Water Monthly</u>	<u>Sewer Monthly</u>
<u>CONNECTION SIZE</u>	<u>MINIMUM BILL</u>	
5/8", 3/4"	\$60.00	\$30.00
1"	\$65.00	\$30.00
2"	\$105.00	\$30.00
3"	\$155.00	\$30.00
6"	\$670.00	\$30.00

### INCREASING BLOCK RATES

0 gallons - 3,000 gallons	\$9.00 per 1,000 gallons
3,000 gallons - 5,000 gallons	\$9.50 per 1,000 gallons
5,000 gallons - 7,000 gallons	\$10.00 per 1,000 gallons
7,000 gallons - 9,000 gallons	\$10.50 per 1,000 gallons
9,000 gallons - 12,000 gallons	\$11.00 per 1,000 gallons
12,000 gallons - 15,000 gallons	\$11.50 per 1,000 gallons
15,000 gallons - 20,000 gallons	\$12.00 per 1,000 gallons
Over 20,000 gallons	\$12.50 per 1,000 gallons

*All water tap charges will be at meter size rate above*

*All sewer taps or connections will be charged at \$30.00 per connection*



# Westwood Shores M.U.D

75 Cottonwood  
Trinity, TX 75862

December 20, 2022

Valued Customers,

*Effective  
Feb 1, 2023*

We have recently had a professional Rate Study provided by Superior Management, which recommended a rate increase, necessary to maintain infrastructure and supply service. The new rates were approved by the MUD Board at the 12/19/2022 meeting and will take effect February 1, 2023. We did not make this decision lightly and understand that it may cause some inconvenience.

We appreciate your business and hope that you will continue to support us in the future. If you have any questions or concerns, please do not hesitate to contact us. 936-594-3411 or email [customerservice@westwoodshoresmud.com](mailto:customerservice@westwoodshoresmud.com)

## New Amended Water/Sewer Availability Base Fee

Meter Size	Minimum Water	Minimum Sewer
5/8" & 3/4"	\$107.17	\$81.58
1"	\$267.93 (\$107.17x2.5)	\$203.95 (\$81.58x2.5)
2"	\$857.36 (\$107.17x8)	\$652.64 (\$81.58x8)
3"	\$1,607.55 (\$107.17x15)	\$1,223.70 (\$81.58x15)
6"	\$5,358.50 (\$107.17x50)	\$4,079.00 (\$81.58x50)

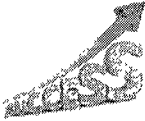
## INCREASING BLOCK WATER USAGE RATES

0 gallons - 4000 gallons	\$1.00 per 1,000 gallons
4,001 gallons - 7,000 gallons	\$1.50 per 1,000 gallons
7,001 gallons - 12,000 gallons	\$2.00 per 1,000 gallons
Over 12,000 gallons	\$3.00 per 1,000 gallons

## INCREASING BLOCK SEWER USAGE RATES

0 gallons - 4,000 gallons	\$1.00 per 1,000 gallons
4,001 gallons - 7,000 gallons	\$1.50 per 1,000 gallons
7,001 gallons - 12,000 gallons	\$2.00 per 1,000 gallons
Over 12,000 gallons	\$3.00 per 1,000 gallons

In Compliance with Section 5.701 of the Texas Water Code the TCEQ Regulatory Assessment Fee is equal to one-half of one percent (0.50%) of the charge for retail water and/or sewer.



## **SUPERIOR MANAGEMENT**

*"Your Success is Our Business"*

P.O. Box 130308  
Spring, TX 77393

Office: (713) 346-1879  
Fax: (281) 886-0558

Website: [www.superiormanagementtexas.com](http://www.superiormanagementtexas.com)

*July 28, 2022*

*Revised December 6, 2022*

*Revised December 13, 2022*

*Revised December 15, 2022*

### **Westwood Shores MUD** **RATE STUDY REPORT 2022/2023 DATA**

This report is intended for the Governing Board and Management of the Westwood Shores MUD.

Superior Water Management of Texas LLC conducted the Rate Study from May 2022 through December 2022 using information, data, and guidance supplied by the Westwood Shores MUD (District). The final report was revised after receiving a revised FY 2023 Budget.

The Scope of Work included the following services (collectively, the "Services"): To conduct of comprehensive "Cost of Service" water and sewer rate study as detailed in the Scope of Work below.

#### **1. SCOPE OF WORK: FY-2022 WATER UTILITY RATE STUDY**

The study will include Principles of Water Rate Development, Financial Management, Rate Policies, Rate Design, Capital Budgeting, Financial Forecasting, Revenue Requirements, Allocation Procedures, Classification Procedures, Avoiding and Public Relations.

#### **STUDY GOALS & OBJECTIVES**

- Evaluate Financial Policies
- Promote Financial Viability and Sustainability
- Apply Fundamental Methodologies
- Consider Capital Improvement Funding
- Include Projected Changes to Expenses, Connections, etc.
- Design Fair & Equitable Rates
- Recommend Baseline Rate Structures
- Follow The "Keep It Simple Sir" (KISS) Concept



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Website: [www.superiormanagementtexas.com](http://www.superiormanagementtexas.com)

**Excellent Rate Study:** The final report shall explicitly include the following elements and analysis:

- Current Rate Structure: Assess the current rate structure's performance as a baseline for comparing recommended changes.
- Equity: Assess the equity of recommended water and sewer rates for all types of property ownership to include multifamily units and other commercial uses
- Supporting Data: Provide data supporting conclusions and observations made for each of the areas above.

**2. GUIDANCE, INFORMATION AND DATA:** The District provided an adopted FY-2023 budget and other information including but not limited to a meter inventory, water demand data, current rate structure, and audit.

### **OBJECTIVES OF RATE STUDY**



- 1. Revenue Stability*
- 2. Financial Integrity*
- 3. Fair Distribution of Shared Cost*
- 4. Customer Comprehension*
- 5. Administrative Implementation*
- 6. Water Conservation*
- 7. Sustainability*





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### Overview – The Process

In providing adequate water service, every water utility must receive sufficient total revenue to ensure proper operation & maintenance (O&M), development, perpetuation of the system, and preservation of the utility's financial integrity. (AWWA M1)

O&M

Debt

Capital

Reserves

All Rights Reserved  
SWMT LLC

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### RATE STUDY PROCESS

- INCLUDE TOTAL REVENUE REQUIREMENT
- SEGREGATE WATER VS. SEWER COSTS
- DETERMINE FIXED VS. VARIABLE COSTS
- ADD DEBT SERVICE REQUIREMENTS
- SUBTRACT OTHER REVENUE ITEMS
- ENTER GALLONS, CONNECTIONS, ETC.
- CALCULATE RATES

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SWMT LLC

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## SUPERIOR MANAGEMENT

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P.O. Box 130308  
Spring, TX 77393

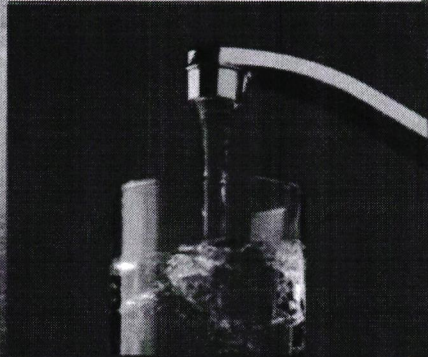
Office: (713) 346-1879

Fax: (281) 886-0558

Website: [www.superiormanagementtexas.com](http://www.superiormanagementtexas.com)




### VALUE OF WATER SERVICE



Pennies Per Gallon ???

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SWMT LLC



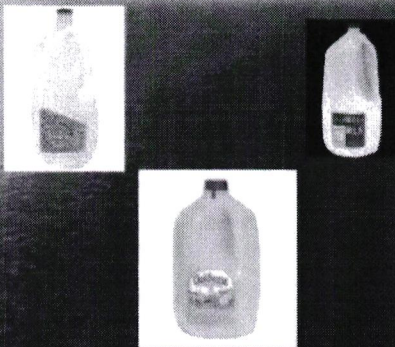
### TAP WATER DELIVERS

- PUBLIC HEALTH PROTECTION
- SUPPORT FOR THE ECONOMY/JOB
- FIRE SUPPRESSION
- QUALITY OF LIFE
- FUN

All Rights Reserved  
SWMT LLC

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### WHAT DOES A GALLON COST?




All Rights Reserved  
SWMT LLC

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### COST OF SERVICE

- CABLE
- TELEPHONE
- ELECTRIC
- GAS (PROPANE)
- Other



All Rights Reserved  
SWMT LLC

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### 3. RATE STUDY RESULTS:

A preliminary "first draft" copy of the Rate Study was provided for District review and comment on July 18, 2022. Revisions were made after receipt of the approved FY 2023 budget as well as additional review of the preliminary report. A final report was submitted on July 28, 2022 for review and discussion during the Board meeting scheduled for Monday, August 1st.

A revised FY 2023 Budget was received on November 15, 2022 and subsequent adjustments to the rate study model were made to reflect the changes to the budget as well as the related rate calculations. The revised report was completed on December 6, 2022.

A subsequent video conference was conducted on December 12, 2022 which resulted in a revision to the Rate Study Report to include the rates adopted by the Board on October 17, 2022. The revisions were made on December 13, 2022.

The "Options Snapshot" table below shows how the calculated (budget based) rates compare to the existing rates using the current rate structure including the "Availability Fee" (base rate, minimum bill), and the "Variable Rate" (gallage rate or cost per 1000 gallons of water use). The Recommended Rates show includes the FY 2023 Adopted Budget plus the annual depreciation expense (from the Audit) along with a recommended rate structure.

The "Difference" column shows the increase to the minimum bill while the gallons across from 3,000 to 20,000 shows the total bill including water, sewer, and the TCEQ fee.

**TABLE 1 – OPTIONS SNAPSHOT**

UTILITY: WESTWOOD SHORES MUD			RATE COMPARISONS TABLE (5/8-3/4 Inch Meter)						
OPTIONS SNAPSHOT	Gallons Billed		3000	4000	6000	8000	10000	12000	14000
	Availability Fee	Difference							
Current Rates Structure	\$90.45	NA	\$117.59	\$127.13	\$136.68	\$156.78	\$177.89	\$211.05	\$234.17
Calculated Rates Without Depreciation	\$140.48	\$50.03	\$167.62	\$177.16	\$186.71	\$206.81	\$227.92	\$261.08	\$284.20
Recommended Rates (Includes DEP)	\$189.70	\$99.25	\$195.73	\$197.74	\$200.75	\$206.78	\$214.82	\$226.88	\$238.94

**Important Note:** The "Option Snapshot" table shows the rates using the FY-2023 Budget revised. The cost of the 3000 gallons has been removed from the "Calculated Rates Structure" to reflect the Zero (0) gallons approved by the Board during the October meeting. Zero (0) gallons is also not included with the "Recommended Rate". It is not known if the cost of the current 3000 gallons was ever calculated and included in the former rate structure minimum bill.



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**A comprehensive detailed breakdown of each scenario is provided in Table 2 below.**

**TABLE 2 – RATE COMPARISON DETAIL**

UTILITY: WESTWOOD SHORES MUD		RATE COMPARISONS TABLE (5/8 Inch Meter)							
Current Rates 10/17/2022		Availability Fee	3000	4000	5000	7000	9000	12000	14000
NOTES:	WATER	Per 1000	\$9.00	\$9.50	\$9.50	\$10.00	\$10.50	\$11.00	\$11.50
	Water Incls 0 Gals	\$60.00	\$87.00	\$96.50	\$106.00	\$126.00	\$147.00	\$180.00	\$203.00
	Groundwater District Fee	\$0.00							
NOTES:	SEWER	Per 1000							
	Flat Rate	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
	Garbage & Recycling Serv.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Subtotal	\$90.00	\$117.00	\$126.50	\$136.00	\$156.00	\$177.00	\$210.00	\$233.00
	TCEQ Fee	\$0.45	\$0.59	\$0.63	\$0.68	\$0.78	\$0.89	\$1.05	\$1.17
	Total Bill	\$90.45	\$117.59	\$127.13	\$136.68	\$156.78	\$177.89	\$211.05	\$234.17
	COST PER GALLON		\$0.04	\$0.03	\$0.03	\$0.02	\$0.02	\$0.02	\$0.02

NOTES: AVERAGE GALLONS USAGE IS 3000 GALLONS PER MONTH		Availability Fee	3000	4000	5000	7000	9000	12000	14000
Calculated Rates	WATER	Per 1000	\$9.00	\$9.50	\$9.50	\$10.00	\$10.50	\$11.00	\$11.50
	Water Incls 0 Gals	\$70.36	\$97.36	\$106.86	\$116.36	\$136.36	\$157.36	\$190.36	\$213.36
	Groundwater District Fee	\$0.00							
NOTES:	SEWER	Per 1000							
	Flat Rate	\$69.42	\$69.42	\$69.42	\$69.42	\$69.42	\$69.42	\$69.42	\$69.42
	Garbage & Recycling Serv.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Subtotal	\$139.78	\$166.78	\$176.28	\$185.78	\$205.78	\$226.78	\$259.78	\$282.78
	TCEQ Fee	\$0.70	\$0.83	\$0.88	\$0.93	\$1.03	\$1.13	\$1.30	\$1.41
	Total Bill	\$140.48	\$167.62	\$177.16	\$186.71	\$206.81	\$227.92	\$261.08	\$284.20
	Percentage Increase	55%	43%	39%	37%	32%	28%	24%	21%
	Dollar Increase	\$50.03	\$50.03	\$50.03	\$50.03	\$50.03	\$50.03	\$50.03	\$50.03
	AVG COST PER DAY OVER 30 DAYS	\$1.67	\$1.67	\$1.67	\$1.67	\$1.67	\$1.67	\$1.67	\$1.67
	COST PER GALLON		\$0.06	\$0.04	\$0.04	\$0.03	\$0.03	\$0.02	\$0.02

RECOMMENDATION		RATE COMPARISONS TABLE (5/8 & 3/4 Inch Meter)							
NOTES: AVERAGE GALLONS USAGE IS 3000 GALLONS PER MONTH		Availability Fee	3000	4000	5000	7000	9000	12000	14000
Recommended Rates	WATER	Per 1000	\$1.00	\$1.00	\$1.50	\$1.50	\$2.00	\$2.00	\$3.00
NOTES: Includes CIP & No AM	Water Incls 0 Gals	\$107.17	\$110.17	\$111.17	\$112.67	\$113.67	\$119.67	\$125.67	\$131.67
	Groundwater District Fee	\$0.00							
NOTES:	SEWER	Per 1000	\$1.00	\$1.00	\$1.50	\$1.50	\$2.00	\$2.00	\$3.00
	Sewer Incls 0 Gals	\$81.58	\$84.58	\$85.58	\$87.08	\$90.08	\$94.08	\$100.08	\$106.08
	Garbage & Recycling Serv.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Subtotal	\$188.76	\$194.76	\$196.76	\$199.76	\$205.76	\$213.76	\$225.76	\$237.76
	TCEQ Fee	\$0.94	\$0.97	\$0.98	\$1.00	\$1.03	\$1.07	\$1.13	\$1.19
	Total Bill	\$189.70	\$195.73	\$197.74	\$200.75	\$206.78	\$214.82	\$226.88	\$238.94
	Percentage Increase	110%	86%	86%	47%	32%	21%	8%	2%
	Dollar Increase	\$99.25	\$78.14	\$70.67	\$54.07	\$50.00	\$38.94	\$18.89	\$4.78
	AVG COST PER DAY OVER 30 DAYS	\$3.31	\$2.60	\$2.35	\$2.14	\$1.67	\$1.23	\$0.53	\$0.16
	COST PER GALLON		\$0.07	\$0.05	\$0.04	\$0.03	\$0.02	\$0.02	\$0.02





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**TABLE 3 – METER INVENTORY**

METER INVENTORY						
INSERT DATA:						
NO OF 5/8" CUST.=	99%	744	5/8", 3/4"	EQUIV.	1	744.00
NO OF 1" CUST.=	0%	3	1"	EQUIV.	2.5	7.50
NO OF 1-1/2" CUST.=	0%	0	1-1/2"	EQUIV.	5	0.00
NO OF 2" CUST.=	1%	5	2"	EQUIV.	8	40.00
NO OF 2-1/2" CUST.=	0%	0	2-1/2"	EQUIV.	12	0.00
NO OF 3" CUST.=	0%	1	3"	EQUIV.	15	15.00
NO OF 4" CUST.=	0%	0	4"	EQUIV.	25	0.00
NO OF 6" CUST.=	0%	1	6"	EQUIV.	50	50.00
NO OF 8" CUST.=	0%	0	8"	EQUIV.	80	0.00
NO OF 10" CUST.=	0%	0	10"	EQUIV.	115	0.00
	100%	754				857
ESFC Per Water District Financial Management Guide				TCEQ publication RG-080		





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## TABLE 4A – WATER UTILITY BUDGET-FY 2023 Revised

WATER RECOMMENDATION			FY2023 WATER REVENUE REQUIREMENT & RATE DESIGN				
			All Rights Reserved - Superior Water Management of Texas LLC ©				
UTILITY: Westwood Shores MUD			© Superior Water Management of Texas LLC				
REVENUE REQUIREMENT	"FAIR SHARE" RATE ANALYSIS		Expense Item	%	Fixed	%	Variable
Expense							
6-6100 - Water Purchase - TRW	\$289,500.00	WATER	\$289,500.00	100	\$289,500.00	0	\$0.00
6-6135 - Water Plant	\$43,800.00	WATER	\$43,800.00	100	\$43,800.00	0	\$0.00
6-6136 - Water Distribution Lines	\$67,000.00	WATER	\$67,000.00	100	\$67,000.00	0	\$0.00
6-6142 - Water Plant Chemicals	\$8,000.00	WATER	\$8,000.00	100	\$8,000.00	0	\$0.00
6-6144 - Water Plant Labs	\$13,500.00	WATER	\$13,500.00	100	\$13,500.00	0	\$0.00
6-6145 - Meters & Equipment	\$20,000.00	BOTH	\$10,000.00	70	\$7,000.00	30	\$3,000.00
6-6235 - Sewer Plant	\$35,000.00	SEWER	\$0.00	100	\$0.00	0	\$0.00
6-6234 - Sewer Sludge Removal	\$10,000.00	SEWER	\$0.00	100	\$0.00	0	\$0.00
6-6236 - Sewer Collection Lines	\$15,500.00	SEWER	\$0.00	100	\$0.00	0	\$0.00
6-6242 - Sewer Plant Chemicals	\$16,900.00	SEWER	\$0.00	70	\$0.00	30	\$0.00
6-6244 - Sewer Plant Labs	\$2,000.00	SEWER	\$0.00	100	\$0.00	0	\$0.00
6-6259 - Wastewater Plant RAS	\$50,000.00	SEWER	\$0.00	100	\$0.00	0	\$0.00
6-6260 - Lift Stations	\$50,000.00	SEWER	\$0.00	100	\$0.00	0	\$0.00
6-6285 - Marina Village Repairs	\$3,500.00	BOTH	\$1,750.00	100	\$1,750.00	0	\$0.00
6-6286 - Roads	\$1,000.00	BOTH	\$500.00	100	\$500.00	0	\$0.00
6-6310 - Director Fees	\$14,000.00	BOTH	\$7,000.00	100	\$7,000.00	0	\$0.00
6-6311 - Administration & Payroll	\$135,000.00	BOTH	\$67,500.00	100	\$67,500.00	0	\$0.00
6-6312 - Simple IRA	\$8,000.00	BOTH	\$4,000.00	100	\$4,000.00	0	\$0.00
6-6313 - Employee Ins / Workers Comp	\$23,000.00	BOTH	\$11,500.00	100	\$11,500.00	0	\$0.00
6-6320 - Legal Fees	\$80,000.00	BOTH	\$40,000.00	100	\$40,000.00	0	\$0.00
6-6321 - Auditing Fees	\$20,000.00	BOTH	\$10,000.00	100	\$10,000.00	0	\$0.00
6-6322 - Engineering Fees	\$50,000.00	BOTH	\$25,000.00	100	\$25,000.00	0	\$0.00
6-6323 - Operators Fee	\$264,000.00	BOTH	\$132,000.00	100	\$132,000.00	0	\$0.00
6-6325 - Election Expense	\$10,000.00	BOTH	\$5,000.00	100	\$5,000.00	0	\$0.00
6-6326 - Assessment / Permit Fee	\$10,000.00	BOTH	\$5,000.00	100	\$5,000.00	0	\$0.00
6-6333 - Bookkeeping	\$34,000.00	BOTH	\$17,000.00	100	\$17,000.00	0	\$0.00
6-6334 - Financial / Bond Agent	\$3,000.00	BOTH	\$1,500.00	100	\$1,500.00	0	\$0.00
6-6335 - Security	\$500.00	BOTH	\$250.00	100	\$250.00	0	\$0.00
6-6338 - Legal Notices & Other Publication	\$600.00	BOTH	\$300.00	100	\$300.00	0	\$0.00
6-6340 - Office Expenses / Supplies	\$7,500.00	BOTH	\$3,750.00	70	\$2,625.00	30	\$1,125.00
6-6344 - Office Equipment	\$500.00	BOTH	\$250.00	100	\$250.00	0	\$0.00
6-6349 - Office Equipment Leasing	\$7,000.00	BOTH	\$3,500.00	100	\$3,500.00	0	\$0.00
6-6350 - Postage	\$5,000.00	BOTH	\$2,500.00	70	\$1,750.00	30	\$750.00
6-6351 - Telephone	\$10,000.00	BOTH	\$5,000.00	100	\$5,000.00	0	\$0.00
6-6352 - Utilities	\$47,000.00	BOTH	\$23,500.00	70	\$16,450.00	30	\$7,050.00
6-6353 - Insurance & Surety Bond Premium	\$18,000.00	BOTH	\$9,000.00	100	\$9,000.00	0	\$0.00
6-6357 - Vehicle & Equipment Payments	\$58,000.00	BOTH	\$29,000.00	100	\$29,000.00	0	\$0.00
6-6359 - Software - Upgrade/Support	\$12,500.00	BOTH	\$6,250.00	100	\$6,250.00	0	\$0.00
6-6360 - Conferences / Dues	\$1,000.00	BOTH	\$500.00	100	\$500.00	0	\$0.00
6-6361 - Travel Expenses	\$3,000.00	BOTH	\$1,500.00	100	\$1,500.00	0	\$0.00
6-6394 - Trinity VFD Expenses	\$10,250.00	BOTH	\$5,125.00	100	\$5,125.00	0	\$0.00
6-6399 - Garbage	\$2,200.00	BOTH	\$1,100.00	100	\$1,100.00	0	\$0.00
6-6560 - Payroll Expenses	\$30,000.00	BOTH	\$15,000.00	100	\$15,000.00	0	\$0.00
6-6600 - Tap Connection	\$50,000.00	BOTH	\$25,000.00	100	\$25,000.00	0	\$0.00
6-6700 - Shop Expenses	\$43,650.00	BOTH	\$21,825.00	100	\$21,825.00	0	\$0.00
6-6800 - Fuel	\$12,000.00	BOTH	\$6,000.00	70	\$4,200.00	30	\$1,800.00
6-7395 - Miscellaneous Expense	\$1,000.00	BOTH	\$500.00	100	\$500.00	0	\$0.00
6-7396 - Bank Charges & Fees	\$100.00	BOTH	\$50.00	100	\$50.00	0	\$0.00
6-9000 - Capital Outlay	\$50,000.00	BOTH	\$25,000.00	100	\$25,000.00	0	\$0.00
		BOTH	\$0.00	100	\$0.00	0	\$0.00
DEPRECIATION (Audit PAGE 19) = 16%	\$306,294.00	BOTH	\$153,147.00	100	\$153,147.00	0	\$0.00
<b>TOTAL EXPENSE</b>	<b>\$1,952,794.00</b>						
	SUB-TOTAL		\$1,097,597.00		\$1,083,872.00		\$13,725.00
	% OF TOTAL (FIXED + VARIABLE)			97%		4%	
FROM AUDIT PAGE -20 NOTE -3	PRINC. & INTEREST	\$531,546.00	\$265,773.00		\$256,712.56		\$9,380.22
	LESS OTHER REVENUE-TAX	\$322,155.00	-\$161,077.50		-\$155,586.22		-\$5,685.09
	LESS OTHER REVENUE	\$78,900.00	-\$39,450.00		-\$38,105.11		-\$1,392.35
	LESS Marina Village REVENUE	\$33,150.00	-\$33,150.00		\$0.00		\$0.00
	LESS GARBAGE REVENUE	\$0.00	\$0.00		\$0.00		\$0.00
	<b>TOTAL</b>		<b>\$ 1,129,692.50</b>		<b>\$ 1,146,893.22</b>		<b>\$ 16,027.78</b>





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**TABLE 4B – WATER UTILITY RATES-FY 2023**

RATE CALCULATION & DESIGN									





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## TABLE 4C – SEWER UTILITY BUDGET-FY 2023

SEWER RECOMMENDATION			FY2023 WATER REVENUE REQUIREMENT & RATE DESIGN					
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UTILITY: Westwood Shores MUD			Superior Water Management of Texas LLC					
REVENUE REQUIREMENT		"FAIR SHARE" RATE ANALYSIS		Superior Water Management of Texas LLC				
				Expense Item	%	Fixed	%	Variable
Expense								
6-6100 - Water Purchase - TRW	\$289,500.00	WATER	\$0.00	100	\$0.00	0	\$0.00	
6-6135 - Water Plant	\$43,800.00	WATER	\$0.00	100	\$0.00	0	\$0.00	
6-6136 - Water Distribution Lines	\$67,000.00	WATER	\$0.00	100	\$0.00	0	\$0.00	
6-6142 - Water Plant Chemicals	\$8,000.00	WATER	\$0.00	100	\$0.00	0	\$0.00	
6-6144 - Water Plant Labs	\$13,500.00	WATER	\$0.00	100	\$0.00	0	\$0.00	
6-6145 - Meters & Equipment	\$20,000.00	BOTH	\$10,000.00	70	\$7,000.00	30	\$3,000.00	
6-6235 - Sewer Plant	\$35,000.00	SEWER	\$35,000.00	100	\$35,000.00	0	\$0.00	
6-6234 - Sewer Sludge Removal	\$10,000.00	SEWER	\$10,000.00	100	\$10,000.00	0	\$0.00	
6-6236 - Sewer Collection Lines	\$15,500.00	SEWER	\$15,500.00	100	\$15,500.00	0	\$0.00	
6-6242 - Sewer Plant Chemicals	\$16,900.00	SEWER	\$16,900.00	70	\$11,830.00	30	\$5,070.00	
6-6244 - Sewer Plant Labs	\$2,000.00	SEWER	\$2,000.00	100	\$2,000.00	0	\$0.00	
6-6259 - Wastewater Plant RAS	\$50,000.00	SEWER	\$50,000.00	100	\$50,000.00	0	\$0.00	
6-6260 - Lift Stations	\$50,000.00	SEWER	\$50,000.00	100	\$50,000.00	0	\$0.00	
6-6285 - Marina Village Repairs	\$3,500.00	BOTH	\$1,750.00	100	\$1,750.00	0	\$0.00	
6-6286 - Roads	\$1,000.00	BOTH	\$500.00	100	\$500.00	0	\$0.00	
6-6310 - Director Fees	\$14,000.00	BOTH	\$7,000.00	100	\$7,000.00	0	\$0.00	
6-6311 - Administration & Payroll	\$135,000.00	BOTH	\$67,500.00	100	\$67,500.00	0	\$0.00	
6-6312 - Simple IRA	\$8,000.00	BOTH	\$4,000.00	100	\$4,000.00	0	\$0.00	
6-6313 - Employee Ins / Workers Comp	\$23,000.00	BOTH	\$11,500.00	100	\$11,500.00	0	\$0.00	
6-6320 - Legal Fees	\$80,000.00	BOTH	\$40,000.00	100	\$40,000.00	0	\$0.00	
6-6321 - Auditing Fees	\$20,000.00	BOTH	\$10,000.00	100	\$10,000.00	0	\$0.00	
6-6322 - Engineering Fees	\$50,000.00	BOTH	\$25,000.00	100	\$25,000.00	0	\$0.00	
6-6323 - Operators Fee	\$264,000.00	BOTH	\$132,000.00	100	\$132,000.00	0	\$0.00	
6-6325 - Election Expense	\$10,000.00	BOTH	\$5,000.00	100	\$5,000.00	0	\$0.00	
6-6326 - Assessment / Permit Fee	\$10,000.00	BOTH	\$5,000.00	100	\$5,000.00	0	\$0.00	
6-6333 - Bookkeeping	\$34,000.00	BOTH	\$17,000.00	100	\$17,000.00	0	\$0.00	
6-6334 - Financial / Bond Agent	\$3,000.00	BOTH	\$1,500.00	100	\$1,500.00	0	\$0.00	
6-6335 - Security	\$500.00	BOTH	\$250.00	100	\$250.00	0	\$0.00	
6-6338 - Legal Notices & Other Publication	\$600.00	BOTH	\$300.00	100	\$300.00	0	\$0.00	
6-6340 - Office Expenses / Supplies	\$7,500.00	BOTH	\$3,750.00	70	\$2,625.00	30	\$1,125.00	
6-6344 - Office Equipment	\$500.00	BOTH	\$250.00	100	\$250.00	0	\$0.00	
6-6349 - Office Equipment Leasing	\$7,000.00	BOTH	\$3,500.00	100	\$3,500.00	0	\$0.00	
6-6350 - Postage	\$5,000.00	BOTH	\$2,500.00	70	\$1,750.00	30	\$750.00	
6-6351 - Telephone	\$10,000.00	BOTH	\$5,000.00	100	\$5,000.00	0	\$0.00	
6-6352 - Utilities	\$47,000.00	BOTH	\$23,500.00	70	\$16,450.00	30	\$7,050.00	
6-6353 - Insurance & Surety Bond Premium	\$18,000.00	BOTH	\$9,000.00	100	\$9,000.00	0	\$0.00	
6-6357 - Vehicle & Equipment Payments	\$58,000.00	BOTH	\$29,000.00	100	\$29,000.00	0	\$0.00	
6-6359 - Software - Upgrade/Support	\$12,500.00	BOTH	\$6,250.00	100	\$6,250.00	0	\$0.00	
6-6360 - Conferences / Dues	\$1,000.00	BOTH	\$500.00	100	\$500.00	0	\$0.00	
6-6361 - Travel Expenses	\$3,000.00	BOTH	\$1,500.00	100	\$1,500.00	0	\$0.00	
6-6394 - Trinity VFD Expenses	\$10,250.00	BOTH	\$5,125.00	100	\$5,125.00	0	\$0.00	
6-6399 - Garbage	\$2,200.00	BOTH	\$1,100.00	100	\$1,100.00	0	\$0.00	
6-6560 - Payroll Expenses	\$30,000.00	BOTH	\$15,000.00	100	\$15,000.00	0	\$0.00	
6-6600 - Tap Connection	\$50,000.00	BOTH	\$25,000.00	100	\$25,000.00	0	\$0.00	
6-6700 - Shop Expenses	\$43,650.00	BOTH	\$21,825.00	100	\$21,825.00	0	\$0.00	
6-6800 - Fuel	\$12,000.00	BOTH	\$6,000.00	70	\$4,200.00	30	\$1,800.00	
6-7395 - Miscellaneous Expense	\$1,000.00	BOTH	\$500.00	100	\$500.00	0	\$0.00	
6-7396 - Bank Charges & Fees	\$100.00	BOTH	\$50.00	100	\$50.00	0	\$0.00	
6-9000 - Capital Outlay	\$50,000.00	BOTH	\$25,000.00	100	\$25,000.00	0	\$0.00	
		BOTH	\$0.00	100	\$0.00	0	\$0.00	
DEPRECIATION (Audit PAGE 19) = 16%	\$306,294.00	BOTH	\$153,147.00	100	\$153,147.00	0	\$0.00	
TOTAL EXPENSE	\$1,952,794.00							
	SUB-TOTAL		\$855,197.00		\$836,402.00		\$18,795.00	
	% OF TOTAL (FIXED + VARIABLE)			97%		4%		
FROM AUDIT PAGE -20 NOTE -3	PRINC. & INTEREST	\$531,546.00	\$265,773.00		\$256,712.56		\$9,380.22	
	LESS OTHER REVENUE-TAX	\$322,155.00	-\$161,077.50		-\$155,586.22		-\$5,685.09	
	LESS OTHER REVENUE	\$78,900.00	-\$39,450.00		-\$38,105.11		-\$1,392.35	
	LESS Marina Village REVENUE	\$53,800.00	-\$53,800.00		\$0.00		\$0.00	
	LESS GARBAGE REVENUE	\$0.00	\$0.00		\$0.00		\$0.00	
TOTAL			\$ 866,642.50		\$ 899,423.22		\$ 21,097.78	





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**TABLE 4D – SEWER UTILITY RATES-FY 2023**

Page 11 of 21





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### 3. OBSERVATIONS, FINDINGS, AND RECOMMENDATIONS:

**A. Revenue Risk:** This principle seeks to minimize the risk of revenue reduction due to a reduction in water demand. The more of the monthly revenue that is included in the minimum bill the less risk there is to cover fixed costs. Fixed costs are the budgetary costs that do not change (or change very little) from month to month; year to year. Therefore, the fixed cost should be covered by the monthly revenue as generated by the Base Rate to insure "Revenue Stability".

- As proposed, the percentage of the water/sewer revenue generated by the District's Base Rate/Minimum Bill is 97% and the percentage generated by the Variable Rate (per 1000 gallons) is 3%.

**B. Financial Integrity:** The ability to meet both day-to-day operational expenses as well as unexpected and unbudgeted costs. This includes capital improvements, emergency repairs or improvements, debt service, etc.

**C. Sustainability:** The ability to become a "self-sustaining" entity without the need for any outside financial assistance in meeting both current and future needs.

**This element requires the implementation of an "Asset Management Plan".**

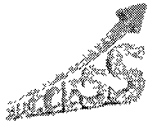
#### Application of Base Rate by Equivalent Meter Size (ESFC)

METER INVENTORY					
INSERT DATA:					
NO OF 5/8" CUST.=	99%	744	5/8", 3/4"	EQUIV. 1	744.00
NO OF 1" CUST.=	0%	3	1"	EQUIV. 2.5	7.50
NO OF 1-1/2" CUST.=	0%	0	1-1/2"	EQUIV. 5	0.00
NO OF 2" CUST.=	1%	5	2"	EQUIV. 8	40.00
NO OF 2-1/2" CUST.=	0%	0	2-1/2"	EQUIV. 12	0.00
NO OF 3" CUST.=	0%	1	3"	EQUIV. 15	15.00
NO OF 4" CUST.=	0%	0	4"	EQUIV. 25	0.00
NO OF 6" CUST.=	0%	1	6"	EQUIV. 50	50.00
NO OF 8" CUST.=	0%	0	8"	EQUIV. 80	0.00
NO OF 10" CUST.=	0%	0	10"	EQUIV. 115	0.00
	100%	754			857

ESFC Per Water District Financial Management Guide

TCEQ publication RG-080

It is recommended that the District abandoned "Land Use" rates and implement equivalent rates



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### **Application of "Fair Share" Rate Structure with removal of 3000 gallons included**

The District currently includes 3000 gallons with the minimum bill. However, it is not known if the cost of the 3000 gallons were ever included in any previous rate setting exercises. **Therefore, it is recommended that the 3000 gallons be removed from the base rate/minimum bill to distribute the cost of providing service more fairly and to be consistent with today's rate setting practices and principles.**

For instance, if 3000 gallons are included and the cost added to the base rate, then anyone who may use less than 3000 gallons are being billed for gallons that they did not use or benefit from.

**Therefore, we recommend that a rate including zero (0) gallons be adopted and each customer pay their fair share of the fixed costs via the base rate and then pay for each 1000 gallons they use each month.**

**As well as charging rates based on Meter Size "Water Use" and "Capacity Reserved" and not based on land use (commercial, residential, industrial, etc.)**

**Additionally, all customers should be charged the same rates unless there is a "cost-based justification" for the difference in rates including In District and Out of District customers.**

I am happy to discuss the rate study findings and recommendations in detail at your convenience. Thank you for the opportunity to be of service!

Superior Water Management of Texas LLC

By: \_\_\_\_\_

**Phillip Givens, Managing Principal**



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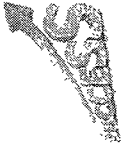
Website: [www.superiormanagementtexas.com](http://www.superiormanagementtexas.com)



### Additional Source Documents and Information

#### FY 2023 Adopted Budget Revised

	FYE 2023 New Approved Budget
<b>Income</b>	
6-4100 · Water Revenue	507,500
6-4120 · Connection Fees	5,000
6-4200 · Sewer Revenue	191,000
6-4202 · Inspection Fees	5,000
6-4330 · Delinquency	16,630
6-4340 · Transfer / Reconnection Fees	250
6-4500 · Standby Fees	0
6-4600 · Tap Connection Fees	50,000
6-5304 · Trinity VFD	10,250
6-5380 · Miscellaneous Income	1,000
6-5391 · Interest	1,000
6-5396 · Marina Village Water	33,150
6-5397 · Marina Village Sewer	53,800
6-5398 · Maintenance Tax Collections	322,155
<b>Total Income</b>	<b>1,196,755</b>
<b>Expense</b>	
6-6100 · Water Purchase - TRW	289,500
6-6135 · Water Plant	43,800
6-6136 · Water Distribution Lines	67,000
6-6142 · Water Plant Chemicals	8,000
6-6144 · Water Plant Labs	13,500
6-6145 · Meters & Equipment	20,000
6-6235 · Sewer Plant	38,000
6-6234 · Sewer Sludge Removal	10,000
6-6236 · Sewer Collection Lines	15,500
6-6242 · Sewer Plant Chemicals	18,000
6-6244 · Sewer Plant Labs	2,000
6-6259 · Wastewater Plant RAS	50,000
6-6260 · Lift Stations	3,500
6-6286 · Marina Village Repairs	1,000
6-6286 · Roads	14,000
6-6310 · Director Fees	135,000
6-6312 · Administration & Payroll	8,000
6-6313 · Simple IRA	23,000
6-6320 · Legal Fees	80,000
6-6321 · Auditing Fees	20,000
6-6322 · Engineering Fees	50,000
6-6323 · Operators Fee	264,000
6-6326 · Election Expense	10,000
6-6328 · Assessment / Permit Fee	10,000
6-6333 · Bookkeeping	34,000
6-6334 · Financial / Bond Agent	3,000
6-6335 · Security	500
6-6338 · Legal Notices & Other Publication	600
6-6340 · Office Expenses / Supplies	7,500
6-6344 · Office Equipment	500
6-6348 · Office Equipment Leasing	7,000
6-6350 · Postage	5,000
6-6351 · Telephones	10,000
6-6352 · Utilities	47,000
6-6353 · Insurance & Surety Bond Premium	18,000
6-6357 · Vehicle & Equipment Payments	58,000
6-6359 · Software - Upgrades/Support	12,500
6-6360 · Conferences / Dues	1,000
6-6361 · Travel Expenses	3,000
6-6394 · Trinity VFD Expenses	10,250
6-6399 · Garbage	2,200
6-6560 · Payroll Expenses	30,000
6-6600 · Tap Connection	50,000
6-6700 · Shop Expenses	43,650
6-6800 · Fuel	12,000
6-7395 · Miscellaneous Expense	1,000
6-7396 · Bank Charges & Fees	100
6-9000 · Capital Outlay	50,000
<b>Total Expense</b>	<b>1,616,500</b>
<b>Net Income</b>	<b>-419,745</b>



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## FY 2023 Adopted Budget

### Westwood Shores MUD

FYE 2023  
Approved

<b>Income</b>		
6-4100 · Water Revenue	507,500	
6-4120 · Connection Fees	5,000	
6-4200 · Sewer Revenue	191,000	
6-4202 · Inspection Fees	5,000	
6-4330 · Delinquency	16,650	
6-4340 · Transfer / Reconnection Fees	250	
6-4500 · Standby Fees	45,240	
6-4600 · Tap Connection Fees	50,000	
6-5304 · Trinity VFD	10,250	
6-5380 · Miscellaneous Income	1,000	
6-5391 · Interest	1,000	
6-5396 · Marina Village Water	33,150	
6-5397 · Marina Village Sewer	42,200	
6-5398 · Maintenance Tax Collections	485,000	
<b>Total Income</b>	<b>1,404,840</b>	
<b>Expense</b>		
6-6100 · Water Purchase - TRW	289,500	
6-6135 · Water Plant	43,800	
6-6136 · Water Distribution Lines	67,000	
6-6142 · Water Plant Chemicals	9,000	
6-6144 · Water Plant Labs	13,500	
6-6145 · Meters & Equipment	20,000	
6-6235 · Sewer Plant	35,000	
6-6234 · Sewer Sludge Removal	10,000	
6-6236 · Sewer Collection Lines	15,500	
6-6242 · Sewer Plant Chemicals	16,900	
6-6244 · Sewer Plant Labs	2,000	
6-6259 · Wastewater Plant RAS	50,000	
6-6260 · Lift Stations	50,000	
6-6285 · Marina Village Repairs	3,500	
6-6286 · Roads	1,000	
6-6310 · Director Fees	14,000	
6-6311 · Administration & Payroll	135,000	
6-6312 · Simple IRA	8,000	
6-6313 · Employee Ins / Workers Comp	23,000	
6-6320 · Legal Fees	80,000	
6-6321 · Auditing Fees	20,000	
6-6322 · Engineering Fees	50,000	
6-6323 · Operators Fee	264,000	
6-6325 · Election Expense	10,000	
6-6326 · Assessment / Permit Fee	10,000	
6-6333 · Bookkeeping	34,000	
6-6334 · Financial / Bond Agent	3,000	
6-6335 · Security	500	
6-6338 · Legal Notices & Other Publication	600	
6-6340 · Office Expenses / Supplies	7,500	
6-6344 · Office Equipment	500	
6-6349 · Office Equipment Leasing	7,000	
6-6350 · Postage	5,000	
6-6351 · Telephone	10,000	
6-6352 · Utilities	47,000	
6-6353 · Insurance & Surety Bond Premium	18,000	
6-6359 · Software - Upgrade/Support	12,500	
6-6360 · Conferences / Dues	1,000	
6-6361 · Travel Expenses	3,000	
6-6394 · Trinity VFD Expenses	10,250	
6-6399 · Garbage	2,200	
6-6560 · Payroll Expenses	30,000	
6-6600 · Tap Connection	50,000	
6-6700 · Shop Expenses	43,650	
6-6800 · Fuel	12,000	
6-7395 · Miscellaneous Expense	1,000	
6-7396 · Bank Charges & Fees	100	
6-9000 · Capital Outlay	50,000	
<b>Total Expense</b>	<b>1,588,500</b>	
<b>Net Income</b>	<b>-183,660</b>	

Other Revenue	\$124,140



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### CURRENT RATES



## Westwood Shores M.U.D

75 Cottonwood  
Trinity, TX 75862

October 17, 2022

Valued Customers,

We have recently had a professional Rate Study provided by Superior Management, which recommended a rate increase, necessary to maintain infrastructure and supply service. The new rates were approved by the MUD Board at the 10/17/2022 meeting and will take effect immediately. We did not make this decision lightly and understand that it may cause some inconvenience.

We appreciate your business and hope that you will continue to support us in the future. If you have any questions or concerns, please do not hesitate to contact us. 936-594-3411 or [customerservice@westwoodshoresmud.com](mailto:customerservice@westwoodshoresmud.com)

### New Amended Water/Sewer Rates

WATER Meters	Water Monthly	Sewer Monthly
CONNECTION SIZE	MINIMUM BILL	
5/8", 3/4"	\$60.00	\$30.00
1"	\$65.00	\$30.00
2"	\$105.00	\$30.00
3"	\$155.00	\$30.00
6"	\$670.00	\$30.00

#### INCREASING BLOCK RATES

0 gallons - 3,000 gallons	\$9.00 per 1,000 gallons
3,000 gallons - 5,000 gallons	\$9.50 per 1,000 gallons
5,000 gallons - 7,000 gallons	\$10.00 per 1,000 gallons
7,000 gallons - 9,000 gallons	\$10.50 per 1,000 gallons
9,000 gallons - 12,000 gallons	\$11.00 per 1,000 gallons
12,000 gallons - 15,000 gallons	\$11.50 per 1,000 gallons
15,000 gallons - 20,000 gallons	\$12.00 per 1,000 gallons
Over 20,000 gallons	\$12.50 per 1,000 gallons

*All water tap charges will be at meter size rate above*

*All sewer taps or connections will be charged at \$30.00 per connection*



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### PRIOR RATES

#### *RESIDENTIAL MONTHLY WATER/SEWER RATES*

\$30.00 (minimum monthly charge per connection) for 0-1,000  
Gallons of Water Usage

*1,000 TO 3,000 Gallons* \$45.00 (minimum monthly charge per connection)  
*Water*

*Sewer Rates* \$20.00 (minimum monthly charge per connection)

*TOTAL MONTHLY*  
*RESIDENTIAL WATER/SEWER* \$65.00 (MINIMUM MONTHLY CHARGE PER CONNECTION)  
*RATES*

#### *MINIMUM MONTHLY WATER USAGE CHARGE OVER 3,000 GALLONS*

3,000 TO 20,000 Gallons \$9.50 per 1,000 gallons usage

Over 20,000 Gallons \$10.00 per 1,000 gallons usage

#### *COMMERCIAL MONTHLY WATER/SEWER RATES*

*0 - 3,000* \$49.00 (minimum monthly charge per  
*Gallons Water* connection)

*Sewer Rates* \$24.00 (minimum monthly charge per  
connection)

Phone: 936-594-3411 Fax: 936-594-0408  
[www.westwoodshoresmud.com](http://www.westwoodshoresmud.com) WWSMud Office

Page 6

Amended Rate Order, January 20, 2022

*TOTAL MONTHLY*  
*COMMERCIAL* \$73.00 (MINIMUM MONTHLY CHARGE PER  
*WATER/SEWER RATES* CONNECTION)





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### METER INVENTORY

For the meter size, we need the section in green completed for each "active" meter size.

METER INVENTORY						
INSERT DATA:						
NO OF 5/8" CUST.=		744	5/8", 3/4"	EQUIV.	1	
NO OF 1" CUST.=		3	1"	EQUIV.	2.5	
NO OF 1-1/2" CUST.=			1-1/2"	EQUIV.	5	
NO OF 2" CUST.=		5	2"	EQUIV.	8	
NO OF 2-1/2" CUST.=			2-1/2"	EQUIV.	12	
NO OF 3" CUST.=		1	3"	EQUIV.	15	
NO OF 4" CUST.=			4"	EQUIV.	25	
NO OF 6" CUST.=		1	6"	EQUIV.	50	
NO OF 8" CUST.=			8"	EQUIV.	80	
NO OF 10" CUST.=			10"	EQUIV.	115	
		754				
ESFC Per Water District Financial Management Guide			TCEQ publication RG-080			

From: Phillip Givens <phillipgivens@superiormanagementtexas.com>

Sent: Wednesday, July 6, 2022 2:02 PM

To: Tricia Elliott <tricia@westwoodshoresmud.com>

Subject: Re: Rate Study Agreement

### GALLONS BILLED DATA

#### WESTWOOD SHORES MUD Consumption History - Summary

Sort Order: Customer No.  
From 1/1/2021 Through 12/31/2021

Limited to : Cycle 1- CYCLE 1

Service	Units	Revenue	Rate Code	Original	Adjusted	Billed	Change
SEWER	gal	Commercial	SEW02	681,894.00	0.00	681,894.00	8,662.85
Total SEWER - gal				681,894.00	0.00	681,894.00	8,662.85
WATER	gal	Commercial	CWAT01	681,894.00	0.00	681,894.00	11,867.30
		Residential	CWAT01	25.00	0.00	25.00	30.00
		Industrial	WAT01	29,388.00	0.00	28,366.00	584.19
		Residential	WAT01	27,384,030.00	55,495.00	27,439,525.00	454,985.04
Total WATER - gal				28,094,317.00	55,495.00	28,149,812.00	467,467.12





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### DEPRECIATION (FROM AUDIT)

A summary of changes in capital assets for the year ended June 30, 2021, is as follows:

	BALANCE 06/30/2020	ADDITIONS	DELETIONS/ PLACED IN SERVICE	BALANCE 06/30/2021
Capital Assets, Not Being Depreciated:				
Land easements and rights-of-way	\$ 21 571	\$ -	\$ -	\$ 21 571
Construction in progress	242 339	63 000	-	305 339
<b>TOTAL NOT BEING DEPRECIATED</b>	<b>263 910</b>	<b>63 000</b>	<b>-</b>	<b>326 910</b>
Capital Assets, Being Depreciated:				
Roads	52 742	-	-	52 742
Furniture and equipment	293 323	109 076	(82 062)	317 337
Rolling stock	178 595	-	-	178 595
Buildings and Improvements	312 988	-	-	312 988
Water system	3 932 931	-	-	3 932 931
Wastewater system	3 366 259	-	-	3 366 259
Distribution lines and connections	4 785 249	-	-	4 785 249
<b>TOTAL BEING DEPRECIATED</b>	<b>12 922 087</b>	<b>109 076</b>	<b>(82 062)</b>	<b>12 946 101</b>
Less Accumulated Depreciation:				
Roads	(46 730)	(587)	-	(46 317)
Furniture and equipment	(195 876)	(7 749)	10 176	(193 449)
Rolling stock	(91 396)	(17 820)	-	(109 216)
Buildings and improvements	(97 478)	(8 498)	-	(105 976)
Water system	(1 984 630)	(165 163)	-	(2 149 793)
Wastewater system	(1 437 216)	(104 946)	-	(1 542 162)
Distribution lines and connections	(4 782 789)	(1 531)	-	(4 784 320)
<b>TOTAL ACCUMULATED DEPRECIATION</b>	<b>(8 636 115)</b>	<b>(306 294)</b>	<b>10 0176</b>	<b>(8 932 233)</b>
<b>TOTAL BEING DEPRECIATED, NET</b>	<b>4 285 972</b>	<b>(200 218)</b>	<b>(71 886)</b>	<b>4 013 868</b>
<b>TOTAL CAPITAL ASSETS, NET</b>	<b>\$ 4 549 882</b>	<b>\$ (137 218)</b>	<b>\$ (71 886)</b>	<b>\$ 4 340 778</b>

Depreciation expense of \$306,294 was charged to governmental funds as of June 30, 2021.



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## DEBT SERVICE REQUIREMENTS – FY2023 = \$531,546.00

### WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

#### NOTE 3 - DETAILED NOTES ON ALL FUNDS - CONTINUED

##### LIABILITIES

##### Long-term Debt:

Long-term debt activity for the year ended June 30, 2021, was as follows:

	BALANCE 06/30/2020	ADDITIONS	REDUCTIONS	BALANCE 06/30/2021	DUE WITHIN ONE YEAR
2010B Bonds	\$ 1,230,000		(105,000)	\$ 1,125,000	105,000
2017 Bonds	1,795,000		(125,000)	1,670,000	125,000
2020A Bonds		1,560,000	(70,000)	1,490,000	70,000
2020B Bonds		1,400,000	(65,000)	1,335,000	65,000
Capital Leases	71,725	40,814	(27,886)	84,653	28,504
<b>TOTAL LONG-TERM DEBT</b>	<b>\$ 2,696,725</b>	<b>\$ 3,000,814</b>	<b>\$ (292,886)</b>	<b>\$ 5,304,653</b>	<b>\$ 244,280</b>

The annual debt service requirements to maturity for long-term debt are as follows:

YEAR ENDING JUNE 30	BONDS		CAPITAL LEASES	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2021	\$ 365,000	\$ 94,656	\$ 28,504	\$ 7,491
2022	385,000	88,551	56,150	1,845
2023	390,000	81,852		
2024	395,000	74,822		
2025	400,000	67,339		
Thereafter	3,280,000	308,758		
<b>TOTAL</b>	<b>\$ 4,520,000</b>	<b>\$ 715,978</b>	<b>\$ 84,654</b>	<b>\$ 4,336</b>

At year end, the District had \$31,741 available in the debt service fund to service long-term debt.

Bonds payable at June 30, 2021, are comprised of the following:

**Unlimited Tax Bonds, Series 2010A and 2010B.** In May, 2010, the District issued \$2,040,000 in unlimited tax bonds, through the Texas Water Development Board. Proceeds of the bonds were to be used for major improvements to the District's wastewater treatment system. The project was completed as of May 1, 2013. The bonds were issued as follows:

**Series 2010A.** \$215,000 of serial bonds which were fully paid off, and removed from the District's books as of June 30, 2014.

**Series 2010B.** Issued through the Clean Water State Revolving Fund, \$1,825,000 of serial bonds bearing interest at rates of 0.40% to 3.20% and maturing from 2011 to 2030. The bonds are redeemable in whole or in part, beginning on May 1, 2011, and on any accrued interest date thereafter as provided by the bond order.

The Series 2010B bonds are secured by the District's ad valorem taxes and require annual payments of principal on May 1, and semi-annual payments of interest on May 1 and November 1, at varying amounts. The bond resolution requires cash from the original issue that is remaining after the completion of the construction project to be transferred to the debt service fund for payment of principal and interest. The bonds have been recorded in the debt service fund.

**Unlimited Tax Refunding Bonds, Series 2017.** The District issued \$1,635,000 of Unlimited Tax Refunding Bonds, through the Texas Water Development Board. The net proceeds were used to advance refund a portion of the Unlimited Tax and Revenue Bonds Series 2007, bearing interest at 2.39% and maturing in 2030.

The Series 2017 bonds are secured by the District's ad valorem taxes and require annual payments of principal on May 1, and semi-annual payments of interest on May 1 and November 1, at varying amounts.

**Unlimited Tax Bonds, Series 2020A and 2020B.** The District issued \$2,960,000 in unlimited tax bonds, through the Texas Water Development Board. Proceeds of the bonds will be used for major improvements to the District's water and wastewater treatment system. The project is still under construction. The bonds were issued as follows:

**Series 2020A.** \$1,560,000 of serial bonds issued bearing interest rates of 0.110% to 1.68% and maturing in 2040.

**Series 2020B.** \$1,400,000 of serial bonds issued bearing interest rates of 0.16% to 1.73% and maturing in 2040.