

ITEM D



WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY

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Operations Report

September 13, 2018

Executive Summary

Overall water demand has lowered significantly over the last few weeks. The reduced water flow has allowed operations staff to take equipment off-line and perform routine preventative maintenance.

Critical Issues

VT SCADA system at the Water Treatment Plant is nearly complete. Dedicated Controls is expected to finish within the next 2 weeks. VT SCADA is expected to be operating independently within the next few weeks.

Environmental Compliance

All TCEQ compliance parameters were within State limits during the month of August 2018. Please see the below process control summaries for the Water Treatment Plant and both Wastewater Treatment Plants.

Process Overview of Month:

| Water Treatment Plant | Actual |
|-----------------------|------------|
| AVG Raw Water | 13.410 MGD |
| AVG Treated Water | 12.689 MGD |
| PEAK Treated Water | 15.790 MGD |
| AVG CFE Turbidity | 0.17 NTU |
| AVG Chlorine | 3.14 mg/L |

| Lake Point WWTP | Actual | Permit Limit |
|-----------------|-----------|--------------|
| AVG Flow | 0.461 MGD | 0.675 MGD |
| MAX Flow | 0.596 MGD | |
| AVG BOD | 1.10 mg/l | 5 mg/l |
| AVG Fec.Coli | 1.10 mg/l | 20 mg/L |
| AVG NH3 | 0.06 mg/l | 2 mg/L |
| AVG Turbidity | 1.02 mg/l | 3 mg/L |

| Bohls WWTP | Actual | Permit Limit |
|-------------------|---------------|---------------------|
| AVG Flow | 0.220 MGD | 0.325 MGD |
| MAX Flow | 0.338 MGD | |
| AVG BOD | 1.10 mg/l | 5 mg/L |
| AVG Fec.Coli | 1.00 mg/l | 20 mg/L |
| AVG NH3 | 0.06 mg/l | 2 mg/L |
| AVG Turbidity | 1.03 mg/l | 3 mg/L |

Other Performance Measures

Routine fire hydrant flushing resumed during the month of August. 367,000 gallons of water was flushed from different areas of the system. Flushing water through hydrants move the water and helps improve water quality.

Public Relations

Lakepointe HOA contacted us requesting assistance to remove a water tap at Lakepointe Vista Park. It appears an irrigation line is tapped off the service line that supplies wash water to Lift Station No. 3. A separate meter box and service line will be installed, and the existing taps to the park will be disconnected. The property owners near LS No. 3 were advised.

Safety Performance

There were zero reportable injuries for the month of August 2018.

Safety topic(s) this month:

- Chlorine gas Safety
- Fall Protection Safety
- Personal Protective Equipment

Personnel

There are two positions in Pump and Motor that are still vacant. The response to this position has been high but the number of qualified applicants is low. We hope to fill the vacancy soon.

Miscellaneous

- All air breathing apparatuses were inspected and checked for mechanical issues. All devices are in normal operating condition.
- 12-inch water break on Overland Pass was repaired August 24th. The water line is located within the roadway and required a small patch of asphalt repair.
- Met with Stuart Jones September 7th to discuss a manhole leak. Upon closer inspection it was discovered to be mixture of ground water and irrigation runoff, and not a sanitary sewer issue.

West Travis County Public Utility Agency Billing Summary Report



**This report contains estimates of monthly billing data based upon information at the time of report preparation. This report is not based upon audited information. Additionally, monthly billing adjustments may not be reflected on this report. This is prepared for trending purposes only. For final billed revenues net of adjustments, please see the monthly bookkeepers report.*



Summary of Retail Billed Revenues Water Utility

| Bee Cave District | July 6/9-7/10 | August 7/11-8/8 | September 8/9-9/8 | October 9/9-10/9 | November 10/10-11/9 | December 11/10-12/8 | January 12/9-1/10 | February 1/11-2/9 | March 2/10-3/9 | April 3/10-4/10 | May 4/11-5/10 | June 5/11-6/11 | July 6/12-7/11 | 12 Month Total |
|------------------------|------------------|--------------------|----------------------|---------------------|------------------------|------------------------|----------------------|----------------------|-------------------|--------------------|-------------------|-------------------|-------------------|---------------------|
| Commercial Water | \$ - | \$ 32,160 | \$ 32,463 | \$ 41,543 | \$ 35,189 | \$ 23,529 | \$ 22,947 | \$ 24,449 | \$ 22,517 | \$ 28,570 | \$ 26,598 | \$ 34,887 | \$ 37,406 | \$ 362,259 |
| Commercial Base Water | - | 23,369 | 23,420 | 23,536 | 23,844 | 24,004 | 24,254 | 24,408 | 24,431 | 24,455 | 24,418 | 24,371 | 24,257 | \$ 288,766 |
| Fire Hydrant Water | - | 7,805 | 22,384 | 22,296 | 20,222 | 11,841 | 8,377 | 9,900 | 10,508 | 12,713 | 3,552 | 4,178 | 2,284 | \$ 136,059 |
| Multi Use Water | - | 49,764 | 54,361 | 48,143 | 52,308 | 47,418 | 49,020 | 50,142 | 45,968 | 47,626 | 50,281 | 51,683 | 55,036 | \$ 601,751 |
| Residential Base Water | - | 119,439 | 119,843 | 119,951 | 120,107 | 121,119 | 122,407 | 123,023 | 123,270 | 124,543 | 126,684 | 128,166 | 128,315 | \$ 1,476,866 |
| Residential Water | - | 484,033 | 443,527 | 353,714 | 288,006 | 213,128 | 141,241 | 128,794 | 102,210 | 190,478 | 273,805 | 413,564 | 561,914 | \$ 3,594,414 |
| Irrigation Water | - | 96,201 | 105,463 | 103,193 | 66,024 | 54,196 | 26,908 | 23,130 | 23,122 | 27,954 | 42,888 | 97,319 | 179,824 | \$ 846,223 |
| TOTALS | \$ - | \$ 812,771 | \$ 801,460 | \$ 712,377 | \$ 605,700 | \$ 495,236 | \$ 395,154 | \$ 383,846 | \$ 352,026 | \$ 456,339 | \$ 548,224 | \$ 754,169 | \$ 989,036 | \$ 7,306,338 |

| Bee Cave South | July 6/30-7/31 | August 8/1-8/30 | September 8/31-9/29 | October 9/30-10/30 | November 10/31-11/30 | December 12/1-12/29 | January 12/30-1/31 | February 2/1-3/1 | March 3/2-3/29 | April 3/30-4/30 | May 5/1-5/31 | June 6/1-6/29 | July 6/30-7/30 | 12 Month Total |
|------------------------|-------------------|--------------------|------------------------|-----------------------|-------------------------|------------------------|-----------------------|---------------------|-------------------|--------------------|-------------------|-------------------|-------------------|---------------------|
| Commercial Water | \$ 31,963 | \$ 28,654 | \$ 25,715 | \$ 25,710 | \$ 26,367 | \$ 23,262 | \$ 29,974 | \$ 23,419 | \$ 22,285 | \$ 26,524 | \$ 29,527 | \$ 22,280 | \$ 25,865 | \$ 341,547 |
| Commercial Base Water | 6,972 | 7,026 | 7,026 | 7,026 | 7,035 | 7,026 | 7,031 | 7,026 | 7,109 | 7,222 | 7,235 | 7,232 | 7,232 | \$ 92,201 |
| Fire Hydrant Water | 2,200 | 593 | 784 | 735 | 574 | 431 | 688 | 2,411 | 5,601 | 5,601 | 6,676 | 14,054 | 16,459 | \$ 56,808 |
| Residential Base Water | 75,498 | 75,519 | 75,498 | 75,507 | 75,592 | 75,646 | 75,768 | 75,764 | 75,865 | 75,902 | 75,955 | 75,988 | 76,228 | \$ 984,731 |
| Residential Water | 230,883 | 198,023 | 131,733 | 97,370 | 94,940 | 63,363 | 79,713 | 55,708 | 69,080 | 94,908 | 119,386 | 182,351 | 191,340 | \$ 1,608,798 |
| TOTALS | \$ 347,517 | \$ 309,816 | \$ 240,756 | \$ 206,349 | \$ 204,509 | \$ 169,729 | \$ 193,174 | \$ 164,328 | \$ 179,941 | \$ 210,158 | \$ 238,778 | \$ 301,905 | \$ 317,124 | \$ 3,084,085 |

| Homestead / Meadow Fox | July 6/20-7/19 | August 7/20-8/17 | September 8/18-9/18 | October 9/19-10/18 | November 10/19-11/17 | December 11/18-12/18 | January 12/19-1/17 | February 1/18-2/16 | March 2/17-3/19 | April 3/20-4/18 | May 4/19-5/18 | June 5/19-6/19 | July 6/20-7-19 | 12 Month Total |
|------------------------|-------------------|---------------------|------------------------|-----------------------|-------------------------|-------------------------|-----------------------|-----------------------|--------------------|--------------------|------------------|-------------------|-------------------|-------------------|
| Residential Base Water | \$ 6,911 | \$ 6,915 | \$ 6,918 | \$ 6,969 | \$ 6,957 | \$ 6,957 | \$ 6,957 | \$ 6,957 | \$ 6,932 | \$ 6,915 | \$ 6,944 | \$ 6,955 | \$ 6,898 | \$ 90,184 |
| Residential Water | 10,852 | 12,656 | 10,331 | 9,553 | 8,103 | 7,661 | 5,778 | 5,203 | 7,054 | 7,478 | 8,535 | 16,902 | 16,164 | \$ 126,271 |
| TOTALS | \$ 17,763 | \$ 19,570 | \$ 17,250 | \$ 16,522 | \$ 15,060 | \$ 14,618 | \$ 12,735 | \$ 12,160 | \$ 13,985 | \$ 14,393 | \$ 15,480 | \$ 23,857 | \$ 23,063 | \$ 216,456 |

| 290 / HPR | July 6/22-7/21 | August 7/22-8/21 | September 8/22-9/20 | October 9/21-10/20 | November 10/21-11/21 | December 11/22-12/20 | January 12/21-1/19 | February 1/20-2/20 | March 2/21-3/21 | April 3/22-4/20 | May 4/21-5/22 | June 5/23-6/21 | July 6/22-7/20 | 12 Month Total |
|------------------------|-------------------|---------------------|------------------------|-----------------------|-------------------------|-------------------------|-----------------------|-----------------------|--------------------|--------------------|-------------------|-------------------|-------------------|---------------------|
| Commercial Water | \$ 4,030 | \$ 5,449 | \$ 8,123 | \$ 5,685 | \$ 8,738 | \$ 3,602 | \$ 3,109 | \$ 3,537 | \$ 3,670 | \$ 3,380 | \$ 3,814 | \$ 7,150 | \$ 4,103 | \$ 64,390 |
| Commercial Base Water | 2,295 | 2,295 | 2,277 | 2,295 | 2,550 | 2,509 | 2,509 | 2,509 | 2,509 | 2,524 | 2,550 | 2,705 | 2,713 | \$ 32,239 |
| Fire Hydrant Water | 49,445 | 39,348 | 9,526 | 7,773 | 7,336 | 5,431 | 3,052 | 3,550 | 7,701 | 12,312 | 16,095 | 43,052 | 23,354 | \$ 227,976 |
| Residential Base Water | 113,970 | 114,465 | 115,214 | 115,667 | 116,382 | 117,206 | 117,622 | 118,121 | 118,991 | 119,896 | 120,850 | 121,447 | 122,317 | \$ 1,532,149 |
| Residential Water | 400,311 | 454,912 | 300,979 | 215,523 | 194,262 | 139,479 | 91,126 | 94,224 | 111,789 | 196,602 | 262,673 | 409,262 | 381,734 | \$ 3,252,875 |
| Irrigation Water | 41,197 | 60,731 | 38,682 | 21,991 | 32,011 | 12,918 | 2,357 | 2,354 | 6,588 | 16,331 | 30,735 | 45,036 | 45,268 | \$ 356,198 |
| TOTALS | \$ 611,247 | \$ 677,199 | \$ 474,801 | \$ 368,934 | \$ 361,280 | \$ 281,143 | \$ 219,774 | \$ 224,295 | \$ 251,249 | \$ 351,046 | \$ 436,717 | \$ 628,651 | \$ 579,489 | \$ 5,465,826 |

| GRAND TOTALS | July | August | September | October | November | December | January | February | March | April | May | June | July | 12 Month Total |
|------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Commercial Water | \$ 35,993 | \$ 66,264 | \$ 66,301 | \$ 72,939 | \$ 70,295 | \$ 50,393 | \$ 56,031 | \$ 51,405 | \$ 48,473 | \$ 58,474 | \$ 59,939 | \$ 64,318 | \$ 67,374 | \$ 768,196 |
| Commercial Base Water | \$ 9,267 | \$ 32,690 | \$ 32,723 | \$ 32,858 | \$ 33,429 | \$ 33,539 | \$ 33,793 | \$ 33,943 | \$ 34,048 | \$ 34,202 | \$ 34,203 | \$ 34,308 | \$ 34,202 | \$ 413,205 |
| Fire Hydrant Water | \$ 51,646 | \$ 47,747 | \$ 32,694 | \$ 30,804 | \$ 28,132 | \$ 17,702 | \$ 12,117 | \$ 15,861 | \$ 23,811 | \$ 30,626 | \$ 26,322 | \$ 61,284 | \$ 42,096 | \$ 420,843 |
| Multi Use Water | \$ - | \$ 49,764 | \$ 54,361 | \$ 48,143 | \$ 52,308 | \$ 47,418 | \$ 49,020 | \$ 50,142 | \$ 45,968 | \$ 47,626 | \$ 50,281 | \$ 51,683 | \$ 55,036 | \$ 601,751 |
| Residential Base Water | \$ 196,379 | \$ 316,338 | \$ 317,472 | \$ 318,094 | \$ 319,038 | \$ 320,927 | \$ 322,754 | \$ 323,865 | \$ 325,057 | \$ 327,257 | \$ 330,433 | \$ 332,556 | \$ 333,759 | \$ 4,083,929 |
| Residential Water | \$ 642,046 | \$ 1,149,623 | \$ 886,571 | \$ 676,161 | \$ 585,311 | \$ 423,632 | \$ 317,858 | \$ 283,929 | \$ 290,133 | \$ 489,467 | \$ 664,399 | \$ 1,022,079 | \$ 1,151,152 | \$ 8,582,360 |
| Irrigation Water | \$ 41,197 | \$ 156,932 | \$ 144,145 | \$ 125,184 | \$ 98,035 | \$ 67,114 | \$ 29,265 | \$ 25,484 | \$ 29,710 | \$ 44,285 | \$ 73,623 | \$ 142,355 | \$ 225,092 | \$ 1,202,421 |
| TOTALS | \$ 976,527 | \$ 1,819,357 | \$ 1,534,267 | \$ 1,304,183 | \$ 1,186,548 | \$ 960,725 | \$ 820,838 | \$ 784,630 | \$ 797,200 | \$ 1,031,936 | \$ 1,239,199 | \$ 1,708,583 | \$ 1,908,711 | \$ 16,072,705 |

FYE 2016 Budgeted Revenues

Retail Water



**Summary of Retail Billed Revenues
Wastewater Utility**

| Bee Cave District | July | August | September | October | November | December | January | February | March | April | May | June | July | 12 Month Total |
|-------------------|-----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Commercial Sewer | \$ - | \$ 58,290 | \$ 60,568 | \$ 64,797 | \$ 64,362 | \$ 65,815 | \$ 51,670 | \$ 52,217 | \$ 58,377 | \$ 59,069 | \$ 59,589 | \$ 63,449 | \$ 64,994 | \$ 723,198 |
| Multi Use Sewer | \$ - | \$ 62,835 | \$ 67,697 | \$ 61,198 | \$ 65,537 | \$ 61,096 | \$ 62,409 | \$ 63,732 | \$ 59,408 | \$ 61,148 | \$ 63,916 | \$ 65,382 | \$ 68,808 | \$ 763,163 |
| Grinder Surcharge | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 998 | \$ 1,000 | \$ 997 | \$ 975 | \$ 962 | \$ 12,931 |
| Residential Sewer | \$ - | \$ 209,080 | \$ 209,016 | \$ 206,721 | \$ 205,249 | \$ 199,723 | \$ 193,359 | \$ 190,646 | \$ 182,804 | \$ 204,255 | \$ 207,389 | \$ 213,103 | \$ 216,694 | \$ 2,438,038 |
| TOTALS | \$ 1,000 | \$ 331,205 | \$ 338,280 | \$ 333,715 | \$ 336,148 | \$ 327,634 | \$ 308,437 | \$ 307,595 | \$ 301,587 | \$ 325,472 | \$ 331,890 | \$ 342,909 | \$ 351,457 | \$ 3,937,330 |

FYE 2016 Budgeted Revenues

| | |
|--------------------------|---------------------|
| Retail Wastewater | \$ 2,791,104 |
|--------------------------|---------------------|



Summary of Retail Billed Revenues
Other Fees (466-Reg, Pen & Capital)
(477-Reg, Pen & Drainage)

| | July | August | September | October | November | December | January | February | March | April | May | June | July |
|------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Bee Cave | - | 17,729 | 17,194 | 14,839 | 19,895 | 19,895 | 9,657 | 10,300 | 10,402 | 9,357 | 10,392 | 15,972 | 14,959 |
| Bee Cave South | 2,959 | 4,042 | 2,965 | 1,167 | 1,272 | 1,865 | 1,080 | 1,329 | 2,041 | 1,803 | 2,601 | 2,955 | 2,986 |
| Homestead / Meadow Fox | 4,443 | 4,515 | 4,476 | 4,541 | 4,444 | 4,490 | 4,425 | 4,339 | 4,508 | 4,477 | 4,472 | 4,504 | 4,569 |
| 290 / HPR | 6,472 | 10,966 | 12,627 | 6,323 | 5,123 | 6,260 | 3,685 | 2,944 | 3,313 | 4,014 | 4,915 | 6,175 | 6,525 |
| TOTALS | \$ 13,874 | \$ 37,251 | \$ 37,262 | \$ 26,869 | \$ 30,734 | \$ 32,510 | \$ 18,847 | \$ 18,913 | \$ 20,264 | \$ 19,651 | \$ 22,380 | \$ 29,606 | \$ 29,038 |

FYE 2016 Budgeted Revenues

| | |
|-------------------|-------------------|
| Other Fees | \$ 646,084 |
|-------------------|-------------------|



Summary of Retail Billed Revenues NON PUA Revenue

| Hays MUD 4 | July | August | September | October | November | December | January | February | March | April | May | June | July |
|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Sewer | 8,615 | 8,583 | 8,421 | 8,279 | 8,065 | 7,458 | 7,542 | 7,321 | 7,810 | 7,806 | 8,643 | 8,025 | 8,120 |
| TOTALS | \$ 8,615 | \$ 8,583 | \$ 8,421 | \$ 8,279 | \$ 8,065 | \$ 7,458 | \$ 7,542 | \$ 7,321 | \$ 7,810 | \$ 7,806 | \$ 8,643 | \$ 8,025 | \$ 8,120 |

| TC MUD 16 | July | August | September | October | November | December | January | February | March | April | May | June | July |
|---------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Sewer | 26,098 | 26,483 | 26,435 | 26,143 | 26,200 | 23,434 | 23,564 | 23,708 | 25,055 | 26,669 | 26,829 | 27,598 | 27,365 |
| TOTALS | \$ 26,098 | \$ 26,483 | \$ 26,435 | \$ 26,143 | \$ 26,200 | \$ 23,434 | \$ 23,564 | \$ 23,708 | \$ 25,055 | \$ 26,669 | \$ 26,829 | \$ 27,598 | \$ 27,365 |



Summary of Wholesale, Raw Water and Effluent Billed Revenues

Wholesale Water

| Revenue | July | August | September | October | November | December | January | February | March | April | May | June | July |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 7/16-8/15 | 8/16-9/15 | 9/16-10/15 | 10/16-11/15 | 11/16-12/15 | 12/16-1/15 | 1/16-2/15 | 2/16-3/15 | 3/16-4/15 | 4/15-5/15 | 5/16-6/15 | 6/16-7/15 | 7/16-8/15 |
| Barton Creek West | \$ 45,461 | \$ 37,493 | \$ 32,279 | \$ 30,155 | \$ 24,954 | \$ 22,837 | \$ 19,338 | \$ 18,943 | \$ 27,024 | \$ 28,328 | \$ 37,922 | \$ 41,791 | \$ 42,274 |
| Headwaters | \$ 25,553 | \$ 22,241 | \$ 19,361 | \$ 18,082 | \$ 17,306 | \$ 16,085 | \$ 16,101 | \$ 16,272 | \$ 16,947 | \$ 17,931 | \$ 19,979 | \$ 20,989 | \$ 22,695 |
| City of Dripping Springs (Blue Blazes) | | | | | | | \$ 681 | \$ 2,590 | \$ 432 | \$ 432 | \$ 432 | \$ 432 | \$ 432 |
| Crystal Mountain HOA | \$ 6,773 | \$ 5,436 | \$ 4,795 | \$ 4,836 | \$ 4,579 | \$ 4,502 | \$ 3,897 | \$ 3,677 | \$ 4,745 | \$ 4,805 | \$ 6,105 | \$ 6,480 | \$ 6,617 |
| Deer Creek Ranch | \$ 20,035 | \$ 17,255 | \$ 16,378 | \$ 15,865 | \$ 14,846 | \$ 13,764 | \$ 13,862 | \$ 12,914 | \$ 15,296 | \$ 16,699 | \$ 19,348 | \$ 19,735 | \$ 22,503 |
| Dripping Springs WSC | \$ 61,483 | \$ 48,681 | \$ 46,455 | \$ 47,295 | \$ 41,943 | \$ 39,657 | \$ 41,696 | \$ 38,307 | \$ 49,405 | \$ 45,689 | \$ 45,837 | \$ 50,386 | \$ 60,636 |
| Eanes ISD | \$ 1,833 | \$ 2,039 | \$ 1,655 | \$ 1,563 | \$ 1,447 | \$ 1,146 | \$ 1,335 | \$ 1,162 | \$ 1,801 | \$ 1,565 | \$ 1,748 | \$ 1,497 | \$ 1,906 |
| Graham Mortgage | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Hays WCID 1 | \$ 58,082 | \$ 45,503 | \$ 42,576 | \$ 41,038 | \$ 36,167 | \$ 30,648 | \$ 32,411 | \$ 30,532 | \$ 37,760 | \$ 42,558 | \$ 50,137 | \$ 50,218 | \$ 58,672 |
| Hays WCID 2 | \$ 52,531 | \$ 41,286 | \$ 37,713 | \$ 36,655 | \$ 31,566 | \$ 26,566 | \$ 27,483 | \$ 26,810 | \$ 34,552 | \$ 39,140 | \$ 44,617 | \$ 46,831 | \$ 56,005 |
| Hudson | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Lazy Nine 1A | \$ 35,361 | \$ 32,072 | \$ 33,620 | \$ 29,844 | \$ 28,844 | \$ 22,306 | \$ 23,081 | \$ 21,995 | \$ 30,219 | \$ 31,624 | \$ 34,221 | \$ 35,318 | \$ 39,560 |
| Masonwood | \$ 15,004 | \$ 14,735 | \$ 13,046 | \$ 12,775 | \$ 11,056 | \$ 9,331 | \$ 9,555 | \$ 6,702 | \$ 20,241 | \$ 13,980 | \$ 16,679 | \$ 17,457 | \$ 21,289 |
| Reunion Ranch | \$ 24,261 | \$ 19,892 | \$ 18,758 | \$ 18,061 | \$ 12,586 | \$ 9,856 | \$ 10,464 | \$ 9,723 | \$ 13,750 | \$ 19,303 | \$ 22,418 | \$ 22,501 | \$ 27,417 |
| Senna Hills | \$ 24,860 | \$ 20,973 | \$ 18,574 | \$ 16,779 | \$ 14,725 | \$ 13,784 | \$ 13,774 | \$ 12,557 | \$ 15,545 | \$ 18,375 | \$ 21,631 | \$ 22,247 | \$ 25,033 |
| Travis County MUD 12 | \$ 62,835 | \$ 57,548 | \$ 53,965 | \$ 54,823 | \$ 49,671 | \$ 46,111 | \$ 48,305 | \$ 43,770 | \$ 52,476 | \$ 57,884 | \$ 62,243 | \$ 61,295 | \$ 67,766 |
| TOTALS | \$ 434,070 | \$ 365,154 | \$ 339,175 | \$ 327,770 | \$ 289,690 | \$ 256,595 | \$ 261,983 | \$ 245,955 | \$ 320,191 | \$ 338,314 | \$ 383,319 | \$ 397,175 | \$ 452,805 |

FYE 2016 Budgeted Revenues

Wholesale Water

Wholesale Wastewater

| Revenue | July | August | September | October | November | December | January | February | March | April | May | June | July |
|----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Masonwood Wastewater | \$ 23,441 | \$ 23,181 | \$ 22,279 | \$ 23,563 | \$ 23,234 | \$ 23,074 | \$ 24,824 | \$ 23,976 | \$ 26,344 | \$ 24,602 | \$ 23,212 | \$ 26,841 | \$ 26,313 |
| WCID 17 Wastewater | \$ 32,044 | \$ 31,803 | \$ 30,925 | \$ 32,427 | \$ 30,740 | \$ 34,127 | \$ 30,357 | \$ 30,314 | \$ 33,156 | \$ 31,401 | \$ 31,995 | \$ 32,075 | \$ 30,635 |
| TOTALS | \$ 55,485 | \$ 54,984 | \$ 53,205 | \$ 55,990 | \$ 53,974 | \$ 57,201 | \$ 55,180 | \$ 54,289 | \$ 59,500 | \$ 56,003 | \$ 55,206 | \$ 58,915 | \$ 56,948 |

FYE 2016 Budgeted Revenues

Wholesale Wastewater

Effluent/Raw Water/Raw Water Deliver

| Revenue | July | August | September | October | November | December | January | February | March | April | May | June | July |
|---|------------------|------------------|------------------|------------------|------------------|------------------|---------------|---------------|---------------|------------------|------------------|------------------|-------------------|
| Brinker Texas (Chillis) Effluent | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| CCNG Effluent / Raw | \$ 36,711 | \$ 22,923 | \$ 16,159 | \$ 18,529 | \$ 18,021 | \$ 10,245 | \$ - | \$ - | \$ - | \$ 14,884 | \$ 28,991 | \$ 32,287 | \$ 44,567 |
| Connel Falconhead Apts | \$ 5,051 | \$ 3,004 | \$ 4,237 | \$ 2,869 | \$ 1,591 | \$ 629 | \$ - | \$ - | \$ - | \$ 3,921 | \$ 4,669 | \$ 4,636 | \$ 3,736 |
| FalconHead HOA (Spillman) Effluent | \$ 8,125 | \$ 9,416 | \$ 3,720 | \$ 3,670 | \$ 3,008 | \$ 629 | \$ - | \$ - | \$ - | \$ 6,413 | \$ 5,474 | \$ 7,325 | \$ 6,590 |
| Fire Phoenix (Falconhead Golf) Effluent | \$ 42,166 | \$ 10,956 | \$ 10,956 | \$ 19,630 | \$ 9,408 | \$ 9,454 | \$ - | \$ - | \$ - | \$ 24,994 | \$ 43,615 | \$ 10,849 | \$ 46,464 |
| First Star Bank Effluent | \$ 29 | \$ 16 | \$ 12 | \$ 25 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 16 | \$ 29 | \$ 21 | \$ 8 |
| Lake Travis ISD Effluent / Raw | \$ 797 | \$ 715 | \$ 649 | \$ 723 | \$ 715 | \$ 477 | \$ 115 | \$ 119 | \$ 53 | \$ 551 | \$ 251 | \$ 427 | \$ 571 |
| WTCMUD3 Raw Water Delivery Charge | \$ 1,516 | \$ - | \$ 3 | \$ - | \$ 1,399 | \$ 4 | \$ 16 | \$ - | \$ 512 | \$ 976 | \$ 1,000 | \$ 1,511 | \$ 2,014 |
| Embrey Partners | \$ 1,171 | \$ 1,356 | \$ 1,180 | \$ 1,307 | \$ 1,171 | \$ 719 | \$ - | \$ - | \$ - | \$ 1,163 | \$ 312 | \$ 1,940 | \$ 234 |
| Ash Creek Homes | \$ 2,261 | \$ 2,445 | \$ 1,854 | \$ 2,088 | \$ 1,911 | \$ 41 | \$ - | \$ - | \$ - | \$ 1,517 | \$ 1,529 | \$ 1,270 | \$ 2,129 |
| Lakeway Dermatology | \$ 436 | \$ 518 | \$ 41 | \$ - | \$ 415 | \$ 53 | \$ - | \$ - | \$ - | \$ 251 | \$ 403 | \$ 526 | \$ 534 |
| PFP Falconhead Retail, LLC. | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,311 | \$ 1,492 | \$ 933 | \$ 1,241 |
| TOTALS | \$ 98,264 | \$ 51,351 | \$ 38,811 | \$ 48,840 | \$ 37,640 | \$ 22,251 | \$ 131 | \$ 119 | \$ 565 | \$ 55,997 | \$ 87,764 | \$ 61,725 | \$ 108,089 |

FYE 2016 Budgeted Revenues

Effluent/Raw Water

| | | | | | | | | | | | | | |
|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| TOTAL | \$ 587,819 | \$ 471,489 | \$ 431,190 | \$ 432,600 | \$ 381,305 | \$ 336,046 | \$ 317,294 | \$ 300,363 | \$ 380,257 | \$ 450,314 | \$ 526,289 | \$ 517,815 | \$ 617,842 |
|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|

FYE 2016 Budgeted Revenues

TOTAL Wholesale/Effluent



Summary of Total Billed Revenues - PUA Revenues Only

| Water Utility | July | August | September | October | November | December | January | February | March | April | May | June | July | 12 Month Total |
|-----------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Retail Water | \$ 976,527 | \$ 1,819,357 | \$ 1,534,267 | \$ 1,304,183 | \$ 1,186,548 | \$ 960,725 | \$ 820,838 | \$ 784,630 | \$ 797,200 | \$ 1,031,936 | \$ 1,239,199 | \$ 1,708,583 | \$ 1,908,711 | \$ 16,072,705 |
| Wholesale Water | 434,070 | 365,154 | 339,175 | 327,770 | 289,690 | 256,595 | 261,983 | 245,955 | 320,191 | 338,314 | 383,319 | 397,175 | 452,805 | \$ 4,412,196 |
| TOTALS | \$ 1,410,597 | \$ 2,184,512 | \$ 1,873,442 | \$ 1,631,953 | \$ 1,476,238 | \$ 1,217,320 | \$ 1,082,820 | \$ 1,030,585 | \$ 1,117,392 | \$ 1,370,250 | \$ 1,622,518 | \$ 2,105,758 | \$ 2,361,516 | \$ 20,484,901 |

| Wastewater Utility | July | August | September | October | November | December | January | February | March | April | May | June | July | 12 Month Total |
|----------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| Retail Wastewater | \$ 1,000 | \$ 331,205 | \$ 338,280 | \$ 333,715 | \$ 336,148 | \$ 327,634 | \$ 308,437 | \$ 307,595 | \$ 301,587 | \$ 325,472 | \$ 331,890 | \$ 342,909 | \$ 351,457 | \$ 3,937,330 |
| Wholesale Wastewater | 55,485 | 54,984 | 53,205 | 55,990 | 53,974 | 57,201 | 55,180 | 54,289 | 59,500 | 56,003 | 55,206 | 58,915 | 56,948 | \$ 726,882 |
| TOTALS | \$ 56,485 | \$ 386,189 | \$ 391,485 | \$ 389,706 | \$ 390,123 | \$ 384,834 | \$ 363,618 | \$ 361,884 | \$ 361,087 | \$ 381,475 | \$ 387,096 | \$ 401,825 | \$ 408,406 | \$ 4,664,212 |

| Other | July | August | September | October | November | December | January | February | March | April | May | June | July | 12 Month Total |
|---------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|-------------------|-------------------|
| Other Fees - Retail | \$ 13,874 | \$ 37,251 | \$ 37,262 | \$ 26,869 | \$ 30,734 | \$ 32,510 | \$ 18,847 | \$ 18,913 | \$ 20,264 | \$ 19,651 | \$ 22,380 | \$ 29,606 | \$ 29,038 | \$ 336,528 |
| Raw Water/Effluent | \$ 98,264 | \$ 51,351 | \$ 38,811 | \$ 48,840 | \$ 37,640 | \$ 22,251 | \$ 131 | \$ 119 | \$ 565 | \$ 55,997 | \$ 87,764 | \$ 61,725 | \$ 108,089 | \$ 583,498 |
| TOTALS | \$ 112,137 | \$ 88,602 | \$ 76,073 | \$ 75,708 | \$ 68,374 | \$ 54,761 | \$ 18,978 | \$ 19,032 | \$ 20,829 | \$ 75,649 | \$ 110,144 | \$ 91,331 | \$ 137,127 | \$ 920,027 |

| | | | | | | | | | | | | | | |
|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| TOTAL | \$ 1,579,219 | \$ 2,659,302 | \$ 2,341,000 | \$ 2,097,367 | \$ 1,934,734 | \$ 1,656,915 | \$ 1,465,416 | \$ 1,411,501 | \$ 1,499,308 | \$ 1,827,373 | \$ 2,119,759 | \$ 2,598,913 | \$ 2,907,049 | \$ 26,069,139 |
|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|

FYE 2016 Budgeted Revenues



Summary of Total Billed Consumption (1,000 Gallons)
Water Utility

| | July | August | September | October | November | December | January | February | March | April | May | June | July | 12 Month Total |
|------------------------|---------|---------|-----------|---------|----------|----------|---------|----------|--------|--------|---------|---------|---------|----------------|
| Bee Cave | 64,715 | 73,405 | 70,294 | 62,622 | 54,805 | 43,644 | 33,513 | 31,618 | 27,475 | 40,193 | 49,526 | 68,023 | 85,653 | 705,486 |
| Bee Cave South | 33,270 | 30,055 | 22,869 | 18,466 | 18,368 | 13,762 | 16,288 | 12,681 | 14,824 | 18,601 | 22,059 | 28,265 | 29,974 | 279,482 |
| Homestead / Meadow Fox | 1,647 | 1,825 | 1,629 | 1,414 | 1,288 | 1,246 | 1,004 | 938 | 1,098 | 1,253 | 1,368 | 2,250 | 2,120 | 19,080 |
| HPR / Z90 | 56,427 | 61,674 | 45,115 | 34,725 | 32,152 | 23,938 | 16,610 | 16,625 | 20,335 | 31,716 | 40,891 | 58,706 | 54,787 | 483,704 |
| Total Retail | 156,059 | 166,959 | 139,907 | 117,227 | 106,613 | 82,590 | 67,415 | 61,865 | 63,732 | 91,763 | 113,844 | 157,244 | 172,534 | 1,497,752 |

| Wholesale Water | July | August | September | October | November | December | January | February | March | April | May | June | July | 12 Month Total |
|--|---------|---------|-----------|---------|----------|----------|---------|----------|--------|---------|---------|---------|---------|----------------|
| Barton Creek West | 14,922 | 11,615 | 9,452 | 8,571 | 9,413 | 5,535 | 4,083 | 3,919 | 7,272 | 7,813 | 11,794 | 13,399 | 13,600 | 121,388 |
| City of Dripping Springs (Blue Blazes) | - | - | - | - | - | - | 136 | - | - | - | - | - | - | 136 |
| Headwaters | 5,908 | 3,998 | 2,424 | 1,725 | 1,301 | 634 | 15,662 | 736 | 1,106 | 1,643 | 2,762 | 3,314 | 4,246 | 46,358 |
| Crystal Mountain HOA | 1,892 | 1,335 | 1,068 | 1,085 | 978 | 946 | 694 | 602 | 1,047 | 1,072 | 1,614 | 1,770 | 1,827 | 15,930 |
| Dear Creek Ranch | 7,271 | 5,576 | 5,041 | 4,728 | 4,107 | 3,447 | 3,507 | 2,929 | 4,381 | 5,237 | 6,852 | 7,088 | 8,776 | 68,940 |
| Dripping Springs WSC | 27,582 | 19,870 | 18,529 | 19,035 | 18,811 | 14,434 | 15,662 | 13,621 | 20,306 | 18,068 | 18,157 | 20,897 | 27,072 | 249,044 |
| Eanes ISD | 650 | 771 | 545 | 491 | 423 | 246 | 357 | 255 | 631 | 492 | 600 | 452 | 693 | 6,606 |
| Graham Mortgage | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Hays WCID 1 | 22,817 | 15,461 | 13,749 | 12,850 | 10,001 | 6,774 | 7,805 | 6,706 | 10,933 | 13,739 | 18,171 | 18,218 | 23,162 | 180,386 |
| Hays WCID 2 | 18,174 | 12,287 | 10,416 | 9,862 | 7,198 | 4,580 | 5,060 | 4,708 | 8,761 | 11,163 | 14,031 | 15,190 | 19,993 | 141,423 |
| Hudson | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Lacy Nine 1A | 12,395 | 10,494 | 11,389 | 9,206 | 8,628 | 4,849 | 5,297 | 4,669 | 9,423 | 10,236 | 11,736 | 12,370 | 14,822 | 126,513 |
| Masonwood | 5 | 5 | 4 | 5 | 4 | 2 | 2,553 | 803 | 9,109 | 5,268 | 6,924 | 7,401 | 9,752 | 41,835 |
| Reunion Ranch | 9,934 | 7,610 | 7,007 | 6,836 | 3,724 | 2,272 | 2,596 | 2,201 | 4,343 | 7,297 | 8,954 | 8,998 | 11,613 | 83,184 |
| Senna Hills | 10,447 | 8,048 | 6,567 | 5,459 | 4,191 | 3,610 | 3,604 | 2,853 | 4,697 | 6,444 | 8,454 | 8,834 | 10,554 | 83,762 |
| Travis County MUD 12 | 17,338 | 14,282 | 12,211 | 12,707 | 9,729 | 7,671 | 8,939 | 6,318 | 11,350 | 14,476 | 16,996 | 16,448 | 20,188 | 168,653 |
| Total Wholesale | 149,235 | 111,352 | 98,402 | 92,360 | 75,508 | 55,000 | 75,954 | 50,320 | 93,358 | 102,947 | 127,045 | 134,379 | 166,298 | 1,332,158 |

| Effluent Water | July | August | September | October | November | December | January | February | March | April | May | June | July | 12 Month Total |
|----------------------------|--------|--------|-----------|---------|----------|----------|---------|----------|--------|--------|--------|--------|--------|----------------|
| Brinker Texas, LP | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| CONG Golf, LLC. | 17,075 | 10,661 | 7,516 | 8,618 | 8,382 | 4,765 | 10,143 | 5,705 | 4,875 | 6,923 | 13,484 | 15,017 | 20,729 | 133,893 |
| Connel Falconhead Apartm | 1,229 | 731 | 1,031 | 698 | 387 | 153 | 324 | 284 | 822 | 954 | 1,136 | 1,128 | 909 | 9,786 |
| Fire Phoenix, LLC. | 19,612 | 13,686 | 9,440 | 9,130 | 4,376 | 4,397 | 12,268 | 15,080 | 11,298 | 11,625 | 20,286 | 5,046 | 21,611 | 157,855 |
| First State Bank | 7 | 4 | 3 | 6 | - | - | - | 3 | 1 | 4 | 7 | 5 | 2 | 42 |
| Lake Travis ISD | 194 | 174 | 158 | 176 | 174 | 116 | 28 | 29 | 13 | 134 | 61 | 104 | 139 | 1,500 |
| Spillman Ranch Communit | 1,977 | 2,291 | 1,730 | 1,707 | 1,399 | 641 | 253 | 1,475 | 699 | 2,883 | 2,546 | 3,407 | 3,065 | 24,177 |
| Ash Creek Homes (Wildwo | 550 | 595 | 451 | 508 | 485 | 10 | 223 | 245 | 305 | 369 | 372 | 309 | 518 | 4,920 |
| Embrey Partners (Estates) | 285 | 330 | 287 | 318 | 285 | 175 | 111 | 97 | 334 | 283 | 76 | 472 | 57 | 3,110 |
| Lakeway Dermatology | 108 | 126 | 10 | - | 101 | 13 | 15 | 13 | 29 | 61 | 98 | 128 | 130 | 830 |
| PFP Falconhead Retail, LLC | - | - | - | - | - | - | - | - | - | 319 | 363 | 227 | 302 | 1,211 |
| Total Wholesale | 41,035 | 28,598 | 20,626 | 21,161 | 15,569 | 10,270 | 23,365 | 22,935 | 18,376 | 23,655 | 38,429 | 25,843 | 47,462 | 336,113 |

| System Summary | July | August | September | October | November | December | January | February | March | April | May | June | July | 12 Month Total |
|-----------------|---------|---------|-----------|---------|----------|----------|---------|----------|---------|---------|---------|---------|---------|----------------|
| Total Retail | 156,059 | 166,959 | 139,907 | 117,227 | 106,613 | 82,590 | 67,415 | 61,865 | 63,732 | 91,763 | 113,844 | 157,244 | 172,534 | 1,497,752 |
| Total Wholesale | 149,235 | 111,352 | 98,402 | 92,360 | 75,508 | 55,000 | 75,954 | 50,320 | 93,358 | 102,947 | 127,045 | 134,379 | 166,298 | 1,332,158 |
| Effluent Water | 41,035 | 28,598 | 20,626 | 21,161 | 15,569 | 10,270 | 23,365 | 22,935 | 18,376 | 23,655 | 38,429 | 25,843 | 47,462 | 337,324 |
| TOTAL WATER | 346,329 | 306,909 | 258,935 | 230,748 | 197,690 | 147,860 | 166,734 | 135,120 | 175,466 | 218,365 | 279,318 | 317,466 | 386,294 | 2,829,910 |

| | | | | | | | | | | | | | | |
|----------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Retail Percent of Total | 45% | 54% | 54% | 51% | 54% | 56% | 40% | 46% | 36% | 42% | 41% | 50% | 45% | 53% |
| Wholesale Percent of Total | 43% | 36% | 38% | 40% | 38% | 37% | 46% | 37% | 53% | 47% | 45% | 42% | 43% | 47% |



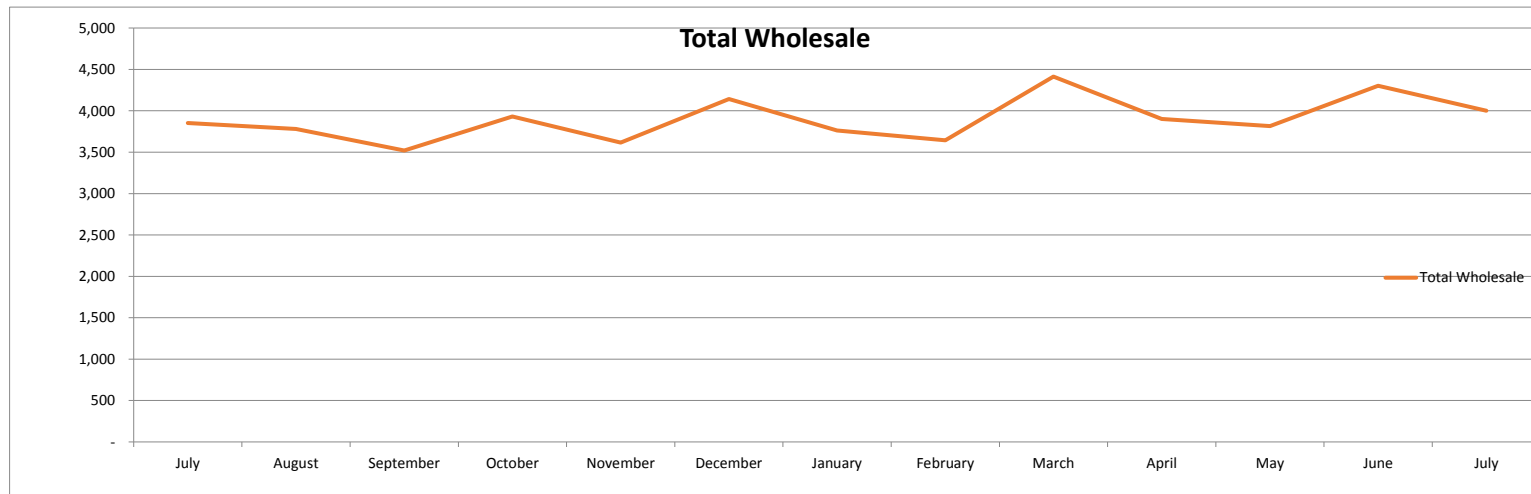
**Summary of Total Billed Consumption (1,000 Gallons)
Wastewater**

| | July | August | September | October | November | December | January | February | March | April | May | June | July | 12 Month Total |
|---------------|------|--------|-----------|---------|----------|----------|---------|----------|-------|-------|-----|------|------|----------------|
| Bee Cave | | | | | | | | | | | | | | - |
| TOTALS | | | | | | | | | | | | | | - |

| Wholesale Wastewater | July | August | September | October | November | December | January | February | March | April | May | June | July | 12 Month Total |
|----------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| Masonwood Wastewater | 1,478 | 1,444 | 1,326 | 1,494 | 1,451 | 1,430 | 1,659 | 1,548 | 1,858 | 1,630 | 1,448 | 1,923 | 1,854 | 20,543 |
| WCID 17 Wastewater | 2,375 | 2,336 | 2,194 | 2,437 | 2,164 | 2,712 | 2,102 | 2,095 | 2,555 | 2,271 | 2,367 | 2,380 | 2,147 | 30,135 |
| TOTALS | 3,853 | 3,780 | 3,520 | 3,931 | 3,615 | 4,142 | 3,761 | 3,643 | 4,413 | 3,901 | 3,815 | 4,303 | 4,001 | 50,678 |

| System Summary | July | August | September | October | November | December | January | February | March | April | May | June | July | 12 Month Total |
|-------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| Total Retail | | | | | | | | - | - | - | - | - | - | - |
| Total Wholesale | 3,853 | 3,780 | 3,520 | 3,931 | 3,615 | 4,142 | 3,761 | 3,643 | 4,413 | 3,901 | 3,815 | 4,303 | 4,001 | 50,678 |
| TOTAL WASTEWATER | 3,853 | 3,780 | 3,520 | 3,931 | 3,615 | 4,142 | 3,761 | 3,643 | 4,413 | 3,901 | 3,815 | 4,303 | 4,001 | 50,678 |

| | | | | | | | | | | | | | | |
|----------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Retail Percent of Total | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Wholesale Percent of Total | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

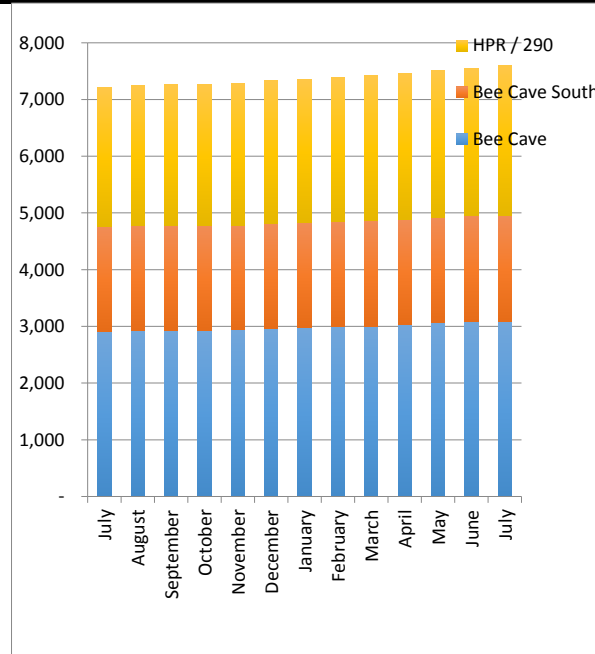




Summary of Total Retail Customer Count Water

| Meters | July | August | September | October | November | December | January | February | March | April | May | June | July |
|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Bee Cave | 2,914 | 2,926 | 2,932 | 2,931 | 2,937 | 2,958 | 2,982 | 2,997 | 3,002 | 3,031 | 3,068 | 3,082 | 3,090 |
| Bee Cave South | 1,848 | 1,849 | 1,848 | 1,849 | 1,847 | 1,852 | 1,855 | 1,856 | 1,859 | 1,861 | 1,857 | 1,866 | 1,871 |
| Homestead / Meadow Fox | 156 | 156 | 156 | 157 | 157 | 157 | 157 | 157 | 156 | 156 | 156 | 157 | 156 |
| HPR / 290 | 2,453 | 2,467 | 2,477 | 2,483 | 2,501 | 2,518 | 2,523 | 2,533 | 2,557 | 2,565 | 2,588 | 2,605 | 2,631 |
| TOTALS | 7,371 | 7,398 | 7,413 | 7,420 | 7,442 | 7,485 | 7,517 | 7,543 | 7,574 | 7,613 | 7,669 | 7,710 | 7,748 |

| | | | | | | | | | | | | | |
|---------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Customer Growth | 24 | 27 | 15 | 7 | 22 | 43 | 32 | 26 | 31 | 39 | 56 | 41 | 38 |
| Monthly Growth Rate | 0.33% | 0.37% | 0.20% | 0.09% | 0.30% | 0.58% | 0.43% | 0.35% | 0.41% | 0.51% | 0.74% | 0.53% | 0.49% |
| Annual Growth | 232 | 236 | 232 | 208 | 218 | 271 | 292 | 301 | 307 | 331 | 355 | 383 | 401 |
| Annual Growth Rate | 3% | 3% | 3% | 3% | 3% | 4% | 4% | 4% | 4% | 5% | 5% | 5% | 5% |

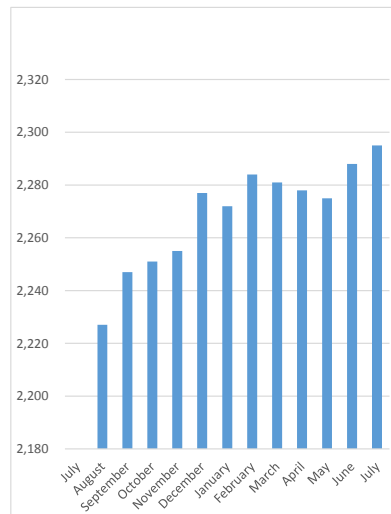




**Summary of Total Retail Customer Count
Wastewater**

| Meters | July | August | September | October | November | December | January | February | March | April | May | June | July | Annual Growth Rate |
|-----------------------------|------|--------|-----------|---------|----------|----------|---------|----------|-------|-------|-------|-------|-------|--------------------|
| Wastewater Customers | | 2,227 | 2,247 | 2,251 | 2,255 | 2,277 | 2,272 | 2,284 | 2,281 | 2,278 | 2,275 | 2,288 | 2,295 | 3% |

| | | | | | | | | | | | | | | |
|---------------------|----------|---------|-------|-------|-------|-------|--------|-------|--------|--------|--------|-------|---------|--|
| Customer Growth | (2,218) | 2,227 | 20 | 4 | 4 | 22 | (5) | 12 | (3) | (3) | (3) | 13 | 7 | |
| Monthly Growth Rate | -100.00% | #DIV/0! | 0.90% | 0.18% | 0.18% | 0.98% | -0.22% | 0.53% | -0.13% | -0.13% | -0.13% | 0.57% | 0.31% | |
| Annual Growth | (2,211) | 41 | 29 | 27 | 26 | 43 | 33 | 43 | 35 | 52 | 30 | 47 | 77 | |
| Annual Growth Rate | -101% | 2% | 1% | 1% | 1% | 2% | 1% | 2% | 2% | 2% | 1% | 2% | #DIV/0! | |

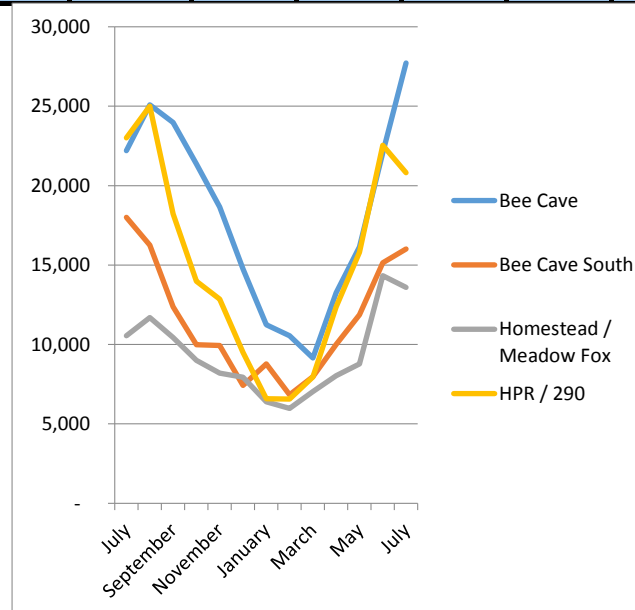




Retail Customer Average Use Analysis **Average Water Usage per Connection, per Month (Gallons)**

| | June | July | August | September | October | November | December | January | February | March | April | May | June | July |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|
| Bee Cave | 18,514 | 22,208 | 25,087 | 23,975 | 21,365 | 18,660 | 14,755 | 11,238 | 10,550 | 9,152 | 13,261 | 16,143 | 22,071 | 27,719 |
| Bee Cave South | 14,433 | 18,003 | 16,255 | 12,375 | 9,987 | 9,945 | 7,431 | 8,781 | 6,832 | 7,974 | 9,995 | 11,879 | 15,147 | 16,020 |
| Homestead / Meadow Fox | 10,058 | 10,558 | 11,699 | 10,442 | 9,006 | 8,204 | 7,936 | 6,395 | 5,975 | 7,038 | 8,032 | 8,769 | 14,331 | 13,590 |
| HPR / 290 | 16,674 | 23,003 | 25,000 | 18,214 | 13,985 | 12,856 | 9,507 | 6,583 | 6,565 | 7,953 | 12,365 | 15,800 | 22,536 | 20,824 |
| System Wide Average | 16,699 | 21,172 | 22,568 | 18,873 | 15,799 | 14,326 | 11,034 | 8,968 | 8,202 | 8,415 | 12,053 | 14,845 | 20,395 | 22,268 |

| | | | | | | | | | | | | | | |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 12-Month Average | 15,911 | 15,871 | 15,832 | 15,793 | 15,759 | 15,722 | 15,678 | 15,630 | 15,581 | 15,532 | 15,478 | 15,422 | 15,361 | 15,298 |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|





Retail Customer Average Use Analysis
Summary of Customer Contacts/Payment Processing

| Customer Contacts | June | July | August | September | October | November | December | January | February | March | April | May | June | July |
|-------------------|--------------|--------------|--------------|------------|------------|------------|--------------|--------------|------------|------------|--------------|--------------|--------------|--------------|
| Date of | 7/1-7/31 | 8/1-8/31 | 9/1-9/30 | 10/1-10/31 | 11/1-11/30 | 12/1-12/31 | 1/1-1/31 | 2/1-2/28 | 3/1-3/31 | 4/1-4/30 | 5/1-5/31 | 6/1-6/30 | 7/1-7/31 | 8/1-8/31 |
| Calls | 692 | 692 | 701 | 620 | 601 | 580 | 827 | 741 | 535 | 603 | 623 | 736 | 718 | 625 |
| Emails | 63 | 121 | 169 | 91 | 94 | 68 | 141 | 97 | 112 | 140 | 236 | 254 | 224 | 248 |
| In Office | 245 | 258 | 233 | 244 | 205 | 199 | 217 | 167 | 230 | 250 | 243 | 249 | 266 | 247 |
| TOTALS | 1,000 | 1,071 | 1,103 | 955 | 900 | 847 | 1,185 | 1,005 | 877 | 993 | 1,102 | 1,239 | 1,208 | 1,120 |

| Payments | June | July | August | September | October | November | December | January | February | March | April | May | June | July |
|------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Date of Payments | 7/1-7/31 | 8/1-8/31 | 9/1-9/30 | 10/1-10/31 | 11/1-11/30 | 12/1-12/31 | 1/1-1/31 | 2/1-2/28 | 3/1-3/31 | 4/1-4/30 | 5/1-5/31 | 6/1-6/30 | 7/1-7/31 | 8/1-8/31 |
| Mail | 1,736 | 1,601 | 1,743 | 1,747 | 1,454 | 1,577 | 1,347 | 1,001 | 2,068 | 1,466 | 1,396 | 2,194 | 1,915 | 1,886 |
| Walk In/Dropbox Payments | 352 | 322 | 200 | 358 | 305 | 244 | 316 | 230 | 350 | 243 | 283 | 308 | 331 | 319 |
| Online Payments Credit Cards | 457 | 364 | 346 | 419 | 353 | 367 | 456 | 379 | 378 | 355 | 334 | 458 | 418 | 304 |
| Online Payments Echeck | 438 | 409 | 356 | 512 | 306 | 431 | 454 | 394 | 389 | 346 | 370 | 465 | 498 | 471 |
| Unreceivables | 1,977 | 2,097 | 1,831 | 2,062 | 1,796 | 1,807 | 2,028 | 1,653 | 2,080 | 1,915 | 2,046 | 2,199 | 2,158 | 2,198 |
| TOTALS | 4,960 | 4,793 | 4,476 | 5,098 | 4,214 | 4,426 | 4,601 | 3,657 | 5,265 | 4,325 | 4,429 | 5,624 | 5,320 | 5,178 |



Retail Customer Delinquency Summary

| ACCOUNTS | 31-60 | 61-90 | 91+ |
|------------------------|------------|-----------|------------|
| Bee Cave | 58 | 16 | 96 |
| Bee Cave South | 6 | 6 | 7 |
| Homestead / Meadow Fox | 3 | 0 | 2 |
| 290 HPR | 60 | 11 | 13 |
| TOTAL | 127 | 33 | 118 |

| DOLLARS | 31-60 | 61-90 | 91+ |
|------------------------|---------------|---------------|----------------|
| Bee Cave | 29,860 | 8,977 | 91,796 |
| Bee Cave South | 951 | 1,339 | 25,327 |
| Homestead / Meadow Fox | 818 | 0 | 11,806 |
| HPR / 290 | 21,755 | 3,564 | 137,004 |
| TOTAL | 53,384 | 13,880 | 265,933 |

| Delinquent Letters | Date Sent | Total Del |
|------------------------|-----------|-----------|
| Bee Cave | | |
| Bee Cave South | | |
| Homestead / Meadow Fox | | |
| 290 HPR | | |
| TOTAL | | 0 |

| Disconnects | Date | How Many |
|------------------------|------|----------|
| Bee Cave | | |
| Bee Cave South | | |
| Homestead / Meadow Fox | | |
| HPR / 290 | | |

| Still Off |
|-----------|
| |
| |
| |
| |

VII. OLD BUSINESS

ITEM B



West Travis County Public Utility Agency Memorandum

TO: Board of Directors

FROM: Robert W. Pugh, General Manager
Jennifer Smith, Controller

CC: Stefanie Albright, Jennifer Riechers

SUBJECT: Non-Standard Service Agreement (NSSA) Template Update –
Reservation Fees

DATE: September 20, 2018

On June 19, 2014 the Board approved the WTCPUA's (PUA) Service and Development Policies. The policies required that water or wastewater Reservation Fees for any unset services (i.e., LUEs) shall be due and payable within 6 months and annually thereafter after the effective date for the "PUA's written service commitment."

At its July 19, 2018 Meeting, the Board approved the addition of Service and Development Reservation Fees policy to the Tariff for consistency.

Current and past Non-Standard Service Agreements (NSSA) templates have the effective date for which Reservation Fees would be due thereafter as the "Effective Date of the Agreement."¹ The challenge with this language is that Applicant delays in reviewing and returning an executed NSSA would postpone the start date of when Reservation Fees would be due and collected, thereby affecting PUA cash flows.

Staff is recommending that NSSA templates be modified to be consistent with Service Development Policies and the Tariff, and address challenges identified by staff. Specifically, in lieu of Reservation Fees being due starting with the "Effective Date of the Agreement," Reservation Fees would be due starting with the Effective Date the

¹ The first payment of Reservation Fees are due under the current NSSA within 6 months of the approval of the NSSA by the Board of Directors.

Board of Directors

Page 2

September 20, 2018

Service Availability (SA) letter was issued. However, Reservation Fee billing would not commence until the NSSA was executed by both parties.

Accordingly, upon approval of the revised NSSA template, going forward the SA letter will be considered to be the “written service commitment” referenced in the PUA’s policies.

Per current SA letter Condition One, the Applicant must enter into a NSSA with the PUA for LUEs of water or wastewater service within three (3) months of the date of the letter, or forfeit their allocated LUEs and re-apply for service, if desired.

Thank you for your consideration.

**AGREEMENT FOR THE PROVISION OF NONSTANDARD
RETAIL WATER AND WASTEWATER SERVICE
[(Project/Land)]**

This Agreement for the Provision of Nonstandard Retail Water and wastewater Service (the “Agreement”) is entered into by and between the West Travis County Public Utility Agency (the “WTCPUA”) a public utility agency operating pursuant to Chapter 572, Texas Local Government Code, and _____, a Texas _____ (“Developer”). Unless otherwise specified, the term “Parties” shall mean the WTCPUA and Developer, collectively.

WHEREAS, Developer currently owns and plans to develop approximately _____ acres of land within the WTCPUA’s water and wastewater service area as shown on the attached **Exhibit A** (the “Proposed Development”); and

WHEREAS, Developer desires to obtain retail water and wastewater service to the Proposed Development;

WHEREAS, Developer and the WTCPUA desire to enter into this Agreement to set forth the terms and conditions upon which the WTCPUA will provide retail water and wastewater service to the Proposed Development; and

NOW, THEREFORE, in consideration of the terms, conditions, and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree to the following:

ARTICLE I

DEFINITIONS, HEADINGS AND INTERPRETATION

Section 1.1 Definition of Terms: In addition to the terms defined in the Recitals above, the words and phrases as used in this Agreement shall have the meanings set forth below:

- (a) “Agreement” shall mean this Agreement, its attachments, exhibits, and matters included by reference, and any amendment or supplement thereto.
- (b) “Assignee” shall mean any person or entity who receives an express assignment of the rights of either Party and expressly assumes such Party’s duties and responsibilities with respect to this Agreement as provided in Section 6.2 herein.
- (c) “Developer” shall mean _____ or its Assignees.
- (d) “Developer Deposit” shall mean the payment made by Developer as specified in Section 3.2 herein.
- (e) “Developer Facilities” shall mean those facilities to be constructed by Developer pursuant to this Agreement that are required to extend water and wastewater -service

from the WTCPUA System to the Proposed Development as described on the attached **Exhibit B**.

- (f) "Effective Date" shall mean the date of the last signature to this Agreement.
- (g) "Impact Fees" shall mean those impact fees for water and wastewater service collected by the WTCPUA and used to fund and reserve capacity in the WTCPUA's central water and wastewater facilities that are identified in the WTCPUA's ten-year capital improvements plans as adopted and amended by the WTCPUA Board of Directors from time to time.
- (h) "LUE" or "Living Unit Equivalent" shall mean the measurement used in the WTCPUA Rules and Policies to determine the amount of water and wastewater service usage per connection for its Retail Customers.
- (i) "Reservation Fee" shall mean an annual fee imposed pursuant to the WTCPUA's Rules and Policies, as amended from time to time, to reserve water and/or wastewater capacity in the WTCPUA System.
- (j) "Reservation Period" shall mean a four (4) year period commencing on the ~~Effective Date of this Agreement~~date of the Written Service Commitment.
- (k) "Retail Customer" shall mean a person or entity applying for an individual retail water and wastewater service connection located in the Proposed Development.
- ~~(k)~~(l) "Written Service Commitment" shall mean the service availability letter issued to Developer approving the service extension request for the Proposed Development.
- ~~(l)~~(m) "WTCPUA" shall mean the West Travis County Public Utility Agency or its Assignees.
- ~~(m)~~(n) "WTCPUA Rules and Policies" shall mean the WTCPUA's rules and policies adopted by its Board of Directors governing the provision of retail water and wastewater service to Retail Customers and related matters, including the WTCPUA Rate Tariff and the WTCPUA Water and Sewer Service and Development Policies.
- ~~(n)~~(o) "WTCPUA System" shall mean the WTCPUA's existing water treatment and distribution facilities and wastewater collection, treatment and disposal facilities used by the WTCPUA to provide retail potable water service and retail wastewater service within its service area, including, but not limited to its raw water intake, water treatment plant, water storage tank and pumping facilities, wastewater collection lines, lift stations, treatment and disposal facilities, and related facilities.

Section 1.2 Article and Section Headings. The headings and titles of the several articles and sections of this Agreement are solely for convenience and reference and shall not affect the meaning, construction or effect of the provisions hereof.

Section 1.3 Interpretation. The singular form of any word used herein shall include the plural, and vice-versa, unless the context requires otherwise. The use of a word of any gender herein shall include all other genders, unless the context requires otherwise. This Agreement and all of the terms and provisions hereof shall be construed so as to effectuate the purposes contemplated hereby and to sustain the validity hereof.

ARTICLE II **SERVICE COMMITMENT**

Section 2.1 WTCPUA to Provide Service. For and in consideration of Developer's obligations, covenants and conditions set forth in this Agreement, WTCPUA and agrees to provide up to ____ LUEs of retail water and wastewater service for Retail Customers located within the Proposed Development pursuant to the terms of this Agreement and the WTCPUA's Rules and Policies. In no event shall WTCPUA be obligated to provide retail water or wastewater service to Retail Customers located within the Proposed Development that collectively exceed ____ LUEs.

Section 2.2 No Implied Waivers or Credits. Nothing in this Agreement shall be interpreted to waive service conditions for Retail Customers in the Proposed Development or otherwise grant credit to Developer or the Proposed Development or any portion thereof for any fee, charge, or payment, otherwise applicable under this Agreement or WTCPUA's Rules and Policies, except as provided in Section 4.2.

ARTICLE III **DEVELOPER FACILITIES**

Section 3.1 Developer Facilities. Developer shall construct the Developer Facilities in compliance with the WTCPUA Rules and Policies. Developer shall submit all Plans and Specifications for the Developer Facilities, including any phase or portion thereof, to the WTCPUA for review and approval prior to commencement of construction. Developer shall pay applicable WTCPUA inspection fees as provided in the WTCPUA Rules and Policies, and construction of the Developer Facilities shall be subject to all WTCPUA Rules and Policies.

Section 3.2 Developer Deposit. As of the Effective Date, Developer has deposited with the WTCPUA the sum of \$5,000.00 ("Developer Deposit"), which shall be used to pay the WTCPUA's charges and fees as provided in Sections 5.14 through 5.17 of the WTCPUA Rules and Policies with respect to the extension of service to the Proposed Development. To the extent such charges and fees incurred for the Proposed Development exceed or are projected to exceed the amount of the Developer Deposit as specified above, the WTCPUA shall invoice Developer for such additional amounts and payment by Developer shall be due upon its receipt of such invoice. Delay by Developer in paying an invoice when due may delay WTCPUA review and acceptance of the Developer Facilities and the commencement of service to the Proposed Development. Any funds remaining in the Developer Deposit not used by the WTCPUA shall be reimbursed to Developer upon the commencement of service in accordance with Article IV.

ARTICLE IV

COMMENCEMENT OF SERVICE BY WTCPUA

Section 4.1 Conditions Precedent to Commencement of Service. Except as provided in Section 4.2, Developer and WTCPUA agree that the WTCPUA is not required to commence retail water or wastewater service to a Retail Customer in the Proposed Development until Developer and/or a Retail Customer has complied with the WTCPUA Rules and Policies governing the commencement of such service, including the payment of Impact Fees as provided in Section 4.2.

Each customer within the Proposed Development is encouraged to install and maintain a customer service pressure reducing valve located on the water service line located outside the respective customer's meter box.

Section 4.2 Impact Fees. Developer shall pay water and wastewater Impact Fees as provided in Chapter 395 of the Texas Local Government Code prior to the commencement of service and setting of the retail meter to the Proposed Development. Developer shall pay water and wastewater Impact Fees for a total of ____ LUEs.

Section 4.3. Reservation Fees. Developer shall annually pay Reservation Fees for water and wastewater service during the Reservation Period. Reservation Fees shall be calculated by multiplying the current Reservation Fee as contained in the WTCPUA Rules and Policies at the time of each anniversary of the ~~Effective Date of this Agreement~~date of the Written Service Commitment times the number of unused LUEs reserved for the Developer pursuant to this Agreement. Developer shall calculate and pay annual Reservation Fees for reserved water and wastewater LUEs on each annual anniversary of the commencement of the Reservation Period ("Due Date"). If Developer pays the Reservation Fees prior to or on the Due Date, the LUEs for which Reservation Fees have been paid will be considered to be in "reserved status" for the next contract year in the Reservation Period. Reservation Fees are non-refundable and non-reimbursable. If Reservation Fees are not paid on the Due Date, such nonpayment shall be an event of default. **If Developer fails to pay Reservation Fees on the Due Date, the WTCPUA may terminate this Agreement, with immediate effect, by giving notice to the Developer.** Any remaining LUEs for which Reservation Fees are not paid will no longer be considered in "reserved status" and such nonpayment will be considered a breach of contract and Developer may be subject to any and all penalties and remedies applicable to a breach of this Agreement.

Should Developer transfer or assign this Agreement, neither the reservation of nor right to reserve LUEs shall be automatically assigned to any future successor in interest of the Developer as a component of any assignment of this Agreement without express written consent of the WTCPUA.

Reservation Fees for the initial year of the Reservation Period must be paid not later than six (6) months from the date of ~~approval of this Agreement~~the Written Service Commitment by the WTCPUA Board of Directors if a water and wastewater meter or meters having up to ____ LUEs of water and wastewater service has not been installed in accordance to WTCPUA -Rules and Policies ~~WTCPUA -Tariff provisions~~. Any LUEs in reserved status, but which are connected and for which impact fees are paid during the six (6) month grace period, will be deducted from the number of LUEs for which the initial years' Reservation Fees are due.

Furthermore, the Developer agrees and understands that the WTCPUA's commitment of _____ LUEs of water and wastewater service runs with and is assigned to the Proposed Development.

Section 4.4 **Right of Access.** Developer agrees to provide the WTCPUA with immediate access to the Developer Facilities, or any other portion of the Developer Facilities, when required for the WTCPUA to construct, install, operate, repair, maintain, replace, inspect, or upgrade the Developer Facilities.

ARTICLE V **TERM; DEFAULT**

Section 5.1 **Term; Termination.** This Agreement shall become effective upon the latest date of execution by either the Developer or the WTCPUA (the "Effective Date"). WTCPUA may terminate this agreement upon written notice to Developer for any of the _____ LUEs for which a Retail Customer has not requested service in accordance with the WTCPUA Rules and Policies by the fourth anniversary of the Effective Date. The Parties may extend the termination deadlines in this Section upon written amendment of this Agreement. Unless otherwise earlier terminated, this Agreement shall extend from the Effective Date for as long as the WTCPUA provides service to Retail Customers located in the Proposed Development.

Section 5.2 **Default.**

- (a) In the event that Developer defaults on or materially breaches any one or more of the provisions of this Agreement, other than the payment of Reservation Fees, the WTCPUA shall give Developer thirty (30) days to cure such default or material breach after the WTCPUA has made written demand to cure the same. A breach is material if Developer fails to meet or otherwise violates its obligations and responsibilities as set forth in this Agreement. If Developer fails to cure a breach or default involving the payment of money to WTCPUA within such thirty days or fails to cure or take reasonable steps to effectuate such a cure within thirty days if the breach or default does not involve the payment of money to WTCPUA and is not capable of being cured within thirty days, WTCPUA may terminate this Agreement upon written notice to Developer. Upon termination of this Agreement, including termination for nonpayment of Reservation Fees, WTCPUA will retain all payments made, if any, by Developer to the WTCPUA made under this Agreement and WTCPUA shall have no duty to extend water and wastewater service to Retail Customers within the Proposed Development after the date of termination. If any default is not capable of being cured within thirty (30) days, then WTCPUA may not terminate this Agreement or exercise any other remedies under this Agreement so long as Developer diligently and continuously pursues curative action to completion.
- (b) In the event that WTCPUA defaults on or materially breaches any one or more of the provisions of this Agreement, Developer shall give WTCPUA thirty (30) days to cure such default or material breach after Developer has made written demand to cure the same and before Developer files suit to enforce the Agreement. In the event of default by WTCPUA, Developer may, as its sole and exclusive remedy either: (a) seek specific

performance or a writ of mandamus from a court of competent jurisdiction compelling and requiring WTCPUA and its officers to observe and perform their obligations under this Agreement; or (b) if specific performance and a writ of mandamus are barred by governmental immunity, then pursue all other legal and equitable remedies. A breach is material if WTCPUA violates its obligations and responsibilities as set forth in this Agreement.

ARTICLE VI

GENERAL PROVISIONS

Section 6.1 **Entire Agreement.** This Agreement contains the complete and entire agreement between the Parties respecting the matters addressed herein, and supersedes any prior negotiations, agreements, representations and understandings, oral or written, if any, between the Parties respecting such matters. This Agreement may not be modified, discharged or changed in any respect whatsoever, except by a further agreement in writing duly executed by the Parties hereto.

Section 6.2 Assignment. Developer may assign this Agreement only with the express written consent of the WTCPUA, which consent shall not be unreasonably withheld. WTCPUA may assign this agreement, including to a successor organization created for the purpose of assuming all of the WTCPUA's assets and liabilities, including a water conservation and reclamation district created pursuant to Article XVI, Section 59 of the Texas Constitution.

Section 6.3 **Notices.** Written notice to the respective Parties pursuant to this Agreement must be in writing and may be given via regular U.S. Mail, via electronic mail or by hand delivery to the addresses of the Parties shown below. A notice shall be deemed delivered on the earlier of (1) the date actually received; or (2) three (3) days after posting in the U.S. Mail. Notice shall be provided to the following addresses:

WTCPUA: General Manager
West Travis County PUA
12117 Bee Cave Rd
Bldg 3 Ste 120
Bee Cave TX 78738

Email: rpugh@wtcpua.org

Copy to: Stefanie Albright
Lloyd Gosselink Rochelle & Townsend, PC
816 Congress Avenue Suite 1900
Austin, Texas 78701

Email: salbright@lglawfirm.com

Developer: _____

Email: _____

Section 6.4 Invalid Provision. Any clause, sentence, provision, paragraph or article of this Agreement held by a Court of competent jurisdiction to be invalid, illegal or ineffective shall not impair, invalidate or nullify the remainder of this Agreement, but the effect thereof shall be confined to the clause, sentence, provision, paragraph or article so held to be invalid, illegal, or ineffective.

Section 6.5 Applicable Law. This Agreement shall be construed under the laws of the State of Texas and all obligations of the Parties hereunder are performable in Travis County, Texas. Venue for any action arising under this Agreement shall be in Travis County, Texas.

Section 6.6 Time is of the Essence. Time shall be of the essence in this Agreement.

Section 6.7 Third Party Beneficiaries. Except as otherwise expressly provided herein, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the Parties hereto and their heirs, personal representatives, successors and assigns, any benefits, rights or remedies under or by reason of this Agreement.

Section 6.8 Saturday, Sunday, or Legal Holiday. If any date set forth in this Agreement for the performance of any obligation or for the delivery of any instrument or notice should be on a Saturday, Sunday, or legal holiday, the compliance with such obligation or delivery shall be acceptable if performed on the next business day following such Saturday, Sunday or legal holiday. For purposes of this subparagraph, "legal holiday" shall mean any state or federal holiday for which financial institutions or post offices are generally closed in Travis County, Texas, for observance thereof.

Section 6.9 Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument.

Section 6.10 Exhibits. All recitals and all schedules and exhibits referred to in this Agreement are incorporated herein by reference and shall be deemed part of this Agreement for all purposes as if set forth at length herein.

Section 6.11 No Joint Venture, Partnership, Agency, Etc. This Agreement shall not be construed as in any way establishing a partnership or joint venture, express or implied agency, or employer-employee relationship between the Parties hereto.

[Signature pages to follow]

IN WITNESS WHEREOF, this instrument is executed on the Effective Date.

**WEST TRAVIS COUNTY PUBLIC UTILITY
AGENCY**

By: _____
Scott Roberts, President
Board of Directors

Date: _____

ATTEST:

Ray Whisenant, Secretary
Board of Directors

[Developer]

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

EXHIBIT B
DEVELOPER FACILITIES

ITEM D

**ETHICS POLICIES
OF THE
WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY**

**ARTICLE I
CODE OF ETHICS**

1.01. Purpose

West Travis County Public Utility Agency (“WTCPUA” or the “Agency”) hereby adopts this Ethics Policy to encourage high ethical standards in official conduct by the directors, employees and representatives of the Agency; and to establish guidelines for such ethical standards of conduct.

1.02. Policy

It is the policy of the Agency that Agency directors, employees and representatives (collectively, the “Agency officials”) shall conduct themselves in a manner consistent with sound business and ethical practices; that the public interest shall always be considered in conducting Agency business; that the appearance of impropriety shall be avoided to ensure and maintain public confidence in the Agency; and that the Board of Directors of the Agency shall control and manage the affairs of the Agency fairly, impartially, and without discrimination, and in accordance with the stated purposes of the Agency.

1.03. Conflicts of Interest

- A. Every Agency official shall refrain from participating in any activity involving the Agency where he or she has a real or potential conflict of interest, or which is otherwise self-serving in a manner that is distinguishable from the effect of the activity on the public at large. In any matter coming before an Agency representative in which there exists for him or her such a real or potential conflict of interest or self-serving opportunity, the Agency representative shall make public note of the conflict and recuse himself or herself from participating in any discussions, votes or other decision-making on the matter.
- B. In recognition of the fiduciary duties of public servants, each Agency official must act in good faith and not allow his or her own personal interests to prevail over the interests of the Agency. Every Agency representative shall exercise that degree of care and loyalty that is expected of a person in a like fiduciary position under similar circumstances, and shall avoid even the appearance of impropriety.
- C. Without limiting the generality of the foregoing, an Agency official is prohibited by Chapter 171 of the Local Government Code from participating, directly or indirectly, in a vote or decision or from acting as a surety on any matter involving a business entity or real estate in which the official has substantial interest, if it is reasonably foreseeable that an action on the matter would confer an economic or any other benefit on the business entity or real estate.

For purposes of this Policy, a person has a “substantial interest” in a business entity if that person either (i) owns 10 percent or more of the voting stock or

shares of the business entity or owns either 10 percent or more, or \$15,000 or more, of the fair market value of the business entity; or (ii) funds received by the person from the business entity exceed 10 percent of the person's gross income from the previous year.

A person has a substantial interest in real property if the interest is an equitable or legal ownership with a fair market value of \$2,500 or more.

- D. In cases of conflicts of interest, Agency officials shall disclose such conflicts and shall file with the Board secretary an affidavit stating the nature and extent of the conflict of interest. Thereafter, that Agency official shall abstain from participation in the matter as provided by law.
- E. Agency officials shall not disclose, without written legal authorization, confidential information to advance the financial or other private interests of him or others, or for any other reason.
- F. The Agency may not contract for the purchase of services or personal property directly with an Agency official or with a business entity in which an Agency official has substantial interest except as permitted by law.
- G. The Board shall take a separate vote on any budget item specifically dedicated to a contract with a business entity in which a director has a substantial interest. The director having the substantial interest may not participate in that separate vote, but may vote on a final budget if the separate budget item voted on does not exceed 10% of the total budget.
- H. A director of the Agency shall not contract with the Agency or be employed by an organization to which the Agency has awarded a contract for one year following the date the person ceases serving as a director.

1.04. Nepotism

The Board shall not confirm the appointment to any position, nor award a contract, to a person related to a member of the Board within the second degree by affinity (marriage) or within the third degree by consanguinity (ancestry) when the salary or other compensation of such appointee is paid, directly or indirectly, from Agency funds, except as provided by Chapter 573, Texas Government Code.

1.05. Acceptance of Gifts

- A. An Agency official shall not solicit, accept, or agree to accept any benefit or value from a person or business entity the Agency official knows is interested in or likely to become interested in any contract, purchase, payment, claim, or other transaction involving the exercise of their discretion as an Agency official or any matter before the Board, or likely to come before the Board of any decision, opinion, recommendation, or vote.
- B. The prohibition against gifts or favors in Section 1.05(A) shall not apply to:

- (1) ~~an occasional non-pecuniary gift, addressed to the Agency and made available to all officials and employees of the Agency~~
~~an occasional non-pecuniary gift, valued at less than \$50.00; or~~
- (2) an award publicly presented in recognition of public service.

1.06. Use of Agency Property

No Board member, officer, or employee shall permit any personal or unauthorized use of Agency-owned or Agency-controlled equipment, materials, supplies or property.

ARTICLE II
TRAVEL EXPENDITURES POLICY

2.01. Purpose

The Board hereby establishes policies for reimbursing Agency directors, officers, and employees for necessary and reasonable travel expenses incurred while conducting business or performing official duties or assignments.

- A. Authorized expenses include cost of meals, lodging, commercial travel, in some cases personal automobile mileage, and other necessary and reasonable costs incurred while on official business away from designated headquarters.
- B. Reimbursement for travel expenses shall be subject to approval by the Board. The reimbursement request shall include a statement of the business purpose of the travel, date, time, and place, and shall be accompanied by supporting receipts and invoices are required by the Board.

2.02. Fees of Office

Agency directors shall not be entitled to fees of office.

2.03. Meals and Lodging

Reimbursement to directors for actual expenses for meals and lodging shall not exceed the maximum amount allowed by law.

2.04. Transportation

Directors or employees who use personal vehicles while on Agency business travel may be reimbursed for actual miles driven at the current rate allowed by the Internal Revenue Service. Mileage will be computed by the most direct route, and the use of personal vehicles for Agency travel must be approved by the Board in advance. Directors or employees traveling by commercial transportation are entitled to reimbursement of the actual cost of necessary transportation for performing official business, except the reimbursement for air transportation shall not exceed the next lowest available airline fare below first class unless such is not available.

ARTICLE III

MANAGEMENT POLICY

3.01. Purpose

The Board desires to adopt a policy to ensure better use of management information, including the use of budgets in planning and controlling costs, the establishment of a functioning audit committee, and the use of uniform reporting requirements

3.02. Accounting Records

Agency accounting records shall be prepared on a timely basis and maintained in an orderly manner, in conformity with generally accepted accounting. Such records shall be available for public inspection during regular business hours at the Agency's office.

3.03. Audit Requirements

The Agency's fiscal accounts and records shall be audited annually at the expense of the Agency by a certified public accountant familiar with the appropriate rules, regulations, standards, and guidelines applicable to water utility audits.

3.04. Budget

The Agency shall annually adopt a budget for use in planning and controlling Agency costs. Such budget shall take into consideration all Agency revenues, including, but not limited to utility fees and surcharges, if any, and all projected Agency obligations and expenditures. The budget may be amended at any time but such amendment shall be approved in advance by the Board.

ARTICLE IV

INDEMNITY AND LEGAL COSTS

4.01 To the extent authorized by Texas law, the Board of Directors may provide through insurance policies, through reimbursement of costs and damages, through providing of legal services, or otherwise, at its option, for:

(a) the legal defense of any Director, officer or employee, past or present, in connection with any claim asserted against him, and

(b) the payment of any judgment rendered against any Director, officer or employee, past or present, in relation to matters arising out of the course of his duties, as to which he acted in good faith and had or has no personal interest.

ARTICLE V

VALIDITY OF POLICIES

5.1 Any provisions of these Policies in conflict with the laws governing special utility Agencies, or any act or law amendatory thereof, shall be of no force and effect.

ARTICLE VI AMENDMENTS

6.1 These Policies may be amended or revised only at a meeting of the Board of Directors after notice of such amendment has been properly posted in accordance with the Texas Open Meetings Act.

ARTICLE VII MISCELLANEOUS

7.01. Gender

Any references herein to the masculine gender shall also refer to the feminine gender in all appropriate cases.

7.02. Open Meeting

The Board officially finds, determines, and declares that these Policies were reviewed, carefully considered and adopted at a regular meeting of the Board and that a sufficient written notice of the date, hour, place, and subject of this meeting was posted in accordance with the Open Meetings Law, Chapter 551, Texas Government Code.

ARTICLE VIII WHISTLEBLOWER AND RETALIATION POLICY

8.01. A whistleblower as defined by this policy is an employee of the Agency who reports an activity that he or she considers to be illegal or dishonest to one or more of the parties specified in this policy. The whistleblower is not responsible for investigating the activity or for determining fault or corrective measures; appropriate management officials are charged with these responsibilities.

Examples of illegal or dishonest activities are violations of federal, state or local laws; billing for services not performed; and other fraudulent financial reporting.

If an employee has knowledge of or a concern of illegal or dishonest fraudulent activity, the employee is to contact the Agency General Manager. The employee must exercise sound judgment to avoid baseless allegations. An employee who intentionally files a false report of wrongdoing will be subject to corrective up to and including discharge.

Whistleblower protections are provided in two important areas -- confidentiality and against retaliation. Insofar as possible, the confidentiality of the whistleblower will be maintained. However, identity may have to be disclosed to conduct a thorough investigation, to comply with the law and to provide accused individuals their legal rights of defense. The Agency

will not retaliate against a whistleblower. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as discharge, compensation decreases, or poor work assignments and threats of physical harm. Any whistleblower who believes he or she is being retaliated against must contact the Agency General Manager immediately. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.

All reports of illegal and dishonest activities will be promptly submitted to the Agency General Manager who is responsible for investigating and coordinating corrective action.

Employees with any questions regarding this policy should contact the Agency General Manager.

[Excerpt from WTCPUA Personnel Manual]

Conflicts of Interests and Ethics

Whenever an employee, or any relative or spouse of the employee, or any of the spouse's relatives who share the same home as the employee has an interest, direct or indirect, in a proposed or actual business transaction in which the PUA is a party, the employee must inform the General Manager who will determine whether there is in fact a conflict between the PUA and the employee's (or spouse or relative's) interests and, if so, whether such a conflict will harm the PUA's interests.

Direct interest means the interest an employee, spouse, or relative may have in a firm, corporation, or entity of which the employee is an officer or director or in which the employee owns an equity interest. Equity of less than five percent in publicly held companies need not be considered.

The PUA prohibits gifts and gratuities of any kind given by anyone doing business with or soliciting business from the PUA to any PUA employees, ~~who evaluate or award bids, negotiate contracts or approve changes in contracts.~~

~~A gift or gratuity does not include the simple, casual meal offered by a supplier's representative as a timesaving expediency or normal expression of friendly business relationship, as long as the representative is in attendance; the employee may be a guest at the meal, but may not accept a gift card or other meal payment when the host is not present. However, the repeated appearance of an employee as the lunch guest of the same company should be tactfully avoided. A gift or gratuity includes food, lodging, transportation, and entertainment, even if accepted as a guest. A gift also~~ does not include a promotional item of nominal value of the sort typically given at vendor booths at conferences.

A gift or gratuity does not include an occasional non-pecuniary gift, addressed to the Agency and made available to all employees and officials of the Agency. A gift or gratuity also does not include an award publicly presented to an employee of the Agency in recognition of public service that does not exceed \$100.00.

The PUA prohibits any conduct by any employee which is illegal or unethical.

Violations of this policy may result in termination of employment, and reimbursement to the PUA for any losses suffered as a result of the employee's interests being given preference to those of the PUA.

VIII. NEW BUSINESS

ITEM A

LAND USE ASSUMPTIONS & CAPITAL IMPROVEMENTS PLAN

for

**WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY
2014 IMPACT FEE STUDY**

September 2018



Prepared for:

West Travis County Public Utility Agency
12117 Bee Cave Road
Building 3, Suite 120
Bee Cave, Texas 78738

Prepared by:



Murfee Engineering Company, Inc.
1101 Capital of Texas Highway, South
Building D, Suite 110
Austin, Texas 78746

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| Appendix G: CIP Tables | |

INTRODUCTION

The purpose of this report is to develop the Land Use Assumptions and Capital Improvements Plan in support of the West Travis County Public Utility Agency 2018 Impact Fee Study (IFS) for the 2018-2027 planning period. The process and methodology used will be described and the results summarized in tabular and graphical form for use in the impact fee calculations prepared by Nelisa Heddin Consulting, LLC. This report is prepared in accordance with the applicable provisions of Chapter 395 of the Local Government Code: *Financing Capital Improvements Required by New Development in Municipalities, Counties, and Certain Other Local Governments*.

BACKGROUND

Water

The West Travis County Public Utility Agency (WTCPUA) regional water system currently serves approximately 16,800 Living Unit Equivalents (LUEs) in western Travis and northern Hays Counties. Raw water is diverted from Lake Austin under Firm Water Contracts with the Lower Colorado River Authority at an intake structure and delivered to both raw water customers as well as to the Uplands Water Treatment Plant located on Bee Cave Road at its intersection with Bee Cave Parkway. Potable water service throughout the service area including wholesale customers is provided via the Uplands Water Treatment Plant. The distribution system is generally divided into the SH71 & US290 Systems, with the demark being the Southwest Parkway Pump Station and the facilities that supply it with water for pumping into the US290 System. Table 1 provides a summary of existing LUEs by system.

Table 1: Summary of Existing LUEs (Water)

| System | Total Existing Water LUEs |
|---------------|----------------------------------|
| SH71 | 8,836 |
| US290 | 7,966 |
| TOTAL | 16,802 |

A detailed tabulation of existing LUEs broken down by system, geographic area (census block), and retail vs. wholesale is provided in Appendix A: *Existing Water LUE Tabulation*.

Division of the system into two main service areas is an operational and planning tool that also logically precipitates to the considerations taken into account for impact fee calculation. As such, the two-system planning and service strategy is carried through the Land Use Assumptions (LUA) and Capital Improvements Plan (CIP) to the calculation of impact fees. The Preliminary Retail Planning Area (RPA) is the service area within which the WTCPUA plans for retail water service to new customers. In addition the WTCPUA has wholesale customers both inside and outside the RPA. The RPA together with the wholesale customer service area boundaries define the footprint within which the WTCPUA is planning for water service in the 2018 IFS. Appendix B: *Water CIP Exhibit* shows the WTCPUA water system, general division between the SH71 and US290 Systems, RPA, wholesale customer boundaries, major system components, and CIP facilities.

Wastewater

The WTCPUA regional wastewater system currently serves approximately 3,787 LUEs in an approximately 4,800-acre service area generally within the extraterritorial jurisdiction (ETJ) of the City of Bee Cave. A detailed tabulation of existing LUEs similar to that provided for water is provided in Appendix C: *Existing Wastewater LUE Tabulation*. The wastewater collection system

includes 22 lift stations and approximately 60 miles of pipe, which deliver raw wastewater for treatment to two wastewater treatment plants. Treated effluent is stored in two effluent holding ponds and used for irrigation under a Texas Land Application Permit (TLAP) as well as an Authorization for Reclaimed Water (210 Authorization). Appendix D: *Wastewater CIP Exhibit* shows the wastewater collection system, service area boundary, major system components, CIP facilities.

LAND USE ASSUMPTIONS

In order to develop a robust planning basis for the prior IFS (performed in 2014), the WTCPUA retained the services of Population and Survey Analysts (PASA), a consulting firm specializing in demographic analysis and projections. The PASA scope of study included detailed analysis of the entire WTCPUA service area and projection of land use, housing occupancies, and ultimately LUEs. For this analysis 1 Service Unit is defined as 1 LUE. For the 2014 IFS, Murfee Engineering used the data generated by the PASA study to focus on the specific projections applicable to the IFS and, taking direction from the WTCPUA Board of Directors and General Manager, developed projections of LUEs categorized to facilitate development of the CIP following the two-system organization. For this study, growth projected in the 2014 study was compared to that actually realized during the 2014-2018 period as a starting point. The comparison was facilitated by using the demographer's geographic organization basis (census block group as defined by the United States Census Bureau) to assign a planning unit (PU) to each entry in the WTCPUA customer database.

The comparison of projected to actual growth showed a deficit in actual LUEs served in 2018 (detailed in Appendix A) to those projected in the 2014 IFS. In order to both adjust the projections downward to account for the deficit in actual connection growth compared to the projections and preserve the character of the data set developed by PASA, which potential for development is still

believed to exist, the end point for the 2014 Study in terms of LUEs was used for this current study. Several minor adjustments were made to reconcile projections against Service Extension Requests which were processed after the issuance of the 2014 study.

Table 2 on the following page presents the Land Use Assumptions for the water service area.

Table 2: Land Use Assumption Summary Tabulation (Water)

| Impact Fee Planning Period Year | GROWTH | | | | | | | | | TOTAL LUEs | | |
|---------------------------------------|-------------|-------|------------|-------|-----------|-------|-------|-------|--------|------------|--------|--------|
| | Residential | | Commercial | | Wholesale | | TOTAL | | | | | |
| | SH71 | US290 | SH71 | US290 | SH71 | US290 | SH71 | US290 | TOTAL | SH71 | US290 | TOTAL |
| Oct-15 | 345 | 127 | 75 | 40 | 279 | 135 | 699 | 302 | 1,000 | 8,836 | 7,966 | 16,802 |
| Oct-16 | 299 | 124 | 75 | 40 | 391 | 358 | 765 | 52 | 1,287 | 9,535 | 8,268 | 17,803 |
| Oct-17 | 245 | 135 | 75 | 40 | 827 | 402 | 846 | 577 | 1,423 | 10,300 | 8,790 | 19,090 |
| Oct-18 | 204 | 118 | 75 | 40 | 478 | 486 | 756 | 644 | 1,400 | 11,146 | 9,367 | 20,513 |
| Oct-19 | 216 | 100 | 75 | 40 | 438 | 427 | 728 | 567 | 1,295 | 11,902 | 10,011 | 21,913 |
| Oct-20 | 235 | 156 | 75 | 40 | 422 | 348 | 732 | 544 | 1,276 | 12,630 | 10,578 | 23,208 |
| Oct-21 | 256 | 188 | 75 | 40 | 412 | 407 | 742 | 635 | 1,377 | 13,362 | 11,122 | 24,484 |
| Oct-22 | 217 | 184 | 75 | 40 | 387 | 442 | 679 | 666 | 1,344 | 14,104 | 11,757 | 25,861 |
| Oct-23 | 195 | 165 | 75 | 40 | 350 | 402 | 619 | 607 | 1,227 | 14,782 | 12,423 | 27,205 |
| Oct-24 | 177 | 180 | 75 | 40 | 236 | 293 | 488 | 513 | 1,001 | 15,402 | 13,030 | 28,432 |
| Subtotals | 2,389 | 1,477 | 746 | 400 | 3,919 | 3,700 | 7,054 | 5,577 | 12,631 | 15,890 | 13,543 | 29,433 |
| TOTALS | 3,867 | | 1,145 | | 7,619 | | | | | | | |

Appendix E provides a graphical representation of the LUA.

Table 3 provides a similar summary tabulation for wastewater.

Table 3: Land Use Assumption Summary Tabulation (Wastewater)

| Impact Fee Planning Period Year | GROWTH | | | | TOTAL LUES |
|---------------------------------------|-------------|------------|-----------|-------|------------|
| | Retail | | Wholesale | Total | |
| | Residential | Commercial | | | |
| | | | | | 3,377 |
| 2018 | 330 | 84 | 52 | 466 | 4,252 |
| 2019 | 256 | 84 | 58 | 397 | 4,649 |
| 2020 | 189 | 84 | 65 | 337 | 4,986 |
| 2021 | 160 | 84 | 65 | 309 | 5,295 |
| 2022 | 174 | 84 | 65 | 323 | 5,618 |
| 2023 | 173 | 84 | 56 | 312 | 5,930 |
| 2024 | 185 | 84 | 52 | 320 | 6,250 |
| 2025 | 126 | 57 | 47 | 257 | 6,506 |
| 2026 | 92 | 84 | 36 | 212 | 6,718 |
| 2027 | 63 | 84 | 14 | 161 | 6,880 |
| Subtotal | 1,748 | 836 | 510 | 3,094 | |
| TOTAL | 2,584 | | | | |

A graphical representation of the wastewater LUA is presented in Appendix F.

SYSTEM PLANNING CRITERIA

In order to step forward to a Capital Improvements Plan (CIP) from the LUA it is necessary to define the units used in the projections in terms of water and wastewater system usage as well as the criteria used to establish the capacities of regional facilities.

Unit Usage

Unit usage in gallons per day per living unit equivalent (gpd/LUE) for both the water and wastewater systems is a critical piece of the LUE definition that assists in translation of the Land Use Assumptions into required capacities for system components. Unit usage analysis is performed using the operational history of the system under the WTCPUA and the existing LUE tabulations

presented in Appendices A & C, revised has been developed. Table 4 presents a comparison of the unit usage used in the prior studies to that used in this report.

Table 4: Water System Unit Usage Comparison

| System | 2012 IFS Unit Usage (gpd/LUE) | 2014 IFS Unit Usage (gpd/LUE) | 2014 IFS Unit Usage (gpd/LUE) | Description |
|---------------|--|--|--|--------------------|
| Water | 450 | 450 | 450 | Annual average |
| | 1,090 | 924 | 900 | Peak day |
| Wastewater | 205 | 180 | 180 | 30-day average |

Unit usage analysis for the water system is based on a peak day and annual average analysis of the 2014-2018 period. The analysis returned small discrepancies from that performed in prior years, which indicates that

1. A long-term floor in terms of the effects of water conservation in periods without drought restrictions is perhaps being reached.
2. The conservative prior adjustment based on the short operational history at the time of the 2014 IFS and the effects of drought restrictions at the time was prudent.
3. The use of the annual average, also sometimes represented as 2 LUEs per acre-foot per year (LUEs/afy) as a longer-term planning number is reasonable.

Wastewater unit usage was not revised based on an analysis of the most recent 12-months of flow data that indicated a potential adjustment below the margin of error of the analysis. Unit usage in both the water and wastewater systems is expected to trend slightly downward in the future.

System Criteria

The primary criteria used to establish the capacity of the existing facilities and allocate for growth in future CIP projects are pipe velocities, pumping capacity, and system storage. Transmission main

capacity is evaluated using peak day unit usage and a 5 feet per second (fps) limitation on velocity. Pumping capacity is evaluated using a number of measures. The water distribution system model is used to evaluate the system dynamically and assist in sizing of facilities to provide minimum service level benchmarks. Once facilities are evaluated using the water distribution system model the facility service areas are delineated and the preliminary capacity evaluated in terms of the Texas Commission on Environmental Quality (TCEQ) minimum water system capacity requirements contained in TAC §290.45. For the WTCPUA water system the pumping requirements are 2.0 gpm/connection in service sub-areas where 200 gallons/connection of elevated storage are not provided and 0.6 gpm/connection in sub-areas that meet the 200 gallons/connection threshold. Total storage is evaluated using the water distribution system model and dynamic peak day analysis as well as TCEQ minimum criteria of 200 gallons/connection total storage, 100 gallons/connection elevated storage, 20 gallons/connection hydropneumatic system storage, and clearwell storage capacity of 5% of water plant production capacity.

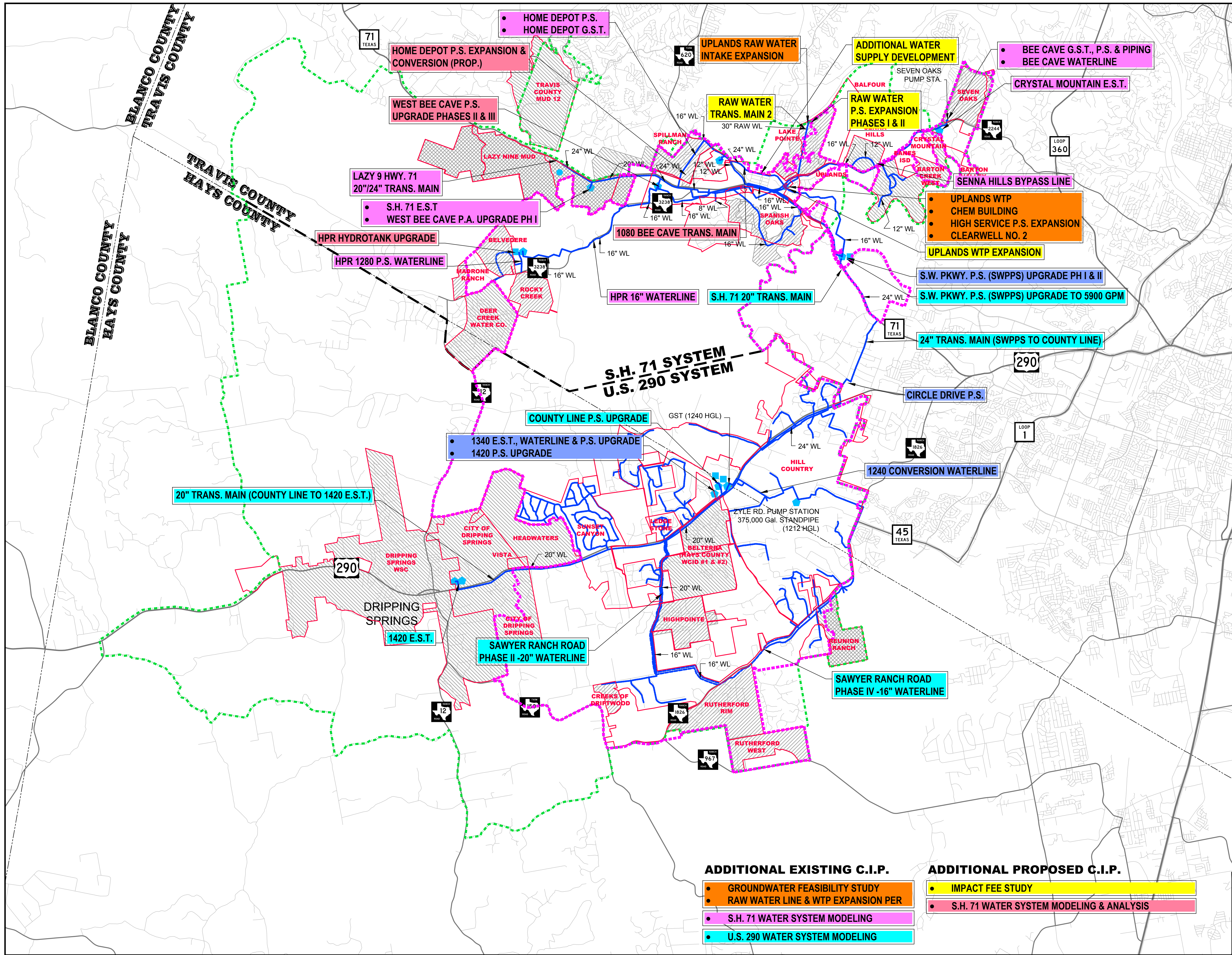
CAPITAL IMPROVEMENTS PLAN

Using the above-described Land Use Assumptions and the unit usage and system planning criteria, a Capital Improvements Plan (CIP) was developed that identifies the projects required to meet the forecasted demands as well as estimated dates that the projects will be needed and forecasted project costs. Appendix E contains tables for existing project capacity assessment and allocations as well as those for the proposed projects for both water and wastewater and define the CIP for the purposes of the impact fee calculations.

APPENDIX A:
Existing Water LUE Tabulation

| | | | | |
|--|---|--|---|----------------|
| Murfee Engineering Company, Inc. | | | Date: | 3/5/2018 |
| Texas Registered Firm No. F-353 | | | Data: | 2/1/2018 |
| WTCPUA - Existing Water LUE Summary 2018 | | | | |
| RETAIL CUSTOMERS | | | | |
| | | Demography Planning | | |
| System | Description | Unit | Connections | Existing LUEs* |
| | Heritage Country, Big Country | 18.3 | 93 | 93 |
| | Sunset Canyon | 19.3 | 370 | 386 |
| | Townes | 19.4 | 9 | 38 |
| | Key Ranch, Saratoga Hills | 20.1 | 78 | 105 |
| | Heritage Oaks, Ledge Stone, Oak Run West, Polo Club | 20.2 | 494 | 548 |
| | Hays Country Acres & Creek | 33.2 | 1 | 1 |
| | Sunset Canyon S. | 35.1 | 126 | 133 |
| | Meadow Creek Ranch, Dripping Springs Ranch II | 35.2 | 12 | 18 |
| | SW of Sawyer Ranch and US290 to Sunset Canyon | 36 | 221 | 279 |
| | Signal Hill | 38 | 97 | 100 |
| | Bear Creek Oaks, Echo Bluff, Hills of Texas | 39 | 270 | 276 |
| | Friendship Ranch, Whispering Oaks, Wildwood, Parten | 40 | 2 | 1 |
| | Highpointe | 41 | 799 | 826 |
| | E. of Sawyer Highpointe to Darden Hill | 42 | 10 | 10 |
| | Onion Creek Ranch, Creek of Driftwood | 43.1 | 77 | 77 |
| | Woodland Estates | 43.2 | 7 | 7 |
| | Driftwood | 43.3 | 2 | 2 |
| | Green Hills | 44 | 17 | 17 |
| | Rim Rock | 45 | 573 | 574 |
| | Fox Run, Barsana | 46.1 | 5 | 12 |
| | S. of FM1826 Barsana to Bear Creek Pass | 47.1 | 14 | 14 |
| | Bear Creek Estates | 47.3 | 23 | 23 |
| | N. of Fitzhugh to the county line | 113 | 15 | 15 |
| | Oak Run, S. of Fitzhugh to Blackstone | 114 | 17 | 21 |
| | NW of Circle Dr. | 116 | 8 | 8 |
| | US290 South of Circle Dr., Tanglewood W., Hillside | 117 | 185 | 203 |
| | Rimrock Tr., Spring Valley, Ledgestone Terrace, Derecho | 118 | 228 | 260 |
| | Appaloosa Run, Zyle Rd. | 119 | 139 | 143 |
| | Overlook at Lewis Mountain | 120 | 2 | 2 |
| | Rutherford West | 122 | 27 | 28 |
| SH71 | Senna Hills | 102 | 2 | 4 |
| | Seven Oaks | 103 | 231 | 357 |
| | N. Crystal Creek Dr. | 104 | 5 | 18 |
| | S. Crystal Creek Drive | 106 | 2 | 2 |
| | Angelwylde | 107 | 11 | 11 |
| | N. of Hamilton Pool Madrone Ranch to Creeks Edge | 3D.2 | 213 | 223 |
| | Destiny Hills | 3D.3 | 1 | 1 |
| | Bella Colinas | 3D.4 | 4 | 4 |
| | Bee Cave West, Travis County, | 3D.5 | 43 | 83 |
| | W. of Crumley HPR to county line, Rocky Creek | 3E.1 | 374 | 390 |
| | Homestead, Meadowfox, LTYA | 3G.1 | 181 | 176 |
| | Spanish Oaks, Shops at the Galleria | 3H.1 | 632 | 1234 |
| | Uplands, HEB | 4A.1 | 218 | 414 |
| | The Preserve at Barton Creek | 4A.2 | 46 | 46 |
| | Lake Pointe | 5A | 1075 | 1151 |
| | Cielo | 5B | 1 | 1 |
| | Hill Country Galleria & Surrounding | 5C | 42 | 174 |
| | Falconhead | 8A | 598 | 721 |
| | Ladera, Morningside, Skaggs | 8F | 387 | 618 |
| | | | TOTAL | 9,843 |
| | | | SH71 System | 5625 |
| | | | US290 System | 4218 |
| * - Calculation of LUEs is based on meter size. Meters with zero consumption were not counted. | | | | |
| WHOLESALE CUSTOMERS | | | | |
| System | Customer | Jan 2017-Dec 2017 Average Usage (gpd) | Standardized Water LUEs ¹ | |
| US290 | City of Dripping Springs | 0 | 0 | |
| | City of Dripping Springs - Headwaters | 76,485 | 170 | |
| | Dripping Springs WSC | 648,844 | 1,442 | |
| | Hays 1 | 429,674 | 955 | |
| | Hays 2 | 356,460 | 792 | |
| | Reunion Ranch WCID | 175,326 | 390 | |
| SH71 | Barton Creek West | 301,233 | 669 | |
| | Crystal Mountain | 36,068 | 80 | |
| | Deer Creek | 170,638 | 379 | |
| | Eanes ISD | 15,649 | 35 | |
| | Lazy Nine MUD | 283,564 | 630 | |
| | Lake Travis ISD | 5,003 | 11 | |
| | Senna Hills | 200,781 | 446 | |
| | TC MUD 12 | 385,236 | 856 | |
| | TC MUD 18 | 47,000 | 104 | |
| TOTAL | | 3,131,961 | 6,960 | |
| 0 - LUEs based on Water Resources Management spreadsheet "wholesale reservations" | | | | |
| dated 4/5/12 | | | | |
| 1 - Using 450 gpd/LUE | | | SH71 System | 3,211 |
| 2- Contract states 310 built out LUEs, max 400 gpm consumption | | | US290 System | 3,748 |
| | | | SH71 System | 8,836 |
| | | | US290 System | 7,966 |
| | | | GRAND TOTAL | 16,802 |

APPENDIX B:
Water CIP Exhibit

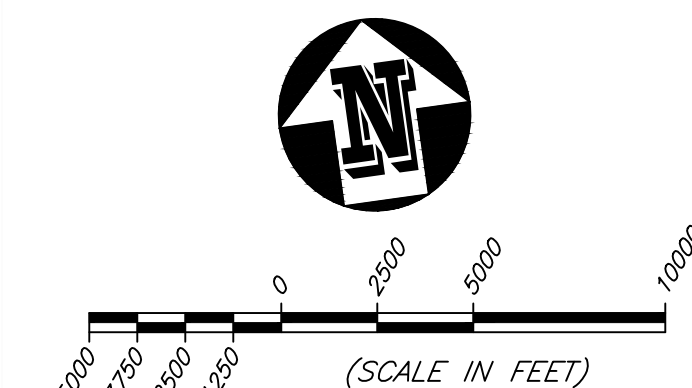


C.I.P. PROJECTS LEGEND

- SYSTEM WIDE
PROPOSED
EXISTING
- S.H. 71 SYSTEM
PROPOSED
EXISTING
- U.S. 290 SYSTEM
PROPOSED
EXISTING

LEGEND

- WEST TRAVIS COUNTY P.U.A. WATER SYSTEM BOUNDARY
- WEST TRAVIS COUNTY P.U.A. PRELIMINARY RETAIL PLANNING AREA
- EXISTING FACILITIES AND FACILITIES PROPOSED IN C.I.P. PLANS
- EXIST. WHOLESALE CUSTOMERS
- REIMBURSEMENT OBLIGATIONS
- EXIST. WHOLESALE CUSTOMERS WITH REIMBURSEMENT OBLIGATIONS



FOR PLANNING PURPOSES ONLY

ADDITIONAL EXISTING C.I.P.

- GROUNDWATER FEASIBILITY STUDY
- RAW WATER LINE & WTP EXPANSION PER
- S.H. 71 WATER SYSTEM MODELING
- U.S. 290 WATER SYSTEM MODELING

ADDITIONAL PROPOSED C.I.P.

- IMPACT FEE STUDY
- S.H. 71 WATER SYSTEM MODELING & ANALYSIS

APPENDIX C:

Existing Wastewater LUE Tabulation

WTCPUA - April 2018 SH71 System WW LUE Summary

RETAIL CUSTOMERS

| Rate District | Read Route & Description | Connections | Exist WW LUEs* |
|---------------|---------------------------|--------------|----------------|
| SH 71 | 313 Seven Oaks | 2 | 2 |
| | 314 Falcon Head | 407 | 409 |
| | 315 Spanish Oaks & Hwy 71 | 434 | 492 |
| | 316 Lake Pointe 1 | 260 | 266 |
| | 317 Lake Pointe 2 | 219 | 232 |
| | 318 Shops at the Galleria | 75 | 379 |
| | 319 Lake Pointe 3 | 206 | 209 |
| | 320 Lake Pointe 4 | 250 | 249 |
| | 321 620 & 71 | 545 | 907 |
| TOTAL | | 2,398 | 3,145 |

* - Calculation of LUEs is based on meter size. Meters with zero consumption were not counted.

WHOLESALE CUSTOMERS

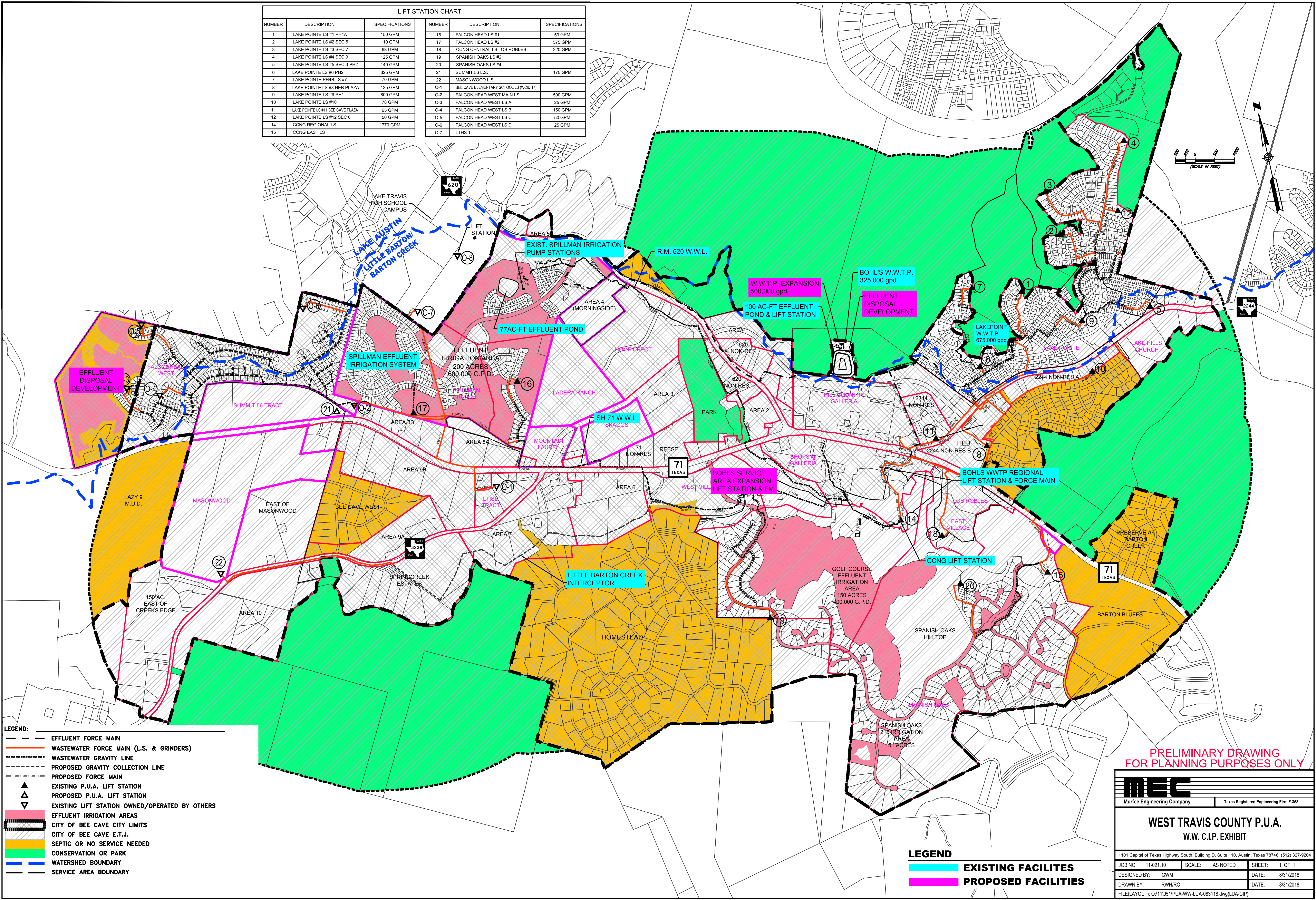
| Customer | January- December 2017 Average Usage (gpd) | January-December 2017 Peak Month Usage (gpd) | Exist WW LUEs* |
|--------------|---|--|-------------------|
| Masonwood | 41,833 | 46,129 | 232 |
| WCID 17 | 73,759 | 87,484 | 410 |
| TOTAL | 115,592 | 133,613 | 642 |

* - Calculation of Wholesale LUEs is based on 180 gpd/LUE

GRAND TOTAL 3,787

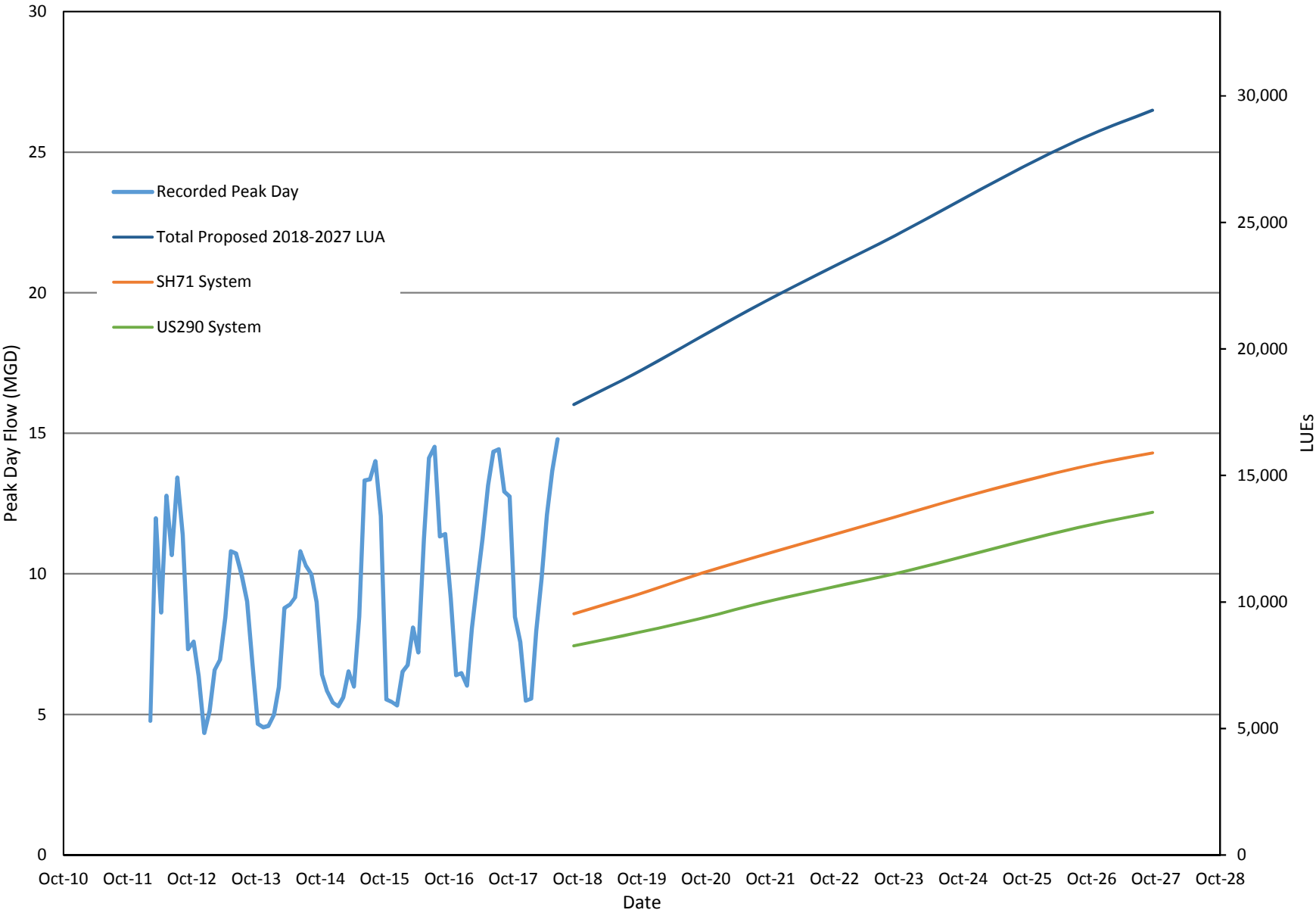
APPENDIX D:
Wastewater CIP Exhibit

| LIFT STATION CHART | | | | | | |
|--------------------|-----------------------------------|----------------|--|--------|--|----------------|
| NUMBER | DESCRIPTION | SPECIFICATIONS | | NUMBER | DESCRIPTION | SPECIFICATIONS |
| 1 | LAKE POINTE LS #1 PH4A | 150 GPM | | 16 | FALCON HEAD LS #1 | 59 GPM |
| 2 | LAKE POINTE LS #2 SEC 5 | 110 GPM | | 17 | FALCON HEAD LS #2 | 575 GPM |
| 3 | LAKE POINTE LS #3 SEC 7 | 68 GPM | | 18 | CCNG CENTRAL LS LOS ROBLES | 220 GPM |
| 4 | LAKE POINTE LS #4 SEC 9 | 125 GPM | | 19 | SPANISH OAKS LS #2 | |
| 5 | LAKE POINTE LS #5 SEC 3 PH2 | 140 GPM | | 20 | SPANISH OAKS LS #4 | |
| 6 | LAKE POINTE LS #6 PH2 | 325 GPM | | 21 | SUMMIT 56 L.S. | 175 GPM |
| 7 | LAKE POINTE PH4B LS #7 | 70 GPM | | 22 | MASONWOOD L.S. | |
| 8 | LAKE POINTE LS #8 HEB PLAZA | 125 GPM | | O-1 | BEE CAVE ELEMENTARY SCHOOL LS (WOD 17) | |
| 9 | LAKE POINTE LS #9 PH1 | 800 GPM | | O-2 | FALCON HEAD WEST MAIN LS | 500 GPM |
| 10 | LAKE POINTE LS #10 | 78 GPM | | O-3 | FALCON HEAD WEST LS A | 25 GPM |
| 11 | LAKE POINTE LS #11 BEE CAVE PLAZA | 65 GPM | | O-4 | FALCON HEAD WEST LS B | 150 GPM |
| 12 | LAKE POINTE LS #12 SEC 6 | 50 GPM | | O-5 | FALCON HEAD WEST LS C | 50 GPM |
| 14 | CCNG REGIONAL LS | 1770 GPM | | O-6 | FALCON HEAD WEST LS D | 25 GPM |
| 15 | CCNG EAST LS | | | O-7 | LTHS 1 | |



APPENDIX E:
Water LUA Summary Figure

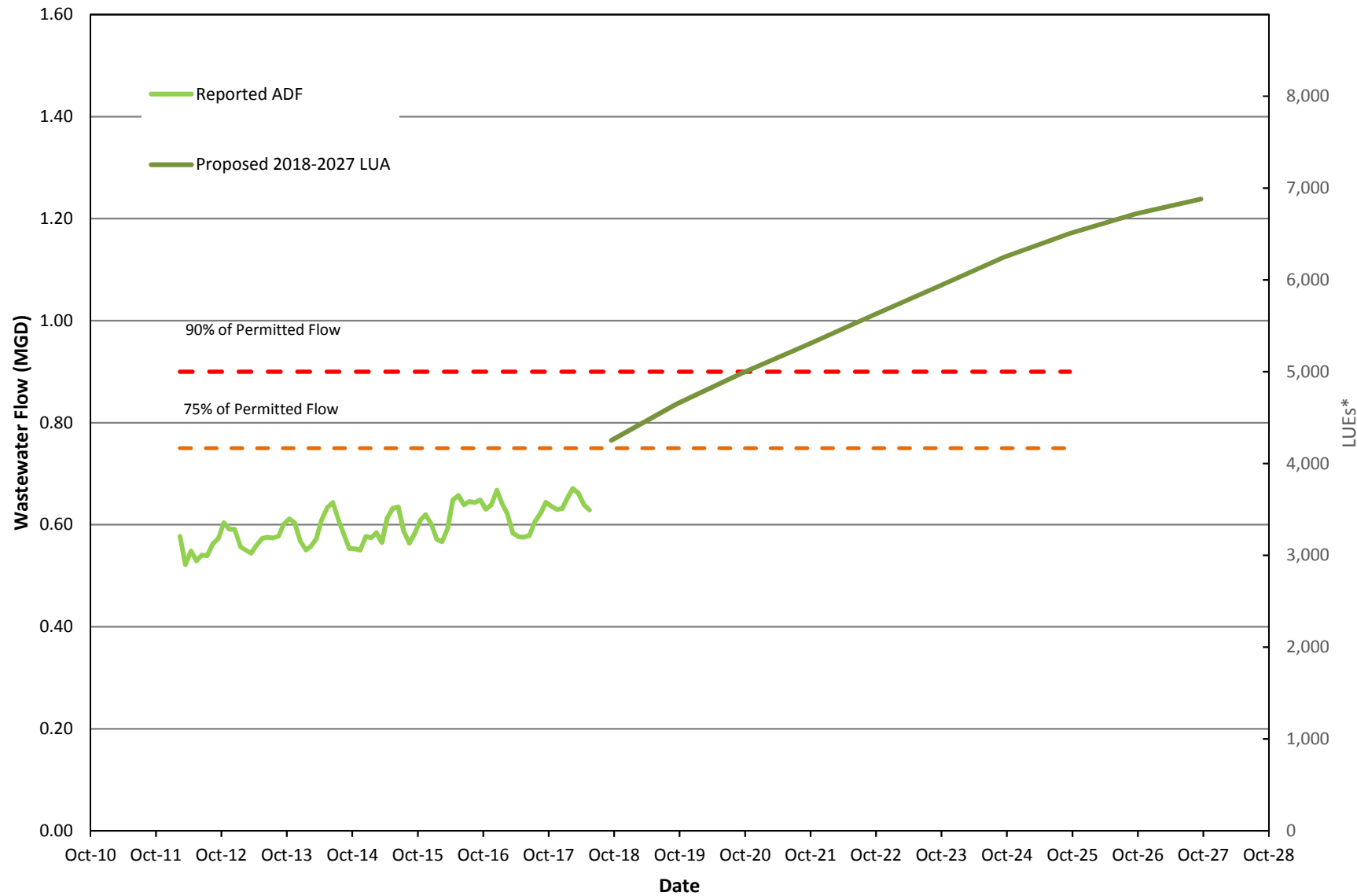
WTCPUA - Water LUA Summary 2018



APPENDIX F:

Wastewater LUA Summary Figure

WTCPUA - Wastewater LUA Summary 2018



*Note: LUE= 180 gpd/LUE

APPENDIX G:

CIP Tables

| WTCPUA Capital Improvements Program - Water | | | | | | | | |
|---|---------------|------------------------------|--|--|------------------------------------|-----------------------------|------------------------------|-----------------------------|
| Existing Projects | | | | | | | | |
| Project | Project Cost | Capacity (MGD or LUEs) | Current Capacity Used (MGD or LUEs) | Capacity Used 2018-2027 (MGD or LUEs) | Allocation for Current Capacity | Allocation for 2018-2027 | Cost Allocation - Current | Cost Allocation - Growth |
| System-wide | | | | | | | | |
| Uplands WTP Chem Building | \$ 2,141,458 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 1,621,083.71 | \$ 520,374 |
| Uplands WTP | \$ 40,249,533 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 30,468,896 | \$ 9,780,637 |
| Uplands Raw Water Intake Expansion | \$ 416,305 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 315,143 | \$ 101,162 |
| High Service Pump Station 8MGD-14MGD | \$ 4,034,066 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 3,053,788 | \$ 980,278 |
| Uplands Clearwell No. 2 | \$ 997,229 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 754,902.35 | \$ 242,327 |
| | \$ 47,838,591 | | | | | | \$ 36,213,813 | \$ 11,624,778 |
| SH71 System | | | | | | | | |
| Lazy 9 SW 71 Transmission Main | \$ 3,090,461 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 2,339,479 | \$ 750,982 |
| SH71 EST (1.0 Mgal) | \$ 1,955,487 | 3000 | 1150 | 1850 | 38% | 62% | \$ 749,603 | \$ 1,205,884 |
| West Bee Cave PS Upgrade (Phase I) | \$ 157,711 | 750 | 550 | 200 | 73% | 27% | \$ 115,655 | \$ 42,056 |
| Transmission Main from Uplands Plant to Bee Cave Pump Station | \$ 1,556,779 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 1,178,482 | \$ 378,297 |
| Crystal Mountain EST | \$ 1,917,518 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 1,451,561 | \$ 465,957 |
| Senna Hills Bypass Line | \$ 559,677 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 423,675 | \$ 136,002 |
| HPR 1280 Pump Station Water Line | \$ 330,552 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 250,228 | \$ 80,324 |
| HPR Water Line | \$ 6,624,510 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 5,014,754 | \$ 1,609,756 |
| Home Depot Pump Station | \$ 392,792 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 297,344 | \$ 95,448 |
| Home Depot Ground Storage Tank | \$ 147,043 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 111,312 | \$ 35,731 |
| Bee Cave Ground Storage Tank, Pump Station & Piping (off Cuernevaca) | \$ 699,851 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 529,787 | \$ 170,064 |
| Bee Cave Waterline to Cuernevaca | \$ 990,492 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 749,802 | \$ 240,690 |
| | \$ 18,422,873 | | | | | | \$ 13,211,682 | \$ 5,211,191 |
| US290 System | | | | | | | | |
| County Line Pump Station Upgrade | \$ 1,684,429 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 1,275,113 | \$ 409,316 |
| 290 Pipeline | | | | | | | | |
| 24" SWPPS to County Line | \$ 12,841,593 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 9,721,085.90 | \$ 3,120,507 |
| 20" County Line to 1420 EST | \$ 3,411,212 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 2,582,287.48 | \$ 828,925 |
| SH71 20" Transmission Main | \$ 3,630,945 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 2,748,625.37 | \$ 882,320 |
| 20" Main Uplands to SWPPS Easements | \$ 506,714 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 383,582.50 | \$ 123,132 |
| 1420 EST | \$ 2,197,353 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 1,663,396.22 | \$ 533,957 |
| Sawyer Ranch Road Ph 1 20" | \$ 1,183,948 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 896,248.64 | \$ 287,699 |
| Sawyer Ranch Road Ph 1 (Darden Hill) | \$ 1,293,619 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 979,269.58 | \$ 314,349 |
| SWPPS Upgrade to 5,900 gpm | \$ 243,213 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 184,112.24 | \$ 59,101 |
| 1826 Phase IV 16" Water Line | \$ 1,006,560 | 20 | 15.14 | 4.86 | 76% | 24% | \$ 761,965.92 | \$ 244,594 |
| | \$ 27,999,586 | | | | | | \$ 21,195,687 | \$ 6,803,899 |

| WTCPUA Capital Improvements Program - Water | | | | | |
|--|---|---------------------------|----------------------------|---|-------------------------------------|
| Proposed Projects | | | | | |
| Project | Planning Horizon Project Costs | Year Scheduled | Capacity (increase) | Capacity Allocation - Growth | Cost Allocation - Growth |
| System-wide (12,631 LUEs added) | | | | | |
| Impact Fee Study | \$ 74,000 | 2023 | n/a | 100% | \$ 74,000 |
| System Hydraulic Modelling | \$ 175,000 | 2019 | n/a | 100% | \$ 175,000 |
| Uplands WTP Expansion | \$ 13,500,000 | 2022 | 5 MGD | 100% | \$ 13,500,000 |
| Additional Water Supply Development | \$ 1,000,000 | 2020 | 0.375 MGD | 38% | \$ 378,667 |
| Raw Water Pump Station Expansion (Phase I) | \$ 1,500,000 | 2018 | 3 MGD | 100% | \$ 1,500,000 |
| Raw Water Pump Station Expansion (Phase II) | \$ 1,650,000 | 2025 | 7 MGD | 30% | \$ 495,000 |
| Raw Water Transmission Main No. 2 | \$ 5,000,000 | 2018 | 16.5 MGD | 31% | \$ 1,545,455 |
| | \$ 22,899,000 | | | | \$ 17,668,121 |
| SH71 System (7,054 LUEs added) | | | | | |
| HPR Conversion and Upgrade to 1,500 gpm | \$ 275,000 | 2019 | 375 LUEs | 375 LUEs | \$ 275,000 |
| West Bee Cave PS Upgrade (Phases II & III) | \$ 1,220,000 | 2019 | 2,500 LUEs | 2,500 LUEs | \$ 1,220,000 |
| Home Depot Pump Station Expansion & Conversion | \$ 320,000 | 2019 | 1,500 LUEs | 700 LUEs | \$ 149,333 |
| 1080 Bee Cave Transmission Main | \$ 4,900,000 | 2019 | 5,229 LUEs | 2500 LUEs | \$ 2,342,704.15 |
| | \$ 6,715,000 | | | | \$ 3,987,037 |
| US290 System (5,577 LUEs added) | | | | | |
| SWPPS Upgrade (Phase I) | \$ 1,400,000 | 2019 | 5,000 LUEs | 2,500 LUEs | \$ 700,000 |
| SWPPS Upgrade (Phase II) | \$ 1,200,000 | 2023 | 2,500 LUEs | 2,500 LUEs | \$ 1,200,000 |
| Circle Drive Pump Station | \$ 3,960,000 | 2022 | 3,000 LUEs | 3,000 LUEs | \$ 3,960,000 |
| 1240 Conversion Water Line | \$ 1,400,000 | 2020 | 2,700 LUEs | 1,800 LUEs | \$ 933,333 |
| 1340 EST, Pump Station Upgrade & WL | \$ 6,500,000 | 2018 | 3,000 LUEs | 2,500 LUEs | \$ 5,417,000 |
| RM1826 Phase V 16" | | 2028 | | | |
| Heritage Oaks Loop Line | | 2027 | | | |
| 1420 Pump Station Upgrade | \$ 1,300,000 | 2023 | 1,950 gpm | 1,500 gpm | \$ 1,000,000 |
| | \$ 15,760,000 | | | | \$ 13,210,333 |
| TOTALS | \$ 45,374,000 | | | | \$ 34,865,492 |

| WTCPUA Capital Improvements Program - Wastewater | | | | | | | | | |
|--|----------------------|----------------|-----------------------------|-------------------------------|---------------------------------|--------------------------|---------------------------|--------------------------|--|
| Existing Projects | | | | | | | | | |
| Project | Project Cost | Capacity (MGD) | Current Capacity Used (MGD) | Capacity Used 2018-2027 (MGD) | Allocation for Current Capacity | Allocation for 2018-2027 | Cost Allocation - Current | Cost Allocation - Growth | |
| Lake Pointe WWTP | \$ 15,317,630 | 0.675 | 0.410 | 0.265 | 61% | 39% | \$ 9,304,042 | \$ 6,013,588 | |
| Bee Cave Regional System | \$ 8,499,620 | 1.0 | 0.612 | 0.388 | 61% | 39% | \$ 5,201,767 | \$ 3,297,853 | |
| Spillman Effluent Irrigation System | \$ 530,458 | 1.0 | 0.612 | 0.388 | 61% | 39% | \$ 324,640 | \$ 205,818 | |
| CCNG Lift Station | \$ 141,970 | 1.0 | 0.612 | 0.388 | 61% | 39% | \$ 86,886 | \$ 55,084 | |
| RM 620 WW Line | \$ 1,262,030 | 1.0 | 0.612 | 0.388 | 61% | 39% | \$ 772,362 | \$ 489,668 | |
| SH71 WW Line | \$ 998,809 | 1.0 | 0.612 | 0.388 | 61% | 39% | \$ 611,271 | \$ 387,538 | |
| Bohls Effluent Pond and Lift Station | \$ 3,816,591 | 0.325 | 0.201 | 0.124 | 62% | 38% | \$ 2,360,415 | \$ 1,456,176 | |
| Bohls WWTP | \$ 5,570,796 | 0.325 | 0.201 | 0.124 | 62% | 38% | \$ 3,445,323 | \$ 2,125,473 | |
| Bohls WWTP Regional Lift Station/FM | \$ 2,101,571 | 0.325 | 0.201 | 0.124 | 62% | 38% | \$ 1,299,741 | \$ 801,830 | |
| Little Barton Creek Interceptor | \$ 2,750,000 | 0.267 | 0.038 | 0.229 | 14% | 86% | \$ 388,733 | \$ 2,361,267 | |
| TOTALS | \$ 40,989,475 | | | | | | \$ 23,795,181 | \$ 17,194,294 | |

| WTCPUA Capital Improvements Program - Wastewater | | | | | |
|--|-----------------------------------|-------------------|---------------------|---------------------------------|-----------------------------|
| Proposed Projects | | | | | |
| Project | Planning Horizon Project Costs | Year Scheduled | Capacity (increase) | Capacity Allocation - Growth | Cost Allocation - Growth |
| 3,093 LUEs Added | | | | | |
| Impact Fee Update | \$ 10,000 | 2023 | n/a | n/a | \$ 10,000 |
| Master Planning & Permitting | \$ 175,000 | 2020 | 0.5 | 100% | \$ 175,000 |
| Future WWTP Expansion | \$ 3,650,000 | 2019 | 0.5 MGD | 32% | \$ 1,168,000 |
| Effluent Disposal Development | \$ 5,500,000 | 2019 | 0.375 MGD | 61% | \$ 3,373,333 |
| Bohls Service Area Expansion Lift Station & Force Main | \$ 780,000 | 2026 | 500 LUEs | 75% | \$ 585,000 |
| TOTALS | \$ 10,115,000 | | | | \$ 5,311,333 |
| | | | | | |

Technical Report

WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY

IMPACT FEE REPORT



Nelisa Heddin Consulting, LLC

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September 13, 2018

Mr. Rob Pugh
General Manager
West Travis County Public Utility Agency
12117 Bee Cave Road
Building 3, Ste 120
Bee Cave, TX, 78738

Dear Mr. Pugh,

Nelisa Heddin Consulting (NH Consulting) is pleased to present the West Travis County Public Utility Agency (WTCPUA) with a Report for a Determination of the Maximum Allowable Impact Fee that can be charged by the PUA, based upon the Land Use Assumptions and Capital Improvements Plan adopted by the PUA Board of Directors. This report details our findings and recommendations. The project team reviewed available data and interviewed City staff to perform a detailed analysis by carefully examining the City's costs.

The enclosed report details the methodology utilized by the project team during the course of our analysis and describes our findings and recommendations.

It is a pleasure working with you and your staff. Please feel free to contact the NH Consulting office with any questions or comments regarding this report, at (512) 589-1028.

Sincerely,

Nelisa Heddin
President

The West Travis County Public Utility Agency (PUA) has retained Murfee Engineering Company, Inc. (MEC) and Nelisa Heddin Consulting, LLC (NH Consulting) to perform an update to the PUA's impact fee study. This report details the results of that analysis.

Since its inception in 2012, the PUA established a goal of requiring future growth to pay for itself to the greatest extent possible. As the PUA has matured as an agency it has adopted policies and procedures to build cash balances in its Operating Fund, Facilities Fund, and Impact Fee Fund to meet operating reserve requirements.

The impact fees recommended in this report are due to a recently adopted Board policy, presented in Attachment A to this report, which allows cash-funding projects and retiring debt to the greatest extent possible. The impact fees presented herein assume¹:

1. The impact fee attributable portion of capital improvement projects projected to be required over the next 10-years would be funded through cash purchases rather than the issuance of debt.
2. The PUA would retire a portion of existing debt associated with existing projects that are impact fee attributable as debt becomes callable.

As a result of these assumptions, the recommended maximum allowable impact fees reflect the reduction of interest expense that would otherwise be incurred had these projects been entirely debt funded.

Table 1 below outlines the maximum allowable impact fees determined through this analysis and also lists the historical fees adopted by the PUA.

¹ These are assumptions utilized to establish an impact fee. The actual project funding plan and debt retirement plan will be evaluated as necessary based upon actual operating conditions.





Table 1

| | Water Highway 71 | Water US 290 | Wastewater |
|---|---------------------|---------------------|-----------------|
| Adopted Historical Impact Fee (Policy set at 50%) | \$ 4120-5180 | \$ 4120-5180 | \$5,250 |
| 2012 Impact Fee (Policy set at 50% for water and 66% for wastewater) | \$5,992 | \$8,809 | \$11,500 |
| 2015 Impact Fee (Policy set at 75%) | \$7,476 | \$12,938 | \$11,644 |
| | | | |
| 2018 Maximum Allowable Fee (at 100%) | \$4,196 | \$6,821 | \$8,742 |

If the PUA adopts impact fees at the maximum allowable amount, the PUA will be able to fund approximately \$44M of the \$60M in future capital improvements as detailed in Schedules 1, 2, 3 and 4. In addition, the PUA may also be able to retire bond debt through cash from impact fees as outlined in Table 2:

Table 2

| Equity Funding (at 100% of maximum) | Water | Sewer | Total |
|---|-------------------|-------------------|-------------------|
| Projects Funded with Cash | \$38,290,406 | \$5,715,882 | \$44,006,288 |
| Existing Debt Retired with Annual Payments in 10-Years | 13,460,140 | 3,832,986 | 17,293,127 |
| Existing Debt Retired when Callable | <u>16,550,079</u> | <u>12,845,994</u> | <u>29,396,072</u> |
| | \$68,300,625 | \$22,394,862 | \$90,695,487 |

West Travis County Public Utility Agency

The PUA provides water and wastewater services to an estimated population of 45,000 people located in Travis and Hays counties. The PUA acquired the systems from the Lower Colorado River Authority (LCRA) in March 2012. Since that time, the PUA has continued to provide continuous and adequate service to the affected population.

The PUA was created in partnership through concurrent ordinances of the City of Bee Cave, Travis County Municipal Utility District #5 (now Lake Pointe Municipal Utility District), and Hays County as a vehicle to finance, own, and operate the West Travis County water and wastewater utility systems as a publicly owned utility. The PUA Board is currently comprised of five members, each appointed by each of the three sponsoring entities.

Installment Purchase Agreement

In order to purchase the systems by a public entity rather than a divestiture to a private for-profit utility, the PUA was required to retire the debt which LCRA had outstanding against the systems. In March 2012, the principal balance of that debt exceeded \$140M, plus interest accrual. However, many of LCRA's bonds were not "callable." As such, immediately retiring the bonds would require the payment of defeasance costs, which would have added significant costs to ratepayers.

In order to avoid payment of additional defeasance costs, the PUA entered into an installment purchase agreement with the LCRA, which outlined specific timing for installment payments through 2019. These installment payments coincide with "call dates" associated with LCRA's bonds. Installment payments consist of the principal balance on the callable bonds, plus capitalized interest accrued. The PUA made its first installment payment to the LCRA in July 2012. Since that time, the PUA funded subsequent installment payments through the issuance of bonds. The PUA is scheduled to make its final \$15M installment payment to the LCRA in the Spring of 2019. Installment payments to the LCRA include both the principal balance on the bonds as well as accrued interest to date in which the installment payment is made.

System Debt

Since its inception in 2012, the PUA has issued several series of revenue bonds. These issuances not only funded payments to the LCRA but also funded construction of existing and future capital improvement projects necessary to support regional growth.

In order to be rated for bonds, the PUA presented a financial pro forma which illustrated the PUA's ability to support its bonded indebtedness through rates and fees. In 2012, the PUA received an "A-" bond rating by Standard & Poors. In December, 2017 the PUA had its rating upgraded by Standard & Poors to "A positive" and "A1" by Moody's Investor Service. This improved rating is due to increased cash reserves and improved operational and financial management of the utility, including significant cost reductions and revenue enhancements.





System Revenues and Expenses

The PUA is a non-taxing entity. Accordingly, the PUA's only available avenues for revenue recovery are through rates and fees charged to current and future customers of the system. To the extent the PUA does not recover the costs of providing future service to customers through impact fees, those costs must be recovered through rates. The PUA is allowed to set impact fees at an amount at or below the maximum allowable fee as determined by the impact fee calculation. So long as the PUA does not go above the maximum allowable fee, the PUA may use policy initiatives to determine the appropriate level of the impact fee. This balance must be considered when setting an appropriate impact fee, realizing that any portion of the costs not recovered by impact fees will need to be recovered through monthly rates charged to customers.

Impact Fee Fund

Impact fees are only collected from new growth in the system. Existing customers are not subject to pay impact fees². The PUA maintains impact fees collected in a separate fund. The PUA spends impact fee monies only for authorized purposes in compliance with Chapter 395 of the Texas Local Government Code. The PUA has created a plan for spending those funds in accordance with Chapter 395.

² Currently existing customers are not subject to impact fees with the exception of a currently existing customer who increases their level of service.



One of the most effective growth management tools available to public utilities is the use of new customer impact fees, which facilitates growth paying for itself vs. existing customers paying for this cost burden in rates. The PUA has adopted a ten-year Land Use Assumptions and Capital Improvements Plan (CIP) to service growth in the system, and the cost of the 10-year CIP is the basis for calculating impact fees. Impact fees are calculated by taking the total cost of the CIP divided by the projected growth in living unit equivalents (LUEs) in the system for water and wastewater. The last step in the process to adopt an impact fee is the determination of the maximum allowable impact fees per the guidelines set forth in Chapter 395 of the Texas Local Government Code.

Chapter 395 of the Texas Local Government Code provides specific requirements that cities, water districts and other political subdivisions in Texas must abide by while determining, assessing, and collecting Impact Fees. The process outlined for implementing or amending fees includes:

1. Development of Land Use Assumptions (LUA);
2. Development of Capital Improvement Plan (CIP) based on LUA;
3. Development of maximum impact fees;
4. Public hearing on LUA, CIP and impact fees;
5. Adoption of or amendment to LUA, CIP and impact fees;

NH Consulting has been retained by the PUA to determine the maximum allowable impact fee per requirements set forth in Chapter 395 of the Texas Local Government Code, based upon the Land Use Assumptions and Capital Improvements Plan adopted by the PUA Board of Directors.

This report is intended to outline the methodology utilized by NH Consulting in determining the maximum allowable impact fee that can be charged by the PUA.



In developing amendments to impact fees charged to the PUA's customers, it was first necessary to develop a future assumption of system growth. Next, capital improvements which are necessary to meet the needs of that growth are identified. Finally, a maximum allowable impact fee may be determined. Making this determination involves a systematic progression of steps, which are outlined below.

Step 1: Land Use Assumptions

The PUA relied upon MEC to develop Land Use Assumptions, which have been summarized below. The values shown in Tables 3 and 4 are projected new living unit equivalents (LUEs) for each year in the study.

Table 3: Future Land Use Assumptions – Water

| | US 71 System | Highway 290 System | Total Water |
|------|--------------|--------------------|-------------|
| 2018 | 699 | 302 | 1001 |
| 2019 | 765 | 522 | 1287 |
| 2020 | 847 | 577 | 1424 |
| 2021 | 757 | 644 | 1401 |
| 2022 | 729 | 567 | 1296 |
| 2023 | 732 | 544 | 1276 |
| 2024 | 743 | 635 | 1378 |
| 2025 | 679 | 666 | 1345 |
| 2026 | 620 | 607 | 1227 |
| 2027 | 488 | 513 | 1001 |

Table 4: Future Land Use Assumptions – Wastewater

| | Total Wastewater |
|------|------------------|
| 2018 | 466 |
| 2019 | 397 |
| 2020 | 337 |
| 2021 | 309 |
| 2022 | 323 |
| 2023 | 312 |
| 2024 | 320 |
| 2025 | 257 |
| 2026 | 212 |
| 2027 | 161 |



Step 2: Existing Improvements

Chapter 395 of the Texas Local Government Code regulates impact fees that utilities may charge. Chapter 395 requires that impact fees collected by a utility should be utilized to pay for capital improvements necessitated by growth. Capital improvements utilized in the calculation may include existing improvements that have excess capacity as well as future improvements that will meet growth needs. Such projects were isolated by MEC and are included in the impact fee calculation.

Step 3: Planned Improvements

Planned improvements are improvements projected to be necessary in the future, which are driven by growth. Maintenance repair or replacement projects not driven by future growth may not be included in the impact fee calculation. MEC identified future projects that would be necessary to meet the needs of future growth based on projected timing of that growth.

Step 4: Capacity Analysis

Once projects eligible for inclusion in the impact fee have been determined, the next step is to perform a capacity analysis for each of those improvements. State law stipulates that only costs associated with available capacity projected to meet future growth needs in the ten-year planning period can be included in the fee determination.

Step 5: Determination of Costs to be Included in Fee

State law allows the following costs to be included in the impact fee calculation:

- ❖ Construction contract price;
- ❖ Surveying and engineering fees;
- ❖ Land acquisition costs;
- ❖ Projected interest and finance costs;
- ❖ Fees paid to a qualified engineer or financial consultant, preparing or updating the capital improvements plan.

As MEC estimated construction and engineering costs for each project in the CIP, NH Consulting used those cost estimates and grossed them up for legal and permitting costs as well as bond issuance costs (for bond funded projects) in order to arrive at an estimate of CIP costs in 2018 dollars. Given that many of the projects included in the CIP will be constructed in future years, NH Consulting then grossed up CIP cost estimates in order to account for future inflationary impacts to project costs, as described below.

- ❖ Allowable project design and construction costs, as described above, which were then inflated at 3% annually until projected project construction;
- ❖ Legal and permitting costs estimated at 1.5% of design and construction costs;
- ❖ Bond issuance costs estimated at 1.29% of design, construction, legal and permitting costs;
- ❖ Interest Expense (assumed a 30 year bond at 3.77% interest).



The total costs that may be included in the water impact fees are identified on Schedules 1 and 2; the costs that may be included in the wastewater impact fees are identified on Schedules 3 and 4.

Step 6: Determination of Maximum Allowable Fee

NH Consulting determined a maximum allowable impact fee, which collects all revenues to pay for allowable projects and related fees within the ten-year study period. Schedules 5, 6, and 7 provide the impact fee reserve fund cash flow analysis detailing all expenses and revenues for the water utility. Schedule 8 provides the impact fee reserve fund cash flow analysis for the wastewater utility.

Step 7: Determination of Rate Revenue Credit

In addition to describing the costs that can be included in the maximum impact fee calculation, Chapter 395 of the Texas Local Government Code also specifically states that the fee shall:

“Provide a plan for awarding:

- (a) A credit for the portion of ad valorem tax and utility service revenues generated by new service units during the program period that is used for the payment of improvements, including the payment of debt that is included in the capital improvements plan; or
- (b) In the alternative, a credit equal to 50 percent of the total projected cost of implementing the capital improvements plan.”

Accordingly, the utility may elect to adopt a fee that is equal to 50% of the calculated amount or develop a plan for awarding a credit for utility service revenues that are generated to pay for debt associated with assets in the capital improvements plan.

NH Consulting has performed the requisite credit calculation that determines the credit needed for both the water and the wastewater utility. In so doing, NH Consulting has identified the annual debt service for PUA issued bonds, which are associated with regional assets to be funded through rates. NH Consulting then determined the estimated LUEs in the system based on the current LUE count and projected growth in the system. Finally, NH Consulting divided the total debt service paid for regional projects through rates by the total LUEs that would pay those rates over the 10-year study period to determine the total credit which should be applied against the maximum allowable impact fee. The results of this analysis are presented on Schedules 9, 10, 11 and 12.



Summary of Maximum Allowable Fees

Maximum Allowable Fees

Table 5 below outlines the maximum allowable impact fees as well as the historical fees set by the PUA.

Table 5: Calculation of Maximum Allowable Impact Fee

| | Water Highway 71 | Water US 290 | Wastewater |
|---|---------------------|---------------------|-----------------|
| Adopted Historical Impact Fee (Policy set at 50%) | \$ 4120-5180 | \$ 4120-5180 | \$5,250 |
| 2012 Impact Fee (Policy set at 50% for water and 66% for wastewater) | \$5,992 | \$8,809 | \$11,500 |
| 2015 Impact Fee (Policy set at 75%) | \$7,476 | \$12,938 | \$11,644 |
| | | | |
| 2018 Maximum Allowable Fee (at 100%) | \$4,196 | \$6,821 | \$8,742 |

West Travis County Public Utility Agency
2018 Impact Fee Analysis - Water Utility



Schedule 1
Future CIP Projects, Before Interest Expense

| Project | Year Scheduled | Design/ Construction Costs (2018 Cost) | Legal/ Permitting Costs (1.5%) | Issuance Costs | Subtotal (2018 Cost) | Future Cost | Capacity Increase | Capacity Used in 2018-2027 | Units | Percent Allocation to 2018-2027 Growth | Cost Allocated to 2018-2027 Growth |
|---|----------------|--|-----------------------------------|----------------|-------------------------|----------------------|----------------------|-------------------------------|-------|---|--|
| <u>System Wide</u> | | | | | | | | | | | |
| Impact Fee Update | 2023 | 42,680 | | | 42,680 | 49,478 | | | | 100% | 49,478 |
| | | \$ 42,680 | | | \$ 42,680 | \$ 49,478 | | | | | \$ 49,478 |
| System Hydraulic Modeling | 2019 | 175,000 | | | 175,000 | 180,250 | | | | 100% | 180,250 |
| Uplands WTP Expansion | 2022 | 13,500,000 | 202,500 | | 13,702,500 | 15,422,284 | 5.000 | 5.000 | MGD | 100% | 15,422,284 |
| Additional Water Supply Development | 2020 | 1,000,000 | 15,000 | | 1,015,000 | 1,076,814 | 0.375 | 0.143 | MGD | 38% | 409,189 |
| Raw Water Pump Station Expansion (Phase I) | 2018 | 1,500,000 | 22,500 | | 1,522,500 | 1,522,500 | 3.000 | 3.000 | MGD | 100% | 1,522,500 |
| Raw Water Pump Station Expansion (Phase II) | 2025 | 1,650,000 | 24,750 | | 1,674,750 | 2,059,731 | 7.000 | 2.100 | MGD | 30% | 617,919 |
| Raw Water Transmission Main No. 2 | 2018 | 5,000,000 | 75,000 | | 5,075,000 | 5,075,000 | 16.500 | 5.115 | MGD | 31% | 1,573,250 |
| | | \$ 22,825,000 | \$ 339,750 | \$ - | \$ 23,164,750 | \$ 25,336,579 | | | | | \$ 19,725,393 |
| <u>US 290 System</u> | | | | | | | | | | | |
| SW Parkway Upgrade (Phase I) | 2019 | \$ 1,400,000 | \$ 21,000 | | \$ 1,421,000 | \$ 1,463,630 | 5000 | 2500 | LUE | 50% | \$ 731,815 |
| SW Parkway Upgrade (Phase II) | 2023 | 1,200,000 | 18,000 | | 1,218,000 | 1,411,996 | 2500 | 2500 | LUE | 100% | 1,411,996 |
| Circle Drive Pump Station | 2022 | 3,960,000 | 59,400 | | 4,019,400 | 4,523,870 | 3000 | 3000 | LUE | 100% | 4,523,870 |
| 1240 Conversion Water Line | 2020 | 1,400,000 | 21,000 | | 1,421,000 | 1,507,539 | 2700 | 1800 | LUE | 67% | 1,005,026 |
| 1340 EST, Pump Station Upgrade & WL | 2018 | 6,500,000 | 97,500 | | 6,597,500 | 6,597,500 | 3000 | 2500 | LUE | 83% | 5,497,917 |
| RM1826 Phase V 16" | 2028 | - | - | | - | - | | | | - | - |
| Heritage Oaks Loop Line | 2027 | - | - | | - | - | | | | - | - |
| 1420 Pump Station Upgrade | 2023 | 1,300,000 | 19,500 | | 1,319,500 | 1,529,662 | 1950 | 1500 | LUE | 77% | 1,176,663 |
| | | \$ 15,760,000 | \$ 236,400 | \$ - | \$ 15,996,400 | \$ 17,034,197 | | | | | \$ 14,347,287 |
| <u>State Highway 71 System</u> | | | | | | | | | | | |
| HPR Conversion and Upgrade to 1,500 gpm (add 750 gpm pump) | 2019 | \$ 275,000 | \$ 4,125 | | \$ 279,125 | \$ 287,499 | 375 | 375 | LUE | 100% | \$ 287,499 |
| West Bee Cave PS Upgrade (Phases II & III) | 2019 | 1,220,000 | 18,300 | | 1,238,300 | 1,275,449 | 2500 | 2500 | LUE | 100% | 1,275,449 |
| Home Depot Pump Station Expansion & Conversion | 2019 | 320,000 | 4,800 | | 324,800 | 334,544 | 1500 | 700 | LUE | 47% | 156,121 |
| 1080 Bee Cave Transmission Main | 2019 | 4,900,000 | 73,500 | | 4,973,500 | 5,122,705 | 5229 | 2500 | LUE | 48% | 2,449,180 |
| | | \$ 6,715,000 | \$ 100,725 | \$ - | \$ 6,815,725 | \$ 7,020,197 | | | | | \$ 4,168,248 |
| TOTAL | | \$ 45,342,680 | | | | \$ 49,440,451 | | | | | \$ 38,290,406 |

TARGETED CASH FUNDING 100%

West Travis County Public Utility Agency
2018 Impact Fee Analysis - Water Utility



Schedule 2
Existing Projects, Before Interest Expense

| Project | Actual Project Cost | Issuance Cost | Total Project Cost | Capacity (MGD) | Current Capacity Used (MGD) | Capacity Used 2018-2027 (MGD) | Capacity Used Beyond 2027 (MGD) | Percent Allocation Current | Percent Allocation 2018-2027 | Percent Allocation Beyond 2024 | Costs Allocated to Current | Costs Allocated to 2018-2027 Growth | Costs Allocated Beyond 2027 |
|---|----------------------|---------------------|----------------------|----------------|-----------------------------|-------------------------------|---------------------------------|----------------------------|------------------------------|--------------------------------|----------------------------|-------------------------------------|-----------------------------|
| Systemwide | | | | | | | | | | | | | |
| Uplands WTP Chem Building | \$ 2,141,458 | \$ 27,624 | \$ 2,169,082 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | \$ 1,641,995 | \$ 527,087 | \$ - |
| Uplands WTP Plant | 40,249,533 | 519,199 | 40,768,732 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 30,861,930 | 9,906,802 | - |
| Uplands Raw Water Intake Expansion | 416,305 | 5,370 | 421,675 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 319,208 | 102,467 | - |
| High Service Pump Station 8 MGD to 14 MGD | 4,034,066 | 52,037 | 4,086,103 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 3,093,180 | 992,923 | - |
| Uplands Clearwell #2 | 997,229 | 12,864 | 1,010,093 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 764,640 | 245,453 | - |
| | \$ 47,838,591 | \$ 617,094 | \$ 48,455,685 | | | | | | | | \$ 36,680,954 | \$ 11,774,731 | \$ - |
| SH 71 System | | | | | | | | | | | | | |
| Lazy 9 SW 71 Transmission Main | \$ 3,090,461 | \$ 39,865 | \$ 3,130,327 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | \$ 2,369,657 | \$ 760,669 | \$ - |
| SH71 EST | 1,955,487 | 25,225 | 1,980,712 | 3,000 | 1,150 | 1,850 | - | 38% | 62% | 0% | 759,273 | 1,221,439 | - |
| WEST BEE CAVE PS UPGRADE (PHASE I) | 157,711 | 2,034 | 159,745 | 750 | 550 | 200 | - | 73% | 27% | 0% | 117,147 | 42,599 | - |
| Transmission Main from Uplands Plant to Bee Cave Pump Station | 1,556,779 | 20,082 | 1,576,860 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 1,193,683 | 383,177 | - |
| Crystal Mountain EST | 1,917,518 | 24,735 | 1,942,253 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 1,470,286 | 471,968 | - |
| Senna Hills By-Pass Line | 559,677 | 7,220 | 566,897 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 429,141 | 137,756 | 0 |
| Hamilton Pool Road 1280 Pump Station Water Line | 330,552 | 4,264 | 334,816 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 253,455 | 81,360 | - |
| Hamilton Pool Road Water Line | 6,624,510 | 85,453 | 6,709,963 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 5,079,442 | 1,630,521 | - |
| Home Depot Pump Station | 392,792 | 5,067 | 397,859 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 301,179 | 96,680 | - |
| Home Depot Ground Storage Tank | 147,043 | 1,897 | 148,939 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 112,747 | 36,192 | - |
| Bee Cave Ground Storage Tank, Pump Station, Piping (off Cuernavaca) | 699,851 | 9,028 | 708,879 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 536,621 | 172,257 | - |
| Bee Cave Water Line to Cuernavaca | 990,492 | 12,777 | 1,003,269 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 759,475 | 243,794 | - |
| | \$ 18,422,873 | \$ 237,646 | \$ 18,660,518 | | | | | | | | \$ 13,382,106 | \$ 5,278,413 | \$ - |
| US 290 System | | | | | | | | | | | | | |
| Countyline Pump Station Upgrade 1800 gpm to 3450 gpm | \$ 1,684,429 | \$ 21,728 | \$ 1,706,157 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | \$ 1,291,561 | \$ 414,596 | \$ - |
| 290 Pipeline | | - | | | | | | | | | | | |
| a) 24" SWPPS to County Line | 12,841,593 | 165,650 | 13,007,243 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 9,846,483 | 3,160,760 | - |
| b) 20" Countyline to 1420 HGL EST | 3,411,212 | 44,003 | 3,455,215 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 2,615,598 | 839,617 | - |
| SH71 20" Transmission Main | 3,630,945 | 46,837 | 3,677,782 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 2,784,081 | 893,701 | - |
| 20" Main Uplands to SW Parkway (Easements) | 506,714 | 6,536 | 513,250 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 388,530 | 124,720 | 0 |
| 1420 Elevated storage | 2,197,353 | 28,345 | 2,225,697 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 1,684,853 | 540,844 | - |
| Sawyer Ranch Road Ph 1 20" | 1,183,948 | 15,272 | 1,199,220 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 907,810 | 291,411 | - |
| Sawyer RR Ph 1 (Darden Hill) | 1,293,619 | 16,687 | 1,310,306 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 991,902 | 318,404 | - |
| SWPPS Upgrade tp 5,900 gpm | 243,213 | 3,137 | 246,350 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 186,487 | 59,863 | - |
| 1826 Phase IV 16" Water Line | 1,006,560 | 12,984 | 1,019,544 | 20 | 15.14 | 4.86 | - | 76% | 24% | 0% | 771,795 | 247,749 | - |
| | \$ 27,999,585 | \$ 361,181 | \$ 28,360,766 | | | | | | | | \$ 21,469,100 | \$ 6,891,666 | \$ - |
| Total | \$ 94,261,049 | \$ 1,215,920 | \$ 95,476,969 | | | | | | | | \$ 71,532,159 | \$ 23,944,810 | \$ - |

West Travis County Public Utility Agency
2018 Impact Fee Analysis - Wastewater Utility

Schedule 3
Future CIP Projects, Before Interest Expense



| Project | Year Scheduled | Design/ Construction Costs (2018 Cost) | Legal/ Permitting Costs (1.5%) | Issuance Costs | Subtotal (2018 Cost) | Future Cost | Capacity Increase | Units | Percent Allocation to 2018-2027 Growth | Cost Allocated to 2018-2027 Growth |
|---|----------------|--|-----------------------------------|----------------|-------------------------|---------------|----------------------|-------|---|--|
| Impact Fee Study | 2023 | 42,680 | | | 42,680 | 49,478 | | | 100% | 49,478 |
| 100% Cash Funded Project Subtotal | | \$ 42,680 | | | \$ 42,680 | \$ 49,478 | | | | \$ 49,478 |
| Master Planning and Permitting | 2020 | 175,000 | | | 175,000 | 185,658 | 0.5 | | 100% | 185,658 |
| Future WWTP Expansion | 2019 | 3,650,000 | 54,750 | | 3,704,750 | 3,815,893 | 0.5 | MGD | 32% | 1,221,086 |
| Effluent Disposal Development | 2019 | 5,500,000 | 82,500 | | 5,582,500 | 5,749,975 | 0.375 | MGD | 61% | 3,507,485 |
| Bohls Service Area Expansion Lift Station & Force M | 2026 | 780,000 | 11,700 | | 791,700 | 1,002,902 | 500 | LUEs | 75% | 752,176 |
| Debt and Cash Funded Projects Subtotal | | \$ 10,105,000 | \$ 148,950 | \$ - | \$ 10,253,950 | \$ 10,754,427 | | | | \$ 5,666,404 |
| Total and Future Projects | | \$ 10,147,680 | \$ 148,950 | \$ - | \$ 10,296,630 | \$ 10,803,905 | | | | \$ 5,715,882 |
| Total Assumed Portion Funded by Cash | 100% | | | | | | | | | |

West Travis County Public Utility Agency
2018 Impact Fee Analysis - Wastewater Utility



Schedule 4
Existing Projects, Before Interest Expense

| Project | Actual Project Cost | Issuance Costs | Total Cost | Capacity | Current Capacity Used | Capacity Used 2018-2027 | Capacity Used Beyond 2027 | Units | Percent Allocation Current | Percent Allocation 2018-2027 | Percent Allocation Beyond 2027 | Costs Allocated to Current | Costs Allocated to 2018-2027 Growth | Costs Allocated Beyond 2027 |
|---------------------------------------|---------------------|----------------|---------------|----------|-----------------------|-------------------------|---------------------------|-------|----------------------------|------------------------------|--------------------------------|----------------------------|-------------------------------------|-----------------------------|
| Systemwide | | | | | | | | | | | | | | |
| Lakepointe WWTP | \$ 15,317,630 | \$ 197,590 | \$ 15,515,220 | 0.675 | 0.410 | 0.265 | - | MGD | 61% | 39% | 0% | \$ 9,424,060 | \$ 6,091,161 | \$ - |
| Bee Cave Regional System | 8,499,620 | 109,641 | 8,609,261 | 1.000 | 0.612 | 0.388 | - | MGD | 61% | 39% | 0% | 5,268,868 | 3,340,393 | - |
| Spillman Effluent Irrigation System | 530,458 | 6,843 | 537,301 | 1.000 | 0.612 | 0.388 | - | MGD | 61% | 39% | 0% | 328,828 | 208,473 | - |
| CCNG Lift Station | 141,970 | 1,831 | 143,801 | 1.000 | 0.612 | 0.388 | - | MGD | 61% | 39% | 0% | 88,006 | 55,795 | - |
| RM 620 WW Line | 1,262,030 | 16,280 | 1,278,309 | 1.000 | 0.612 | 0.388 | - | MGD | 61% | 39% | 0% | 782,325 | 495,984 | - |
| Hwy 71 WW Line | 998,809 | 12,884 | 1,011,693 | 1.000 | 0.612 | 0.388 | - | MGD | 61% | 39% | 0% | 619,156 | 392,537 | - |
| Bohl's Effluent Pond and Lift Station | 3,816,591 | 49,232 | 3,865,823 | 0.325 | 0.201 | 0.124 | - | MGD | 62% | 38% | 0% | 2,390,863 | 1,474,960 | - |
| Bohl's WWTP | 5,570,796 | 71,860 | 5,642,656 | 0.325 | 0.201 | 0.124 | - | MGD | 62% | 38% | 0% | 3,489,766 | 2,152,890 | - |
| Bohl's Regional Lift Station/FM | 2,101,571 | 27,109 | 2,128,680 | 0.325 | 0.201 | 0.124 | - | MGD | 62% | 38% | 0% | 1,316,507 | 812,173 | - |
| Little Barton Creek Interceptor | 2,750,000 | 35,474 | 2,785,474 | 0.267 | 0.038 | 0.229 | - | MGD | 14% | 86% | 0% | 396,434 | 2,389,039 | - |
| | \$ 40,989,476 | \$ 528,744 | \$ 41,518,219 | | | | | | | | | \$ 24,104,814 | \$ 17,413,406 | \$ - |
| TRUE | | | | | | | | | | | | | | |

West Travis County Public Utility Agency
2018 Impact Fee Analysis - Water Utility

Schedule 5
Impact Fee Calculation - System Wide

| | | |
|------------------------------|----|-------|
| Maximum Allowable Impact Fee | \$ | 2,775 |
| Interest Rate | | 1.50% |



| Year | Beginning Balance | Cash Funding Future Projects | Annual Debt Service for Previously Issued Debt | Pay Debt Principal for Previously Issued Debt when Callable | Total Annual Expenditures | New LUEs | Impact Fee Revenues at 100% Collection | Subtotal | Interest Income | Ending Balance |
|--------------|-------------------|------------------------------|--|---|---------------------------|----------|--|-------------|-----------------|----------------|
| through 2018 | | (3,095,750) | | | (3,095,750) | 1,000 | 2,774,901 | (320,849) | (4,813) | (325,662) |
| 2019 | (325,662) | (180,250) | (661,895) | | (842,145) | 1,287 | 3,571,298 | 2,403,491 | 36,052 | 2,439,543 |
| 2020 | 2,439,543 | (409,189) | (661,895) | | (1,071,084) | 1,423 | 3,948,684 | 5,317,143 | 79,757 | 5,396,900 |
| 2021 | 5,396,900 | - | (661,895) | | (661,895) | 1,400 | 3,884,861 | 8,619,866 | 129,298 | 8,749,164 |
| 2022 | 8,749,164 | (15,422,284) | (661,895) | | (16,084,180) | 1,295 | 3,593,497 | (3,741,519) | (56,123) | (3,797,641) |
| 2023 | (3,797,641) | (49,478) | (661,895) | | (711,373) | 1,276 | 3,540,774 | (968,241) | (14,524) | (982,764) |
| 2024 | (982,764) | - | (661,895) | | (661,895) | 1,377 | 3,821,039 | 2,176,379 | 32,646 | 2,209,025 |
| 2025 | 2,209,025 | (617,919) | (661,895) | | (1,279,815) | 1,344 | 3,729,467 | 4,658,677 | 69,880 | 4,728,557 |
| 2026 | 4,728,557 | - | (661,895) | | (661,895) | 1,227 | 3,404,803 | 7,471,466 | 112,072 | 7,583,538 |
| 2027 | 7,583,538 | - | (661,895) | | (661,895) | 1,001 | 2,777,676 | 9,699,318 | 145,490 | 9,844,808 |
| 2028 | 9,844,808 | | (661,895) | (9,182,913) | (9,844,808) | | - | - | | - |

West Travis County Public Utility Agency
2018 Impact Fee Analysis - Water Utility

Schedule 6
Impact Fee Calculation - Hwy 290

| | | |
|------------------------------|----|-------|
| Maximum Allowable Impact Fee | \$ | 4,243 |
| Interest Rate | | 1.50% |



| Year | Beginning Balance | Cash Funding Future Projects | Annual Debt Service for Previously Issued Debt | Pay Debt Principal for Previously Issued Debt when Callable | Total Annual Expenditures | New LUEs | Impact Fee Revenues at 100% Collection | Subtotal | Interest Income | Ending Balance |
|--------------|-------------------|------------------------------|--|---|---------------------------|----------|--|-------------|-----------------|----------------|
| through 2018 | | (5,497,917) | | | (5,497,917) | 302 | 1,281,451 | (4,216,466) | (63,247) | (4,279,713) |
| 2019 | (4,279,713) | (731,815) | (387,402) | | (1,119,217) | 522 | 2,214,958 | (3,183,973) | (47,760) | (3,231,732) |
| 2020 | (3,231,732) | (1,005,026) | (387,402) | | (1,392,428) | 577 | 2,448,334 | (2,175,826) | (32,637) | (2,208,464) |
| 2021 | (2,208,464) | - | (387,402) | | (387,402) | 644 | 2,732,630 | 136,764 | 2,051 | 138,815 |
| 2022 | 138,815 | (4,523,870) | (387,402) | | (4,911,273) | 567 | 2,405,902 | (2,366,555) | (35,498) | (2,402,053) |
| 2023 | (2,402,053) | (2,588,659) | (387,402) | | (2,976,062) | 544 | 2,308,308 | (3,069,807) | (46,047) | (3,115,854) |
| 2024 | (3,115,854) | - | (387,402) | | (387,402) | 635 | 2,694,441 | (808,815) | (12,132) | (820,947) |
| 2025 | (820,947) | - | (387,402) | | (387,402) | 666 | 2,825,981 | 1,617,631 | 24,264 | 1,641,895 |
| 2026 | 1,641,895 | - | (387,402) | | (387,402) | 607 | 2,575,631 | 3,830,123 | 57,452 | 3,887,575 |
| 2027 | 3,887,575 | - | (387,402) | | (387,402) | 513 | 2,176,769 | 5,676,942 | 85,154 | 5,762,096 |
| 2028 | 5,762,096 | | (387,402) | (5,374,693) | (5,762,096) | | - | - | | - |

West Travis County Public Utility Agency
2018 Impact Fee Analysis - Water Utility



Schedule 7
Impact Fee Calculation - Hwy 71

| | | |
|------------------------------|----|-------|
| Maximum Allowable Impact Fee | \$ | 1,566 |
| Interest Rate | | 1.50% |

| Year | Beginning Balance | Cash Funding Future Projects | Annual Debt Service for Previously Issued Debt | Pay Debt Principal for Previously Issued Debt when Callable | Total Annual Expenditures | New LUEs | Impact Fee Revenues at 100% Collection | Subtotal | Interest Income | Ending Balance |
|--------------|-------------------|------------------------------|--|---|---------------------------|----------|--|-------------|-----------------|----------------|
| through 2018 | | - | | | - | 699 | 1,094,834 | 1,094,834 | 16,423 | 1,111,256 |
| 2019 | 1,111,256 | (4,168,248) | (296,716) | | (4,464,965) | 765 | 1,198,209 | (2,155,500) | (32,332) | (2,187,832) |
| 2020 | (2,187,832) | - | (296,716) | | (296,716) | 847 | 1,326,644 | (1,157,905) | (17,369) | (1,175,273) |
| 2021 | (1,175,273) | - | (296,716) | | (296,716) | 757 | 1,185,678 | (286,311) | (4,295) | (290,606) |
| 2022 | (290,606) | - | (296,716) | | (296,716) | 729 | 1,141,822 | 554,500 | 8,318 | 562,818 |
| 2023 | 562,818 | - | (296,716) | | (296,716) | 732 | 1,146,521 | 1,412,622 | 21,189 | 1,433,812 |
| 2024 | 1,433,812 | - | (296,716) | | (296,716) | 743 | 1,163,750 | 2,300,846 | 34,513 | 2,335,358 |
| 2025 | 2,335,358 | - | (296,716) | | (296,716) | 679 | 1,063,508 | 3,102,150 | 46,532 | 3,148,682 |
| 2026 | 3,148,682 | - | (296,716) | | (296,716) | 620 | 971,097 | 3,823,063 | 57,346 | 3,880,409 |
| 2027 | 3,880,409 | - | (296,716) | | (296,716) | 488 | 764,347 | 4,348,040 | 65,221 | 4,413,261 |
| 2028 | 4,413,261 | | (296,716) | (4,116,544) | (4,413,261) | | - | - | | - |

Growth Allocable Principle Amount Issued \$ 5,278,413

Debt Assumptions 3.77%
30

| | | | |
|----------------------------|----|-----------|------|
| Total Cash Funded Projects | \$ | 4,168,248 | TRUE |
| Total Debt Funded Projects | | 5,278,413 | TRUE |
| | \$ | 9,446,661 | TRUE |

West Travis County Public Utility Agency
2018 Impact Fee Analysis - Wastewater Utility



Schedule 8
Impact Fee Calculation

| | |
|------------------------------|----------|
| Maximum Allowable Impact Fee | \$ 8,979 |
| Interest Rate | 1.50% |

| Year | Beginning Balance | Cash Funding | Previously Issued Debt | Pay Debt Principal for Previously Issued Debt when Callable | Total Annual Expenditures | New LUEs | Impact Fee Revenues at 100% Collection | Subtotal | Interest Income | Ending Balance |
|--------------|-------------------|--------------|------------------------|---|---------------------------|----------|--|------------|-----------------|----------------|
| through 2018 | | - | | | - | 466 | 4,184,350 | 4,184,350 | 62,765 | 4,247,116 |
| 2019 | 4,247,116 | (4,728,570) | (978,863) | | (5,707,433) | 397 | 3,564,779 | 2,104,462 | 31,567 | 2,136,029 |
| 2020 | 2,136,029 | (185,658) | (978,863) | | (1,164,520) | 337 | 3,026,022 | 3,997,530 | 59,963 | 4,057,493 |
| 2021 | 4,057,493 | - | (978,863) | | (978,863) | 309 | 2,774,601 | 5,853,231 | 87,798 | 5,941,030 |
| 2022 | 5,941,030 | - | (978,863) | | (978,863) | 323 | 2,900,312 | 7,862,478 | 117,937 | 7,980,415 |
| 2023 | 7,980,415 | (49,478) | (978,863) | | (1,028,341) | 312 | 2,801,539 | 9,753,614 | 146,304 | 9,899,918 |
| 2024 | 9,899,918 | - | (978,863) | | (978,863) | 320 | 2,873,374 | 11,794,429 | 176,916 | 11,971,345 |
| 2025 | 11,971,345 | - | (978,863) | | (978,863) | 257 | 2,307,678 | 13,300,161 | 199,502 | 13,499,663 |
| 2026 | 13,499,663 | (752,176) | (978,863) | | (1,731,039) | 212 | 1,903,610 | 13,672,234 | 205,084 | 13,877,317 |
| 2027 | 13,877,317 | - | (978,863) | | (978,863) | 161 | 1,445,666 | 14,344,120 | 215,162 | 14,559,282 |
| 2028 | 14,559,282 | | (978,863) | (13,580,419) | (14,559,282) | | - | 0 | | 0 |

West Travis County Public Utility Agency
2018 Impact Fee Analysis - Water Utility



Schedule 9
Rate Revenue Credit - System Wide

| | |
|-------------------------------------|-----------------|
| Maximum Allowable Impact Fee | \$ 2,775 |
|-------------------------------------|-----------------|

Total Debt Service Included in Rates for Regional Projects \$ 2,061,953

| | Total Estimated LUE Count | Estimated Annual Debt Service for Regional Projects Allocated to Rates |
|------------------------------|------------------------------|---|
| 2018 | 17,803 | \$ 2,061,953 |
| 2019 | 19,090 | \$ 2,061,953 |
| 2020 | 20,513 | \$ 2,061,953 |
| 2021 | 21,913 | \$ 2,061,953 |
| 2022 | 23,208 | \$ 2,061,953 |
| 2023 | 24,484 | \$ 2,061,953 |
| 2024 | 25,861 | \$ 2,061,953 |
| 2025 | 27,205 | \$ 2,061,953 |
| 2026 | 28,432 | \$ 2,061,953 |
| 2027 | 29,433 | \$ 2,061,953 |
| | 237,942 | \$20,619,532 |
| <i>Total Credit for Rate</i> | | \$86.66 |

| | |
|-------------------------------------|--------------------|
| Total Recommended Impact Fee | \$ 2,688.24 |
|-------------------------------------|--------------------|

| Regional CIP Projects | Total Cost | Growth Allocation | Rates Allocation* |
|-----------------------|----------------------|----------------------|----------------------|
| Future CIP | \$ 25,386,057 | \$ 25,386,057 | \$ - |
| Existing CIP | 48,455,685 | 11,774,731 | 36,680,954 |
| | <u>\$ 73,841,742</u> | <u>\$ 37,160,789</u> | <u>\$ 36,680,954</u> |

*Rates allocation assumes 100% of future projects are funded by impact fees.

West Travis County Public Utility Agency
2018 Impact Fee Analysis - Water Utility



Schedule 10
Rate Revenue Credit - 290 System

| | |
|-------------------------------------|-----------------|
| Maximum Allowable Impact Fee | \$ 4,243 |
|-------------------------------------|-----------------|

Total Debt Service Included in Rates for Regional Projects \$ 1,206,846

| | Total Estimated LUE Count | Estimated Annual Debt Service for Regional Projects Allocated to Rates |
|------------------------------|------------------------------|---|
| 2018 | 8,268 | \$ 1,206,846 |
| 2019 | 8,790 | \$ 1,206,846 |
| 2020 | 9,367 | \$ 1,206,846 |
| 2021 | 10,011 | \$ 1,206,846 |
| 2022 | 10,578 | \$ 1,206,846 |
| 2023 | 11,122 | \$ 1,206,846 |
| 2024 | 11,757 | \$ 1,206,846 |
| 2025 | 12,423 | \$ 1,206,846 |
| 2026 | 13,030 | \$ 1,206,846 |
| 2027 | 13,543 | \$ 1,206,846 |
| | 108,889 | \$12,068,465 |
| Total Credit for Rate | | \$110.83 |

| | |
|-------------------------------------|--------------------|
| Total Recommended Impact Fee | \$ 4,132.38 |
|-------------------------------------|--------------------|

| Regional CIP Projects | Total Cost | Growth Allocation | Rates Allocation* |
|-----------------------|---------------|-------------------|-------------------|
| Future CIP | \$ 17,034,197 | \$ 17,034,197 | \$ - |
| Existing CIP | 28,360,766 | 6,891,666 | 21,469,100 |
| | \$ 45,394,963 | \$ 23,925,863 | \$ 21,469,100 |

*Rates allocation assumes 100% of future projects are funded by impact fees.

West Travis County Public Utility Agency
2018 Impact Fee Analysis - Water Utility



Schedule 11
Rate Revenue Credit - 71 System

| | |
|-------------------------------------|-----------------|
| Maximum Allowable Impact Fee | \$ 1,566 |
|-------------------------------------|-----------------|

Total Debt Service Included in Rates for Regional Projects \$ 752,251

| | Total Estimated LUE Count | Estimated Annual Debt Service for Regional Projects Allocated to Rates |
|------------------------------|------------------------------|---|
| 2015 | 9,535 | \$ 752,251 |
| 2016 | 10,300 | \$ 752,251 |
| 2017 | 11,146 | \$ 752,251 |
| 2018 | 11,902 | \$ 752,251 |
| 2019 | 12,630 | \$ 752,251 |
| 2020 | 13,362 | \$ 752,251 |
| 2021 | 14,104 | \$ 752,251 |
| 2022 | 14,782 | \$ 752,251 |
| 2023 | 15,402 | \$ 752,251 |
| 2024 | 15,890 | \$ 752,251 |
| | 129,053 | \$7,522,508 |
| <i>Total Credit for Rate</i> | | \$58.29 |

| | |
|-------------------------------------|--------------------|
| Total Recommended Impact Fee | \$ 1,508.00 |
|-------------------------------------|--------------------|

| Regional CIP Projects | Total Cost | Growth Allocation | Rates Allocation* |
|-----------------------|---------------|-------------------|-------------------|
| Future CIP | \$ 7,020,197 | \$ 7,020,197 | \$ - |
| Existing CIP | 18,660,518 | 5,278,413 | 13,382,106 |
| | \$ 25,680,715 | \$ 12,298,609 | \$ 13,382,106 |

*Rates allocation assumes 100% of future projects are funded by impact fees.

West Travis County Public Utility Agency
2018 Impact Fee Analysis - Wastewater Utility



Schedule 12
Rate Revenue Credit

| | |
|-------------------------------------|-----------------|
| Maximum Allowable Impact Fee | \$ 8,979 |
|-------------------------------------|-----------------|

Total Debt Service Included in Rates for Regional Projects \$ 1,355,008

| | Total Estimated LUE Count | Estimated Annual Debt Service for Regional Projects Allocated to Rates |
|------------------------------|------------------------------|---|
| 2018 | 4,252 | \$ 1,355,008 |
| 2019 | 4,649 | \$ 1,355,008 |
| 2020 | 4,986 | \$ 1,355,008 |
| 2021 | 5,295 | \$ 1,355,008 |
| 2022 | 5,618 | \$ 1,355,008 |
| 2023 | 5,930 | \$ 1,355,008 |
| 2024 | 6,250 | \$ 1,355,008 |
| 2025 | 6,506 | \$ 1,355,008 |
| 2026 | 6,718 | \$ 1,355,008 |
| 2027 | 6,880 | \$ 1,355,008 |
| | 57,084 | \$13,550,083 |
| Total Credit for Rate | | \$237.37 |

| | |
|-----------------------------------|--------------------|
| Total Allowable Impact Fee | \$ 8,741.92 |
|-----------------------------------|--------------------|

| Regional CIP Projects | Total Cost | Growth Allocation | Rates Allocation* |
|-----------------------|---------------|-------------------|-------------------|
| Future CIP | \$ 10,803,905 | \$ 10,803,905 | \$ - |
| Existing CIP | 41,518,219 | 17,413,406 | 24,104,814 |
| | \$ 52,322,124 | \$ 28,217,310 | \$ 24,104,814 |

*Rates allocation assumes 100% of future projects are funded by impact fees.

WHEREAS, on November 1, 2012, the Board of Directors of WTCPUA adopted the imposition of water impact fees for the Highway 71 Service Area and Highway 290 Service Area;

WHEREAS, on December 18, 2014, the Board of the WTCPUA amended its water impact fee for the WTCPUA's water impact fee service areas, in accordance with Chapter 395 of the Texas Local Government Code;

WHEREAS, WTCPUA desires to update the land use assumptions, capital improvements plan, and water impact fees related to the System and Highway 71 and 290 Service Areas, in accordance with Chapter 395 of the Texas Local Government Code;

WHEREAS, WTCPUA has received a report from its engineer, entitled "*Land Use Assumptions and Capital Improvements Plan for West Travis County Public Utility Agency 2018 Impact Fee Study*" (the "**Study**"), attached hereto as Exhibit A, providing recommended amendments regarding WTCPUA's land use assumptions and capital improvements plan;

WHEREAS, WTCPUA has received a report from its rate consultant, entitled "*Land Use Assumption & Impact Fee Report*" (the "**Report**"), attached hereto as Exhibit B, providing recommended amendments regarding WTCPUA's land use assumptions and water impact fees for the Highway 71 Service Area and Highway 290 Service Area;

WHEREAS, the Study was made available to the public in accordance with Chapter 395 of the Texas Local Government Code;

WHEREAS, WTCPUA previously appointed an impact fee advisory committee ("**Committee**"), and such Committee met on September 7, 2018, to consider potential amendments to WTCPUA's land use assumptions, capital improvements plan, and water impact fees;

WHEREAS, the Committee has prepared written recommendations regarding such amendments (attached hereto as Exhibit C), and it has provided such recommendations to WTCPUA's Board of Directors in a timely manner;

WHEREAS, after providing proper notice to the public, WTCPUA held a public hearing on September 20, 2018, regarding the adoption of amendments to WTCPUA's land use assumptions, capital improvements plan, and water impact fees for the Highway 71 and 290 Service Areas;

WHEREAS, the Board of Directors has reviewed the Study, the Report, all public input provided at the public hearing, and the recommendations from the Committee regarding the proposed amendments; and

WHEREAS, the Board of Directors desires to adopt amendments to WTCPUA's land use assumptions, capital improvements plan, and water impact fees, as provided herein.

NOW THEREFORE, it is ordered by the Board of Directors of West Travis County Public Utility Agency as follows:

Section 1: The above recitals are true and correct and are incorporated into this Order for all purposes.

Section 2: After considering the Study, the Report, public input from the public hearing, recommendations of the Committee, and other related information, the Board of Directors has determined that WTCPUA's land use assumptions and capital improvements plan for water service should be amended with the land use assumptions and capital improvements plan for water service provided in the Study and Report, attached hereto as Exhibits A and B; save and except for the Service Unit Table and the Highway 71 and Highway 290 Service Areas boundaries contained in the September 27, 2012 land use assumptions and capital improvements plan. The Board of Directors of WTCPUA hereby (1) approves the land use assumptions and capital improvements plan for water service provided in the Study and Report, attached hereto as Exhibits A and B, and (2) affirms and re-approves the Service Unit Table and Highway 71 and Highway 290 Service Areas contained in the September 27, 2012 land use assumptions and capital improvements plan.

Section 3: After considering the Study, the Report, public input from the public hearing, recommendations of the Committee, and other related information, the Board of Directors has determined that for the Highway 71 Service Area, a water impact fee in the amount of \$_____ per living unit equivalent ("**LUE**") is reasonable and necessary to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to new development, in accordance with Chapter 395 of the Texas Local Government Code, so that WTCPUA can provide water service to Highway 71 Service Area.

Section 4: After considering the Study, the Report, public input from the public hearing, recommendations of the Committee, and other related information, the Board of Directors has determined that for the area served by the Highway 290 Service Area, a water impact fee in the amount of \$_____ per LUE is reasonable and necessary to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to new development, in accordance with Chapter 395 of the Texas Local Government Code, so that WTCPUA can provide water service to Highway 290 Service Area.

Section 5: The Board of Directors of WTCPUA hereby amends the amount of the water impact fee for the Highway 71 Service Area to \$_____ per LUE, effective on _____, 2018.

Section 6: The Board of Directors of WTCPUA hereby amends the amount of the water impact fee for the Highway 290 Service Area to \$_____ per LUE, effective on _____, 2018.

Section 7: WTCPUA's water impact fees for the Highway 71 and 290 Service Areas shall be assessed and collected by WTCPUA in compliance with Chapter 395 of the Texas Local Government Code, WTCPUA's Tariff and policies, and other applicable laws.

Section 8: All funds collected from the water impact fees for the Highway 71 and 290 Service Areas shall only be used for the purposes for which such impact fees were imposed, in accordance with WTCPUA's approved capital improvements plan and Chapter 395 of the Texas Local Government Code.

Section 9: None of the funds collected from the water impact fees for the Highway 71 and 290 Service Areas shall be used or expended for an improvement or expansion that is not identified in WTCPUA's approved capital improvements plan or in a manner inconsistent with Chapter 395 of the Texas Local Government Code.

Section 10: All funds collected from the water impact fees for the Highway 71 and 290 Service Areas shall be deposited in interest-bearing accounts clearly identifying the category of capital improvements or facility expansions within each respective Service Area.

Section 11: All interest earned on the water impact fees for the Highway 71 and 290 Service Areas shall be considered funds of the account in which it is earned and will be subject to all restrictions placed on use of those fees as provided in Chapter 395 of the Texas Local Government Code.

Section 12: The records of the accounts into which the water impact fees for the Highway 71 and 290 Service Areas are deposited shall be open for public inspection and copying during ordinary business hours.

Section 13: WTCPUA's Board President, General Manager, engineer, legal counsel, and other consultants are authorized to take all actions consistent with the purposes of this Order, including amending WTCPUA's Tariff to reflect the directives included herein.

PASSED AND APPROVED this ____th day of September, 2018.

Scott Roberts, President
Board of Directors

ATTEST:

Ray Whisenant, Jr., Secretary
Board of Directors

EXHIBIT A

Study

EXHIBIT B

Report

EXHIBIT C

Impact Fee Advisory Committee Recommendations

ITEM B

WHEREAS, on December 18, 2014, the Board of the WTCPUA amended its wastewater impact fee for the WTCPUA's wastewater impact fee service areas, in accordance with Chapter 395 of the Texas Local Government Code;

WHEREAS, WTCPUA desires to update the land use assumptions, capital improvements plan, and wastewater impact fees related to the Service Area, in accordance with Chapter 395 of the Texas Local Government Code;

WHEREAS, WTCPUA has received a report from its engineer, entitled "*Land Use Assumptions and Capital Improvements Plan for West Travis County Public Utility Agency 2018 Impact Fee Study*" (the "**Study**"), attached hereto as Exhibit A, providing recommended amendments regarding WTCPUA's land use assumptions and capital improvements plan;

WHEREAS, WTCPUA has received a report from its rate consultant, entitled "*Land Use Assumption & Impact Fee Report*" (the "**Report**"), attached hereto as Exhibit B, providing recommended amendments regarding WTCPUA's land use assumptions and wastewater impact fees for the Service Area;

WHEREAS, the Study was made available to the public in accordance with Chapter 395 of the Texas Local Government Code;

WHEREAS, WTCPUA previously appointed an impact fee advisory committee ("**Committee**"), and such Committee met on September 7, 2018, to consider potential amendments to WTCPUA's land use assumptions, capital improvements plan, and wastewater impact fees;

WHEREAS, the Committee has prepared written recommendations regarding such amendments (attached hereto as Exhibit C), and it has provided such recommendations to WTCPUA's Board of Directors in a timely manner;

WHEREAS, after providing proper notice to the public, WTCPUA held a public hearing on September 20, 2018, regarding the adoption of amendments to WTCPUA's land use assumptions, capital improvements plan, and wastewater impact fees for the Service Area;

WHEREAS, the Board of Directors has reviewed the Study, the Report, all public input provided at the public hearing, and the recommendations from the Committee regarding the proposed amendments; and

WHEREAS, the Board of Directors desires to adopt amendments to WTCPUA's land use assumptions, capital improvements plan, and wastewater impact fees, as provided herein.

NOW THEREFORE, it is ordered by the Board of Directors of West Travis County Public Utility Agency as follows:

Section 1: The above recitals are true and correct and are incorporated into this Order for all purposes.

Section 2: After considering the Study, the Report, public input from the public hearing, recommendations of the Committee, and other related information, the Board of Directors has determined that WTCPUA's land use assumptions and capital improvements plan for wastewater service should be amended with the land use assumptions and capital improvements plan for wastewater service provided in the Study and Report, attached hereto as Exhibits A and B; save and except for the Service Unit Table and Service Area boundaries contained in the September 27, 2012 land use assumptions and capital improvements plan. The Board of Directors of WTCPUA hereby (1) approves the land use assumptions and capital improvements plan for wastewater service provided in the Study and Report, attached hereto as Exhibits A and B, and (2) affirms and re-approves the Service Unit Table and Service Area contained in the September 27, 2012 land use assumptions and capital improvements plan.

Section 3: After considering the Study, the Report, public input from the public hearing, recommendations of the Committee, and other related information, the Board of Directors has determined that for the Service Area, a wastewater impact fee in the amount of \$_____ per living unit equivalent ("**LUE**") is reasonable and necessary to generate revenue for funding or recouping the costs of capital improvements or facility expansions necessitated by and attributable to new development, in accordance with Chapter 395 of the Texas Local Government Code, so that WTCPUA can provide wastewater service to the Service Area.

Section 4: The Board of Directors of WTCPUA hereby amends the amount of the wastewater impact fee for the Service Area to \$_____ per LUE, effective on _____.

Section 5: WTCPUA's wastewater impact fees for the Service Area shall be assessed and collected by WTCPUA in compliance with Chapter 395 of the Texas Local Government Code, WTCPUA's Tariff and policies, and other applicable laws.

Section 6: All funds collected from the wastewater impact fees for the Service Area shall only be used for the purposes for which such impact fees were imposed, in accordance with WTCPUA's approved capital improvements plan and Chapter 395 of the Texas Local Government Code.

Section 7: None of the funds collected from the wastewater impact fees for the Service Area shall be used or expended for an improvement or expansion that is not identified in WTCPUA's approved capital improvements plan or in a manner inconsistent with Chapter 395 of the Texas Local Government Code.

Section 8: All funds collected from the wastewater impact fees for the Service Area shall be deposited in interest-bearing accounts clearly identifying the category of capital improvements or facility expansions within the Service Area.

Section 9: All interest earned on the wastewater impact fees for the Service Area shall be considered funds of the account in which it is earned and will be subject to all

restrictions placed on use of those fees as provided in Chapter 395 of the Texas Local Government Code.

Section 10: The records of the accounts into which the wastewater impact fees for the Service Area are deposited shall be open for public inspection and copying during ordinary business hours.

Section 11: WTCPUA's Board President, General Manager, engineer, legal counsel, and other consultants are authorized to take all actions consistent with the purposes of this Order, including amending WTCPUA's Tariff to reflect the directives included herein.

PASSED AND APPROVED this ____th day of September 20, 2018.

Scott Roberts, President
Board of Directors

ATTEST:

Ray Whisenant, Jr., Secretary
Board of Directors

EXHIBIT A

Study

EXHIBIT B

Report

EXHIBIT C

Impact Fee Advisory Committee Recommendations

ITEM C

**AGREEMENT FOR THE PROVISION OF NONSTANDARD
RETAIL WASTEWATER SERVICE
(Lake Travis ISD Middle School No. 3)**

This Agreement for the Provision of Nonstandard Retail Wastewater Service (the “Agreement”) is entered into by and between the West Travis County Public Utility Agency (the “WTCPUA”) a public utility agency operating pursuant to Chapter 572, Texas Local Government Code, and Lake Travis Independent School District, a political subdivision of the State of Texas (“School District”). Unless otherwise specified, the term “Parties” shall mean the WTCPUA and School District, collectively.

RECITALS

WHEREAS, School District currently plans to construct Middle School No. 3 and related educational facilities on approximately 136.059 acres of land, as described in the attached **Exhibit A**, within the WTCPUA’s wastewater service area (the “Proposed Development”); and

WHEREAS, School District desires to obtain retail wastewater service to the Proposed Development from the WTCPUA;

WHEREAS, Lazy Nine Municipal Utility District No. 1A (“Lazy Nine 1A”) granted authority and permission to the WTCPUA to provide wastewater service to the Proposed Development, located inside the boundaries of Lazy Nine 1A, through a resolution approved by the Lazy Nine 1A Board of Directors on March 21, 2018;

WHEREAS, School District and the WTCPUA desire to enter into this Agreement to set forth the terms and conditions upon which the WTCPUA will provide retail wastewater service to the Proposed Development; and

NOW, THEREFORE, in consideration of the above stated Recitals and the terms, conditions, and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree to the following:

ARTICLE I

DEFINITIONS, HEADINGS AND INTERPRETATION

Section 1.1 **Definition of Terms**: In addition to the terms defined in the Recitals above, the words and phrases as used in this Agreement shall have the meanings set forth below:

- (a) “Agreement” shall mean this Agreement, its attachments, exhibits, and matters included by reference, and any amendment or supplement thereto.
- (b) “Assignee” shall mean any person or entity who receives an express assignment of the rights of either Party and expressly assumes such Party’s duties and responsibilities with respect to this Agreement as provided in Section 6.2 herein.

- (c) “School District” shall mean Lake Travis Independent School District or its Assignees.
- (d) “School District Deposit” shall mean the payment made by School District as specified in Section 3.2 herein.
- (e) “School District Facilities” shall mean those facilities to be constructed by School District pursuant to this Agreement that are required to extend wastewater service to the WTCPUA System at the Point of Delivery as described on the attached **Exhibit B**.
- (f) “Effective Date” shall mean the date of the last signature to this Agreement.
- (g) “LUE” or “Living Unit Equivalent” shall mean the measurement used in the WTCPUA Rules and Policies to determine the amount of wastewater service usage per connection for its Retail Customers.
- (h) “Point of Delivery” shall be a wastewater meter recording wastewater flows from the Proposed Development to the WTCPUA System.
- (i) “Reservation Fee” shall mean an annual fee imposed pursuant to the WTCPUA’s Rules and Policies, as amended from time to time, to reserve water and/or wastewater capacity in the WTCPUA System.
- (j) “Reservation Period” shall mean a four (4) year period commencing on the Date of Service Commitment issued from the WTCPUA to the School District.
- (k) “Retail Customer” shall mean the School District applying for an individual retail wastewater service connection to the WTCPUA’s System at the Point of Delivery.
- (l) “Service Surcharge” shall mean the shared expense in capital facilities necessary to provide wastewater service to the Proposed Development.
- (m) “WTCPUA” shall mean the West Travis County Public Utility Agency or its Assignees.
- (n) “WTCPUA Rules and Policies” shall mean the WTCPUA's rules and policies adopted by its Board of Directors governing the provision of retail wastewater service to Retail Customers and related matters.
- (o) “WTCPUA System” shall mean the WTCPUA’s existing wastewater collection, treatment and disposal facilities used by the WTCPUA to provide retail wastewater service within its service area, including, but not limited to its wastewater collection lines, lift stations, treatment and disposal facilities, and related facilities.
- (p) “WWTP Expansion” shall mean the WTCPUA’s increase in the WTCPUA’s wastewater treatment and disposal capacity, both through an approval to increase the WTCPUA’s Texas Land Application Permit to more than 1.0 MGD, and construction and

commissioning of wastewater treatment plant improvements to accommodate and treat more than 1.0 MGD of effluent.

Section 1.2 Article and Section Headings. The headings and titles of the several articles and sections of this Agreement are solely for convenience and reference and shall not affect the meaning, construction or effect of the provisions hereof.

Section 1.3 Interpretation. The singular form of any word used herein shall include the plural, and vice-versa, unless the context requires otherwise. The use of a word of any gender herein shall include all other genders, unless the context requires otherwise. This Agreement and all of the terms and provisions hereof shall be construed so as to effectuate the purposes contemplated hereby and to sustain the validity hereof.

ARTICLE II **SERVICE COMMITMENT**

Section 2.1 WTCPUA to Provide Service. For and in consideration of School District's obligations, covenants and conditions set forth in this Agreement, WTCPUA agrees to provide up to 20 LUEs of retail wastewater service for the School District located within the Proposed Development pursuant to the terms of this Agreement and the WTCPUA's Rules and Policies. In no event shall WTCPUA be obligated to provide retail wastewater service to the Proposed Development that exceeds 20 LUEs.

Section 2.2 No Implied Waivers or Credits. Nothing in this Agreement shall be interpreted to waive service conditions for the School District in the Proposed Development or otherwise grant credit to the School District, Proposed Development or any portion thereof any fee, charge, or payment, otherwise applicable under this Agreement or WTCPUA's Rules and Policies.

ARTICLE III **SCHOOL DISTRICT FACILITIES**

Section 3.1 School District Facilities. School District shall construct the School District Facilities in compliance with the WTCPUA Rules and Policies. School District shall submit all Plans and Specifications for the School District Facilities, including any phase or portion thereof, to the WTCPUA for review and approval prior to commencement of construction. School District shall pay applicable WTCPUA inspection fees and all other fees as provided in WTCPUA Rules and Policies.

Section 3.2 School District Deposit. As of the Effective Date, School District has deposited with the WTCPUA the sum of \$10,000.00 ("School District Deposit"), which shall be used to pay the WTCPUA's charges and fees as provided in Sections 5.14 through 5.17 of the WTCPUA Rules and Policies with respect to the extension of service to the Proposed Development. To the extent such charges and fees incurred for the Proposed Development exceed or are projected to exceed the amount of the School District Deposit as specified above, the WTCPUA shall invoice

School District for such additional amounts and payment by School District shall be due upon its receipt of such invoice. Delay by School District in paying an invoice when due may delay WTCPUA review and acceptance of the School District Facilities and the commencement of service to the Proposed Development. Any funds remaining in the School District Deposit not used by the WTCPUA shall be reimbursed to School District upon the commencement of service in accordance with Article IV.

ARTICLE IV

COMMENCEMENT OF SERVICE BY WTCPUA

Section 4.1 Conditions Precedent to Commencement of Service. School District and WTCPUA agree that the WTCPUA is not required to commence retail wastewater service to the Proposed Development until School District has complied with the WTCPUA Rules and Policies governing the commencement of such service.

The WTCPUA is not required to provide allocated wastewater service to the Proposed Development for 20 LUEs until such time as the WTCPUA obtains an increase in the WTCPUA's wastewater treatment and disposal capacity, both through an approval to increase the WTCPUA's Texas Land Application Permit to more than 1.0 MGD, and construction and commissioning of wastewater treatment plant improvements to accommodate and treat more than 1.0 MGD of effluent ("WWTP Expansion").

Section 4.2 Service Surcharge. School District shall pay a surcharge fee of \$230,000 as a shared expense in capital facilities necessary to provide wastewater service to the Proposed Development. This surcharge shall be paid immediately before activation of wastewater service to the Proposed Development.

Section 4.3. Reservation Fees. School District shall annually pay Reservation Fees for wastewater service during the Reservation Period. Reservation Fees shall be calculated by multiplying the current Reservation Fee as contained in the WTCPUA Rules and Policies at the time of each anniversary of the date of Written Service Commitment by the WTCPUA Board of Directors times the number of unused LUEs reserved for the School District pursuant to this Agreement. School District shall calculate and pay annual Reservation Fees for reserved wastewater LUEs on each annual anniversary of the commencement of the Reservation Period ("Due Date"). If School District pays the Reservation Fees prior to or on the Due Date, the LUEs for which Reservation Fees have been paid will be considered to be in "reserved status" for the next contract year in the Reservation Period. Reservation Fees are non-refundable and non-reimbursable. If Reservation Fees are not paid on the Due Date, such nonpayment shall be an event of default. **If School District fails to pay Reservation Fees on the Due Date, the WTCPUA may terminate this Agreement, with immediate effect, by giving notice to the School District.** Any remaining LUEs for which Reservation Fees are not paid will no longer be considered in "reserved status" and such nonpayment will be considered a breach of contract and School District may be subject to any and all penalties and remedies applicable to a breach of this Agreement.

Should School District transfer or assign this Agreement, neither the reservation of nor right to reserve LUEs shall be automatically assigned to any future successor in interest of the School District as a component of any assignment of this Agreement without express written consent of the WTCPUA.

Reservation Fees for the initial year of the Reservation Period must be paid not later than six (6) months from the date of Written Service Commitment by the WTCPUA Board of Directors if a wastewater meter or meters having up to 20 LUEs of wastewater service has not been installed in accordance to WTCPUA Tariff provisions. Any LUEs in reserved status, but which are connected during the six (6) month grace period, will be deducted from the number of LUEs for which the initial years' Reservation Fees are due.

Furthermore, the School District agrees and understands that the WTCPUA's commitment of 20 LUEs of wastewater service runs with and is assigned to the Proposed Development.

4.4 Wastewater Rates. Wastewater Rates will be based on current non-residential minimum monthly charges and volumetric charges per WTCPUA Rate Tariff for meter(s) providing water to the Proposed Development.

4.5 Maximum Wastewater Inflows. A wastewater meter will be installed at the Delivery Point to the WTCPUA's sanitary sewer collection system to monitor volume of inflows. Inflows shall not exceed 20 LUEs, which is 3600 gallons per day annual average inflows per the WTCPUA's 2014 Land Use Assumptions and Capital Improvements Program (CIP) 30-day average of 180 gallons per day per LUE. No other connections to the LTISD Middle School No. 3's wastewater system shall be permitted beyond the school facilities in the approved "Site Plan" displayed in Exhibit A.

4.6 Maintenance of System. School District shall be responsible for maintenance and repair of their wastewater system and limit inflow and infiltration into the wastewater collection system to the fullest extent possible by following best management practices including sealing manhole lids, maintaining and rehabilitating manholes, and preventing and mitigating improper and illegal connections to the School District's wastewater system.

4.7 Remedy for Exceedance of Annual Average Inflows or Peak Day Inflows. School District shall pay a \$500 per month surcharge for the following calendar year for every LUE over 20 based on annual average inflows measured from previous calendar year. Further, if annual average LUEs would exceed 25 then the PUA would have the right to terminate and renegotiate this Agreement to ensure that WTCPUA wastewater capacities are not exceeded and impacts to its system are addressed, including cost of additional infrastructure and compliance with environmental regulations.

4.8 Compliance with Pre-Treatment Program. Customer shall be responsible for compliance with the WTCPUA's Pre-Treatment Program as outlined in Sections 2.11 and 2.12 of the

WTCPUA Rate Tariff, including required sampling at the Delivery Point to the WTCPUA's sanitary sewer collection system and payment of surcharges.

Section 4.9 Right of Access. School District agrees to provide the WTCPUA with immediate access to the School District Facilities, or any other portion of the School District Facilities, when required for the WTCPUA to construct, install, operate, repair, maintain, replace, inspect, or upgrade the School District Facilities.

ARTICLE V **TERM; DEFAULT**

Section 5.1 Term; Termination. This Agreement shall become effective upon the latest date of execution by either the School District or the WTCPUA (the "Effective Date"). WTCPUA may terminate this agreement upon written notice to School District for any of the 20 LUEs for which the School District has not requested service in accordance with the WTCPUA Rules and Policies by the fourth anniversary of the Effective Date. The Parties may extend the termination deadlines in this Section upon written amendment of this Agreement. Unless otherwise earlier terminated, this Agreement shall extend from the Effective Date for as long as the WTCPUA provides service to the School District located in the Proposed Development.

Section 5.2 Default.

- (a) In the event that School District defaults on or materially breaches any one or more of the provisions of this Agreement, other than the payment of Reservation Fees, the WTCPUA shall give School District thirty (30) days to cure such default or material breach after the WTCPUA has made written demand to cure the same. A breach is material if School District fails to meet or otherwise violates its obligations and responsibilities as set forth in this Agreement. If School District fails to cure a breach or default within thirty days, WTCPUA may terminate this Agreement upon written notice to School District. Upon termination of this Agreement, including termination for nonpayment of Reservation Fees, WTCPUA will retain all payments made, if any, by School District to the WTCPUA made under this Agreement and WTCPUA shall have no duty to extend wastewater service to the School District within the Proposed Development after the date of termination. If any default is not capable of being cured within thirty (30) days, then WTCPUA may not terminate this Agreement or exercise any other remedies under this Agreement so long as School District diligently and continuously pursues curative action to completion.
- (b) In the event that WTCPUA defaults on or materially breaches any one or more of the provisions of this Agreement, School District shall give WTCPUA thirty (30) days to cure such default or material breach after School District has made written demand to cure the same and before School District files suit to enforce the Agreement. In the event of default by WTCPUA, School District may, as its sole and exclusive remedy either: (a) seek specific performance or a writ of mandamus from a court of competent jurisdiction compelling and requiring WTCPUA and its officers to observe and perform their obligations under this Agreement; or (b) if specific performance and a writ of mandamus

are barred by governmental immunity, then pursue all other legal and equitable remedies. A breach is material if WTCPUA violates its obligations and responsibilities as set forth in this Agreement.

ARTICLE VI **GENERAL PROVISIONS**

Section 6.1 **Entire Agreement.** This Agreement contains the complete and entire agreement between the Parties respecting the matters addressed herein, and supersedes any prior negotiations, agreements, representations and understandings, oral or written, if any, between the Parties respecting such matters. This Agreement may not be modified, discharged or changed in any respect whatsoever, except by a further agreement in writing duly executed by the Parties hereto.

Section 6.2 **Assignment.** School District may assign this Agreement only with the express written consent of the WTCPUA, which consent shall not be unreasonably withheld. WTCPUA may assign this agreement, including to a successor organization created for the purpose of assuming all of the WTCPUA's assets and liabilities, including a water conservation and reclamation district created pursuant to Article XVI, Section 59 of the Texas Constitution.

Section 6.3 **Notices.** Written notice to the respective Parties pursuant to this Agreement must be in writing and may be given via regular U.S. Mail, via electronic mail or by hand delivery to the addresses of the Parties shown below. A notice shall be deemed delivered on the earlier of (1) the date actually received; or (2) three (3) days after posting in the U.S. Mail. Notice shall be provided to the following addresses:

WTCPUA: General Manager
West Travis County PUA
12117 Bee Cave Rd
Building. 3, Suite 120
Bee Cave TX 78738

Email: rpugh@wtcpua.org

Copy to: Stefanie Albright
Lloyd Gosselink Rochelle & Townsend, PC
816 Congress Avenue Suite 1900
Austin, Texas 78701

Email: salbright@lglawfirm.com

School District: Lake Travis Independent School District
Attn: Director of Facilities, Construction and
Auxiliary Services and Assistant Superintendent for
Business, Financial Auxiliary Services

16101 Hwy 71 West, Building B
Austin, Texas 78738
Telephone: (512) 533-5963

Email: winovitchr@ltisdschools.org

With copy to: Robert Kleeman
Sneed, Vine & Perry, P.C.
900 Congress Avenue, Suite 300
Austin, Texas 78701
Telephone: (512) 494-3135

Email: rkleeman@sneedvine.com

Section 6.4 Invalid Provision. Any clause, sentence, provision, paragraph or article of this Agreement held by a Court of competent jurisdiction to be invalid, illegal or ineffective shall not impair, invalidate or nullify the remainder of this Agreement, but the effect thereof shall be confined to the clause, sentence, provision, paragraph or article so held to be invalid, illegal, or ineffective.

Section 6.5 Applicable Law. This Agreement shall be construed under the laws of the State of Texas and all obligations of the Parties hereunder are performable in Travis County, Texas. Venue for any action arising under this Agreement shall be in Travis County, Texas.

Section 6.6 Time is of the Essence. Time shall be of the essence in this Agreement.

Section 6.7 Third Party Beneficiaries. Except as otherwise expressly provided herein, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the Parties hereto and their heirs, personal representatives, successors and assigns, any benefits, rights or remedies under or by reason of this Agreement.

Section 6.8 Saturday, Sunday, or Legal Holiday. If any date set forth in this Agreement for the performance of any obligation or for the delivery of any instrument or notice should be on a Saturday, Sunday, or legal holiday, the compliance with such obligation or delivery shall be acceptable if performed on the next business day following such Saturday, Sunday or legal holiday. For purposes of this subparagraph, "legal holiday" shall mean any state or federal holiday for which financial institutions or post offices are generally closed in Travis County, Texas, for observance thereof; and (b) any day the Administrative Offices of the School District is closed, including, the Christmas Holiday break and Spring Break.

Section 6.9 Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument.

Section 6.10 Exhibits. All recitals and all schedules and exhibits referred to in this Agreement are incorporated herein by reference and shall be deemed part of this Agreement for all purposes as if set forth at length herein.

Section 6.11 No Joint Venture, Partnership, Agency, Etc. This Agreement shall not be construed as in any way establishing a partnership or joint venture, express or implied agency, or employer-employee relationship between the Parties hereto.

[Signature pages to follow]

IN WITNESS WHEREOF, this instrument is executed on the Effective Date.

**WEST TRAVIS COUNTY PUBLIC UTILITY
AGENCY**

By: _____
Scott Roberts, President
Board of Directors

Date: _____

ATTEST:

Ray Whisenant, Secretary
Board of Directors

**LAKE TRAVIS INDEPENDENT SCHOOL
DISTRICT, a political subdivision of the State of
Texas**

By: _____

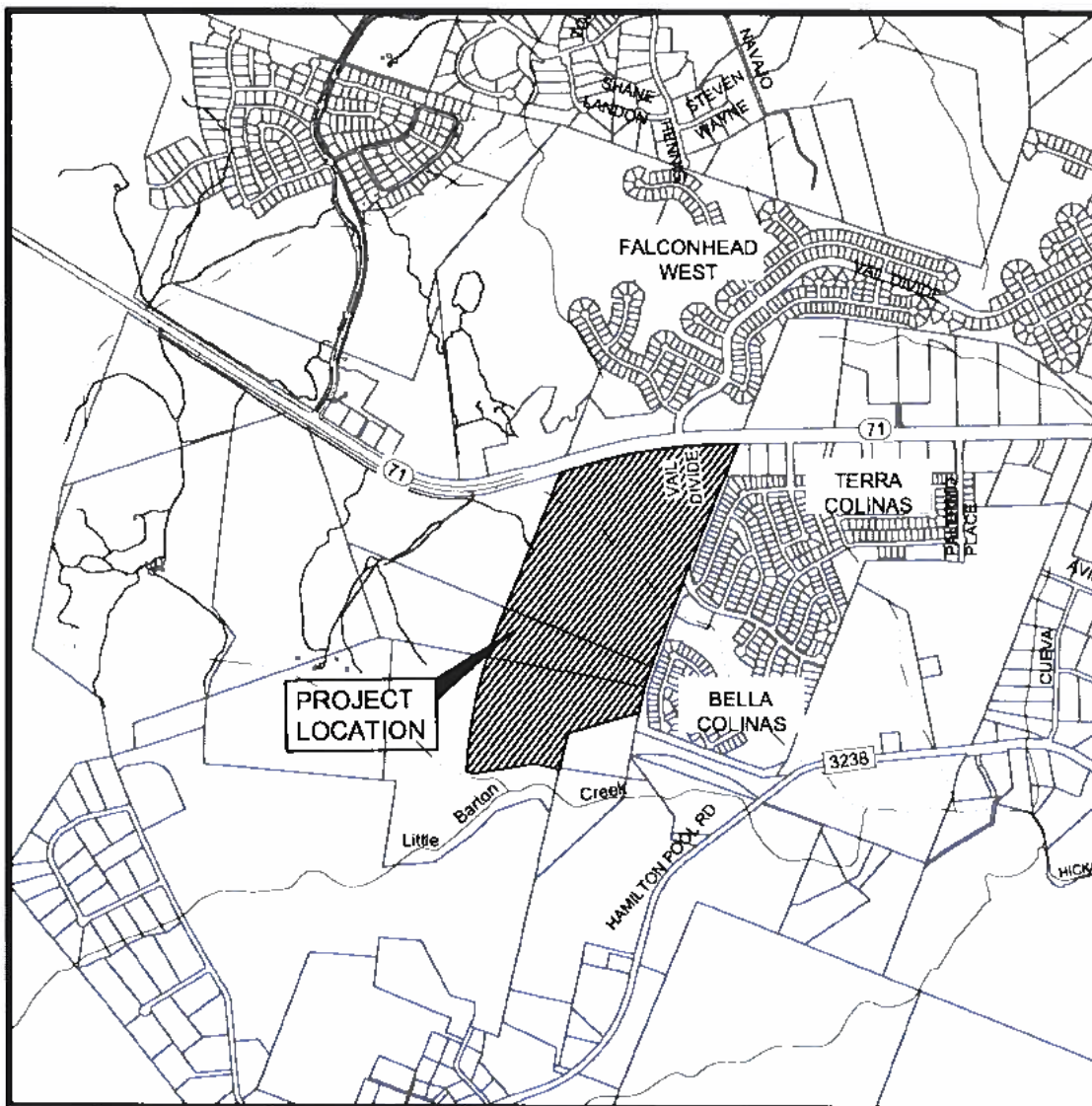
Name: Brad Lancaster

Title: Superintendent

Date: _____

EXHIBIT A

DESCRIPTION OF SCHOOL DISTRICT LAND



LOCATION MAP



DESCRIPTION OF A 136.06 ACRE TRACT PREPARED BY DELTA SURVEY GROUP, INC., IN APRIL 2017 AND LOCATED IN THE J. C. DEGMAN SURVEY NO. 537, THE J. W. KAY SURVEY NO. 111 AND THE G. WOLFE SURVEY NO. 182, ALL IN TRAVIS COUNTY, TEXAS, AND BEING A PORTION OF A CALLED 136.059 ACRE TRACT CONVEYED TO LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT AND DESCRIBED IN DOCUMENT NUMBER 2010014061, OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS, SAID 136.06 ACRE TRACT AS SHOWN ON THE ACCOMPANYING PLAT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2 inch iron rod with “Delta Survey” cap found in the south right-of-way (R.O.W) line of State Highway 71 (S.H. 71) (R.O.W varies), same being the northwest corner of Lot 1, Block AA of Bella Colinas Section 1 a subdivision of record in Document Number 201300150, Official Public Records, Travis County, Texas, also being the northeast corner of said 136.059 acre tract, for the **POINT OF BEGINNING**;

THENCE leaving the south right-of-way line of said S.H. 71 and with the west lines of said Bella Colinas and a remainder portion of a called 117.35 acres tract conveyed to Meritage Homes of Texas, LLC., and described in Document Number 2011172383, Official Public Records, Travis County, Texas, same being an east lines of said 136.059 acre tract the following five (5) courses and distances:

1. S28°16'40"W a distance of 1467.37 feet to a magnail with “Delta Survey” shiner set,
2. S27°20'35"W a distance of 741.44 feet to a cotton spindle with “Delta Survey” shiner set,,
3. S26°43'24"W a distance of 341.44 feet to a 1/2 inch iron rod with “Delta Survey” cap set,
4. S25°37'09"W a distance of 291.31 feet to a 1/2 inch iron rod with “Delta Survey” cap found, and
5. S18°28'45"W a distance of 297.91 feet to a fence post found for the southwest corner of said remainder of 117.35 acres tract, same being a north corner of a called 8.862 acre tract conveyed to Cecil D. Perkins and described in Volume 6859, Page 9, Deed Records, Travis County, Texas, also being a southeast corner of said 136.059 acre tract, and also being a northwest corner of a called 5.81 acre tract conveyed to Camelot Real Estate and described in Document Number 2015006142, Official Public Records, Travis County, Texas;

THENCE with north and west lines of said 8.862 acre tract, same being southeast lines of said 136.059 acre tract the following two (2) courses and distances:

1. S80°09'50"W a distance of 824.45 feet to a ½ inch iron rod with “Delta Survey” cap set, and

2. S19°01'52"W a distance of 407.06 feet to a 1/2 inch iron rod with plastic "Delta Survey" cap found for a southeast corner of said 136.059 acre tract, same being the northeast corner of a called 10.658 acre tract conveyed to WS-COS Investments, LLC., and described in Document Number 2011110728, from which a 1/2 inch iron rod found bears S19°01'52"W a distance of 484.62 feet;

THENCE leaving the west line of said 8.862 acre tract with a south line of said 136.059 acre tract, same being north lines of said 10.658 acres tract the following three (3) courses and distances:

1. N70°38'29"W a distance of 275.62 feet to a 1/2 inch iron rod with plastic "Delta Survey" cap found,
2. S87°22'51"W a distance of 686.46 feet to a 1/2 inch iron rod with plastic "Delta Survey" cap found, and
3. N63°14'26"W a distance of 76.66 feet to a 1/2 inch iron rod with plastic "Delta Survey" cap found in an east line of a remainder portion of a called 392.847 acres tract conveyed to WS-COS Investments, LLC., and described in Document Number 2011110728, Official Public Records, Travis County, Texas, same being the northwest corner of said 10.658 acre tract, and also being the southwest corner of said 136.059 acre tract;

THENCE with the west line of said 136.059 acre tract, same being an east line of said remainder of 392.847 acres tract the following two (2) courses and distances:

1. With the arc of a curve to the right a distance of 1718.22 feet, through a central angle of 18°38'43", with a radius of 5280.00 feet, and whose chord bears N19°24'23"E, a distance of 1710.65 feet to a 1/2 inch iron rod with plastic "Delta Survey" cap found, and
2. N28°43'45"E a distance of 1737.58 feet to a 1/2 inch iron rod with plastic "Delta Survey" cap found in the south right-of- way line of said S.H. 71, same being a northeast corner of said remainder of 392.847 acres tract and also being the northwest corner of said 136.059 acre tract;

THENCE with the south right-of way line of said S.H. 71, same being the north line of said 136.059 acre tract the following three (3) courses and distances:

1. N79°54'05"E a distance of 276.48 feet to a concrete TXDoT monument found,
2. With the arc of a curve to the right a distance of 1531.04 feet, through a central angle of 15°33'19", with a radius of 5639.33 feet, and whose chord bears N87°39'02"E, a distance of 1526.34 feet to a concrete TXDoT monument found, and

L.T.I.S.D.
136.06 Acres

3 of 3

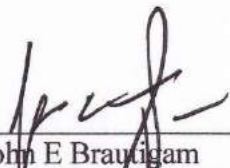
3. S84°33'47"E a distance of 168.86 feet to the **POINT OF BEGINNING** and containing 136.06 acres of land, more or less.

BEARING BASIS: Texas State Plane Coordinate System, Central Zone, NAD83/CORS

I, John E. Brautigam, hereby certify that the foregoing description represents an on-the-ground survey performed under my direction and supervision during August 2016, and is true and correct to the best of my knowledge and belief.

04-12-17

Date



John E Brautigam
Registered Professional Land Surveyor
No. 5057-State of Texas



Delta Survey Group, Inc.
8213 Brodie Lane, Suite 102
Austin, Texas 78745
TBPLS Firm No. 10004700

EXHIBIT B
SCHOOL DISTRICT FACILITIES

EXHIBIT B

Lake Travis I.S.D.
Middle School 3

DEVELOPER FACILITIES WASTEWATER

| Item Description | Unit | Estimated Quantity |
|-------------------------------|------|--------------------|
| 6' x 9' Meter Vault | EA | 1 |
| Encasement for Force Mains | LF | 80 |
| 2 Inch HDPE DR 9 Force Main | LF | 325 |
| 3 Inch PVC SDR 21 Force Main | LF | 325 |
| 2" Gate Valve | EA | 1 |
| 3" Gate Valve | EA | 1 |
| 4' Wastewater Manhole | EA | 1 |
| 6" SDR 26 PVC Wastewater Line | LF | 13 |
| Wet Well Connection | EA | 1 |

ITEM D

**ACKNOWLEDGEMENT AND RELEASE OF RESERVATION FEES AND
REIMBURSEMENT PAYMENTS
(LSM RANCH, LTD./RIM ROCK)**

This Acknowledgement and Release of Reservation Fees and Reimbursement Payments dated effective September __, 2018 (the “Release”) and executed by LSM Ranch, Ltd. (“Developer”) and the West Travis County Public Utility Agency (the “WTCPUA”) is made in relation to: (i) the Water Utility Facilities Acquisition Agreement Between Lower Colorado River Authority, LSM Ranch, Ltd., Wilson Family Communities, Inc., and Greenhawe WCID No. 2, dated March 26, 2008, as amended and assigned (the “Utility Agreement”); (ii) the Cost Sharing and Reimbursement Agreement for Phase II of the Sawyer Ranch Road Pipeline Between Lower Colorado River Authority, Pulte Homes of Texas, L.P., Rock Creek Holdings, L.P., LSM Ranch, Ltd., SGL Investments, Ltd., Hays Reunion Ranch, L.P., and Greenhawe Water Control and Improvement District No. 2, dated January 5, 2005, as amended and assigned (the “Phase II Agreement”); and (iii) the Agreement for Construction and Conveyance of, and Reimbursement for Phases One and Three of Sawyer Ranch/Darden Hill Water, dated May 4, 2005, as amended and assigned (the “Phase I and III Agreement”)(collectively referred to as the “Agreements”).

The Agreements, as previously amended and as assigned, were assigned to the WTCPUA effective as of March 19, 2012.

For good and valuable consideration, and without any admission of fault, Developer and the WTCPUA agree as follows:

The WTCPUA and Developer agree that all reimbursement obligations from the WTCPUA to Developer under the Agreements have been satisfied.

The WTCPUA and Developer agree that all Reservation Fee payment obligations from Developer to the WTCPUA under the Utility Agreement have been satisfied.

Developer confirms and agrees that the WTCPUA is released from any claims, obligations, or liability relating to reimbursement under the Agreements. The WTCPUA confirms and agrees that Developer is released from any claims, obligations, or liability relating to payment of Reservation Fees under the Utility Agreement.

Developer has provided to the WTCPUA, without representation or warranty: (i) the names, addresses, contacts, and email addresses of all lot purchasers (both individuals and homebuilders) to whom Developer has sold lots within the Rim Rock subdivision and the dates of such lot sales; and (ii) the name, address, contact, and email address for the HOA management company serving the Rim Rock subdivision. The WTCPUA will use such information to advise lot owners of the requirements of paying annual Reservation Fees until Impact Fees are paid when service is established. Further, Developer has paid to the WTCPUA the 2018-2019 Impact Fees for the remaining two (2) lots subject to the Agreements that Developer presently owns.

WTCPUA and Developer understand and agree that this Release does not modify or amend any of the Agreements, nor any of the obligations and rights included therein.

Acknowledgement and Release of Reservation Fees and Reimbursement Payments
(LSM Ranch, Ltd./Rim Rock)

The undersigned further asserts and agrees that undersigned is authorized to act on behalf of Developer and the WTCPUA in connection with all matters arising under the Agreements.

[SIGNATURE PAGES FOLLOW]

Acknowledgement and Release of Reservation Fees and Reimbursement Payments
(LSM Ranch, Ltd./Rim Rock)

Executed as of the date(s) set forth below.

DEVELOPER:

LSM RANCH, LTD.,
a Texas limited partnership

By: LSM GP, Inc.,
a Texas corporation,
its General Partner

By: _____
John S. Lloyd, Manager

Date: _____

Acknowledgement and Release of Reservation Fees and Reimbursement Payments
(LSM Ranch, Ltd./Rim Rock)

WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY

By: _____
Scott Roberts, President
Board of Directors

Date: _____

ATTEST:

Ray Whisenant, Secretary
Board of Directors