



West Travis County PUBLIC UTILITY AGENCY

November 12, 2016

Mr. Michael Johnson
President
WTC Municipal District No. 5
3910 Capistrano Trail
Austin, TX 78739



RE: November 8, 2016 Board Meeting

Dear Michael:

Thank you for the opportunity to attend the subject meeting, introduce myself and answer questions. I enjoyed our visit very much. Below are written responses to key questions raised during the meeting.

1. Is Smart Meter Technology available to provide real-time usage to customers to assist with consumption management?

Answer: One half of our meters are automatic read (AMR), and the other half are manual read. The AMR read meters only have the ability to provide hourly usage data logs which must be ordered from customer service at a fee. After talking with staff we would need to install a fixed base network, a new billing system, and AMI meters to provide real time monitoring. The cost of individual meters alone would be approximately \$300. To replace approximately 7000 meters would cost \$2.1 million excluding labor, which would require a rate increase. In the interim, customers can read their own meters periodically to observe and manage consumption. High reads are flagged during our reading process and check reads issued to verify these readings.

2. Can meter readers tag doors when high consumption is noted during manual meter reading?

Answer: When our meter readers key in hand held meter reads I have been advised they do not have access to past reads on their handheld devices so they would not be able to flag high consumption with door hangers during this manual reading process.

3. What is the time between meter reading and billing?

Answer: 30 days. We are looking at ways to reduce this cycle time administratively without adding staff.

4. Darrell Thornley requested a system walk through with our engineering staff.

Answer: Keith Parkan will be contacting Darrell to schedule a tour of WTCPUA systems.

5. Can cost of service studies be made by rate district to distinguish between developers who receive PUA reimbursements vs. those who pay reservation and impact fees.

Answer: The PUA will look into this to see if feasible.

6. Rick Arney called customer service with an odor complaint and did not receive a call back.

Answer: As stated during the meeting the PUA apologizes for this oversight. Keith Parkan will be contacting Rick to follow up.

7. Does the PUA have plans to bring operations in-house?

Answer: Yes. We are in the process of bringing all accounting and book keeping functions in-house, hiring an engineering technician, and moving plant and field operations in house. This will facilitate better coordination and reduce costs. We will look to bring other functions in-house over time provided there are increases in efficiencies.

8. What is the status of the second raw water line?

Answer: We are in the final stages of obtaining permits and hope to have design completed in 2017 and construction by 2018.

9. What are FY2017 Challenges and goals.

Answer: Developing a master planning process to track CIP, Capital and developer reimbursements to the extent that debt issuance and cash balances can be optimized to provide rate stability to the fullest extent possible. Also, being able to plan our CIP program when LCRA developer agreements have no expiration dates and current developer Non-Standard Service Agreements (NSSAs) have four year expiration dates. It is a challenge to plan timing of CIP and capital projects when there is uncertainty on when new demands will be placed on our system. We will be sending letters to developers to obtain their best schedule estimates to assist us with this process.

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Thank you for your consideration. I would be pleased to attend future board meetings to answer additional questions or give formal presentations, if desired. If you have any questions, please contact me at 512-263-0100, extension 102.

Sincerely,



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