

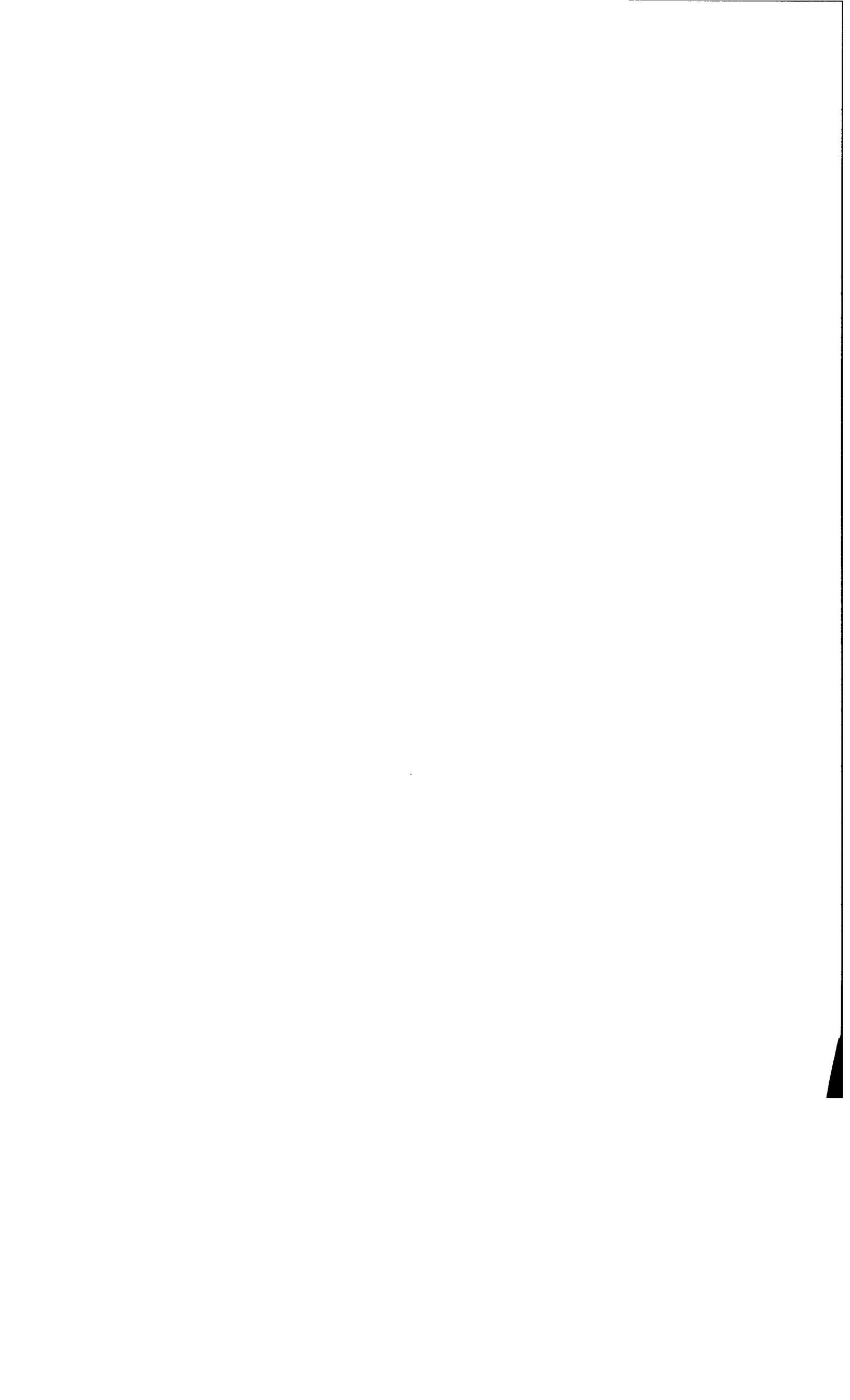
Control Number: 43002



Item Number: 9

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House Bill (HB) 1600 and Senate Bill (SB) 567 83<sup>rd</sup>  
Legislature, Regular Session, transferred the functions  
relating to the economic regulation of water and sewer  
utilities from the TCEQ to the PUC effective  
September 1, 2014.



**STM Checklist**

43002

**Applicant: L&T Waterworks & Moody Land Co**  
**Application No.: 37827-S**

§13.301(a)	Was written application filed on or before the 120 <sup>th</sup> day before the effective date of a sale? Yes	Date verified: 06/30/14
Description: The application was filed on 12/23/13 and accepted for filing on 05/05/14.		
§13.301(a)	Was proper public notice provided? Yes.	Date verified: 06/30/14
Date(s): May 09, 2014		
Waivers: N/A.		
Additional notice required for amendment: No		
All appropriate entities notified: Yes, see letter dated 05/09/14.		
§13.301(b)	Does the purchaser have adequate FMT to provide continuous and adequate service to the requested area and any areas currently certificated to that person? Yes.	Date verified: 06/30/14
Description: See FM memo dated 05/08/14.		
Description of qualifications: The transaction will have no effect on the current customer's rates and services. Curtis Logan was the operator of the PWS system for Moody Land Company and is the current owner of L and T Waterworks, LLC. The transfer of the system was executed by Timothy Coffey who is the independent executor of the estate of William WR Coffey. In 2012 and 2011 Moody Land Company reported net income of \$9,592 and \$15,064 respectfully per their Annual Report submitted to TCEQ. Projected Balance Sheets and Income Statements were additionally provided with their application. For the startup year cash was reported as \$26,000 and total assets as \$85,000. Liabilities were reported as \$0.00 and projected income was reported as \$37,425. Projections after the 5 <sup>th</sup> year of startup were additionally reported as liabilities still remaining a \$0.00 balance as cash and total assets were reported as \$211,500 and \$270,500 respectfully. Also, net income was reported as being a cumulative amount of \$184,674. The buyer Curtis Logan holds a Class B-Groundwater License.		
Description of any plans for improvements: The application identifies the improvements needed by starting up capital and monthly income.		
§13.301(c)	Is a bond or other financial assurance required to ensure continuous and adequate service? No.	Date verified: 06/30/14
Description: See FM memo dated 05/08/14.		
§13.301(d)	Will the transaction serve the public interest? Yes.	Date verified: 06/30/14
Is the applicant willing to make improvements? There appears to have contributions in place of 34,820.00 to blast and paint the interior and exterior of the existing welded steel storage tank. This will help remove the temporary storage tank and reconnect the existing tank. The total aid for construction is 145,118.25.		
Description: The transaction is due to the death of William R WR Coffey and the heirs need the transfer completed.		
§13.301(e)	Does the purchaser or any affiliate of the purchaser have a history of noncompliance with the requirements of the commission within the past 5 years? No.	Date verified: 06/30/14
Description: The Seller William Coffey, Owner for Moody Water System was sent a letter with date of May 12, 2011, stating after further review by TCEQ Moody Water System is in compliance by documentation received on February 23, 2011, resolving the alleged violations with no further actions to require concerns of the investigation. See Compliance Summary.		
Any active enforcement actions? No. N/A		
Date of previous enforcement orders: N/A		
Penalties: N/A.		
In compliance with previous orders? N/A		

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§13.301(e)	Does the purchaser or any affiliate of the purchaser have a history of continuing mismanagement or misuse of revenues as a utility service provider? No.	Date verified: 06/30/14
Description: N/A.		
§13.301(j)	If applicable, has the seller made a written disclosure to the purchaser related to customer contributions in aid of construction derived from specific surcharges? N/A	Date verified: 06/30/14
Description: N/A		
If applicable, have protestants' concerns been addressed by letter from the staff or utility? N/A. No protests were received.		Date verified: 06/30/14
Names of protestants: N/A		
Description of protests: N/A		
Protestants included on mailing list? N/A.		
Have any customer deposits been accounted for? N/A. This utility does not require deposits from its customers		Date verified: After sale
Have all tariff issues including rates, tap fees and service rules/extension policy language been resolved?		Date verified:
Description: N/A		Date tariff was stamped approved: Pending
If entity is a WSC, is most recent version of tariff on file? N/A		Date WSC tariff was received: N/A.
§13.132	Does the applicant have a current Annual Report on file? No. This is a new applicant requesting to obtain the CCN from Moody Land Company.	Date verified: 06/30/14
Description: N/A		Date annual report was received: N/A
Do any of the systems being transferred have violations that need to be corrected? See Compliance Summary.		Date verified: 06/30/14
If the purchaser is a corporation, is it in good standing with the State Comptroller? Purchaser is not a corporation.		Date verified: 06/30/14
Have all TCEQ Fees and penalties and any laboratory fees owed by either the seller or purchaser been paid? Yes. None owed.		Date verified: 06/30/14
What are the terms of the sale? L and T waterworks, LLC has applied to acquire the facilities and transfer the CCN 12919. The transfer is to better serve the customers. The asset purchase agreement is for 110,298.55.		Date verified: 06/30/14
Sales price: 110,298.25		
# of customers affected: 85		
Original cost of plant being transferred: Unknown		
Accumulated depreciation: N/A		
Date of closing:		
If facility being transferred is a wastewater treatment system, has the applicant requested a transfer of the wastewater discharge permit? N/A This is for water only.		Date verified: 06/30/14
Miscellaneous information: Na		Date verified: 06/30/14
Is the system under the jurisdiction of a city (if yes, name the city)? No.		
Is the seller's CCN being canceled? No. This new operator L and T waterworks, LLC, will obtain the original CCN 12919 in this application.		

	<p>If applicable, the staff person must send an email to Central Registry requesting them to link the appropriate CCN, CN and RN numbers. <b>The email should be addressed to Karen Young with a copy to Bernadette Segala and say WUD Priority in the subject line.</b> If these numbers are not linked appropriately, the Chief Clerk's Office will not be able to accept the application for posting and the file will be returned to our program area. This will cause a delay in the getting the final order and CCN(s) signed.</p>	<p>Date verified: Will need to come back for this..</p>
<p>Application from Curtis D. Logan dba L and T Waterworks, LLC, A2017, to Acquire Facilities and Transfer Certificate of Convenience and Necessity (CCN) No. 12919 held by W.R. Coffey dba Moody Land Company in Freestone County; Application No. 37827-S</p> <p>CN: 604520619: RN: 107111874 (Curtis D. Logan L and T Waterworks, LLC) CNL 600708051: RN: 101240976 (W.R. Coffey dba Moody Land Company)</p> <p>After sales documents:</p> <p>A2017 will be changed to CCN 12919.</p>		

**COMPLIANCE SUMMARY:**

*(Please create a general description for every water and/or wastewater system being transferred)*

Name of Water System: L and T Waterworks, LLC  
PWS: 0810038  
Inspection Date: February 23, 2011

A notice of violation for the compliance evaluation investigation was issued by letter dated February 23, 2011. After further review by TCEQ Moody Water System was informed by letter dated May 12, 2011, stating adequate compliance documentation was received resolving the alleged violations with one unresolved alleged violation to be place in the file to be evaluated during a subsequent investigation by the Waco Regional Office Richard Monreal.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

