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PETITION OF BLUEBERRY HILLS § BEFORE THE STATE OFFICE
WATER WORKS, LLC APPEALING § PUBLIC UTILITY COMMISSION
A DECISION BY THE CITY OF § FILING CLERK
BEEVILLE TO CHANGE WHOLESALE § OF
WATER RATES § ADMINISTRATIVE HEARINGS

**MOTION FOR ORDER AUTHORIZING
THE RELEASE OF FUNDS FROM ESCROW**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

The City of Beeville (Beeville), the Respondent, files this motion for an order amending and modifying SOAH Order No. 4 by: (1) authorizing Beeville to release all interim water rate funds in the escrow account established by Beeville pursuant to SOAH Order No. 4 to Blueberry Hills at the closing of the sale of Blueberry Hills' water distribution system to Beeville, currently projected to occur on July 14, 2016; and (2) remanding this case to the PUC for a dismissal without prejudice without an evidentiary hearing pursuant to PUC. Rule §22.181 after the closing of the sale of Blueberry Hills' water distribution system to Beeville currently projected to occur on July 14, 2016. In support of this motion, Beeville respectfully shows the following:

1. SOAH Order No. 4 adopted interim water rates and required Beeville to deposit a certain portion of the interim water rates paid to Beeville by Blueberry Hills into an escrow account established by Beeville pursuant to SOAH Order No. 4. SOAH Order No. 6, approved the deposit of the interim water rate funds into a bank account at the First National Bank of Beeville with disbursement allowed only upon further orders by the Administrative Law Judge (ALJ) when this case is finally decided.

2. Blueberry Hills and Beeville have entered into a compromise and settlement agreement that resolves all water utility rate disputes between the parties at this time because Beeville has agreed to purchase Blueberry Hills' water utility system.

3. The Public Utility Commission of Texas (PUC) has reviewed the sale-transfer-merger application that was filed by Beeville in PUC Docket No. 45705. On June 15, 2016, the PUC issued Order No. 5 that authorized and approved the sale of Blueberry Hills' water distribution system to Beeville and ordered the transaction to proceed.

4. Under the terms and conditions in the compromise and settlement agreement between the parties, when the purchase of Blueberry Hills' water distribution system closes, all of the funds in the interim water rate escrow account established by Beeville pursuant to SOAH Order No. 4 will be paid to Blueberry Hills and the escrow account will be closed. As of the close of business on July 1, 2016, \$17,352.17 will be on deposit in the escrow account. Beeville respectfully requests that the ALJ issue an order that states that no additional deposits will be made to the escrow account established by Beeville pursuant to SOAH Order No. 4 but Beeville is ordered to credit Blueberry Hills for the amount that would have otherwise been deposited by Beeville into the escrow account for water supplied by Beeville to Blueberry Hills subsequent to the meter reading in June.

5. Beeville respectfully requests an order from the ALJ that orders the First National Bank of Beeville to disburse all funds from the interim water rate escrow account established by Beeville pursuant to SOAH Order No.4 to the escrow account held by Bee County Title pending the closing of the sale of Blueberry Hills' water distribution system to Beeville, currently projected to occur on July 14, 2016, and to close the escrow account after the disbursement has been made.

6. Additionally, Beeville respectfully requests that the ALJ issue an order that authorizes and directs the First National Bank of Beeville to disburse all of the interim water rate funds into the escrow account of Bee County Title, Beeville, Texas, on or before July 13, 2016 to be held in escrow by Bee County Title until paid to Blueberry Hills by Bee County Title at the closing of the purchase of Blueberry Hills water distribution system, currently projected to occur on July 14, 2016, and if

required, for the signatories to the escrow account established by Beeville pursuant to SOAH Order No. 4 to authorize the disbursement of the interim water rate funds to Bee County Title on or before July 13, 2016 and to close the escrow account after the disbursement has been made. A form order is attached.

7. Counsel for Blueberry Hills and Beeville worked to present an agreed motion but were not able to resolve the issue regarding the closing date. Counsel for Blueberry Hills wanted the motion and order to specify that the closing will occur on July 16, 2016 and proposed the agreed order attached to this motion. Counsel for Beeville, while working towards a closing on July 16, 2016, could not make a representation to the ALJ that the closing will occur on July 16, 2016 because counsel has not received the title commitment and authorization by the city council is required to close this transaction. Further, counsel for Beeville could not agree not to charge Blueberry for water supplied after the meter reading in mid-June.

Wherefore, premises considered, Beeville respectfully request that the ALJ enter an order authorizing and directing the First National Bank of Beeville to disburse all of the funds from the escrow account established by Beeville pursuant to SOAH Order No. 4 to Bee County Title on or before July 13, 2016 and to close the escrow account after the disbursement.

Respectfully submitted,

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By: 

Patrick W. Lindner


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**ATTORNEYS FOR CITY OF
BEEVILLE, TEXAS**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been sent by fax to the persons on the service list this 15th day July, 2016.


Patrick W. Lindner

SOAH DOCKET NO. 473-15-2671.WS
P. U. C. DOCKET NO. 44463

PETITION OF BLUEBERRY HILLS	§	BEFORE THE STATE OFFICE
WATER WORKS, LLC APPEALING	§	
A DECISION BY THE CITY OF	§	OF
BEEVILLE TO CHANGE WHOLESALE	§	
WATER RATES	§	ADMINISTRATIVE HEARINGS

SOAH ORDER NO. 7

AUTHORIZING AND DIRECTING DISBURSEMENT OF FUNDS FROM ACCOUNT

On July 1, 2016, the City of Beeville filed a motion requesting an order authorizing and directing the First National Bank of Beeville to disburse all of the interim water rate funds on deposit in a certain account established by the City of Beeville as described in SOAH Order No. 4 and 6, and to transfer all of the funds to Bee County Title, Beeville, Texas on or before July 13, 2016, to be held in escrow until disbursed to Blueberry Hills Water Works, LLC in accordance with a compromise and settlement agreement and sales/purchase agreement between Blueberry Hills Water Works, LLC and the City of Beeville.

On June 15, 2016, pursuant to Order No. 5 issued in PUC Docket No. 45705, the Public Utility Commission authorized the parties to proceed with the sale and transfer of the assets of Blueberry Hills Water Works to the City of Beeville.

Staff did not file an objection to the motion.

Accordingly, based upon the representations of the attorneys representing the City of Beeville, the ALJ authorizes and directs the First National Bank of Beeville to transfer all funds in the escrow account created by the City of Beeville pursuant to SOAH Order No. 4 and 5 to the Bee County Title on or before July 13, 2016 and upon transfer of the funds, to close the escrow account. The ALJ further authorizes and directs the employees of the City of Beeville who are signatories on the account to sign documentation as may be required by the First National Bank of Beeville to

transfer all of the funds to Bee County Title on or before July 13, 2016 and to close the escrow account after the disbursement. The ALJ further orders Bee County Title to hold the funds in escrow until disbursed to Blueberry Hills Water Works, LLC, or the person(s) designated by Blueberry Hills Water Works, LLC, to receive the funds, upon closing of the purchase of the assets by the City of Beeville, currently projected to occur on July 14, 2016.

2. The ALJ further orders no additional deposits will be made to the escrow account established by Beeville pursuant to SOAH Order No. 4 but Beeville is ordered, on the final bill to Blueberry Hills for water supplied to credit Blueberry Hills for the amount that would have otherwise been deposited by Beeville into the escrow account.

SIGNED July ____ 2016.

STEVEN D. ARNOLD
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE
HEARINGS

SOAH DOCKET NO. 473-15-2671.WS
P. U. C. DOCKET NO. 44463

PETITION OF BLUEBERRY HILLS	§	BEFORE THE STATE OFFICE
WATER WORKS, LLC APPEALING	§	
A DECISION BY THE CITY OF	§	OF
BEEVILLE TO CHANGE WHOLESALE	§	
WATER RATES	§	ADMINISTRATIVE HEARINGS

**AGREED JOINT MOTION FOR ORDER AUTHORIZING
THE RELEASE OF FUNDS FROM ESCROW**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

Blueberry Hills Water Works, LLC (Blueberry Hills), the Petitioner, and the City of Beeville (Beeville), the Respondent files this agreed joint motion for an order amending and modifying SOAH Order No. 4 by: (1) authorizing Beeville to release all interim water rate funds in the escrow account established by Beeville pursuant to SOAH Order No. 4 to Blueberry Hills at the closing of the sale of Blueberry Hills' water distribution system to Beeville on July 14, 2016; and (2) remanding this case to the PUC for a dismissal without prejudice without an evidentiary hearing pursuant to PUC. Rule §22.181 after the closing of the sale of Blueberry Hills' water distribution system to Beeville on July 14, 2016. In support of this agreed joint motion, Blueberry Hills and Beeville respectfully shows the following:

1. SOAH Order No. 4 adopted interim water rates and required Beeville to deposit a certain portion of the interim water rates paid to Beeville by Blueberry Hills into an escrow account established by Beeville pursuant to SOAH Order No. 4. SOAH Order No. 6, approved the deposit of the interim water rate funds into a bank account at the First National Bank of Beeville with disbursement allowed only upon further orders by the Administrative Law Judge (ALJ) when this case is finally decided.

2. Blueberry Hills and Beeville have entered into a compromise and settlement agreement that resolves all water utility rate disputes between the parties at this time because Beeville has agreed to purchase Blueberry Hills' water utility system.

3. The Public Utility Commission of Texas (PUC) has reviewed the sale-transfer-merger application that was filed by Beeville in PUC Docket No. 45705. On June 15, 2016, the PUC issued Order No. 5 that authorized and approved the sale of Blueberry Hills' water distribution system to Beeville and ordered the transaction to proceed.

4. Under the terms and conditions in the compromise and settlement agreement between the parties, when the purchase of Blueberry Hills' water distribution system closes on July 14, 2016, all of the funds in the interim water rate escrow account established by Beeville pursuant to SOAH Order No. 4 will be paid to Blueberry Hills and the escrow account will be closed. As of the close of business on June 24, 2016, \$16,166.85 will be on deposit in the escrow account. As of the close of business on June 30, 2016, \$17,593.90 will be on deposit in the escrow account. The parties respectfully request that the ALJ issue an order that states that no additional deposits will be made to the escrow account established by Beeville pursuant to SOAH Order No. 4 but Beeville is ordered to credit Blueberry Hills for the amount that would have otherwise been deposited by Beeville into the escrow account for water supplied by Beeville to Blueberry Hills. During the closing on July 14, 2016, Beeville shall credit Blueberry Hills for the amount of money that Blueberry Hills paid to Beeville for the wholesale water supply provided to Blueberry Hills by Beeville after the final meter reading that occurred in the middle of June 2016 that would have otherwise been deposited by Beeville into the escrow account for water supplied by Beeville to Blueberry Hills.

5. The parties respectfully request an order from the ALJ that orders the First National Bank of Beeville to disburse all funds from the interim water rate escrow account established by Beeville pursuant to SOAH Order No.4 to the escrow account held by Bee County Title pending the closing of the sale of Blueberry Hills' water distribution system to Beeville on July 14, 2016 and to close the escrow account after the disbursement has been made.

6. Additionally, the parties respectfully request that the ALJ issue an order that authorizes and directs the First National Bank of Beeville to disburse all of the interim water rate funds into the escrow account of Bee County Title, Beeville, Texas, on or before July 13, 2016 to hold in escrow until the interim water rate funds are paid to the Blueberry Hills by Bee County Title at the closing of the purchase of Blueberry Hills water distribution system on July 14, 2016, and if required, for the signatories to the escrow account established by Beeville pursuant to SOAH Order No. 4 to authorize the disbursement of the interim water rate funds to Bee County Title on or before July 13, 2016 and to close the escrow account after the disbursement has been made. A form order is attached.

Wherefore, premises considered, Blueberry Hills and Beeville respectfully request that the ALJ enter an order authorizing and directing the First National Bank of Beeville to disburse all of the funds from the escrow account established by Beeville pursuant to SOAH Order No. 4 to Bee County Title on or before July 13, 2016 and to close the escrow account after the disbursement.

Respectfully submitted,

By: /s/ Ronnie Jones
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By: _____
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**ATTORNEYS FOR CITY OF
BEEVILLE, TEXAS**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been sent by fax to the persons on the service list this _____ day June, 2016:

Patrick Lindner

SOAH DOCKET NO. 473-15-2671.WS

P. U. C. DOCKET NO. 44463

PETITION OF BLUEBERRY HILLS	§	BEFORE THE STATE OFFICE
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WATER RATES	§	ADMINISTRATIVE HEARINGS

SOAH ORDER NO. 7

AUTHORIZING AND DIRECTING DISBURSEMENT OF FUNDS FROM ACCOUNT

On June 29, 2016, Blueberry Hills Water Works, LLC and the City of Beeville filed an agreed joint motion requesting an order authorizing and directing the First National Bank of Beeville to disburse all of the interim water rate funds on deposit in a certain account established by the City of Beeville as described in SOAH Order No. 4 and 6, and to transfer all of the funds to Bee County Title, Beeville, Texas on or before July 13, 2016, to be held in escrow until disbursed to Blueberry Hills Water Works, LLC in accordance with a compromise and settlement agreement and sales/purchase agreement between Blueberry Hills Water Works, LLC and the City of Beeville.

On June 15, 2016, pursuant to Order No. 5 issued in PUC Docket No. 45705, the Public Utility Commission authorized the parties to proceed with the sale and transfer of the assets of Blueberry Hills Water Works to the City of Beeville.

Staff did not file an objection to the motion.

Accordingly, based upon the representations of the attorneys representing Blueberry Hills Water Works, LLC and the City of Beeville, the ALJ authorizes and directs the First National Bank of Beeville to transfer all funds in the escrow account created by the City of Beeville pursuant to SOAH Order No. 4 and 5 to the Bee County Title on or before July 13, 2016 and upon transfer of the funds, to close the escrow account. The ALJ further authorizes and directs the employees

of the City of Beeville who are signatories on the account to sign documentation as may be required by the First National Bank of Beeville to transfer all of the funds to Bee County Title on or before July 13, 2016 and to close the escrow account after the disbursement. The ALJ further orders Bee County Title to hold the funds in escrow until disbursed to Blueberry Hills Water Works, LLC, or the person(s) designated by Blueberry Hills Water Works, LLC, to receive the funds, upon closing of the purchase of the assets by the City of Beeville on July 14, 2016.

SIGNED June ____ 2016.

**STEVEN D. ARNOLD
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS**