



Control Number: 44463



Item Number: 50

Addendum StartPage: 0

SOAH DOCKET NO. 473-15-2671.WS  
PUC DOCKET NO. 44463

RECEIVED

2016 JUL 11 AM 9:41  
PUBLIC UTILITY COMMISSION  
FILING CLERK

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  
ESCROW ACCOUNT

On July 1, 2016, the City of Beeville (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 Beeville as described in SOAH Order Nos. 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 (Blueberry Hills), on or before July 15, 2016, in accordance with a compromise and settlement agreement and sales/purchase agreement between Blueberry Hills and Beeville that was executed during a mediation on February 24, 2016.

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

Staff did not file an objection to the motion.

Accordingly, based on the representations of the attorneys representing Beeville and Blueberry Hills, the Administrative Law Judge (ALJ) authorizes and directs the First National Bank of Beeville to transfer all funds in the escrow account created by Beeville pursuant to SOAH Order Nos. 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 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

30

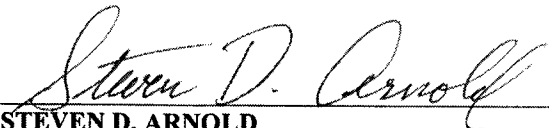
July 13, 2016, and to close the escrow account after the disbursement. The ALJ further orders Bee County Title to hold the funds in escrow until disbursed to Blueberry Hills, or the person(s) designated by Blueberry Hills, to receive the funds, upon closing of the purchase of the assets by Beeville,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

The ALJ further orders that 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 Blueberry Hills based on the final meter reading on July 8, 2016, to credit Blueberry Hills for the amount that would have otherwise been deposited by Beeville into the escrow account and that the balance due be off-set against the purchase price payable by Beeville to Blueberry Hills at closing. Blueberry Hills will bill its customers for water usage up to July 14, 2016, and Beeville will bill Blueberry Hills' customers for water usage after July 14, 2016, if the closing of the sale of Blueberry Hills' water system to Beeville occurs on July 14, 2016. For usage between July 8, 2016, and July 14, 2016, Blueberry Hills will bill its retail customer for the water used but Blueberry Hills does not have to pay Beeville for the wholesale water supply during that time period.

The order is not intended to modify the contract between Blueberry Hills and Beeville regarding the purchase of the system or affect the rights of either party under such contract nor shall either party be deemed to be in violation of this order if the closing does not occur on the projected date of July 14, 2016.

Beeville is ordered to advise the ALJ if Beeville's city council does not authorize the closing of the purchase on the currently projected closing date of July 14, 2016.

**SIGNED July 8, 2016.**

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