

1	INDEX	
2	Appearances.....	02
3	ROBIN BALEY	
	Direct Examination by Mr. Mathews.....	05
4	Cross-Examination by Mr. Rodriguez.....	117
	Redirect Examination by Mr. Mathews.....	118
5	Signature and Changes.....	120
6	Reporter's Certificate.....	122

8	EXHIBITS		
9	NO.	DESCRIPTION	PAGE
10	Exhibit 1	Notice of Intention to Take the	
11		Oral Deposition of Robin Baley	
		and Subpoena Duces Tecum by	
		Agreement.....	05
12	Exhibit 2	Articles of Incorporation of	
13		Forney Lake Water Supply	
		Corporation.....	41
14	Exhibit 3	Letter from City of Heath to	
15		Forney Lake Water Supply	
		Corporation, June 2, 2011.....	44
16	Exhibit 4	Letter from Russell & Rodriguez	
17		to PUC, October 2, 2014.....	49
18	Exhibit 5	Letter from Lorne O. Liechty to	
19		Forney Lake Water Supply	
		Corporation, July 18, 2012.....	56
20	Exhibit 6	Initial Request for Information	
21		from Messer Rockefeller Fort to	
		Robin Baley, May 28, 2013.....	58
22	Exhibit 7	Letter from Attorney General of	
		Texas to Robin Baley,	
23		September 4, 2013.....	64

24

25

1	Exhibit 8	Letter from Forney Lake Water Supply Corporation to Attorney General of Texas, September 15, 2013.....	64
2			
3	Exhibit 9	FedEx receipt; sticky note; Balance sheets, Forney Lake Water Supply Corporation meeting minutes.....	68
4			
5			
6	Exhibit 10	Letter from Mathews & Freeland to Robin Bailey, July 22, 2014...	70
7			
8	Exhibit 11	Letter from Mathews & Freeland to Robin Bailey, November 4, 2014	73
9	Exhibit 12	Sworn statement of Ed Thatcher, October 17, 2014.....	81
10			
11	Exhibit 13	Application to Obtain or Amend a Certificate of Convenience and Necessity Under Water Code Section 13.255.....	85
12			
13	Exhibit 14	Forney Lake Water Supply Corporation's First Supplemental Response to City of Heath's First Request for Information.....	89
14			
15	Exhibit 15	City of Heath's Response to Order No. 2 and Amendment to Clarify Application.....	89
16			
17	Exhibit 16	Forney Lake Water Supply Corporation's Response to City of Heath's First Request for Information.....	89
18			
19			
20	Exhibit 17	Water Distribution System for Forney Lake Water Supply Corporation, October 2009.....	97
21			
22			
23			
24			
25			

1 P R O C E E D I N G S

2 ROBIN BALEY,

3 having been first duly sworn, testified as follows:

4 DIRECT EXAMINATION

13:03:18 5 BY MR. MATHEWS:

13:03:18 6 Q. Would you state your name for the record,
13:03:20 7 please?

13:03:20 8 A. Robin Baley.

13:03:21 9 Q. Ms. Baley, would you give me your name and
13:03:26 10 business address and residence address?

13:03:27 11 A. Robin Baley. My home address is 5135 Bear
13:03:35 12 Claw Lane, Rockwall, Texas 75032. Business address is
13:03:39 13 5763 State Highway 205 South, Rockwall 75087.

13:03:45 14 Q. And were you provided a notice of this
13:03:49 15 deposition and a Subpoena Duces Tecum by Agreement?

13:03:53 16 A. Yes.

13:03:54 17 Q. Okay. Did you bring with you the documents
13:03:57 18 sought by the subpoena duces tecum?

13:03:59 19 A. Yes.

13:04:01 20 Q. Okay.

13:04:26 21 (Exhibit 1 marked for identification)

13:04:30 22 Q. (By Mr. Mathews) Doesn't look like you got a
13:04:30 23 lot of documents. Let's just go through those. First
13:04:34 24 of all, was it your understanding that you were to
13:04:34 25 provide all of your non-privileged documents that you

13:25:17 1 Mr. Smirl is not in the office, if somebody came in and
13:25:17 2 wanted a record, you know where they are, and you'd go
13:25:21 3 get them.

13:25:21 4 A. That's correct.

13:25:22 5 Q. Okay. If somebody came in the office and
13:25:26 6 wanted to see your audited financial statement, is that
13:25:30 7 something that you maintain?

13:25:31 8 A. I do not.

13:25:32 9 Q. Who maintains that?

13:25:33 10 A. Mike Bedford, our auditor.

13:25:37 11 Q. And where is it -- does Forney Lake have a
13:25:39 12 copy of its annual audit?

13:25:42 13 A. Mike Bedford's office.

13:25:46 14 Q. Does it receive from Mr. Bedford annually an
13:25:50 15 audit report?

13:25:51 16 A. Yes.

13:25:51 17 Q. Does it keep a copy of those reports?

13:25:53 18 A. Yes.

13:25:54 19 Q. Where does it keep them?

13:25:56 20 A. Normally it's in the Board members' packets.

13:26:04 21 Q. Is it not in your office?

13:26:04 22 A. We don't have a copy in our office, no. Mike
13:26:07 23 Bedford would have the audit.

13:26:09 24 Q. Okay. So could you tell me what functions

13:26:25 25 that Forney Lake performs in providing water utility

14:24:48 1 Board member?

14:24:49 2 A. No.

14:24:49 3 Q. With regard to Mr. Messer's request, did you

14:25:08 4 advise the Board of this request?

14:25:10 5 A. No.

14:25:11 6 Q. What action did you take in response to this

14:25:14 7 request?

14:25:15 8 A. We provided the information that we had

14:25:21 9 available.

14:25:26 10 Q. Is there a written record of your response on

14:25:34 11 that?

14:25:34 12 A. Yeah -- I'll check.

14:25:37 13 Q. Okay. Will you agree to attach that to your

14:25:40 14 deposition when you review it?

14:25:42 15 A. Yes.

14:25:42 16 Q. If it exists. And let's go down this list and

14:25:49 17 tell me which one of these you would have had

14:25:52 18 information available. It asks for No. 1, audited

14:25:58 19 financial statements for December 31, 2011 and 2012.

14:26:02 20 Would such records be available?

14:26:03 21 A. That would have been forwarded to the auditor.

14:26:07 22 Q. They would be within the possession of Forney

14:26:08 23 Lake Water Supply Corporation, would they not?

14:26:10 24 A. Of the auditor. They would've been forwarded

14:26:10 25 to him.

15:51:29 1 A. I don't know.

15:51:30 2 Q. Do you think the system was built without any

15:51:39 3 engineering studies?

15:51:40 4 A. I don't know.

15:51:41 5 Q. Have you made an inquiry?

15:51:45 6 A. No, I have not.

15:51:46 7 Q. So you've never asked the engineer whether he

15:51:50 8 has any kind of studies of the system?

15:51:53 9 A. No, I have not.

15:51:54 10 Q. Okay. Even when you got the Open Records Act

15:51:59 11 request asking for that?

15:52:01 12 A. No.

15:52:01 13 Q. Okay. Have you asked the auditor whether he

15:52:11 14 has any information about original cost to install

15:52:16 15 components of the system?

15:52:18 16 A. No.

15:52:18 17 Q. Have you ever asked the auditor if he has

15:52:21 18 information concerning the depreciation applied to the

15:52:21 19 components of the system?

15:52:26 20 A. No.

15:52:27 21 Q. Do you have any reason to believe that he

15:52:29 22 would not have that information?

15:52:31 23 A. No.

15:52:31 24 Q. Even when Open Records Act request asks for

15:52:37 25 all information, you didn't make an inquiry of him for

15:52:39 1 that?

15:52:39 2 A. No.

15:52:44 3 Q. So you did not?

15:52:47 4 A. No. I don't remember. I don't know.

15:52:48 5 Q. Okay. You do not recall making such an

15:52:52 6 inquiry?

15:52:53 7 A. No.

15:52:53 8 Q. Would you agree that if it was in the custody

15:53:00 9 of the auditor or engineer for Forney Lake it was in

15:53:03 10 Forney Lake's custody?

15:53:04 11 A. Can you repeat the question?

15:53:04 12 Q. Would you agree that if it was within the

15:53:11 13 custody of either the Forney Lake engineer or Forney

15:53:14 14 Lake auditor, it was available to Forney Lake?

15:53:16 15 MR. RODRIGUEZ: Objection to the form.

15:53:18 16 A. Yes.

15:53:19 17 Q. (By Mr. Mathews) Okay. Does Forney Lake

15:53:34 18 operate on a non-profit basis?

15:53:37 19 A. Yes.

15:53:42 20 Q. Do you have any idea of the net worth of its

15:53:46 21 plant and its facility?

15:53:49 22 A. No.

15:53:49 23 Q. Ms. Bailey, let's go back to --

15:55:12 24 MR. MATHEWS: Have we marked the Response

15:55:15 25 to City of Heath's First Request for Information?

