



Control Number: 44541



Item Number: 79

Addendum StartPage: 0

SOAH DOCKET NO. 473-16-0193.WS

PUC DOCKET NO. 44541

RECEIVED

2016 JUL 28 PM 3: 04

APPLICATION OF CITY OF HEATH TO §  
AMEND A CERTIFICATE OF §  
CONVENIENCE AND NECESSITY AND §  
TO DECERTIFY A PORTION OF §  
FORNEY LAKE WATER SUPPLY  
CORPORATION'S SERVICE AREA IN  
ROCKWALL COUNTY

PUBLIC UTILITY COMMISSION  
FILING CLERK

OF

TEXAS

### CITY OF HEATH'S STATUS REPORT

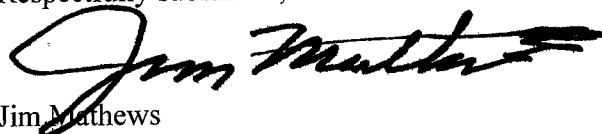
TO THE HONORABLE JUDGE SARAH G. RAMOS:

COMES NOW the City of Heath ("Heath") and files this status report as required by Order No. 3, and in support thereof will show the following:

The City of Heath and Forney Lake Water Supply Corporation are making progress in memorializing an agreement pursuant to Texas Water Code §13.255. Forney Lake's agreement on compensation was subject to its ability to reduce its take or pay obligation under its contract with North Texas Municipal Water District ("NTMWD") by an amount commensurate with the number of customers to be transferred to Heath. Forney Lake has informed Heath that it has secured NTMWD's commitment to reduce the take or pay obligation if Heath's water provider, the City of Rockwall, will agree to accept the assignment of this take or pay obligation. Rockwall has advised Heath that this will require an amendment of the Rockwall/Heath Water Purchase Agreement.

Heath is currently negotiating with the City of Rockwall concerning the terms and conditions of an amendment to its water purchase agreement concerning this assignment. Heath has submitted to Rockwall a draft contract amendment and has scheduled a meeting to discuss this week. Heath anticipates that this amendment, which will require the approval of the governing bodies of both entities, could be finalized within the next sixty days. Following resolution of this condition imposed by Forney Lake, Heath anticipates that the Water Code §13.255 agreement with Forney Lake Water Supply Corporation can be finalized within an additional sixty to ninety days.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jim Mathews", with a stylized flourish at the end.

Jim Mathews

State Bar No. 13188700

Mathews & Freeland, LLP

8140 N. Mopac Expy., Ste. 2-260

Austin, Texas 78759

Telephone (512) 404-7800

Facsimile (512) 703-2785

Attorneys for the City of Heath

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of this City of Heath's Status Report was served on all parties of record in this proceeding on this 28<sup>th</sup> day of July, 2016, by hand-delivery, facsimile, electronic mail, and/or First Class Mail.

Arturo Rodriguez, Jr.  
Attorney for Forney Lake WSC.  
Russell & Rodriguez LLP  
1633 Williams Dr., Building 2, Suite 200  
Georgetown, Texas 78632  
866-929-1641 (fax)

A.J. Smullen  
Attorney, Legal Division Public Utility Commission of Texas  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
512-936-7268 (fax)

  
\_\_\_\_\_  
Jim Mathews