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DOCKET NO. 46150

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APPLICATION OF PK-RE § BEFORE THE STATE OFFICE
DEVELOPMENT COMPANY, INC. dba § FILING CLERK
OAK SHORES WATER SYSTEM AND §
UNDINE DEVELOPMENT, LLC FOR § OF
SALE, TRANSFER OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN TRAVIS COUNTY § ADMINISTRATIVE HEARINGS

**OBJECTION TO MOTION FOR EXTENSION OF
TIME TO COMPLETE APPROVED SALE TRANSACTION**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

Woods of Greenshores Property Owners Association, Inc. ("WOG POA") and Alexander "Barry" Williams ("Williams") file this Objection to Motion for Extension of Time to Complete Approved Sale Transaction and would respectfully show as follows:

PROCEDURAL HISTORY

On July 11, 2016, PK-RE Development Company, Inc. D/B/A Oak Shores Water System (Pk-Re) And Undine Development LLC filed An Application For SALE, TRANSFER, OR MERGER (STM"). On or about October 30, 2017, all parties to this proceeding signed and filed a Settlement Agreement with the Commission. The Commission Issued Order No. 4 in this Docket on November 20, 2017, approving the Sale and Transfer transaction, and authorizing the parties to proceed to consummate the transaction.

**OBJECTION TO MOTION TO
EXTEND TIME TO COMPLETE TRANSACTION**

The parties signed a Settlement Agreement almost one year ago. This is the third motion for an extension of time filed by Undine Development LLC ("Undine") to complete its acquisition of the Greenshores Utility.

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Undine's statement of good cause is nothing more than a series of conclusory statements that do not justify an extension. In Article II of its Motion, Undine asserts that it has "discovered a number of complex issues" without any supporting explanation. Undine also asserts that it has expended significant "amounts of time and resources in its efforts to identify and resolve numerous issues in order to bring this transaction to closure." There is absolutely no explanation regarding the nature of the "numerous issues" and why they have not been resolved earlier. Undine's statement of good cause amounts to an admission that it has not even reached an agreement in principle with PK-RE on the terms and conditions of a definitive agreement to acquire the Greenshores Utility under the terms of the Settlement Agreement.

In the Settlement Agreement, WOG POA and Williams agreed not to oppose the "proposed STM" absent a material change in its terms and conditions. The Settlement Agreement contains certain terms and conditions that WOG POA and Williams expect to be incorporated into any definitive agreement between Undine and PK-RE. Undine's vague and unspecific statements of good cause in its Motion raise genuine concern that:

1. Undine has not agreed, even in principle, to construct a force main as provided in paragraphs 5 and 6 of the Settlement Agreement now that Section 2 of the Woods of Greenshores has been sold to Travis County and will never be developed.

2. WOG POA and Williams understand that the PK-RE has agreed to contribute the \$460,000 capital contribution described in paragraph 8 in one lump sum even though Section 2 of the Woods of Greenshores has been sold to Travis County and will never be developed. WOG POA and Williams are concerned that Undine has not agreed to use the \$460,000,00 to "reduce utility infrastructure costs" as provided in paragraph 8 of the Settlement Agreement. WOG POA

and Williams are concerned that the Undine has not agreed to use the \$460,000 to offset the cost of constructing the force main, which will be the primary utility infrastructure cost that will have to be incurred after the sale has been consummated.

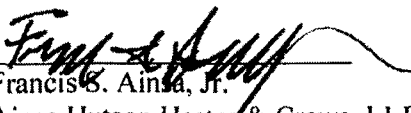
Undine has had more than sufficient time to finalize a definitive agreement to acquire the Greenshores Utility. This third Motion for an extension of time is a tacit admission that Undine and PK-RE have failed to agree on fundamental terms and conditions that are consistent with the Settlement Agreement.

WOG POA and Williams object to any further extension of time **UNLESS** they receive unequivocal representations from Undine's counsel that a definitive agreement can reasonably be reached by November 15, 2018 and that it will obligate Undine to promptly construct a force main from Woods of Greenshores to the Greenshores treatment plant on Oak Shores and that it will obligate Undine to apply the \$460,000.00 to be contributed by PK-RE to offset the cost of constructing the force main.

PRAYER

WOG POA and Williams ask the Commission to deny Undine's Motion for an extension of time unless they receive the representations described above.


Respectfully submitted.

By: 
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**ATTORNEY FOR WOODS OF GREENSHORES PROPERTY OWNERS
ASSOCIATION, INC. and ALEXANDER "BARRY" WILLIAMS**

CERTIFICATE OF SERVICE

I hereby certify that on October 15, 2018 a true and correct copy of the foregoing document has been served on all parties of record in accordance with 16 Tx. Admin. Code §22.74.


Francis S. Ainsa, Jr.