



Control Number: 46381



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DOCKET NO. 46381

**APPLICATION OF SHERMAN'S MILL §
WATER SUPPLY CORPORATION TO §
OBTAIN A WATER CERTIFICATE OF §
CONVENIENCE AND NECESSITY IN §
KERR COUNTY §**

**PUBLIC UTILITY COMMISSION
OF TEXAS**

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**COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION ON
ADMINISTRATIVE COMPLETENESS**

Comes now the Staff ("Staff") of the Public Utility Commission of Texas ("Commission"), representing the public interest, and files its Supplemental Recommendation on Administrative Completeness in response to Order No. 3. In support thereof, Staff would show the following:

I. Background

On September 19, 2016, Sherman's Mill Water Supply Corporation ("Applicant") filed an application to obtain a new water certificate of convenience and necessity ("CCN") in Kerr County. The proposed total area being requested includes approximately 48 acres and 15 current customers. On October 21, 2016, the Administrative Law Judge (the "ALJ") issued Order No. 3, requiring Sherman's Mill to amend its application to cure certain deficiencies and requiring Staff to file additional comments on administrative completeness and propose a procedural schedule by November 30, 2016. This pleading is therefore timely filed.

II. Staff's Recommendation

Staff has reviewed Sherman Mill's amended application that includes supplemental filings, and as detailed by the attached memorandum of Debbie Reyes Tamayo, Kristi Nguyen, Fred Bednarski III, and Ricky Herrera of the Water Utilities Division, Staff recommends that the application be deemed administratively complete and sufficient for filing.

Staff has also included as an attachment hereto a form of proposed notice for Sherman's Mill to use that meets the requirements of 16 Tex. Admin. Code § 24.106 (TAC). Staff recommends that Sherman's Mill be directed to provide this notice to: (i) any districts, utilities, and cities within five miles of the proposed service area; (ii) the county judge of each county and each groundwater conservation district that is wholly or partly included in the proposed area to be certified; (iii) each city with an extraterritorial jurisdiction (ETJ) that is wholly or partly included

in the proposed area to be certified; and (iv) landowners who own a tract of land that is at least 25 acres and is wholly or partly located in the proposed area to be certified. The attached memorandum includes a list of additional neighboring entities to whom Sherman's Mill should give notice. Sherman's Mill should include a copy of a map showing the proposed service area with the individual notices, pursuant to 16 TAC § 24.106(a)(2). Additionally, Staff recommends that Sherman's Mill publish notice once each week for two consecutive weeks in a newspaper of general circulation in Kerr County, as required by 16 TAC § 24.106(c).

Staff recommends that Sherman's Mill file, within 30 days of Commission Order No. 4, a copy of the actual notice and map sent, along with signed affidavits indicating that the notice was given.

III. Proposed Procedural Schedule

Staff recommends the application be found administratively complete. Staff therefore proposes the following procedural schedule:

Event	Date
Deadline for Applicant to file with the Commission signed affidavits that the notice was given along with a copy of the notice sent to the affected parties and published in a newspaper of general circulation	January 20, 2017
Deadline for Staff to file a recommendation on sufficiency of notice	Within 10 days of the Applicant filing proof of completed notice with the Commission
Deadline to intervene	30 days after notice is issued

Staff intends to file an additional proposed procedural schedule with its recommendation on sufficiency of notice that includes deadlines for Staff to provide final maps and certificates, for the Applicant to file signed consent forms, and for Staff to file its recommendation on final disposition.

IV. Conclusion

Staff respectfully requests the ALJ issue an order deeming Sherman's Mill's application administratively complete, requiring Sherman's Mill to provide notice in accordance with Staff's recommendation, and adopting the above proposed procedural schedule.

Dated: November 30, 2016

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Karen S. Hubbard
Managing Attorney




Michael Crnich
State Bar No. 24059626
1701 N. Congress Avenue
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Austin, Texas 78711-3326
(512) 936-7255
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DOCKET NO. 46381

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on November 30, 2016, in accordance with 16 TAC § 22.74.


Michael Crnich

PUC Interoffice Memorandum

To: Mike Crnich, Attorney
Legal Division

Thru: Tammy Benter, Director
Lisa Fuentes, Manager
Debi Loockerman, Manager
Heidi Graham, Manager
Water Utilities Division

From: Debbie Reyes Tamayo, Program Specialist
Kristi Nguyen – GIS Specialist
Fred Bednarski III, Financial & Managerial Review Specialist
Ricky Herrera, Engineering Specialist
Water Utilities Division

Date: November 29, 2016

Subject: **Docket No. 46381:** *Petition by Sherman's Mill Water Supply Corporation (WSC) to obtain a Certificate of Convenience and Necessity in Kerr County*

On September 19, 2016, Sherman's Mill WSC (Applicant) filed with the Public Utility Commission of Texas (Commission) an application requesting to obtain a water Certificate of Convenience and Necessity (CCN) in Kerr County, Texas. The application is being reviewed under Texas Water Code §13.254(d) (TWC) and 16 Tex. Admin. Code §§24.115 and 24.102(a)(1) (TAC). The proposed total area being requested includes approximately 48 acres and 15 current customers.

A Staff review of supplemental filings on November 10, 2016, found that the information is sufficient for filing and recommends the application be deemed administratively complete. Staff further recommends the Applicant:

- 1) Provide notice of the application to the following:
 - a) any districts, utilities, and cities within five (5) miles of the proposed area;
 - b) the county judge of each county and each groundwater conservation district that is wholly or partly included in the proposed area to be certified;
 - c) each city with an extraterritorial jurisdiction (ETJ) that is wholly or partly included in the proposed area to be certified;
 - d) landowners who own a tract of land that is at least 25 acres and is wholly or partly located in the proposed area to be certified. The landowner information may be obtained from the county appraisal district tax rolls for the county or counties in which the proposed CCN is located; and
 - e) publish notice once each week for two (2) consecutive weeks in a newspaper of general circulation in Kerr County.

- 2) Provide notice of the application to the following entities:
 - Kerr County Water Systems LLC (CCN No. 13166)
 - Ingram Oaks Company Inc. (CCN No. 13134)
 - City of Kerrville (CCN No. 12928)
 - Aqua Texas Inc. (CCN Nos. 11157 & 12902)
 - Shalako Estates & Canyon Springs Water Systems (CCN No. 12685)
 - Community Water Group WSC (CCN No. 12551)
 - Wiedenfeld Water Works Inc. (CCN No. 12052)
 - Mary Meade Water Company (CCN No. 11570)
 - Gillespie County WCID 1
 - Upper Guadalupe River Authority
 - City of Ingram
 - Headwaters GCD
 - Honorable Judge Tom Pollard of Kerr County
- 3) Include copy of a map showing the proposed service area with the individual notices to neighboring utilities, and other affected parties and each landowner. It is the Applicant's burden to provide an accurate map delineating the proposed area with each individual notice. Information related to districts including addresses can be obtained from the TCEQ's web site located at <http://www14.tceq.texas.gov/iwud/>.
- 4) Within 30 days of the Commission order, file a copy of the actual notice sent, the map that was sent with the individual notice, and the attached signed affidavit that the notice was given. It is recommended that the Applicant use the attached notice and affidavits to meet these requirements.

Notice to Neighboring Systems, Cities and Landowners

NOTICE OF APPLICATION TO OBTAIN A CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) FOR THE PROVISION OF WATER SERVICE IN KERR COUNTY, TEXAS

To: _____ Date Notice Mailed: _____, 2016
(Name of neighboring systems, cities and landowners)

(Address)

(City State Zip)

The Sherman's Mill WSC has submitted an application with the Public Utility Commission of Texas to obtain a CCN to provide water service in Kerr County.

The proposed utility area is located within approximately 4 miles West from downtown Ingram, Texas, and is generally Bounded on the north by the Guadalupe River; on the east by Kelly Creek Road; Bounded on the south by Kelly Creek Rd & Huntleigh Rd; and on the west by .2 miles west of Kelly Creek Rd

The proposed total area being requested includes approximately 48 acres and serves 15 current customers.

See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Public Utility Commission of Texas
Central Records
1701 N. Congress, P. O. Box 13326
Austin, TX 78711-3326

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the Commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the Commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed service area, you may request to be excluded from the proposed service area (or "opt out") by providing written notice to the Commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a large scale map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

Public Utility Commission of Texas
Central Records
1701 N. Congress, P. O. Box 13326
Austin, TX 78711-3326

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea informacion en Espanol, puede llamar al 1-512-936-7221

Mark Zeppa (512) 346-4011
Utility Representative

Sherman's Mill WSC: 830-367-2986
Utility Name

PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO NEIGHBORING UTILITIES, LANDOWNERS AND CITIES
DOCKET NO. 46381

STATE OF TEXAS

COUNTY OF _____

_____ has provided individual
notice to the following entities and landowners:

DATE

_____	_____
_____	_____
_____	_____
_____	_____

OATH

I, _____, being duly sworn, file this form
as

_____ (indicate relationship to applicant, that is owner,
member or partnership, title of officer of corporation, or other authorized representative of
applicant); that in such capacity, I am qualified and authorized to file and verify such form, am
personally familiar with the notices given with this application, and have complied with all notice
requirements in the application and application acceptance letter; and that all such statements made
and matters set forth therein are true and correct.

Applicant's Authorized Representative

If the applicant to this form is any person other than the sole owner, partner, officer of the applicant,
or its' attorney, a properly verified Power of Attorney must be enclosed.

Subscribed and sworn to before me this _____ day of _____, 2016 to certify
which witness my hand and seal of office.

Notary Public in and for the State of Texas

Print or Type Name of Notary Public

Commission Expires _____

NOTICE FOR PUBLICATION

NOTICE OF APPLICATION TO OBTAIN A CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) FOR THE PROVISION OF WATER SERVICE IN KERR COUNTY, TEXAS

The Sherman's Mill WSC has submitted an application with the Public Utility Commission of Texas to obtain a CCN to provide water service in Kerr County.

The proposed utility area is located within approximately 4 miles West from downtown Ingram, Texas, and is generally Bounded on the north by the Guadalupe River; on the east by Kelly Creek Road; Bounded on the south by Kelly Creek Rd & Huntleigh Rd; and on the west by 2 miles west of Kelly Creek Rd

The proposed total area being requested includes approximately 48 acres and serves 15 current customers.

A copy of the map may be viewed at: 812 A Sidney Baker, Kerrville, Texas 78028 830-257-6360

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

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Si desea informacion en Espanol, puede llamar al 1-512-936-7221

PUBLIC UTILITY COMMISSION



PUBLISHER'S AFFIDAVIT DOCKET NO. 46381

STATE OF TEXAS:
COUNTY OF _____

Before me, the undersigned authority, on this day personally appeared

who being by me duly sworn, deposes and that (s)he is the

_____ of the _____
(TITLE) (NAME OF NEWSPAPER)

that said newspaper is regularly published in _____
(COUNTY/COUNTIES)

and generally circulated in _____, Texas;
(COUNTY/COUNTIES)

and that the attached notice was published in said newspaper on the following dates, to wit:

(DATES)

(SIGNATURE OF NEWSPAPER REPRESENTATIVE)

Subscribed and sworn to before me this _____ day of _____, 20____
to certify which witness my hand and seal of office.

Notary Public in and for the State of Texas

Print or Type Name of Notary Public

Commission Expires _____