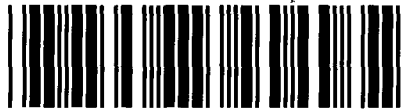


Control Number: 46806



Item Number: 6

Addendum StartPage: 0

APPLICATION OF MELVIN BLOCK §
AND CITY OF BRIDGE CITY FOR §
SALE, TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN ORANGE COUNTY §

PUBLIC UTILITY COMMISSION

OF TEXAS

RECEIVED
2017 FEB 27 PM 1:50

PUBLIC UTILITY COMMISSION
FILING CLERK

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

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Recommendation on Administrative Completeness in response to Order No. 1 and would show the following:

I. BACKGROUND

On January 26, 2017, Melvin Block and the City of Bridge City (collectively, Applicants) filed an application for sale, transfer, or merger of facilities and certificate rights in Orange County, Texas. Specifically, Bridge City seeks to acquire a portion of Melvin Block's facilities and service area under water Certificate of Convenience and Necessity (CCN) No. 11438 and add the acquired facilities and service area to Bridge City's CCN No. 12802.

On January 30, 2017, Order No. 1 was issued, establishing a deadline of February 27, 2017 for Staff to file a proposed procedural schedule and comments regarding the administrative completeness of the application and the need for additional notice. This pleading is therefore timely filed.

II. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the application and, as supported by the attached memorandum from Janie Kohl in the Commission's Water Utility Regulation Division, recommends that the application be found administratively complete and accepted for filing. As detailed in the attached memorandum, Staff recommends that the Applicants be directed to use the attached notice form to provide notice to:

- 1) any districts, groundwater conservation districts, counties, utilities, cities, and cities with an extraterritorial jurisdiction within two miles of the requested area;

- 2) each city with an extraterritorial jurisdiction (ETJ) which overlaps the proposed service area;
- 3) any customers transferred, or other affected parties in the requested area;
- 4) the Angelina & Neches River Authority;
- 5) the City of Port Arthur;
- 6) the Orange County Drainage District;
- 7) the Orange County Navigation and Port District;
- 8) the Orange County Judge;
- 9) Orangefield Water Supply Corporation;
- 10) the Sabine River Authority; and
- 11) Susan Circle Community WS.

Staff further recommends that the Applicants be directed to file a copy of the actual notice issued and a fully executed affidavit of notice. Staff recommends that the attached affidavit be used.

III. PROCEDURAL SCHEDULE

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

Event	Date
Deadline for Applicants to file proof of notice with the Commission	March 29, 2017
Deadline for Staff to file a recommendation on sufficiency of notice	Within 10 days of Applicants filing proof of completed notice with the Commission
Deadline to intervene	30 days after notice is issued

IV. CONCLUSION

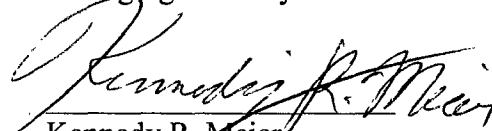
For the reasons stated above, Staff recommends that the application be found administratively complete and that the procedural schedule proposed above be adopted for continued processing of this application.

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Katherine Lengieza Gross
Managing Attorney

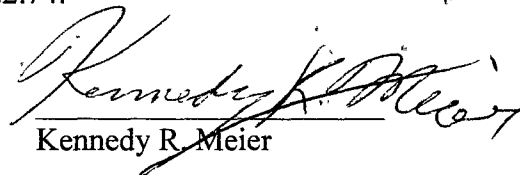


Kennedy R. Meier
State Bar No. 24092819
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7265
(512) 936-7268 (facsimile)
kennedy.meier@puc.texas.gov

DOCKET NO. 46806

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the 27th of February, 2017 in accordance with 16 TAC § 22.74.



Kennedy R. Meier

PUC Interoffice Memorandum

To: Kennedy Meier
Legal Division

Thru: Lisa Fuentes, Manager
Water Utilities Division

From: Janie Kohl, Financial Examiner
Water Utilities Division

Date: February 24, 2017

Subject: **Docket No. 46806**, *Application of Melvin Block and City of Bridge City for Sale, Transfer, or Merger of Facilities and Certificate Rights in Orange County*

On January 26, 2017, Melvin Block, also referred to as Community Water Systems, (Seller) and the City of Bridge City (Buyer) (collectively, Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Orange County, Texas, pursuant to Texas Water Code Ann. (TWC) § 13.301 and 16 Tex. Admin Code (TAC) § 24.109. Specifically, the Buyer seeks approval to acquire a portion of facilities and to transfer water service area known as the Cherry Hill Subdivision (approximately 23 acres and 31 connections) under Certificate of Convenience and Necessity (CCN) No. 11438 held by the seller.

A Staff review of the information filed by the Applicant found that it is sufficient in the required application and mapping information. Therefore, Staff recommends that the application be deemed sufficient for filing and found administratively complete. Staff further recommends the following:

- 1) The Applicants provide notice to the following:
 - a) any districts, groundwater conservation districts, counties, utilities, cities, and cities with an extraterritorial jurisdiction within two (2) miles of the requested area;
 - b) each city with an extraterritorial jurisdiction (ETJ) which overlaps the proposed service area; and
 - c) any customers transferred, or other affected parties in the requested area.

- 2) The Applicant provide notice to the following entities:
 - a) Angelina & Neches River Authority
 - b) City of Port Arthur
 - c) Orange County Drainage District
 - d) Orange County Navigation and Port District
 - e) Orange County Judge
 - f) Orangefield WSC (CCN No. 12684)
 - g) Sabine River Authority
 - h) Susan Circle Community WS

Staff recommends the Applicant file within 30 days of the Commission order, a copy of the actual notice issued and the signed affidavit indicating that the notice was given. It is recommended that the Applicant use the attached notice and affidavit to meet these requirements.

Notice to Current Customers, Neighboring Systems and Cities

CITY OF BRIDGE CITY, CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) NO. 12802 NOTICE OF INTENT TO PURCHASE WATER FACILITIES AND TO TRANSFER WATER SERVICE AREA UNDER CCN NO. 11438 FROM MELVIN BLOCK (COMMUNITY WATER SYSTEMS) IN ORANGE COUNTY, TEXAS

To: _____ Date Notice Mailed: _____, 201__
(Name of Customer, Neighboring System, or City)

(Address)

(City State Zip)

City of Bridge City
P.O. Box 846
Bridge City, Texas 77611-0846

has submitted an application with the Public Utility Commission of Texas (Commission) to purchase a portion of water facilities and to transfer a portion of water service area under CCN No. 11438 in Orange County, Texas from:

Melvin Block (Community Water Systems)
P.O. Box 389
Vidor, Texas 77670-0389

The sale is scheduled to take place as approved by the Commission (V.T.C.A., Water Code § 13.301). The transaction and the transfer of the CCN includes the following subdivision: Cherry Hill Subdivision.

The area subject to this transaction is located approximately 2.41 miles West of downtown City of Bridge City, Texas, and is generally bounded on the north by Willoughby Street; on the East by Nelson Street; on the south by F.M. Highway 1442; and on the West by Spooner Street.

The total proposed area for the water CCN being requested includes approximately 23 acres and 31 current customers.

This transaction will have the following effect on the current customers' rates and services:

Rates will change for Cherry Hill Subdivision customers to match the City of Bridge City rate structure.

You may request a public hearing. A request for a public hearing must be in writing and include: (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, docket 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 which would satisfy your concerns and cause you to withdraw your request for a hearing.

Hearing requests, comments or requests to intervene should be filed with the:

Public Utility Commission of Texas
Central Records
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 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 will receive notice if a hearing is scheduled.

If a valid public hearing is requested, the Commission 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. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-888-782-8477

Utility Representative

Utility Name

PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES AND
AFFECTED PARTIES
DOCKET NO. 46806

STATE OF TEXAS
COUNTY OF _____

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

	DATE
_____	_____
_____	_____
_____	_____

OATH

I, _____, being duly sworn, file this form as
_____ (indicate relationship to applicant, that is,
owner, member of 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 for 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 _____, 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 _____