



Control Number: 47173



Item Number: 7

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 PUBLIC UTILITY COMMISSION
 FILING CLERK

June 28, 2017

Public Utility Commission of Texas
Attention: Filing Clerk
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

RE: Transfer Water CCN between City of Smithville Water CCN #10946 and Aqua Water Supply Corporation CCN #10294 pursuant to Texas Water Code 13.248
Docket No. 47173
BEFCO Job No. 16-6848

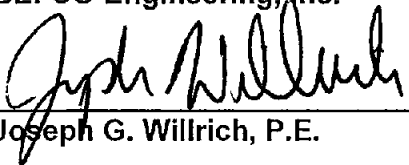
Dear Ms. Fuentes:

The City of Smithville and Aqua WSC have executed a revised agreement ("Agreement") that is compliant with the Texas Water Code, Section 13.248. The agreement and associated exhibits were revised to remove properties currently served by Aqua water meters from the CCN transfer area. A copy of the Agreement is attached to this letter. The changes made to the mapping are based on phone conversation with Ms. Fuentes and Ms. Montes on Thursday, June 22, 2017.

If you have any questions or need additional information, please let me know.

Sincerely,

BEFCO Engineering, Inc.



Joseph G. Willrich, P.E.

Cc: City of Smithville (via email)
 Aqua WSC (via email)

Attachments: Revised Agreement\Exhibits
 CD of Shape File for Revised CCN Transfer Area

JGW:bms

"Proficient, practical engineering and land surveying services with a sense of small-town values and care."



Agreement Designating Retail Water Service Area Boundaries

Aqua Water Supply Corporation ("Aqua") and the City of Smithville, Texas ("Smithville"), being the only Parties to the Agreement Designating Retail Water Service Area Boundaries ("Agreement"), with an Effective Date from and after the date of execution by all Parties, do hereby enter into this Agreement. Exhibit A shows a map of the boundary transfer and Exhibit B shows a written description of the transfer area. The Parties agree as follows:

- 1) Aqua is a nonprofit rural water supply corporation organized under Texas Water Code, Chapter 67, for the purposes stated in Water Code §67.002. Aqua possesses Certificate of Convenience and Necessity ("CCN") No. 10294 ("Aqua Certificate") issued by the Texas Commission on Environmental Quality ("TCEQ").
- 2) Smithville is a General Law (Type A) municipality organized and existing under the laws of the State of Texas and located wholly within Bastrop County, Texas. Smithville possesses water CCN No. 10946 ("Smithville Certificate") issued by the TCEQ, authorizing Smithville to provide such services within the geographical area contained within the CCN ("Smithville Certificated Service Area").
- 3) This Agreement confirms that it is the Parties' intent that Smithville's revised CCN map, as depicted by Exhibit A of this document, be Smithville's official CCN map on file with the Public Utility Commission, as well as Aqua's revised boundaries as depicted in Exhibit A be Aqua's revised CCN.
- 4) Aqua agrees to decertify the water service transfer area ("Transfer Area") depicted on the map attached hereto as Exhibit A, which map is incorporated herein for all purposes. Aqua further agrees that said Transfer Area be certified to Smithville.
- 5) Aqua shall cooperate with Smithville to transfer the Transfer Area described in paragraph (4) above through any appropriate process before the Public Utility Commission, including the process described by Texas Water Code §13.248.
- 6) Exhibit C attached hereto is reflective of the Transfer Area shown on Exhibit A and is the proposed map to be used in the Notice requirements of the Public Utility Commission. Exhibit C is subject to change during the Public Utility Commission review process.
- 7) The transfer of said water CCN does NOT include the transfer of the current meters and/or facilities located near the CCN transfer area. The transfer of said water CCN does not include the property served by the current Aqua meters. Any current metered customers described in the previous sentence and any future customers that are the recipients of a transfer of such meters or receive water service from such meters shall be customers of Aqua and remain in Aqua's CCN. Aqua's existing facilities within the Transfer Area are shown on Exhibit A. Exhibit D provides a list of addresses for the existing Aqua metered customers in close proximity to the proposed transfer area. In the future, Smithville may pursue a purchase from Aqua for all or part of these facilities and metered customers, and at that time pursue a CCN transfer of those areas associated with the meters.
- 8) An Emergency Interconnect Agreement may be pursued in the future between Aqua and Smithville in the general location identified on Exhibit A. It is anticipated that the existing Aqua meter serving Riverbend Park (a City of Smithville Park), will be transferred to Smithville at the time of this Interconnect and a CCN transfer of the park areas will occur between Aqua and Smithville.
- 9) The agreement contemplated herein is contingent specifically on this Agreement being approved by the governing body of each party.
- 10) Aqua agrees that it shall not protest, directly or indirectly, or cause the protest of Smithville's Application.

- 11) Aqua is currently indebted to the United States Department of Agriculture – Rural Development (“USDA-RD”) and CoBank on promissory notes used to finance improvements to Aqua’s water utility system pursuant to 7 U.S.C. §1926. USDA-RD and CoBank hold security interests in Aqua’s CCN pursuant to real estate deeds of trust executed in connection with the aforementioned promissory notes. Final consummation of this sale is contingent on approval of the release of Aqua’s CCN for the Transfer Area from the security interests held by USDA-RD and CoBank.
- 12) Within ten (10) business days after the Effective Date, Aqua shall file appropriate documentation with the USDA-RD and Cobank requesting release of their security interests in Aqua’s water utility CCN for the area described in Exhibit A. Upon receipt by Aqua of written confirmation from USDA-RD and CoBank of such releases, Aqua will inform Smithville of such receipt. Thereafter, as soon as practicable, Smithville and Aqua shall cooperatively and jointly submit this Agreement to the Public Utility Commission and request that the terms of the Agreement be incorporated into the respective CCNs of Parties.
- 13) As compensation for the release by Aqua of the Transfer Area to Smithville, Smithville shall pay Aqua the compensation of \$10.00 and other valuable consideration.
- 14) The Parties agree to take all other actions necessary and convenient in connection with implementing this Agreement.
- 15) This Agreement shall be effective from and after the date of execution by all parties.
- 16) Upon execution, this Agreement shall be binding on Smithville and Aqua and their successors and assigns.

City of Smithville

By: Robert Tamble
Robert Tamble, City Manager

Date: 6/27/17

ATTEST:

By: [Signature]

Date: 6/27/17

Aqua Water Supply Corporation

By: Dave McMurry
Dave McMurry, General Manager

Date: 6/27/2017

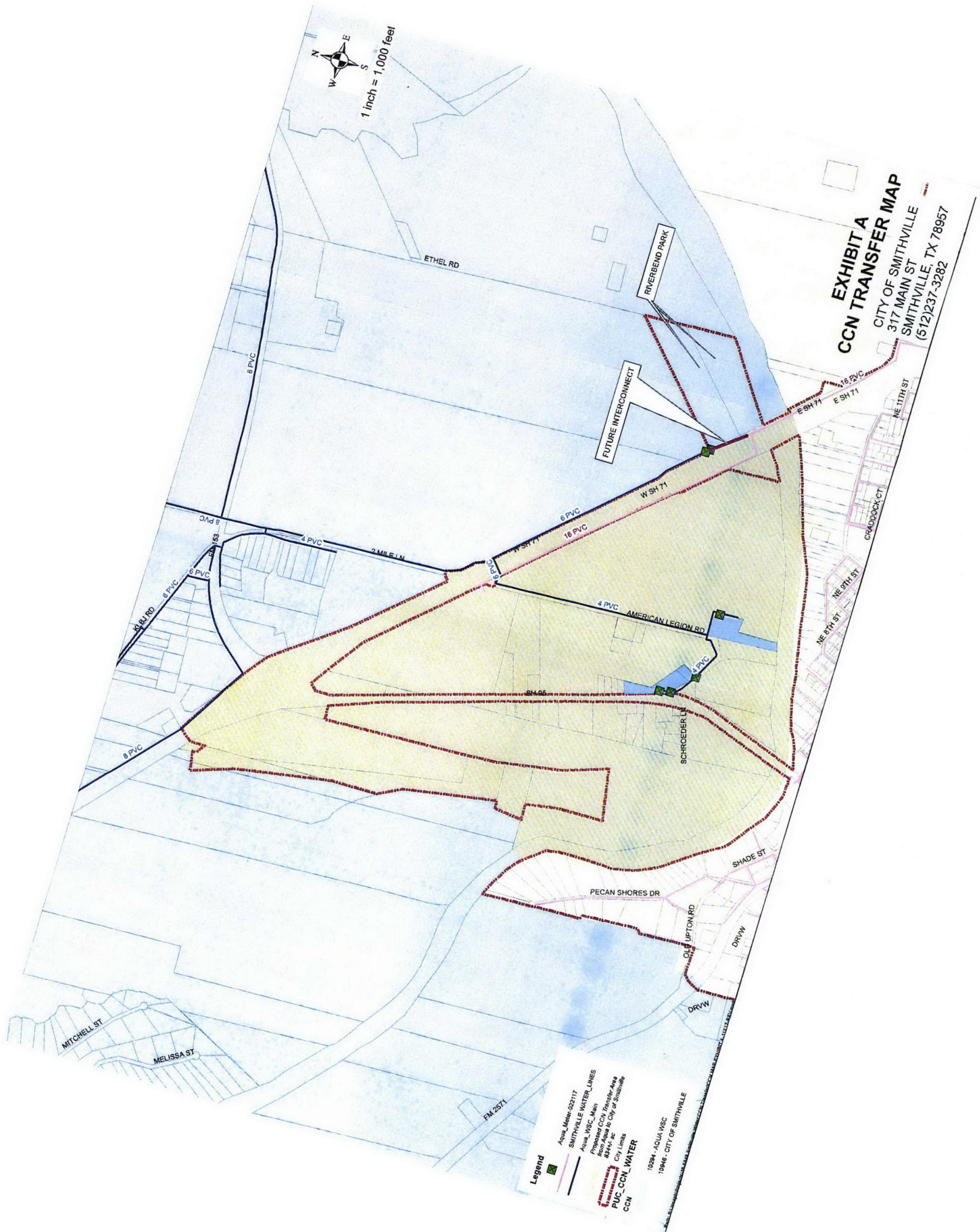
ATTEST:

By: Feather Ducker

Date: 6/27/2017

1 inch = 1,000 feet

EXHIBIT A
CCN TRANSFER MAP
 CITY OF SMITHVILLE
 317 MAIN ST
 SMITHVILLE, TX 78957
 (512)237-3282



Legend

- Aqua Meter-022117
- SMITHVILLE WATER LINES
- Aqua_WSC_Main
- Proposed CCN Transfer Area
- 8344-ac
- City Limits
- PUC_CCN_WATER
- CCN

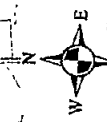
10284 - AQUA WSC
 10846 - CITY OF SMITHVILLE

EXHIBIT B

SERVICE AREA – WRITTEN DESCRIPTION

Portion of Aqua CCN to be transferred to City of Smithville CCN

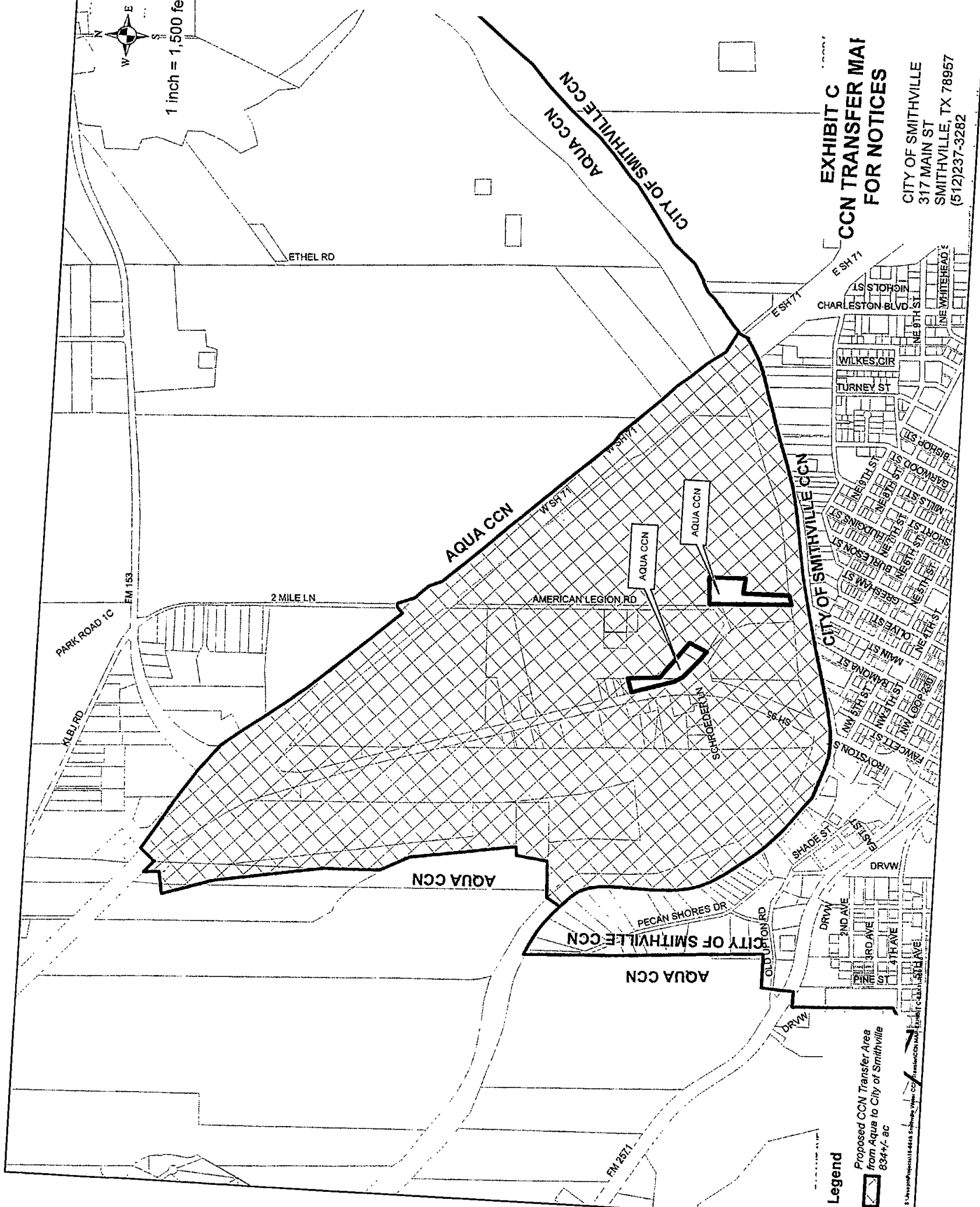
Approximately 834 acres, with the southern boundary being the south side of the Colorado River adjoining the existing City of Smithville CCN boundary and located approximately 0.5 miles north of downtown Smithville. The western boundary of the transfer area is formed by the western edge of property associated with the Smithville Crawford Municipal Airport and will adjoin the remaining portion of the Aqua CCN. The northern extents of the CCN transfer area form at the intersection of SH 71 and SH 95 with the north and east boundary being the north right-of-way line of SH-71. The transfer area excludes the property served by existing Aqua meters that are interior to the overall boundary described above.




1 inch = 1,500 feet

EXHIBIT C CCN TRANSFER MAP FOR NOTICES

CITY OF SMITHVILLE
317 MAIN ST
SMITHVILLE, TX 78957
(512)237-3282



Legend

 Proposed CCN Transfer Area
from Aqua to City of Smithville
8344/-ac

Path: S:\arcgis\Proposed\114414 Smithville Water CCN Transfer\Map\Exhibit C-Map\8344-AC

EXHIBIT D (1 OF 2)

Account Number	Street Address	Meter #	Bastrop County R#
0501101201	301 FM 153	5206303	R20683
0501101101	130 Hwy 71 W	6946594	R55653
0502066701	580 NW Loop 230	9934488	R21635
0501295801	145 American Legion Rd	8622483	R20687
0501479402	114 American Legion Rd	7866212	R84140
0501831802	110 American Legion Rd	5199770	R21639- listed as 100 American Legion Rd

- Aqua WSC Meter
- Aqua Meter Main
- City of Smithville 2016 CCN
- Aqua CCN 2016

