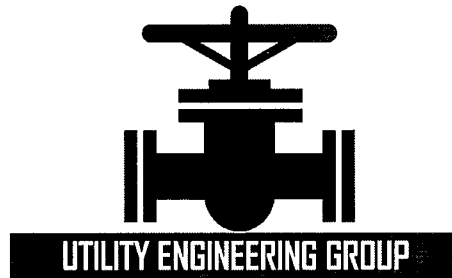


Control Number: 48410



Item Number: 27

Addendum StartPage: 0



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2019 MAY 23 AM 11:42

PUBLIC UTILITY COMMISSION
FILING CLERK

May 23, 2019

Filing Clerk
Public Utility Commission of Texas
1701 N. Congress Ave., 8th Floor
Austin, Texas 78701

RE: Application of Green Valley Special Utility District and City of Schertz for Sale, Transfer, or Merger of Certificate Rights in Guadalupe County - Docket No. 48410
Certified Copy of the Approved Certificate, Map, and Boundary Description

Dear Filing Clerk,

In accordance with TWC § 13.257(r) and (s), attached is one unbound copy and nine bound copies of the recorded approved certificate, CCN map, and boundary description of the service area for Docket No. 48410. The approved certificate, CCN map, and service area description was recorded in the Official Public Records of Guadalupe County, Texas on May 14, 2019, Document No. 201999010390. If you have any questions or need any additional information, feel free to contact me. Thank you.

David Kneuper, P.E.
Utility Engineering Group, PLLC
Office: (830) 214-0521
davidk@uegpros.com

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C14

201999010390



STATE OF TEXAS

§

COUNTY OF GUADALUPE

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AFFIDAVIT OF DAVID KNEUPER

Before me, the undersigned notary, on this day personally appeared David Kneuper, a person whose identity is known to me. After being by me duly cautioned to tell the truth, subject to the penalties for perjury, she did affirm and testify as follows:

1. My name is David Kneuper. I am over the age of eighteen (18) years, am of sound mind, competent, and am fully capable of making this affidavit.
2. I am a Civil Engineer, licensed to practice in the State of Texas and who represents the Applicant, the City of Schertz, in an application made by the City of Schertz and Green Valley Special Utility District for the sale, transfer, or merger of certificate rights in Guadalupe County (Texas Public Utility Commission Docket No. 48410).
3. **Exhibit "A"**, attached hereto and incorporated herein for all purposes, is the boundary description of the service area in accordance with TWC § 13.257(r)
4. **Exhibit "B"**, attached hereto and incorporated herein for all purposes, is a true, correct copy of the Texas Public Utility Commission's approval of the aforementioned application.

Further Affiant sayeth not.


David Kneuper

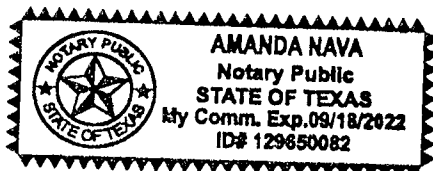
STATE OF TEXAS

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COUNTY OF COMAL

SUBSCRIBED AND SWORN TO BEFORE ME on this 14th day of May, 2019, by David Kneuper.




NOTARY PUBLIC, STATE OF TEXAS

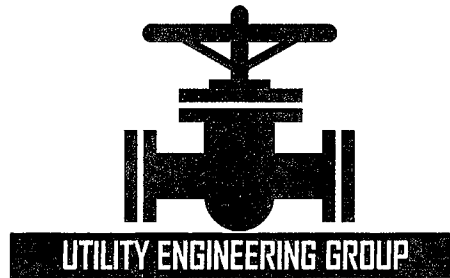


Exhibit "A"

Public Utility Commission of Texas

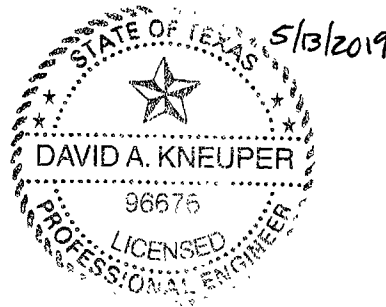
Docket No. 48410

Boundary Description of the Service Area in accordance with TWC § 13.257(r)(1)

Below is a description of the 9.04-acre service area out of the Homestead Development:

The service area is defined as being located approximately 5.7 miles northeast of downtown Schertz, TX, and is generally bounded on the north by Mason Valley; on the east by Green Valley Road; on the south by Fred Couples; and on the west by Columbia Drive.

David Kneuper, P.E.
Utility Engineering Group, PLLC



DOCKET NO. 48410

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2019 APR 29 AM 11:27

APPLICATION OF GREEN VALLEY
SPECIAL UTILITY DISTRICT AND
CITY OF SCHERTZ FOR SALE,
TRANSFER, MERGER OF
CERTIFICATE RIGHTS IN
GUADALUPE COUNTY

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PUBLIC UTILITY COMMISSION
PUBLIC UTILITY COMMISSION
OF TEXAS

NOTICE OF APPROVAL

This Notice of Approval approves the sale and transfer of 9.04 acres of water service area rights under certificate of convenience and necessity (CCN) number 10646 held by Green Valley Special Utility District to the City of Schertz's CCN number 10645.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicants

1. Green Valley Special Utility District (Green Valley) is a conservation and reclamation district of the State of Texas that provides water service under CCN number 10646.
2. The City of Schertz (the City) is a municipality that operates, maintains, and controls facilities for providing water service under CCN number 10645.
3. The City owns a Texas Commission on Environmental Quality (TCEQ) approved public water system under number 0940003.

Application

4. On May 31, 2018, Green Valley and the City applied for approval of the sale and transfer of a 9.04 acre portion (the requested service area) of Green Valley's water system under CCN number 10646 to the City's CCN number 10645 in Guadalupe County.
5. The application contained the City's current water tariff, effective October 1, 2016.
6. Green Valley and the City agreed to the sale of facilities and transfer of the requested service area.

7. The requested service area is located within the City's city limits and is a portion of a future housing development known as the homestead development.
8. The requested service area is located approximately 5.7 miles northeast of downtown Schertz, and is generally bounded on the north by Mason Valley; on the east by Green Valley Road; on the south by Fred Couples; and on the west by Columbia Drive.
9. In Order No. 3 issued August 29, 2018, the administrative law judge (ALJ) found the application administratively complete.
10. The application was supplemented on July 18, 2018.
11. In Order No 5 issued on November 28, 2018, the ALJ approved the transaction to proceed and required the Green Valley and the City to file proof that the transaction had closed and that customer deposits had been addressed.
12. On January 10, 2019, Green Valley and the City filed closing documents of sale and acknowledgement letters that the transaction had closed and that there were no customer deposits to address.
13. In Order No. 6 issued on January 29, 2019, the ALJ found the closing documents sufficient.
14. On February 21, 2019, Green Valley and the City filed consent forms concurring with the maps and the certificate prepared by Commission Staff.
15. On March 4, 2019, the parties filed a joint proposed notice of approval, requesting that the requested service area from CCN number 10646 be placed in the City's CCN number 10645 and attached maps reflecting that this area would be served under the City's CCN.

Notice

16. Notice of the application appeared in the June 15, 2018 issue of the *Texas Register*.
17. In Order No. 3 issued on August 29, 2018, the ALJ required the City to give notice to current customers, districts, neighboring systems, counties, cities, and affected parties with a deadline to file proof of such notice by on September 28, 2018.
18. On September 20, 2018, the City provided an affidavit attesting that mailed notice was provided to all current customers, districts, neighboring systems, counties, cities, and affected parties on September 18, 2018.

19. In Order No. 4 issued on October 3, 2018, the ALJ found that notice of the application was sufficient.

Sale

20. In Order No. 5 issued on November 28, 2018, the ALJ approved the transaction to proceed and required Green Valley and the City to file proof that the transaction had closed and that customer deposits had been addressed
21. On January 10, 2019, Green Valley and the City filed notice that the sale had closed, along with the attached executed agreement for the sale and transfer of the requested service area and indicated that there were no customer deposits to address
22. In Order No. 6 issued January 29, 2019, the ALJ found the closing documents were sufficient.

Evidentiary Record

23. On March 4, 2019, the parties filed a joint motion to admit evidence into the record.
24. In Order No. 7 issued on March 25 2019, the ALJ admitted the following evidence into the record: (a) the application of Green Valley and the City, filed May 31, 2018 and supplemented on July 18, 2018; (b) Green Valley and the City's proof of notice documentation, filed September 20, 2018; (c) Commission Staff's recommendation on final disposition, filed on November 7, 2018; (d) Green Valley and the City's transaction closing documents, filed January 10, 2019; and (e) Commission Staff's recommendation on the closing of the transaction, filed January 25, 2019; and (f) Green Valley and the City's consent forms, filed on February 21, 2019.

System Compliance–Texas Water Code (TWC) § 13.301(e)(3)(A); 16 TAC §§ 24.227(a), 24.239(j)(3)(A), (j)(5)(A)

25. The City has not been subject to any enforcement action by the Commission, Texas Commission on Environmental Quality (TCEQ), the Texas Department of Health, the Office of the Attorney General, or the United States Environmental Protection Agency.
26. The City has no existing violations with their public water system, and the system is in compliance with TCEQ's drinking water rules.
27. Green Valley is transferring no facilities or system in the transaction.

Adequacy of Existing Service—TWC § 13.246(c)(1); 16 TAC §§ 24.227(d)(1), 24.239(j)(5)(B)

28. The City's water system has been approved by the TCEQ, and is capable of providing continuous and adequate service to the requested service area.

29. The City and has the facilities to accommodate the requested service area.

Need for Additional Service—TWC § 13.246(c)(2); 16 TAC §§ 24.227(d)(2), 24.239(j)(5)(C)

30. The transaction will allow the City to provide service to the homestead development, an area that has not previously been provided water service.

Effect of Approving the Transaction and Granting the Amendment—TWC § 13.246(c)(3); 16 TAC §§ 24.227(d)(3), 24.239(j)(5)(D)

31. There are no other retail public utilities providing water service that would be affected by the proposed transaction.

32. The water rates in the requested service area will not change due to the transfer.

Ability to Serve: Managerial and Technical—TWC §§ 13.241(a), 13.246(c)(4), 13.301(b), (e)(2); 16 TAC §§ 24.227(a), (d)(4), 24.239(g), (j)(5)(E)

33. The City has the ability to provide water service to the homestead development which is directly adjacent to the City's service area, and the City intends to improve customer service.

34. The City has a sufficient number of licensed water operators to provide continuous and adequate service to the requested service area.

35. The City has access to an adequate supply of water and has no outstanding violations.

Ability to Serve: Financial Ability and Stability—TWC §§ 13.241(a), 13.246(c)(6), 13.301(b); 16 TAC §§ 24.227(a), (d)(6), 24.239(g), (j)(5)(G)

36. The City has a debt to equity ratio of 0.39 and has demonstrated the financial capability to serve the requested service area.

37. The City meets the debt-service-coverage ratio requirement of more than 1.25.

38. The City has sufficient cash to pay long-term principal and interest payments as they become due.

39. The City demonstrated it has the available cash levels to service the requested service area.

40. The City demonstrated adequate financial and managerial capability to provide continuous and adequate service to the requested area.

Financial Assurance–TWC §§ 13.246(d), 13.301(c); 16 TAC §§ 24.227(e), 24.239(h)

41. The City uses funds generated through water sales in order to fund the operation, maintenance, and improvements to the water system.
42. There is no need to require the City to provide a bond or other financial assurance to ensure continuous and adequate service.

Feasibility of Obtaining Service from Adjacent Retail Public Utility–TWC § 13.246(c)(5); 16 TAC §§ 24.227(d)(5), 24.239(j)(5)(F)

43. Green Valley and the City agreed that the City would acquire the portion of Green Valley's water system which allows the City the ability to provide water service to the requested service area.
44. No facilities will be transferred.

Environmental Integrity–TWC § 13.246(c)(7); 16 TAC §§ 24.227(d)(7), 24.239(j)(5)(H)

45. Granting the transaction will not adversely impact the environmental integrity of the land as the anticipated service to the requested service area is in a previously certificated area.

Effect on Land–TWC § 13.246(c)(9); 16 TAC § 24.227(d)(9)

46. The City will provide service to a previously certificated, but non-serviced area.

Improvement of Service or Lowering Cost to Consumers–TWC § 13.246(c)(8); 16 TAC §§ 24.227(d)(8), 24.239(j)(5)(I)

47. The proposed transaction will improve customer service as the City anticipates servicing the requested service area with their existing water system.
48. The City will use its existing tariff for the requested service area.
49. Granting the transaction for the requested area will enable the City to provide water services to the homestead development.

Map and Certificates

50. On February 11, 2019, Commission Staff emailed to Green Valley and the City the proposed map and certificates related to this docket.

51. On February 21, 2019, Green Valley and the City filed consent forms concurring with the proposed map and certificates.
52. On March 4, 2019, Commission Staff and the City filed the map and certificates as an attachment to the joint motion for approval of a notice of approval.
53. Green Valley has sold and transferred the requested portion of the water system area under CCN number 10646 to the City's CCN number 10645.

Informal Disposition

54. More than 15 days have passed since the completion of notice provided in this docket.
55. No person filed a protest or motion to intervene.
56. The City, Green Valley and Commission Staff are the only parties to this proceeding.
57. No party requested a hearing and no hearing is needed.
58. Commission Staff recommended that the ALJ find closing documents sufficient.
59. The decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has jurisdiction over this proceeding under Texas Water Code (TWC) §§ 13.041, 13.241, 13.244, 13.246, 13.251, 13.254, and 13.301.
2. Green Valley and the City are retail public utilities as defined by TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(59).
3. Public notice of the application was provided as required by TWC § 13.301(a) and 16 TAC § 24.239(a) through (c).
4. The Commission processed the application as required by the TWC, the Administrative Procedure Act¹, and Commission rules.
5. Green Valley and the City completed the sale within the time required by 16 TAC § 24.239(o).

¹ Tex. Gov't Code §§ 2001.001–.902.

6. After consideration of the factors in TWC § 13.246(c), the City has demonstrated adequate financial, managerial, and technical capability for providing adequate and continuous service to the requested area. TWC §§ 13.301(b).
7. Green Valley and the City have demonstrated that the sale of Green Valley's water systems and the amendment of the City's CCN will serve the public interest and are necessary for the service, accommodation, convenience, or safety of the public. TWC § 13.301(d), (e).
8. A sale not completed in accordance with TWC § 13.301 is void. TWC 13.301(h).
9. The City must record a certified copy of the certificate granted and map approved by this Notice of Approval, along with a boundary description of the service area, in the real property records of Guadalupe County within 31 days of receiving this Notice and submit to the Commission evidence of the recording. TWC § 13.257(r), (s).
10. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders.

1. The Commission approves the City's purchase of Green Valley's water service area identified in this Notice of Approval under water CCN number 10646.
2. The Commission amends the City's CCN number 10645 to include the service area described by this Notice of Approval and shown on the attached map.
3. The Commission grants the certificate attached to this Notice of Approval.
4. The Commission approves the maps attached to the joint motion for adoption of notice of approval filed on March 4, 2019.
5. The City must serve every customer and applicant for service within the approved area under water CCN number 10645 that requests water service and meets the terms of the City's water service, and such service will be continuous and adequate.

6. The City must comply with the recording requirements in TWC § 13.257(r) and (s) for the areas in Guadalupe County affected by the application and submit to the Commission evidence of the recording no later than 31 days after receipt of this Notice of Approval.
7. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

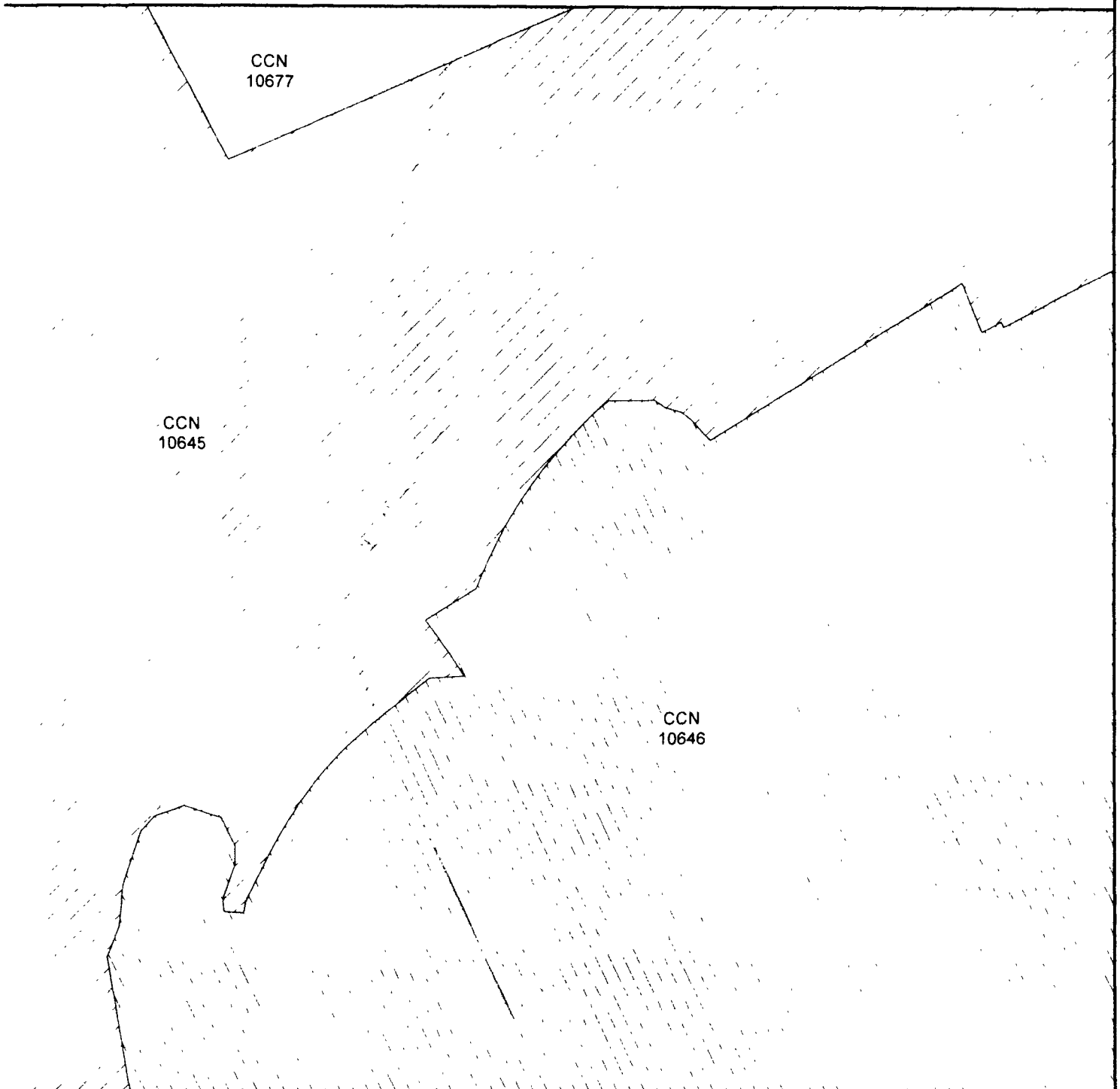
Signed at Austin, Texas the 29th day of April 2019.

PUBLIC UTILITY COMMISSION OF TEXAS






CHRISTOPHER OAKLEY
ADMINISTRATIVE LAW JUDGE

City of Schertz
Portion of Water CCN No. 10645
PUC Docket No. 48410
Transferred a Portion of Green Valley SUD, CCN 10646 in Guadalupe County



Public Utility Commission of Texas
1701 N. Congress Ave
Austin, TX 78701

Water CCN

-  10645 - City of Schertz
-  10646 - Green Valley SUD
-  10677 - City of New Braunfels

0 250 500
Feet



Map by Komal Patel
Date created January 23, 2019
Project Path n:\finalmapping\
48410CityofSchertz.mxd



Public Utility Commission of Texas

By These Presents Be It Known To All That

Green Valley Special Utility District

having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Green Valley Special Utility District is entitled to this

Certificate of Convenience and Necessity No. 10646

to provide continuous and adequate water utility service to that service area or those service areas in Bexar, Comal and Guadalupe Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 48410 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the Green Valley Special Utility District, to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this 29th day of April 2019.



Public Utility Commission of Texas

By These Presents Be It Known To All That

City of Schertz

having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, City of Schertz is entitled to this

Certificate of Convenience and Necessity No. 10645

to provide continuous and adequate water utility service to that service area or those service areas in Bexar, Comal and Guadalupe Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 48410 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the City of Schertz, to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this 29th day of April 2019.



This page has been added by the Guadalupe County Clerk's office to comply with the statutory requirement that the recording information shall be placed at the foot of the record.

→ David Kneuper PE
191 N Union Ave
NB, TX 78130

201999010390
I certify this instrument was FILED and RECORDED
in the OFFICIAL PUBLIC RECORDS
of Guadalupe County, Texas on
05/14/2019 11:35:26 AM PAGES: 14 JEANNE
TERESA KIEL, COUNTY CLERK



Teresa Kiel