

Control Number: 48448



Item Number: 26

Addendum StartPage: 0

# 1 2019 JAN 16 AM 10: 21

PUBLIC LIBERT & COMMISSION FILING CLERK

#### Docket No. 48448

APPLICATION OF PATTON VILLAGE WATER COMPANY AND THE CITY OF PATTON VILLAGE FOR SALE,	<b>\$ \$</b>	PUBLIC UTILITY COMMISSION  OF TEXAS	ಸೌರವಿಕೆಸ್
TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN MONTGOMERY COUNTY	<b>8</b>		

#### JOINT STATUS REPORT AND NOTICE OF TRANSACTION

Pursuant to Order No. 7 issued in this docket and 16 Tex. Admin. Code § 24.109(g), the City of Patton Village hereby files, for itself and with permission from Patton Village Water Co. Inc., this Joint Status Report and Notice of Transaction, and states the following:

- 1. On January 11, 2019, The City of Patton Village and Patton Village Water Co. Inc., closed on that certain Asset Purchase Agreement dated December 12, 2016, providing for the sale of the water system assets that are the subject of this docket.
- 2. Pursuant to 16 Tex. Admin. Code § 24.109(g), attached as Exhibit "A" is a fully-executed Bill of Sale evidencing the closing
- 3. Patton Village Water System transferred the customer deposits to the City of Patton Village on January 11, 2019, as part of the closing. Attached as <a href="Exhibit">Exhibit "B"</a> are the Closing Affidavits of the Seller and Purchaser verifying that all assets, including customer deposits, have been transferred.

Applicants respectfully request that the attached documents be accepted as proof that the transaction has been completed and that the commission complete the proceedings of this docket.

Respectfully submitted,

Alan P. Petrov SBN: 15852900 Johnson Petrov LLP

2929 Allen Pkwy, Suite 3150

Houston, Texas 77019 Office: (713) 489-8977 Fax: (713) 358-3530

apetrov@johnsonpetrov.com

Attorney for the City of Patton Village, Texas

26

## **CERTIFICATE OF SERVICE**

By my signature above, I hereby certify that on the 15<sup>th</sup> day of January, 2019, the foregoing document was served via first class mail to the following:

Justine Tan, Attorney
Public Utility Commission of Texas
1701 N. Congress Ave.
P.O. Box 13326
Austin, Texas 78711-3326

Alan P. Petrov

**EXHIBIT A** 

#### BILL OF SALE

STATE OF TEXAS	8	
	8	
COUNTY OF MONTGOMERY	ξ	

This BILL OF SALE ("Bill of Sale") dated to be effective on January 11, 2019, (the "Effective Date"), is entered into by and between Patton Village Water Co. Inc., a Texas Corporation ("Grantor") and The City of Patton Village, a Texas municipal corporation ("Grantee").

#### WITNESSETH:

WHEREAS, Grantor and Grantee are parties to that certain Asset Purchase Agreement dated December 12, 2016 (as amended, the "Agreement"), providing, on the terms and conditions set forth in the Agreement, for the transfer to Grantee of substantially all of the assets and the business of the Grantor related to that certain water and utility system operated by Grantor and located in Montgomery County, Texas under the authority of CCN No. 11193 (the "Business"). The Business is more specifically describe as Patton Village West Water System, Identification Number 1700032, Patton Village East Water System, Identification Number 1700055.

NOW, THEREFORE, in consideration of the premises and of delivery this date by Grantee to Grantor of the consideration specified by the Agreement, the receipt of which by Grantor is hereby acknowledged, Grantor, as of the Effective Date, has conveyed, granted, bargained, sold, transferred, set over, assigned, remised, released, delivered and confirmed and by this Bill of Sale, does convey, grant, bargain, sell, transfer, set over, assign, remise, release, deliver and confirm onto Grantee, its successors and assigns, forever, all of Grantor's right, title and interest in and to the following (collectively, the "Assets"):

- (a) All fixtures, equipment and other tangible assets and personal property utilized by the Business for the provision of water utility service;
- (b) All personal property owned by Grantor and located on the real property described on **Exhibit A** attached hereto.
- (c) All rights of Grantor under any written or oral contract, warranty easement, agreement, permit or other authorization including but not limited to:
  - 1) Certificate of Convenience Number 11193; and
  - 2) All permits issued by the Lone Star Ground Water Conservation District for the operation of the Business;
- (d) All information, files, records, data, plans, customer lists, customer agreements, and customer account information associated with the Business.

TO HAVE AND TO HOLD, as of the Effective Date, said Assets with all of the appurtenances thereto, unto Grantee, its successors and assigns, for its and their use forever.

In exchange for the transfer and conveyance of the Assets hereby conveyed, transferred,

assigned, and delivered or intended so to be, Grantee has delivered and by this Bill of Sale does deliver, unto Grantor or pursuant to Grantor's instructions, in accordance with the Agreement, and Grantor hereby acknowledges receipt of, the consideration specified in the Agreement as provided to be delivered to Grantor pursuant to the Agreement.

# AND THE PARTIES HERETO FURTHER MUTUALLY COVENANT AND AGREE AS FOLLOWS:

- 1) Grantor covenants and agrees with Grantee that Grantor will, whenever and as often as required so to do by Grantee, its successors and assigns, execute, acknowledge, and deliver such other instruments of conveyance and transfer and take such other action as reasonably may be required more effectively to convey, transfer to and vest in Grantee, its successors and assigns, and to put Grantee, its successors and assigns in possession of any, property conveyed, transferred and delivered hereunder, and in the case of contracts which cannot be transferred effectively without the consent of third parties, to cooperate with Grantee in any reasonable arrangement specified by Grantee to obtain such consents and to take such other action as may be reasonably necessary to assure to Grantee, its successors and assigns, all rights and benefits thereof.
- 2) Nothing in this Bill of Sale, express of implied, is intended or shall be construed to confer upon, or give to, any person, firm or corporation other than the parties hereto and their respective successors or assigns, any right or remedy under or by reason of this Bill of Sale or any term, covenant or conditions hereof, and all the terms, covenants, conditions, promises and agreements contained in this Bill of Sale be for the sole and exclusive benefit of the parties hereto and their successors and assigns.
- 3) This Bill of Sale is executed and delivered pursuant to the Agreement.

IN WITNESS WHEREOF, each of the parties hereto have caused this Bill of Sale to be executed by their duly authorized representatives to be effective as of the day and year first above written.

GRANTOR:
PATTON VILLAGE WATER CO. INC.,
a Texas Corporation

By: Mitchell M. Martin Jr

Title: President

GRANTEE: THE CITY OF PATTON VILLAGE a Texas Municipal Corporation

By: Slak Javant, emo Name: Leah Tarrant

Mayor of the City of Patton Village

## **EXHIBIT A**

## Real Property Owned by Grantor:

- 1. A0552 Taylor WMS Water Well #4 (Property ID: R54229)
- 2. A0552 Taylor WMS Water Well #1 (Property ID: R54232)
- 3. Cheatum 01, Lot 20, 21, 22 Water Well #3 (Additional Acerage) (Property ID: R73918)
- 4. Cheatum 01 Water Well #3 (Property ID: R73933)
- 5. Patton Village Water Well #2 (Property ID: R116146)
- 6. Peach Creek Colony Water Well (Property ID: R136004)

**EXHIBIT B** 

### SELLER'S AFFIDAVIT OF CLOSING

STATE OF TEXAS	8
	8
<b>COUNTY OF MONTGOMERY</b>	8

I, MITCHELL M. MARTIN, JR., certify that I am the PRESIDENT of PATTON VILLAGE WATER CO., INC., the public water utility whose assets are being sold to THE CITY OF PATTON VILLAGE, TEXAS, a municipal corporation. The sale and transfer of the utility and its assets closed on January 11, 2019. Management and control of the utility system transferred January 11, 2019. Both events occurred after receipt of the Public Utility Commission of Texas' Order Approving Sale/Transfer to Proceed and authorizing the parties to close this transaction.

All customer deposits and customer deposit records were transferred to THE CITY OF PATTON VILLAGE, TEXAS on January 11, 2019.

PATTON VILLAGE WATER CO., INC., consents to the transfer of the Certificate of Convenience and Necessity ("CNN") that is the subject of this application to THE CITY OF PATTON VILLAGE, TEXAS. By affixing my authorized signature below, PATTON VILLAGE WATER CO., INC., grants to THE CITY OF PATTON VILLAGE, TEXAS an irrevocable power of attorney to undertake all actions necessary to effectuate the CCN transfer, including but not limited to, executing all necessary consent documents on behalf of PATTON VILLAGE WATER CO., INC.

Mitchell M. Martin, Jr., President Patton Village Water Co., Inc.

## ACKNOWLEDGEMENT

STATE OF TEXAS	§
	§
COUNTY OF MONTGOMERY	§

Before me on this day, personally appeared MITCHELL M. MARTIN, JR., PRESIDENT of PATTON VILLAGE WATER CO., INC., proved to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the instrument for the purposes and consideration expressed therein, by proper authority, and in the capacity stated in the instrument.

Given under my hand and seal of office this 11th day of January, 2019.



Notary Public in and for the State of Texas

#### **BUYER'S AFFIDAVIT OF CLOSING**

STATE OF TEXAS
COUNTY OF MONTGOMERY

I, LEAH TARRANT, certify that I am the MAYOR of THE CITY OF PATTON VILLAGE, TEXAS, a municipal corporation, the purchaser of the assets of the PATTON VILLAGE WATER CO., INC., and that I am duly authorized to act on behalf of THE CITY OF PATTON VILLAGE, TEXAS with respect to such purchase. The sale and transfer of the utility and its assets closed on January 11, 2019. Management and control of the utility system transferred on January 11, 2019. Both events occurred after receipt of the Public Utility Commission of Texas' Order Approving Sale/Transfer to Proceed authorizing the parties to close this transaction.

All customer deposits and customer deposit records were transferred to THE CITY OF PATTON VILLAGE, TEXAS on January 11, 2019.

CITY OF PATTON VILLAGE, TEXAS, a municipal corporation

Leah Tarrant, Mayor

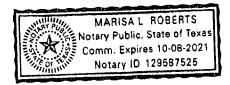
City of Patton Village, Texas

## **ACKNOWLEDGEMENT**

STATE OF TEXAS
COUNTY OF MONTGOMERY

Before me on this day, personally appeared LEAH TARRANT, MAYOR of CITY OF PATTON VILLAGE, TEXAS, a municipal corporation, proved to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the instrument for the purposes and consideration expressed therein, by proper authority, and in the capacity stated in the instrument.

Given under my hand and seal of office this 11th day of January, 2019.



Notary Public in and for the State of Texas