



Control Number: 48538



Item Number: 1

Addendum StartPage: 0

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July 19, 2018

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

Re: City of Rosenberg, Texas

Dear Public Utility Commission of Texas:

On behalf of the City of Rosenberg, Texas, please find enclosed herewith seven copies of an application for the sale, transfer or merger of a retail public utility.

The purpose of this application is to facilitate the transfer of water service for the Parkplace Southwest Section 1 Subdivision, Rosenberg, Ft. Bend County, Texas, from Southwest Environmental Resources to the City of Rosenberg, Texas.
 Included with this application are the following:

- executed purchase agreement, which is contingent on PUC approval, that includes:
 - as exhibit "A" a description of the subject property;
 - as exhibit "B" an inventory of infrastructure to be transferred (in response to Part D: 11.B of the Application); and
 - as exhibit "C" a customer list which includes customer deposits (in response to Part B: Question 7;
- amended CCN boundary map in response to Part G: Question 29;
- detailed map in response to Part G: Question 29;
- Signed and notarized oaths of Seller and Purchaser;
- An overall water and sanitary sewer layout map in response to Part G: Question 29;

Please do not hesitate to contact the undersigned with any questions or concerns. Thanking you in advance for your kind consideration to this matter I remain,

Public Utility Commission of Texas
July 19, 2018
Page 2

Very truly yours,

DENTON NAVARRO ROCHA BERNAL & ZECH
A Professional Corporation



HABIB H. ERKAN, JR.

HHE/ec
Enclosures: as stated.

cc: John Maresh
(w/o enclosures)

Email: jmaresh@rosenbergtx.gov



Application for Sale, Transfer, or Merger of a Retail Public Utility

Pursuant to Texas Water Code § 13.301 and 16 Texas Administrative Code § 24.109

Sale, Transfer, or Merger (STM) Application Instructions

- I. **COMPLETE:** In order for the Commission to find the application sufficient for filing, the Applicant should:
 - i. Provide an answer to every question and submit any required attachment applicable to the STM request (i.e., agreements or contracts).
 - ii. Use attachments or additional pages to answer questions as necessary. If you use attachments or additional pages, reference their inclusion in the form.
 - iii. Provide all mapping information as detailed in Part G: Mapping & Affidavits.
- II. **FILE:** Seven (7) copies of the completed application with numbered attachments. One copy should be filed with no permanent binding, staples, tabs, or separators; and 7 copies of the portable electronic storage medium containing the digital mapping data.
 - i. **SEND TO:** Public Utility Commission of Texas, Attention: Filing Clerk, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326 (**NOTE: Electronic documents may be sent in advance of the paper copy, however they will not be processed and added to the Commission's on-line Interchange until the paper copy is received and file-stamped in Central Records.**)
- III. The application will be assigned a docket number, and an administrative law judge (ALJ) will issue an order requiring Commission Staff to file a recommendation on whether the application is sufficient. The ALJ will issue an order after Staff's recommendation has been filed:
 - i. **DEFICIENT (Administratively Incomplete):** Applicants will be ordered to provide information to cure the deficiencies by a certain date, usually 30 days from ALJ's order. *Application is not accepted for filing.*
 - ii. **SUFFICIENT (Administratively Complete):** Applicants will be ordered by the ALJ to give appropriate notice of the application using the notice prepared by Commission Staff. *Application is accepted for filing.*
- IV. Once the Applicants issue notice, a copy of the actual notice sent and an affidavit attesting to notice should be filed in the docket assigned to the application. Recipients of notice may request a hearing on the merits.

HEARING ON THE MERITS: An affected party may request a hearing within 30 days of notice. In this event, the application may be referred to the State Office of Administrative Hearings (SOAH) to complete this request.
- V. **TRANSACTION TO PROCEED:** at any time following the provision of notice, or prior to 120 days from the last date that proper notice was given, Commission Staff will file a recommendation for the transaction to proceed as proposed or recommend that the STM be referred to SOAH for further investigation. The Applicants will be required to file an update in the docket to the ALJ every 30 days following the approval of the transaction. The transaction must be completed within six (6) months from the ALJ's order (Note: The Applicants may request an extension to the 6 month provision for good cause).
- VI. **FILE:** Seven (7) copies of completed transaction documents and documentation addressing the transfer or disposition of any outstanding deposits. After receiving all required documents from the Applicants, the application will be granted a procedural schedule for final processing. The Applicants are requested to consent in writing to the proposed maps and certificates, or tariff if applicable.
- VII. **FINAL ORDER:** The ALJ will issue a final order issuing or amending the applicable CCNs.

FAQ:

Who can use this form?

Any retail public utility that provides water or wastewater service in Texas.

Who is required to use this form?

A retail public utility that is an investor owned utility (IOU) or a water supply corporation (WSC) prior to any STM of a water or sewer system, or utility, or prior to the transfer of a portion of a certificated service area.

Terms

Transferor: Seller

Transferee: Purchaser

CCN: Certificate of Convenience and Necessity

STM: Sale, Transfer, or Merger

IOU: Investor Owned Utility

Application Summary

Transferor: Southwest Environmental Resources

(selling entity)

CCN No.s: 11648

☒ Sale
 ☐ Transfer
 ☐ Merger
 ☐ Consolidation
 ☐ Lease/Rental

Transferee: City of Rosenberg, Texas

(acquiring entity)

CCN No.s: _____

☒ Water
 ☐ Sewer
 ☐ All CCN
 ☐ Portion CCN
 ☐ Facilities transfer

County(ies): Fl. Bend County

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Please mark the items included in this filing

<input checked="" type="checkbox"/> Contract, Lease, Purchase, or Sale Agreement	Part A: Question 1
<input checked="" type="checkbox"/> Tariff including Rate Schedule	Part B: Question 4
<input checked="" type="checkbox"/> List of Customer Deposits	Part B: Question 5
<input type="checkbox"/> Partnership Agreement	Part C: Question 7
<input type="checkbox"/> Articles of Incorporation and By-Laws (WSC)	Part C: Question 7
<input type="checkbox"/> Certificate of Account Status	Part C: Question 7
<input type="checkbox"/> Financial Audit	Part C: Question 10
<input type="checkbox"/> Application Attachment A & B	Part C: Question 10
<input type="checkbox"/> Disclosure of Affiliated Interests	Part C: Question 10
<input type="checkbox"/> Capital Improvement Plan	Part C: Question 10
<input checked="" type="checkbox"/> List of Assets to be Transferred	Part D: 11.B
<input type="checkbox"/> Developer Contribution Contracts or Agreements	Part D: 11.D
<input type="checkbox"/> Enforcement Action Correspondence	Part E: Question 18 (Part D: Q12)
<input type="checkbox"/> TCEQ Compliance Correspondence	Part F: Question 22
<input type="checkbox"/> TCEQ Engineering Approvals	Part F: Question 24
<input type="checkbox"/> Purchased Water Supply or Treatment Agreement	Part F: Question 26
<input checked="" type="checkbox"/> Detailed (large scale) Map	Part G: Question 29
<input checked="" type="checkbox"/> General Location (small scale) Map	Part G: Question 29
<input checked="" type="checkbox"/> Digital Mapping Data	Part G: Question 29
<input checked="" type="checkbox"/> Signed & Notarized Oath	Page 13-14

Part A: General Information

1. Describe the proposed transaction, including the effect on all CCNs involved, and provide details on the existing or expected land use in the area affected by the proposed transaction. Attach all supporting documentation, such as a contract, a lease, or proposed purchase agreements:

Southwest Environmental Resources (CCN No. 11648) proposes to transfer to the City of Rosenberg, Texas, the 28 lot Parkplace Southwest Subdivision water service. A copy of the agreement is attached hereto, with a plat of the subdivision (exhibit "A: to the agreement"); a list of infrastructure to be transfer (exhibit "B" to the agreement); and a customer list (exhibit "C" to the agreement).

2. The proposed transaction will require (check all applicable):

For Transferee (Purchaser) CCN:

- ☐ Obtaining a NEW CCN for Purchaser
☐ Transfer all CCN into Purchaser's CCN (Merger)
☐ Transfer Portion of CCN into Purchaser's CCN
☐ Transfer all CCN to Purchaser and retain Seller CCN
☐ Uncertificated area added to Purchaser's CCN

For Transferor (Seller) CCN:

- ☐ Cancellation of Seller's CCN
☒ Transfer of a Portion of Seller's CCN to Purchaser
☐ Only Transfer of Facilities, No CCN or Customers
☐ Only Transfer of Customers, No CCN or Facilities
☐ Only Transfer CCN Area, No Customers or Facilities

Part B: Transferor Information

Questions 3 through 5 apply only to the *transferor* (current service provider or seller)

3. A. Name: Southwest Environmental Resources

(individual, corporation, or other legal entity)

☐ Individual

☒ Corporation

☐ WSC

☐ Other: _____

B. Mailing Address: P O 727

Rosenberg, Texas 77471

Phone: (832)496-5512

Email: Jeff_Mahan@sbcglobal.net

- C. Contact Person. Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant, or other title.

Name: Jeff Mahan

Title: Owner

Mailing Address: P O 727, Rosenberg, Texas 77471

Phone: (832)496-5512

Email: Jeff_Mahan@sbcglobal.net

4. If the utility to be transferred is an Investor Owned Utility (IOU), for the most recent rate change, attach a copy of the current tariff and complete A through B:

A. Effective date for most recent rates: _____

B. Was notice of this increase provided to the Public Utility Commission of Texas (Commission) or a predecessor regulatory authority?

☐ No

☐ Yes

Application or Docket Number: _____

If the transferor is a Water Supply or Sewer Service Corporation, provide a copy of the current tariff.

5. For the customers that will be transferred following the approval of the proposed transaction, check all that apply:

☐ There are no customers that will be transferred

☒ # of customers without deposits held by the transferor 24

☒ # of customers with deposits held by the transferor* 4

*Attach a list of all customers affected by the proposed transaction that have deposits held, and include a customer indicator (name or account number), date of each deposit, amount of each deposit, and any unpaid interest on each deposit.

Part C: Transferee Information

Questions 6 through 10 apply only to the *transferee* (purchaser or proposed service provider)

6. A. Name: City of Rosenberg, Texas
(individual, corporation, or other legal entity)
☐ Individual ☐ Corporation ☐ WSC ☒ Other: Texas home rule municipality

B. Mailing Address: P O Box 32, Rosenberg, Texas 77471

Phone: (832) 595-3310 Email: jmaresh@rosenbergtx.gov

C. Contact Person. Provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant, or other title.

Name: Habib H. Erkan Jr. Title: Assistant City Attorney

Address: 2517 N. Main Avenue, San Antonio, Texas 78212

Phone: (210)227-3243 Email: habib.erkhan@rampage-sa.com

D. If the transferee is someone other than a municipality, is the transferee current on the Regulatory Assessment Fees (RAF) with the Texas Commission on Environmental Quality (TCEQ)?
☐ No ☐ Yes ☒ N/A

E. If the transferee is an IOU, is the transferee current on the Annual Report filings with the Commission?
☐ No ☐ Yes ☒ N/A

7. The legal status of the transferee is:

☐ Individual or sole proprietorship

☐ Partnership or limited partnership (*attach* Partnership agreement)

☐ Corporation
Charter number (as recorded with the Texas Secretary of State): _____

☐ Non-profit, member-owned, member controlled Cooperative Corporation [Article 1434(a) Water Supply or Sewer Service Corporation, incorporated under TWC Chapter 67]
Charter number (as recorded with the Texas Secretary of State): _____
☐ Articles of Incorporation and By-Laws established (*attach*)

☒ Municipally-owned utility

☐ District (MUD, SUD, WCID, FWSD, etc.)

- ☐ County
- ☐ Affected County (a county to which Subchapter B, Chapter 232, Local Government Code, applies)
- ☐ Other (please explain): _____

8. If the transferee operates under any d/b/a, provide the name below:

Name: _____

9. If the transferee's legal status is anything other than an individual, provide the following information regarding the officers, members, or partners of the legal entity applying for the transfer:

Name: William T. "Bill" Benton

Position: Mayor

Ownership % (if applicable): 0.00%

Address: P.O. Box 32, 2110 4th Street, Rosenberg, TX 77471

Phone: (832) 586-3300

Email: info@rosenbergtx.gov

Name: Jacob Balderras

Position: Councilor

Ownership % (if applicable): 0.00%

Address: P.O. Box 32, 2110 4th Street, Rosenberg, TX 77471

Phone: (832) 586-3300

Email: info@rosenbergtx.gov

Name: Aracelis J. Baris

Position: Councilor

Ownership % (if applicable): 0.00%

Address: P.O. Box 32, 2110 4th Street, Rosenberg, TX 77471

Phone: (832) 586-3300

Email: info@rosenbergtx.gov

Name: John Meresh

Position: City Manager

Ownership % (if applicable): 0.00%

Address: P.O. Box 32, 2110 4th Street, Rosenberg, TX 77471

Phone: (832) 586-3300

Email: info@rosenbergtx.gov

10. **Financial Information**

The transferee Applicant must provide accounting information typically included within a balance sheet, income statement, and statement of cash flows. If the Applicant is an existing retail public utility, this must include historical financial information and projected financial information. However, projected financial information is only required if the Applicant proposes new service connections and new investment in plant, or if requested by Staff. If the Applicant is a new market entrant and does not have its own historical balance sheet, income statement, and statement of cash flows information, then the Applicant should establish a five-year projection taking the historical information of the transferor Applicant into consideration when establishing the projections.

Historical Financial Information may be shown by providing any combination of the following that includes necessary information found in a balance sheet, income statement, and statement of cash flows:

1. Completed Appendix A;
2. Documentation that includes all of the information required in Appendix A in a concise format; or
3. Audited financial statements issued within 18 months of the application filing date. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal.

Projected Financial Information may be shown by providing any of the following:

1. Completed Appendix B;
2. Documentation that includes all of the information required in Appendix B in a concise format;
3. A detailed budget or capital improvement plan, which indicates sources and uses of funds required, including improvements to the system being transferred; or
4. A recent budget and capital improvements plan that includes information needed for analysis of the operations test (16 Tex. Admin. Code § 24.11(e)(3)) for the system being transferred and any operations combined with the system. This may be provided electronically by providing a uniform resource locator (URL) or a link to a website portal.

Part D: Proposed Transaction Details

11. A. Proposed Purchase Price: \$ 28,000.00

If the transferee Applicant is an investor owned utility (IOU) provide answers to B through D.

B. Transferee has a copy of an inventory list of assets to be transferred (*attach*):

☐ No ☒ Yes ☐ N/A

Total Original Cost of Plant in Service: \$

Accumulated Depreciation: \$

Net Book Value: \$

C. **Customer contributions in aid of construction (CIAC):** Have the customers been billed for any surcharges approved by the Commission or TCEQ to fund any assets currently used and useful in providing utility service? Identify which assets were funded, or are being funded, by surcharges on the list of assets.

☒ No ☐ Yes

Total Customer CIAC: \$

Accumulated Amortization: \$

D. **Developer CIAC:** Did the transferor receive any developer contributions to pay for the assets proposed to be transferred in this application? If so, identify which assets were funded by developer contributions on the list of assets and provide any applicable developer agreements.

☒ No ☐ Yes

Total developer CIAC: \$

Accumulated Amortization: \$

12. A. Are any improvements or construction required to meet the minimum requirements of the TCEQ or Commission and to ensure continuous and adequate service to the requested area to be transferred plus any area currently certificated to the transferee Applicant? Attach supporting documentation and any necessary TCEQ approvals, if applicable.

☐ No ☒ Yes

B. If yes, describe the source and availability of funds and provide an estimated timeline for the construction of any planned or required improvements:

Installation of new municipal distribution system. Funding will come from the City's water services account.

13. Provide any other information concerning the nature of the transaction you believe should be given consideration:

14. Complete the following proposed entries (listed below) as shown in the books of the Transferee (purchaser) after the acquisition. Debits (positive numbers) should equal credits (negative numbers) so that all line items added together equal zero. Additional entries may be made; the following are suggested only, and not intended to pose descriptive limitations:

Utility Plant in Service: \$ _____

Accumulated Depreciation of Plant: \$ _____

Cash: \$ _____

Notes Payable: \$ _____

Mortgage Payable: \$ _____

(Proposed) Acquisition Adjustment*: \$ _____

*Acquisition Adjustments will be subject to review under 16 TAC § 24.31(d) and (e)

Other (NARUC account name & No.): _____

Other (NARUC account name & No.): _____

15. A. Explain any proposed billing change (NOTE: If the acquiring entity is an IOU, the IOU may not change the rates charged to the customers through this STM application. Rates can only be changed through the approval of a rate change application.)

The current monthly costs to a customer for 7,500 gallons of water is \$40.00. The City of Rosenberg's rate for 7,500 gallons of water is \$40.53. This is the standard rate charged to customers. The calculations of the rates is attached hereto as the Exhibit labeled "Monthly Billing Rates".

B. If transferee is an IOU, state whether or not the transferee intends to file with the Commission, or an applicable municipal regulatory authority, an application to change rates for some or all of its customers as a result of the transaction within the next twelve months. If so, provide details below:

Part E: CCN Obtain or Amend Criteria Considerations

16. Describe, in detail, the anticipated impact or changes in the quality of retail public utility service in the requested area as a result of the proposed transaction:

Water service provided by the City of Rosenberg shall be more reliable than the current service. In addition the City of Rosenberg shall install fire hydrants in the subdivision, which will provide fire suppression protection to the subdivision.

17. Describe the transferee's experience and qualifications in providing continuous and adequate service. This should include, but is not limited to: other CCN numbers, water and wastewater systems details, and any corresponding compliance history for all operations.

The City of Rosenberg serves over 13,000 customers.

18. Has the transferee been under an enforcement action by the Commission, TCEQ, Texas Department of Health (TDH), the Office of the Attorney General (OAG), or the Environmental Protection Agency (EPA) in the past five (5) years for non-compliance with rules, orders, or state statutes? Attach copies of any correspondence with the applicable regulatory agency(ies)

☒ No

☐ Yes

19. Explain how the environmental integrity or the land will be impacted or disrupted as a result of the proposed transaction:

There will be no environmental integrity or land impact or disruption that will result from the proposed transaction.

20. How will the proposed transaction serve the public interest?

Water service provided by the City of Rosenberg shall be more reliable than the current service. In addition the City of Rosenberg shall install fire hydrants in the subdivision, which will provide fire suppression protection to the subdivision.

21. List all neighboring water or sewer utilities, cities, districts (including ground water conservation districts), counties, or other political subdivisions (including river authorities) providing the same service within two (2) miles from the outer boundary of the requested area affected by the proposed transaction:

City of Rosenberg.

Part F: TCEQ Public Water System or Sewer (Wastewater) Information

Complete Part F for EACH Public Water or Sewer system to be transferred subject to approval of the transaction. Attach a separate sheet with this information if you need more space for additional systems being transferred.

22. A. For Public Water System (PWS):

TCEQ PWS Identification Number: 0790003 (7 digit ID)

Name of PWS: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

B. For Sewer service:

TCEQ Water Quality (WQ) Discharge Permit Number: WQ - _____ (8 digit ID)

Name of Wastewater Facility: _____

Name of Permittee: _____

Date of last TCEQ compliance inspection: _____ (attach TCEQ letter)

Subdivisions served: _____

Date of application to transfer permit submitted to TCEQ: _____

23. List the number of existing connections, by meter/connection type, to be affected by the proposed transaction:

Water				Sewer	
	Non-metered		2"		Residential
	5/8" or 3/4"		3"		Commercial
	1"		4"		Industrial
	1 1/2"		Other		Other
Total Water Connections:				Total Sewer Connections:	

24. A. Are any improvements required to meet TCEQ or Commission standards?

☒ No ☐ Yes

B. Provide details on each required major capital improvement necessary to correct deficiencies to meet the TCEQ or Commission standards (attach any engineering reports or TCEQ approval letters):

Description of the Capital Improvement:	Estimated Completion Date:	Estimated Cost:

C. Is there a moratorium on new connections?

☒ No ☐ Yes:

25. Does the system being transferred operate within the corporate boundaries of a municipality?

☐ No ☒ Yes: City of Rosenberg, Texas (name of municipality)

If yes, indicate the number of customers within the municipal boundary.

Water: 13,000 Sewer: _____

26. A. Does the system being transferred purchase water or sewer treatment capacity from another source?

☒ No ☐ Yes: If yes, attach a copy of purchase agreement or contract.

Capacity is purchased from: _____

Water: _____

Sewer: _____

B. Is the PWS required to purchase water to meet capacity requirements or drinking water standards?

☒ No ☐ Yes

C. What is the amount of water supply or sewer treatment purchased, per the agreement or contract? What is the percent of overall demand supplied by purchased water or sewer treatment (if any)?

	Amount in Gallons	Percent of demand
Water:	0.00	0.00%
Sewer:		0.00%

D. Will the purchase agreement or contract be transferred to the Transferee?

☒ No ☐ Yes:

27. Does the PWS or sewer treatment plant have adequate capacity to meet the current and projected demands in the requested area?

☐ No ☒ Yes:

28. List the name, class, and TCEQ license number of the operator that will be responsible for the operations of the water or sewer utility service:

Name (as it appears on license)	Class	License No.	Water or Sewer

Part G: Mapping & Affidavits

ALL applications require mapping information to be filed in conjunction with the STM application.
Read question 29 A and B to determine what information is required for your application.

29. A. For applications requesting to transfer an entire CCN, without a CCN boundary adjustment, provide the following mapping information with each of the seven (7) copies of the application:

1. A general location (small scale) map identifying the requested area in reference to the nearest county boundary, city, or town. The following guidance should be adhered to:
 - i. If the application requests to transfer certificated service areas for both water and sewer, separate maps must be provided for each.
 - ii. A hand drawn map, graphic, or diagram of the requested area is not considered an acceptable mapping document.

- iii. To maintain the integrity of the scale and quality of the map, copies must be exact duplicates of the original map. Therefore, copies of maps cannot be reduced or enlarged from the original map, or in black and white if the original map is in color.

- 2. A detailed (large scale) map identifying the requested area in reference to verifiable man-made and natural landmarks such as roads, rivers, and railroads. The Applicant should adhere to the following guidance:
 - i. The map must be clearly labeled and the outer boundary of the requested area should be marked in reference to the verifiable man-made or natural landmarks. These verifiable man-made or natural landmarks must be labeled and marked on the map as well.
 - ii. If the application requests an amendment for both water and sewer certificated service area, separate maps need to be provided for each.
 - iii. To maintain the integrity of the scale and quality of the map, copies must be exact duplicates of the original map. Therefore, copies of maps cannot be reduced or enlarged from the original map, or in black and white if the original map is in color.
 - iv. The outer boundary of the requested area should not be covered by any labels, roads, city limits or extraterritorial jurisdiction (ETJ) boundaries.

- B. For applications that are requesting to include area not currently within a CCN, or for applications that require a CCN amendment (any change in a CCN boundary), such as the transfer of only a portion of a certificated service area, provide the following mapping information with each of the seven (7) copies of the application:
 - 1. A general location (small scale) map identifying the requested area with enough detail to locate the requested area in reference to the nearest county boundary, city, or town. Please refer to the mapping guidance in part A 1 (above).
 - 2. A detailed (large scale) map identifying the requested area with enough detail to accurately locate the requested area in reference to verifiable man-made or natural landmarks such as roads, rivers, or railroads. Please refer to the mapping guidance in part A 2 (above).
 - 3. One of the following identifying the requested area:
 - i. A metes and bounds survey sealed or embossed by either a licensed state land surveyor or a registered professional land surveyor. Please refer to the mapping guidance in part A 2 (above);
 - ii. A recorded plat. If the plat does not provide sufficient detail, Staff may request additional mapping information. Please refer to the mapping guidance in part A 2 (above); or
 - iii. Digital mapping data in a shapefile (SHP) format georeferenced in either NAD 83 Texas State Plane Coordinate System (US Feet) or in NAD 83 Texas Statewide Mapping System (Meters). The digital mapping data shall include a single, continuous polygon record. The following guidance should be adhered to:
 - a. The digital mapping data must correspond to the same requested area as shown on the general location and detailed maps. The requested area must be clearly labeled as either the water or sewer requested area.
 - b. A shapefile should include six files (.dbf, .shp, .shx, .sbx, .sbn, and the projection (.prj) file).
 - c. The digital mapping data shall be filed on a data disk (CD or USB drive), clearly labeled, and filed with Central Records. Seven (7) copies of the digital mapping data is also required.

Part H: Notice Information

The following information will be used to generate the proposed notice for the application.
DO NOT provide notice of the application until it is found sufficient and the Applicants are ordered to provide notice.

30. Complete the following using verifiable man-made or natural landmarks such as roads, rivers, or railroads to describe the requested area (to be stated in the notice documents). Measurements should be approximated from the outermost boundary of the requested area:

The total acreage of the requested area is approximately: 40.30

Number of customer connections in the requested area: 28

Affected subdivision: Parkplace Southwest Section 1

The closest city or town: Rosenberg, Texas

Approximate mileage to closest city or town center: _____

Direction to closest city or town: The requested area is located within the corporate limits of the City of Rosenberg

The requested area is generally bounded on the North by: Bryan Road

on the East by: Rose Ranch Subdivision

on the South by: undeveloped land

on the West by: undeveloped land

31. A copy of the proposed map will be available at: _____

32. What effect will the proposed transaction have on an average bill to be charged to the affected customers? Take into consideration the average consumption of the requested area, as well as any other factors that would increase or decrease a customer's monthly bill.

☐ All of the customers will be charged the same rates they were charged before the transaction.

☒ All of the customers will be charged different rates than they were charged before the transaction.

☒ higher monthly bill ☐ lower monthly bill

☐ Some customers will be charged different rates than they were charged before
(i.e. inside city limit customers)

☐ higher monthly bill ☐ lower monthly bill

Oath for Transferor (Transferring Entity)

STATE OF TEXAS

COUNTY OF FORT BEND

I, DEBORA CORTEZ

being duly sworn, file this application for sale,
transfer,

merger, consolidation, acquisition, lease, or
rental, as

JEFF MATHAN

(owner, member of partnership, title as officer of corporation, or authorized representative)

I attest that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to Applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I further state that I have provided to the purchaser or transferee a written disclosure statement about any contributed property as required under Texas Water Code § 13.301(f) and copies of any outstanding enforcement Orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas, or Attorney General and have also complied with the notice requirements in Texas Water Code § 13.301(k).

Jeff Mathan

AFFIANT

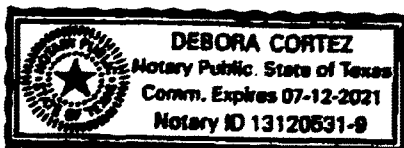
(Utility's Authorized Representative)

If the Affiant 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 BEFORE ME, a Notary Public in and for the State of Texas

this day the 31 of MAY, 2018

SEAL



Debora Cortez

**NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS**

DEBORA CORTEZ

PRINT OR TYPE NAME OF NOTARY

My commission expires: 2021/7/21

Oath for Transferee (Acquiring Entity)

STATE OF Texas

COUNTY OF Fort Bend

I, John Maresh being duly sworn, file this application for sale, transfer, merger, consolidation, acquisition, lease, or rental, as City Manager
(owner, member of partnership, title as officer of corporation, or authorized representative)

I attest that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to Applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I further state that I have been provided with a copy of the 16 TAC § 24.109 Commission rules. I am also authorized to agree and do agree to be bound by and comply with any outstanding enforcement orders of the Texas Commission on Environmental Quality, the Public Utility Commission of Texas or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.

John Maresh

AFFIANT

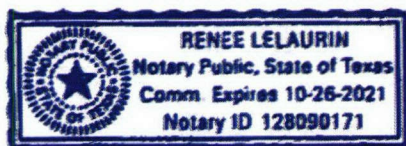
(Utility's Authorized Representative)

If the Affiant 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 BEFORE ME, a Notary Public in and for the State of Texas

this day the 13th of July, 2018

SEAL



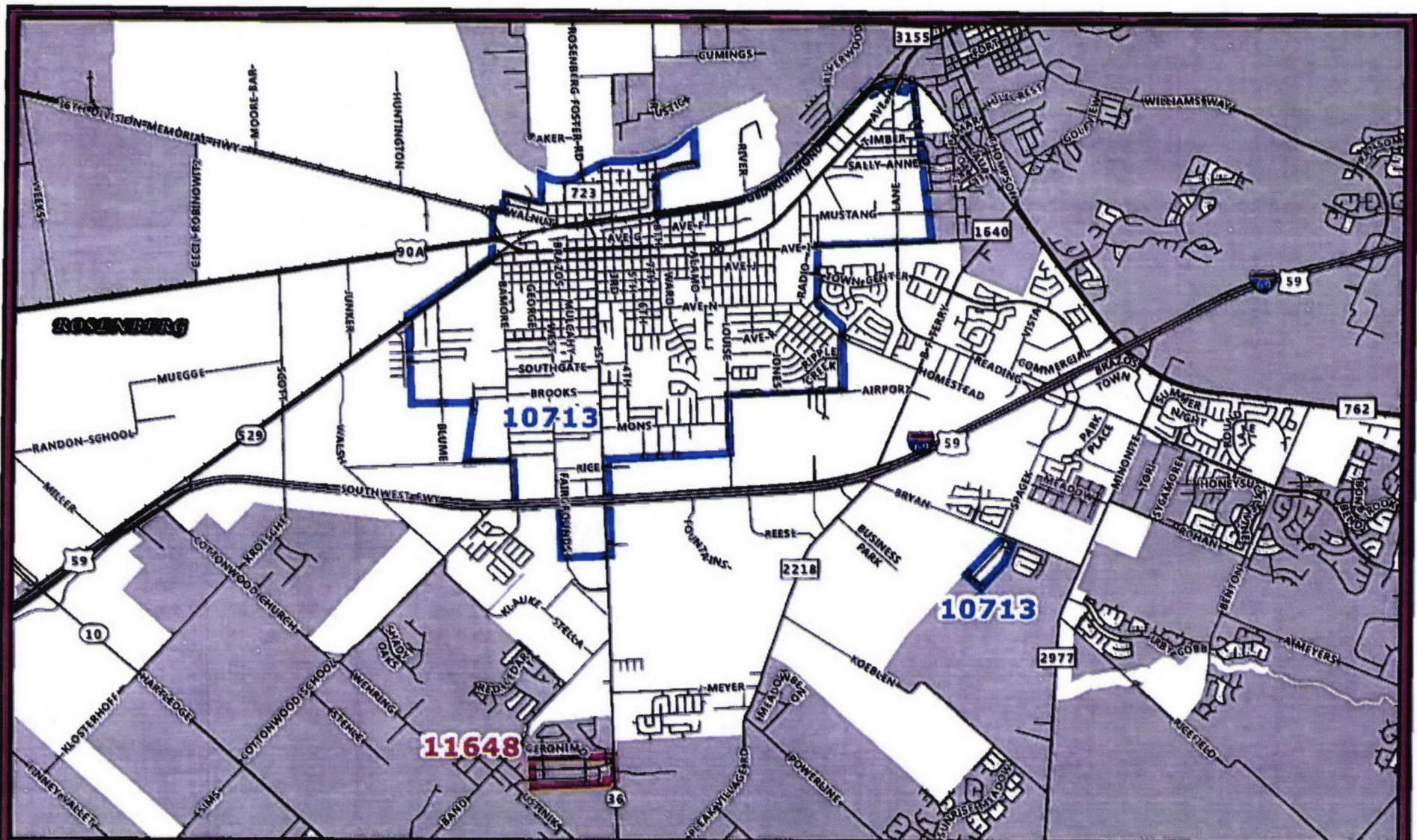
Renee LeLaurin

**NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS**

Renee LeLaurin

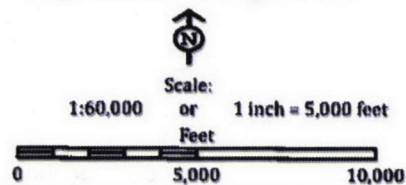
PRINT OR TYPE NAME OF NOTARY

My commission expires: 10-26-2021



**Amended Boundaries for CCN No. 11648 and CCN No. 10713
City of Rosenberg, Texas**

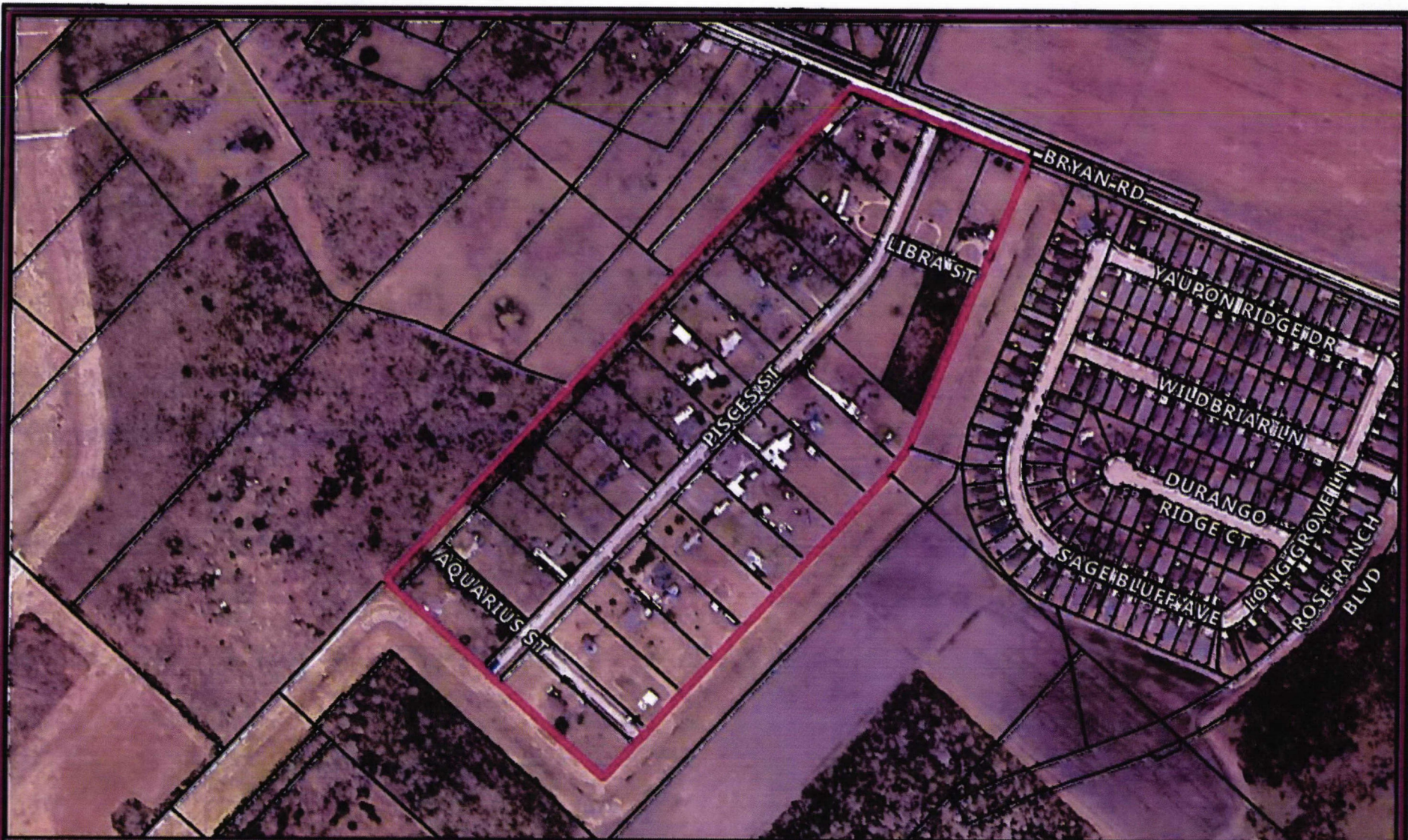
	Interstate		CCN No. 10713
	US Highway		CCN No. 11648
	State Highway		Rosenberg City Limits
	Public Road		
	Railroad		



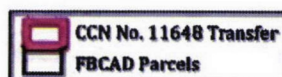
Created by: City of Rosenberg GIS - Paul M. Jones
 Date Created: May 25, 2018
 Original File: 0.5" x 11"
 B:\Maps\Custom\City_Management\2018\CCN_Transfer_New Boundary.mxd

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of geographic features.

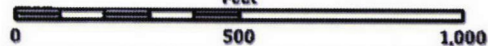




**Detail Map: Portion of CCN No. 11648 to Transfer to CCN No. 10713
City of Rosenberg, Texas**



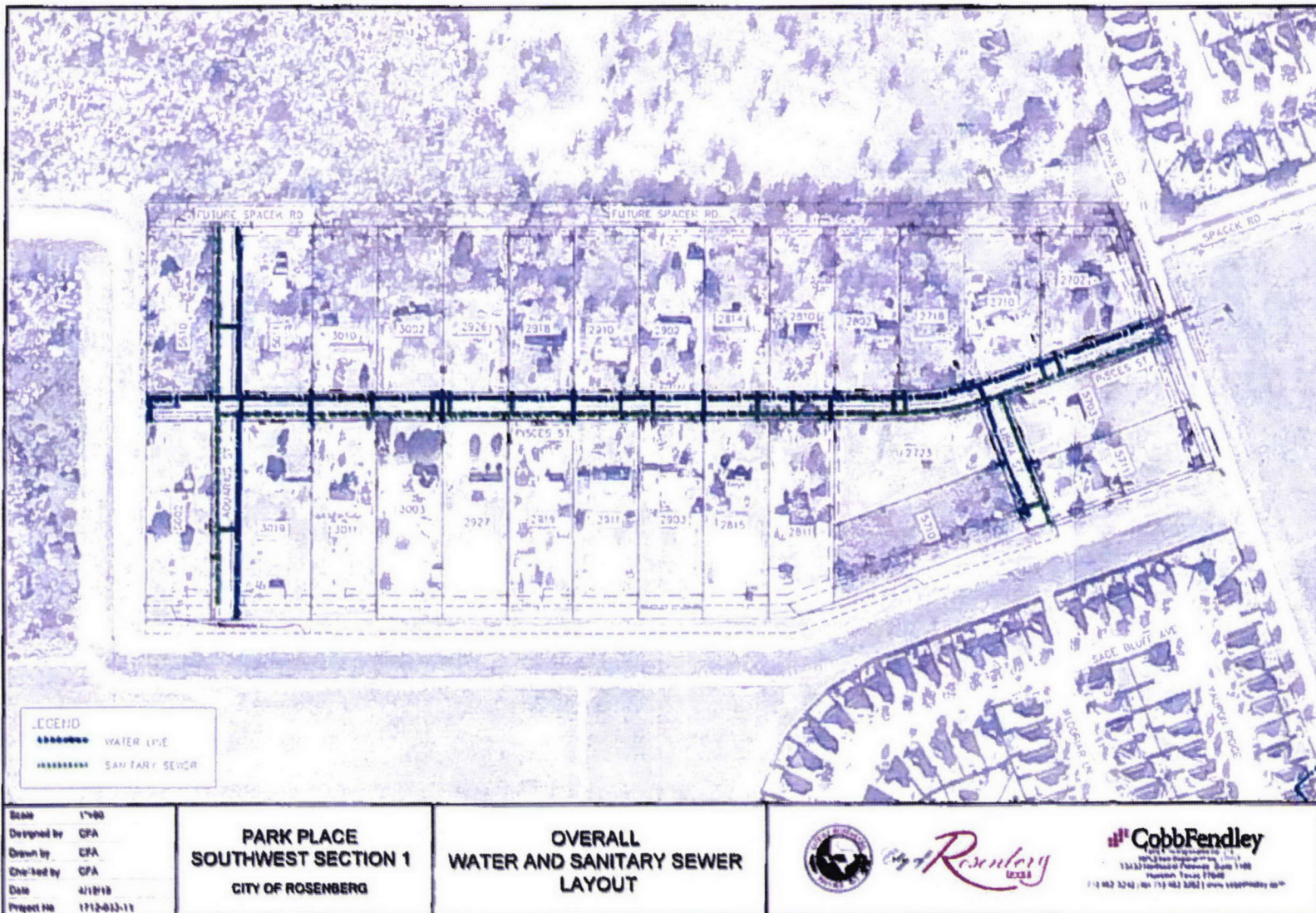
Scale:
1:4,800
or
1 inch = 400 feet



Created by: City of Rosenberg GIS - Paul M. Jones
Date Created: May 25, 2018
Original Size: 8.5" x 11"
R:\Maps\Custom\City_Management\2018\CCN_Transfer_Detail.mxd

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of geographic features.





STATE OF TEXAS §

COUNTY OF FORT BEND §

AGREEMENT

(Tex. Water Code § 13.255. Single Certification in Incorporated or Annexed Areas)

THIS Agreement is entered into by Southwest Environmental Resources, a non-profit
incorporated under the authority of
Code, a Texas corporation qualified to transact
business in Texas, (hereinafter the "Retail Public Utility"), and the City of Rosenberg, Texas, a
home-rule municipality, (hereinafter the "City").

WHEREAS, the Retail Public Utility holds Certificate of Convenience and Necessity Number
11648 for water service, (hereinafter "Retail Public Utility's Water CCN") issued by the Texas
Public Utility Commission, (hereinafter "TPUC"); and

WHEREAS, the City provides retail water service within its corporate limits and extraterritorial
jurisdiction; and

WHEREAS, the City desires to provide retail water service to the properties described herein
(hereinafter the "Property"); and

WHEREAS, the Retail Public Utility is agreeable to release the Property described in this
Agreement from its CCN in order for the City to provide retail water service to the Property; and

WHEREAS, the Property is located in the corporate limits of the City; and

WHEREAS, this Agreement is made pursuant to Texas Water Code Section 13.255; and

WHEREAS this Agreement was executed within 180 days of the date the City notified the Retail
Public Utility in writing of its intent to provide service to the Property.

NOW THEREFORE, for and in consideration of the premises and the mutual promise,
covenants, and agreements set forth in this Agreement, the parties agree as follows:

SECTION 1.

THE PROPERTY, INFRASTRUCTURE AND CUSTOMERS

1. Property: The Property to which this Agreement pertains includes approximately
acres as described in "Exhibit "A".
2. Infrastructure: The infrastructure to be included in this transfer is described in Exhibit "B".
3. Customers: The addresses of the current customers of the Retail Public Utility's

water service customers who will become City water service customers are listed in Exhibit "C". As shown on Exhibit "C" the transfer consists of 28 number of service connections.

SECTION 2 TRANSFER OF CCN RIGHTS

1. The Retail Public Utility agrees to release its CCN within the Property with infrastructure and customers to City and City agrees to provide water service to customers within the Property and accept the infrastructure within the Property for maintenance in exchange for \$ 1,000 .00 per service unit. The total sum to be paid by City to the Retail Public Utility shall be \$ 28,000 .00 (total number of service units per price per service unit). The parties mutually agree that such consideration is legally sufficient to compensate the Retail Public Utility for release of the CCN, infrastructure and customers. Payment of the sum shall be due 10 days after TPUC approves the transfer of CCN as described in Section 3 herein.
2. It shall be the responsibility of the City to obtain whatever approvals as are necessary from the TPUC to effectuate the release of the CCN; provided, however the Retail Public Utility shall cooperate with the City to obtain any such approval, and shall execute any documents reasonably necessary to do so.
3. The City shall provide retail water service to the Property and Retail Public Utility shall disconnect from the Property within a reasonable time as mutually negotiated as soon as City provides written notice it is able to serve the area. The Retail Public Utility's disconnection and City's connection shall be coordinated to cause no interruption of service to the customers.
4. Within five days of the date City provides written notice it is able to serve the area the Retail Public Utility agrees to provide:
 - a. an updated customer list, to supplement Exhibit "C"; and
 - b. all membership fee deposits or deposits to guarantee payment for services collected and copies of all receipts for such deposits.
5. City accepts responsibility for refunding all membership fee deposits in the regular course of business: i.e. transfer of service, to all former customers of the Retail Public Utility who are currently being served through a meter.

SECTION 3. TPUC APPROVAL

1. TPUC approval. Pursuant to Texas Water Code Section 13.255:
 - a. this Agreement shall be filed by the City with the TPUC.; and
 - b. Upon receipt of this Agreement the TPUC shall incorporate the terms of the agreement into the certificate of convenience and necessity and remove the Property from Utility Provider's CCN.

2. **Payment.** Payment shall be made by City of the sum due the Utility Provider within ten days of completion of Utility Provider's disconnection and City's connection of water service to the Property and Utility Provider's transfer of all membership fee deposits or deposits to guarantee payment for services collected and copies of all receipts for such deposits.

3. **Term.** This Agreement shall be effective for 180 days after its execution by the parties; provided, however, that once the executed Agreement is submitted to the TPUC as provided above, it shall remain effective until final resolution is made by the TPUC.

SECTION 4. COVENANTS TO BE PERFORMED

1. Subject to obtaining all necessary approvals and consents of the TPUC to carry out the transfers contemplated by this Agreement, and subject to compliance with all terms and conditions of this Agreement, including without limitation payment of all sums owed to the Public Utility Provider by the City according to the terms set forth herein, the City is authorized to provide retail water service to each area acquired herein immediately upon the conveyance of the CCN becoming effective.

2. City shall be responsible for completing all necessary steps required by the TCEQ for the CCN transfer; provided, however, the Public Utility Provider shall cooperate with City to obtain such transfer, and shall execute any documents reasonably necessary to do so.

3. The Public Utility Provider covenants that there are no liens held by USDARD, or TWDB or otherwise, the release of which may be required to effectuate the transfer of the Public Utility Provider's CCN.

SECTION 5. MISCELLANEOUS

The following miscellaneous provisions are made part of this Agreement:

1. **Additional Instruments.** City and Public Utility Provider agree and covenant to cooperate, negotiate in good faith, and to execute such other and further instruments and documents as may be reasonably required to fulfill the purposes provided for and included within this Agreement.

2. **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

3. **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Fort Bend County, Texas. Venue for any action arising under this Agreement

shall lie in the state district courts of Fort Bend County, Texas.

4. **Assignment.** The parties understand and agree that this Agreement is not assignable without the other party's written consent.
5. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.
6. **Construction.** The Parties acknowledge that the Parties and their counsel have reviewed and revised the Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Agreement.
7. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written agreement between the Parties that, in any manner, relates to the subject matter of this Agreement, except as provided for in any Exhibits attached hereto or duly approved amendments to this Agreement, as approved by the City Council of the City of Rosenberg, Texas.
8. **Exhibits and Attachments.** All Exhibits and Attachments referenced in this Agreement are attached hereto and incorporated herein for all purposes. Exhibits to this Agreement are as follows:

Exhibit A "The Real Property"
Exhibit B "Infrastructure to be transferred"
Exhibit C "Customer List"
9. **Gender.** The gender of the wording throughout this Agreement shall always be interpreted to mean either sex, and where the context requires, the plural of any word shall include the singular.
10. **Mutual Assistance.** City and Public Utility Provider will do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

11. **Notices.** Any notice, statement and/or communication required and/or permitted to be delivered hereunder shall be in writing and shall be mailed by first-class mail, postage prepaid, or delivered by hand, by messenger, by facsimile, or by reputable overnight carrier, and shall be deemed delivered when received at the addresses of the Parties set forth below, or at such other address furnished in writing to the other Party thereto:

Attn: Jeffrey Mahan

Phone 832-496-5512

Email: Jeff_Mahan@sbcglobal.net

WITH COPY TO:

Attn: _____

Phone _____

Email: _____

City: City Manager
 City of Rosenberg
 P.O. Box 32
 Rosenberg, TX 77471
 Phone: (832) 832-3310
 Fax: (832) 595-3333

12. **Severability.** In the event any provision of this Agreement is illegal, invalid, or unenforceable under the present or future laws, then, and in that event, it is the intention of the Parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the Parties to this Agreement that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable a provision be added to this Agreement which is legal, valid and enforceability and is a similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

The remainder of this page is intentionally blank and the signature pages follow.

Executed in duplicate on this 28 day of March, 2018.

SOUTHWEST ENVIRONMENTAL RESOURCES

By: *Jeffrey Mahan*
Printed Name: Jeffrey Mahan
Title: Owner

ATTEST:

Cecilia Buchanan
Printed Name: Cecilia Buchanan
Title: _____



CITY OF ROSENBERG

By: *John Maresh*
John Maresh, City Manager

^{to}
APPROVE AS FORM

By: *Cynthia Sullivan*
Assistant, City Secretary

By: *Cynthia Amore*
DNRB&Z City Attorney

**PARK PLACE SOUTHWEST SECTION 1
18 LOTS 5 BLOCKS 0 RESERVES**

A SUBDIVISION OF 40.0000 ACRES OF LAND
OUT OF A CALLED 180 AND MORE TRACTS OF LAND
IN THE S. B. PLATON'S SUBDIVISION, ABSTRACT 242,
AND THE CLARK'S TRACT, ABSTRACT 244,
TOWN 36S, RANGE 10E, COUNTY 10A,
STATE OF TEXAS.

SAY 180 AND MORE TRACTS OF LAND BEING DESCRIBED
IN PLATON'S TRACTS BEING DESCRIBED IN ABSTRACT 242, RANGE 10E, COUNTY 10A,
STATE OF TEXAS, BEING TRACTS OF LAND BEING DESCRIBED IN THE S. B. PLATON'S SUBDIVISION, ABSTRACT 242,
AND IN THE CLARK'S TRACT, ABSTRACT 244,
TOWN 36S, RANGE 10E, COUNTY 10A,
STATE OF TEXAS.

AUGUST 1, 1912

CERTIFICATE

CERTIFICATE DATA	
SECTION	TRACT
18	242
19	242
20	242
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100	242

NOTARY

My commission expires _____

Notary Public

EXHIBIT B
INFRASTRUCTURE TO BE TRANSFERRED

2,500 feet of 3" and 4" PVC water pipe

Meters and boxes

4 cutoff valves

1 6" water well with 5 HP pump and motor

1 Liquid chlorinator

1 Polyphosphate liquid injection pump

EXHIBIT C
CUSTOMER LIST

EXHIBIT C
CUSTOMER LIST

	Customer Name	Address	Deposit amount
1	Larry Wright	3002 Pisces Richmond, Texas 77469	No deposit
2	Alfred Valdez	5711 Libra Richmond, Texas 77469	No deposit
3	Mike Valdez	5703 Libra Richmond, Texas 77469	No deposit
4	Ramiro Centeno	2903 Pisces Richmond, Texas 77469	No deposit
5	Mark Roskey Gail Turner	3010 Pisces Richmond, Texas 77469	\$50.00
6	Linda Torrez Delfina Torrez	3019 Pisces Richmond, Texas 77469	No deposit
7	Alvaro Centeno	2902 Pisces Richmond, Texas 77469	No deposit
8	Reyna Childress	3003 Pisces Richmond, Texas 77469	No deposit
9	Marison Vela	2718 Pisces Richmond, Texas 77469	No deposit
10	Sergio Guzman	2810 Pisces Richmond, Texas 77469	No deposit
11	Christopher Torres	2927 Pisces Richmond, Texas 77469	No deposit
12	Cindy Castor	2911 Pisces Richmond, Texas 77469	No deposit
13	Olga Olsovsky	2919 Pisces Richmond, Texas 77469	No deposit
14	Adam King	5610 Aquarius Richmond, Texas 77469	No deposit
15	Joe Cano	2918 Pisces Richmond, Texas 77469	No deposit
16	Richard Olsousky	2811 Pisces Richmond, Texas 77469	No deposit
17	Jonathan Silva	2814 Pisces Richmond, Texas 77469	No deposit
18	Guadalupe Hernandez	2710 Pisces Richmond, Texas 77469	\$50.00
19	August Silva	5702 Aquarius Richmond, Texas 77469	\$50.00
20	Chuck Hale	2802 Pisces Richmond, Texas 77469	No deposit

21	Maria Marquez	5611 Aquarius Richmond, Texas 77469	No deposit
22	Juan Baez	3011 Pisces Richmond, Texas 77469	No deposit
23	Howard Stienett	2926 Pisces Richmond, Texas 77469	No deposit
24	Peggy Farley	2815 Pisces Richmond, Texas 77469	\$50.00
25	Sonia Medellin	2910 Pisces Richmond, Texas 77469	No deposit
26	Vacant	2807 Pisces Richmond, Texas 77469	No deposit
27	Vacant	2702 Pisces Richmond, Texas 77469	No deposit
28	Vacant	5710 Libra Richmond, Texas 77469	No deposit

Monthly Billing Rates

In response to question 15. A.

7-11-18

PUC Application for Sale, Transfer, or Merger of a Retail Public Utility

City of Rosenberg

Question #32

Water Rate Comparison – based on average monthly residential use of 7,500 gallons

Southwest Water Resources – rate tariff

Monthly minimum charge -	\$25.00
\$2.00 per 1,000 gallons -	$\$2.00 \times 7.5 = \15.00
Total Bill	\$40.00

City of Rosenberg Rate Schedule

Monthly minimum charge, including

First 2,000 gallons	\$10.28
\$2.50 per 1,000 gallons -	$\$2.50 \times 5.5 = \13.75
GRP fee \$2.20 per 1,000 gallons -	$\$2.20 \times 7.5 = \16.50
Total Bill	\$40.53