



## Filing Receipt

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<b>APPLICATION OF THE TOWN</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>OF LAKESIDE AND THE CITY</b>	<b>§</b>	
<b>OF FORT WORTH FOR SALE,</b>	<b>§</b>	<b>OF TEXAS</b>
<b>TRANSFER, OR MERGER OF</b>	<b>§</b>	
<b>FACILITIES AND CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS IN TARRANT COUNTY</b>	<b>§</b>	

**THE CITY OF FORT WORTH’S DECEMBER UPDATE  
AND MOTION FOR EXTENSION**

**TO:** Honorable Jeffrey J. Huhn, Administrative Law Judge, Public Utility Commission of Texas.

COMES NOW, the City of Fort Worth, by and through its counsel, and respectfully files “The City of Fort Worth’s December Update and Motion for Extension.”

**I. BACKGROUND**

On October 23, 2021, the Town of Lakeside (Lakeside) and the City of Fort Worth (City) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Tarrant County (Transaction). On June 27, 2022, the ALJ signed Order No. 10, admitting the evidence submitted by the parties to this proceeding. On June 30, 2022, the ALJ signed Order No. 11 approving the sale and allowing the Transaction to proceed. Under 16 TEX. ADMIN. CODE § 24.239(m), the Transaction must be completed within 180 days after the date of the order allowing the Transaction to proceed. If the Transaction is not complete within that 180-day period, the approval becomes void unless an extension is approved by the Commission. *Id.* For the reasons stated below, completion of the Transaction within the 180-day period is not feasible. Therefore, the City respectfully submits the following motion for an extension beyond the initial 180-day period. The City also requests that this motion be considered its December update for purposes of Order No. 11.

## **II. THE CITY OF FORT WORTH'S UPDATE AND MOTION FOR EXTENSION**

The City is working diligently to complete the Transaction at issue in this proceeding. Specifically, and as described in its monthly updates, the City is acquiring the easements necessary for the construction of the infrastructure that is needed to provide service to customers in each of the respective parcels. *See* Exhibit “A” attached hereto for a map of the parcels. This is required before completion of the Transaction because the City is committed to providing continuous and adequate service to all of its customers, as prescribed by TEX. WATER CODE § 13.250 and 16 TEX. ADMIN. CODE § 24.225.

The City is unable to provide continuous and adequate service to the current customers using the existing infrastructure because the lines are not sized with enough capacity to provide fire protection, and were built in the 1940's and are in poor condition due to their age. Specifically, the existing lines are 3/4 of an inch in diameter as opposed to the six (6) or eight (8) inches needed to provide adequate fire protection. Exhibit “B” contains a photograph depicting the condition of a portion of the existing lines. The lines in Exhibit “B” are severely corroded galvanized steel with voids that penetrate their outer walls. Internal rust deposits, also known as tuberculation, can also be seen inside the lines. The City believes that the condition of the lines in Exhibit “B” is representative of the rest of the existing infrastructure. The City disclosed its intention to replace the existing infrastructure in its application, and this fact was acknowledged by the previous ALJ. *See* “Application of the Town of Lakeside and the City of Fort Worth”, pgs. 6-8. and “Order No. 11 Approving Sale and Transfer to Proceed,” pg. 4.

Prior to this Transaction, the City completed construction of water lines associated with Parcel 5. These lines currently serve areas not at issue in this Transaction, but will provide water to Parcel 5 in the future. The design and construction process for the rest of the infrastructure needed for Parcel

5 – in the areas containing the existing infrastructure to be replaced – has been slowed due to easement acquisition delays and work by TxDOT along Highway 199. These same delays also impact Parcel 4. Infrastructure needed for Parcels 4 and 5 must be located within the right of way and along State Highway 199. The easement acquisition process for these areas is ongoing. In its previous updates, the City incorrectly believed that it had acquired ten (10) of the twelve (12) easements. In actuality, the City acquired six (6) of the twelve (12) easements needed to build the new infrastructure depicted in Exhibit “A”. This fact was only recently discovered. The City expects to obtain four (4) of the remaining easements by early February, 2023. Acquisition of the final two (2) easements has been delayed due to difficulties involving a living trust and a deceased property owner. Due to the potential delay in obtaining the final two (2) easements, the City is exploring an alternative alignment within the highway right of way.

A contract to complete design of new lines within the easements being acquired in Parcels 4 and 5 was signed in April of 2020. Construction of the lines was also planned in spring of 2022. However, in addition to the aforementioned easement acquisition delays, design and construction of the new water lines in Parcels 4 and 5 has been delayed due to TxDOT’s project to expand State Highway 199 and its applicable right of way. The City was unaware that work on this project was scheduled at the same time as the Transaction, and TxDOT’s own project delays, in addition to some unusual commercial land uses, have hindered the City’s ability to design water lines within the right of way. The City is coordinating with TxDOT while the agency works to widen the highway and build new frontage roads. TxDOT believes it has a path forward that will allow the City to complete its design and move forward with advertisement in the summer of 2023 and begin construction in the spring of 2024.



Finally, the City is working on an agreement with Lakeside that would establish an effective date for the Transaction. This agreement is needed because the “Compromise Settlement Agreement and Release of All Claims” (“Settlement Agreement”) does not establish an effective date for the Transaction. *See* “Application of The Town of Lakeside and the City of Fort Worth”, PDF pgs. 23-31. The City will continue to update the Commission as this agreement is finalized.

For these reasons, the City respectfully requests an additional two (2) years to ensure that the Transaction is completed at a time when the City is able to provide continuous and adequate service to existing customers within the parcels. The City also requests that this motion be considered its December update for purposes of Order No. 11.

Respectfully submitted,

A handwritten signature in black ink that reads "Christopher Mullins". The signature is written in a cursive style and is positioned above a horizontal line.

**Christopher Mullins**

Assistant City Attorney

State Bar No. 24105679

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**City of Fort Worth**

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## CERTIFICATE OF SERVICE

I certify that on the 20th day of December, 2022, a true and correct copy of the foregoing “The City of Fort Worth’s December Update and Motion for Extension” was delivered to the individuals listed below by the method indicated.

Honorable Jeffrey J. Huhn, Administrative Law Judge  
Public Utility Commission of Texas  
P.O. Box 13326  
Austin, Texas 78711-3326  
**Via Electronic Filing**

Mildred Anaele  
Public Utility Commission of Texas  
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Austin, Texas 78711-3326  
Mildred.Anaele@puc.texas.gov  
**Via Electronic Mail**

  
Christopher Mullins

EXHIBIT "A"

Parcel 4

Parcel 3

Parcel 5

CITY OF FORT WORTH

Lakeside

SOMMERVILLE PLACE

HOOD

EASTLAND

MIDLAND

ELLA YOUNG

LUPINE

Lake Worth

West Fork Trinity River

- Transfer\_S**
- NOT\_Transferred
  - No Account with Lakeside or CFW
  - Transferred
  - Vacant
  - Dual\_CCN\_Parcel\_3
  - Transfer\_Parcels\_4\_5
  - All Water Mains
  - AsDesigned
  - AsDesigned Abandonment
  - Adjacent City
  - CFW City Limit

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Lakeside CCN Transfer for  
Parcels 3-4-5  
July 2022





EXHIBIT "B"

