



Filing Receipt

Filing Date - 2024-06-27 07:05:42 PM

Control Number - 56608

Item Number - 5

DOCKET NO. 56608

APPLICATION OF HENRY M. GARZA	§	PUBLIC UTILITY COMMISSION
DBA CIELO AZUL RANCH PUBLIC	§	
WATER SYSTEM AND CIELO AZUL	§	
AGUA LLC FOR SALE, TRANSFER,	§	OF TEXAS
OR MERGER OF FACILITIES AND	§	
CERTIFICATE RIGHTS IN HAYS		
COUNTY		

RESPONSE TO REQUEST FOR CLARIFICATION

Daniel L. Garza, Executor of the Estate of Henry M. Garza (deceased), (“Garza Estate”) and Cielo Azul Agua LLC, (“Cielo Azul”), (together, the “Applicants”) submit this Response to Order No. 2 filed on June 17, 2024, requiring Applicants to file a response clarifying certain information filed with the Commission in the Application of Henry M. Garza dba Cielo Azul Ranch Public Water System and Cielo Azul Agua LLC for Sale, Transfer, or Merger for Facilities and Certificate Rights in Hays County (the “Application”), by June 28, 2024. Therefore, this pleading is timely filed.

I. RESPONSE

On June 17, 2024, the administrative law judge (“ALJ”) filed Order No. 2 requesting Applicants: (1) clarify who owns the Cielo Azul Ranch public water system; (2) clarify the transferee in the Application; and (3) provide corrected oaths for the transferor and transferee.

1. **Owner of Cielo Azul Ranch Public Water System:** The Cielo Azul Ranch Public Water System, identification No. 1050034, (the “Water System”) was owned and operated by Henry M. Garza as a sole proprietorship under dba Cielo Azul Ranch until his death in May 2020; ownership of the Water System has NOT been transferred from Mr. Henry M. Garza’s estate and remains in the name of Henry M. Garza as a sole proprietorship under

dba Cielo Azul Ranch. The intent behind Applicant's filing of the Application is to transfer the Water System out of Mr. Henry M. Garza's estate. Daniel Garza, Executor of the Estate of Henry M. Garza and Successor Trustee of The Garza Management Trust of 1994, has been managing the operations of the Water System since the death of Mr. Henry M. Garza. The entity "Cielo Azul Ranch Water System Company" was formed by Daniel Garza in December of 2023 but has no ownership in the Water System and is not an intended transferee of the Water System; as such, Applicants disagree with Staff's request to restyle the docket.

2. **Transferee of Cielo Azul Ranch Public Water System:** As described in the Application, the transferee of the Water System is Cielo Azul Agua LLC, a Texas limited liability company. The Garza Management Trust of 1994 trustee Daniel Garza (the "Trust") is the sole managing member of Cielo Azul Agua LLC. As the sole managing member of Cielo Azul, the Trust will maintain operation of the Water System as it has done so since the death of Henry M. Garza.

3. **Revised Oaths.** Revised Oaths consistent with the above are attached.

Dated: June 27, 2024

Respectfully submitted on behalf of
Applicants

By: /s/ Gregory M Klipp
Gregory M. Klipp
State Bar No. 24070065
The Jones Law Firm PC
3724 Jefferson Street; Suite 310
Austin, Texas 78731
(512) 651-5401
(866) 511-5961 (fax)

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on June 26, 2024, in accordance with the Second Order Suspending Rules, issued in Project No. 50664.

/s/ Gregory Klipp
Gregory Klipp

Oath for Transferee (Acquiring Entity)

STATE OF CONNECTICUT

COUNTY OF HARTFORD

I, Daniel Garza

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

being duly sworn, file this application for sale, transfer,
Successor Trustee of The Garza Management Trust of 1994, Managing
Member of Cielo Azul Aqua, LLC

(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 § 24.239 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.

Daniel Garza, Successor

AFFIANT

(Utility's Authorized Representative)

Daniel Garza, Successor Trustee of
The Garza Management Trust of 1994
Managing Member of Cielo Azul
Aqua, LLC

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~~ Connecticut
this day the 20 of JUNE, 2024

SEAL

Lauren Marie Brignolo
NOTARY PUBLIC IN AND FOR THE
STATE OF ~~TEXAS~~ Connecticut

PRINT OR TYPE NAME OF NOTARY

My commission expires:

LAUREN MARIE BRIGNOLO

Notary Public, State of Connecticut
My Commission Expires Jan. 31, 2026

Oath for Transferor (Transferring Entity)

STATE OF CONNECTICUT

COUNTY OF HARTFORD

I, Daniel Garza being duly sworn, file this application for sale, transfer,

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

Executor of the Estate of Henry M. Garza

(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(j) 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).

Daniel Garza, Executor

AFFIANT - Daniel Garza, Executor of the Estate of Henry M. Garza

(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 Connecticut
this day the 20 of JUNE, 2024

SEAL

Lauren Marie Brignolo
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS Connecticut

PRINT OR TYPE NAME OF NOTARY

LAUREN MARIE BRIGNOLO

Notary Public, State of Connecticut

My Commission Expires Jan. 31, 2026

My commission expires: