

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

August 7, 2019

IN RE:)	
)	
PETITION OF RECEIVERSHIP MANAGEMENT,)	
INC., SOLELY IN ITS CAPACITY AS RECEIVER)	DOCKET NO. 17-00098
OF THE LAUREL HILLS WATER SYSTEM)	
IN RECEIVERSHIP FOR A PROVISIONAL)	
CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY)	

AGREED ORDER DISMISSING *PETITION* AND CLOSING DOCKET

Come now the undersigned parties in this matter, Receivership Management, Inc., ("RMI"), the court-appointed Receiver of the Laurel Hills Water System ("LHWS"), the Consumer Advocate Unit of the Financial Division of the Office of the Attorney General ("Consumer Advocate"), by and through the parties' respective undersigned counsel, along with parties in interest in related matters concerning the LHWS, the Tennessee Public Utility Commission ("TPUC" or "Commission") Staff acting as Party ("Party Staff"), and Moy Toy, LLC ("Moy Toy"), by and through the respective undersigned counsel of the parties in interest, and submit this Agreed Order in order to dismiss the *Petition for Grant of Provisional Certificate of Public Convenience and Necessity* ("Petition"), filed by RMI as Receiver of the LHWS, with prejudice and closing the docket. In support of this Agreed Order, the parties would show as follows:

1. On September 12, 2017, RMI, as Receiver of the LHWS, filed a *Petition* seeking a Provisional Certificate of Public Convenience and Necessity (“CCN”) to operate the LHWS on Renegade Mountain in Cumberland County, Tennessee.¹

2. The Consumer Advocate was allowed to intervene by order of the Hearing Officer entered on November 9, 2019.²

3. The parties to this docket, along with other interested parties, including, Laurel Hills Condominiums Property Association (“LHCPOA”), Moy Toy, LLC (“Moy Toy”), Crab Orchard Utility District (“COUD”) and Terra Mountain Holdings, LLC (“Terra Mountain”)³ engaged in settlement discussions⁴ to resolve all matters relative to LHWS.⁵ Those discussions resulted in the Global Settlement Agreement (“GSA”) approved by the Commission and entered by the parties in interest.⁶

4. The parties have engaged to carry out the terms of the GSA, substantially completing the requirements of the GSA. As evidence thereof, the *Request for Closure of*

¹ *Petition* (September 12, 2017).

² It is also noted that the Renegade Mountain Community Club (“RMCC”) was allowed to intervene by order entered by the Hearing Officer on November 9, 2017. Subsequently, RMCC withdrew from this docket due to appellate court litigation in *Haiser, et al. v. McClung, et al.*, Tenn. Court of Appeals Case No. E2017-00741-COA-R3-CV, raising issues concerning the authority of RMCC to intervene and participate in the docket.

³ Prior to submission of the GSA to TPUC for approval, Terra Mountain sold property constituting its interest in the matters to Michael C. Buford, who entered into the GSA instead of Terra Mountain.

⁴ It is also noted that Renegade Mountain Community Club was included in negotiations of the Global Settlement Agreement until the opinion of the Tennessee Court of Appeals in *Gary Haiser et al. v. Michael McClung et al.*, 2018 WL 4150877 (2018), which was filed on August 29, 2018 vacated the Board of said entity.

⁵ See *In re: Petition of Laurel Hills Condominiums Property Owners Association For a Certificate of Public Convenience and Necessity*, Docket No. 12-00030; *In re: Show Cause Proceeding Against Laurel Hills Condominiums Property Owners Association for Alleged Violations of Tenn. Code Ann. §§ 65-4-201, 65-4-3019(a), 65-5-102, 65-4-101 and/or 65-4-103, and 65-4-115*, Docket No. 12-00077; *In re: Show Cause Proceeding Against Moy Toy, LLC for Violations of Statutes and Rules Regulating Water Utilities*, Docket No. 15-00118; *Tenn. Pub. Utility Comm’n. v. Laurel Hills Condominiums Owners Ass’n*, Cumberland County Chancery Court Case No. 2012-CH-560; and, *Laurel Hills Water System, in Receivership, by and through its Court-Appointed Receiver, Receivership Management, Inc. v. Moy Toy, LLC and Terra Mountain Holdings, LLC*, Cumberland County Circuit Court Case No. CC1-2016-CV-6201.

⁶ See *In re: Petition of Laurel Hills Condominiums Property Owners Association for a Certificate of Public Convenience and Necessity*, Docket No. 12-00030, *Order Approving and Authorizing Entry of Settlement Agreement* (March 6, 2019).

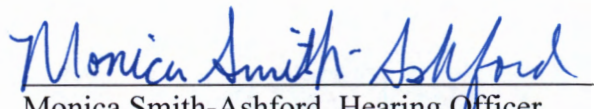
Docket, filed by Party Staff in Docket No. 12-00030 is incorporated herein by reference as if stated verbatim herein.⁷

5. The terms of the GSA require closure of this docket, dismissing the *Petition* with prejudice.⁸

6. Ownership and operation of the LHWS has been transferred to COUD.⁹ COUD commenced operation of the LHWS on July 1, 2019. Though the discharge of RMI as Receiver of the LHWS by the Cumberland County Chancery Court has not yet been completed, RMI, having executed the required documents to transfer ownership of the LHWS to COUD, no longer has an ownership interest in the LHWS.

Based upon the foregoing, the Hearing Officer finds that the *Petition* filed by RMI, in its capacity as Receiver of the LHWS, is now moot inasmuch as ownership of the LHWS has been transferred to COUD. Therefore, it is appropriate to dismiss the *Petition* with prejudice, in accordance with the terms of the Global Settlement Agreement.

IT IS THEREFORE ORDERED that the terms and provisions of the Global Settlement Agreement, as they relate to this action and the dismissal thereof, are hereby incorporated by reference as if stated herein verbatim, that the *Petition for Grant of Provisional Certificate of Public Convenience and Necessity* be dismissed with prejudice, and this docket closed.

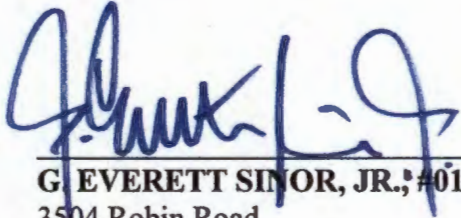

Monica Smith-Ashford, Hearing Officer

⁷ See *In re: Petition of Laurel Hills Condominiums Property Owners Association for a Certificate of Public Convenience and Necessity*, Docket No. 12-00030, *Request for Closure of Docket* (July 31, 2019).

⁸ *Id.* at Exh. A, ¶F.2.

⁹ *Id.* at Exh. F.

APPROVED FOR ENTRY:



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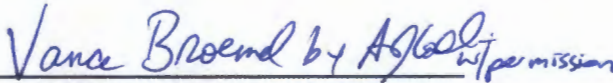


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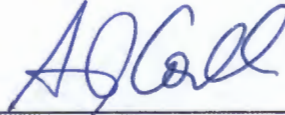
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing order has been served upon the parties hereto and the other persons listed below, at:

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via the United States Mail, postage prepaid and via electronic mail, this 7th day of August, 2019.



Aaron J. Conklin