

INTERVENTION  
ORIGINAL



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BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF  
MONTEZUMA ESTATES PROPERTY OWNERS'  
ASSOCIATION dba MONTEZUMA ESTATES  
WATER COMPANY FOR APPROVAL OF THE  
SALE OF ASSETS AND TRANSFER OF ITS  
CERTIFICATE OF CONVENIENCE AND  
NECESSITY.

W-04254A-04-0270

DOCKET NO. W-02064A-04-0270

DOCKET NO. ~~W-04254A-04-0270~~

MOTION TO INTERVENE

Comes now Richard Rink, a property owner in Lake Montezuma Estates Units 1 and 2 and hereby files this Motion to Intervene in the above matter.

Arizona Corporation Commission

Intervenor's name and address is:

DOCKETED

JUN 14 2004

Richard Rink  
6601 N Mountain View Drive  
Paradise Valley, AZ 85253  
602-840-8052.

DOCKETED BY	<i>CR</i>
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The attorney for the Montezuma Estates Property Owners' Association is:

Douglas C. Fitzpatrick  
49 Bell Rock Plaza  
Suite A  
Sedona, AZ 86351  
928-284-2190

RECEIVED  
2004 JUN 14 A 10:47  
AZ CORP COMMISSION  
DOCUMENT CONTROL

The transferee is:

Montezuma Rimrock Water Company LLC  
PO Box 10  
Rimrock, AZ 86335-0010103  
623-979-5777

I am a property owner in the area that is serviced by the utility which is seeking approval of a transfer of its assets. Further in late 1988 or early 1989 I was advised that the proposed transferor herein was very short of money and for each \$300 paid would provide a hookup for water service to any owned lot in Unit 1 of Lake Montezuma Estates when that lot was either sold or built upon. After payment four certificates were issued to me and my wife. A copy of one of those certificates is attached hereto as Exhibit "A". In 2002 I was advised that the Utilities Division of the Corporation Commission had determined this was an illegal agreement and could not be honored. In November of 2003 I wrote to the Utilities Division seeking to ascertain if that was true.

A copy of that letter is attached as exhibit "B". Recently I have been told that the Division has no record of that letter.

If my agreement is not carried out I plan to file a lawsuit. For that reason I am interested in what funds are being transferred and what obligations of the transferor are being assumed by the transferee, if any. The form, provided by the Arizona Corporation Commission in this type of case, page 3, Item S (l.) requires the attachment of a "copy of bill of sale, purchase contract or other instrument which conveys the assets to the transferee." When I purchased a copy of the file no such document was there. In order for me to properly evaluate my position I need that document. I was advised by one person it was not yet completed. Another advised me it had been supplied to the Commission.

Some issues which I believe should be covered include:

1. What is the ability of the potential buyer to carry out its financial obligations? I have been told that the purchase price is \$100,000.00 cash. What is the source of those funds?
2. Was there a possible conflict of interest in negotiating the sales Agreement?
3. Does the transferor have title to the property purported to be sold?
4. If an "Application" does not contain the required documents, can it be acted upon?

I certify that a copy of this Motion to Intervene has been mailed to the Attorney and Transferee listed above.

Respectfully submitted,

  
Richard Rink



MONTEZUMA ESTATES PROPERTY OWNERS ASSOCIATION

Jan. 31, 1989

This certificate is binding upon the Montezuma Estates Property Owners Association to honor your payment of \$300.00 for availability of water to your lot, Unit I Lot # \_\_\_\_\_, in Montezuma Estates when you build and/or sell your lot.

*Billy D. Couch*

BILLY D. COUCH, PRESIDENT  
MEPOA BOARD OF DIRECTORS

*Betty B. Hall*

BETTY B. HALL, SECRETARY  
MEPOA BOARD OF DIRECTORS

**Norine Rink**  
**6601 N Mountain View Drive**  
**Paradise Valley, AZ 85253**  
**November 17, 2003**

Ernest G Johnson, Esq  
Director Utilities Division  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, AZ 85007

Re Montezuma Estates Property  
Owners Association  
W-2064 (1)

Dear Mr. Johnson:

This question may be premature, however I was in your office recently and a member of your staff indicated that I should write and ask you. So here goes.

A number of years ago, in fact in 1988, I was advised that the Montezuma Estates Property Owners Association was in financial trouble and was seeking money. In return for \$300.00 it would agree to provide a water hook up to any lot in Unit One. My wife and I owned a total of 4 lots in Unit One so we paid \$300.00 each or \$1,200.00. In return we were provided with 4 certificates, a copy of one is enclosed. At the time it was my understanding that that payment meant that, without any other charge I could have water at any lot I owned in Unit One.

It was possibly a year ago or more, when I was in the area, I asked about getting a hookup and was advised that the Corporation Commission had determined that this was an illegal agreement and the Association would not recognize it. Can you tell me if that is true?

Incidentally those of your staff that talked to me were not only very helpful but were also very friendly. You are lucky to have them.

Very truly yours,

Richard Rink  
602-840-8052

*Exhibit A*