

NEW APPLICATION  
ORIGINAL



0000018933

Santa Rosa Water Company

9532 E. Riggs Road  
Sun Lakes, AZ 85248

Arizona Corporation Commission

DOCKETED

APR 18 2005

DOCKETED BY 

April 14, 2005

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007

AZ CORP COMMISSION  
DOCUMENT CONTROL

2005 APR 18 A 10: 07

RECEIVED

W-04137A-05-0286

Re: **Docket No. W-04137A-05**  
**Application to Extend Water Certificate of Convenience and**  
**Necessity (CC&N)**

Dear Sir or Madam:

Santa Rosa Water Company (SRWC or Company) was granted a water CC&N by the Arizona Corporation Commission on March 20, 2003 in Decision No. 65753. The CC&N was granted so SRWC could provide water service to a proposed 3,536 acre development in Pinal County. Utilities affiliated with SRWC through overlapping principals and management provide water and wastewater service to approximately 30,000 customers in Arizona.

The developer of the property has nearly 473 additional acres adjacent to the original 3,536 acres that it will also develop and has requested water service for the additional property from SRWC. This application by SRWC is to extend its water CC&N to provide water service to the nearly 473 additional acres that are adjacent to its existing CC&N.

The two properties are a Planned Area Development consisting of 17,144 dwelling units, a golf course, open spaces, 209 acres of commercial space, 64 acres for office complexes, and 120 acres of business parks.

SRWC is not currently in operation. However, SRWC is in the process of developing its Water Master Plan to serve the development. The majority of the nearly 473 additional acres for which the Company is seeking to extend its water CC&N is in the first phase of the development. Service to the development should commence in 2006. It serves the public interest for the Arizona Corporation Commission to grant the extension to the water CC&N that is requested by SRWC in the application.

Docket Control  
April 13, 2005  
Page 2

SRWC proposes that it charge its current rates and charges to the customers in the extension area.

The water franchise from Pinal County for the extension area has been applied for. Notice of the application will be sent to the owners of the property in the extension area as well as to the owners of the property in the existing area. A copy of the notice is attached in Exhibit 4. A request for service from the property owner in the extension area is attached as Exhibit 5.

An original and 13 copies of the application are submitted.

Sincerely,



Jim Poulos

JP:th

# ARIZONA CORPORATION COMMISSION

## APPLICATION FOR AN EXTENSION OF CERTIFICATE OF CONVENIENCE AND NECESSITY

### WATER AND/OR SEWER

A. The name, address and telephone number of the Applicant is:

Santa Rosa Water Company

9532 E. Riggs Road

Sun Lakes, AZ 85248 (480) 895-4251

B. The name, address and telephone number of management contact is:

Jim Poulos

9532 E. Riggs Rd.

Sun Lakes, AZ 85248 (480) 895-4251

C. List the name, address and telephone number of the operator certified by the Arizona  
Department of Environmental Quality:

David Voorhees

24607 S. Dobson Road

Sun Lakes, AZ 85248 (480) 895-5009

D. List the name, address and telephone number of the attorney for the Applicant:

None

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E. Attach the following documents that apply to you:

1. Certificate of Good Standing (if corporation) See Exhibit 1
2. Corporate Resolution Authorizing this application (if required by the corporation's Articles of Incorporation) Not required

F. Attach a legal description of the area requested by either **CADASTRAL** (quarter section description) or **Metes and Bounds** survey. References to parcels and docket numbers will not be accepted. See Exhibit 2

G. Attach a detailed map using the form provided as attachment B. Shade and outline the area requested. Also indicate the present certificated area by using different colors. See Exhibit 3

H. Attach a current balance sheet and profit and loss statement. N/A. Utility not in operation at this time.

I. Provide the following information:

1. Indicate the estimated number of customers, by class, to be served in the new area in each of the next five years:

**Residential:**

First Year 600 Second Year 1,200 Third Year 1,380 Fourth Year 1,380

Fifth Year 1,380

**Commercial:**

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_ Fourth Year \_\_\_\_\_

Fifth Year \_\_\_\_\_

**Industrial:**

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_ Fourth Year \_\_\_\_\_

Fifth Year \_\_\_\_\_

**Irrigation:**

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_ Fourth Year \_\_\_\_\_

Fifth Year \_\_\_\_\_

Other: (specify)

\_\_\_\_\_  
First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_ Fourth Year \_\_\_\_\_

Fifth Year \_\_\_\_\_

2. (WATER ONLY) Indicate the projected annual water consumption, in gallons, for each of the customer classes in the new area for each of the next five years:

**Residential:**

First Year 78,000,000 Second Year 156,000,000 Third Year 179,000,000

Fourth Year 179,000,000 Fifth Year 179,000,000

**Commercial:**

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_

Fourth Year \_\_\_\_\_ Fifth Year \_\_\_\_\_

**Industrial:**

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_

Fourth Year \_\_\_\_\_ Fifth Year \_\_\_\_\_

**Irrigation:**

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_

Fourth Year \_\_\_\_\_ Fifth Year \_\_\_\_\_

3. Indicate the total estimated annual operating revenue from the new area for each of the next five years:

First Year \$470,000 Second Year \$940,000 Third Year \$1,080,000

Fourth Year \$1,080,000 Fifth Year \$1,080,000

- **Complete Attachment "D" (Water Use Data Sheet) for the past 13 months**  
N/A. Utility not in operation at this time.

4. Indicate the total estimated annual operating expenses attributable to the new area for each of the next five years:

First Year \$445,000 Second Year \$893,000 Third Year \$1,026,000

Fourth Year \$1,026,000 Fifth Year \$1,026,000

J. Total estimated cost to construct utility facilities to serve customers in the requested area:

\$3,800,000

K. Explain method of financing utility facilities (see paragraph 8 of instructions)

Debt and/or Equity - Application for financing

approved to be filed later.

L. Estimated starting and completion date of construction of utility facilities:

Starting date Fall 2005 date Fall 2007 Completion

M. Attach the following permits:

1. Franchise from either the City or County for the area requested. Applied for-to be late filed.
2. Arizona Department of Environmental Quality or designee's approval to construct facilities. Not yet issued
3. Arizona State Land Department approval. (If you are including any State land in your requested area this approval is needed.) N/A
4. U.S. Forest Service approval. (If you are including any U.S. Forest Service land in your requested area this approval is needed.) N/A
5. (WATER ONLY) If the area requested is within an Active Management Area, attach a copy of, either the utility's Designation of an Assured Water Supply, or the developer's Certificate of 100 Year Assured Water Supply issued by the Arizona Department of Water Resources. Not yet issued.
  - If the area requested is outside an Active Management Area, attach the developer's Adequacy Statement issued by the Arizona Department of Water Resources if applied for by the developer.

- If the area requested is outside an Active Management Area and the developer does not obtain an Adequacy Statement, provide sufficient detailed information to prove that adequate water exists to provide water to the area requested.

\_\_\_\_\_  
(Signature of Authorized Representative)

Jim Poulos  
(Print or Type Name Here)

V.P.  
(Title)

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of \_\_\_\_\_, 19\_\_

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires \_\_\_\_\_

# STATE OF ARIZONA



Office of the  
**CORPORATION COMMISSION**

**CERTIFICATE OF GOOD STANDING**

To all to whom these presents shall come, greeting:

I, Brian C. McNeil, Executive Secretary of the Arizona Corporation Commission, do hereby certify that

**\*\*\*SANTA ROSA WATER COMPANY\*\*\***

a domestic corporation organized under the laws of the State of Arizona, did incorporate on July 29, 2002.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 13th Day of April, 2005, A. D.



EXECUTIVE SECRETARY

BY: \_\_\_\_\_

LEGAL DESCRIPTION

Santa Rosa Water Company  
Proposed Addition to CC&N Area

March 29, 2005  
Revised April 14, 2005

PARCEL NO. 1 (Portion of Section 25)

The East Half of the Southeast Quarter of Section 25, Township 5 South, Range 3 East, Gila and Salt River Meridian, Pinal County, Arizona.

EXCEPTING therefrom the North Half of the Northeast Quarter of the Northeast Quarter of the Southeast Quarter of said Section 25.

The above-described parcel contains 3,328,313 square feet or 76.41 acres, more or less.

PARCEL NO. 2 (Portion of Section 25)

The Southwest Quarter of Section 25, Township 5 South, Range 3 East, Gila and Salt River Meridian, Pinal County, Arizona.

The above-described parcel contains 7,524,575 square feet or 172.74 acres, more or less.

PARCEL NO. 3 (Portion of Section 26)

The West Half of the Southeast Quarter and the East Half of the Southwest Quarter of Section 26, Township 5 South, Range 3 East, Gila and Salt River Meridian, Pinal County, Arizona.

The above-described parcel contains 7,352,797 square feet or 168.80 acres, more or less.

PARCEL NO. 4 (Portion of Section 2)

The East 1,084.58 feet of the Northeast Quarter of Section 2, Township 6 South, Range 3 East, Gila and Salt River Meridian, Pinal County, Arizona.

EXCEPTING therefrom the north 1,313.89 feet.

The above-described parcel contains 2,393,937 square feet or 54.96 acres, more or less.

LEGAL DESCRIPTION

Santa Rosa Water Company  
Proposed Addition to CC&N Area (Cont.)

March 29, 2005  
Revised April 14, 2005

PARCEL NO. 5 (Portion of Section 25)

That part of the Southeast Quarter of Section 25, Township 5 South, Range 3 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, more particularly described as follows:

BEGINNING at the South Quarter corner of said Section 25;

THENCE North 00 degrees 34 minutes 53 seconds East, along the North-south midsection line, a distance of 1,580.97 feet;

THENCE South 01 degree 14 minutes 54 seconds East, a distance of 1,584.79 feet, to a point on the South line of said Section 25;

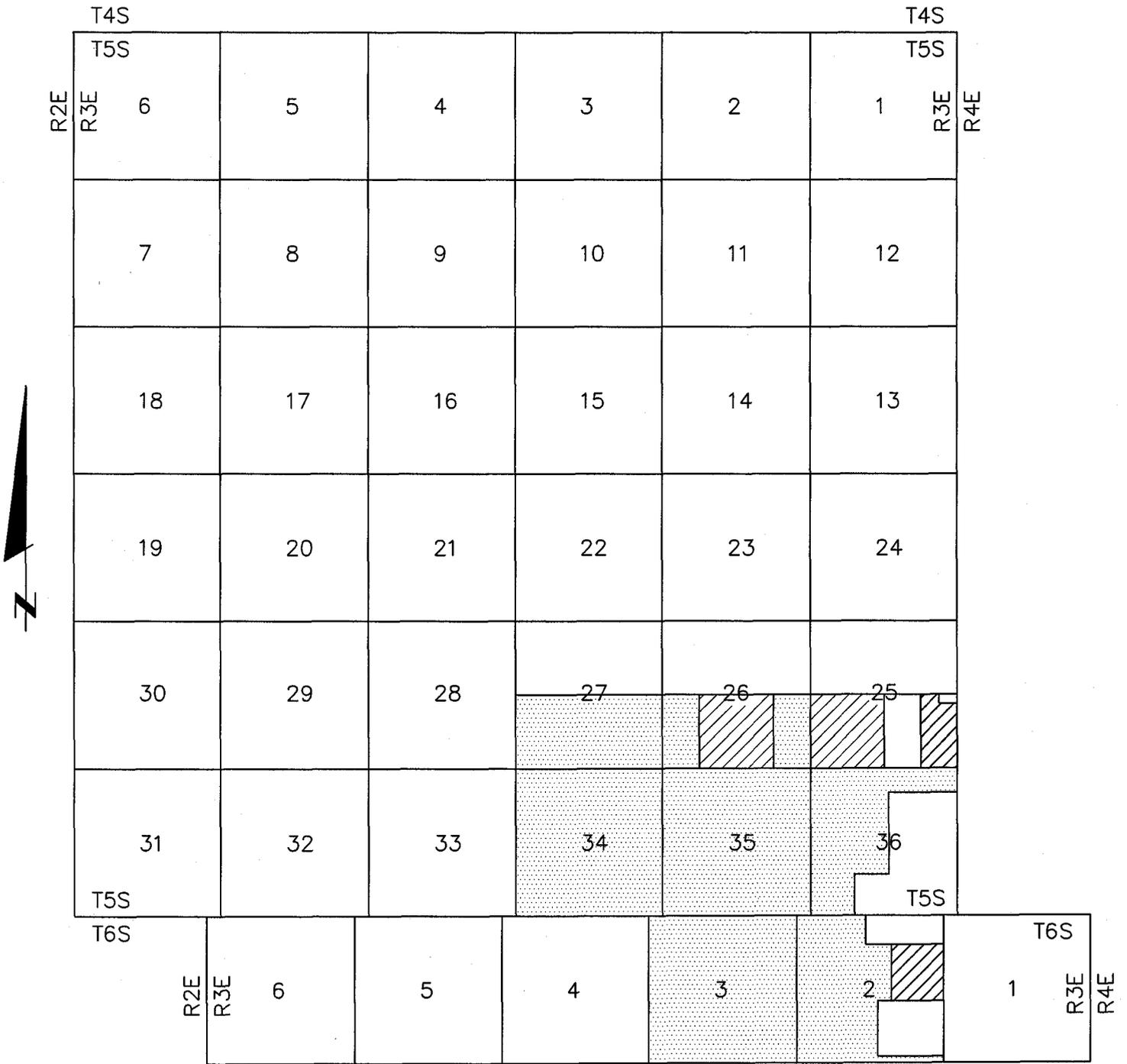
THENCE North 86 degrees 00 minutes 46 seconds West, a distance of 50.69 feet to the Point of Beginning.

The above-described parcel contains 39,999 square feet or 0.92 acres, more or less.

The aggregate area of the above-described parcels is 473.83 acres.

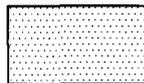


Exhibit 3



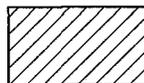
LEGEND

EXISTING CC&N AREA



SANTA ROSA WATER CO.  
SEWER CC&N AREA

PROPOSED ADDITION  
TO CC&N AREA



## Exhibit 4

Red River/El Dorado 6500, L.C.  
C/O Red River Land Development, L.L.C.  
426 N. 44<sup>th</sup> Street, Suite 100  
Phoenix, AZ 85007

Re: PUBLIC NOTICE OF AN APPLICATION FOR AN EXTENSION  
OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY  
By Santa Rosa Water Company

Dear Sirs:

Santa Rosa Water Company has filed with the Arizona Corporation Commission ("Commission") an application for authority for an extension of its Certificate of Convenience and Necessity to provide water service. Our records indicate that you are either a property owner in the existing certificated area or are a property owner in the proposed extension area. If the application is granted, Santa Rosa Water Company would be the exclusive provider of water service to the proposed area. Santa Rosa Water Company will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission. The granting of the application would not necessarily prohibit an individual from providing service to themselves from individually owned facilities on their property. The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street and at Santa Rosa Water Company, 9532 East Riggs Road, Sun Lakes, Arizona 85248.

The Commission will hold a hearing on this matter. As a property owner, you may be entitled to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. You may not receive any further notice of the proceeding unless requested by you.

If you have any questions or concerns about this application or have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000.

Sincerely,

Jim Poulos

RedRiver002.doc

## Exhibit 4

Red River/El Dorado 6500, L.C.  
Attn: Steve Soriano  
C/O Pinal 6500 Land Investment Limited Partnership  
9532 E. Riggs Road  
Sun Lakes, AZ 85248

Re: PUBLIC NOTICE OF AN APPLICATION FOR AN EXTENSION  
OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY  
By Santa Rosa Water Company

Dear Mr. Soriano:

Santa Rosa Water Company has filed with the Arizona Corporation Commission ("Commission") an application for authority for an extension of its Certificate of Convenience and Necessity to provide water service. Our records indicate that you are either a property owner in the existing certificated area or are a property owner in the proposed extension area. If the application is granted, Santa Rosa Water Company would be the exclusive provider of water service to the proposed area. Santa Rosa Water Company will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission. The granting of the application would not necessarily prohibit an individual from providing service to themselves from individually owned facilities on their property. The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street and at Santa Rosa Water Company, 9532 East Riggs Road, Sun Lakes, Arizona 85248.

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Sincerely,

Jim Poulos

Soriano006.doc

## Exhibit 4

Mr. Brian M. Betcher  
Maricopa – Stanfield Irrigation & Drainage District  
41630 W. Louis Johnson Dr.  
Maricopa, AZ 85239

Re: PUBLIC NOTICE OF AN APPLICATION FOR AN EXTENSION  
OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY  
By Santa Rosa Water Company

Dear Mr. Betcher:

Santa Rosa Water Company has filed with the Arizona Corporation Commission (“Commission”) an application for authority for an extension of its Certificate of Convenience and Necessity to provide water service. Our records indicate that you are either a property owner in the existing certificated area or are a property owner in the proposed extension area. If the application is granted, Santa Rosa Water Company would be the exclusive provider of water service to the proposed area. Santa Rosa Water Company will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission. The granting of the application would not necessarily prohibit an individual from providing service to themselves from individually owned facilities on their property. The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street and at Santa Rosa Water Company, 9532 East Riggs Road, Sun Lakes, Arizona 85248.

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Sincerely,

Jim Poulos

Betcher002.doc

## Exhibit 4

Rancho Sierra Vista, L.L.C.  
C/O El Dorado Holdings, Inc.  
426 N. 44<sup>th</sup> Street, Suite 100  
Phoenix, AZ 85007

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OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY  
By Santa Rosa Water Company

Dear Sirs:

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Sincerely,

Jim Poulos

Red River/El Dorado 6500, L.L.C.  
Rancho Sierra Vista, L.L.C.  
One Gateway Center  
426 North 44<sup>th</sup> Street, Suite 100  
Phoenix, AZ 85008

April 13, 2005

Mr. Jim Poulos  
Santa Rosa Water Company  
9532 East Riggs Rd.  
Sun Lakes, AZ 85248

Dear Mr. Poulos:

This letter constitutes a formal request by Red River/El Dorado 6500, L.L.C., an Arizona limited liability company, and Rancho Sierra Vista, L.L.C., an Arizona limited liability company, for Santa Rosa Water Company to provide water service to the real property located in Pinal County, Arizona, more particularly described on the attached Exhibit "A" (the "Property"). Both Red River/El Dorado 6500, L.L.C. and Rancho Sierra Vista, L.L.C. desire for Santa Rosa Water Company's Certificate of Convenience and Necessity to be extended to include the Property.

Sincerely,

RED RIVER/EL DORADO 6500, L.C., an Arizona limited liability company

By: Pinal 6500 Land Investment Limited Partnership,  
a Delaware limited partnership

Its: Voting Member

By: Arlington Property Management Company,  
an Arizona corporation

Its: General Partner

By: \_\_\_\_\_  


Its: \_\_\_\_\_  


By: Red River Ranch Land Development, L.L.C.,  
an Arizona limited liability company  
Its: Voting Member

By: El Dorado Holdings, Inc., an Arizona corporation  
Its: Manager

By:  \_\_\_\_\_  
Its: President

RANCHO SIERRA VISTA, L.L.C., an Arizona limited liability company

By: El Dorado Holdings, Inc., an Arizona  
corporation, Its Manager

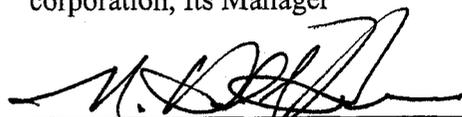
By:  \_\_\_\_\_  
Its: President

Exhibit "A"

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March 29, 2005  
Revised April 14, 2005

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