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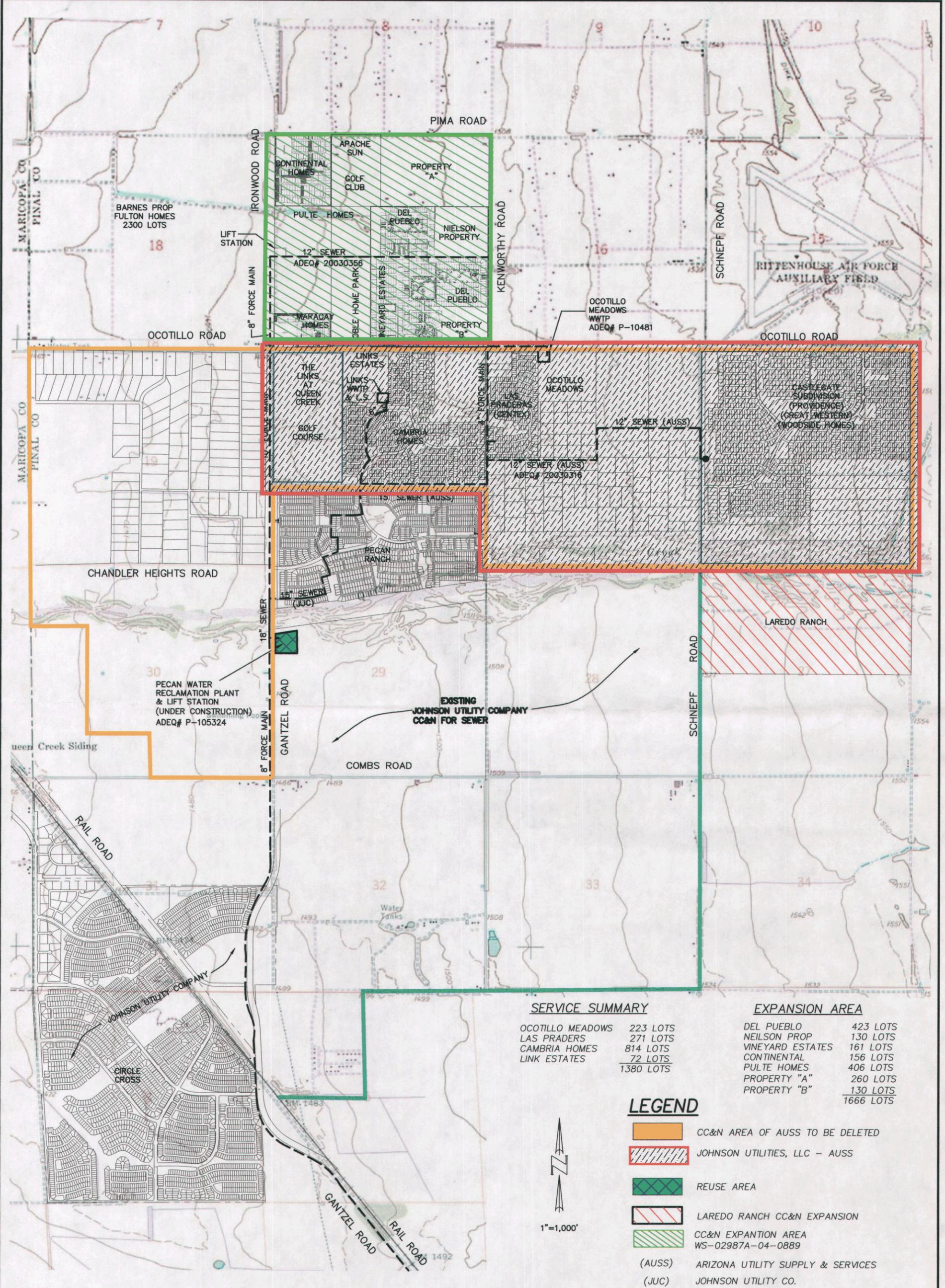
WS-02987A-04-0889

Arizona Corporation Commission

DOCKETED

APR 27 2005

DOCKETED BY [Signature]



**SERVICE SUMMARY**

OCOTILLO MEADOWS	223 LOTS
LAS PRADERAS	271 LOTS
CAMBRIA HOMES	814 LOTS
LINK ESTATES	72 LOTS
	1380 LOTS

**EXPANSION AREA**

DEL PUEBLO	423 LOTS
NEILSON PROP	130 LOTS
VINEYARD ESTATES	161 LOTS
CONTINENTAL	156 LOTS
PULTE HOMES	406 LOTS
PROPERTY "A"	260 LOTS
PROPERTY "B"	130 LOTS
	1666 LOTS

**LEGEND**

- CC&N AREA OF AUSS TO BE DELETED
- JOHNSON UTILITIES, LLC - AUSS
- REUSE AREA
- LAREDO RANCH CC&N EXPANSION
- CC&N EXPANTION AREA WS-02987A-04-0889
- (AUSS) ARIZONA UTILITY SUPPLY & SERVICES
- (JUC) JOHNSON UTILITY CO.



CLIENT/PROJECT  
**JOHNSON UTILITIES COMPANY**

TITLE  
**EXHIBIT A**

DESIGNED	DRAWN	CHECKED	DATE	SCALE	PROJECT	FILE NAME	REVISIONS		
							NO.	DATE	DESCRIPTION

APRIL, 2005



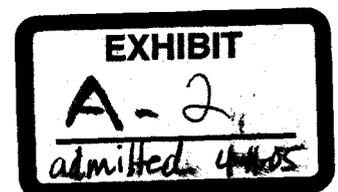
**JUC'S PROPOSED REPLACEMENT FOR STAFF CONDITION NO. 5**

That JUC file with Docket Control, within 60 days of a Commission order, a statement which includes the following:

1. The name, home office location and description of any of the entities that are named as defendants State of Arizona v. Johnson International, et al, Maricopa County Superior Court case No. CVCV2005002692 (the "lawsuit"), their relationship to each other and JUC.
2. A brief description of the business activities conducted by any entity identified in number 1 above.
3. A description of plans for the entities identified in number 1 above to modify or change business activities, enter into a new business venture or to acquire, merge or otherwise establish a new business entity.
4. An assessment of the effect of current and planned affiliated activities by each entity identified in number 1 on JUC's capital structure and its ability to attract capital at fair and reasonable rates.
5. The dollar amount transferred between JUC and each of entities identified in number 1 during the previous 12 months and the purpose of each transfer.
6. Copies of contracts or agreements to receive, or provide management, engineering, accounting, legal, financial or other similar services between JUC and any of the entities identified in number 1.
7. Copies of contracts or agreements to purchase or sell goods or real property between JUC and any of the entities identified in number 1.
8. Contracts or agreements to lease goods or real property between JUC and any of the entities identified in number 1.

In addition, JUC would agree to be bound by the following conditions:

1. That any transactions between JUC and any of the defendants in the lawsuit would be subject to Commission scrutiny, including allowing Staff to see books and records of JUC and/or the defendant with whom business was transacted.
2. That JUC will not obtain a financial interest in any of the defendants in the lawsuit or make any loans to any of the defendants without prior Commission approval.
3. That JUC will not make any dividend payments if such payments would have the effect of impairing its financial status, prevent it from attracting capital on fair and reasonable terms or impair JUC's ability to provide safe, reasonable and adequate service.



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DOCUMENT CONTROL

FENNEMORE CRAIG  
A Professional Corporation  
Jay L. Shapiro (No. 014650)  
3003 North Central Avenue  
Suite 2600  
Phoenix, Arizona 85012  
Telephone (602) 916-5000

Attorneys for Johnson Utilities Company

**BEFORE THE ARIZONA CORPORATION COMMISSION**

IN THE MATTER OF THE APPLICATION  
OF JOHNSON UTILITIES COMPANY FOR  
AN EXTENSION OF ITS EXISTING  
CERTIFICATE OF CONVENIENCE AND  
NECESSITY FOR WASTEWATER  
SERVICE.

DOCKET NO. WS-02987A-

**APPLICATION FOR EXTENSION OF  
CERTIFICATE OF CONVENIENCE AND  
NECESSITY**

Johnson Utilities, L.L.C. dba Johnson Utilities Company ("Applicant"), an Arizona public service corporation, hereby applies for an Order approving an extension of its existing Certificate of Convenience and Necessity ("CC&N") for wastewater service to include an area encompassing four residential developments ("the Developments") known as Wayne Ranch, Vineyard Estates, Milagro and Taylor Ranch, respectively. In support of this Application, Applicant states as follows:

1. Applicant is a public service corporation engaged in providing water and wastewater utility service for public purposes within portions of Pinal County, Arizona. Applicant was first granted a CC&N in Decision No. 60223 (May 27, 1997), and currently serves approximately 8500 wastewater utility customers. The area served by Applicant contains both residential and commercial properties.

2. Richmond-American Homes of Arizona, Inc. and WR Development, LLC (Wayne Ranch), Vineyard Holdings, LLC (Vineyard Estates), Milagro Investors, LLC (Milagro)<sup>1</sup> and Pulte Homes Corporation (Taylor Ranch) have all individually requested that Applicant extend wastewater utility service to the Developments, each generally located within Section 17,

<sup>1</sup> Project formerly known as "Westbrook" developed by Century Pacific Homes of Arizona

**EXHIBIT**  
A-3  
admitted 4-11-05

1 Township 2 South, Range 8 East in Pinal County, Arizona. Copies of individual requests for  
2 wastewater utility service are attached hereto as Exhibit 1.

3 3. Vineyard Holdings, LLC (Vineyard Estates) did not formally request wastewater  
4 service from Applicant in writing. Prior to their requests to Applicant, the developers of both  
5 Wayne Ranch and Vineyard Estates negotiated to receive wastewater service from Arizona  
6 Utility Supply & Service Company, LLC ("AUSS") upon a successful extension of AUSS'  
7 CC&N. However, AUSS has subsequently defaulted on its previous commitments to these  
8 developers, which is, in part, the subject of separate matters currently pending before the  
9 Commission. See Docket Nos. SW-04002A-02-0837, WS-02987A-02-0837, SW-04002A-04-  
10 0465, WS-02987A-04-0465.

11 4. The area covered by this Application includes approximately 309.55 acres, and  
12 will ultimately contain approximately 1,129 lots (Wayne Ranch = 423 lots/115 acres, Vineyard  
13 Estates = 161 lots/39 acres, Milagro = 140 lots/37.35 acres, Taylor Ranch = 405 lots/118.2 acres).

14 5. A legal description for each of the individual areas covered by this Application is  
15 attached hereto as Exhibit 2. However, Applicant is requesting the entirety of Section 17,  
16 Township 2 South, Range 8 East in Pinal County, Arizona. This will allow JUC to master plan  
17 for wastewater utility service to this area, which area AUSS had intended to extend service into  
18 before filing for Chapter 7 bankruptcy protection. Such master planning will allow JUC and the  
19 developers and landowners in the area to achieve economy of scale wherever possible.

20 6. Applicant's management contact is Brian Tompsett of Johnson Utilities Company,  
21 whose business address is 5230 East Shea Boulevard, Suite 200, Scottsdale, Arizona 85254. The  
22 telephone number is (480) 998-3300.

23 7. Applicant's operator, certified by the Arizona Department of Environmental  
24 Quality, is Jerry Beeler, whose business address is 968 E. Hunt Hwy, Queen Creek, Arizona. The  
25 telephone number is (480) 987-9870.

26 8. Applicant's attorneys are Fennemore Craig, whose address is 3003 North Central

1 Avenue, Suite 2600, Phoenix, Arizona 85012-2913. The individual attorney responsible for this  
2 application is Jay L. Shapiro. Mr. Shapiro's telephone number is (602) 916-5366. **All Data**  
3 **Requests or other Requests for Information should be directed to Mr. Brian Tompsett, with**  
4 **a copy to Mr. Shapiro's attention, on behalf of Johnson Utilities Company.**

5 9. A Certificate of Good Standing for Johnson Utilities Company is attached hereto  
6 as Exhibit 3.

7 10. The newly acquired customers in the area covered by this application will receive  
8 wastewater service subject to Applicant's current rates and charges for utility service, which were  
9 approved in Decision No. 60223 (May 27, 1997).

10 11. A detailed map indicating portions of Applicant's present CC&N, pending  
11 extension requests and the area requested for by this Application is attached hereto as Exhibit 4.

12 12. Applicant's balance sheet and profit and loss information for the 12-month period  
13 ending 2003 is attached hereto as Exhibit 5.

14 13. A copy of a master wastewater design report for each individual development is  
15 attached hereto as Exhibit 6.

16 14. A copy of Applicant's most recent Annual Report (2003) is attached hereto as  
17 Exhibit 7.

18 15. The estimated aggregate numbers of customers to be served in the Developments,  
19 in each of the first five years of wastewater utility service, is as follows:

20 Residential

21	1 <sup>st</sup> Year:	333
22	2 <sup>nd</sup> Year:	829
23	3 <sup>rd</sup> Year:	1072
24	4 <sup>th</sup> Year:	1129
	5 <sup>th</sup> Year:	1129

25 16. Applicant's estimated aggregate annual operating revenue and operating expenses  
26 for each of the first five years of operation in the new area covered by this Application are as

1 follows:

2	<u>Operating Revenue</u>	<u>Operating Expenses</u>
3	1 <sup>st</sup> Year - \$78,030	1 <sup>st</sup> Year - \$62,490
4	2 <sup>nd</sup> Year - \$261,500	2 <sup>nd</sup> Year - \$174,189
5	3 <sup>rd</sup> Year - \$420,654	3 <sup>rd</sup> Year - \$255,688
6	4 <sup>th</sup> Year - \$486,969	4 <sup>th</sup> Year - \$291,540
7	5 <sup>th</sup> Year - \$499,568	5 <sup>th</sup> Year - \$300,189

8 17. The aggregate plant cost projections, including service meters, by year for the next  
9 five (5) years is as follows:

10	<u>Plant Cost Projection</u>
11	1 <sup>st</sup> Year - \$1,819,429
12	2 <sup>nd</sup> Year - \$2,121,024
13	3 <sup>rd</sup> Year - \$2,121,024
14	4 <sup>th</sup> Year - \$2,121,024
15	5 <sup>th</sup> Year - \$2,121,024

16 18. The wastewater facilities needed to serve the area covered by this Application will  
17 be constructed as needed to provide service to customers. The construction of the additional  
18 utility facilities needed to serve the area covered by this Application will be financed primarily by  
19 advances in aid of construction and hook-up fees in accordance with Commission regulations and  
20 Applicant's applicable tariffs, as well as pursuant to the terms of any main extension agreement  
21 between Applicant and each of the four developers/builders.

22 19. Applicant is in the process of amending its Pinal County franchise to include the  
23 Developments. A copy of the executed franchise agreement will be filed when received in  
24 support of this application.

25 20. Arizona Department of Environmental Quality ("ADEQ") Approvals to Construct  
26 concerning facilities to serve the requested extension area will be provided to the Commission as  
soon as Applicant receives these documents. However, attached hereto as Exhibit 8 is the  
Approval of Construction already issued for Vineyard Estates.

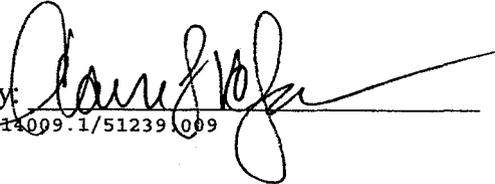


1 ORIGINAL and 15 copies delivered this  
14<sup>th</sup> day of December, 2004, to:

2 Docket Control  
3 Arizona Corporation Commission  
1200 West Washington Street  
4 Phoenix, Arizona 85007

5 COPY hand-delivered this 14<sup>th</sup> day of December, 2004:

6 Jim Fisher, Executive Consultant  
Utilities Division  
7 Arizona Corporation Commission  
1200 West Washington Street  
8 Phoenix, Arizona 85007

9  
10 By:   
1614009.1/51239.009

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# **EXHIBIT 1**

# **REQUESTS FOR SERVICE**

# Century Pacific Homes of Arizona, Inc.

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3760 Highland Drive, Suite 505  
Salt Lake City, UT 84106

Phone 801.273.3350  
Fax 801.273.3453

June 23, 2004

Brian Tompsett  
Johnson Utilities  
5230 E. Shea Blvd.  
Scottsdale, AZ 85254

Re: Request for Sewer Service for Tax Parcel Number 104-24-008  
Parcel 6, Sun Valley Farms Unit II, Section 17, Township 2 South, Range 8 East,  
of the Gila and Alt River Base and Meridian, Pinal County, Arozona, according to  
Book 1 of Surveys, page 33, records of Pinal County, AZ.

Dear Mr. Tompsett,

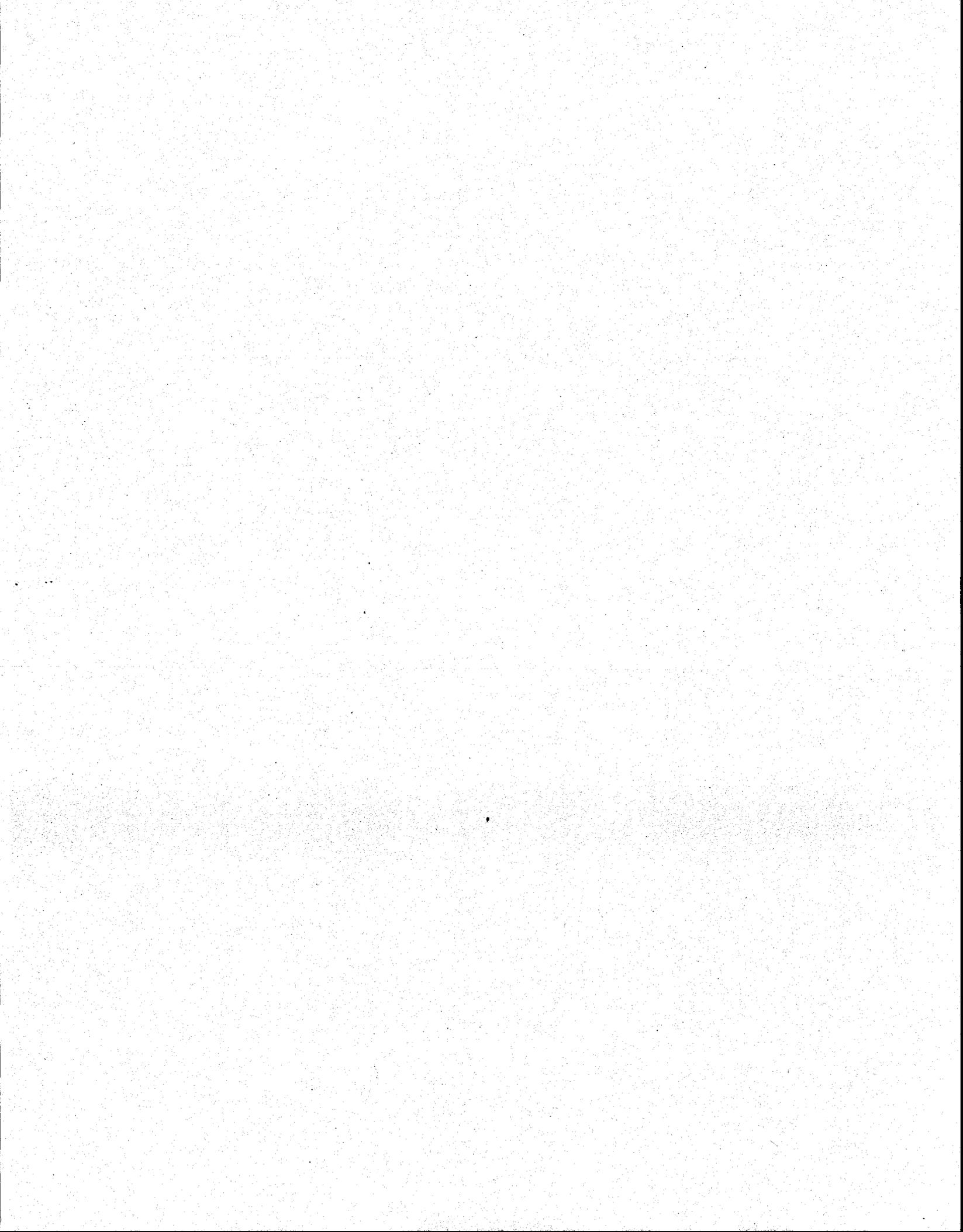
This letter is to request sewer service for the parcel referenced above.

Regards,



Linda W. Luther  
President

-- cc: Roger Heywood





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Johnson Utilities  
Attn: Brian Tompsett  
5230 E. Shea Blvd.  
Scottsdale, AZ 85254

RE: Taylor Ranch

Brian,

Please consider this letter a formal request to include Taylor Ranch in the expansion of the wastewater service area for Johnson Utilities. Taylor Ranch is located in Section 17, Township 2 South, Range 8 East in Pinal County. Specifically it is located at the northeast corner of Ocotillo Road and Gantzel Road (Ironwood Road). The site consists of 118.2 acres with a proposed lot yield of 395 units. Our estimated date for sewer service is April of 2005.

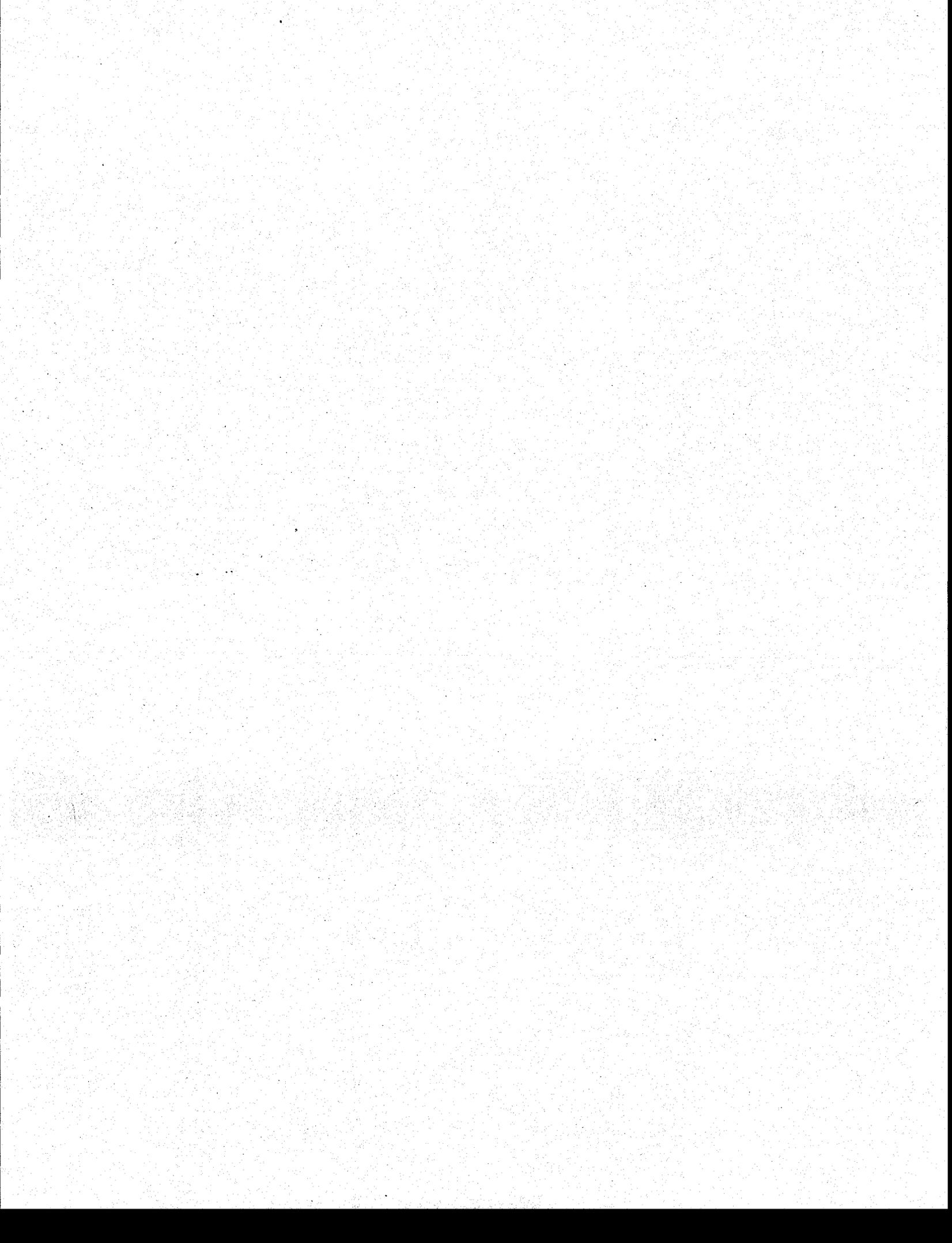
I have enclosed a site plan of Taylor Ranch that includes some site data. If you need anything further to facilitate the inclusion into the expanded service area please do not hesitate to contact me.

Thank you,

A handwritten signature in black ink that reads "Chris Clonts".

Chris Clonts  
Project Manager

15333 N. Pima Road, Suite 300  
Scottsdale, Arizona 85260  
480-598-2100 480-391-6100 (Fax)





June 11, 2004

TRANSMITTED VIA FAX – HARD COPY MAILED

Brian P. Tompsett, P.E.  
Executive Vice President  
Johnson International, Inc.  
5230 E. Shea Blvd.  
Scottsdale, Arizona 85254

Re: **Wayne Ranch – Lots 14-22 and 169-423**  
**Request for Sewer Service**

Dear Mr. Tompsett:

Richmond American Homes of Arizona, Inc. (Richmond) has purchased the above referenced lots from Del Pueblo Homes. Del Pueblo had originally executed a Sewer Collection Main Extension Agreement with Arizona Utility Supply & Service Company, LLC (AUSS), dated October 3, 2003. Under this Agreement, AUSS was to provide sewer service to 423 lots at the Wayne Ranch subdivision, including the 264 lots purchased by Richmond. Richmond was to be an assignee to the AUSS/Del Pueblo Agreement in accordance with Paragraph 14 therein. Richmond has closed on the property and intends to initiate sales in August 2004.

The Agreement envisioned treatment of the sewage generated from Wayne Ranch at the Pecan Water Reclamation Plant under a separate agreement between AUSS and Johnson Utilities. The agreement required payment of a \$1,500 per lot Sewer Capacity Charge. Richmond understands that \$500 of this fee (\$132,000 total) has been paid to AUSS by Del Pueblo (reflected in our purchase price) and used, at least in part, to construct the off-site collection system from Wayne Ranch to the Pecan plant. The remaining \$1,000 per lot was to be paid to AUSS at such time as building permits were pulled from Pinal County.

AUSS filed an application for an extension of its Certificate of Convenience and Necessity (CC&N) on August 27, 2003 with the Arizona Corporation Commission (ACC) for all lands within Section 17, including the entirety of Wayne Ranch. AUSS withdrew that application on March 17, 2004. Consequently, there is no sewer provider for Wayne Ranch.

With this letter, Richmond is formally requesting sewer service from Johnson Utilities (Johnson) for lots 14 through 22 and 169 through 423 of Wayne Ranch.

We believe service by Johnson can be accommodated within the infrastructure planned to provide sewer service to Wayne Ranch. The off-site collection system is complete and was funded by the area developments, including Wayne Ranch. Johnson is the entity that ultimately was to provide treatment and disposal of the sewage collected from the project.

*Richmond American Homes of Arizona, Inc.,*

*3200 East Camelback Road, Suite 300 Phoenix, Arizona 85018 (602) 956-4100 Fax: (602) 956-4822 Visit our website: [www.richmondamerican.com](http://www.richmondamerican.com)*

*A subsidiary of M.D.C. Holdings, Inc., a New York Stock Exchange company*

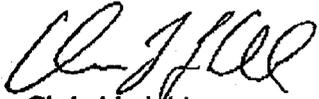
Brian P. Tompsett, P.E., Johnson International, Inc.  
May 26, 2004  
Page 2

Our understanding of the \$1,000 per lot remaining Sewer Capacity Charge was that it was to be forwarded to Johnson for capacity at the Pecan plant. This fee is consistent with Johnson's approved tariff for wastewater service. Richmond is willing to pay such fees to Johnson at the time of building permits, consistent with your ACC approved tariff and the AUSS/Del Pueblo Agreement.

Please take the appropriate steps necessary to initiate service to Wayne Ranch at the earliest possible time. As stated above, it is our intent to initiate sales in August.

Thank you for your willingness to assist Richmond in developing the project. Please contact me at (602) 522-4771 if you have any questions regarding this request, or need additional information to move the process forward.

Respectfully Submitted,  
Richmond American Homes of Arizona, Inc.



Chris Lindahl  
Director of Forward Planning

# **EXHIBIT 2**

# **LEGAL DESCRIPTIONS**

**Legal Description**

[Area Requested for Application]

**Section 17, Township 2 South, Range 8 East in Pinal County, Arizona.**

**MILAGRO**

Legal Description  
Parcel 6

Parcel 6, Sun Valley Farms Unit II, Section 17, Township 2 South, Range 8 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, according to Book 1 of Surveys, Page 33, Records of Pinal County, Arizona, further described as follows:

Commencing at a Brass Cap in Handhole at the Southeast corner of Section 17, Township 2 South, Range 8 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona from which a 1½" Iron Pipe at the Northeast Corner of said Section 17 bears North 00 degrees 01 minutes 11 seconds West, a distance of 5283.14 feet;

Thence North 00 degrees 01 minutes 11 seconds West, a distance of 2227.25 feet to the South line of the aforementioned Parcel 6;

Thence South 89 degrees 44 minutes 01 seconds West, along the South line a distance of 1309.97 feet;

Thence North 00 degrees 01 minutes 17 seconds West, along the West line Parcel 6 a distance of 1241.85 feet;

Thence North 89 degrees 54 minutes 23 seconds East, along the North line Parcel 6 a distance of 1310.00 feet; to the East line of the Northeast Quarter of said Section 17;

Thence South 00 degrees 01 minutes 11 seconds East, along the East line of the Northeast Quarter of said Section 17, a distance of 823.87 feet to the East Quarter Corner;

Thence continuing South 00 degrees 01 minutes 11 seconds East, along the East line of the Southeast Quarter of said Section 17, a distance of 414.03 feet; to the POINT OF BEGINNING;

Encompassing 1,624,209 square feet or 37.287 acres, more or less.



Any modification to or omission from this description completely absolves the surveyor from any liability for this description.

# **TAYLOR RANCH**

A PARCEL OF LAND LOCATED IN SECTION 17, TOWNSHIP 2 SOUTH, RANGE 8 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A BRASS CAP MONUMENT IN HAND HOLE MAKING THE SOUTHWEST CORNER OF SECTION 17; THENCE N 00°01'33" W 1022.76 FEET, ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 17, TO A P.K. NAIL WITH WASHER MARKING THE SOUTHWEST CORNER OF LOT 10, SUN VALLEY FARMS UNIT II AND THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID WEST LINE N 00°01'03" W 1617.53 FEET, TO AN IRON ROD IN POT HOLE MARKING THE WEST QUARTER CORNER OF SAID SECTION 17; THENCE N 00°00'39" E 931.41 FEET ALONG THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 17, TO A POINT MARKING THE NORTHWEST CORNER OF PARCEL "D", SUN VALLEY FARMS UNIT II; THENCE S 86°19'09" E 1375.35 FEET ALONG THE NORTHERLY BOUNDARY LINE OF SAID PARCEL "D", TO A POINT; THENCE N 89°58'33" E 1291.49 FEET ALONG THE NORTHERLY BOUNDARY LINE OF PARCEL "D" AND LOT 8, SUN VALLEY FARMS UNIT II, TO A POINT MARKING THE NORTHEAST CORNER OF SAID LOT 8; THENCE S 00°00'49" E 1247.33 FEET, ALONG THE EAST BOUNDARY LINE OF SAID LOT 8, TO A POINT MARKING THE SOUTHEAST CORNER THEREOF; THENCE S 89°40'42" W 1301.19 FEET ALONG THE SOUTH BOUNDARY LINE OF SAID LOT 8, TO THE SOUTHWEST CORNER THEREOF; THENCE S 00°08'04" W 1198.47 FEET ALONG THE EAST BOUNDARY LINE OF SAID LOT 10, TO A 1.5" IRON ROD MARKING THE SOUTHEAST CORNER THEREOF; THENCE S 89°40'36" W 1360.01 FEET, TO THE POINT OF BEGINNING.

CONTAINING 5,035,140 SQUARE FEET OR 115.591 ACRES, MORE OR LESS.

# **VINEYARD ESTATES**

**EXHIBIT A**

All of Parcel 13 of Sun Valley Farms Unit II, Recorded in Book 1, Page 33,  
Section 17, Township South, Range 8 East, of the Gila and Salt River Base and  
Meridian, Pinal County, Arizona

# **WAYNE RANCH**



**EXHIBIT 3**

**CERTIFICATE OF  
GOOD STANDING**

# 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

**\*\*\*JOHNSON UTILITIES, L.L.C.\*\*\***

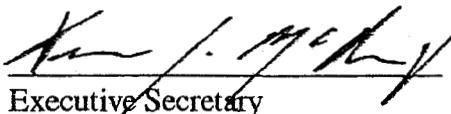
a domestic limited liability company organized under the laws of the State of Arizona, did organize on the 5th day of June 1997.

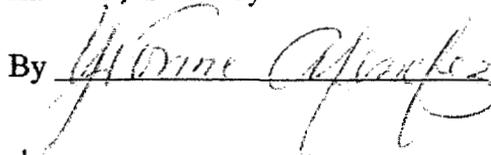
I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said limited liability company is not administratively dissolved for failure to comply with the provisions of A.R.S. section 29-601 et seq., the Arizona Limited Liability Company Act; and that the said limited liability company has not filed Articles of Termination 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 1st Day of December, 2004, A. D.



  
Executive Secretary

By 

# **EXHIBIT 4**

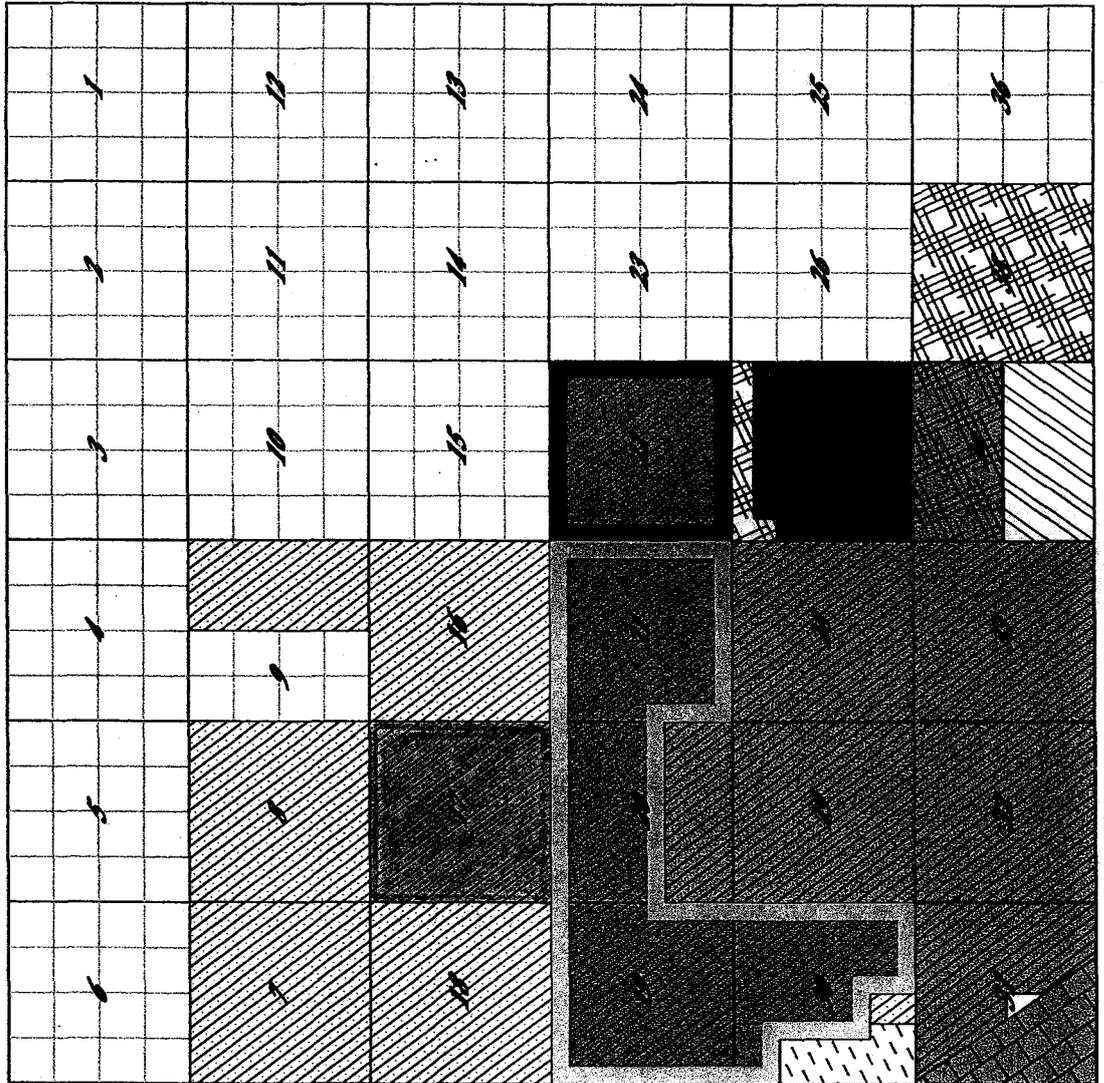
## **MAP**

Application for  
Extension - Wastewater

# COUNTY: Pinal

RANGE 8 East

TOWNSHIP 2 South



 WS-2987 (6)  
Johnson Utilities Company

 SW-4002 (1)  
Arizona Utility Supply & Services, LLC

 W-2859 (3)  
Diversified Water Utilities, Inc.

 W-2234 (2)  
H<sub>2</sub>O, Inc.

 W-1395 (2)  
Queen Creek Water Company

 W-2425 (2)  
Sun Valley Farms Unit VI Water Company

  
Arizona Utility Supply & Services  
Docket No. SW-4002-02-837  
Application to Transfer to Johnson Utilities  
Docket No. WS-2987-02-837

  
Arizona Utility Supply & Services  
Docket No. SW-4002-04-465  
Application to Transfer to Johnson Utilities  
Docket No. WS-2987-04-465

  
Johnson Utilities Company  
Docket No. WS-2987-04-501  
Application for Extension for Sewer

# **EXHIBIT 5**

## **BALANCE SHEET AND STATEMENT OF INCOME**

**Johnson Utilities, L.L.C.**  
**Balance Sheet**  
**December 31, 2003**

**ASSETS**

**Utility Plant**

Plant in Service	\$ 40,382,861
Less: Accumulated Depreciation	(2,046,608)
<b><u>Net Utility Plant in Service</u></b>	<b><u>\$ 38,336,253</u></b>

Construction Work in Progress	8,899,861
<b><u>Net Utility Plant</u></b>	<b><u>\$ 45,236,114</u></b>

**Current Assets**

Cash	\$ 684,314
Accounts Receivable	1,476,030
Other Receivables	38,000
<b><u>Total Current Assets</u></b>	<b><u>\$ 2,198,344</u></b>

**Other Assets**

Deferred Legal Fees	\$ 553,533
Land Held For Investment	70,257
Deposit	12,670
<b><u>Total Other Assets</u></b>	<b><u>\$ 636,460</u></b>

<b><u>Total Assets</u></b>	<b><u>\$ 48,070,918</u></b>
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**MEMBER'S CAPITAL & LIABILITIES**

<b><u>Member's Capital</u></b>	<b><u>\$ 5,447,979</u></b>
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<b><u>Contributions in Aid of Construction</u></b>	<b><u>\$ 20,149,882</u></b>
--	-----------------------------

<b><u>Long-Term Debt</u></b>	<b><u>\$ 807,000</u></b>
------------------------------	--------------------------

**Current Liabilities**

Accounts Payable	\$ 423,801
Current Portion of Advances in Aid of Construction	138,000
Due to Member	715,823
Customer Deposits	45,940
Accrued Taxes	175,974
Accrued Interest	7,040
<b><u>Total Current Liabilities</u></b>	<b><u>\$ 1,506,578</u></b>

**Deferred Liabilities**

Advances in Aid of Construction, Less Current Portion	\$ 20,159,479
---	---------------

<b><u>Total Member's Capital &amp; Liabilities</u></b>	<b><u>\$ 48,070,918</u></b>
--	-----------------------------

See Accountants' Compilation Report

**Johnson Utilities, L.L.C.**  
**Statement of Income**  
**December 31, 2003**

<b><u>Operating Revenue</u></b>	
Water Sales	\$ 3,919,316
Sewer Fees	1,237,464
Other Revenue	101,170
<b><u>Total Revenue</u></b>	<b><u>\$ 5,257,950</u></b>
<b><u>Operating Expenses</u></b>	
Purchased Water	\$ 222,808
Purchased Power	291,396
Repairs & Maintenance	12,099
Outside Services	1,203,322
Water Testing	52,163
Rents	117,648
Transportation	557
Insurance	28,964
Sludge Removal	2,685
Miscellaneous Operating Expense	41,641
Depreciation and Amortization	419,049
Taxes Other Than Income	2,089
Property Taxes	71,731
<b><u>Total Operating Expenses</u></b>	<b><u>\$ 2,466,152</u></b>
<b><u>Net Operating Income</u></b>	<b><u>\$ 2,791,798</u></b>
<b><u>Other Income (Expenses)</u></b>	
Interest Income	\$ 18,662
Interest Expense	(79,211)
<b><u>Total Other Income (Expenses)</u></b>	<b><u>\$ (60,549)</u></b>
<b><u>Net Income</u></b>	<b><u>\$ 2,731,249</u></b>

See Accountants' Compilation Report

# **EXHIBIT 6**

## **MASTER WASTEWATER DESIGN REPORTS**

# **VINEYARD ESTATES**

**Wastewater Collection Master Plan  
for  
Vineyard Estates**



*Prepared by Otak, Inc.  
502 S. College Ave., Suite 204  
Tempe, AZ 85281  
(480) 557-6670*

*November 2002*

*Otak Project No. 11678*

**KENNETH A. NELSON, P.E.**



*Kenneth A. Nelson*

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<i>Vicinity Map</i>	<i>Figure 1</i>
<i>Topography Map</i>	<i>Figure 2</i>
<i>Sewer Layout</i>	<i>Figure 3</i>
 <i>Appendix</i>	
<i>Vineyard Estates Master Plan Calculations (Table 1)</i>	<i>Appendix A</i>
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# Wastewater Collection Masterplan

## *Existing Conditions*

The proposed Vineyard Estates Development is on approximately 39 acres located in the center south half of Section 17, T2S, R8E. It is adjacent to Ocotillo Road on the South and located between existing Ironwood Road to the West and existing Kenworthy Road to the East. The site is currently being used for agricultural purposes. This proposed development includes 161 single family lots (See Figure 1 for Vicinity Map)

There are no existing wastewater mains in the immediate area of the proposed development. A main sewer trunk line is currently being designed by Johnson Utilities along Ocotillo Road alignment for future wastewater collection. The new Pecan wastewater treatment plant is scheduled to be in service on May 24, 2003. A will-serve letter has been issued for Preliminary Plat submittal.

Site topography was obtained from an ALTA survey completed by Hunter Engineering. The survey information agrees with local USGS information for the area. The existing site topography is relatively flat with a gentle slope downward of approximately 0.40 % from southeast to northwest (See Figure 2 for Existing Site Topography).

## *System Analysis*

In order to determine the peak flow, an average flow and a *peaking factor* were used with respect to upstream population draining to each pipe. Contained within Title 18, Chapter 9 of the Department of Environmental Quality, Arizona Administrative Code, Section E301 & E323 are Unit Daily Design Flows and Peaking Factors utilized for Sewer Design. A total of 161 dwelling units (DU) was used for this analysis. See Appendix B for Daily Design Flows and Peaking Factor Tables.

An average flow of 100 gallons per capita per day and 3 people per dwelling unit were assumed for this analysis. A total average daily flow of 48,300 gallons was calculated, which equates to an average flow of 33.54 gallons per minute (gpm) for the entire development. A peaking factor of 2.64 was used based on upstream population (from the previously mentioned peaking factor table). The peak flow for the entire site is approximately 127,512 gallons per day, or 88.55 gpm.

A rating table for circular pipe running full was prepared for various pipe diameters. The minimum allowable slope is defined by the Arizona Department of Environmental Quality as a slope that will produce a minimum flow velocity of 2 feet per second when flowing full.

Pipe flow capacity was determined using Manning's equation. A minimum slope of 0.0033 ft/ft was determined to allow for a velocity of 2 feet per second and a capacity of 301 gallons per minute for an 8" diameter pipe flowing full. This will be adequate for this site and potential additional capacity to the north of this site for future development. The 8" pipe is adequate for estimated maximum peak hourly flow conditions with additional capacity available for potential future development directly to the north of this site. The pipe networks were identified and numbered as proposed 8" diameter pipe sections containing manholes with a 0.1-foot drop across manholes

# Wastewater Collection Masterplan

which have an upstream pipe which is at an angle greater than 5 degrees with respect to the downstream pipe. (See Appendix A).

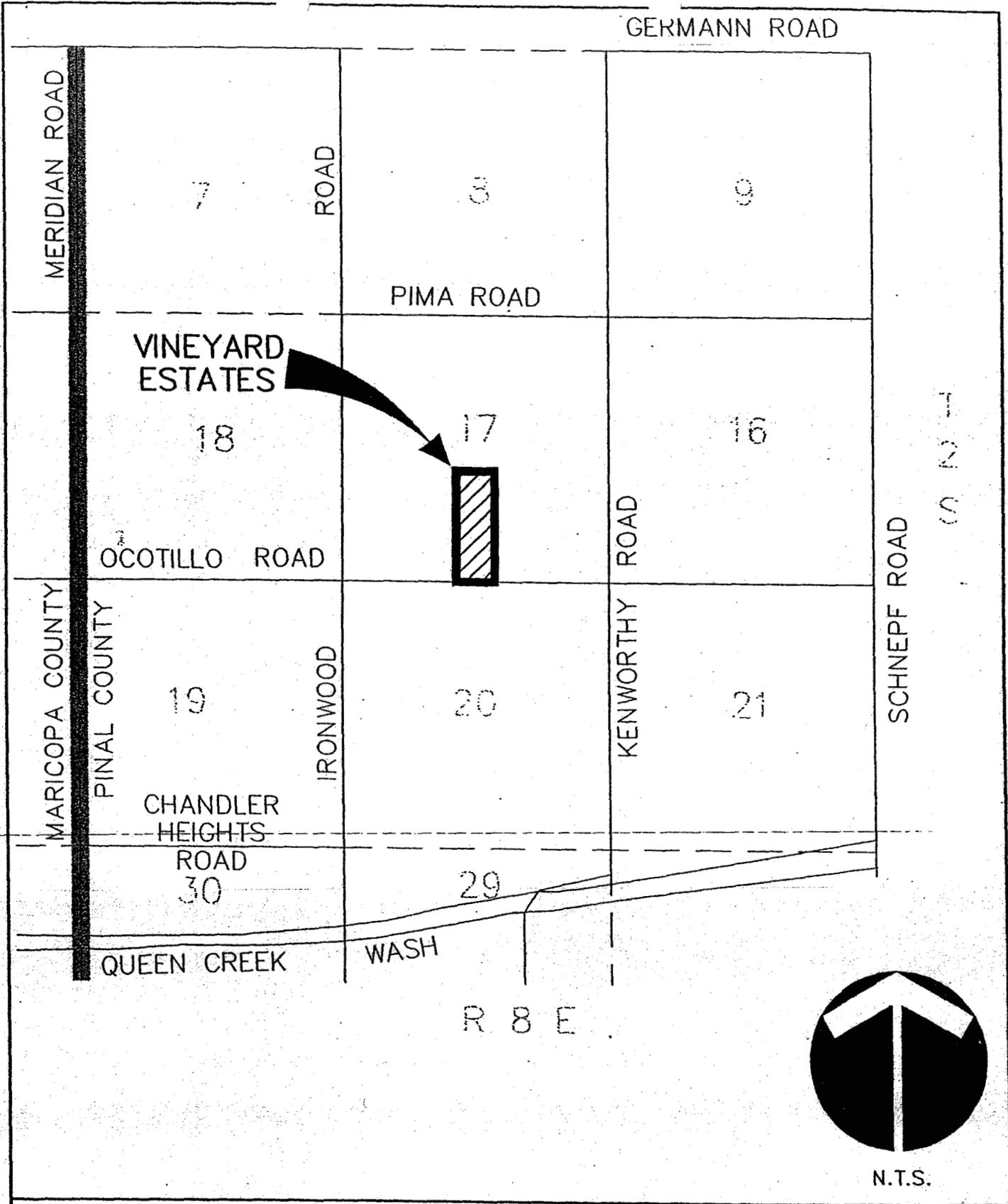
Figure 3 – Sewer Layout identifies the pipe layout with numbered manholes. Appendix A lists the manhole numbers with the downstream manhole and the upstream manhole(s).

Pipe lengths to the downstream manhole were estimated and the invert elevation for both the inflow and outflow side of each manhole was calculated. A preliminary grading plan shows that there is sufficient grade to maintain a minimum ground cover of four feet above the proposed pipe system. An on-site wastewater collection system will collect and discharge wastewater into one location along the proposed sewer main in Ocotillo Road which will be approximately 17 feet deep.

## Conclusions

A gravity wastewater collection system will adequately serve the development utilizing an 8" diameter gravity pipe with the minimum allowable slope of 0.0033 ft/ft.

The entire site will discharge to a future manhole/sewer main located along the Ocotillo Road alignment. This sewer main will gravity feed to a proposed Manhole near the intersection of Ocotillo and Ironwood (approximately ½ mile West of this site). This manhole will connect to a wastewater trunk line that will gravity flow to the new Johnson Utilities Pecan Wastewater Treatment Plant located at Ironwood Road and the south side of Queen Creek Wash. The wastewater treatment plant is now under construction and scheduled to be open on May 24, 2003. A request for service has been submitted to Johnson Utilities and a "will serve" letter has been submitted with the preliminary plat application.

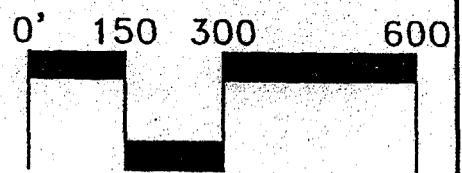
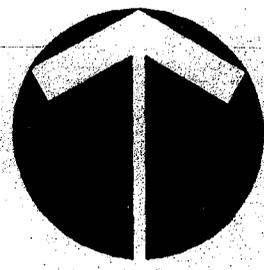
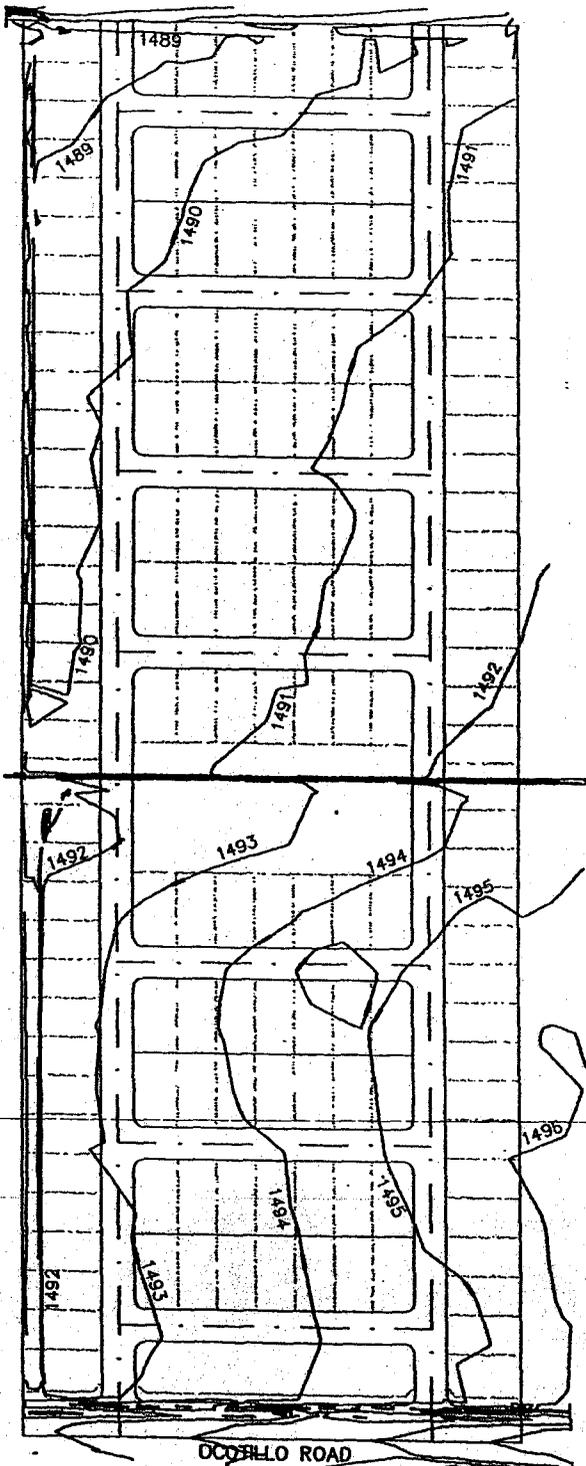


N.T.S.

Date KLN/WCC  
 Designed WCC  
 Drawn \_\_\_\_\_  
 Checked By \_\_\_\_\_ Date \_\_\_\_\_  
 602 S. College Ave, Suite 204  
 Tempe, Arizona 85281  
 Phone: (480) 557-6670  
 FAX: (480) 557-6506

PRELIMINARY PLAT  
 VICINITY MAP  
 WASTEWATER COLLECTION  
 MASTERPLAN

Project No. 11678  
 SMP-FIG-1  
 File No. FIGURE 1  
 Sheet No. \_\_\_\_\_



Date KLN/WCC  
 Designed WCC  
 Drawn \_\_\_\_\_

PRELIMINARY PLAT  
 TOPOGRAPHY MAP

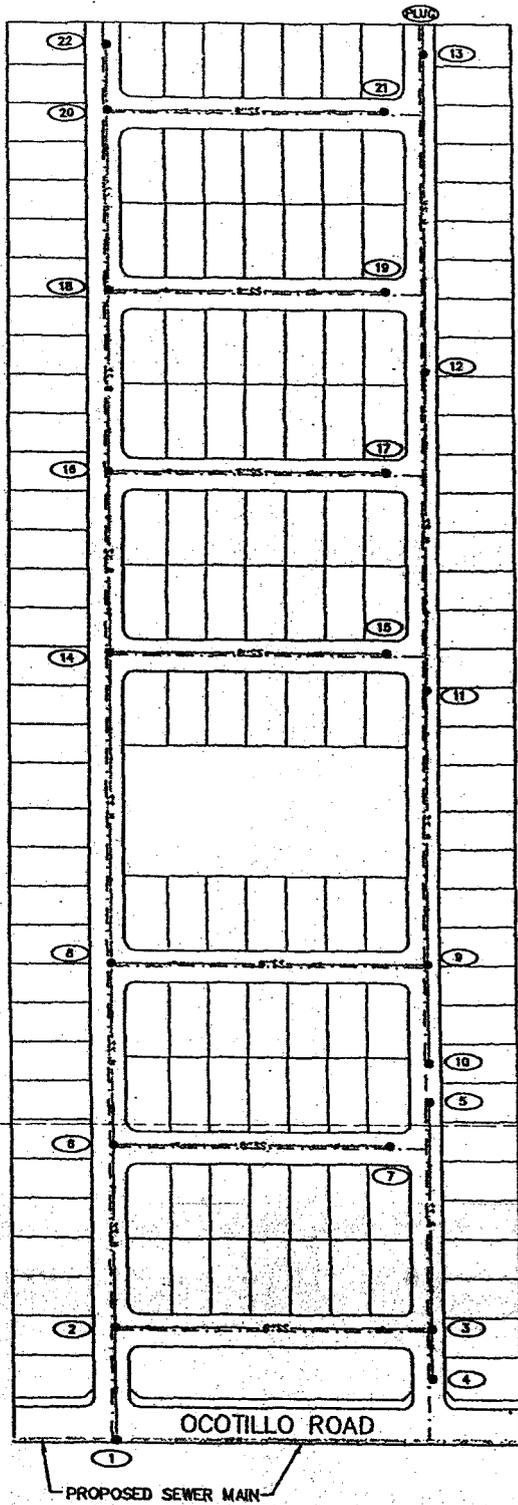
Checked By \_\_\_\_\_ Date \_\_\_\_\_

WASTEWATER COLLECTION  
 MASTERPLAN

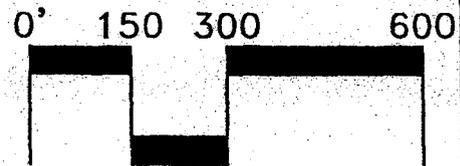
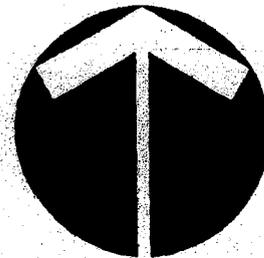
**oak** 502 S. College Ave, Suite 204  
 Tempe, Arizona 85281  
 Phone: (480) 557-6670  
 FAX: (480) 557-6506  
Incorporated

Project No. 11678  
 SMP-FIG-2  
 File No. FIGURE 2  
 Sheet No. \_\_\_\_\_

11/02



- MANHOLE/CLEANOUT
- ① MANHOLE NUMBER
- 8" SEWER LINE
- - - SEWER MAIN



Date KLN/WCC

Designed WCC

Drawn

Checked By \_\_\_\_\_ Date \_\_\_\_\_

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PRELIMINARY PLAT  
 SEWER LAYOUT

WASTEWATER COLLECTION  
 MASTERPLAN

Project No. 11678  
SMP-FIG-3  
 File No. FIGURE 3  
 Sheet No. \_\_\_\_\_

11/02

Appendix A

Vineyard Estates  
Master Plan Calculations



**Appendix B**

**Arizona Department of Environmental Quality  
Administrative Code  
Sewer Design Standards**

- ii. The sewer lines for a sewage collection system for a manufactured home, mobile home, or recreational vehicle park are not less than four-inches in diameter for up to 20 units, five-inches in diameter for 21 to 36 units, and six-inches in diameter for 37 to 60 units.
- e. Design sewer lines with at least the minimum slope calculated from Manning's Formula using a coefficient of roughness of 0.013 and a sewage velocity of two feet per second when flowing full.
  - i. An applicant may request a smaller minimum slope under R18-9-A312(G) if the smaller slope is justified by a quarterly program of inspections, flushings, and cleanings.
  - ii. If a smaller minimum slope is requested, the slope shall not be less than 50% of that calculated from Manning's formula using a coefficient of roughness of 0.013 and a sewage velocity of two feet per second.
- f. Design sewer lines to avoid a slope that creates a sewage velocity greater than 10 feet per second. The applicant shall construct any sewer line carrying a flow with a normal velocity of greater than 10 feet per second using ductile iron pipe or pipe with equivalent erosion resistance, and structurally reinforce the receiving manhole or sewer main.
- g. Design and install sewer lines, connections, and fittings with materials that meet or exceed manufacturer's specifications not inconsistent with this Chapter to:
  - i. Limit inflows, infiltration, and exfiltration;
  - ii. Resist corrosion in the project electrochemical environment;
  - iii. Withstand anticipated live and dead loads; and
  - iv. Provide internal erosion protection.
- h. Indicate trenching and bedding details applicable for each pipe material and size in the design plans. Sewer lines shall be placed in trenches and bedded following the specifications established in subsections (D)(2)(h)(i) and (D)(2)(h)(ii). This material is incorporated by reference and does not include any later amendments or editions of the incorporated matter. Copies of the incorporated material are available for inspection at the Department of Environmental Quality and the Office of the Secretary of State, or may be obtained from the Maricopa Association of Governments, 302 N. 1st Avenue, Suite 300, Phoenix, Arizona 85003, or from Pima County Wastewater Management, 201 N. Stone Avenue, Tucson, Arizona 85701-1207.
  - i. "Trench Excavation, Backfilling, and Compaction" (Section 601), published in the "Uniform Standard Specifications for Public Works Construction," published by the Maricopa Association of Governments, revisions through 2000; and
  - ii. "Rigid Pipe Bedding for Sanitary Sewers" (WWM 104), and "Flexible Pipe Bedding for Sanitary Sewers" (WWM 105), published by Pima County Wastewater Management, revised November 1994.
- i. Perform a deflection test of the total length of all sewer lines made of flexible materials to ensure that the installation meets or exceeds the manufacturer's recommendations and record the results.

- j. Test each segment of the sewer line for leakage using the applicable method below and record the results:
  - i. "Standard Test Method for Installation of Acceptance of Plastic Gravity Sewer Lines Using Low-Pressure Air" published by the American Society for Testing and Materials, (F 1417-92), reapproved 1998;
  - ii. "Standard Practice for Testing Concrete Pipe Sewer Lines by Low-Pressure Air Test Method" published by the American Society for Testing and Materials, (C 924-89), reapproved 1997;
  - iii. "Standard Test Method for Low-Pressure Air Test of Vitrified Clay Pipe Lines" published by the American Society for Testing and Materials, (C 828-98), approved March 10, 1998; or
  - iv. The material listed in subsections (D)(2)(i)(i), (D)(2)(i)(ii), and (D)(2)(i)(iii) is incorporated by reference and does not include any later amendments or editions of the incorporated matter. Copies of the incorporated material are available for inspection at the Department of Environmental Quality and the Office of the Secretary of State, or may be obtained from the American Society for Testing and Materials, 100 Barr Harbor Drive, Conshohocken, PA 19428-2959.
- k. Test the total length of the sewer line for uniform slope by lamp lighting, remote camera or similar method approved by the Department, and record the results.
- 3. Manholes.
  - a. An applicant shall install manholes at all grade changes, all size changes, all alignment changes, all sewer intersections, and at any location necessary to comply with the following spacing requirements:
 

Sewer Pipe Diameter (inches)	Maximum Manhole Spacing (feet)
4 to less than 8	300
8 to less than 18	500
18 to less than 36	600
36 to less than 60	800
60 or greater	1300
  - b. The Department shall allow greater manhole spacing following the procedure provided in R18-9-A312(G) if documentation is provided showing the operator possesses or has available specialized sewer cleaning equipment suitable for the increased spacing.
  - c. The applicant shall ensure that manhole design is consistent with "Pre-cast Concrete Sewer Manhole" (#420), "Offset Manhole for 8" - 30" Pipe" (#421), and "Brick Sewer Manhole and Cover Frame Adjustment" (#422), 1998, including revisions through 2000, published by the Maricopa Association of Governments; and "Manholes and Appurtenant Items" (WWM 201 through WWM 211), Standard Details for Public Improvements, 1994 Edition, published by Pima County Wastewater Management.
  - d. The material specified in subsection (D)(3)(c) is incorporated by reference and does not include any later amendments or editions of the incorporated matter. Copies of the incorporated material are

following rules. An applicant shall:

- a. Base design flows for components of the system on unit flows specified in *Table J, Unit Daily Design Flows*. If documented by the applicant, the Department may accept lower unit flow values in the served area due to significant use of low flow fixtures.
- b. Use the "Uniform Standard Specifications for Public Works Construction," referenced in this Section and published by the Maricopa Association of Governments, revisions through 2000, or the "Pima County Wastewater Management," November 1994 Edition, as the applicable design and construction criteria, unless the Department approved alternative design standards or specifications authorized by a delegation agreement under A.R.S. § 49-107.
- c. Use gravity sewer lines, if appropriate. The applicant shall design gravity sewer lines and all other sewer collection system components, including force mains, manholes, lift stations, and appurtenant devices and structures to accommodate maximum sewage flows as determined by the method specified in subsections (D)(1)(c)(i) or (D)(1)(c)(ii) that yields the greatest calculated flow:
  - i. Any point in a sewer main when flowing full can accommodate an average flow of 100 gallons per capita per day for all populations upstream from that point; or
  - ii. Any point in a sewer collection system can accommodate a peak flow for all populations upstream from that point as tabulated below:

Upstream Population	Peaking Factor
100	3.62
200	3.14
300	2.90
400	2.74
500	2.64
600	2.56
700	2.50
800	2.46
900	2.42
1000	2.38
1001 to 10,000	$PF = (6.330 \times p^{-0.231}) + 1.094$
10,001 to 100,000	$PF = (6.177 \times p^{-0.233}) + 1.128$
More than 100,000	$PF = (4.500 \times p^{-0.174}) + 0.945$

PF = Peaking Factor    p = Upstream Population

- d. Ensure the separation of sewage collection system components from drinking water distribution system components under R18-4-502.
  - e. Request review and approval of an alternative to a design feature specified in this Section by following the requirements of R18-9-A312(G).
2. Gravity sewer lines. An applicant shall:
- a. Ensure that any sewer line that runs between manholes, if not straight, is of constant horizontal curvature with a radius of curvature not less than 200 feet;
  - b. Cover each sewer line with at least three feet of backfill meeting the requirements of subsection (D)(2)(h)(i). The applicant shall:
    - i. Include at least one note specifying this requirement in construction plans;
    - ii. If site-specific limitations prevent three feet of earth cover, provide the maximum cover attainable, and construct the sewer line of ductile iron pipe or other materials of equivalent or greater tensile and compressive strength;
    - iii. If ductile iron pipe is not used, design and construct the sewer line pipe with restrained joints or an equivalent feature; and

- E. Installation requirements. An applicant shall ensure that:
1. The irrigation pipe is installed by a plow mechanism that cuts a furrow, dispenses pipe, and covers the irrigation pipe in one operation, or a trencher and hand tools that dig a trench not more than four inches wide.
  2. Drip irrigation pipe has an incorporated herbicide to prevent root intrusion for at least 10 years and an incorporated bactericide to reduce bacterial slime build-up. The applicant shall store drip irrigation pipe to preserve the herbicidal and bactericidal characteristics of the pipe.
- F. Operation and maintenance requirements. In addition to the applicable requirements in R18-9-A313, the permittee shall test the fail-safe mechanism quarterly to prevent discharge of inadequately treated wastewater.

**R18-9-E323. 4.23 General Permit: 3000 to less than 24,000 Gallons Per Day Design Flow**

- A. A 4.23 General Permit allows on-site wastewater treatment facilities with a design flow from 3000 gallons per day to less than 24,000 gallons per day if all of the following apply:
1. Except as specified in subsection (A)(3), the treatment and disposal works consists of technologies or designs that are covered under other general permits, but are sized larger to accommodate increased flows.
  2. The on-site wastewater treatment facility complies with all applicable requirements of this Chapter.
  3. The facility is not a system or a technology covered by one of the following general permits available for a design flow of less than 3000 gallons per day:
    - a. An aerobic system with subsurface disposal, described in R18-9-E315,
    - b. An aerobic system with surface disposal, described in R18-9-E316,
    - c. A disinfection device, described in R18-9-E320,
    - d. A sequencing batch reactor, described in R18-9-E321, or
    - e. A seepage pit or pits, described in R18-9-E302,
- B. Notice of Intent to Discharge. In addition to the Notice of Intent to Discharge requirements specified in R18-9-A301(B), an applicant shall submit:
1. A performance assurance plan consisting of tasks, schedules, and estimated annual costs for operating, maintaining, and monitoring performance over a 20-year useful service life.
  2. Design documents and the performance assurance plan sealed by an Arizona-registered professional engineer.
  3. Any documentation submitted under the alternative design procedure in R18-9-A312(G) that pertains to achievement of better performance levels than those specified in the general permit for the corresponding facility with a design flow of less than 3000 gallons per day, or for any other alternative design, construction, or operational change proposed by the applicant.
- C. Additional Verification of General Permit Conformance requirements. In addition to any other requirements, the applicant shall submit the following information before the Verification of General Permit Conformance is issued.
1. A signed and sealed Engineer's Certificate of Completion in a format approved by the Department affirming that:
    - a. The project was completed in compliance with the requirements of this Section and as described in the plans and specifications, or
    - b. Any changes are reflected in as-built plans submitted with the Engineer's Certificate of Completion.
  2. The name of a certified operator or service company that is responsible for implementing the performance assurance plan.
- D. Reporting requirement. The permittee shall annually provide the Department with:
1. A form signed by the certified operator or service company that:
    - a. Provides any data or documentation required by the performance assurance plan,
    - b. Certifies compliance with the requirements of the performance assurance plan, and
    - c. Describes any additions to the system during the year that increased flows and certifies that the flow did not exceed 24,000 gallons per day during any day.
  2. Any applicable fee required by 18 A.A.C. 14.

**Table 1. Unit Daily Design Flows**

Type of Facility Served	Applicable Unit	Sewage Design Flow per Applicable Unit, Gallons Per Day
Airport	Passenger (average daily number)	4
	Employee	15
Apartment Building	Resident (if max. number fixed)	100
	Apartment	200
	Apartment	300
	Apartment	400
	Apartment	500

	Facility	Per manufacturer, if consistent with this Chapter
Auto Wash		
Bar/Lounge	Seat	30
Barber Shop	Chair	35
Beauty Parlor	Chair	100
Bowling Alley (snack bar only)	Lane	75
Camp		
Day camp, no cooking facilities	Camping unit	30
Campground, overnight, flush toilets	Camping unit	75
Campground, overnight, flush toilets and shower	Camping unit	150
Campground, luxury	Person	100-150
Camp, youth, summer or seasonal	Person	50
Church		
Without kitchen	Person (maximum attendance)	5
With kitchen	Person (maximum attendance)	7
Country Club	Resident Member	100
	Nonresident Member	10
Dance Hall	Patron	5
Dental Office	Chair	500
Dog Kennel	Animal, maximum occupancy	15
Hospital		
All flows	Bed	250
Kitchen waste only	Bed	25
Laundry waste only	Bed	40
Hotel/motel		
Without kitchen	Bed (2 person)	50
With kitchen	Bed (2 person)	60
Industrial facility		
Without showers	Employee	25
With showers	Employee	35
Cafeteria, add	Employee	5
Institutions		
Resident	Person	75
Nursing home	Person	125
Rest home	Person	125
Laundry		
Self service	Wash cycle	50
Commercial	Washing machine	Per manufacturer, if consistent with this Chapter
Office Building	Employee	20
Park		
Picnic, with showers, flush toilets	Parking space	40
Picnic, with flush toilets only	Parking space	20
Recreational vehicle, no water or sewer connections	Vehicle space	75
Recreational vehicle, with water & sewer connections	Vehicle space	100
Mobile home/Trailer	Space	250

Residence		
Dwelling, per person (for sewer collection system design only)	Person	100
Dwelling, single family	Dwelling (3 bedrooms assumed)	450
Dwelling, per bedroom if count available	Bedroom	150
Dwelling, per fixture if count available	Fixture unit	25
Mobile home, family	Home lot	250
Mobile home, adults only	Home lot	150
Seasonal and summer	Resident	100
Restaurant/Cafeteria	Employee	20
With toilet, add	Customer	7
Kitchen waste, add	Meal	6
Garbage disposal, add	Meal	1
Cocktail lounge, add	Customer	2
Kitchen waste disposal service, add	Meal	2
Restroom, public	Toilet	200
School		
Staff and office	Person	20
Elementary, add	Student	15
Middle and High, add	Student	20
with gym & showers, add	Student	5
with cafeteria, add	Student	3
Boarding, total flow	Person	100
Service Station with toilets	First bay	1000
	Each additional bay	500
Shopping Center, no food or laundry	Square foot of retail space	0.1
Store	Employee	20
Public restroom, add	Square foot of retail space	0.1
Swimming Pool, Public	Person	10
Theater		
Indoor	Seat	5
Drive-in	Car space	10

Note: Unit flow rates published in standard texts, literature sources or relevant area or regional studies shall be considered by the Department, if appropriate to the project.

#### ARTICLE . 4. AGRICULTURAL GENERAL PERMITS

##### R18-9-401. Definitions

In addition to the definitions established in A.R.S. §§ 49-101 and 49-201, the following terms apply to this Article:

1. "Application of nitrogen fertilizer" means any use of a substance containing nitrogen for the commercial production of crop plants. The commercial production of crop plants includes commercial sod farms and nurseries.
2. "Crop plant needs" means the amount of water and nitrogen required to meet the physiological demands of the crop plant to achieve a defined yield.
3. "Crop plant uptake" means the amount of water and nitrogen that can be physiologically absorbed by the roots and vegetative parts of a crop plant following the application of water.

##### R18-9-402. Agricultural General Permits: Nitrogen Fertilizers

A person who engages in the application of a nitrogen fertilizer and is issued an agricultural general permit shall comply with the following agricultural best management practices:

1. Limit application of the fertilizer so that it meets projected crop plant needs;
2. Time application of the fertilizer to coincide to maximum crop plant uptake;
3. Apply the fertilizer by a method designed to deliver nitrogen to the area of maximum crop plant uptake;
4. Manage and time application of irrigation water to minimize nitrogen loss by leaching and runoff; and
5. Use tillage practices that maximize water and nitrogen uptake by crop plants.

##### R18-9-403. Agricultural General Permits: Concentrated Animal Feeding Operations

A person who engages in or operates a concentrated animal feeding operation and is issued an agricultural general permit shall comply with the following agricultural best management practices:

**MILAGRO**

# Westbrook Subdivision

Pinal County, Arizona

## Master Wastewater Collection System Report

Century Pacific Homes of Arizona, Inc.  
Linda Luther  
3760 Highland Drive, Suite 505  
Salt Lake City, Utah 84106

October, 2004





## Stanley Consultants INC

A Stanley Group Company  
Engineering, Environmental and Construction Services Worldwide

October 13, 2004

Johnson Utilities Company  
968 E. Hunt Highway  
Queen Creek, AZ 85242

Dear Sirs:

Attached is the Master Wastewater Collection System Report for the Westbrook Subdivision located in Pinal County, Arizona. Please contact me at Stanley Consultants at 1-801-293-8880 if you have questions.

Sincerely,

Stanley Consultants, Inc.

*Les Clawson*

Les Clawson  
Project Designer

lwc

## Executive Summary

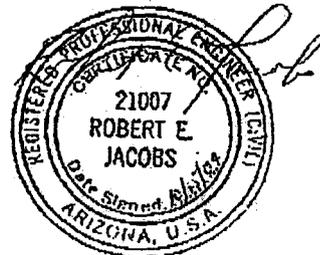
Westbrook is a development consisting of 140 single family units located in Pinal County, Arizona. The calculations included show that a 8" sewer line designed at the minimal required slope will be adequate to handle any sewer flow plus infiltration generated by the development.

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## Section 1

### Introduction

#### Project Location

Westbrook Subdivision is a Single Family Residential development located off of Kenworthy Road in Pinal County, Arizona. The project is 140 Units on 37.35 acres.

#### Scope

The scope of this report is to provide the Master Wastewater Collection System design for the project. The project lies within the jurisdictions of Johnson Utilities Company.

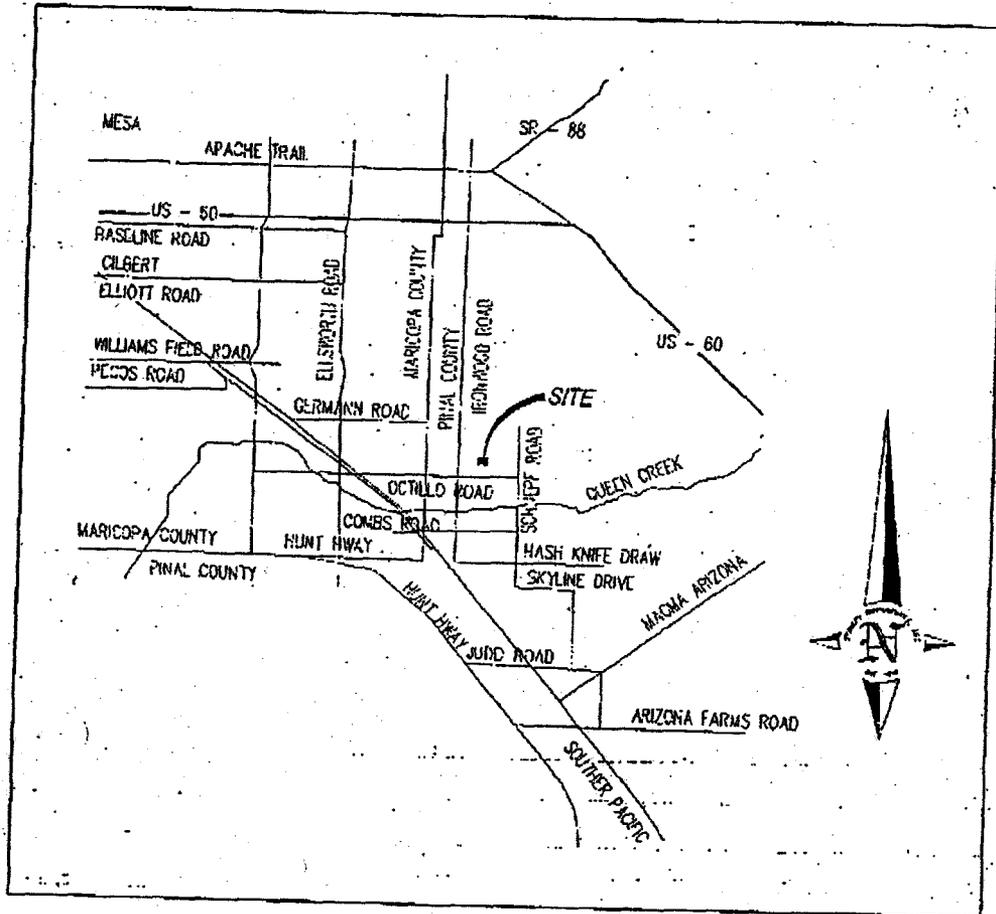


Figure 1. Project Location Map

## Design Parameters and Assumptions

The following are the design parameters and assumptions:

- 90 Gallons/Person/Day (GPD) for all residential areas
- 2.6 Person/Dwelling Unit (DU)
- 2.90 Peaking Factor (PF)
- 250 Gallons/Acre/Day (GAD) for wet weather flow infiltration and inflow
- Manning's "n" roughness coefficient = 0.013
- Minimum Design Slopes
  - 8" Diameter 0.0033 Ft/Ft
  - 10" Diameter 0.0024 Ft/Ft
  - 12" Diameter 0.0019 Ft/Ft

## Calculations

- o  $140 \text{ Units} \times 2.6 \text{ Persons/Unit} \times 90 \text{ GPD} \times 2.9 \text{ PF} = 95,004 \text{ GPD}$
- o  $\text{Infiltration} = 37.35 \text{ Acres} \times 250 \text{ GAD} = 9,338 \text{ GPD}$
- o  $\text{Total Flow} = 95,004 \text{ GPD} + 9,338 \text{ GPD} = 104,342 \text{ GPD} = 72.5 \text{ GPM}$
- o  $\text{Minimum Design Slope for Project} = 8'' \text{ pipe @ } 0.0034 \text{ ft/ft}$
- o  $\text{Design Capacity @ } 70\% = 220 \text{ GPM}$

Therefore the sewer pipes designed (220 GPM) for this project are adequate for the total flows (72.5 GPM) required.

Table 1  
**Peak Dry Weather Flow Factor Ratios for Wastewater Basin Study**  
 Pima County Wastewater Management

POPULATION	PEAKING FACTOR
100	3.62
200	3.14
300	2.90
400	2.74
500	2.64
600	2.56
700	2.50
800	2.46
900	2.42
1000	2.38
1500	2.28
2000	2.20
2500	2.15
3000	2.10
4000	2.02
5000	1.98
6000	1.93
7000	1.92
7000	1.92
8000	1.89
9000	1.87
10000	1.85
15000	1.80
20000	1.74
25000	1.71
30000	1.69

Respectfully submitted,  
Stanley Consultants, Inc.

Prepared by

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Les Clawson Project Designer

Reviewed by

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Reid Dickson Project Manager

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Bob Jacobs Project Engineer

Cc:  
Linda Luther

Lwc

# WAYNE RANCH



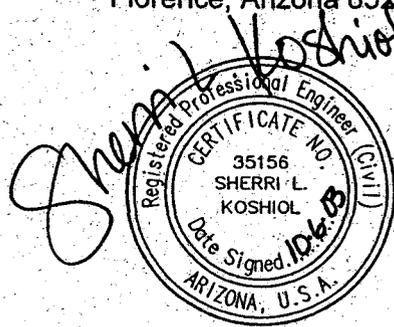
MASTER WASTEWATER REPORT  
FOR

**WAYNE RANCH**  
NWC OCOTILLO ROAD & KENWORTHY ROAD  
PINAL COUNTY, ARIZONA

Prepared for:  
**DEL PUEBLO HOMES, L.L.C.**  
7520 East Angus Drive  
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Prepared By:  
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**PINAL COUNTY**  
31 North Pinal Street, Building F  
Florence, Arizona 85232



Revised October 6, 2003  
August 2003  
CMX Project No. 6834

**MASTER WASTEWATER REPORT  
FOR  
WAYNE RANCH**

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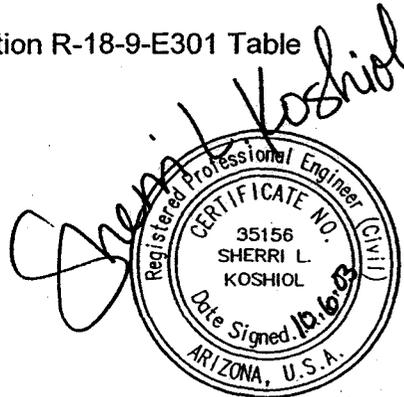
**APPENDICES**

**A    FIGURES**

- 1 Vicinity Map
- 2 Phasing Exhibit
- 3 Wastewater Master Plan

**B.    Tables**

- 1 Sewer Flow Summary Table
- 2 Dwelling Unit Summary Table
- 3 Sewer Flow Calculations
- 4 Sewer Flow Summary by Phase
- 5 Arizona Administrative Code Section R-18-9-E301 Table



## **I. INTRODUCTION**

This report presents the Wastewater Master Plan for Wayne Ranch. Wayne Ranch, a Planned Area Development (PAD), is a proposed 115-acre, 423 dwelling unit community located in north central Pinal County, Arizona in Township 2 South, Range 8 East, Section 17, of the Gila and Salt River Meridian. The property is generally bounded by Gantzel (formally Vineyard) Road on the west, Cambria residential community on the south, Westbrooke Road on the north, and Kenworthy Road on the east, as seen on Figure 1 in Appendix A.

The site is located on land that was previously used for agricultural activities. The property to the immediate east and west of the site is a mix of agricultural and low-density residential development consisting of housing on large lots. The property to the north and south of the site is split between the new residential subdivision "Cambria", low-density residential lots and agricultural land use.

This Master Wastewater Report has been prepared in accordance with ADEQ standards and those of the service provider, Arizona Utility Supply & Services. The purpose of this report is to present the design criteria, analysis, and conclusions for providing sewer service to Wayne Ranch. The report includes a preliminary analysis of the gravity sewer network within the development as it ties into the proposed 12" sewer line that will be installed along the Joy Drive alignment. Design parameters are provided. These design parameters will be used in preparation of the construction plans.

Domestic water will be provided to the project by H<sub>2</sub>O INC. A copy of the Master Water Report has also been prepared.

## **II. LAND USE / DEVELOPMENT PHASING**

The project consists primarily of 423 single-family residential lots and various open space areas. The project will be developed in three phases (refer to Figure 2 in Appendix A for the phasing exhibit).

## **III. OFFSITE WASTEWATER SYSTEM**

The Wayne Ranch sewer will tie into the proposed 12" gravity sewer line that is being installed by Arizona Utility Supply & Services along the Joy Drive alignment. This 12" sewer line will be constructed within a 25-foot easement that extends between phases 1 & 3 of Wayne Ranch. This 12" sewer line will extend from Kenworthy Road to Gantzel Road to a new lift station, which is also being constructed by Arizona Utility Supply & Services along the East side of Gantzel Road. From the lift station the sewer will be directed south to the new Waste Water Treatment Plant that is being constructed along the East side of Gantzel Road just south of the Queen Creek Wash.

#### IV. DESIGN CRITERIA

##### A. Arizona Utility Supply and Services Company Standards

The flow requirements used in this report are based on criteria required by Johnson Utilities Company, Standard Specifications for Water & Sewer Construction<sup>(1)</sup>. Following is a summary of the design criteria utilized.

1. The average wastewater flow generated per single-family residential unit, per Johnson Utilities Company requirements, is 234 gpd, which is based upon 90 gpd/person at 2.6 people per dwelling unit.
2. Per Reference 1, Johnson Utilities Company Standard Specifications for Sewer Construction, wastewater lines shall be designed to provide mean velocities, when flowing full, of not less than 2.0 feet per second (fps), nor greater than 10.0 fps. The following table indicates the minimum slopes generally considered necessary to maintain a minimum 2.0 fps velocity based upon Manning's formula with an "n" value of 0.013 for all sewers.<sup>(1)</sup>

Size	Minimum Design Slope (with n = 0.013)
8"	0.0033
10"	0.0024
12"	0.0019
15"	0.0014
18"	0.0011

##### B. Additional Design Requirements

In addition to the design criteria used above the following additional standards will be utilized in designing and constructing the wastewater system for Wayne Ranch. These standards are based on criteria from Johnson Utilities Company as mentioned above<sup>(1)</sup> and Arizona Administrative Code, as set forth in Title 18. Environmental Quality, Chapter 9. Department of Environmental Quality Water Pollution Control, Article 3. Aquifer Protection Permits – General Permits, Part E. Type 4 General Permits, 4.01 General Permit: Sewage Collection Systems (R-18-9-E301)<sup>(2)</sup> effective March 31, 2003.

1. The Peaking Factors used to calculate peak flow rates for the Wayne Ranch internal wastewater system were the Peaking Factors shown in Table 1 on page four of the Johnson Utilities Company Design Guide and Standard Details manual dated July 2002 (refer to Table 4).
2. All wastewater collector lines shall be a minimum of 8 inches in diameter.

3. Manholes shall be installed at all grade changes, all size changes, all alignment changes, all sewer intersections (except with service connections), and at any location necessary to comply with the following spacing requirements:

Pipe Size	Maximum Spacing
8" – 18"	500'
18" – 36"	600'

Cleanouts may be used in place of manholes at the end of laterals less than 200 feet in length.

4. The pipe material used shall have established American Society for Testing Materials (ASTM) and to the manufacturer's recommended standards. The following types of pipe material are acceptable. Johnson Utilities shall allow alternative pipe materials subject to approval.
  - a) All lateral sewer lines shall be polyvinyl chloride (PVC) unless ductile iron is required to satisfy the separation requirements of ADEQ.
  - b) All interceptor and larger sewer lines shall be PVC lined reinforced concrete pipe. All PVC lining systems shall cover the entire interior of the pipe, 360 degree lining, and be of a type approved by the company.
5. Wastewater lines will generally be located in the center of the driving lane, on the south and west sides of the roadway centerline, and on the opposite side of the street from any potable water line. Manholes will be located 6 feet off the centerline to the south and west. This change from the Johnson Utilities specifications is due to the fact that water provider, H<sub>2</sub>O Water Company, has a design specification of placing the potable water lines to the north and east of the centerline of the roadway.
6. Easement widths provided for wastewater lines shall be a minimum of twelve (12) feet. The minimum horizontal separation from a wastewater line to another underground utility shall be six (6) feet. Exceptions must be approved by Arizona Utility Supply and Services
7. The minimum vertical separation of a wastewater line crossing under a water line shall be one (1) foot. The wastewater line shall be encased in concrete of 6-inch minimum thickness for at least ten (10) feet in both directions from the crossing. If a vertical separation of two (2) feet, or more, is used, then the wastewater line need not be encased in concrete. When a water line must cross under a wastewater line, a vertical separation of at least two (2) feet between the bottom of the wastewater line and the top of the water line shall be maintained with support provided for the

wastewater line to prevent settling. The wastewater line shall be constructed of cast iron pipe with mechanical joints, or other approved pipe, for at least ten (10) feet in both directions from the crossing, and the wastewater line shall be encased in concrete of 6-inch minimum thickness for the same distance.

8. All collectors, trunk, and interceptor lines shall have sufficient depth to serve the ultimate drainage area with a minimum cover of four (4) feet measured from finished grade to the top of the pipe.
9. On wastewater lines 6 to 12 inches in diameter, manholes shall be four (4) foot diameter with standard 24-inch frames and covers. Five (5) foot diameter manholes shall be provided on all wastewater lines, regardless of size, where the depth of the line from the finished grade to the pipe invert is greater than twelve (12) feet.
10. All developments within Wayne Ranch will be required to connect to the wastewater system. No on-site disposal systems will be allowed.

#### **V. ONSITE WASTEWATER SYSTEM**

The project site gradually slopes to the west/northwest. All of the wastewater collector lines were sized to a minimum diameter of 8 inches. There is one sewer line in Phase 3 of the project that will be 12 inches in diameter.

All wastewater trunk lines were sized using 2.6 persons per dwelling unit that Johnson Utilities recommends. Table 1 summarizes the peak flow from each phase based on the 2.6 persons per dwelling unit and 90 gallons/capita/day. Table 3 is a summary of the sewer flow calculations for an 8-inch pipe at a minimum slope of 0.0033 ft/ft. The peak factors based on the Arizona Administrative Code are summarized in Table 5.

#### **VI. CONCLUSIONS**

Based upon this report, the following can be concluded:

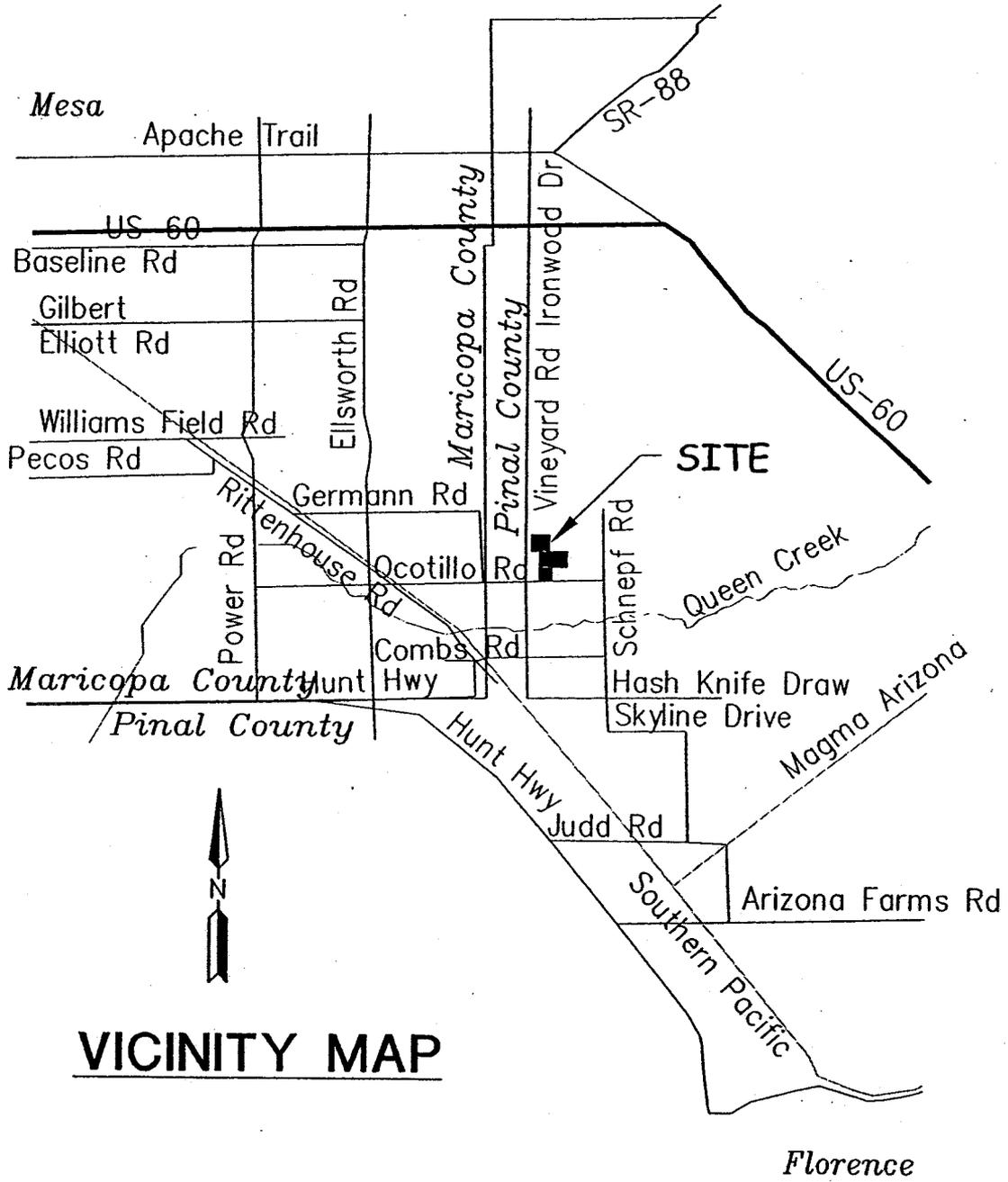
- The wastewater generated by Wayne Ranch will be conveyed to a wastewater treatment facility located on the east side of Gantzel Road just south of the Queen Creek Wash that is being constructed and operated by Arizona Utility Supply and Services.
- The current Wayne Ranch service area can be served by a gravity collection system being installed along the Joy Drive alignment.
- Sewer mains within the development will be sized and sloped to provide a minimum design velocity of 2.0 fps at peak flow.
- Detailed design of the various sewer lines is provided in the subdivision plans.

## VII. REFERENCES

1. Johnson Utilities Company Design Guide and Standard Details, July 2002.
2. Arizona Administrative Code, Title 18. Environmental Quality, Chapter 9. Department of Environmental Quality Water Pollution Control, Article 3. Aquifer Protection Permits – General Permits Section R18-9-E301, Part E. Type 4 General Permits, 4.01 General Permit: Sewage Collection Systems, Supplement 03-1, Effective March 31, 2003.

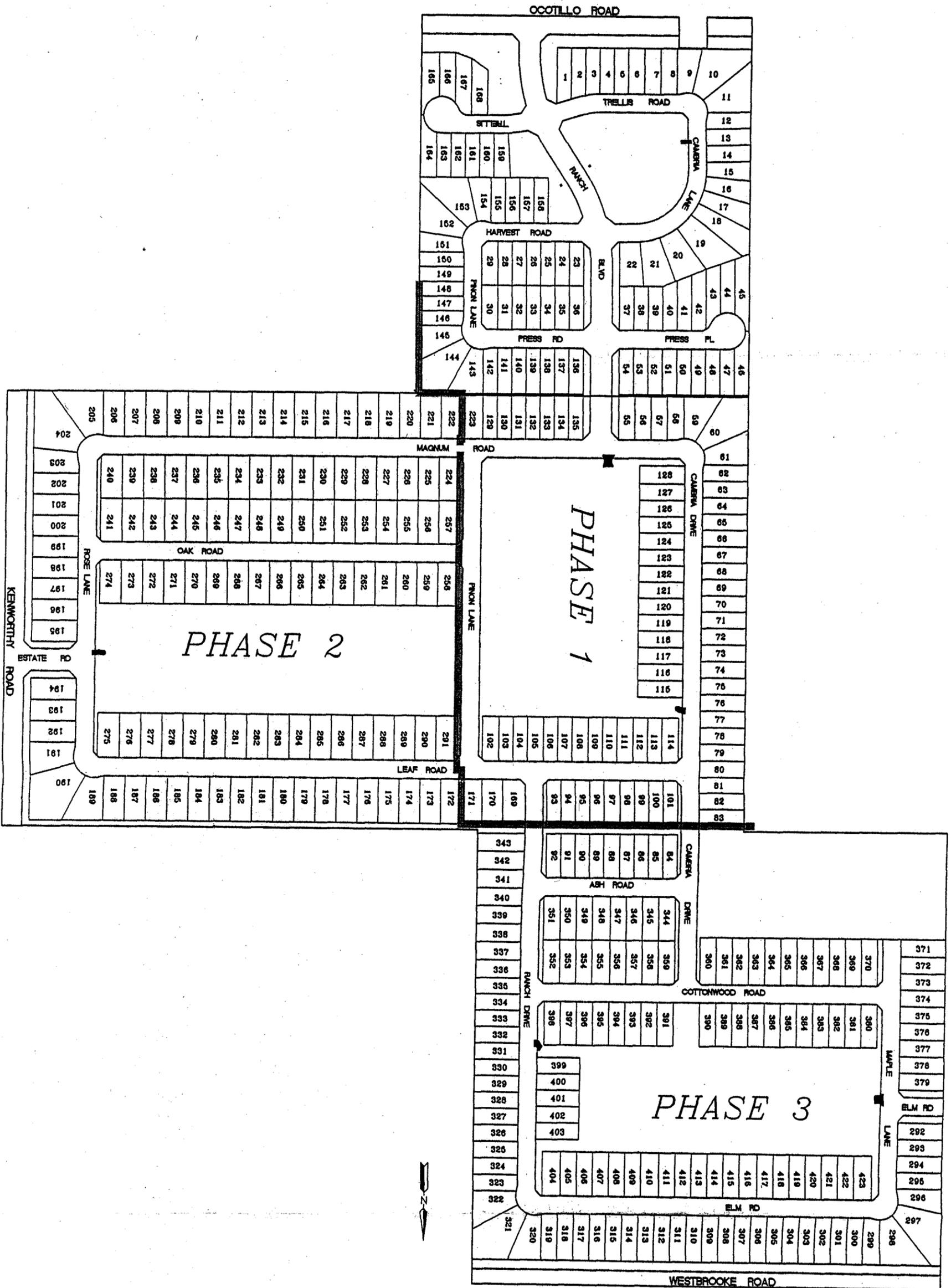
A

**FIGURE 1**  
**VICINITY MAP**



**VICINITY MAP**

**FIGURE 2**  
**PHASING EXHIBIT**



7740 NORTH 16TH STREET  
 PHOENIX, AZ 85020  
 PH (602) 567-1900  
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 www.cmxinc.com

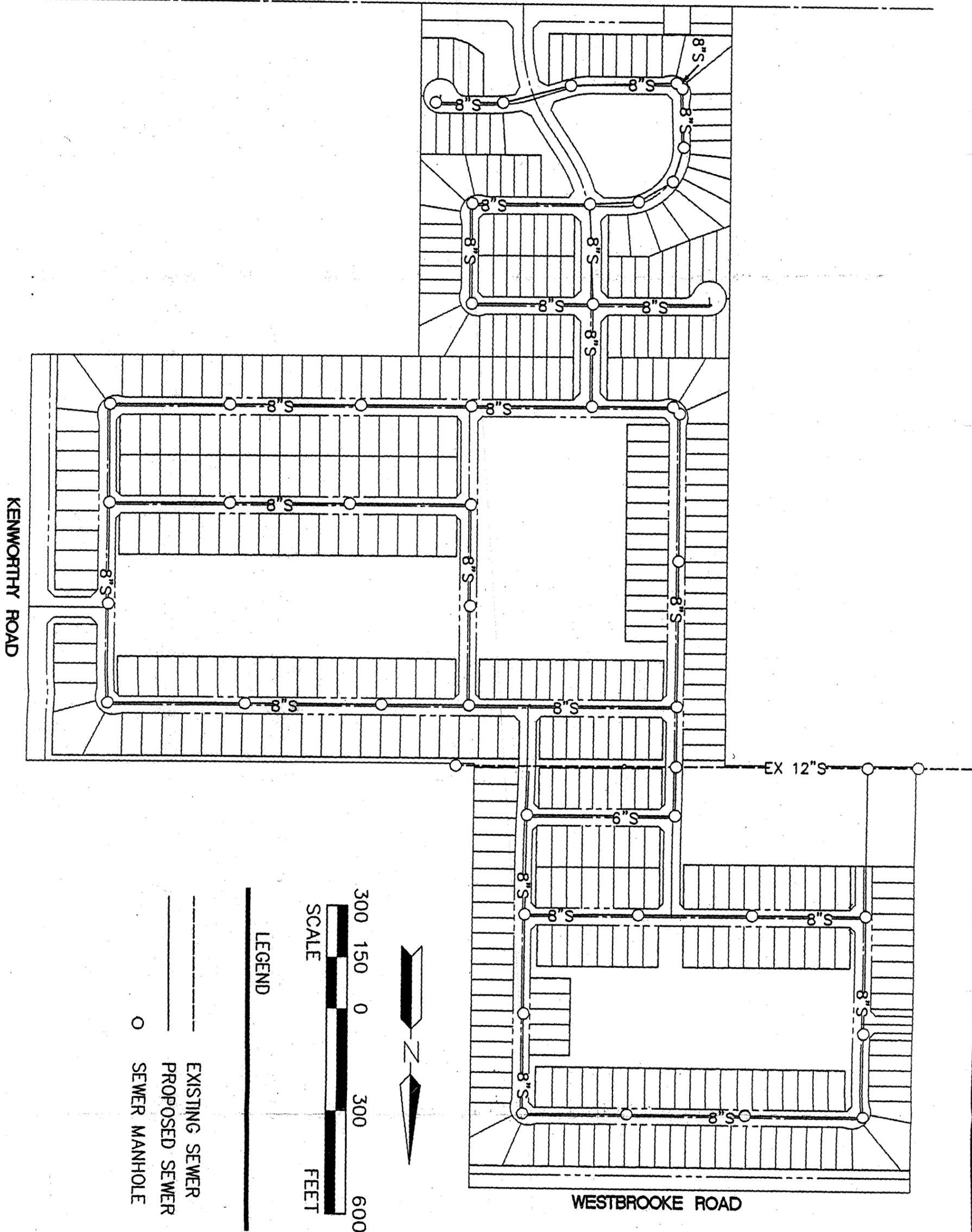
**WAYNE RANCH**  
 OCOTILLO RD & KENWORTHY RD  
 PINAL COUNTY, ARIZONA

**PHASING EXHIBIT**

CMX PROJ. 6834  
 DATE: AUG 2003  
 SCALE: N.T.S.  
 DRAWN BY: MEK  
 CHECKED BY: SLK

**FIGURE 3**  
**WASTEWATER MASTER PLAN**

OCOTILLO ROAD



**SEWER MASTERPLAN EXHIBIT**

1515 E. MISSOURI STE.115  
 PHOENIX, AZ 85014  
 PH (602)279-8436  
 FAX (602)265-1191  
 www.cmxic.com

**WAYNE RANCH**  
 OCOTILLO & KENWORTHY ROADS  
 PINAL COUNTY, AZ

CMX PROJ. 6834  
 DATE: MAY 2003  
 SCALE: 1" = 300'  
 DRAWN BY: BTB  
 CHECKED BY: CLK

**UTILITY PLAN**



B

**TABLE 1: SEWER FLOW SUMMARY**  
**WAYNE RANCH**  
**CMX PROJECT NO. 6834**

**DESIGN CRITERIA:**

AVERAGE DEMAND = 90 gpcd  
 PERSONS PER DWELLING UNIT = 2.6

PHASE	PIPE DIAMETER (in)	SLOPE (ft/ft)	DWELLING UNITS SERVED	EFFECTIVE POPULATION	AVERAGE DEMAND (gpd)	PEAKING FACTOR	PEAK FLOW (gpd)	PEAK FLOW (mgd)	LINE CAPACITY (mgd)
1	8	0.0033	163	424	38160	2.74	104558	0.105	0.482
2	8	0.0033	119	310	27900	2.90	80910	0.081	0.482
3	8	0.0033	141	367	33030	2.90	95787	0.096	0.482

**TABLE 2: DWELLING UNIT SUMMARY  
WAYNE RANCH  
CMX PROJECT NO. 6834**

<b>PHASE</b>	<b>PIPE DIAMETER (in)</b>	<b>MINIMUM SLOPE (ft/ft)</b>	<b>DWELLING UNITS SERVED</b>	<b>MAXIMUM NUMBER DWELLING UNITS</b>
1	8	0.0033	163	752
2	8	0.0033	119	752
3	8	0.0033	141	752

**TABLE 3: SEWER FLOW CALCULATIONS**  
**WAYNE RANCH**  
**CMX PROJECT NO. 6834**

Pipe Diameter, d (in) = 8  
 Pipe Slope, S (ft/ft) = 0.0033  
 Pipe Roughness = 0.013

y/d (in/in)	y (in)	theta (radians)	Area (ft <sup>2</sup> )	Wetted Perimeter (ft)	Hydraulic Radius (ft)	Conveyance		Flow Rate		Velocity (fps)	No. of Lots That Can Be Serviced*
						Factor	(cfs)	(gpd)†	(gpd)‡		
0.10	0.80	1.2870	0.0182	0.4290	0.0423	0.2523	0.0145	9,368	0.80	15	
0.15	1.20	1.5908	0.0328	0.5303	0.0619	0.5874	0.0337	21,810	1.03	34	
0.20	1.60	1.8546	0.0497	0.6182	0.0804	1.0582	0.0608	39,292	1.22	61	
0.25	2.00	2.0944	0.0682	0.6981	0.0978	1.6553	0.0951	61,462	1.39	96	
0.30	2.40	2.3186	0.0881	0.7729	0.1140	2.3664	0.1359	87,867	1.54	137	
0.35	2.80	2.5322	0.1089	0.8441	0.1290	3.1774	0.1825	117,978	1.68	184	
0.40	3.20	2.7389	0.1304	0.9130	0.1428	4.0722	0.2339	151,203	1.79	236	
0.45	3.60	2.9413	0.1523	0.9804	0.1554	5.0334	0.2891	186,892	1.90	291	
0.50	4.00	3.1416	0.1745	1.0472	0.1667	6.0421	0.3471	224,344	1.99	350	
0.55	4.40	3.3419	0.1967	1.1140	0.1766	7.0778	0.4066	262,802	2.07	410	
0.60	4.80	3.5443	0.2187	1.1814	0.1851	8.1186	0.4664	301,447	2.13	470	
0.65	5.20	3.7510	0.2402	1.2503	0.1921	9.1405	0.5251	339,392	2.19	529	
0.70	5.60	3.9646	0.261	1.3215	0.1975	10.1173	0.5812	375,659	2.23	586	
0.75	6.00	4.1888	0.2808	1.3963	0.2011	11.0192	0.6330	409,149	2.25	638	
0.80	6.40	4.4286	0.2994	1.4762	0.2028	11.8118	0.6785	438,579	2.27	684	
0.85	6.80	4.6924	0.3162	1.5641	0.2022	12.4520	0.7153	462,347	2.26	721	
0.90	7.20	4.9962	0.3309	1.6654	0.1987	12.8792	0.7399	478,212	2.24	746	
0.95	7.60	5.3811	0.3425	1.7937	0.1910	12.9846	0.7459	482,123	2.18	752	
1.00	8.00	6.2832	0.3491	2.0944	0.1667	12.0841	0.6942	448,689	1.99	700	

MAXIMUM FLOW = 0.482 MGD

† P.V.C. pipe with manholes (n=0.013)

‡ 1 cfs = 646,358 gpd

\* Assumes 90 gpd per person with 2.6 persons per unit and a peaking factor according to Table 1

**TABLE 4: SEWER FLOW SUMMARY BY PARCEL  
WAYNE RANCH  
CMX PROJECT NO. 6834**

**DESIGN CRITERIA:**

AVERAGE DEMAND = 90 gpcd  
 PERSONS PER DWELLING UNIT = 2.6

<b>PHASE</b>	<b>DWELLING UNITS</b>	<b>POPULATION</b>	<b>AVERAGE DEMAND (mgd)</b>
1	163	424	0.038
2	119	310	0.028
3	141	367	0.033

**TABLE 5: AZ ADMINISTRATIVE CODE SECTION R18-9-E301  
WAYNE RANCH  
CMX PROJECT NO. 6834**

<b>Upstream Population (p)</b>	<b>Peaking Factor</b>
100	3.62
200	3.14
300	2.90
400	2.74
500	2.64
600	2.56
700	2.50
800	2.46
900	2.42
1000	2.38
1500	2.28
2000	2.20
2500	2.15
3000	2.10
4000	2.02
5000	1.98
6000	1.93
7000	1.92
8000	1.89
9000	1.87
10000	1.85
15000	1.78
20000	1.74
25000	1.71
30000	1.69
1001 to 10,000	$PF = (6.330 * p^{-0.231}) + 1.094$
10,001 to 100,000	$PF = (6.177 * p^{-0.233}) + 1.128$
More than 100,000	$PF = (4.500 * p^{-0.174}) + 0.945$

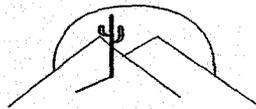
# **TAYLOR RANCH**

MASTER WASTEWATER REPORT  
FOR  
Taylor Ranch  
PINAL COUNTY, ARIZONA

Prepared For:

JOHNSON UTILITIES COMPANY  
968 East Hunt Highway  
Queen Creek, AZ 85242

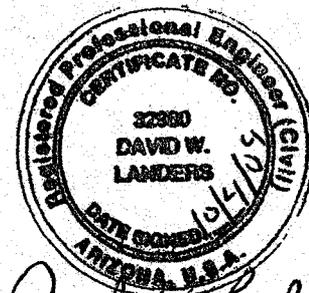
Prepared By:



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Subdivisions      Civil Engineering      Land Planning

JMI Job No. 04926  
October 4, 2004



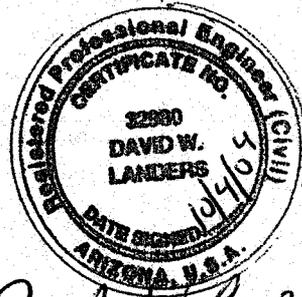
*David W. Landers*

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3.0	WASTEWATER COLLECTION SYSTEM.....	2
4.0	FLOW ANALYSIS.....	4
5.0	SUMMARY.....	7

Appendix

- A. FIGURE 1 – VICINITY MAP
- B. MASTER WASTEWATER EXHIBIT
- C. LINE SIZE AND INVERT ANALYSIS
- D. MANHOLE SIZE AND INVERT ANALYSIS
- E. LOADING SUMMARY
- F. OUTLET REPORT



**MASTER WASTEWATER REPORT FOR  
TAYLOR RANCH  
PINAL COUNTY, ARIZONA**

**1.0 INTRODUCTION**

The purpose of this report is to design a wastewater collection system to serve the needs of the proposed site. This report shows location, size, and capacity of the proposed sewer mains for the site.

The design of the sewage lift stations, force mains, and treatment facilities are not addressed in this report. This site will be served by the Johnson Utilities District and the design of the above mentioned facilities will be coordinated with the District's engineer. These design drawings will be submitted to the Arizona Department of Environmental Quality (ADEQ) under a separate application for approval to construct.

**2.0 SITE DESCRIPTION**

Taylor Ranch covers an area of approximately 116 acres and will consist of 395 single-family residential homes.

This project is located south of WestBrooke Road and east of the Gantzel Road alignment. This site is more specifically described as being located within a portion of Section 17, Township 2 south, Range 8 east of the Gila and Salt River Base and Meridian, Pinal County, Arizona. (See Fig. 1).

This site encompasses mostly flat agricultural land. Currently the land is being used to grow irrigated crops. There is some residential development in the area, including golf courses.

**3.0 WASTEWATER COLLECTION SYSTEM**

The existing topography slopes from the southeast to the northwest, this general pattern will be maintained when grading the site. The entire

Taylor Ranch development will drain to a lift station located near the intersection of Gantzel Road and the Joy Drive alignment.

The lift station and sewer main extension has been designed by Sunbelt Utility Services LLC (currently Specific Engineering). Any plans associated with the lift stations or treatment facilities will be submitted to ADEQ under separate cover by Specific Engineering and/or Johnson Utilities Company.

The enclosed master sewer plan shows the proposed sewer system with manholes, pipe sizes, and locations of the main lines (Reference Appendices B, C, & D). Actual locations, inverts, and sizes will be verified with the final design of the sewers and adjusted to avoid conflicts with other utilities and to conform to the site and to hydrologic conditions for the area.

The primary design constraint for the system is to minimize the excavation depth as much as possible. To accomplish this we have used methods related to the minimum slope, manhole drops, and minimum invert depths. In some instances the sewer lines were oversized to maintain a flatter minimum slope. Per Johnson Utilities Company design guidelines sewer lines that run straight through a manhole are continued with no drop in the manhole. Where the sewer lines enter a manhole at an angle of 5.1-45 degrees, a 0.1' drop across the manhole was used and a 0.2' drop was used for angles between 45.1-90 degrees. All sewer lines are a minimum of eight inches in diameter with a minimum of four feet of cover. For all sewer lines with an invert depth greater than 12 feet or pipe size larger than 12", 5-foot diameter manholes with 30-inch diameter covers have been utilized. The inverts for each manhole are shown in Appendices D. Manholes have been placed whenever a change in sewer line alignment, grade or size occurs. When sewer lines of differering sizes enter the same manhole, the crown of the smaller sewer line will be at a minimum the same elevation of the crown of the larger sewer line.

#### 4.0 FLOW ANALYSIS

The following table shows the usage of each category, the dwelling units, and areas contributing to the lift station located in the Taylor Ranch Development.

Lift Station ID	Single Family DU	Flow Rate per Family DU (gpd)	Total Flow for Family DU (gpd)	Peaking Factor	Total Flow Including Peaking Factor (gpd)
LS	477	234	92430	2.74	<b>305833.32</b>
Lift Station ID	Commercial Area (ac)	Flow Rate per (ac) (gpd)	Total Flow for Family DU (gpd)	Peaking Factor	Total Flow Including Peaking Factor (gpd)
LS	16.5	1000	16500	3.0	<b>49500</b>

Lift Station ID	Total Flow Single Family DU & Commercial Area Including Peaking Factors	Wet Weather Flow Infiltration & Inflow (GPAD)	Total Flow Including Peaking Factor & Infiltration (gpd)
LS	355333.32	29000	<b>384333.32</b>

This is based upon the approved Pinal County Preliminary Plats and the zoning approved as a part of the Taylor Ranch Planned Area Development (P.A.D.). Manning's equation was used for determining the proposed pipe sizes. A friction factor of 0.013 (for PVC), and a minimum velocity of 2.0 ft/s when flowing full was used to determine minimum slopes. The calculated flows, minimum pipe sizes and slopes for this system are tabulated in the spreadsheet located in Appendices C.

**Sewer Design Criteria:**

The following design criteria has been utilized for all areas within the Johnson Utilities service area unless directed otherwise by the Company, ADEQ or the A.C.C.

90 GPCD for all residential areas requiring sewers (ADWF)

1.8 persons/D.U. for all Adult Community Residences

2.6 persons/D.U. for all Family Community Residences

1000 GPAD for all commercial and school areas (ADWF)

3.0 Peaking Factor for all commercial and school areas (PDWF)

250 GPAD for wet weather flow infiltration and inflow

Residential peaking factors are based on the tributary population. The peaking factor relationship adopted by the Pima County Wastewater Management Department has been used to develop the residential peak dry-weather wastewater effluent (see Table 1).

**Table 1**  
**Peak Dry Weather Flow Factor Ratios for Wastewater Basin Study**

Pima County Wastewater Management

NOTE: THIS TABLE MEETS THE REQUIREMENTS OF THE ARIZONA ADMINISTRATIVE CODE

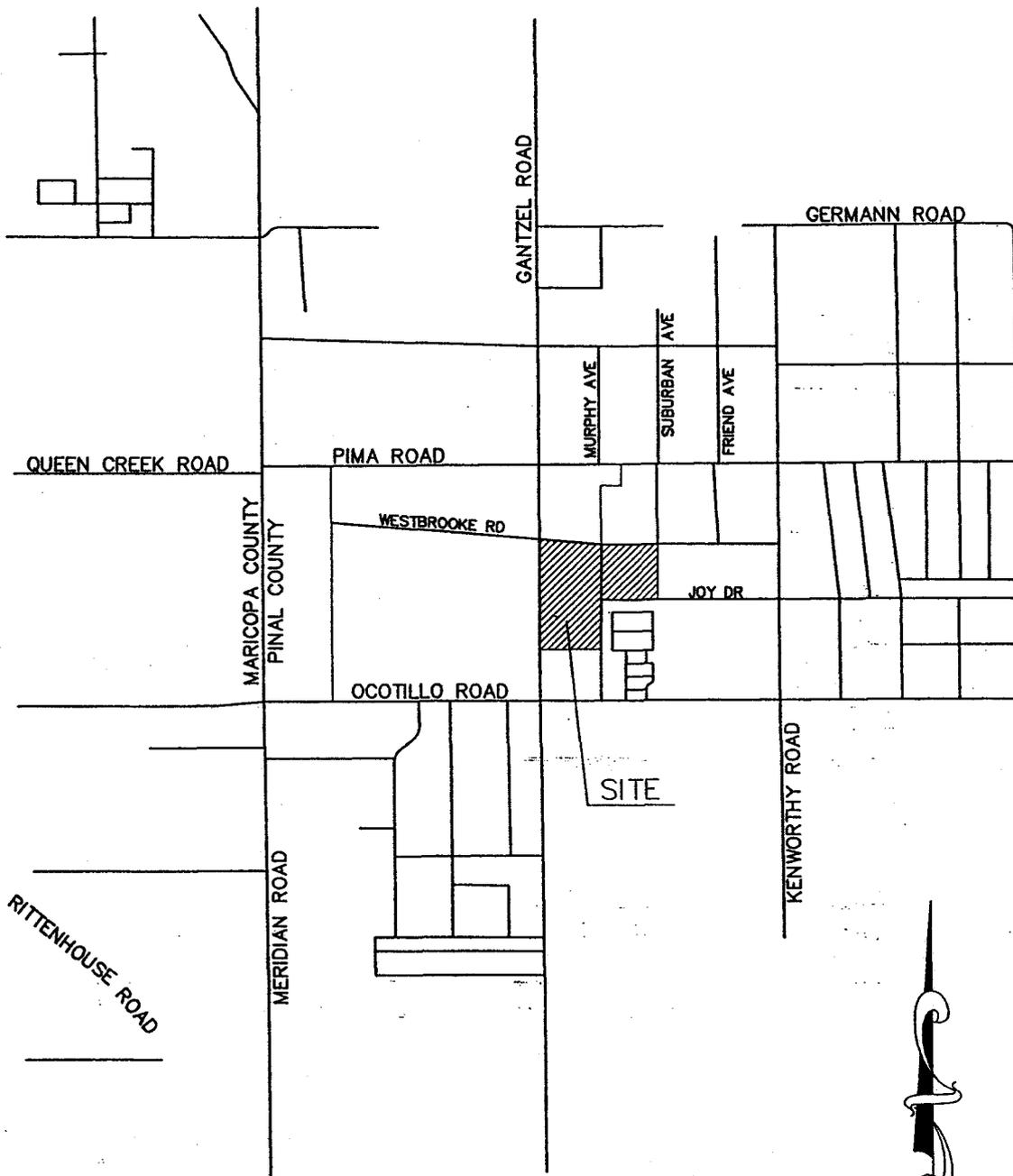
POPULATION	PEAKING FACTOR
100	3.62
200	3.14
300	2.90
400	2.74
500	2.64
600	2.56
700	2.50
800	2.46
900	2.42
1000	2.38
1500	2.28
2000	2.20
2500	2.15
3000	2.10
4000	2.02
5000	1.98
6000	1.93
7000	1.92
8000	1.89
9000	1.87
10000	1.85
15000	1.80
20000	1.74
25000	1.71
30000	1.69

## **5.0 SUMMARY**

The master sewer collection system shown on the master sewer exhibit reflects the system designed for this study. The designed system will adequately convey the wastewater flow generated by the study area to the appropriate lift station, where it will be pumped to the nearest treatment facility.

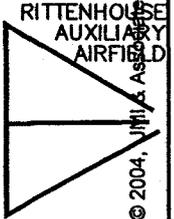
When constructed in accordance with this report, Johnson Utilities, and Pinal County requirements, the system described by this study will serve the needs of the Taylor Ranch development. The detailed design of the future subdivisions and mixed use areas will follow this report and make any adjustments for site specific conditions as necessary, while conforming to the conditions described herein.

APPENDIX A  
FIGURE 1 – VICINITY MAP



VICINITY MAP

N.T.S.



MasterSewerVicinityMap.dwg, 8/27/2004 10:09:02 AM, Hydrology, 1:534.109, Copyright © 2004, JMI & Associates, Inc.

 <b>JMI &amp; ASSOCIATES</b> CONSULTING CIVIL ENGINEERS <small>4151 NORTH MARSHALL WAY SUITE 12 SCOTTSDALE, AZ 85251 480.945.1400</small>		<b>FIGURE 1</b> <b>VICINITY MAP</b> <b>TAYLOR RANCH</b>	DATE 08/25/04
			SHEET 1 OF 1
DATE 08/25/04	SCALE 1" = 1000' N.T.S. VERT. N/A	DRAWN BY P. PULLI	CHECKED BY P. PULLI

APPENDIX B  
MASTER WASTEWATER EXHIBIT

**MAP IN ORIGINAL**

APPENDIX C  
LINE SIZE AND INVERT ANALYSIS

Line Size & Invert Analysis

Label	Upstream Node	Upstream Invert Elevation (ft)	Downstream Node	Downstream Invert Elevation (ft)	Section Size	Length (ft)	Bend Angle (degrees)	Slope (ft/ft)	Mannings n	Total Flow (gpd)	Full Capacity (gpd)	d/D Depth Rise (%)	Infiltration Additional Flow (gpd)	Total Wet Weather Flow (gpd)
P-1	MH-1	72.79	MH-2	71.73	12 inch	443.00	0.01	0.002393	0.013	34,948.15	1,126,328.05	10.8	966.67	966.67
P-2	MH-2	71.53	MH-3	69.99	12 inch	642.00	0.51	0.002399	0.013	44,249.89	1,127,734.01	12.1	966.67	1,933.33
P-3	MH-3	69.79	O-1	69.55	12 inch	101.00	0.00	0.002376	0.013	45,216.56	1,122,428.71	12.2	966.67	2,900.00
P-4	MH-5	79.01	MH-6	78.59	12 inch	190.00	21.04	0.002211	0.013	26,613.07	1,082,584.18	9.5	966.67	966.67
P-5	MH-6	78.49	MH-7	78.32	12 inch	75.00	68.99	0.002267	0.013	27,579.73	1,096,245.09	9.7	966.67	1,933.33
P-6	MH-7	78.12	MH-8	77.64	12 inch	220.00	13.09	0.002182	0.013	28,546.40	1,075,531.44	9.9	966.67	2,900.00
P-7	MH-8	77.54	MH-9	77.34	12 inch	90.00	9.38	0.002222	0.013	29,513.07	1,085,444.38	10.0	966.67	3,866.67
P-8	MH-9	77.24	MH-10	76.36	12 inch	400.00	0.70	0.002200	0.013	30,479.73	1,080,003.52	11.7	966.67	4,833.33
P-9	MH-10	76.36	MH-11	75.70	12 inch	300.00	20.46	0.002200	0.013	31,446.40	1,080,003.52	10.4	966.67	5,800.00
P-10	MH-11	75.60	MH-12	75.15	12 inch	205.00	1.35	0.002195	0.013	32,413.07	1,078,805.51	13.6	966.67	6,766.67
P-11	MH-12	75.15	MH-13	74.93	12 inch	100.00	12.68	0.002200	0.013	53,896.85	1,080,003.52	13.5	966.67	7,733.33
P-12	MH-13	74.83	MH-14	74.54	12 inch	130.00	6.68	0.002231	0.013	54,863.52	1,087,529.77	15.4	966.67	8,700.00
P-13	MH-14	74.54	MH-15	74.26	12 inch	126.00	90.00	0.002222	0.013	55,830.19	1,085,444.38	13.7	966.67	9,666.67
P-14	MH-15	74.06	MH-16	73.42	12 inch	290.00	27.03	0.002207	0.013	56,796.85	1,081,694.99	13.8	966.67	10,633.33
P-15	MH-16	73.32	MH-17	73.04	12 inch	125.00	15.07	0.002240	0.013	80,845.28	1,089,777.51	16.4	966.67	11,600.00
P-16	MH-17	72.94	MH-18	72.50	12 inch	200.00	79.98	0.002200	0.013	99,123.27	1,080,003.52	18.3	966.67	12,566.67
P-17	MH-18	72.30	MH-19	72.12	12 inch	80.00	22.79	0.002250	0.013	100,089.93	1,092,207.34	18.3	966.67	13,533.33
P-18	MH-19	72.02	MH-20	71.76	12 inch	120.00	28.65	0.002167	0.013	101,056.60	1,071,790.45	18.5	966.67	14,500.00
P-19	MH-20	71.66	MH-21	71.27	12 inch	178.00	90.00	0.002191	0.013	102,023.27	1,077,794.92	18.5	966.67	15,466.67
P-20	MH-21	71.07	MH-22	70.44	12 inch	285.00	1.08e-12	0.002211	0.013	133,765.61	1,082,584.18	23.8	966.67	16,433.33
P-21	MH-22	70.44	MH-23	69.97	12 inch	212.00	90.00	0.002217	0.013	134,732.28	1,084,163.62	21.3	966.67	17,400.00
P-22	MH-23	69.77	MH-24	69.55	12 inch	100.00	0.43	0.002200	0.013	135,698.95	1,080,003.52	27.4	966.67	18,366.67
P-23	MH-25	75.54	MH-26	74.07	8 inch	388.00	1.14e-13	0.003789	0.013	13,789.87	480,706.44	11.8	966.67	966.67
P-24	MH-26	74.07	MH-27	72.55	8 inch	400.00	2.1e-12	0.003800	0.013	14,756.53	481,425.33	12.2	966.67	1,933.33
P-25	MH-27	72.55	MH-28	72.19	8 inch	95.00	89.01	0.003789	0.013	15,723.20	480,758.08	11.5	966.67	2,900.00
P-26	MH-28	71.99	MH-29	71.35	12 inch	290.00	0.99	0.002207	0.013	143,129.07	1,081,694.99	25.4	966.67	3,866.67
P-27	MH-29	71.35	MH-30	70.69	12 inch	300.00	6.82e-13	0.002200	0.013	161,407.05	1,080,003.52	27.6	966.67	4,833.33
P-28	MH-30	70.69	MH-31	70.03	12 inch	300.00	35.02	0.002200	0.013	197,637.52	1,080,003.52	25.9	966.67	5,800.00
P-29	MH-31	69.93	MH-24	69.55	12 inch	174.00	55.41	0.002184	0.013	202,451.15	1,076,046.42	30.2	966.67	6,766.67
P-30	MH-24	69.55	O-2	69.55	12 inch	1.00	0.00	0.005000	0.013	339,116.76	1,628,166.57	30.4	966.67	26,100.00

APPENDIX D  
MANHOLE SIZE AND INVERT ANALYSIS

Scenario Base

Manhole Size & Invert Analysis

Label	Structure Diameter (ft)	Rim Elevation (ft)	Ground Elevation (ft)	Sump Elevation (ft)	Structure Depth (ft)	Hydraulic Grade Line In (ft)	Hydraulic Grade Line Out (ft)	Headloss Method	HEC-22 Banching Method	Sanitary Unit Load Type	Number Residences	Sanitary Base Load (gpd)	Total Flow (gpd)
MH-31	4.00	79.75	79.75	69.93	9.82	70.23	70.22	HEC-22 Energy	Half	JUResidence	6.00	1,404.00	201,484.48
MH-30	4.00	80.00	80.00	70.69	9.31	70.98	70.98	HEC-22 Energy	Half	JUResidence	55.00	12,870.00	196,670.85
MH-29	4.00	80.25	80.25	71.35	8.90	71.61	71.61	HEC-22 Energy	Half	JUResidence	27.00	6,318.00	160,440.39
MH-28	4.00	80.75	80.75	71.99	8.76	72.24	72.24	HEC-22 Energy	Half	<Composite>	N/A	44,580.00	142,162.40
MH-27	4.00	81.00	81.00	72.55	8.45	72.63	72.63	HEC-22 Energy	Half	<None>	N/A	0.00	14,756.53
MH-26	4.00	82.75	82.75	74.07	8.68	74.15	74.15	HEC-22 Energy	Half	<None>	N/A	0.00	13,789.87
MH-25	4.00	84.75	84.75	75.54	9.21	75.62	75.62	HEC-22 Energy	Half	JUResidence	20.00	4,680.00	12,823.20
MH-24	4.00	80.00	80.00	69.55	10.45	69.86	69.86	HEC-22 Energy	Half	<None>	N/A	0.00	338,150.09
MH-23	4.00	79.00	79.00	69.77	9.23	70.01	70.01	HEC-22 Energy	Half	<None>	N/A	0.00	134,732.28
MH-22	4.00	79.50	79.50	70.44	9.06	70.68	70.68	HEC-22 Energy	Half	<None>	N/A	0.00	133,765.61
MH-21	4.00	79.00	79.00	71.07	7.93	71.31	71.31	HEC-22 Energy	Half	JUResidence	48.00	11,232.00	132,798.95
MH-20	4.00	79.50	79.50	71.66	7.84	71.87	71.87	HEC-22 Energy	Half	<None>	N/A	0.00	101,056.60
MH-19	4.00	79.75	79.75	72.02	7.73	72.23	72.23	HEC-22 Energy	Half	<None>	N/A	0.00	100,089.93
MH-18	4.00	80.25	80.25	72.30	7.95	72.51	72.50	HEC-22 Energy	Half	<None>	N/A	0.00	99,123.27
MH-17	4.00	80.75	80.75	72.94	7.81	73.15	73.14	HEC-22 Energy	Half	JUResidence	27.00	6,318.00	98,156.60
MH-16	4.00	81.00	81.00	73.32	7.68	73.50	73.50	HEC-22 Energy	Half	JUResidence	36.00	8,424.00	79,878.61
MH-15	4.00	80.50	80.50	74.06	6.44	74.22	74.22	HEC-22 Energy	Half	<None>	N/A	0.00	55,830.19
MH-14	4.00	81.25	81.25	74.54	6.71	74.69	74.69	HEC-22 Energy	Half	<None>	N/A	0.00	54,863.52
MH-13	4.00	82.00	82.00	74.83	7.17	74.98	74.98	HEC-22 Energy	Half	<None>	N/A	0.00	53,896.85
MH-12	4.00	82.50	82.50	75.15	7.35	75.30	75.30	HEC-22 Energy	Half	JUResidence	32.00	7,488.00	52,930.19
MH-11	4.00	83.75	83.75	75.60	8.15	75.72	75.72	HEC-22 Energy	Half	<None>	N/A	0.00	31,446.40
MH-10	4.00	84.50	84.50	76.36	8.14	76.48	76.48	HEC-22 Energy	Half	<None>	N/A	0.00	30,479.73
MH-9	4.00	85.50	85.50	77.24	8.26	77.36	77.36	HEC-22 Energy	Half	<None>	N/A	0.00	29,513.07
MH-8	4.00	85.75	85.75	77.54	8.21	77.65	77.65	HEC-22 Energy	Half	<None>	N/A	0.00	28,546.40
MH-7	4.00	86.50	86.50	78.12	8.38	78.23	78.23	HEC-22 Energy	Half	<None>	N/A	0.00	27,579.73
MH-6	4.00	86.50	86.50	78.49	8.01	78.60	78.60	HEC-22 Energy	Half	<None>	N/A	0.00	26,613.07
MH-5	4.00	86.50	86.50	79.01	7.49	79.12	79.12	HEC-22 Energy	Half	JUResidence	40.00	9,360.00	25,646.40
MH-3	4.00	79.00	79.00	69.79	9.21	69.93	69.93	HEC-22 Energy	Half	<None>	N/A	0.00	44,249.89
MH-2	4.00	82.00	82.00	71.53	10.47	71.67	71.67	HEC-22 Energy	Half	JUResidence	13.00	3,042.00	43,283.23
MH-1	4.00	86.00	86.00	72.79	13.21	72.91	72.91	HEC-22 Energy	Half	JUResidence	53.00	12,402.00	33,981.48

APPENDIX E  
LOADING SUMMARY

Manhole	LOADING SUMMARY (RESIDENTIAL)				LOADING SUMMARY (SCHOOL/PARK)				WET WEATHER FLOW	
	Contributing D.U. Taylor Ranch	Flow Rate per D.U. (gpd)	Peaking Factor	Total Flow from D.U. (gpd)	Contributing Commercial Areas (acres)	Flow Rate per Acre (gpd)	Peaking Factor	Total Flow Commercial Areas (gpd)	Total Flow Wet Weather Flow Infiltration & Inflow (gpd)	TOTAL FLOW (gpd)
MH-31	6	234	2.74	3847	0	1000	3	0	966.67	4813.6
MH-30	55	234	2.74	35264	0	1000	3	0	966.67	36230.5
MH-29	27	234	2.74	17311	0	1000	3	0	966.67	18278.0
MH-28	120	234	2.74	76939	16.5	1000	3	49500	966.67	127405.9
MH-27	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-26	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-25	20	234	2.74	12823	0	1000	3	0	966.67	13789.9
MH-24	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-23	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-22	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-21	48	234	2.74	30776	0	1000	3	0	966.67	31742.3
MH-20	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-19	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-18	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-17	27	234	2.74	17311	0	1000	3	0	966.67	18278.0
MH-16	36	234	2.74	23082	0	1000	3	0	966.67	24048.4
MH-15	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-14	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-13	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-12	32	234	2.74	20517	0	1000	3	0	966.67	21483.8
MH-11	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-10	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-9	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-8	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-7	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-6	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-5	40	234	2.74	25646	0	1000	3	0	966.67	26613.1
MH-3	0	234	2.74	0	0	1000	3	0	966.67	966.7
MH-2	13	234	2.74	8335	0	1000	3	0	966.67	9301.7
MH-1	53	234	2.74	33981	0	1000	3	0	966.67	34948.1
<b>TOTAL</b>	<b>477</b>	<b>234</b>	<b>2.74</b>	<b>305833</b>	<b>16.5</b>	<b>1000</b>	<b>3</b>	<b>49500</b>	<b>29000</b>	<b>384333</b>

TOTAL

gpd = gallon per day  
D.U. = Single Family Dwelling Units

**LOADING SUMMARY (WET WEATHER FLOW INFILTRATION AND INFLOW)**

Pipe	Infiltration Load Type	Total Service Area (acres)	Flow Rate (gpad)	Total Flow (gpd)
TOTAL	Wet Weather Flow Infiltration & Inflow	116	250	29000

Pipe	Distribution (gpd)
P-30	966.67
P-29	966.67
P-28	966.67
P-27	966.67
P-26	966.67
P-25	966.67
P-24	966.67
P-23	966.67
P-22	966.67
P-21	966.67
P-20	966.67
P-19	966.67
P-18	966.67
P-17	966.67
P-16	966.67
P-15	966.67
P-14	966.67
P-13	966.67
P-12	966.67
P-11	966.67
P-10	966.67
P-9	966.67
P-8	966.67
P-7	966.67
P-6	966.67
P-5	966.67
P-4	966.67
P-3	966.67
P-2	966.67
P-1	966.67
<b>TOTAL</b>	<b>29000</b>

APPENDIX F  
OUTLET REPORT

Outlet Report

Label	Station (ft)	Ground Elevation (ft)	Set Rim Equal to Ground Elevation?	Rim Elevation (ft)	Sump Elevation (ft)	Tailwater Condition	Tailwater Elevation (ft)	Total Flow (gpd)	Description
O-1	0+00	78.90	true	78.90	69.55	Free Outfall		45,216.56	
O-2	0+00	80.00	true	80.00	69.55	Free Outfall		339,116.76	

TOTAL: 384,333.32

# **EXHIBIT 7**

## **2003 ANNUAL REPORT**

ARIZONA CORPORATION COMMISSION  
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

WS-02987A SEWER  
JOHNSON UTILITIES LLC  
5320 E SHEA BLVD  
SCOTTSDALE, AZ 85254



ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
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FOR COMMISSION USE

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## COMPANY INFORMATION

**Company Name (Business Name)** JOHNSON UTILITIES, LLC

**Mailing Address** 5320 E. SHEA BLVD #200

(Street)

SCOTTSDALE

(City)

AZ

(State)

85254

(Zip)

480-998-3300

Telephone No. (Include Area Code)

480-483-7908

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Local Office Mailing Address** SAME

(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

**Management Contact:** GEORGE JOHNSON

(Name)

(Title)

5320 E. SHEA BLVD #200

(Street)

SCOTTSDALE

(City)

AZ

(State)

85254

(Zip)

480-998-3300

Telephone No. (Include Area Code)

480-483-7908

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**On Site Manager:** BRIAN P TOMPSETT

(Name)

SAME

(Street)

(City)

(State)

(Zip)

SAME

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Statutory Agent:** RICHARD SALLQUIST

(Name)

2525 E. AZ BILTMORE CIR #117  
(Street)

PHOENIX  
(City)

AZ  
(State)

85016  
(Zip)

(602)224-9222

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:** SAME

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |  |   |
|--|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)     | <input type="checkbox"/> Subchapter S Corporation (Z)                     |
| <input type="checkbox"/> Bankruptcy (B)      | <input type="checkbox"/> Association/Co op (A)                            |
| <input type="checkbox"/> Receivership (R)    | <input checked="" type="checkbox"/> Limited Liability Company             |
| <input type="checkbox"/> Other (Describe)    |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |   |
|-------------------------------------|-----------------------------------|---|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO         |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE         |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE           |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input checked="" type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA             |
| <input type="checkbox"/> STATEWIDE  |                                   |   |

COMPANY NAME

JOHNSON UTILITIES, LLC

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization			
352	Franchises			
353	Land and Land Rights	910,000		910,000
354	Structures and Improvements	453,663	38,181	415,482
355	Power Generation Equipment			
360	Collection Sewers - Force			
361	Collection Sewers - Gravity			
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells			
380	Treatment and Disposal Equip.			
381	Plant Sewers	17,432,240	1,007,341	16,424,899
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment	5,455	68	5,387
390	Office Furniture and Equipment			
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment			
395	Power Operated Equipment			
398	Other Tangible Plant			
	<b>TOTALS</b>	<b>18,801,358</b>	<b>1,045,590</b>	<b>17,755,768</b>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

JOHNSON UTILITIES, LLC

**CALCULATION OF DEPRECIATION EXPENSE**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization			
352	Franchises			
353	Land and Land Rights	910,000		
354	Structures and Improvements	453,663	2.5%	11,342
355	Power Generation Equipment			
360	Collection Sewers - Force			
361	Collection Sewers - Gravity			
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells			
380	Treatment and Disposal Equip.			
381	Plant Sewers	17,432,240	2.5%	368,911
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment	5,455	1.25%	68
390	Office Furniture and Equipment			
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment			
395	Power Operated Equipment			
398	Other Tangible Plant			
	SUBTOTAL	18,801,358		380,321
	CIAC Amortization			(210,899)
	TOTALS	18,801,358		169,422

This amount goes on Comparative Statement of Income and Expense Acct. 403

 **ULLMANN  
& COMPANY P.C.**  
Certified Public Accountants

To the Board of Directors of  
The Sewer Division of Johnson Utilities, L.L.C.  
Scottsdale, Arizona

We have compiled the balance sheets (as restated) of The Sewer Division of Johnson Utilities, L.L.C. as of December 31, 2003 and 2002, and the comparative statements of income and expenses (as restated) for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

All other information contained in the accompanying prescribed form has not been audited, reviewed, or compiled by us and, accordingly, we assume no responsibility for that information.

*Ullmann & Company*

ULLMANN & COMPANY, P.C.  
Certified Public Accountants

March 31, 2004

<b>COMPANY NAME</b> <b>JOHNSON UTILITIES, LLC</b>
--

**BALANCE SHEET**

<b>Acct. No.</b>	<b>ASSETS</b>	<b>BALANCE AT BEGINNING OF TEST YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 410,535	\$ 164,235
132	Special Deposits		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	136,735	354,247
146	Notes/Receivables from Associated Companies	49,743	9,120
151	Plant Material and Supplies		
162	Prepayments		3,041
174	Miscellaneous Current and Accrued Assets	117,842	132,848
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 714,855</b>	<b>\$ 663,491</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	13,444,334	18,801,358
103	Property Held for Future Use		70,257
105	Construction Work in Progress		5,502,892
108	Accumulated Depreciation - Utility Plant	665,269	1,045,590
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	<b>TOTAL FIXED ASSETS</b>	<b>\$ 12,779,065</b>	<b>\$ 23,328,917</b>
	<b>TOTAL ASSETS</b>	<b>\$ 13,493,920</b>	<b>\$ 23,992,408</b>

NOTE: Total Assets on this page should equal Total Liabilities and Capital on the following page.

COMPANY NAME

JOHNSON UTILITIES, LLC

**BALANCE SHEET (CONTINUED)**

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ 583,407	\$ 101,712
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	28,312	171,798
235	Customer Deposits		
236	Accrued Taxes	110,682	42,234
237	Accrued Interest	50,316	1,690
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 772,717	\$ 317,434
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 236,585	\$ 220,280
	<b>DEFERRED CREDITS</b>		
252	Advances in Aid of Construction	\$ 5,433,041	\$ 10,242,183
253	Other Deferred Credits		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	5,208,322	11,663,622
272	Less: Amortization of Contributions	167,479	378,378
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 10,473,884	\$ 21,527,427
	<b>TOTAL LIABILITIES</b>	\$ 11,483,186	\$ 22,065,141
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ -	\$ -
211	Other Paid in Capital		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	2,010,734	1,927,267
	<b>TOTAL CAPITAL</b>	\$ 2,010,734	\$ 1,927,267
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 13,493,920	\$ 23,992,408

SEE ACCOUNTANTS' COMPILATION REPORT

7

COMPANY NAME

JOHNSON UTILITIES, LLC

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

	OPERATING REVENUES	PRIOR YEAR	TEST YEAR
521	Flat Rate Revenues	\$ 576,672	\$ 1,237,464
522	Measured Revenues		
536	Other Wastewater Revenues	39,700	
	<b>TOTAL REVENUES</b>	<b>\$ 616,372</b>	<b>\$ 1,237,464</b>
	<b>OPERATING EXPENSES</b>		
701	Salaries and Wages	\$ -	\$ -
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense	851	2,685
715	Purchased Power	67,036	69,935
716	Fuel for Power Production		
718	Chemicals	661	
720	Materials and Supplies	8,400	2,904
731	Contractual Services - Professional	177,894	288,797
735	Contractual Services - Testing		
736	Contractual Services - Other		
740	Rents		28,236
750	Transportation Expense		134
755	Insurance Expense		6,951
765	Regulatory Commission Expense		
775	Miscellaneous Expense	3,911	9,994
403	Depreciation Expense	192,300	16,422
408	Taxes Other Than Income		501
408.11	Property Taxes	30,692	17,215
409	Income Taxes		
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 481,745</b>	<b>\$ 443,774</b>
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ 3,492	\$ 4,479
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	29,502	19,011
	<b>TOTAL OTHER INCOME/EXP</b>	<b>\$ (26,010)</b>	<b>\$ (14,532)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ 108,617</b>	<b>\$ 779,158</b>

SEE ACCOUNTANTS' COMPILATION REPORT

8

COMPANY NAME JOHNSON UTILITIES, LLC

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	Various	4/9/03		
Source of Loan	Member	Grissom		
ACC Decision No.				
Reason for Loan	Capital Impr.	Land Purchase		
Dollar Amount Issued	\$233,280	\$35,000	\$	\$
Amount Outstanding	\$185,280	\$35,000	\$	\$
Date of Maturity	Demand	4/15/05		
Interest Rate	8%	8%	%	%
Current Year Interest	\$18,589	\$0	\$	\$
Current Year Principle	\$48,000	\$0	\$	\$

COMPANY NAME JOHNSON UTILITIES, LLC

**WASTEWATER COMPANY PLANT DESCRIPTION**

**TREATMENT FACILITY**

<b>TYPE OF TREATMENT</b> (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	EXTENDED AERATION, AEROBIC LAGOONS
<b>DESIGN CAPACITY OF PLANT</b> (Gallons Per Day)	1.6 MGD

**LIFT STATION FACILITIES**

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
MAIN PUMP STATION	2	30	325	7500
REUSE PUMP STATION	2	30	420	1879
UNIT 4A PUMP	2	75	400	380
UNIT 4D/4F PUMP STATION	2	18	656	1184
UNIT 6 PUMP STATION	2	3	100	440
OASIS @ MAGIC RANCH PUMP STATION	2	7.5	593	887
SUPERSTITION VIEWS	2	7.5	90	440
OASIS SUNRISE	2	15	500	2162
SAN TAN PUMP STATION	2	75	500	7500
COPPER BASIN PUMP STATION	2	30	380	7780
CIRCLE CROSS PUMP STATION	2	50	500	2256
PECAN RANCH PUMP STATION	2	75	500	2162
AD & AF	2	45	440	1879
COPPER BASIN #2	2	88	500	1879
RANCHO BELLA VISTA	2	47	500	1879
RANCHO BELLA VISTA #2	2	45	500	1879

**FORCE MAINS**

Size	Material	Length (Feet)
4-inch	PVC	2,704
6-inch	PVC	6,610
8-inch	PVC	100,042
15-inch	PVC	1,126
12-inch	PVC	4,770
10-inch	PVC	1,973

**MANHOLES**

Type	Quantity
Standard	1183
Drop	5

**CLEANOUTS**

Quantity
256

COMPANY NAME JOHNSON UTILITIES, LLC

**WASTEWATER COMPANY PLANT DESCRIPTION CONTINUED**

**COLLECTION MAINS**

**SERVICES**

Size (in inches)	Material	Length (in feet)
4		
6		9467
8		251061
10		19309
12		22620
15		1126
18		2800
21		
24		
30		

Size (in inches)	Material	Quantity
4		6006
6		2
8		
12		
15		

**FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY**

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	NONE
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	6 CHLORINATORS
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	NONE
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	FENCES – 12 WELL SITES, 6 WATER PLANTS, 11 LIFT STATIONS. 1 WWTP.
<b>OTHER</b> (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	3 GENERATORS, 1 BACKHOE, 1 BULL DOZER

COMPANY NAME JOHNSON UTILITIES, LLC

**WASTEWATER FLOWS**

<b>MONTH/YEAR (Most Recent 12 Months)</b>	<b>NUMBER OF SERVICES</b>	<b>TOTAL MONTHLY SEWAGE FLOW</b>	<b>SEWAGE FLOW ON PEAK DAY</b>
January 2003	1769	4,528,000	160,000
February 2003	1900	4,645,000	167,000
March 2003	2054	4,977,000	196,000
April 2003	2226	4,655,000	170,000
May 2003	2384	4,908,000	196,000
June 2003	2595	5,262,000	192,000
July 2003	2699	5,806,000	195,000
August 2003	2960	10,200,000	350,000
September 2003	3140	10,717,000	360,000
October 2003	3400	11,408,000	408,000
November 2003	3461	11,526,000	603,000
December 2003	3719	12,199,000	597,000

**PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE**

<b>Method Of Effluent Disposal</b> (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Recharge Evaporation
<b>Wastewater Inventory Number</b> (all wastewater systems are assigned an inventory number)	103081
<b>Groundwater Permit Number</b>	58-106857.0005, 58-113322.0004
<b>ADEQ Aquifer Protection Permit Number</b>	P103081
<b>ADEQ Reuse Permit Number</b>	R103081
<b>EPA NPDES Permit Number</b>	N/A

STATISTICAL INFORMATION

Total number of customers 3719

Total number of gallons treated 90,831,000 gallons

**JOHNSON UTILITIES COMPANY**  
**PLANT INVENTORY**  
**WASTEWATER**

Project	18" Mains	15" Mains	12" Mains	10" Mains	8" Main	6" Main	5" F.M.	4" F.M.	Total Mains	4" M.L.R. 8" M.H.	C.O.	30" S.V.
Main Pump Station							25,500					
Main WWTTP		980	1,120		605	1,570	3,300			4	2	
JR Trunk Sewer		138	3,680							13		
4A Station						4 R491				3		
San Tan Force Lift Sta & Force Mn							18,477					
Section 11 Release					510	60	8,750			2		285
Sec 11 WWTTP					22		29,203		298			
Pecan Ranch Pump Sta & Force Mn							5,104					
Superstition Views Pump Sta & F. M.							3,071					
Circle Cross Pump Sta and Force Mn							5,783					
Copper Basin Pump Sta and force Mn							2907					
Oasis at Magic Pump sta & Force Mn								1348				
Oasis Sunrise Pump Sta & Force Mn												
4044F Pump Station & Force Main				1973								
JR Unit 28 pump sta and Force Main				1,973	1,137	6,610	100,042	1,847	0.00	22	11	285
<b>Total</b>		1,128	4,770	1,973	1,137	6,610	100,042	1,847	0.00	22	11	285

**JOHNSON UTILITIES COMPANY  
PLANT INVENTORY  
WASTEWATER**

**TREATMENT PLANTS**

Name	GPD	Lot Size	Deeded to JUC?	Tax Parcel
Johnson Ranch Main WWTP	1.6M	87 Acres	Gen Hunt	200-24-008D5 (?? 287 Ac ??)
Precision	.3M	37 AC	2.1 acres to CAC	140 00 0014
Menwood	Retired	N/A		

**LIFT STATIONS**

Name	Location	Number Pumps	Horsepower	GPM each	Wet Well Capacity	Deeded to JUC?	Tax Parcel
Main Station	Water Plant #1	2	30	325	7500		
Station 4A	JR Unit 4	2	7.5	156	380		
Station B	JR Unit 6	2	3	100	440		
San Tan Station	San Tan Unit XX	2	25	500	7500		
Pecan Station	Pecan Ranch Unit XX	2	75	500	1879		
Reuse Station	Main WWTP	2	30	420			
Supersatiation Views	Supersatiation Views	2	7.5	90	440		
4D/4F	JR Unit 4D/4F	2	3				
Copper Basin	Copper Basin Devel	2	30	380	1888		
Copper Basin	Copper Basin Devel	2	88	380	3750		
Circle Cross	Circle Cross Devel	2	50	500	1879		
Magic Ranch Phase 1	Magic Ranch Phase 1	2	7.5	593			
Oasis Sunrise	Oasis Sunrise Devel	2	15	500	1879		
Morning Sun Farms	Morning Sun Farms	2	47				



COMPANY NAME JOHNSON UTILITIES, LLC

YEAR ENDING 12/31/2003

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported N/A (LLC)  
Estimated or Actual Federal Tax Liability N/A (LLC)

State Taxable Income Reported N/A (LLC)  
Estimated or Actual State Tax Liability N/A (LLC)

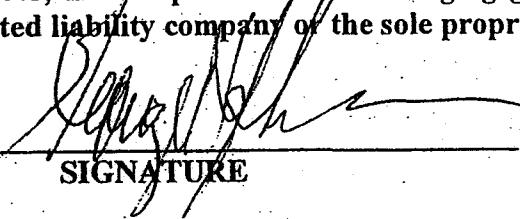
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0  
Amount of Gross-Up Tax Collected 0  
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
\_\_\_\_\_  
SIGNATURE

4.15.2004  
\_\_\_\_\_  
DATE

GEORGE H. JOHNSON  
\_\_\_\_\_  
PRINTED NAME

MANAGER  
\_\_\_\_\_  
TITLE

COMPANY NAME JOHNSON UTILITIES, LLC YEAR ENDING 12/31/2003

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 251,456

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

VERIFICATION  
STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	<b>MARICOPA</b>
NAME (OWNER OR OFFICIAL) TITLE	<b>GEORGE H. JOHNSON</b>
COMPANY NAME	<b>JOHNSON UTILITIES L.L.C. - SEWER DIVISION</b>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA COPORATION COMMISSION**

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)
\$ <u>1,324,012</u>

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 86,548  
IN SALES TAXES BILLED, OR COLLECTED

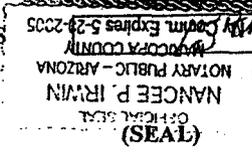
**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

*[Handwritten Signature]*  
SIGNATURE OF OWNER OR OFFICIAL  
(480) 998-3300  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS \_\_\_\_\_ DAY OF



COUNTY NAME	<b>MARICOPA</b>	
MONTH	<b>APRIL</b>	<b>2004</b>
<i>[Handwritten Signature]</i> SIGNATURE OF NOTARY PUBLIC		

MY COMMISSION EXPIRES May 20, 2005

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE

(COUNTY NAME)	MARICOPA	
NAME (OWNER OR OFFICIAL)	GEORGE H. JOHNSON	TITLE PRESIDENT
COMPANY NAME	JOHNSON UTILITIES L.L.C. - SEWER DIVISION	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 1,312,740

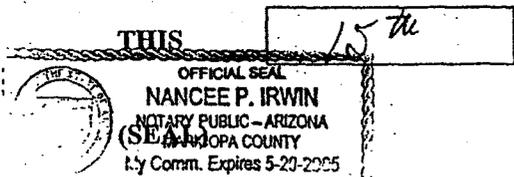
(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 85,811  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

X

*George H. Johnson*  
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF



MY COMMISSION EXPIRES

*May 20, 2005*

NOTARY PUBLIC NAME	NANCEE P. IRWIN	
COUNTY NAME	MARICOPA	
MONTH	April	20 04

X *Nancee P. Irwin*  
SIGNATURE OF NOTARY PUBLIC

**EXHIBIT 8**

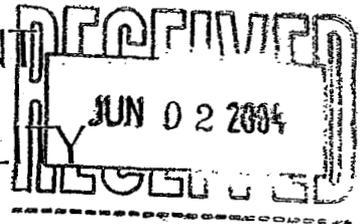
**APPROVAL OF  
CONSTRUCTION  
VINEYARD ESTATES**



Janet Napolitano  
Governor

# ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

1110 W. Washington Street Phoenix, Arizona 85007



## APPROVAL OF CONSTRUCTION

**Project Description:** Construction of water distribution lines to serve 161 lots of Vineyard Estates Subdivision.

**Location:** Pinal

**Project Owner:** Vineyard Estates, LLC  
**Address:** 16009 N. 81st St. #200  
Scottsdale, AZ 85260

The Arizona Department of Environmental Quality (ADEQ) hereby issues an Approval of Construction for the above-described facility based on the following provisions of Arizona Administrative Code (A.A.C.) R18-4-507 et seq.

On April 10, 2003, ADEQ issued a Certificate of Approval to Construct for the referenced project.

On April 27, 2004, Ronald L. Smith, P.E., certified the following:

- a final construction inspection was conducted on December 15, 2003;
- the referenced project was constructed according to the as-built plans and specifications and ADEQ's Certificate of Approval to Construct;
- water system pressure and leakage tests were conducted on December 15, 2003, and the results were within the allowable leakage rates; and
- the water distribution system was disinfected December 12, 2003, according to an ADEQ-approved method.

Microbiological samples were collected on December 16, 2003 and analyzed on December 17, 2003, by Aquatic Consulting & Testing, Inc., ADHS License No. AZ0003. The sample results were negative for total coliform.

This Approval of Construction authorizes the owner to begin operating the above-described facilities as represented in the approved plan on file with the ADEQ. Be advised that A.A.C. R18-4-124 requires the owner of a public water system to maintain and operate all water production, treatment and distribution facilities in accordance with ADEQ Safe Drinking Water Rules.

AH:RK1

PWS No.: 11-060

ADEQ Project No.: 20030155  
LTF No.: 32972

*Susan Hazelett*  
For Solad Hossain, P.E., Manager  
Technical Engineering Unit  
Drinking Water Section

*5/27/04*  
Date Approved

c: DWCEU Facility File  
TEU Construction File  
CRO Approval of Construction File  
Pinal County Health Department  
Pinal County Planning & Zoning Department  
AZ Corporation Commission  
Engineer: (Ronald L. Smith, P.E. 16009 N. 81st St., Ste 200 Scottsdale, AZ 85260



**FENNEMORE CRAIG – PHOENIX**  
**Court Filings and Service of Process**

(Do not use this form for deliveries.)

3:30

<b>Date:</b> 12/14/2004	<b>File Number:</b> 51239.009	<b>Case Number:</b> WS-02987A-04-
<b>Attorney:</b> Patrick Black	<b>Secretary:</b> Claire Volpe	<b>Legal Assistant:</b>
<b>Attorney Phone:</b> 602-916-5400	<b>Secretary Phone:</b> 602-916-5180	<b>Legal Assistant Phone:</b>
<b>Attorney Email:</b>	<b>Secretary Email:</b>	<b>Legal Assistant Email:</b>
<b>Plaintiff/Petitioner:</b> Johnson Utilities	<b>Defendant/Respondent:</b>	<b>County:</b>

- Superior/Civil \_\_\_\_\_
- Superior/Probate \_\_\_\_\_
- Superior/Family \_\_\_\_\_
- Superior/Tax \_\_\_\_\_
- District Court Phx. \_\_\_\_\_
- District Court Tuc. \_\_\_\_\_
- Bankruptcy Phx. \_\_\_\_\_
- Bankruptcy Tuc. \_\_\_\_\_
- Court of Appeals \_\_\_\_\_
- Supreme Court \_\_\_\_\_
- Justice\*\* \_\_\_\_\_
- City\*\* \_\_\_\_\_
- Secretary of State \_\_\_\_\_
- Industrial Commission \_\_\_\_\_
- Corporation Comm. XX
- Recorder \_\_\_\_\_
- Other \_\_\_\_\_

**Documents: Application for Extension of CC&N**

**Filing Instructions:** Please file Original +13 copies with Docket Control and hand deliver envelope to Jim Fisher, Utilities Division. Return Conformed Copy. Thank you.

*RTA*

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1 FENNEMORE CRAIG  
A Professional Corporation  
2 Jay L. Shapiro (No. 014650)  
3003 North Central Avenue  
3 Suite 2600  
Phoenix, Arizona 85012  
4 Telephone (602) 916-5000

5 Attorneys for Johnson Utilities Company

6 **BEFORE THE ARIZONA CORPORATION COMMISSION**

7 IN THE MATTER OF THE APPLICATION  
8 OF JOHNSON UTILITIES COMPANY FOR  
AN EXTENSION OF ITS EXISTING  
9 CERTIFICATE OF CONVENIENCE AND  
NECESSITY FOR WASTEWATER  
10 SERVICE.

DOCKET NO. WS-02987A-04-0889

**PROOF OF PUBLICATION AND  
CERTIFICATION OF MAILING TO  
PROPERTY OWNERS**

11 Pursuant to the January 6, 2005 procedural order, Johnson Utilities, L.L.C. dba Johnson  
12 Utilities Company ("Applicant"), an Arizona public service corporation, hereby submits this  
13 Proof of Publication and Certification of Mailing in the above-captioned matter.

14 On February 4, 2005, legal public notice was published in The Tribune. The affidavit of  
15 Susan Pacholke of The Tribune is attached hereto as Exhibit 1.

16 On or around February 3, 2005, Applicant served notice to approximately 140 property  
17 owners within the requested extension area. A list containing the names of these property  
18 owners, as well as a sample letter and enclosed Public Notice, are attached hereto as Exhibit 2.

19 DATED this 15th day of February, 2005.

20 FENNEMORE CRAIG, P.C.

21 By: Jay L. Shapiro  
22 Jay L. Shapiro  
23 Attorneys for Johnson Utilities Company

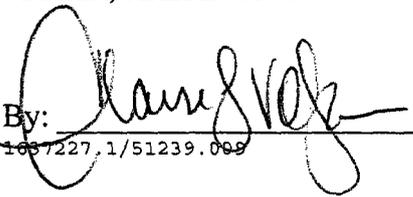
EXHIBIT  
A-4  
admitted 4-11-05

1 ORIGINAL and 13 copies delivered this  
15<sup>th</sup> day of February, 2005, to:

2 Docket Control  
3 Arizona Corporation Commission  
1200 West Washington Street  
4 Phoenix, Arizona 85007

5 COPY hand-delivered this 15<sup>th</sup> day of December, 2004:

6 Jim Fisher, Executive Consultant  
Utilities Division  
7 Arizona Corporation Commission  
1200 West Washington Street  
8 Phoenix, Arizona 85007

9  
10 By:   
11 ~~1007227.1/51239.000~~

12  
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# **EXHIBIT**

**1**

**PUBLIC NOTICE OF HEARING ON THE APPLICATION OF JOHNSON UTILITIES COMPANY FOR AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY (WS-02987A-04-0889)**

On December 14, 2004, Johnson Utilities Company ("Company") filed an application with the Arizona Corporation Commission ("Commission") for an extension of its Certificate of Convenience and Necessity ("CC&N") to provide wastewater service to an area encompassing four residential developments in Pinal County known as Wayne Ranch, Vineyard Estates, Milagro and Taylor Ranch. If the application is granted, the Applicant would be the exclusive provider of wastewater to the proposed area, and would be required by the Commission to provide service under rates and charges and terms and conditions established by the Commission. The application is available for inspection during regular business hours at the offices of the Commission in Phoenix, at 1200 West Washington Street, Phoenix, Arizona, and at the offices of the Company, 5230 E. Shea Blvd. Suite 200, Scottsdale, AZ 85254.

The Commission will hold a hearing on this matter beginning on April 11, 2005, at 10:00 a.m., at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona. Public comment will be taken on the first day of the hearing.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Intervention shall be permitted to any person entitled by law to intervene and having a direct and substantial interest in the matter. Persons desiring to intervene must file a written motion to intervene with the Commission, which motion should be sent to the Applicants or its counsel and to all parties of record, and which, at the minimum shall contain the following:

1. The name, address, and telephone number of the proposed intervenor and of any party upon whom service of documents is to be made if different than the intervenor.

2. A short statement of the proposed intervenor's interest in the proceeding

(e.g., a customer of the Applicants, a shareholder of the Applicants, etc.)

3. A statement certifying that a copy of the motion to intervene has been mailed to the Applicants or their counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before March 4, 2005. The granting of the intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. Failure to intervene will not preclude any potential customer from appearing at the hearing and making a statement on such person's own behalf. You will not, however, receive any further notice of proceeding unless requested by you.

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# **EXHIBIT**

**2**

**SECTION 17 - 2S - 8E**

**OWNER LIST**

**AS OF 2/1/05**

AGUIRRE RAFAEL M & NORA ADRIANA PO BOX 1643 QUEEN CREEK, AZ 85242 109-24-02203	BROWN FLOYD B & HELEN E 759 E GOLDMINE LN QUEEN CREEK, AZ 85242 109-24-06600	DECOZIO BUSH EVA MARIA B 1440 E WESTBROOK RD QUEEN CREEK, AZ 85242 104-24-019B5
APACHE SUN INC 919 E PIMA RD QUEEN CREEK, AZ. 85242 104-24-004B2	BUGHER ROBERT STEVE & SANDRA 41072 N DESERT THISTLE TR QUEEN CREEK, AZ. 85242 109-24-06402	DETLOFF LEONARD A 862 E COACHWHIP LN QUEEN CREEK, AZ 85242 109-24-02906
ASHE JAMES E & DONNA M 41149 N ARBOR AVE QUEEN CREEK, AZ 85242 109-25-13009	BUTKA THOMAS J & LORI M 42028 N OUTBACK RD QUEEN CREEK, AZ 85242 104-24-05603	DILLARD CRAIG A & JENNE J 1651 E PIMA RD QUEEN CREEK, AZ 85242 104-24-05405
BAIRD RANDY J 41111 N RABBIT BRUSH TRL QUEEN CREEK, AZ. 85242 109-24-02104	CALVERT DEBRA S 827 E QUENTIN LN QUEEN CREEK, AZ 85242 109-24-03706	DOBSON MELVYN & SONJA C MICHAEL 862 E QUENTIN LN QUEEN CREEK, AZ 85242 109-24-03508
BARES FREDERICK C & CHERYL K 793 E QUENTIN QUEEN CREEK, AZ. 85242 109-24-04803	CAMPBELL BRIAN A 794 E QUENTIN LN QUEEN CREEK, AZ. 85242 109-24-04902	DUGAN THOMAS P & BARBARA G 896 E COACHWHIP LN QUEEN CREEK, AZ 85242 109-24-02807
BARNES DONALD W & ALVENA TRS 40887 N CHISOLM TRL QUEEN CREEK, AZ. 85242 104-24-02402	CASTOLDI KELLY J & DENNIS 916 E MESQUITE TRL QUEEN CREEK, AZ 85242 104-24-04200	EADS ALAN D & LUCILLE JUNE TRS 3010 N 68TH ST SCOTTSDALE, AZ 85251 104-24-00307
BARRETO ANDRES A & KRISTY 896 E QUENTIN LN QUEEN CREEK, AZ 85242 109-24-03409	CHADWICK LARRY W SR & NANCY 1109 E LEAF RD QUEEN CREEK, AZ 85242 109-25-08207	ELLSWORTH LOREE 40864 N TUMBLEWEED TRL QUEEN CREEK, AZ 85242 104-24-04705
BARROWS PAMELA 943 E PINION QUEEN CREEK, AZ 85242 104-24-03608	CHINN ELROY & SMITH SHARRON PO BOX 186 MIDWAY, AR 72651 104-24-02709	ESSARY FAMILY REVOCABLE TRUST ESSARY DOUGLAS TR 284 N TOMAHAWK RD APACHE JUNCTION, AZ. 85219 104-24-02808
BAUMGARTNER JEREMY T 1148 E LEAF RD QUEEN CREEK, AZ 85242 109-25-12605	CLOUSE RHONDA J & GUY M 42023 N FRIEND AVE QUEEN CREEK, AZ 85242 104-24-006U6	FLYNN ROBERT B & MALOUFF GALDINA 1527 N GREENFIELD MESA, AZ. 85205 109-24-05206
BAUSLEY TYRONE 1074 E LEAF RD QUEEN CREEK, AZ 85242 109-25-12209	COBURN DENNIS W & JEWEL R 760 E QUENTIN LN QUEEN CREEK, AZ 85242 109-24-05008	FOSS RODGER E & JAMY M 40812 N CHISOLM TRL QUEEN CREEK, AZ 85242 104-24-03301
BENDELOW RONNIE & LISA J 653 E PIMA RD QUEEN CREEK, AZ 85242 104-24-004C0	COOK CARLA J 955 E MESQUITE TRL QUEEN CREEK, AZ 85242 104-24-04309	FOX CRAIG S & PATRICIA M PO BOX 823 BLAIRSDEN, CA. 96103 104-24-03202
BERNAL LAZARO A & KATTIA V 726 E COACHWHIP LN QUEEN CREEK, AZ 85242 109-24-05701	COOMBE LARRY & LAURA L C/O GMAC MORTGAGE CORP ATTN TAX DEPT PO BOX 569760 DALLAS, TX 75356 104-24-04002	GANTZEL MICHAEL K 21 W COMBS RD QUEEN CREEK, AZ. 85242 104-24-011C1
BOWDEN JACK LEE 793 E COACHWHIP LN QUEEN CREEK, AZ 85242 109-24-05404	DAUGHERTY MICHAEL ALVIN & LAURA IRENE 21264 E LORDS WAY QUEEN CREEK, AZ 85242 104-24-006X9	GAPA LINDA LEA 726 E QUENTIN LN QUEEN CREEK, AZ. 85242 109-24-05107
BOWEN TERESA 40841 N CHISOLM TRL QUEEN CREEK, AZ 85242 104-24-02303	DAUGHERTY MICHAEL ALVIN & LAURA IRENE 21264 E LORDS WAY QUEEN CREEK, AZ 85242 104-24-006Y7	GARLAND DARLEEN 1720 E WESTBROOKE RD QUEEN CREEK, AZ. 85242 104-24-018A8
BROADBENT GARY R 895 E QUENTIN LN QUEEN CREEK, AZ 85242 109-24-03904	DE SPAIN BILLY T & TANA J 1046 E WESTBROOKE RD QUEEN CREEK, AZ 85242 104-24-007C7	GARLAND DARLEEN 1720 E WESTBROOKE RD QUEEN CREEK, AZ. 85242 104-24-018B6

GOLF VIEW LLC PO BOX 1094 QUEEN CREEK, AZ 85242 104-24-05009	JANSEN DARRYL D & KIM A PO BOX 54 QUEEN CREEK, AZ. 85242 109-24-04407	MENDOZA JOE V & PAULA R 986 E TALL PINE ST QUEEN CREEK, AZ. 85242 104-24-03103
GOLF VIEW LLC PO BOX 1094 QUEEN CREEK, AZ 85242 109-24-07905	KLEEN DANIEL K & ELIZABETH J PO BOX 982 QUEEN CREEK, AZ 85242 104-24-007D5	MESSERSMITH KATHLEEN STONE & RONALD C 759 E QUENTIN LN QUEEN CREEK, AZ. 85242 109-24-04704
GONZALEZ DANIEL V & BRANDY D 41968 S OUTBACK RD QUEEN CREEK, AZ 85242 104-24-006T8	KLEINSCHMIDT GAYLENE 41173 N ARBOR AVE QUEEN CREEK, AZ 85242 109-25-12803	MHIP LLC 6225 N 24TH ST PHOENIX, AZ 85016 109-25-00402
GRAMMATICO JOSEPH R 1054 E LEAF RD QUEEN CREEK, AZ 85242 109-24-12100	KOBAYASHI JAY C & FRANCES M PO BOX 932 QUEEN CREEK, AZ 85242 104-24-02501	MHIP LLC 6225 N 24TH ST PHOENIX, AZ. 85016 109-25-00501
GREEN LLOYD A 943 E TALL PINE ST QUEEN CREEK, AZ 85242 104-24-03400	LAMB BRENDA PO BOX 1909 GILBERT, AZ. 85299 109-24-03102	MHIP LLC 6225 N 24TH ST PHOENIX, AZ. 85016 109-25-00501
GRIFFIN JILL D 40812 N TUMBLEWEED TRL QUEEN CREEK, AZ 85242 104-24-04606	LEGASSEY DAVID PETER & TERI A 1110 E ESTATE RD QUEEN CREEK, AZ. 85242 109-25-07308	MHIP LLC 6225 N 24TH ST PHOENIX, AZ. 85016 109-25-00600
GROUNDS MICHAEL L & LAURIE A 41110 N DESERT THISTLE TR QUEEN CREEK, AZ 85242 109-24-06303	LOOS JOHN & PATTY 41993 N OUTBACK RD QUEEN CREEK, AZ. 85242 104-24-006P8	MORELAND KEITH E & TINA K 759 E COACHWHIP LN QUEEN CREEK, AZ. 85242 109-24-05305
HADLEY RICHARD L 987 E PINON ST QUEEN CREEK, AZ 85242 104-24-03004	LUEDEMAN CARL A & BRENDA J 1481 E PIMA RD QUEEN CREEK, AZ. 85242 104-24-006R2	MORENO PAUL II 40906 N TUMBLEWEED TRL QUEEN CREEK, AZ. 85242 104-24-04804
HAGA DONALD C & BETTY LOU 41184 N VINE AVE QUEEN CREEK, AZ 85242 109-24-11904	LUEDEMAN CARL A & BRENDA J 1481 E PIMA RD QUEEN CREEK, AZ. 85242 104-24-006V3	MURPHY LEWIS JR & REBECCA A 725 E QUENTIN LN QUEEN CREEK, AZ. 85242 109-24-04605
HAMMOCK SEAN E & ARMINTA L 719 E GOLDMINE LN QUEEN CREEK, AZ 85242 109-24-06501	LUEDEMAN EDNA E 1715 E PIMA RD QUEEN CREEK, AZ. 85242 104-24-006G9	NATIONAL CITY MORTGAGE CO 3232 NEWMARK DR MIAMISBURG, OH 45342 109-24-06204
HANSON LARRY & PAMELA J PO BOX 89 QUEEN CREEK, AZ 85242 104-24-001A7	MAINES THEODORE C & LINDA L 835 W KNOWLES CTR MESA, AZ. 85210 109-24-03805	NIELSON FAMILY REVOCABLE TRUST BARNETT MARIE N 11360 E KEATS AVE 43 MESA, AZ. 85212 104-24-00802
HANSON LARRY R & PAMELA J GANTZEL FAMILY LTD LIABILITY PSHIP PACE MICHAEL J 21 W COMBS RD QUEEN CREEK, AZ 85242 104-24-01305	MARTINEZ DAVID P PO BOX 51809 MESA, AZ. 85208 109-24-01809	NORRIS CHRISTOPHER L & TINA L 1130 E LEAF RD QUEEN CREEK, AZ. 85242 109-25-12506
HENKEL SHELDON V & CATHERINE S 41072 N VINE AVE QUEEN CREEK, AZ 85242 109-25-11003	MCCARTHY JAMES J & HELEN M 41323 N RABBIT BRUSH TRL QUEEN CREEK, AZ. 85242 109-24-02609	PALACE PALMS L L C 2029 S SIXSHOOTER APACHE JUNCTION, AZ. 85219 104-24-007G8
HENSON ROBERT ALAN 726 E GOLDMINE LN QUEEN CREEK, AZ 85242 109-24-04506	MCCORD WILLIAM R SR & ROSE M 4065 SHADOW RD KINGMAN, AZ. 86401 104-24-02600	PARKER SHERRI L & BEX CHRIS J 794 E COACHWHIP LN QUEEN CREEK, AZ. 85242 109-24-05503
HOOKER JAMES R & JEAN L 40795 E CHISOLM TRL QUEEN CREEK, AZ 85242 104-24-02204	MCDONALD THOMAS DALE & SANDRA LYNN 945 E TALL PINE ST QUEEN CREEK, AZ 85242 104-24-03509	PARKS JAMES P & KRISTA N 41137 N ARBOR AVE QUEEN CREEK, AZ. 85242 109-25-13108
HUDOCK HELEN M 1938 N PIMA MESA, AZ 85201 104-24-005B1	MCGEARY DOUGLAS ARTHUR & BARBARA S 1244 E WESTBROOKE RD QUEEN CREEK, AZ 85242 104-24-007B9	PERSINGER R SHAWN 828 E GOLDMINE LN QUEEN CREEK, AZ. 85242 109-24-04209
INGSTRUM PETER J & CRYSTAL L 916 E PINON ST QUEEN CREEK, AZ 85242 104-24-03806	MCGEARY PAUL F & JANE L 7728 W WAHALLA LN GLENDALE, AZ. 85308 104-24-007E2	PETERS JERRY L & GLADYS A 41300 N DESERT THISTLE TRL QUEEN CREEK, AZ 85242 109-24-05800

IRONWOOD TWENTY-FOUR PSHIP 1001 E GEMINI DR TEMPE, AZ. 85283 104-24-005A3	MCRAE JACKI L 42090 N OUTBACK RD QUEEN CREEK, AZ 85242 104-24-05504	THOMPSON MICHAEL J & JENNIFER M 913 E GOLDMINE LN QUEEN CREEK, AZ 85242 109-24-02005
PETERSEN BRENDAN & JANA 1092 E LEAF RD QUEEN CREEK, AZ 85242 109-25-12308	SIMMONS CHAD SAMUEL & BRANDI R 42059 N OUTBACK RD QUEEN CREEK, AZ 85242 104-24-006M2	TODTENBIER RONALD L 41158 N ARBOR AVE QUEEN CREEK, AZ 85242 109-25-12704
POWERS RICHARD A & LINDA A 912 E COACHWHIP LN QUEEN CREEK, AZ 85242 109-24-02708	SIMMONS JAKE T 41989 N OUTBACK RD QUEEN CREEK, AZ 85242 104-24-006K8	TRUE KATHLEEN C 897 E GOLDMINE LN QUEEN CREEK, AZ 85242 109-24-01908
PULTE HOME CORPORATION 15333 N PIMA RD #300 SCOTTSDALE, AZ. 85260 104-24-011A5	SIMMONS TIMOTHY G & JOY E 11330 CRISP HILL RD FLAGSTAFF, AZ. 86004 104-24-05306	VALLEY FARMS UNIT II OWNERS ASSOC.IATION 1304 E WESTBROOKE QUEEN CREEK, AZ 85242 104-24-02006
PULTE HOME CORPORATION 15333 N PIMA RD #300 SCOTTSDALE, AZ. 85260 104-24-011D9	SINES BRADLEY R 915 E TALL PINE ST QUEEN CREEK, AZ 85242 104-24-04101	VINEYARD HOLDINGS LLC 16009 N 81 ST STE 200 SCOTTSDALE, AZ. 85260 109-25-13207
QUON JACK & LILLIAN 41110 N VINE AVE QUEEN CREEK, AZ 85242 109-25-11300	SMITH KAY A & HODGES EDNA M 41197 N RABBIT BRUSH TRL QUEEN CREEK, AZ 85242 109-24-02302	VOLK RAY & CARLISLE TRS 3237 W MORROW DR PHOENIX, AZ. 85027 104-24-01008
RABINE MICHAEL F & SUE N 1036 E LEAF RD QUEEN CREEK, AZ 85242 <b>109-25-12001</b>	SMOTHERS MICHAEL S & TINA N 41300 N RABBIT BRUSH TRL QUEEN CREEK, AZ 85242 109-24-03300	WALES JIM & MARY ANN C/O WILLIAM F SHIRK 500 W RAY RD #3 CHANDLER, AZ. 85225 104-24-019C3
RAINS MARY A DRENNAN JOHN A & SHIRLEY A 41186 N DESERT THISTLE TR QUEEN CREEK, AZ 85242 109-24-06105	SOBIE MICHAEL S 862 E GOLDMINE LN QUEEN CREEK, AZ 85242 109-24-04100	WALL KEVIN RAY 842 E SAN ANGELO GILBERT, AZ. 85234 109-25-07902
RAMSEY RYAN R 1054 E PRESS RD QUEEN CREEK, AZ 85242 109-25-03406	SOY TIM A 794 E GOLDMINE LN QUEEN CREEK, AZ 85242 109-24-04308	WAYNE RANCH COMMUNITY ASSOC. 3200 E CAMELBACK RD #300 PHOENIX, AZ. 85018 109-26-42402
REBOLLOSA LESTER 1129 E LEAF RD QUEEN CREEK, AZ 85242 109-25-08306	STABLER ROGER L & RAYMONA CAROLYN 8643 E PLAZA AVE SCOTTSDALE, AZ. 85250 109-24-03201	WILSON OLIVER R 915 E PINON ST QUEEN CREEK, AZ 85242 104-24-03905
RICHMOND AMERICAN HOMES OF ARIZONA INC 3200 E CAMELBACK RD # 300 PHOENIX, AZ. 85018 109-26-25803	STATON RANDY J & LISA M 41050 N CHOLLA LN QUEEN CREEK, AZ 85242 104-24-02907	WILT ROBERT J 40750 N TUMBLEWEED TRL QUEEN CREEK, AZ 85242 104-24-04507
RODRIGUEZ ALFREDO G 922 E MESQUITE TRL QUEEN CREEK, AZ 85242 104-24-04408	STENSON J EDWIN TR PO BOX 303 CAVE CREEK, AZ. 85327 104-24-01206	WOLFSWINKEL LARRY J & MORENE 1543 E 18TH AVE APACHE JUNCTION, AZ. 85219 104-24-019A7
RUBIO ELIZABETH A 41281 N RABBIT BRUSH TRL QUEEN CREEK, AZ 85242 109-24-02500	SUGLIA DAVID F 41224 N DESERT THISTLE TRL QUEEN CREEK, AZ 85242 109-24-06006	WR DEVELOPMENT LLC 16810 AVE OF THE FOUNTAINS FOUNTAIN HILLS, AZ 85269 109-26-02307
RUST RICHARD L & BEVERLY A PO BOX 486 APACHE JUNCTION, AZ 85217 109-24-01700	TAUSCHER JOHN & HEATHER 828 E COACHWHIP LN QUEEN CREEK, AZ 85242 109-24-03003	ZARZYSKI MICHAEL J 40749 N CHISOLM TRL QUEEN CREEK, AZ 85242 104-24-02105
SALT RIVER PROJECT AGRICULTURAL IMPROVE POWER DISTRICT PO BOX 52025 PHOENIX, AZ. 85072 104-24-05108	THAI AMY HONG 1130 E PRESS RD QUEEN CREEK, AZ 85242 109-25-03000	
SANDERS RICHARD M & BARBARA TRS 2197 N 175 W SUNSET, UT. 84015 109-24-05602	THIELE LYNNETTE 41767 N DESERT THISTLE TRAIL QUEEN CREEK, AZ 85242 109-24-05909	
SEEGER ROBERT L 896 E GOLDMINE LN QUEEN CREEK, AZ 85242 109-24-04001	THOMAS J & DOROTHY J LEWANDOWSKI TRUST 41239 N RABBIT BRUSH TR QUEEN CREEK, AZ 85242 109-24-02401	



LAW OFFICES  
**FENNEMORE CRAIG**  
A PROFESSIONAL CORPORATION

**PATRICK J. BLACK**  
Direct Phone: (602) 916-5400  
Direct Fax: (602) 916-5600  
*pblack@fclaw.com*

OFFICES IN:  
PHOENIX, TUCSON,  
NOGALES, AZ; LINCOLN, NE  
3003 NORTH CENTRAL AVENUE  
SUITE 2600  
PHOENIX, ARIZONA 85012-2913  
PHONE: (602) 916-5000  
FAX: (602) 916-5999

February 2, 2005

Johnny W & Jahna Thompson  
440 E Ocotillo  
Queen Creek, AZ 85242

Re: Application of Johnson Utilities Company

Dear Mr. and Mrs. Thompson:

Enclosed please find a Public Notice concerning Johnson Utilities Company's pending application before the Arizona Corporation Commission ("Commission"). Johnson Utilities Company has applied to the Commission to include your property within its wastewater service area. A hearing on this matter will be held on April 11, 2005 at 10:00 am in the Commission's hearing room located at 1200 W. Washington Street, Phoenix, Arizona 85007.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Patrick J. Black', with a large, stylized flourish extending to the right.

Patrick J. Black

PBLA/shb  
Enclosure

1633054/51239.009

**PUBLIC NOTICE OF HEARING ON THE**  
**APPLICATION OF JOHNSON UTILITIES COMPANY**  
**FOR AN EXTENSION OF ITS CERTIFICATE OF**  
**CONVENIENCE AND NECESSITY**  
**(WS- 02987A-04-0889)**

On December 14, 2004, Johnson Utilities Company ("Company") filed an application with the Arizona Corporation Commission ("Commission") for an extension of its Certificate of Convenience and Necessity ("CC&N") to provide wastewater service to an area encompassing four residential developments in Pinal County known as Wayne Ranch, Vineyard Estates, Milagro and Taylor Ranch. If the application is granted, the Applicant would be the exclusive provider of wastewater to the proposed area, and would be required by the Commission to provide service under rates and charges and terms and conditions established by the Commission. The application is available for inspection during regular business hours at the offices of the Commission in Phoenix, at 1200 West Washington Street, Phoenix, Arizona, and at the offices of the Company, 5230 E. Shea Blvd. Suite 200, Scottsdale, AZ 85254.

The Commission will hold a hearing on this matter beginning on **April 11, 2005, at 10:00 am**, at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona. Public comment will be taken on the first day of the hearing.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Intervention shall be permitted to any person entitled by law to intervene and having a direct and substantial interest in the matter. Persons desiring to intervene must file a written motion to intervene with the Commission, which motion should be sent to the Applicants or its counsel and to all parties of record, and which, at the minimum shall contain the following:

1. The name, address, and telephone number of the proposed intervenor and of any party upon whom service of documents is to be made if different than the intervenor.
2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer of the Applicants, a shareholder of the Applicants, etc.)
3. A statement certifying that a copy of the motion to intervene has been mailed to the Applicants or their counsel and to all parties of record in the case.

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2005 MAR -4 A 8:59

AZ CORP COMMISSION  
DOCUMENT CONTROL

S-1

MEMORANDUM

TO: Docket Control  
Arizona Corporation Commission

FROM: Ernest G. Johnson  
Director  
Utilities Division

Date: March 4, 2005

RE: JOHNSON UTILITIES COMPANY - APPLICATION FOR AN EXTENSION  
OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE  
WASTEWATER SERVICE, IN PINAL COUNTY, ARIZONA (DOCKET NO.  
WS-02987A-04-0889)

Attached is the Staff Report for the above referenced application. Staff is recommending approval.

EGJ:JEF:cal

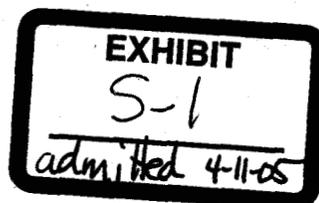
Originator: Jim Fisher

Attachment: Original and Thirteen Copies

RECEIVED

MAR 04 2005

LEGAL DIV.  
ARIZ. CORPORATION COMMISSION



Service List for: Johnson Utilities Company  
Docket No. WS-02987A-04-0889

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ARIZONA CORPORATION COMMISSION

JOHNSON UTILITIES COMPANY

DOCKET NO. WS-02987A-04-0889

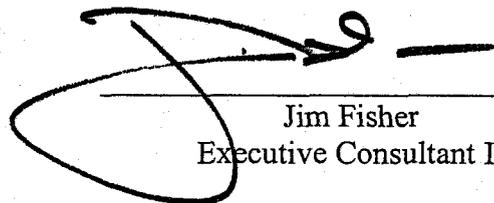
APPLICATION FOR AN EXTENSION OF ITS  
CERTIFICATE OF CONVENIENCE  
AND NECESSITY TO PROVIDE  
WASTEWATER SERVICE  
IN PINAL COUNTY

MARCH 2005

## STAFF ACKNOWLEDGEMENT

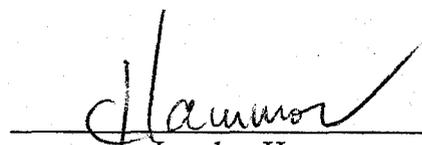
The Staff Report for Johnson Utilities Company (Docket No. WS-02987A-04-0889) was the responsibility of the Staff members listed below. Jim Fisher was responsible for the review and analysis of the Company's application. Lyndon Hammon was responsible for the engineering and technical analysis.

Contributing Staff:



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Jim Fisher  
Executive Consultant II



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Lyndon Hammon  
Utilities Engineer

**EXECUTIVE SUMMARY  
JOHNSON UTILITIES COMPANY  
DOCKET NO. WS 02987A-04-0889**

On December 14, 2004, Johnson Utilities Company ("Johnson Utilities" or "Company"), an Arizona public service company, filed an application with the Arizona Corporation Commission ("ACC" or "Commission") requesting approval for an extension of its existing Certificate of Convenience and Necessity ("CC&N") in Pinal County, Arizona.

Johnson Utilities is a public service corporation providing water and wastewater service to a portion of the state of Arizona. The Commission provided Johnson Utilities with its original CC&N in Decision No. 60223 (May 27, 1997), and subsequently extended the CC&N's in Decision Nos. 61069 (August 7, 1998), 62087 (November 19, 1999), 63960 (September 4, 2001) and 64062 (October 4, 2001). According to Johnson Utilities' most recent Annual Report filing with the Commission's Utilities Division, Johnson Utilities has installed approximately \$26.3 million in water and wastewater plant to serve the current and future customers in the service area.

By this application, Johnson Utilities is seeking to extend its current CC&N to include approximately 640 acres which are currently intended to be developed into 1,129 lots owned by the respective developers.

The proposed extension area will be served by the newly constructed Pecan Wastewater Reclamation Plant ("Pecan WRP"). The Pecan WRP was issued an Aquifer Protection Permit ("APP") by the Arizona Department of Environmental Quality ("ADEQ") on May 7, 2004.

The Pecan WRP has an existing capacity of 1 million gallons per day ("MGD") and is expandable to 4 MGD in 1 MGD phases. Current daily average flows vary from 150,000 gallons/day to 250,000 gallons/day. Flow projections indicate that the second 1 MGD phase will not be needed until 2010. The major flows at the Pecan WRP are presently the diverted wastewater flows from the Links and Meadow Vista treatment plants in the AUSS service area.

The Pecan WRP is still in a start-up mode, and a formal ADEQ compliance inspection has not yet occurred. Therefore a formal compliance determination is not yet available. However, the Pecan WRP was visited by Commission and ADEQ Staff in August of 2004, and again by Department of Environmental Quality ("DEQ") staff in October of 2004. Reports from both visits substantiated that the Pecan WRP was operating in conformance with its design and permit conditions. Staff concludes that the proposed wastewater system has or can reasonably be expected to develop the necessary sewage treatment capacity to serve the proposed CC&N extension area.

Staff recommends that the Commission approve the Johnson Utilities Company application for an Extension of its CC&N to provide wastewater service to Section 17, Township 2 South, Range 8 East, subject to the following:

1. That Johnson Utilities file with Docket Control a copy of Pinal County Franchise inclusive of the proposed extension area within 365 days of any decision in this matter.
2. That Johnson Utilities file with Docket Control a copy of Arizona Department of Environmental Quality 4MGD Aquifer Protection Permit authorized for the Pecan treatment plant by August 1, 2006.
3. That Johnson Utilities file with Docket Control a copy of the CAAG Section 208 Plan approval inclusive of the extension area by August 1, 2006.
4. That Johnson Utilities file with Docket Control a quarterly report on the status of the pending litigation in CV2005-002692.
5. That Johnson Utilities file with Docket Control the Affiliate Interest reports as required under Arizona Administrative Code R-14-2-801 et al.

Staff further recommends that the Commission's Decision granting this extension of the Certificate of Convenience and Necessity to Johnson Utilities be considered null and void without further order from the Commission should Johnson Utilities fail to comply with above conditions 1, 2 and 3 within the time specified.

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## **Introduction**

On December 14, 2004, Johnson Utilities Company ("Johnson Utilities" or "Company"), an Arizona public service company, filed an application with the Arizona Corporation Commission ("ACC" or "Commission") requesting approval for an extension of its existing Certificate of Convenience and Necessity ("CC&N") in Pinal County, Arizona.

On January 5, 2005, Staff informed the Company that the application was sufficient for administrative purposes.

## **Background**

Johnson Utilities is an Arizona Limited Liability Company. Johnson Utilities is a public service corporation providing water and wastewater service to a portion of the state of Arizona. The Commission provided Johnson Utilities with its original CC&N in Decision No. 60223 (May 27, 1997), and subsequently extended the CC&N's in Decision Nos. 61069 (August 7, 1998), 62087 (November 19, 1999), 63960 (September 4, 2001) and 64062 (October 4, 2001).

According to Johnson Utilities' most recent Annual Report filing with the Commission's Utilities Division, Johnson Utilities has installed approximately \$26.3 million in water and wastewater plant to serve the current and future customers in the service area. Johnson Utilities reports a combined water and wastewater revenue of \$2.6 million, and reports a combined long term debt of less than \$1 million.

By this application, Johnson Utilities is seeking to extend its current CC&N to include approximately 640 acres which are intended to be developed into 1,129 lots in four separate adjoining subdivisions.

## **The Proposed Extension Area**

Johnson Utilities has been requested to provide service to Section 17, Township 2 South, Range 8 East. The property is contiguous to the northern boundary of the problematic Arizona Utility Supply and Service ("AUSS") CC&N. The developers had originally intended to receive service from AUSS; however, due to AUSS's inability to continue operations, the developers have requested Johnson Utilities to provide service. (See Docket Nos. SW-04002A-02-0837, WS-02987A-02-0837, SW-04002A-04-0465 and WS-02987A-04-0465)

The proposed extension area, Section 17, is essentially divided into four (4) subdivisions, Vineyard Estates, Wayne Ranch, Milagro and Taylor Ranch.

Vineyard Estates is composed of 39 acres under development by Vineyard Holdings LLC, an affiliate of Elite Homebuilders, Inc. The property is to become 161 residential lots. The developer began construction with an understanding that AUSS would extend its service territory to include the property.

On June 14, 2004, Vineyard Homeowners Association ("HOA"), an Arizona Non-Profit Corporation, entered into a bulk service agreement with Johnson Utilities to ensure wastewater from model homes and possible new residences were appropriately treated. According to the terms of the service agreement, Johnson Utilities agreed to provide limited bulk wastewater treatment service to the HOA. Once the subject development is included in the Johnson Utilities CC&N, the HOA will relinquish all rights as a non-profit corporation to directly serve its members.

On November 3, 2004, the developer entered into facilities construction agreements to finance the on-site and off-site wastewater facilities. The agreements require the developer to construct and convey utility facilities consistent with Arizona Department of Environmental Quality. Johnson Utilities will receive payments consistent with its approved tariffs and refund five (5) percent of the annual revenue associated with development to the developer until the advanced facility is fully refunded. Wastewater facilities agreements do not require Staff review or Commission approval per the Arizona Administrative Code.

Wayne Ranch is comprised of 115 acres under development by Richmond-American Homes of Arizona, Inc. and WR Development LLC. The property is designed to become 423 residential lots. On November 11, 2004, the developers entered into facilities construction agreements to finance the on-site and off-site wastewater facilities consistent with Johnson Utilities approved tariffs.

The Milagro subdivision is comprised of a 37 acre parcel, under development by Milagro Investors, LLC, an affiliate of Century Pacific Homes of Arizona, Inc. The property is designed to become 140 residential lots. On June 23, 2004, the developer made formal request for service. Johnson Utilities and the developer are discussing the terms of a facilities construction agreement to finance the on-site and off-site wastewater facilities.

Taylor Ranch is composed of 118 acres under development by Pulte Homes Corporation. Taylor Ranch is designed to become 405 residential lots. On June 14, 2004, the developer requested Johnson Utilities to extend its CC&N to include Taylor Ranch. Taylor Ranch has not begun construction. The developers have entered into facilities construction agreements with Johnson Utilities to finance the on-site and off-site wastewater facilities.

The Section 17 properties will be served by the newly constructed Pecan Wastewater Reclamation Plant ("Pecan WRP"). Wastewater from the subdivisions will be collected to existing 12 inch and 8 inch wastewater lines that will then flow by gravity to the Pecan WRP, located about 1 mile to the south. The Pecan WRP was issued an Aquifer Protection Permit ("APP") by the Arizona Department of Environmental Quality ("ADEQ") on May 7, 2004.

### **Finance of Plant**

The required utility facilities will be financed in part in accordance with Arizona Administrative Code R14-2-606. Arizona Administrative Code R14-2-606 established the minimal acceptable criteria for line extension agreements between wastewater utilities and private parties.

Main extension agreements generally require the developer to design, construct and install (or cause to be), all facilities to provide adequate service to the development. Upon acceptance of the facilities by the utility, the developer will convey the wastewater facilities by way of a warranty deed.

Johnson Utilities will refund five (5) percent of the annual revenue associated with development to the developer until the advanced facility is fully refunded. Wastewater facilities agreements do not require Staff review or Commission approval per the Arizona Administrative Code.

The developers will also be required to fund off-site facilities in accordance with Johnson Utilities approved tariffs.

### **Plan 208 Approval**

The Federal Water Pollution Control Act as amended by the Water Quality Act of 1987 ("Clean Water Act") is a commitment by the federal government to the elimination of pollution in the nation's waters. Each state is required, under Section 208 of the Clean Water Act, to develop and implement area-wide water quality management plans for pollution control.

In Arizona, six (6) Councils of Government, ("COGs") have been designated by the Governor as "Water Quality Management Planning Agencies" under Section 208, of the Clean Water Act. The Central Arizona Associations of Governments ("CAAG") is designated by the Governor and the Environmental Protection Agency ("EPA") as the area wide water quality management planning agency for Pinal County.

The guidelines for 208 planning set forth in the Clean Water Act are fairly broad so that the various water quality issues in different areas of the nation can be addressed appropriately. Each 208 Plan must identify the water quality management needs in its planning area and provide a program to develop solutions. The CAAG 208 planning process is an ongoing effort in response to changing water resource issues, regulations, treatment technologies and changing demographics.

On the federal level, the EPA has the responsibility of overseeing the planning efforts necessary to meet the specific requirements of Section 208. ADEQ administers both the basin-wide planning and water quality monitoring programs. In addition, ADEQ is responsible for reviewing and enforcing water quality standards for the State. For the CAAG 208 Program, the

EPA and ADEQ provides guidance in the terms of policy, procedure and review of documents to assure adherence to the requirements of the Clean Water Act.

A major effort of the 208 Plan is the Point Source Plan. Point Source Planning is primarily directed at compiling the preferred wastewater collection and treatment system for the affected area through the year 2020. Toward that end, the Point Source Plan examines population and wastewater flow projections, wastewater treatment plant siting, treatment methods, effluent disposal, reclaimed water reuse and sludge management.

### **ADEQ Permits**

The objective of a Point Source Plan is to identify the preferred wastewater collection and treatment and effluent reuse or disposal systems for the affected area. The regulatory framework for management of water quality is comprised of permit compliance and monitoring of protected uses. The ADEQ defines, monitors and enforces water quality standards for protected uses of surface waters, aquifers and public water supplies. The ADEQ permit framework for point source management consists of three primary elements consisting of the Arizona Pollutant Discharge Elimination System ("AZPDES"), the APP and the reclaimed water reuse permit program.

The purpose of the AZPDES permit program is to regulate the quality of point source discharges into the waters of the nation. Based on specific criteria, discharges to rivers, tributaries to the rivers, dry washes and various lakes and canals within the affected area are subject to the AZPDES permit program provisions.

The ADEQ has established Surface Water Quality Standards ("SWQS") as required to meet the goals of the federal Clean Water Act and to protect the quality of surface waters in the state. The EPA incorporates the SWQS and federal regulation related to surface water quality and effluent discharge quality into the AZPDES permits. Pollutant levels established by the AZPDES permit programs vary among wastewater reclamation facilities depending upon the designated use of reclaimed water. Permits are typically issued for a term of five years.

### **Aquifer Protection Permit**

The APP was established by the Environmental Quality Act of 1986 and implemented by rule in 1989. The purpose of the APP program is to protect the groundwater quality and public health from potential environmental risks posed by the facilities that discharge pollutants to the land surface, underlying soil, or groundwater that have a potential to reach an aquifer.

The APP permitting requirements are determined based on the type of facility or land use, capacity of the facility, and/or the type of discharges that the facility will produce. The most crucial requirements for obtaining an APP are demonstrating that the Best Available Demonstrated Control Technology ("BADCT") will be used to minimize the discharge of

pollutants, Aquifer Water Quality Standards will not be violated and that the facility possesses the financial and technical capability to comply with the permit conditions.

The Environmental Quality Act requires that all domestic wastewater and disposal facilities requiring an APP use BADCT as part of their wastewater treatment process. The ADEQ adopted BADCT requirements for new sewage treatment facilities. The design review of sewage treatment facilities has been consolidated into the APP application review process. BADCT requirements are defined within the rules which require secondary treatment, removal for new facilities and expansion of existing facilities. The revision of the APP rule took effect January 2001.

The reclaimed water use permit program, established in 1985, allows the reuse of reclaimed water for a variety of applications such as agriculture, urban lakes, golf course irrigation, ponds and industrial uses. Water reclamation plants are required by rules to have a reuse permit for the release of reclaimed water for reuse purposes.

There are two main categories of reclaimed water reuse including direct non-potable reuse and indirect reuse. Direct reuse consists of irrigation and makeup water for urban lakes. The indirect reuse of reclaimed water usually involves recharge to an aquifer for storage and future recovery. The reclaimed water is typically allowed to infiltrate through the dry soils above the aquifer allowing additional treatment. Recharge projects using reclaimed water are required to obtain an APP.

### **Pecan Capacity**

The Pecan WRP has an existing capacity of 1 million gallons per day ("MGD") and is expandable to 4 MGD in 1 MGD phases. Current daily average flows vary from 150,000 gallons/day to 250,000 gallons/day. Flow projections indicate that the second 1 MGD phase will not be needed until 2010. The major flows at the Pecan WRP are presently the diverted wastewater flows from the Links and Meadow Vista treatment plants in the AUSS service area.

The Pecan WRP was issued an APP by ADEQ on May 7, 2004. The Pecan WRP is still in a start-up mode, and a formal Department of Environmental Quality ("DEQ") compliance inspection has not yet occurred and a formal compliance determination is not yet available. However, the Pecan WRP was visited by Commission and ADEQ Staff in August of 2004, and again by DEQ staff in October of 2004. Reports from both visits substantiated that the Pecan WRP was operating in conformance with its design and permit conditions.

On November 24, 2004, Johnson Utilities filed an application ADEQ to expand the capacity of the Pecan WRP from 1 MGD to 4 MGD. Based on the above data, Staff concludes that the proposed wastewater system has or can reasonably be expected to develop the necessary sewage treatment capacity to serve the proposed CC&N extension area.

On January 28, 2004, CAAG regional council approved AUSS as a regional provider, inclusive of Section 17, conditioned upon AUSS obtaining CC&N for the subject property. As discussed above, AUSS is no longer able to provide service to the public. Johnson Utilities is in the process of obtaining certain assets of AUSS subject to compliance with various conditions including CAAG §208 Water Quality Plan consistency.

#### **ADEQ Compliance Wastewater**

ADEQ has informed Staff that the Johnson Utilities is in compliance with the rules for operation, reporting and discharge limits for wastewater facilities.

#### **ACC Compliance**

A check with the Utilities Division Compliance Unit showed no outstanding compliance issues.

#### **La Osa Ranch Litigation**

Johnson Utilities majority shareholder is Mr. George Johnson. In addition to ownership of a public service company, Mr. Johnson also has ownership in real estate, live stock and agriculture.

On February 14, 2005, the Arizona Attorney General's office filed a civil lawsuit against various financial affiliates of Johnson Utilities alleging trespass, breach of grazing lease, destruction of native plants on state and private land, water quality discharge violations and unlawful killing of bighorn sheep.

The litigation is primarily focused on Mr. Johnson's actions as a property owner of La Osa Ranch, a 10,000 acre property in southern Pinal County, adjacent to state trust lands and the Ironwood National Forest Monument.

According to the complaint, Mr. Johnson failed to obtain permits to clear private property, trespassed and cleared state lands of natural vegetation and destroyed archaeological sites located in the Los Robles Wash floodplain.

The State also alleges that Mr. Johnson failed to abide by the terms of the U.S. Bureau of Land Management grazing lease by allowing domestic goats in close contact with Desert Big Horn Sheep, infecting the sheep, causing 21 to die from malnutrition, falls or failure to evade predators.

The Arizona Attorney General's office filed the civil lawsuit in Maricopa County Superior Court in conjunction with the Department of Environmental Quality, the Department of Agriculture, the Land Department, the Board of Regents, and the Game and Fish Commission. The lawsuit named Mr. Johnson, his spouse, the George H. Johnson Revocable Trust, Johnson

International, Inc., the Ranch at South Fork, L.L.C., General Hunt Properties, Inc., Atlas Southwest, Inc. and other individuals.

Johnson Utilities was not named in the civil lawsuit. None of the allegations include actions taken as a public service company. However, a civil lawsuit against Johnson Utilities financial affiliates by the Attorney General and five state agencies requires the Commission be provided the information necessary to protect Johnson Utilities customers from any potential adverse ruling against its financial affiliates.

Johnson Utilities has informed Staff that it intends to provide information on the financial relationship between Johnson Utilities and Johnson International at the scheduled hearing. Johnson Utilities also proposed to Staff that, while it does not yet meet the definition of a Class A utility per revenue received, Johnson Utilities intends to meet the reporting requirements of the Affiliated Interest rules to ensure the Commission is fully informed consistent with the Arizona Administrative Code. Therefore, Staff recommends that Johnson Utilities be required to file Affiliate Interest reports as required under Arizona Administrative Code R14-2-801 et al. In addition to the above, Staff also recommends that Johnson Utilities be required to file quarterly reports on the status and events in the La Osa Ranch litigation in CV2005-002692.

### **Proposed Rates**

Johnson Utilities is proposing to extend service to the property at its tariffed rates.

### **Pinal County Franchise**

The requested extension area is not within Johnson Utilities current Pinal County Franchise.

### **Recommendations**

Staff recommends that the Commission approve the Johnson Utilities Company application for an Extension to its CC&N to provide wastewater service to Section 17, Township 2 South, Range 8 East, subject to the following:

1. That Johnson Utilities file with Docket Control a copy of Pinal County Franchise inclusive of the proposed extension area within 365 days of any decision in this matter.
2. That Johnson Utilities file with Docket Control a copy of Arizona Department of Environmental Quality 4MGD Aquifer Protection Permit authorized for the Pecan treatment plant by August 1, 2006.

3. That Johnson Utilities file with Docket Control a copy of the CAAG Section 208 Plan approval inclusive of the extension area by August 1, 2006.
4. That Johnson Utilities file with Docket Control a quarterly report on the status of the pending litigation in CV2005-002692.
5. That Johnson Utilities file with Docket Control the Affiliate Interest reports as required under Arizona Administrative Code R-14-2-801 et al.

Staff further recommends that the Commission's Decision granting this extension of the Certificate of Convenience and Necessity to Johnson Utilities be considered null and void without further order from the Commission should Johnson Utilities fail to comply with above conditions 1, 2 and 3 within the time specified.