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AZ CORP COMMISSION  
DOCUMENT CONTROL

**COMPLIANCE  
MEMORANDUM**

**TO:** Docket Control Center  
**FROM:** Patrick C. Williams *PCW*  
Manager, Compliance and Enforcement  
Utilities Division  
**DATE:** August 03, 2001

This Memorandum to the Docket will certify that compliance, as described below, has been met for the referenced utility.

**UTILITY:** Cedar Grove Water

**DOCKET NO.** W-02597A-00-0960 **DECISION NO.** 63673

**COMPLIANCE ACTION:**

*Rates are interim on the condition that the Company file its Approval of Construction with the Compliance Section of the Utilities Division by June 30, 2002. The interim rates shall terminate without further action of the Commission and all interim rates collected to that point shall be refunded in a manner to be determined by the Commission at that time.*

**DUE DATE:** 06/30/2002 **DATE COMPLIED:**

Arizona Corporation Commission

**DOCKETED**

AUG 03 2001

DOCKETED BY	<i>ed</i>
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COMPLIANCE  
MEMORANDUM

TO: Marlin Scott, Jr.

FROM: Patrick C. Williams *PCW*  
Manager, Compliance and Enforcement  
Utilities Division

DATE: July 03, 2001

RE: Cedar Grove Water

DOCKET NO. W-02597A-00-0960      DECISION NO. 63673

ACTION: *Rates are interim on the condition that the Company file its Approval of Construction with the Compliance Section of the Utilities Division by June 30, 2002. The interim rates shall terminate without further action of the Commission and all interim rates collected to that point shall be refunded in a manner to be determined by the Commission at that time.*

This Memorandum is to transmit to you compliance filings that have been received by the Commission. My records indicate that you were Staff assigned to this matter. After your evaluation of the filing, please indicate below if it conforms with the provisions of the Commission's Decision. Compliance is not met, and will not be recorded, until I receive a response from you that the filing complies with the Commission's Decision.

Please return this completed form within 15 days so the appropriate action can be recorded. Thank you.

Filing is in compliance with Commission Decision

Filing is not in compliance with Commission Decision

COMMENTS:

*Per my email to you July 9, 2001 (attached), the company did not meet compliance. However, on July 23, 2001, the company <sup>filed</sup> an Affidavit for the Approvals of Construction, resulting in compliance.*

*Marlin Scott, Jr.*  
\_\_\_\_\_  
Signature

*8-2-01*

**From:** Marlin Scott Jr.  
**To:** Patrick Williams  
**Date:** 7/9/01 3:56PM  
**Subject:** Cedar Grove Water - Compliance issue

Pat,

I've just talked to Linda Taylor, Assistant to Mark Grapp, and she stated that the ADEQ's Approval of Construction she filed was for all the 26 main extensions listed in the rate case Staff Report. She will be filing a follow-up letter stating this clarification.

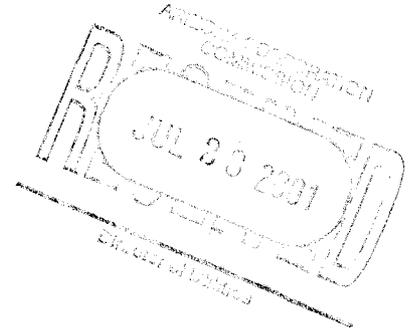
I also told her the 26 MXAs that were filed last December can not be approved until the WIFA funded storage tank/system interconnection are completed. Since Cedar Grove's South System has fire hydrants, the new storage tank (to be constructed on the North System) and the interconnection between the North and South Systems, needs to be in service before Staff approves all these MXAs.

Along with the Approval of Construction letter clarification above, Linda will provide us with an update of the WIFA projects.

Until then, Cedar Grove is **not** in compliance with its rendered rate case Decision. Once Cedar Grove submits the letter clarification, we will reevaluate.  
msj

**CC:** Dorothy Hains; James Fisher

**CEDAR GROVE WATER**  
**P. O. Box 426**  
**Lakeside, Arizona 85929**  
**(520)537-8739**



July 19, 2001

Arizona Corporation Commission  
Attn: Marlin Scott  
1200 W Washington  
Phoenix AZ 85007

Re: Cedar Grove Water  
Docket No. W-02597A-00-0960

Dear Marlin:

Enclosed, please find the requested Affidavit regarding the Approvals for Construction from the Arizona Department of Environmental Quality regarding Cedar Grove Water main extensions.

We understand that in order for the main extensions to be given approval from ACC, the WIFA-funded project must be completed. We will contact you upon completion of the interconnection of the systems and installation of the storage tank.

You can reach me directly at 480/325-8542 if you need to.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Linda Taylor".

Linda Taylor  
Assistant to Mark Grapp, Owner

Enc.

**CEDAR GROVE WATER**  
**P. O. Box 426**  
**Lakeside, Arizona 85929**  
**(520)537-8739**

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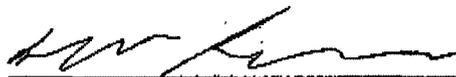
July 18, 2001

Arizona Corporation Commission  
Attn: Marlin Scott  
1200 W Washington St  
Phoenix AZ 85007

Re: Cedar Grove Water  
Docket # W-02597A-00-0960

**AFFIDAVIT**

I, Mark Grapp, owner of Cedar Grove Water, hereby state that the Approval of Construction (Approval to Operate) issued by Arizona Department of Environmental Quality dated January 4, 2000 and June 4, 2001 refer to the existing main extensions within Cedar Grove North, Cedar Grove South and listed on Attachment A-1 Main Extensions, final page in the Staff Report from Arizona Corporation Commission dated March 26, 2001.



Mark Grapp, Owner

Copies of the above-referenced Approval of Construction (Approval to Operate) and Attachment A-1 Main Extensions attached.

Note: Anticipated completion date of the 250,000 gallon storage is: September 30, 2001. Interconnection of the three systems is scheduled for completion by: August 15, 2001.

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
NORTHERN REGIONAL OFFICE  
1515 E. Cedar Ave., Ste. F, Flagstaff, AZ 86004  
CONDITIONAL APPROVAL OF CONSTRUCTION  
(APPROVAL TO OPERATE)

Project Description: Cedar Grove So. Water system additions incl. 6" PVC & 2" PVC water lines & related fittings  
-10,000 gallon steel water storage tanks; 1,000 gallon steel hydropneumatic tank w/2 booster pumps. 2 pump stations  
; potable water well (DWR reg. # 55-550075)

Location: Near Vernon (App. to Construct incorrectly states Taylor)

Project Owner: Mark Grapp

Mailing Address: PO Box 876, Taylor Az 85939

Approval to operate the above-described facilities as represented in the approved plan documents on file with the Arizona Department of Environmental Quality, hereby given subject to the following provisions:

- c) On 2-3-99, the above-referenced project was issued an Approval to Construct.
- c) On 5-25-99, Ken Isaacson, P.E., certified construction inspections were performed and the referenced project was built in accordance with the as-built plans and specifications. NOTE: Various additional submittals were required, subsequent to the submittal of the Engineer's Certificate of Completion.
- c) All provisions and conditions of the Certificate of Approval to Construct are made a part of this approval.

This project was constructed pursuant to Amendment of Consent Order, Docket #DW-80-97, entered into September 1, 1998.)

The State law, A.R.S. 49-104.B.10.12 requires that the operation of the project must be in accordance with the rules and regulations of the Arizona Department of Environmental Quality

are Approved: 1/4/00

RH:reo

File Number: 980528

CV #:

LTF #: 17327 (new)

System File: 01-058

Engineering Review Desk: WQD/Phoenix

County Health Department: Apache

Engineer: Isaacson

NINA KONDOS, SDW-CTEU

Real Estate Dept (subd. only)  YES  NO



Harley R. Hiatt, P.E.  
Field Services Manager, East  
Northern Regional Office

**ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
 NORTHERN REGIONAL OFFICE  
 1515 E. Cedar Ave., Ste. F, Flagstaff, AZ 86004  
 APPROVAL OF CONSTRUCTION  
 (APPROVAL TO OPERATE)**

**Project Description:** Construction of approximately 30,340 ft. of 6" PVC water line & 15,000 gallon water storage tank.

**Location:** West of Vernon & east of 11 mile Y, north of hwy 60

**Project Owner:** Mark Grapp dba Cedar Grove Water

**Mailing Address:** PO Box 876, Taylor Az 85939

Approval to operate the above-described facilities as represented in the approved plan documents on file with the Arizona Department of Environmental Quality is hereby given subject to the following provisions:

- (x) On 1-11-01, the above-referenced project was issued an Approval to Construct.
- (x) On 3-26-01, Ken Isaacson, P.E., certified construction inspections were performed and the referenced project was built in accordance with the as-built plans and specifications.
- (x) On 4-10-01, a cursory inspection of the project was performed by Buck Olberding, Environmental Engineering Specialist, of the Northern Regional Office. No detailed construction inspection was performed. The project appears to be constructed in accordance with the approved plans and specifications. However, good construction practice dictates that a resident inspector be on site at all times during construction. The cursory inspection by personnel of this Office does not provide a substitute for a resident inspector under the supervision of a Professional Engineer. This should not be construed or implied as a guarantee or warranty of the quality of the construction.

(x) All provisions and conditions of the Certificate of Approval to Construct are made a part of this approval.

NOTE\* Additional as-built line extension received on 6-4-01.

The State law, A.R.S. 49-104.B,10,12 requires that the operation of the project must be in accordance with the rules and regulations of the Arizona Department of Environmental Quality

Date Approved: 06.04.01

HRE:reo

File Number: 20000554

Permit #: LTF #22774

System File: 01-049

Engineering Review Desk, WQD/Phoenix

County Health Department Yes

Engineer, Isaacson

NRO Reading File

Real Estate Dept (subd. only) YES  NO

Melanie Barton, DWCE

  
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 Harley R. Hiett, P.E. 6/4/01  
 Field Services Manager, East  
 Northern Regional Office

Cedar Grove Water  
February 23, 2001

Attachment A-1  
Main Extension Agreements

Cedar Grove Water							
MXA - Advances in Aid of Construction							
South System:			Water mains, ft.			Year Totals	
Date	Name	Amount	6-inch	2-inch	Cost/Ft.	Cost	Feet
04/30/1992	Rippy	\$11,649	3,700		\$3.15		
10/05/1992	Rippy/Riley	\$7,385	1,420		\$5.20	\$19,035	5,120
11/08/1993	Bay/Scott	\$1,100		370	\$2.97	\$1,100	370
10/01/1994	Scott - w/ Smith	\$625					
10/01/1994	Smith - w/ Scott	\$865		700	\$2.13	\$1,490	700
02/03/1996	Johnson	\$3,945	745		\$5.30		
02/03/1996	Rippy	\$3,544	684		\$5.18		
02/03/1996	Valichnac	\$3,544	667		\$5.31		
06/27/1996	Ramsey	\$5,000	1,040		\$4.81		
07/27/1996	Blair	\$1,318	230		\$5.73		
08/13/1996	Brier	\$4,429	860		\$5.15		
08/13/1996	Countryman/Eckert	\$4,479	860		\$5.21		
08/13/1996	Greco	\$4,479	860		\$5.21		
08/13/1996	Koglnier	\$4,479	860		\$5.21		
08/13/1996	Williams	\$4,429	860		\$5.15		
09/02/1996	Rippy	\$11,296	1,280		\$8.83	\$50,944	8,946
04/04/1997	Johnson, S & P	\$1,240	140		\$8.86		
06/30/1997	Odom	\$5,000	2,280		\$2.19		
06/30/1997	Riley	\$6,000	2,280		\$2.63		
07/29/1997	Crosse	\$3,008	340		\$8.85	\$15,248	5,040
05/22/1998	Cueva - w/ Vickery	\$1,984					
05/22/1998	Vickery - w/ Cueva	\$1,984	100	300	\$9.92		
06/02/1998	Terella	\$1,500	120		\$12.50		
07/02/1998	Hunter	\$1,735	240		\$7.23		
					2-inch:	\$2,976	300
					6-inch:	\$4,227	460
03/18/1999	Meyer	\$6,200	820		\$7.56		
09/20/1999	Hider	\$2,200	200		\$11.00	\$8,400	1,020
<b>Totals:</b>		<b>\$103,419</b>	<b>20,586</b>	<b>1,370</b>		<b>\$103,420</b>	<b>21,956</b>
North System:							
04/25/1991	Csanyi	\$1,160		320	\$3.63	\$1,160	320
02/09/1996	McClure	\$5,000	997		\$5.02	\$5,000	997
02/09/1996	Olsen	\$6,000	1,172		\$5.12	\$6,000	1,172
<b>Totals:</b>		<b>\$12,160</b>	<b>2,169</b>	<b>320</b>		<b>\$12,160</b>	<b>2,489</b>