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ORIGINAL RECEIVED

BEFORE THE ARIZONA CORPORATION COMMISSION

WILLIAM A. MUNDELL
Chairman

JIM IRVIN
Commissioner

MARC SPITZER
Commissioner

Arizona Corporation Commission
DOCKETED

2002 DEC 27 A 10: 16

DEC 27 2002

AZ CORP COMMISSION
DOCUMENT CONTROL

DOCKETED BY CAP

APPLICATION OF ARIZONA UTILITY)
SUPPLY & SERVICES, LLC, FOR A)
CERTIFICATE OF CONVENIENCE AND)
NECESSITY TO PROVIDE SEWER SERVICE)
TO PORTIONS OF PINAL COUNTY,)
ARIZONA.)

DOCKET SW-04002A-01-0228

IN THE MATTER OF THE APPLICATION OF)
JOHNSON UTILITIES, L.L.C., DBA JOHNSON)
UTILITIES COMPANY, FOR AN EXTENSION)
OF ITS CERTIFICATE OF CONVENIENCE)
AND NECESSITY TO PROVIDE WATER AND)
WASTEWATER SERVICE TO THE PUBLIC)
IN THE PRESCRIBED AREA IN PINAL)
COUNTY, ARIZONA.)

DOCKET WS-02987A-01-0295

**REQUEST FOR EXTENSION OF
TIME TO COMPLY WITH RE-
QUIREMENTS OF DECISION
NO. 64288**

**(EXPEDITED ACTION
REQUESTED)**

On December 28, 2001, the Arizona Corporation Commission issued Decision No 64288 granting a certificate of convenience and necessity to Arizona Utility Supply & Services, LLC ("AUSS") to provide sewer service in Pinal County, Arizona. In that Decision, AUSS was required to satisfy certain conditions set forth in Findings of Fact ("FOF") Nos. 77, 78, 82, and 83. AUSS has complied with certain of those conditions, but request a limited extension to comply with other of the conditions.

On February 22, 2002 and on February 25, 2002, AUSS filed for requests of extension of time to comply with requirements of Decision 64288. Those requests herein enclosed for reference. This request herewith is asking that those request as filed on February 22 and 25, 2002 to be modified as shown herein.

AUSS and Johnson Utilities Company ("JUC") have agreed that AUSS would delete a portion of its Certificate of Convenience and Necessity (CC&N) and that JUC would ask the Commission to extend that portions of the AUSS's deleted CC&N to the existing CC&N of JUC. AUSS and JUC have agreed to jointly build a regional wastewater treatment facility in the Pecan Ranch property to be know as the Pecan WWTP. AUSS has agreed with JUC to have the Pecan WWTP treat the sewage from within the limits of AUSS;s CC&N. JUC;s 208 Amendment of the Federal Clean Water Act shall be amended to include the area of AUSS's CC&N to the service area of JUC. AUSS has filed with the Commission an application to delete a portion of its CC&N with JUC approving the addition or extension to JUC;s CC&N sewer area.

AUSS has acquired the existing Meadow Vista wastewater treatment facility that has an existing APP for 65,000 gallons per day and an approved 208 Plan for 250,000 gallons per day. This

Finding of Fact No. 77.

1. AUSS has complied with supplying the Commission with a copy of its Pinal County franchise for the area of its CC&N area.
2. AUSS has filed with the Commission evidence of its approved 208 Plan and have included for reference a copy of its approved APP by Arizona Dept. of Environmental Quality. Enclosed also is the approved 208 Plan and APP for the Meadow Vista wastewater treatment plant that treats a portion of AUSS's CC&N area. **AUSS herein request that this requirement of the complete 208 Plan be extended to December 28, 2003 until the 208 Plan for JUC is approved.**
3. The plans Castlegate wastewater treatment facility has been abandon in order to have the Pecan WWTP treat the sewage from that subdivision. **AUSS herein request that this requirement be deleted upon the completion of the Pecan WWTP and the Commission's approval of AUSS's deletion of a postion of its CC&N area but no later than December 28, 2003.**
4. **AUSS herein request that the Commission 's requirement of the ADEQ approval to construct the Castlegate WWTP be deleted upon the completion of the Pecan WWTP and the Commission's approval of AUSS's deletion of a portion of its CC&N area but no later than Decdmber 28, 2003.**
5. **AUSS herein request that the Commission's requirement to have ADEQ approved**

plans for a regional treatment plant be deleted upon the completion of the Pecan WWTP.

Finding of Fact No. 78.

AUSS has filed with the Commission and the Commission has approved the tariff as file on January 24, 2002. A copy of that filing is herewith enclosed.

Finding of Fact No. 82.

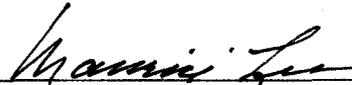
AUSS, on February 22, 2002 filed with the commission evidence of satisfying this requirement of refunding to Madison Diversified the amount of \$183,467.00. A copy of that filing is herewith enclosed for reference.

Finding of Fact No. 83.

AUSS has complied with all aspect of transferring the Links WWTP assets to AUSS. In reference to the Cambria WWTP, **AUSS herein request that this requirement of of transferring the assets of the Cambria WWTP and real property from Woodside Homes to AUSS be extended to July 1, 2003.**

RESPECTFULLY submitted this 27th day of December, 2002.

ARIZONA UTILITY SUPPLY & SERVICES, LLC



Maurice Lee, Managing Member
Arizona Utility Supply & Services, LLC
4002 E. Taro Ln.
Phoenix, AZ 85050
(602) 263-6236

CERTIFICATE OF SERVICE

I hereby certify that on this 27th day of December, 2002, I caused the original and 13 copies of the foregoing to be filed with:

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

Copies of the foregoing were hand-delivered
This 27th day of December, 2002, to:

Marc E, Stern
Administrative Law Judge
ARIZONA CORPORATION COMMISSION
1200 W. Washington Street
Phoenix, AZ 85007

Janice Alward, Staff Attorney
Legal Division
ARIZONA CORPORATION COMMISSION
1200 W. Washington Street
Phoenix, AZ 85007

Jim Fisher, Utilities Division
ARIZONA CORPORATION COMMISSION
1200 W. Washington Street
Phoenix, AZ 85007

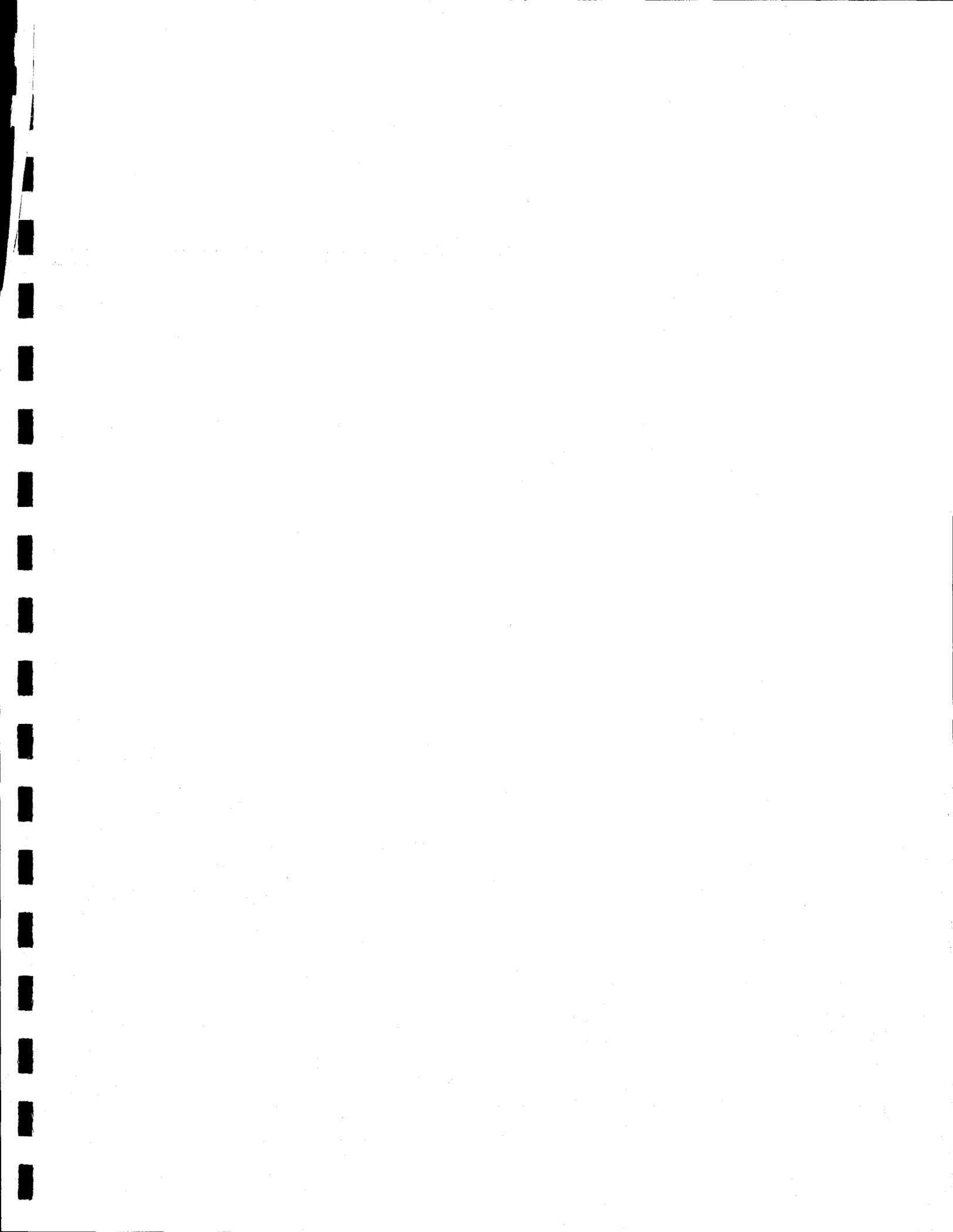
Pat Williams
ARIZONA CORPORATION COMMISSION
1200 W. Washington Street
Phoenix, AZ 85007

Thomas H. Campbell, Esq.
Michael Denby, Esq.
Michael Hallam, Esq.
LEWIS & ROCA
40 North Central Ave.
Phoenix, AZ 85004
Attorneys for Johnson Utilities Company

Lynn A. Keeling, Esq.
DYER & FERRIS, LLC
3550 North Central Ave. #1800
Phoenix, AZ 85012-2114
(602) 254-6008
Attorney for Arizona Utility Supply
& Services, LLC

By: _____

Maurice Lee
Maurice Lee



Decision Compliance Status Report

Report Date: December 23, 2002

COMPANY: Arizona Utility Supply and Services, LLC
DOCKET NO. SW-04002A-01-0228
DECISION NO. 64288 **DECISION DATE:** 12/28/2001

COMPLIANCE ACTION: Charge those rates and charges set forth in its proposed tariff (monthly service charge of \$30) to be filed with and approved by the Director of the Utilities Division within 30 days of the effective date of the Commission's Decision.

COMPLIANCE DUE DATE: 1/28/2002 OR

COMPLIED **DATE COMPLIED:** 1/24/2002

COMPLIANCE ACTION: Certificate conditioned on Company filing, within 365 days of the effective date of the Commission's Decision, a copy of its Pinal County Franchise for the areas for which it receives a Certificate.

COMPLIANCE DUE DATE: 12/30/2002 OR

COMPLIED **DATE COMPLIED:** 1/24/2002

COMPLIANCE ACTION: Certificate conditioned on the Company refunding \$185,000 of hook-up fees to Madison within 60 days of the effective date of the Commission's Decision.

COMPLIANCE DUE DATE: 2/26/2002 OR

COMPLIED **DATE COMPLIED:** 2/22/2002

COMPLIANCE ACTION: Certificate conditioned on the Company filing, within 60 days of the effective date of the Commission's Decision, copies of all documents related to the transfer of the Links treatment system consisting of deeds, bill of sale or alternatives satisfactory to the Director or the Certificate of Convenience and necessity granted shall be rendered null and void without further Order by the Commission.

COMPLIANCE DUE DATE: 2/26/2002 OR

COMPLIED **DATE COMPLIED:** 2/22/2003

Decision Compliance Status Report

Report Date: December 23, 2002

COMPANY: Arizona Utility Supply and Services, LLC

DOCKET NO. SW-04002A-01-0228

DECISION NO. 64288 **DECISION DATE:** 12/28/2001

COMPLIANCE ACTION: Certificate conditioned on the Company filing, within 60 days of the effective date of the Commission's Decision, copies of all documents related to the transfer of the Cambria treatment system consisting of deeds, bill of sale or alternatives satisfactory to the Director or the Certificate of Convenience and necessity granted shall be rendered null and void without further Order by the Commission.

COMPLIANCE DUE DATE: 2/26/2002 OR

COMPLIED **DATE COMPLIED:**

COMPLIANCE ACTION: Certificate conditioned on the Company filing, within 365 days of the effective date of the Commission's Decision, a copy of its approved 208 Plan from the area authority (Central Arizona Association of Governments).

COMPLIANCE DUE DATE: 12/28/2002 OR

COMPLIED **DATE COMPLIED:**

COMPLIANCE ACTION: Certificate conditioned on the Company filing, within 365 days of the effective date of the Commission's Decision, a copy of its Aquifer Protection Permit.

COMPLIANCE DUE DATE: 12/28/2002 OR

COMPLIED **DATE COMPLIED:**

COMPLIANCE ACTION: Certificate conditioned on the Company filing, within 365 days of the effective date of the Commission's Decision, a copy of its ADEQ approval to construct the Cambria plant.

COMPLIANCE DUE DATE: 12/28/2002 OR

COMPLIED **DATE COMPLIED:**

Decision Compliance Status Report

Report Date: December 23, 2002

COMPANY: Arizona Utility Supply and Services, LLC

DOCKET NO. SW-04002A-01-0228

DECISION NO. 64288 **DECISION DATE:** 12/28/2001

COMPLIANCE ACTION: Certificate conditioned on the Company filing, within 2 years of the effective date of the Commission's Decision, a copy of its ADEQ approval to construct the Castlegate plant.

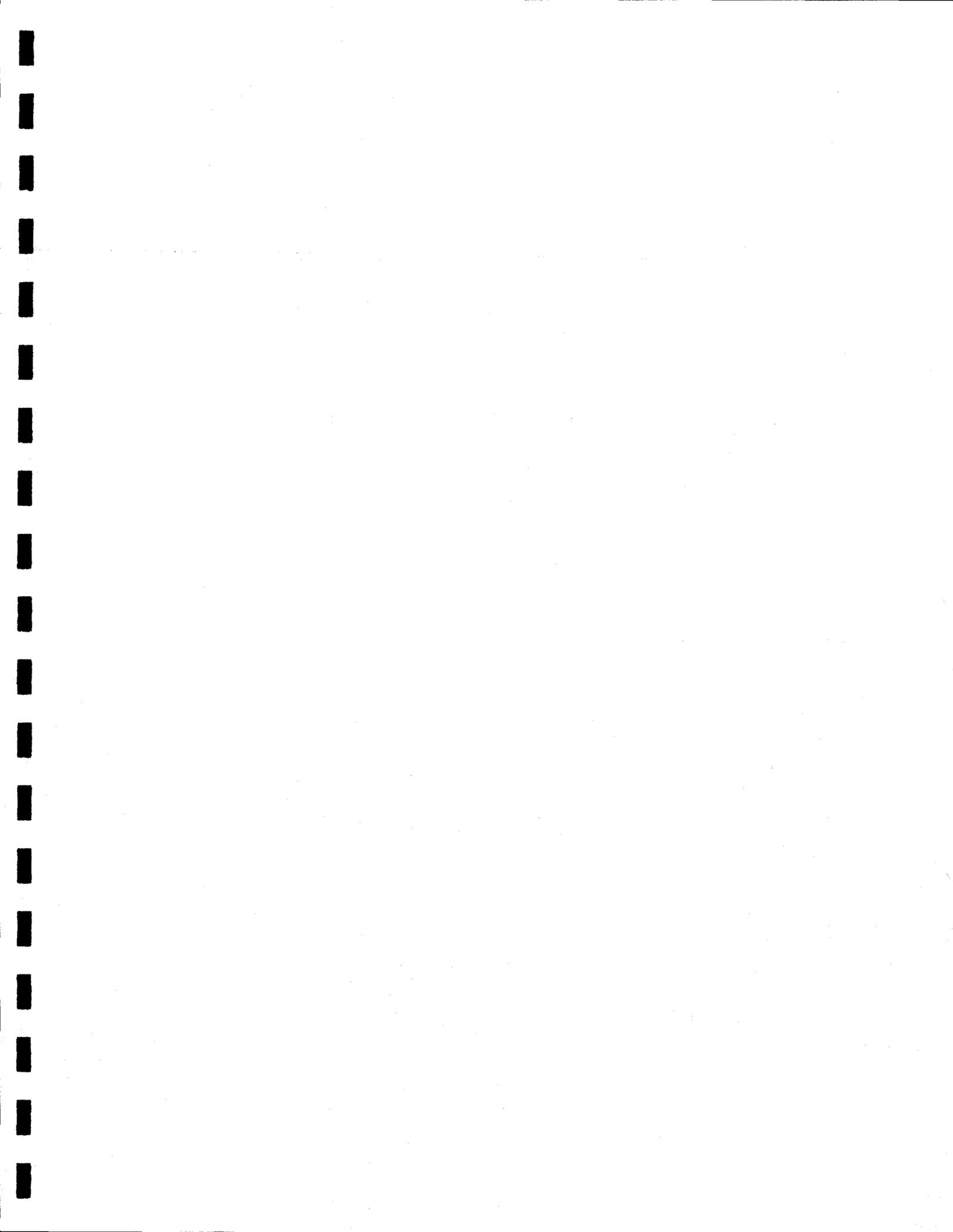
COMPLIANCE DUE DATE: 12/28/2003 OR

COMPLIED **DATE COMPLIED:**

COMPLIANCE ACTION: Certificate conditioned on the Company filing, within 5 years of the effective date of the Commission's Decision, a copy of its ADEQ approval to construct for its regional wastewater treatment plant.

COMPLIANCE DUE DATE: 12/28/2006 OR

COMPLIED **DATE COMPLIED:**



AREA TO BE TRANSFERRED

All of Section 22, the South 1/2 of Section 22, and a Portion of Section 30, Township 2 South, Range 8 East & Salt River Base & Meridian, Pinal Co., Arizona

**(FUTURE)
C C & N
EXPANSION**

8

ARIZONA UTILITY SUPPLY & SERVICES, LLC
C C & N Area
A PORTION OF TOWNSHIP 2 SOUTH,
RANGE 8 EAST
G & SRB
Pinal County, AZ

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ARIZONA UTILITY SUPPLY & SERVICES, LLC

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R7E

R8E

PIMA ROAD

RITENHOUSE AIR FORCE
AUXILIARY FIELD
(CLOSED)

OCOTILLO ROAD

OCOTILO SEBORG'S WWTP

Centex

THE LINKS
OCOTILO
GOLF COURSE

PECAN RANCH
CHANDLER
WWTP

Pecan WWTP

KENWORTHY ROAD

SCHNEPP ROAD

COMBS ROAD

PINAL COUNTY

MARICOPA COUNTY

RIGGS ROAD

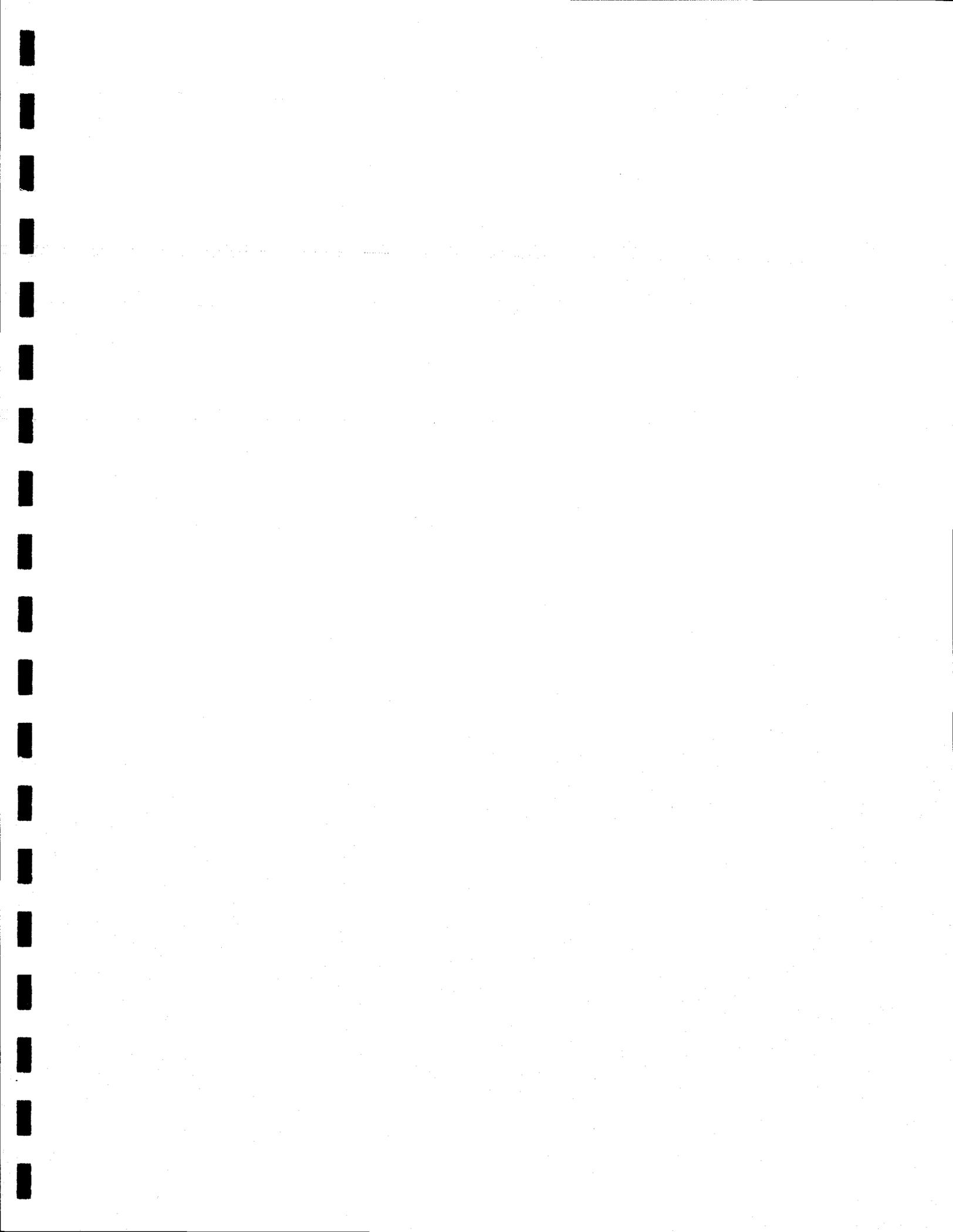
EMPIRE BLVD.

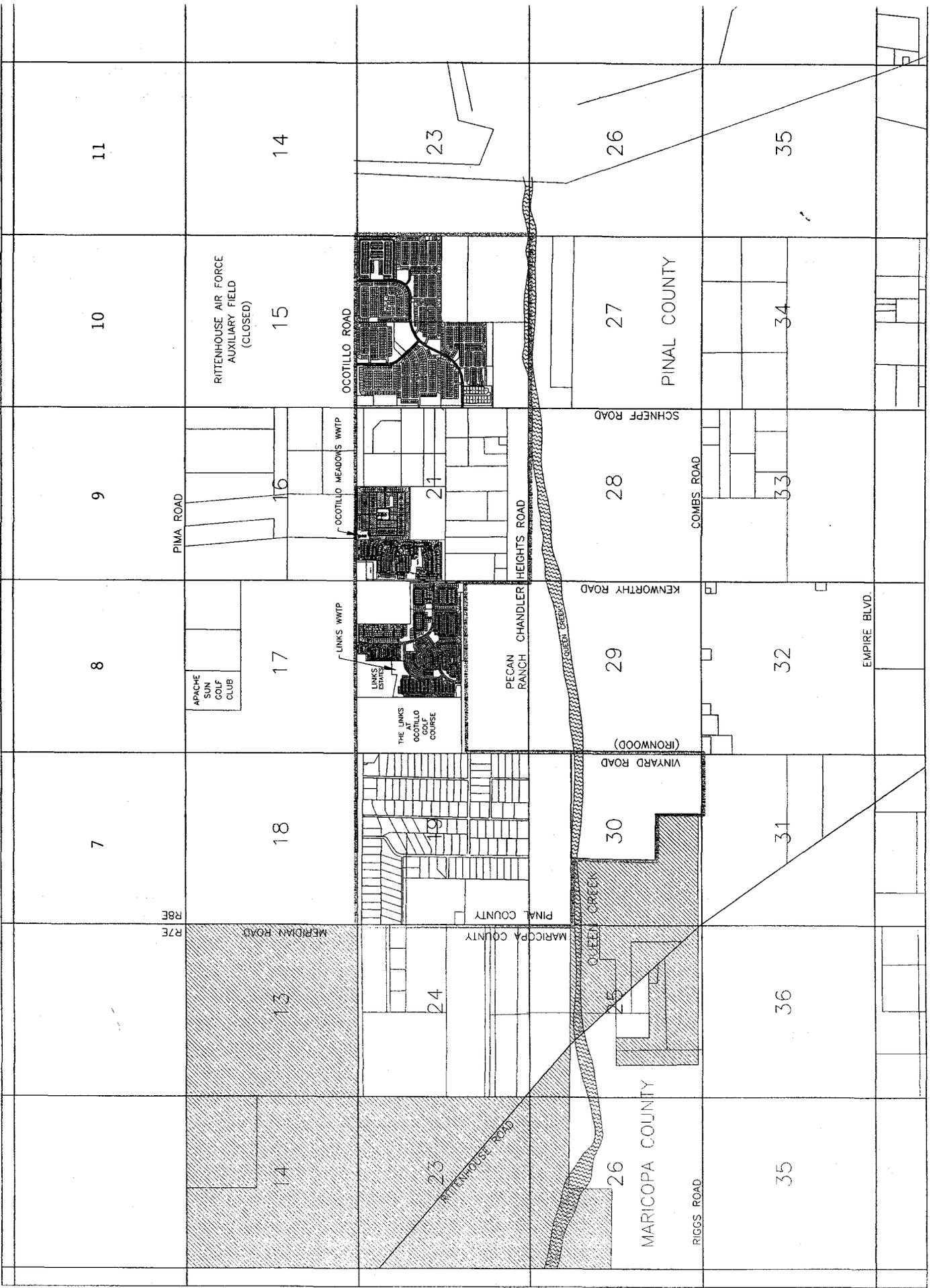
Pecan WWTP



Area to be Transferred

CC & N Limits









Jane Dee Hull
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

3033 North Central Avenue • Phoenix, Arizona 85012-2809
(602) 207-2300 • www.adeq.state.az.us



Jacqueline E. Schafer
Director

July 16, 2002

LTF ID: 25760

Steve Kohner
Links Estates Wastewater Treatment Plant
7902 N. Black Canyon Highway
Phennix, Arizona 85051

Re: Links Estates Wastewater Treatment Plant
Aquifer Protection Permit # 102976

Dear Mr. Kohner:

The Arizona Department of Environmental Quality (ADEQ) has completed the public notice of the permit action applied to the above referenced facility and has made a final decision to issue an APP pursuant to Arizona Administrative Code (A.A.C.) R18-9-201.E. You will soon receive an invoice for the final bill or a refund check for an amount if any initial fee paid exceeds the billable costs for processing your permit application.

The review of your APP application was subject to the requirements of the licensing time frames statute under Arizona Revised Statute (A.R.S.) § 41-1072 through 41-1079. Therefore, this letter is the written notification of the ADEQ licensing decision required under (A.R.S.) § 41-1076 and Arizona Administrative Code (A.A.C.) R18-1-507(A). This determination may be an appealable agency action under A.R.S. § 41-1092(3) or a contested case under A.R.S. § 41-1001(4). You have the right to request a hearing on an appealable agency action or a contested case and to request formal settlement conference under A.R.S. § 41-1092.06 and A.A.C. R18-1-203. To obtain a hearing on an appealable agency action or a contested case, you must file a notice of appeal within 30 days after receiving this letter.

As a courtesy I am also enclosing the executive summary, and the final draft permit as it will be signed by the ADEQ Water Quality Division Director

If you have any questions regarding this permit or the facility, please feel free to contact me at 602-771-4503.

Sincerely,

Lee Sobchak
Wastewater, Recharge & Reuse Unit

cc: Lynne Dekarske
Asif Majeed, Supervisor, Wastewater, Recharge & Reuse Unit

MWR02:0560

Northern Regional Office
1515 East Cedar Avenue • Suite F • Flagstaff, AZ 86004
(520) 779-0313

Southern Regional Office
400 West Congress Street • Suite 433 • Tucson, AZ 85701
(520) 628-6733

Printed on recycled paper

STATE OF ARIZONA
AQUIFER PROTECTION PERMIT NO. P- 102976
Place ID# 7978, LTF # 25760

1.0 AUTHORIZATION

In compliance with the provisions of Arizona Revised Statutes (A.R.S.) Title 49, Chapter 2, Articles 1, 2 and 3, Arizona Administrative Code (A.A.C.) Title 18, Chapter 9, Articles 1 and 2, A. A. C. Title 18, Chapter 11, Article 4 and amendments thereto, and the conditions set forth in this permit, the Links Estates Wastewater Treatment Plant is hereby authorized to operate the Wastewater Treatment Facility located near the SE corner of Ocotillo and Vineyard near Apache Junction, AZ, Pinal County, over the Pinal A.M.A. groundwater basin in Township 02 S, Range 08 E, Section 20, NE1/4 NW1/4 - Gila and Salt River Base Line and Meridian.

This permit becomes effective on the date of the Water Quality Division Director's signature and shall be valid for the life of the facility (operational, closure, and post-closure periods), provided that the facility is constructed, operated, and maintained:

1. following all the conditions of this permit including the design and operational information documented or referenced below, and
2. such that Aquifer Water Quality Standards are not violated at the applicable point(s) of compliance set forth below.

1.1 PERMITTEE INFORMATION

Facility Name:	Links Estates Wastewater Treatment Plant	
Permittee:	Mailing Address:	Facility's Street Address:
The Links at Ocotillo Homeowners Association	7902 N. Black Canyon Highway, Suite 100, Phoenix, AZ 85051	7902 N. Black Canyon Highway, Suite 100, Phoenix, AZ 85051
Facility Contact:	Maurice Lee	
Emergency Telephone Number:	602-923-9134	

Latitude: 33° 14' 38"

Longitude: 111° 33' 17"

Legal Description: Township 02S, Range 08W, Section 20, NE¼, NW¼ of the Gila and Salt River Base Line and Meridian

1.2 AUTHORIZING SIGNATURE

Karen L. Smith, Director
Water Quality Division
Arizona Department of Environmental Quality
Signed this ____ day of _____, 2002

Amended 2/12/02 (Other): Amended 6/ /02 (Signif.)

**SIGNIFICANT AMENDMENT TO AQUIFER PROTECTION
PERMIT NO. 102976**

Owner

The Links at Ocotillo Homeowners
Association
7902 N. Black Canyon Highway, Suite 10
Phoenix, AZ 85051

Operator

The Links at Ocotillo Homeowners
Association
7902 N. Black Canyon Highway, Suite 10
Phoenix, AZ 85051

1. Section 2.1, 2.3 and 4.0 - Added language to allow the facility to expand the WWTP form 75,000 gallons per day to 150,000 gallons per day based on plans and design report approved by ADEQ.

This amendment shall become effective on the date of signature and shall be valid for the duration of the permit provided that the facility is constructed, operated, and maintained pursuant to all the conditions of this permit, according to the design and operational information documented or referenced in PARTS 1.0 through 6.0 of this permit, and such that Aquifer Water Quality Standards are not violated.

Karen L. Smith, Director
Water Quality Division
Arizona Department of Environmental Quality
Signed this ____ day of _____, 2002

2.0 SPECIFIC CONDITIONS [A.R.S. §§ 49-203(4), 49-241(A)]

2.1 Facility / Site Description [A.R.S. § 49-243(K)(8)]

The permittee is authorized to operate a tertiary wastewater treatment plant (WWTP) with nitrogen removal and ultraviolet disinfection. The plant shall treat no more than an annual average of 150,000 gallons per day of domestic sewage. All of the effluent is transported from the effluent holding pond near the WWTP to golf course lakes for reuse or directly from the effluent holding pond for reuse under the authority of a reuse permit issued by ADEQ.

This facility is classified as generating class A+ reclaimed water according to Arizona Administrative Code R18-11-303.

The site includes the following permitted discharging facilities:

Facility	Latitude	Longitude
The Links Estates Wastewater Treatment Plant	33° 14' 38"	111° 33' 17"

2.2 Best Available Demonstrated Control Technology [A.R.S. § 49-243(B) and A.A.C. R18-9-A202(A)(5)]

The Wastewater Treatment Plant is designed to meet the treatment performance criteria for new facilities as specified in A.A.C. R18-9-B204.

2.2.1 Engineering Design

The new construction shall conform to the plans dated December 3, 2001, and the final sealed design report dated March 5, 2002 in the Aquifer Protection Permit file for this facility

2.2.2 Site-specific Characteristics

Not required

2.2.3 Pre-Operational Requirements

Not Applicable. The WWTP is already in operation

2.2.4 Operational Requirements

- (1) A copy of Operations and Maintenance Manual shall be maintained at the plant site at all times and shall be available upon request during inspections by ADEQ personnel.
- (2) The pollution control structures shall be inspected for items listed in Section 4.0, TABLE III. A log of inspections shall be kept at the facility for ten (10) years from the date of each inspection and shall be made available to ADEQ personnel upon request.
- (3) If any damage of pollution control structures is identified during inspection, proper repair

procedures shall be performed. All repair procedures and material(s) used shall be documented in the Self-Monitoring Report Form (SMRF) submitted quarterly to ADEQ Water Quality Enforcement.

2.3 Discharge Limitations [A.R.S. §§ 49-201(14), 49-243 and A.A.C. R18-9-A205(B)]

The permittee is authorized to discharge up to 0.150 mgd into an effluent storage ponds.

2.4 Point(s) of Compliance (P.O.C.) [A.R.S. § 49-244]

1. The Point of Compliance for this facility shall be designated at the following location:

P.O.C. Locations	Latitude	Longitude
SW Corner of Effluent Pond	33°14 ' 37"N	111° 33 ' 19" W

The Director may designate additional points of compliance if information on groundwater gradients or groundwater usage indicates the need.

2. Ambient Groundwater monitoring

Not Required

2.5 Monitoring Requirements[A.R.S. § 49-243(K)(1), A.A.C. R18-9-A206(A)]

All monitoring required in this permit shall continue for the duration of the permit, regardless of the status of the facility. All sampling, preservation and holding times shall be in accordance with currently accepted standards of professional practice. Trip blanks, equipment blanks and duplicate samples shall also be obtained, and chain of custody procedures shall be followed, in accordance with currently accepted standards of professional practice. The permittee shall consult the most recent version of the ADEQ Quality Assurance Project Plan (QAPP) and EPA 40 CFR PART 136 for guidance in this regard. Copies of laboratory analyses and chain of custody forms shall be maintained at the permitted facility. Upon request these documents shall be made immediately available for review by ADEQ personnel.

2.5.1 Discharge Monitoring

The permittee shall monitor the wastewater daily, monthly and yearly according to Table I. A representative sample shall be collected at the treatment plant after disinfection and filtration.

2.5.2 Facility / Operational Monitoring

Operational monitoring shall be conducted according to Section 4.0, Table II.

2.5.3 Groundwater Monitoring and Sampling Protocols

Routine groundwater monitoring is not required under the terms of this permit

2.5.4 Surface Water Monitoring and Sampling Protocols

Not Required

2.5.5 Analytical Methodology

All samples collected for compliance monitoring shall be analyzed using Arizona state approved methods. If no state approved method exists, then any appropriate EPA approved method shall be used. Regardless of the method used, the detection limits must be sufficient to determine compliance with the regulatory limits of the parameters specified in this permit. Analyses shall be performed by a laboratory licensed by the Arizona Department of Health Services, Office of Laboratory Licensure and Certification. For results to be considered valid, all analytical work shall meet quality control standards specified in the approved methods. A list of Arizona state certified laboratories can be obtained at the address below:

Arizona Department of Health Services
Office of Laboratory Licensure and Certification
1740 W. Adams Street, Room 203 North
Phoenix, AZ 85007
Phone: (602) 364-0720

2.5.6 Installation and Maintenance of Monitoring Equipment

Monitoring equipment required by this permit shall be installed and maintained so that representative wastewater, groundwater, soil, water, or sludge samples can be collected. Should new groundwater wells be determined to be necessary, the construction details shall be submitted to the ADEQ Water Permits Section for approval.

2.6 Contingency Plan Requirements

[A.R.S. § 49-243(K)(3), (K)(7) and A.A.C. R18-9-A204 and R18-9-A205]

2.6.1 General Contingency Plan Considerations

At least one copy of the approved contingency and emergency response plan(s) shall be maintained at the location where day-to-day decisions regarding the operation of the facility are made. The facility permittee shall be aware of and follow the contingency and emergency plans.

Any alert level (AL) that is exceeded or any violation of an aquifer quality limit (AQL), discharge limit (DL), or other permit conditions shall be reported to ADEQ following requirements in Section 2.7.3.

Some contingency actions involve verification sampling. Verification sampling shall consist of the first followup sample collected from a location that previously indicated a violation or that an AL has been exceeded. Collection and analysis of the verification sample shall use the same protocols and test methods to analyze for the pollutant or pollutants that exceeded an AL or violated an AQL.

2.6.2 Exceeding of Alert Levels/Performance Levels**2.6.2.1 Exceeding Performance Levels**

1. If the operational performance level set in Section 4.0, TABLE II has been exceeded the permittee shall:
 - a. Notify ADEQ Water Quality Compliance, within five (5) days of becoming aware of a violation of any permit condition or an Alert Level having been exceeded.

- b. Submit a written report within 30 days after becoming aware of the violation of a permit condition or of an Alert Level having been exceeded. The report shall document all of the following:
 1. A description of the violation and its cause.
 2. The period of violation, including exact date(s) and time(s), if known, and the anticipated time period during which the violation is expected to continue.
 3. Any action taken or planned to mitigate the effects of the violation, or to eliminate or prevent recurrence of the violation.
 4. Any monitoring activity or other information which indicates that any pollutants would be reasonable expected to cause a violation of an Aquifer Water Quality Standard.
 5. Any malfunction or failure of pollution control devices or other equipment or process.
2. The facility is no longer on alert status once the operational indicator no longer indicates that an AL is being exceeded. The permittee shall, however, complete all tasks necessary to return the facility to its pre-alert operating condition.

2.6.2.2. Exceeding of Alert Levels Set for Discharge Monitoring

1. If an AL set in Section 4.0, TABLE I has been exceeded, the permittee shall conduct verification sampling within 24 hours of becoming aware of the alert status.
2. If the verification sampling confirms that the AL has been exceeded, the permittee shall immediately investigate to determine the cause of the AL being exceeded. The investigation shall include the following:
 - a. Inspection, testing, and assessment of the current condition of all treatment or pollutant discharge control systems that may have contributed to the AL being exceeded.
 - b. Review of recent process logs, reports, and other operational control information to identify any unusual occurrences;
3. Within thirty (30) days after confirmation of an AL being exceeded, the permittee shall submit the laboratory results to the ADEQ Water Quality Compliance Section, Data Unit, along with a summary of the findings of the investigation, the cause of the AL being exceeded, and actions taken to resolve the problem.
4. Upon review of the submitted report, the Department may require additional monitoring including, increased frequency of monitoring, amendments to permit conditions or other actions.

2.6.2.3. Exceeding of Alert Levels in Groundwater Monitoring

2.6.2.3.1. Alert Levels for Indicator Parameters

Not Applicable.

2.6.2.3.2. Alert Levels for Pollutants with Numeric Aquifer Water Quality Standards

Not Applicable.

2.6.2.3.3 Alert Levels to Protect Downgradient Users from Pollutants Without Numeric Aquifer Water Quality Standards

Not Applicable

2.6.3 Discharge Limitations (DL) Violations

1. If a DL set in Section 4.0, TABLE I has been exceeded, the permittee shall conduct verification sampling within 24 hours of becoming aware of a DL exceedance.
2. If verification sampling confirms that the DL has been violated, the permittee shall immediately investigate to determine the cause of the violation. The investigation shall include the following:
 - a. Inspection, testing, and assessment of the current condition of all treatment or pollutant discharge control systems that may have contributed to the violation;
 - b. Review of recent process logs, reports, and other operational control information to identify any unusual occurrences;

The permittee also shall submit a report according to Section 2.7.3, which includes a summary of the findings of the investigation, the cause of the violation, and actions taken to resolve the problem. The permittee shall consider and ADEQ may require corrective action that may include control of the source of discharge, cleanup of affected soil, surface water or groundwater, and mitigation of the impact of pollutants on existing uses of the aquifer. Corrective actions shall either be specifically identified in this permit, included in an ADEQ approved contingency plan, or separately approved according to Section 2.6.6.

3. Upon review of the submitted report, the Department may require additional monitoring, add groundwater monitoring, increase the frequency of monitoring, make amendments to permit conditions, or other actions.

2.6.4 Aquifer Quality Limit (AQL) Violation

Not Applicable

2.6.5 Emergency Response and Contingency Requirements for Spills and Unauthorized Discharges

2.6.5.1 Duty to Respond

The permittee shall act immediately to correct any condition that could pose an endangerment to public health or the environment.

2.6.5.2 Spills of Hazardous Substances or Toxic Pollutants

In the event of any accidental spill or unauthorized discharge (A.R.S. § 49-201(12)) of suspected hazardous substances (A.R.S. § 49-201(18)) or toxic pollutants (A.R.S. § 49-243(I)) on the facility site, the permittee shall promptly isolate the area and attempt to identify the spilled material. The permittee shall record information, including name, nature of exposure and follow-up medical treatment, if necessary, on persons who may have been exposed during the incident. Spilled materials, absorbents, and contaminated media generated during emergency response shall be removed and disposed of according to applicable federal, state and local regulations. The emergency response coordinator shall notify the ADEQ Emergency Response Unit at (602) 771-2300 immediately upon discovering a release of a hazardous substance in excess of a reportable quantity in accordance with 40 CFR Part 302, et seq.

2.6.5.3 Discharge of Non-hazardous Materials

In the event of any unauthorized discharge of non-hazardous materials from the facility, the permittee shall promptly attempt to cease the discharge and isolate the discharged material. Discharged material shall be removed and the site cleaned up as soon as possible. The permittee shall notify the ADEQ Central Regional Office Water Quality Compliance Unit at 602-771-2300 within 24-hours upon discovering the discharge of non-hazardous material which: a) has the potential to cause an AQL to be exceeded; or b) could pose an endangerment to public health or the environment.

2.6.5.4 Reporting Requirements

The permittee shall submit a written report for any accidental spills or unauthorized discharges described in Sections 2.6.5.2 and 2.6.5.3. to ADEQ Central Regional Office Water Compliance Unit at 602-771-2300 within thirty days of the spill or discharge or as required by subsequent ADEQ action. The report shall summarize the event, including any human exposure, and facility response activities and include all information specified in Section 2.7.3. If a notice is issued by ADEQ subsequent to the spill or discharge notification, any additional information requested in the notice shall also be submitted within the time frame specified in that notice. Upon review of the submitted report, ADEQ may require additional monitoring or corrective actions.

2.6.6 Corrective Actions

With the exception of emergency response actions taken under Section 2.6.5, the permittee shall obtain written approval from the Water Permits Section prior to implementing a corrective action to accomplish any of the following goals in response to exceeding an AL or violation of an AQL, DL, or other permit condition:

1. Control of the source of an unauthorized discharge;
2. Soil cleanup;
3. Cleanup of affected surface waters;
4. Cleanup of affected parts of the aquifer;
5. Mitigation to limit the impact of pollutants on existing uses of the aquifer.

Within 30 days of completion of any corrective action, the operator shall submit to the ADEQ Water Quality Compliance Section, a written report describing the causes, impacts, and actions taken to resolve the problem.

2.7 Reporting and Recordkeeping Requirements

[A.R.S. § 49-243(K)(2) and A.A.C. R18-9-A206(B) and R18-9-A207]

2.7.1 Self Monitoring Report Forms (SMRF)

1. The permittee shall complete the SMRFs provided by ADEQ, and submit them to the Water Quality Compliance Section, Data Unit.
2. The permittee shall complete the SMRF to the extent that the information reported may be entered on the form. If no information is required during a quarter, the permittee shall enter "not required" on the SMRF and submit the report to ADEQ. The permittee shall use the format devised by ADEQ.
3. The tables contained in Sections 4.0 list the parameters to be monitored and the frequency for reporting results for groundwater compliance monitoring. Monitoring methods shall be recorded on the SMRFs.
4. In addition to the SMRF, the information contained in Section 6.9.3 shall be included.

2.7.2 Operation Inspection / Log Book Recordkeeping

A signed copy of this permit shall be maintained at all times at the location where day-to-day decisions regarding the operation of the facility are made. A log book of the inspections and measurements required by this permit shall be maintained at the location where day-to-day decisions are made regarding the operation of the facility. The logbook shall be retained for ten years from the date of each inspection, and upon request, the permit and the logbook shall be made immediately available for review by ADEQ personnel. The information in the log book shall include, but not be limited to, the following information as applicable:

1. name of inspector;
2. date and shift inspection was conducted;
3. condition of applicable facility components;
4. any damage or malfunction, and the date and time any repairs were performed;
5. documentation of sampling data and time;
6. names of samples;
7. static water level in monitor well prior to sampling;
8. sampling method;
9. purging volume;
10. indicator parameters including field conductance ($\mu\text{mhos/cm}$), field temperature ($^{\circ}\text{C}$), and field pH (standard units);
11. date of analysis;
12. preservation and transportation procedures;
13. the name of the analytical facility, and;
14. any other information as specified by this permit to be entered in the logbook.

2.7.3 Permit Violation and Alert Level Status Reporting

1. The permittee shall notify the Water Quality Compliance Section, Enforcement Unit in writing within five days (except as provided in Section 2.6.4) of becoming aware of a violation of any permit condition, discharge limitation or of an Alert Level being exceeded.
2. The permittee shall submit a written report to the Water Quality Compliance Section, Enforcement Unit within 30 days of becoming aware of the violation of any permit condition or discharge limitation. The report shall document all of the following:
 - a. Identification and description of the permit condition for which there has been a violation and a description of its cause.
 - b. The period of violation including exact date(s) and time(s), if known, and the anticipated time period during which the violation is expected to continue.
 - c. Any corrective action taken or planned to mitigate the effects of the violation, or to

- eliminate or prevent a recurrence of the violation.
- d. Any monitoring activity or other information which indicates that any pollutants would be reasonably expected to cause a violation of an Aquifer Water Quality Standard.
- e. Proposed changes to the monitoring which include changes in constituents or increased frequency of monitoring.
- f. Description of any malfunction or failure of pollution control devices or other equipment or processes.

2.7.4 Operational, Other or Miscellaneous Reporting

The permittee shall submit data required in Section 4.0 Table III regardless of the operating status of the facility unless otherwise approved by the Department or allowed in this permit.

2.7.5 Reporting Location

All SMRFs shall be submitted to:
 Arizona Department of Environmental Quality
 Water Quality Compliance Section, Data Unit
 Mail Code: 5415B-1
 1110 W. Washington St.
 Phoenix, Arizona 85007
 Phone (602) 771-4681

All documents required by this permit to be submitted to the Water Quality Compliance Section shall be directed to:
 Water Quality Compliance Section, Enforcement Unit
 Mail Code: 5415B-1
 1110 W. Washington St.
 Phoenix, Arizona 85007
 Phone (602) 771-4614

All documents required by this permit to be submitted to the Water Permits Section shall be directed to:
 Arizona Department of Environmental Quality
 Water Permits Section
 Mail Code: 5415B-3
 1110 W. Washington
 Phoenix, Arizona 85007
 Phone (602) 771-4428

2.7.6 Reporting Deadline

The following table lists the quarterly report due dates:

Monitoring conducted during quarter:	Quarterly Report due by:
January-March	April 30
April-June	July 30
July-September	October 30
October-December	January 30

2.7.7 Changes to Facility Information in Section 1.0

The Water Permits Section and Water Quality Compliance Section shall be notified within 10 days of any change of facility information including Facility Name, Permittee Name, Mailing or Street Address, Facility Contact Person or Emergency Telephone Number.

2.8 Temporary Cessation [A.R.S. § 49-243(K)(8) and A.A.C. R18-9-A209(A)]

The permittee shall give written notice to the Water Quality Compliance Section upon ceasing operation of the facility for a period of 60 days or greater. At the time of notification the permittee shall submit for ADEQ approval a plan for maintenance of discharge control systems and for monitoring during the period of temporary cessation. Immediately following ADEQ's approval, the permittee shall implement the approved plan. If necessary, ADEQ shall amend permit conditions to incorporate conditions to address temporary cessation. If the facility will cease operation for more than three years, the permittee shall submit closure notification, as set forth in Section 2.9 below.

2.9 Closure [A.R.S. §§ 49-243(K)(6), 49-252 and A.A.C. R18-9-A209(B)]

The permittee shall give written notice of closure to the Water Quality Compliance Section before closing, or before ceasing use of a facility addressed under this permit if the cessation is projected to last more than three years.

Within ninety (90) days following notification of closure, the permittee shall submit for approval to the Water Permits Section, a detailed Closure Plan which meets the requirements of A.R.S. § 49-252 and A.A.C. 18-9-A209(B)(1)(a).

If the closure plan achieves clean closure immediately, ADEQ shall issue a letter of approval to the permittee. If the closure plan contains a schedule for bringing the facility to a clean closure configuration at a future date, ADEQ may incorporate any part of the schedule as an amendment to this permit.

Upon completion of closure activities, the permittee shall give written notice to the Water Permits Section indicating that the approved Closure Plan has been implemented fully. If clean closure has been achieved, ADEQ shall issue a letter of approval to the permittee at that time. If any of the following conditions apply, the permittee shall follow the terms of Post Closure stated in this permit:

1. Clean closure cannot be achieved at the time of closure notification or within one year thereafter under a diligent schedule of closure actions;
2. Further action is necessary to keep the facility in compliance with aquifer water quality standards at the applicable point of compliance;
3. Continued action is required to verify that the closure design has eliminated discharge to the extent intended;
4. Remedial or mitigative measures are necessary to achieve compliance with Title 49, Ch. 2;
5. Further action is necessary to meet property use restrictions.

2.9.1 Closure Plan

The permittee shall notify the ADEQ Water Permits Section of his intent to cease, without intent to resume, an activity for which the facility was designed or operated prior to ceasing. Within 90 days following notification, the permittee shall submit for approval, to ADEQ Water Permits Section, a Closure plan which eliminates, to the greatest extent practicable, any reasonable probability of further discharge from the facility and of exceeding Aquifer Water Quality Standards at the applicable point of compliance. The Closure plan shall describe the following details:

1. The approximate quantities and the chemical, biological, and physical characteristics of the materials to be removed from the facility;
2. the destination of the materials to be removed from the facility and an indication that placement of the materials at that destination is approved;
3. the approximate quantities and the chemical, biological, and physical characteristics of the materials that will remain at the facility;
4. the methods to be used to treat any materials remaining at the facility;
5. the methods to be used to control the discharge of pollutants from the facility;
6. any limitations on future land or water uses created as a result of the facility's operations or closure activities;
7. the methods to be used to secure the facility;
8. an estimate of the cost of closure; and
9. a schedule for implementation of the closure plan and the submission of a Post-Closure plan.

2.9.2 Closure Completion

Upon completion of closure activities, the permittee shall give written notice to ADEQ Water Permits Section indicating that the approved closure plan has been implemented fully, and shall provide proof of the inclusion in the deed to the property of complete information about the materials buried or discharged at the facility and any limitations on future land or water uses created as a result of the facility's operations or closure activities.

2.10 Post Closure [A.R.S. §§ 49-243(K)(6), 49-252 and A.A.C. R18-9 A209(C)]

Post-closure requirements shall be established based on a review of facility closure actions and will be subject to review and approval by the Water Permits Section.

In the event clean closure cannot be achieved pursuant to A.R.S. § 49-252, the permittee shall submit for approval to the Water Permits Section a Post-Closure Plan that addresses post-closure maintenance and monitoring actions at the facility. The Post-Closure Plan shall meet all requirements of A.R.S. §§ 49-201(29) and 49-252 and A.A.C. R18-9-A209(C). Upon approval of the Post-Closure Plan, this permit shall be modified or a new permit shall be issued to incorporate all post-closure controls and monitoring activities of the Post-Closure Plan.

2.10.1 Post-Closure Plan

A post-closure plan may be required based on clean closure results

2.10.2 Post-Closure Completion

If a post-closure plan is required, then the facility shall submit a post-closure completion report

3.0 COMPLIANCE SCHEDULE [A.R.S. § 49-243(K)(5) and A.A.C. R18-9-A208]

2.

The permittee shall obtain an insurance policy, performance bond, trust fund, or execute a financial warranty for a Certificate of Deposit in the amount of \$15,000 prior to issuance of the Letter of Approval to Operate by the ADEQ, Engineering Review & Permits Unit unless the applicant has otherwise demonstrated financial capability to the satisfaction of the Department.

4.0 TABLES OF MONITORING REQUIREMENTS

TABLE I
DISCHARGE MONITORING

Sampling Point Number	Identification	Latitude	Longitude
1	Discharge from the WWTP after disinfection and filtration	33° 14 ' 38.2"	111° 33' 17"

Parameter	AL	DL ¹	Units	Sampling Frequency	Reporting Frequency
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Flow	N/A ²	.0150 MGD ³	N/A	Daily	Quarterly
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Fecal Coliform (single sample)	NL	23	CFU ⁴	Daily ⁵	"
Fecal Coliform (4 of 7 samples)	NL	None Detect	CFU	Daily	"
Turbidity (single reading)	NL	5 NTU's ⁶	AT ⁷	Daily ⁸	"
Turbidity (24 hour average)	NL	2 NTU's	"	Daily ⁹	"
Enteric Virus (4 of 7 samples)	NL	None ¹⁰ Detected per 40 liter sample	AT	Monthly	"

¹ All Discharge Limits in this table are listed in mg/l except flow which is in million gallons per day (MGD), turbidity which is in NTU's and Enteric Virus which is None/40ml

² N/A = Not Applicable

³ Million gallons per day calculated on an average daily flow based on a monthly average.

⁴ CFU means colony forming units in a 100 milliliter sample.

⁵ "Daily" means every day on which a sample can practicably be obtained and delivered in sufficient time for proper analysis, provided that no less than four samples in each calendar week are obtained and analyzed.

⁶ NTU means nephelometric turbidity unit.

⁷ Appropriate technology for turbidity monitoring shall be an instrument with a signal averaging time not exceeding 120 seconds. Occasional spikes in the turbidity measurement due to backflushing or an instrument malfunction will not be considered an exceedance. An exceedance must be explained and submitted to the Department with the corresponding quarterly Self Monitoring Report Form.

⁸ Means a single maximum reading during the 24 hour period.

⁹ Means continuous readings 24 hours per day, and is reported as a 24 hour average.

¹⁰ When the first four samples of no greater than seven are non detect, sampling for Enteric Viruses will be suspended and the permittee may place "sampling not required" in the SMRF. This shall continue until turbidity exceedances occur.

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Total Nitrogen ¹¹	8.0	10.0	mg/l	Monthly	Quarterly
Nitrate/Nitrite	8.0	10.0	mg/l	"	"
Total Kjeldahl Nitrogen (TKN)	8.0	10.0	mg/l	"	"

Metals (Total):

Antimony	0.0048	0.006	mg/l	Yearly	Yearly
Arsenic	0.040	0.05	mg/l	"	"
Barium	1.60	2.00	mg/l	"	"
Beryllium	0.0032	0.004	mg/l	"	"
Cadmium	0.004	0.005	mg/l	"	"
Chromium	0.08	0.1	mg/l	"	"
Lead	0.040	0.05	mg/l	"	"
Mercury	0.0016	0.002	mg/l	"	"
Nickel	0.08	0.1	mg/l	"	"
Selenium	0.040	0.05	mg/l	"	"

¹¹ Total Nitrogen is equal to Nitrate-Nitrite-N plus TKN.

TABLE II
FACILITY INSPECTION (OPERATIONAL MONITORING)

Parameter	Performance Levels	Inspection Frequency
Berm Integrity	No Visible Erosion	Monthly
Pump Integrity	Good Working Condition	Weekly
Freeboard in Storage Pond	Minimum of 3 feet	Monthly
WWTP Components	Good Working Condition	Weekly

5.0 REFERENCES AND PERTINENT INFORMATION

The terms and conditions set forth in this permit have been developed based upon the information contained in the following, which are on file with the Department:

- 1 APP Application dated: January 13, 1995: April 18, 2001 (Other Amend): December 7, 2001 (Sig. Amend.)
- 2 Public Notice, dated: June 7th, 2002
- 3 Public Hearing, dated Not Applicable
- 4 Responsiveness Summary, dated Not Applicable.

6.0 GENERAL CONDITIONS AND RESPONSIBILITIES**6.1 Annual Registration Fees.**

The permittee shall pay an Annual Registration Fee to ADEQ. The Annual Registration Fee is based upon the amount of daily influent or discharge of pollutants in gallons per day as established by A.R.S. § 49-242(D). This fee is payable to ADEQ by January 31, each year.

6.2 Duty to Comply. [A.R.S. §§ 49-221 through 263]

The permittee shall comply with all conditions of this permit and all applicable provisions of Title 49, Chapter 2, Articles 1, 2 and 3 of the Arizona Revised Statutes, Title 18, Chapter 9, Articles 1 through 4, and Title 18, Chapter 11, Article 4 of the Arizona Administrative Code. Any permit non-compliance constitutes a violation and is grounds for an enforcement action pursuant to Title 49, Chapter 2, Article 4 or permit modification, suspension, or revocation.

6.3 Duty to provide information. [A.R.S. §§ 49-243(K)(2) and 49-243(K)(8)]

The permittee shall furnish to the Director, or an authorized representative, within a time specified, any information which the Director may request to determine whether cause exists for amending or terminating this permit, or to determine compliance with this permit. The permittee shall also furnish to the Director, upon request, copies of records required to be kept by this permit.

6.4 Severability. [A.R.S. § 49-243(K)(8)]

The provisions of this permit are severable, and if any provision of this permit, or the application of any provision of this permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby.

6.5 Proper Operation and Maintenance. [A.R.S. § 49-243(K)(8)]

The permittee shall, at all times, properly operate and maintain all facilities, treatment processes, and discharge control systems which are installed or used by the permittee to achieve compliance with the terms and conditions of this permit.

6.6 Compliance with Aquifer Water Quality Standards. [A.R.S. §§ 49-243(B)(2) and 49-243(B)(3)]

The permittee shall not cause or contribute to a violation of an aquifer water quality standard at the applicable point of compliance for the facility. Where, at the time of issuance of the permit, an aquifer already exceeds an aquifer water quality standard for a pollutant, the permittee shall not discharge that pollutant so as to further degrade, at the applicable point of compliance for the facility, the water quality of any aquifer for that pollutant.

6.7 Technical and Financial Capability.

[A.R.S. §§ 49-243(K)(8) and 49-243(N) and A.A.C. R18-9-A202(B) and R18-9-A203(E) and (F)]

The permittee shall have and maintain the technical and financial capability necessary to fully carry out the terms and conditions of this permit. Any bond, insurance policy, trust fund, or other financial assurance mechanism provided as a demonstration of financial capability in the permit application, pursuant to A.A.C. R18-9-A203(D), shall be in effect prior to any discharge authorized by this permit and shall remain in effect for the duration of the permit.

6.8 Reporting of Bankruptcy or Environmental Enforcement [A.A.C. R18-9-A207(C)]

The permittee shall notify the Director within five days after the occurrence of any one of the following:

1. The filing of bankruptcy by the permittee.
2. The entry of any order or judgment not issued by the Director against the permittee for the enforcement of any environmental protection statute or rule.

6.9 Monitoring and Records. [A.R.S. § 49-243(K)(8) and A.A.C. R18-9-A206]

The permittee shall conduct any monitoring activity necessary to assure compliance with this permit, with the applicable water quality standards established pursuant to A.R.S. §§ 49-221 and 49-223 and §§ 49-241 through 49-252.

1. Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.
2. The permittee shall retain records of all monitoring information, including copies of all reports required by this permit and records of all data used to complete the application for this permit, for a period of 10 years from the date of the sample, measurement report, or application. This period may be extended by request of the Director at any time.
3. At a minimum, records of monitoring information shall include:
 - a. The date, time, and exact place of sampling or measurements
 - b. The individual(s) who performed the sampling or measurements
 - c. The date(s) analyses were performed
 - d. The individual(s) who performed the analyses
 - e. The analytical techniques or methods used
 - f. The results of such analyses
 - g. The chain of custody records, and
 - h. Any field notes relating to the information described in (a) - (g) above.

6.10 Other information. [A.R.S. § 49-243(K)(8)]

Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Director, the permittee shall promptly submit the correct facts or information.

6.11 Inspection and Entry.[A.R.S. §§ 49-203(B) and 49-243(K)(8)]

The permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to enter and inspect the facility as reasonably necessary to ensure compliance with Title 49, Chapter 2, Article 3 of the Arizona Revised Statutes, and Title 18, Chapter 9, Articles 1 through 4 of the Arizona Administrative Code and the terms and conditions of this permit. In so doing, the Department representative may:

1. Enter upon the operator's premises where a regulated facility or activity is located or conducted, or locations where records must be kept under the conditions of this permit.
2. Have access to and copy, at reasonable times, any records required to be kept under the conditions of this permit.
3. Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit.
4. Sample or monitor at reasonable times, for the purposes of assuring permit compliance, any substances or parameters at any location.
5. Take photographs or video tape only when escorted by authorized personnel. Any photographs or video tape taken may be subject to inspection and confiscated by the permittee if the images include anything that could affect the security of the area, or any object recorded that is not covered by this permit.
6. Take other actions reasonably necessary to determine compliance with Aquifer Protection Permit statutes or rules or the terms and conditions of this permit.

6.12 Duty to Modify. [A.R.S. § 49-243(K)(8)]

The permittee shall apply for and receive a written amendment before deviating from any of the designs or operational practices authorized by this permit.

6.13 Permit Action: Amendment, Transfer, Suspension & Revocation.

[A.R.S. §§ 49-201, 49-241 through 251, A.A.C. R18-9-A211, R18-9-A212 and R18-9-A213]

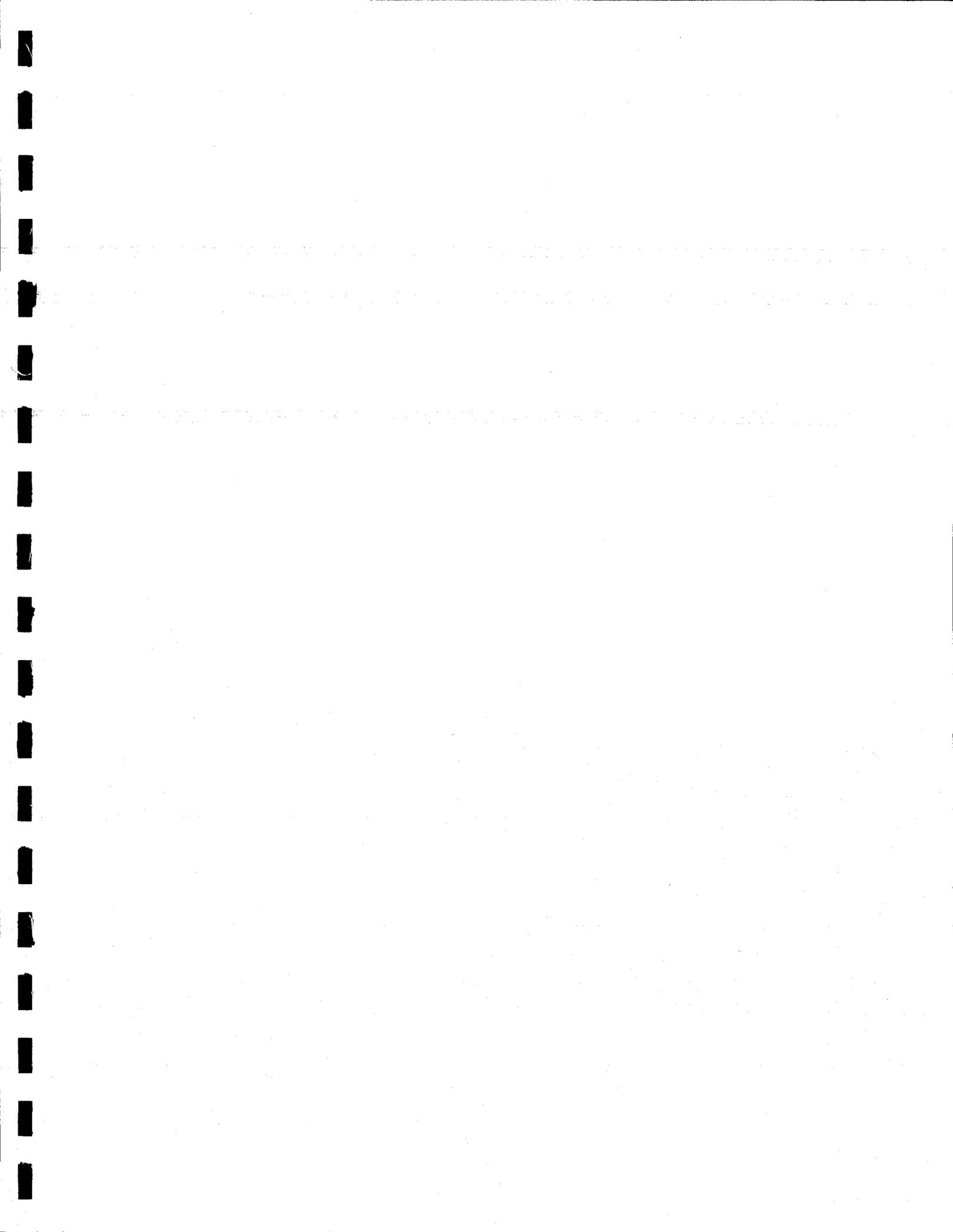
This permit may be amended, transferred, renewed, or revoked for cause, under the rules of the Department. The filing of a request by the permittee for a permit action does not stay or suspend the effectiveness of any existing permit condition. The Director shall issue a public notice of all proposed permit actions pursuant to A.A.C. R18-9-A211, R18-9-A212 and R18-9-A213.

6.13.1 Permit Reopen.

The Director may reopen this permit and amend it pursuant to A.A.C. R18-9-A211.

6.13.2 Permit Transfer.

This permit may not be transferred to any other person except after notice to and approval of the transfer by the Department. No transfer will be approved until the applicant complies with all transfer requirements as specified in A.A.C. R18-9-A212(B) and (C). The permittee shall notify the Water Permits Section in writing within 15 days after any change in the owner or operator of the facility. The notification shall state the permit number, the name of the facility, the date of property transfer, and the name, address, and phone number where the new owner or operator can be reached. The operator shall advise the new owner or operators of the terms of this permit and the need for permit transfer in accordance with the rules.



**CAAG 208 WATER QUALITY
PLAN AMMENDMENT
FOR MEADOW VISTA
DEVELOPMENT**

RED AMEND

March 20th, 2000

Prepared for:
Centex Community Development
4524 N. 12th Street, Suite 100
Phoenix, Arizona 85014

Prepared by:
Santec Corporation
220 Malibu Street
Castle Rock, Colorado 80104

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Project Overview:

The proposed Meadow Vista development will be located in the northwest quarter section of Section 21, Township 2 South, Range 8 East, Gila and Salt River Base and Meridian, Pinal County, Arizona. The location of the proposed project and the wastewater treatment facility are shown in the vicinity maps Attachment A and Attachment B. The planned project is residential in nature and will include approximately 253 manufactured rental home lots dispersed over approximately 40 acres. A site plan including the layout of the development and the location of the wastewater treatment facility is included as Attachment C of this document. There is currently no sewer service in the area nor are there any existing private wastewater utilities or sanitary districts in the proposed service area.

The proposed wastewater treatment facility will be constructed in the northwest corner of the development adjacent to a storm water retention basin. The proposed treatment plant utilizes a conventional activated sludge process modified to include an anoxic reactor for removal of nitrogen. This Santec Corporation design has been chosen for the company's proven ability to meet the specified total nitrogen limit. Plant effluent will be disinfected using chlorine followed by de-chlorination and then reclaimed for subsurface irrigation.

Centex Community Development will retain ownership of the development lots and associated wastewater treatment facility. Santec Corporation will be contracted to operate and maintain the wastewater treatment facility. Santec

Corporation has installed approximately fifty similar wastewater treatment plants throughout Arizona.

Wastewater Treatment Facility:

The Meadow Vista project includes 253 rental lots designated for residential, manufactured homes. Standard estimates for wastewater contribution from residential sources are 2.6 occupants per lot and 100 gallons per capita per day. The wastewater treatment facility will be designed to handle the expected flow of 65,000 gallons per day with a peaking factor of 4.0 times the average daily flow for a two-hour period. The initial construction of the wastewater treatment facility will have a design flow of 65,000 gallons per day. All treatment processes required to treat this flow will be included in the initial construction.

The Pinal County Health Department and the State of Arizona have confirmed there are no private wastewater utilities, sanitary districts or municipal facilities within a one-mile radius. The nearest private wastewater treatment facility serves The Links at Queen Creek subdivision; however, this facility does not currently have the capacity to treat an additional 65,000 gallons per day. Expansion for The Links at Queen Creek facility is not scheduled for another 2 ½ years. Connection to Facilities at Queen Creek are not economically feasible at this time due to the distance from the proposed development. Should a regional facility be constructed or designated and sewer interceptors installed, the

proposed wastewater treatment facility site can be abandoned, the site re-mediated and the sewer line connected into the regional wastewater system.

POPTAC estimates for population growth in north Pinal county show a twenty-year period growth rate of approximately fifty percent from 50,721 in 2000 to 78,862 in 2020 for the entire northern Pinal County area. For the area to be serviced by the proposed wastewater treatment facility, estimated maximum flow at the Meadow Vista facility for the next twenty-year period is 250,000 gallons per day. The initial wastewater treatment facility will provide treatment for up to 65,000 gallons per day. The design of the Santec Corporation facility is such that initial low flows during operational start-up can by-pass aeration units thus sustaining adequate treatment through the full range of flows. Expected flow during the first year of operation is 10,000 gallons per day. Subsequent expansion of the facility to 250,000 gallons per day can be completed in phases to correspond with the addition of housing units. Should the facility expand beyond the initial 65,000 gallons per day, adjoining land would have to be donated by the owners for effluent disposal.

The recommended treatment facility is a Santec conventional aeration, activated sludge process that includes tertiary treatment for the removal of nitrogen and disinfection of the final effluent. The design shall be in conformance with Arizona Department of Environmental Quality Engineering Bulletins 11 and 12 standards. Santec Corporation treatment facilities are totally enclosed below ground level with noise and odor control mechanisms to minimize impact on adjacent properties. There are no anticipated water quality problems as Santec

Corporation wastewater treatment facilities have an excellent performance record of effluent permit compliance in Arizona and around the country.

The wastewater treatment facility will be elevated above the surrounding ground level approximately one foot to allow storm water drainage to flow away from the site. In addition, the plant treatment equipment will be surrounded by pea gravel to provide rapid infiltration of storm water into the surrounding soil. The sewer collection system servicing this facility will be separate from the storm water collection system.

Required permits include Arizona Department of Environmental Quality "Individual Aquifer Protection Permit" and Approval to "Construct Sanitary Facilities". Currently, ADEQ has issued a letter of intent to issue an individual Aquifer Protection Permit for the Meadow Vista Wastewater Treatment Plant. The letter dated January 24th, 2000 is enclosed as Attachment D of this document. Engineering technical review for Approval to Construct Sanitary Facilities by ADEQ is currently underway. National Pollution Discharge Elimination System (NPDES) permit is not applicable to the proposed facility due to the subsurface discharge of the disinfected effluent. Certificate of Convenience and Necessity from the Arizona Corporation Commission is not required since Centex Community Development will retain ownership of the wastewater treatment facility and the development.

Sludge disposal from the proposed wastewater treatment facility will be on an "As needed" basis by Synagro Technologies Incorporated (5615 S 91st Ave Tolleson, AZ 85353). Final disposal of the sludge will be at Butterfield Station

Landfill (40404 South 99th Ave Mobile, AZ). This facility is expected to be in operation into perpetuity.

Effluent Discharge Mechanism:

The proposed mechanism for effluent discharge and disposal is a Geoflow subsurface drip irrigation system. Bio-resistant drip line will be installed six inches below the surface of the storm water retention basin adjacent to the proposed wastewater treatment facility site. The retention basin will be seeded with turf to dispose of effluent through natural respiration processes. The possibility of effluent percolation during extreme wet weather conditions does exist; however, the depth to ground water at the proposed effluent discharge site is 450'. Were this condition to persist for even extended periods of time, no degradation of ambient ground water quality is anticipated. The ADEQ Aquifer Protection Permit reviewers assigned to this project have taken this condition into consideration when reviewing the proposed design. Because the effluent is contained entirely below the surface, no wastewater re-use permit is required.

The subsurface irrigation system will be divided into two adjacent areas. Each will be sized for full flow capacity to provide for effluent disposal during maintenance or repair. In addition, the storm water retention basin adjacent to the facility will be available as an open space park for the public. There are no anticipated ground water quality issues; however, monitoring of effluent quality will be conducted on a continuous basis at the proposed point of discharge.

Construction and Implementation:

The construction contractor is currently under contract and Centex Community Development will proceed immediately upon approval and issuance of the required permits. Santec Corporation is contracted with Centex Community Development for the construction of the wastewater treatment facility and effluent sub-surface discharge system. Construction is scheduled to begin in late April 2000 and be completed by September 2000. Wastewater facility construction for the proposed development of 65,000 gallons per day will be completed by the September 2000 date. During construction, Best Management Practices for dust control will be applied including wet suppression and minimization of disturbed areas for traffic flow. Storm water construction run-off will be contained in the storm water retention basin adjacent to the wastewater treatment facility during construction of the facility. Storm water run-off is not expected during construction.

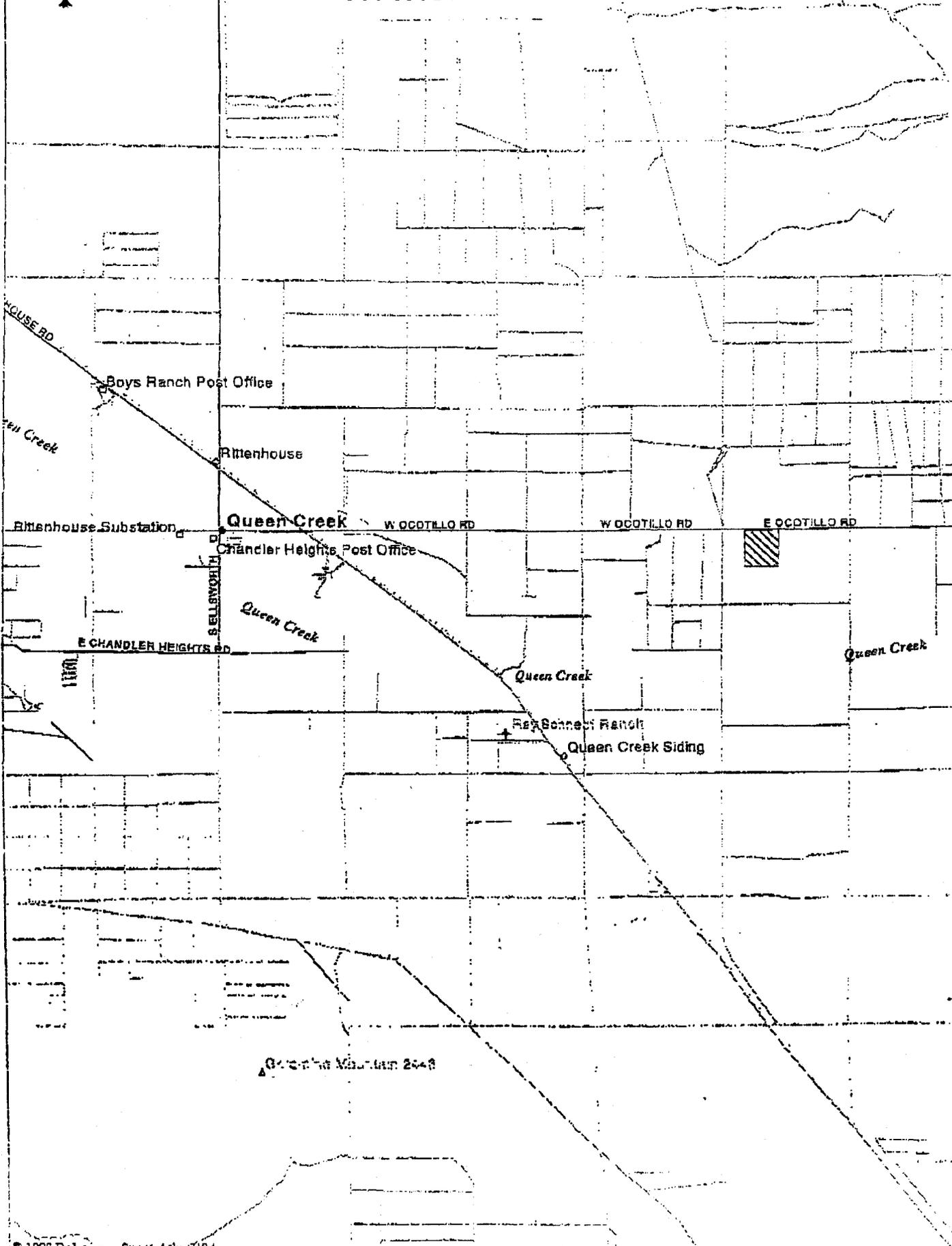
As there are no existing wastewater treatment facilities within a one-mile radius of the proposed development, no sanitary districts or certificated areas will be impacted by the construction of the proposed wastewater treatment facility. The wastewater treatment facility is designed to treat waste from the proposed development only. Current surrounding area septic systems will not be connected to the system until such time as sewer hook-ups are provided and septic systems taken off-line. No municipal wastewater treatment facility is currently planned for this area.

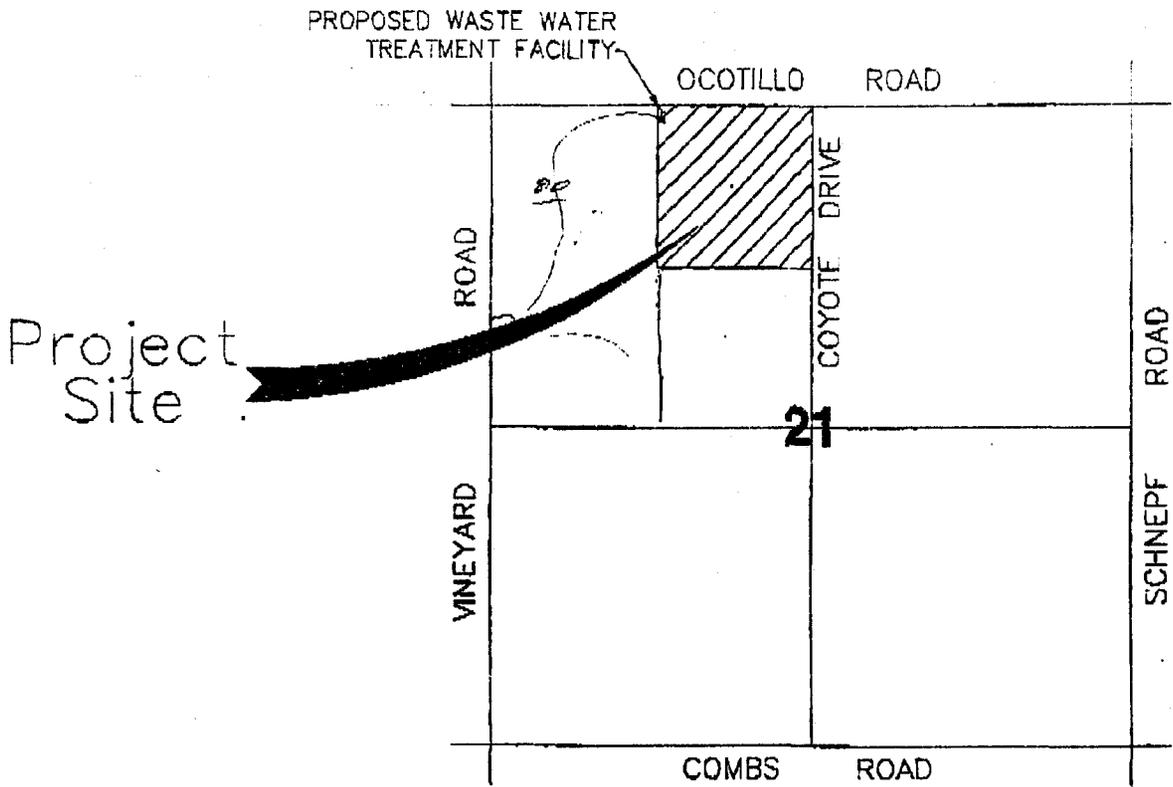
Financial Information:

Centex Community Development statement of financial responsibility can be found as Attachment E of this document. Centex will be financially responsible for the construction, operation and maintenance of the proposed wastewater treatment facility.

Summary:

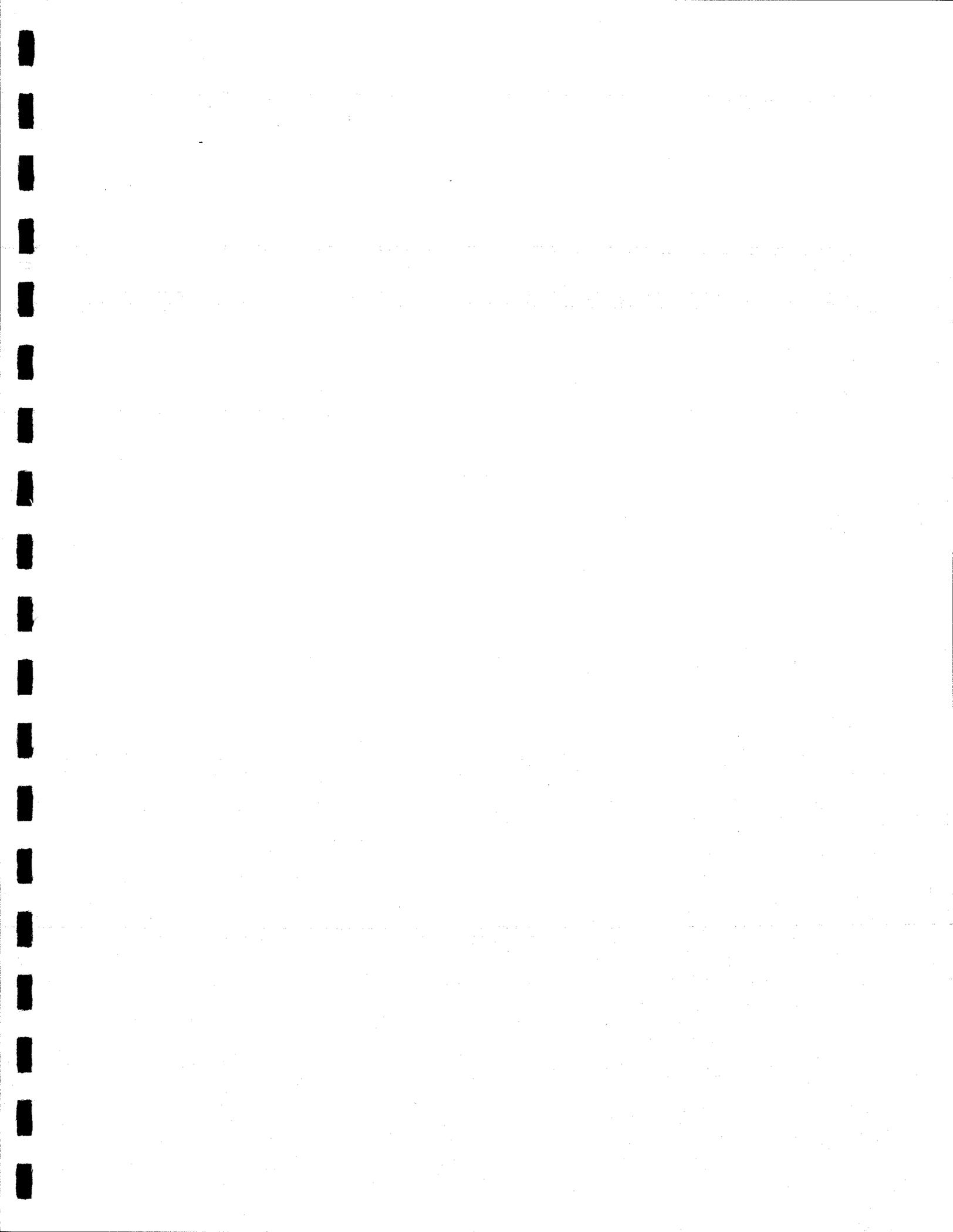
- The proposed Meadow Vista Development will provide much needed housing to accommodate anticipated growth in the region.
- The residents of the Meadow Vista Development will provide an increased consumer base for Queen Creek businesses and an increased tax base for area.
- There is currently no sewer service in the area nor are there any existing private wastewater utilities or sanitary districts in the proposed service area.
- The proposed wastewater treatment facility will provide treatment for the proposed development (65,000 gallons per day) with capability for future expansion to 250,000 gallons per day dependent upon service area needs.





VICINITY MAP

N.T.S.



State of Arizona
Aquifer Protection Permit

Meadow Vista Wastewater Treatment Plant
Permit No.: P-104081

This Aquifer Protection Permit authorizes the discharge from the wastewater treatment plant identified below in accordance with the discharge limitations, monitoring requirements, and other permit terms and conditions set forth in this permit and in the attachment entitled, "Standard Aquifer Protection Permit Conditions."

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A. Permittees

The person(s) responsible for compliance with the terms and conditions of this permit are:

1. **Name of owner:** Centex Community Development
Mailing address: Centex Community Development
Attn: Tim Ziifle
4645 N. 12th Street, # 100
Phoenix, AZ 85014
Telephone Number: (602) 256-6263
2. **Name of operator:** Santec Corporation
Mailing address: Santec Corporation
Attn: Kent Marley
220 Malibu Street
Castle Rock, CO 80104
Telephone Number: (800) 488-4907

B. Contact person

Name: Kent Marley
Mailing address: Santec Corporation
Attn: Kent Marley
220 Malibu Street
Castle Rock, CO 80104
Telephone Number: (800) 488-4907 ext. 16

C. Facility information

1. **Facility name:** Meadow Vista Wastewater Treatment Plant (WWTP)
2. **Address:** 2433 E. Ocotillo Road
Queen Creek, Arizona
3. **Legal description:**
 - a. **Township:** 2 S
 - b. **Range:** 8 E
 - c. **Section:** 21
 - d. **Quarters:** NW1/4
4. **County:** Pinal County
5. **Maximum design treatment capacity:** 65,000 gallons per day (gpd)
6. **Headworks:**
 - a. **Latitude:** 33° 14' 25"
 - b. **Longitude:** 111° 32' 30"

7.

Discharge type	Latitude	Longitude
Leach field	33° 14' 25"	111° 32' 30"

8. **Process Description:**

The treatment process at this facility consists of an influent pump station, headworks with a bar screen, an equalization tank, aerobic reactors, denitrification tanks, clarifiers, reaeration tanks, chlorine contact basin, dechlorination facilities, a sludge holding tank, and an effluent pump station. The effluent is pumped into the leach fields and discharged by subsurface percolation. Sludge is stored in a holding tank and hauled to the Scottsdale Municipal wastewater treatment plant.

9. **Monitoring Points:**

The Effluent Quality Monitoring Point is located at the effluent pump station, as follows:

- a. Latitude: 33° 14' 25"
- b. Longitude: 111° 32' 30"

D. **Compliance with Aquifer Water Quality Standards**

- 1. The Effluent Quality Monitoring Point is designated as the point at which compliance with water quality alert levels and discharge limits will be determined for this wastewater treatment plant.
- 2. If contingency groundwater monitoring is required by this permit, compliance with aquifer water quality standards shall be determined at the following point of compliance (POC) located approximately 40 feet west of the southeast corner of the disposal site (area of land application) at:
 - a. Latitude: 33° 14' 28"
 - b. Longitude: 111° 32' 33"
 - c. DWR well registration number: No wells exist at any of the above POC.

E. **Best Available Demonstrated Control Technology (BADCT)**

This wastewater treatment plant shall be designed, constructed, and operated so as to ensure the greatest degree of discharge reduction achievable through the application of BADCT processes, operating methods, or other alternatives, including, where practicable, a technology permitting no discharge of pollutants. For purposes of this wastewater treatment plant, compliance with the following technology-based permit terms and conditions shall be deemed compliance with BADCT requirements:

- 1. **Minimum treatment level:** The minimum level of effluent quality attainable by treatment is defined in terms of the following conventional pollutants: 5-day biochemical oxygen demand (BOD₅), total suspended solids (TSS), settleable solids and pH.

Operation within the limits specified here to ensure a quality effluent is the responsibility of the owner and operator. Monitoring and contingency actions to maintain this quality shall be conducted by the operator. Records of this monitoring shall not be submitted to ADEQ with the routine compliance data but shall be maintained on-site. Record review and compliance action in response to information in the operational records may result if an alert level or discharge limit is exceeded or another permit condition is violated.

- a. **BOD₅**
 - 1. The three sample average shall not exceed 45 mg/L.
 - 2. The yearly average shall not exceed 30 mg/L.
 - 3. The yearly average percent removal shall not be less than 85%.
- b. **TSS**
 - 1. The three sample average shall not exceed 45 mg/L.
 - 2. The yearly average shall not exceed 30 mg/L.
 - 3. The yearly average percent removal shall not be less than 85%.

c. **Settleable solids**

1. The single sample maximum shall not exceed 10 mg/L.
2. The monthly average shall not exceed 10 mg/L.

d. **pH**

The pH of the effluent shall be maintained within

2 ml/L.

limits of 6.0 to 9.0 standard units.

2. **Nitrogen removal**

The wastewater treatment plant shall provide nitrogen removal. For purposes of this paragraph, the minimum level of effluent quality attainable in terms of the concentration of total nitrogen as N in the effluent shall be the discharge limitation for total nitrogen as N prescribed in Section G of this permit with this BADCT requirement.

treatment. For purposes of this paragraph, the minimum level of effluent quality attainable in terms of the concentration of total nitrogen as N in the effluent shall be the discharge limitation for total nitrogen as N prescribed in Section G of this permit with this BADCT requirement.

3. **Disinfection**

The wastewater treatment plant shall disinfect the effluent. For purposes of this paragraph, the minimum level of effluent quality attainable by disinfection in terms of the concentration of fecal coliform organisms in the effluent shall be the discharge limitation for fecal coliforms prescribed in Section G of this permit with this BADCT requirement.

For purposes of this paragraph, the minimum level of effluent quality attainable by disinfection in terms of the concentration of fecal coliform organisms in the effluent shall be the discharge limitation for fecal coliforms prescribed in Section G of this permit with this BADCT requirement.

4. **Liners and other containment barriers**

All impoundments, containment vessels, or barriers constructed as part of the treatment train shall be lined. The seepage rate through liners shall be no greater than 550 gallons per day per acre.

All impoundments, containment vessels, or barriers constructed as part of the treatment train shall be lined. The seepage rate through liners shall be no greater than 550 gallons per day per acre.

5. **Sludge disposal**

Sludge shall be hauled to a state-approved landfill for disposal.

F. **Site characteristics**

The owner or operator has submitted certification that the facility is not located on or immediately above karstic or fractured bedrock and that depth to groundwater is greater than 20 feet.

The owner or operator has submitted certification that the facility is not located on or immediately above karstic or fractured bedrock and that depth to groundwater is greater than 20 feet.

G. Discharge limitations

Discharge Limitations	
Fecal coliform: 5-month rolling geometric mean ¹ Single sample maximum	200 MPN or cfu per 100 ml 800 MPN or cfu per 100 ml
Total nitrogen as N²: 5-month rolling geometric mean ¹	10 mg / L
Monthly average flow ³	65,000 gpd

Footnotes explained in Section I.5

H. Alert levels

Alert Levels	
Inorganic Chemicals	mg/L
Antimony (D)	0.006
Arsenic (D)	0.05
Barium (D)	2
Beryllium (D)	0.004
Cadmium (D)	0.005
Chromium (D)	0.1
Cyanide (as free cyanide)	0.2
Fluoride	4.0
Lead (D)	0.05
Mercury (D)	0.002
Nickel (D)	0.1
Total nitrogen as N ²	13 ⁴
Selenium (D)	0.05
Thallium (D)	0.002

Footnotes explained in Section I.5

Alert Levels	
Volatile Organic Chemicals	mg/L
Benzene	0.005
Carbon tetrachloride	0.005
o-Dichlorobenzene	0.6
para-Dichlorobenzene	0.075
1,2-Dichloroethane	0.005
1,1-Dichloroethylene	0.007
cis-1,2-Dichloroethylene	0.07
trans-1,2-Dichloroethylene	0.1
Dichloromethane	0.005
1,2-Dichloropropane	0.005
Ethylbenzene	0.7
Monochlorobenzene	0.1
Styrene	0.1
Tetrachloroethylene	0.005
Toluene	1
Trihalomethanes (total)	0.10
1,2,4-Trichlorobenzene	0.07
1,1,1-Trichloroethane	0.20
1,1,2-Trichloroethane	0.005
Trichloroethylene	0.005
Vinyl chloride	0.002
Xylenes (total)	10

Alert Levels	
Monthly average flow ³	62,000 gpd

Footnotes explained in Section I.5.

I. **Monitoring requirements**

1. The permittee shall conduct monitoring at monitoring points specified in Section C.9 to determine compliance with discharge limitations, alert levels, and BADCT requirements.
2. The permittee shall conduct effluent monitoring for inorganic chemicals as follows:

Inorganic Chemicals	Monitoring Frequency	Sample Type	Representative Analytical Methods ⁵
Antimony (D)	Yearly	Grab	204.1, 204.2, 200.7, 200.8
Arsenic (D)	Yearly	Grab	206.2, 206.3, 206.4, 206.5, 200.7, 200.8
Barium (D)	Yearly	Grab	208.1, 208.2, 200.7, 200.8
Beryllium (D)	Yearly	Grab	210.1, 210.2, 200.7, 200.8
Cadmium (D)	Yearly	Grab	213.1, 213.2, 200.7, 200.8
Chromium (D)	Yearly	Grab	218.1, 218.2, 218.3, 200.7, 200.8
Cyanide (as free cyanide)	Yearly	Grab	335.2, 335.3
Fluoride	Yearly	Grab	340.1, 340.2, 340.3
Lead (D)	Yearly	Grab	239.1, 239.2, 200.7, 200.8
Mercury (D)	Yearly	Grab	245.1, 245.2
Nickel (D)	Yearly	Grab	249.1, 249.2, 200.7, 200.8
Total Kjeldahl nitrogen ²	Monthly	Grab	351.1, 351.2, 351.3, 351.4
Nitrate / nitrite ²	Monthly	Grab	353.1, 353.2, 353.3
Selenium (D)	Yearly	Grab	270.2, 270.3, 200.7, 200.8
Thallium (D)	Yearly	Grab	279.1, 279.2, 200.7, 200.8

Footnotes explained in Section I.5.

3. The permittee shall conduct effluent monitoring for volatile organic chemicals as follows:

Volatile Organic Chemicals	Monitoring Frequency	Sample Type	Representative Analytical Methods ⁵
Benzene	Yearly	Grab	602, SM6220, 8020, 8021
Bromoform ⁶	Yearly	Grab	601, SM6230, 8021
Bromodichloromethane ⁶	Yearly	Grab	601, SM6230, 8021
Carbon tetrachloride	Yearly	Grab	601, SM6230, 8021
Chloroform ⁶	Yearly	Grab	601, SM6230, 8021
Dibromochloromethane ⁶	Yearly	Grab	601, SM6230, 8021
o-Dichlorobenzene	Yearly	Grab	601, 602, SM6220, SM6230, 8020, 8021
para-Dichlorobenzene	Yearly	Grab	601, 602, SM6220, SM6230, 8020, 8021
1,2-Dichloroethane	Yearly	Grab	601, SM6230, 8021
1,1-Dichloroethylene	Yearly	Grab	601, SM6230, 8021
cis-1,2-Dichloroethylene	Yearly	Grab	8021
trans-1,2-Dichloroethylene	Yearly	Grab	601, SM6230, 8021
Dichloromethane	Yearly	Grab	601, SM6230, 8021
1,2-Dichloropropane	Yearly	Grab	601, SM6230, 8021
Ethylbenzene	Yearly	Grab	602, SM6220, 8020, 8021
Monochlorobenzene	Yearly	Grab	601, SM6230, 8021
Styrene	Yearly	Grab	8021
Tetrachloroethylene	Yearly	Grab	601, SM6230, 8021
Toluene	Yearly	Grab	602, SM6220, 8020, 8021
1,2,4-Trichlorobenzene	Yearly	Grab	8021
1,1,1-Trichloroethane	Yearly	Grab	601, SM6230, 8021
1,1,2-Trichloroethane	Yearly	Grab	601, SM6230, 8021
Trichloroethylene	Yearly	Grab	601, SM6230, 8021
Vinyl chloride	Yearly	Grab	601, SM6230, 8021
Xylenes (total)	Yearly	Grab	8020, 8021

Footnotes explained in Section I.5.

4. Results of sampling of conventional pollutants (BOD₅, TSS, settleable solids, and pH) are not required to be submitted in annual sampling report. Records of these parameters will be maintained on-site and available to field inspectors. The permittee shall conduct monitoring for conventional pollutants and flow as follows:

Conventional Pollutants	Monitoring Frequency	Sample Type	Representative Analytical Methods ⁵
BOD ₅	Monthly	Grab ⁷	405.1, SM5210B
TSS	Monthly	Grab	SM2540D
Fecal coliform	Monthly	Grab	SM9221E, SM9222D
pH	Weekly	Grab	Meter
Settleable solids	Weekly	Grab	SM2540F
Flow	Continuous	Continuous	Meter

5. Footnotes:

- 1 The 5-month rolling geometric mean (GM₅) is determined by multiplying the five (5) most recent monthly sample values (m₁, m₂, etc.) together then taking the fifth root of the product:

$$GM_5 = \sqrt[5]{(m_1)(m_2)(m_3)(m_4)(m_5)}$$

For the first year of sampling, eight (8) rolling geometric means are reported, beginning with the first mean calculated in the fifth month for the first five months of data, and ending with the last (8th) mean calculated in the 12th month for months eight through twelve. In succeeding years, 12 rolling geometric means are reported, one for each month calculated on the basis of the five most recent monthly values.

- 2 A monthly grab sample shall be analyzed for nitrate/nitrite and total Kjeldahl nitrogen (TKN). The sum of the concentrations of nitrate/nitrite and TKN (which comprises ammonia plus organic nitrogen) shall be used to determine compliance with the discharge limitation and alert level for total nitrogen as N.
- 3 Daily flow averaged on a monthly basis. To calculate divide total flow (in gallons) by number of days in that month.
- 4 Single sample, sampled monthly
- 5 Standard methods within the 200, 300, 400, 600 and 8000 series have been developed by the U.S. Environmental Protection Agency and are described in its publications. Methods prefixed with "SM" are described in "Standard Methods for the Examination of Water and Wastewater, 18th Edition," 1992.
- 6 The sum of the concentrations of bromoform, chloroform, bromodichloromethane, and dibromochloromethane shall be used to determine whether the alert level for total trihalomethanes is exceeded.

7 24-Hour composite samples are acceptable.

(D) Dissolved. Dissolved metals are defined as those metals which will pass through a 0.45 micron membrane filter. Following filtration of the sample, the referenced analytical method shall be used.

6. **Determination of percent removals for BOD₅ and total suspended solids:**

To determine average percent removals for 5-day biochemical oxygen demand (BOD₅) and total suspended solids (TSS), both the influent into the wastewater treatment plant and the effluent shall be monitored. Grab samples of influent and effluent shall be collected at approximately the same time of day. Influent and effluent samples shall be taken at their respective monitoring points specified in Section C.9. The percent removal is determined from the 3-sample average values of the influent concentrations of BOD₅ and TSS and the 3-sample average values of the effluent concentrations of BOD₅ and TSS.

7. **Analytical methods:**

Analysis of a sample to determine compliance with a discharge limitation or comparison with an alert level shall be in accordance with an analytical method that is approved by the Arizona Department of Health Services, Office of Laboratory Licensure and Certification (ADHS). The analytical methods recommended in Section (F) are approved analytical methods. An alternative analytical method that is approved by the Director of ADHS may be used to analyze a parameter provided the analytical method has a detection limit which is lower than the discharge limitation or alert level.

8. **Licensed laboratories:**

The analysis of a sample to determine compliance with a discharge limitation or comparison with an alert level shall be by a laboratory that is licensed by ADHS for the analysis performed.

9. **Sample collection, sample preservation, and holding times:**

Sample collection shall be conducted using the required containers, preservation techniques, and maximum holding time procedures that are prescribed by the U.S. Environmental Protection Agency in 40 CFR §136.3(e).

J. **Contingency plan**

The permittee shall maintain at least one copy of the contingency plan at the location where the day-to-day decisions regarding the operation of the wastewater treatment plant are made. The permittee shall advise all employees responsible for the operation of the facility of the location of copies of the contingency plan. Reporting requirements are outlined in Part K.

1. **Violation of discharge limitations for fecal coliform:**

a. If the concentration of fecal coliform organisms in a monthly grab sample exceeds 800 MPN or cfu/100 ml, then the permittee shall notify ADEQ Water Quality Compliance within 5 days and increase the frequency of fecal coliform monitoring from monthly to weekly. The permittee shall take a minimum of four consecutive weekly samples and shall continue weekly monitoring until the rolling geometric mean of the last five samples is less than 200 MPN or cfu/100 ml.

- b. If the 5-month rolling geometric mean concentration exceeds 200 MPN or cfu/100 ml, then the permittee shall prepare and submit a report to ADEQ which evaluates the performance of the disinfection system for the wastewater treatment plant. The report shall be submitted to ADEQ within 30 days of receipt of analytical results which indicate a violation of the discharge limitation. The permittee shall implement the necessary changes to the disinfection process to achieve compliance with the discharge limitation for fecal coliform organisms.

2. **Exceedance of alert level for total nitrogen as N:**

If the concentration of total nitrogen as N in a monthly sample exceeds 13 mg/L, then the permittee shall increase the monitoring frequency for total nitrogen as N from monthly to weekly. The permittee shall continue weekly monitoring until the geometric mean of the analytical results from four consecutive weekly samples is less than 10 mg/L. The highest weekly sample result during a calendar month shall be used to determine compliance with the discharge limitation for total nitrogen as N.

3. **Violation of the discharge limitation for total nitrogen as N:**

If the 5-month rolling geometric mean concentration of total nitrogen as N exceeds 10 mg/L, then the permittee shall:

- a. Submit a hydrogeological study which complies with R18-9-108(C). The hydrogeological study shall include a plan for groundwater monitoring at the point of compliance for the wastewater treatment plant.
- b. Submit a plan for upgrading nitrogen removal treatment at the wastewater treatment plant or for making modifications to operation and maintenance procedures to achieve compliance with the discharge limitation for total nitrogen as N. The permittee shall submit this plan to ADEQ within 30 days of the date of the violation of the discharge limitation. The permittee shall implement the ADEQ-approved plan on a compliance schedule prescribed by ADEQ. This permit may be reopened to include the compliance schedule.

4. **Exceedance of alert level for flow:**

If the monthly average flow at the wastewater treatment plant exceeds the alert level for flow, then the permittee shall notify ADEQ within ten days after the end of the month in which the exceedance occurs. The permittee shall submit a plan for expansion of treatment capacity of the wastewater treatment plant or demonstrate that the exceedance of the alert level for flow was a one-time excursion. ADEQ may reopen this permit to incorporate a schedule of compliance for expansion of treatment capacity of the wastewater treatment plant.

5. **Violation of the discharge limitation for flow:**

If the monthly average flow at the wastewater treatment plant exceeds the discharge limitation for flow, then the permittee shall impose an immediate moratorium on new service connections to the wastewater collection system. The permittee shall submit a report to ADEQ within 30 days which evaluates alternative measures to reduce flow in order to achieve compliance with the discharge limitation for flow. Alternatively, the permittee shall submit a proposal for expansion of treatment capacity. ADEQ may reopen this permit to incorporate a schedule of compliance for expansion of treatment capacity of the wastewater treatment plant.

6. **Exceedance of alert level for an inorganic chemical or a volatile organic chemical:**

If the concentration of an inorganic chemical or a volatile organic chemical in an annual sample exceeds an alert level, then the permittee shall increase monitoring frequency for that parameter from annually to quarterly. Four consecutive quarterly samples shall be taken during the months of January, April, July, and October.

- a. The permittee may subsequently reduce quarterly monitoring to annually if the mean of the analytical results from four consecutive quarterly samples is less than the alert level.
- b. If the average of the analytical results from four consecutive quarterly samples is at or exceeds the alert level, then the permittee shall develop and implement a pretreatment program to reduce the discharge of that pollutant. The pretreatment program shall ensure that contributions to the community sewer system do not introduce the pollutant into the community sewer system or the wastewater treatment plant in a concentration which will cause an exceedance of an alert level. This permit may be reopened to incorporate a discharge limitation for the pollutant. If a permittee is required to develop and implement a pretreatment program, then the permittee shall do all of the following:
 - (i) Conduct a survey of the industrial users of the community sewer system. The permittee shall compile and update annually a list of all industrial users of the community sewer system. The list shall include the name and address of each industrial user.
 - (ii) Establish a local limit to control the discharge for each pollutant which exceeds an alert level. The permittee shall notify each industrial user of any local limit that applies to them. The permittee shall incorporate the applicable local limit for the industrial user into a permit, contract, or other agreement between the permittee and the industrial user.
 - (iii) Require monthly self-monitoring of the discharge to the community sewer system by each industrial user that is subject to a local limit.
 - (iv) Randomly sample and analyze the discharge from each industrial user that is subject to a local limit to ensure compliance with local limits.

7. Emergency response

- a. The emergency response coordinator for the wastewater treatment plant who is responsible for activation of emergency response measures shall be designated in the contingency plan.
- b. In the event of an emergency which results in an imminent and substantial endangerment to public health or the environment, the emergency response coordinator shall implement the emergency response measures of the contingency plan.
- c. The emergency response coordinator shall notify ADEQ within 24 hours of the occurrence of an emergency. ADEQ's Emergency Response Hotline telephone number is (602)207-2330.
- d. The permittee shall review and update the emergency response measures in the contingency plan annually.

8. On-site availability of contingency plan:

The permittee shall maintain at least one copy of the contingency plan at the wastewater treatment plant. The permittee shall advise all employees responsible for the operation of the wastewater

treatment plant of the location of the contingency plan. The permittee shall revise promptly all copies of the contingency plan if it is amended.

K. Reporting requirements

1. The permittee shall submit analytical results of monitoring prescribed in Section I.2. and I.3. to ADEQ on a Self-Monitoring Report Form (SMRF) annually. The reporting year will begin on the first of the month for the month following the date of signature on this permit. The SMRF is due by the close of business on the last day of the reporting year. The SMRF shall be submitted to the following address:

Arizona Department of Environmental Quality
Water Quality Compliance
3033 N. Central Avenue
Phoenix, Arizona 85012
2. The permittee shall notify ADEQ Water Quality Compliance within five days of receipt of analytical results which indicate a violation of a discharge limitation or an exceedance of an alert level, or after becoming aware of a violation of any permit condition.
3. The permittee shall submit a written report to ADEQ Water Quality Compliance within 30 days of receipt of analytical results which indicate a violation of a discharge limitation or an exceedance of an alert level. The report shall include all of the following:
 - a. Identification of the parameter for which there has been a violation of a discharge limitation or an exceedance of an alert level;
 - b. The period of violation, including date and time, if known, and the anticipated time period during which the violation or exceedance is expected to continue;
 - c. Description of corrective action taken or planned to mitigate the effects of the violation or exceedance, or to eliminate or prevent a recurrence of the violation or exceedance;
 - d. A schedule of any increased monitoring; and
 - e. A description of any malfunction or failure of discharge control devices or other treatment processes or equipment.
4. The permittee shall give written notice to ADEQ 180 days before any major modification of the wastewater treatment plant.
5. The permittee shall notify ADEQ within 5 days after the occurrence of the filing of bankruptcy by the permittee or the entry of any order of judgment against the permittee for the enforcement of any environmental protection statute in which monetary damages or civil penalties are imposed.

L. Record keeping requirements

The permittee shall keep a monitoring record of all monitoring required by this permit for a period of ten years after the sample or measurement was taken. The monitoring record for each sample collected shall include all of the following information:

1. The date, time, and place that the sample was taken;
2. The name of the person who took the sample or made the measurement;

3. The procedures used to collect the sample or measurement;
4. The date on which sample analysis was completed by the laboratory;
5. The name of each person or laboratory who performed the analysis;
6. The analytical method used to perform the analysis;
7. The chain of custody records; and
8. Any field notes relating to the information described in paragraphs (1) through (7).

M. Temporary cessation, closure, and post-closure requirements

1. Temporary cessation:

The permittee shall notify ADEQ Water Quality Compliance before any temporary cessation of operations at the wastewater treatment plant. Prior to temporary cessation, the permittee shall submit a plan identifying measures to be taken by the permittee to reduce or control discharge, to maintain environmental controls, and to maintain and operate monitoring equipment during the period of temporary cessation. ADEQ may modify this permit to incorporate measures to be taken during temporary cessation.

2. Closure:

The permittee shall notify ADEQ Water Quality Compliance of an intent to permanently cease operations at the wastewater treatment plant and shall submit a closure plan for approval by ADEQ within 90 days of the date that notice of intent to cease operations is given to ADEQ. Within 60 days of the submittal of a complete closure plan, ADEQ shall determine whether the closure plan is for a clean closure. If ADEQ determines that the closure plan is not for a clean closure, then this permit may be modified to address closure, post-closure monitoring, and post-closure maintenance at the wastewater treatment plant. The permittee may request or ADEQ may require revisions to the closure plan for the wastewater treatment plant. The permittee shall give written notice that the closure plan has been fully implemented to ADEQ.

N. Technical capability

The wastewater treatment plan shall be operated by a certified operator with at least a Grade II wastewater treatment certificate.

O. Schedule of compliance

Reserved

P. Annual registration fee

The permittee shall pay an annual registration fee to ADEQ as per A.R.S.49-242.D. The annual registration fee is based upon the amount of influent wastewater to the treatment plant in gallons per day.

Standard Aquifer Protection Permit Conditions

1. **Aquifer Water Quality Standards:** The permittee shall not cause or contribute to a violation of an aquifer water quality standard at the applicable point of compliance for the facility.
2. **Antidegradation:** The permittee shall not discharge a pollutant which will further degrade, at the applicable point of compliance for the facility, the quality of any aquifer that already is in violation of an aquifer water quality standard for that pollutant.
3. **Financial capability:** The permittee shall maintain the financial capability necessary to fully carry out the terms of this permit. Any bond, insurance policy, or trust fund provided as a demonstration of financial capability in the permit application shall be in effect prior to any discharge authorized by this permit and shall remain in effect for the term of the permit.
4. **Stay:** The filing of a request by the permittee for a permit action does not stay any existing permit condition.
5. **Major modification:** A request for a major modification of this permit shall be made in writing by the permittee and accompanied by the appropriate processing fee. The request shall identify the specific item(s) to be considered for modification and the facts and reasons which justify modification. The permittee may be required to submit additional information, pursuant to A.A.C. R18-9-108, including an updated permit application.
6. **Minor modification:** With the written concurrence of the permittee, ADEQ may modify this permit for any of the following reasons without giving public notice or conducting a public hearing:
 - a. To correct typographical errors;
 - b. Increase the frequency of monitoring or reporting or to reduce monitoring frequency in accordance with the terms of this permit;
 - c. Change an analytical method, provided that the analytical method is approved by the Director of the Arizona Department of Health Services;
 - d. Change an interim date in a schedule of compliance if the permittee can show just cause and that the new date does not interfere with the attainment of a final compliance date requirement;
 - e. Change construction requirements, if the alteration complies with the requirements of the Aquifer Protection Permit statutes and rules and provides equal or better performance;
 - f. Replace monitoring equipment, including wells, if such replacement results in equal or greater monitoring effectiveness;
 - g. Change the contact person for a facility; and

7. **Permit reopener:** ADEQ may reopen this permit and modify it if ADEQ determines one or more of the following:
- a. That material and substantial alterations or additions to the permitted facility justify a change in permit conditions.
 - b. That the discharge from the facility violates or could reasonably be expected to violate an aquifer water quality standard.
 - c. That rule or statutory changes have occurred which require a change in the permit.
 - d. There has been a change of an applicable point of compliance for the facility.
 - e. There has been an exceedance of an alert level or a violation of a discharge limitation.
 - f. Changed conditions justify an increase or decrease in monitoring requirements.
 - g. A closure plan does not achieve clean closure and the permit must be modified to incorporate additional closure, post-closure monitoring, or post-closure maintenance requirements.
8. **Permit transfer:**
- a. The permittee shall give notice to ADEQ prior to any permit transfer.
 - b. ADEQ may transfer the permit if ADEQ determines that the proposed transferee will comply with A.R.S. §49-241 through §49-251 and A.A.C. Chapter 9, Article 1.
 - c. A permittee is responsible for complying with the terms and conditions of this permit, regardless of whether the permittee has sold or otherwise disposed of a permitted facility, until ADEQ transfers the permit.
 - d. The permittee or the proposed transferee shall notify ADEQ within ten days after any change in the owner or operator of the facility. The notice shall include the name and signature of the transferor owner and operator, the name and signature of the transferee owner and operator, and the name and location of the permitted facility.
 - e. The proposed transferee shall submit the information required in R18-9-108(A)(1),(2) ,(3), and (6); R18-9-108(B)(7) and (8); and R18-9-108(D) prior to the transfer of the permit.
 - f. The permittee shall remit the permit transfer fee specified in R18-9-123(J) prior to transfer of the permit.
9. **Permit suspension and revocation:** ADEQ may suspend or revoke a permit for any of the following reasons:
- a. Noncompliance by the permittee with any applicable provision of Aquifer Protection Permit statutes (Title 49, Chapter 2, Article 3 of the Arizona Revised Statutes); rules (Title 18, Chapter 9, Article 1 of the Arizona Administrative Code) or with the terms and conditions of this permit.
 - b. The permittee's misrepresentation or omission of any fact, information, or data related to the permit application or this permit.
 - c. ADEQ determines that the discharge from the permitted facility is causing or may cause a violation of an aquifer water quality standard,

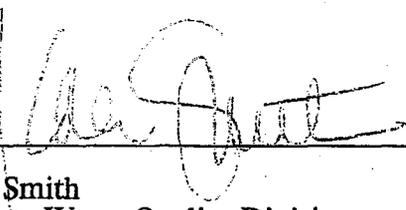
- d. ADEQ determines that the discharge from the permitted facility has the potential to cause or will cause imminent and substantial endangerment to the public health or the environment.
10. **Preservation of rights:** This permit shall not be construed to abridge or alter causes of action or remedies under the common law or statutory law, nor shall any provision of this permit, or any act done by virtue of this permit, be construed so as to stop any person, this state, or any political subdivision of this state, or owners of land having groundwater or surface water rights or otherwise, from exercising their rights, or, under the common law or statutory law, from suppressing nuisances or preventing injury due to discharges.
11. **Inspection and entry:** On presentation of credentials, an ADEQ employee may enter into, on, or through any public or private property from which a discharge has occurred, is occurring, or may occur as is reasonably necessary to ensure compliance with Title 49, Chapter 2 of the Arizona Revised Statutes, A.A.C. R18-9-101 through R18-9-130; the terms and conditions of this permit; or to verify information submitted in a permit application. The owner or operator of the facility shall be afforded the opportunity to accompany the ADEQ employee during any inspection. Prior notice of entry is not required if reasonable grounds exist to believe that prior notice would frustrate enforcement. If an ADEQ employee obtains any samples, before leaving the premises, he shall give the owner or operator a receipt which describes the samples obtained and a portion of each sample equal in volume or weight to the portion retained by ADEQ. If an analysis is made of a sample or monitoring or testing is performed, a copy of the results shall be furnished promptly to the owner or operator of the facility. An ADEQ employee may:
- a. Obtain samples.
 - b. Inspect and copy any records required to be maintained by this permit.
 - c. Inspect facilities, equipment, activities, and monitoring equipment or methods of monitoring.
 - d. Take photographs.
 - e. Take other actions reasonably necessary to determine compliance with Aquifer Protection Permit statutes or rules or the terms and conditions of this permit.
12. **Duty to comply:** The permittee shall comply with all conditions of this permit. Any permit noncompliance constitutes a violation of the provisions of Title 49, Chapter 2, Article 3 of the Arizona Revised Statutes and is grounds for an enforcement action pursuant to Title 49, Chapter 2, Article 4 or permit modification, suspension, or revocation.
13. **Operation and maintenance:** The permittee shall, at all times, properly operate and maintain all facilities, treatment processes, and discharge control systems which are installed or used by the permittee to achieve compliance with the terms and conditions of this permit.
14. **Certification:** ADEQ shall not issue an individual Aquifer Protection Permit unless the permittee certifies that the permittee understands the requirements and conditions of the permit and the penalties for violations of permit terms and conditions.

Certification

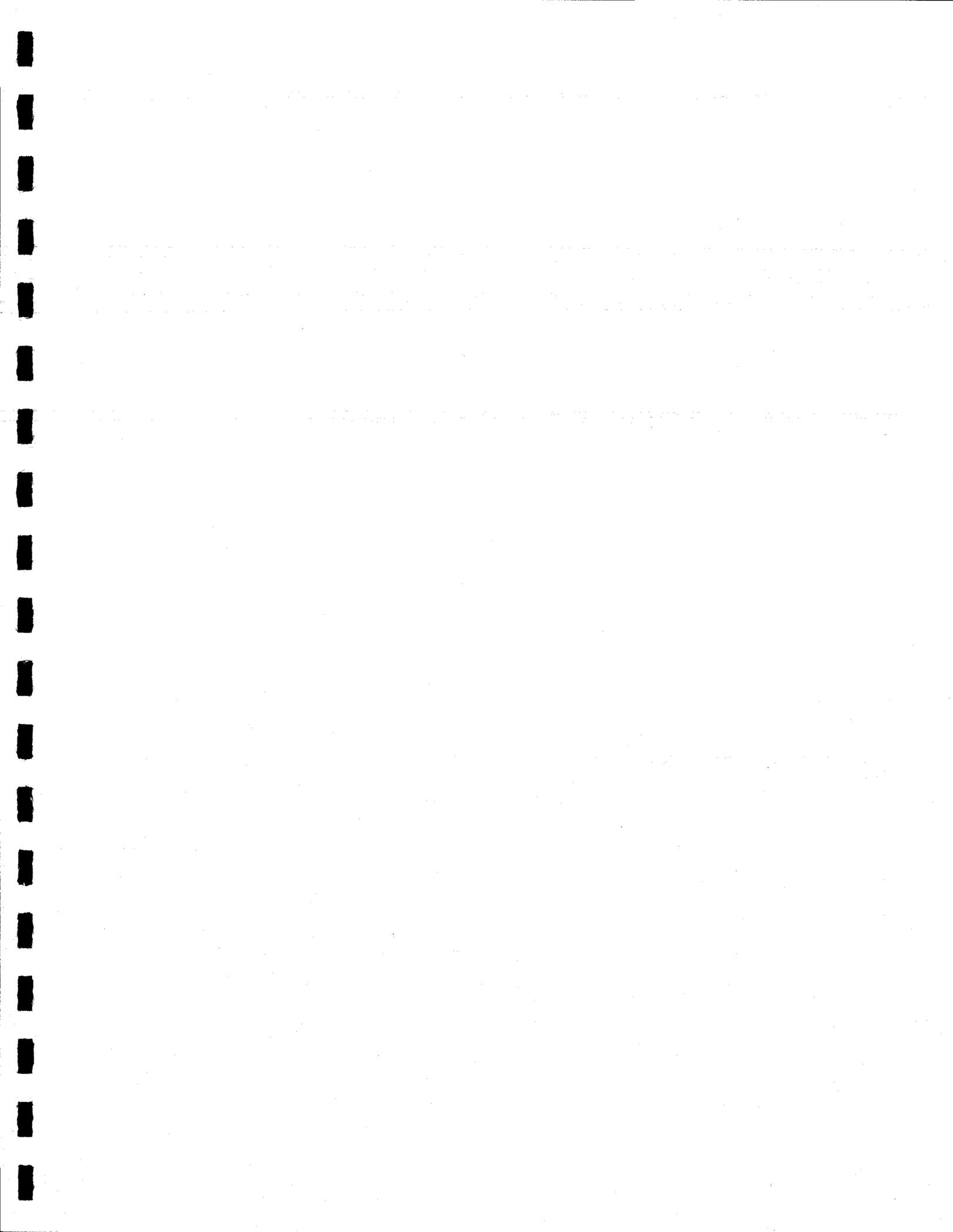
This permit is effective on the date that it is signed by the Water Quality Division. This permit shall remain effective for the operational life of the wastewater treatment plant and any period during which the wastewater treatment plant is subject to a post-closure plan.

Division Director of the Water Quality Division. This permit shall remain effective for the operational life of the wastewater treatment plant and any period during which the wastewater treatment plant is subject to a post-closure plan.

Signed this 12 day of July, 2000



Karen Smith
Director, Water Quality Division
Arizona Department of Environmental Quality



Snell & Wilmer
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AZ CORP COMMISSION
DOCUMENT CONTROL

March 1, 2002

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DENVER, COLORADO

LAS VEGAS, NEVADA

HAND-DELIVERED

Ms. Nancy Cole, Supervisor
Docket Control
ARIZONA CORPORATION COMMISSION
1200 West Washington
Phoenix, Arizona 85007

Re: In the Matter of the Application of Arizona Utility Supply & Services, LLC, for a Certificate of Convenience and Necessity to Provide Sewer Service to Portions of Pinal County, Arizona (Docket Nos. SW-04002A-01-0228 and WS-02987A-01-0295(Consolidated))

Dear Nancy:

On February 22, 2002, Arizona Utility Supply & Services, LLC ("AZUSS"), submitted a filing in compliance with the Arizona Corporation Commission's Decision No. 64288. In that decision, AZUSS was required to satisfy several conditions set forth in various Findings of Fact ("FOF"). In its February 22 filing, AZUSS submitted a copy of a February 15, 2002, letter from Michael J. Traubert of the Arizona Department of Environmental Quality (Compliance Section, Water Quality Division) ("ADEQ") to Maurice Lee of AZUSS. An additional copy of ADEQ's letter is enclosed. In that letter, Mr. Traubert states as follows:

ADEQ has reviewed your response letter and is satisfied that the Cambria WWTF has been properly accounted for in Section 208 Plan requirements as it applies to Pinal County. Please regard this letter as such assurance the ADEQ regards the question of Cambria WWTF Section 208 compliance as resolved.

AZUSS submitted the ADEQ letter as evidence of its satisfaction of the condition set forth in FOF 77 that AZUSS has complied with the 208 planning requirement. In supplement to its February 22 filing, AZUSS is submitting twelve copies of certain excerpts¹ from the Central Arizona Association of Governments 208 Areawide Water Quality Management Plan (1994 Update) (the "208 Plan"). These excerpts specifically reference the Links at Ocotillo wastewater treatment plant, authorizing an initial capacity of 750,000 gallons per day and an expanded

¹ I have not included a complete copy of the 208 Plan because of its length (226 pages exclusive of attachments). However, if the Commission requests a complete copy of the 208 Plan, AZUSS will file a copy.

Ms. Nancy Cole
Docket Control
March 1, 2002
Page 2

capacity up to 1,500,000 gallons per day. The Cambria wastewater treatment plant referenced in ADEQ's letter is the expansion of the Links plant referenced in the 208 Plan.

Pursuant to Arizona Administrative Code R18-5-303, ADEQ determines whether a sewage treatment facility or expansion of that facility conforms with the relevant areawide water quality management plan. Mr. Traubert made this determination on behalf of ADEQ in his February 15 letter referenced above. Thus, AZUSS has fully complied with the requirement of FOF 77. A copy of R18-5-303 is enclosed.

Please file this letter and the enclosures in the above-captioned docket. As always, if you have any questions regarding this compliance filing, please contact me at the direct line listed above.

Very truly yours,

SNELL & WILMER



Jeffrey W. Crockett

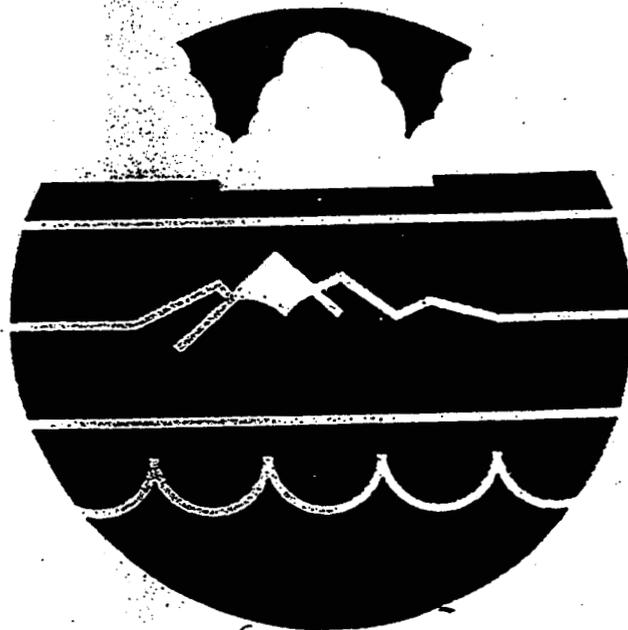
JWC:gdb

cc (with enclosures): Marc Stern
Jim Fisher
Pat Williams
Maury Lee

Enclosures

Crocketj\PHX\1146096.1

**208
AREAWIDE
WATER QUALITY
MANAGEMENT PLAN UPDATE**



September, 1994

**For Submittal to the
Arizona Department of Environmental Quality**

**Prepared by the
Central Arizona Association of Governments**

Currently, Arizona City, Kearny, and Casa Grande are expanding wastewater treatment facilities to increase capacity. The newly formed Superstition Mountain Community Facilities District is approved and will begin construction in late 1994, resulting in the establishment of regional wastewater treatment for the urbanized Apache Junction area.

Wastewater treatment needs were projected based on a rough estimate of need of 100 gallons per person per day (gpcd). Once a facility begins operating at 80% of the design capacity, it is recommended that the facility begin planning for expansion. Using this 80% figure as the base, the maximum design capacity of the plant was compared to the projected population growth of the entity; facilities at or below 115 gpcd were projected to be need for facility expansion.

5.2.2 Package Wastewater Treatment Plants

In addition to the POTWs in the region, there are approximately 68 private and/or institutional wastewater systems that require individual permits. These facilities come under the jurisdiction of either the county health department, through a delegation agreement with the state or ADEQ. These facilities vary from schools, hospitals and shopping centers to large master-planned communities. The capacities of most of these facilities is generally less than 0.5 MGD.

These private facilities are particularly prevalent in areas experiencing growth but which do not have centralized wastewater treatment. For example: nine package treatment plants are presently located within the City of Apache Junction planning area, serving the following entities: Superstition Grand Hotel; the Mining Camp; Roadhaven RV Resort; Sunrise RV Resort; Pueblo RV Resort; Rock Shadows and Denali Mobile Home Parks; Apache Junction Unified School District high school; and the Sierra Entrada subdivision. In addition, several miles east of Apache Junction are several large, master planned developments with package treatment systems: Gold Canyon Resort and the Gold Canyon RVP. A brief summary of some of the larger private facilities is provided in Appendix 5-5.

* The Links at Ocotillo and Vineyard Roads, a planned manufactured housing community south of Apache Junction, is scheduled to begin construction of a package WWTP in December 1994 with a .75 MGD capacity with the first anticipated phase capacity increase of .75 MGD in February of 1996. Pinal County is in the preliminary planning and engineering stages for expansion.

5.3 INDUSTRIAL WASTEWATER TREATMENT SYSTEMS

As stated earlier, about 22% of the facilities in CAAG that require permits, can be classified as industrial systems. Wastewater treatment systems in this range of activities require permits if they treat and dispose of their own wastewater.

Many of these facilities are located outside incorporated communities. Those located within municipalities and discharging to the municipal system may be required to implement a pretreatment program to meet the facility requirements for effluent.

The key concerns in dealing with industrial and/or facilities is to address potential problems from discharge of hazardous materials and other pollutants to surface or groundwater. If the operation is tied to a centralized wastewater treatment system, the concern is to prevent discharges to the system that could upset the treatment process.

5.9.2 Onsite Wastewater Treatment Systems

- (1) The Health Departments of both Gila County and Pinal County should identify on-site disposal problem areas and conduct on-site surveys to determine the extent and nature of the problem in each identified area. In those areas with documented problems with conventional systems:
 - (a) ADEQ and Gila and Pinal County Health should work with owners and developers to alleviate or solve the problems.
 - (b) ADEQ and Gila and Pinal County Health should encourage use of regional wastewater systems where feasible.
- (2) An educational program should be established and utilized in the communities that are experiencing a high rate of on-site disposal system failures. A program of this scope would inform the communities of the nature of the problems and the possible alternative solutions.
- (3) In those areas where conventional systems are not suitable:
 - (a) ADEQ and Gila and Pinal County Health should provide technical assistance.
 - (b) ADEQ and Gila and Pinal County Health should develop and maintain consumer-oriented informational materials regarding advantages, disadvantages and costs of alternative systems, including limitations as to where these systems are appropriate.
 - (c) ADEQ and Gila and Pinal County Health should encourage use of centralized systems where feasible.
 - (d) ADEQ and Gila and Pinal County Health should develop standardized and preapproved systems rather than custom ones.
- (4) Municipalities and counties should enforce minimum lot size requirements for installation of on-site wastewater disposal systems.
- (5) If there are problem areas, municipalities and counties should place a moratorium on installation while seeking alternative solutions.
- (6) Pinal and Gila County Planning and Zoning/Building Departments should require health department approval of on-site system installation prior to issuing permits.
- (7) Municipalities and counties should enforce sewer hookup ordinances. Those entities without such ordinances should consider their adoption.
- (8) ADEQ and Pinal and Gila Counties should provide for the formation of special districts for development and maintenance of on-site systems.

5.9.3 Centralized Treatment Systems

From analysis arrived at in reviewing Table 5-2, several entities may need to look at expanding their facilities immediately, and population projections further indicate that several facilities will need to begin planning

for expansion in the near future.

- (1) CAAG will support reconciliation of the Apache Junction wastewater planning effort through the Superstition Mountain Community Facilities District to ensure consistency with this water quality management plan. [Refer to recommendation 5.9.4 (6)]
- * | ■ (2) CAAG will support reconciliation of the Pinal County wastewater planning effort for Links to ensure consistency with this water quality management plan.
- (3) Facilities that may be in need of expansion to meet current needs:
 - (a) City of Coolidge
 - (b) Oracle Sanitary District
 - (c) Queen Valley Sanitary District
- (4) Facilities that may be in need of expansion to meet projected needs (through 2010):
 - (a) City of Eloy (by year 2000)
 - (b) Town of Kearny (by year 2010)
- (5) Areas without centralized wastewater treatment facilities which may need facilities to meet existing or projected needs during the planning period:
 - (a) Central Heights-Midland City CDP
 - (b) Dudleyville CDP
 - (c) Star Valley
 - (d) Colonia de Sol
 - (e) Maricopa
- (6) Analysis of the San Manuel facility and the Hayden facility, owned and operated by mining companies, were not possible during preparation of this plan due to limited information. It is recommended that additional study be conducted to determine future capacity.

5.9.4 Specific Recommendations for Certain Areas:

- (1) It is recommended that all existing incorporated municipalities and sanitary districts become designated the wastewater management authority for the wastewater producers within their boundaries, except where boundaries of incorporated municipalities and sanitary districts overlap. NOTE: Winkelman, Casa Grande, Kearny, Superior S.D., and Queen Valley S.D. need to process resolutions if they wish to become DMAs.
 - (a) For the Town of Payson, where the Northern Gila County Sanitary District covers a larger area than the incorporated town, the Plan recommends that the sanitary district retain its management agency designation. (Map forthcoming)



Jane Dee Hull
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

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(602) 207-2300 • www.adeq.state.az.us



Jacqueline E. Schafer
Director

February 15, 2002

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FEB 19 2002

SNELL & WILMER

Mr. Maurice Lee, Manager
Arizona Utility Supply & Services, LLC
4545 East Shea Blvd. Suite 164
Phoenix, Arizona 85028

Re: Cambria WWTF (Links Estates System Expansion)
Cambria ID No. 15249
Links Estates WWTF APP No. 102976

Dear Mr. Lee:

The Arizona Department of Environmental Quality is in receipt of a January 25, 2002 response letter on behalf of Arizona Utility Supply Services L. L.C. from Mr. George Tsiolis, Esq., of Snell & Wilmer, L.L.P., in answer to ADEQ's letter of August 10, 2001, from Mr. Reza Azizi, which inquired as to the compliance status of the Cambria WWTF with Section 208 Certified Areawide Water Quality Management Plan requirements.

ADEQ has reviewed your response letter and is satisfied that the Cambria WWTF has been properly accounted for in Section 208 Plan requirements as it applies to Pinal County. Please regard this letter as such assurance the ADEQ regards the question of Cambria WWTF Section 208 compliance as resolved.

Should you have further questions on this matter, please call me at (602) 207-4525

Sincerely,

Michael J. Traubert, Manager
Compliance Section
Water Quality Division

cc: Karen Smith, Director, Water Quality Division, ADEQ
Linda Taunt, Manager, Hydrological Support & Assessment, ADEQ
Richard Bark, Gallagher & Kennedy Attorneys at Law
George Tsiolis, Snell & Wilmer, L.L.P.

Northern Regional Office
1515 East Cedar Avenue • Suite F • Flagstaff, AZ 86004
(520) 779-0313

Southern Regional Office
400 West Congress Street • Suite 433 • Tucson, AZ 85701
(520) 628-6733

- Water Quality Act of 1987 (P.L. 100-4), and submitted to the Department by and for a designated management agency.
5. "General Plan" means a municipal statement of land-development policies that may include maps, charts, graphs, and text that list objectives, principles, and standards for local growth and development enacted under state law.
 6. "Service area" means the geographic region specified for a designated management agency by the applicable Certified Areawide Water Quality Management Plan, Facility Plan, or General Plan.
 7. "State water quality management plan" means the following elements:
 - a. Certified Areawide Water Quality Management Plans and amendments;
 - b. Water quality rules and laws;
 - c. Final total maximum daily loads approved by the United States Environmental Protection Agency for impaired waters;
 - d. Water quality priorities established by the Department;
 - e. Intergovernmental agreements between the Department and a designated water quality planning agency or a designated management agency; and
 - f. Active management area plans adopted by the Department of Water Resources.

Historical Note

New Section adopted by final rulemaking at 7 A.A.R. 559, effective January 2, 2001 (Supp. 01-1).

R18-5-302. Certified Areawide Water Quality Management Plan Approval

A designated water quality planning agency shall submit a proposed Certified Areawide Water Quality Management Plan or plan amendment to the Director for review and approval. Upon approval, the Governor or the Governor's designee shall:

1. Certify that the plan or plan amendment is incorporated into and is consistent with the state water quality management plan, and
2. Submit the plan or plan amendment to the United States Environmental Protection Agency for approval.

Historical Note

New Section adopted by final rulemaking at 7 A.A.R. 559, effective January 2, 2001 (Supp. 01-1).

R18-5-303. Determination of Conformance

All sewage treatment facilities, including an expansion of a facility, shall, before construction, conform with the Certified Areawide Water Quality Management Plan, Facility Plan, and General Plans as specified in subsections (1) and (2).

1. The Department shall make the determination of conformance if the sewage treatment facility or expansion of the facility conforms with the Certified Areawide Water Quality Management Plan and Facility Plan that prescribe a configuration for sewage treatment and sewage collection system management by a designated management agency within the service area.
2. If the condition specified in subsection (1) is not met, the Department shall make the determination of conformance as follows:
 - a. If no Facility Plan is applicable and a Certified Areawide Water Quality Management Plan as described in subsection (1) is available, the Department shall rely on the Certified Areawide

Water Quality Management Plan for the determination of conformance.

- b. If no Certified Areawide Water Quality Management Plan as described in subsection (1) is available, the Department shall make the determination of conformance based on conformance with applicable General Plans and after conferring with the designated water quality planning agency for the area and any responsible and affected governmental unit.

Historical Note

New Section adopted by final rulemaking at 7 A.A.R. 559, effective January 2, 2001 (Supp. 01-1).

ARTICLE 4. SUBDIVISIONS**R18-5-401. Definitions**

In this Article unless the context otherwise requires:

1. "Approved" or "approval" means approved in writing by the Department.
2. "Condominium" means a subdivision established as a horizontal property regime pursuant to A.R.S. § 33-551 et seq.
3. "Department" means the Department of Environmental Quality or its designated representative.
4. "Garbage" means putrescible animal and vegetable wastes resulting from the handling, preparation, cooking and consumption of food.
5. "Refuse" means all putrescible and nonputrescible solid wastes (except body wastes), including garbage, rubbish, ashes, street cleanings, dead animals, abandoned automobiles, and solid market and industrial wastes.
6. "Subdivision" has the meaning defined in A.R.S. § 32-2101.

Historical Note

Correction in subsection (E) citation to A.R.S. should have read § 32-2101. Amended effective June 21, 1978 (Supp. 78-3). Former Section R9-8-1011 renumbered without change as Section R18-5-401 (Supp. 89-2).

R18-5-402. Approval of plans required

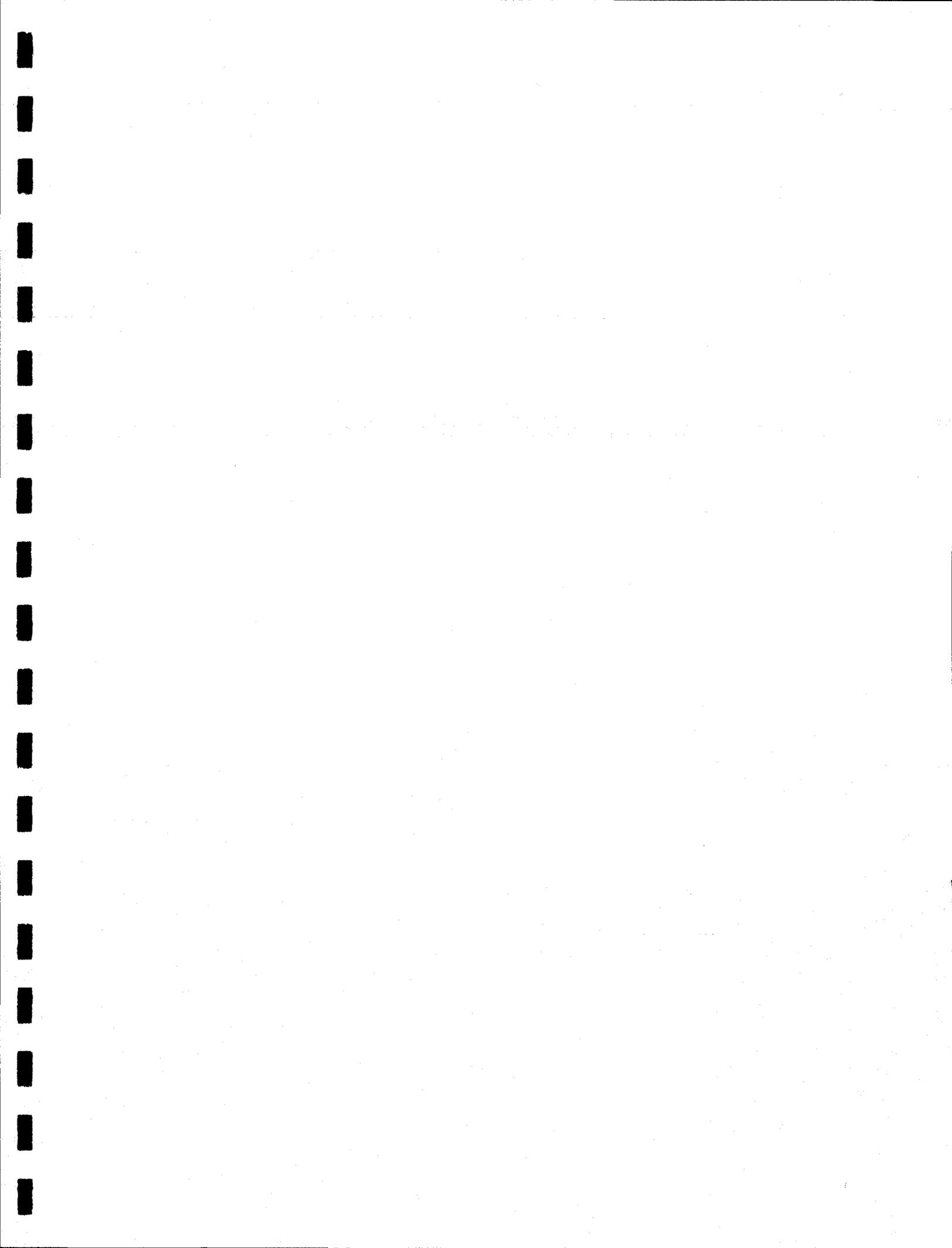
- A. No subdivision or portion thereof shall be sold, offered for sale, leased or rented by any corporation, company or person, or offered to the public in any manner, and no permanent building shall be erected thereon until plans and specifications for the water supply, sewage disposal and method of garbage disposal to be provided in or to serve such subdivision shall have been submitted to and approved by the Department.
- B. The plans of any proposed water supply and sewage disposal system shall be submitted in quadruplicate on a plat of the subdivision as recorded, or as will be recorded, in the office of the county recorder.

Historical Note

Former Section R9-8-1012 renumbered without change as Section R18-5-402 (Supp. 89-2).

R18-5-403. Application for approval

- A. An application for approval, prepared in duplicate on forms furnished by the Department, shall be filed at the time the plans are submitted for approval. The form shall be completely filled out unless indicated otherwise.
- B. The distance to the nearest public water supply main and to a sewer main of a municipal or community system shall be given.



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February 22, 2002

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LAS VEGAS, NEVADA

HAND-DELIVERED

Ms. Nancy Cole, Supervisor
Docket Control
ARIZONA CORPORATION COMMISSION
1200 West Washington
Phoenix, Arizona 85007

Re: In the Matter of the Application of Arizona Utility Supply & Services, LLC, for a Certificate of Convenience and Necessity to Provide Sewer Service to Portions of Pinal County, Arizona (Docket Nos. SW-04002A-01-0228 and WS-02987A-01-0295(Consolidated))

Dear Nancy:

On December 28, 2001, the Arizona Corporation Commission issued Decision No. 64288 granting a certificate of convenience and necessity to Arizona Utility Supply & Services, LLC ("AZUSS") to provide sewer service in Pinal County, Arizona. In that decision, AZUSS was required to satisfy certain conditions set forth in Findings of Fact ("FOF") Nos. 77, 78, 82 and 83. On January 24, 2002, AZUSS filed copies of its Pinal County sewer franchises with Docket Control in compliance with one of the conditions contained in FOF 77.¹ In addition, AZUSS filed a copy of its sewer tariff in full compliance with FOF 78.

Enclosed with this letter are twelve copies of a February 15, 2002, letter from Michael J. Traubert of the Arizona Department of Environmental Quality (Compliance Section, Water Quality Division) to Maurice Lee of AZUSS. In that letter, Mr. Traubert states as follows:

ADEQ has reviewed your response letter and is satisfied that the Cambria WWTF has been properly accounted for in Section 208 Plan requirements as it applies to Pinal County. Please regard this letter as such assurance the ADEQ regards the question of Cambria WWTF Section 208 compliance as resolved.

¹The original franchise was issued March 21, 2001, and recorded with the Pinal County Recorder as No. 2001-016379. The franchise was subsequently amended on May 9, 2001, and recorded with the Pinal County Recorder as No. 2001-021507.

Ms. Nancy Cole
Docket Control
February 22, 2002
Page 2

This letter evidences AZUSS' satisfaction of the condition set forth in FOF 77 that AZUSS file a copy of its approved 208 plan.

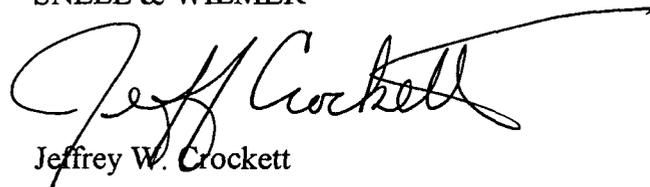
In addition, enclosed are twelve copies of AZUSS' check no. 11041 in the amount of \$183,467.00 made payable to Madison Diversified which refunds all amounts previously received from Madison by AZUSS. The \$183,467.00 paid by Madison Diversified is documented in an April 19, 2001, letter from Maurice Lee of AZUSS to Jim Lee and Harry Redmond of Madison Diversified, twelve copies of which are enclosed. Also enclosed are twelve copies of the February 20, 2002, transmittal letter from Mr. Lee to Messrs. Lee and Redmond, along with twelve copies of the FedEx international air waybill which evidences the transmittal of the check. This refund by AZUSS fully satisfies the condition contained in FOF 82.

Finally, enclosed are twelve copies of the Bill of Sale dated February 21, 2002, evidencing the sale and transfer of the Ocotillo Links Wastewater Treatment System from Links Ocotillo Homeowners' Association to AZUSS. The Bill of Sale is being recorded, and a copy of bearing the recording information will be filed with Docket Control once it has been received. The filing of the Bill of Sale partially satisfies one of the conditions contained in FOF 83. For your information, contemporaneous with the filing of this compliance filing, AZUSS has filed a request with the Commission for a 90-day extension of the time periods contained in FOF 83.

Please file this letter and the accompanying items in the above-captioned docket. As always, if you have any questions regarding this compliance filing, please contact me at the direct line listed above.

Very truly yours,

SNELL & WILMER



Jeffrey W. Crockett

JWC:gdb
cc (with enclosures): Marc Stern
Jim Fisher
Pat Williams
Maury Lee

Enclosures



Jane Dee Hull
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

3033 North Central Avenue • Phoenix, Arizona 85012-2809
(602) 207-2300 • www.adeq.state.az.us



Jacqueline E. Schafer
Director

February 15, 2002

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FEB 19 2002

SNELL & WILMER

Mr. Maurice Lee, Manager
Arizona Utility Supply & Services, LLC
4545 East Shea Blvd. Suite 164
Phoenix, Arizona 85028

Re: Cambria WWTF (Links Estates System Expansion)
Cambria ID No. 15249
Links Estates WWTF APP No. 102976

Dear Mr. Lee:

The Arizona Department of Environmental Quality is in receipt of a January 25, 2002 response letter on behalf of Arizona Utility Supply Services L. L.C. from Mr. George Tsiolis, Esq., of Snell & Wilmer, L.L.P., in answer to ADEQ's letter of August 10, 2001, from Mr. Reza Azizi, which inquired as to the compliance status of the Cambria WWTF with Section 208 Certified Areawide Water Quality Management Plan requirements.

ADEQ has reviewed your response letter and is satisfied that the Cambria WWTF has been properly accounted for in Section 208 Plan requirements as it applies to Pinal County. Please regard this letter as such assurance the ADEQ regards the question of Cambria WWTF Section 208 compliance as resolved.

Should you have further questions on this matter, please call me at (602) 207-4525

Sincerely,

Michael J. Traubert, Manager
Compliance Section
Water Quality Division

cc: Karen Smith, Director, Water Quality Division, ADEQ
Linda Taunt, Manager, Hydrological Support & Assessment, ADEQ
Richard Bark, Gallagher & Kennedy Attorneys at Law
George Tsiolis, Snell & Wilmer, L.L.P.

Northern Regional Office
1515 East Cedar Avenue • Suite F • Flagstaff, AZ 86004
(520) 779-0313

Southern Regional Office
400 West Congress Street • Suite 433 • Tucson, AZ 85701
(520) 628-6733

Printed on recycled paper

Arizona Utility Supply & Services, LLC

4545 E. Shea Blvd., #164 Phoenix, AZ 85028
(602) 923-9134 FAX (602) 923-9142

February 20, 2002

Mr. Jim Lee
Mr. Harry Redmond
Madison Diversified
115-988 Beach Ave.
Vancouver, British Columbia
Canada V6Z-2N9

**RE: Sewer Assessment Fee \$183,467.00
271 Lot subdivision so. Of Ocotillo Rd. & Vineyard
Pinal County, AZ**

Dear Mr. Lee, Mr. Redmond:

On December 28, 2001, we were awarded the "Certificate of-Convenience and Necessity" (CC&N) by the Arizona Corporation Commission for the area that includes the above captioned subdivision per Decision No. 64288. Per that decision, we are required to refund the \$183,467.00 to Madison Diversified.

Enclosed herewith is payment in the amount of \$183,467.00 per that requirement.

Please call should you have any questions.

Very truly yours,
ARIZONA UTILITY SUPPLY & SERVICES, LLC


Maurice Lee,
Manager

cc: Jeffery Crockett, Atty.
Snell & Wilmer

COPY

11041

ARIZONA UTILITY SUPPLY & SERVICES, LLC

4545 E. SHEA BLVD., SUITE 164
PHOENIX, AZ 85028
(602) 923-9134

DATE February 20, 2002

91-2-1221

PAY
TO THE
ORDER OF

Madison Diversified

\$**183,467.00**

One hundred eighty three thousand, four hundred sixty seven Dollars and 00/100

DOLLARS

Security Features
Including:
Omniguard Ink



Bank One, NA
Phoenix, Arizona 85073
www.bankone.com

FOR Sewer Assessment Refund

[Signature]

MP

⑈011041⑈ ⑆122100024⑆

22745193⑈

FedEx International Air Waybill

Express For all international shipments

From PHOENIX Sender's FedEx Account Number
 Date 02/20/02

Sender's Name Maurice Lee Phone (602)923-9134

Company Arizona Utility Supply & Services, LLC

Address 4545 E. Shea Blvd., #164

City Phoenix State Arizona

Country USA ZIP Postal Code 85028

Your Internal Billing Reference 02710 AL

To Recipient's Name Jim Lee Phone 1-800=633-8013

Company Madison Diversified

Address 115-988 Beach Ave.

City Vancouver State British Columbia

Country Canada ZIP Postal Code V6Z-2N9

Recipient's Tax I.D. number for Customs purposes
 e.g. GST/HST/IN/VEH, or as locally required

Shipment Information FedEx Duty Tag where if goods are not in free circulation and provide C.I. ALL shipments can be subject to Customs charges.¹
 Total Packages 1 Total Weight 1.0 lbs. kg DIM in cm

Commodity Description REQUIRED	Harmonized Code	Country of Manufacture	Value for Customs REQUIRED
<u>Business documents paper Documents</u>		<u>USA</u>	<u>1.0</u>

5. Export Only: Check One No SED required, value \$2500 or less per Schedule B Commodity number Total Declared Value for Carriage Total Value for Carriage
 SED attached (provide export license no. and exp. date or license exemption symbol, w/ECCN if applicable)

Sender's
 Not all services and options are available to all destinations.

5 Express Package Service
 FedEx Intl. Priority FedEx Intl. First Available to select locations Higher rates apply.
 FedEx Intl. Economy FedEx Envelope and FedEx Pak rate not available NEW FedEx Intl. Extra Hours Available for select locations

6 Packaging
 FedEx Envelope FedEx Pak Other Pkg. Includes FedEx Box, FedEx Tube and customer pkg.
 FedEx 10kg Box FedEx 25kg Box

7 Special Handling
 HOLD at FedEx Location SATURDAY Delivery Available to select locations Available for FedEx Intl. Priority only
 Shipper must check / tick: This shipment does not contain Dangerous Goods. Dangerous Goods cannot be shipped using this Air Waybill.

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 Sender Acct. No. in Section 1 will be billed. Recipient Third Party Credit Card Cash Check/Check/Credit Card
 Enter FedEx Acct. No. or Credit Card No. below
11127426010034779 dos 2015

8b Payment Bill duties and taxes to: ¹FedEx cannot estimate Customs charges.
 Sender Acct. No. in Section 1 will be billed. Recipient Third Party
 Enter FedEx Acct. No. below
 FedEx Acct. No. _____

9 Required Signature
 Use of this Air Waybill constitutes your agreement to the Conditions of Contract on the back of this Air Waybill, and you represent that this shipment does not require a U.S. State Department License. Certain international treaties, including the Warsaw Convention, may apply to this shipment and limit our liability for damage, loss, or delay, as described in the Conditions of Contract. WARNING: These commodities, technology, or software were exported from the United States in accordance with Export Administration Regulations. Diversion contrary to U.S. law prohibited.
 Sender's Signature: Maurice Lee Date Executed: 2/21/02
 This is not authorization to deliver this shipment without a recipient signature.

For Completion Instructions, see back of fifth page.
 FedEx Tracking Number 8298 8458 2889 Form I.D. No. 01

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AZUSS
Arizona Utility Supply & Services, LLC

4545 E. Shea Blvd. #164 Phoenix, AZ 85028
(602) 923-9134 FAX (602) 923-9142

April 19, 2001

Mr. Jim Lee
Mr. Harry Redmond
Madison Diversified
115-988 Beach Ave.
Vancouver, British Columbia
V6Z-2N9

RE: Sewer Assessment Fee \$183,467.00
271 Lot subdivision so. Of Ocotillo Rd. & Vineyard
Pinal County, Arizona

Dear Mr. Lee, Mr. Redmond:

In accordance with our conversations in reference to the sewer assessment fee to be paid to Arizona Utility Supply & Services, LLC, it is mutually agreed that Madison Diversified will place the amount of \$183,467.00 in escrow to be disbursed to American Fiberglass and Arizona Utility Supply & Services, LLC on the following amounts and schedule:

May 1, 2001	Arizona Utility Supply & Services, LLC	\$31,717.00
May 1, 2001	American Fiberglass	\$35,437.50
June 1, 2001	American Fiberglass	\$35,437.50
July 1, 2001	American Fiberglass	\$35,437.50
Aug. 1, 2001	American fiberglass	\$35,437.50
Aug. 1, 2001	Arizona Utility Supply & Services, LLC	\$10,000.00
	Total	<u>\$183,467.00</u>

Payment to American Fiberglass shall be made upon receipt of invoice from American Fiberglass with a notarized certification of work and product completed by American fiberglass.

The amount of \$183,467.00 in certified funds shall be placed in escrow and disbursed by:

Arizona Escrows (Attention: Don Graham, Pres.)
3700 N. 24th Street, Ste. 130
Phoenix, AZ 85016
(602) 956-2629

Funds shall be placed in an interest bearing account with the interest to pay for administrative and disbursement cost. Any surpluses and/or deficiencies shall be paid to or by Madison Diversified. Arizona Utility Supply & Services, LLC shall net the amount of \$183,467.00 regardless of any other cost as required by Madison Diversified.

Agreed to:

Agreed to:

1/5/ Date _____
For Madison Diversified

1/5/ Date 4.19.01
For Arizona Utility Supply & Services, LLC

Accepted:

J.B. [Signature] Date 7/24/01
For American fiberglass

When recorded return to:

Jeffrey W. Crockett, Esq.
Snell & Wilmer
One Arizona Center
Phoenix, Arizona 85004-2202
Phone: (602) 382-6234

BILL OF SALE

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, LINKS OCOTILLO HOMEOWNERS' ASSOCIATION, an Arizona non-profit corporation ("Transferor"), does hereby sell, transfer, convey assign and deliver to ARIZONA UTILITY SUPPLY & SERVICES, L.L.C., an Arizona limited liability company ("Transferee"), its successors and assigns, all of Transferor's right, title and interest in and to those certain assets described on Attachment "A" and depicted on Attachment "B" which attachments are attached hereto and incorporated herein by this reference (collectively, the "Transferred Assets").

Transferor represents and warrants to Transferee as follows:

1. Transferor has legal title to the Transferred Assets;
2. There are no security interests, liens, pledges, judgments or other encumbrances upon or affecting Transferor's legal title to the Transferred Assets;
3. Transferor has the legal right and power to sell, transfer and convey the Transferred Assets to Transferee without the consent of any third party; and
4. There are no outstanding and/or unpaid tax liabilities of any kind by any taxing authority affecting the Transferred Assets.

From time to time after execution of this Bill of Sale, Transferor shall execute and deliver to Transferee such instruments of sale, transfer, conveyance, assignment and delivery, and such consents, assurances, powers of attorney and/or other instruments as may be reasonably requested by Transferee in order to vest in Transferee all right, title and interest of Transferor in and to the Transferred Assets and otherwise in order to carry out the purpose and intent of this Bill of Sale.

IN WITNESS WHEREOF, Transferor has executed this Bill of Sale effective as of February 21, 2002.

OCOTILLO HOMEOWNERS' ASSOCIATION,
an Arizona non-profit corporation

By: Stephen A. Kohner
Stephen A. Kohner, Manager

Agreed and Accepted:

ARIZONA UTILITY SUPPLY & SERVICES,
L.L.C., an Arizona limited liability company

By: Maurice Lee
Maurice Lee, Authorized Member

NOTARIZATIONS

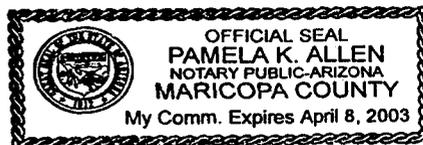
STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 21st day of February, 2002, by Stephen A. Kohner, the Manager of Ocotillo Homeowners' Association, an Arizona non-profit corporation, on behalf thereof.

Pamela K. Allen
Notary Public

My commission expires:

April 8, 2003



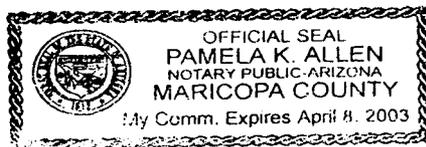
STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 21st day of February, 2002, by Maurice Lee, Authorized Member of Arizona Utility Supply & Services, L.L.C., an Arizona limited liability company, on behalf thereof.

Pamela K Allen
Notary Public

My commission expires:

April 8, 2003



Crockej\PHX\1141722.1

ATTACHMENT "A"

ATTACHMENT A

The "Transferred Assets" as defined in the accompanying Bill of Sale dated February 21, 2002, consist of the following:

1. A Santec brand manufactured wastewater treatment system to treat 37,500 gallons-per-day of domestic sewage consisting of the following equipment and tanks:
 - Seven (7) flow equalization basins with flowmeters and 2-inch submersible pumps with control panel.
 - Four (4) fiberglass aeration tanks.
 - One (1) fiberglass clarifier.
 - One (1) fiberglass effluent holding tank without submersible pumps.
 - Seven (7) uplift continual processing sand filters with control panel.
 - One (1) ultraviolet (UV) disinfection unit in-line manufactured by Ideal UV Systems.
 - Seven (7) methane injection systems including building.
 - Two (2) positive displacement blowers with 10 horsepower motors and aeration system with control panel and air diffusers.
 - One (1) complete electrical system and service consisting of a 200 amp three-phase distribution panel manual transfer switch.
 - All other piping, equipment, electronics, wiring, tanks, measuring devices, pumps, motors, electrical panels, enclosures and other appurtenances associated with the Santec system.

2. Additional tanks and equipment consisting of the following:
 - Two (2) 34,000-gallon fiberglass aeration tanks.
 - Two (2) 15 foot diameter vertical fiberglass clarifiers (complete).
 - One (1) distribution box.
 - One (1) 8 foot diameter lift station with control panel.
 - Two (2) Meyers 10 HP, 240 V, 3-phase submersible pumps and related piping.
 - One (1) 36 KW standby generator with automatic transfer switch.
 - One (1) mixed liquor pump station with three submersible pumps and concrete structure.
 - One (1) effluent lift station with two submersible pumps with related piping and 2,600 feet of 6 " PVC piping to golf course.
 - All other equipment, facilities and supplies located at the Links Ocotillo wastewater treatment plant.
3. All receivables due on or after the date of the accompanying Bill of Sale associated with the operation of the Links Ocotillo wastewater treatment plant.
4. Permits and approvals as follows:
 - Aquifer Protection Permit No. 102976 issued by the Arizona Department of Environmental Quality.
5. All agreements, contracts and consents necessary to operate the Links Ocotillo wastewater treatment plant.

ATTACHMENT "B"

PROJECT NO.	10000
DATE	10/1/88
DESIGNED BY	W.A. MOORE
CHECKED BY	W.A. MOORE
APPROVED BY	W.A. MOORE
SCALE	1" = 10'

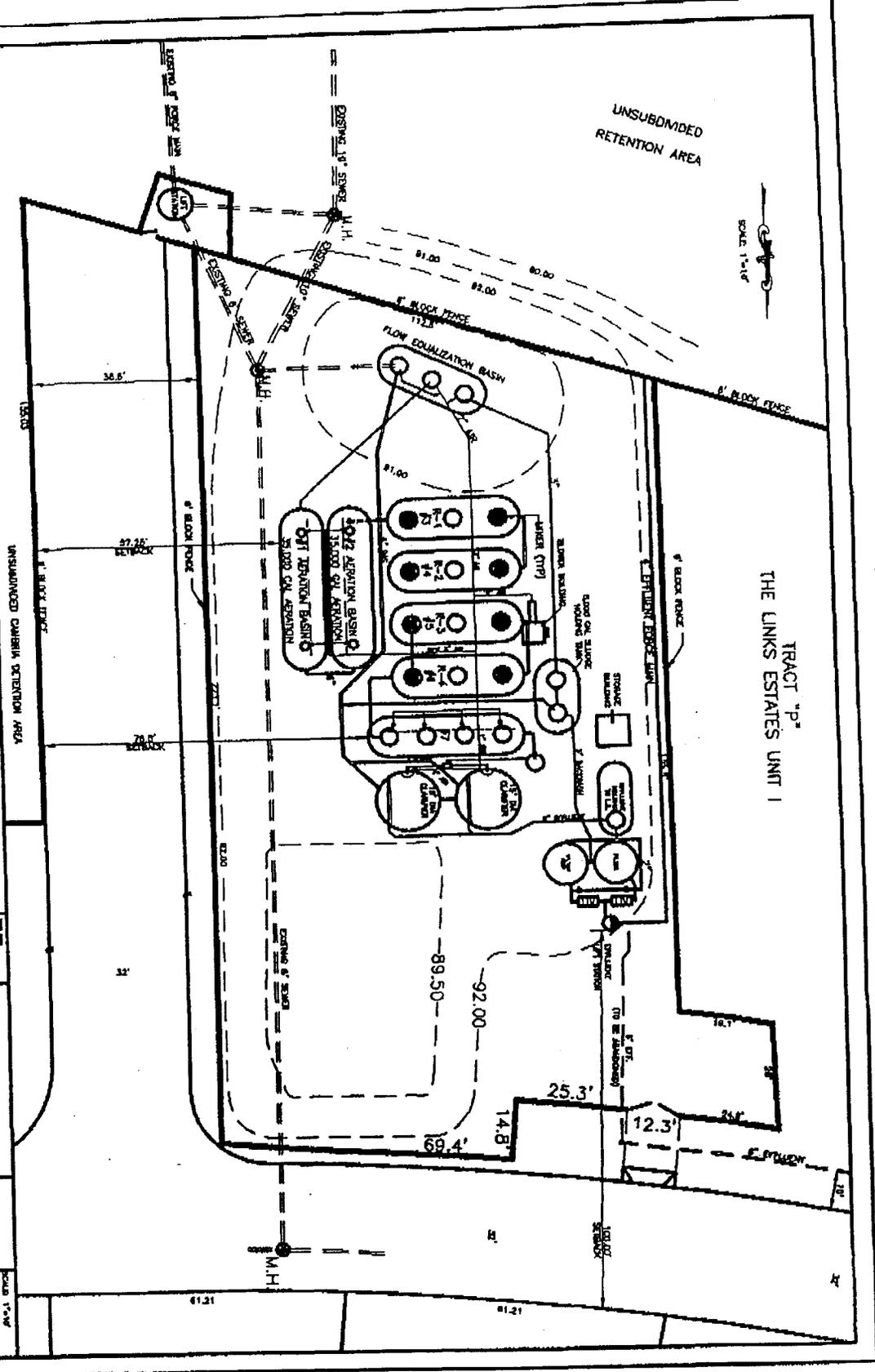


MOORE AND ASSOCIATES, INC.
 10000
 10000
 10000

LINKS ESTATES TREATMENT PLANT EXPANSION
 QUINCY CREEK AS

SITE PLAN

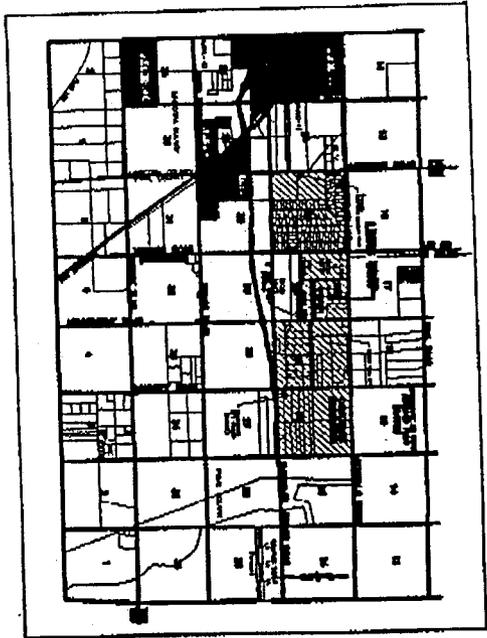
DATE	10/1/88
SCALE	1" = 10'
PROJECT NO.	10000



LINKS
 WASTEWATER TREATMENT PLANT
 EXPANSION
 TO
 150,000 GALLONS PER DAY
 QUEEN CREEK, AZ

INDEX OF DRAWINGS

1. TITLE
2. SPECIFICATIONS
3. SPECIFICATIONS
4. PROCESS FLOW DIAGRAM
5. HYDRAULIC PROFILE
8. SITE PLAN
7. YARD PIPING DETAILS
6. EXISTING AERATION BASIN NO. 1 AND 2
9. EXISTING AERATION BASIN NO. 7
10. EXISTING BASIN NO. 3, 4, 5, AND 6
11. MIXED LIQUOR PUMP STATION/
EFFLUENT PUMP STATION/FEB PUMP
12. EXISTING CLARIFIER DETAILS



VICINITY MAP



MOORE AND ASSOCIATES, INC.

ENGINEER • CIVIL • SURVEYOR
 1000 N. CENTRAL AVENUE, SUITE 100
 PHOENIX, ARIZONA 85004

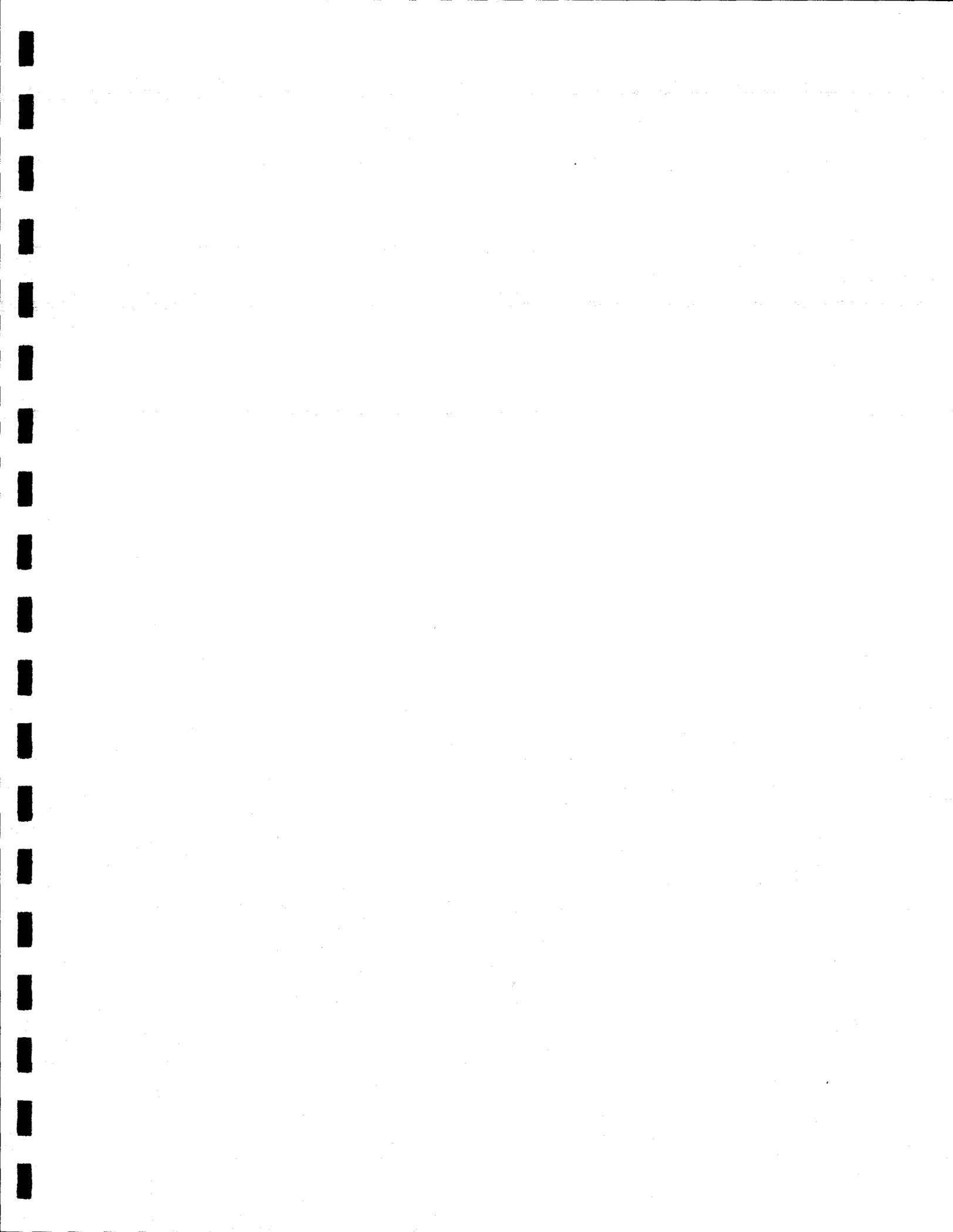
OWNER

THE LINKS AT
 DONALD HILL,
 C/O: SENE KOSHER, LLC
 7902 N. BLACK CANYON HIGHWAY
 SUITE 100
 QUEEN CREEK, AZ 85034
 (602) 968-1240

APP PERMIT NO. P1029176

OPERATOR

WATKINS USE, AERD CRT. NO. 1342
 WILSON UNIT SUPPLY & SERVICES, LLC
 6600 E. WINDY HILL, STE. 104
 PHOENIX, AZ 85008
 (602) 523-8134



Snell & Wilmer
LLP
LAW OFFICES

One Arizona Center
Phoenix, Arizona 85004-2202
(602) 382-6000
Fax: (602) 382-6070

Jeffrey W. Crockett (602) 382-6234
Internet: jcrockett@swlaw.com

RECEIVED

2002 JAN 24 P 4: 44

AZ CORP COMMISSION
DOCUMENT CONTROL

January 24, 2002

PHOENIX, ARIZONA

TUCSON, ARIZONA

IRVINE, CALIFORNIA

SALT LAKE CITY, UTAH

HAND-DELIVERED

Ms. Nancy Cole, Supervisor
Docket Control
ARIZONA CORPORATION COMMISSION
1200 West Washington
Phoenix, Arizona 85007

Re: In the Matter of the Application of Arizona Utility Supply & Services, LLC, for a Certificate of Convenience and Necessity to Provide Sewer Service to Portions of Pinal County, Arizona (Docket Nos. SW-04002A-01-0228 and WS-02987A-01-0295(Consolidated))

Dear Nancy:

Pursuant to the Commission's Decision No. 64288 (December 28, 2001) in the above-referenced docket, enclosed for filing are the following:

1. One original and ten copies of the tariff of Arizona Utility Supply & Services, LLC.
2. Eleven copies of Arizona Utility Supply & Services, LLC's Sewer Franchise for Pinal County. The original franchise was issued March 21, 2001, and recorded with the Pinal County Recorder as No. 2001-016379. The franchise was subsequently amended on May 9, 2001, and recorded with the Pinal County Recorder as No. 2001-021507.

Snell & Wilmer
LLP

Ms. Nancy Cole
Docket Control
January 24, 2002
Page 2

Please date-stamp the enclosed extra copy of this submittal for my file. As always, please call me if you have any questions.

Very truly yours,

SNELL & WILMER



Jeffrey W. Crockett

JWC:gdb
cc (with enclosure): Lori Miller
Pat Williams
Maurice Lee

Enclosures

Crocketj\PHX\1127182.1

Sewer Tariff Schedule

Residential Sewer Service

5/8"	Water Meter Service	\$30.00 per month
3/4"	Water Meter Service	\$40.00 per month
1"	Water Meter Service	\$50.00 per month

Commercial Sewer Service

5/8"	Water Meter Service	\$45.00 per month
1"	Water Meter Service	\$75.00 per month
2"	Water Meter Service	\$125.00 per month

Effluent Sales

Minimum of 100,000 gallons	\$175.00
Excess of 100,000 gallons	\$0.980 per 1,000 gallons
Golf Course Sales*	\$195.00 per acre-foot

Service Charges

Deposit Requirements (per A.A.C. R-14-2-603(B)):

Residential Customers**	2 ½ times estimated average monthly bill
Non-Residential Customers	2 ½ times estimated maximum monthly bill
Deposit Interest	6% per annum
NSF Checks (per A.A.C. R14-2-608E):	\$25.00 each occurrence
Late Payments (per A.A.C. R14-2-608F):	1 ½ times amount tendered
Deferred Payment Plan:	1 ½ times amount deferred

* Cost of construction of transmission lines for effluent plus pumping cost shall be the sole cost of the golf course or the recipient of the effluent.

** The Company does not normally require a deposit prior to the provision of service. However, in the event a customer issue an NSF check, or if collection procedures are necessary, a deposit may be required.

Issued:
December 28, 2001

Issued by:
Maurice Lee, President
4545 East Shea Blvd., #164
Phoenix, Arizona 85028

Effective:
December 28, 2001
Decision No. 64288

Establishment of Services

See A.A.C. R14-2-603 and the "Application for Sewer Services" incorporated in this tariff.

Minimum Customer Information Requirements

See A.A.C. R14-2-604.

Services Connections

See A.A.C. R14-2-605.

Collection of Main Extension Agreements

See A.A.C. R14-2-606.

Provision of Service

See A.A.C. R14-2-607.

Billing and Collections

See A.A.C. R14-2-608.

Termination of service

See A.A.C. R14-2-609.

Administrative and Hearing Requirements

See A.A.C. R14-2-610.

Service Subject to Regulations

Arizona Utility Supply & Services provides wastewater service using treatment and collection facilities which are regulated pursuant to Federal, State and local regulations (the "Regulations"). Those Regulations include limitations regarding the type of wastewater that may be discharged into the system by any person directly or indirectly connected to the treatment plant.

Issued:
December 28, 2001

Issued by:
Maurice Lee, President
4545 East Shea Blvd., #164
Phoenix, Arizona 85028

Effective:
December 28, 2001
Decision No. 64288

Waste Limitations

Arizona Utility Supply & Services shall have the authority to establish permissible limits of concentration for specific substances, materials, waters, or wastes that can be accepted into the sanitary sewer system, and to specify those substances, materials, waters or wastes that are prohibited from entering the sanitary sewer system. Each permissible limit so established shall be placed on file in the business office of the Company, with a copy filed with the Commission. No person shall discharge, or cause to be discharged, any new sources of inflow including, but not limited to, stormwater, surface water, groundwater, roof runoffs, subsurface drainage, cooling water, or unpolluted industrial process waters into the sanitary sewer.

Recovery of Cost

Arizona Utility Supply & Services shall have the authority and right to recover the cost of clean up and/or correction of any violations of the "Services Subject to Regulations" and "Waste Limitations" provisions of this tariff from the person(s) and company(ies) violating these provisions. The Company shall also have the authority and the right to recover the costs of repair to the sanitary sewer system should any person(s) or company(ies) violate the provisions of this tariff whether the damage be accidental or malicious. Cost of repair include legal, investigative, and collection costs.

Issued:
December 28, 2001

Issued by:
Maurice Lee, President
4545 East Shea Blvd., #164
Phoenix, Arizona 85028

Effective:
December 28, 2001
Decision No. 64288

**APPLICATION
FOR
SEWER SERVICES**

Name: _____

Address: _____

Telephone Number: _____

Lot Number: _____

This application applies to all new requests for sewer service from Arizona Utility Supply & Services (the "Company") for the address shown above. I/We agree to pay the applicable rates for sewer service as contained in this tariff, as modified from time to time with the consent of the Arizona Corporation Commission. I/We agree to pay all charges and fees due the Company on a timely basis before the next billing cycle. A late fee of \$15 per month will apply to any bill not paid before the billing for the proceeding month. Fees are to be paid in advance for the proceeding month.

In the event any undisputed billings remain outstanding for 90 days, the customer authorizes the Company to place a lien on the customer's property, and the customer agrees to pay for all costs of collecting the past due amount, including reasonable attorney fees. Delinquent payments for services will result in a requirement that the customer provide a security deposit equal to two and one half (2½) times the customer's average monthly bill.

I/We have received a copy of the Sewer Tariff Schedule as approved by the Arizona Corporation Commission as well as a copy of the State of Arizona Administrative Code R14-2-601 et seq. as it applies to sewer service provided by the Company.

Applicant Date

Applicant Date

Issued:
December 28, 2001

Issued by:
Maurice Lee, President
4545 East Shea Blvd., #164
Phoenix, Arizona 85028

Effective:
December 28, 2001
Decision No. 64288

13

When recorded mail to:

Pinal County Board of Supervisors
P.O. Box 827
Florence, Arizona 85232



OFFICIAL RECORDS OF
PINAL COUNTY RECORDER
LAURA DEAN-LYTLE

DATE: 04/16/01 TIME: 1434
FEE : 0.00
PAGES: 13
FEE NO: 2001-016379

(The above space reserved for recording information)

CAPTION HEADING

Arizona Utility Supply & Services, LLC Sewer Franchise

Post-It [®] Fax Note	7671	Date	5/11	# of pages	13
To	Marius Joe	From	CRIM MEDICAL		
Co./Dept.		Co.	Pinal County		
Phone #		Phone #	868-6206		
Fax #	602-564-5536	Fax #			

Creation Of The Arizona Utility Supply & Services, LLC Sanitary Sewer Franchise

WHEREAS, Arizona Utility Supply & Services, LLC, a(n) Arizona corporation, duly authorized to conduct business in the State of Arizona, has duly filed and presented to the Board of Supervisors of the County of Pinal, State of Arizona, its application for a new public utility franchise for the purpose of constructing, operating and maintaining a sewer system and related appurtenances along, under and across the public streets, alleys and highways, except federal and state highways, within the unincorporated area of Pinal County, Arizona, as described in the Public Notice of the creation hearing attached hereto as Exhibit "A."

WHEREAS, upon Arizona Utility Supply & Services, LLC's filing of an application for the public utility franchise (hereinafter "Application"), the Board of Supervisors of Pinal County ordered a public notice of its intent to consider the granting of the public utility franchise to be published in a newspaper of general circulation, in Pinal County, Arizona, stating the time and place for consideration of the Application was set for 9:30 a.m. on Wednesday, February 14, 2001, at the Pinal County Board of Supervisors' Hearing Room, Administration Building No. 1, Florence, Arizona.

WHEREAS, said Application having come on regularly for hearing at 9:30 a.m. on Wednesday, February 14, 2001; and it appearing from the affidavit of the publisher of the Florence Reminder and Blade Tribune that due and regular notice of said time and place set for the consideration of such action has been published for at least once a week for three consecutive weeks prior to said hearing date, to-wit: in the issues of the Florence Reminder and Blade Tribune on January 25, 2001; February 1, 2001; and February 8, 2001; and the matter being called for hearing at 9:30 a.m. on February 14, 2001, and March 21, 2001, and an opportunity having been given to all interested parties to be heard.

WHEREAS, the Board of Supervisors of Pinal County has the power to create a sewer franchise under its general police powers in such matters.

NOW, THEREFORE,

Section 1: DEFINITIONS

The following terms used in this Franchise shall have the following meanings:

A. County: Pinal County, Arizona

Arizona Utility Supply & Services, LLC Sanitary Sewer Franchise Sewer Franchise

- B. Board: Board of Supervisors of Pinal County, Arizona.
- C. Grantor: Pinal County, by and through its Board of Supervisors
- D. Grantee: Arizona Utility Supply & Services, LLC, a(n) Arizona corporation, its successors and assigns
- E. Grantee's Facilities: Sewer system and related appurtenances

Section 2: GRANT

A. Grantor, on March 21, 2001, hereby grants to Grantee, for a period of 25 years, this new public utility franchise (hereinafter "Franchise") for the purpose of constructing, operating and maintaining a sewer system and related appurtenances along, under and across public streets, alleys and highways, except federal and state highways, under the terms and conditions set forth herein within the unincorporated area of Pinal County, Arizona, as described in the Application (hereinafter "Franchise Area").

B. Nonexclusive Franchise.

(1) The Franchise granted hereby shall not be exclusive and shall not restrict in any manner the right of County in the exercise of any regulatory power which it now has or which may hereafter be authorized or permitted by the laws of the State of Arizona. Nothing herein shall be construed to prevent County from granting other like or similar franchises to any other person, firm or corporation. County retains and shall ever be considered as having and retaining the right and power to allow and to grant to any other person, firm, corporation or other companies, franchise rights and privileges to be exercised in and upon its public streets, alleys, highways and public places, and such of the same and parts thereof as County may deem best or choose to allow, permit, give or grant.

(2) Nothing herein shall be construed to prevent County and its proper authorities from constructing and installing a sewer system, or improvements to its public highways, streets and alleys, and for that purpose, to require the Grantee at Grantee's own expense to remove Grantee's facilities to conform thereto and facilitate the same.

C. Reservation of Rights.

(1) County reserves the right to alter and amend the Franchise at any time and in any manner necessary for the safety or welfare of the public or to protect the public interests, and County reserves the right to impose at any time restrictions and limitations upon the use of the public streets, alleys and highways as County deems best for the public safety or welfare.

(2) County expressly reserves the right, after due notice to grantee, to modify, amend, alter, change or eliminate any of the provisions of the Franchise which may become obsolete or impractical; and to impose such additional conditions upon the grantee as may be just and

reasonable, such conditions to be those deemed necessary for the purpose of insuring adequate service to the public; provided however, County shall not modify, amend, alter, change or eliminate any of said provisions until after a public hearing, if such is legally required or requested by grantee.

Section 3: RENEWAL/SUBSEQUENT APPLICATION/REMOVAL OF SYSTEM

A. The Franchise herein granted shall expire on February 14, 2026; and upon its termination, Grantee shall cease to exercise under the terms of the Franchise the privileges herein granted. In the event Grantee desires a renewal of the Franchise herein granted, or a new franchise for a subsequent period, Grantee shall apply to and open negotiations with County for that purpose at least six (6) months before the expiration of the Franchise herein granted; but nothing herein shall be construed to bind County to grant such renewal or subsequent franchise.

B. Upon termination of the Franchise the grantee shall remove its facilities from the streets, alleys, ways, highways and bridges within the Franchise Area and shall restore the areas to their original condition. If such removal is not completed within six months of such termination, County may deem any property not removed as having been abandoned.

Section 4: REGULATION

Grantee, its successors and assigns shall be subject to reasonable regulations for the maintenance by grantee, its successors and assigns, of such portion of the public streets, alleys and highways altered, damaged or destroyed by Grantee, its agents or employees in exercising the privileges granted by the Franchise.

Section 5: CONSTRUCTION, INSTALLATION AND REPAIRS

A. Prior to the beginning of any construction for installation of the sewer system and related appurtenances, the Grantee, its successors and assigns will submit a plan of proposed construction to the Pinal County Engineer and will not commence any construction until the plan of construction is approved by the County Engineer or his designate.

B. All work performed by Grantee under the Franchise shall be done in the manner prescribed by County and subject to the supervision of County, and in strict compliance with all laws, ordinances, rules and regulations of federal, state and local governments.

C. No construction, reconstruction, repair, or relocation under the Franchise shall be commenced until written permits have been obtained from the proper county officials. In any permit so issued, such officials may impose such conditions and regulations as a condition of the granting of the same as are necessary for the purpose of protecting any structures in the highways or streets and for the proper restoration of such highways, streets and structures, and for the protection of the public and the continuity of pedestrian and vehicular traffic.

D. No construction under the Franchise by grantee shall impose upon County the duty to maintain any public street, alley or highway unless County accepts said public street, alley or highway into the county maintenance system as provided by law.

Section 6: INSPECTION

County shall, if it deems it necessary, have the right to inspect the construction, operation and maintenance of Grantee's facilities to insure the proper performance of the terms of the Franchise granted herein.

Section 7: SUFFICIENCY, LOCATION AND MAINTENANCE

All of Grantee's Facilities shall be in all respects adequate, efficient, substantial and permanent in design and workmanship, and shall be so located, erected and maintained so as not to interfere with the use and enjoyment of the public streets, alleys and highways. All of Grantee's Facilities erected by Grantee shall be maintained in a safe, suitable, substantial condition and in good order and repair.

Section 8: EXPANSION

Grantee will, from time to time, during the term of the Franchise make such enlargements and extensions of its water system as are necessary to adequately provide for the requirements of County and the inhabitants of the Franchise Area; provided that nothing herein shall compel Grantee to expand or enlarge its system beyond the economic and operating limits thereof. Such enlargements and extensions shall be made in accordance with company rules and regulations.

Section 9: RELOCATION

A. During the term of the Franchise whenever County or any qualified authority having jurisdiction in the Franchise Area alters, repairs, improves, or changes the grade of, any public streets, alleys and highways in the Franchise Area during the term of the Franchise, then and in such event, Grantee, its successors or assigns, at its own expense, shall promptly, upon reasonable notice, make such changes in the location, structure or alignment of its water lines and related appurtenances as the public officials in charge of such work may deem necessary.

B. After thirty (30) days notice to Grantee, of needed changes or corrections and upon the failure of Grantee, to make such changes set forth in Section 9(A) above or to correct any damage to the right-of-way of any public street, alley or highway within the Franchise Area caused directly or indirectly by Grantee, its agents, successors or assigns, County or its successors shall have the right to make such changes or corrections at the expense of said Grantee, its successors or assigns, and such expenses shall be due and payable upon written demand by County or its successors to Grantee, its successors or assigns.

Section 10: LIABILITY

A. If any streets, highways, alleys, ways, bridges, sidewalks, public place, or other public facility should be disturbed, altered, damaged or destroyed by Grantee, its employees, contractors, subcontractors or agents in the construction, installation, operation and maintenance of Grantee's Facilities under the Franchise, the same shall be promptly repaired, reconstructed, replaced or restored by Grantee, without cost to County, as soon as practicable and in as good condition as before Grantee's entry and to the satisfaction of County. If Grantee fails to make such restoration and repairs within a reasonable time as determined by County, then County may fix a reasonable

time for such restoration and repairs and shall notify Grantee in writing of the restoration and repairs required and the time fixed for the performance thereof. Upon failure of Grantee to comply within the time specified, County may cause proper restoration and repairs to be made, and the expense of such work shall be paid by Grantee upon demand by County.

B. Grantee shall be responsible to every owner of property which shall be injured by the work of construction, installation, operation or maintenance of Grantee's Facilities under the Franchise, all physical damage which shall be done to such injured property through any act or omission of Grantee, its employees, contractors, subcontractors or agents arising out of said construction, installation, operation or maintenance.

C. It is a condition of the Franchise that County shall not and does not by reason of the Franchise assume any liability of the Grantee whatsoever for injury to persons or damage to property.

Section 11: INDEMNIFICATION

Grantee by its acceptance of the Franchise agrees for itself, its successors and assigns that throughout the entire term of this franchise, Grantee, its successors and assigns, at its sole cost and expense, shall indemnify, defend, save and hold harmless Pinal County, its elected officers, employees and agents from any and all lawsuits, judgments and claims for injury, death and damage to persons and property, both real and personal, caused by the construction, design, installation, operation or maintenance of the sewer system or related appurtenances by Grantee within the Franchise Area. Indemnified expenses shall include, but not be limited to, litigation and arbitration expenses, and attorneys' fees.

Section 12: ACCEPTANCE BY GRANTEE / EFFECTIVE DATE FRANCHISE

The Franchise shall be accepted by Grantee by written instrument in the form attached hereto as Exhibit "B" (hereinafter "Acceptance"), executed and acknowledged by it as a deed is required to be, and filed with the Clerk of the Pinal County Board of Supervisors within thirty days after the date this Franchise is accepted by County. This Franchise shall be effective upon delivery of the Acceptance to the Clerk of the Pinal County Board of Supervisors in the form required and within the time specified above.

Section 13: LIMITS ON GRANTEE'S RECOURSE

A. Grantee by its acceptance of the Franchise acknowledges such acceptance relies upon grantee's own investigation and understanding of the power and authority of the County to grant said franchise. Grantee by its acceptance of the Franchise accepts the validity of the terms and conditions of the Franchise in their entirety and agrees it will not, at any time, proceed against County in any claim or proceeding challenging any term or provision of the Franchise as unreasonable, arbitrary or void, or that County did not have the authority to impose such term or condition.

B. Grantee by accepting the Franchise acknowledges that it has not been induced to accept the same by any promise, verbal or written, by or on behalf of County or by any third person regarding any term or condition of the Franchise not expressed therein. Grantee by its acceptance of the

Franchise further pledges that no promise or inducement, oral or written, has been made to any employee or official of County regarding receipt of the Franchise.

C. Grantee by its acceptance of the Franchise further acknowledges that it has carefully read the terms and conditions of the Franchise and accepts without reservation the obligations imposed by the terms and conditions herein.

D. The Board's decision concerning its selection and awarding of the Franchise shall be final.

Section 14: FAILURE TO ENFORCE FRANCHISE

Grantee shall not be excused from complying with any of the terms and conditions of the Franchise by any failure of County, upon any one or more occasions, to insist upon the Grantee's performance or to seek Grantee's compliance with any one or more of such terms or conditions.

Section 15: COMPLIANCE WITH THE LAW

Grantee shall at all times, conduct its business under the Franchise in accordance with all federal, state and local laws, rules and regulations, as amended, including any future amendments thereto as may, from time to time, be adopted.

Section 16: INTERPRETATION/GOVERNING LAW

The interpretation and performance of the Franchise and of the general terms and conditions shall be in accordance with and governed by the laws of the State of Arizona.

Section 17: VENUE

Exclusive venue for any legal action to enforce the provisions, terms and conditions of the Franchise shall be the Superior Court of the State of Arizona in and for the County of Pinal, Florence, Arizona..

Section 18: SEVERABILITY

If any section, provision, term or covenant or any portion of any section, provision, term or covenant of the Franchise is determined to be illegal, invalid or unconstitutional, by any court of competent jurisdiction or by any state or federal regulatory agency having jurisdiction thereof, such determination shall have no effect on any remaining portion of such section, provision, term or covenant or the remaining sections, provisions, terms or covenants of the Franchise, all of which will remain in full force and effect for the term of the Franchise or any renewal or renewals thereof.

Section 19: FORFEITURE

A. If Grantee fails to comply with any of the provisions of this agreement or defaults in any of its obligations hereunder, except for causes beyond the reasonable control of Grantee; and shall fail within thirty (30) days after written notice from County to commence, and within a reasonable time, complete the correction of such default or noncompliance, County shall have the right to revoke this

agreement and all rights of Grantee hereunder. In the event Grantee makes a general assignment or general arrangement for the benefit of creditors; or a trustee or receiver is appointed to take possession of substantially all of Grantee's Facilities within the Franchise Area or of Grantee's interest in this Franchise, where possession is not restored to Grantee within thirty (30) days; or Grantee's Facilities within the Franchise Area are subject to an attachment, execution or other seizure of substantially all of the Grantee's Facilities within the Franchise Area or this Franchise, where such seizure is not discharged within thirty (30) days, County may declare the Franchise, along with the Original Franchise, forfeited and terminated.

B. Nothing herein contained shall limit or restrict any other legal rights that County may possess arising from such violations.

Section 20: REVOCATION OF FRANCHISE

The Franchise may after due notice and hearing, be revoked by County for any of the following reasons:

- A. For false or misleading statements in, or material omissions from the application for and the hearing on the granting of the Franchise.
- B. For any transfer or assignment of the Franchise or control thereof without County's written consent.
- C. For failure to comply with any of the terms and conditions of the Franchise.

Section 21: ASSIGNMENT/TRANSFER

Grantee shall not assign or transfer any interest in the Franchise without the prior written consent of County. Said Board shall not unreasonably withhold its consent to a proposed transfer.

Section 22: NOTICE

Notices required under the Franchise shall be delivered or sent by certified mail, postage prepaid to:

Grantor:

Clerk of the Pinal County Board of Supervisors
P.O. Box 827
31 N. Pinal Street
Florence, Arizona 85232

Grantee:

Arizona Utility Supply & Services, LLC
4002 E. Taro Lane
Phoenix, Arizona 85050

The delivery or mailing of such notice shall be equivalent to direct personal notice and shall be deemed to have been given at the time of delivery. Either party may change its address under this section by written notice to the other party.

Section 23: REMEDIES

Rights and remedies reserved to the parties by the Franchise are cumulative and shall be in addition to and not in derogation of any other rights or remedies which the parties may have with respect to the subject matter of the Franchise and a waiver thereof at any time shall not affect any other time.

Section 24: RIGHT OF INTERVENTION

County hereby reserves to itself, and Grantee hereby grants to County, the right to intervene in any suit, action or proceeding involving any provision in the Franchise.

Section 25: BOOKS AND RECORDS

Grantee shall maintain books and records that identify all of Grantee's underground facilities by type and location within the Franchise Area. Grantee will make such books and records available to County upon County's request and without cost to County.

Section 26: AD VALOREM TAXES

Grantee shall pay its ad valorem taxes before they become delinquent.

IN WITNESS WHEREOF, the Board of Supervisors of Pinal County, Arizona, by its Chairman and its Clerk, thereunto duly authorized, has hereunto set its hand and cause its official seal to be affixed on Actual date of hearing.

PINAL COUNTY BOARD OF SUPERVISORS



Jimmie B. Kerr
Jimmie B. Kerr, Chairman

3-21-01

ATTEST

Stanley D. Griffis, Deputy Clerk
Stanley D. Griffis, Clerk of the Board

APPROVED AS TO FORM:

ROBERT CARTER OLSON
PINAL COUNTY ATTORNEY

Richard Husk
Richard Husk, Deputy County Attorney

Arizona Utility Supply & Services, LLC

4002 E. Taro Ln. Phoenix, AZ 85050
(602) 569-3190 FAX (602) 569-3536
888-921-5577

December 12, 2000

Mr. Gary Medina,
Director of Special Services
Pinal County Board of Supervisors
P.O. Box 827
Florence, Arizona 85232

RE: Sanitary Sewer Franchise

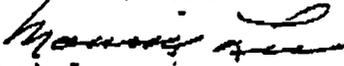
Mr. Gary Medina
Pinal County Board of Supervisors

May this letter serve as an application to The Pinal County Board of Supervisors to obtain a sanitary sewer franchise over the following described property:

All of Section 20, all of Section 29, and the ^{west} east one half of the north one half of Section 21 of Township 2 South, Range 8 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona

Enclosed as well is the \$200 filing fee. Please advise if there is additional information that is needed to set this matter before your Board for hearing and granting this franchise.

Very truly yours,
Arizona Utility Supply & Services, LLC


Maurice Lee
Manager/Member

Encl. - Maps

ARIZONA UTILITY SUPPLY & SERVICES, LLC MASTER SEWER PLAN

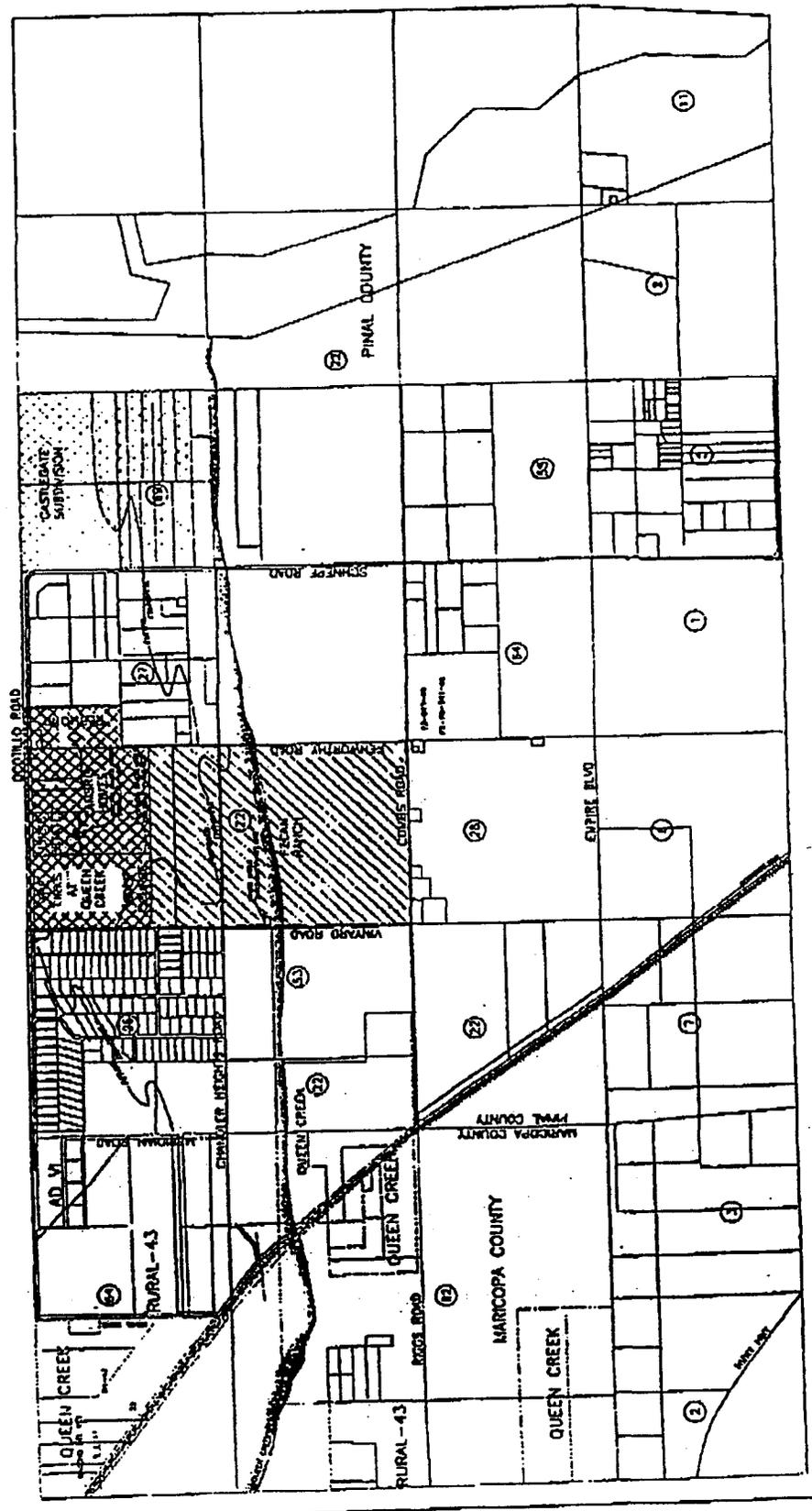


Exhibit B

SAMPLE ACCEPTANCE OF SEWER FRANCHISE

To: Board of Supervisors Pinal County, Arizona

Grantee, Arizona Utility Supply & Services, LLC, a(n) Arizona corporation, does hereby accept the _____ grant of a new public utility franchise from Pinal County, Arizona, (hereinafter "Franchise"), to construct, operate, and maintain a sewer system and related fixtures along, under and across present and future public streets, alleys and highways, except state highways, within the unincorporated area of Pinal County, Arizona, as stated in its application for a new public utility franchise.

Grantee unconditionally accepts the franchise and covenants to faithfully comply with, abide by, to observe and perform all the provisions, terms and conditions of the Franchise. Grantee accepts such provisions, terms and conditions and expressly waives any and all objections to the reasonableness or legality of any provisions of the same or any part thereof, or as to the legal right or authority of the County of Pinal to impose the same.

Grantee declares that the statements and recitals in said Franchise are correct, and Grantee declares it has made and does make the agreement, statements and admissions in said Franchise recited to have been or to be made by Grantee.

1:\attyciv1\Franchise\A2 Utility Sewer Franchise



OFFICIAL RECORDS OF
PINAL COUNTY RECORDER
LAURA DEAN-LYTTLE

DATE: 05/14/01 TIME: 1614
FEE : 0.00
PAGES: 8
FEE NO: 2001-021507

8
w/c
When recorded mail to:

Pinal County Board of Supervisors
P.O. Box 827
Florence, Arizona 85232

(The above space reserved for recording information)

CAPTION HEADING

Expansion of a sewer franchise from Arizona Utility Supply & Services, LLC.
Original recorded franchise: 2001-016379.

Expansion and Amendment Of The Arizona Utility Supply & Services, LLC Sewer Franchise

WHEREAS, Arizona Utility Supply & Services, LLC had received a Sewer franchise from Pinal County to establish and maintain Sewer services on Arizona Utility Supply & Services, LLC, see document number orig. Recorder# in the Office of the Pinal County Recorder (hereinafter "Original Franchise").

WHEREAS, Arizona Utility Supply & Services, LLC, a(n) Arizona corporation, duly authorized to conduct business in the State of Arizona, has duly filed and presented to the Board of Supervisors of the County of Pinal, State of Arizona, its application for expansion of the Original Franchise for the purpose of constructing, operating and maintaining Sewer lines and related appurtenances along, under and across the public streets, alleys and highways, except federal and state highways, within the unincorporated area of Pinal County, Arizona, as described in Exhibit "A" attached hereto (hereinafter "Expansion").

WHEREAS, upon filing of Arizona Utility Supply & Services, LLC's application for the Expansion, the Board of Supervisors of Pinal County ordered a public notice of its intent to consider the granting of the Expansion to be published in a newspaper of general circulation, in Pinal County, Arizona, stating the time and place for consideration of the Expansion was set for 9:30 a.m. on May 9th, 2001, at the Pinal County Board of Supervisors' Hearing Room, Administration Building No. 1, Florence, Arizona.

WHEREAS, said application for the Expansion and Amendment having come on regularly for hearing at 9:30 a.m. on May 9th, 2001; and it appearing from the affidavit of the publisher of the Florence Reminder & Blade-Tribune that due and regular notice of said time and place set for the consideration of such action has been published for at least once a week for three consecutive weeks prior to said hearing date, to-wit: in the issues of the Florence Reminder & Blade-Tribune published on April 19th, April 26th, and May 3rd, 2001; and the matter being called for hearing at 9:30 a.m., and an opportunity having been given to all interested parties to be heard.

WHEREAS, the Board of Supervisors of Pinal County has the power to amend an existing franchise under its general police powers in such matters.

NOW, THEREFORE,

Section 1: DEFINITIONS

First Amended
Arizona Utility Supply & Services, LLC Sewer Franchise

The following terms used in this expansion and amendment of the Original Franchise shall have the following meanings:

- A. County: Pinal County, Arizona
- B. Board: Board of Supervisors of Pinal County, Arizona.
- C. Grantor: Pinal County, by and through its Board of Supervisors
- D. Grantee: Arizona Utility Supply & Services, LLC, a(n) Arizona corporation, its successors and assigns
- E. Grantee's Facilities: Sewer lines and related appurtenances

Section 2: GRANT

Grantor, on May 9th, 2001, hereby grants to Grantee, for a period of time not to exceed the Original Franchise, this expanded and amended franchise (hereinafter "First Amended Amended Franchise") for the purpose of constructing, operating and maintaining Sewer lines and related appurtenances along, under and across public streets, alleys and highways, except federal and state highways, under the terms and conditions set forth herein within the unincorporated area of Pinal County, Arizona, as described in the Expansion and the Original Franchise (hereinafter "Franchise Area").

Section 3: ACCEPTANCE BY GRANTEE / EFFECTIVE DATE FRANCHISE

The First Amended Franchise shall be accepted by Grantee by written instrument in the form attached hereto as Exhibit "B" (hereinafter "Acceptance"), executed and acknowledged by it as a deed is required to be, and filed with the Clerk of the Pinal County Board of Supervisors within thirty days after the date this First Amended Franchise is accepted by County. This First Amended Franchise shall be effective upon delivery of the Acceptance to the Clerk of the Pinal County Board of Supervisors in the form required and within the time specified above.

Section 4: LIMITS ON GRANTEE'S RECOURSE

A. Grantee by its acceptance of the First Amended Franchise acknowledges such acceptance relies upon grantee's own investigation and understanding of the power and authority of the County to grant said franchise. Grantee by its acceptance of the First Amended Franchise accepts the validity of the terms and conditions of the First Amended Franchise in their entirety and agrees it will not, at any time, proceed against County in any claim or proceeding challenging any term or provision of the First Amended Franchise as unreasonable, arbitrary or void, or that County did not have the authority to impose such term or condition.

B. Grantee by accepting the First Amended Franchise acknowledges that it has not been induced to accept the same by any promise, verbal or written, by or on behalf of County or by any third person regarding any term or condition of the First Amended Franchise not expressed therein. Grantee by its acceptance of the First Amended Franchise further pledges that no promise or inducement, oral or written, has been made to any employee or official of County regarding receipt of the First Amended Franchise.

C. Grantee by its acceptance of the First Amended Franchise further acknowledges that it has carefully read the terms and conditions of the First Amended Franchise and accepts without reservation the obligations imposed by the terms and conditions herein.

D. In case of conflict or ambiguity between the First Amended Franchise and the Original Franchise, the provision which provides the greatest benefit to County, as determined solely by County, shall prevail.

E. The Board's decision concerning its selection and awarding of the First Amended Franchise shall be final.

Section 5: SEVERABILITY

If any section, provision, term or covenant or any portion of any section, provision, term or covenant of the First Amended Franchise is determined to be illegal, invalid or unconstitutional, by any court of competent jurisdiction or by any state or federal regulatory agency having jurisdiction thereof, such determination shall have no effect on any remaining portion of such section, provision, term or covenant or the remaining sections, provisions, terms or covenants of the First Amended Franchise, all of which will remain in full force and effect for the term of the First Amended Franchise or any renewal or renewals thereof.

Section 6: NOTICE

Notices required under the First Amended Franchise shall be delivered or sent by certified mail, postage prepaid to:

Grantor:

Clerk of the Pinal County Board of Supervisors
P.O. Box 827
31 N. Pinal
Florence, Arizona 85232

Grantee:

Arizona Utility Supply & Services, LLC
3420 E. Shea Blvd., Ste. 213
Phoenix, Arizona 85050

First Amended
Arizona Utility Supply & Services, LLC Sewer Franchise

The delivery or mailing of such notice shall be equivalent to direct personal notice and shall be deemed to have been given at the time of delivery. Either party may change its address under this section by written notice to the other party.

IN WITNESS WHEREOF, the Board of Supervisors of Pinal County, Arizona, by its Chairman and its Clerk, thereunto duly authorized, has hereunto set its hand and cause its official seal to be affixed on May 9th, 2001.

PINAL COUNTY BOARD OF SUPERVISORS


Jimmie B. Kerr
Jimmie B. Kerr, Chairman

ATTEST:

By: Sheri Cluff, Deputy Clerk
Stanley D. Griffis, Clerk of the Board

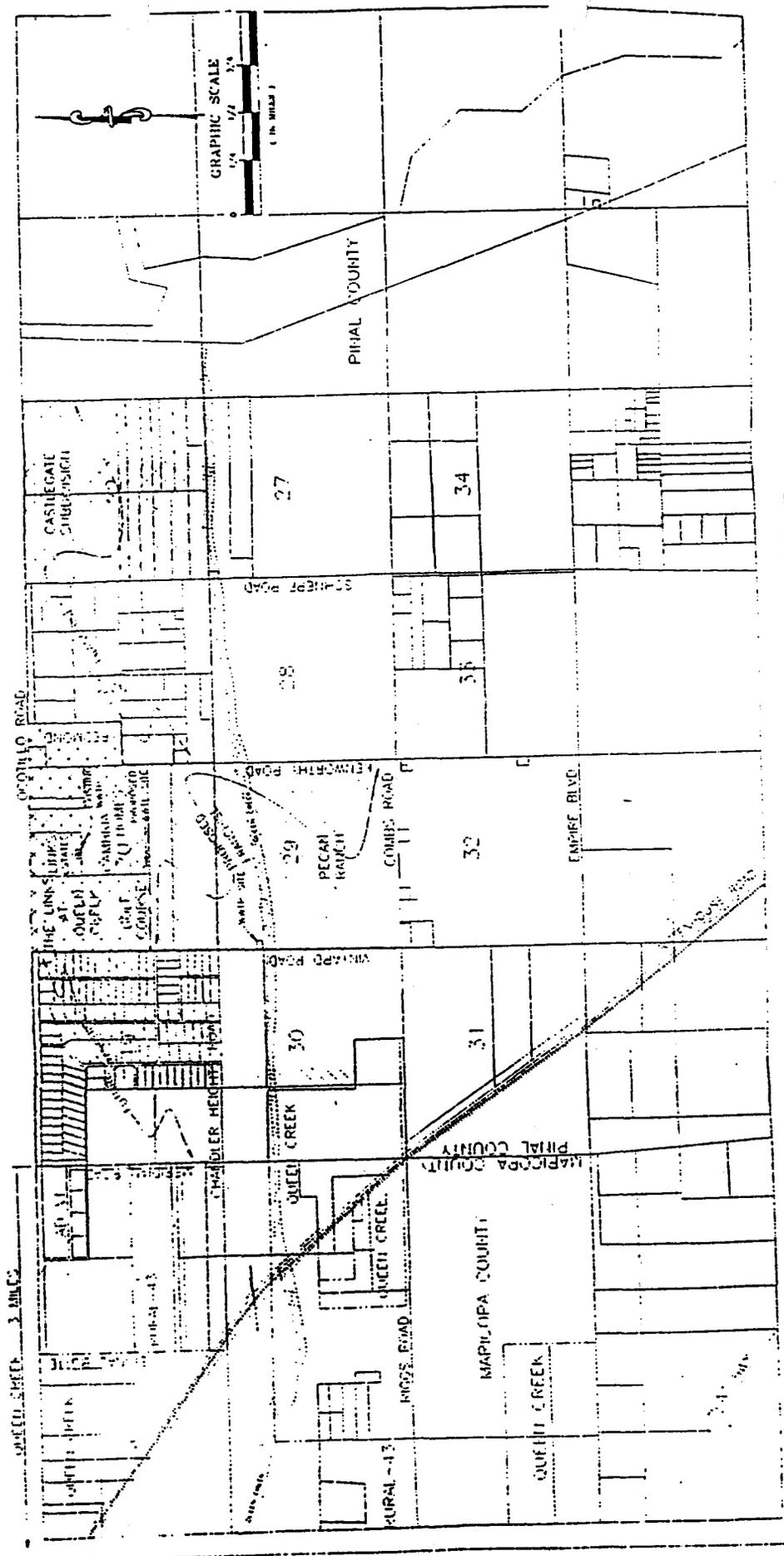
APPROVED AS TO FORM:

ROBERT CARTER OLSON
PINAL COUNTY ATTORNEY

Rick Husk
Rick Husk, Deputy County Attorney

EXHIBIT 'A'
1 OF 2

ARIZONA UTILITY SUPPLY & SERVICES, LLC
MASTER SEWER PLAN



LEGEND

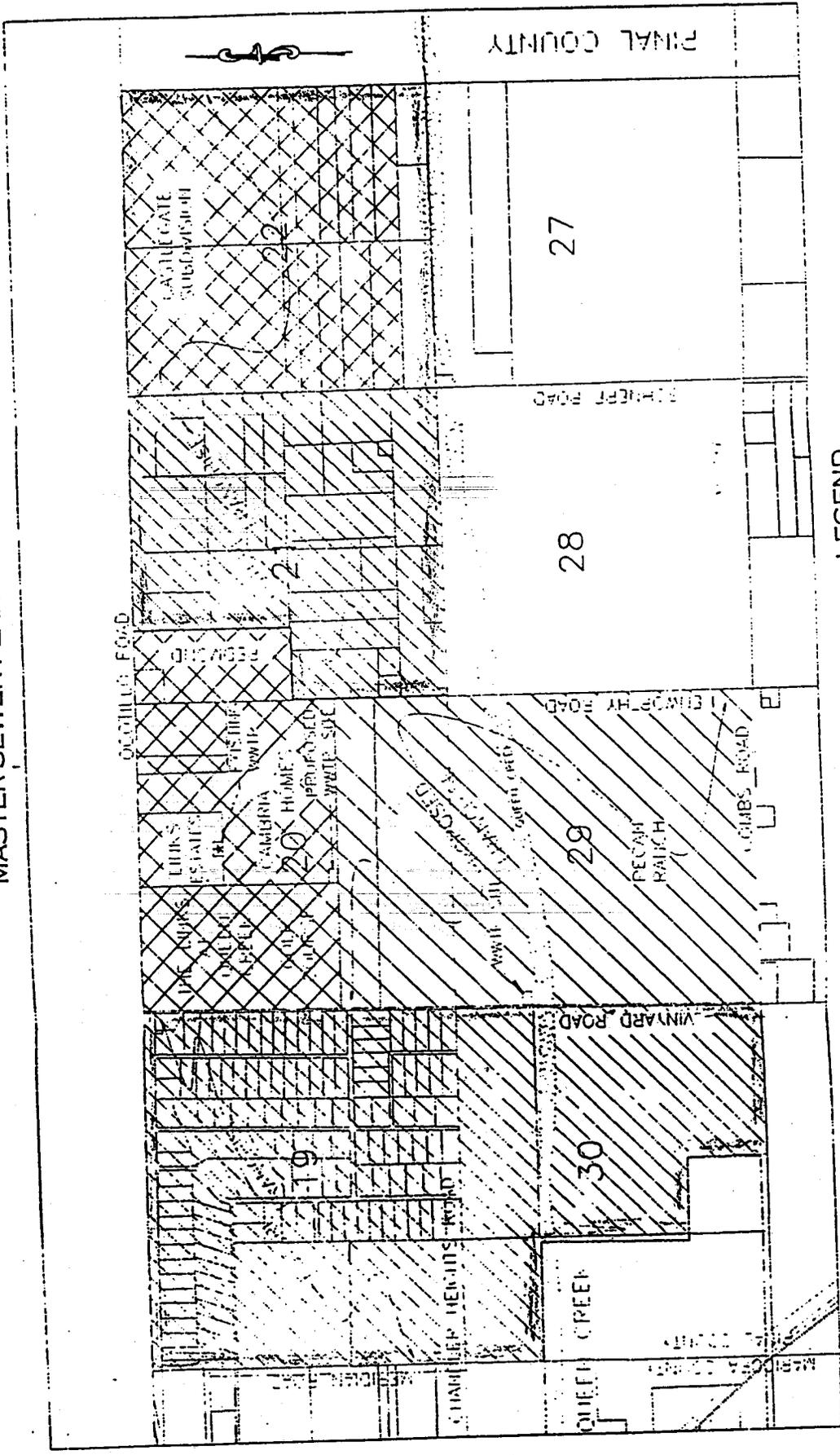
- [---] EXISTING SEWER LINE (WITH REQUEST LETTERS)
- [---] PEACOCK BRAND PROPOSED FRACTIONAL HEARING (S.U. 01)
- [---] PROPOSED SEWER LINE (WITH REQUEST LETTERS)
- [---] PROPOSED FRACTIONAL HEARING

A PORTION OF TOWNSHIP 2 SOUTH,
RANGE 8 EAST OF THE GILA AND
SALT RIVER BASE AND MERIDIAN,
PINAL COUNTY, ARIZONA.

EXHIBIT 'A'
2 OF 2

ARIZONA UTILITY SUPPLY & SERVICES, LLC

MASTER SEWER PLAN



LEGEND

- [Cross-hatched] EXISTING FRANCHISE (WITH REQUEST LETTERS)
- [Diagonal lines] PECAN RANCH PROPOSED FRANCHISE HEARING 3.21.00
- [Dotted] PROPOSED FRANCHISE (WITH REQUEST LETTERS)
- [Solid] PROPOSED (SOLID LINE)

GRAPHIC SCALE



A PORTION OF TOWNSHIP 2 SOUTH,
RANGE 8 EAST OF THE GILA AND
SALT RIVER BASE AND MERIDIAN,
PINAL COUNTY, ARIZONA.

Exhibit B

SAMPLE ACCEPTANCE OF EXPANDED AND AMENDED FRANCHISE

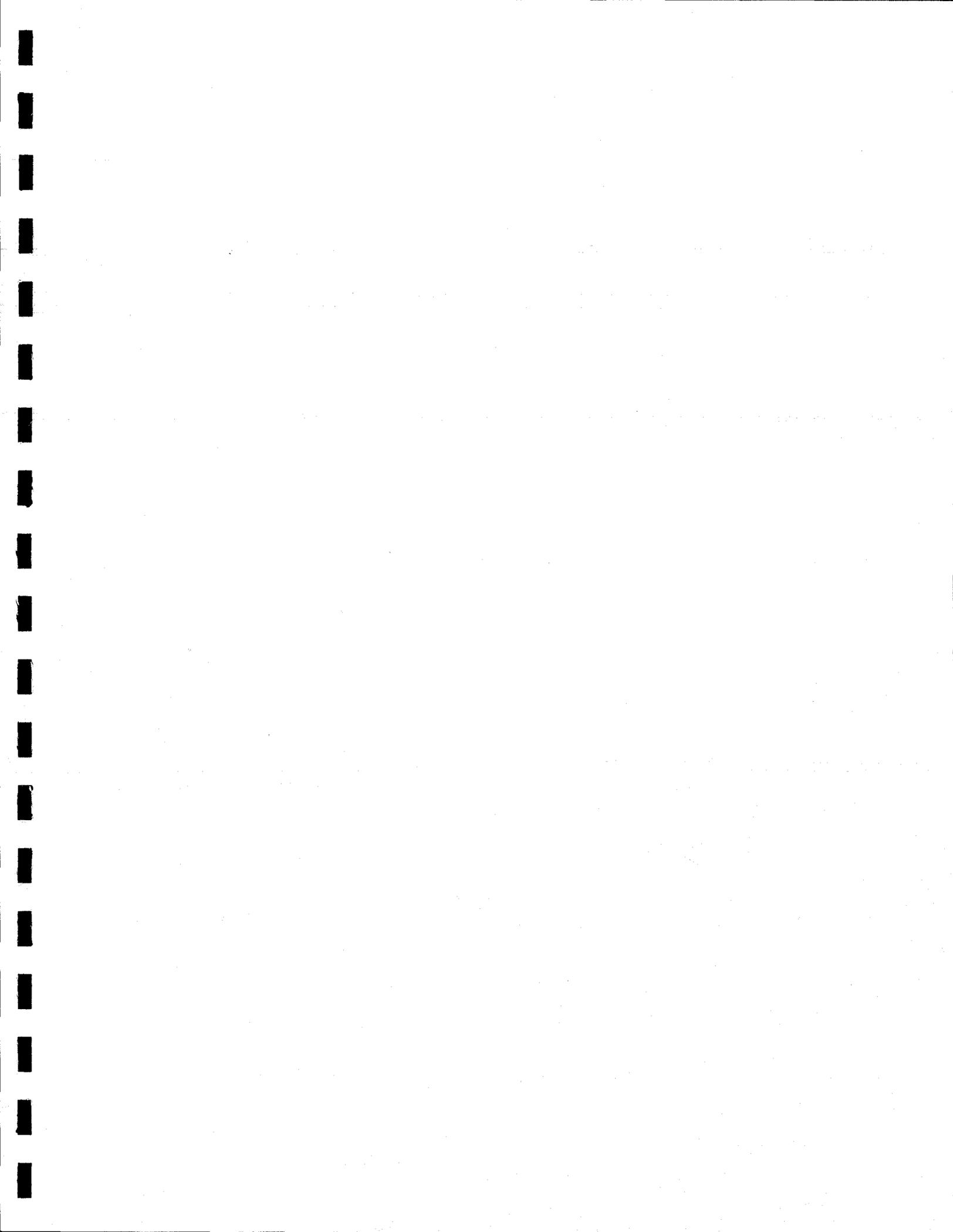
To: Board of Supervisors Pinal County, Arizona

Grantee, Arizona Utility Supply & Services, LLC, a(n) Arizona corporation, does hereby accept the May 9th, 2001 grant of an First Amended Franchise from Pinal County, Arizona, to construct, operate, and maintain Sewer lines and related fixtures along, under and across present and future public streets, alleys and highways, except state highways, within the unincorporated area of Pinal County, Arizona, as described in the Application, which is made a part hereof.

Grantee unconditionally accepts the franchise and covenants to faithfully comply with, abide by, to observe and perform all the provisions, terms and conditions of the First Amended Franchise. Grantee accepts such provisions, terms and conditions and expressly waives any and all objections to the reasonableness or legality of any provisions of the same or any part thereof, or as to the legal right or authority of the County of Pinal to impose the same.

Grantee declares that the statements and recitals in said First Amended Franchise are correct, and Grantee declares it has made and does make the agreement, statements and admissions in said First Amended Franchise recited to have been or to be made by Grantee.

AZ Utility First E&A



1 BEFORE THE ARIZONA CORPORATION COMMISSION

2 WILLIAM A. MUNDELL
3 Chairman

4 JIM IRVIN
5 Commissioner

6 MARC SPITZER
7 Commissioner

8 APPLICATION OF ARIZONA UTILITY
9 SUPPLY & SERVICES, LLC, FOR A
10 CERTIFICATE OF CONVENIENCE AND
11 NECESSITY TO PROVIDE SEWER SERVICE
12 TO PORTIONS OF PINAL COUNTY,
13 ARIZONA.

DOCKET SW-04002A-01-0228

14 IN THE MATTER OF THE APPLICATION OF
15 JOHNSON UTILITIES, L.L.C., DBA JOHNSON
16 UTILITIES COMPANY, FOR AN EXTENSION
17 OF ITS CERTIFICATE OF CONVENIENCE
18 AND NECESSITY TO PROVIDE WATER AND
19 WASTEWATER SERVICE TO THE PUBLIC
20 IN THE DESCRIBED AREA IN PINAL
21 COUNTY, ARIZONA.

DOCKET WS-02987A-01-0295

22 REQUEST FOR EXTENSION OF
23 TIME TO COMPLY WITH RE-
24 QUIREMENTS OF DECISION
25 NO. 64288

26 (EXPEDITED ACTION
REQUESTED)

27 On December 28, 2001, the Arizona Corporation Commission issued Decision No. 64288
28 granting a certificate of convenience and necessity to Arizona Utility Supply & Services, LLC
29 (“AZUSS”) to provide sewer service in Pinal County, Arizona. In that Decision, AZUSS was
30 required to satisfy certain conditions set forth in Findings of Fact (“FOF”) Nos. 77, 78, 82 and 83.
31 AZUSS has complied with certain of those conditions, but requests a limited extension to comply
32 with other of the conditions. A brief review of AZUSS’ compliance with these various conditions
33 is set forth below.

Snell & Wilmer
L.L.P.
LAW OFFICES
One Arizona Center, 400 E. Van Buren
Phoenix, Arizona 85004-2202
(602) 382-6000

1 Finding of Fact No. 77. On January 24, 2002, AZUSS filed copies of its Pinal County
2 sewer franchises with Docket Control in compliance with one of the conditions contained in FOF
3 77.¹ On February 22, 2002, AZUSS submitted copies of a February 15, 2002 letter from Michael
4 J. Traubert of the Arizona Department of Environmental Quality (Compliance Section, Water
5 Quality Division) to Maurice Lee of AZUSS evidencing that AZUSS has satisfied another of the
6 conditions contained in FOF 77 regarding approval under Section 208 of the federal Clean Water
7 Act. Thus, AZUSS has complied with two of the conditions in FOF 77, and the remaining three
8 conditions in FOF 77 have compliance deadlines ranging from one to five years in the future.

9
10 Finding of Fact No. 78. In its January 24, 2002 filing to the Commission, AZUSS
11 submitted copies of its sewer tariff in full compliance with FOF 78. AZUSS is awaiting
12 confirmation from the Commission's Utilities Division Staff that the tariff is acceptable in the
13 form submitted.

14
15 Finding of Fact No. 82. In its February 22, 2002 filing to the Commission, AZUSS
16 submitted copies of its check no. 11041 in the amount of \$183,467.00 made payable to Madison
17 Diversified, which refunds all amounts previously received from Madison by AZUSS. This
18 refund by AZUSS fully satisfies the condition contained in FOF 82.

19 Finding of Fact No. 83. Pursuant to FOF 83, AZUSS is required to file documentation
20 which establishes that it has acquired all of the Ocotillo Links wastewater treatment system assets
21 from the Ocotillo Homeowners' Association (or related parties) (collectively, the "Association")
22 within 60 days of the date of Decision No. 64288, or February 26, 2002. Further, AZUSS is
23

24
25 ¹The original franchise was issued March 21, 2001, and recorded with the Pinal County Recorder
26 as No. 2001-016379. The franchise was subsequently amended on May 9, 2001, and recorded with
the Pinal County Recorder as No. 2001-021507.

1 required to file the same information for the Cambria wastewater treatment system assets once
2 those assets have been acquired from the current owner, Woodside Homes. On February 22,
3 2002, AZUSS filed with the Commission copies of a Bill of Sale dated February 21, 2002
4 evidencing the transfer of the Ocotillo Links wastewater treatment system assets from the
5 Association to AZUSS. However, AZUSS is still working with the Association on a lease of the
6 land upon which the Ocotillo Links wastewater treatment system is located, as well as necessary
7 utility easements across portions of other lands owned by the Association. Thus, AZUSS
8 requests and extension of 90 days to complete the land lease and easement agreement with the
9 Association. In addition, AZUSS has not had sufficient time to complete negotiations with
10 Woodside Homes regarding the transfer of the Cambria wastewater treatment system assets and
11 real property to AZUSS. Thus, AZUSS hereby requests an extension of 90 days to complete the
12 acquisition of the Cambria assets and real property.
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14

15 RESPECTFULLY submitted this 22nd day of February, 2002.

16 SNELL & WILMER

17 

18 Jeffrey W. Crockett, Esq.
19 Thomas L. Mumaw, Esq.
20 One Arizona Center
21 Phoenix, Arizona 85004-2202
22 Attorney for Arizona Utility Supply &
23 Services, LLC
24
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26

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Phoenix, Arizona 85004-2202
(602) 382-6000

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that on this 22nd day of February, 2002, I caused the original and 10
3 copies of the foregoing document to be filed with:

4 Docket Control
5 Arizona Corporation Commission
6 1200 West Washington Street
7 Phoenix, Arizona 85007

8 Copies of the foregoing were hand-delivered
9 this 22nd day of February, 2002, to:

10 Marc E. Stern
11 Administrative Law Judge
12 ARIZONA CORPORATION COMMISSION
13 1200 West Washington Street
14 Phoenix, Arizona 85007

15 Janice Alward, Staff Attorney
16 Legal Division
17 ARIZONA CORPORATION COMMISSION
18 1200 West Washington Street
19 Phoenix, Arizona 85007

20 Jim Fisher, Utilities Division
21 ARIZONA CORPORATION COMMISSION
22 1200 West Washington Street
23 Phoenix, Arizona 85007

24 Barb Wells, Engineering
25 ARIZONA CORPORATION COMMISSION
26 1200 West Washington Street
Phoenix, Arizona 85007

A copy of the foregoing was mailed
this 22nd day of February, 2002, to:

Thomas H. Campbell, Esq.
Michael Denby, Esq.
Michael Hallam, Esq.
LEWIS & ROCA
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Attorneys for Johnson Utilities Company



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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
DOCUMENT CONTROL

1 WILLIAM A. MUNDELL
2 Chairman

3 JIM IRVIN
4 Commissioner

5 MARC SPITZER
6 Commissioner

7 APPLICATION OF ARIZONA UTILITY
8 SUPPLY & SERVICES, LLC, FOR A
9 CERTIFICATE OF CONVENIENCE AND
10 NECESSITY TO PROVIDE SEWER SERVICE
11 TO PORTIONS OF PINAL COUNTY,
12 ARIZONA.

DOCKET SW-04002A-01-0228

13 IN THE MATTER OF THE APPLICATION OF
14 JOHNSON UTILITIES, L.L.C., DBA JOHNSON
15 UTILITIES COMPANY, FOR AN EXTENSION
16 OF ITS CERTIFICATE OF CONVENIENCE
17 AND NECESSITY TO PROVIDE WATER AND
18 WASTEWATER SERVICE TO THE PUBLIC
19 IN THE DESCRIBED AREA IN PINAL
20 COUNTY, ARIZONA.

DOCKET WS-02987A-01-0295

MODIFICATION OF REQUEST
FOR EXTENSION OF TIME TO
COMPLY WITH REQUIRE-
MENTS OF DECISION 64288

(EXPEDITED ACTION
REQUESTED)

21 On February 22, 2002, Arizona Utility Supply & Services, LLC ("AZUSS") filed a
22 Request for Extension of Time to Comply with certain Requirements of Decision No. 64288.
23 Specifically, AZUSS sought a 90-day extension of the deadline for complying with certain of the
24 conditions contained in Finding of Fact ("FOF") No. 83. The purpose of this filing is to modify
25 the prior request with regard to one condition contained in FOF 83: the requirement that AZUSS
26 file documentation that the property on which the Ocotillo Links wastewater treatment plant is
located has been transferred to AZUSS. With regard to this one condition, AZUSS seeks an
extension of two years.

Snell & Wilmer

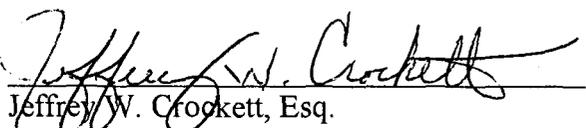
L.L.P.
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In a filing to the Commission's Docket Control on February 22, 2002, AZUSS submitted a copy of a Bill of Sale dated February 21, 2002, evidencing the transfer of the Ocotillo Links wastewater treatment system assets from the Ocotillo Links Homeowners' Association (the "Association") to AZUSS. Pursuant to its agreement with the Association, AZUSS has two years to relocate the Ocotillo Links wastewater treatment plant from the current location, which is owned by the Association, to a new location. Thus, within the next two years, AZUSS will relocate the wastewater treatment plant to property which will be acquired by AZUSS. AZUSS will provide evidence of its ownership of this new property to the Commission upon acquisition, which must occur before the Ocotillo Links wastewater treatment system is moved. For this reason, AZUSS requests a two-year extension of the deadline in FOF 83 for acquiring the property upon which the Ocotillo Links wastewater treatment system is located. The remainder of the request for extension as set forth in AZUSS' February 22, 2002, filing stays the same.

RESPECTFULLY submitted this 25th day of February, 2002.

SNELL & WILMER



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CERTIFICATE OF SERVICE

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I hereby certify that on this 25th day of February, 2002, I caused the original and 12 copies of the foregoing document to be filed with:

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

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