

ORIGINAL



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BRIAN C. McNEIL
Executive Director



COMMISSIONERS
JEFF HATCH-MILLER - Chairman
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES

ARIZONA CORPORATION COMMISSION

DATE: January 31, 2006

DOCKET NO: WS-01303A-05-0315

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Marc E. Stern. The recommendation has been filed in the form of an Opinion and Order on:

**ARIZONA AMERICAN WATER COMPANY
(CC&N EXTENSION/DELETION)**

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00 p.m.** on or before:

FEBRUARY 9, 2006

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for Open Meeting to be held on:

FEBRUARY 14 AND 15, 2006

For more information, you may contact Docket Control at (602)542-3477 or the Hearing Division at (602)542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

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AZ CORP COMMISSION
DOCUMENT CONTROL

BRIAN C. McNEIL
EXECUTIVE DIRECTOR

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 JEFF HATCH-MILLER, Chairman
4 WILLIAM A. MUNDELL
5 MARC SPITZER
6 MIKE GLEASON
7 KRISTIN K. MAYES

8 IN THE MATTER OF THE APPLICATION OF
9 ARIZONA AMERICAN WATER COMPANY, AN
10 ARIZONA CORPORATION, FOR AN
EXTENSION OF, AND DELETION FROM ITS
SERVICE AREA UNDER ITS EXISTING
CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE WASTEWATER
UTILITY SERVICE IN ITS MOHAVE SEWER
DISTRICT.

DOCKET NO. WS-01303A-05-0315

DECISION NO. _____

OPINION AND ORDER

11 DATE OF HEARING: January 10, 2006

12 PLACE OF HEARING: Phoenix, Arizona

13 ADMINISTRATIVE LAW JUDGE: Marc E. Stern

14 APPEARANCES: Mr. Craig Marks, on behalf of Arizona American Water
15 Company/Mohave Sewer District; and

16 Mr. David Ronald, Staff Attorney, Legal Division on
17 behalf of the Utilities Division of the Arizona
Corporation Commission.

18 **BY THE COMMISSION:**

19 On April 29, 2005, Arizona American Water Company ("Arizona American"), on behalf of
20 its Mohave Sewer District ("Company" or "Applicant"), filed an application for an extension of its
21 Certificate of Convenience and Necessity ("Certificate") with the Arizona Corporation Commission
22 ("Commission") to provide public wastewater utility service to various parts of Mohave County,
23 Arizona. The Company also requested the deletion of a small parcel from its certificated service
24 area.

25 On May 25, 2005, the Commission's Utilities Division ("Staff") issued a notice of
26 insufficiency which indicated that the Company's application had not met the sufficiency
27 requirements of A.A.C. R14-2-610(C).

28 On June 21, 2005, pursuant to A.A.C. R14-2-610(C), Staff issued a letter of administrative

1 completeness.

2 On June 24, 2005, pursuant to A.A.C. R14-3-101, the Commission issued a Procedural Order
3 and scheduled a hearing on the application on August 30, 2005.

4 On August 2, 2005, Staff filed its report and recommended that a hearing not take place until
5 eleven unresolved compliance issues which were the result of eight prior Commission Decisions were
6 resolved.

7 On August 30, 2005, a full public hearing was convened before a duly authorized
8 Administrative Law Judge of the Commission at its offices in Phoenix, Arizona. The Company and
9 Staff appeared with counsel. At the outset of the proceeding, Staff's recommendation to delay the
10 hearing was adopted until the outstanding compliance issues were resolved. Although public notice
11 was given on July 8, 2005, no one appeared to make public comment.

12 On September 1, 2005, by Procedural Order, the hearing was continued and the time-frame
13 suspended until a joint stipulation which requested that the hearing be rescheduled was filed by the
14 parties once the compliance issues were satisfied.

15 On November 28, 2005, a joint stipulation was filed by counsel for Applicant and Staff
16 wherein they indicated that the compliance issues were resolved and that the hearing should be
17 rescheduled. The stipulation further indicated that the Company had no other compliance issues with
18 the Commission.

19 On November 30, 2005, by Procedural Order, the hearing was scheduled to resume on
20 January 10, 2006.

21 On January 10, 2006, the hearing was reconvened by the presiding Administrative Law Judge
22 with the Company and Staff present with counsel. Following the presentation of evidence, the matter
23 was taken under advisement pending submission of a Recommended Opinion and Order to the
24 Commission.

25 * * * * *

26 Having considered the entire record herein and being fully advised in the premises, the
27 Commission finds, concludes, and orders that:

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FINDINGS OF FACT

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1. On April 29, 2005, the Company filed an application for an extension of its Certificate in order to provide sewer service to an additional 11 parcels of land consisting of approximately 185 acres or approximately one-quarter of a section located in portions of Mohave County, Arizona, which area is more fully described in Exhibit A attached hereto, and incorporated by reference. The Company also requested that the Commission's approval for the deletion of approximately 20 acres from its Certificate located in various parties of Mohave County, Arizona which area is more fully described in Exhibit B attached hereto, and incorporated by reference.

2. Applicant is a division of Arizona American, an Arizona corporation, which, through its various districts, provides water and wastewater service to approximately 288,000 and 44,300 customers, respectively, in Arizona.

3. Arizona American is a wholly-owned subsidiary of American Water Works, Inc., a subsidiary of RWE AG, a German company.

4. Applicant provides wastewater treatment service to approximately a three and one-half square mile area of southern Bullhead City, Arizona.

5. According to the Staff Report, besides a public right-of-way, approximately 586 residential lots are included in the extension area described in Exhibit A. Of these lots, 127 presently receive wastewater service and 459 will require wastewater service laterals in the future as developers proceed with the development of four larger properties. The lots which presently receive service are adjacent to or contiguous to the Applicant's existing certificated service area. Service was extended to these parcels pursuant to A.R.S. § 40-281(B) and due to the passage of time the Company lacks documentation for the costs and for descriptions of the facilities which were constructed to serve these parcels.

6. Developer owned parcels will receive sewer service under the terms of main extension agreements between the developers and the Company. In the case of wastewater main extension agreements, the Commission's rules do not require their approval by the Commission though copies of a number of them were submitted with this application. According to the Staff Report, the projected costs of the proposed plant facilities to service the four larger parcels is estimated at

1 \$790,452, but these cost projections will not be utilized in any "used and useful" determination for
2 rate making or rate base purposes at this time.

3 7. Applicant has the necessary existing treatment facilities to serve the extension areas
4 included in its application.

5 8. Applicant is in compliance with the requirements of the Arizona Department of
6 Environmental Quality ("ADEQ") for the operation of a wastewater facility.

7 9. The Company is current on the payment of its property taxes and is presently in
8 compliance with all requirements of the Commission in the operation of its various water and
9 wastewater systems in Arizona.

10 10. The Company has previously filed a copy of its franchise for the operation of a
11 wastewater utility which includes the areas described in Exhibit A.

12 11. The Company employs a certified operator approved by ADEQ for the operation of its
13 wastewater system.

14 12. Applicant will charge customers in the extension areas described in Exhibit A its
15 existing rates and charges on file with the Commission.

16 13. The area described in Exhibit B for which the Company is requesting approval for a
17 deletion consists of approximately 20 acres and service to the area will subsequently be provided by
18 the Fort Mohave Tribal Utility Authority ("FMTUA"), which provides wastewater treatment service
19 to large parts of the surrounding area including the Fort Mohave Indian Reservation.

20 14. The area being deleted contains only one customer of the Company, the Camp
21 Mohave Elementary School ("School"), which is served by means of the 4,526 foot Calle Del Media
22 ("CDM") sewer main. The Company has also been providing service under contract to
23 approximately 10 customers of Sunrise Vista Utilities ("SVU") using its CDM main and the FMTUA
24 facilities that provide wastewater treatment.

25 15. According to the application, the FMTUA no longer wishes to provide service for the
26 Company, but will continue to provide service to the School and other customers who are serviced by
27 the CDM main if it is sold to the FMTUA.

28 16. Upon the Commission's approval of the deletion of the area in Exhibit B, the

1 Company is further requesting the Commission's approval for the sale of the CDM main and its
2 right-of-way for \$10,000.

3 17. Applicant will file copies of any permits issued to it by ADEQ if ordered to do so by
4 the Commission.

5 18. Staff is recommending approval of the Company's application for the extension of its
6 Certificate for the areas described in Exhibit A, approval of the deletion of the areas described in
7 Exhibit B and approval of the sale of the CDM main for \$10,000.

8 19. Additionally, Staff is recommending that the Commission condition approval for an
9 extension of the Company's Certificate upon the following:

- 10 • that the Company charge its existing rates and charges for its Mohave
11 Sewer District in the areas described in Exhibit A; and
- 12 • that the Company file, within 365 days of the effective date of this
13 Decision, with the Commission's Docket Control, as a compliance item
14 in this docket, a copy of its Aquifer Protection Permit.

15 20. Staff further recommends that the Commission's Decision approving the extension of
16 the Company's Certificate be null and void after due process if the Company fails to meet the second
17 condition set forth above.

18 21. Under the circumstances herein, we believe that the Company's application should be
19 approved for an extension of its Certificate to include the areas described in Exhibit A and for the
20 deletion from its Certificate of the area described in Exhibit B. We also find the sale of the CDM
21 main to be reasonable.

22 22. We further find that Staff's additional recommendations in Findings of Fact Nos. 19
23 and 20 should be adopted and complied with by the Company.

24 23. Because an allowance for the property tax expense of Applicant is included in the
25 Company's rates and will be collected from its customers, the Commission seeks assurances from the
26 Company that any taxes collected from ratepayers have been remitted to the appropriate taxing
27 authority. It has come to the Commission's attention that a number of companies have been
28 unwilling or unable to fulfill their obligation to pay the taxes that were collected from ratepayers,

1 some for as many as twenty years. It is reasonable, therefore, that as a preventive measure Applicant
 2 should annually file, as part of its annual report, an affidavit with the Utilities Division attesting that
 3 the company is current in paying its property taxes in Arizona.

4 **CONCLUSIONS OF LAW**

5 1. Applicant is a public service corporation within the meaning of Article XV of the
 6 Arizona Constitution and A.R.S. §§ 40-281, 40-282 and 40-285.

7 2. The Commission has jurisdiction over the Company and of the subject matter of the
 8 application.

9 3. Notice of the Company's application as described herein was given the matter
 10 prescribed by law.

11 4. The public convenience and necessity require and the public would benefit by the
 12 issuance to the Company of an extension of its Certificate to provide sewer service to the areas
 13 described in Exhibit A, for the deletion of the area described in Exhibit B, and for the sale of its CDM
 14 main for \$10,000.

15 5. Applicant is a fit and proper entity to provide sewer service and to receive an
 16 extension of its Certificate which encompasses the areas more fully described in Exhibit A.

17 6. The Company's application for the deletion of the area described in Exhibit B should
 18 be approved.

19 7. The Company's application of an extension of its Certificate should be approved
 20 subject to Staff's recommendations and the Company's compliance with Findings of Fact Nos. 19
 21 and 20.

22 **ORDER**

23 IT IS THEREFORE ORDERED that the application of Arizona American Water Company
 24 on behalf of its Mohave Sewer District for an extension of its Certificate of Convenience and
 25 Necessity for the operation of sewage facilities in the areas more fully described in Exhibit A and for
 26 the deletion of the area described in Exhibit B be, and is hereby, approved.

27 IT IS FURTHER ORDERED that the sale of assets as described above by Arizona American
 28 Water Company on behalf of Mohave Sewer District is hereby approved.

1 IT IS FURTHER ORDERED that Arizona American Water Company on behalf of its
2 Mohave Sewer District shall charge those customers in the areas more fully described in Exhibit A its
3 existing rates and charges until further Order by the Commission.

4 IT IS FURTHER ORDERED that the Arizona American Water Company on behalf of its
5 Mohave Sewer District shall file, within 365 days of the effective date of this Decision, with Docket
6 Control, as a compliance item in this docket, a copy of its Aquifer Protection Permit issued to it by
7 the Arizona Department of Environmental Quality to operate a public sewer utility.

8 IT IS FURTHER ORDERED that the Commission's Decision granting this Certificate of
9 Convenience and Necessity to Arizona American Water Company on behalf of its Mohave Sewer
10 District for the areas described in Exhibit A shall be null and void after due process if the Company
11 fails to timely file a copy of its Aquifer Protection Permit.

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1 IT IS FURTHER ORDERED that Arizona American Water Company shall annually file as
2 part of its annual report, an affidavit with the Utilities Division attesting that the Company is current
3 in paying its property taxes in Arizona.

4 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.
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8 CHAIRMAN _____ COMMISSIONER
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12 COMMISSIONER _____ COMMISSIONER _____ COMMISSIONER
13

14 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive
15 Director of the Arizona Corporation Commission, have
16 hereunto set my hand and caused the official seal of the
17 Commission to be affixed at the Capitol, in the City of Phoenix,
18 this ____ day of _____, 2006.

19 _____
20 BRIAN C. McNEIL
21 EXECUTIVE DIRECTOR

22 DISSENT _____
23

24 DISSENT _____
25

26 MES:mj
27
28

1 SERVICE LIST FOR: Arizona American Water Company

2 DOCKET NO.: WS-01303A-05-0315

3 Craig A. Marks
4 19820 N. 7th Street, Ste. 201
Phoenix, AZ 85024

5 Christopher Kempley, Chief Counsel
6 Legal Division
7 ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

8 Ernest Johnson, Director
9 Utilities Division
10 ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

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PARCEL B

ARIZONA-AMERICAN WATER COMPANY - CC&N

That portion of the Northeast Quarter of Section 1, Township 18 North, Range 22 West and a portion of the Southwest Quarter of Section 36, Township 19 North, Range 22 West, Gila & Salt River Meridian, Mohave County, Arizona more particularly described as follows;

Commencing at the Northeast corner of said Section 1, thence South $89^{\circ}58'16''$ West along the North line of said Northeast Quarter 1272.30 feet to a point on the Northwesterly line of Parcel H as shown on the Final Plat of Sun Valley Tract 4064-A recorded on February 27, 1992 at Fee No. 92-10124, records of Mohave County Recorder, said point being the Point of Beginning;

Thence South $56^{\circ}05'50''$ West 468.52 feet;

Thence South $80^{\circ}12'26''$ West 61.20 feet;

Thence South $56^{\circ}05'50''$ West 200.00 feet;

Thence South $33^{\circ}54'10''$ East 35.00 feet;

Thence South $56^{\circ}05'50''$ West 938.16 feet to a point on the East line of Los Lagos Tract 4096-A as shown on the Final Plat of same recorded on August 27, 1991 at Fee No. 91-45903, records of Mohave County Recorder;

Thence North $00^{\circ}00'03''$ East along said East line 936.33 feet;

Thence North $00^{\circ}10'03''$ East 126.26 feet;

Thence South $89^{\circ}59'35''$ East 184.61 feet;

Thence South $00^{\circ}00'25''$ West 95.33 feet;

Thence South $83^{\circ}51'20''$ East 137.45 feet;

Thence North $04^{\circ}55'08''$ West 19.03 feet;

Thence North $72^{\circ}29'31''$ East 181.34 feet to a non-tangent curve, concave Northerly and having a radius of 45.00 feet; a radial to said curve bears North $72^{\circ}29'31''$ East;

Thence Southeasterly along said curve through a central angle of $133^{\circ}04'14''$ an arc distance of 104.51 feet to a non-tangent line;

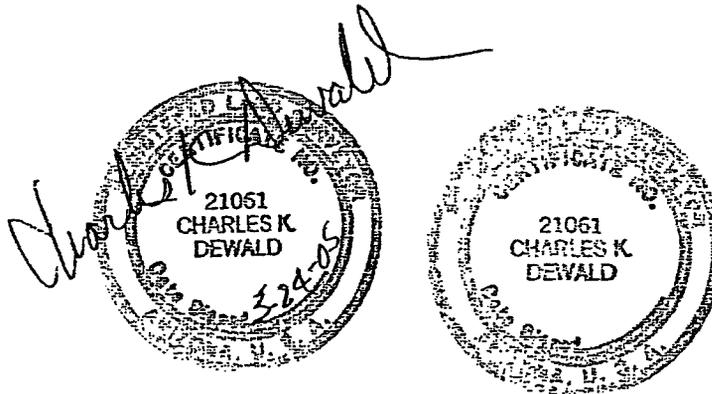
Thence South 60°34'43" East 165.47 feet;
Thence North 66°01'29" East 81.65 feet;
Thence South 33°50'00" East 40.26 feet;
Thence South 89°58'16" East 72.26 feet;
Thence North 33°50'00" West 42.47 feet;
Thence North 56°07'14" East 125.16 feet;

Thence South 33°52'46" East 79.67 feet to a tangent curve concave to the West having a radius of 20.00 feet;

Thence Southerly along said curve through a central angle of 89°59'55" an arc distance of 31.42 feet to a point of compound curvature of a curve having a radius of 1201.14 feet; thence Westerly along said curve through a central angle of 00°59'16" an arc distance of 20.71 feet to a non-tangent line;

Thence South 89°58'16" East 150.90 feet;
Thence North 56°07'14" East 293.63 feet;
Thence South 33°52'46" East 130.06 feet;
Thence South 56°05'50" West 100.14 feet to the Point of Beginning.

Containing a Computed area of 16.64 Acres, plus or minus.



Revised March 24, 2005
June 16, 2003
TEI J.N. 434142-B

EXHIBIT A

Page 2 of 14



DECISION NO. _____

LEGAL DESCRIPTION
ARIZONA-AMERICAN WATER COMPANY – CC&N
BOUNDARY – PARCEL C

That portion of Mohave Mesa Acres Tract No. 1020 recorded on April 9, 1966 at Fee No 5412, records of Mohave County being located in Section 35, Township 19 North, Range 22 West, Gila & Salt River Meridian, Mohave County, Arizona and being more particularly described as follows:

Beginning at the Northeast corner of the Northwest Quarter of said Section 35;
Thence South 89°54'30" West 362.32 feet;
Thence South 00°05'45" East 354.00 feet to the point of beginning;
Thence South 00°05'45" East a distance of 312.00 feet;
Thence South 89°54'30" West 300.00 feet;
Thence North 00°05'45" West 312.00 feet;
Thence North 89°54'30" East 300.00 feet to the point of beginning;

Containing a computed area of 2.15 Acres, plus or minus.

LEGAL DESCRIPTION
ARIZONA-AMERICAN WATER COMPANY – CC&N
PARCEL E

That portion of Section 26, Township 19 North, Range 22 West, Gila & Salt River Meridian, Mohave County, Arizona being more particularly described as follows:

Commencing at the North Quarter corner of said Section 26; thence South 00°01'15" West 42.00 feet to a point on the South right-of-way line of El Rodeo Road.

Thence South 89°59'59" East along said right-of-way line 30.00 feet;
Thence South 00°01'13" West 1811.44 feet to the point of beginning;
Thence South 89°58'47" East 155.00 feet;
Thence South 00°01'13" West 36.04 feet to a tangent curve, concave Easterly having a radius of 25.00 feet;

Thence Southeasterly along said curve through a central angel of 59°27'12" an arc distance of 25.94 feet to a non-tangent line;
Thence South 30°34'00" West 199.30 feet;
Thence South 89°58'50" West 66.00 feet;
Thence North 00°01'11" East 229.26 feet to the point of beginning.

Containing a computed area of 0.67 Acres, plus or minus.

EXHIBIT A

Page 4 of 14

DECISION NO. _____

LEGAL DESCRIPTION
ARIZONA-AMERICAN WATER COMPANY – CC&N
PARCEL F-1

That portion of Section 23, Township 19 North, Range 22 West, Gila & Salt River Meridian, Mohave County, Arizona being more particularly described as follows:

Beginning at the Southeast section corner of said Section 23;
Thence North 00°02'32" East 42.00 feet;
Thence North 89°59'50" West on a line 42.00 feet North of and parallel to the South section line of the said Section 23 a distance of 345.74 feet to the point of beginning;
Thence North 00°00'10" East 618.00 feet;
Thence North 89°59'50" West 630.00 feet;
Thence South 00°00'10" West 618.00 feet;
Thence South 89°59'50" East along a line 42.00 feet North of and parallel with said South section line 630.00 feet to the point of beginning.

Containing a computed area of 8.94 Acres, plus or minus.

LEGAL DESCRIPTION
ARIZONA-AMERICAN WATER COMPANY – CC&N
PARCEL F-2

That portion of Section 23, Township 19 North, Range 22 West, Gila & Salt River Meridian, Mohave County, Arizona being more particularly described as follows:

Beginning at the South Quarter corner of said Section 23;
Thence North 00°00'43" West 42.00 feet;
Thence South 89°59'50" East on a line 42.00 feet North of and parallel to the South section line of said Section 23 a distance 630.47 feet to the point of beginning.
Thence North 00°02'10" East 145.50 feet;
Thence South 89°59'50" East 360.00 feet;
Thence South 00°02'10" West 145.50 feet;
Thence North 89°59'50" West along a line 42.00 feet North of and parallel with said section line 360.00 feet to the point of beginning.

Containing a computed area of 1.20 Acres, plus or minus.

LEGAL DESCRIPTION
ARIZONA-AMERICAN WATER COMPANY – CC&N
PARCEL F-3

That portion of Section 26, Township 19 North, Range 22 West, Gila & Salt River Meridian, Mohave County, Arizona being more particularly described as follows:

Beginning at the North Quarter corner of said Section 26;
Thence South 00°00'43" East 42.00 feet;
Thence South 89°59'50" East on a line 42.00 feet South of and parallel to the North section line of Section 26 a distance of 575.17 feet to the point of beginning;
Thence South 89°59'50" East 85.12 feet;
Thence South 00°00'06" East 95.00 feet;
Thence South 50°31'20" West 173.01 feet;
Thence North 00°00'43" West 20.00 feet;
Thence North 89°59'50" West 7.55 feet;
Thence North 16°49'51" East 193.30 feet to the point of beginning.

Containing a computed area of 0.37 Acres, plus or minus.

parcel 9

LEGAL DESCRIPTION

MAJESTIC HOMES PROPERTY
MOHAVE VALLEY

THAT PORTION OF THE NORTH HALF OF THE WEST HALF OF THE
NORTHWEST QUARTER OF SECTION 36, TOWNSHIP 19 NORTH, RANGE 22
WEST OF THE GILA & SALT RIVER MERIDIAN, MOHAVE COUNTY ARIZONA
DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 36; THENCE,
SOUTHERLY ALONG THE WEST LINE OF SAID SECTION 36, SOUTH 00°07'28"
WEST 41.93 FEET; THENCE, SOUTH 89°52'32" WEST 42.00 FEET TO THE TRUE
POINT OF BEGINNING FOR THIS DESCRIPTION; THENCE, ALONG THE
SOUTHERLY RIGHT-OF-WAY OF JOY LANE 84.00 FEET WIDE

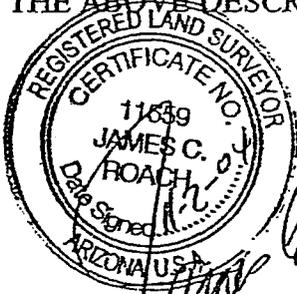
SOUTH 89°56'59" EAST 1282.58 FEET; THENCE,

SOUTH 00°08'06" WEST 1026.33 FEET; THENCE,

NORTH 89°57'42" WEST 1282.39 FEET TO THE EASTERLY RIGHT-OF-WAY OF
MOUNTAINVIEW DRIVE 84.00 FEET WIDE; THENCE, NORTHERLY ALONG
SAID EASTERLY RIGHT-OF-WAY

NORTH 00°07'28" EAST 1026.60 FEET TO THE TRUE POINT OF BEGINNING

THE ABOVE DESCRIBED PARCEL CONTAINS 30.22 ACRES

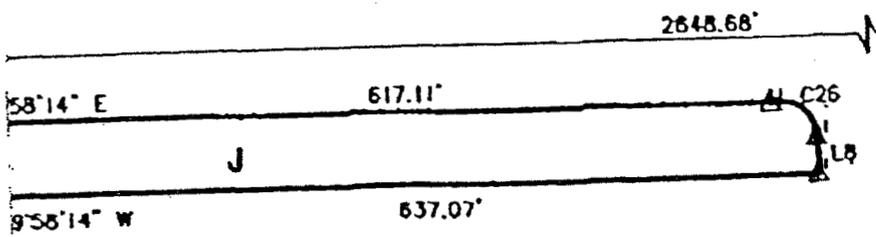


LGLDESC.MAJESTICHOMES.04-412
11/2/04mv

DETAIL A

NO SCALE

CENTER OF SEC. 36, T.19N., R.22W
 FND. 1/2" REBAR W/ PLASTIC CAP
 REGISTRATION NO. OBLITERATED



*Desert Lakes
 415Z A*

*Parcel
 H
 11*

LAND EASEMENT
 BY ABANDONED
 EXTENSION OF

LEGAL DESCRIPTION:

A PORTION OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 36, TOWNSHIP 19 NORTH, RANGE 22 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MOHAVE COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 36; THENCE S 89°58'14" E ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36 A DISTANCE OF 859.54 FEET; THENCE S 00°01'46" W A DISTANCE OF 35.00 FEET; THENCE S 89°58'14" E PARALLEL TO AND 35.00 FEET SOUTH OF THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36 A DISTANCE OF 617.11 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 20.00 FEET AND A CENTRAL ANGLE OF 90°06'33"; THENCE SOUTHEASTERLY ALONG SAID CURVE A DISTANCE OF 31.45 FEET; THENCE S 00°08'19" W A DISTANCE OF 19.96 FEET TO A POINT LOCATED 75.00 FEET SOUTH OF THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36; THENCE N 89°58'14" W PARALLEL TO AND 75.00 FEET SOUTH OF THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36 A DISTANCE OF 637.07 FEET; THENCE S 00°01'46" W A DISTANCE OF 115.00 FEET; THENCE N 89°58'14" W PARALLEL TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36 A DISTANCE OF 4.08 FEET; THENCE S 00°01'46" W A DISTANCE OF 160.00 FEET; THENCE N 89°58'14" W PARALLEL TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36 A DISTANCE OF 33.00 FEET; THENCE S 00°01'46" W A DISTANCE OF 190.00 FEET; THENCE S 89°58'14" E PARALLEL TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36 A DISTANCE OF 30.00 FEET; THENCE S 00°01'46" W A DISTANCE OF 179.66 FEET; THENCE N 89°58'14" W PARALLEL TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36 A DISTANCE OF 574.06 FEET TO A POINT LOCATED 82.00 FEET EAST OF THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36; THENCE S 00°07'01" W PARALLEL TO AND 82.00 FEET EAST OF THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36 A DISTANCE OF 603.98 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 36; THENCE N 89°58'18" W ALONG THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 36 A DISTANCE OF 82.00 FEET TO A POINT ON THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36; THENCE N 00°07'01" E ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36 A DISTANCE OF 1323.64 FEET TO THE POINT OF BEGINNING.

RYE TABLE

RYE	RADIUS	LENGTH	TANGENT	DELTA
C1	20.00'	31.45'	20.03'	90°05'15"
C2	20.00'	31.39'	19.97'	89°54'45"
C3	20.00'	31.42'	20.00'	90°00'00"
C4	20.00'	31.42'	20.00'	90°00'00"
	20.00'	21.41'	10.91'	27°15'58"

FINISHED FLOOR TABLE

LOT	BASE FLOOD ELEVATION (ADOT DATUM)	MINIMUM FINISHED FLOOR ELEVATION (ADOT DATUM)

LEGAL DESCRIPTION
PARCEL I

That portion of the Southwest Quarter of Section 36, Township 19 North, Range 22 West of the Gila & Salt River Meridian, Mohave County, Arizona, being the boundary of the lands platted and shown on the Final Plat of Desert Lakes Estates, Tract 4152B recorded on February 28, 2000 at Reception No. 2000-10359, Records of Mohave County, Arizona and being more particularly described as follows:

Commencing at the West Quarter corner of said Section 36, thence South $00^{\circ}07'01''$ West 719.66 feet along the West line of said Southwest Quarter, thence leaving said Section line South $89^{\circ}52'59''$ East 82.00 feet to the POINT OF BEGINNING;

East

Thence South $89^{\circ}58'15''$ West 574.66 feet;

Thence North $00^{\circ}01'42''$ East 129.66 feet;

Thence North $89^{\circ}58'14''$ West 30.00 feet;

Thence North $00^{\circ}01'42''$ East 240.00 feet;

Thence South $89^{\circ}58'14''$ East 280.00 feet;

Thence South $00^{\circ}01'42''$ West 190.00 feet;

Thence South $89^{\circ}58'14''$ East 45.00 feet;

Thence South $00^{\circ}01'46''$ West 50.00 feet to a non-tangent curve concave Southeast and having a radius of 20.00 feet, thence Southwesterly along said curve through a central angle of $90^{\circ}00'00''$ an arc distance of 31.42 feet to a point of tangency;

Thence South $00^{\circ}01'46''$ West 219.31 feet to a tangent curve concave to the Northeast and having a radius of 20.00 feet;

Thence Southeasterly along said curve through a central angle of $90^{\circ}00'02''$ an arc distance of 31.42 feet to a non-tangent line;

Thence South $00^{\circ}01'46''$ West 50.00 feet to a non-tangent curve concave to the Southeast and having a radius of 20.00 feet;

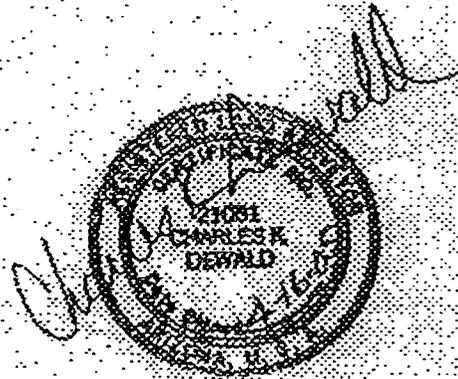
Thence Southwesterly along said curve through a central angle of $89^{\circ}59'58''$ an arc distance of 31.42 feet to a point of tangency;

Thence South $00^{\circ}01'46''$ West 109.66 feet;

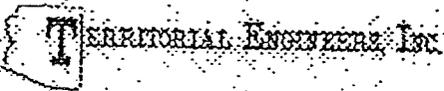
 TERRITORIAL ENGINEERS, INC.

Thence North $89^{\circ}58'17''$ West 334.99 feet;
Thence South $00^{\circ}01'42''$ West 129.66 feet;
Thence South $89^{\circ}58'14''$ East 20.00 feet;
Thence South $00^{\circ}01'42''$ West 165.00 feet;
Thence North $89^{\circ}58'14''$ West 535.00 feet;
Thence North $00^{\circ}07'01''$ East 603.93 feet to the POINT OF BEGINNING.

Containing a computed area of 12.03 Acres plus or minus.



REV: APRIL 21, 2005
April 16, 2005
434142/43414SK8



A PORTION OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 36, TOWNSHIP 19 NORTH, RANGE 22 WEST OF THE GILA & SALT RIVER MERIDIAN, MOHAVE COUNTY, ARIZONA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 36, THENCE SOUTH 89°58'14" EAST ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER DISTANCE OF 662.04 FEET (659.54 FEET RECORD PER TRACT 4152A) TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID NORTH LINE SOUTH 89°58'14" EAST 917.21 FEET; THENCE LEAVING SAID NORTH LINE SOUTH 00°08'19" WEST 260.00 FEET; THENCE SOUTH 00°01'46" WEST 50.00 FEET; THENCE NORTH 89°58'14" WEST 15.09 FEET; THENCE SOUTH 00°08'19" WEST 115.00 FEET; THENCE NORTH 89°58'14" WEST 70.00 FEET; THENCE SOUTH 00°08'19" WEST 114.97 FEET; THENCE SOUTH 00°01'46" WEST 50.00 FEET; THENCE NORTH 89°58'14" WEST 49.44 FEET; THENCE SOUTH 00°01'46" WEST 130.00 FEET; THENCE NORTH 89°58'14" WEST 513.82 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF SANDWEDGE WAY AS SHOWN ON THE FINAL PLAT OF DESERT LAKES ESTATES, TRACT 4152B RECORDED ON 2/28/2000 AT FEE NUMBER 2000-10359; THENCE NORTH 00°01'46" EAST 110.00 FEET ALONG SAID EAST RIGHT-OF-WAY LINE TO A POINT OF CURVATURE OF A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 20.00 FEET; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" AN ARC DISTANCE OF 31.42 FEET; THENCE NORTH 00°01'46" EAST 50.00 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF SANDWEDGE LANE AS SHOWN ON SAID FINAL PLAT OF DESERT LAKES ESTATES, TRACT 4152B; THENCE NORTH 89°58'14" WEST 45.00 FEET ALONG SAID NORTHERLY RIGHT-OF-WAY LINE; THENCE NORTH 00°01'42" EAST 190.00 FEET ALONG THE EAST LINE OF LOTS 11 AND 12, BLOCK G OF SAID FINAL PLAT OF DESERT LAKES ESTATES, TRACT 4152B; THENCE NORTH 89°58'14" WEST 247.01 FEET ALONG THE NORTH LINE OF LOTS 10 AND 11, BLOCK G TO THE SOUTHEAST CORNER OF LOT 20, BLOCK G AS SHOWN ON THE FINAL PLAT OF DESERT LAKES ESTATES, TRACT 4152A RECORD ON 11/28/1995 AT FEE NUMBER 95-61870; THENCE NORTH 00°01'46" EAST 160.00 FEET ALONG THE EAST LINE OF SAID LOT 20 TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF SANDTRAP LANE PER SAID FINAL PLAT OF DESERT LAKES ESTATES, TRACT 4152A; THENCE SOUTH 89°58'14" EAST 4.08 FEET ALONG THE SOUTH LINE OF LOT 10, BLOCK H AS SHOWN ON SAID FINAL PLAT TO THE SOUTHEAST CORNER OF SAID LOT 10; THENCE NORTH 00°01'46" EAST 115.00 FEET TO THE NORTHEAST CORNER OF SAID LOT 10, SAID POINT BEING ON THE SOUTH LINE OF PARCEL J OF SAID PLAT; THENCE SOUTH 89°58'14" EAST 637.07 FEET ALONG SAID SOUTH LINE; THENCE NORTH 00°08'19" EAST 19.93 FEET (19.98 FEET RECORD PER TRACT 4152A) TO A POINT OF CURVATURE OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 20.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90°06'33" AN ARC DISTANCE OF 31.45 FEET; THENCE NORTH 89°58'14" WEST 617.11 FEET ALONG THE NORTH LINE OF SAID PARCEL J; THENCE NORTH 00°01'46" EAST 35.00 FEET TO THE POINT OF BEGINNING.

CONTAINING A COMPUTED AREA OF 11.627 ACRES MORE OR LESS.

*Desert Lakes
4152C*

Parcel J

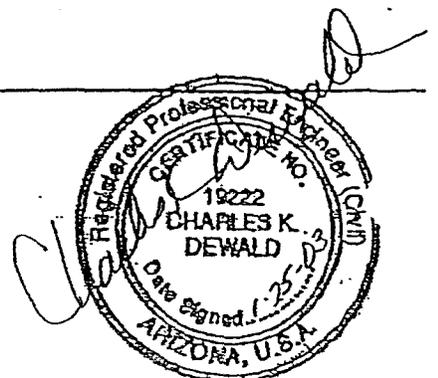


EXHIBIT A

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DECISION NO. _____

DESCRIPTION FOR: EVERGLADE ESTATES

A parcel of land located within the West half of the Northwest quarter of Section 36, Township 19 North, Range 22 West of the Gila and Salt River Meridian, Mohave County, Arizona and being more particularly described as follows:

Commencing at the West One-quarter Section Corner of said Section 36 and running thence, North $00^{\circ}28'31''$ East, along the West Line of said Section 36, a distance of 55.10 feet; thence, South $89^{\circ}31'29''$ East, 42.00 feet to the true POINT OF BEGINNING;

Thence, North $00^{\circ}28'31''$ East, along a line lying 42.00 feet East of and parallel with the West Line of said Section 36, a distance of 1598.61 feet;

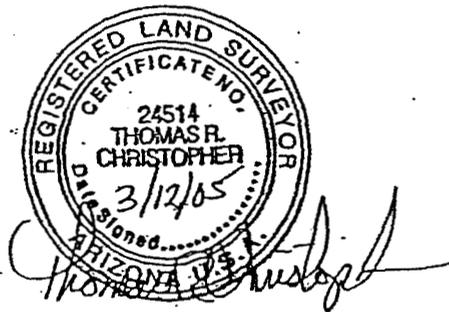
Thence, South $89^{\circ}37'02''$ East, 1282.63 feet to a point on the East boundary of the West half of the Northwest quarter of said Section 36;

Thence, South $00^{\circ}29'31''$ West, along the East boundary of the West half of the Northwest quarter of said Section 36, a distance of 1618.56 feet;

Thence, North $89^{\circ}37'16''$ West, along a line lying 35.00 feet North of and parallel with the South boundary of the West half of the Northwest quarter of said Section 36, a distance of 1262.13 feet to the point of curvature of a tangent curve to the right having a radius of 20.00 feet;

Thence, Northwesterly 31.45 feet, along the arc of said curve through a central angle of $90^{\circ}05'47''$ to the POINT OF BEGINNING.

The parcel of land herein described containing 47.65 acres, more or less.



04-396A.DOC

EXHIBIT A

DECISION NO. _____

DESCRIPTION FOR TWIN PALM ESTATES SUBDIVISION TRACT 4189 A

A parcel of land located within the Southeast quarter of the Northwest quarter of Section 36, Township 19 North, Range 22 West of the Gila and Salt River Meridian, Mohave County, Arizona and being more particularly described as follows:

Commencing at the Northwest Section Corner of said Section 36 and running thence, South $89^{\circ}36'48''$ East, along the North Line of said Section 36, a distance of 1324.93 feet to a point being the Northwest corner of the East half of the Northwest quarter of said Section 36; thence, South $00^{\circ}29'31''$ West, along the West boundary of the East half of the Northwest quarter of said Section 36, a distance of 1720.88 feet to the true POINT OF BEGINNING;

Thence, South $89^{\circ}37'16''$ East, 160.58 feet;

Thence, South $00^{\circ}22'44''$ West, 24.94 feet;

Thence, South $89^{\circ}37'16''$ East, 1054.00 feet;

Thence, South $00^{\circ}22'44''$ West, 12.70 feet;

Thence, South $89^{\circ}37'16''$ East, 109.75 feet to a point on the East boundary of the Northwest quarter of said Section 36;

Thence, South $00^{\circ}30'32''$ West, along last said East boundary, a distance of 818.60 feet to a point on the North Right-of-way boundary of Everglades Boulevard, said point being on a curve concave to the Southeast, the radius point of which bears South $00^{\circ}22'34''$ East, 330.00 feet;

Thence, Southwesterly 111.00 feet, along the arc of said curve through a central angle of $19^{\circ}16'23''$ to the point of tangent of said curve;

Thence, South $71^{\circ}06'11''$ West, 5.83 feet to a point of curvature of a tangent curve to the right having a radius of 260.00 feet;

Thence, Southwesterly 87.47 feet, along the arc of last said curve through a central angle of $19^{\circ}16'33''$ to the point of tangent of last said curve;

Thence, North $89^{\circ}37'16''$ West, along the North boundary of Everglades Boulevard, a distance of 1123.98 feet to a point on the West boundary of the Southeast quarter of the Northwest quarter of said Section 36;

Thence, North $00^{\circ}29'31''$ East along the West boundary of the Southeast quarter of the Northwest quarter of said Section 36, a distance of 891.24 feet to the POINT OF BEGINNING.

The parcel of land herein described containing 26.31 acres, more or less.

TWINPALM.DOC

EXHIBIT A

Page 14 of 14



DECISION NO. _____

**LEGAL DESCRIPTION
OF MOHAVE VALLEY ELEMENTARY SCHOOL**

**LOTS 64 THRU 74 AND LOTS 79 THRU 84 OF RIO HACIENDA SUBDIVISION,
TRACT 1224 BEING PART OF THE SOUTHEAST QUARTER OF SECTION 14
TOWNSHIP 19 NORTH, RANGE 22 WEST, G. & S.R.M. MOHAVE COUNTY,
ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:**

COMMENCING AT THE WEST QUARTER CORNER OF SAID SECTION 14,

THENCE NORTH 89 DEGREES 59 MINUTES 03 SECONDS EAST A DISTANCE OF 2646.75 FEET
TO THE CENTER OF SAID SECTION 14 (FOUND HALF INCH IRON BAR);

THENCE SOUTH 00 DEGREES 05 MINUTES 30 SECONDS WEST ALONG THE NORTH-SOUTH
MID SECTION LINE OF SAID SECTION 14 A DISTANCE OF 1327.00 FEET;

THENCE NORTH 89 DEGREES 59 MINUTES 09 SECONDS EAST A DISTANCE OF 20.06 FEET;

THENCE NORTH 00 DEGREES 00 MINUTES 51 SECONDS WEST A DISTANCE OF 30.00 FEET
TO THE TRUE POINT OF BEGINNING;

THENCE NORTH 89 DEGREES 59 MINUTES 09 SECONDS EAST A DISTANCE OF 770.49 FEET;

THENCE NORTH 00 DEGREES 01 MINUTES 02 SECONDS WEST A DISTANCE OF 229.58;

THENCE NORTH 89 DEGREES 52 MINUTES 50 SECONDS EAST A DISTANCE OF 152.01 FEET;

THENCE NORTH 00 DEGREES 05 MINUTES 26 SECONDS EAST A DISTANCE 509.17 FEET;

THENCE SOUTH 89 DEGREES 57 MINUTES 54 SECONDS WEST A DISTANCE OF 942.06 FEET;

THENCE SOUTH 00 DEGREES 05 MINUTES 30 SECONDS WEST A DISTANCE OF 712.39 FEET
TO A POINT, SAID POINT BEING ON THE ARC OF A CIRCLE FROM WHICH THE CENTER
BEARS SOUTH 89 DEGREES 54 MINUTES 30 SECONDS EAST A DISTANCE OF 20.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID ARC THROUGH A CENTRAL ANGLE OF
90 DEGREES 06 MINUTES 21 SECONDS A DISTANCE OF 31.45 FEET TO THE TRUE POINT
OF BEGINNING.

COMPRISING AN AREA OF 653927.79 SQUARE FEET BEING 15.24 ACRES.

REVISED 4-23-98

