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February 10, 2006

AZ CORP COMMISSION
DOCUMENT CONTROL

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85507

Re: Midvale Telephone Exchange – Notice of Compliance
Docket T-02532A-03-0017
Decision 66510

To Whom it May Concern:

Enclosed are an original notice of compliance, plus 14 copies, to the above referenced Docket and Decision. Please file the original and return a conformed copy to our office in the enclosed self-addressed, stamped envelope.

Thank you for your assistance. Please contact our office with any questions or comments.

Sincerely,

Gary H. Horton, Esq.
Attorney for Midvale Telephone Exchange

Enclosures

Cc: Karen Ellison

PO Box 1538
Cottonwood, Arizona 86326
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10
11 **BEFORE THE ARIZONA CORPORATION COMMISSION**

12 **IN THE MATTER OF THE APPLICATION**
13 **OF MIDVALE TELEPHONE EXCHANGE,**
14 **INC. FOR AUTHORIZATION TO**
15 **PROVIDE FACILITIES-BASED LOCAL**
16 **EXCHANGE SERVICE AND TOLL**
17 **ACCESS TELEPHONE SERVICE TO**
18 **CURRENTLY UNSERVED RESIDENTIAL**
19 **DEVELOPMENTS KNOWN AS**
20 **CROSSROADS RANCH, POQUITO**
21 **VALLEY AND BREEZY PINE.**

DOCKET NO. T-02532A-03-0017

MIDVALE TELEPHONE EXCHANGE,
INC.'S NOTICE OF COMPLIANCE

22 On November 10th, 2003, in Decision 66510, the Commission conditionally approved
23 Midvale Telephone Exchange's ("Midvale") application to add service area to its Millsite
24 Exchange. This filing provides the Commission with notice of Midvale Telephone Exchange's
25 ("Midvale") compliance with the following requirement:

1. Condition: "Approval of Midvale's CC&N expansion [is] conditioned upon Midvale
filing an update to its franchise with Yavapai County, which includes the extension area, within
365 days of the effective date of this Decision." (Decision 67156 at ¶17(a)).

RECORDED ON DATE 12/7/05 TIME 3:42
 IN BOOK 4342 PAGE 383
 ANA WAYMAN-TRUJILLO, RECORDER
Anthony J. Swell DEPUTY

**BEFORE THE BOARD OF SUPERVISORS
 OF
 YAVAPAI COUNTY, ARIZONA**

In the Matter of the Application of)

Midvale Telephone Exchange, Inc.)

FRANCHISE

for a telephone franchise)

WHEREAS **Midvale Telephone Exchange, Inc.** filed its application pursuant to A.R.S. §40-283, for a franchise to construct and/or maintain and operate telephone lines for a period of fifteen (15) years, along, upon, under and across public highways, roads, alleys and thoroughfares (excepting State Highways) within that portion of Yavapai County, Arizona, described as follows:

Midvale Telephone Exchange, Incorporated

Crossroads Subdivisions and Long Meadow Subdivision

Beginning at the southwest corner of Section 35, T16N, R4W of the Gila and Salt River Base and Meridian, Yavapai County, Arizona;
 Thence, North to the northwest corner of Section 26, T16N, R4W;
 Thence, East to the northwest corner of Section 25, T16N, R4W;
 Thence, North to the northwest corner of Section 24, T16N, R4W;
 Thence, East to the northwest corner of Section 19, T16N, R3W;
 Thence, North to the northwest corner of Section 6, T16N, R3W;
 Thence, West to the southwest corner of Section 34, T17N, R4W;
 Thence, North to the northwest corner of Section 22, T17N, R4W;
 Thence, East to the northeast corner of Section 24, T17N, R3W;
 Thence, South to the southeast corner of Section 24, T17N, R3W;
 Thence, West to the southwest corner of Section 24, T17N, R3W;
 Thence, South to the northwest corner of Section 36, T17N, R3W;
 Thence, East to the northeast corner of Section 36, T17N, R3W;
 Thence, South to the southeast corner of Section 36, T17N, R3W;
 Thence, West to the southeast corner of Section 35, T17N, R3W;
 Thence, South to the southeast corner of Section 2, T16N, R3W;
 Thence, West to the southeast corner of Section 3, T16N, R3W;
 Thence, South to the southeast corner of Section 10, T16N, R3W;
 Thence, West to the southeast corner of Section 7, T16N, R3W;

Thence, South to the southeast corner of Section 31, T16N, R3W;
Thence, West to the beginning point being southwest corner of Section 35, T16N, R4W of the Gila and Salt River Base and Meridian, Yavapai County, Arizona.

Poquito Valley Subdivision and Antelope Meadows subdivision

Beginning at the southwest corner of Section 11, T15N, R1W of the Gila and Salt River Base and Meridian, Yavapai County, Arizona;
Thence, North to the northwest corner of Section 35, T16N, R1W;
Thence, East to the northeast corner of Section 35, T16N, R1W;
Thence, South to the southeast corner of Section 11, T15N, R1W;
Thence, West to the beginning point being southwest corner of Section 11, T15N, R1W of the Gila and Salt River Base and Meridian, Yavapai County, Arizona.

Millsite service area described as follows

Beginning at the southwest corner, Section 1, T12N, R2W of the Gila and Salt River Base and Meridian, Yavapai County, Arizona;
Thence, East to the southeast corner, Section 1, T12N, R2W;
Thence, North to the northeast corner, Section 1, T12N, R2W;
Thence, East to the southeast corner of Section 31, T12 ½ N, R1W;
Thence, North to 1760 feet south of the Northern boundary of Section 30, T12 ½ N, R1W;
Thence, West to the western edge of Section 30, T12 1/2 N, R1W, still 1760 feet south of the northern boundary;
Thence, North to the northeast corner of Section 25, T12 ½ N, R2W;
Thence, West to the northwest corner of Section 25, T12 1/2N, R2W;
Thence, South to the point of beginning at the southwest corner, Section 1, T12N, R2W of the Gila and Salt River Meridian, Yavapai County, Arizona.

Non-contiguous Henderson Valley service area boundaries described as follows

Beginning at the southeast corner, Section 32, T14N, R2E of the Gila and Salt River Base and Meridian, Yavapai County, Arizona;
Thence, West to the southwest corner, Section 32, T14N, R2E;
Thence, North to the northwest corner, Section 29, T14N, R2E;
Thence, East to the northeast corner, Section 27, T14N, R2E;
Thence, South to the southeast corner, Section 27, T14N, R2E;
Thence, West to the southeast corner, Section 29, T14N, R2E;
Thence, South to the point of the beginning being the southeast corner, Section 32, T14N, R2E of the Gila and Salt River Base and Meridian, Yavapai County, Arizona.

and that said area described in Exhibit A above is not within the limits of any incorporated city or town, and,

WHEREAS, this is the time and place set for hearing of said application and due

and regular notice was given by publication of notice once a week for three consecutive weeks prior to this time of hearing and proof of publication has been filed herein, and

WHEREAS, all protests to granting such application have been considered, the Board of Supervisors of Yavapai County, Arizona, hereby grants to the **Midvale Telephone Exchange, Inc.** the right, privilege, license and franchise to construct, maintain and operate telephone delivery systems for a period of fifteen (15) years from the date hereof, along, upon, under and across the public highways of Yavapai County, Arizona, within the above described area of Yavapai County, which area is not within the limits of any incorporated city or town, upon the following terms and conditions:

RESTRICTIONS AND LIMITATIONS

1. All rights and privileges hereunder are granted under the express condition that the Board of Supervisors shall have the power at any time to impose such additional and further restrictions and limitations and to make such regulations on such highways, roads, thoroughfares, alleys, and public ways as may be deemed best for the public safety, welfare and convenience. No construction of improvements within a County road right-of-way shall be made without a permit from the Yavapai County Engineer first being obtained.

2. Grantor will notify Grantee if Grantor determines that any lines are located at a depth which interferes with road maintenance. Any such lines shall be buried at a sufficient depth upon receipt of notice. In the event that telephone lines must be relocated due to road construction or because of inadequate depth, the Grantee shall bear the cost of such relocation.

3. All rights and privileges hereunder shall be exercised so as to not interfere or conflict with any easements or rights-of-way heretofore granted by said Board of Supervisors and now in force.

4. All equipment and facilities constructed, installed, erected, used and maintained under this franchise shall in all respects be adequate, sufficient and substantial in design and workmanship and shall be so located, erected and maintained so as not to interfere with the free and full use and enjoyment of the public and so not to endanger life or property.

5. All rights and privileges hereunder shall be exercised so as not to interfere or conflict with any easement, either public or private, of whatsoever nature, which has been acquired in or to the proper use of said highways, roads, thoroughfares, alleys and public ways, or any portion thereof.

6. Grantee shall bear all expenses, including damages and compensation to any aggrieved third parties, incurred or expended for the alteration of the course, direction, surface, grade or alignment of any of the said highways, roads,

thoroughfares, alleys, and public ways necessarily made by or for Grantee for the purpose of exercising any right under this franchise, and said Grantee shall indemnify and hold harmless the County of Yavapai and the Board of Supervisors thereof from any and all suits, claims, damages and judgments resulting from injuries to persons or property due to the placing, location and maintenance of equipment and facilities upon, in or under the provisions hereof. Grantee shall maintain its equipment and facilities at its own cost and expense and will make all necessary repairs from time to time as the same may be needed without the necessity of notice from Yavapai County.

7. The Grantee shall be required to secure and maintain in force for the duration of the franchise general comprehensive liability insurance insuring against all damages charged to the County or the Grantee resulting from the installation, development, maintenance or expansion of the Grantee's system, as follows:

(a) Five Hundred Thousand Dollars (\$500,000) for bodily injury or death to any one person with an aggregate limit for any one occurrence of One Million Dollars (\$1,000,000) for bodily injury or death.

(b) Two Hundred Fifty Thousand Dollars (\$250,000) for property damage resulting from any one accident.

(c) Fifty Thousand Dollars (\$50,000) for all other types of liability.

Yavapai County, Arizona, shall be named on the aforesaid policy as a coinsured, or added thereon by endorsement as a named insured. A certificate of insurance as well as a copy of the policy shall be filed with the Public Works Director. The certificate shall provide that if the policy shall be cancelled by the insurance company or the Grantee during the term of the policy, ten (10) days written notice prior to the effective date of such cancellation shall be given the Public Works Director of Yavapai County, Arizona.

8. This franchise shall not be deemed to be exclusive and the Board of Supervisors hereby expressly reserves the right and power from time to time to grant similar franchises and privileges over the same territory and highways, roads, thoroughfares, alleys, and public ways.

9. Grantee certifies that all telephone operations shall be supervised by a duly authorized local operator, whose name, address, and phone number shall be kept in the records of the Public Works Director. Grantee shall notify the Public Works Director of any operator changes.

10. Grantee shall notify the Public Works Director of any assignment of this franchise, including assignee's name, address and phone number.

11. Grantee shall apply for renewal of this franchise not less than sixty (60) days

prior to its expiration. In the event required notice, public hearings and official action cannot be taken prior to expiration due to no fault of Grantee, this franchise shall continue until final action by Grantor has been taken.

12. This franchise is granted upon the express condition subsequent that a Certificate of Convenience and Necessity be procured from the Arizona Corporation Commission within six months from the date of granting of this franchise; and if such Certificate is not granted within six months from said date, then this franchise to be void, otherwise to be in full force and effect for the time herein specified.

Dated: December 5, 2005


Carol Springer, Chairman
Board of Supervisors

ATTEST:


Clerk, Board of Supervisors

ACCEPTANCE OF LICENSE

TO: The Clerk of the Board of Supervisors of Yavapai County

Pursuant to the Order of the Board of Supervisors of Yavapai County dated December 5th, 2005

MIDVALE TELEPHONE EXCHANGE, INC.

hereby accepts the license to construct and/or operate a telephone franchise within the authorized service area and under the terms specified in the license.

Dated this 5th day of December, 2005

This franchise agreement shall expire on: **December 5, 2020**

By *K. Ellison*

Its: *Customer Operations Manager*

STATE OF ARIZONA) Idaho ^{SKB}
) ss.
COUNTY OF YAVAPAI) Washington ^{SKB}

SUBSCRIBED AND SWORN TO before me by *Karen J. Ellison* this
24th day of *October*, 2005.

Glenn K. Bonner
Notary Public
residing at Midvale

My Commission Expires:
4/6/06

