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BEFORE THE ARIZONA CORPORATION COMMISSION

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2007 MAY 11 P 3: 56

AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. W-02450A-06-0253
WATER UTILITY OF GREATER TONOPAH,)
INC., AN ARIZONA CORPORATION, FOR AN)
EXTENSION OF ITS CERTIFICATE OF)
CONVENIENCE AND NECESSITY.)

NOTICE OF FILING

Water Utility of Greater Tonopah, Inc. ("WUGT") provides notice of filing of answers to Staff's questions, which were previously sent to Staff by email.

RESPECTFULLY SUBMITTED this 11th day of May 2007.

ROSHKA DEWULF & PATTEN, PLC

By Timothy J. Sabo

Michael W. Patten
Timothy J. Sabo
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004

Original and 13 copies of the foregoing filed this 11th day of May 2007 with:

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

Arizona Corporation Commission
DOCKETED

MAY 11 2007

DOCKETED BY nr

ROSHKA DEWULF & PATTEN, PLC
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET - SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

1 Copy of the foregoing hand-delivered/mailed
this 11th day of May 2007 to:

2
3 Lyn Farmer, Esq.
4 Chief Administrative Law Judge
5 Hearing Division
6 Arizona Corporation Commission
7 1200 West Washington
8 Phoenix, Arizona 85007

9 Christopher C. Kempley
10 Chief Counsel, Legal Division
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12 1200 West Washington
13 Phoenix, Arizona 85007

14 Ernest G. Johnson, Esq.
15 Director, Utilities Division
16 Arizona Corporation Commission
17 1200 West Washington
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26
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By 

Tim Sabo

From: Robin Bain [Robin.Bain@gwresources.com]
Sent: Wednesday, May 09, 2007 1:04 AM
To: Dorothy Hains
Cc: Linda Jaress; Tim Sabo; Graham Symmonds; Jason Bethke
Subject: RE: WUGT (06-0253)
Attachments: exhibit I Balterra WUGT CC&N app.pdf; Exhibit H Application WUGT Balterra.pdf; Table 5 Preliminary Master Plan Balterra 480 acre WUGT CC&N extension.pdf

Dorothy

Thanks for the opportunity to research this question. Let's see if this addresses it:

1. The water system to serve Balterra as presented in the WUGT extension application of April 14, 2006 was conceptually designed by Jim Condit, the engineer for the Balterra Development owners. The costs presented in Exhibit I, attached, represent costs for the entire development of 1100 acres, not just the extension portion which is only 480 acres. The Phases 1-5 represented in Exhibit H, attached, do not associate directly to years 1-5 precisely.
1. Since Global Water acquired WUGT last June, a preliminary master plan was prepared in January 2007 as a result of specific questions you raised during your review of the CC&N extension application for Balterra. Tables 1 and 2 show edu projections for years 1-5, and buildout, for both the entire 100 acre development and the 480 acre extension area. Our projections are different for years 1-5, but are identical for buildout. We believe our revised projections are more realistic. Tables 4 and 6 identify the infrastructure needs and their associated costs, respectively, for the entire 1100 acre Balterra development. You will note that our infrastructure is to be installed in years 1 and 3, which will serve all the projected customers through year 5, and the rest of the infrastructure will be added after year 5 through buildout.
1. The original application only provided infrastructure costs for the entire 1100 acre development, and showed buildout in 5 years for a total cost of \$11.86 M. Our preliminary master plan of January 2007 (tables 4 and 6) projects a five year infrastructure cost of \$5.7 M, and buildout at \$13.0 M, and the difference is due to a slower absorption rate for the edu projections, the infrastructure needed to service those edus, and perhaps updated unit costs, which we present in Table 5, attached.
1. The January 2007 preliminary master plan also shows the infrastructure needs and costs for just the extension area in Tables 7 and 8. The five year total cost is \$2.54 and the buildout cost is \$5.82 M.

We believe the Preliminary Master Plan better represents the growth projections, the needed infrastructure, and the cost of the infrastructure needed for the extension area, as well as the entire Balterra development.

Please let me know if this addresses your question and what you suggest we docket, if anything, to clarify the application. Thanks!

Robin E. Bain, P.E., DEE

Director of Regulatory Affairs

5/11/2007

Global Water Resources

21410 N. 19th Ave. Suite 201
Phoenix, AZ 85027
623-580-9600
623-217-7202 (cell)
623-518-4013(fax)

From: Dorothy Hains [mailto:DHains@azcc.gov]
Sent: Monday, May 07, 2007 10:08 AM
To: Robin Bain
Cc: Linda Jaress
Subject: RE: WUGT (06-0253)

Rubin, good morning:

Thx but no thx, this is not what I want. I was looking for if any existing water system (that I thought WUGT will expand it) to serve Belterra. It looks like WUGT has to install a complete new system to serve the Belterra. Like we talked in the conference, the design report for phase I development shows the new system is undersized (it is only good to support two-year growth). You can either revise the application (the information on pg 5 and 6 of the application), or revise the design report.

By the way, it is good to see you.

Dorothy
5-7-07

From: Robin Bain [mailto:Robin.Bain@gwresources.com]
Sent: Wednesday, May 02, 2007 12:21 AM
To: Dorothy Hains
Cc: Tim Sabo; Graham Symmonds
Subject: FW: Compliance report (updated) for Garden City (WUGT)

Dorothy

Is this what you were asking about? I am not in the office this week – am in AWPCA conference – I am on the Board and have mega duties at the Conference – let me know which set of questions you can't find our answers to please and I will do my best to find an internet connection and get the answers to you if I in fact have them!

Robin E. Bain, P.E., DEE
Permitting Manager

GLOBAL WATER Resources
21410 N. 19th Ave. Suite 201
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5/11/2007

From: Robin Bain
Sent: Wednesday, April 11, 2007 1:23 PM
To: 'Dorothy Hains'; 'Linda Jaress'
Cc: Graham Symmonds; Susan Armijo; 'Tim Sabo'; 'Jason D. Gellman'
Subject: Compliance report (updated) for Garden City (WUGT)

Susan hit the jackpot and was able to get MCESD to issue this updated report which proves compliance. Let us know if you need anything further.

Robin E. Bain, P.E., DEE
Permitting Manager

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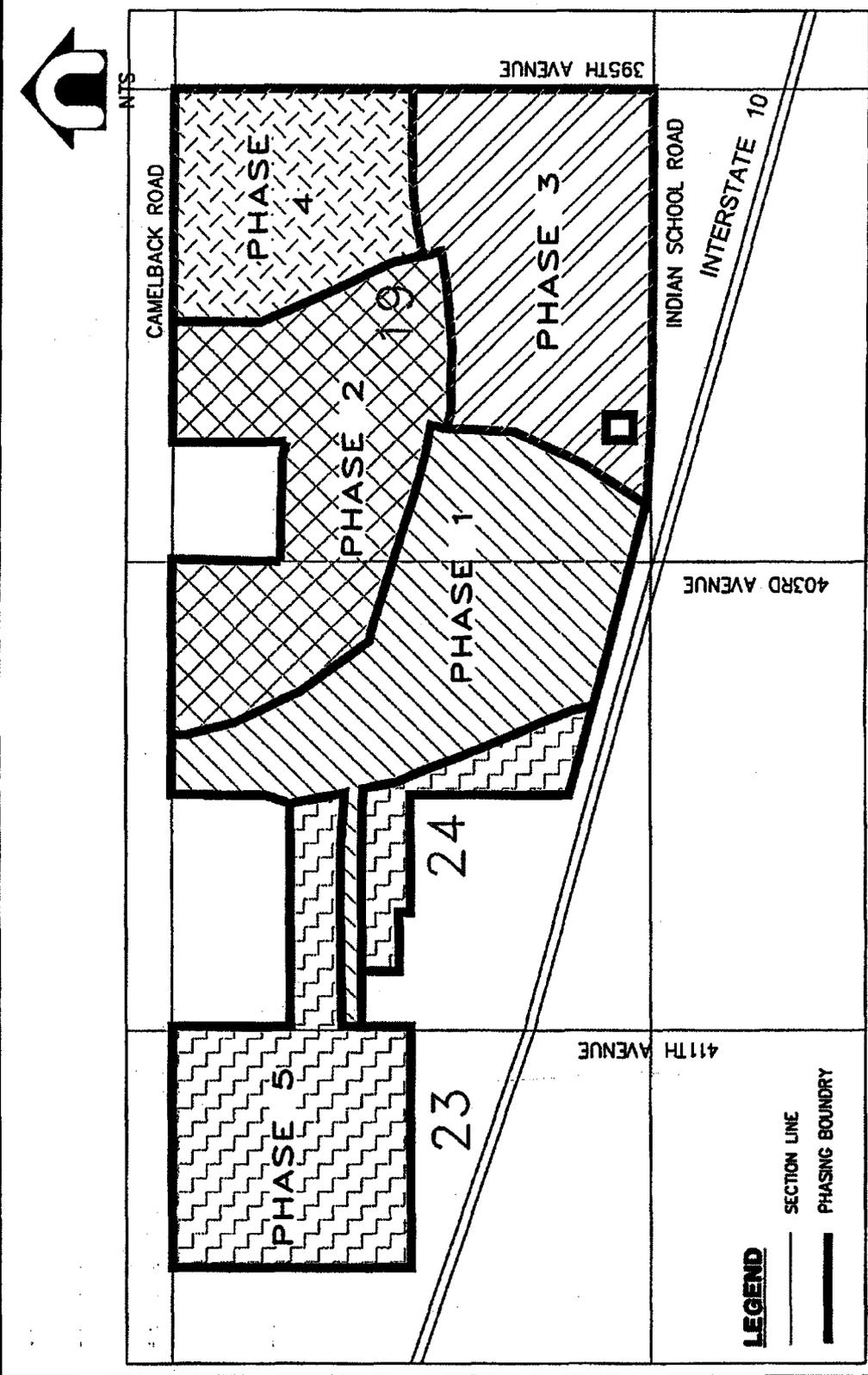
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**Balterra 1,100 Acre Estimated Equivalent Residential DU Demand
and Estimated Water System Cost.**

Calander Yr	Development Yr	% of Buildout	Equivalent Residential DU/Yr	Total Equivalent Residential DU	Water System Cost
2008	Year 1	14%	860	860	\$6,096,034.00
2009	Year 2	24%	1478	2338	\$1,625,859.00
2010	Year 3	19%	1158	3496	\$1,273,846.00
2011	Year 4	11%	693	4189	\$762,328.00
2013	Year 5	31%	1911	6100	\$2,102,176.00
TOTAL		100%			\$11,860,244.00

Prepared by Jim Condit, Engineer for Balterra.

3/20/06
 1/20/06



SCALE: NTS	EXHIBIT 3 BALTERRA (1,100 acres) PHASING EXHIBIT	DAVID EVANS AND ASSOCIATES INC. 2141 East Highland Avenue, Suite 200 Phoenix, Arizona 85016 Phone: 602.678.5151	DRAWN BY: JTE CHECKED BY: UDR DATE: 2/20/06
SHEET 1 of 1 JOB NO.: JF10000007			

Table 5 - Unit Costs		
Description	Unit	Unit Cost
Wells	gpm	\$1,500.00
Storage Reservoirs	gal	\$1.00
Booster Stations	gpm	\$500.00
Arsenic and Fluoride Treatment Systems	gpd	\$1.00
Wastewater Treatment for Arsenic and Fluoride Treatment Systems – Years 1-5 Requirement	EA	\$600,000

Combining Table 4 – Cumulative Infrastructure Requirements for the Entire Balterra Development and Table 5 – Unit Costs produces Table 6 - Infrastructure Costs for the Entire Balterra Development. This cost estimate is representative of the five year planning window. As such, the well and a one million gallon storage reservoirs will be installed during the first year of construction, while expandable systems (treatment and booster stations) will be initially built in year one and expanded in year 3.

Table 6 - Infrastructure Costs for Entire Balterra Development							
1100 Acres							
Description	Year 1	Year 2	Year 3	Year 4	Year 5	Total Years 1-5	Build-out
Wells	\$1,500,000	\$0	\$0	\$0	\$0	\$1,500,000	\$3,000,000.00
Storage Reservoirs	\$782,775	\$0	\$0	\$0	\$0	\$782,775	\$2,805,750.00
Booster Stations	\$1,065,000	\$0	\$377,500	\$0	\$0	\$1,442,500	\$2,592,500.00
Treatment Systems	\$680,400	\$0	\$815,400	\$0	\$0	\$1,495,800	\$3,294,000.00
Treatment System Waste Treatment	\$400,000	\$0	\$200,000	\$0	\$0	\$600,000	\$1,321,299.84
Totals	\$4,428,175	\$0	\$1,392,900	\$0	\$0	\$6,821,075	\$13,013,548.84

As Table 6 –Infrastructure Costs for the Entire Balterra Development presents the costs for the entire 1100 acres, it is necessary to provide similar information for the portion of the 1100 acre Balterra Development that is not currently located within the existing CCN. This analysis is included in Section D. Infrastructure Required to Serve CCN Expansion Area.

D. INFRASTRUCTURE REQUIRED TO SERVE CCN EXPANSION AREA

The infrastructure required to serve the CCN expansion area is provided with the estimated cost sharing for the infrastructure, as determined by land area.

Table 7 – Cumulative Infrastructure Requirements for CCN Expansion Area presents the cumulative infrastructure required for only the CCN expansion area.

Table 7 – Cumulative Infrastructure Requirements for CCN Expansion Area						
Description	Year 1	Year 2	Year 3	Year 4	Year 5	Buildout
Wells (1,000 gpm estimated production)	1	1	1	1	1	1
Storage Requirement (MG)	0.05	0.12	0.20	0.29	0.44	0.96
Booster Station Capacity (gpm)	720	825	929	1,063	1,259	2,263
Treatment System Capacity (gpd) (Avg Day x 1.5)	70,691	183,796	296,902	440,640	652,713	1,437,382