



BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

SEP 27 2007

MIKE GLEASON - Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE

DOCKETED BY [Handwritten initials: nr]

IN THE MATTER OF THE JOINT APPLICATION OF BEARDSLEY WATER COMPANY AND ARIZONA-AMERICAN WATER COMPANY TO REALIGN THEIR CERTIFICATED WATER SERVICE TERRITORIES IN MARICOPA COUNTY.

DOCKET NO. W-02074A-07-0079
DOCKET NO. W-01303A-07-0079

DECISION NO. 69921

OPINION AND ORDER

DATE OF HEARING: April 26, 2007
PLACE OF HEARING: Phoenix, Arizona
ADMINISTRATIVE LAW JUDGE: Yvette B. Kinsey
APPEARANCES: Mr. Stanley B. Lutz, BRYAN CAVE, LLP, on behalf of Beardsley Water Company; Mr. Craig A. Marks, CRAIG A. MARKS, P.L.C., and Mr. Paul Li on behalf of Arizona-American Water Company; and Ms. Robin R. Mitchell, Staff Attorney, Legal Division, on behalf of the Utilities Division of the Arizona Corporation Commission.

BY THE COMMISSION:

On February 2, 2007, Beardsley Water Company ("Beardsley") and Arizona-American Water Company ("Arizona-American") (together, the "Companies"), filed a joint application to realign their certificated water service territories in Maricopa County, Arizona.

On March 2, 2007, the Commission's Utilities Division ("Staff") filed a Sufficiency Letter in this docket indicating that the Companies' application had met the sufficiency requirements as outlined in the Arizona Administrative Code ("A.A.C").

On March 9, 2007, by Procedural Order, the hearing in this matter was scheduled to commence on April 26, 2007.

On March 30, 2007, Staff filed its Staff Report recommending approval of the application,

1 subject to Arizona-American's compliance with Commission Decision No. 68917 (August 29, 2006).

2 On April 13, 2007, the Companies filed a Notice of Filing Affidavit of Publication and
3 Customer Notice.

4 On April 26, 2007, a full public hearing was held as scheduled in this matter. The Companies
5 and Staff appeared through counsel and presented evidence and testimony. At the conclusion of the
6 hearing, the parties were directed to file late filed exhibits on issues raised during the hearing.

7 On May 2, 2007, Arizona-American filed a Notice of Compliance in this docket.

8 On May 31, 2007, Arizona-American filed a Company Compliance Update and a Notice of
9 Filing Amended Agreement and Tariffs.

10 On June 22, 2007, a Procedural Order was issued governing the filing of the parties late-filed
11 exhibits and the time clock was extended accordingly.

12 On July 13, 2007, the Companies filed a Joint Brief in this matter.

13 On July 30, 2007, Staff filed its Reply Brief.

14 * * * * *

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

17 **FINDINGS OF FACT**

18 1. On October 6, 2006, Beardsley, Arizona-American and the City of Surprise ("the
19 City"), entered into an agreement for the realignment of certain services and certificated areas
20 ("Agreement"). The Agreement sets forth certain areas which the entities propose be transferred,
21 extended or deleted from their respective CC&Ns, for purposes of providing water utility service.

22 2. Beardsley, Arizona-American and the City all serve areas in Maricopa County, some
23 of which are contiguous.

24 3. On February 2, 2007, Beardsley and Arizona-American filed a joint application with
25 the Commission for approval to realign their Certificated water service territories in accordance with
26 the Agreement.

27 4. According to Staff, the more precise description for the Companies' application is a
28

1 request for Commission approval for an extension of the CC&Ns of Beardsley and Arizona-
2 American and deletion of a portion of Arizona-American's CC&N.

3 5. The proposed extensions, deletion and transfer areas are more fully described in
4 Exhibit 1, attached hereto and incorporated herein by reference.

5 6. There are neither customers nor utility assets in any of the areas at issue in this docket.

6 7. The Companies' application states that the proposed deletion, extensions and transfers
7 of CC&Ns are necessary to avoid costly or duplicative water production and distribution facilities
8 and to overcome physical barriers to providing service related to various locations in the Certificated
9 areas.

10 8. The Companies provided notice of the application to each of the landowners in the
11 proposed realignment areas and the Companies received no objections to the application. (Tr. Pg. 11,
12 lines 1-15)

13 9. The Companies' application identifies seven parcels of land proposed to be
14 transferred, deleted or extended among the entities and would affect 1005 acres. The affected parcels
15 of land are shown in Exhibit 2, attached hereto and incorporated herein by reference.

16 10. The application proposes to realign the certificated water service territories within
17 western Maricopa County in the general vicinity of the intersection of Grand Avenue (US 60), the
18 Estrella Freeway (Loop 303), and the Beardsley Canal.

19 11. According to Staff's Engineering Report, the proposed realignment will help to avoid
20 the need for construction of expensive pipelines under significant geographic barriers or
21 transportation infrastructure, such as the McMicken Dam Outlet Channel, the Beardsley Canal, Grand
22 Avenue and the railroad tracks.

23 **Proposed Realignment**

24 12. The Companies are seeking approval to:

- 25 a. Delete Parcel A from Arizona-American's Agua Fria Water CC&N;
26 b. Delete Parcel B from Arizona-American's Agua Fria Water CC&N;
27 c. Transfer Parcel C from Arizona-American's Agua Fria Water CC&N to
28 Beardsley's CC&N;

- 1 d. Add Parcel D to Beardsley's CC&N;
2 e. Add Parcel E to Beardsley's CC&N;
3 f. Add Parcel F to Arizona-American's Agua Fria Water CC&N; and
4 g. Transfer Parcel G from Arizona-American's Sun City West CC&N to its Agua
5 Fria CC&N.

6 13. Arizona-American's witness¹ described Parcel A as the largest parcel in the proposed
7 realignment. It is comprised of 571 acres and is almost entirely in the floodplain and owned by the
8 Flood Control District of Maricopa County, with the exception of the Beardsley Canal, which is
9 owned by the Maricopa Water District. (Tr. Pg. 15, lines 23-25 and Tr. Pg. 16, lines 1-2)

10 14. Arizona-American's witness stated that the company does not anticipate there will be
11 any customers in Parcel A because of the nature of the property and requests that it be deleted from
12 Arizona-American's Agua Fria CC&N. (Tr. Pg. 16, lines 1-5)

13 15. The witness described Parcel B as being located north of Grand Avenue and north of
14 the Beardsley Canal and the McMicken Dam outlet channel. Parcel B is comprised of mostly private
15 land, but the majority of the land is in the floodplain and it may eventually have 5-10 commercial
16 customers. (Tr. Pg. 16, lines 6-12) The Companies' application proposes that Parcel B be deleted
17 from Arizona-American's Agua Fria CC&N.

18 16. Parcel C is located on the south side of Grand Avenue and west of the Beardsley
19 Canal and the McMicken Dam outlet channel. (Tr. Pg. 16, lines 13-16) The Companies' application
20 proposes that Parcel C be transferred from Arizona American's Agua Fria CC&N to Beardsley's
21 CC&N.

22 17. Arizona-American's witness testified that most of Parcel C is owned by the Flood
23 Control District, and it is not anticipated that it will be developed, except for a small strip of land
24 along Grand Avenue that is privately owned and may have between one to three commercial
25 customers. (Tr. Pg. 16, lines 18-21)

26 18. Parcel D is comprised of 15.7 acres and the majority of it is privately owned with a
27

28 ¹ Mr. Ray Jones, president of Aricor Water Solutions and consultant for Arizona-American.

1 small portion in the floodplain. The Companies anticipate that there may be one commercial
2 customer in the future and propose that Parcel D be added to Beardsley's CC&N.

3 19. Parcel E is comprised of 40 acres and is currently semi-developed with rural
4 residential housing on 10 to 20 acre home sites. It is anticipated that there may be between 10 to 80
5 customers in this parcel and the Companies propose that it be added to Beardsley's CC&N. (Tr. Pg.
6 18, lines 1-8)

7 20. Parcel F is comprised of 162 acres and is bisected by the Loop 303. The land in Parcel
8 F was purchased by Maricopa County during its efforts to build the Loop 303. Arizona-American's
9 witness testified that it is anticipated that the County will sell the land to private interests and that
10 there may be approximately 10 to 15 commercial customers located in Parcel F. (Tr. Pg. 18, lines 9-
11 22) The Companies' application proposes that Parcel F become a part of Arizona-American's Agua
12 Fria CC&N.

13 21. Parcel G is comprised of 10 acres and is a small triangular section that the Companies
14 are requesting be transferred from Arizona-American's Sun City West CC&N to its Agua Fria water
15 CC&N. The Companies anticipate there may be one commercial customer located in this section.
16 (Tr. Pg. 18, lines 23-25)

17 22. Arizona-American's witness testified that currently there is one development that is
18 on-going in the proposed realignment areas called "Asante". Asante is a master-planned community
19 comprised of 1,500 acres and about 15 to 20 acres of the Asante project is located in Parcel B. (Tr.
20 Pg. 19, lines 12-25)

21 23. The City has entered into an agreement with the developers of Asante to provide water
22 utility service to the community. This application proposes that the 10 to 15 acres located in Parcel B
23 be deleted from Arizona-America's CC&N and that the area be served by the City.

24 Water System

25 24. Beardsley, Arizona-American and the City agree that Parcels C, D & E would be more
26 economically served by the Beardsley water system (PWS# 07-007). PWS# 07-007 has a current
27 well production capacity of 195 gallons per minute ("GPM") and a storage capacity of 150,000
28 gallons. Staff believes that the production and storage amounts for the Beardsley water system are

1 adequate to serve approximately 165 connections.

2 25. Staff concluded that the Beardsley system has sufficient production and storage
3 capacity to adequately serve the current 150 connections and reasonable future growth in Parcels C,
4 D and E.

5 26. Arizona-American and the City agree that Parcel F could be more economically
6 served by Arizona-American's Agua Fria District than by the City of Surprise.

7 27. Arizona-American's witness testified it would be more economically feasible to serve
8 Parcel F with its Agua Fria District rather than its Sun City West Water District because the Sun City
9 West Water District is already built out.

10 28. Staff concluded that Arizona-American's Agua Fria water system's current well
11 production capacity of 28,803 GPM and its storage capacity of 7,210,00 gallons is adequate to serve
12 over 48,600 connections and is adequate to serve its present customer base of 30,740 and reasonable
13 future growth in Parcel F.

14 29. The Maricopa County of Environmental Services Department ("MCESD") reported
15 the Beardsley water system (PWS# 07-007) is in compliance with its monitoring and reporting
16 requirements and is currently delivering water that meets quality standards required by the A.A.C.

17 30. The MCESD reported Arizona-American's Agua Fria water system (PWS# 07-695) is
18 in compliance with its monitoring and reporting requirements and is currently delivering water that
19 meets water quality standards required by the A.A.C.

20 31. On January 23, 2006, the U.S. Environmental Protection Agency ("EPA") reduced the
21 arsenic maximum containment level ("MCL") from 50 parts per billion ("ppb") to 10 ppb.

22 32. All of Beardsley's system wells are in compliance with the new arsenic MCL
23 standard.

24 33. The arsenic treatment facilities for Arizona-American's Agua Fria water system have
25 been completed and are operational. The water system is in compliance with the new arsenic MCL
26 standard.

27 34. Beardsley's and Arizona-American's Agua Fria systems are located within the
28 Arizona Department of Water Resource's Phoenix Active Management Area and the Companies are

1 currently in compliance with its conservation and reporting requirements.

2 35. The Utilities Division compliance database shows there are no delinquencies for the
3 Beardsley water system.

4 36. The Utilities Division compliance database shows Arizona-American has a delinquent
5 compliance item required by Commission Decision No. 68917 (August 29, 2006). Decision No.
6 68917 (August 29, 2006) requires, among other things, that Arizona-American file tariff sheets
7 consistent with the Decision.

8 37. Arizona-American filed a late-filed exhibit stating that it had docketed the updated
9 tariff sheets required by Commission Decision No. 68917 (August 29, 2006), as well as a Notice of
10 filing an amended Water Service Termination Agreement with the City.

11 38. Staff filed a response to Arizona-American's late-filed exhibit stating Arizona-
12 American had met the conditions outlined in Commission Decision No. 68917 (August 29, 2006) and
13 therefore Arizona-American had no outstanding compliance items.

14 39. Arizona-American is in full compliance with Commission Decision No. 68917
15 (August 29, 2006).

16 40. Recent Commission Decisions have required utilities to provide requests for service
17 for a majority of the areas to which the utilities desire to extend their CC&Ns.

18 41. According to Staff, neither Beardsley nor Arizona-American has produced requests for
19 service for the proposed extension areas and Arizona-American has not produced requests from
20 landowners to have their property deleted from Arizona-American's CC&N.

21 42. Staff, however, recommends granting the Companies' application because it is in the
22 public interest that water utility services be provided in an efficient manner, the parties have reached
23 an agreement on the realignment, and the result will be lower costs for current and future customers.

24 43. Mr. Ray Jones testified that this case is different from typical CC&N extension cases.
25 He stated that the realignment was initiated by the utilities and the City, based on their analysis that a
26 better assignment of the territories would benefit landowners in the area and it is better to do the
27 realignment before there are actual customers in the areas. (Tr. Pg. 24, lines 1-6)

28 44. Mr. Jones also stated that there is Commission precedent for allowing this type of

1 realignment. He stated that Arizona-American's predecessor, Citizens Utilities, realigned its
2 southern boundary along with the City of Surprise's service area, so that the realigned areas would
3 follow mile section lines. (Tr. Pg. 25, lines 1-11)²

4 45. The Companies' Joint Brief analogized the facts in this case to those found in
5 Commission Decision No. 60110 (March 19, 1997). In Commission Decision No. 60110 (March 19,
6 1997), the Commission found that the realignment was appropriate based on the following facts:

- 7 a. There was an agreement between the City and Citizens governing the territory
8 exchange.
- 9 b. The City could not serve the area to be added to Citizens' CC&N.
- 10 c. The respective service areas were irregularly configured.
- 11 d. The service area swap would "square their respective service areas and provide
12 for efficient future extensions of service."
- 13 e. No customers objected to the exchange.
- 14 f. Staff supported the territory exchange.

15 46. The Companies' Joint Brief states similar findings can be made in this case. In support
16 of their analogy, the Companies point out there is an agreement between the City, Beardsley, and
17 Arizona-American; the parcels of land that are the subject of this application cannot be economically
18 served by the present providers; the existing service areas are irregularly configured; the realignment
19 will "square off" the existing service territories; there are no present customers in the proposed
20 realignment areas that will be affected; and Staff supports granting the application.

21 47. Staff's Reply Brief pointed out that although recent Commission practice has required
22 that applications for CC&Ns and CC&N extensions be accompanied by request for service, the
23 Commission has deviated from that practice in some instances and recommends approval without
24 requests for service in this matter.³

25 _____
26 ² In Commission Decision No. 60110 (March 19, 1997) the Commission approved a realignment of service areas at the
27 request of Citizens Utilities Company, predecessor to Arizona-American, and the City of Surprise. The Decision deleted a
28 portion of Citizens' CC&N and a portion of the City of Surprise's territory was added to Citizens' CC&N.

³ See *In the Matter of the Application of Johnson Utilities Company*, Docket No. WS-02987A-06-0663. In this matter, the
Commission approved inclusion of a 40 acre section of land where there was no request for service because it would have
been inefficient to leave the section out of the proposed extension area.

1 48. Staff recommends approval of the deletion of Parcels A, B and C from Arizona-
2 American's CC&N.

3 49. Staff recommends approval of the deletion of Parcel G from Arizona-American's Sun
4 City West District CC&N and the addition of Parcel G to Arizona-American's Agua Fria District
5 CC&N.

6 50. Staff recommends approval of the extension of Arizona-American's CC&N into
7 Parcel F.

8 51. Staff recommends approval of the extension of Beardsley's CC&N into Parcels C, D,
9 and E.

10 52. We find that it is in the public interest for water utilities and municipalities to work
11 together to plan how utility service can best be provided to undeveloped areas. The facts in this case
12 are similar to the facts found in the Citizens case. The proposed deletions, extensions and transfers
13 are in the public interest because they are the result of an informed, cooperative effort to allocate
14 resources efficiently and may result in lower costs for future and current customers. Although the
15 Companies' application does not include specific requests for service or requests for deletion from
16 the proposed CC&N realignments in this case, it is more efficient to "square off" the existing CC&Ns
17 because the realignment will make it more efficient for the Companies to serve customers in the
18 future and no landowners are being harmed by the realignment, or oppose it.

19 53. We find Staff's recommendations reasonable and should be adopted.

20 54. Because an allowance for the property tax expense is included in Arizona-American
21 and Beardsley's rates and will be collected from its customers, the Commission seeks assurances
22 from Arizona-American and Beardsley that any taxes collected from ratepayers have been remitted to
23 the appropriate taxing authority. It has come to the Commission's attention that a number of water
24 companies have been unwilling or unable to fulfill their obligation to pay the taxes that were
25 collected from ratepayers, some for as many as twenty years. It is reasonable, therefore, that as a
26 preventive measure Arizona-American and Beardsley shall annually file, as part of their annual
27 reports, an affidavit with the Utilities Division attesting that the company is current in paying its
28 property taxes in Arizona.

1 Company's Agua Fria Water District Certificate of Convenience and Necessity.

2 IT IS FURTHER ORDERED that Arizona-American Water Company's request for an
3 extension of its Certificate of Convenience and Necessity to include Parcel F as described in Exhibit
4 1 and incorporated herein by reference is hereby granted.

5 IT IS FURTHER ORDERED that Beardsley Water Company's request for an extension of its
6 Certificate of Convenience and Necessity to include Parcels C, D, and E as described in Exhibit 1 and
7 incorporated herein by reference is hereby granted.

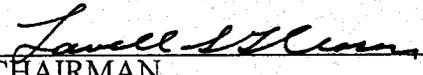
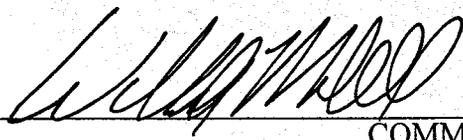
8 IT IS FURTHER ORDERED that in light of the on-going drought conditions in central
9 Arizona and the need to conserve groundwater, Arizona-American Water Company and Beardsley
10 Water Company are prohibited from selling groundwater for the purpose of irrigating any future golf
11 courses within the certificated expansion areas or transfer areas or any ornamental lakes or water
12 features located in the common areas of the proposed new developments within the certificated
13 expansion or transfer areas.

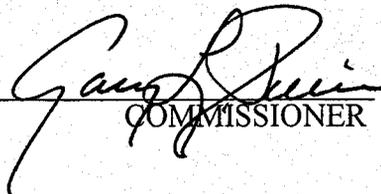
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1 IT IS FURTHER ORDERED that Arizona-American Water Company and Beardsley Water
2 Company shall annually file as part of their annual report, an affidavit with the Utilities Division
3 attesting that they are current on paying their property taxes 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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7  
8 CHAIRMAN COMMISSIONER

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10 COMMISSIONER COMMISSIONER COMMISSIONER

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12 IN WITNESS WHEREOF, I, DEAN S. MILLER, Interim
13 Executive Director of the Arizona Corporation Commission,
14 have hereunto set my hand and caused the official seal of the
15 Commission to be affixed at the Capitol, in the City of Phoenix,
16 this 27th day of Sept., 2007.

17
18 
19 DEAN S. MILLER
20 INTERIM EXECUTIVE DIRECTOR

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22 DISSENT _____

23
24 DISSENT _____
25 YBK:db

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1 SERVICE LIST FOR:

BEARDSLEY WATER COMPANY and ARIZONA-AMERICAN WATER COMPANY

2
3 DOCKET NO.:

W-02074A-07-0079 and W-01303A-07-0079

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5 APRIL 2006
JOB NO. 03101

LEGAL DESCRIPTION
AZ-AM AF ABANDONED CC & N - 1

A PARCEL OF LAND LOCATED WITHIN A PORTION OF THE SOUTHEAST QUARTER OF SECTION 27, A PORTION OF THE SOUTHWEST QUARTER OF SECTION 26, A PORTION OF THE SOUTHEAST QUARTER OF SECTION 26, A PORTION OF THE NORTHEAST QUARTER OF SECTION 26, A PORTION OF THE SOUTHEAST QUARTER OF SECTION 23 AND A PORTION OF THE NORTH HALF OF SECTION 24, TOWNSHIP 4 NORTH, RANGE 2 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTH QUARTER CORNER OF SAID SECTION 27, BEING A BRASS CAP, FROM WHICH THE SOUTHEAST CORNER OF SAID SECTION 27, BEING A BRASS CAP, BEARS SOUTH 89 DEGREES 18 MINUTES 34 SECONDS EAST, A DISTANCE OF 2,635.70 FEET;

THENCE NORTH 00 DEGREES 51 MINUTES 37 SECONDS EAST, ALONG THE NORTH SOUTH MIDSECTION LINE OF SAID SECTION 27, A DISTANCE OF 2,643.99 FEET TO THE CENTER OF SAID SECTION 27;

THENCE SOUTH 89 DEGREES 13 MINUTES 34 SECONDS EAST, DEPARTING THE NORTH SOUTH MIDSECTION LINE AND ALONG THE EAST WEST MIDSECTION LINE OF SAID SECTION 27, A DISTANCE OF 2,642.31 FEET TO THE WEST QUARTER CORNER OF SECTION 26;

THENCE SOUTH 89 DEGREES 17 MINUTES 29 SECONDS EAST, ALONG THE EAST WEST MIDSECTION LINE OF SAID SECTION 26, A DISTANCE OF 2,635.44 FEET TO THE CENTER OF SAID SECTION 26;

THENCE NORTH 00 DEGREES 52 MINUTES 09 SECONDS EAST, DEPARTING THE EAST WEST MIDSECTION LINE OF SAID SECTION 26 AND PROCEEDING ALONG THE NORTH SOUTH MIDSECTION LINE OF SAID SECTION 26, A DISTANCE OF 2,636.47 FEET TO THE SOUTH QUARTER CORNER OF SECTION 23;

THENCE NORTH 00 DEGREES 54 MINUTES 10 SECONDS EAST, ALONG THE NORTH SOUTH MIDSECTION LINE OF SAID SECTION 23, A DISTANCE OF 2,643.32 FEET TO THE CENTER OF SAID SECTION 23;

THENCE SOUTH 89 DEGREES 16 MINUTES 54 SECONDS EAST, DEPARTING SAID NORTH SOUTH MIDSECTION LINE AND PROCEEDING ALONG THE EAST WEST MIDSECTION LINE OF SAID SECTION 23, A DISTANCE OF 2,623.86 FEET TO THE WEST QUARTER CORNER OF SECTION 24;

THENCE NORTH 00 DEGREES 48 MINUTES 04 SECONDS EAST, DEPARTING THE EAST WEST MIDSECTION LINE OF SAID SECTION 23 AND PROCEEDING ALONG THE WEST LINE OF THE NORTHWEST QUARTER OF SECTION 24, A DISTANCE OF 2,639.82 FEET TO THE NORTH WEST CORNER OF SAID SECTION 24;

THENCE SOUTH 89 DEGREES 07 MINUTES 24 SECONDS EAST, DEPARTING THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 24 AND PROCEEDING ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 24, A DISTANCE OF 2,636.35 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 24;

THENCE SOUTH 89 DEGREES 07 MINUTES 27 SECONDS EAST, ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 24, A DISTANCE OF 2,001.02 FEET TO A POINT ON THE NORTH LINE OF THE SUN CITY GRAND CAPITAN SUBDIVISION PER THE FINAL PLAT RECORDED IN BOOK 676, PAGE 34, MARICOPA COUNTY, RECORDERS OFFICE ;

THENCE SOUTH 43 DEGREES 46 MINUTES 27 SECONDS WEST, ALONG THE NORTHWEST LINE OF SAID SUBDIVISION OF THE FINAL PLAT RECORDED IN BOOK 676, PAGE 34, MARICOPA COUNTY, RECORDERS OFFICE, A DISTANCE OF 1435.35 FEET TO A COMMON POINT ON THE NORTHWEST LINE OF SUN CITY GRAND CAPITAN SUBDIVISION PER THE FINAL PLAT RECORDED IN BOOK 676, PAGE 34, MARICOPA COUNTY, RECORDERS OFFICE AND THE SUN CITY GRAND RINCON SUBDIVISION PER THE FINAL PLAT RECORDED IN BOOK 651, PAGE 12, MARICOPA COUNTY, RECORDERS OFFICE;

THENCE CONTINUING SOUTH 43 DEGREES 46 MINUTES 27 SECONDS WEST, ALONG SAID NORTHWEST LINE OF THE SUN CITY GRAND RINCON SUBDIVISION PER THE FINAL PLAT RECORDED IN BOOK 651, PAGE 12, MARICOPA COUNTY, RECORDERS OFFICE, A DISTANCE OF 803.80 FEET TO THE BEGINNING OF A NON TANGENT CURVE CONCAVE NORTHWESTERLY WHOSE RADIUS POINT BEARS NORTH 46 DEGREES 15 MINUTES 14 SECONDS WEST, A DISTANCE OF 1,700.00 FEET;

THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 41 DEGREES 09 MINUTES 49 SECONDS, CONTINUING ALONG THE NORTHWEST LINE OF SAID SUN CITY GRAND RINCON SUBDIVISION PER THE FINAL PLAT RECORDED IN BOOK 651, PAGE 12, MARICOPA COUNTY, RECORDERS OFFICE, A DISTANCE OF 1,221.36 FEET TO A POINT ON A COMMON LINE OF THE SUN CITY GRAND RINCON SUBDIVISION PER THE FINAL PLAT RECORDED IN BOOK 651, PAGE 12, MARICOPA COUNTY, RECORDERS OFFICE AND SUN CITY GRAND ESCALANTE SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 685, PAGE 33, MARICOPA COUNTY RECORDERS OFFICE, SAID POINT ALSO BEING THE CONTINUATION OF A CURVE CONCAVE NORTHERLY, WHOSE RADIUS POINT BEARS NORTH 05 DEGREES 05 MINUTES 25 SECONDS WEST, A DISTANCE OF 1700.00 FEET;

THENCE WESTERLY, CONTINUING ALONG THE ARC OF SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 26 DEGREES 47 MINUTES 49 SECONDS, CONTINUING ALONG THE NORTHWEST LINE OF SAID SUN CITY GRAND ESCALANTE SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 685, PAGE 33, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 795.08 FEET;

THENCE NORTH 68 DEGREES 17 MINUTES 36 SECONDS WEST, ALONG THE NORTHWEST LINE OF SUN CITY GRAND ESCALANTE SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 685, PAGE 33, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 79.59 FEET TO THE BEGINNING OF A NON TANGENT CURVE CONCAVE NORTHWESTERLY WHOSE RADIUS POINT BEARS NORTH 67 DEGREES 10 MINUTES 02 SECONDS WEST, A DISTANCE OF 438.44 FEET;

THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 20 DEGREES 38 MINUTES 35 SECONDS, CONTINUING ALONG THE NORTHWEST LINE OF SAID SUN CITY ESCALANTE SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 685, PAGE 33, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 157.97 FEET;

THENCE SOUTH 43 DEGREES 28 MINUTES 33 SECONDS WEST, CONTINUING ALONG SAID NORTHWEST LINE OF SAID SUN CITY ESCALANTE SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 685, PAGE 33, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 1,058.40 FEET, TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 1,377.98 FEET;

THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 17 DEGREES 01 MINUTES 00 SECONDS, CONTINUING ALONG SAID NORTHWEST LINE, A DISTANCE OF 409.26 FEET;

THENCE SOUTH 26 DEGREES 27 MINUTES 33 SECONDS WEST, CONTINUING ALONG SAID NORTHWEST LINE, A DISTANCE OF 282.40 FEET, TO THE BEGINNING OF A CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 1,967.36 FEET;

THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 01 DEGREES 03 MINUTES 43 SECONDS, CONTINUING ALONG SAID NORTHWEST LINE, A DISTANCE OF 36.46 FEET;

THENCE NORTH 89 DEGREES 11 MINUTES 58 SECONDS WEST, CONTINUING ALONG SAID NORTHWEST LINE, A DISTANCE OF 33.65 FEET, TO THE BEGINNING OF A NON TANGENT CURVE CONCAVE NORTHWESTERLY WHOSE RADIUS POINT BEARS NORTH 62 DEGREES 01 MINUTES 53 SECONDS WEST, A DISTANCE OF 1,937.37 FEET,;

THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 05 DEGREES 13 MINUTES 46 SECONDS, ALONG THE NORTHWEST LINE OF SAID SUN CITY ESCALANTE SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 685, PAGE 33, MARICOPA COUNTY, RECORDERS OFFICE, A DISTANCE OF 176.82 FEET, TO A COMMON POINT OF THE FINAL PLAT OF SUN CITY ESCALANTE SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 685, PAGE 33, MARICOPA COUNTY RECORDERS OFFICE AND THE FINAL PLAT OF SUN CITY GRAND HAVASU PER FINAL PLAT RECORDED IN BOOK 624, PAGE 13, MARICOPA COUNTY, RECORDERS OFFICE, SAID POINT ALSO BEING THE CONTINUATION OF A CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 1,937.37 FEET;

THENCE SOUTHWESTERLY, CONTINUING ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 00 DEGREES 36 MINUTES 50 SECONDS, ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND HAVASU SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 624, PAGE 13, MARICOPA COUNTY, RECORDERS OFFICE, A DISTANCE OF 20.76 FEET;

THENCE SOUTH 33 DEGREES 48 MINUTES 43 SECONDS WEST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND HAVASU SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 624, PAGE 13, MARICOPA COUNTY, RECORDERS OFFICE, A DISTANCE OF 845.75 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 1,662.20 FEET;

THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 15 DEGREES 01 MINUTES 28 SECONDS, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND HAVASU SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 624, PAGE 13, MARICOPA COUNTY, RECORDERS OFFICE, A DISTANCE OF 435.87 FEET;

THENCE SOUTH 48 DEGREES 50 MINUTES 11 SECONDS WEST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND HAVASU SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 624, PAGE 13, MARICOPA COUNTY, RECORDERS OFFICE, A DISTANCE OF 671.84 FEET;

THENCE SOUTH 03 DEGREES 50 MINUTES 11 SECONDS WEST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND HAVASU SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 624, PAGE 13, MARICOPA COUNTY, RECORDERS OFFICE, A DISTANCE OF 42.43 FEET;

THENCE SOUTH 48 DEGREES 50 MINUTES 11 SECONDS WEST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND HAVASU SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 624, PAGE 13, MARICOPA COUNTY, RECORDERS OFFICE, A DISTANCE OF 363.11 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 614.80 FEET;

THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 37 DEGREES 34 MINUTES 51 SECONDS, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND HAVASU SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 624, PAGE 13, MARICOPA COUNTY, RECORDERS OFFICE, A DISTANCE OF 403.25 FEET;

THENCE SOUTH 11 DEGREES 15 MINUTES 20 SECONDS WEST, ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND HAVASU SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 624, PAGE 13, MARICOPA COUNTY, RECORDERS OFFICE, A DISTANCE OF 726.17 FEET TO A COMMON POINT OF SUN CITY GRAND HAVASU SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 624, PAGE 13, MARICOPA COUNTY, RECORDERS OFFICE AND SUN CITY GRAND ESPERANZA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 602, PAGE 33, MARICOPA COUNTY RECORDERS OFFICE;

THENCE CONTINUING, SOUTH 11 DEGREES 15 MINUTES 20 SECONDS WEST, ALONG SAID NORTHWEST LINE OF THE SUN CITY GRAND ESPERANZA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 602, PAGE 33, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 772.49 FEET, TO THE BEGINNING OF CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 1,517.28 FEET;

THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 21 DEGREES 46 MINUTES 50 SECONDS, CONTINUING ALONG SAID NORTHWEST LINE OF THE SUN CITY GRAND ESPERANZA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 602, PAGE 33, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 576.78 FEET, TO A COMMON POINT OF THE SUN CITY GRAND ESPERANZA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 602, PAGE 33, MARICOPA COUNTY RECORDERS OFFICE AND THE SUN CITY GRAND CARLSBAD SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 22, MARICOPA COUNTY RECORDERS OFFICE, SAID POINT ALSO BEING THE CONTINUATION OF A CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 1,517.28 FEET;

THENCE SOUTHWESTERLY, CONTINUING ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 06 DEGREES 20 MINUTES 16 SECONDS, ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND CARLSBAD SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 22, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 167.83 FEET;

THENCE SOUTH 39 DEGREES 22 MINUTES 26 SECONDS WEST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND CARLSBAD SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 22, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 368.97 FEET;

THENCE NORTH 00 DEGREES 52 MINUTES 09 SECONDS EAST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND CARLSBAD SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 22, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 48.19 FEET;

THENCE SOUTH 39 DEGREES 22 MINUTES 26 SECONDS WEST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND CARLSBAD SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 22, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 251.17 FEET, TO THE BEGINNING OF A CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 1,449.95 FEET;

THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 12 DEGREES 49 MINUTES 13 SECONDS, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND CARLSBAD SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 22, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 324.44 FEET TO A COMMON POINT OF THE SUN CITY GRAND CARLSBAD SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 22, MARICOPA COUNTY RECORDERS OFFICE AND THE SUN CITY GRAND SANTA FE SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 589, PAGE 3, MARICOPA COUNTY RECORDERS OFFICE SAID POINT ALSO BEING THE CONTINUATION OF A CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 1,449.95 FEET;

THENCE SOUTHWESTERLY, CONTINUING ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 11 DEGREES 42 MINUTES 17 SECONDS, ALONG THE NORTHWEST LINE OF SUN CITY GRAND SANTA FE SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 589, PAGE 3, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 296.20 FEET;

THENCE SOUTH 63 DEGREES 53 MINUTES 56 SECONDS WEST, CONTINUING ALONG THE NORTHWEST LINE OF SUN CITY GRAND SANTA FE SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 589, PAGE 3, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 778.91 FEET TO A COMMON POINT OF THE SUN CITY GRAND SANTA FE SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 589, PAGE 3, MARICOPA COUNTY RECORDERS OFFICE AND SUN CITY GRAND MISSION SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 589, PAGE 4, MARICOPA COUNTY RECORDERS OFFICE;

THENCE CONTINUING, SOUTH 63 DEGREES 53 MINUTES 56 SECONDS WEST, ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND MISSION SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 589, PAGE 4, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 286.64 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 1,427.23 FEET;

THENCE WESTERLY, ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 24 DEGREES 55 MINUTES 22 SECONDS, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND MISSION SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 589, PAGE 4, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 620.82 FEET;

EXHIBIT 1

Decision No. 69921

THENCE SOUTH 88 DEGREES 49 MINUTES 18 SECONDS WEST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND MISSION SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 589, PAGE 4, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 440.81 FEET TO A COMMON POINT OF THE SUN CITY GRAND MISSION SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 589, PAGE 4, MARICOPA COUNTY RECORDERS OFFICE AND THE SUN CITY GRAND PIMA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 21, MARICOPA COUNTY RECORDERS OFFICE;

THENCE CONTINUING, SOUTH 88 DEGREES 49 MINUTES 18 SECONDS WEST, ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND PIMA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 21, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 205.82 FEET;

THENCE SOUTH 87 DEGREES 59 MINUTES 50 SECONDS WEST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND PIMA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 21, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 159.84 FEET, TO THE BEGINNING OF A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 1,326.52 FEET;

THENCE WESTERLY, ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 33 DEGREES 14 MINUTES 11 SECONDS, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND PIMA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 21, MARICOPA COUNTY RECORDERS OFFICE A DISTANCE OF 769.49 FEET;

THENCE SOUTH 54 DEGREES 45 MINUTES 38 SECONDS WEST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND PIMA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 21, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 679.25 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 647.22 FEET;

THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 25 DEGREES 19 MINUTES 26 SECONDS, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND PIMA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 21, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 286.06 FEET;

THENCE SOUTH 29 DEGREES 26 MINUTES 11 SECONDS WEST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND PIMA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 21, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 6.49 FEET;

THENCE SOUTH 60 DEGREES 33 MINUTES 49 SECONDS EAST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND PIMA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 21, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 41.16 FEET;

EXHIBIT 1

Decision No. 69921

THENCE SOUTH 29 DEGREES 26 MINUTES 11 SECONDS WEST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND PIMA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 21, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 60.00 FEET;

THENCE NORTH 60 DEGREES 33 MINUTES 49 SECONDS WEST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND PIMA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 21, MARICOPA COUNTY RECORDERS OFFICE, A DISTANCE OF 41.16 FEET;

THENCE SOUTH 29 DEGREES 26 MINUTES 11 SECONDS WEST, CONTINUING ALONG THE NORTHWEST LINE OF THE SUN CITY GRAND PIMA SUBDIVISION RECORDED IN BOOK 590, PAGE 21, MARICOPA COUNTY RECORDERS OFFICE A DISTANCE OF 159.63 FEET TO A POINT ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 27;

THENCE NORTH 89 DEGREES 18 MINUTES 34 SECONDS WEST, DEPARTING SAID NORTHWEST LINE OF THE SUN CITY GRAND PIMA SUBDIVISION PER FINAL PLAT RECORDED IN BOOK 590, PAGE 21, MARICOPA COUNTY RECORDERS OFFICE AND PROCEEDING ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 27, A DISTANCE OF 732.84 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED.

CONTAINING 24,888,742.70 SQUARE FEET OR 571.3669 ACRES, MORE OR LESS.





5 APRIL 2006
JOB NO. 03101

LEGAL DESCRIPTION
AZ-AM AF ABANDONED CC & N - 2

A PARCEL OF LAND LOCATED WITHIN A PORTION OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 4 NORTH, RANGE 2 WEST AND A PORTION OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 4 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE WEST QUARTER CORNER OF SECTION 18, BEING A BRASS CAP IN A HANDHOLE, FROM WHICH THE NORTHWEST CORNER OF SAID SECTION 18, BEING A BRASS CAP IN A HANDHOLE, BEARS NORTH 00 DEGREES 45 MINUTES 25 SECONDS EAST, A DISTANCE OF 2,633.99 FEET;

THENCE SOUTH 89 DEGREES 10 MINUTES 30 SECONDS EAST, ALONG THE EAST WEST MIDSECTION LINE OF SAID SECTION 18, A DISTANCE OF 1,907.97 FEET, TO THE CALCULATED CENTER OF SAID SECTION 18;

THENCE SOUTH 00 DEGREES 26 MINUTES 18 SECONDS WEST, DEPARTING SAID EAST WEST MIDSECTION LINE AND PROCEEDING ALONG THE NORTH SOUTH MIDSECTION LINE OF SAID SECTION 18, A DISTANCE OF 668.02 FEET;

THENCE SOUTH 63 DEGREES 41 MINUTES 57 SECONDS WEST, DEPARTING SAID NORTH SOUTH MIDSECTION LINE, A DISTANCE OF 1,897.91 FEET, TO A POINT ON THE NORTHEASTERLY RIGHT OF WAY LINE OF GRAND AVENUE;

THENCE NORTH 46 DEGREES 13 MINUTES 30 SECONDS WEST, ALONG SAID NORTHEASTERLY RIGHT OF WAY LINE, A DISTANCE OF 2,252.18 FEET, TO A POINT ON THE EAST WEST MIDSECTION LINE OF SAID SECTION 13;

THENCE SOUTH 89 DEGREES 07 MINUTES 38 SECONDS EAST, DEPARTING SAID NORTHEASTERLY RIGHT OF WAY LINE AND PROCEEDING ALONG THE EAST WEST MIDSECTION LINE OF SAID SECTION 13, A DISTANCE OF 1,425.16 FEET TO THE POINT OF BEGINNING OF THE PARCEL DESCRIBED HEREIN.

CONTAINING 3,121,427.021 SQUARE FEET OR 71.6581 ACRES, MORE OR LESS.



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5 APRIL 2006
JOB NO. 03101

LEGAL DESCRIPTION
BEARDSLEY TRANSFER FROM
AZ-AM AF

A PARCEL OF LAND LOCATED WITHIN A PORTION OF SECTION 13, TOWNSHIP 4 NORTH, RANGE 2 WEST AND A PORTION OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 4 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE WEST QUARTER CORNER OF SAID SECTION 13, BEING AN ALUMINUM CAP, FROM WHICH THE EAST QUARTER CORNER OF SAID SECTION 13, BEING A BRASS CAP FLUSH, BEARS SOUTH 89 DEGREES 07 MINUTES 38 SECONDS EAST, A DISTANCE OF 5,276.77 FEET;

THENCE SOUTH 89 DEGREES 07 MINUTES 38 SECONDS EAST, ALONG THE EAST WEST MIDSECTION LINE OF SAID SECTION 13, A DISTANCE OF 2,640.67 FEET TO THE POINT OF BEGINNING OF THE PARCEL DESCRIBED HEREIN;

THENCE CONTINUE SOUTH 89 DEGREES 07 MINUTES 38 SECONDS EAST, ALONG SAID EAST WEST MIDSECTION LINE OF SAID SECTION 13, A DISTANCE OF 1,210.95 FEET TO THE NORTHERLY RIGHT OF WAY OF GRAND AVENUE;

THENCE SOUTH 46 DEGREES 13 MINUTES 30 SECONDS EAST, DEPARTING SAID EAST WEST MIDSECTION LINE AND ALONG THE NORTHERLY RIGHT OF WAY LINE OF GRAND AVENUE, A DISTANCE OF 2,306.34 FEET;

THENCE SOUTH 43 DEGREES 42 MINUTES 54 SECONDS WEST, DEPARTING SAID NORTHERLY RIGHT OF WAY OF GRAND AVENUE, A DISTANCE OF 657.60 FEET;

THENCE SOUTH 46 DEGREES 17 MINUTES 00 SECONDS EAST, A DISTANCE OF 75.00 FEET;

THENCE SOUTH 43 DEGREES 33 MINUTES 59 SECONDS WEST, A DISTANCE OF 721.65 FEET, TO A POINT ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 13;

THENCE NORTH 89 DEGREES 07 MINUTES 36 SECONDS WEST, ALONG SAID SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 13, A DISTANCE OF 2,013.88 FEET, TO THE SOUTH QUARTER CORNER OF SAID SECTION 13;

THENCE NORTH 00 DEGREES 45 MINUTES 51 SECONDS EAST, DEPARTING SAID SOUTH SECTION LINE AND PROCEEDING ALONG THE NORTH SOUTH MIDSECTION LINE OF SAID SECTION 13, A DISTANCE OF 2,633.60 FEET, TO THE POINT OF BEGINNING OF THE PARCEL DESCRIBED HEREIN;

CONTAINING 5,838,677.964 SQUARE FEET OR 134.0376 ACRES, MORE OR LESS.





Civil Engineering
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5 APRIL 2006
JOB NO. 03101

LEGAL DESCRIPTION
BEARDSLEY NEW CC & N - 1

A PARCEL OF LAND LOCATED WITHIN A PORTION OF SECTION 13, TOWNSHIP 4 NORTH, RANGE 2 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE WEST QUARTER CORNER OF SAID SECTION 13, BEING AN ALUMINUM CAP, FROM WHICH THE EAST QUARTER CORNER OF SAID SECTION 13, BEING A BRASS CAP FLUSH, BEARS SOUTH 89 DEGREES 07 MINUTES 38 SECONDS EAST, A DISTANCE OF 5,276.77 FEET;

THENCE SOUTH 89 DEGREES 07 MINUTES 38 SECONDS EAST, ALONG THE EAST WEST MIDSECTION LINE OF SAID SECTION 13, A DISTANCE OF 2,640.67 FEET TO THE POINT OF BEGINNING OF THE PARCEL DESCRIBED HEREIN;

THENCE NORTH 00 DEGREES 45 MINUTES 51 SECONDS EAST, DEPARTING SAID EAST WEST MIDSECTION LINE AND PROCEEDING ALONG THE NORTH SOUTH MIDSECTION LINE OF SAID SECTION 13, A DISTANCE OF 1,127.36 FEET, TO A POINT ON THE NORTHERLY RIGHT OF WAY OF GRAND AVENUE;

THENCE SOUTH 46 DEGREES 13 MINUTES 30 SECONDS EAST, DEPARTING SAID NORTH SOUTH MIDSECTION LINE AND PROCEEDING ALONG THE NORTHERLY RIGHT OF WAY OF GRAND AVENUE, A DISTANCE OF 1,656.05 FEET, TO A POINT ON THE EAST WEST MIDSECTION LINE OF SAID SECTION 13;

THENCE NORTH 89 DEGREES 07 MINUTES 38 SECONDS WEST, DEPARTING SAID RIGHT OF WAY OF GRAND AVENUE AND PROCEEDING ALONG THE EAST WEST MIDSECTION LINE OF SAID SECTION 13, A DISTANCE OF 1,210.95 FEET TO THE POINT OF BEGINNING OF THE PARCEL DESCRIBED HEREIN.

CONTAINING 682,583.429 SQUARE FEET OR 15.6700 ACRES, MORE OR LESS.



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5 APRIL 2006
JOB NO. 03101

LEGAL DESCRIPTION
BEARDSLEY NEW CC & N - 2

A PARCEL OF LAND LOCATED WITHIN A PORTION OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 4 NORTH, RANGE 2 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 14.

EXCEPT ALL COAL AND OTHER MINERALS AS RESERVED IN THE PATENT RECORDED IN BOOK 257 OF DEEDS, PAGE 5, OF SAID LAND.

MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH QUARTER CORNER OF SAID SECTION 14, BEING A 2 INCH IRON PIPE, FROM WHICH THE SOUTHEAST CORNER OF SAID SECTION, BEING AN ALUMINUM CAP, BEARS SOUTH 89 DEGREES 17 MINUTES 03 SECONDS EAST, A DISTANCE OF 2619.17 FEET;

THENCE NORTH 89 DEGREES 16 MINUTES 26 SECONDS WEST, ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14, A DISTANCE OF 1,310.02 FEET TO THE POINT OF BEGINNING, OF THE PARCEL DESCRIBED HEREIN;

THENCE CONTINUE NORTH 89 DEGREES 16 MINUTES 26 SECONDS WEST, ALONG SAID SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14, A DISTANCE OF 1,310.02 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 14;

THENCE NORTH 00 DEGREES 06 MINUTES 14 SECONDS EAST, DEPARTING SAID SOUTH LINE AND PROCEEDING ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14, A DISTANCE OF 1,322.98 FEET;

THENCE SOUTH 89 DEGREES 12 MINUTES 23 SECONDS EAST, DEPARTING SAID WEST LINE, A DISTANCE OF 1,313.84 FEET;

THENCE SOUTH 00 DEGREES 16 MINUTES 07 SECONDS WEST, A DISTANCE OF 1,321.39 FEET TO THE POINT OF BEGINNING OF THE PARCEL DESCRIBED HEREIN.

CONTAINING 1,734,531.297 SQUARE FEET OR 39.8194 ACRES, MORE OR LESS.



Civil Engineering
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5 APRIL 2006
JOB NO. 03101

LEGAL DESCRIPTION
AZ-AM AF NEW CC & N

A PARCEL OF LAND LOCATED WITHIN A PORTION OF THE EAST HALF OF SECTION 18, TOWNSHIP 4 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE EAST QUARTER CORNER OF SECTION 18, BEING A BRASS CAP IN A HANDHOLE, FROM WHICH THE NORTHEAST CORNER OF SAID SECTION 18, BEING AN IRON PIPE, BEARS NORTH 00 DEGREES 22 MINUTES 21 SECONDS EAST, A DISTANCE OF 2,638.95 FEET;

THENCE SOUTH 00 DEGREES 21 MINUTES 43 SECONDS WEST, ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 18, A DISTANCE OF 2,639.40 FEET;

THENCE NORTH 89 DEGREES 06 MINUTES 11 SECONDS WEST, ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 18, A DISTANCE OF 2,641.49 FEET, TO THE CALCULATED SOUTH QUARTER CORNER OF SAID SECTION 18;

THENCE NORTH 00 DEGREES 26 MINUTES 18 SECONDS EAST, DEPARTING SAID SOUTH LINE, A DISTANCE OF 1,968.04 FEET, TO A POINT ON THE SOUTHERN BANK OF THE McMICKEN DAM OUTLET CHANNEL;

THENCE NORTH 62 DEGREES 34 MINUTES 38 SECONDS EAST, ALONG SAID SOUTHERN BANK, A DISTANCE OF 2,982.78 FEET, TO A POINT ON THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 18;

THENCE SOUTH 00 DEGREES 22 MINUTES 19 SECONDS WEST, DEPARTING SAID SOUTHERN BANK AND PROCEEDING ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 18, A DISTANCE OF 743.73 FEET, TO THE EAST QUARTER CORNER OF SAID SECTION 18 SAID POINT ALSO BEING THE POINT OF BEGINNING OF THE PARCEL DESCRIBED HEREIN.

CONTAINING 7,062,801.165 SQUARE FEET OR 162.1396 ACRES, MORE OR LESS.



Civil Engineering
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5 APRIL 2006
JOB NO. 03101

LEGAL DESCRIPTION
AZ-AM AF TRANSFER
FROM AZ-AM SCW

A PARCEL OF LAND LOCATED WITHIN A PORTION OF THE NORTH HALF OF SECTION 19, TOWNSHIP 4 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 19, BEING AN IRON PIPE, FROM WHICH THE WEST QUARTER CORNER OF SAID SECTION 19, BEING A BRASS CAP, BEARS SOUTH 00 DEGREES 43 MINUTES 19 SECONDS WEST, A DISTANCE OF 2,630.24 FEET;

THENCE SOUTH 89 DEGREES 06 MINUTES 15 SECONDS EAST, ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 19, A DISTANCE OF 1403.77 FEET TO THE POINT OF BEGINNING OF THE PARCEL DESCRIBED HEREIN;

THENCE CONTINUING SOUTH 89 DEGREES 06 MINUTES 15 SECONDS EAST, ALONG SAID NORTH LINE, A DISTANCE OF 518.90 FEET, TO THE CALCULATED NORTH QUARTER CORNER OF SAID SECTION 19;

THENCE SOUTH 89 DEGREES 06 MINUTES 11 SECONDS EAST, DEPARTING SAID NORTH LINE OF THE NORTHWEST QUARTER AND PROCEEDING ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 19, A DISTANCE OF 816.32 FEET;

THENCE SOUTH 42 DEGREES 57 MINUTES 14 SECONDS WEST, DEPARTING SAID NORTH LINE, A DISTANCE OF 908.70 FEET, TO THE NORTHEASTERLY RIGHT OF WAY OF GRAND AVENUE;

THENCE NORTH 46 DEGREES 13 MINUTES 16 SECONDS WEST, ALONG SAID NORTHEASTERLY RIGHT OF WAY, A DISTANCE OF 991.47 FEET TO THE POINT OF BEGINNING OF THE PARCEL DESCRIBED HEREIN.

CONTAINING 450,428.857 SQUARE FEET OR 10.3404 ACRES, MORE OR LESS.

