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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

2008 JAN 28 P 2:29

Mike Gleason - Chairman  
William A. Mundell  
Jeff Hatch-Miller  
Kristin K. Mayes  
Gary Pierce

AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission  
**DOCKETED**

JAN 28 2008

DOCKETED BY	nr
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IN THE MATTER OF THE APPLICATION  
OF ARIZONA WATER COMPANY, AN  
ARIZONA CORPORATION, TO EXTEND  
ITS EXISTING CERTIFICATE OF  
CONVENIENCE AND NECESSITY AT  
CASA GRANDE, PINAL COUNTY,  
ARIZONA

DOCKET NO. W-01445A-05-0469

REQUEST FOR ADDITIONAL TIME FOR  
COMPLIANCE FILING

Decision No. 68607, which was entered in this docket on March 23, 2006 (the "Decision"), directed Arizona Water Company (the "Company"), the applicant in this docket, to file certain items as a compliance filing within certain time frames provided in the Decision.

The Company is now requesting additional time to file the required compliance items for Parcels 3, 4, 5 and 7 (as designated in the Company's application in this docket, and as designated in the Decision) in compliance with the Decision. In support of its request, the Company respectfully provides as follows:

1. On February 12, 2007, the Company filed all of the compliance items required by the Decision for Parcel 6. A copy of this compliance filing is attached hereto as Attachment 1.
2. A map of the extension area is attached hereto as Attachment 2.

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3. With respect to Parcel 1, the Decision did not contain any post-Decision compliance requirements.

4. With respect to Parcel 2, the Company withdrew its request for expansion of its certificated area to include that Parcel at the December 2005 hearing in this matter.

5. With respect to Parcel 8, the Decision contained an order preliminary, concerning the requirement of a consent, franchise, or permission from the City of Eloy that the Company was unable to satisfy within the year permitted by the Decision.

6. With respect to Parcels 3, 4, 5, and 7 the Company is requesting that the current compliance deadline, March 23, 2008, be extended for an additional two (2) year period, until March 23, 2010. In support of this request the Company submits the following:

a. Letters from the current owners of Parcels 3, 4, 5 and 7, are attached hereto as Attachments 3, 4, 5, 6, 7 and 8 respectively. Attachments 5, 6 and 7 are from the current owners of Parcel 5. As noted in each letter, each owner still plans to develop its property and still needs and desires to receive water service from the Company.

b. The Company is now providing water service to customers in the extension area approved in the Decision. Service to these 77 customers may be adversely affected if the Company's request for an extension of time is not approved.

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In view of the foregoing, the Company respectfully requests that the compliance deadline under the Decision for Parcels 3, 4, 5 and 7 be extended until March 23, 2010.

RESPECTFULLY SUBMITTED this 28<sup>th</sup> day of January 2008.

**ARIZONA WATER COMPANY**

By: Robert W. Geake  
Robert W. Geake  
Vice President and General Counsel  
ARIZONA WATER COMPANY  
Post Office Box 29006  
Phoenix, Arizona 85038-9006

1 Original and thirteen (13) copies of the foregoing filed this 28<sup>th</sup> day of January 2008 with:

2 Docket Control Division  
3 Arizona Corporation Commission  
4 1200 West Washington Street  
5 Phoenix, Arizona 85007

6 A copy of the foregoing was mailed this 28<sup>th</sup> day of January 2008 to:

7 Honorable Lyn A. Farmer  
8 Chief Administrative Law Judge  
9 Hearing Division  
10 Arizona Corporation Commission  
11 1200 West Washington  
12 Phoenix, AZ 85007

13 Christopher Kempley, Chief Counsel  
14 Legal Division  
15 Arizona Corporation Commission  
16 1200 West Washington Street  
17 Phoenix, Arizona 85007

18 Ernest G. Johnson  
19 Director, Utilities Division  
20 Arizona Corporation Commission  
21 1200 West Washington Street  
22 Phoenix, Arizona 85007

23 Brian K. Bozzo  
24 Manager, Compliance and Enforcement  
25 Arizona Corporation Commission  
26 1200 West Washington Street  
27 Phoenix, Arizona 85007

28 Thomas H. Campbell  
Lewis and Roca  
40 N. Central Avenue  
Phoenix, AZ 85004  
Facsimile 602-734-3841  
Attorneys for the City of Eloy

By: 

**ORIGINAL**

BEFORE THE ARIZONA CORPORATION COMMISSION

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**COMMISSIONERS**

2007 FEB 12 P 3: 11

- 3 Jeff Hatch-Miller - Chairman
- 4 William A. Mundell
- 5 Mike Gleason
- 6 Kristin K. Mayes
- 7 Gary Pierce

Arizona Corporation Commission AZ CORP COMMISSION  
**DOCKETED** DOCUMENT CONTROL

FEB 12 2007

DOCKETED BY	nr
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9 IN THE MATTER OF THE APPLICATION  
 10 OF ARIZONA WATER COMPANY, AN  
 11 ARIZONA CORPORATION, TO EXTEND  
 12 ITS EXISTING CERTIFICATE OF  
 13 CONVENIENCE AND NECESSITY AT  
 14 CASA GRANDE, PINAL COUNTY,  
 15 ARIZONA

DOCKET NO. W-01445A-05-0469

**COMPLIANCE FILING**

16 Decision No. 68607, which was entered in this docket on March 23, 2006 (the  
 17 "Decision"), directed Arizona Water Company, the applicant in this docket, to file certain items  
 18 as a compliance filing within certain time frames provided in the Decision.

19 The Company is now filing the following documents relating to Parcel 6 in compliance  
 20 with the Decision:

- 21 1. A Main Extension Agreement dated June 9, 2006 associated with the Martin  
 22 Valley Offsite Infrastructure (Saddle Creek II Development) attached hereto as  
 23 Attachment 1.
- 24 2. A Certificate of Approval to Construct Water Facilities to install off-site facilities  
 25 to serve the Saddle Creek II Development, dated August 17, 2006, and attached  
 26 hereto as Attachment 2.

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3. A Certificate of Assured Water Supply issued by the Arizona Department of Water Resources for the Saddle Creek II Development dated July 26, 2006 and attached hereto as Attachment 3.

RESPECTFULLY SUBMITTED this 12<sup>th</sup> day of February, 2007.

**ARIZONA WATER COMPANY**

By: Robert W. Geake

Robert W. Geake  
Vice President and General Counsel  
ARIZONA WATER COMPANY  
Post Office Box 29006  
Phoenix, Arizona 85038-9006

1 Original and thirteen (13) copies of the foregoing filed this 12<sup>th</sup> day of February 2007  
with:

2  
3 Docket Control Division  
4 Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

5 A copy of the foregoing was mailed this 12th day of February 2007 to:

6 Honorable Amy B. Bjelland  
7 Administrative Law Judge  
8 Hearing Division  
9 Arizona Corporation Commission  
10 1200 West Washington  
11 Phoenix, AZ 85007

12 Christopher Kempley, Chief Counsel  
13 Legal Division  
14 Arizona Corporation Commission  
15 1200 West Washington Street  
Phoenix, Arizona 85007

16 Ernest G. Johnson  
17 Director, Utilities Division  
18 Arizona Corporation Commission  
19 1200 West Washington Street  
Phoenix, Arizona 85007

20 Thomas H. Campbell  
21 Michael T. Hallam  
22 Lewis and Roca  
23 40 N. Central Avenue  
24 Phoenix, AZ 85004  
25 Facsimile 602-734-3841  
26 Attorneys for the City of Eloy

27  
28

By: Robert W. Goble



**AGREEMENT FOR EXTENSION  
OF WATER FACILITIES**

This Addendum to Agreement for Extension of Water Facilities (the "Agreement") is made and entered into as of the 9 day of June, 2006 by and between Arizona Water Company ("Company") and Pulte Homes Corp ("Applicant") for the extension of water service and facilities to serve Martin Valley Offsite Infrastructure (the "Subdivision").

The Agreement is hereby modified and amended by mutual agreement of the parties in the following particulars:

1. Section 1 of the Agreement is revised to read as follows:

Applicant will arrange for and bear the cost of the construction of all the mains, fire hydrants, and services for installation of approximately 8,517 LF of 16" and 120 LF of 12" Ductile Iron Pipe w/related fittings and seven fire hydrants, (collectively, the "Water Facilities") in accordance with plans and specifications reviewed and approved by the Company, and in accordance with the Company's current Construction Specifications & Standard Specification Drawings. Upon final acceptance by the Company, Applicant shall thereafter transfer and convey the Water Facilities to the Company by Bill of Sale, together with a perpetual easement for the maintenance thereof, both documents to be prepared and approved by the Company. Applicant shall furnish any document pertaining to ownership and title as may be requested by Company including documents which evidence or confirm transfer of possession to Company, and good and merchantable title free and clear of liens, or which contain provisions for satisfaction of liens by Applicant. All risk or loss of the water facilities shall be with the Applicant until written acceptance by the Company, or any portions thereof. Applicant shall repair or cause to be repaired promptly, and at no cost to Company, all damage to the Water Facilities caused by Applicant's construction operations until all construction in development for Applicant has been completed. Applicant acknowledges that Company has the right to, and may in the future, connect its existing or future water systems to the Water Facilities.

2. Section 2 of the Agreement is deleted in its entirety.

3. Section 8 of the Agreement is revised to provide that the Applicant shall pay any additional costs incurred as the result of design changes made or caused by any of the persons or entities named therein and shall hold Company harmless therefrom.

4. It is further agreed that the Applicant will advise all contractors asked to bid the construction of the Water Facilities that Applicant will assign to the Company the duty of inspecting the installation of the Water Facilities for compliance with the Company's current Construction Specifications & Standard Specification Drawings, as referenced in Section 1 of this Addendum. If requested by Company, Applicant shall "oversize" the Water Facilities as specified by Company. Company shall reimburse Applicant for the differential in material prices of the oversized pipe and appurtenances, versus the material prices of the pipe and appurtenances as specified by the Company in the approved plans.

The Applicant agrees to require the contractor which will be installing the Water Facilities to arrange for and attend a pre-construction conference with the Company's Division Manager at least two weeks prior to commencing construction of the Water Facilities. Applicant shall obtain from the Company a signed Commencement Notice before construction of the Water Facilities begins. Applicant's contractor shall comply with the Company's inspection and testing requirements for Water Facilities. Applicant shall give Company adequate notice when the Water Facilities are ready for inspection and testing.

The Company specifically reserves the right to withhold final acceptance of the Water Facilities unless said facilities have been constructed in accordance with the approved plans and specifications and are satisfactory to Company upon inspection and testing. Applicant agrees that it will promptly correct all material defects and deficiencies in construction, materials and workmanship upon request by Company made subsequent to inspection by Company and for one year following Company's written final acceptance of the Water Facilities in accordance with the terms of this Agreement.

Applicant hereby assumes the entire responsibility and liability for injury or death of any person, or loss or damage to any property contributed to or caused by the active or passive negligence or willful acts or omissions of Applicant, its agent, servants, employees, contractors or subcontractors in the execution of the work or in connection therewith. Accordingly, Applicant will indemnify and hold harmless the Company, its officers, directors, agents and employees from and against claims or expenses, including penalties and assessments and attorneys' fees to which they or any of them may be subjected by reason of such injury, death, loss, claim, penalty, assessment or damage caused by the active or passive negligence or willful acts or omissions of Applicant, its agents, servants, employees, contractors or subcontractors in the execution of the work or in connection therewith; and in case any suit or other proceeding shall be brought on account thereof, Applicant will assume the defense at Applicant's own expense and will pay all judgements rendered therein. In connection therewith, the Applicant shall maintain in full force and effect insurance at no less than the following minimum amounts:

***WORKER'S COMPENSATION***

In accordance with requirements of the laws of the State of Arizona.

***COMPREHENSIVE GENERAL LIABILITY***  
(Including contractual liability covering death, bodily injury and property damage)

Combined single limit of not less than \$1,000,000 for each occurrence.

***AUTOMOTIVE LIABILITY***  
(Including owned, non-owned and hired vehicles)

Combined single limit of not less than \$1,000,000 for each occurrence.

Such insurance shall name the Company, its officers, agents, and employees as additional insured and be primary for all purposes.

The Company will at all times have the right to require that all of such insurance be placed with insurance companies that are satisfactory to it. The Applicant shall file with the Company a

certificate evidencing that each policy of insurance for the above coverages in the minimum amounts specified has been purchased and is in good standing.

Such certificate shall provide that notice be given to the Company at least thirty (30) days prior to cancellation or material change in the form of such policies or any of them. Such certificates shall be kept on file by the Company and the Company must have current certificates on file, or a certificate must accompany any bid proposal, before that proposal will be accepted by the Company.

It is agreed that the Company is not an agent for Applicant and shall not incur any costs or expenses on behalf of Applicant and that Applicant is not an agent for the Company and shall not incur any costs or expenses on behalf of the Company.

5. Applicant shall, within 60 days of operational acceptance of Water Facilities by Company, furnish Company with: (a) copies of all bills, invoices and other statements of expenses incurred by Applicant covering all of the costs of materials, equipment, supplies, construction and installation of the Water Facilities; (b) lien waivers and releases from contractors, subcontractors and vendors for materials, equipment, supplies and construction included in the Water Facilities; (c) receipts, specifying exact amount of payments in full by Applicant to all contractors, subcontractors and vendors for all materials, equipment, supplies, labor and other costs of construction of the Water Facilities; and, (d) 4-mil mylar "as-built" drawings certified as to correctness by an engineer registered in the State of Arizona and showing the locations, materials, sizes and pertinent construction details for Water Facilities.

6. Upon final acceptance, Company will provide water service to the Subdivision in accordance with the rates, charges and conditions set forth in the tariffs of Company as filed with the Arizona Corporation Commission. Those rates are subject to change from time to time upon action by the Commission.

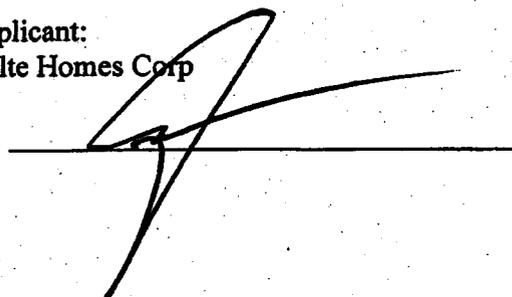
7. Applicant agrees that the completion of the Water Facilities will be timed so as to enable Company to provide water service to the Subdivision as such service is requested.

Except as set forth herein, and except as necessary to give effect hereto, the Agreement remains in full force and effect and is unmodified.

Company:  
Arizona Water Company

By: 

Applicant:  
Pulte Homes Corp

By: 



**ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
CERTIFICATE OF APPROVAL TO CONSTRUCT  
WATER FACILITIES**

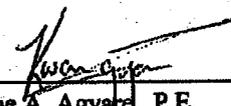
Page 1 Of 1

<b>ADEQ File No:</b> 20060605	<b>LTF No:</b> 40756
<b>System Name:</b> Az Water Co - C.G.	<b>System Number:</b> 11009
<b>Project Owner:</b> Pulte Homes	
<b>Address:</b> 15111 N. Pima Rd., #100, Scottsdale, AZ 85260	
<b>Project Location:</b> C.G.	<b>County:</b> Pinal
<b>Description:</b> INSTALL AN OFFSITE WATER DISTRIBUTION SYSTEM CONSISTING OF APPROXIMATELY 8522 LF OF 16" DIP AND 87 LF OF 12" DIP TO SERVE SADDLE CREEK II.	

*Approval to construct the above-described facilities as represented in the approved documents on file with the Arizona Department of Environmental Quality is hereby given subject to provisions 1 through 4 continued on page 1 through 1*

1. This project must be constructed in accordance with all applicable laws, including Title 49, Chapter 2, Article 9 of the Arizona Revised Statutes and Title 18, Chapter 5, Article 5 of the Arizona Administrative Code.
2. Upon completion of construction, the engineer shall fill out the Engineer's Certificate of Completion and forward it to the Central Regional Office located in Phoenix. If all requirements have been completed, that unit will issue a Certificate of Approval of Construction. R18-5-507(B), Ariz. Admin. Code. At the project owner's request, the Department may conduct the final inspection required pursuant to R18-5-507(B); such a request must be made in writing in accordance with the time requirements of R18-5-507(C), Ariz. Admin. Code.
3. This certificate will be void if construction has not started within one year after the Certificate of Approval to Construct is issued, there is a halt in construction of more than one year, or construction is not completed within three years of the approval date. Upon receipt of a written request for an extension of time, the Department may grant an extension of time; an extension of time must be in writing. R18-5-505(E), Ariz. Admin. Code.
4. Operation of a newly constructed facility shall not begin until a Certificate of Approval of Construction has been issued by the Department. R18-5-507(A), Ariz. Admin. Code.

Reviewed by: AQ1

By: 

Kwame A. Agyare, P.E.  
Manager, Drinking Water and  
Wastewater Engineering Review  
Water Quality Division

8/17/06  
Date

cc: File No : 20060605  
Regional Office: Central  
Owner: Pulte Homes  
County Health Department: Pinal  
Engineer: M2 Group  
Planning and Zoning/Az Corp. Commission  
Engineering Review Database - Etr021

Document2

XXX:XXX [11:07 8/8/06 X

**ARIZONA DEPARTMENT OF WATER RESOURCES**

**Office of Assured and Adequate Water Supply**  
2<sup>nd</sup> Floor, 3550 N. Central Ave., Phoenix, AZ 85012  
Telephone 602 771-8585  
Fax 602 771-8689



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

July 26, 2006

VIA CERTIFIED MAIL  
Evan Schube  
Cornerstone Saddle Creek  
1630 S. Stapley Dr., Suite 223  
Mesa, AZ 85204

**Re: Certificate of Assured Water Supply**  
**Saddle Creek II**  
**DWR File No. 27-401828.0000**

Dear Mr. Schube:

The Department of Water Resources has determined that the criteria for an Assured Water Supply pursuant to A.R.S. § 45-576 and A.A.C. R12-15-701 *et seq.* have been met, and therefore the Director has decided to issue Assured Water Supply Certificate No.27-401828.0000. Arizona Water Company - Casa Grande will provide water supply to the lots. The source of supply will be groundwater. Based on current information, the Department has determined that the subdivision's total projected demand is 468.97 acre-feet per year for 144 lots, and the groundwater allowance is 64.72 acre-feet per year. The Certificate is attached. The Department suggests you record your Certificate of Assured Water Supply in the appropriate county recorders office. This will provide you with a permanent public record of the Certificate.

This determination is applicable only to the person or entity specified on the Certificate and for the plat reviewed by the Department. Information used in evaluating this application is available for review in the Department's files. Please contact us if questions arise.

Pursuant to A.R.S. § 41-1092.03, the Department is notifying you that the Director's determination and decision to issue the Certificate is an appealable agency action. You are entitled to appeal this action. If you wish to appeal this action, you must file a written appeal within thirty (30) days from receipt of this letter. I am providing you with a summary of the appeal process and an appeal form, should you elect to pursue this option.

Sincerely,

A handwritten signature in black ink, appearing to read "Douglas W. Dunham".

Douglas W. Dunham, Manager  
Office of Assured and Adequate Water Supply

DD/pmn  
Enclosures

Page 2

Subdivision Name: Saddle Creek II  
File Number: 27-401828.0000

Cliff Neal  
CAGR  
P.O. Box 43020  
Phoenix, AZ 85080-3020

Drew Swieczkowski, Hydrology Division  
Pinal AMA Division

**STATE OF ARIZONA  
DEPARTMENT OF WATER RESOURCES  
CERTIFICATE OF ASSURED WATER SUPPLY**

This is to certify that

**Cornerstone Signal Peak LLC, an Arizona limited liability company**

has met the requirements of A.R.S. §§ 45-576, 45-579, and the applicable regulations, and

By powers vested in the Director of the Arizona Department of Water Resources by the State of Arizona, and subject to the conditions contained in the applicable regulations,

Is issued this Certificate of Assured Water Supply for

**Saddle Creek II  
Section 03 Township 06 South, Range 07 East  
GSRB&M Pinal County, Pinal Active Management Area**

Sufficient water of adequate quality will be continuously available to satisfy the water demand of the referenced subdivision for at least one hundred years. The referenced subdivision consists of 144 lots as described in the preliminary plat on file with the Department, and has an estimated water demand of 468.97 acre-feet per year. The subdivision will be served groundwater by Arizona Water Company - Casa Grande.

This Certificate is invalid as to any entity not named above. A subsequent owner of the referenced property may apply for a new certificate pursuant to A.A.C. R12-15-708, within 90 days of the change of ownership. This Certificate may be assigned pursuant to A.R.S. § 45-579.

Certificate Number: 27-401828.0000

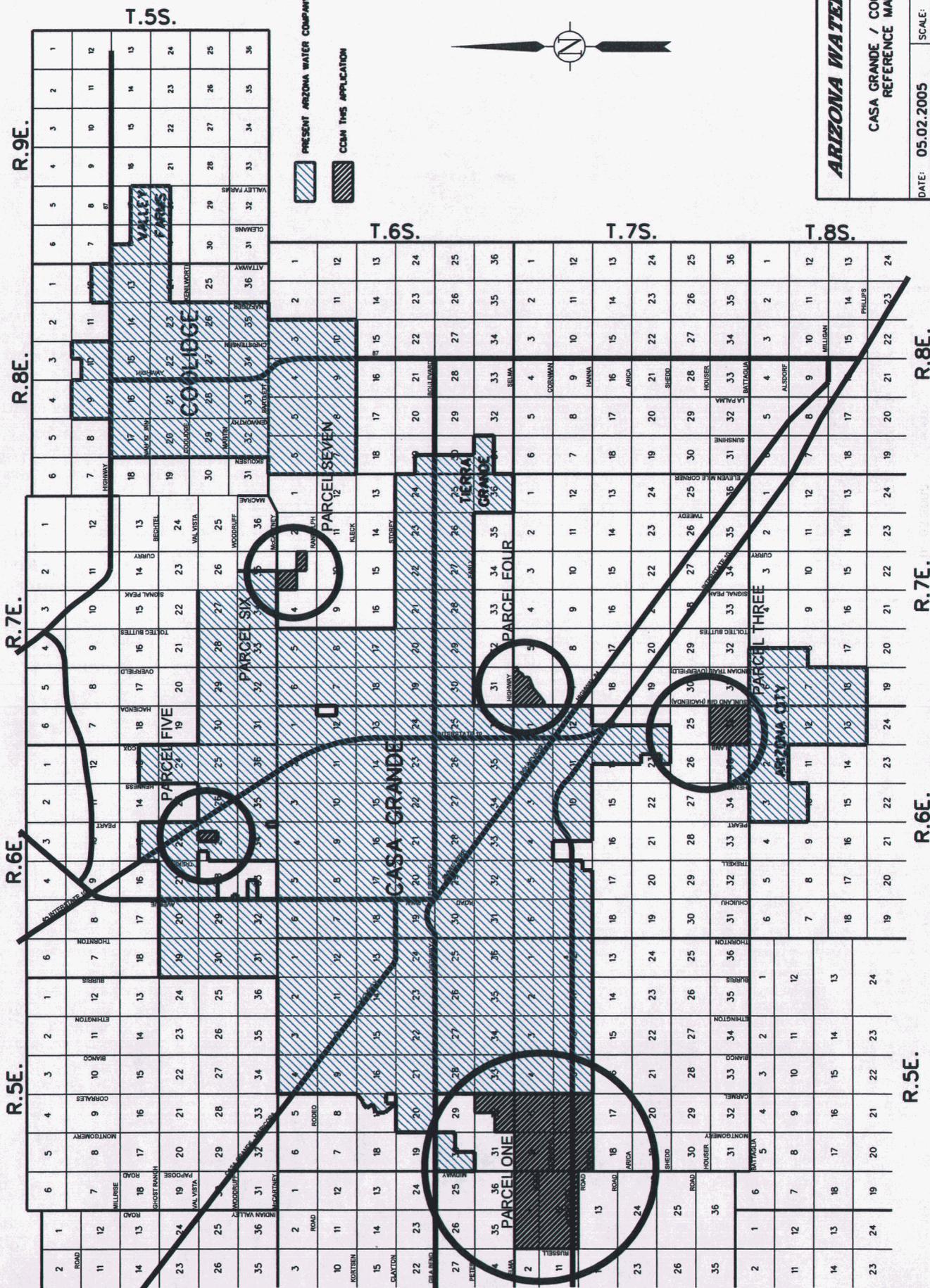


**ARIZONA DEPARTMENT OF WATER RESOURCES**

*Sandra Sabritz Whitney*  
Assistant Director

*7/26/2006*  
Date

ATTACHMENT 2



**ARIZONA WATER COMPANY**  
 CASA GRANDE / COOLIDGE  
 REFERENCE MAP  
 DATE: 05.02.2005 SCALE: NONE

ATTACHMENT 3

William H. and Jacqueline Warren  
P.O. Box 111  
Arizona City, Arizona

January 11, 2008

Arizona Water Company  
Attn: Robert W. Geake  
3805 N. Black Canyon Highway  
Phoenix, AZ 85015

Dear Mr. Geake:

We wanted to follow up regarding Pinal County Parcel Nos. 511-78-001A, 511-78-001b and 511-78-002 which we own. We still need and desire to receive water service from Arizona Water Company. Our current plans include development within twenty-four months. If market conditions change, however, we will revisit this timeframe. If you have any questions, please feel free to contact us.

Sincerely,

*William H. Warren* 1-15-2008  
*Jacqueline Warren*  
William H. and Jacqueline Warren

ATTACHMENT 4

Sonoran Ranch Properties, LLC  
14608 East Gecko Court  
Fountain Hills, Arizona 85268

January 16, 2008

Arizona Water Company  
Attn: Robert W. Geake  
3805 N. Black Canyon Highway  
Phoenix, AZ 85015

Dear Mr. Geake:

I am following up with you regarding Pinal County Assessor's Parcel Nos. 401-06-012, 014, 019 and 024 which Sonoran Ranch Properties, LLC owns. Sonoran Ranch still needs and desires to receive water service from Arizona Water Company to serve these parcels. Our current plans include development within twenty-four months. If market conditions improve, however, we hope to shorten this timeframe. If you have any questions, please feel free to contact us.

Sincerely,



Kirk A. Harr  
Authorized Representative  
Sonoran Ranch Properties, LLC

**ATTACHMENT 5**

**51 BUCKEYE LIMITED PARTNERSHIP**

5040 East Shea Boulevard  
Suite 254  
Scottsdale, Arizona 85254  
(480) 951-1281

January 16, 2008

Arizona Water Company  
3805 North Black Canyon Highway  
Phoenix, Arizona 85015  
Attention: Mr. Robert W. Geake

Dear Mr. Geake:

I am following up with you regarding Pinal County Assessor Parcel Nos. 509-44-005 and 509-44-0002, which 51 Buckeye Limited Partnership owns. 51 Buckeye Limited Partnership still needs and desires to receive water service from Arizona Water Company to serve these parcels. We are currently under contract to sell the parcels to a developer which has plans for a retail development which has already secured design review approval by the City of Casa Grande. Their access to water service is clearly essential to their ability to develop.

If you have any questions, please feel free to contact us.

51 BUCKEYE LIMITED PARTNERSHIP,  
an Arizona limited partnership

By 51 BUCKEYE, INC., an Arizona  
corporation, its General Partner

By Michael P. Bernier

Its President

ATTACHMENT 6

**I-10/WOODRUFF 300 LIMITED PARTNERSHIP L.L.L.P.**

5040 East Shea Boulevard  
Suite 254  
Scottsdale, Arizona 85254  
(480) 951-1281

January 16, 2008

Arizona Water Company  
3805 North Black Canyon Highway  
Phoenix, Arizona 85015  
Attention: Mr. Robert W. Geake

Dear Mr. Geake:

I am following up with you regarding Pinal County Assessor Parcel No. 509-44-009A, which I-10/Woodruff 300 Limited Partnership L.L.L.P. ("I-10/Woodruff") owns. I-10/Woodruff still needs and desires to receive water service from Arizona Water Company to serve the parcel. We are currently under contract to sell a portion of the parcel to a developer which has plans for a retail development which has already secured design review approval by the City of Casa Grande. Their access to water service is clearly essential to their ability to develop.

If you have any questions, please feel free to contact us.

I-10/WOODRUFF 300 LIMITED  
PARTNERSHIP L.L.L.P., an Arizona  
limited liability limited partnership,  
its Manager

By LKY REAL ESTATE, L.L.C., an  
Arizona limited liability company, its  
General Partner

By  \_\_\_\_\_

Its MANAGER

ATTACHMENT 7

**DALEY WOODRUFF, L.L.C.**

5040 East Shea Boulevard  
Suite 254  
Scottsdale, Arizona 85254  
(480) 951-1281

January 16, 2008

Arizona Water Company  
3805 North Black Canyon Highway  
Phoenix, Arizona 85015  
Attention: Mr. Robert W. Geake

Dear Mr. Geake:

I am following up with you regarding Pinal County Assessor Parcel Nos. 509-44-001 and 509-44-008C, which Daley Woodruff, L.L.C. owns. Daley Woodruff, L.L.C. still needs and desires to receive water service from Arizona Water Company to serve these parcels. We are currently under contract to sell a portion of the parcels to a developer which has plans for a retail development which has already secured design review approval by the City of Casa Grande. Their access to water service is clearly essential to their ability to develop.

If you have any questions, please feel free to contact us.

DALEY WOODRUFF, L.L.C., an  
Arizona limited liability company

By I-10/WOODRUFF 300 LIMITED  
PARTNERSHIP L.L.L.P., an Arizona  
limited liability limited partnership,  
its Manager

By LKY REAL ESTATE, L.L.C., an  
Arizona limited liability company, its  
General Partner

By  \_\_\_\_\_

Its MANAGER

ATTACHMENT 8

SIR MORTGAGE & FINANCE of ARIZONA, INC.  
3333 E. Camelback Road, Suite 185  
Phoenix, Arizona 85018

January 16, 2008

Arizona Water Company  
Attn: Robert W. Geake  
3805 N. Black Canyon Highway  
Phoenix, AZ 85015

Dear Mr. Geake:

I am following up with you regarding Pinal County Parcel Nos. 401-01-012K, M, N, P, and R and 401-01-128, 129, 130, 131 and 132 which Sir Mortgage & Finance of Arizona owns. Sir Mortgage & Finance of Arizona still needs and desires to receive water service from Arizona Water Company to serve these parcels. Our current plans include development within twenty-four months. If market conditions improve, however, we hope to shorten this timeframe. If you have any questions, please feel free to contact me.

Sincerely,



Gregory M. Sir  
President