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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

KRISTIN K. MAYES, Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

2009 FEB 27 P 12: 53

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE JOINT
APPLICATION OF WATER UTILITY OF
GREATER BUCKEYE, INC. AND
VALENCIA WATER COMPANY, INC. TO
TRANSFER THE ASSETS, INCLUDING THE
CERTIFICATES OF CONVENIENCE AND
NECESSITY, OF WATER UTILITY OF
GREATER BUCKEYE, INC. TO VALENCIA
WATER COMPANY.

Docket No. W-01212A-06-0666
Docket No. W-02451A-06-0666

**NOTICE OF FILING
COMPLIANCE**

Decision No. 70183 (February 27, 2008) requires Valencia Water Company, Inc. ("Valencia") and Water Utility of Greater Buckeye, Inc. ("Buckeye") to file the Franchise Approval Documents within two years of the effective date of the Decision. Accordingly, Valencia and Buckeye file the Franchise Approval Documents.

RESPECTFULLY SUBMITTED this 27th day of February 2009.

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

Arizona Corporation Commission
DOCKETED

FEB 27 2009

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1 Original + 15 copies of the foregoing
2 filed this 27th day of February, with:

3 Docket Control
4 ARIZONA CORPORATION COMMISSION
5 1200 West Washington
6 Phoenix, Arizona 85007

7 Copies of the foregoing hand-delivered/mailed
8 this 27th day of February 2008, to:

9 Lyn A. Farmer, Esq.
10 Chief Administrative Law Judge
11 Hearing Division
12 Arizona Corporation Commission
13 1200 West Washington
14 Phoenix, Arizona 85007

15 Janice Alward, Esq.
16 Chief Counsel, Legal Division
17 Arizona Corporation Commission
18 1200 West Washington
19 Phoenix, Arizona 85007

20 Ernest G. Johnson, Esq.
21 Director, Utilities Division
22 Arizona Corporation Commission
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24 Phoenix, Arizona 85007

25 Brian Bozzo
26 Compliance Manager, Utilities Division
27 Arizona Corporation Commission
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Phoenix, AZ 85007

28 Debbie Amund



Maricopa County
Clerk of the Board of Supervisors

301 W. Jefferson St, 10th Fl.
Phoenix, Arizona 85003-2148
Phone: (602) 506-3767
Fax: (602) 506-6402

Date: February 13, 2009
To: Ms. Jennie Perez
Global Water Resources
From: Lupe Lerma, Assistant Deputy Clerk of the Board
Subject: Franchise Approval Documents and Requirements

Please find attached the following documentation regarding the approval of **Valencia Water Company, Inc.** franchise application:

- Clerk's Certification certifying the decision by the Board of Supervisors regarding your franchise application, and
- Franchise Resolution, signed by the Board.

Please contact this office should you have any questions or concerns.

COUNTY OF MARICOPA
State of Arizona

Office of the Clerk
Board of Supervisors

State of Arizona) ss.
County of Maricopa)

I, Lupe Lerma, Assistant Deputy Clerk of the Board of Supervisors, do hereby certify that the attached is a true and correct excerpt from the minutes of the meeting of the Board of Supervisors held on November 6, 2008. These minutes are currently pending approval by the Board:

VALENCIA WATER COMPANY – PUBLIC SERVICE FRANCHISE, APPROVED

(Attached)



cc: *Valencia Water Company, Inc.*

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the County of Maricopa. Done at Phoenix, the County Seat, on February 13, 2009.

Lupe Lerma
Assistant Deputy Clerk of the Board of Supervisors

8. **FRANCHISES**

a. **FRANCHISE EXTENSION - WATER UTILITY OF GREATER TONOPAH (WUGT)**

Pursuant to A.R.S. §40-283, convene the scheduled public hearing to solicit comments and consider the application by Water Utility of Greater Tonopah, for an extension to an existing public service franchise for a domestic water distribution system. The hearing will consider whether the applicant is able to adequately maintain facilities in county rights-of-way. Pending approval by the Board of Supervisors, the franchise will be granted upon the express condition that the Certificate of Convenience and Necessity be procured from the Corporation Commission of the State of Arizona within six months of approval by the Board of Supervisors and that no facilities will be installed prior to the granting of the Certificate of Convenience and Necessity. (F21283) (C-06-09-085-7-00)

Motion to approve by: Supervisor Wilson, Seconded by: Supervisor Wilcox
Ayes: Kunasek, Brock, Wilcox, Wilson
Absent: Stapley

b. **FRANCHISE APPLICATION - VALENCIA WATER COMPANY**

Pursuant to A.R.S. § 40-283, convene the scheduled public hearing, to solicit comments and consider the application filed by Valencia Water Company, for an extension to an existing public service franchise for a domestic water distribution system.

The Board previously approved franchise applications filed separately by Valencia Water Company and Water Utility of Greater Buckeye (WUGB), respectively. The area services were split between the two companies and both had portions of their Certificate of Convenience and Necessity (CC&N) areas covered under the Maricopa County Franchise Agreements. On February 27, 2008, the Arizona Corporation Commission approved a merger of WUGB into Valencia, and required that Franchise Agreements be obtained for Valencia to include both former WUGB CC&N and Valencia CC&N services areas.

Today's hearing will consider whether the applicant is able to adequately maintain facilities in county rights-of-way. Pending approval by the Board of Supervisors, an extension to an existing public service franchise for a domestic water distribution system that includes both former WUGB CC&N and Valencia CC&N services areas will be granted upon the express condition that the Certificate of Convenience and Necessity be procured from the Corporation Commission of the State of Arizona within six months of approval by the Board of Supervisors and that no facilities will be installed prior to the granting of the Certificate of Convenience and Necessity. Upon approval, authorize the Chairman to sign the Franchise Resolution. Further, upon approval, the existing franchises for Valencia Water Company Franchise and Water Utility of Greater Buckeye (WUGB) dated October 21, 1985 and June 1, 1992, respectively, are hereby rescinded. (C-06-09-090-L-00)

Motion to approve by: Supervisor Wilson, Seconded by: Supervisor Brock
Ayes: Kunasek, Brock, Wilcox, Wilson
Absent: Stapley

WHEREAS, upon filing said application, the said Board of Supervisors on October 1, 2008 ordered that public notice of the intention of said Board to make such grants be given by publishing a notice in the official newspaper of Maricopa County, published in the County of Maricopa, State of Arizona, and that 1:00 p.m., on November 6, 2008, at the meeting room of said Board of Supervisors located at 205 West Jefferson Street, in the City of Phoenix, Arizona, be set as the time and place of hearing the said application; and

WHEREAS, the said application coming on regularly for hearing on said day and it appearing by the affidavit of the duly authorized agent of the said time and place set for the consideration of such application has been published for at least once a week for the three-week period prior to said date set forth herein, to-wit:

In the issues of the said newspaper on October 16, 23, and 30, 2008, and it appearing that no sufficient protest has been filed by the qualified electors of the said County petitioning said Board of Supervisors to deny such license and franchise, and it further appearing the best interests of Maricopa County will be served by the granting of said application and the franchise referred to therein;

NOW, THEREFORE, the Board of Supervisors of Maricopa County, State of Arizona, acting on behalf of said County does hereby grant unto Valencia Water Company, doing business in Maricopa County, Arizona, subject to the terms, conditions and limitations hereinafter contained, the right, privilege, license and franchise to construct, maintain and operate a domestic water distribution system for a period of not to exceed twenty-five (25) years or for a period of one (1) year after the franchised area is annexed by a municipality, whichever is shorter, for the supplying of this service along, upon, under and across the public highways, roads, alleys and thoroughfares (excepting State highways) within that portion of Maricopa County, Arizona, hereinabove described, under such restrictions and limitations and upon such terms as this Board at any time may provided, not inconsistent with the laws of the State of Arizona, or the orders and rules of the Corporation Commission of the State of Arizona, specifically providing, however, that:

- 1) All rights hereunder are granted under the express condition that the Board of Supervisors of said Maricopa County shall have the power at any time to impose such restrictions and limitations and to make such regulations on such highways, roads, and thoroughfares as may be deemed best for the public safety, health, welfare and convenience.
- 2) All rights hereby granted 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.
- 3) All rights hereby granted 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 highway, roads, and thoroughfares, or any portion thereof.
- 4) All rights hereby granted shall be exercised so as not to interfere or conflict with or endanger in any way the proper use by the public of said highways, roads, and thoroughfares, or any portion thereof.
- 5) That the said Grantee shall bear all expenses incurred including damages and compensation for the alteration of the course, direction, surface, grade or alignment of any of the said highways, roads and thoroughfares necessarily made by the said grantee for the purpose of this franchise; that said grantee will maintain his equipment from time to time as may be needed, without the necessity of notice from Maricopa County. In the event the said grantee shall fail to make any repairs within ten days from the time same becomes necessary, then Maricopa County may cause the same to

be made, and said grantee agrees to pay Maricopa County the cost thereof.

- 6) That all property of the franchise be installed and operated by the said grantee and shall be placed, removed or relocated, initially and throughout the term of this franchise, along, in, over, under and across the said highway, roads and thoroughfares, in such a manner and location as the Board of Supervisors or its duly authorized agents may designate. Such placement, removal or relocation shall be done at the sole expense of the grantee upon a determination by the Board of Supervisors of Maricopa County that such placement, removal or relocation is necessary.

If the grantee fails or refuses to so remove or relocate, Maricopa County may so remove or relocate, at the sole expense of grantee, such expense to include any and all damages and compensation of whatsoever nature arising therefrom.

In this section the term "property" includes conduits, pipe, wires, poles, or other structures and appliances used to supply or deal in gas, electricity, lights, water, heat, refrigeration, power, telephones, telegraph, television and other public utilities.

Any finding or determination made by the Board of Supervisors pursuant hereto shall be final and binding upon the grantee whether or not such findings or determinations relates to the requirements of public safety or welfare, the use of public roads or the need for proposed improvements, and whether or not the function to be served by such removal or relocation is of a governmental or proprietary nature.

- 7) That said grantee shall indemnify and save harmless, the said County of Maricopa from all costs, expense and liabilities in connection with the granting of this franchise and exercise of the same by them.
- 8) That the rights of any person claiming to be injured in any manner by the maintenance of said projects and equipment shall not be affected hereby.
- 9) That the terms and conditions of this franchise shall inure to the benefit of, and be binding upon, all the heirs and assigns of the said Grantee.
- 10) That the franchise and privilege herein granted shall not be deemed to be exclusive and the said Board of Supervisors hereby expressly reserves the right and power to grant from time to time similar franchises and privileges over the same territory and highways, roads and thoroughfares.
- 11) This franchise is granted upon the express condition that the Certificate of Convenience and Necessity be procured from the Corporation Commission of the State of Arizona within six months from the date of granting of this franchise and proof thereof submitted to the Board of Supervisors; and if such Certificate is not granted within six months from said date, then this franchise may be declared void. If the Certificate of Convenience and Necessity is not procured from the Corporation Commission within six months from the date of granting of this franchise, the franchisee may submit proof to the Board of Supervisors of application made to the Corporation Commission for the Certificate and the franchisee will be granted a six month extension for the procurement of the Certificate, for a total of twelve months from the date of granting of this franchise.
- 12) That no facilities shall be installed until the Certificate of Convenience and Necessity be procured from the Corporation Commission of the State of

Arizona and such Certificate has been delivered to the Board of Supervisors.

- 13) This franchise is granted upon the express condition that all of the Property Tax obligations of the franchisee shall remain current and if such taxes are not current, then this franchise extension is deemed void.
- 14) All materials and construction methods used with the public right-of-way shall conform to the applicable standards, specifications and special provisions currently in effect in Maricopa County.
- 15) The Franchise holder shall obtain a construction permit from the Office of the County Engineer prior to construction of any facilities in the public right-of-way.

DATED this 6th day of November 2008.


Chairman, Board of Supervisors

ATTEST:


Clerk, Board of Supervisors