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May 15, 2009

Arizona Corporation Commission

DOCKETED

MAY 15 2009

**HAND DELIVERY**

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

DOCKETED BY 

Re: Little Park Water Company; Docket No. W-02192A-07-0326; Decision No. 70208  
Final Compliance Filing

Dear Ms. Kilger:

The Subject Decision, as supplemented by Decision No. 70612 dated November 19, 2008, required, among other things, that the Company file an Arizona Department of Water Resources ("ADWR") Designation of Adequate Water Supply for the requested area. Attached hereto are fifteen (15) copies of ADWR Decision and Order 41-400324.0001, granting that designation.

The Company is of the opinion that this is the final compliance requirement under the referenced Decisions. Today the Company has also filed a Motion for Final Order in this docket as directed by Decision No. 70208.

In the event you have any request is regarding this matter, please do not hesitate to contact Steve Gudovic at the Company or the undersigned at the above address.

Sincerely,

Richard L. Sallquist

cc: Utilities Division  
Legal Division  
Hearing Division  
Steve Gudovic

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2009 MAY 15 A 10: 14  
AZ CORP COMMISSION  
DOCKET CONTROL

JANICE K. BREWER

Governor



HERBERT R. GUENTHER

Director

**ARIZONA DEPARTMENT OF WATER RESOURCES**

3550 North Central Avenue, Second Floor  
PHOENIX, ARIZONA 85012-2105  
(602) 771-8500

May 12, 2009

Mr. Steve Gudovic  
45 Castle Rock Road, Suite 4  
Sedona, Arizona 86351

**Re: Designation of Adequate Water Supply (DWR No. 41-400324.0001)  
Little Park Water Company**

Dear Mr. Gudovic:

I am pleased to inform you that the Department of Water Resources has approved the application for a Designation of Adequate Water Supply for Little Park Water Company (Little Park). We have enclosed the formal Decision and Order. The Decision and Order includes an itemization of Little Park's responsibilities in maintaining the Designation.

Little Park's status as a designated water provider demonstrates that Little Park is taking a long-term perspective in managing water resources. Little Park's commitment to long term planning represents a major contribution to the State's water management goal.

If you have any questions regarding these documents, please contact me at (602) 771-8593.

Sincerely,

A handwritten signature in black ink, appearing to read "John F. Schneeman".

John F. Schneeman, Manager  
Office of Assured & Adequate Water Supply

JFS/njc

cc: Ms. Cindy Ferrin, Arizona Department of Real Estate  
Ms. DeAnn Hauver, Southwest Ground-water Consultants, Inc.

1 DEPARTMENT OF WATER RESOURCES

2 BEFORE THE DIRECTOR

3  
4 IN THE MATTER OF THE APPLICATION OF LITTLE PARK )  
5 WATER COMPANY FOR A DESIGNATION AS HAVING AN )  
6 ADEQUATE WATER SUPPLY )

) AWS No. 2009-008

) DECISION AND ORDER

) No. 41-400324.0001

7  
8 I. INTRODUCTION

9 On February 19, 2009 the Department of Water Resources ("Department") received an  
10 application from Little Park Water Company ("Little Park") requesting that the Department modify Little  
11 Park's designation of adequate water supply pursuant to A.R.S. § 45-108 *et seq.* and A.A.C. R12-15-  
12 701 *et seq.*

13 After receiving Little Park's application to modify its designation of adequate water supply, the  
14 Department reviewed relevant information regarding the modification request, including: 1) hydrologic  
15 study submitted with the application and other information on file with the Department for the proposed  
16 source of supply; and 2) information regarding Little Park's financial capability to construct all the  
17 necessary delivery system, treatment works and storage facilities. Based on that information, the  
18 Department makes the following Findings of Fact, Conclusions of Law and Order of Designation and  
19 Conditions of Designation:  
20

21 II. FINDINGS OF FACT

22 A. General

- 23 1. Little Park is a private water company subject to the jurisdiction of the Arizona Corporation  
24 Commission ("ACC").  
25 2. Little Park provides domestic water service within the boundaries of its certificate of  
26 convenience and necessity ("CC&N"), as approved by the ACC.  
3. Little Park currently serves water through its distribution system to its customers.

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4. On October 30, 2000, Little Park was designated as having an adequate water supply in Decision and Order AWS 2000-005.

**B. Water Demands**

- 5. Little Park's current demand as of calendar year 2007 is 45.00 acre-feet per year ("current demand").
- 6. Little Park's committed demand as of calendar year 2007 is 69.00 acre-feet per year ("committed demand").
- 7. Little Park's projected demand in 2019 is 12.00 acre-feet per year ("2019 projected demand"). The 2019 projected demand does not include the current demand or the committed demand, but does include the demand at build-out of plats reasonably projected to be approved through calendar year 2019.
- 8. Little Park's annual estimated water demand in 2019, which is the sum of its current demand, committed demand, and 2019 projected demand, is 126.00 acre-feet per year ("2019 annual estimated water demand").

**C. Groundwater: Physical, Continuous and Legal Availability**

- 9. Little Park has the right to withdraw and deliver groundwater to its customers pursuant to A.R.S § 45-453.
- 10. Historic hydrologic information demonstrates that depth-to-static water levels within Little Park's service area currently average 517.8 feet below land surface.
- 11. Little Park has demonstrated that after withdrawing 126.00 acre-feet per year of groundwater for 100 years, the depth-to-static water level within Little Park's service area is not expected to exceed 1,200 feet below land surface.
- 12. Little Park has demonstrated that it has wells of sufficient capacity to satisfy its 2019 annual estimated water demand of 126.00 acre-feet per year for at least 100 years.

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**D. Water Quality**

13. Little Park is regulated by the Arizona Department of Environmental Quality ("ADEQ") as a public water system pursuant to A.R.S. § 49-351, *et seq.*

**E. Financial Capability**

14. Little Park has constructed adequate delivery, storage and treatment works to satisfy its 2019 annual estimated water demand pursuant to A.A.C. R12-15-720(C)(i).

**III. CONCLUSIONS OF LAW**

Having reviewed the Findings of Fact, the Department makes the following Conclusions of Law:

1. Little Park has demonstrated that 126.00 acre-feet per year of groundwater will be physically available, continuously available and legally available for at least 100 years. This volume is sufficient to meet its 2019 annual estimated water demand.
2. For purposes of A.A.C. R12-15-716(B)(3)(c)(ii), Little Park's annual estimated water demand to be met with groundwater is 126.00 acre-feet per year.
3. The water supply served by Little Park will be of adequate quality pursuant to A.A.C. R12-15-719.
4. Little Park has satisfied the financial capability criteria prescribed in A.A.C. R12-15-720.
5. Little Park has satisfied all the requirements for a designation of an adequate water supply.

**IV. ORDER OF DESIGNATION AND CONDITIONS OF DESIGNATION**

Having reviewed the Findings of Fact and Conclusions of Law, the Department hereby issues this Decision and Order designating Little Park as having an adequate water supply, subject to the following conditions:

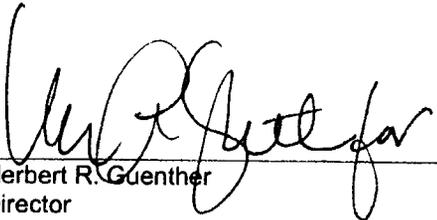
1. The Director reserves the right under A.A.C. R12-15-715(C) to periodically review and modify the designation for good cause as conditions warrant.

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2. Pursuant to A.A.C. R12-15-715, the Director may, at any time, revoke this designation if the findings of fact or the conclusions of law upon which the designation is based change or are invalid, or if an adequate water supply no longer exists.
3. The Director's determination that an adequate water supply exists for Little Park is based on its analysis of the water supplies pledged by Little Park.
4. Little Park shall submit an application to modify this decision and order designating Little Park as having an adequate water supply to increase the term of the designation when the sum of Little Park's current demand, committed demand and two year projected demand exceeds 126.00 acre-feet per year, or by December 31, 2017, whichever is earlier.
5. Pursuant to A.A.C. R12-15-719, Little Park shall satisfy any state water quality requirements established for its proposed use after the date of this designation.
6. Little Park shall annually provide to the Department the following information for the previous calendar year in the manner prescribed in A.A.C. R12-15-715:
  - a. An estimate of the demand of platted, undeveloped lots located in Little Park's service area.
  - b. An estimate of the projected demand at build-out for customers with which Little Park has entered into a notice of intent to serve agreement in the preceding calendar year.
  - c. A report regarding Little Park's compliance with water quality requirements.
  - d. The depth-to-static water level of all wells from which Little Park withdrew water during the previous calendar year.
  - e. The total quantity of water from any source withdrawn, diverted, or received by Little Park for its customers' residential and non-residential use during the previous calendar year
  - f. Any other information requested by the Director to determine whether Little Park continues to meet all the requirements necessary to maintain this designation of adequate water supply.

1 IT IS HEREBY ORDERED THAT LITTLE PARK WATER COMPANY BE DESIGNATED AS HAVING  
2 AN ADEQUATE WATER SUPPLY UNTIL DECEMBER 31, 2019.

3  
4 DATED this 7<sup>th</sup> day of MAY, 2009.

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8   
9 Herbert R. Guenther  
Director  
Arizona Department of Water Resources

10  
11 A copy of the foregoing  
12 **Decision and Order** mailed  
13 by certified mail this 12<sup>th</sup> day  
of May, 2009, to:

14 Mr. Steve Gudovic, President  
15 45 Castle Rock Road, Suite 4  
Sedona, Arizona 86351

Certified Mail No.: 70062760000248852081

Sent by:



16 A copy of the foregoing sent by electronic  
17 mail this 12<sup>th</sup> day of May,  
2009, to:

18 DeAnn Hauver  
19 Southwest Ground-water Consultants, Inc.  
20 3033 North 44<sup>th</sup> Street, Suite 120  
Phoenix, Arizona 85018

21 Mr. Steve Olea  
22 Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

23 Cindy Ferrin  
24 Arizona Department of Real Estate  
2910 N. 44th Street  
25 Phoenix, AZ 85018

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