

ORIGINAL OPEN MEETING

MEMORANDUM



0000097630

TO: THE COMMISSION

FROM: Utilities Division

DATE: June 11, 2009

RE: IN THE MATTER OF THE APPLICATION OF LITTLE PARK WATER COMPANY, INC. FOR AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY (DOCKET NO. W-02192A-07-0326)

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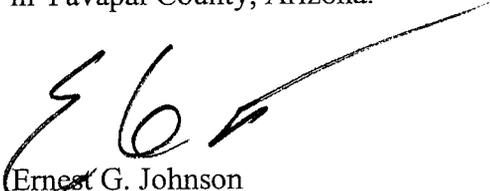
THE COMMISSION
DOCKET CONTROL

On May 24, 2007, Little Park Water Company, Inc. ("Little Park" or "Company") filed an application requesting approval for an extension of its Certificate of Convenience and Necessity ("CC&N").

On March 20, 2008, the Commission issued Decision No. 70208 granting an Order Preliminary to the issuance of the CC&N upon completion of the requirements contained in Finding of Fact No. 57 in Decision No. 70208.

On November 19, 2008, the Commission issued Decision No. 70612 amending Decision No. 70208 and eliminating two compliance items. On May 15, 2009, the Company docketed a Motion for Final Order to the Issuance of a Certificate of Convenience and Necessity. In this filing, the Company stated that it had met all compliance requirements set forth in the Decision which are necessary for the issuance of the full CC&N.

Based on its analysis, Staff has concluded that Little Park has complied with all the requirements set forth in the Order Preliminary. Staff, therefore, recommends that the Commission issue a Final Order approving the extension of the CC&N to provide water service in Yavapai County, Arizona.


Ernest G. Johnson
Director
Utilities Division

EGJ:KDB:lm\RM

Originator: Kimberly Battista

Arizona Corporation Commission
DOCKETED

JUN 11 2009

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BEFORE THE ARIZONA CORPORATION COMMISSION

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

IN THE MATTER OF THE APPLICATION)
 OF LITTLE PARK WATER COMPANY,)
 INC. FOR APPROVAL OF AN EXTENSION)
 OF ITS CERTIFICATE OF CONVENIENCE)
 AND NECESSITY TO PROVIDE WATER)
 SERVICE IN YAVAPAI COUNTY,)
 ARIZONA)

DOCKET NO. W-02192A-07-0326

DECISION NO. _____

FINAL ORDER

Open Meeting
June 23 and 24, 2009
Phoenix, Arizona

BY THE COMMISSION:

Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

FINDINGS OF FACT

1. On May 24, 2007, Little Park Water Company, Inc. ("Little Park" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for an extension of its existing Certificate of Convenience and Necessity ("CC&N") to provide water utility service in Yavapai County, Arizona.

2. On March 20, 2008, the Commission issued Decision No. 70208 which was amended by Decision No. 70612 on November 19, 2008, granting an Order Preliminary to the issuance of the CC&N to Little Park upon completion of the following compliance items.

- a) File either of the following to demonstrate how Little Park intends to fund construction of the arsenic treatment systems for both wells:

...

- 1 i An application for Commission approval of financing under
2 A.R.S. §40-285 along with evidence of having applied for a
3 Water Infrastructure and Finance Authority ("WIFA") loan or
4 another form of financing, to be filed in a separate docket, with a
5 copy to this docket; or
- 6 ii A document evidencing an equity infusion by the owner, to be
7 filed in this docket;
- 8 b) File a copy of the Approval to Construct ("ATC") issued by the Arizona
9 Department of Environmental Quality ("ADEQ") for the arsenic
10 treatment systems for both wells;
- 11 c) File the Certificate of Approval of Construction ("AOC") issued by
12 ADEQ for the installation of the arsenic treatment systems for the two
13 existing wells;
- 14 d) File a copy of the AOC issued by ADEQ for the plant facilities needed
15 to serve the CC&N extension area;
- 16 e) File a letter showing that the CC&N extension area's water consumption
17 is reported with Little Park's annual Designation report to the Arizona
18 Department of Water Resources ("ADWR");
- 19 f) File a letter from ADWR stating that Little Park's Designation continues
20 in effect.
- 21 3. On May 15, 2009, and as required by Decision No. 70208, Little Park filed a
22 Motion for Final Order because it had complied with the above requirements as follows:
- 23 a) On May 1, 2008, Little Park filed an affidavit regarding arsenic
24 treatment plant financing. The President and Owner of Little Park will
25 fund any shortfall in the capital for construction of the arsenic treatment
26 plant. Staff has reviewed the document and has found that it meets the
27 requirements of Decision No. 70208.
- 28 b) On June 20, 2008, Little Park filed a copy of the ATC for the arsenic
 treatment systems for both wells. Staff has reviewed the filing and has
 found that it meets the requirements of Decision No. 70208.
- c) On December 18, 2008, the Company filed a copy of the AOC for Well
 #1 and on January 13, 2009, the Company filed a copy of the AOC for
 Well #2. Staff has reviewed the filings and has found that they meet the
 requirements of Decision No. 70208.
- d) Compliance Item 2d above was eliminated by Decision No. 70612 on
 November 20, 2008.

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- e) Compliance Item 2e above was eliminated by Decision No. 70612 on November 20, 2008.
- f) On May 15, 2008, the Company filed a copy of the ADWR Designation of Adequate Water Supply for the extension area. Staff has reviewed the filing and has found that it meets the requirements of Decision No. 70208.

Based on its analysis, Staff has concluded that Little Park Water Company, Inc. has complied with all requirements set forth in the Order Preliminary. Staff therefore recommends that the Commission issue a Final Order approving the extension of the Company's CC&N to provide water service in Yavapai County, Arizona.

4. Staff's recommendations are reasonable and shall be adopted.

CONCLUSIONS OF LAW

- 1. Little Park is a public service corporation within the meaning of Article XV of the Arizona Constitution and Arizona Revised Statutes §§ 40-252, 40-281 and 40-282.
- 2. The Commission has jurisdiction over Little Park and of the subject matter of the application.
- 3. In accordance with the Order Preliminary issued pursuant to A.R.S. § 40-282(D), Little Park has complied with all conditions set forth therein.
- 4. Pursuant to A.R.S. § 40-282(D), it is appropriate to issue a Final Order.

ORDER

IT IS THEREFORE ORDERED that Little Park Water Company, Inc. application for issuance of a Certificate of Convenience and Necessity to provide water service to the public in the area more fully described in Exhibit A be and hereby is approved as discussed herein.

IT IS FURTHER ORDERED that Little Park Water Company, Inc. shall charge water customers in the area described in Exhibit A its existing rates and charges until further Order by the Commission.

IT IS FURTHER ORDERED that Little Park Water Company, Inc. shall file, as part of its annual report, an affidavit with the Utilities Division attesting that the Little Park Water Company is current on paying its property taxes in Arizona.

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IT IS FURTHER ORDERED that, in light of the ongoing drought conditions in Central Arizona and the need to conserve groundwater, Little Park Water Company, Inc., is prohibited from selling groundwater for the purpose of irrigating any future golf courses within the certificated expansion area or any ornamental lakes or water features located in the common areas of the proposed new development within the certificated expansion area.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, MICHAEL P. KEARNS, Interim Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this ____ day of _____, 2009.

MICHAEL P. KEARNS
INTERIM EXECUTIVE DIRECTOR

DISSENT: _____

DISSENT: _____

EGJ:KDB:lhm\RM

1 SERVICE LIST FOR: LITTLE PARK WATER COMPANY, INC.
2 DOCKET NO.: W-02192A-07-0326

3 Mr. Richard L. Sallquist
4 SALLQUIST, DRUMMOND & O'CONNOR, P.C.
5 1430 East Missouri, Suite B-125
6 Phoenix, Arizona 85014
7 Attorneys for Little Park Water Company, Inc.

8 Mr. Ernest G. Johnson
9 Director, Utilities Division
10 Arizona Corporation Commission
11 1200 West Washington Street
12 Phoenix, Arizona 85007

13 Ms. Janice M. Alward
14 Chief, Legal Division
15 Arizona Corporation Commission
16 1200 West Washington Street
17 Phoenix, Arizona 85007

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EXHIBIT A

EXHIBIT A

DESCRIPTION OF RESIDENTIAL PARCEL AT VERDE VALLEY SCHOOL,
3511 VERDE VALLEY SCHOOL ROAD, YAVAPAI COUNTY, ARIZONA

A portion of the South half of Section 35, Township 17 North, Range 5 East and a portion of the North half of Section 10, Township 16 North, Range 5 East of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, being more particularly described as follows:

COMMENCING at a USDAFS Aluminum Cap set in concrete marking the Northwest corner of the Northeast quarter of the Southwest quarter of the Northeast quarter of the Southwest quarter of said Section 35 from which a USDAFS Aluminum Cap marking the Southwest corner of the Southeast quarter of the Southwest quarter of the Southeast quarter of the Southwest quarter of said Section 35 bears South 00 degrees 53 minutes 55 seconds West 2057.45 feet said line being the basis of bearings for this description;

THENCE South 89 degrees 02 minutes 05 seconds East 1439.52 feet to the POINT OF BEGINNING;

THENCE continuing South 89 degrees 02 minutes 05 seconds East 477.24 feet to the beginning of a non-tangent curve to the right the center of which bears South 05 degrees 36 minutes 30 seconds West 368.30 feet;

THENCE along the arc of said non-tangent curve to the left through a central angle of 60 degrees 38 minutes 34 seconds, an arc distance of 389.81 feet;

THENCE South 23 degrees 44 minutes 59 seconds East 6.36 feet to the beginning of a tangent curve to the left having a radius of 1382.40 feet;

THENCE along the arc of said curve through a central angle of 11 degrees 17 minutes 40 seconds, an arc distance of 272.51 feet;

THENCE South 35 degrees 02 minutes 39 seconds East 244.68 feet to the beginning of a tangent curve to the right having a radius of 622.96 feet;

THENCE along the arc of said curve through a central angle of 15 degrees 33 minutes 55 seconds, an arc distance of 169.24 feet;

THENCE South 19 degrees 28 minutes 44 seconds East 570.56 feet to the beginning of a tangent curve to the right having a radius of 299.11 feet;

THENCE along the arc of said curve through a central angle of 26 degrees 46 minutes 10 seconds, an arc distance of 139.75 feet;

THENCE South 07 degrees 17 minutes 26 seconds West 189.75 feet to the beginning of a tangent curve to the left having a radius of 268.31 feet;

THENCE along the arc of said curve through a central angle of 43 degrees 25 minutes 05 seconds, an arc distance of 203.32 feet;

DESCRIPTION OF RESIDENTIAL PARCEL AT VERDE VALLEY SCHOOL,
3511 VERDE VALLEY SCHOOL ROAD, YAVAPAI COUNTY, ARIZONA

THENCE South 36 degrees 07 minutes 39 seconds East 217.00 feet to the South line of the Southeast quarter of said Section 35;
THENCE South 89 degrees 58 minutes 04 seconds West 28.72 feet along said South line;
THENCE South 00 degrees 08 minutes 18 seconds East 298.94 feet to the Southeast corner of GLO Lot 5 of said Section 10;
THENCE South 89 degrees 49 minutes 54 seconds West 1319.45 feet along the South line of said Lot 5 to the Southeast corner of GLO Lot 6 of said Section 10;
THENCE South 89 degrees 48 minutes 13 seconds West 329.86 feet along the South line of said Lot 6;
THENCE South 00 degrees 12 minutes 21 seconds East 330.55 feet;
THENCE South 89 degrees 47 minutes 38 seconds West 516.92 feet;
THENCE North 00 degrees 31 minutes 17 seconds East 330.67 feet;
THENCE North 89 degrees 48 minutes 13 seconds East 217.28 feet to the Southerly extension of the North-South Mid-Section line of said Section 35;
THENCE North 00 degrees 31 minutes 17 seconds East 978.04 feet along said Mid-Section line;
THENCE North 61 degrees 30 minutes 14 seconds East 524.32 feet;
THENCE North 00 degrees 31 minutes 17 seconds East 1107.77 feet to the POINT OF BEGINNING.

COMPRISING 78.790 acres or 3,432,075 square feet more or less, subject to all easements of record.

DESCRIPTION OF SCHOOL PARCEL FOR VERDE VALLEY SCHOOL,
3511 VERDE VALLEY SCHOOL ROAD, YAVAPAI COUNTY, ARIZONA

A portion of the South half of Section 35, Township 17 North, Range 5 East and a portion of the North half of Section 10, Township 16 North, Range 5 East of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, being more particularly described as follows:

BEGINNING at a USDAFS Aluminum Cap set in concrete marking the Northwest corner of the Northeast quarter of the Southwest quarter of the Northeast quarter of the Southwest quarter of said Section 35 from which a USDAFS Aluminum Cap marking the Southwest corner of the Southeast quarter of the Southwest quarter of the Southeast quarter of the Southwest quarter of said Section 35 bears South 00 degrees 53 minutes 55 seconds West 2057.45 feet said line being the basis of bearings for this description;

THENCE South 89 degrees 02 minutes 05 seconds East 1439.52 feet;

THENCE South 00 degrees 31 minutes 17 seconds West 1107.77 feet;

THENCE South 61 degrees 30 minutes 14 seconds West 524.32 feet to the North-South Mid-Section line of said Section 35;

THENCE South 00 degrees 31 minutes 17 seconds West 978.04 feet along said North-South Mid-Section line and its Southerly extension to the South line of GLO Lot 6 of said Section 10;

THENCE South 89 degrees 48 minutes 13 seconds West 217.28 feet along said South line;

THENCE South 00 degrees 31 minutes 17 seconds West 330.67 feet;

THENCE South 89 degrees 47 minutes 38 seconds West 472.43 feet;

THENCE South 89 degrees 48 minutes 06 seconds West 330.34 feet;

THENCE North 00 degrees 12 minutes 34 seconds West 637.14 feet to the Northeast corner of GLO Lot 7 of said Section 10;

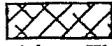
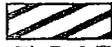
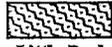
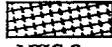
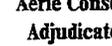
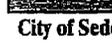
THENCE North 89 degrees 56 minutes 45 seconds East 33.58 feet along the North line of said GLO Lot 7 to a USDAFS Aluminum Cap marking the Southwest corner of the Southeast quarter of the Southwest quarter of the Southeast quarter of the Southwest quarter of said Section 35;

THENCE North 00 degrees 53 minutes 55 seconds East 2057.45 feet to the POINT OF BEGINNING.

COMPRISING 72.769 acres or 3,169,833 square feet more or less, subject to all easements of record.

COUNTY: *Yavapai*

RANGE 5 East

-  W-1445 (5)(3)
Arizona Water Company (Sedona)
-  W-1624 (2)
Big Park Water Company
-  W-4131 (1)
Cross Creek Ranch Water Company
-  W-2192 (2)
Little Park Water Company
-  W-2624 (1)
Michaels Ranch Water Users' Assoc.
-  W-1392 (1)
Oak Creek Water Company No. 1
-  WS-3449 (1)  Sewer
MHC Operating Limited Partnership
dba Sedona Venture Water & Sewer Company
-  W-4291 (1)
Aerie Conservancy
Adjudicated 'Not a Public Service Corporation'
-  (1)
City of Sedona (Nonjurisdictional)
-  (1)
Red Rock Crossing Mobile Village, Inc.
(Nonjurisdictional)
-  (1)
Red Rock Water Cooperative, Inc.
Adjudicated 'Not a Public Service Corporation'
-  (2)
Little Park Water Company
Docket No. W-02192A-07-0326
Application for Extension

