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Transcript Exhibit(s)

AZ CORP COMMISSION
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Docket#(s): W-02074A-07-0079

W-01303A-07-0079

Exhibit #: A', S'

Arizona Corporation Commission
DOCKETED

MAY 11 2007

DOCKETED BY
[Signature] *[Signature]*

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

JEFF HATCH-MILLER, Chairman
WILLIAM A. MUNDELL
MIKE GLEASON
KRISTIN K. MAYES
BARRY WONG

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

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

**JOINT APPLICATION OF
BEARDSLEY WATER COMPANY
AND ARIZONA-AMERICAN
WATER COMPANY**

1 Under Ariz. Rev. Stat. § 40-281, A.A.C. R14-2-402(B), and A.A.C. R14-2-402(C),
2 Beardsley Water Company (“Beardsley”) and Arizona-American Water Company (“Arizona-
3 American”) (together, the “Companies”), submit this application to the Arizona Corporation
4 Commission to realign their certificated water service territories in Maricopa County, Arizona.
5 The purpose of this realignment is to adjust service territory boundaries to be consistent with
6 land ownership and natural boundaries to service. **Neither utility has any customers in the**
7 **real estate parcels that are the subject of this Application.**

8 The Companies provide the following information in support of this Application.

9 **1. COMPANY INFORMATION**

10 Beardsley is an Arizona corporation engaged in the business of providing public-utility
11 water service to customers in various parts of Maricopa County.

12 Arizona-American is an Arizona corporation engaged in the business, among other
13 things, of providing—as part of its Agua Fria Water District—public-utility water service to
14 customers within the City of Surprise, Arizona (“Surprise”). Arizona-American also provides—
15 as part of its Sun City West Water District— public water utility service in an unincorporated
16 area of Maricopa County known as Sun City West.

1 **2. CONTACT INFORMATION**

2 **2.1. For Beardsley**

3 ***2.1.1. Management***

4 First National Management
5 attn: Fred Wilkinson
6 PO Box 1020
7 Apache Junction, Arizona 85217
8 (480)677-6080

9 ***2.1.2. Certified Operator***

10 Joseph V. Fiano
11 President
12 Water Treatment Operators, Inc.
13 14615 N. Fountain Hills Blvd.
14 Fountain Hills, Arizona 85268

15 ***2.1.3. Attorney***

16 Steven A. Hirsch
17 Bryan Cave LLP
18 1 Renaissance Square
19 Two North Central Ave., Ste 2200
20 Phoenix, AZ 85004
21 (602) 364-7319

22 **2.2. For Arizona-American**

23 ***2.2.1. Management***

24 Tom Williams
25 Development Services Director
26 19820 N. 7th Street, Ste. 201
27 Phoenix, AZ 80024
28 (623) 445-2446

29 ***2.2.2. Certified Operator***

30 Brian Biesemeyer
31 Network General Manager
32 15626 N. Del Webb Blvd.
33 Sun City, AZ 85351

1 (623) 815-3125

2 **2.2.3. Attorney**

3 Craig A. Marks

4 3420 E. Shea Blvd., Ste. 200

5 Phoenix, AZ 85028

6 (602) 953-5260

7 **3. EXHIBIT LIST**

8 The Companies' filing is supported by the following 18 exhibits:

Exhibit A	Certificate of Good Standing – Beardsley
Exhibit B	Certificate of Good Standing – Arizona-American
Exhibit C	Map – Existing CC&N Boundaries
Exhibit D	Realignment Agreement
Exhibit E	Map – Proposed CC&N Boundaries
Exhibit F	Color Map – Parcels Affected (With Key)
Exhibit G	Legal Description – Parcel A
Exhibit H	Legal Description – Parcel B
Exhibit I	Legal Description – Parcel C
Exhibit J	Legal Description – Parcel D
Exhibit K	Legal Description – Parcel E
Exhibit L	Legal Description – Parcel F
Exhibit M	Legal Description – Parcel G
Exhibit N	Form of Notice – Parcel A or B Property Owner
Exhibit O	Form of Notice – Parcel C Property Owner
Exhibit P	Form of Notice – Parcel D or E Property Owner
Exhibit Q	Form of Notice – Parcel F Property Owner
Exhibit R	Form of Notice – Parcel G Property Owner

1 **4. CERTIFICATES OF GOOD STANDING**

2 Beardsley's Certificate of Good Standing is attached as Exhibit A. Arizona-American's
3 Certificate of Good Standing is attached as Exhibit B. No corporate resolutions are required for
4 this application.

5 **5. REASON FOR REALIGNMENT**

6 Presently three entities are capable of providing water service to the public in the general
7 vicinity of the intersection of Grand Avenue (US 60) and its intersection with the Estrella
8 Freeway (Loop 303) and the Beardsley Canal. The Surprise provides municipal water service
9 within an existing service area. Beardsley and Arizona-American each provide public-utility
10 water service within the boundaries of their certificates of convenience and necessity granted by
11 the Commission. Exhibit C is a map that shows the relevant sections of:

- 12 • Surprise's present service area ("Surprise Service Area");
- 13 • Beardsley's present certificated service territory ("Beardsley Service Area");
- 14 • Arizona-American's present Agua Fria Water certificated service territory ("Agua-Fria
15 Service Area"); and
- 16 • Arizona-American's present Sun-City West Water certificated service territory ("Sun
17 City West Service Area").¹

18 There are portions of Arizona-American's certificated service area where it likely will
19 never be economical for Arizona-American to provide service, or at least, not as inexpensively as
20 if service could be provided by Surprise or Beardsley. Similarly, there are two portions of the
21 Surprise Service Area—contiguous to the Beardsley Service Area—that could be more readily
22 served by Beardsley. Finally, there is one portion of the Surprise Service Area,—contiguous to
23 the Agua Fria Service Area—that could be more readily served by Arizona-American.

¹ Collectively, the Surprise Service Area, the Beardsley Service Area, the Agua Fria Water Service Area, and the Sun City West Service Areas will be referred to as the "Service Areas."

1 To address these issues, Surprise, Beardsley, and Arizona-American negotiated and
2 executed the "Agreement for the Realignment of Certain Service and Certificated Areas", dated
3 October 6, 2006 ("Realignment Agreement"). A copy of the Realignment Agreement is attached
4 as Exhibit D.

5 The Realignment Agreement concerns six real-estate parcels and embodies the parties'
6 agreement to adjust service territory boundaries to be consistent with land ownership and natural
7 boundaries to service. Exhibit E is a map, which displays the proposed realigned Service Areas,
8 as set forth in the Realignment Agreement. The Realignment Agreement is contingent upon
9 Commission Approval.

10 **6. DETAILED PARCEL DISCUSSION**

11 Exhibit F is a color map, which displays the six parcels that are the subject of the
12 Realignment Agreement, and a seventh parcel that is presently part of Arizona-American's Sun
13 City West Certificate of Convenience and Necessity ("CC&N"). The map is color coded as
14 follows:

- 15 • Parcels A and B (blue). These two parcels are to be deleted from Arizona-American's
16 CC&N and added to the Surprise Service Area.
- 17 • Parcel C (red). This parcel is to be transferred from Arizona-American's CC&N to
18 Beardsley's CC&N.
- 19 • Parcels D and E (green). These two parcels are to be added to Beardsley's CC&N.
- 20 • Parcel F (yellow). This parcel is to be added to Arizona-American's Agua Fria Water
21 CC&N.
- 22 • Parcel G (orange). This parcel is to be transferred from Arizona-American's Sun City
23 West CC&N to its Agua Fria Water CC&N.

24 Legal descriptions for Parcels A through G are set forth in Exhibits G through M, respectively.

1 **6.1. Delete Parcel A from Arizona-American's Agua Fria Water CC&N**

2 A map and legal description for Parcel A is attached as Exhibit G. Parcel A is an
3 irregular-shaped area of land of approximately 571.4 acres, located in Surprise. Parcel A is
4 separated from the rest of Arizona-American's Agua Fria CC&N by the Beardsley Canal, and
5 the McMicken Dam and Outlet Channel. The majority of this area is within a floodplain and
6 owned by Flood Control District of Maricopa County. All remaining land is associated with the
7 Beardsley Canal and owned by the Maricopa County Municipal Water District No. 1. It is
8 unlikely that any of the property will ever be developed. To serve this area, Arizona-American
9 would have to construct an expensive, difficult-to-permit, pipeline under the McMicken Dam or
10 Outlet Channel, the Beardsley Canal, and through the neighboring flood plain. To the extent that
11 future development does require water service, Surprise could more economically extend service
12 to Parcel A from the west. Therefore, Arizona-American asks to delete Parcel A from its Agua
13 Fria Water CC&N.

14 **6.2. Delete Parcel B from Arizona-American's Agua Fria Water CC&N**

15 A map and legal description for Parcel B is attached as Exhibit H. Parcel B is located
16 partially in Surprise and partially in unincorporated Maricopa County. It is a downward-pointing
17 triangle of about 71.7 acres, bounded on the left by Grand Avenue (US 60) and on the right by
18 the McMicken Dam Outlet Channel. The northern edge of the triangle is bounded by the
19 Williams Road alignment. This area is mostly private land partially located in the floodplain.
20 The entire area is isolated from the rest of Arizona-American's Agua Fria CC&N by the
21 McMicken Dam Outlet Channel and the Beardsley Canal. When development requires water
22 service, Surprise can more economically extend service from the existing Surprise Service Area
23 to the north, than can Arizona-American from the south. Therefore, Arizona-American asks to
24 delete Parcel B from its Agua Fria Water CC&N.

1 **6.3. Transfer Parcel C from Arizona-American's Agua Fria Water CC&N to**
2 **Beardsley's CC&N**

3 A map and legal description for Parcel C is attached as Exhibit I. Parcel C is an area of
4 approximately 134.0 acres located in the City of Surprise. It is separated from the rest of
5 Arizona-American's Agua Fria CC&N by the McMicken Dam Outlet Channel, the Beardsley
6 Canal, Grand Avenue, and the Burlington Northern Santa Fe Railroad. The area is
7 predominately owned by the Flood Control District of Maricopa County with limited private
8 land along Grand Avenue. To serve this area, Arizona-American would have to construct an
9 expensive, difficult to permit, pipeline under the McMicken Dam Outlet Channel and the
10 Beardsley Canal. Beardsley's existing CC&N borders this area to the west. By contrast, there
11 are no significant geographic barriers to Beardsley extending service to this area in the future,
12 should this be warranted. Therefore, the Companies ask to transfer Parcel C from Arizona-
13 American's Agua Fria Water CC&N to Beardsley's CC&N.

14 **6.4. Add Parcel D to Beardsley's CC&N**

15 A map and legal description for Parcel D is attached as Exhibit J. This is a small triangle
16 of mostly private land, approximately 15.7 acres in size, in Surprise. It is located just north of
17 Parcel C and south of Grand Avenue and the Burlington Northern Santa Fe Railroad. Parcel D is
18 presently in the Surprise Service Area. For Surprise to serve this area, it would have to construct
19 an expensive pipeline under Grand Avenue and the railroad tracks. Beardsley's existing CC&N
20 borders this area to the west. By contrast, there are no significant geographic barriers to
21 Beardsley extending service to this area in the future, should this be warranted. Therefore,
22 Beardsley asks to add Parcel D to its CC&N.

23 **6.5. Add Parcel E to Beardsley's CC&N**

24 A map and legal description for Parcel E is attached as Exhibit K. This is an
25 approximately 39.8-acre parcel of mostly private land, located in Surprise on the northeast corner
26 of the intersection of Deer Valley and Citrus Roads. Beardsley's existing CC&N borders this
27 parcel to the west, north, and east. Beardsley and Surprise agree that this parcel could be more

1 economically served by Beardsley than by Surprise. Therefore, Beardsley asks to add Parcel E
2 to its CC&N.

3 **6.6. Add Parcel F to Arizona-American's Agua Fria Water CC&N.**

4 A map and legal description for Parcel F is attached as Exhibit L. Parcel F is currently
5 located in an unincorporated area of Maricopa County. Parcel F is an approximately 162.1-acre
6 trapezoid, bounded by Arizona-American's Sun City West Water CC&N to the east and south,
7 and Agua Fria Water CC&N to the west. The north edge of parcel D is bounded by the
8 McMicken Dam Outlet Channel. The area is bisected by the Loop 303 and owned by Maricopa
9 County. To serve this area, Surprise would have to construct an expensive pipeline under the
10 McMicken Dam Outlet Channel and the Beardsley Canal. By contrast, there are no significant
11 geographic barriers to Arizona-American extending service to this area from its Agua Fria Water
12 District. Therefore, Arizona-American asks to add Parcel F to its Agua Fria Water CC&N.

13 **6.7. Transfer Parcel G from Sun City West to Agua Fria CC&N.**

14 A map and legal description for Parcel G is attached as Exhibit M. This is a small
15 approximately 10.3-acre area in unincorporated Maricopa County, west of Sun City West, north
16 of Grand Avenue, and east of the Surprise City limits. Parcel G is presently part of Arizona-
17 American's Sun City West Water CC&N, although it is outside the boundaries of the Sun City
18 West Community. Should service to this parcel be required in the future, it would be more
19 economical to serve it as part of the rapidly growing Agua Fria Water District, rather than to
20 extend new facilities from the built out Sun City West Water District. Therefore, Arizona-
21 American asks to transfer Parcel G from its Sun City West Water CC&N to its Agua Fria Water
22 CC&N.

23 **7. PERMITS**

24 The parcels requested to be added to Beardsley's CC&N (Parcels C, D, and E) are within
25 the Surprise city limits. Beardsley is not presently franchised to serve within the Surprise City

1 limits. Before extending service to these parcels, Beardsley would obtain a franchise or similar
2 authority from Surprise.

3 The parcels requested to be added to Arizona-American's CC&N (Parcels F and G) are
4 within unincorporated Maricopa County. Before extending service to either of these parcels,
5 Arizona-American would extend its existing Maricopa County franchise to include the parcel(s).

6 **8. RATES PROPOSED TO BE CHARGED**

7 Any future customers in Parcels A or B will be served by Surprise at its applicable
8 municipal water rates.

9 For any future customers provided service in Parcels C, D, or E, Beardsley will apply the
10 authorized rates and charges set forth in its water tariffs, on file with the Commission.

11 For any future customers provided service in Parcels F or G, Arizona-American will
12 apply the authorized rates and charges set forth in its Agua Fria Water District water tariffs, on
13 file with the Commission.

14 **9. CUSTOMERS AND EXISTING UTILITY FACILITIES**

15 There are no existing customers or jurisdictional utility facilities in the affected parcels.

16 **10. PUBLIC NOTICE**

17 Forms of notice to the affected landowners of Parcels A through G are attached as
18 Exhibits N through R. The Companies will docket a proof of service of these notices.

19 **11. PUBLIC INTEREST**

20 The requested approvals are in the public interest because no existing customers will be
21 affected and service to future customers in the subject parcels will be provided in the most
22 economical, efficient manner.

1 **12. REQUESTS FOR APPROVAL**

2 As set forth in this application, Beardsley Water Company and Arizona-American Water
3 Company respectfully request authority, as more fully set forth in this Application to:

- 4 • Delete Parcel A from Arizona-American's Agua Fria Water CC&N;
5 • Delete Parcel B from Arizona-American's Agua Fria Water CC&N;
6 • Transfer Parcel C from Arizona-American's Agua Fria Water CC&N to Beardsley's
7 CC&N;
8 • Add Parcel D to Beardsley's CC&N;
9 • Add Parcel E to Beardsley's CC&N;
10 • Add Parcel F to Arizona-American's Agua Fria Water CC&N; and
11 • Transfer Parcel G from Arizona-American's Sun City West CC&N to its Agua Fria
12 CC&N.

13 RESPECTFULLY SUBMITTED on February 2, 2007.

14 By Steven A. Hirsch *SAH*
15 **Steven A. Hirsch**
16 Bryan Cave LLP
1 Renaissance Square
Two North Central Ave.
Suite 2200
Phoenix, AZ 85004
(602) 364-7319
sahirsch@bryancave.com
**Attorney for Beardsley Water
Company**

By Craig A. Marks *CAM*
Craig A. Marks
Craig A. Marks PLC
3420 E. Shea Blvd.
Suite 200
Phoenix, AZ 85024
(602) 953-5260
Craig.Marks@azbar.com
**Attorney for Arizona-American
Water Company**

17
18
19 **Original** and 13 copies filed
20 on February 2, 2007 with:

21 Docket Control
22 Arizona Corporation Commission
23 1200 West Washington
24 Phoenix, Arizona 85007

25
26
27 By: Courtney Appelhans
28 **Courtney Appelhans**
29
30

Exhibit A

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION
CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Brian C. McNeil, Executive Director of the Arizona Corporation Commission, do hereby certify that

*****BEARDSLEY WATER COMPANY, INC.*****

a domestic corporation organized under the laws of the State of Arizona, did incorporate on November 20, 1973.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 31st Day of January, 2007, A. D.




Executive Director

Order Number: 119653

Exhibit B

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION
CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Brian C. McNeil, Executive Director of the Arizona Corporation Commission, do hereby certify that

*****ARIZONA-AMERICAN WATER COMPANY*****

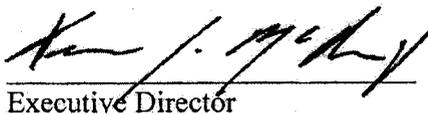
a domestic corporation organized under the laws of the State of Arizona, did incorporate on December 30, 1949.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 31st Day of January, 2007, A. D.




Executive Director

Order Number: 119646

Exhibit C

Exhibit C
Existing CC&N Boundaries

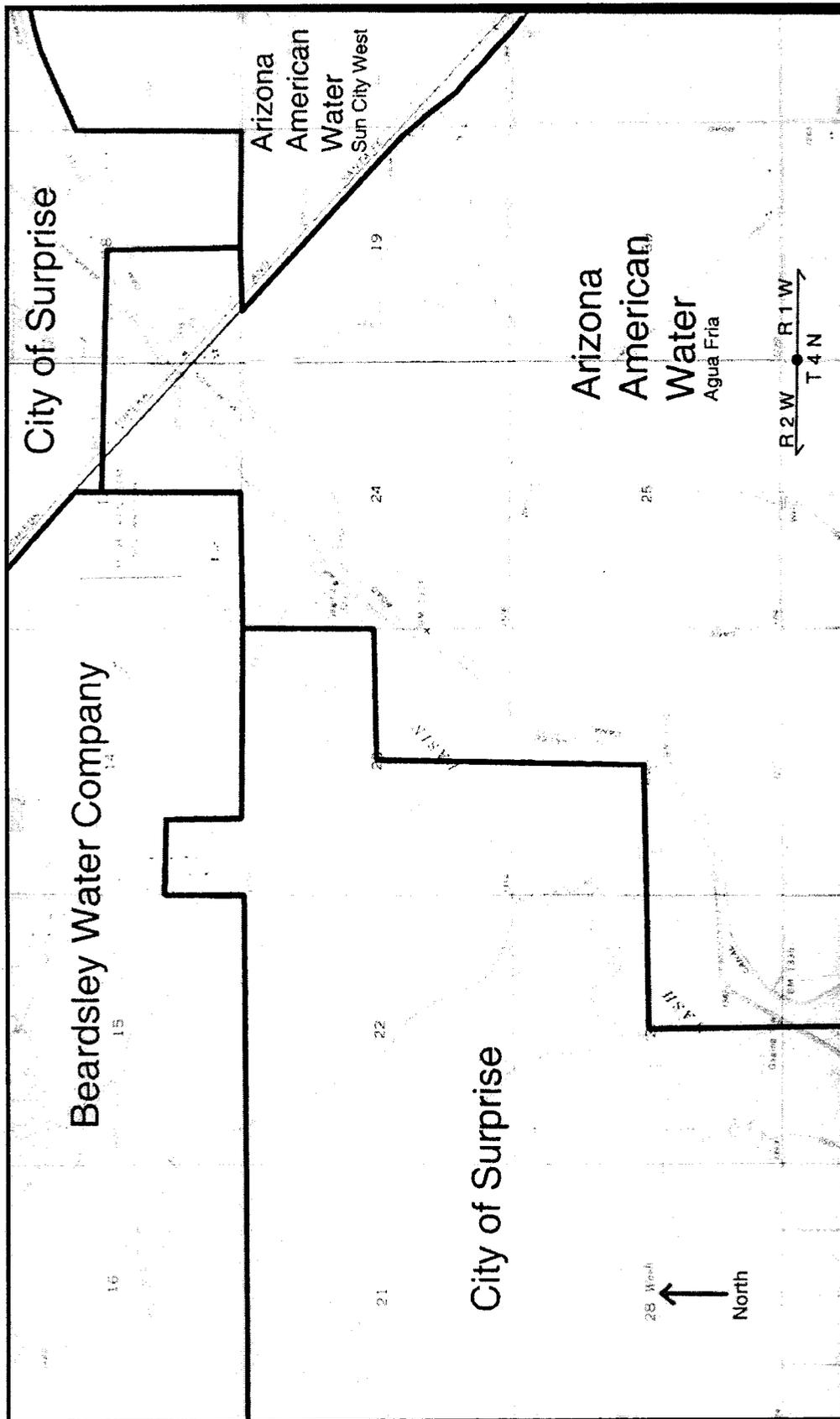


Exhibit D

**AGREEMENT FOR THE REALIGNMENT OF
CERTAIN SERVICE AND CERTIFICATED AREAS**

THIS AGREEMENT ("Agreement") is entered into this 6th day of October, 2006, by and between the CITY OF SURPRISE, an Arizona municipal corporation ("City"), BEARDSLEY WATER COMPANY, INC., an Arizona corporation ("Beardsley") and ARIZONA-AMERICA WATER COMPANY, an Arizona corporation ("Arizona-American"). Together, City, Beardsley, and Arizona-American may be referred to as the "Parties."

RECITALS

A. Beardsley is an Arizona public service corporation within the meaning of Article 15, Section 2, of the Arizona Constitution and, as such, is regulated by the Arizona Corporation Commission ("Commission"). Beardsley is authorized to provide water service within portions of Maricopa County, Arizona, pursuant to a Certificate of Convenience and Necessity granted by order of the Commission (the "Beardsley Service Area"). The relevant portion of the Beardsley Service Area is depicted on the map attached hereto as Exhibit A.

B. Arizona-American is an Arizona public service corporation within the meaning of Article 15, Section 2, of the Arizona Constitution and, as such, is regulated by the Commission. Arizona-American is authorized to provide water service within portions of Maricopa County, Arizona, pursuant to a Certificate of Convenience and Necessity granted by order of the Commission (the "Arizona-American Service Area"). The relevant portion of the Arizona-American Service Area is depicted on Exhibit A.

C. City is authorized to provide water service within and without the area (the "City Service Area") delineated by the City's municipal boundaries pursuant to Article 13, Section 5, of the Arizona Constitution and A.R.S. §§ 9-511, et seq. The relevant portion of the City Service Area is depicted on Exhibit A.

D. The Beardsley Service Area, the Arizona-American Service Area, and the City Service Area (collectively, the "Service Areas") in the general vicinity of Grand Avenue (US 60) and its intersections with the Estrella Freeway (Loop 303) and the Beardsley Canal are inconsistent with land ownership and natural barriers to water service. If Beardsley, Arizona-American, and City were to provide water service to their respective Service Areas, certain water production and distribution facilities may be duplicative and costly, which in turn would affect the efficiency and cost of water service.

E. In order to facilitate the efficient and cost-effective provision of water service in their respective Service Areas, Beardsley, Arizona-American, and City desire to realign the boundaries of their respective Service Areas to correspond with land ownership and natural barriers to water service.

F. Beardsley, Arizona-American, and City do not currently have any water facilities or water customers within the portions of their respective Service Areas they wish to realign.

AGREEMENT

NOW, THEREFORE, for and in consideration of the following covenants and promises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Realignment of the Service Areas. Subject to the terms, conditions, and contingencies set forth below, Beardsley, Arizona-American, and the City realign portions of their respective Service Areas such that:

- Surprise will serve areas north of Grand Avenue and west of the Beardsley Canal and areas south of Deer Valley Road and west of the Beardsley Canal or the McMicken Dam Outlet Channel;
- Beardsley will serve areas north of Deer Valley Road, west of the McMicken Dam Outlet Channel and south of Grand Avenue; and
- Arizona-American will serve areas east of the Beardsley Canal or McMicken Dam Outlet Channel.

1.1. Map of Realigned Areas. The realigned Service Areas are depicted on the map attached hereto as Exhibit B.

1.2. Legal Descriptions and Map Detailing Realignments.

1.2.1. Additions to the Beardsley Service Area. The areas currently within the City Service Area to be added to the Beardsley Service Area are described in the attached Exhibit C and shown on the map attached as Exhibit G.

1.2.2. Transfer to the Beardsley Service Area. The areas currently within the Arizona-American Service Area to be transferred to the Beardsley Service Area are described in the attached Exhibit D and shown on the map attached as Exhibit G.

1.2.3. Deletions from the Arizona-American Service Area. The areas to be deleted from the Arizona-American Service Area to become part of the City Service Area are described in the attached Exhibit E and shown on the map attached as Exhibit G.

1.2.4. Additions to the Arizona-American Service Area. The areas currently within the City Service Area to be added to the Arizona-American Service Area are described in the attached Exhibit F and shown on the map attached as Exhibit G.

2. Procedure to Implement the Realignment. The Parties will follow the following procedure to realign their Service Areas:

2.1. Acquisition of Landowner Consents. The identities of the owners of real property within the areas that are subject to this Agreement are set forth on the attached Exhibit H. Beardsley and Arizona-American will endeavor to acquire landowner consents in accordance with the following process.

2.1.1. Landowners Becoming Part of Beardsley Service Area. For landowners within the City Service Area or Arizona-American Service Area whose land will become part of the Beardsley Service Area, Beardsley shall use reasonable efforts to acquire the written consents of such landowners to the inclusion of each landowner's real property in the Beardsley Service Area and its removal from either the City Service Area or the Arizona-American Service Area.

2.1.2. Landowners Becoming Part of City Service Area. For landowners within the Arizona-American Service Area whose land will become part of the City Service Area, Arizona-American will use reasonable efforts to acquire the written consents of such landowners to the removal of each landowner's real property from the Arizona-American Service Area and its inclusion in the City Service Area.

2.1.3. Landowners Becoming Part of Arizona American Service Area. For landowners within the City Service Area whose land will become part of the Arizona-American Service Area, Arizona-American shall use reasonable efforts to acquire the written consents of such landowners to the inclusion of each landowner's real property in the Arizona-American Service Area and its removal from the City Service Area.

2.2. Failure of a Landowner to Consent. The acquisition of a landowner's consent to inclusion or deletion of the landowner's real property from the certificates or service area of the City, Beardsley or Arizona-American, all in accordance with the terms of this Agreement, shall not be a condition precedent to making the filing described next in paragraph 2.3.

2.3. Filing of an Application to Modify the Beardsley Service Area and the Arizona-American Service Area. Beardsley and Arizona-American will jointly file an application with the Commission (the "Joint Application") to request the necessary approvals to modify the Beardsley Service Area and Arizona-American Service Area so that the Beardsley Service Area, Arizona-American Service Area, and City Service Areas will be as depicted on the map attached hereto as Exhibit B."

2.4. Support of Application. As part of the Application process, City will provide necessary evidence of its willingness and ability to serve those areas deleted from the Arizona-American Service Area. Beardsley and Arizona-American will prosecute the relief sought in the Joint Application in good faith and with due diligence.

2.5. Effect of Approval by the Commission. Upon the Commission's approval of the request set forth in the Joint Application, City will assume the right, privilege, and obligation to provide water service in those areas deleted from the Arizona-American Service Area. Thereafter, City shall be solely responsible for providing water service to the areas deleted from the Arizona-American Service Area, and for taking all other necessary and appropriate actions relating to such services. Upon the Commission's approval of the request set forth in the Application, City will waive and relinquish in favor of Beardsley and Arizona-American any and all of City's right, privilege and obligation to provide water service in those areas added to the Beardsley Service Area and the Arizona-American Service Area, respectively. Thereafter, Beardsley and Arizona-American shall be solely responsible for providing water service to said areas added to the Beardsley Service Area and the Arizona-American Service Area, respectively, and for taking all other necessary and appropriate actions relating to such services. While Beardsley, Arizona-American and City agree to timely execute any and all documents that may be required to effectuate the terms and conditions of this Agreement, it is the intent of the parties hereto that the transfer and assignments, waivers and relinquishments referenced herein shall occur automatically and without the necessity for further action, written or otherwise, upon the Commission's approval of the request set forth in the Joint Application.

3. Approval by the Commission. This Agreement is contingent upon the entry of an order that is final for purposes of appeal under which the Commission grants the relief sought in the Joint Application.

4. No Precedent. This Agreement is the product of negotiation to resolve the respective rights of the three parties at this time concerning only the specific subject matter addressed in the Agreement. As such, this Agreement may not be cited as precedent for any purpose, including, but not limited to:

- the provision of water service to any portion or portions of the Beardsley Service Area, the Arizona-American Service Area, or City Service Area not covered under this Agreement; and
- the value of Beardsley's or Arizona-American's property or rights in any condemnation action (or an action brought for damages under theories of inverse condemnation or inverse eminent domain).

5. Miscellaneous Provisions.

5.1. Entire Agreement. This Agreement, including the attached exhibits, contains the Parties' entire agreement and supersedes all previous communications, representations or agreements, written or verbal, with respect to its subject matter.

5.2. Construction. This Agreement shall be construed in accordance with the laws of the State of Arizona. No party is deemed the drafter. This Agreement is intended

to represent the mutual agreement of the parties hereto and shall not be strictly construed against either party.

5.3. Modification or Amendment. This Agreement may not be modified, amended, rescinded, cancelled or waived, in whole or in part, except by a written instrument signed by both parties.

5.4. Further Instruments. Each party shall from time to time and at such time as may be required, take such further actions and execute such further documents as may be reasonably required and necessary to effectuate the provisions of this Agreement.

5.5. No Commission Jurisdiction. The City does not consent to, nor does it intend to subject itself to the jurisdiction of the Commission by virtue of its approval of this Agreement and the Exhibits that are attached hereto.

5.6. Dispute Resolution Process: If a dispute arises between the Parties, the following procedures apply:

5.6.1. Good Faith Negotiations. Before any dispute under this Agreement is referred to Section 5.6.2 for resolution the Parties will personally meet and attempt in good faith to resolve the dispute. If the Parties cannot resolve the dispute within 14 days, or within some mutually agreeable additional time period, either Party may avail itself of the provisions of Section 5.6.2.

5.6.2. Mediation and Arbitration. If the Parties are unable to resolve a dispute under the procedures set forth in Section 5.6.1, the procedures of this section apply.

- The Parties will, before resorting to arbitration, first try in good faith to settle the dispute by mediation administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules.
- Any dispute not resolved by mediation will be settled by binding arbitration administered by the AAA. The arbitration will be conducted in accordance with the AAA's Commercial Arbitration Rules.
- The arbitrator(s) have no power to amend or modify this Agreement. Judgment on the award rendered by the arbitrator(s) may be entered in the Superior Court of Maricopa County, Arizona.

5.7. Jurisdiction, Venue and Attorneys' Fees and Costs. The prevailing party in any arbitration proceeding, lawsuit, appeal or other proceeding brought to enforce or otherwise implement the terms and conditions of this Agreement shall be entitled to an award of attorneys' fees and costs from the losing party. The Parties consent to jurisdiction and venue in the Superior Court of Maricopa County, Arizona.

5.8. Assignment. The terms and conditions of this Agreement shall bind and inure to the benefit of the parties, their successors and assigns and legal representatives. Neither party hereto shall assign its interests hereunder without first obtaining the prior written consent of the other party. If either party attempts to assign its interests hereunder without first obtaining the prior written consent of the other, then such assignment shall be null and void.

5.9. Waiver. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver be a continuing waiver. Either party may waive any provision of this Agreement intended for its benefit; provided, however, that such waiver shall in no way excuse the other from the performance of any of its other obligations under this Agreement.

5.10. Section Headings. The section headings used herein are for reference only and shall not enter into the interpretation hereof.

5.11. Authority to Execute Agreement. The undersigned each represent and warrant that he or she has the requisite authority to legally bind the entity on whose behalf he or she is signing.

5.12. Time of Essence. Time is of the essence in this Agreement.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year first written above.

BEARDSLEY WATER COMPANY, INC.,
an Arizona corporation

By: Boyd Wee

Its: President

ARIZONA-AMERICAN WATER COMPANY,
an Arizona Corporation

By: [Signature]

Its: PRESIDENT

CITY OF SURPRISE, an Arizona municipal
corporation

By: Janet Shape

Its: Mayor

Approved as to Form:

By: [Signature]

Its: City Attorney

Exhibit A
Map of Current Water Service Areas

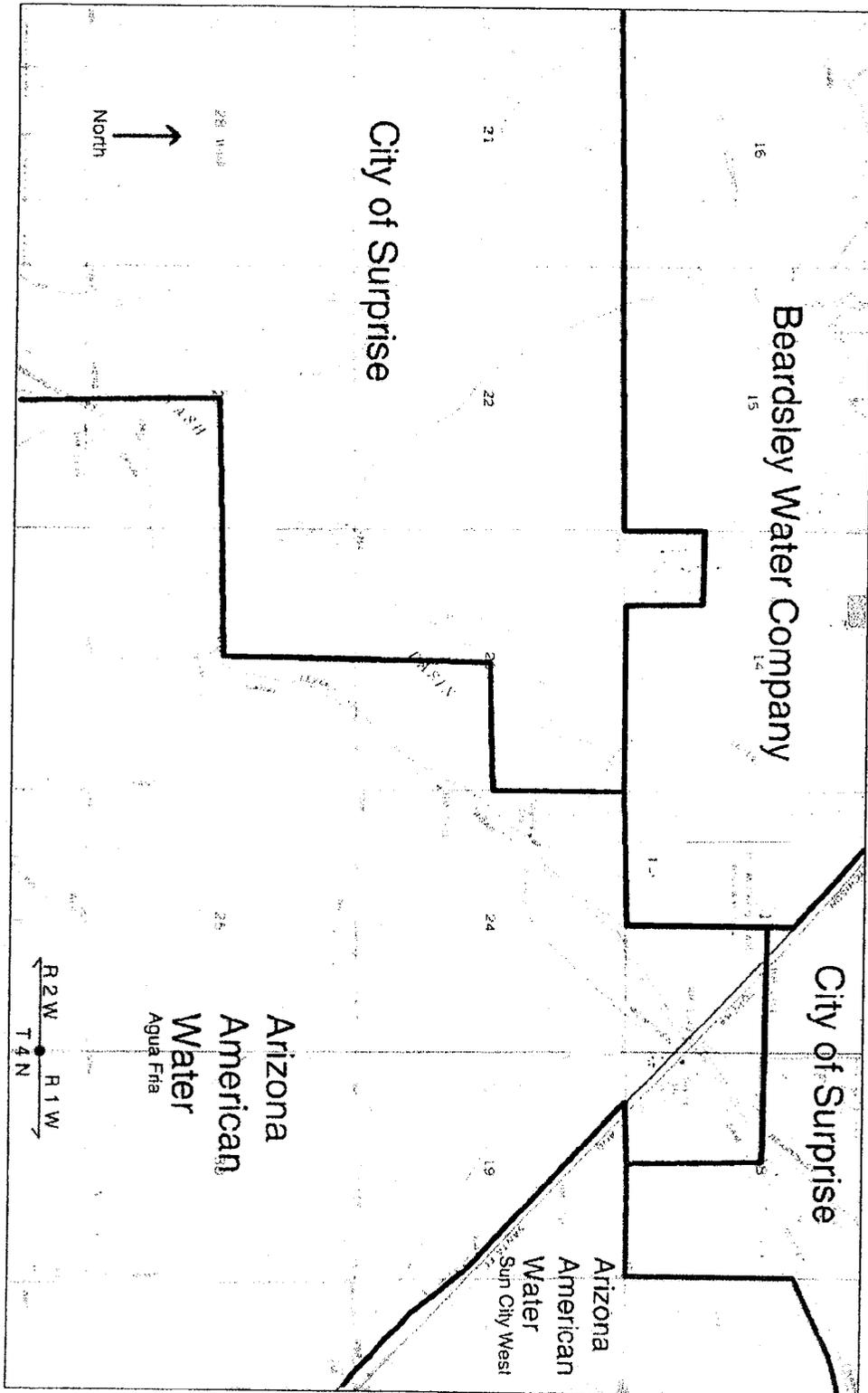


Exhibit B
Map of Realigned Service Areas

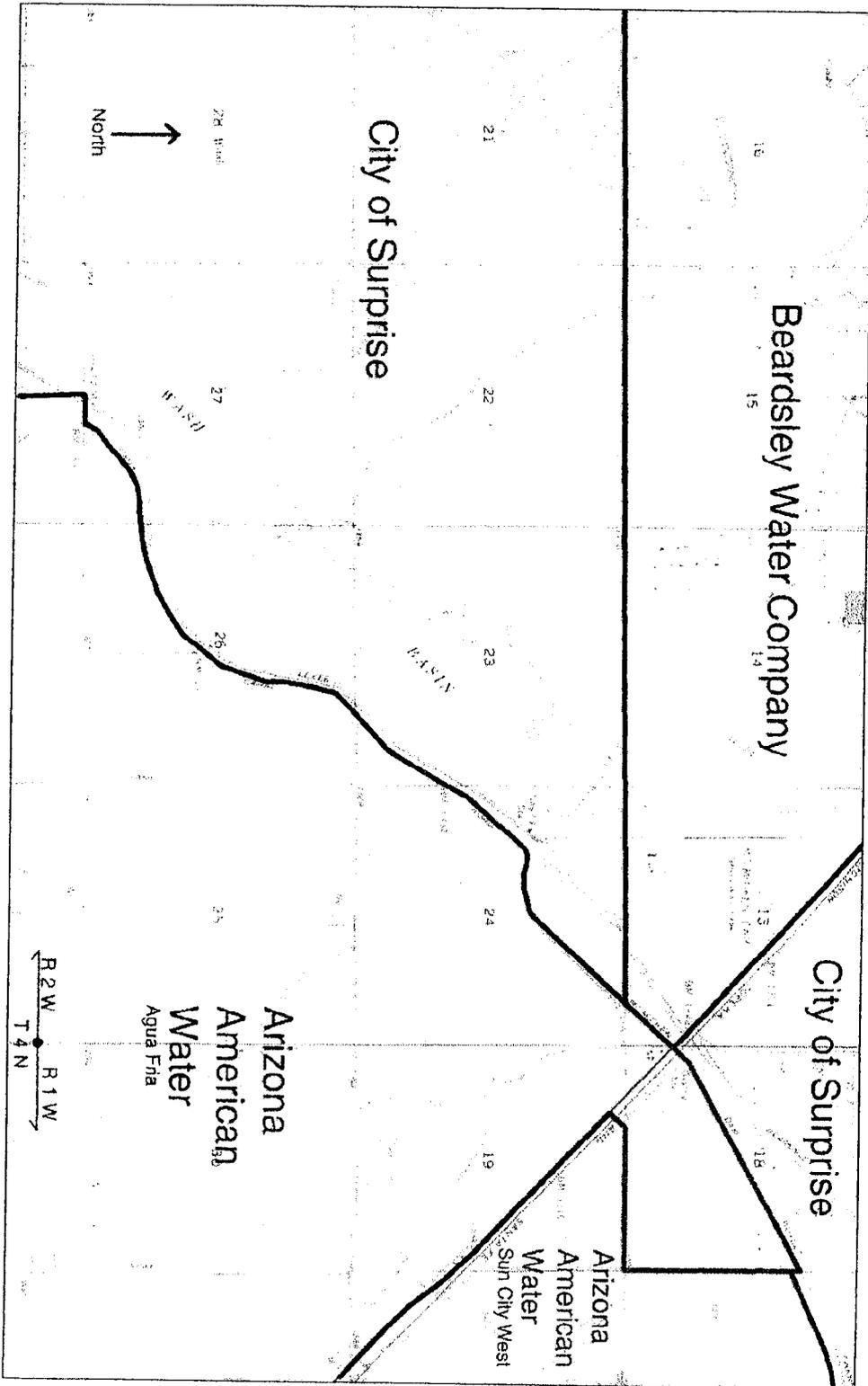


Exhibit C
Legal Description
Areas Currently Within the City Service Area to be Added to the Beardsley Service Area

Township 4 North, Range 2 West

Northeast $\frac{1}{4}$ of Section 13; EXCEPT any portion north of the southerly right-of-way line of Grand Avenue.

Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 14.

Exhibit D
Legal Description
Areas Currently Within the Arizona-American Service Area to be Transferred to the
Beardsley Service Area

Township 4 North, Range 2 West

Southeast $\frac{1}{4}$ of Section 13; EXCEPT any portion north of the southerly right-of-way line of Grand Avenue and any portion south of the southerly line of Parcel 30-C of the Trilby Wash Project.

Exhibit E
Legal Description

Areas to be Deleted from the Arizona-American Service Area to Become part of the City Service Area

Township 4 North, Range 2 West

Southeast $\frac{1}{4}$ of Section 13; EXCEPT any portion south or west of the southerly right-of-way line of Grand Avenue.

North $\frac{1}{2}$ of Section 24; EXCEPT any portion east of the easterly line of the Beardsley Canal Right-of-Way and any portion south or east of the southeast line of Parcels 24-C and 26-C of the Trilby Wash Project.

Southwest $\frac{1}{4}$ of Section 24; EXCEPT any portion east of the easterly line of the Beardsley Canal Right-of-Way.

Southeast $\frac{1}{4}$ of Section 23; EXCEPT any portion east of the easterly line of the Beardsley Canal Right-of-Way.

Northeast $\frac{1}{4}$ of Section 26; EXCEPT any portion east of the easterly line of the Beardsley Canal Right-of-Way.

Southeast $\frac{1}{4}$ of Section 26; EXCEPT any portion east of the easterly line of the Beardsley Canal Right-of-Way.

Southwest $\frac{1}{4}$ of Section 26; EXCEPT any portion east of the easterly line of the Beardsley Canal Right-of-Way.

Southeast $\frac{1}{4}$ of Section 27; EXCEPT any portion east of the easterly line of the Beardsley Canal Right-of-Way

Township 4 North, Range 1 West

Southwest $\frac{1}{4}$ of Section 18; EXCEPT any portion south of the southerly line of Parcel 32-C of the Trilby Wash Project and an extension of said line in a southwesterly direction to the southerly right-of-way line of Grand Avenue.

Exhibit F
Legal Description
Areas Currently Within the City Service Area to be Added to the Arizona-American
Service Area

Township 4 North, Range 1 West

East ½ of Section 18; EXCEPT any portion north of the southerly lines of Parcels 34-C and 38-C of the Trilby Wash Project and a line connecting said southerly lines of Parcels 34-C and 38-C.

Exhibit G
Map Depicting Proposed Realignment of Service Areas

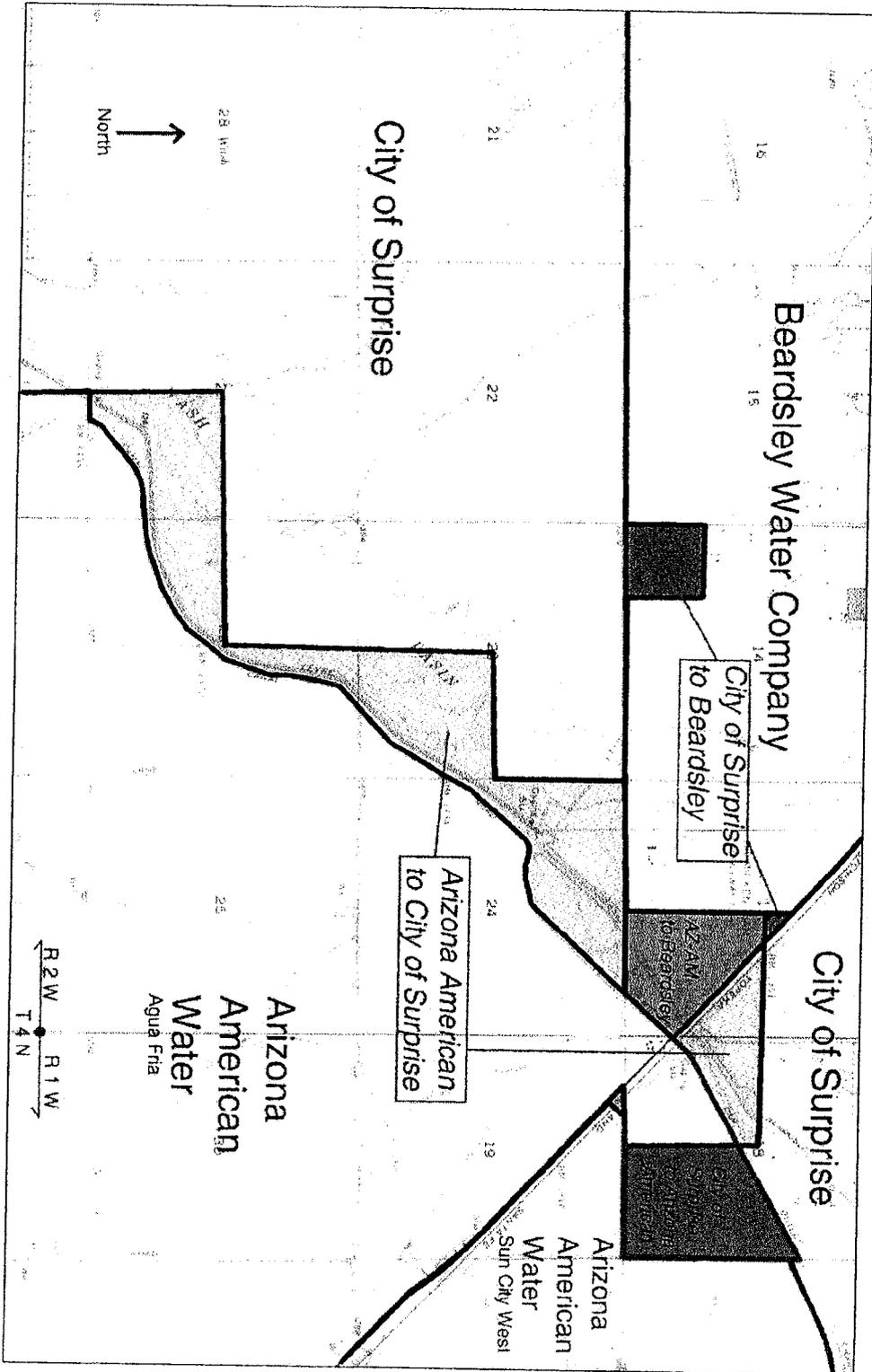


Exhibit H
Page 1 of 2

Real Property Owners Within the Realigned Parcels

Flood Control District of Maricopa County
2801 W Durango St
Phoenix, AZ 85009

Maricopa County Department of Transportation
411 N. Central Avenue, Suite 470
Phoenix, AZ 85004

Maricopa County
301 West Jefferson
Phoenix, AZ 85003

Lennar Communities Development, Inc.
1150 West Grove Parkway, Suite 109
Tempe, AZ 85283

Johnson-Beardsley II
4744 East Desert Park Pl.
Scottsdale, AZ 85253

Peggy L. Fredrickson
22225 N. 162nd Dr.
Sun City West, AZ 85375

Rojelio A. and Arcella Sanchez
22231 N. 163rd, Ave.
Surprise, AZ 85387

Harvey C. Sanchez
6638 W. Pershing
Glendale, AZ 85304

Joseph & Janet M. Soldevere
HC 8 Box 322 A
Payson, AZ 85541

Kimco Barclay Surprise II LLC
3333 new Hyde Park Rd., Ste 100
New Hyde Park, NY 11042

Exhibit H
Page 2 of 2

Bade Donald/Julia Tr/Bade Gerald/Harriet Tr
968 Rosye View Lane
Prescott Valley, AZ 86301

Avenida Grande Partners
7564 E Camino Salida Del Sol
Scottsdale, AZ 85262

Ralph Huntley & Son Inc.
1875 Beaverhead Ln.
Dillon, MT. 59725

Maricopa County Municipal Water Conservation District No. 1
P.O. Box 900
Waddell, AZ 85355

Reyes Ray Tr.
7402 S 233 Rd.
Buckeye, AZ 85326

Juan Manuel & Irma Lou Aranda
22023 N 178th Ave.
Wittmann, AZ 85387

Yingling Harold/Ella/Derrick Ray/Etal
22023 N 178th Ave.
Wittmann, AZ 85361

Yingling Harold/Ella
PO Box 743
Lakeside, AZ 85929

William R. & Margaret West
22013 N 178th Ave.
Wittmann, AZ 85361

Green Valley Inc.
PO Box 32811
Phoenix, AZ 85064

Equity Capital Corp.
PO Box 34237
Phoenix, AZ 85067

Exhibit E

Exhibit E
Proposed CC&N Boundaries

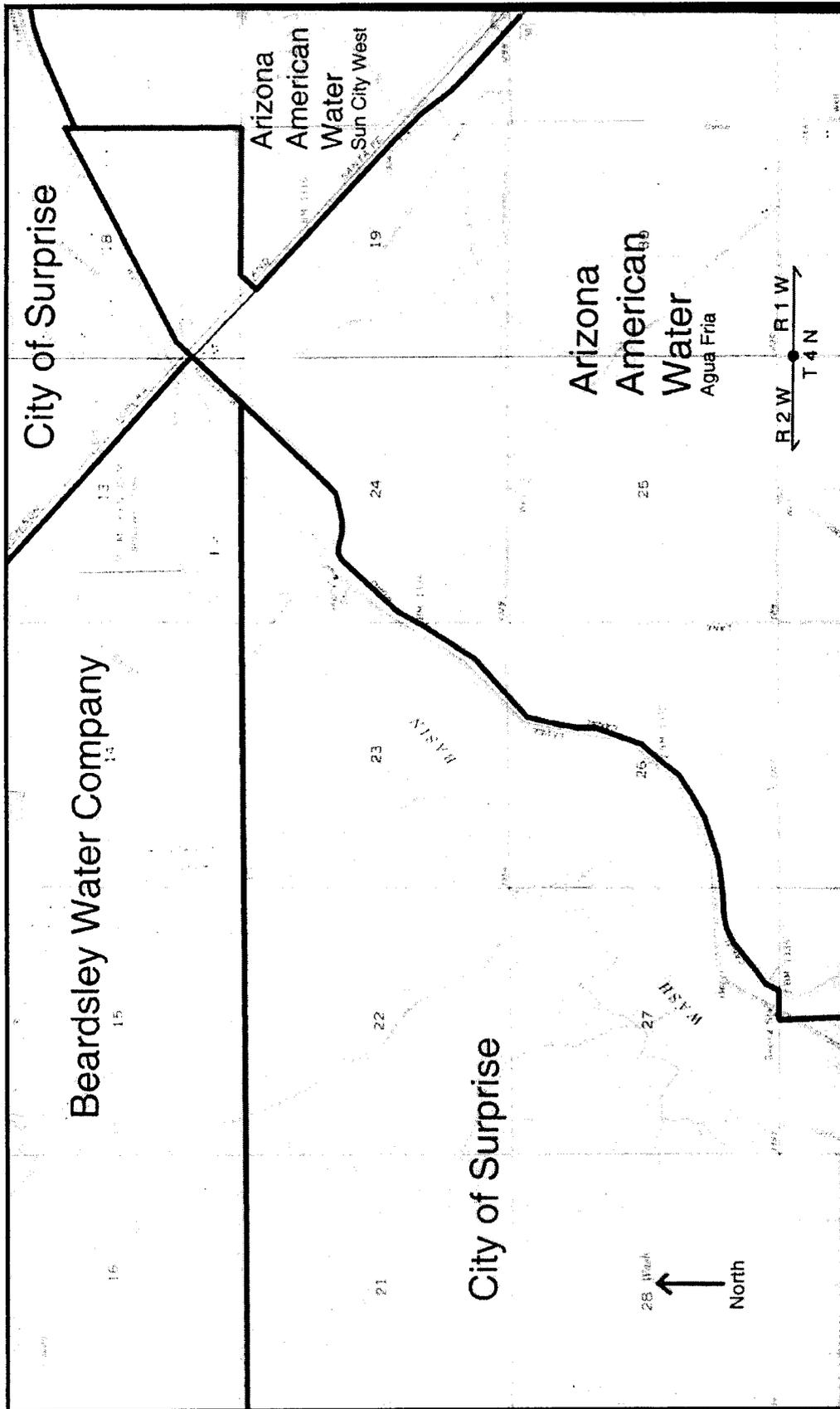


Exhibit F

Exhibit F
Detailed CC&N Changes

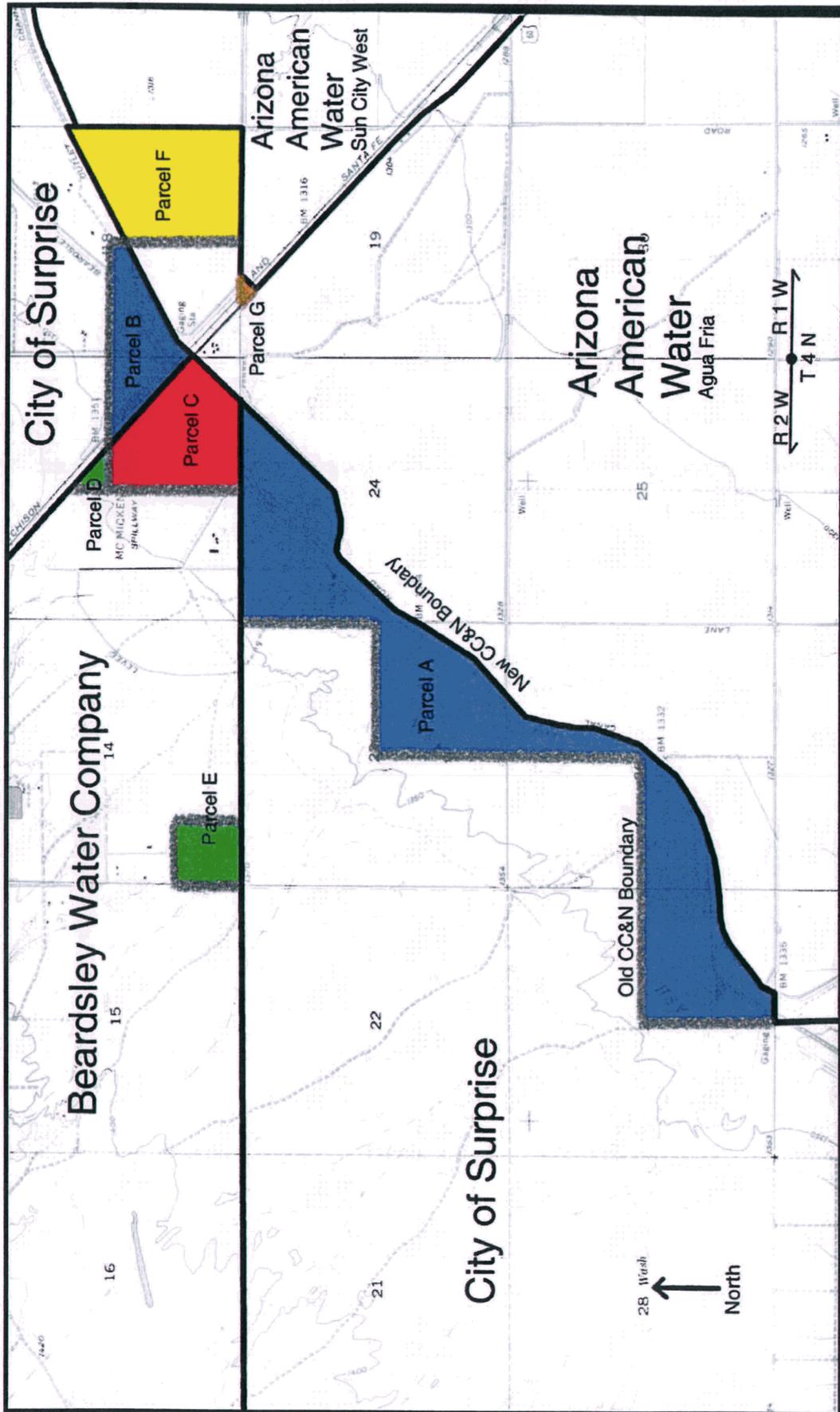
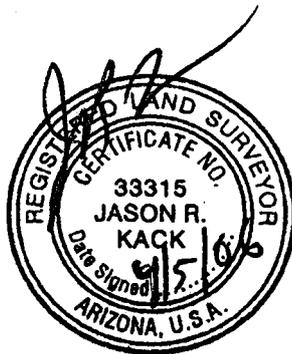


Exhibit G



www.deipro.com



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;

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;

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.





SUN CITY GRAND
HAVASU SUBDIVISION
PER BOOK 624,
PAGE 13, M.C.R.

MATCH LINE SHEET 2

FOUND IRON PIPE
SOUTH QUARTER CORNER
SEC. 23, T4N, R2W

CALCULATED
CENTER OF SEC. 26,
T4N, R2W
NOTHING FOUND OR SET

CALCULATED
CENTER OF SEC. 27,
T4N, R2W
NOTHING FOUND OR SET

FOUND BRASS CAP
WEST QUARTER CORNER
SEC. 26, T4N, R2W

SUN CITY GRAND
ESPERANZA
SUBDIVISION
PER BOOK 602,
PAGE 33, M.C.R.

SUN CITY GRAND
CARLSBAD
SUBDIVISION
PER BOOK 590,
PAGE 22, M.C.R.

SUN CITY GRAND
SANTA FE SUBDIVISION
PER BOOK 589,
PAGE 3, M.C.R.

SUN CITY GRAND
MISSION SUBDIVISION
PER BOOK 589,
PAGE 4, M.C.R.

SUN CITY GRAND
PIMA SUBDIVISION
PER BOOK 590,
PAGE 21, M.C.R.

S89°18'34"E 2635.70'
BASIS OF BEARING

FOUND BRASS CAP
SOUTH QUARTER CORNER
SEC. 27, T4N, R2W
POINT OF BEGINNING

FOUND BRASS CAP
SOUTHEAST CORNER
SEC. 27, T4N, R2W

FOUND BRASS CAP
SOUTH QUARTER CORNER
SEC. 26, T4N, R2W

82-2006
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SURPRISE, ARIZONA

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EXHIBIT

A

1 of 4



FOUND ALUMINUM CAP
NORTH QUARTER CORNER
SEC. 24, T4N, R2W

FOUND ALUMINUM CAP
NORTHWEST CORNER
SEC. 24, T4N, R2W

SUN CITY GRAND
CAPITAN SUBDIVISION
PER BOOK 676,
PAGE 34, M.C.R.

FOUND ALUMINUM CAP
WEST QUARTER CORNER
SEC. 24, T4N, R2W

SUN CITY GRAND
RINCON SUBDIVISION
PER BOOK 651,
PAGE 12, M.C.R.

CALCULATED
CENTER OF SEC. 23,
T4N, R2W
NOTHING FOUND OR SET

SUN CITY GRAND
ESCALANTE SUBDIVISION
PER BOOK 685,
PAGE 33, M.C.R.

SUN CITY GRAND
HAVASU SUBDIVISION
PER BOOK 624,
PAGE 13, M.C.R.

MATCH LINE SHEET 1



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EXHIBIT
A
2 of 4

LINE TABLE

LINE	LENGTH	BEARING
L1	2643.99	N00°51'37"E
L2	2642.31	S89°13'34"E
L3	2635.44	S89°17'29"E
L4	2636.47	N00°52'09"E
L5	2643.32	N00°54'10"E
L6	2623.86	S89°16'54"E
L7	2639.82	N00°48'04"E
L8	2636.35	S89°07'24"E
L9	2001.02	S89°07'27"E
L10	1435.35	S43°46'27"W
L11	803.80	S43°46'27"W
L12	79.59	N68°17'36"W
L13	1058.40	S43°28'33"W
L14	282.40	S26°27'33"W
L15	33.65	N89°11'58"W
L16	845.75	S33°48'43"W
L17	671.84	S48°50'11"W
L18	42.43	S03°50'11"W
L19	363.11	S48°50'11"W
L20	726.17	S11°15'20"W
L21	772.49	S11°15'20"W
L22	368.97	S39°22'26"W
L23	48.19	N00°52'09"E
L24	251.17	S39°22'26"W
L25	778.91	S63°53'56"W
L26	286.64	S63°53'56"W
L27	440.81	S88°49'18"W
L28	205.82	S88°49'18"W
L29	159.84	S87°59'50"W
L30	679.25	S54°45'38"W
L31	6.49	S29°26'11"W
L32	41.16	S60°33'49"E
L33	60.00	S29°26'11"W
L34	41.16	N60°33'49"W
L35	159.63	S29°26'11"W
L36	732.84	N89°18'34"W



2002-2006
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**AZ-AM AF ABANDONED CC & N - 1
 WATER SERVICE PARCEL
 SURPRISE, ARIZONA**

DATE: 3/30/06 SCALE: N.T.S. PROJ. NO: 03101 CAD FILE: 03101_EXHIBITS

EXHIBIT
A
 3 of 4

CURVE TABLE			
CURVE	LENGTH	RADIUS	DELTA
C1	1221.36	1700.00	41°09'49"
C2	795.08	1700.00	26°47'49"
C3	157.97	438.44	20°38'35"
C4	409.26	1377.98	17°01'00"
C5	36.46	1967.36	01°03'43"
C6	176.82	1937.37	05°13'46"
C7	20.76	1937.37	00°36'50"
C8	435.87	1662.20	15°01'28"
C9	403.25	614.80	37°34'51"
C10	576.78	1517.28	21°46'50"
C11	167.83	1517.28	06°20'16"
C12	324.44	1449.95	12°49'13"
C13	296.20	1449.95	11°42'17"
C14	620.82	1427.23	24°55'22"
C15	769.49	1326.52	33°14'11"
C16	286.06	647.22	25°19'26"



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SURPRISE, ARIZONA**

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A
4 of 4

Exhibit H



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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.



PINNACLE PEAK ROAD

FOUND BRASS CAP
IN A HANDHOLE
NORTHWEST CORNER
SEC. 18, T4N, R1W

BASIS OF BEARING
N00°45'25"E 2633.99'

FOUND BRASS CAP
IN A HANDHOLE
WEST QUARTER CORNER
SEC. 18, T4N, R1W
POINT OF BEGINNING

CALCULATED CENTER
OF SEC. 18, T4N, R1W
NOTHING FOUND OR SET

GRANDT AVENUE
100.00'
RIGHT OF WAY

S89°07'38"E
1425.16'

S89°10'30"E
1907.97'

S00°26'18"W
668.02'

2252.18'
N46°13'30"W

1897.91'
S63°41'57"W

CALCULATED
SOUTH QUARTER CORNER
OF SEC. 18, T4N, R1W
NOTHING FOUND OR SET

163RD AVENUE

DEER VALLEY ROAD

FOUND IRON PIPE
SOUTHWEST CORNER
SEC. 18, T4N, R1W



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AZ-AM AF ABANDONED CC & N - 2
WATER SERVICE PARCEL
SURPRISE, ARIZONA

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A

1 of 1

Exhibit I



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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;

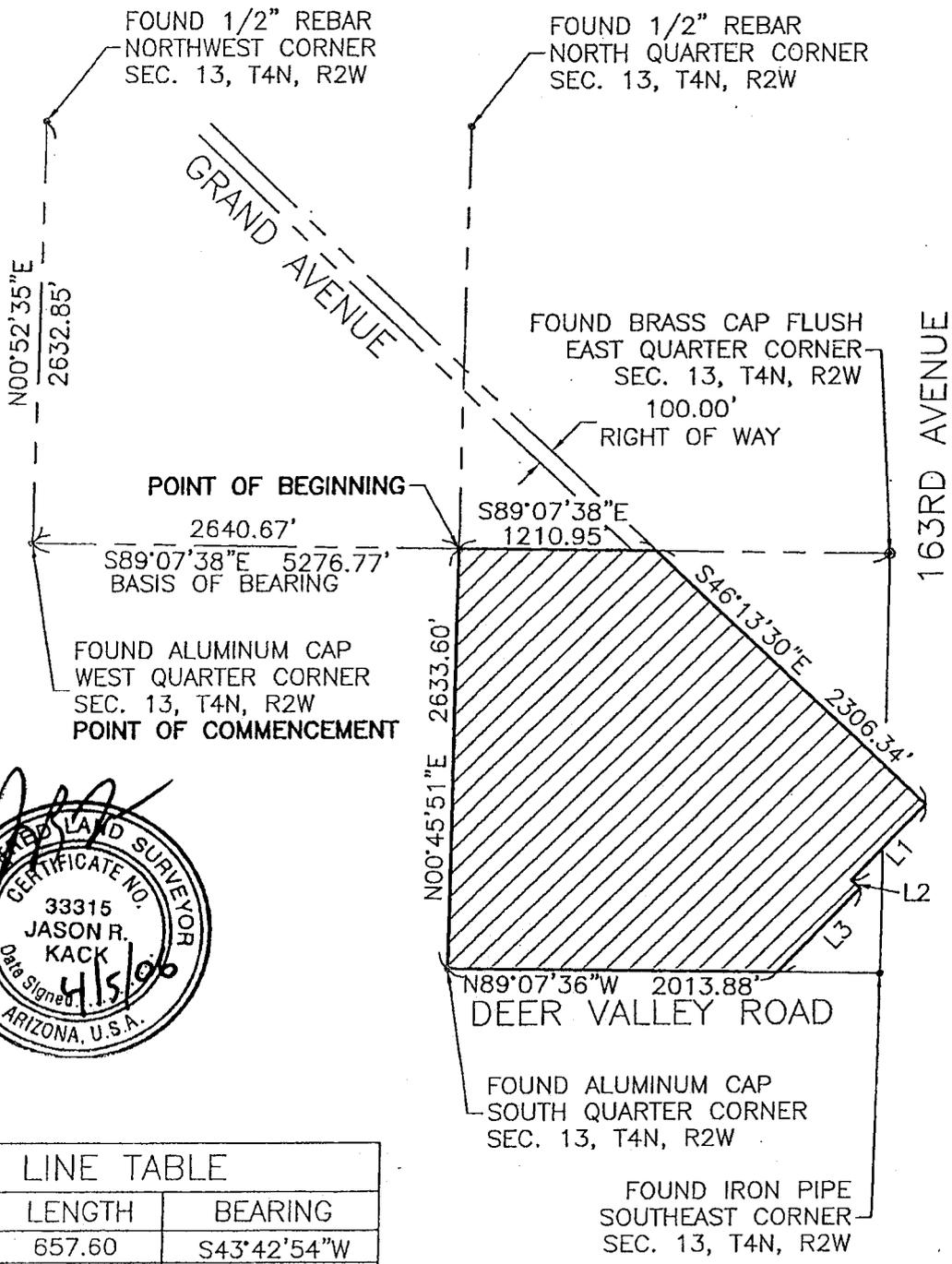
THENCE SOUTH 43 DEGREES 33 MINUTES 59 SECONDS WEST, A DISTANCE OF 721.65 FEET, TO A POINT ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 13;

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.





LINE TABLE		
LINE	LENGTH	BEARING
L1	657.60	S43°42'54"W
L2	75.00	S46°17'00"E
L3	721.65	S43°33'59"W



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**BEARDSLEY TRANSFER AZ-AM AF
WATER SERVICE PARCEL
SURPRISE, ARIZONA**

DATE: 3/30/06 SCALE: N.T.S. PROJ. NO: 03101 CAD FILE: 03101_EXHIBITS

EXHIBIT
A
1 of 1

Exhibit J



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.



FOUND 1/2" REBAR
NORTHWEST CORNER
SEC. 13, T4N, R2W

FOUND 1/2" REBAR
NORTH QUARTER CORNER
SEC. 13, T4N, R2W

GRAND AVENUE

163RD AVENUE

N00°52'35"E
2632.85'

FOUND BRASS CAP FLUSH
EAST QUARTER CORNER
SEC. 13, T4N, R2W

N00°45'51"E
1127.36'

1210.95'
N89°07'38"W

POINT OF BEGINNING
2640.67'

S89°07'38"E 5276.77'
BASIS OF BEARING

FOUND ALUMINUM CAP
WEST QUARTER CORNER
SEC. 13, T4N, R2W
POINT OF COMMENCEMENT

S46°13'30"E
1656.05'

100.00'
RIGHT OF WAY

DEER VALLEY ROAD



BEARDSLEY NEW CC & N - 1
WATER SERVICE PARCEL
SURPRISE, ARIZONA

EXHIBIT

A

1 of 1

1982-2006

24
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Exhibit K



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5 APRIL 2006
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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;

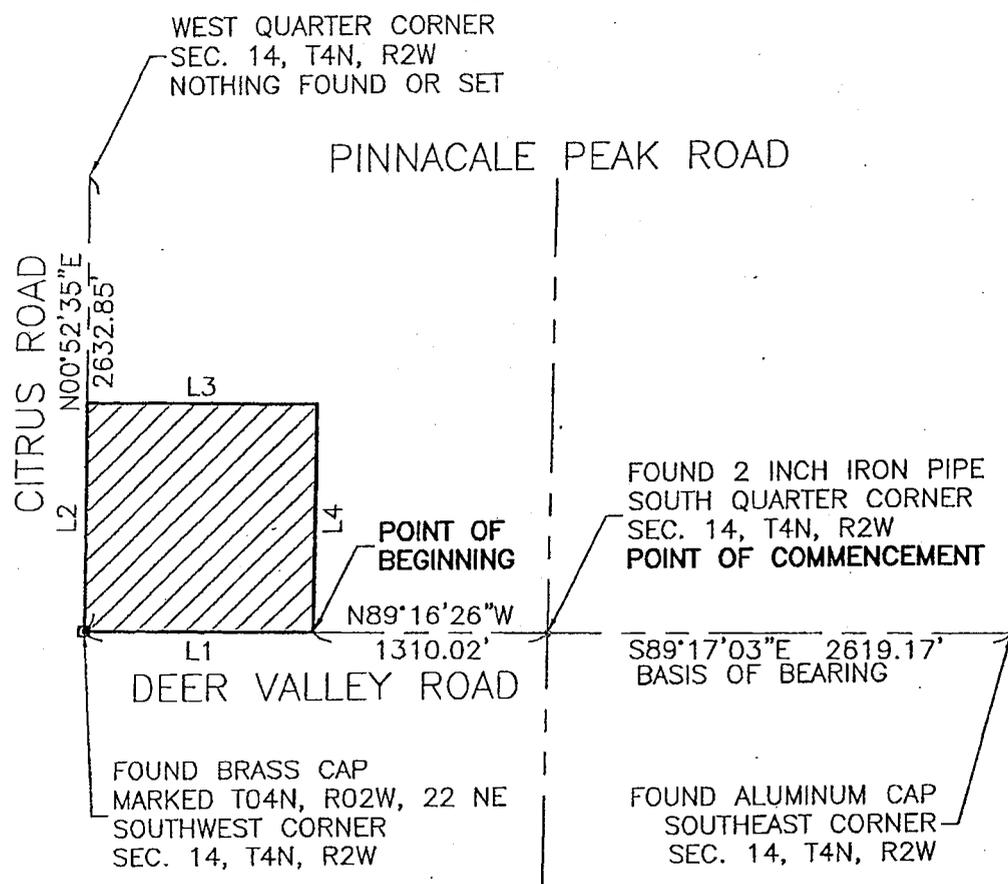
THENCE CONTINUE NORTH 89 DEGREES 16 MINUTES 26 SECONDS WEST, ALONG SAID SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14, A DISTANCE OF 1,310.02 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 14;

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.



LINE TABLE

LINE	LENGTH	BEARING
L1	1310.02	N89°16'26"W
L2	1322.98	N00°06'14"E
L3	1313.84	S89°12'23"E
L4	1321.39	S00°16'07"W

1882-2008

24
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**BEARDSLEY NEW CC & N - 2
WATER SERVICE PARCEL**

SURPRISE, ARIZONA

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Exhibit L



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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;

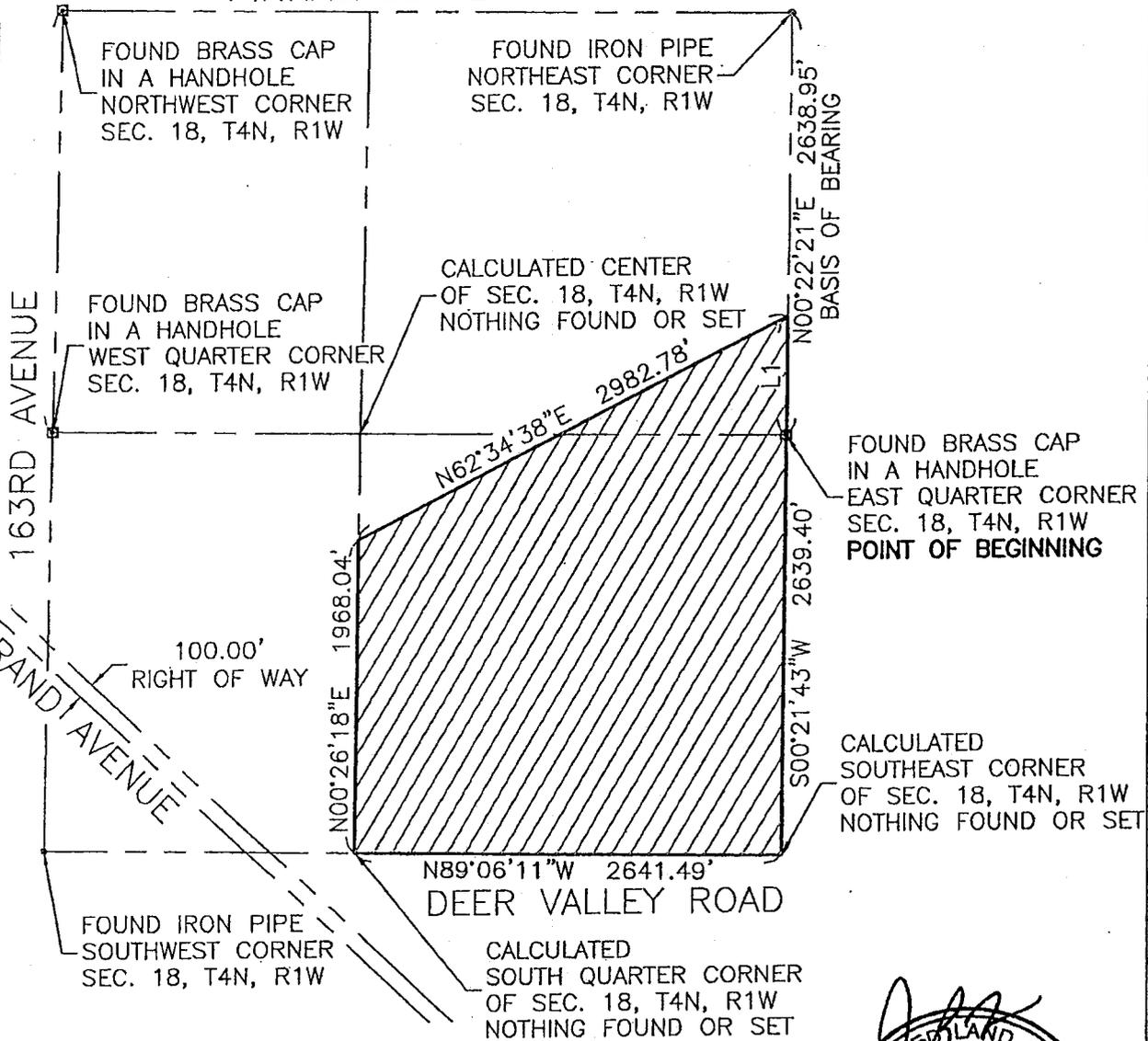
THENCE NORTH 62 DEGREES 34 MINUTES 38 SECONDS EAST, ALONG SAID SOUTHERN BANK, A DISTANCE OF 2,982.78 FEET, TO A POINT ON THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 18;

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.



PINNACALE PEAK ROAD



LINE TABLE		
LINE	LENGTH	BEARING
L1	743.73	N00°22'19\"W



DEI
Professional Services, L.L.C.
6225 N. 24th St., Ste. 200
Phoenix, AZ 85016
Phone: (602)954-0038
Fax: (602)944-8605

**AZ-AM AF NEW CC & N
WATER SERVICE PARCEL**
SURPRISE, ARIZONA

DATE: 3/30/08 SCALE: N.T.S. PROJ. NO: 03101 CAD FILE: 03101_EXHIBITS

EXHIBIT
A
1 of 1

Exhibit M



Professional
Services, LLC

Civil Engineering
Land Surveying
Project Management

www.deipro.com



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;

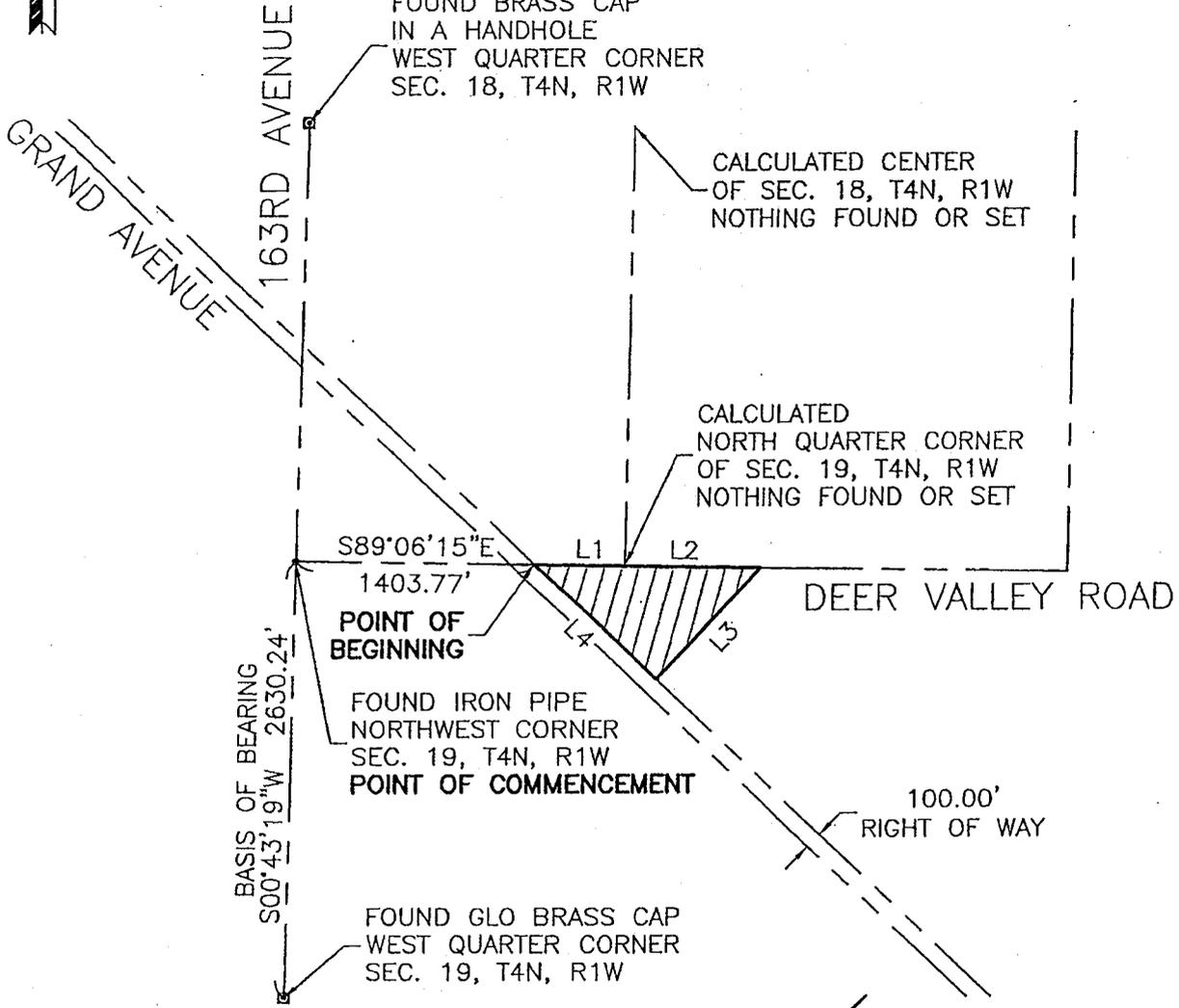
THENCE CONTINUING SOUTH 89 DEGREES 06 MINUTES 15 SECONDS EAST, ALONG SAID NORTH LINE, A DISTANCE OF 518.90 FEET, TO THE CALCULATED NORTH QUARTER CORNER OF SAID SECTION 19;

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.



LINE TABLE

LINE	LENGTH	BEARING
L1	518.90	S89°06'15"E
L2	816.32	S89°06'11"E
L3	908.70	S42°57'14"W
L4	991.47	N46°13'16"W



82-2008

24
YEARS OF EXCELLENCE

DEI
Professional Services, LLC

6225 N. 24th St., Ste. 200
Phoenix, AZ 85016
Phone: (602)954-0038
Fax: (602)944-8605

**AZ-AM AF TRANSFER FROM AZ-AM SCW
WATER SERVICE PARCEL
SURPRISE, ARIZONA**

DATE: 3/30/06 | SCALE: N.T.S. | PROJ. NO: 03101 | CAD FILE: 03101_EXHIBITS

EXHIBIT
A
1 of 1

Exhibit N

Exhibit N
Form of Notice for Parcels A & B

**PUBLIC NOTICE OF AN APPLICATION
TO REALIGN CERTIFICATES OF CONVENIENCE AND NECESSITY
BY BEARDSLEY WATER COMPANY
AND
ARIZONA-AMERICAN WATER COMPANY**

Beardsley Water Company ("Beardsley") and Arizona-American Water Company ("Arizona-American") filed with the Arizona Corporation Commission ("Commission") an application to realign their certificates of convenience and necessity to provide public-utility water service in an area within and adjacent to the City of Surprise. Among other things set forth in the application, Arizona-American proposes, in accordance with the "Agreement for the Realignment of Certain Service and Certificated Areas", dated October 6, 2006, between Beardsley, Arizona-American, and the City of Surprise ("Realignment Agreement"), to delete certain land-areas from its certificated Agua Fria Water service territory, for future service by the City of Surprise. If the application is granted, the City of Surprise would be the exclusive provider of water service to your area.

If you have any questions concerning this matter, or you would like to obtain a copy of the Application or the Realignment Agreement, you may contact the following person on behalf of the companies:

Ray Jones
ARICOR Water Solutions LC
25213 N. 29th Drive
Glendale, Arizona 85310
(623) 582-8105
ray.jones@aricor.com

The Commission will hold a hearing on this matter. As a property owner you may have the right to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. The application is also available for inspection during regular business hours at the offices of the Commission. You may not receive any further notice of the proceeding unless requested by you. If you have any questions or concerns about this application, have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1 800-222-7000.

Exhibit O

Exhibit O
Form of Notice for Parcel C

**PUBLIC NOTICE OF AN APPLICATION
TO REALIGN CERTIFICATES OF CONVENIENCE AND NECESSITY
BY BEARDSLEY WATER COMPANY
AND
ARIZONA-AMERICAN WATER COMPANY**

Beardsley Water Company ("Beardsley") and Arizona-American Water Company ("Arizona-American") filed with the Arizona Corporation Commission ("Commission") an application to realign their certificates of convenience and necessity to provide public-utility water service in an area within and adjacent to the City of Surprise. Among other things set forth in the application, Arizona-American proposes, in accordance with the "Agreement for the Realignment of Certain Service and Certificated Areas", dated October 6, 2006, between Beardsley, Arizona-American, and the City of Surprise ("Realignment Agreement"), to transfer certain land from its certificated Agua Fria Water service territory, for future service by Beardsley. If the application is granted, Beardsley would be the exclusive provider of water service to your area.

If you have any questions concerning this matter, or you would like to obtain a copy of the Application or the Realignment Agreement, you may contact the following person on behalf of the companies:

Ray Jones
ARICOR Water Solutions LC
25213 N. 29th Drive
Glendale, Arizona 85310
(623) 582-8105
ray.jones@aricor.com

The Commission will hold a hearing on this matter. As a property owner you may have the right to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. The application is also available for inspection during regular business hours at the offices of the Commission. You may not receive any further notice of the proceeding unless requested by you. If you have any questions or concerns about this application, have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1 800-222-7000.

Exhibit P

Exhibit P
Form of Notice for Parcels D & E

**PUBLIC NOTICE OF AN APPLICATION
TO REALIGN CERTIFICATES OF CONVENIENCE AND NECESSITY
BY BEARDSLEY WATER COMPANY
AND
ARIZONA-AMERICAN WATER COMPANY**

Beardsley Water Company ("Beardsley") and Arizona-American Water Company ("Arizona-American") filed with the Arizona Corporation Commission ("Commission") an application to realign their certificates of convenience and necessity to provide public-utility water service in an area within and adjacent to the City of Surprise. Among other things set forth in the application, Beardsley proposes, in accordance with the "Agreement for the Realignment of Certain Service and Certificated Areas", dated October 6, 2006, between Beardsley, Arizona-American, and the City of Surprise ("Realignment Agreement"), to add two land areas to its certificated water service territory. If the application is granted, Beardsley would be the exclusive provider of water service to your area.

If you have any questions concerning this matter, or you would like to obtain a copy of the Application or the Realignment Agreement, you may contact the following person on behalf of the companies:

Ray Jones
ARICOR Water Solutions LC
25213 N. 29th Drive
Glendale, Arizona 85310
(623) 582-8105
ray.jones@aricor.com

The Commission will hold a hearing on this matter. As a property owner you may have the right to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. The application is also available for inspection during regular business hours at the offices of the Commission. You may not receive any further notice of the proceeding unless requested by you. If you have any questions or concerns about this application, have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1 800-222-7000.

Exhibit Q

Exhibit Q
Form of Notice for Parcel F

**PUBLIC NOTICE OF AN APPLICATION
TO REALIGN CERTIFICATES OF CONVENIENCE AND NECESSITY
BY BEARDSLEY WATER COMPANY
AND
ARIZONA-AMERICAN WATER COMPANY**

Beardsley Water Company ("Beardsley") and Arizona-American Water Company ("Arizona-American") filed with the Arizona Corporation Commission ("Commission") an application to realign their certificates of convenience and necessity to provide public-utility water service in an area within and adjacent to the City of Surprise. Among other things set forth in the application, Arizona-American proposes, in accordance with the "Agreement for the Realignment of Certain Service and Certificated Areas", dated October 6, 2006, between Beardsley, Arizona-American, and the City of Surprise ("Realignment Agreement"), to add land to its certificated water service territory. If the application is granted, Arizona-American would be the exclusive provider of water service to your area.

If you have any questions concerning this matter, or you would like to obtain a copy of the Application or the Realignment Agreement, you may contact the following person on behalf of the companies:

Ray Jones
ARICOR Water Solutions LC
25213 N. 29th Drive
Glendale, Arizona 85310
(623) 582-8105
ray.jones@aricor.com

The Commission will hold a hearing on this matter. As a property owner you may have the right to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. The application is also available for inspection during regular business hours at the offices of the Commission. You may not receive any further notice of the proceeding unless requested by you. If you have any questions or concerns about this application, have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1 800-222-7000.

Exhibit R

Exhibit R
Form of Notice for Parcel G

**PUBLIC NOTICE OF AN APPLICATION
TO REALIGN CERTIFICATES OF CONVENIENCE AND NECESSITY
BY BEARDSLEY WATER COMPANY
AND
ARIZONA-AMERICAN WATER COMPANY**

Beardsley Water Company ("Beardsley") and Arizona-American Water Company ("Arizona-American") filed with the Arizona Corporation Commission ("Commission") an application to realign their certificates of convenience and necessity to provide public-utility water service in an area within and adjacent to the City of Surprise. Among other things set forth in the application, Arizona-American proposes to transfer land from its certificated Sun City West Water service territory to its certificated Agua Fria Water service territory. If the application is granted, Arizona-American would be the exclusive provider of water service to your area under the rates and tariffs approved by the Commission for its Agua Fria Water service territory.

If you have any questions concerning this matter, or you would like to obtain a copy of the Application, you may contact the following person on behalf of the companies:

Ray Jones
ARICOR Water Solutions LC
25213 N. 29th Drive
Glendale, Arizona 85310
(623) 582-8105
ray.jones@aricor.com

The Commission will hold a hearing on this matter. As a property owner you may have the right to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. The application is also available for inspection during regular business hours at the offices of the Commission. You may not receive any further notice of the proceeding unless requested by you. If you have any questions or concerns about this application, have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1 800-222-7000.

ORIGINAL

MEMORANDUM

30

TO: Docket Control
Arizona Corporation Commission

FROM: Ernest G. Johnson
Director
Utilities Division

Date: March 30, 2007

RE: STAFF REPORT FOR THE APPLICATION OF BEARDSLEY WATER COMPANY AND ARIZONA-AMERICAN WATER COMPANY TO REALIGN THEIR CERTIFICATED WATER SERVICE TERRITORIES IN MARICOPA COUNTY, ARIZONA. DOCKET NOS. W-02074A-07-0079 AND W-01303A-07-0079

Attached is the Staff Report for the application of Beardsley Water Company and Arizona-American Water Company for approval to realign their service territories among themselves and the City of Surprise. Staff recommends approval of the extensions, deletions and transfers of certificated areas.

EGJ:LAJ:tdp

Originator: Linda A. Jaress

Attachment: Original and 13 Copies

Arizona Corporation Commission
DOCKETED
MAR 30 2007

DOCKETED BY *[Signature]* NR

RECEIVED
2007 MAR 30 P. 3: 36
AZ CORP COMMISSION
DOCUMENT CONTROL

ALL-STATE LEGAL®
EXHIBIT *gjs*
S-1
admitted 4/26/07

Service List for: Beardsley Water Company and Arizona-American Water Company
Docket Nos. W-02074A-07-0079 and W-01303A-07-0079

Mr. Steven A. Hirsch
Bryan Cave LLP
Two North Central Avenue
Phoenix, Arizona 85004-4406

Mr. Craig Marks
3420 East Shea Boulevard, Suite 200
Phoenix, Arizona 85024

Mr. Ernest G. Johnson
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Mr. Christopher C. Kempley
Chief, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Ms. Lyn Farmer
Chief, Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

BEARDSLEY WATER COMPANY AND
ARIZONA-AMERICAN WATER COMPANY

APPLICATION FOR APPROVAL TO REALIGN THEIR SERVICE TERRITORIES

DOCKET NOS. W-02074A-07-0079 AND
W-01303A-07-0079

MARCH 30, 2007

STAFF ACKNOWLEDGMENT

The Staff Report for Beardsley Water Company, Docket No. W-02074A-07-0079, and Arizona-American Water Company, Docket No. W-01303A-07-0079, was prepared by the Staff members shown below.



Linda A. Jaress
Executive Consultant III



Katrin Stukov
Utility Engineer

**EXECUTIVE SUMMARY
BEARDSLEY WATER COMPANY AND
ARIZONA-AMERICAN WATER COMPANY
DOCKET NOS. W-02074A-07-0079 AND
W-01303A-07-0079**

On October 6, 2006, Beardsley Water Company ("Beardsley"), Arizona-American Water Company ("Arizona-American") and the City of Surprise ("Surprise") entered an "Agreement for the Realignment of Certain Service and Certificated Areas" ("the Agreement"). Beardsley, Arizona-American and Surprise all serve areas in Maricopa County some of which are contiguous. The Agreement sets forth certain areas which would be transferred from one entity to another for purposes of providing water utility service. On February 2, 2006, Beardsley and Arizona-American filed a joint application with the Arizona Corporation Commission ("the Commission") for approval to realign their certificated water service territories in accordance with the Agreement.

There are currently neither customers nor utility assets in any of the areas at issue. The reasons for the proposed additions, deletions and transfers are to avoid costly or duplicative water production and distribution facilities and to overcome physical barriers to providing service related to the locations of Loop 303 freeway, the Beardsley Canal, Grand Avenue and the railroad.

Arizona-American and Beardsley are in compliance with the applicable water utility regulatory authorities. However, the Utilities Division Compliance Section reports that Arizona-American is delinquent regarding one compliance item required by Decision No. 68917, dated August 29, 2006. Arizona-American was required by the Decision to file tariff sheets consistent with the Decision which approved a Water Service Termination Agreement between Arizona-American and Surprise within 30 days of the Decision. Arizona-American has not yet filed the tariff sheets.

Staff believes the proposed extensions, deletions and transfers are in the public interest because they may result in lower costs for future and current customers.

Staff recommends approval of the deletion of Parcels A, B and C from Arizona-American's Certificate of Convenience and Necessity ("CC&N").

Staff recommends approval of the deletion of Parcel G from Arizona-American's Sun City West District and the addition of Parcel G to Arizona-American's Agua Fria District.

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

Staff recommends approval of the extension of the CC&N of Beardsley into Parcels C, D and E.

Staff also recommends that a decision approving these extensions, deletions and transfers not be issued until Arizona-American has complied with Decision No. 68917. Compliance will be documented by a memo to this docket from the Utilities Division Compliance Section.

TABLE OF CONTENTS

	<u>PAGE</u>
INTRODUCTION	1
COMPLIANCE.....	1
ANALYSIS	2
RECOMMENDATIONS.....	2

EXHIBITS

ENGINEERING MAPS	EXHIBIT 1
ENGINEERING REPORT	EXHIBIT 2

Introduction

On October 6, 2006, Beardsley Water Company ("Beardsley"), Arizona-American Water Company ("Arizona-American") and the City of Surprise ("Surprise") entered an "Agreement for the Realignment of Certain Service and Certificated Areas" ("the Agreement"). Beardsley, Arizona-American and Surprise all serve areas in Maricopa County some of which are contiguous. The Agreement sets forth certain areas which would be transferred from one entity to another for purposes of providing water utility service. On February 2, 2006, Beardsley and Arizona-American filed a joint application with the Arizona Corporation Commission ("the Commission") for approval to realign their certificated water service territories in accordance with the Agreement.

Attached as Exhibit 1 is a series of maps showing the relevant areas served by Beardsley, Arizona-American and Surprise including the areas for which approval of extensions, deletions and transfers are being requested. There are currently neither customers nor utility assets in any of the areas at issue. The reasons for the proposed additions, deletions and transfers are to avoid costly or duplicative water production and distribution facilities and to overcome physical barriers to providing service related to the locations of Loop 303 freeway, the Beardsley Canal, Grand Avenue and the railroad.

Staff's Engineering Report attached as Exhibit 2 provides a chart which describes and identifies the seven parcels being transferred, the number of acres in each parcel, the reason the parcel is being transferred, the current entity serving the parcel and the entity proposed to serve the parcel. If approved by the Commission, a total of 951 acres will be affected.

Arizona-American would transfer 787.4 acres while receiving 162.1 acres of new service territory. Arizona-American would transfer 10.3 acres from its Sun City District to its Agua Fria District. Beardsley would receive 189.5 acres of new Certificate of Convenience and Necessity ("CC&N") territory from the proposal; 134 acres from Arizona-American and 55.5 acres of area which would otherwise be served by Surprise. All the areas Beardsley would receive are contiguous to its current service territory. The proposal only adds service territory to Beardsley taking none away. According to the Agreement, Surprise would be allocated a total of 643.1 acres. All of the 643.1 acres is currently in Arizona-American's certificated area.

If approved, this would be the second transfer of territory for Beardsley in less than one year. In Decision No. 68860, dated July 28, 2006, the Commission approved the deletion of 1,029 acres of Beardsley's service territory. The territory was to be developed by Lennar Communities Development and provided water service by Surprise.

Compliance

The attached Engineering Report concludes that Beardsley and Arizona-American are delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4 and that both utilities are in compliance with the new U.S. Environmental

Protection Agency maximum arsenic level. The Report also concludes that the utilities are in compliance with the Arizona Department of Water Resources conservation and reporting requirements.

However, the Utilities Division Compliance Section reports that Arizona-American is delinquent regarding one compliance item required by Decision No. 68917, dated August 29, 2006. Arizona-American was required by the Decision to file tariff sheets consistent with the Decision which approved a Water Service Termination Agreement between Arizona-American and Surprise within 30 days of the Decision. Arizona-American has not yet filed the tariff sheets.

Analysis

Staff's Engineering Report analyzed the capacity of the utilities to serve the areas at issue. Staff concluded that the production and storage capacity of the Beardsley and Arizona-American systems which would serve the transferred areas could adequately serve the present customer base and a reasonable level of growth.

The utilities have represented this application as a request for approval to realign the service territories of Beardsley and Arizona-American. A more precise description of the application is a request for Commission approval of an extension of the CC&N of Beardsley and Arizona-American and deletion of a portion of Arizona-American's CC&N. In recent decisions, the Commission has required utilities to provide requests for service for all areas to which the utilities desire to extend their CC&Ns. Neither Beardsley nor Arizona-American has produced requests for service for the extension areas and Arizona-American has not produced requests by landowners to have property deleted from Arizona-American's CC&N.

Staff believes that it would be in the public interest for the Commission to approve the application even though there are no requests for service. In an effort to provide water service in an efficient manner, the three entities came to the Agreement that should result in lower costs to current and future customers. Staff recommends approval of the application.

Recommendations

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

Staff recommends approval of the deletion of Parcel G from Arizona-American's SunCity West District and the addition of Parcel G to Arizona-American's Agua Fria District.

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

Staff recommends approval of the extension of the CC&N of Beardsley into Parcels C, D and E.

Beardsley Water Company et al
Docket Nos. W-02074A-07-0079 et al
Page 3

Staff also recommends that a decision approving these extensions, deletions and transfers not be issued until Arizona-American has complied with Decision No. 68917. Compliance will be documented by a memo to this docket from the Utilities Division Compliance Section.

MEMORANDUM

TO: Linda Jaress
Executive Consultant III
Utilities Division

FROM: Barb Wells *bw*
Information Technology Specialist
Utilities Division

THRU: Del Smith *DS*
Engineering Supervisor
Utilities Division

DATE: March 7, 2007

RE: **BEARDSLEY WATER COMPANY (DOCKET NO. W-02074A-07-0079)**
ARIZONA AMERICAN WATER COMPANY (DOCKET NO. W-01303A-07-0079)

The areas requested by Arizona American and Beardsley for realignment have been plotted with no complications using the legal description provided with the application (a copy of which is attached).

Also attached are copies of the maps for your files.

I have tried to correlate the colors and legends on my maps to the map filed in the application as Exhibit F and the 'Detailed Parcel Discussion' found on Page 5. The differences being that I used two shades of blue and two shades of green to further delineate separate parcels and I used purple instead of red for Parcel C. The last map has the parcels labeled and also shows the Agua Fria and Sun City West districts for Arizona American.

:bsw

Attachments

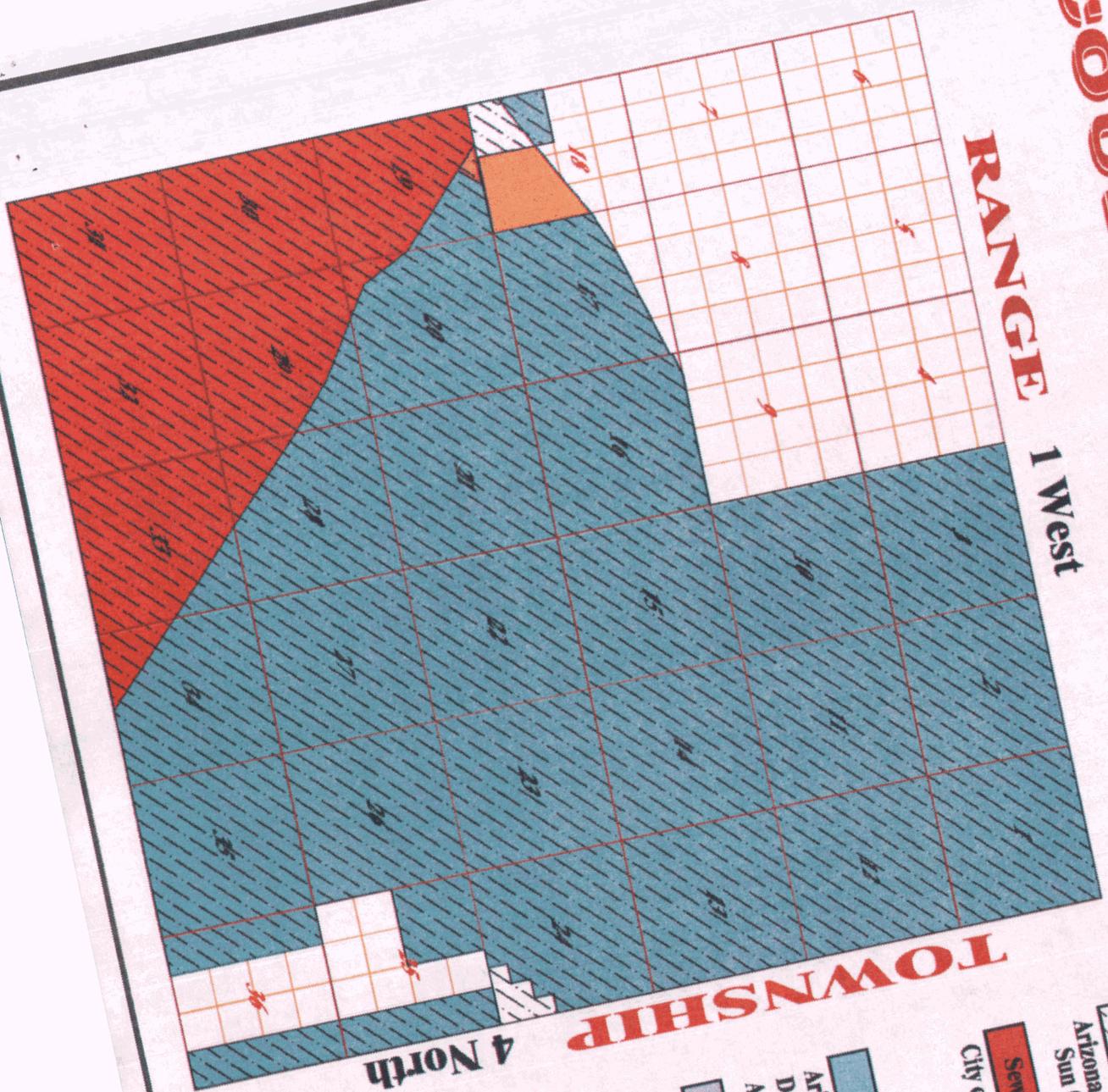
cc: Mr. Steven A. Hirsch
Mr. Craig Marks
Ms. Katrin Stukov
Ms. Deb Person (Hand Carried)
File

Maricopa

GOVTY

RANGE 1 West

TOWNSHIP 4 North

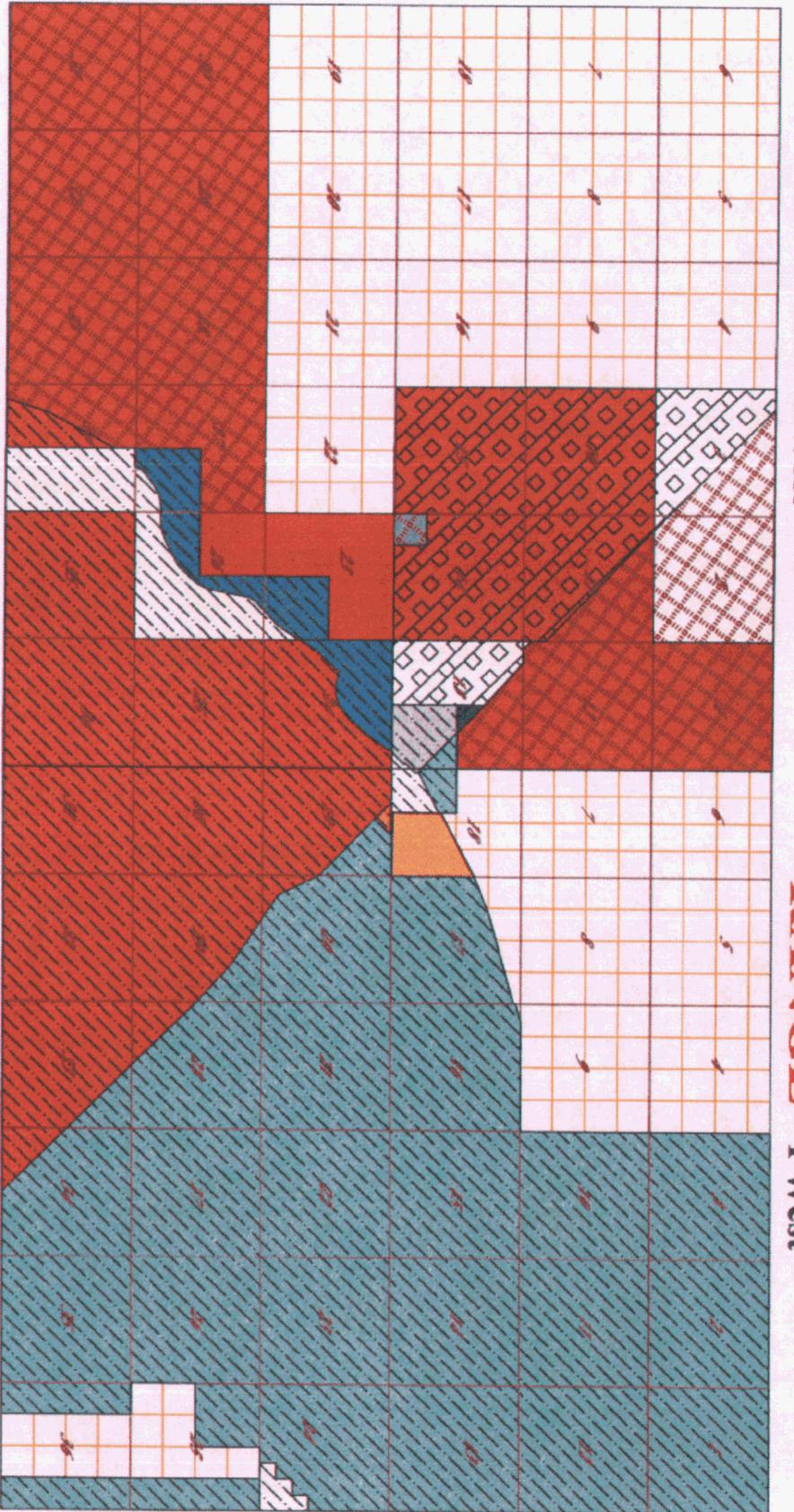


-  WS-1303 (14)
Arizona-American Water Company (Agua Fria/
Sun Cty/Sun City West)
-  Sewer
-  Sewer (4)
City of Surprise (Nonjurisdictional)
-  Arizona-American Water Company
Docket No. W-01303A-07-0079
Application for Partial Deletion - to Surprise
-  Arizona-American Water Company
Docket No. W-01303A-07-0079
Application for Transfer to Beardsley
-  Arizona-American Water Company
Docket No. W-01303A-07-0079
Application for Extension
-  Arizona-American Water Company
Docket No. W-01303A-07-0079
Application to Transfer from Sun City West to Agua Fria

TRANW 09 JUL 2004

RANGE 2 West

RANGE 1 West



TOWNSHIP 4 North

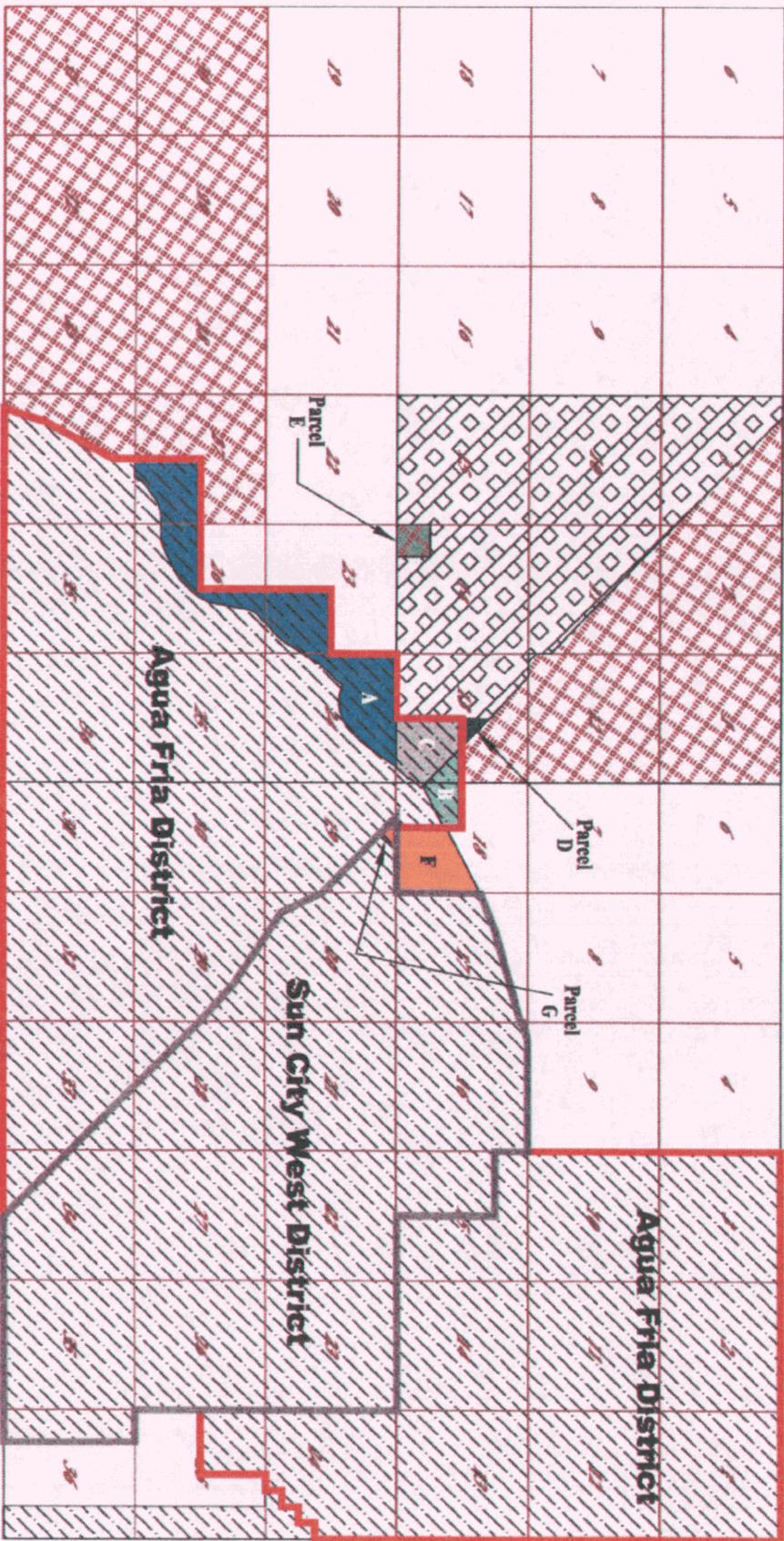
 WS-1303
 Sewer
 Arizona-American Water Company
Docket No. W-01303A-07-0079
 Beardsley Water Company, Inc.
 City of Surprise (Nonjurisdictional)
 Arizona-American Water Company
Docket No. W-01303A-07-0079
Application for Partial Deletion - to Surprise

 Arizona-American Water Company
Docket No. W-01303A-07-0079
Application for Transfer to Beardsley
 Beardsley Water Company
Docket No. W-02074A-07-0079
Application for Extension

 Arizona-American Water Company
Docket No. W-01303A-07-0079
Application for Extension
 Arizona-American Water Company
Docket No. W-01303A-07-0079
Application to Transfer from
Sun City West to Agua Fria

RANGE 2 West

RANGE 1 West



TOWNSHIP 4 North

WS-1303

Arizona-American Water Company

W-2074

Beardsley Water Company, Inc.

City of Surprise (Nonjurisdictional)

Arizona-American Water Company

Docket No. W-01303A-07-0079

Application for Partial Deletion - to Surprise

Arizona-American Water Company

Docket No. W-01303A-07-0079

Application for Transfer to Beardsley

Beardsley Water Company

Docket No. W-02074A-07-0079

Application for Extension

Arizona-American Water Company

Docket No. W-01303A-07-0079

Application for Extension

Arizona-American Water Company

Docket No. W-01303A-07-0079

Application to Transfer from Sun City West to Agua Fria

Arizona-American (Agua Fria District)

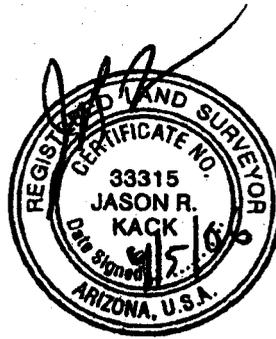
Arizona-American (Sun City West District)

Exhibit G



Civil Engineering
Land Surveying
Project Management

www.dciipro.com



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;

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;

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.



Exhibit H



Civil Engineering
Land Surveying
Project Management

www.deipro.com



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;

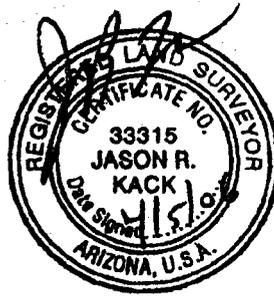
THENCE SOUTH 89 DEGREES 07 MINUTES 38 SECONDS EAST, DEPARTING SAID NORTHEASTERLY RIGHT OF WAY LINE AND PROCEEDING ALONG THE EAST WEST MIDSECTION LINE OF SAID SECTION 13, A DISTANCE OF 1,425.16 FEET TO THE POINT OF BEGINNING OF THE PARCEL DESCRIBED HEREIN.

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

Exhibit I



Civil Engineering
Land Surveying
Project Management



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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.



Exhibit J



Civil Engineering
Land Surveying
Project Management



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.

Exhibit K



Civil Engineering
Land Surveying
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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.

Exhibit L



Civil Engineering
Land Surveying
Project Management

www.deipro.com



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.

Exhibit M



Civil Engineering
Land Surveying
Project Management



www.deipro.com

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.

MEMORANDUM

DATE: March 27, 2007

TO: Linda Jaress

FROM: Katrin Stukov *KS*

RE: Joint Application of Beardsley Water Co., Inc. & Arizona-American Water Co. to realign their Certificated Water Service Territories (Docket Nos. W- 02074A-07-0079 & W-01303A-07-0079)

Introduction

Beardsley Water Company ("Beardsley" or "Company" or "Entity") and Arizona-American Water Company ("AZ-AM" or "Company" or "Entity") have jointly filed an application to realign their certificated water service territories within western Maricopa County in the general vicinity of the intersection of Grand Avenue (US 60), the Estrella Freeway (Loop 303) and the Beardsley Canal. Three entities: Beardsley, AZ-AM & the City of Surprise ("Surprise" or "City" or "Entity") are capable of providing water service to this area, though, presently there is no existing infrastructure or customers in the affected parcels. The proposed realignment will help to avoid the need for construction of expensive pipelines under significant geographic barriers or transportation infrastructure, such as, the McMicken Dam Outlet Channel, the Beardsley Canal, Grand Avenue and the railroad tracks. As part of this Application, the three entities jointly submitted their Realignment Agreement, which concerns seven (7) parcels described in the Table below:

Parcel	Size (acres)	Parcel's location specifics & current barriers	Current Entity Serving	Proposed Entity Serving	Public water system ("PWS") #	Projected number of customers
A	571.4	Adjacent to the City. Floodplain, Channel, Canal	AZ-AM/Agua Fria	City	N/A	N/A
B	71.7	Adjacent to the City. Floodplain, Channel, Canal	AZ-AM/Agua Fria	City	N/A	N/A
C	134	Adjacent to Beardsley. Channel, Canal, Grand Avenue, railroad tracks	AZ-AM/Agua Fria	Beardsley	07-007	1-3 (commercial)
D	15.7	Adjacent to Beardsley. Grand Avenue, railroad tracks	City	Beardsley	07-007	1 (commercial)
E	39.8	Adjacent to Beardsley	City	Beardsley	07-007	10-80 (residential)
F	162.1	Adjacent to AZ-AM. Channel, Canal	City	AZ-AM/ Agua Fria	07-695	10-50 (commercial)
G	10.3	Adjacent to AZ-AM	AZ-AM/ Sun City West	AZ-AM/ Agua Fria	07-695	1 (commercial)

Existing Water Systems

Beardsley

According to the application, all three entities agree that Parcels C, D & E could be more economically served by Beardsley. The Company indicated that the water system PWS# 07-007 will serve Parcels C, D & E. Based on information provided by the Company, the system's current well production capacity of 195 gallons per minute ("GPM") and storage capacity of 150,000 gallons is adequate to serve about 165 connections (governed by the storage capacity). Therefore, Staff concludes that this system's production and storage capacity could adequately serve the present customer base (150 connections) and a reasonable level of growth.

AZ-AM / Agua Fria

According to the application, AZ-AM and Surprise agree that Parcel F could be more economically served by Arizona-American's Agua Fria District ("AZ-AM/Agua Fria") than by Surprise. AZ-AM indicated that should service to Parcel G be required in the future, it could be more economically served by the rapidly growing Agua Fria Water District than by the built-out Sun City West Water District. Based on information provided by the Company, the AZ-AM/Agua Fria water system's current well production capacity of 28,803 GPM and storage capacity of 7,210,000 gallons is adequate to serve over 48,600 connections. Therefore, Staff concludes that this system's production and storage capacity could adequately serve the present customer base (30,740 connections) and a reasonable level of growth.

Maricopa County Environmental Services Department ("MCESD") Compliance

Beardsley

MCESD reported that the Beardsley water system PWS# 07-007 is in compliance with its monitoring and reporting requirements and is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4.¹

AZ-AM / Agua Fria

MCESD reported that the AZ-AM/Agua Fria water system PWS# 07-695 is in compliance with its monitoring and reporting requirements and is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4.²

¹ Per compliance check dated March 28, 2007.

² Per compliance check dated March 20, 2007.

Arsenic

The U.S. Environmental Protection Agency has reduced the arsenic maximum contaminant level ("MCL") in drinking water from 50 micrograms per liter ("µg/l") to 10 µg/l.

Beardsley

The Company's 2005 Annual Report indicates that all system wells comply with the new arsenic MCL standard.

AZ-AM / Agua Fria

The Company has completed the arsenic treatment facilities for the Agua Fria system, and the arsenic treatment facilities are operational. According to the Company, the system is in compliance with the new arsenic MCL standard³.

Arizona Department of Water Resources ("ADWR") Compliance

Beardsley's and AZ-AM/Agua Fria systems are within ADWR's Phoenix Active Management Area. ADWR stated that both companies are currently in compliance with its conservation and reporting requirements.⁴

Arizona Corporation Commission ("ACC") Compliance

Beardsley

The Utilities Division compliance database indicates that there are no delinquencies for Beardsley.⁵

AZ-AM

The Utilities Division compliance database indicates that AZ-AM has one delinquent compliance item required by Decision No. 68917, dated August 29, 2006.⁶ The Decision approved a Water Services Termination Agreement with the City of Surprise. The Company was ordered to file with Docket Control tariff sheets in compliance with the Decision. At this point in time Staff has not been able to determine if the required tariff sheets were ever filed. ACC Utilities Division Compliance Section Staff is currently working with the Company to ensure compliance.

³ Per phone conversation with Ray Jones on March 22, 2007.

⁴ Per ADWR Compliance status check dated March 15, 2007.

⁵ Per ACC Compliance status check dated February 27, 2007.

⁶ Per ACC Compliance status check dated February 27, 2007.

Curtailment Tariff

Beardsley and AZ-AM have an approved curtailment tariff on file with the Commission.

Conclusions

1. Presently there is no existing water infrastructure or customers in the affected parcels.
2. The proposed realignment will help to avoid the need for construction of expensive pipelines under significant geographic barriers or transportation infrastructure should service to affected parcels be required in the future.
3. The proposed deletion area (Parcels A & B) is adjacent to the City of Surprise. The City is willing and able to provide water service in the deletion area should service to Parcels A & B be required in the future.
4. The Beardsley and AZ-AM/Agua Fria water systems have adequate production and storage capacity.
5. MCESD reported that both the Beardsley and AZ-AM/Agua Fria water systems are in compliance with its monitoring and reporting requirements and are currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4.
6. The Utilities Division compliance database indicates that there are no delinquencies for Beardsley. However, AZ-AM has one delinquent compliance item required by the Decision 68917, dated August 29, 2006.

Recommendations

1. Staff recommends that the decision approving the subject realignment not become effective until AZ-AM has filed the requisite tariff sheets and complied with Decision No. 68917.