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MUNGER CHADWICK, P.L.C.

ADMITTED TO PRACTICE IN:
ARIZONA, COLORADO, MONTANA,
NEVADA, TEXAS, WYOMING,
DISTRICT OF COLUMBIA

March 2, 2010

Arizona Corporation Commission
DOCKETED

MAR - 3 2010

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

DOCKETED BY

RECEIVED
2010 MAR - 3 A 9:05
AZ CORP COMMISSION
DOCKET CONTROL

Re: Tierra Linda Homeowner Association, Inc. and Gary Smyth –
Joint Application for Authorization to Sell Water System Assets and Transfer
Certificate of Convenience and Necessity to Gary Smyth
Docket Nos. W-20689A-09-0327 and W-04236A-09-0327

RESPONSE TO NOVEMBER 6, 2009 INSUFFICIENCY LETTER #2

To Whom It May Concern:

The attached documentation and the discussion set forth below are intended to be responsive to Item Nos. 2, 3 and 4 in the Commission Staff's November 6, 2009 Insufficiency Letter #2 in the above-referenced docketed proceedings.

Item No. 2

"2. In response to Staff's July 24, 2009 Insufficiency letter, Item No. 11, the applicant provided its 2008 Commission Annual Report for Cayetano, Inc. dba Lakewood Water Company. A review of the water use data included in the subject annual report has gallons of water sold exceeding gallons of water pumped for January, February, April, May and June. Please provide the actual gallons pumped data for the period in question."

RESPONSE: In December 2008, Gary Smyth acquired the stock of Cayetano, Inc. an Arizona corporation ("Cayetano"). Cayetano is also a public service corporation under Arizona law; and, in Decision No. 59304 (September 22, 1995), the Commission granted Cayetano a CC&N to operate a water system in Pima County, Arizona to be known as Lakewood Water Company ("Lakewood").

Because he did not acquire the Lakewood system until December 2008, Mr. Smyth did not have any personal knowledge which would allow him to knowingly provide the January-June 2008 "actual gallons pumped data" which is the subject of Item No. 2. However, in response to a request from Mr. Smyth, the former owner and operator of Lakewood has prepared the spreadsheet attached hereto as Appendix "A" and incorporated herein by this reference, which is intended to be responsive to Item No. 2. The name and ADEQ Certified Operator number of the individual who prepared Appendix "A" are as follows:

Christopher Hill
CHW2 Services
P. O. Box 70022
Tucson, Arizona 85737

ADEQ Certified Operator No. OP008883

In addition, enclosed as Appendix "B" hereto and incorporated herein by this reference is a copy of Lakewood's ADWR Annual Water and Withdrawal Use Report (Provider Summary) for 2008, as prepared by the aforementioned Christopher Hill.

Finally, during 2009, Mr. Smyth replaced the flow meter in each of the two (2) wells owned and operated by Lakewood, because it was determined that the previous flow meters were not operating properly.

Item No. 3

"3. Please provide current ADWR and ADEQ compliance status reports for Goodman Water Company."

RESPONSE: In July 2009, Gary Smyth formed Smyth Utility Management ("Utility Management" to provide a wide range of utility operating and management services to small- and medium-sized water and wastewater utilities in southern Arizona. On October 1, 2009, Utility Management was retained to provide operating and management services to Goodman Water Company.

Attached hereto as Appendices "C" and "D" and incorporated herein by this reference are copies of the current ADWR and ADEQ compliance status reports for Goodman Water Company.

Item No. 4

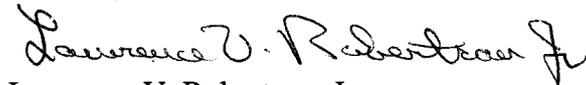
"4. Please provide documentation from ADWR that indicates the current ADWR compliance status for Lakewood Estates. Please describe any deficiencies noted and explain what the applicant is doing to address those deficiencies."

RESPONSE: For purposes of this response, it is assumed that the reference to “Lakewood Estates” is intended to mean the Lakewood water system. In that regard, attached hereto as Appendix “E” and incorporated herein by this reference is a copy of the current ADWR compliance status report for Lakewood. As may be noted therefrom, there are not any noted deficiencies which require correction at this time.

Lakewood believes that the foregoing discussion and attached documentation are responsive to Item Nos. 2, 3 and 4 of the Commission Staff’s November 6, 2009 Insufficiency Letter #2.

Thank you for your assistance.

Sincerely,


Lawrence V. Robertson, Jr.

cc: Blessing N. Chukwu
Del Smith
Lyn Farmer
Brian Bozzo

Appendix “A”

Tierra Linda Homeowner Association, Inc.

Docket No. W-04236A-09-0327

and

Gary Smyth

Docket No. W-20689A-09-0327

March 2, 2010

| Lakewood 2008 | Cow Palace | Arivaca | Total Well Production | Total Metered Consumption |
|------------------|------------|------------|--------------------------|---|
| January | 1,248,600 | 1,704,480 | 2,953,080 | 2,831,279 |
| February | 676,900 | 1,905,260 | 2,582,160 | 2,562,190 Meter off by 200,000 gal - cleaned and adjusted |
| March | 1,700 | 3,362,082 | 3,363,782 | 3,119,750 |
| April | 12,400 | 3,560,430 | 3,572,830 | 3,570,670 |
| May | 369,800 | 4,212,850 | 4,582,650 | 4,572,440 Meter off by 1,100,000 gal - cleaned and adjusted |
| June | 20,900 | 4,816,320 | 4,837,220 | 4,815,930 |
| July | 799,100 | 3,170,050 | 3,969,150 | 3,513,810 |
| August | 3,640,300 | 365,380 | 4,005,680 | 3,526,220 |
| September | 3,678,700 | 124,560 | 3,803,260 | 3,496,800 |
| October | 3,313,800 | 348,770 | 3,662,570 | 3,546,800 |
| November | 2,854,400 | - | 2,854,400 | 2,717,510 |
| December | 2,634,100 | 2,100 | 2,636,200 | 2,616,500 |
| | 19,250,700 | 23,572,282 | 42,822,982 | 40,889,899 |

Appendix “B”

Tierra Linda Homeowner Association, Inc.
Docket No. W-04236A-09-0327
and
Gary Smyth
Docket No. W-20689A-09-0327

March 2, 2010

ARIZONA DEPARTMENT OF WATER RESOURCES

SCHEDULE A

REPORT OF WATER, OTHER THAN STORED WATER, FROM WELLS

ANNUAL REPORT 2008

OWNER/OPERATOR

LAKEWOOD WATER CO.

1

RIGHT/PERMIT/BMP Farm Unit NO.

56-000127.0000

Note: Pumpage for each well must be shown on the attached worksheet. Information for up to four wells may be shown on each worksheet.

| 2 DWR WELL REGISTRATION NO. | | | | | | | 3 POWER COMPANY NAME | | FOR DEVICE TYPE 2 thru 6 ONLY | | | | | |
|-----------------------------|------|-------|----------|-------|-------|----------------|-----------------------|-----------|-------------------------------|-------------------|---------------------|---------------------|---------------------------------|--|
| 10 Q | 40 Q | 100 Q | LOCATION | | | ACCOUNT NUMBER | METER NO. | 4 OV TYPE | 5 OTH USES | 6 ENERGY CONSUMED | 7 AVERAGE DISCHARGE | 8 DIVIDER TOTAL HRS | 9 *WATER WITHDRAWN IN ACRE-FEET | |
| Q | Q | Q | SEC | TWN | RNG | | | | | | | | | |
| 55-020430 | | | | | | | TUCSON ELECTRIC POWER | | | | | | | |
| SE | SE | SE | 36 | 19.08 | 12.0E | 6374765009 | SC16-1048 5756 | 1 | N | 45,861 | | | 57.34 | |
| 55-020431 | | | | | | | TUCSON ELECTRIC POWER | | | | | | | |
| SE | SE | SE | 36 | 19.0S | 12.0E | 7129065009 | SC16-2130 | 1 | N | 26,862 | | | 72.39 | |
| | | | | | | | | | | | | | | |
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| | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | 124.73 | |

* WATER, OTHER THAN STORED WATER, WITHDRAWN FROM WELLS.

ENTER TOTAL ACRE-FEET FROM BOX 10 IN PART I OF SUMMARY PAGE

| | | |
|----|---------------------------|--------|
| 10 | TOTAL ACRE-FEET WITHDRAWN | 124.73 |
|----|---------------------------|--------|

ARIZONA DEPARTMENT OF WATER RESOURCES

PROVIDER NAME
LAKEWOOD WATER CO.

RIGHT/PERMIT NO.
58-000127.0000

CONTACT NAME: CLAVIS HILK
CONTACT PHONE: 520-904-0741

SCHEDULE F-1S
SMALL WATER PROVIDER
ANNUAL REPORT 2008

Pursuant to the Third Management Plan (TMP) and the Groundwater Code for all Active Management Areas, small municipal water providers (those that supply 250 acre-feet/year or less) are required to supply the following information.

PART 1 - DELIVERIES TO USER GROUPS

Please indicate the total quantity of water delivered (both metered and unmetered) to each of the following user groups for calendar year 2008.

a. Residential - include all uses of water related to service of residences (housing units) including both interior and exterior water use. This should include deliveries to individually metered single family residences, multi-family housing complexes that are on master meters and group quarters (see page two for definition).

| | | | | | | | | | | |
|-------------------------|---------------|-----------|-----------|----------|-----------|---------------|---------------|-----------|---------------------|------------|
| Single Family: Metered | <u>112.06</u> | acre-feet | Unmetered | <u>0</u> | acre-feet | Total | <u>112.06</u> | acre-feet | Service Connections | <u>300</u> |
| Multi - Family: Metered | <u>4.54</u> | acre-feet | Unmetered | <u>0</u> | acre-feet | Total | <u>4.54</u> | acre-feet | Service Connections | <u>2</u> |
| Group Quarters: Metered | <u>8.74</u> | acre-feet | Unmetered | <u>0</u> | acre-feet | Total | <u>8.74</u> | acre-feet | Service Connections | <u>9</u> |
| | | | | | | (a) Total Sum | <u>125.33</u> | acre-feet | | |

b. Non-residential - include all water delivered for purposes other than residential, including turf-related facilities (item d below). Do not include direct effluent or deliveries to irrigation rights or other service area rights.

| | | | | | | | | | | |
|--------------------------|----------|-----------|-----------|----------|-----------|---------------|---------------|-----------|---------------------|----------|
| Non-residential: Metered | <u>0</u> | acre-feet | Unmetered | <u>0</u> | acre-feet | (b) Total Sum | <u>0</u> | acre-feet | Service Connections | <u>0</u> |
| | | | | | | (a) + (b) | <u>125.33</u> | acre-feet | | |

c. Total deliveries (add amounts in a and b above)

d. Turf-related facilities - include all non-effluent water delivered to facilities with ten or more acres of turf. These deliveries should be included in non-residential use (item b above). Please note that a Schedule G-2 must also be submitted for each turf-related facility receiving water from your system in 2008.

ARIZONA DEPARTMENT OF WATER RESOURCES

PROVIDER NAME

LAKEWOOD WATER CO.

RIGHT/PERMIT NO.

56-000127.0000

SCHEDULE F-1S

SMALL WATER PROVIDER

ANNUAL REPORT 2008

PART 2 - LOST AND UNACCOUNTED FOR WATER

Lost and unaccounted for water is calculated by subtracting total deliveries from water used. Direct effluent and deliveries to irrigation rights or other service areas are not included in calculations.

- a) Total quantity of water used (sum of Part I & Part III less Part II of the Annual Report Summary Page): 129.73 acre-feet
- b) Total metered and unmetered (estimated) deliveries (Part 1c from previous page): 125.33 acre-feet
- c) Lost and unaccounted for water (Part 2a minus 2b above): 4.40 AF / 4.40 total used (Part 2a)
- d) Percent of lost and unaccounted for water (Part 2c) x 100 = 3.4 Percent

PART 3 - HOUSING UNITS SERVED

A housing unit means a group of rooms or a single room occupied as separate living quarters. Housing unit includes a single family home, a patio home, a townhouse, a condominium, an apartment, a permanently setup mobile home or a unit in a multi-family complex. Housing unit does not include a mobile home in an overnight or limited stay mobile home park or a unit in a campground, motel, hotel, or other temporary lodging facility.

a) A single family housing unit means a detached dwelling, including permanently setup mobile homes not in mobile home parks. Indicate net change in single family housing units (not service connections) in your service area between July 1, 2007 and July 1, 2008:

0 units

b) A multi-family housing unit means a mobile home in a mobile home park and a permanent housing unit having one or more common walls with another housing unit located in a multi-family residential structure, and includes a unit in a duplex, triplex, fourplex, condominium development, townhome development or equivalent complex.

Indicate net change in multi-family housing units (not service connections) in your service area between July 1, 2007 and July 1, 2008:

0 units

c) Group quarters means living quarters occupied by one or more people under care or custody, such as orphanages, nursing homes and prisons, or quarters such as college dormitories, fraternity or sorority houses, nurses dormitories, rooming houses, hotels with permanent residents and congregate housing for the elderly.

Indicate net change in multi-family housing units (not service connections) in your service area between July 1, 2007 and July 1, 2008:

0 units

Please contact your local Active Management Area if you need assistance completing this form.

PHOENIX AMA (602) 771-8585 PINAL AMA (520) 898-4857 SANTA CRUZ AMA (520) 761-1814
PRESCOTT AMA (928) 778-7202 TUCSON AMA (520) 770-3800

WORKSHEET W-1 2008

WATER RIGHT/PERMIT/BMP Farm Unit NO. **58-000127.0000**

1 DWR WELL REGISTRATION NO. 10 40 160 LOCATION
 55-629430 0 0 0 Sec Twn Rng
 SE SE SE 36 19.0S 12.0E

2 TYPE OF MEASURING DEVICE MAKE / MODEL
 TOTALIZER SEAMTALS
 SIZE 44 UNITS MEASURED GALLONS
 INSTALLATION OR OVERHAUL DATE

3 POWER CO. NAME ACCOUNT NO. POWER METER NO.
 TUCSON ELECTRIC POWER 6374765009 SC16-1048

Enter Total Energy Consumption in Column 6 of Schedule A

| | |
|--------------------|-------|
| ENERGY CONSUMPTION | UNITS |
|--------------------|-------|

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP? Yes No

ENTER "Y" OR "N" IN COLUMN 8 OF SCHEDULE A

| WATER TOTALIZING METER READINGS | | |
|---------------------------------|-----------------|---------------------|
| 5 INITIAL | 6 ENDING | 7 DIFFERENCE |
| 8285521 | (31) 873261 | 23,567,740 |

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

| | |
|--------------------|-----------------------------|
| 8 ACRE FEET | 9 BREAKDOWN ESTIMATE |
|--------------------|-----------------------------|

Enter total Acre-feet Shown in **10** in Column **9** of Schedule A

| | |
|------------------------------|-------|
| 10 TOTAL IN ACRE-FEET | 72.34 |
|------------------------------|-------|

1 DWR WELL REGISTRATION NO. 10 40 160 LOCATION
 55-629431 0 0 0 Sec Twn Rng
 SE SE SE 36 19.0S 12.0E

2 TYPE OF MEASURING DEVICE MAKE / MODEL
 TOTALIZER
 SIZE 44 UNITS MEASURED GALLONS
 INSTALLATION OR OVERHAUL DATE

3 POWER CO. NAME ACCOUNT NO. POWER METER NO.
 TUCSON ELECTRIC POWER 7129865009 SC16-2130

Enter Total Energy Consumption in Column 6 of Schedule A

| | |
|--------------------|-------|
| ENERGY CONSUMPTION | UNITS |
|--------------------|-------|

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP? Yes No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

| WATER TOTALIZING METER READINGS | | |
|---------------------------------|-----------------|---------------------|
| 5 INITIAL | 6 ENDING | 7 DIFFERENCE |
| 5910900 | 2454400 | 16,664,100 |

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

| | |
|--------------------|-----------------------------|
| 8 ACRE FEET | 9 BREAKDOWN ESTIMATE |
|--------------------|-----------------------------|

Enter total Acre-feet Shown in **10** in Column **9** of Schedule A

| | |
|------------------------------|-------|
| 10 TOTAL IN ACRE-FEET | 57.34 |
|------------------------------|-------|

1 DWR WELL REGISTRATION NO. 10 40 160 LOCATION
 0 0 0 Sec Twn Rng

2 TYPE OF MEASURING DEVICE MAKE / MODEL
 SIZE UNITS MEASURED
 INSTALLATION OR OVERHAUL DATE

3 POWER CO. NAME ACCOUNT NO. POWER METER NO.

Enter Total Energy Consumption in Column 6 of Schedule A

| | |
|--------------------|-------|
| ENERGY CONSUMPTION | UNITS |
|--------------------|-------|

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP? Yes No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

| WATER TOTALIZING METER READINGS | | |
|---------------------------------|-----------------|---------------------|
| 5 INITIAL | 6 ENDING | 7 DIFFERENCE |
| | | |

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

| | |
|--------------------|-----------------------------|
| 8 ACRE FEET | 9 BREAKDOWN ESTIMATE |
|--------------------|-----------------------------|

Enter total Acre-feet Shown in **10** in Column **9** of Schedule A

| | |
|------------------------------|--|
| 10 TOTAL IN ACRE-FEET | |
|------------------------------|--|

1 DWR WELL REGISTRATION NO. 10 40 160 LOCATION
 0 0 0 Sec Twn Rng

2 TYPE OF MEASURING DEVICE MAKE / MODEL
 SIZE UNITS MEASURED
 INSTALLATION OR OVERHAUL DATE

3 POWER CO. NAME ACCOUNT NO. POWER METER NO.

Enter Total Energy Consumption in Column 6 of Schedule A

| | |
|--------------------|-------|
| ENERGY CONSUMPTION | UNITS |
|--------------------|-------|

4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP? Yes No

ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A

| WATER TOTALIZING METER READINGS | | |
|---------------------------------|-----------------|---------------------|
| 5 INITIAL | 6 ENDING | 7 DIFFERENCE |
| | | |

IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE.

| | |
|--------------------|-----------------------------|
| 8 ACRE FEET | 9 BREAKDOWN ESTIMATE |
|--------------------|-----------------------------|

Enter total Acre-feet Shown in **10** in Column **9** of Schedule A

| | |
|------------------------------|--|
| 10 TOTAL IN ACRE-FEET | |
|------------------------------|--|

Appendix “C”

Tierra Linda Homeowner Association, Inc.
Docket No. W-04236A-09-0327
and
Gary Smyth
Docket No. W-20689A-09-0327

March 2, 2010

**Arizona Department of Water Resources
Water Provider Compliance Status Report**

Water System Name: GOODMAN WATER COMPANY

Water System ID #: ADWR # 56-000347.0000

Compliance Status:

| <i>Requirement</i> | <i>In compliance</i> | <i>Not in Compliance</i> | <i>Not yet determined</i> | <i>Not Applicable</i> |
|---|----------------------|--------------------------|---------------------------|-----------------------|
| Annual water use reports within AMAs and INAs (if using non-exempt wells) | x | | | |
| Annual report for community water systems outside of AMAs | | | | x |
| Annual assured or adequate water supply reports for designated providers | | | | x |
| Designation of assured or adequate water supply in good standing for designated providers | | | | x |
| System water plan | x | | | |
| Management plan requirements within AMAs 1) Lost and unaccounted for water <10% of total use for large providers <15% of total use for small providers 2) Annual submittal of updated service area and distribution maps 3) NPCCP requirements are met 4) MNPCCP requirements are met 5) GPCD requirements are met 6) ACP requirements are met 7) Individual user requirements are met | 1, 2 | | | 3, 4, 5, 6, 7 |
| Well permit volumes within AMAs | x | | | |
| Type I and II grandfathered right limits within AMAs | | | | x |
| Maintenance of accurate measuring devices within AMAs and INAs | x | | | |
| Groundwater transportation restrictions | | | | x |
| Approval of deliveries of groundwater to other providers within AMAs | | | | x |

Comments: As of March 2, 2010, ADWR has determined that Goodman Water Company (ADWR # 56-

000347.0000) is currently compliant with departmental requirements governing water providers and/or community water systems. If you have any additional questions or concerns regarding this matter please contact Andrew Craddock, Compliance Committee Chair at (602) 771-8615.

Completed by:

| Program | Reviewed | Not applicable | Name | Phone | Date |
|--|-----------------|-----------------------|--------------------|--------------|-------------|
| AMA Office | X | | Jeff Tannler | 520-770-3800 | 3/1/10 |
| Office of Assured & Adequate Water Supply | | X | Rick Obenshain | 602-771-8622 | 3/1/10 |
| Community Water Planning | X | | Kelly Mott Lacroix | 520-770-3809 | 3/2/10 |

This compliance status report does not guarantee the water availability for this system, nor does it reflect the status of any other water system owned by this utility company.

Appendix “D”

Tierra Linda Homeowner Association, Inc.
Docket No. W-04236A-09-0327
and
Gary Smyth
Docket No. W-20689A-09-0327

March 2, 2010

Arizona Department of Environmental Quality
 Drinking Water Monitoring and Protection Unit
 Mail Code 5415B-2
 1110 West Washington Street
 Phoenix, AZ 85007

Drinking Water Compliance Status Report

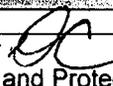
| | | |
|--------------------|--|---|
| System Name | System Type | Is system consecutive? |
| GOODMAN WC | <input checked="" type="checkbox"/> Community | <input type="checkbox"/> Yes, to PWS # |
| System ID # | <input type="checkbox"/> Non-transient Non-community | |
| 11130 | <input type="checkbox"/> Transient Non-community | <input checked="" type="checkbox"/> No |

| | | |
|--|---|---|
| Overall compliance status | <input checked="" type="checkbox"/> No major deficiencies | <input type="checkbox"/> Major deficiencies |
| Monitoring and Reporting status | <input checked="" type="checkbox"/> No major deficiencies | <input type="checkbox"/> Major deficiencies |
| Comments: None | | |

| | | |
|--|---|---|
| Operation and Maintenance status | <input checked="" type="checkbox"/> No major deficiencies | <input type="checkbox"/> Major deficiencies |
| Date of last Sanitary Survey | 1-23-08 | Inspector Karen Berry, PHX |
| Major unresolved/ongoing operation and maintenance deficiencies: | | |
| <input type="checkbox"/> unable to maintain 20psi | <input type="checkbox"/> inadequate storage | |
| <input type="checkbox"/> cross connection/backflow problems | <input type="checkbox"/> surface water treatment rule | |
| <input type="checkbox"/> treatment deficiencies | <input type="checkbox"/> ATC/AOC | |
| <input type="checkbox"/> certified operator | <input type="checkbox"/> other = | |
| Comments: None | | |

| | | |
|---|------------------------------|--|
| Is an ADEQ administrative order in effect? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Comments: None | | |

| System Information | | | |
|--|-------------------------------------|-----|-----------------------------|
| Population Served | 1632 | | |
| Service Connections | 628 | | |
| Number of Entry Points to the Distribution System | 1 | | |
| Number of Sources | 2 | | |
| Initial Monitoring Year | 2004 | | |
| Monitoring Assistance Program (MAP) System | <input checked="" type="checkbox"/> | Yes | <input type="checkbox"/> No |

| | | | |
|-------------------------------------|--|-------------|---------------|
| Evaluation completed by | Donna Calderon, Manager  Drinking Water Monitoring and Protection Unit | | |
| Phone | 602-771-4641 | Date | March 2, 2010 |
| <input checked="" type="checkbox"/> | Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4, and PWS is in compliance. | | |
| <input type="checkbox"/> | Based upon the monitoring and reporting deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4, and/or PWS is not in compliance. | | |
| <input type="checkbox"/> | Based upon the operation and maintenance deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4, and/or PWS is not in compliance. | | |

This compliance status report does not guarantee the water quality for this system in the future, and does not reflect the status of any other water system owned by this utility company.

Appendix “E”

Tierra Linda Homeowner Association, Inc.
Docket No. W-04236A-09-0327
and
Gary Smyth
Docket No. W-20689A-09-0327

March 2, 2010

**Arizona Department of Water Resources
Water Provider Compliance Status Report**

Water System Name: LAKEWOOD WATER COMPANY

Water System ID #: ADWR #56-000127.0000

Compliance Status:

| Requirement | In compliance | Not in Compliance | Not yet determined | Not Applicable |
|---|----------------------|--------------------------|---------------------------|----------------------------|
| Annual water use reports within AMAs and INAs (if using non-exempt wells) | X | | | |
| Annual report for community water systems outside of AMAs | | | | X |
| Annual assured or adequate water supply reports for designated providers | | | | X |
| Designation of assured or adequate water supply in good standing for designated providers | | | | X |
| System water plan | X | | | |
| Management plan requirements within AMAs 1) Lost and unaccounted for water <10% of total use for large providers <15% of total use for small providers 2) Annual submittal of updated service area and distribution maps 3) NPCCP requirements are met 4) MNPCCP requirements are met 5) GPCD requirements are met 6) ACP requirements are met 7) Individual user requirements are met | Items 1 & 2 | | | Items 3 through 7 |
| Well permit volumes within AMAs | X | | | |
| Type I and II grandfathered right limits within AMAs | | | | |
| Maintenance of accurate measuring devices within AMAs and INAs | X | | | |
| Groundwater transportation restrictions | | | | X |
| Approval of deliveries of groundwater to other providers within AMAs | | | | X |

Comments: As of March 2, 2010, ADWR has determined that Lakewood Water Company (ADWR # 56-

000127.0000) is currently compliant with departmental requirements governing water providers and/or community water systems. If you have any additional questions or concerns regarding this matter please contact Andrew Craddock, Compliance Committee Chair at (602) 771-8615.

Completed by:

| Program | Reviewed | Not applicable | Name | Phone | Date |
|--|-----------------|-----------------------|--------------------|--------------|-------------|
| AMA Office | X | | Alejandro Barcenas | 520-761-1814 | 3/2/10 |
| Office of Assured & Adequate Water Supply | | X | Rick Obenshain | 602-771-8622 | 3/1/10 |
| Community Water Planning | | X | Kelly Mott Lacroix | 520-770-3809 | 3/1/10 |

This compliance status report does not guarantee the water availability for this system, nor does it reflect the status of any other water system owned by this utility company.