

**ORIGINAL**



0000112686

32

1 Susan A. Moore-Bayer

2 7656 West Abrigo Dr.

**RECEIVED**

3 Golden Valley, AZ 86413

2010 JUN -4 A 9:50

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AZ CORP COMMISSION  
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5 Written Testimony of Susan A. Moore – Bayer

Arizona Corporation Commission

**DOCKETED**

6 Docket # L-00000NN-09-0541-00151

JUN - 4 2010

7 Case # 151 – Hualapai Valley Solar



8

9 The consultant that insists on going out and bringing in plants that want huge amounts of free  
10 water is Don Van Brunt. Working with a group called M.C.E.D.A., he brought in the Griffith Energy  
11 Plant, (3500 gallons of water a minute and expanding) North Star Steel, (a water cooled steel plant.  
12 Shut down for pollution violations) and Arizona State Prison – Kingman (206 gallons of water a minute  
13 newly expanded to a second prison with 2000 inmates and they drilled a well) for the expansion  
14 somewhere in the neighborhood of 400 gallons per minute) . Supervisor Buster Johnson has publicly  
15 praised Mr. Van Brunt for bringing to Mohave County all of these water guzzling plants and now  
16 Hualapai Valley Solar (3000 acre feet a year). ( For verification of my words see exhibit BAY 1-A-1 &  
17 BAY1-A-1 (A).) When he contributed to Supervisor Buster Johnson's campaign for re-election in  
18 2008, he listed his title M.C.E.D.A., Executive Director. (For verification of my words see exhibit BAY 1-  
19 A-1(B). As shown in BAY1-A-1(A), the article dated 03/05/2004, Mr Walker stated he had enough  
20 information to determine that funding for M.C.E.D.A. was eliminated because of M.C.E.D.A.s  
21 “underhanded, self serving and unethical business approaches”. In an article on M.C.E.D.A., Executive  
22 Director Bill Goodale stated that North Star Steel cost the people a lot of money. ( For verification of  
23 my words see exhibit BAY1-A-2.) North Star Steel emitted so much pollution, the State of Arizona fined

24 them 8.5 million and it prompted County Manager Walker to publicly state " Mohave County's open  
25 space, clean air and water are important, and fragile assets... The people who live here and the  
26 people who want to live here value these natural resources. But there are those who would take  
27 advantage of all of us and, in the process, destroy the very things that make life so good in our area. I  
28 want this county to take positive steps to protect and preserve our environment." (For verification of  
29 my words see exhibit BAY1 –A-3.) Since 2003 when Mr. Walker was hired as the County Manager, he  
30 has always fought against any industry that uses too much groundwater to operate.

31 Mr. Van Brunt's past criminal experiences and shenanigans proves he does not care about the  
32 taxpayers of the United States. The records attached shows he plead guilty to counterfeiting. (For  
33 verification of my words see exhibit BAY 1 –A-4) After completing his probation and without receiving  
34 any restoration of rights from the Federal Court, he applied for and did obtain an Arizona Contractors  
35 license by swearing he had never been convicted of a felony. He registered to vote without disclosing  
36 his past. (For verification of my words see exhibit ( BAY1-A-5.)

37 At a H.V.S. organizational meeting with the county, Mr. Van Brunt lists his association as a consultant. (  
38 For verification of my words see exhibit BAY1-A-6.)

39 The agent for Mohave Sun Power, LLC is Hualapai Valley Solar LLC. Their web site lists  
40 Mitchell Dong as Executive Director. (For verification of my words see exhibit BAY1-B-1.) Mr. Dong  
41 was President of a hedge fund called Chronos Assest Management. It is a Delaware corporation. (For  
42 verification of my words see exhibit BAY1-B-2.) In January 2008, Mr. Dong paid 2.2 million dollars in  
43 fines to the SEC, for violation of late day trading, and he received a 1 year suspension. ( For verification  
44 of my words see exhibit BAY1-B-3.) Along with Mr. Newton's writing (*Mitchell Dong Dinged*), there is a  
45 commenter who states that Dong lied through his teeth and multiple times said that he had done

46 nothing wrong. Considering what we have read about Mr. Dong and his shenanigans, can the public  
47 or the State of Arizona trust him to disclose the true amount of water he has withdrawn yearly from  
48 our aquifer? The parent corporation Mohave Sun Power LLC., lists, under the title of Manager, Mr.  
49 Greg Bartlett, and also Robin LaFoley. Mr. Mitchell Dong is also listed as a person who, in addition to  
50 the manger, is authorized to execute documents. (For verification of my words see exhibit BAY1-B-4.)  
51 Listed under the Arizona Corporation Commission are two more corporations Hualapai Valley Solar LLC  
52 and Hualapai Valley Solar Section 21 LLC. Both of these corporations list Mohave Sun Power LLC as the  
53 parent corporation. Both of these corporations list managers as Greg Bartlett and Robin LaFoley. (For  
54 verification of my words see exhibit BAY1-B-5.) Robin LaFoley is Robin LaFoley Dong, Mitchell Dong's  
55 wife. ( For verification of my words see exhibit BAY1-B-6.)

56 The Land Developer is Jim Rhodes. Mr. Rhodes writes that his company, Canberra Holdings,  
57 LLC, has the development rights to this project, and Hualapai Valley Solar LLC is acting as the agent for  
58 Rhodes. A map of the site was provided by Lewis and Roca with filing, which shows the actual  
59 complete drawing of the boundary's for Hualapai Valley Solar. At the Mohave County Planning and  
60 Zoning Commissioner's meeting, parts of Section 21 were excluded from the site map. The map was  
61 shown at the hearing as company exhibit "A". ( For verification of my words see exhibit BAY1-C-1.) In  
62 an article written by, local reporter, Dave Hawkins he states the land is not sold to Mohave Sun Power  
63 LLC. yet. There are two corporations Mr. Dong seems to be associated with the land and his wife, the  
64 plant. ( For verification of my words see exhibit BAY1-C-2.)

65 Developer Jim Rhodes declared Chapter 11 Bankruptcy and details about the bankruptcy are  
66 indicated in an article by John G. Edwards. Mr. Edward's writing in this exhibit shows a summary of Mr.  
67 Rhodes' shenanigans. (For verification of my words see exhibit BAY1-C-3.) There is a long list of

68 companies related to Rhodes included in the bankruptcy. (For verification of my words see exhibit  
69 BAY1-C-4.) Even our own County Supervisors go against all planning for “smart growth” and spot  
70 zoning for Rhodes. Even M.C.E.D.A. wants corridors for industry and away from residential areas. ( For  
71 verification of my words see exhibit BAY1-C-5)

72 A project of this magnitude should require proper infrastructure. The roads leading to the  
73 project site, from the major state highways were not built to handle the thousands of semi trucks that  
74 will be required to transport the building materials to the site. The proposed trucking route for heavy  
75 construction traffic will use Highway 93 and drive down Pierce Ferry Road through a residential area to  
76 access the site. The site is 27 miles from Highway 93. The route has speeds that range from 55 mph  
77 down to 25 mph and goes through a school zone with a posted speed limit of 15 mph. Also the truck  
78 route travels through open range on a 2 lane road. (For verification of my words see exhibit BAY1-D-  
79 1.) Pierce Ferry Road is made of a chip seal material. The alternative route, Stockton Hill Road, is  
80 mostly made up of a chip seal material. ( For verification of my words see exhibit BAY1-D-2) No  
81 inadequacy of the infrastructure was brought to the attention of the public in the public meetings.

82 The State of Arizona Game and Fish sent a letter to Kevin Davidson of Mohave County Planning  
83 and Development. They encourage the use of dry cooled methods, and also the use of hybrid parallel  
84 wet / dry cooling system which reduces the water consumption. The process of wet cooling consumes  
85 a great deal of water and is not suitable in a semi – desert environment where water resources are  
86 extremely limited. (For verification of my words see exhibit BAY1-E-1.) The state of Arizona Game and  
87 Fish sent a letter to Mike LaRow of Hualapai Valley Solar LLC. “The department is concerned about  
88 the amount of ground water that is required operate the facility (3000 acre feet a year). The Mohave  
89 County General Plan states that “estimated annual water use in the Hualapai Valley will be over  
90 14,000 acre feet per year and exceed natural recharge placing the aquifer under stress from

91 depletion”” As a result, the lowered water table will indirectly affect Arizona’s habitats in Hualapai  
92 Valley and may have considerable affects on wildlife which depend on small cienegas, springs, seeps  
93 and marshes in the area.”...” The department also raises concern about the use of the settling ponds  
94 to collect the highly saline wastewater in the evaporative cooling component. These ponds will likely  
95 attract birds, bats, and other wildlife which could then be inadvertently poisoned due to the  
96 concentrated salt and other minerals”.

97           There are two, special status, bat species that have been found within the vicinity of the  
98 facility. The Pale Townsend’s big-eared bat and the Allen’s big-eared bat. ( For verification of my words  
99 see exhibit BAY1-E-2 & BAY1-E-3 .) I have enclosed photograph of Pale Townsend big eared bat, and  
100 the Allen big eared bat. These bats fly by and feast by sonar only. When the water is sprayed on the  
101 hot tubes for cooling, the water droplets will immediately evaporate causing the total dissolved solids  
102 (TDS) in the water to become particulate matter; a powdery substance that immediately becomes  
103 airborne. No one seems to know how dangerous this particulate matter will be to the bats or other  
104 wildlife in the area. Prior to the environmental impact study, the question was asked, but to my  
105 knowledge, there has been no response as to the impact of the particulate matter on wildlife. From  
106 research and water testing, we have learned that the TDS in the water at Red Lake is far above federal  
107 standards.

108           The effects of groundwater withdrawal from the Hualapai aquifer is a cause for concern. The  
109 ADWR states “... it is important to note that not all of the estimated groundwater may be available for  
110 withdrawal, possibly due to the localized geological conditions or due to poor water quality.” No one  
111 can verify where, under the surface, where the mountains and hills exist, or where the water is salty  
112 or trapped. ( For verification of my words see exhibit BAY1-F-1. ) Considering the older dates of most

113 of the water supply reports being submitted and looking at the drought report data dated March  
114 31,2010 supplied by the ADWR that shows the area of the Hualapai aquifer under somewhere  
115 between sever drought and extreme drought, one would wonder how much water is still in the  
116 Hualapai aquifer. ( For verification of my words see exhibit BAY1-F-2. )

117 Mohave County taxpayers spent \$100,000 towards a water study that was to be a combined  
118 effort made by the USGS and ADWR. This study was to include the Hualapai, Detrital and Sacramento  
119 aquifers. This study was to determine if the aquifers were in depletion and how to budget the growth  
120 based on the declines of water availability, but the departments spent all of the money and did not  
121 complete the reports as promised. As of November 16, 2009 the County Board of Supervisors and  
122 County Manager Ron Walker have chosen to deny any more funding.

123 A history of groundwater movement was reported by the USGS and submitted for public  
124 review where the public was to learn that there has been steady water level declines as large as 60  
125 feet in wells penetrating the Basin-Fill aquifer in areas northeast of Kingman. This area is shown on  
126 the maps being the area where the City of Kingman have their wells. (See maps at Bay1-G-1) It has  
127 been explained that the aquifer flows north from Kingman and ultimately should feed Lake Mead.  
128 Lake Mead is now showing a drastic loss of water levels and it is obvious those levels are getting no  
129 assistance from the Hualapai aquifer at this time. (See BAY1-G-2) The report also explains that over a  
130 65 year period of time, there have been times when the aquifer received a recharge of water. This fact  
131 would lead one to believe that the ADWR could see the possibility of a large subdivision receiving  
132 adequate water supply because they considered the number of years it would take to build and sell  
133 223 thousand homes. The ADWR also demanded the subdivision supply 26,160.93 acre feet of  
134 effluent, that would be returned to the aquifer and help support the subdivision's groundwater needs.

135 The ADWR stated that the report is subject to new hydrology reports that would be required when the  
136 subdivision plat is submitted to the county for approval. The reports state that the letter of  
137 Assured/Adequate Water Supply should be submitted with the subdivision plans. This requirement  
138 was made so that the county would know the use of a large amount of effluent was necessary to fulfill  
139 the subdivision's water requirements. (See BAY-1-G-3) To date, no water reports or preliminary  
140 subdivision plats have been received by the ADWR and the passing of time during a severe drought  
141 could alter the ADWR's decision. There is definitely a material change in facts as presented to the  
142 ADWR. This plant will withdraw up to 3000 acre feet of water annually without adding anything to the  
143 recharge of the aquifer. (See ADWR email at BAY1-G-4)

144 The Mohave County General Plan states Policy # 3.5 "Mohave County will only approve power  
145 plants using "dry cooling" technology when the aquifer is threatened by depletion or subsidence".  
146 (See BAY1-G-5)

147 The City paid for a Water Adequacy Study as early as 1993 to see to what extent the Hualapai  
148 aquifer was being overdrawn. If this report is to be considered, the existing wells on this aquifer were  
149 found to be not more than 1000 feet deep. The overdraft at that time was to be about 4000 acre feet  
150 per year. The report shows the water levels are dropping every year. It is a concern of the taxpayers  
151 who own wells in the area that they will have to pay very large sums of money to drill deeper for their  
152 water as was suggested by Mr. Rhodes during his ACC hearing on Pravada. ( For verification of my  
153 words see exhibit BAY1-G-6) If the city fails to secure enough effluent to cover a major portion of the  
154 water required to run this plant, even Mayor Salem stated using 2400 acre feet of water per year was  
155 not a responsible thing to do. ( For verification of my words see exhibit BAY1-G-6(A). ) Considering the  
156 amount of effluent the city will be allowed to produce each day, in accordance with their aquifer

157 Protection Permit, over half of the plant's operation needs will be produced from ground water. (See  
158 BAY1-G-7)

159           Considering the facts that two thirds or more of the new construction of homes in and around  
160 Kingman have been built with septic systems, it will either take many years for these new systems to  
161 become dilapidated or aged ( as stated by Mayor Salem in BAY1-G-8) or the city will have to place a  
162 huge burden on the taxpayers in demanding they tie in to a new sewer line to help pay for the line  
163 even when their system still works. The "up front" money required of the city or the county for the  
164 installation of the sewers would be staggering, and waiting for the new septic systems to falter could  
165 take 30 years. A spread sheet based on the actual growth of new homes that have sewer available at  
166 the time of construction shows and including the connections the area has today, it would take eight  
167 years to meet the yearly needs of the plant if the plant truly uses 2400 acre feet. If the plant truly uses  
168 3000 acre feet, it would take 16 years to meet their needs. ( For verification of my words see exhibit  
169 BAY1-G-9. )

170           At the public meetings where the taxpayers asked questions about the water availability, we  
171 were informed by many of the people making the decisions to spot zone for these plant that Mohave  
172 County could not consider the water usage because the county had no control over the water in  
173 Mohave County. We were advised that it was up to the ACC and the ADWR to decide if there is  
174 enough water for the project. (See BAY1-G-10) The exhibits include the beliefs expressed by  
175 Supervisor Watson, Supervisor Sockwell and Planning and Zoning Commissioner Gibbens. It is  
176 interesting to note that in an instructive memo submitted to each of these individuals, County  
177 Attorney Robert Taylor tells them that both the P & Z Commission and the Board of Supervisors are  
178 authorized to consider the impact of a proposed development on the water supply when deciding a  
179 requested zoning change or general plan amendment. Mr. Taylor advises all of those concerned to

180 "...rely on the resources and expertise of the Line Sitting Committee and of the Arizona Corporation  
181 Commission". ( For verification of my words see exhibit BAY1-G-11. ) In other words, when a  
182 taxpayer's land is devalued because it has no water, or the people have to dig deeper for water in  
183 order to save the value of their land, then make the State pay for Prop 207, not Mohave County. I refer  
184 you to the sworn testimony of County Manager Ron Walker (BAY1-G-12 page 49 lines 4 thru 8) where  
185 he stated the water issue was fully debated in board meetings and Planning and Zoning Commission  
186 hearings. The DVDs of those meetings will reflect that the public was instructed that water availability  
187 could not be considered, and that the water issues would be decided by the Arizona Corporation  
188 Commission. In reference to Policy 36.12, I believe the greatest environmental impact will be felt  
189 when the taxpayer's wells can no longer pump water. (BAY1-G-12 lines 9 thru 14.)

190

191

192

A handwritten signature in cursive script that reads "Susan A. Moore-Bayer". The signature is written in black ink and is positioned above a solid horizontal line.

Susan A. Moore-Bayer

**A**

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May 12, 2009

## Navajo County to host world's largest solar project

Company set to build 340 megawatt plant

Today's News Herald  
Jayne Hanson

The largest solar project in the world is in the works in Mohave County and has a goal of producing renewable energy by the end of 2013. The projects organizers are scheduled to meet with the Arizona Corporation Commission Monday.

Mohave Sun Power, LLC is a company of experienced developers who construct, own and operate utility-scale solar power projects. Mohave Sun Power has created a single-purpose company called Hualapai Valley Solar LLC to develop a 340 megawatt solar project using parabolic trough solar technology with molten salt storage in Mohave County, according to documents provided by Mohave Sun Solar.

### County Supervisors

County Supervisors  
Association of Arizona  
1905 W. Washington  
Suite 100  
Phoenix, AZ 85009

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"We have been working on this for over a year," Mohave County Supervisor Buster Johnson, R-Dist. 3, said Sunday during a telephone interview. Johnson credits Don Van Brunt, former executive director of Mohave County Economic Development Division, for his instrumental efforts in propelling the huge project forward.

Van Brunt has been a leader in locating sufficient and available land for the project and in navigating the county's many hurdles in relation to a project of this type and of this magnitude, Johnson said.

The solar project site is proposed to be located approximately 25 miles north of Kingman on approximately 4000 acres of land. The project could create as many as 1,500 jobs during the two-and-a-half to three year construction stage and at least 100 full-time jobs for plant operations once completed, Mohave Sun Solar documents said.

Furthermore, the county and state will see additional benefits from goods and services purchased for the project, taxes generated by employment, property taxes, and other taxes paid to that state and local governments, the documents said.

"This would just be the beginning&there are other projects in the works to go along with this," said Johnson. Mohave County has the opportunity to attract other renewable energy projects or supporting industries by establishing a reputation of treating such endeavors fairly and efficiently, Johnson explained.

Financing for the project would be funded largely with stimulus money, according to Johnson. However, the project would need to abide by a strict development schedule and be operational by a specific date to be eligible for the funding.

The generated energy reserves would be purchased by one or more utilities in California, Nevada, Arizona and Colorado through a negotiated Power Purchase Agreement, Johnson said.

According to Mohave Sun Power documents, the project is striving to design, permit and finance the project through the third quarter of 2010 and would like to begin the construction phase during the fourth quarter of 2010. Mohave Sun is expecting the plant to be operational in the second half of 2013.

The project organizers are currently working to satisfy the requirements set forth by the National Environmental Policy Act process to analyze the environmental, cultural, and social impacts and benefits. Other regulating agencies for the project include Arizona Department of Environmental Quality and Arizona Department of Water Resources, the documents said.

Representatives of the project will meet Monday with the Arizona Corporation Commission with the hope of acquiring a Certificate of Environmental Compatibility, Johnson said.

The project will require an amendment to the county's general plan, which was filed in March, and will be subject to the discretion of the Mohave County Board of Supervisors in upcoming general meetings.

The public will have opportunities to provide input in regard to the project and the various public entities that will be permitting the progression of the project. Initial public meetings are expected in June, according to Mohave Sun Power.

The solar project is the second one of its kind proposed to anchor in Mohave County, the first being the Albaisa Corporation's 200MW solar project also proposed

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May 29, 2010

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3/5/2004 3:10:00 PM

## Johnson, Walker spar over contacts for I-40 industry

A dispute over economic development has escalated tension between Mohave County Manager **Ron Walker** and District 1 Supervisor Buster Johnson.

Walker claims Johnson has been receiving confidential business leads from the Arizona Department of Commerce **and** providing those exclusive leads to former officials of the Mohave County Economic Development Authority, which was disbanded in 2001.

"It appears Buster has set up his own private economic development authority with his former MCEDA cronies **and** uses county time **and** assets to promote what appears to be a side-line land development business," **Walker** wrote in a press release.

Johnson countered that he has done nothing inappropriate **and** that **Walker** knew he was working to get businesses to come to the county.

"Everyone knew I was working on economic development. I have made no secret of it," Johnson said. "I have been meeting with prospective businesses since they did away with MCEDA."

MCEDA, a county economic development organization, was organized in August 1997. However, during a special meeting held June 18, 2001, supervisors Tom Sockwell **and** Pete Byers voted to discontinue funding of MCEDA **and** make economic development an in-house county function. Johnson voted against disbanding the organization.

Although **Walker** was not yet the county manager when MCEDA was disbanded, he said he has enough information to determine that funding was eliminated because of their "underhanded, self-serving **and** unethical business approaches."

Walker said as county manager he was to be the contact for companies looking to locate See INDUSTRY, Page 2

within the county but has not been personally contacted.

He added that he is concerned that the board of supervisors, except for Johnson, has no idea how many contacts have been forwarded to Johnson by the Department of Commerce representatives who provide confidential business leads. Nor does he know what action or inaction resulted.

Walker said Johnson has a history of aggressively pursuing economic development along the I-40 Industrial Corridor **and** that Johnson **and** his friends from the now-defunct MCEDA championed the **Griffith Energy** Project, which **Walker** said put the county in debt.

Former MCEDA Executive Director Bill Goodale is handling the property located in the I-40 Industrial Corridor adjacent to Haul Road, **Walker** **and** Johnson said.

Walker first learned the name of the distribution company that is considering a move to the county after the Feb. 17 supervisors meeting.

However, both he **and** Johnson said it would be a breach of confidentiality to reveal the name of the business at this time.

Arizona Department of Commerce communications director Jami McFerren said that agency cannot reveal the name of the company looking at property in Mohave County because that information is confidential until whatever deal is being worked on is complete.

"The company does not want competitors to know what they are doing," she explained.

Johnson said **Walker** has known for years that he was meeting with potential new businesses **and** that the Department of Commerce sent him the "PIFs" (Prospect Information Forms) of businesses wanting to locate to the county because "no one else was concerned with economic development. Nobody was going to be pushing to get economic development to rural Mohave County."

Johnson said **Walker** knew he was the contact person **and** had, on two occasions, called the Department of Commerce to get Johnson's name removed as the "official contact" person for the county.

He said **Griffith Energy** is not the financial disaster **Walker** says it is.

Johnson explained that money the county spent for infrastructure such as a water system **and** roads was geared toward future development of the area, not just **Griffith**. He said the county **and** **Griffith** are partners in the water system **and** that **Griffith** contributed \$48 million worth of infrastructure.

He also said the approximately \$2 million that **Griffith Energy** gave to the county up front offsets the indebtedness to the county.

Walker has asked the Department of Commerce to provide a three-year history of all new business contacts **and** "the time **and** date forwarded to anyone who held themselves out as the official contact point for Mohave County for DOC new business issues."

In a letter to the board of supervisors, **Walker** wrote that "the perception" of insider real estate deals or "cornyism" in government contracts or other dealings must be avoided **and** a thorough review of the aforementioned issues needs to be conducted to avoid serious damage in public

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BAY1-A-1 (A)

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**BAY1-A-1 (A)**

**Contributions more than \$25 (from INDIVIDUALS,**

**SCHEDULE A**

JOHNSON FOR SUPERVISOR  
 JUNE 30 REPORT  
 January 1, 2008 to May 31, 2008

ID#

**100**

Name, Address, Occupation and Employer of Contributor	Date	Amount	To Date
KUDEN, JIM P.O. BOX 462045 ESCONDIDO, CA 92046 REAL ESTATE DEVELOPER SELF	04/15/2008	\$200.00	\$200.00
LE GRAND, GEORGETTE 3845 SARATOGA AVE. LAKE HAVASU CITY, AZ 86406 BOOKKEEPER HAVASU HARDWARE	04/15/2008	\$50.00	\$50.00
LE GRAND, SCOTT 3845 SARATOGA AVE. LAKE HAVASU CITY, AZ 86406 MANAGER HAVASU HARDWARE	04/15/2008	\$50.00	\$50.00
MC CORMACK, KEITH 2235 ALPINE DR. LAKE HAVASU CITY, AZ 86403 RETIRED <<employer not specified>>	04/15/2008	\$75.00	\$75.00
PIANO, DAVID 2126 MC CULLOCH BLVD #2 LAKE HAVASU CITY, AZ 86403 HAIR STYLIST SELF	04/15/2008	\$250.00	\$250.00
REYES, CYNTHIA HOLZER 3175 SADDLEBACK DRIVE LAKE HAVASU CITY, AZ 86406 RETIRED <<employer not specified>>	04/15/2008	\$50.00	\$50.00
REYES, IGNACIO 3175 SADDLEBACK DR. LAKE HAVASU CITY, AZ 86406 RETIRED <<employer not specified>>	04/15/2008	\$50.00	\$50.00
THOMAS, NOREEN C. 1295 AVALON AVE. LAKE HAVASU CITY, AZ 86404 RETIRED <<employer not specified>>	04/15/2008	\$50.00	\$150.00
VAN BRUNT, DONALD W. 2486 W. HI WAY + 66 KINGMAN, AZ 86401 EXECUTIVE DIRECTOR M.C.E.D.A.	04/15/2008	\$300.00	\$300.00
MOHR, WERNER 1026 GLENEAGLES DR. LAKE HAVASU CITY, AZ 86406 RETIRED <<employer not specified>>	04/17/2008	\$150.00	\$150.00

**JUNE 13, 2001 INFORMATION:  
BILL GOODALE EXECUTIVE DIRECTOR  
OFFICE: (520) 692-6970  
FAX: (520) 692-6974**

**MCEDA, ITS ALL ABOUT JOBS AND TAXES**

THE MOHAVE COUNTY ECONOMIC DEVELOPMENT AUTHORITY AFTER REVIEWING COUNTY TAX RECORDS AND EMPLOYMENT FIGURES FROM MCEDA ASSISTED BUSINESSES TO MOHAVE COUNTY IS RELEASING THEIR FINDINGS.

TO DATE EMPLOYMENT FIGURES TOTAL 907 JOBS

CREATED FROM MCEDA ASSISTED FIRMS LOCATING TO MOHAVE COUNTY. FROM THAT FIGURE A TOTAL OF \$20,086,100.00 IN WAGES IN 2000 WERE PAID. MANY OF THESE EMPLOYEES HAVE PURCHASED HOMES, RAISING FAMILIES, AND PAYING PROPERTY TAXES TO THE COUNTY.

IN A TWO YEAR PERIOD OVER 4.3 MILLION DOLLARS IN PROPERTY TAXES WERE PAID BY MCEDA ASSISTED BUSINESSES. ACCORDING TO MCEDA EXECUTIVE DIRECTOR

BILL GOODALE, MCEDA'S GOAL IS TO PROVIDE THE COUNTY WITH BUSINESS THAT WILL HAVE GOOD PAYING JOBS, INCREASE THE COUNTY'S GENERAL FUND THROUGH PROPERTY TAXES, AND PROVIDE THE COUNTY WITH A LONG TERM VISION FOR BUSINESS AND INDUSTRIAL GROWTH.

IF YOU TAKE FOR INSTANCE THE NORTHSTAR STEEL PLANT AND ITS YEARLY PROPERTY TAX OF \$714,569.00 FOR 1999, THIS FIGURE ALONE IS EQUIVALENT TO NEARLY 894 HOMES PAYING A PROPERTY TAX ESTIMATED AT \$800.00 PER YEAR.

GOODALE SAYS, MCEDA IS DOING WHAT NO OTHER COUNTY AGENCY CAN DO, THAT IS TO SHIFT THE PROPERTY TAX BURDEN FROM THE MOHAVE COUNTY HOMEOWNER TO NEW BUSINESS AND INDUSTRY.

FINALLY GOODALE SAYS, LAST YEAR'S FUNDING TO MCEDA WAS \$189,200.00. PROPERTY TAXES PAID BY MCEDA ASSISTED BUSINESS AND INDUSTRY TOTALED OVER 5 TIMES THAT.

IF THAT ISN'T BANG FOR THE BUCK, I DON'T KNOW WHAT IS.

# Mohave County manager proposes conservation, environmental action

KINGMAN – Mohave County Manager Ron Walker wants the Board of Supervisors to amend the county's Business Goals to include "natural resources planning and management."

"Mohave County's open space, clean air and water are important, and fragile, assets," he said. "The people who live here and the people who want to live here value these natural resources. But there are those who would take advantage of all of us and, in the process, destroy the very things that make life so good in our area. I want this county to take positive steps to protect and preserve our environment."

Walker has placed three items on the Board of Supervisors meeting agenda for Monday, April 16, that deal with environmental concerns.

He would like specific planning to take place regarding solid waste pollution.

"Illegal dumping has proliferated throughout or rural areas," he said. "Although our ERACE (Environmental Rural Area Cleanup Enforcement) program has been involved in many area-wide cleanups, we have been as effective against illegal dumping as battling an avalanche with a broom and dustpan. We need to map out specific objectives in dealing with this problem and take action."

Water availability and quality is the biggest problem rural Arizona has and will have in coming years, Walker said. "With growth, comes great thirst. Residential development and industrial corporate entities are competing for our water resources. Colorado River states continue to battle for river allocation,



Mohave County Manager Ron Walker

with Nevada being the most recent recipient of a greater share through the Arizona Water Banking Authority."

Pollution along the river is a serious concern, he said, as well as the contamination of ground water through the proliferation of septic tanks. "The Colorado River Regional Sewer Coalition has been working to bring federal funds to sewer river areas. Little major progress has been accomplished.

"Although Mohave County has set an example in building energy efficient facilities and pursuing a Green Building Certification for the new County Administration Building," he said, "we need to be more active in encouraging energy conservation for all new businesses, structures and services in our area."

Walker pointed out that Mohave County has signed agreements in prior years that have taken advantage of the governmental agency, the taxpayers and the future health of the environment.

"The status of ground water in Mohave County is challenged," he said. "We have a limited supply and a major demand. It is in the best long-term interest of current and future citizens to act proactively in water management, water conservation, water quality, air quality and solid waste management. I recommend the County Business Plan add the Natural Resources element and that we proceed to systematically and strategically determine measurable goals and objectives and proactively manage all aspects, within statutory authority, for the best use of our resources to enhance the lives of current and future residents."

His second agenda item seeks to declare the original I-40 water system usage to be at capacity with the Griffith Energy obligation fulfilled.

His third proposal to the Board is to authorize staff to work with the "Arizona Counties Insurance Pool to secure the services of an attorney, at Pool rates, specializing in water management and utility issues."

The Board discussed hiring an attorney to specialize in water management issues in April of 2006. At that time they decided there were no current major issues or pending litigation that would require a full-time water attorney.

"Today, there are issues where we would be well served to have a specialist in the field of water management and utility law to assist us," Walker wrote for his agenda backup. He referred to his Natural Resources Management proposal; assessment of the Northern Arizona Energy Project and participation in the Western Area Power Administration's environmental assessment process for that project; determination of the I-40 water system having reached capacity; review and renegotiation of existing water partnerships; and assessment of the development and water requests to the county.

"New homes will be built and new businesses will come to Mohave County," Walker said. "We have to make sure to guard against those entities that visualize Mohave County resources as disposable. We just have to do everything we can to plan for and take action to ensure a clean bright future for Mohave County residents where the air is not fouled, the land is not trashed and our water resources are not wasted."

The Board of Supervisors will meet at the Mohave County Administration Building, 700 W. Beale Street, Kingman, on Monday at 9:30 a.m.

The County Jail was "mortgaged" through Certificates of Participation to finance the project. Homeowners and other property taxpayers have the privilege of paying over \$400,000 for each job created by economic development debacle. And this was called this Economic Development!

These project planners promised that Griffith locating to Mohave County would reduce local electric costs. Has anyone seen reduced electric costs? Merchant Plants, like Griffith, sell to the wholesale market, to the highest bidder. They are not a utility, and you cannot buy power from them for residential use. The project was sold to the public based upon a promised 5 year pay back period. Below is a summary of tax payments into the County General Fund and Expenses for the project by the General Fund. If 2003 is the first full payment, future payments will most likely decline through depreciation. To get closer to the pay back period, divide \$10,000,000 by \$252,888.14. That equates to 39.5 years payback not 5!

It should be noted that Griffith sued the State and Mohave County to reduce their taxable assessed value on personal property, which directly affects their tax obligation. They lost. They appealed. They lost. Now they have Senator Dean Martin, Republican District 6, introduce Senate Bill 2159 to change the law to cut them a tax break.

From the table below, the County has paid \$2,668,097 on the debt, so far. Griffith will have paid with the 2003 Tax Bill, \$264,300 and some change. For every \$1 paid in taxes, the taxpayers have paid over \$10 in debt payments.

County Loan Payments Payments/General Fund		Griffith Property Tax
1999		\$47.68
2000		\$900.32
2001	\$760,269	\$4044.47
2002	\$813,276	\$3421.70
2003	\$779,526	\$252,888.14
2004	\$315,026	
2005		

In the recent past, the MCEDA tried to lure industry with tax reductions and other government concessions. They targeted \$10 per hour jobs. A \$10 per hour job equates to \$20,800 annual wage, almost \$3,400 below average job wages. Every job at this level will reduce the average earnings measurement. This is not to condemn this wage; for one earning below a \$10 per hour wage, that it is a nice raise. However, creating low end jobs does not contribute to improving average wage or per capita income. This shows the fallacy of measuring Economic Development by raw job numbers. Better measures revolve around Per Capita and Per Employee measures.

DEFENDANT

CENTRAL DISTRICT OF CALIFORNIA

DONALD WHITMAN VAN BRUNT

DOCKET NO. CR82-437-CBM

JUDGMENT AND PROBATION/COMMITMENT ORDER

AO-245 (8/74)

In the presence of the attorney for the government the defendant appeared in person on this date

MONTH DAY YEAR August 3, 1982

COUNSEL

[ ] WITHOUT COUNSEL

However the court advised defendant of right to counsel and asked whether defendant desired have counsel appointed by the court and the defendant thereupon waived assistance of counsel.

[x] WITH COUNSEL

William Hamilton, retained

(Name of Counsel)

PLEA

[x] GUILTY, and the court being satisfied that there is a factual basis for the plea,

[ ] NOLO CONTENDERE,

[ ] NOT GUILTY

FINDING & JUDGMENT

There being a finding/verdict of

[ ] NOT GUILTY. Defendant is discharged

[ ] GUILTY.

Defendant has been convicted as charged of the offense(s) of conspiracy to manufacture and possess counterfeit government obligations, in violation of Title 18, United States Code, Sections 371, 471 and 472, as charged in the one count indictment

SENTENCE OR PROBATION ORDER

The court asked whether defendant had anything to say why judgment should not be pronounced. Because no sufficient cause to the contrary was shown, or appeared to the court, the court adjudged the defendant guilty as charged and convicted and ordered that: The defendant hereby committed to the custody of the Attorney General or his authorized representative for imprisonment for a period of two (2) years.

IT IS ADJUDGED that the execution of sentence, as to imprisonment only, is suspended and the defendant is placed on probation for a period of three (3) years, upon the following terms and conditions: 1. comply with all of the rules and regulations of the probation officer; 2. obey all laws; and 3. perform 1,000 hours of community service, as may be determined by the probation officer, taking into account the physical condition of the defendant. The bond of the defendant is ordered exonerated.

SPECIAL CONDITIONS OF PROBATION

ADDITIONAL CONDITIONS OF PROBATION

In addition to the special conditions of probation imposed above, it is hereby ordered that the general conditions of probation set out on reverse side of this judgment be imposed. The Court may change the conditions of probation, reduce or extend the period of probation, at any time during the probation period or within a maximum probation period of five years permitted by law, may issue a warrant and revoke probation for a violation occurring during the probation period.

COMMITMENT RECOMMENDATION

FILED: AUGUST 3, 1982 EDWARD M. KRITZMAN, CLERK

by Joseph M. Levario, Deputy Clerk

It is ordered that the Clerk deliver a certified copy of this judgment and commitment to the U.S. Marshal or other qualified officer.

SIGNED BY

[x] U.S. District Judge

[ ] U.S. Magistrate

CONSUELO B. MARSHALL

Date AUGUST 17, 1982

# CONTRACTOR'S LICENSE RENEWAL APPLICATION

SEE REVERSE SIDE

REGISTRAR OF CONTRACTORS

STATE OF ARIZONA  
800 W. WASHINGTON 6TH FLOOR  
PHOENIX, ARIZONA 85007-2671

**FAILURE TO RECEIVE RENEWAL FORM IN THE MAIL WILL NOT BE CONSIDERED JUSTIFIABLE EXCUSE FOR LATE RENEWAL OF A LICENSE.**

LICENSE 065160-010 CLASS B- RENEWS THROUGH 03492 Mo. Yr.

GENERAL BUILDING CONTRACTOR

RENEWAL FEE 160.00  
RECOVERY FEES 110.00  
LATE FEE  
TOTAL DUE 270.00

LINE 1 Q.P. STATUS PARTNER NAME VAN BRUNT DONALD WHITMAN  
LINE 2 BUSINESS FORMAT: PARTNERSHIP  
LINE 3 VANWOOD CONSTRUCTION CO  
LINE 4 PO BOX 888  
LINE 5 KINGMAN AZ 86402  
LINE 6

SEPARATE CHECK EACH LICENSE  
THIS LICENSE WILL BE SUSPENDED AT MIDNIGHT  
ON 4/1/91 UNLESS TIMELY RENEWED

Make check payable to Registrar of Contractors

**THE BOND INFORMATION ON FILE FOR THIS LICENSE IS:**

LICENSE BOND U S FIDELITY & GUARANTY CO \$5,000.00

**RECOVERY FUND PARTICIPANT**

LINE 7 ATWOOD STEVEN LLOYD PARTNER  
LINE 8  
LINE 9  
LINE 10  
LINE 11

**OPPOSITE THE PROPER LINE NO. PRINT BELOW ANY CORRECTIONS TO INFORMATION SHOWN ABOVE.**

LINE NO.		
4		8
5		9
6		10
*7		11

NOTE: LINES 1, 2, OR 3 ABOVE CANNOT BE CHANGED ON THIS FORM. SEE REVERSE.

\*CHANGES IN CORPORATE OFFICERS REQUIRE THE FULL LEGAL NAME, DATE OF BIRTH AND TITLE OF EACH "NEW" PERSON ADDED TO THE LICENSE. OMISSION OF A MIDDLE NAME IS ACCEPTED ONLY IF THE PERSON LEGALLY HAS NONE AND INDICATES "NONE". INITIALS ARE ACCEPTABLE ONLY IF PART OF THE LEGAL NAME AND "ONLY" IS ADDED BEHIND INITIALS.

NOTE FOR FELONY CONVICTIONS: ANY PERSON LISTED ON THIS FORM OR ON ATTACHED SHEET WHO HAS BEEN CONVICTED OF A FELONY NOT PREVIOUSLY DISCLOSED, MUST REQUEST RECORDS RELEASE FROM OUR LICENSE DEPARTMENT AND SUBMIT THEM WITH THIS LICENSE RENEWAL.



RENEW TIMELY - LATE RENEWAL PENALTY FEE IS \$50.00  
READ INSTRUCTIONS ON OTHER SIDE BEFORE SIGNING!!!

I CERTIFY THAT I HAVE READ BOTH SIDES OF THIS FORM AND ALL THE INFORMATION IS TRUE AND CORRECT, OR THE NECESSARY CORRECTIONS APPEAR ABOVE OR ON THE ATTACHED SHEET. I FURTHER CERTIFY THAT NO PERSON LISTED HERIN HAS BEEN CONVICTED OF A FELONY, WHICH HAS NOT BEEN PREVIOUSLY DISCLOSED TO THE REGISTRAR.

X *Ronald Whitman*

Signature of Sole Owner, Partner or Corp. Officer (Stampec signatures unacceptable)

Renewal form will be returned if not properly signed. Signer MUST be listed above.

(Do not write in this space)

Renewal O.K.     *JD*      
 Renewal O.K. \_\_\_\_\_  
 W/Changes \_\_\_\_\_  
 Rejected \_\_\_\_\_  
 Late Fee \_\_\_\_\_  
 Input \_\_\_\_\_  
 Control No. \_\_\_\_\_

154-09

OVER

BAY1-A-5

**AFFIDAVIT OF REGISTRATION  
MOHAVE COUNTY, ARIZONA**

Registration Officer: TYPE or PRINT plainly with ink  
FIRST and MIDDLE NAME must be shown in full using  
CAPITAL LETTERS.

OFFICE USE ONLY

ORIGINAL REG. DATE \_\_\_\_\_

(1) Full Name MS/MISS VAN BOUNT JUNHO LAST NAME FIRST MIDDLE

(2) Residence Address Box 325 O.S.R. RESIDENT CITY KINGMAN ZIP CODE 86400

(3) Mailing Address Off. Shoshone MAILING CITY Kingman ZIP CODE 86400

(4) PARTY PREFERENCE IS: DEMOCRAT MUST BE COMPLETED—ARS 16-152.7

(5) Telephone Number 563-3922 (Unless Unlisted)

(6) Born in (Country) Washington-Canada Birth Date 10-3-27

(7) Occupation Retired Indian Census Number \_\_\_\_\_ (Optional)

(8) Reason for inability to mark ballot \_\_\_\_\_

(9) Father's Name Robert C. Van Bount

(10) If registered to vote in another State, County, or Precinct, in County of \_\_\_\_\_ State of \_\_\_\_\_

(11) Precinct Name \_\_\_\_\_ OFFICE USE ONLY 4404000

(12) Use only if currently registered in Mohave County.

FORMER ADDRESS \_\_\_\_\_ FORMER PARTY \_\_\_\_\_ FORMER NAME \_\_\_\_\_

(13) Subscribed and sworn to before me on this date \_\_\_\_\_ Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

(14) Signature of Registration Officer/Title \_\_\_\_\_ (15) Signature of Applicant for Registration \_\_\_\_\_

**AFFIDAVIT OF REGISTRATION  
MOHAVE COUNTY, ARIZONA**

Registration Officer: TYPE or PRINT plainly with ink  
FIRST and MIDDLE NAME must be shown in full using  
CAPITAL LETTERS.

OFFICE USE ONLY

ORIGINAL REG. DATE \_\_\_\_\_

(1) Full Name MR (MRS) MS/MISS VAN BOUNT KATHY LAST NAME FIRST MIDDLE

(2) Residence Address Box 325 O.S.R. RESIDENT CITY KINGMAN ZIP CODE 86400

(3) Mailing Address Off. Shoshone MAILING CITY Kingman ZIP CODE 86400

(4) PARTY PREFERENCE IS: Democrat MUST BE COMPLETED—ARS 16-152.7

(5) Telephone Number 563-3922 (Unless Unlisted)

(6) Born in (Country) Washington Birth Date 7-22-36

(7) Occupation Bank Teller Indian Census Number \_\_\_\_\_ (Optional)

(8) Reason for inability to mark ballot \_\_\_\_\_

(9) Father's Name August Wilhelm Ledner & Daimeyer

(10) If registered to vote in another State, County, or Precinct, in County of \_\_\_\_\_ State of \_\_\_\_\_

(11) Precinct Name \_\_\_\_\_ OFFICE USE ONLY 4404000

(12) Use only if currently registered in Mohave County.

FORMER ADDRESS \_\_\_\_\_ FORMER PARTY \_\_\_\_\_ FORMER NAME \_\_\_\_\_

(13) Subscribed and sworn to before me on this date \_\_\_\_\_ Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

(14) Signature of Registration Officer/Title \_\_\_\_\_ (15) Signature of Applicant for Registration \_\_\_\_\_

FOR U.S. CITIZENS ONLY  
PRINT CLEARLY IN BLACK INK  
PRESS HARD TO MAKE COPY

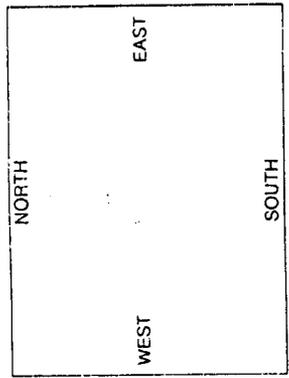
VOTER REGISTRATION FORM  
MOHAVE COUNTY, ARIZONA

OFFICE USE ONLY

15406 P5

142498  
8

1 FULL NAME (CIRCLE ONE) MR. MRS. MISS Mr. VAN BRENT LAST NAME FIRST NAME MIDDLE NAME JR/SR/III  
 2 RESIDENCE ADDRESS 4480 Highway 66 STREET NAME (ST OR AVE, ETC.) APT / SP. NO. HOUSE NUMBER DIRECTION (N/S/E/W)  
 3 MAILING ADDRESS (IF DIFFERENT) 73 CITY ZIP CODE  
 4 POLITICAL PARTY Republican TELEPHONE NUMBER 753 1717 UNLESS UNLISTED  
 5 BIRTH PLACE Wish BIRTH DATE 10.3.29 LAST 4 DIGITS OF SOC. SEC. NO. 4488 (OPTIONAL)  
 6 YOUR OCCUPATION Exec. INDIAN CENSUS NO. (OPTIONAL)  
 7 FATHER'S NAME OR MOTHER'S MAIDEN NAME VAN BRENT FIRST MIDDLE LAST  
 8 ARE YOU CURRENTLY REGISTERED TO VOTE?  YES  NO  
 FORMER ADDRESS 4230 Bay 325 Kingman AZ FORMER COUNTY FORMER STATE



USE MILEAGE NAMES OF ROADS AND LANDMARKS  
MARK "X" WHERE YOUR HOME IS LOCATED

9 THIS FORM WAS COMPLETED ACCORDING TO MY INSTRUCTIONS BY: \_\_\_\_\_  
 10 I WOULD BE WILLING TO WORK AT A POLLING PLACE ON ELECTION DAY.  
 SEND THIS STATEMENT TO THE SECRETARY OF STATE, PHOENIX, ARIZONA  
 I AM A CITIZEN OF THE UNITED STATES, A RESIDENT OF THE STATE OF ARIZONA AND THE ABOVE INFORMATION IS TRUE AND CORRECT. I HAVE NOT BEEN CONVICTED OF A FELONY OR A FELONY OR, IF SO, MY CIVIL RIGHTS HAVE BEEN RESTORED. PERJURY IS PUNISHABLE BY LAW.  
 11 DATE 1-29-96 MONTH/DAY/YEAR  
 12 REMOVE TAPE AND FOLD TO MAIL

Shows last 4 of social, phone # & Address

ABLE TO COMPLETE THE FORM YOURSELF)

FOR THE TIME OF THE NEXT GENERAL ELECTION UNDER THE LAWS OF THE STATE OF ARIZONA THAT

ESIVA Y DOBLE PARA ENVIAR POR CORREO



# Mohave County Development Services Department

Minutes from March 4, 2009

Major General Plan Amendment and Area Plan Meeting  
Traffic Control Room

## STAFF PRESENT

Christine Ballard, Development Services Acting Director  
Karl Taylor, Development Services Planning Manager  
Kevin Davidson, Development Services Planner II  
John Montgomery, Development Services Planner II  
Jennifer Harper, Development Services Office Specialist  
Dustin Bonivert, Public Works Engineering Technician Senior

## GUESTS PRESENT

Robert Potter  
Jason Ramsey  
Larry Killman

Wayne Wissinger  
Greg Bartlett  
Don Van Brunt

Kevin Davidson called the meeting to order at 10:30 a.m.

## AGENDA

Meeting Outline for Proposed Major General Plan Amendment and Area Plan for a 250 mW Concentrating Solar Parabolic Trough Power Plant in Sections 19, 20, 28, 29, 30 and portions of Sections 21 and 31, Township 26 North, Range 16 West.

### 1. Introduction and Sign In

Staff and guests introduced themselves.

### 2. Reason for the meeting

Kevin Davidson, Mohave County Development Services Planner II, stated that the purpose of the meeting was to coordinate the Major General Plan Amendment and Area Plan for the proposal. He noted that he would like to have this item on the September 9, 2009, Planning and Zoning Commission meeting agenda and that the Board of Supervisors would hear the item either in November or December 2009.

### 3. Entitlement Timeline

Mr. Davidson referenced the entitlement timeline located on the second page behind the agenda. The timeline showed where the project was currently. The project had been discussed between the applicant and staff in previous meetings and now it was currently in the pre-application meeting stage. One of the most important steps was the public outreach effort.

BAY1-A-6

#### 4. Project Specifics

Greg Bartlett, of Mohave Sun Power and applicant's representative, noted that the project's name was Hualapai Valley Solar. A lease-option agreement was signed for the land in question in order to develop the plant. The project was currently in the early stages. The 10-year plan had been filed with the Arizona Corporate Commission (ACC).

##### a. Benefits to the County

Mr. Davidson asked what the general benefit was to Mohave County. Larry Killman, Tierra Environmental, stated the project would need approximately 1,500 people during the construction period. This would create permanent full-time jobs for Mohave County. There was a Certificate of Environmental Compatibility that was required by the Arizona Corporate Commission (ACC). Due to the nature of the Bureau of Land Management (BLM) land in the area, there were some aerial crossings which were potentially on the alignment of the power line to the corridor. This could be a possible "trigger" in the interconnection request. Negotiations would be initiated with the federal agencies to determine who would take the lead of that case. The design was being changed rapidly.

Jason Ramsey, Tierra Environmental, stated that the Bullhead Economic Development's outlook for Arizona in 2009 was solar. The outlook upon construction in Arizona had revolved around the economy. The approval of a solar power facility of this size in Mohave County would serve as a magnet for other projects. One of the benefits to Mohave County would be that it would attract other projects to the area.

Don Van Brunt, consultant, stated that the greatest benefit to Mohave County would be the tax base. This project would create a very large permanent tax base. Mr. Bartlett added that during the permitting phase there would be great opportunities for local engineering services, hydrologists, biologists, and many other fields. Mr. Davidson asked Mr. Bartlett how many full-time positions the project would create. Mr. Bartlett responded 100 to 120 full-time employees.

##### b. Provision of Public Infrastructure

Mr. Davidson asked how the site would be accessed and what public infrastructure would serve the site. Mr. Bartlett responded that most of the infrastructure was currently being developed with their engineering firm. A feasibility study was completed and the conceptual design phase was just started.

Larry Killman, Tierra Environmental, stated that a steam generator was being looked into. The steam generator would be driven by the heat that was collected by the troughs, which was similar to the solar plant in Gila Bend. He noted that the engineering team was out of Germany.

##### c. Change to surrounding area

Mr. Davidson asked how this change would impact the surrounding area. Mr. Killman responded that the remoteness of the area was beneficial because there was not much out there. There would be a perimeter fence around the property and some security to prevent animals and people from traversing across the property. The project had a very large footprint and was very large in scale. The steam generators would be approximately 30 to 40 feet high.

Mr. Davidson asked if the solar troughs were 15 to 20 feet high. Mr. Killman responded that the solar troughs could not be more than 25 feet with their tip up at their most extreme angle. The solar troughs tracked the sun as it rose and followed the sun throughout the day. Mr. Davidson asked what the reflectivity on the south side of the array was and if there was a blinding light generated by the reflectivity. Mr. Killman responded no, there was no blinding light. He explained that the nature of the trough was that the reflection did not go out, but focused back into the center of the tube. Mr. Bartlett added that the reflection was reflected in the mirrors, which went into a dark tube.

d. Consistency with General Plan Goals

Mr. Davidson asked how this project was consistent with the General Plan goals and policies. Mr. Ramsey responded that solar projects were consistent with the Mohave County General Plan goals and policies. He noted that the General Plan stated that an industrial land use would be allowed in a rural area if it was a benefit to the County. This project would be a benefit to the County due to the tax breaks and the jobs created by this project.

e. Changes in events and circumstances that warrant the amendment

Mr. Davidson asked what changes in events and circumstances warranted the amendment at this time. Mr. Van Brunt stated that if one would look at the maps of the world, Mohave County was one of the best areas for a project of this kind because of the heat and rays that could be utilized from the sun. Mr. Van Brunt noted that the state required Arizona raise renewable energies from 15 percent to 20 percent by 2020. There would be economic benefits as well as some of the expenses required by the general public.

Mr. Bartlett stated that there were federal incentives currently for renewable energy projects and to reduce dependence on foreign oil and reduce the use of fossil fuels; there were also state incentives. There was a lot of effort directly from the state government for job creation and green energy projects. Mohave County had all the attributes of a good concentrated solar power plant that had direct normal insolation. Direct normal insolation was part of the sunlight that could be reflected in mirrors to create the energy one used. There were financial incentives from the new administration in Washington to assist in the financing of this project. This particular site had good weather, land, and water conditions.

5. Agency Comments

a. Development Services

Mr. Davidson inquired about the water used in production. Mr. Killman replied that the local aquifer was being tested to find out what the water quality was. He noted that the range would be approximately 3,000-acre feet. That number would be subject to modification as the project moved forward. The primary water usage would be for the generators. The total output for the plant would generate up to 340 megawatts. There was a reservation in place for internal uses that were self-powered. Mr. Van Brunt stated that the water had already been allocated to the previous owner of the property for a residential project. No new water would need to be allocated for this project. Mr. Davidson requested proof of the determination of water adequacy or an analysis. Robert Potter, applicant's consultant, asked Mr. Davidson if the requested backup information could be submitted with the application. Mr. Davidson responded yes.

Mr. Davidson asked if there would be a backup gas generator to prolong the capacity factor. Mr. Bartlett responded that currently they were in the process of looking at regulations that restricted fossil fuel usage in the renewable energy plant. There were two options available. One option was to use a small percentage of natural gas. The second option was to purchase electricity from the local utility company. Mr. Davidson asked what the capacity factor was for the project. Mr. Bartlett responded between a range of 30 to 44 percent. He added that the ability to store energy was higher than wind and solar panels.

John Montgomery, Mohave County Development Services Planner II, stated that as the Zoning Ordinance was currently written, the only zone that allowed this use was MX. He noted that text amendments to the Zoning Ordinance were unpredictable and did not know if the department was ready to take one forward. Mr. Davidson explained that the General Plan application was going to be submitted within a week. The zoning application would be submitted in approximately one month or two. Mr. Montgomery added that staff could not recommend approval of the zoning until the zoning complied with the General Plan. A Rezone application would be accepted, but it would need to be held until action was taken for the General Plan. Mr. Davidson referred to the timeline sheet that was attached to the back of the agenda. He noted that his intention was to have the plan amendment and the Rezone heard together at the September 9, 2009 Planning and Zoning Commission meeting.

Karl Taylor, Mohave County Development Services Planning Manager, noted that if he was a member of the public one of the questions he would ask was if the electricity would be generated here and kept locally or would it be shipped to other areas. Mr. Bartlett responded that all the utilities had a certain solicitation cycle. The first bid was coming up in April. He did not know and did not yet have a contract from a power purchaser but planned to go out and bid on all the solicitations for the utilities to meet the portfolio standards. Mr. Bartlett noted that he could have the answer by September. Mr. Taylor wanted to know if the employees of the project would be expected to commute daily and wanted to know how many miles the project was from Kingman. Mr. Van Brunt responded that Kingman was approximately 28 miles from the project. Mr. Davidson noted that Stockton Hill Road would be utilized to access the site. Mr. Potter stated that the project site was not far from Dolan Springs. There would be two surrounding communities that would be able to access the site with a half an hour commute.

Mr. Van Brunt stated there was no requirement from the Arizona Corporate Commission as to where the utilities bought renewable energy and that that the renewable energy cost three times more money than the energy one bought presently. Mr. Potter disagreed with Mr. Van Brunt and said that one's electricity bill would not go up three times more than one was paying currently. Mr. Bartlett commented that the fuel source was free and there was no fluctuation in price as compared to coal and oil.

b. Public Works

Dustin Bonivert, Mohave County Public Works Engineering Technician Senior, stated that Public Work's biggest concern was from where access would be obtained and traffic information in regard to trips per day for the site. He requested a traffic impact analysis. Mr. Van Brunt stated that heavy traffic could not be brought over Antares Road without rebuilding the road. The main access road would be Stockton Hill Road. Mr. Bonivert suggested a deceleration lane or turn off lane.

Mr. Van Brunt stated that the purchaser of the land had agreed to dedicate a road right-of-way due west from the site. Mr. Bonivert stated that if there was a public right-of-way at the site that was dedicated, it would probably be up to the minimum standards.

Mr. Bonivert wanted to know what kind of impacts were to be created with drainage. Mr. Killman responded that there would be segments or islands within the parcel for the solar arrays. Many options were being investigated to ensure on-site retentions. The engineering analysis would address these concerns.

Mr. Davidson asked how many acre-feet of water was shedding on the solar troughs. Mr. Killman responded that the troughs had gaps between each mirror so there would not be a lot of water collected. Mr. Van Brunt added that there was no run-off onto the property because it was the highest ground in the area. Mr. Killman added that the engineering would prove this was an excellent site.

c. Bureau of Land Management

Mr. Davidson stated that Jacqueline Neckles with the Bureau of Land Management was unable to attend the meeting. However, she was concerned with the route of the power to the current 345 kV lines. She wanted to know if the utility corridor was going to connect to the grid north or to the east. Mr. Potter replied north and there would be a route to the corridor from the plant located on private land.

d. Arizona Corporation Commission

Mr. Davidson asked how long the process would take with the Arizona Corporation Commission. Mr. Killman replied that studies needed to be done on the transmission interconnection, which was under way. The early impact studies would be completed by late May or June. The Arizona Corporation Commission requested 90 days to review the information submitted to them prior to Certificate of Environmental Compatibility (CEC) submittal.

e. Arizona Department of Water Resources

Mr. Davidson stated that Arizona Department of Water Resources (ADWR) contested that there was already a determination of water adequacy for a housing development. Mr. Van Brunt stated that there was no need for another determination of water adequacy to be completed because the water usage would be less per acre than what was determined for the housing development.

f. Arizona Department of Environmental Quality

Christine Ballard, Development Services Acting Director, joined the meeting at 11:15 a.m.

Mr. Davidson asked if there were ADEQ issues. Mr. Killman stated that ADEQ would be involved in a couple of different issues. ADEQ was going to be involved in the aquifer protection. He added that there would be a pond system involved. Mr. Davidson asked about the number of cycles of water per day. Mr. Killman responded that information would be included in the analysis.

6. Public Outreach

a. Number, location and timing of meetings

Mr. Davidson stated that the public meetings needed to be held either in May or June. He wanted to hold at least two meetings, one downtown and the other one at the Valle Vista Country Club. The meetings needed to be held during different days and times of the week. The meeting downtown would probably consist of approximately 100 people. The meeting at the Valle Vista Country Club would probably only consist of a handful of people.

b. Method and scope

Mr. Davidson displayed a map of the area. He stated that notification by direct mail needed to be done, aside from the notification in the newspapers. He was determining how large of a buffer was needed around the Concentrating Solar Parabolic (CSP) plan for the notification of the public. There needed to be a minimum of 15 days notification prior to the first public meeting. Mr. Van Brunt asked Mr. Davidson what type of buffer was required by law. Mr. Davidson responded for General Plan Amendments that went forward to the Planning and Zoning Commission a half-mile notification was required. The public outreach effort was determined by staff. Mr. Van Brunt commented that there were no residences within a couple of miles of the project. He added that the majority of the property owners within three miles of the project did not even live in the state of Arizona. Mr. Davidson commented that only about 15 percent lived in the state and the rest of them lived out of the country. Mr. Killman stated that between the Environmental Protection Agency (EPA) and the area plan there were different inputs. Foreign ownership notifications could get extremely expensive and wanted to know if the local residents could be their primary target. Notification to the surrounding property owners and public notifications was discussed by the attendees of the meeting. It was determined that the notification would include a one-mile radius surrounding the project area and a few display ads in the newspapers. Mr. Davidson added that BLM and the State Land Department would need to be notified because they also owned surrounding property. Mr. Potter asked if the department sent out the public notification letters and if the applicant would be responsible for the postage fee. Mr. Davidson replied that the department would mail the notification letters. Ms. Ballard added that it would be up to the applicant to decide whether all of the letters would be sent registered or certified mail and it would be easier for the department to mail all of them. Mr. Van Brunt asked when the notification letters would need to be sent out. Ms. Ballard informed him that the letters would need to be sent out 15 days prior to the public meeting, which would be in approximately 45 days.

Mr. Davidson stated that he was looking at a May meeting so the letters would need to be mailed by the end of April. Mr. Potter asked if a site sign was required. It was determined that a site sign was not required because the road was seldom traveled. Ms. Ballard noted that there would be more notification to the public through the display ads and on the County website under "Current Happenings". Mr. Wissinger stated that his concern was if members of the public traveled on the unpaved roads, ended up lost and search and rescue would need to be sent out. He wanted to ensure the public's safety.

Ms. Ballard wanted to know if only construction traffic was expected. Mr. Potter replied that there would only be heavy truck traffic during the construction of the project. He added that there would be nothing over 85,000 pounds.

c. Integrating public comments into the plan

Mr. Davidson asked how the applicants planned to integrate the public comments into the proposal. Mr. Killman responded that the public information would be taken into account to see how they could be applied to the overall plan. The direction would be based upon the public comments.

7. Next Steps

Mr. Davidson stated that the next step in the process was to submit a plan to the County. He asked if a plan could be submitted via email by Friday, March 6, 2009. Mr. Potter responded that he had a check for the project. Ms. Ballard directed Mr. Potter to the Development Services Department located across the street to get a receipt and added that if nothing was received within 30 to 45 days the money would be returned to him. Mr. Bartlett stated the operation of the plan was currently being designed. Ms. Ballard stated that a complete plan needed to be submitted to the department 75 days prior to a public hearing. Mr. Davidson stated that a finalized plan needed to be completed by June 19, 2009. He added that the information submitted to the department on Friday would require at least a few weeks to review. He had planned to submit the information to Public Works and BLM to review. Mr. Wissinger wanted to know when the details of the project would be released to the public. Ms. Ballard stated that the department would advertise in preparation for the public meetings. Ms. Ballard added that the information became public record as soon as the department received it. Mr. Davidson stated that he would like to have the information available on the webpage 15 days prior to the first public meeting. Mr. Potter asked if the department sent out reminders to the applicants letting them know when to do what. Ms. Ballard replied no. However, when the actual dates were set for the meetings staff would be more than willing to go through a deadline schedule, but it would be up to the applicants to comply with the deadlines.

Mr. Killman stated that the information provided now would only be for the land use. All of the details for the Rezone would be worked out at a later date as the project progressed. The engineering information would not be available by May. Mr. Davidson stated that most of that information would be addressed during the site plan process.

8. Questions

Mr. Montgomery noted that this project would be for hard zoning and would require a Rezone. Mr. Bartlett asked if there was any chance that the zoning designations could change within the next year. Mr. Montgomery responded that there was nothing currently in the process to amend the Zoning Ordinance. Ms. Ballard added that the County did not have the authority to go forward to change zoning designations. At one time, a process was developed for wind turbines and a Zoning Use Permit could be obtained in any zoning designation, which turned out not to be a popular idea and the proposal was shelved.

Mr. Potter asked what the status was in regard to renewable energies in the County. Ms. Ballard stated that a discussion on renewable energies in the County would be discussed at the end of the next scheduled Planning and Zoning Commission meeting, which would be at 10 a.m. on March 11, 2009, in the Board of Supervisors Auditorium. Mr. Davidson stated that the presentation would consist of approximately 50 slides. Mr. Potter stated that he had a scheduling conflict that day but would try to make it to the meeting.

Mr. Davidson asked if Tierra Environmental was the applicant and Rhodes the owner. Mr. Killman responded that Hualapai Valley Solar would be acting as the agent. Tierra Environmental was the lead consultant.

Meeting adjourned at 11:50 a.m.

Respectfully Submitted,

Jennifer L. Harper  
Office Specialist

BAY1-A-6

**B**



### about the project

The proposed Hualapai Valley Solar Project (HVS Project) is a 340MW concentrating solar power (CSP) plant in Mohave County, Arizona, approximately 27 miles north of Kingman and 100 miles south of Las Vegas on approximately 4,000 acres of private land. The HVS Project will use a proven technology that has been operational in the United States since the 1980's.

The HVS Project will use CSP technology to capture heat generated by sunlight and turn that heat into electricity using the standard Rankine cycle process. The HVS Project will also store excess heat using molten salts so that it can provide electricity when it is most needed during on-peak hours.

The HVS Project is in the early design and permitting stages, with a construction start anticipated in November 2010 and start of operations in June 2013. HVS is working with Fichtner Solar of Germany ([www.fichtnersolar.com](http://www.fichtnersolar.com)), the leading worldwide designer of concentrating solar trough projects, to design the project.

### about the project site

The following characteristics associated with the HVS Project site make it ideal for a solar project:

1. High incoming solar radiation (insolation) value
2. Minimal slope
3. Proximity to electric grid
4. Water availability
5. Proximity to transportation corridors
6. Located on private land

### hualapai valley team

Mitchell Dong, Executive Director  
 Greg Bartlett, Managing Director  
 Mike LaRow, Environmental Director  
 Rob Marsh, Financial Director

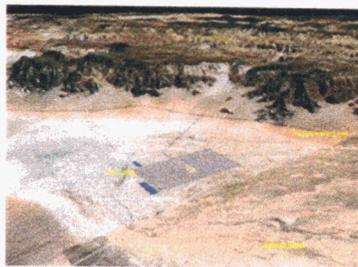
### project status

HVS has completed the preliminary design of the project and is using that now as a basis for discussions with the public and other stakeholders, county officials, state permitting agencies, and federal permitting agencies. HVS is moving to the next stage of project design, which will further define the project while taking into consideration the input and comments received from the public, other stakeholders, and permitting authorities. HVS anticipates this stage of design taking approximately one year.

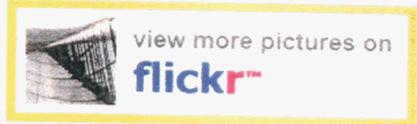
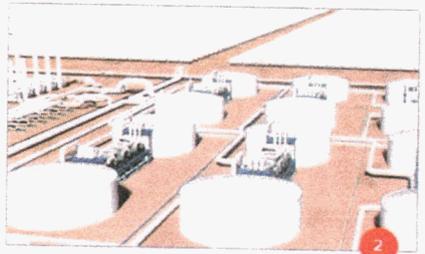
Current View of Site

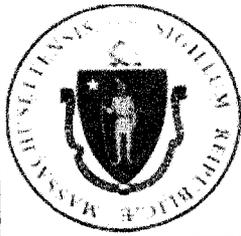


Project Overlaid on Site



### rendered images from the site





**The Commonwealth of Massachusetts  
William Francis Galvin**

Secretary of the Commonwealth, Corporations Division  
One Ashburton Place, 17th floor  
Boston, MA 02108-1512  
Telephone: (617) 727-9640

**CHRONOS ASSET MANAGEMENT, INC. Summary Screen**

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The exact name of the Foreign Corporation: CHRONOS ASSET MANAGEMENT, INC.

Entity Type: Foreign Corporation

Identification Number: 043292528

Old Federal Employer Identification Number (Old FEIN): 000517303

Date of Registration in Massachusetts: Nov 10 1995

The is organized under the laws of: State: DE Country: USA on: Oct 17 1995

Current Fiscal Month / Day: 12 / 31

Previous Fiscal Month / Day: 01 / 01

**The location of its principal office:**

No. and Street: 85 HAMILTON STREET  
City or Town: CAMBRIDGE State: MA Zip: 02139 Country: USA

**The location of its Massachusetts office, if any:**

No. and Street: 85 HAMILTON STREET  
City or Town: CAMBRIDGE State: MA Zip: 02139 Country: USA

**Name and address of the Registered Agent:**

Name: MITCHELL L. DONG  
No. and Street: 85 HAMILTON ST.,  
City or Town: CAMBRIDGE State: MA Zip: Country: USA

**The officers and all of the directors of the corporation:**

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
PRESIDENT	MITCHELL L. DONG	85 HAMILTON ST., CAMBRIDGE, MA USA
TREASURER	MITCHELL L. DONG	85 HAMILTON ST., CAMBRIDGE, MA USA

business entity stock is publicly traded:

The total number of shares and par value, if any, of each class of stock which the business entity is authorized to issue:

	Par Value Per Share	Total Authorized by Articles	Total Issued

Class of Stock	Enter 0 if no Par	of Organization or Amendments <i>Num of Shares      Total Par Value</i>		and Outstanding <i>Num of Shares</i>
No Stock Information available online. Prior to August 27, 2001, records can be obtained on microfilm.				
<input type="checkbox"/> Consent <input type="checkbox"/> Manufacturer <input type="checkbox"/> Confidential Data <input type="checkbox"/> Does Not Require Annual Report <input type="checkbox"/> Partnership <input type="checkbox"/> Resident Agent <input type="checkbox"/> For Profit <input type="checkbox"/> Merger Allowed				
<p><b>Select a type of filing from below to view this business entity filings:</b></p> <p>ALL FILINGS                      Amended Foreign Corporations Certificate                      Annual Report                      Annual Report - Professional                      Application for Reinstatement</p>				
<input type="button" value="View Filings"/> <input type="button" value="New Search"/>				
<div style="border: 1px solid black; padding: 5px; min-height: 30px;"> <p style="text-align: center; margin: 0;">Comments</p> </div>				
<p>© 2001 - 2010 Commonwealth of Massachusetts All Rights Reserved</p>				<input type="button" value="Help"/>

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

SECURITIES ACT OF 1933  
Release No. 8883 / January 25, 2008

SECURITIES EXCHANGE ACT OF 1934  
Release No. 57202 / January 25, 2008

INVESTMENT ADVISERS ACT OF 1940  
Release No. 2696 / January 25, 2008

INVESTMENT COMPANY ACT OF 1940  
Release No. 28135 / January 25, 2008

ADMINISTRATIVE PROCEEDING  
File No. 3-12934

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**In the Matter of**

**Chronos Asset Management, Inc.  
and Mitchell L. Dong,**

**Respondents.**

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**: ORDER INSTITUTING**  
**: ADMINISTRATIVE AND CEASE-AND-**  
**: DESIST PROCEEDINGS, MAKING**  
**: FINDINGS, AND IMPOSING**  
**: REMEDIAL SANCTIONS AND A**  
**: CEASE-AND-DESIST ORDER**  
**: PURSUANT TO SECTION 8A OF THE**  
**: SECURITIES ACT OF 1933, SECTION**  
**: 21C OF THE SECURITIES**  
**: EXCHANGE ACT OF 1934, SECTIONS**  
**: 203(e) and 203(f) OF THE**  
**: INVESTMENT ADVISERS ACT OF**  
**: 1940, AND SECTIONS 9(b) AND 9(f) OF**  
**: THE INVESTMENT COMPANY ACT**  
**OF 1940**

**I.**

The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 ("Securities Act"), Section 21C of the Securities Exchange Act of 1934 ("Exchange Act"), Sections 203(e) and 203(f) of the Investment Advisers Act of 1940 ("Advisers Act") and Sections 9(b) and 9(f) of the Investment Company Act of 1940 ("Investment Company Act") against Chronos Asset Management, Inc. ("Chronos") and Mitchell L. Dong ("Dong") (collectively "Respondents").

## II.

In anticipation of the institution of these proceedings, Respondents have submitted an Offer of Settlement (the "Offer"), which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission's jurisdiction over them and the subject matter of these proceedings, which are admitted, Respondents consent to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933, Section 21C of the Securities Exchange Act of 1934, Sections 203(e) and 203(f) of the Investment Advisers Act of 1940, and Sections 9(b) and 9(f) of the Investment Company Act of 1940 ("Order"), as set forth below.

## III.

On the basis of this Order and Respondents' Offer, the Commission finds<sup>1</sup> that:

### Respondents

1. Chronos Asset Management, Inc. is a Delaware corporation based in Cambridge, Massachusetts that has been owned and controlled by Dong since it was incorporated in 1995. At all relevant times, Chronos provided investment advisory services to two hedge funds: Chronos Fund I, LP ("Chronos Onshore Fund") and Chronos Offshore Fund, Inc. ("Chronos Offshore Fund") (collectively, the "Chronos Funds"). Chronos has never been registered with the Commission.

2. Mitchell L. Dong, age 54, is a resident of Boston, Massachusetts. Dong is Chronos's founder and at all relevant times owned Chronos and served as its president and chief executive officer. Dong also served as director of the Chronos Offshore Fund. As principal owner of Chronos, Dong had the ultimate decision-making authority for Chronos's investments.

### Summary

3. This case involves a fraudulent market timing and late trading scheme by hedge fund adviser Chronos and its principal, Dong. From January 2001 to September 2003 (the "Relevant Period"), Chronos and Dong used deceptive means to continue market timing in mutual funds that had previously attempted to detect and restrict, or that otherwise would not have permitted, Chronos's trading. In addition, from May 2003 to September 2003, Chronos traded mutual fund shares after 4:00 p.m. Eastern Time ("ET") while receiving the same day's price. By virtue of their conduct, Respondents willfully

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<sup>1</sup> The findings herein are made pursuant to Respondents' Offers of Settlement and are not binding on any other person or entity in this or any other proceeding.

violated, and aided and abetted and caused violations of, the antifraud and mutual fund pricing provisions of the federal securities laws.

### **Facts**

4. Dong owned and controlled Chronos, which controlled the Chronos Funds. He also oversaw Chronos's overall operations and investment strategies. During the Relevant Period, Chronos managed approximately \$270 million for the Chronos Funds. Chronos used market timing as a primary investment strategy. It executed the strategy through the use of a proprietary statistical model that analyzed historical trading data and market trends and generated "signals" that determined whether and when Chronos should buy and sell mutual fund shares. Market timing includes: (i) frequent buying and selling of shares of the same mutual fund or (ii) buying or selling mutual fund shares in order to exploit inefficiencies in mutual fund pricing. Market timing, while not illegal *per se*, can harm other mutual fund shareholders because it can dilute the value of their shares, if the market timer is exploiting pricing inefficiencies, or disrupt the management of the mutual fund's investment portfolio and can cause the targeted mutual fund to incur costs borne by other shareholders to accommodate frequent buying and selling of shares by the market timer. From May to September 2003, Chronos also engaged in "late trading," whereby Chronos placed mutual funds trade orders after mutual fund companies calculated their daily net asset value ("NAV"), while obtaining the same day's NAV pricing.

### **Market Timing**

5. During the Relevant Period, Respondents engaged in deceptive tactics by placing mutual fund trade orders with registered broker-dealer Prudential Securities, Inc. ("Prudential") that contained false and misleading information to hide Chronos's identity from mutual funds and otherwise facilitate Chronos' market timing strategies. Chronos disguised its identity and volume and frequency of its trading by using multiple customer account names (some of which were in the names of other corporate entities) and numbers.

6. Chronos's traders typically placed multiple mutual fund transactions per day with Prudential during the Relevant Period. Chronos opened its first account with registered representatives based in Prudential's Boston, Massachusetts branch office in January 2000. During the Relevant Period, Respondents were aware that mutual fund companies typically placed limits on the number of mutual fund trades that could be placed in a particular mutual fund and tracked mutual fund trades by customer name and customer account number. As a result, Respondents were aware that if they repeatedly placed short-term mutual fund trades using a single account name and number through one broker, the mutual fund companies would likely determine that Chronos's market timing was excessive and would block any further trades. Throughout the Relevant Period, through Prudential, Chronos was notified of "block notices" from mutual fund

companies prohibiting Chronos from further trading in those fund families because of Chronos's previous market timing activity.<sup>2</sup>

7. Respondents opened a total of 21 additional accounts at Prudential (between 2000 and February 2003) after Chronos was prohibited from trading in certain mutual fund families. Respondents maintained, and market timed through, these accounts until Chronos ceased its market timing activities in September 2003. Many of Chronos's accounts at Prudential bore names that appeared unrelated to Chronos, such as the names of a Chronos trader's wife, hometown and dog. The primary purpose in opening these accounts was to conceal the accounts' connection to Chronos and thereby allow Chronos to continue to trade in mutual funds that had previously attempted to prohibit it from trading due to market timing.

8. Chronos used separate Prudential accounts as part of a "rotation strategy" to disguise its market timing activities from mutual fund companies. As part of its rotation strategy, Chronos made multiple purchases into a fund family using multiple accounts and traded in one fund until an account was blocked. Then Chronos rotated the blocked account out of the fund into another fund, and continued to use the remaining accounts to trade in the original fund, with the intent of deceiving mutual funds as to their identity. Using its various accounts, Chronos also divided large trades into smaller-sized trades in an effort to "fly under the radar" of mutual funds that detected market timers by monitoring trades with high dollar values.

### **Late Trading**

9. Rule 22c-1(a) under the Investment Company Act requires registered open-end investment companies ("mutual funds"), persons designated in such funds' prospectuses as authorized to consummate transactions in any such security, their principal underwriters, and dealers in the funds' securities to sell and redeem fund shares at a price based on the current NAV next computed after receipt of an order to buy or redeem. Late trading refers to the act of executing trades in a mutual fund's shares after the time as of which the mutual fund has calculated its NAV in a manner that allows the trade to receive that day's net asset value per share, rather than the next day's net asset value per share. Most mutual funds, including the funds Chronos traded, calculate their daily net asset value as of the close of major United States securities exchanges and markets (normally 4:00 p.m. ET). Although Respondents were not themselves subject to Rule 22c-1, persons subject to that Rule must sell mutual fund shares at the NAV next computed after receipt of the trade order.

10. From May 2003 to September 2003, Chronos late traded through two broker-dealers (Broker-Dealer A and Broker-Dealer B) (which were unrelated to Prudential). Broker-Dealer A and Broker-Dealer B submitted Chronos' mutual fund trades through clearing brokers (Clearing Broker-Dealer A and Clearing Broker-Dealer

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<sup>2</sup> Block notices restricted market timing trading by, among other things, prohibiting future trades in specific accounts, by particular registered representatives or by broker-dealer, and typically included a statement concerning the mutual fund's aversion to market timing.

B, respectively), each of which had dealer agreements with the relevant mutual funds. Broker-Dealer A and Broker-Dealer B routinely allowed Chronos to communicate orders to purchase and sell mutual fund shares after 4:00 p.m. ET at that day's NAV. During this period, between approximately 4:00 and 4:15 p.m. ET each day, Chronos traders analyzed both aftermarket news reports and the movement in the futures market (which continues to trade until 4:15 p.m. ET) to determine whether to buy or sell large cap mutual funds. Chronos' late trading arrangements thus allowed the traders to purchase or sell mutual fund shares at prices set as of the market close with the benefit of the aftermarket information. Chronos thereby obtained a competitive advantage by being able to capitalize on the aftermarket news and futures market trading, while obtaining the previously calculated NAV.

11. Respondents realized significant profits as a result of the conduct set forth in paragraphs 4-10, above.

#### **Violations of the Federal Securities Laws**

12. As a result of the conduct described in paragraphs 5-8 and 11 above, Respondents willfully violated Section 17(a) of the Securities Act, which prohibits fraudulent conduct in the offer or sale of securities.

13. As a result of the conduct described in paragraphs 5-8 and 11 above, Respondents willfully violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, which prohibit fraudulent conduct in connection with the purchase or sale of securities.

14. As a result of the conduct described in paragraphs 9-11 above, Respondents willfully aided and abetted and caused Clearing Broker-Dealer A's and Clearing Broker-Dealer B's violations of Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

15. As a result of the conduct described in paragraphs 9-11 above, Respondents willfully aided and abetted and caused violations of Rule 22c-1(a) of the Investment Company Act by Clearing Broker-Dealer A and Clearing Broker-Dealer B.

#### **Undertakings**

Respondent Dong undertakes to provide to the Commission, within 10 days after the end of the 12-month suspension period described below, an affidavit that he has complied fully with the sanctions described in Section IV below.

#### **IV.**

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions specified in Respondents' Offers.

Accordingly, pursuant to Section 8A of the Securities Act, Section 21C of the

Exchange Act, Sections 203(e) and 203(f) of the Advisers Act and Sections 9(b) and 9(f) of the Investment Company Act, it is hereby ORDERED that:

A. Respondent Chronos is hereby censured;

B. Respondents Chronos and Dong shall cease and desist from committing or causing any violations and any future violations of Section 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Rule 22c-1 under the Investment Company Act;

C. Respondent Dong be, and hereby is, suspended from association with any investment adviser and is prohibited from serving or acting as an employee, officer, director, member of an advisory board, investment adviser or depositor of, or principal underwriter for, a registered investment company or affiliated person of such investment adviser, depositor, or principal underwriter for a period of 12 months, effective on the second Monday following entry of this Order; and

D. IT IS FURTHER ORDERED THAT Respondents shall together, on a joint and several basis, pay disgorgement in the amount of \$303,000 plus prejudgment interest in the amount of \$73,915.80, and pay a civil money penalty in the amount of \$1,800,000. Respondents shall satisfy this obligation by making payment to the United States Treasury within 30 days of the entry of this Order. Such payment shall be: (i) made by United States postal money order, certified check, bank cashier's check or bank money order; (ii) made payable to the Securities and Exchange Commission; (iii) hand-delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Stop 0-3, Alexandria, VA 22312; and (iv) submitted under cover letter that identifies Chronos and Dong as Respondents in these proceedings, the file number of these proceedings, a copy of which cover letter and money order or check shall be sent to John T. Dugan, Associate Regional Director, Securities and Exchange Commission, Boston Regional Office, 33 Arch Street, 23rd Floor, Boston, Massachusetts 02110. Such disgorgement, prejudgment interest and civil money penalty may be distributed pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002 ("Fair Fund distribution"). Regardless of whether such Fair Fund distribution is made, amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondents agree that they shall not, after offset or reduction in any Related Investor Action based on Respondent's payment of disgorgement in this action, argue that they are entitled to, nor shall they further benefit by offset or reduction of any part of Respondents' payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondents agree that they shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as the Commission directs. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding.

For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondents by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

By the Commission.

Nancy M. Morris  
Secretary

# Seeking Alpha $\alpha$

## Mitchell Dong Dinged

by: Greg Newton

January 28, 2008

One of the best things about any self-respecting securities snafu is the time it takes to disinter the bodies. More than four years after Eliot Spitzer publicly executed mutual fund market timing as an investment strategy, the US Securities and Exchange Commission announced Friday that it had settled its beef with Chronos Asset Management Inc. and its principal, Mitchell L. Dong, who agreed to cough up more than \$400,000 in fines and prejudgment interest, along with a civil penalty of \$1.8 million.



Chronos and Dong were among the largest hedge fund players in the market-timing racket, and did much of their business through Prudential Securities' Boston office; however, it also got into late-trading game through the not-so-good offices of those old stagers Clearing Broker A and Clearing Broker B.

Dong was also suspended from association "with any investment advisor" for 12 months, which might take some of **the glow off his latest venture**. Assuming, somewhat bravely given the complexities of these things, the ban covers unregistered advisors as well as those in submission to the SEC's yoke.

**Chronos Asset Management Inc and Mitchell L. Dong**  
US Securities and Exchange Commission  
Jan. 25 2008

Earlier on *NakedShorts*:  
**Mitchell Dong goes radioactive**  
Apr. 12 2007

About the author: [Greg Newton](#)



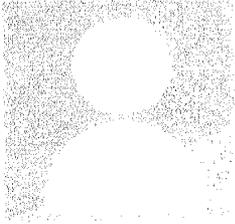
Greg Newton is a veteran financial journalist who from 1988-2004 was President of The Metal Bulletin Holdings Corp of New York. His blog NakedShorts (<http://nakedshorts.typepad.com/>) takes a witty and insightful angle on market developments, with a special focus on hedge funds and commodities.

- Blog: [nakedshorts.typepad.com](http://nakedshorts.typepad.com)

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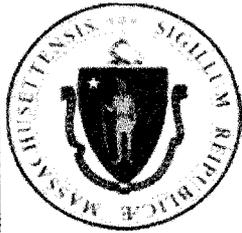
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- **Mitchell Dong Dinged** [\[View article\]](#)

I was an investor in Mitchell Dong's fund after Chronos. Dong lied through his teeth and multiple times said that he had done nothing wrong. It was very clear that he had done exactly what he said he had not done. He is unethical and this is a very positive example of enforcement agencies doing what they should. They may not have gotten Madoff, but at least they got Dong. This is also why hedge funds should be registered and there should be transparency.

Jan 31 07:28 pm | Rating: 0  0  | [Link to Comment](#)

BAY1-B-3



**The Commonwealth of Massachusetts  
William Francis Galvin**

Secretary of the Commonwealth, Corporations Division  
One Ashburton Place, 17th floor  
Boston, MA 02108-1512  
Telephone: (617) 727-9640

MOHAVE SUN POWER LLC Summary Screen



Help with this form

[Request a Certificate](#)

The exact name of the Foreign Limited Liability Company (LLC): MOHAVE SUN POWER LLC

Entity Type: Foreign Limited Liability Company (LLC)

Identification Number: 001006991

Date of Registration in Massachusetts: 06/25/2009

The is organized under the laws of: State: DE Country: USA on: 01/29/2009

**The location of its principal office:**

No. and Street: 85 HAMILTON ST.,  
City or Town: CAMBRIDGE State: MA Zip: 02139 Country: USA

**The location of its Massachusetts office, if any:**

No. and Street:  
City or Town: State: Zip: Country:

**The name and address of the Resident Agent:**

Name: ROBIN LAFOLEY  
No. and Street: 85 HAMILTON ST.  
City or Town: CAMBRIDGE State: MA Zip: 02139 Country: USA

**The name and business address of each manager:**

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
MANAGER	ROBIN LAFOLEY	85 HAMILTON ST., CAMBRIDGE, MA 02139 USA
MANAGER	GREG BARTLETT	85 HAMILTON ST., CAMBRIDGE, MA 02139 USA

**The name and business address of the person in addition to the manager, who is authorized to execute documents to be filed with the Corporations Division.**

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code

**The name and business address of the person(s) authorized to execute, acknowledge, deliver and record any recordable instrument purporting to affect an interest in real property**

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	MITCHELL L. DONG	85 HAMILTON ST., CAMBRIDGE, MA 02139 USA
REAL PROPERTY	ROBIN LAFOLEY	85 HAMILTON ST., CAMBRIDGE, MA 02139 USA
REAL PROPERTY	GREG BARTLETT	85 HAMILTON ST., CAMBRIDGE, MA 02139 USA

Consent    
  Manufacturer    
  Confidential Data    
  Does Not Require Annual Report  
 Partnership    
  Resident Agent    
  For Profit    
  Merger Allowed

**Select a type of filing from below to view this business entity filings:**

- ALL FILINGS
- Annual Report
- Application For Registration
- Certificate of Amendment
- Certificate of Cancellation

Comments

Arizona Corporation Commission  
 State of Arizona Public Access System

01/06/2010

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**Jump To...**

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<b>Corporate Inquiry</b>	
<b>File Number: R-1531551-5</b>	<b>Check Corporate Status</b>
<b>Corp. Name: HUALAPAI VALLEY SOLAR LLC</b>	

**Domestic Address**

%UNITED CORPORATE SERVICES INC
7226 E MAVERICK RD
SCOTTSDALE, AZ 85258

**Foreign Address**

%UNITED CORPORATE SERVICES INC
874 WALKER RD # C
DOVER, DE 19904

**Statutory Agent Information**

<b>Agent Name: UNITED CORPORATE SERVICES INC</b>
<b>Agent Mailing/Physical Address:</b>
7226 E MAVERICK RD
SCOTTSDALE, AZ 85258
<b>Agent Status: APPOINTED 06/09/2009</b>
<b>Agent Last Updated: 06/12/2009</b>

**Additional Corporate Information**

<b>Corporation Type: FOREIGN L.L.C.</b>	<b>Business Type:</b>
<b>Incorporation Date: 06/09/2009</b>	<b>Corporate Life Period:</b>
<b>Domicile: DELAWARE</b>	<b>County: MARICOPA</b>
<b>Approval Date: 06/12/2009</b>	<b>Original Publish Date:</b>

**BAY1-B-5**

### Member Information

GREG BARTLETT MANAGER 85 HAMILTON ST CAMBRIDGE, MA 02139 <b>Date of Taking Office:</b> 06/09/2009 <b>Last Updated:</b> 06/12/2009	ROBIN LAFOLEY MANAGER 1 BERKELEY ST CAMBRIDGE, MA 02138 <b>Date of Taking Office:</b> 06/09/2009 <b>Last Updated:</b> 06/12/2009
MOHAVE SUN POWER LLC MEMBER 1 BERKELEY ST CAMBRIDGE, MA 02138 <b>Date of Taking Office:</b> 06/09/2009 <b>Last Updated:</b> 06/12/2009	

### Scanned Documents

(Click on gray button to view document - will open in a new window)

Document Number	Description	Date Received
02812628	APPLICATION FOR REGISTRATION	06/09/2009

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Arizona Corporation Commission  
 State of Arizona Public Access System

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<b>Corporate Inquiry</b>	
<b>File Number: R-1531552-6</b>	<b>Check Corporate Status</b>
<b>Corp. Name: HUALAPAI VALLEY SOLAR SECTION 21 LLC</b>	

**Domestic Address**

UNITED CORPORATE SERVICES INC
7226 E MAVERICK RD
SCOTTSDALE, AZ 85258

**Foreign Address**

%UNITED CORPORATE SERVICES INC
874 WALKER RD # C
DOVER, DE 19904

**Statutory Agent Information**

<b>Agent Name: UNITED CORPORATE SERVICES INC</b>
<b>Agent Mailing/Physical Address:</b>
7226 E MAVERICK RD
SCOTTSDALE, AZ 85258
<b>Agent Status: APPOINTED 06/09/2009</b>
<b>Agent Last Updated: 06/12/2009</b>

**Additional Corporate Information**

<b>Corporation Type: FOREIGN L.L.C.</b>	<b>Business Type:</b>
<b>Incorporation Date: 06/09/2009</b>	<b>Corporate Life Period:</b>
<b>Domicile: DELAWARE</b>	<b>County: MARICOPA</b>
<b>Approval Date: 06/12/2009</b>	<b>Original Publish Date:</b>

BAY1-B-5

### Member Information

GREG BARTLETT MANAGER 85 HAMILTON ST CAMBRIDGE, MA 02139 <b>Date of Taking Office:</b> 06/09/2009 <b>Last Updated:</b> 06/12/2009	ROBIN LAFOLEY MANAGER 1 BERKELEY ST CAMBRIDGE, MA 02138 <b>Date of Taking Office:</b> 06/09/2009 <b>Last Updated:</b> 06/12/2009
MOHAVE SUN POWER LLC MEMBER 1 BERKELEY ST CAMBRIDGE, MA 02138 <b>Date of Taking Office:</b> 06/09/2009 <b>Last Updated:</b> 06/12/2009	

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Document Number	Description	Date Received
02812629	APPLICATION FOR REGISTRATION	06/09/2009

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BAY1-B-5

## Harvard School of Public Health

---

### James Robins

**Mitchell L. and Robin LaFoley Dong Professor of Epidemiology**

**Department of Epidemiology**

**Department of Biostatistics**

677 Huntington Avenue

Kresge Building Room 823

Boston, Massachusetts 02115

617.432.0206

[robins@hsph.harvard.edu](mailto:robins@hsph.harvard.edu)

### Research

The principal focus of Dr. Robins' research has been the development of analytic methods appropriate for drawing causal inferences from complex observational and randomized studies with time-varying exposures or treatments. The new methods are to a large extent based on the estimation of the parameters of a new class of causal models - the structural nested models - using a new class of estimators - the G estimators. The usual approach to the estimation of the effect of a time-varying treatment or exposure on time to disease is to model the hazard incidence of failure at time  $t$  as a function of past treatment history using a time-dependent Cox proportional hazards model. Dr. Robins has shown the usual approach may be biased whether or not further adjusts for past confounder history in the analysis when:

(A1) there exists a time-dependent risk factor for or predictor of the event of interest that also predicts subsequent treatment, and (A2) past treatment history predicts subsequent risk factor level.

Conditions (A1) and (A2) will be true whenever there are time-dependent covariates that are simultaneously confounders and intermediate variables.

In contrast to previously proposed methods, Dr. Robins' methods can:

1. be used to estimate the effect of a treatment (e.g., prophylaxis for PCP) or exposure on a disease outcome in the presence of time-varying covariates (e.g., number of episodes of PCP) that are simultaneously confounders and intermediate variables on the causal pathway from exposure disease;
2. allow an analyst to adjust appropriately for the effects of concurrent non-randomized treatments or non-random non-compliance in a randomized clinical trial. For example, in the AIDS Clinical Trial Group (ACTG) trial 002 of the effects of high-dose versus low-dose AZT on the survival of AIDS patients, patients in the low-dose arm had improved survival, but they also took more aerosolized pentamidine (a non-randomized concurrent treatment);
3. allow an analyst to adequately incorporate information on the surrogate markers (e.g., CD4 count) in order to stop at the earliest possible moment, randomized trials to the effect of the treatment (e.g., AZT) on survival.

Dr. Robins has applied his methods to analyze the effect of a non-randomized treatment aerosolized pentamidine on the survival of AIDS patients in ACTG Trial 002; the effect of

**BAY1-B-6**

arsenic exposure on the mortality experience of a cohort of Montana copper smelter workers; the effect of formaldehyde on the respiratory disease mortality of a cohort of U.S. chemical workers; and the effect of smoking cessation on subsequent myocardial infarction and death within the MRFIT randomized trial.

### **Education**

M.D., 1976, Washington University School of Medicine

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**Harvard School of Public Health, 677 Huntington Avenue, Boston, MA  
02115**

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**BAY1-B-6**

**C**

March 6, 2009

Mohave County  
Development Services Department  
3675 E. Andy Devine Avenue  
Kingman, AZ 86401

RE: Hualapai Valley Solar – Entitlement Applications Processing Authorization

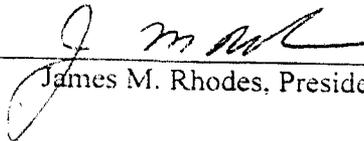
To Whom It May Concern:

The purpose of this letter is to formally authorize the firms and individuals identified below to process all necessary applications, including but not limited to General Plan amendment, Area Plan, and Zoning applications, which may be related to securing entitlements for a solar energy generating plant on behalf of the respective property owner for the property legally described in the enclosed document.

- Hualapai Valley Solar, LLC;
- The law firm of Gammage & Burnham P.L.C., including but not limited to its representatives, Grady Gammage, Jr., Thomas J. McDonald, Stephen W. Anderson, and Rob Lane; and,
- Tierra Environmental Consultants, LLC, including but not limited to its representatives, Jason Ramsey

Canberra Holdings, LLC has the development rights for the parcels identified above, more fully described as the full legal description enclosed with this letter.

Sincerely,  
Canberra Holdings, LLC  
By: Truckee Springs Holdings, Inc.,  
a Nevada corporation, its Manager

By   
James M. Rhodes, President

Encl.: Legal Description

BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION  
LINE SITING COMMITTEE

IN THE MATTER OF THE APPLICATION )  
OF HUALAPAI VALLEY SOLAR LLC, IN )  
CONFORMANCE WITH THE )  
REQUIREMENTS OF ARIZONA REVISED )  
STATUTES §§ 40-360.03 AND 40-360.06, )  
FOR A CERTIFICATE OF )  
ENVIRONMENTAL COMPATIBILITY )  
AUTHORIZING CONSTRUCTION OF )  
THE HVS PROJECT, A 360 MW )  
PARABOLIC TROUGH CONCENTRATING )  
SOLAR THERMAL GENERATING )  
FACILITY AND AN ASSOCIATED )  
GEN-TIE LINE INTERCONNECTING )  
THE GENERATING FACILITY TO THE )  
EXISTING MEAD-PHOENIX 500kV )  
TRANSMISSION LINE OR THE )  
MOENKOPI-EL DORADO 500kV )  
TRANSMISSION LINE. )

Docket No. L-00000NN-09-0541-00151

Case No. 151

APPLICANT'S NOTICE OF  
FILING PROPOSED TOUR  
MAP AND ITINERARY

Pursuant to Paragraph 15 of the Procedural Order dated November 25, 2009,  
Hualapai Valley Solar ("HVS") gives notice of filing the proposed tour map and itinerary.

Respectfully submitted this 4<sup>th</sup> day of January, 2010.

LEWIS AND ROCA LLP



Thomas H. Campbell  
Albert H. Acken  
40 N. Central Avenue  
Phoenix, Arizona 85004  
Attorneys for Hualapai Valley Solar LLC  
(602) 262-5723 (Tel.)  
(602) 734-3841

1 ORIGINAL and twenty-five (25) copies  
2 of the foregoing filed this 4<sup>th</sup> day  
3 of January, 2010, with:

4 The Arizona Corporation Commission  
5 Utilities Division – Docket Control  
6 1200 W. Washington Street  
7 Phoenix, Arizona 85007

8 COPY of the foregoing hand-delivered  
9 or served electronically this 4<sup>th</sup> day of  
10 January, 2010, to:

11 John Foreman, Chairman  
12 Arizona Power Plant and Transmission Line Siting Committee  
13 Office of the Attorney General  
14 PAD/CPA  
15 1275 W. Washington Street  
16 Phoenix, Arizona 85007

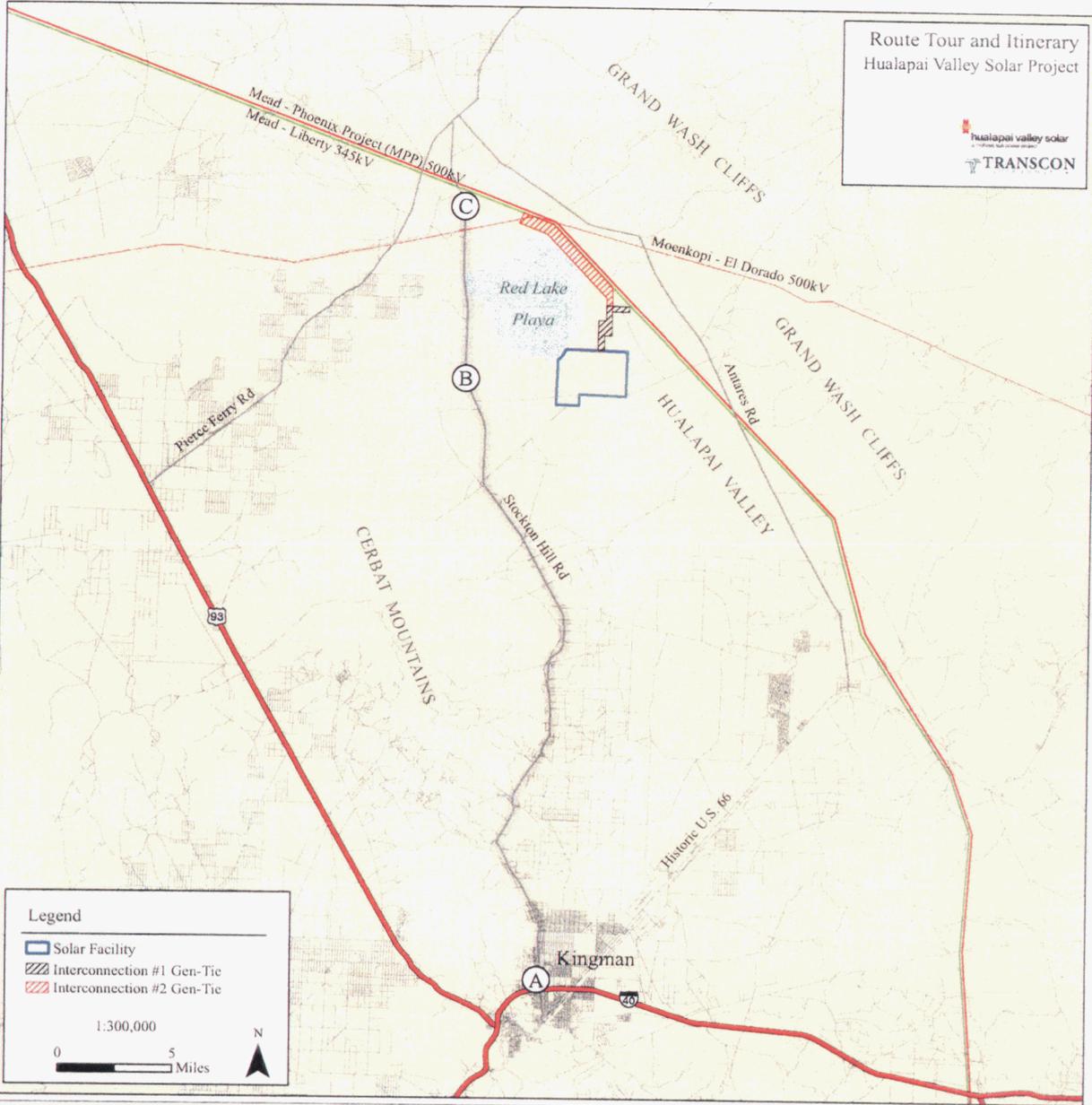
17 Janice Alward, Chief Counsel  
18 Arizona Corporation Commission  
19 1200 W. Washington Street  
20 Phoenix, Arizona 85007

21 Susan A. Moore-Bayer  
22 7656 West Abrigo Drive  
23 Golden Valley, Arizona 86413

24 Denise Herring-Bensusan  
25 4811 E. Calle Bill  
26 Kingman, Arizona 86409

Israel G. Torres  
Torres Consulting and Law Group LLC  
209 E. Baseline Road  
Suite E-102  
Tempe, Arizona 85283





12/31/09

**Route Tour Trip Itinerary Details**

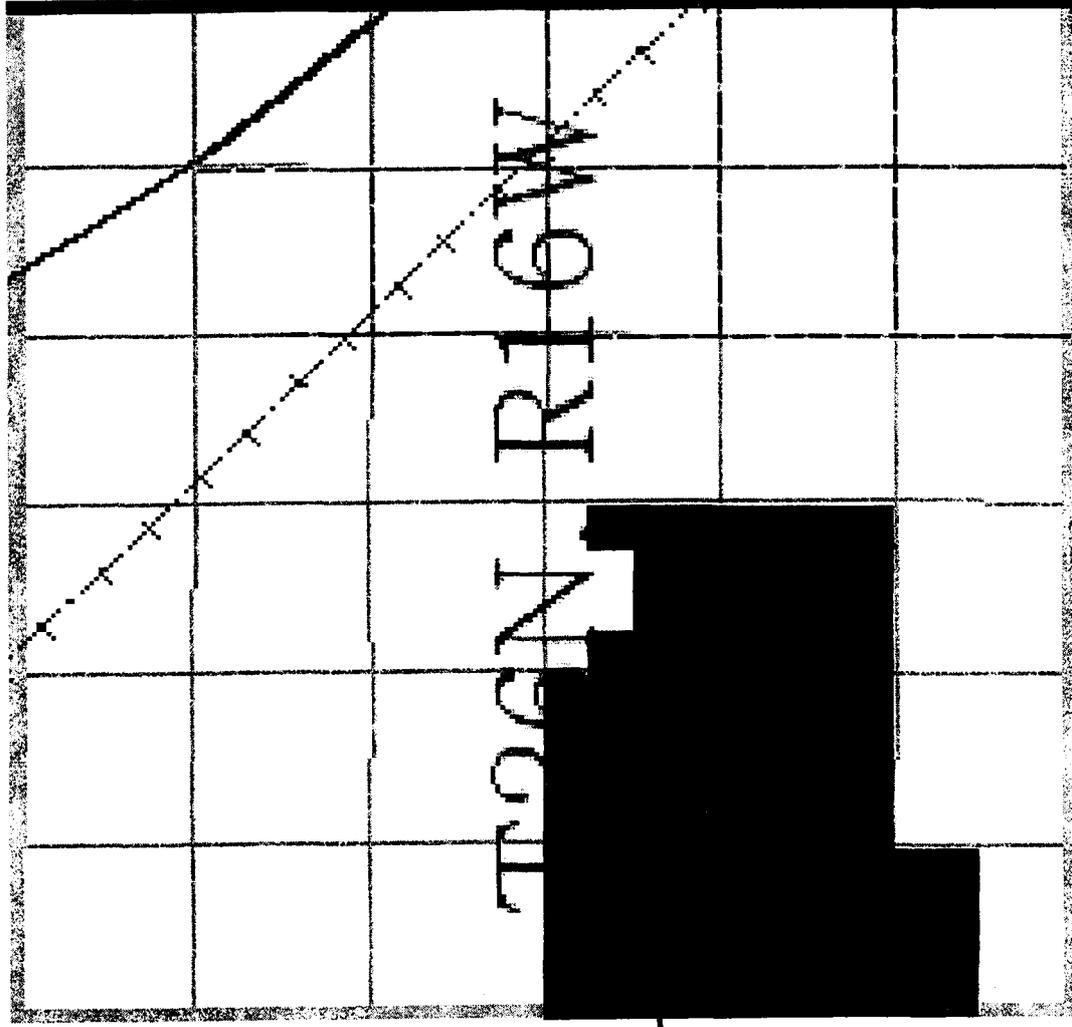
Start Location, Date, and Time: Hampton Inn (1791 Sycamore Avenue, Kingman, AZ 86409) parking lot at 8:00 a.m. on January 13, 2009  
 Estimated Length and Travel Time: 74 miles and approximately 2 to 2.5 hours of travel time

**View Point Descriptions and Driving Directions**

Note that the letters below correspond to the letters on the map.

- A. Beginning and end point at Hampton Inn parking lot. To commence the route tour travel north on Stockton Hill Road 29.5 miles to stop B.
- B. Stop and View. Location of public hearing notification sign. The proposed project access road would run east to the solar facility. The solar facility would be located approximately 3.5 miles to the east. Continue North on Stockton Hill Road for 7.7 miles to stop C.
- C. Stop and View. This location offers a view from the north of Red Lake Playa southeast to the solar facility. Return to beginning (Stop A) by traveling south on Stockton Hill Road for 37.2.

# Exhibit "A"



Boundary

Evaluation of a request for the approval of a **MAJOR AMENDMENT TO THE MOHAVE COUNTY GENERAL PLAN** for Sections 19, 20, 28, 29, 30, and N 1/2 of Section 31, and Section 21 excluding N 1/2 and SE 1/4 NW 1/4 and SW 1/4 NE 1/4 thereof, in Township 26 North, Range 16 West to change the land use designation from a RDA (Rural Development Area) land use designation to an RDA, RI (Rural Development Area, Rural Industrial) land use designation and amending Exhibits VI.4 and VI.6 of the General Plan to match, consisting of approximately 6.3 square miles in the Mohave County General Area, Mohave County, Arizona.

May. 12, 2009  
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## World's largest solar-thermal plant planned for Arizona land sold by Rhodes

By DAVE HAWKINS  
SPECIAL TO THE LAS VEGAS REVIEW-JOURNAL

KINGMAN, Ariz. -- A Tempe-based firm intends to build and operate what it says will be the world's largest solar-thermal power plant on land in northwest Arizona that it has acquired from Las Vegas developer Jim Rhodes.

Mohave Sun Power LLC will later complete the purchase of the 4,160 acres 27 miles north of Kingman if it obtains the required permits and approval at the federal, state and local level, project director Greg Bartlett said.

Construction should begin late next year, providing up to 1,500 jobs, he said. More than 100 people would staff the plant during initial operation, forecast for late 2013.

Mohave Sun Power Executive Director Mitchell Dong said six square miles of parabolic mirrors will be built to harness the sun at a facility that will generate 340 megawatts of electricity.

The mirrors concentrate sunlight on long tubes of oil.

"It's a synthetic oil heated to 800 degrees by the sun's light," Dong said. "There are rows and rows of these collectors, and this 800-degree oil is pumped to a central power block, a central location where that hot oil goes to a boiler. It makes steam and drives a single steam turbine."

Dong said some of the generated heat will be stored in molten salt that will allow the plant to generate power at night when cloud cover diminishes solar radiation.

He also said the operation would require annual use of 1,500 to 3,000 acre-feet of groundwater. One acre-foot of water is enough to supply two Las Vegas Valley homes for one year.

Bartlett said company officials are well aware that use of groundwater is a sensitive subject. He noted, however, that the area had been targeted for residential development that would consume more water than the proposed solar facility.

Bartlett said water quality and quantity issues are the focus of ongoing hydrological study. The project will require zoning changes and plan amendments at the local level. He said company officials welcome public input and scrutiny.

"That's a very important part of the whole process," Bartlett said. "We embrace that."

Jack Ehrhardt, the leading environmental activist in northwest Arizona, guaranteed that scrutiny will be focused on water consumption issues as well as Dong himself, who was ordered to pay a

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penalty and interest sanction totaling nearly \$2.2 million by the Securities and Exchange Commission.

A January 2008 order by the SEC found that Dong and the Chronos Asset Management company he founded in 1995 engaged in a fraudulent market timing and late trading scheme. Dong was suspended for 12 months from investment adviser or investment company activity.

Dong explained that Chronos was a hedge fund with nearly \$500 million in assets under its management at its peak. He said he preferred to reach a settlement with the SEC rather than litigate allegations of improper trading.

"We chose to settle the matter, without admitting any wrongdoing, rather than to litigate," Dong said. "We were pleased to close this chapter and move on."

**Find this article at:**

<http://www.lvrj.com/business/44775192.html>

Check the box to include the list of links referenced in the article.

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Apr. 01, 2009

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## **Developer Rhodes seeks Chapter 11 bankruptcy**

By JOHN G. EDWARDS  
LAS VEGAS REVIEW-JOURNAL

Developer James Rhodes on Tuesday night filed a petition for bankruptcy on behalf of many of his key businesses, including Rhodes Design and Development Corp., listing \$100 million to \$500 million in assets and liabilities in the same range.

The developer filed for bankruptcy under Chapter 11, which allows the companies to continue operating while their finances are restructured.

Rhodes has been one of Las Vegas' most successful and controversial developers and homebuilders. He developed Rhodes Ranch in southwest Las Vegas and Tuscany Village in Henderson. He provoked the ire of environmentalists with his development of the Red Rock Country Club community.

Rhodes drew news coverage again when Erin Kenny, the former Clark County commissioner, disclosed that Rhodes paid her \$200,000 a year for consulting as part of an agreement in which she pleaded guilty to federal corruption charges. Kenny was sentenced to 30 months in prison in connection with a bribery case involving former strip club owner Michael Galardi.

The Arizona Corporation Commission questioned Rhodes about his business relationship with Kenny when he sought to establish a water utility for a master-planned community proposed in Golden Valley between Kingman and Bullhead City.

The Arizona panel also grilled Rhodes over \$148,000 in fines he paid after admitting he illegally funneled campaign contributions in 2002 through employees and employees' spouses to Sen. Harry Reid, and then County Commissioner Dario Herrera. Herrera also was convicted in connection with the bribery case.

The Rhodes Companies filed the bankruptcy petition but an attachment notes that 31 affiliated companies also are seeking protection under Chapter 11 bankruptcy.

They include Rhodes Ranch General Partnership, Rhodes Ranch Golf and Country Club, Tuscany Golf Country Club, Tuscany Acquisitions and three similarly named companies, Rhodes Realty, Rhodes Homes Arizona, Rhodes Arizona Properties, Tribes Holdings, Six Feathers Holdings and Bravo.

Rhodes filed a statement explaining that he believed "it is in the best interests of the company, its creditors" and others to file for Chapter 11.

The Sunstate Companies of Las Vegas is the largest unsecured creditor and is owed \$201,000, followed by G.C. Wallace of Las Vegas, which is owed about the same amount. The developer estimated that between 5,000 and 10,000 creditors will have claims in the bankruptcy case.

**BAY1-C-3**

He hired the law firm of Pachulski Stang Ziehl & Jones, which has offices in Los Angeles and other cities, but the petition was filed by Larson & Stephens of Las Vegas.

Contact reporter John G. Edwards at [jedwards@reviewjournal.com](mailto:jedwards@reviewjournal.com) or 702-383-0420.

**Find this article at:**

<http://www.lvrj.com/news/42251777.html>

Check the box to include the list of links referenced in the article.

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BAY1-C-3



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# The Rhodes Companies, LLC

## Related Debtors

Real Time Data

- General Information
- Court Docket
- Court-Filed Documents
- Schedules & SOFA's
- Monthly Operating Reports
- Plans and Disclosure Statements
- Proofs Of Claim Docket
- Proof of Claim Form & Instructions
- Submit an Inquiry

Debtor	Case #	Filing Date	
Heritage Land Company, LLC	09-14778	3/31/2009	
The Rhodes Companies, LLC	09-14814	3/31/2009	Primary Case
Tribes Holdings, LLC	09-14817	3/31/2009	
Apache Framing, LLC	09-14818	3/31/2009	
Geronimo Plumbing, LLC	09-14820	3/31/2009	
Gung-Ho Concrete, LLC	09-14822	3/31/2009	
Bravo, Inc.	09-14825	3/31/2009	
Elkhorn Partners, a Nevada Limited Partnership	09-14828	3/31/2009	
Six Feathers Holdings, LLC	09-14833	3/31/2009	
Elkhorn Investments, Inc.	09-14837	3/31/2009	
Jarupa, LLC	09-14839	3/31/2009	
Rhodes Realty, Inc.	09-14841	3/31/2009	
C & J Holdings, Inc.	09-14843	3/31/2009	
Rhodes Ranch General Partnership	09-14844	3/31/2009	
Rhodes Design and Development Corp.	09-14846	3/31/2009	
Parcel 20, LLC	09-14848	3/31/2009	
Tuscany Acquisitions IV, LLC	09-14849	3/31/2009	
Tuscany Acquisitions III, LLC	09-14850	3/31/2009	
Tuscany Acquisitions II, LLC	09-14852	3/31/2009	
Tuscany Acquisitions, LLC	09-14853	3/31/2009	

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<b>Rhodes Ranch Golf and Country Club</b>	<b>09-14854</b>	<b>3/31/2009</b>
<b>Overflow, LP</b>	<b>09-14856</b>	<b>3/31/2009</b>
<b>Wallboard, LP</b>	<b>09-14858</b>	<b>3/31/2009</b>
<b>Jackknife, LP</b>	<b>09-14860</b>	<b>3/31/2009</b>
<b>Batcave, LP</b>	<b>09-14861</b>	<b>3/31/2009</b>
<b>Chalkline, LP</b>	<b>09-14862</b>	<b>3/31/2009</b>
<b>Glynda, LP</b>	<b>09-14865</b>	<b>3/31/2009</b>
<b>Tick, LP</b>	<b>09-14866</b>	<b>3/31/2009</b>
<b>Rhodes Arizona Properties, LLC</b>	<b>09-14868</b>	<b>3/31/2009</b>
<b>Rhodes Homes Arizona, LLC</b>	<b>09-14882</b>	<b>4/1/2009</b>
<b>Tuscany Golf Country Club, LLC</b>	<b>09-14884</b>	<b>4/1/2009</b>
<b>Pinnacle Grading, LLC</b>	<b>09-14887</b>	<b>4/1/2009</b>

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**MAY 13, 2001**

THE MOHAVE COUNTY ECONOMIC DEVELOPMENT AUTHORITY, BETTER KNOWN AS MCEDA, IN ITS LAST BOARD MEETING, MAY 3, 2001, VOTED UNANIMOUSLY TO BEGIN WORKING WITH THE MOHAVE COUNTY PLANING AND ZONING DEPARTMENT TO

UPDATE THE MOHAVE COUNTY GENERAL PLAN. KEVIN DAVIDSON FROM THE MOHAVE COUNTY PLANNING AND ZONING DEPARTMENT ALSO PARTICIPATED IN THE DISCUSSION. MCEDA EXECUTIVE DIRECTOR BILL GOODALE WILL BRING THE AREA PLAN FOR THE I-40 INDUSTRIAL CORRIDOR, THE CORRIDOR THAT RUNS FROM JUST OUTSIDE THE CITY OF KINGMAN, FROM THE McCONNICO EXIT TO TOPOCK AT THE CALIFORNIA BORDER, ALONG THE WAY, A TWO-MILE STRETCH OF HIGHWAY 95 TOWARDS LAKE HAVASU CITY BEGINNING AT THE INTERSTATE 40, HIGHWAY 95 INTERCHANGE. MCEDA'S BOARD OF DIRECTORS HAVE DEVOTED SIGNIFICANTLY IN THE FORMATION OF A PLAN TO KEEP INDUSTRY CLOSE TO MAJOR TRANSPORTATION ROUTES AND REALIZE THE SPECIAL NEEDS OF INDUSTRY, TO DEVELOP THE INFRASTRUCTURE WITHIN THE CORRIDOR MAKING THE I-40 INDUSTRIAL CORRIDOR ATTRACTIVE TO BUSINESS AND INDUSTRY. MCEDA PRESIDENT HENRY VARGA SAYS, EMPHASIS ON THE I-40 CORRIDOR IS TO PROVIDE A PLACE THAT IS COMFORTABLE, COMPATIBLE AND EASY FOR INDUSTRY TO COME TO. THE I-40 INDUSTRIAL CORRIDOR AND OTHER CORRIDORS IN THE PLANNING STAGES ARE DESIGNED TO KEEP INDUSTRY OUT OF RESIDENTIAL AREAS, AND RESIDENTIAL AREAS SEPARATE FROM INDUSTRY.

ALONG WITH DAVIDSON AND OTHER PLANNING AND ZONING STAFF WILL BEGIN WORK ON ISSUES THE MODEL RAISES. ACCORDING TO DAVIDSON, THIS IS A MAJOR AMENDMENT TO THE COUNTY GENERAL PLAN, AFTER MCEDA AND THE COUNTY PLANING AND ZONING FINISH THE UPDATE, WE WILL SCHEDULE MEETINGS FOR PUBLIC INPUT AND FINALLY SUBMIT THE REVISED GENERAL PLAN TO THE COUNTY SUPERVISORS FOR THEIR APPROVAL. MCEDA EXECUTIVE DIRECTOR BILL GOODALE

**BAY1-C-5**

SAYS A LOT OF WORK IS STILL AHEAD AND LOOKS FORWARD TO WORKING WITH THE COUNTY PLANING AND ZONING DEPARTMENT.

MCEDA PRESIDENT HENRY VARGA NOTES THAT THE INCORPORATION OF THE I-40 INDUSTRIAL CORRIDOR PLAN IS IMPORTANT BECAUSE, MCEDA IS LOOKING FORTY TO FIFTY YEARS IN THE FUTURE, NOT NEXT WEEK OR NEXT YEAR, AND ALSO AT HISTORY. WE DO NOT NEED ANOTHER LAX, THERE INDUSTRY AND RESIDENTIAL AREAS ARE MIXED AND PROBLEMS EXIST.

FOR MORE INFORMATION CONTACT:  
BILL GOODALE - EXECUTIVE DIRECTOR, MCEDA  
(520) 692-6970

ACCORDING TO MCEDA PRESIDENT HENRY VARGA, BOARD MEMBERS, PAST AND PRESENT HAVE CONTRIBUTED THEIR TIME AND IDEAS IN THE FORMATION OF A COUNTYWIDE MODEL OF BUSINESS AND INDUSTRIAL GROWTH.

INTEREST IN THE MANAGED INDUSTRIAL AND ECONOMIC DEVELOPMENT FOR MOHAVE COUNTY BEGAN IN THE MIDDLE 1980'S. AS INDUSTRY, FROM OUTSIDE THE COUNTY, PURCHASED LAND AT THE KINGMAN AIRPORT, AT THAT TIME A COUNTY PROPERTY, QUESTIONS REGARDING WHAT TYPES OF INDUSTRY, AND WHERE THEY LOCATED MOVED A GROUP OF LOCAL BUSINESSMEN TO FORM CITIZENS FOR PROGRESS. LATER THIS LOCAL ORGANIZATION REQUESTED THE BOARD OF SUPERVISORS TO FORM A COUNTY WIDE DEPARTMENT FOR THE PURPOSE OF RECRUITING AND LOCATING FUTURE BUSINESS AND INDUSTRY WITHIN MANAGED AREAS OF THE COUNTY TO FIT THEIR PARTICULAR NEEDS.

IN 1992, THE MOHAVE COUNTY BOARD OF SUPERVISORS ASSISTED IN THE CREATION OF

MCEDA, AS A NON-PROFIT ORGANIZATION, WITH A BOARD OF DIRECTORS MADE UP OF MOHAVE COUNTY BUSINESS MEN AND WOMEN, AND CHARGED THEM WITH PLANNING INDUSTRIAL GROWTH TO INCREASE THE TAX BASE FOR THE COUNTY AND PROVIDE HIGH WAGE JOBS FOR THE CITIZENS OF MOHAVE COUNTY.

THE I-40 INDUSTRIAL CORRIDOR AND ITS

**BAY1-C-5**

**D**

### **Compressed Air**

The compressed air system will provide both service air and instrument air throughout the CSP Project. Service air will be provided at a regulated pressure to hose connections placed at intervals throughout the Power Block and will be used primarily for maintenance activities. The instrument air system will provide dry, filtered air for operation of control systems, primarily pneumatic valves. Two (2) 100-percent capacity compressors will be provided for the CSP Project.

### **Lighting System**

Outdoor area lighting for the Power Block will consist of permanently mounted fixtures secured to structures, equipment, walls and poles as required to provide access lighting for operations and maintenance. Outdoor lights will be automatically controlled by photocells with manual override capability. The lighting system will be designed to provide nighttime lighting levels consistent with the Illuminating Engineering Society (IES) standards to allow basic operator movement throughout the Power Block.

Lighting will be designed to provide the minimum illumination needed to achieve safety and security objectives and will be downward facing and shielded to focus illumination on the desired areas only. There will be no lighting in the solar field, so light trespass on surrounding properties will be minimal. If lighting at individual solar panels or other equipment is needed for night maintenance, portable lighting will be used.

### **Cathodic and Freeze Protection Systems**

Underground metal structures will have cathodic protection as necessary based on soil conditions. Freeze protection systems (heat tracing) will be employed to protect small water and condensate piping systems that cannot be easily drained.

### **HTF Leak Detection**

Small leaks, possible at ball joints or other connections, will be located based on a daily visual inspection of the solar field. Those small leaks can then be corrected via repacking of joints or valves, or by minor repairs if needed. The ability to isolate loops and sections of the field will allow for quick repairs.

### **4.2.11.1) Site Access**

US 93 is one of the major north-south transportation routes in Arizona. The Project is located approximately 27 miles from US 93. Heavy equipment, construction materials and supplies, and labor required for CSP Project construction will be brought to the site via US 93. Stockton Hill Road will be used to access the site from US 93. Site access will require construction of a new 3.5-

mile road from Stockton Hill Road running east to the Site.

For contingency purposes, the CSP Project will develop a second means of access. The secondary access road will access the site from the east, via Antares Road. HVS anticipates that the access road between the site and Stockton Hill Road will be assigned to Mohave County in the future.

Locked man-gates will be provided in the CSP Project perimeter fencing.

#### ***Inferior Roads and Fencing***

The main access road from Stockton Hill Road as well as some of the roads in the Power Block will be paved. The remaining portions of the Power Block will be gravel surfaced or treated with a surfactant material to control dusting. The access roads in the solar field will remain unpaved and without a gravel surface to prevent damage to the mirrors.

The solar field and support facilities will be secured with a minimum 8-foot tall, chain link metal-fabric security fence with 1-foot barbed wire or razor wire on top. Controlled-access gates will be located at the CSP Project entrance.

#### **4.a.iii) Source / Type of Fuel**

The primary fuel source for the CSP Project is solar. A supplementary fossil fuel or biodiesel will be used in the Generating Facility for supplementary firing, up to 2% of the annual solar energy input. This fuel will also be used for freeze protection firing as well as for maintaining conditions at the steam turbine during down time of the water/steam cycle. It will be stored in tanks with appropriate leak and spill control facilities, including 110% secondary containment, and all other provisions (e.g., Spill Prevention Control and Countermeasure Plan) required by the Aquifer Protection Permit that the Project will acquire from the ADEQ.

#### **4.a.iv) Amount of Non-Solar Fuel Utilized**

The Project will utilize up to approximately 180,000 Million British Thermal Units (MMBtu) of either a fossil fuel or biofuel per year. This will be allocated to turbine maintenance steam, HTF freeze protection, and energy generation. Assuming about 5000 hours per year for turbine maintenance steam and 400 hours per year of HTF freeze protection results in an annual use of about 70,000 MMBtu per year. The remaining approximately 110,000 MMBtu per year will be available for generation of electricity during high demand periods when solar energy is not sufficient.

Current design anticipates about 225,000 gallons of storage for fuel oil or biofuel. The Project is also studying the use of natural gas, which would not require any

The following photos were taken on:

January 5, 2010 @ 2:14 pm

By: Susan A. Moore - Bayer



BAY1-D-1



BAY1-D-1



BAY1-D-1



BAY1-D-1



BAY1-D-1



# MOHAVE COUNTY PUBLIC WORKS

Telephone (928) 757-0910  
3675 E. Andy Devine, Suite C  
Steven P. Latoski, P.E., PTOE  
Public Works Director

Fax (928) 757-0921 or FAX (928) 757-0912  
PO. Box 7000 Kingman, Arizona 86402-7000

TDD (928)753-0729  
www.co.mohave.az.us  
Michael P. Hendrix, P.E.  
Deputy County Manager

## MEMORANDUM

April 9, 2010

THROUGH: Steve Latoski, P.E.

TO: Michael Hendrix, P.E.

FROM: Monte L. Wilson, P.E.

The following information is furnished regarding the request submitted by Susan A. Moore-Boyer for the existing Road Surfaces.

<u>Stockton Hill Road</u>	<u>Surface</u>
Mile Post 6.74 to Mile Post 17	Chip Seal
Mile Post 17 to Mile Post 22	Asphalt - No chip Seal
Mile Post 22 to Mile Post 24	Chip Seal
Mile Post 24 to Mile Post 38	Chip Seal
Mile Post 38 to Mile Post 43.2	Chip Seal

<u>Pierce Ferry Road</u>	<u>Surface</u>
Hwy 93 to Mile Post 21	Chip Seal
Mile Post 21 to Mile Post 28	Chip Seal
Mile Post 28 to Mile Post 34	Chip Seal
Mile Post 34 to Mile Post 36	Chip Seal
Mile Post 36 to Mile Post 36.08*	Chip Seal

\*National Park Service Boundary

BAY1-D-2

Engineering • Survey • Roads  
Improvement Districts • Water Systems



Traffic Control • Fleet Service  
Parks • Landfills • Facilities Maintenance

**E**



THE STATE OF ARIZONA  
GAME AND FISH DEPARTMENT

5000 W. CAREFREE HIGHWAY  
PHOENIX, AZ 85086-5000  
(602) 942-3000 • WWW.AZGFD.GOV

GOVERNOR  
JANICE K. BREWER  
COMMISSIONERS  
CHAIRMAN, BOB HERNBRODE, TUCSON  
JENNIFER L. MARTIN, PHOENIX  
ROBERT R. WOODHOUSE, ROLL  
NORMAN W. FREEMAN, CHINO VALLEY  
JACK F. HUSTED, SPRINGERVILLE  
DIRECTOR  
LARRY D. VOYLES  
DEPUTY DIRECTORS  
GARY R. HOVATTER  
ROBERT D. BROSCHEID



August 20, 2009

Mr. Kevin A. Davidson  
Mohave County  
Planning and Development Department  
P.O. Box 7000  
Kingman, AZ 86402-7000

**Re: Hualapai Valley Solar Project**

Dear Mr. Davidson:

The Arizona Game and Fish Department (Department) has reviewed the above-referenced Major General Plan amendment. The Department understands the amendment would allow construction and operation of a concentrating solar facility in Hualapai Valley. The Department has provided comments on this project to Mr. Mike LaRow, Hualapai Valley Solar, LLC. We have included a copy of these comments as an attachment.

The Department supports the use of solar technologies that minimize the amount of water and land needed to produce viable solar facilities. When CSP technology is used, we encourage the use of dry cooling methods to significantly minimize water consumption. We also support the use of hybrid parallel wet/dry cooling system which reduces water consumption to a slightly lesser extent. However, we do not support the use of water cooling methods. The process of water cooling consumes a great deal of water and is not suitable in a semi-desert environment where water resources are extremely limited.

Thank you for the opportunity to provide comments on the amendment. We look forward to continued communications with Hualapai Valley Solar LLC and Mohave County regarding the project development and implementation. Please contact me at 623-236-7606 if you have any questions, or would like to further discuss our concerns and recommendations.

Sincerely,

Ginger Ritter  
Project Evaluation Project Specialist, Habitat Branch

cc: Laura Canaca, Project Evaluation Program Supervisor, Habitat Branch  
Trevor Buhr, Habitat Program Supervisor, Region III  
Karl Taylor, Mohave County, Planning Manager

AGFD #M09-08195103

BAY1-E-1



THE STATE OF ARIZONA  
**GAME AND FISH DEPARTMENT**

5000 W. CAREFREE HIGHWAY  
PHOENIX, AZ 85086-5000  
(602) 942-3000 • WWW.AZGFD.GOV

**GOVERNOR**  
JANICE K. BREWER  
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**DIRECTOR**  
LARRY D. VOYLES  
**DEPUTY DIRECTORS**  
GARY R. HOVATTER  
ROBERT D. BROSCHEID



August 20, 2009

Mr. Mike LaRow  
Hualapai Valley Solar LLC

**Re: Hualapai Valley Solar Project**

Dear Mr. LaRow:

The Arizona Game and Fish Department (Department) has reviewed the project information for Hualapai Valley Solar Project. We understand that the proposed project would construct a 340 MW generating station located on approximately 4,160 acres of semi-desert grassland habitat within sections 19-21 and 28-31 of Township 26 North, Range 16 West. The Department has the following comments for your consideration in preparation of an application for a Certificate of Environmental Compatibility for the Arizona Corporation Commission and other environmental analyses.

The Department is concerned about the amount of ground water that is required to operate the facility (3,000 acre feet/year). The Mohave County General Plan states that "estimated annual water use in Hualapai Valley will be over 14,000 acre-feet per year and exceed natural recharge placing the aquifer under stress from depletion." As a result, the lowered water table will indirectly affect Arizona's habitats in Hualapai Valley and may have considerable affects on wildlife which depend on small cienegas, springs, seeps, and marshes in the area. The Hualapai Valley Solar project will increase this affect if it is developed as a concentrated solar power facility. In the Mohave County General Plan there are goals and policies (e.g. Goal 3, Policy 3.5; Goal 36, Policy 36.12) that support industry and development that consume less water. The Department encourages Hualapai Valley Solar to consider other technologies which require less water to operate.

The Department is also concerned about the use of settling ponds to collect the highly saline wastewater in the evaporative cooling component of the proposed project. These ponds will likely attract birds, bats, and other wildlife which could then be inadvertently poisoned due to concentrated salt and other minerals. Therefore, the Department recommends the ponds be screened to prevent unsuitable and possibly fatal use.

**BAY1-E-2**

Mr. Mike LaRow

August 20, 2009

2

Lastly, the Department is concerned about the possible effects of facility lighting on nocturnal wildlife. Artificial night lighting, which may be intensified by the collection mirrors, may attract insects and the species that prey on them (e.g. bats). It could also impair the ability of nocturnal animals to navigate and may negatively affect reptile populations. The Department recommends using only the minimum amount of light needed for safety. Narrow spectrum bulbs should be used as often as possible to lower the range of species affected by lighting. All lighting should be shielded, cantered, or cut to ensure that light reaches only areas needing illumination.

In conclusion, the Department recognizes the purpose and need for alternative energy development but we also recognize that solar developments will negatively impact wildlife habitat. We believe project mitigations should focus on the following primary issues related to wildlife and their habitats:

- Wildlife habitat connectivity
- Depletion of water resources
- Wildlife impacts resulting from site development and facilities
- Project monitoring to evaluate project impacts and inform adaptive mitigation solutions

The Hualapai Valley Solar Project will substantially alter or eliminate approximately 4,160 acres of wildlife habitat. Impacts to Hualapai Valley's wildlife may also extend beyond the physical footprint of the project boundaries, potentially increasing the number of acres affected by the project. Attached you will find recommendations for the project. (Note: The Department is in the process of developing guidelines for solar energy development which is expected to be completed by the end of 2009). Further, Department Policy 12.3 requires that we seek compensation for potential habitat losses resulting from land and water projects in accordance with State and Federal laws. The Department would like to recommend mitigating the project through:

- funding research on the effects of solar energy to surrounding wildlife.
- protecting/purchasing land equivalent to the amount being taken or relocating on unused agricultural lands.

The Department's Research Branch has developed a monitoring plan to elucidate whether the impact of this, and other utility-scale solar projects, stops at the project boundaries or if it extends beyond the project's physical footprint. This monitoring approach would inform planning, development, and mitigation on future projects by determining the true impacts from habitat loss, degradation and fragmentation. We would be interested in presenting this plan to representative from Hualapai Valley Solar for consideration as they strive to develop renewable energy projects while minimizing impacts to wildlife resources.

BAY1-E-2

Mr. Mike LaRow

August 20, 2009

3

Thank you for the opportunity to provide comments on this proposed project. We look forward to continued communications with Hualapai Valley Solar, LLC regarding the project development and implementation. Please contact me at 623-236-7606 if you have any questions, or would like to further discuss our concerns and recommendations.

Sincerely,



Ginger Ritter

Project Evaluation Project Specialist, Habitat Branch

cc: Laura Canaca, AGFD, Project Evaluation Program Supervisor, Habitat Branch  
Trevor Buhr, AGFD, Habitat Program Manager, Region III  
Janice Stroud, AGFD, Habitat Specialist, Region III  
Kevin A. Davidson, Mohave County, AICP Planner II  
Karl Taylor, Mohave County, Planning Manager

AGFD #M09-07132546

BAY1-E-2

### ***Department Recommendations for the Hualapai Valley Solar Project***

To minimize the potential impacts to wildlife habitat and populations resulting from the development and operation of the Hualapai Valley Solar Project, the Department recommends implementing the following:

1. We strongly encourage Hualapai Valley Solar to meet with representatives of the Department to discuss a recently developed monitoring plan that will provide data to determine the extent of this project's impacts to wildlife habitat and connectivity. Our goal is to implement this monitoring plan on a landscape-scale by partnering with the solar industry, thereby allowing us to make accurate predictions regarding the impact that these projects will have on desert ecosystems. This data will greatly inform the appropriate planning and mitigation necessary to reduce impacts to wildlife and their habitat.
2. The Department recommends additional pre-construction studies be performed which provide sufficient detail to map the habitat for all special status species within the project vicinity (e.g. wetland/riparian habitat, contiguous tracts of undisturbed wildlife habitat, raptor nest sites) and to determine seasonal movement corridors for species (e.g. winter bird concentrations, raptor migration, nesting). These maps, as well as others, should be used to show the location of sensitive resources and to establish the layout of roads, fences, and other infrastructure in order to minimize habitat fragmentation and disturbance. Pre-construction surveys should also be performed for bats since several special status bat species (e.g. Pale Townsend's big-eared bat, Allen's big-eared bat) have been found within the vicinity of the facility.
3. If wildlife is encountered during construction of the facility, it should be moved outside the project area within 1 mile of its original location. A scientific collecting permit is required for this activity. A permit can be obtained by emailing [Scpermit@azgfd.gov](mailto:Scpermit@azgfd.gov) for more information. If wildlife will need to be removed from the facility once it is operational, annual renewal of the permit will be required.
4. Project analysis should include evaluation of the direct, indirect and cumulative effects of project development on wildlife, wildlife habitat and wildlife habitat connectivity resulting from the conversion of 4,160 acres of semi-desert grassland habitat to a solar generating plant. If negative impacts are anticipated, the Department recommends implementing activities that could mitigate these impacts. Such activities may include, but are not limited to, preserving land elsewhere, restoring degraded land, and/or relocating facility footprint.
5. Project analysis should also include a thorough evaluation of the anticipated impacts to water resources. The Department strongly encourages the use of technology that requires minimal amounts of water. In the desert, water is very scarce and reducing consumption will lessen impacts on wildlife as well as the public.
6. Current hydrology of the project site should be maintained. Any change in sheet flow will have detrimental effects to down slope vegetation. In addition, consult with the U.S. Army Corps of Engineers regarding Clean Water Act issues, best management practices, and guidelines for minimizing and mitigating impacts to riparian areas.



PALE TOWNSEND BIG EARED BAT

BAY1-E-3



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**ALLEN BIG EARED BAT**

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**BAY1-E-3**

BATS located at about Bank and Wilks Ranch Road. Taken by a friend. I need to get permission if you use these but I assume she will OK it! LET ME KNOW IF YOU CAN VIEW THE ATTACHMENTS OR NOT.



4/14/2010

BAY1-E-3

**F**



**Mohave County Water Resources Investigation Fact Sheet**  
**Estimating Groundwater Availability in the Detrital Valley, Hualapai Valley, and**  
**Sacramento Valley Groundwater Basins in Mohave County**

The Arizona Department of Water Resources (ADWR) has performed a series of studies in Mohave County aimed at updating and improving estimates of the amount of groundwater available in three groundwater basins: the Detrital Valley, Sacramento Valley and Hualapai Valley. The studies are presented in three ADWR Open-File Reports: #9 – Detrital Valley, #10 – Sacramento Valley, and #11 – Hualapai Valley. Estimating the amount of groundwater in these groundwater basins is an important factor for evaluating the water resources available for the Assured and Adequate Water Supply Program (AWS). The results of these studies are summarized here.

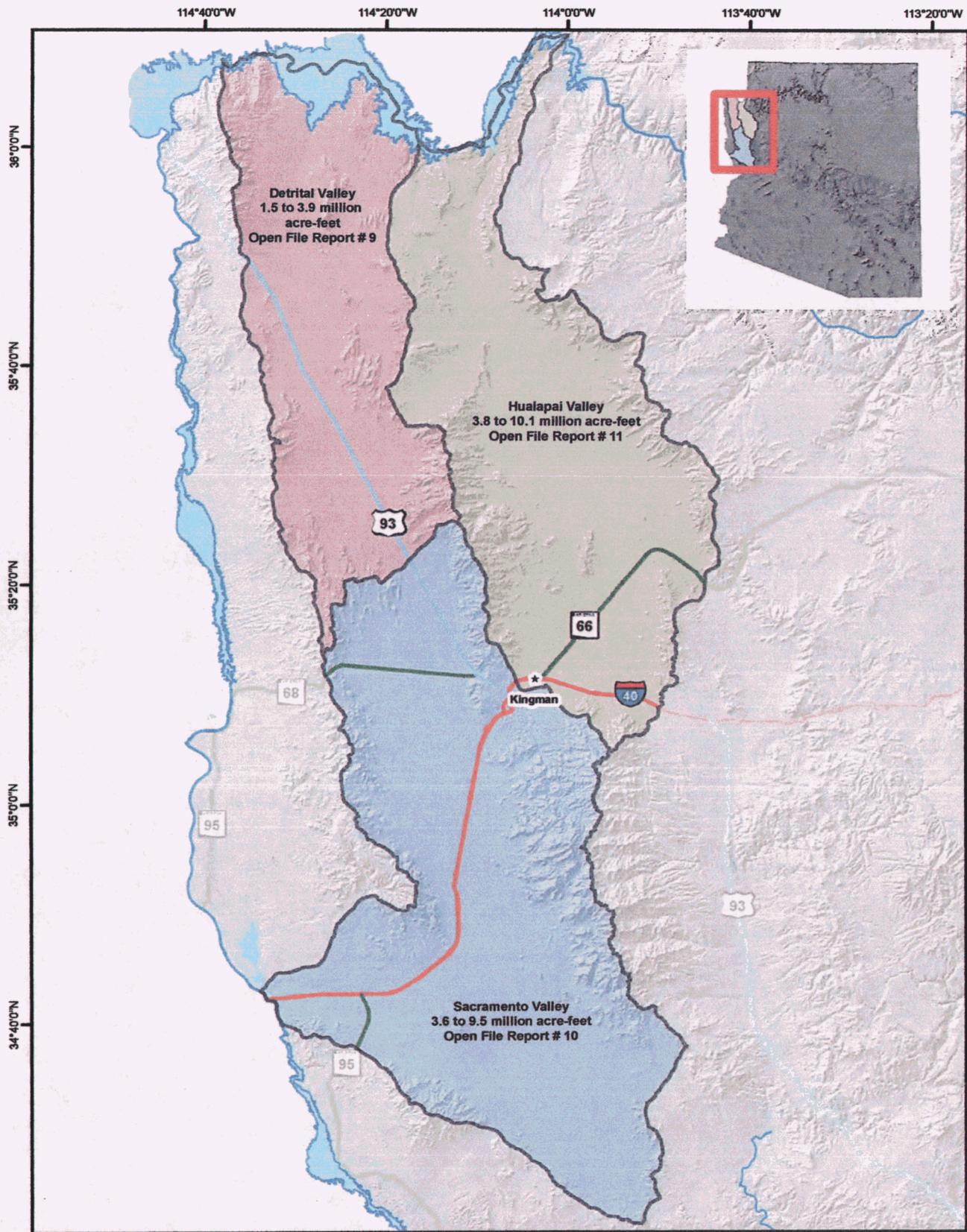
The extent of the aquifer and the water level in a groundwater basin needs to be determined to calculate the amount of groundwater available in the basin aquifers. To determine the extent of the aquifers, ADWR collected over 1,100 gravity measurements throughout the three groundwater basins which were used in conjunction with other geologic data (i.e. well logs and geologic maps) to produce depth-to-bedrock maps. ADWR also collected over 300 water levels in the three groundwater basins to determine groundwater levels. These data were combined to calculate the volume of groundwater in the groundwater basins. However, it is important to note that not all of the estimated groundwater may be available for withdrawal, possibly due to localized geological conditions or due to poor water quality. The volumes of groundwater shown below are ranges which represent best estimates of groundwater available in each groundwater basin depending on a range of hydrogeologic conditions, which are described in the Open-File Reports, and to the AWS Program depth limit of 1,200 feet below the land surface.

Detrital Valley Groundwater Basin:	1.5 to 3.9 million acre-feet
Sacramento Valley Groundwater Basin:	3.6 to 9.5 million acre-feet
Hualapai Valley Groundwater Basin:	3.8 to 10.1 million acre-feet

[ADWR Open-File Report No. 9: Preliminary Estimate of Groundwater in Storage for the Detrital Valley Groundwater Basin, Mohave County, Arizona, 2007.](#)

[ADWR Open-File Report No. 10: Preliminary Estimate of Groundwater in Storage for the Sacramento Valley Groundwater Basin, Mohave County, Arizona, 2008.](#)

[ADWR Open-File Report No. 11: Preliminary Estimate of Groundwater in Storage for the Hualapai Valley Groundwater Basin, Mohave County, Arizona, 2009.](#)



Mohave County Groundwater In Storage Estimates For The  
 Detrital Valley, Hualapai Valley, and Sacramento Valley Groundwater Basins

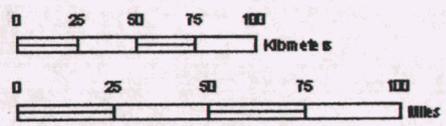
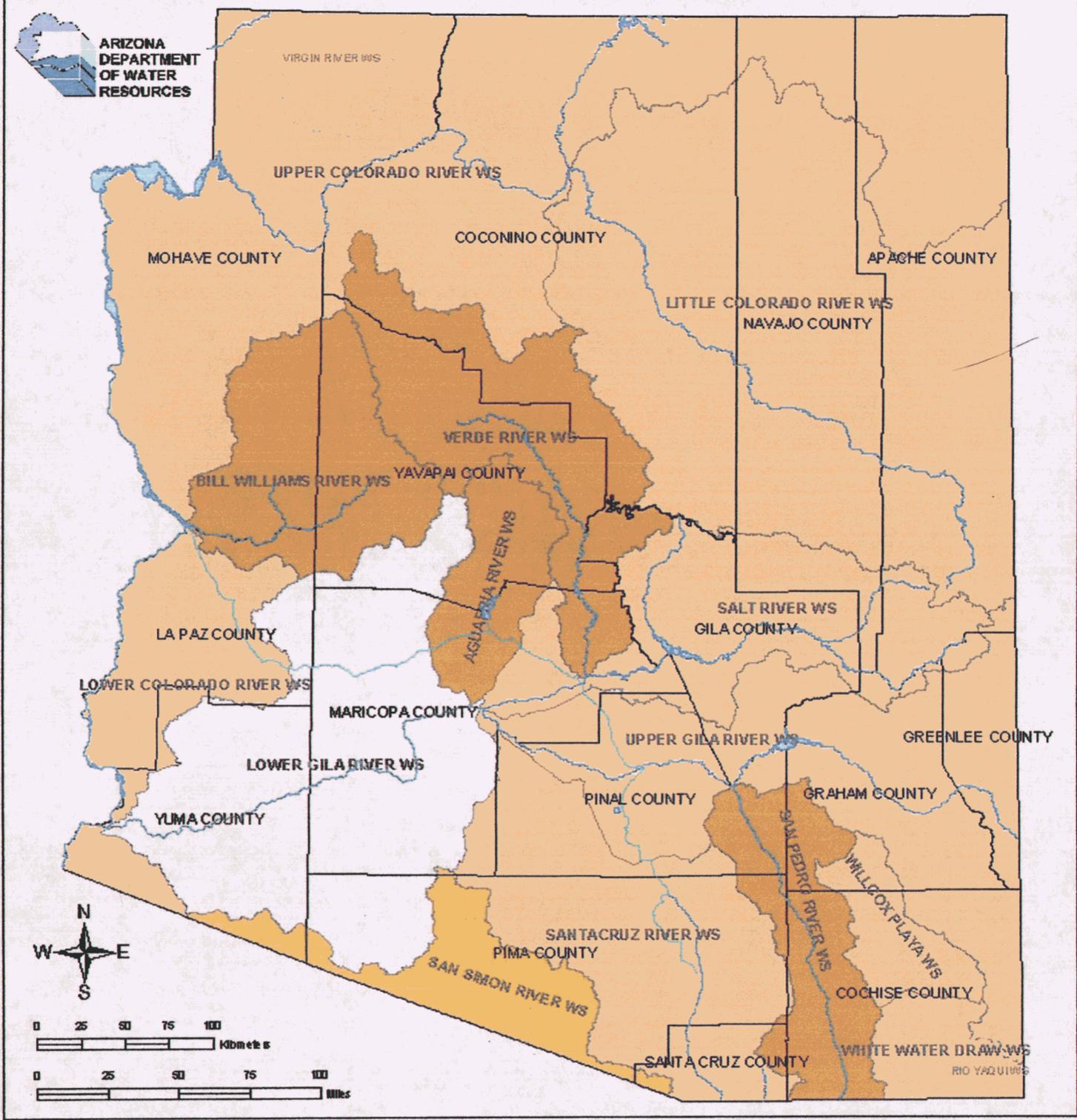
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|--|--------------------|--|--------------------------|
|  | Groundwater Basins |  | Highways and Interstates |
|  | Rivers             |  | Interstate               |
|  | Lakes              |  | US                       |
|  |                    |  | State                    |

1:885,192





ARIZONA  
DEPARTMENT  
OF WATER  
RESOURCES



- |                                |                   |
|--------------------------------|-------------------|
| <b>Watershed Drought Level</b> | Counties          |
| Normal                         | Lakes             |
| Abnormally Dry                 | Rivers            |
| Drought - Moderate             | CAP Aqueduct      |
| Drought - Severe               | Merged Watershed* |
| Drought - Extreme              |                   |

## April 2010 Long Term Drought Status

Data Through March 31st, 2010

Arizona Drought Preparedness Plan  
Monitoring Technical Committee

\* Watershed merged due to limited data.

**G**



Figure 3. Net water-level change from water year 1996 to 2006 for selected wells, Detrital, Hualapai, and Sacramento Valley Basins, Mohave County, Arizona.

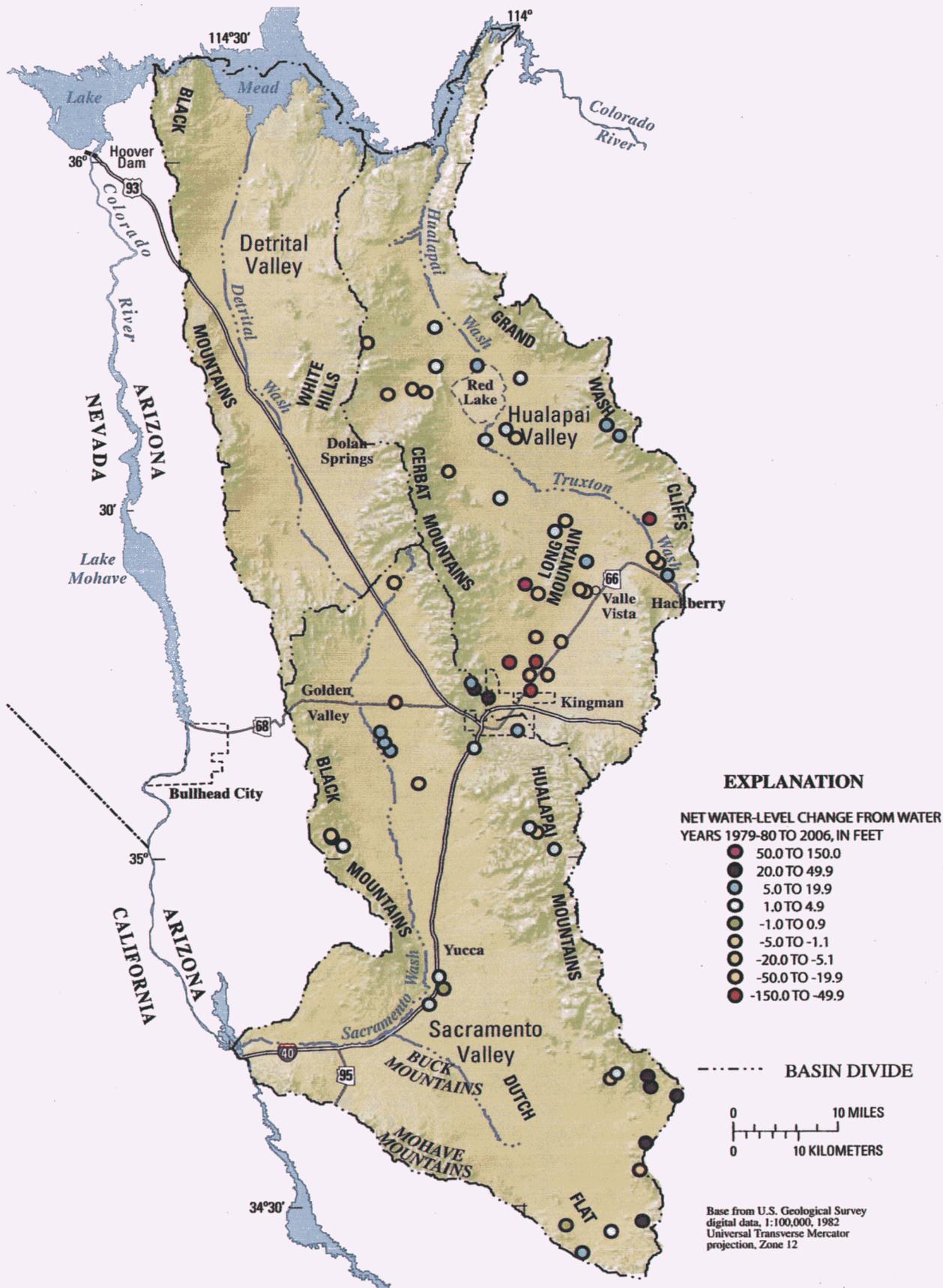


Figure 4. Net water-level change from water years 1979–80 to 2006 for selected wells, Detrital, Hualapai, and Sacramento Valley Basins, Mohave County, Arizona.



# United States Department of the Interior

U.S. GEOLOGICAL SURVEY

Arizona Water Science Center  
Flagstaff Programs Office  
2255 North Gemini Drive  
Flagstaff AZ 86001

September 1, 2009

Susan Bayer  
7656 West Abrigo Drive  
Golden Valley, AZ 86413

Dear Ms. Bayer,

The purpose of this letter is to provide clarification on some questions you conveyed on our phone conversation August 31 regarding U.S. Geological Survey Scientific Investigations Report 2007-5182 "Ground-water occurrence and movement, 2006, and water-level changes in the Detrital, Hualapai, and Sacramento Valley Basins, Mohave County, Arizona" by David W. Anning, Margot Truini, Marilyn E. Flynn, and William H. Remick. This report has gone through the peer review process and was approved by the USGS on Aug. 28, 2007. The report is available in hardcopy and in digital form on the World Wide Web at <http://pubs.usgs.gov/sir/2007/5182>. The report is considered final; however, in accordance with USGS report policy, any erratum or updates needed for this report will be incorporated into the online copy of the report. As of today, both the printed and electronic copies of the report are the same because there have not been any erratum or updates to the report.

Regarding your concerns of aquifer depletion, the section "Long-term water-level changes" (pages 6-12) discusses areas in the Detrital, Hualapai, and Sacramento Valleys where the groundwater levels have fluctuated over time in response to groundwater recharge or groundwater depletion. The report shows several areas in each of the three basins where water-level rises have occurred during the past several decades as a result of aquifer recharge, as well as other areas where significant water-level declines were observed, such as an area along Truxton Wash near Hackberry, an area northeast of Kingman, and an area in Golden Valley. These three areas of noted decline represent areas where ground-water pumpage has depleted the aquifer. The report, however, does not include a computation of the volume of such groundwater depletions from pumpage or additions from recharge, nor was any comparison made of these changes to the total volume of groundwater available in storage.

Sincerely,

David Anning  
Hydrologist

BAY1-G-2

ARIZONA DEPARTMENT OF WATER RESOURCES  
Office of Assured and Adequate Water Supply  
3550 North Central Ave., Phoenix, Arizona 85012  
Telephone (602) 771-8585  
Fax (602) 771-8689



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

**ANALYSIS OF ADEQUATE WATER SUPPLY**

November 9, 2007

**File Number:** 43-402285.0000  
**Development:** Red Lake  
**Location:** Township 25 North, Range 17 West, Sections 1, 3, 5, 7, 9, 15, 17, 18, 19, 21, 28, 29, 30, 31  
Township 26 North, Range 16 West, Sections 5, 7, 17, 18, 19, 20, 28, 29, 30, 31  
Township 26 North, Range 17 West, Sections 3, 5, 7, 9, 13, 14, 16, 17, 19, 21, 23, 24, 25, 26, 27, 29, 31, 33  
Township 26 North, Range 18 West, Sections 13, 23, 25, 31, 35  
Township 27 North, Range 16 West, Section 31  
Township 27 North, Range 17 West, Sections 1, 3, 13, 17, 19, 21, 23, 25, 29, 31, 35  
Township 28 North, Range 17 West, Sections 23, 25, 27, 35  
Mohave County, Arizona  
**Land Owner:** American Land Management, L.L.C., a South Dakota limited liability company; Desert Communities, Inc., a Nevada corporation; South Dakota Conservancy, L.L.C., a South Dakota limited liability company and Meridian Land, L.L.C., a Nevada limited liability company

The Arizona Department of Water Resources has evaluated the Analysis of Adequate Water Supply application for Red Lake pursuant to A.A.C. R12-15-712. The proposed development includes 210,700 single-family residential lots and 12,880 multi-family housing units. There are approximately 4,416 acres of non-residential uses such as elementary schools, high schools, 2 golf courses, common areas and parks. The applicant is going to rely on effluent water for the exterior water demand. Conclusions of the review are indicated below based on the adequate water supply criteria referenced in A.R.S. § 45-108 and A.A.C. R12-15-712.

- **Physical, Continuous, and Legal Availability of Water for 100 Years**  
On the basis of the Department's review, the Department has determined that 43,432.33 acre-feet per year of groundwater and 26,160.93 acre-feet per year of effluent will be **physically and continuously available**, which is equivalent to the annual estimated water demand for the development of 69,593.26 acre-feet per year. The application did not include a Notice of Intent to Serve form with the application. Therefore, **legal availability** of the water is not considered proven. Applications for Water Reports that follow the Analysis of Adequate Supply will need to reference this letter. Individual Notices of Intent to Serve will be required for each application for a Water Report.

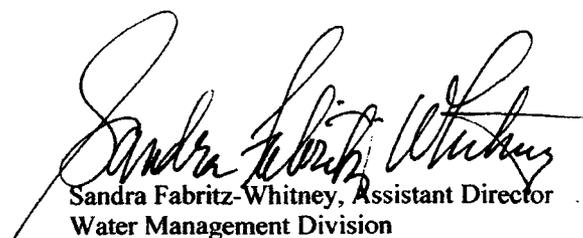
BAY1-G-3

- **Adequate Water Quality**  
This requirement will be evaluated according to the criteria in A.A.C. R12-15-719 at the time an application for a Water Report is filed. Prior to preparing an application for a Water Report, the Office of Assured Water Supply may be contacted for further guidance.
- **Financial Capability of the Owner to Construct the Necessary Distribution System**  
This requirement will be evaluated according to the criteria in A.A.C. R12-15-720 at the time an application for a Water Report is filed. Prior to preparing an application for a Water Report for an individual subdivision plat, the Office of Assured Water Supply may be contacted for further guidance.

The term of this Analysis of Adequate Water Supply is ten years from the date of this letter and may be renewed upon request, subject to approval by the Department. Throughout the term of this determination, the Department, when reviewing other requests for adequate water supply in the area, will consider the projected demand of this development. The demand projected for this development assumes that the conservation measures the applicant has identified to the Department will be required for the homes in this development, including the effluent use requirements for public parks, large turf areas and golf courses and low water use landscaping on the property. Additionally, it must be noted that based upon the limited hydrogeologic data available for the proposed development area, the amount of groundwater that may be physically available to 1,200 feet below land surface for this project may be limited. As additional hydrogeologic data becomes available, applications for Water Reports and the determination of physical availability in this analysis may be affected by that additional data.

**Prior to obtaining plat approval by the local platting authority and approval of the public report by the Department of Real Estate, a Water Report must be obtained for each subdivision plat. The findings of this Analysis of Adequate Water Supply may be used to demonstrate that groundwater and treated effluent supplies are physically available for at least 100 years for purposes of an application for Water Report, unless new hydrogeologic data indicates otherwise. Applications for Water Reports that follow the Analysis of Adequate Supply will need to reference this letter. This determination may be invalidated if the development plan or other conditions change materially prior to filing for a Water Report.**

Questions may be directed to the Office of Assured/Adequate Water Supply at (602) 771-8585.

  
Sandra Fabritz-Whitney, Assistant Director  
Water Management Division

cc: Greg Wallace, Errol L. Montgomery & Associates, Inc.  
Office of Assured and Adequate Water Supply  
Nicole Swindle, Legal Division  
Joan Card, Assistant Director, Arizona Department of Environmental Quality  
Steve Olea, Assistant Director, Arizona Corporation Commission  
Roy Tanney, Assistant Director, Arizona Department of Real Estate  
Karl Taylor, Director, Subdivisions Division, Mohave County Planning and Zoning

BAY1-G-3

**Susan**

---

**From:** "Kevin Davidson" <Kevin.Davidson@co.mohave.az.us>  
**To:** "Susan" <rbbdci@frontiernet.net>  
**Sent:** Monday, May 24, 2010 2:05 PM  
**Subject:** Re: Subdivision Plats filed in the Red Lake Area

Susan:

I have talked to our subdivision staff and we do not have any subdivision plats filed with Development Services in the Red Lake area.

Kevin D.

>>> "Susan" <rbbdci@frontiernet.net> 05/24/2010 11:48 AM >>>  
Hi Kevin:

I have a question. Are there any subdivision plats including Rhodes that have been filed in the Red Lake area? If so, can you give me the names of the owners, and where the subdivisions are located in Red Lake. Thank you

Susan Bayer  
!DSPAM:4bfaca0a942385209328925!

BAY1-G-3

5/24/2010

**Susan**

---

**From:** "Richard B. Obenshain" <rbobenshain@azwater.gov>  
**To:** <rbbdci@frontiernet.net>  
**Sent:** Monday, May 24, 2010 2:48 PM  
**Attach:** 43-402285.0000\_AAWS\_signed\_letter.pdf  
**Subject:** Red Lake

Hi Susan, the attached letter is a determination of water adequacy for a master-planned development called Red Lake. As this is an "analysis of adequate water supply", the applicant had to prove at least one of the Adequate Water Supply (AWS) criteria. In this case, they chose to prove that the water supply was physically and continuously available for 100 years. Before a subdivision plat can be recorded and lots sold, the owner must obtain a Water Report, in which the remaining AWS criteria are addressed. The Water Report application must contain at least a preliminary subdivision plat, which will be compared to the master plan. In general, changes from the master plan may be expected as part of the platting process and business decisions by the land owner. Whether or not these changes are "material" can only be determined on a case-by-case basis. To date, no Water Reports have been issued relying upon this Analysis. If you have additional questions, please call me.

Rick Obenshain, Team Leader  
Office of Assured & Adequate Water Supply  
Arizona Department of Water Resources  
3550 N. Central Ave., 2nd Floor  
Phoenix, AZ 85012  
Phone: (602)771-8622  
Fax: (602)771-8689

BAY1-G-4

5/24/2010

## Key Water Issues

**Colorado River Water.** The quality of water in Lakes Mead, Mohave and Havasu must be maintained to continue attracting tourists to the County. While many other jurisdictions have an impact on the Colorado River, Mohave County's economy and water supplies are so directly linked to the lakes and river that the County has a vital interest in preventing their contamination.

**Groundwater Quality.** To ensure the viability of its continued use, the quality of area groundwater should be monitored regularly. Key recharge areas in the mountains and bajadas should be protected from development activities that degrade water quality. The effects of urban runoff and septic systems effluent on groundwater quality should be minimized. Mohave County's updated Areawide Water Quality Management Plan ("208" Plan) is a tool to maintain watershed health.

**Water Availability.** Information on the use and availability of water should be monitored. While there appears to be enough water to meet anticipated demands in the rapidly urbanizing parts of the County for the next 40 to 50 years, long term water planning throughout the County will require better information than is currently available. Development of a Countywide water budget that identifies water supplies and demands for identified groundwater basin subareas will enable the County to use its water resources most efficiently.

## Water Quantity and Quality Goals and Policies

**Goal 3: To preserve the quantity and quality of water resources, in perpetuity, through out the County.**

Policy 3.1 Mohave County should cooperate with ADEQ, local water suppliers, and other agencies to maintain a water budget that inventories the quantity and quality of the County's water resources, identifies how those resources are being used, and monitors commitments for future water use.

Policy 3.2 The County should support programs to monitor groundwater quality and well levels.

Policy 3.3 Mohave County should encourage the efficient use of water resources through educational efforts.

Policy 3.4 New water intensive uses such as golf courses and man-made lakes shall require the use of treated effluent where and when available.

Policy 3.5 Mohave County will only approve power plants using "dry cooling" technology when the aquifer is threatened by depletion or subsidence.

**CITY OF KINGMAN  
WATER ADEQUACY STUDY  
FINAL REPORT**

**May 1993**

**WILLDAN ASSOCIATES  
1717 W. NORTHERN AVE., SUITE 112  
PHOENIX, ARIZONA 85021**

**BAY1-G-6**

the groundwater in this area is the low water-level elevation compared to that of the City service area and the water-level elevations in Upper Hualapai Valley. Thus farther consideration of Sacramento Valley does not appear to be warranted at this time.

#### SUMMARY AND CONCLUSIONS

Although recharge to the groundwater in the Upper Hualapai Valley and Golden Valley is relatively small, there are large amounts of groundwater in storage in both of the valleys. Although most existing wells in the Upper Hualapai Valley are not more than 1,000 feet deep, deeper wells are possible. Well depths up to 2,000 feet deep should be considered. Water levels in Upper Hualapai Valley have been declining from about one to two feet per year in recent decades. The present overdraft in the Upper Hualapai Valley is estimated to be about 4,000 acre-feet per year. There is an estimated 2.2 million acre-feet of groundwater in storage in this valley above a depth of 1,000 feet. Much of this water is believed to be of suitable quality so as to not require treatment prior to use for public supply. Chromium contents in water for some City wells have exceeded the MCL of 0.05 mg/l. However, the new EPA MCL for chromium has been raised to 0.10 mg/l. Water from the City wells has had chromium contents below this revised MCL. An additional 2.0 million acre-feet of groundwater below a depth of 1,000 feet in the valley is considered recoverable. However, much of this deeper water could require treatment for removal of some chemical constituents prior to use

BAY1-G-6

for public supply. The most favorable hydrogeologic areas for future groundwater development are in or near inferred buried stream channel deposits, as previously reported by Thiele (1968). Because of relatively deep water levels, the Upper Hualapai Valley has considerable potential for storage of imported water. There was space above the water table in 1991 for more than 5 million acre-feet of water.

In Golden Valley, a number of wells are from 1200 to 1500 feet deep. In 1991, depth to water ranged from about 600 to more than 900 feet deep, and generally increased to the north. Water-level declines have averaged about one foot per year in recent decades in or near the Cyprus well field, and elsewhere little change is apparent. The quality of most of the groundwater in Golden Valley is believed to be suitable for public supply. The most hydrogeologically favorable area for development of groundwater for public supply is in T20N/R18W. However, water-level elevations in this area are almost 1,000 feet lower than in Upper Hualapai Valley near the airport. The Upper Hualapai Valley is a more hydrogeologically favorable area for development of groundwater for the City of Kingman.

#### REFERENCES

- Anderson-Nelson, Inc., 1991, "Water Adequacy Study for the Valley Pioneers Water Company's Franchise Area", Golden Valley, Arizona.
- Cella Barr Associates, 1990, "Geohydrologic Study for the Kingman-Red Lake Sub-Area of the Hualapai Basin", prepared for the City of Kingman, 64 p.

1 require more than that, to the tune of 2,275 to 2,400  
2 acre-feet of water per year. So the difference there has  
3 to come from another source.

4           Could groundwater -- is there an issue that  
5 Kingman, the City of Kingman has identified of the other  
6 sources that at least the earlier potential intervenors  
7 had expressed? Is there a problem with meeting that gap,  
8 that deficit?

9           MR. SALEM: This is just strictly my opinion, but  
10 if there's between a 300 and 500 acre-foot per year  
11 shortfall, temporarily, anyway, if they were to use  
12 groundwater, I don't think that that would be an issue at  
13 this point.

14           Would it be a responsible thing to use 2,400  
15 acre-feet of water per year to run a concentrated solar  
16 plant without reuse? I don't think that that would be a  
17 responsible thing to do. But for temporarily until the  
18 City of Kingman can provide their entire need, if there's  
19 a shortfall temporarily, I don't think that that would be  
20 an issue or a problem.

21           In that area it was originally proposed for  
22 residential, and they -- the people that were going to  
23 build there had water rights to the tune of better than  
24 6,000 acre-feet of water per year. So this is  
25 substantially less if it's 300 or 400 acre-feet for the



## Fact Sheet

Aquifer Protection Permit #P-106051  
 Place ID 987, LTF 48583  
 Hilltop Tertiary Wastewater Treatment Plant

The Arizona Department of Environmental Quality (ADEQ) proposes to issue the Aquifer Protection Permit for the subject facility that covers the life of the facility, including operational, closure, and post-closure periods unless suspended or revoked pursuant to A.A.C. R18-9-A213. This document gives pertinent information concerning the issuance of the permit. The requirements contained in this permit will allow the permittee to comply with the two key requirements of the Aquifer Protection Program: 1) meet Aquifer Water Quality Standards at the Point of Compliance; and 2) demonstrate Best Available Demonstrated Control Technology (BADCT). The purpose of BADCT is to employ engineering controls, processes, operating methods or other alternatives, including site-specific characteristics (i.e., local subsurface geology) to reduce discharge of pollutants to the greatest degree achievable before they reach the aquifer, or to keep pollutants from reaching the aquifer.

### I. FACILITY INFORMATION

#### Name and Location

Name of Permittee:	City of Kingman
Mailing Address:	3700 East Andy Devine Avenue Kingman, AZ 86041
Facility Name and Location:	Hilltop Tertiary Wastewater Treatment Plant 5925 East Highway 66 Kingman, Arizona 86401 Mohave County

#### Regulatory Status

An APP Application for this facility was received by ADEQ on September 22, 2008. At the time of permit issuance, there are no active Notices of Violation (NOVs) for this facility.

#### Facility Description

The City of Kingman is authorized to operate Hilltop Tertiary Wastewater Treatment Plant (WWTP), a 1.0 million gallons per day (mgd) facility. This facility will apply tertiary treatment to a portion of the secondary treated effluent produced by Hilltop WWTP, which operates under APP No. P-100611. The Hilltop Tertiary WWTP treatment process will use tertiary filters, a chlorine disinfection system, and an effluent pump station.

Hilltop Tertiary WWTP effluent will be beneficially reused under a valid reclaimed water permit. Any effluent not delivered for beneficial reuse will be discharged to the Hilltop WWTP equalization basin, where it will be mixed with secondary treated effluent for discharge under APP No. P-100611. The mixed effluent will either be discharged to Mohave Wash by Hilltop WWTP

1 on line with that facility.

2 COM. NEWMAN: End of this year.

3 MR. SALEM: At the end of this year.

4 In the northern and the eastern portions of the  
5 City of Kingman, a lot of the homeowners are still on  
6 septic systems. As those septic systems begin to be  
7 dilapidated and aged, the county will no longer renew the  
8 permitting process to replace those septic systems. And,  
9 if applicable, they would require those homeowners to hook  
10 on to new sewer lines that might be proposed.

11 If the entire population of the City of Kingman  
12 were to go on line, and I don't know how long that that  
13 will take, we would be close to two million gallons a day,  
14 which is roughly 21- to 2,200 acre-feet per year. It's my  
15 understanding that the Hualapai Valley Solar folks are  
16 going to use 2,275 acre-feet per year. So within -- at  
17 the very beginning we'll be able to supply half of their  
18 water use, up to their entire water use at a -- somewhere  
19 in the future. We just don't know how long that will  
20 take.

21 COM. NEWMAN: And the city doesn't have any other  
22 prospective buyers for its effluent?

23 MR. SALEM: At this point, no, there isn't. And  
24 it's important to note, too, that the water/wastewater and  
25 sanitation departments for the City of Kingman are at a



Date Request Received: 3/31/10  
 Fee Received/Receipt #: 0.604  
 Date Documents Ready: 4/8/10

10MAR31 15:40 523

**REQUEST FOR PUBLIC RECORDS**

I do hereby certify that I am requesting copies of the following document(s):

REG -  
SERIAL -  
✓ DONE  
SEE ATTACHED

- 1) Copy of all the actual grants themselves written on the Hilltop Sewer Plant
  - 2) How many sewer connections are going to the Hilltop Sewer Plant.
- Commercial  
Residential (SEE ATTACHED)

The requested document(s) will be used for: (initial one)

commercial purposes \_\_\_\_\_  
 noncommercial purposes X

I agree to pay the fee designated by the City for the documents above requested, and agree that I will not use or allow the use of the documents for any purpose other than as I described above.

Susan A Moore Bayer  
Signature

**For Contact Information Only:**

Please Print Your Name & Address (if you wish to pay in advance and have the document(s) mailed to you) or Name & Phone Number (where you can be reached when your document(s) are ready).

Susan A Moore - Bayer  
7656 West Abrigo Dr  
Golden Valley, AZ  
86413

Call & I will pick up  
1-928-565-9192

I have received the above requested documents:

Susan A Moore - Bayer  
Signature

City of Kingman  
Commercial and Residential Sewer Connections  
Hilltop Wastewater Treatment Plan  
As of June 2009

	HTWWTP
Commercial	705
Residential	<u>6910</u>
Total	<u>7615</u>

Hilltop Wastewater Treatment Plant Projections

Annual Growth Rate 1.03

Average gallons treated per day (web page) 1650000

Gals/Ac Ft 325851

Days/Year 365.25

Year	Commercial Connections	Residential Connections	Total Connections	Acre-Feet treated per year
2009	705	6,910	7,615	1,850
2010	726	7,117	7,843	1,905
2011	748	7,331	8,079	1,962
2012	770	7,551	8,321	2,021
2013	793	7,777	8,571	2,082
2014	817	8,011	8,828	2,144
2015	842	8,251	9,093	2,208
2016	867	8,498	9,365	2,275
2017	893	8,753	9,646	2,343
2018	920	9,016	9,936	2,413
2019	947	9,286	10,234	2,486
2020	976	9,565	10,541	2,560
2021	1,005	9,852	10,857	2,637
2022	1,035	10,148	11,183	2,716
2023	1,066	10,452	11,518	2,798
2024	1,098	10,766	11,864	2,881
2025	1,131	11,089	12,220	2,968
2026	1,165	11,421	12,586	3,057
2027	1,200	11,764	12,964	3,149
2028	1,236	12,117	13,353	3,243
2029	1,273	12,480	13,754	3,340
2030	1,312	12,855	14,166	3,441
2031	1,351	13,240	14,591	3,544
2032	1,391	13,637	15,029	3,650
2033	1,433	14,047	15,480	3,760
2034	1,476	14,468	15,944	3,872

2035	1,520	14,902	16,422	3,989
2036	1,566	15,349	16,915	4,108
2037	1,613	15,810	17,423	4,232
2038	1,661	16,284	17,945	4,358
2039	1,711	16,772	18,484	4,489
2040	1,763	17,276	19,038	4,624
2041	1,815	17,794	19,609	4,763
2042	1,870	18,328	20,198	4,906
2043	1,926	18,877	20,803	5,053
2044	1,984	19,444	21,428	5,204
2045	2,043	20,027	22,070	5,360
2046	2,105	20,628	22,733	5,521
2047	2,168	21,247	23,414	5,687
2048	2,233	21,884	24,117	5,857
2049	2,300	22,541	24,840	6,033
2050	2,369	23,217	25,586	6,214
2051	2,440	23,913	26,353	6,401
2052	2,513	24,631	27,144	6,593
2053	2,588	25,370	27,958	6,790
2054	2,666	26,131	28,797	6,994
2055	2,746	26,915	29,661	7,204
2056	2,828	27,722	30,551	7,420
2057	2,913	28,554	31,467	7,643
2058	3,001	29,410	32,411	7,872
2059	3,091	30,293	33,383	8,108
2060	3,183	31,202	34,385	8,351

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May 06, 2010

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8/12/2009 6:00:00 AM

## Watson: We have to be fair to all

Supervisor says businesses have a right to develop their property



Suzanne Adams  
Miner Staff  
Reporter

**KINGMAN** - Eight months, two major solar projects and a biofuels project later, Supervisor Gary Watson says he is still likes his job.

"I'm still enjoying it," he said. "I would do it again (run for office). It's very rewarding."

There have been some topics and issues he did not foresee while running for office, such as the biofuel and solar plants. Two large concentrated solar plants, Hualapal Valley Solar and Albiasa, are proposed for the Red Lake area north of Kingman along Stockton Hill Road and the Silverado area along U.S. 93, respectively. Hualapal Valley Solar will generate around 340 megawatts of power; Albiasa will generate around 200 megawatts of power. Residents in both areas have raised concerns about the plants' use of water.

The whole issue revolves around private property rights, he said. It's not fair to say no to these businesses who want to invest in the county. They have as much right to develop their property as anyone else in the county, he said.

When asked why the county couldn't use the County Planning and Zoning ordinances to show that a project wasn't a fit for a particular area. Watson countered with a question of his own: how can the county tell one property owner that they can't rezone their property to make a profit and then turn around and let another rezone their property?

"We have to be fair to all," he said.

He's not insensitive to residents' concerns about the projects, he said. He understands their concerns about water.

"I have two wells," he said.

"I spent most of my weekend doing maintenance on one of them. I know what it means to have a well."

But the county has no control over the water in Mohave County, Watson said. That is up to the Arizona Corporation Commission and the Arizona Department of Water Resources.

If there isn't enough water, investors won't invest in these companies and the ACC won't allow these projects to go through, he said.

He also understands the concerns surrounding a biodiesel plant proposed for 1.5 miles south of Valle Vista, he said, but he believes the risk of a fire or explosion at the plant is minimal.

"We have to take the emotion out of the situation and look at the big picture," he said. If the



SUZANNE ADAMS/Miner

District 1 Supervisor Gary Watson has seen a lot of projects - some mundane, some controversial - cross his desk in the last eight months, but he says he still enjoys his job. Click here to purchase this photo

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county rejects too many new businesses or industries that want to develop here, then the county will get a reputation for rejecting such projects, the local economy will stagnate and even more people will be out of work.

Even if these businesses don't bring jobs to local people, they will bring new residents, who will need new homes and local stores to purchase items to furnish their homes, he said, which will help the local economy.

The two solar projects are still working their way through the county Planning and Zoning Department and state permitting process. The biodiesel plant is slated for today's Planning and Zoning Commission.

Watson is still chugging away at other projects, including his "Catch the Bug" litter program, which works with the county's Environmental Rural Area Cleanup Enforcement (ERACE) to pick up trash illegally dumped on public lands. ERACE is also responsible for tracking down and prosecuting illegal dumpers.

At least 40 residents have signed up for the program so far, Watson said, and they have picked up more than 18.5 tons of garbage since May 9.

Big D Tires was recently honored by the Board of Supervisors for helping collect and dispose of used tires. "We're making a difference," Watson said. But the program still needs volunteers. Anyone interested in volunteering for the program can send an e-mail to [catchthebug@co.mohave.az.us](mailto:catchthebug@co.mohave.az.us) or call Watson's office at (928) 753-0722.

**Journal**  
 A blog of news and information about health and healthcare from Kingman Regional Medical Center

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- Events



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**Reader Poll**

**DAILY MINER**   
**Reader Poll**



- See previous poll results
- Comment on this question

Do you think any of the lawsuits against the county concerning 1st Amendment rights will be successful?

Please select one:

Yes

No

I don't know

**VOTE**  
**View results**

**Reader Comments**

Posted: Sunday, August 16, 2009

Article comment by: **rancher**

Yes, there are 3 large projects proposed for Mohave County. A biodiesel plant with no market for its product and 2 solar energy plants that can't possibly compete price-wise with conventional power generating plants. The investors in these plants are going to get their money from Uncle Sucker and run - leaving the U.S. taxpayer and the citizens of Mohave County holding 3 very large bags.

Posted: Sunday, August 16, 2009

Article comment by: **Todd Tarson**

Funny to watch Loyd say that nothing is going to happen positive in the economy until things shake out nationally... yet there are three large projects knocking on Mohave County's door right now.

I'm left to believe that Loyd just doesn't understand the economy all that well.

Posted: Friday, August 14, 2009

Article comment by: **Loyd**

@ questions -

Give me a break -- "THE" economy is so many things it would take three more KDMiner servers to hold it all. Kingman and Mohave County isn't even a blip on the screen to the big boys. They are watching stocks, corporate P&L statements, consumer sentiment, buying trends, credit easing / tightening cycles, competitor trend-lines, foreign trade balances, currency trading rates, commodity prices, and more "other" things than you can believe. How's that for starters.

Oh, and lastly, let's not forget the private equity investment bloodhounds. Until everything smells "A-OK" to their picky nose -- nothing is going to happen. The economy really has nothing to do with spending. It's "Can we make a profit from what is spent and how much market share can we get?"

Next question.

Posted: Friday, August 14, 2009

Article comment by: **questions**

@Loyd-"The economy alone will be the greatest force in shaping future development in Mohave County"

Just what economy are you talking about? What makes up that economy? Where does the money that supports that economy come from? Tell us more of these elusive economics you persistantly refer to.

PLANNING AND ZONING COMMISSION  
SEPTEMBER 16, 2009  
HUALAPAI VALLEY SOLAR MEETING  
AS RECORDED ON DVD OF THE MEETING AT  
MOHAVE COUNTY ADMINISTRATION BUILDING

TIME

DESCRIPTION

TIME	DESCRIPTION
40:39	Commissioner Bill Abbott brings up "Hybrid Cooling System"
45:08	Greg Bartlett "No" to Dry Cooling methods
1.59:33	Mike La Row water used for the mirrors
1.59:47	Mike La row asked "How deep will the wells be? His reply 600 to 700 feet down.
2.01:35	Commissioner Abbott states "too shallow for well's, and brings up the size of the casings.
2.06:33	Mike Neal speaks for his water company. Commissioner Bill Abbott asked the question "How many well's do you own in this area and how deep. Mr. Neal states 9 wells they range from 50 feet to 1100 feet.
2.17:47	Commissioner Morabito mentions attending the Renewable Energy Seminar this past weekend.
2.18:07	Commissioner states "The truth is PV (photovoltaic) is not as good per the government..., real government people maybe lying to us all"!
2.18:51	Commissioner Kristal Gibson states: "I also was given the opportunity by the County to attend the seminar, And we found out some things that the fact is the Board does <b>not</b> have the governing over water. There is very strict guidelines that we fall into. So I know and understand the communities concern about water. I live in an area that we are worried. We do not have any jurisdiction, we do have legal representation here who can go over what we are allowed to determine. So we can talk about it, and talk about it, we cannot tell this person and our governing. If you have concerns about Arizona's mandates and law's on water. <b>You've got to contact the State of Arizona and start putting pressure there! We have no control</b> , and I feel, I feel the pain and I understand it. But, I cannot make a decision on that. I have to base it off what they are applying for. And if I do anything else there will be legal attributes".

**MOHAVE COUNTY BOARD OF SUPERVISORS  
HUALAPAI VALLEY SOLAR MEETING  
NOVEMBER 16, 2009  
AS RECORDED ON DVD OF THE MEETING AT  
MOHAVE COUNTY ADMINISTRATION BUILDING**

<b>TIME</b>	<b>DESCRIPTION</b>
14:48	Tom Whitmer of A.D.W.R speaks about presentation of water storage and recharge of the aquifers.
31:53	Margo Truini begins the U.S.G.S. presentation.
43:14	U.S.G.S. recharge map is shown on the screen.
1.39:10	County Manager Ron Walker mentions <b>Adequate and Assured water supplies apply to subdivisions is mentioned.</b>
1.39:16	Chairman Tom Sockwell stated: "I also to just want to add, I felt maybe you people would pick up on that this morning. But, but, but basically the Board, the Supervisors does not have control over groundwater. It is not our call. The call is for the, a I believe the law stipulates – if you, if you own property and there is water under that property. You can drill a well. And, and pump that water out as long as you use it for useful purposes. And guys gives have to say generation electricity is a useful purpose. And that is exactly what the law says".
1.40:28	* Chairman Sockwell stated "I attended a conference just a short time ago. An about wind and solar conference. And I specifically asked an attorney an expert in water law, this very question – I said if, if I owned property and I wanted to use the water on that property and it may be slightly exorbitant amount of the water I am going to use. What entity is there that could say, I couldn't do that? He thought a minute and he said the Arizona Corporation Commission feel's they probably have that authority. But it has never been tested in court. So that, that pretty well leaves the Board of Supervisors out of making decisions regarding groundwater, unless it is in an A.M.A., Active Management Area
1.46:31	Wayne Smith citizens speaks "It is truly unfortunate that this County's decisions are being made by legal opinion instead of common sense. The Confidential Attorney / Client communications dated September 4, 2009. In my opinion tells the B.O.S. (Board of Supervisors), P & Z (Planning and Zoning Commissioners) and the County Manager not to worry about the residents and their concerns. The County has answers to any law suit

# MOHAVE COUNTY ATTORNEY



**Main Office:**  
P.O. Box 7000  
315 N. 4<sup>th</sup> Street  
Kingman, AZ 86402-7000  
Telephone (928) 753-0719  
Fax (928) 753-2668

**MATTHEW J. SMITH**  
County Attorney

**JAMES J. ZACK**  
Chief Deputy

**Sarah's House Victim Center**  
P. O. Box 7000  
2800 "A" East Andy Devine  
Kingman, AZ 86402-7000  
(928) 718-5522

**Branch Offices:**

Bullhead City - (928) 758-0727  
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**CIVIL DIVISION**

## MEMORANDUM

### Confidential Attorney/Client Communication

**TO: Mohave County Board of Supervisors, Mohave County Planning and Zoning Commission**

**CC: Ron Walker, County Manager  
Michael Hendrix, Deputy County Manager, Development Services  
Nick Hont, Director of Development Services  
Christine Ballard, Director of Planning and Zoning**

**FROM: Bob Taylor, Chief Civil Deputy County Attorney**

**DATE: September 4, 2008**

**SUBJECT: Water and Planning and Zoning –Solar Power Plants**

A question has been presented as to whether the Planning and Zoning Commission and Board of Supervisors are authorized to consider the impact of proposed development on water supply when deciding request for changes of zoning and plan amendments. This issue has arisen particularly in response requests for zoning and plan amendments to accommodate proposed solar power plants.

Under ARS Title 11 a county has authority to develop land use regulation in order to promote the health safety and welfare of the public. Under ARS 11-821 a county is specifically required to have a "water resources element" in its General Plan which is directed at linking land

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Planning with water availability. However, Title 11 authorizes and mandates other elements of land use planning which may often conflict with water conservation. For example, the General Plan requires the County to develop a diverse industrial base and promote jobs, encourage the development of renewable and alternate energy resources and promote affordable housing. Balancing conflicting goals is part of the legislative process. But the balancing process is particularly difficult with respect to groundwater use and availability outside of an Active Management Area where the county lacks sufficient information and expertise regarding the quantity of groundwater and the impact of proposed development on that quantity.

### **Statutory Framework**

ARS 11-802 requires a county to adopt land use regulations in order to conserve and promote the public health, safety, convenience and general welfare of the county. ARS 11-806 requires that a comprehensive plan be developed so as to conserve the natural resources of the county and to promote the health, safety, convenience and general welfare of the public. ARS 11-821 specifically requires a "water resources element" in the General Plan for all counties with a population of more than 125,000. Smaller counties are permitted but not required to have a water resources element. This water resources element requires a county's General Plan to include "Planning for water resources that addresses: (a) The Known and physically available surface water, groundwater and effluent supplies. (b) The demand for water that will result from future growth projected in the county plan. (c) An analysis of how the demand for water that will result from future growth projected in the plan will be served by supplies identified in subdivision (a) of this paragraph or a plan to obtain additional necessary water supplies." ARS 11-806 and 11-821 provide that the General Plan shall serve as a guide and aid to the Planning and Zoning Commission in the performance of its duties. ARS 11-829 requires all zoning to be consistent with the general plan and for all proposed rezoning to be construed in a manner that will further the implementation of, and not be contrary to, the goals, policies and applicable elements of the general plan.

The authority to adopt zoning regulations and General Plan elements that promote the health, safety and general welfare of the public is a fairly broad grant of authority. Courts will not invalidate a zoning regulation which bears a rational relation to the health, safety or general welfare of the public provided that it allows for an economically viable use of the land. At the 17<sup>th</sup> Annual Arizona Water Law Conference held in Phoenix on August 13-14, 2009, Speaker Robert Glennon, Professor of Constitutional Law and Water Law at the University of Arizona

...ce of Law. agreed that a county has authority under ARS Title 11 to consider the impact of a proposed use or density on water supply when confronted with a request for a change in zoning or plan amendment. According to Professor Glennon, the impact on water supply is one of the many factors affecting health, safety and welfare to be considered by the legislative body when considering a zoning or plan change.

### **General Plan – Goals, Policies, and Implementation Measures**

Mohave County's General Plan contains several provisions directed at conserving and promoting the efficient use of water resources and assuring appropriate facilities for the delivery of water to development at given levels of density and intensity. Section II, which defines Mohave County's vision for the future, identifies the concept of "Water in Perpetuity" and states that "Mohave County's economic growth and well being of its residents is directly linked to a long term stable water supply. The County must encourage growth that is respectful of its water resources."

Several provisions of the General Plan specifically address water use in connection with proposed industrial development. Policy 3.5 provides that "Mohave County will only approve power plants using "dry cooling" technology when the aquifer is threatened by depletion or subsidence." Policy 3.4 provides that "New water intensive uses such a golf courses and man-made lakes shall require the use of treated effluent where and when available." Policy 27.9 (e) proscribes the depletion of water resources by future uses resulting from major plan amendments. Land Use Implementation Measure LU12 calls for the compilation of water use reports to assess the impact of various land uses and to project the future facility demands. Policy 36.12 states that "Mohave County should pursue and support industries that have smaller environmental footprints as measured by their use of less water and energy resources as well as their creation of fewer emissions when compared to traditional industry." Policy 43.9 provides that "The County should encourage developers to recycle grey water and rainwater onsite and/or use treated effluent for landscape irrigation and other non-potable uses including fountains, water features, commercial car and truck washes, and fire suppression systems to name a few." Policy 62.4 permits area plans to include more detailed goals and policies for issues addressed in the General Plan including water.

But as noted above, the General Plan also contains other goals and policies which may conflict or appear to conflict with the water conservation goals and policies. Policy 36.5 states that "Mohave County should support economic growth that keeps pace with population growth

and provides opportunities for the County's resident workers to work in the County. Policy 36.6 provides that "Mohave County should encourage non-residential development projects that may lead to significant long-term increases in County employment." Policy 6.4 states that "the County should support and encourage solar and wind energy." Implementation Measure E1 directs the County to "encourage developers and utilities to take advantage of solar energy opportunities in designing projects." Some policies contain conflicts within themselves. For example, in comparing the environmental footprint of a proposed solar energy plant against a facility that would use fossil fuel, the Commission and Board may determine that the emissions from a fossil fuel plant would be more harmful to the environment regardless of the solar plants water use.

There is no question that water, energy and industry are all vital to the health, safety and welfare of the residents of Mohave County. The weight to be given each factor in connection with a land use change is a legislative decision which should be carefully considered.

### Growing Smarter

The water resources element required in the General Plan was enacted as part of the "Growing Smarter Plus Act during 2000. Its meaning and purpose has not yet been construed by a court. However, the Arizona Department of Commerce and the Governor's Growing Smarter Oversight Counsel have issued publications which give insight into the legislative intent. According to a publication by the Arizona Department of Commerce, "this element provides the opportunity for local governments to consider water demand in tandem with land use, anticipated growth areas, and infrastructure. Issue, concerns, or ideas may be raised throughout the public participation program, and the substance of this element may be closely connected to the policies included in the environmental planning, cost of development, or other elements." That publication identifies key questions that address reliability of water supply, sufficient infrastructure for delivery of water, impact of projected development on water supply, use of effluent, and water conservation measures.

During 2006, the Growing Smarter Oversight Counsel held public meeting around the state in order to develop strategies for implementing the elements of Growing Smarter Plus. Two of the recommendations generated were (1) Increase state efforts to develop reliable, independent, objective, information regarding the available supply of water for each hydrologic region of Arizona; and (2) Assure that the availability of clean, safe water is one criterion for evaluating all future Land use and development plans in all areas of Arizona.

The Growing Smarter Oversight Counsel as well as the participants at the 85<sup>th</sup> Arizona Town Hall, *Arizona's Water Future: Challenges and Opportunities*, Oct. 31- Nov. 3, 2004, recognized a key shortfall of the water resource element of the Growing Smarter Plus Act. Although the act appears to give counties authority in water resource planning, there are no resources to areas outside of Active Management Areas to develop sufficient data for planning. Counties within Active Management Areas have a great advantage due to the data and resources provided by ADWR. As a result the focus by counties outside of AMA's has been on looking for water resources to facilitate projected growth rather than considering the impact of growth on available supplies or developing a "carrying capacity" concept. Without reliable data land use decisions based on water availability may be reduced to speculation susceptible to political whim or alarmist demands. As a result some of the other goals of Smart Growth may be unnecessarily sacrificed.

### ADWR Authority

Under the Groundwater Management Code, ARS 45-101 et seq., the Arizona Department of Water Resources (ADWR) is given the authority to regulate the withdrawal, transportation, use, conservation and conveyance of rights to use the groundwater of the State. In an Active management Area the withdrawal and use of groundwater is closely monitored and regulated in accordance with Title 45. Outside of an Active Management Area there is not much regulation. Subject to certain well permit requirements and restrictions on transporting the groundwater outside of the basin from which it is extracted, a person may extract and use groundwater for any "reasonable and beneficial use". "Reasonable use" has been defined by the courts in Arizona to mean that a property owner has a right to capture and use underground water beneath their land for beneficial purpose on that land, but no landowner can transport water off the land from which it came if transfer injures the water supply of neighboring landowners. *Town of Chino Valley v. State Land Dept.* 119 Ariz. 243, 580 P.2d 704 (1978).

The ADWR does not have the authority to require a county to rezone property. The reasonable use doctrine does not require that a county re-zone a property in order to accommodate a use that may require more water than that which is normally expected in the property's present zoning classification. Re-zoning is a land use decision not a water use regulation. A refusal to rezone property does not prevent the owner's reasonable use of water for any purpose permitted within its present zoning classification. And refusal to grant a request for a change in zoning would not deprive a property owner of a compensable property interest in

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water. The Arizona Supreme Court has recently held that, outside of an Active Management Area, there is no right of ownership of groundwater prior to its capture and withdrawal from the common supply and a landowner does not have a real property interest in the potential future use of groundwater. *Davis v. Agua Sierras Resources L.L.C.*, 220 Ariz. 106, 203 P.3d 506 (2009).

A county's consideration of the impact of proposed development on water supply does not usurp ADWR's authority any more than a county's consideration of the impact of proposed development on air and water quality would usurp ADEQ's authority, or the county's consideration of the adequacy of traffic infrastructure for proposed development would usurp ADOT's authority. A county is specifically directed, under ARS Title 11, to address these factors in its general plan. Title 45 does not trump Title 11, nor vice versa. Both Titles should be interpreted and applied so that each has effect and meaning. It is not unusual that the regulatory impact of one agency or level of government would also impact an area regulated by another. In these instances the legislature often expects that the different agencies and levels of governments share resources and cooperate in order to achieve objectives that are common to their respective spheres of regulation. ADWR recognizes this concept on its webpage where it acknowledges that local governments can adopt water conservation ordinances and drought response measures.

ADWR also has a publication on its webpage entitled "*Water Management Requirements for Solar Power Plants in Arizona*". That publication indicates that ADWR requirements for groundwater use for solar power generation follows the regulations established under Title 45, which differ depending on whether the proposed facility is located within or outside of an active management area. There is not much regulation outside of an active management area other than a requirement that non-exempt wells be permitted and restriction on transfer from the basin. That publication also advises that the ACC and ADEQ may have additional water management requirements for proposed solar plants. Any requirements by the ADWR, ACC or ADEQ would apply regardless of the zoning issue. And none of the requirements or regulations of these agencies could be used to force a county to approve a requested change in zoning

### ACC Authority

Under ARS Title 40, the Arizona Corporation Commission (ACC) is charged with the responsibility to balance the public's need for an adequate, economical and reliable supply of electric power with the need to minimize the effect thereof on the environment and ecology of

The State. The ACC. through the Arizona Power Plant and Line Siting Committee, has a process that should adequately address the concerns that the County may have regarding the impact of proposed solar power plants on the County's groundwater supply. The committee is comprised of (1) the State Attorney General or designee, (2) the Director of AWDR or designee, (3) the Director of ADEQ or designee, (4) Director of the energy office of the Arizona Department of Commerce or designee, and (5) Chairman of the Arizona Corporation Commission or designee. The Committee conducts an extensive vetting process which studies the need, viability, and environmental impact of the facility. The process involves public meetings with input from the applicant, committee, interested parties and members of the public. One of the requirements for approval by the ACC is a certificate of environmental compatibility. The availability of sufficient water and the impact of a proposed facility on the quantity and quality of water supply would be criteria to be considered in connection with both the viability and environmental compatibility of a proposed facility. The Line Siting Committee would have better resources and data available to it as well as stronger authority to require additional data, such as hydrological studies, from the applicant.

### **Liability Considerations**

A refusal to grant a request change of zoning does not usually present a basis for liability in a subsequent lawsuit. In order to sustain an attack on a decision not to grant a requested rezone, the plaintiff must show that the existing zoning is invalid. An existing zoning classification will be presumed valid, and the plaintiff must show that is clearly arbitrary and unreasonable and that it does not have any substantial relation to public health, safety and welfare.

In some cases zoning ordinances that do bear a reasonable relation to the health safety and welfare of the public may subject the government to liability for compensation, if the ordinance leaves the property owner with no viable use of the property. There are a long line of U.S. Supreme Court cases which hold that arbitrary and unreasonable restrictions which substantially deprive the owner of the economically viable use of his land may constitute a taking. These cases arose where there was an enactment of a regulation after the property owner acquired the property. It would be much more difficult for someone to buy property with a certain zoning classification and then sue for diminished value resulting from a refusal to rezone. But someone may try, particularly if it appears that the county has exceeded its authority in denying or conditioning a requested re-zone.

### **County Authority**

As discussed above, it is my opinion that a county has general authority under the zoning enabling statutes and specific authority under the "water resources element" required pursuant to "Growing Smarter Plus" (ARS11-821) to base zoning decisions on water availability. But there are obviously others who believe otherwise. These differing opinions may form the basis for litigation. And even assuming that the County does have authority, a refusal to rezone based on inadequate data may be challenged as arbitrary and capricious.

### **Proposition 207 Liability**

The applicable provision of Proposition 207(ARS 12-1131-1138), ARS 12-1134 (A) provides that "if the existing rights to use, divide, sell or possess private real property are reduced by the enactment or applicability of any land use law enacted after the date the property is transferred to the owner and such action reduces the fair market value of the property the owner is entitled to just compensation from the state or political subdivision of this state that enacted the land use law."

A refusal to grant a requested re-zone would not give rise to a Prop 207 claim. The existing zoning was in place at the time the property was transferred to the owner. But, Prop 207 liability could be an issue if the county would attempt, without the owners consent, to change the zoning classification after a property owner acquired the property. A county could also face Prop 207 liability if it attempts to force a property owner into an area plan that did not exist when the property owner acquired the property.

Prop 207 would not impose liability for deprivation of groundwater rights outside of an Active Management Area. A refusal to grant a re-zone would not deprive the property owner of whatever rights to use water that he when he acquired the property. Moreover, as discussed above, the Arizona Supreme Court in *Davis v. Agua Sierra Resources LLC*, ruled that landowners outside of an Active Management Area have no right of ownership in groundwater prior to its capture and withdrawal from the common source and the landowner has no real property interest in the potential future use of groundwater. Prop. 207 only protects landowners against devaluation of real property interests.

Many times neighboring property owners who oppose a proposed re-zone threaten the County with a Prop 207 claim for the perceived devaluation of their property. ARS 12-1134 B. 6 provides that Prop 207 does not apply to land use laws that do not directly regulate the owners land. Although some plaintiff lawyers may disagree, I believe that this provision clearly precludes a property owner from bringing a Prop 207 claim based on a change of zoning for

neighboring property. And with respect to the proposed solar plants, 12-1134 B. 5. provides that Prop 207 does not apply to land use laws that establish locations for utility facilities.

#### Unlawful Moratorium

One of the opponents to one of the proposed solar energy facilities has circulated a petition requesting that the P&Z Commission table all rezoning request for the area at issue until a hydrology study has been completed. Such action may be challenged as an invalid moratorium. The authority for a county to enact a moratorium on construction or land development is strictly regulated by ARS 11-833. Before a moratorium can be declared there has to be an imminent threat to public health or safety caused by a shortage of essential public facilities. 30 days notice of intent to declare a moratorium must be provided and public hearings must be held. The length and conditions of the moratorium is closely regulated depending on the circumstances. And a moratorium may only be declared for shortage of facilities provided by the county. "Moratorium on construction or land development" is broadly defined under the statute as "engaging in a pattern or practice of delaying or stopping issuance of permits, authorization or approvals necessary for the subdivision and partitioning of, or construction on any land. It does not include denial or delay of permits or authorization because they are inconsistent with applicable statutes, rules, zoning or other ordinances." My interpretation is that the last part of that definition specifically precludes delay in processing an application to rezone from challenge as an invalid moratorium. But the definition is arguably broad enough to support a *prima facie* challenge.

#### Due Process

A property owner requesting a change of zoning does not have an automatic entitlement to the requested change. But the property owner has a due process right to have the request considered and decided in a timely manner in accordance with state statutes and the County's Zoning Ordinance. Section 40 of the Mohave County Zoning Ordinance governs the procedure for changing a zoning ordinance. Section 40 B. 2. provides that the Commission may have as many additional hearings or continued hearings on any initiated amendment as may be deemed necessary for public necessity, convenience, and general welfare. If it is fairly debatable that adequacy of water is rationally related to the public's health, safety and welfare, due process would not require that the Commission vote on a matter before it has a reasonable opportunity to receive and review sufficient information to address that concern. I do not believe that the continuances and requests for additional information to date have violated the developer's due process rights. But further delays without sufficient data to support a concern that the aquifer is threatened by a proposed development may form the basis for such a claim.

### Unlawful Exaction

One possible consideration, which I believe has been proposed by an opponent of one of the solar projects, would be to require the developer to conduct a hydrological study. That requirement could be subject to challenge as an unlawful exaction. ARS 11-811 requires the County to comply with certain Federal and Arizona court decisions. Those decisions require, among other things, that any exaction or condition for approval of land development have a nexus, or rational connection, to the impact caused by the development and that the extent of the exaction or condition be proportionate to the impact of the proposed development. The question here is whether the impact of the proposed development, the amount of projected water use, is intense enough to warrant a hydrological study of the entire aquifer.

ARS 11-821 E.1. provides that the water resource element of the comprehensive plan does not require new independent hydrological studies. I believe this provision was intended to prevent the water resource element from being interpreted to force counties to conduct new hydrological studies. A county may, but is not required to, conduct new hydrological studies in order to implement the water resources element. But it could be argued that it also does not force developers to conduct hydrological studies for development proposals. Regardless of the outcome of that argument, a county's requirement of a hydrological study from a developer would still be subject to the nexus/proportion test described above. ARS 11-821 H. provides that 11-821 does not authorize the imposition of dedications, exactions, fees or other requirements that are not otherwise authorized by law.

### Conclusion

The Planning and Zoning Commission and Board of Supervisors are authorized to consider the impact of proposed development on water supply when deciding a requested zoning change or plan amendment. The inquiry is justified by the Boards obligation to develop land use regulations that promote the public health, safety, convenience and general welfare and may be necessary in order to implement the water resources element incorporated into ARS11-821 through the Growing Smarter Plus Act. But the concern for water must be balanced against other goals and policies in the General Plan that are also vital to the health, safety and welfare of the community. Perhaps the most efficient and reliable way to address water use issues with respect to the proposed solar power facilities is to rely on the resources and expertise of the Line Siting Committee of the Arizona Corporation Commission.

1 now so we don't have to go through this again.

2 We are very interested in your input, and so if  
3 you don't mind, I would appreciate it if you would be  
4 willing to take an oath or affirmation.

5 MR. WALKER: Yes, that's fine.

6 CHMN. FOREMAN: Do you wish an oath or an  
7 affirmation?

8 MR. WALKER: The oath is fine.

9 (Ron Walker was duly sworn by the Chairman.)

10 CHMN. FOREMAN: All right. Now, tell us who you  
11 are, and spell your last name for the court reporter.

12 MR. WALKER: Ron Walker. I'm the county manager  
13 for Mohave County. That's W-a-l-k-e-r.

14 First, Mr. Chairman, Committee members, welcome  
15 to Mohave County. On behalf of the board of supervisors,  
16 we appreciate the fact that you're here today. My purpose  
17 this morning is to present the Mohave County Board of  
18 Supervisors' official position on this project as it  
19 exists today on the public record.

20 On November 16, 2009, the board passed a  
21 resolution granting a major general plan amendment and an  
22 area plan amendment for the Hualapai Solar for a proposed  
23 340-megawatt concentrating solar power generating  
24 facility. The record cites a unanimous vote in favor of  
25 the project.

1           The resolutions addressed the general plan policy  
2   that I know has been under consideration that -- where it  
3   says it will only approve dry cooling when the aquifer is  
4   threatened by depletion of subsidence. This issue was  
5   fully debated in board meetings at the planning and zoning  
6   commission hearings, and the board has no evidence at this  
7   point to indicate that the aquifer is either suffering  
8   from subsidence or depletion.

9           Also, our general plan policy in 36.12 recommends  
10   the county only pursue and support industries that have a  
11   smaller environmental footprint as measured by less use of  
12   water and energy resources and fewer emissions. The board  
13   believed that this project met those broad guidelines when  
14   they approved the general plan and area plan amendments.

15           On water usage, it was presented to us an  
16   analysis of water adequacy, a File No. 43-402285, dated  
17   November 7, 2007, where ADWR concluded there was  
18   sufficient water to a depth of 1,200 feet below the land  
19   surface available on physical continuous and legal basis  
20   to support 223,580 homes per the ADWR 100-year water  
21   adequacy requirements. Therefore, it is believed that  
22   there is sufficient water for this project.

23           However, water will also be addressed under the  
24   land use regulations for future zoning for this project.  
25   The planning and zoning commission recommended and the

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to public and private entities.

Policy 36.8 Mohave County should support the location or relocation of businesses in Mohave County through the simplification of the development review process.

Policy 36.9 The County should cooperate with private and quasi-public entities, such as the Arizona Department of Commerce's North River Economic Region coordinator, the Chambers of Commerce and other economic development organizations to develop and update information on current and projected economic trends, labor force, land availability, development processes or other issues relevant to economic development efforts.

Policy 36.10 Mohave County should participate in efforts to obtain funding for economic development programs from State, Federal and other sources.

Policy 36.11 Mohave County should provide information and assistance to economic development projects interested in participating in State, Federal or other economic development programs.

Policy 36.12 Mohave County should pursue and support industries that have smaller environmental footprints as measured by their use of less water and energy resources as well as their creation of fewer emissions when compared to traditional industry.

**Goal 37: To encourage economic development at appropriate locations throughout Mohave County and the North River Economic Development Region.**

Policy 37.1 The Land Use Element and Area Plans should identify areas designated for future commercial and industrial development, including sites for renewable energy development. The Area Plans may include additional policies defining the appropriate types of non-residential development.

Policy 37.2 Development and redevelopment proposals in historic areas should further the preservation of these distinctive areas.

Policy 37.3 Mohave County should encourage the private sector to promote areas identified in the Land Use Element and Area Plans as primary locations for new industrial development. New locations for economic development activities should be considered once a need can be demonstrated. As a prerequisite, new locations must be able to be supported by existing or developer-provided infrastructure.

Policy 37.4 Capital improvement planning and funding by Mohave County should consider economic development benefits as a criteria in reviewing improvement projects and in setting funding priorities.

**Goal 38: To support economic development which provides employment opportunities for County residents at a variety of skill levels.**