

**ORIGINAL**



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36

MEMORANDUM

TO: Docket Control

FROM: Ernest G. Johnson  
Director  
Utilities Division

Date: September 1, 2006

RE: STAFF REPORT FOR PICACHO WATER COMPANY AND PICACHO SEWER COMPANY - APPLICATIONS FOR EXTENSION OF EXISTING CERTIFICATES OF CONVENIENCE AND NECESSITY FOR WATER AND WASTEWATER SERVICES (DOCKET NOS. W-03528A-06-0313 AND SW-03709A-06-0314)

Attached is the Staff Report for Picacho Water Company and Picacho Sewer Company applications for extension of existing Certificates of Convenience and Necessity to provide water and wastewater services. Staff is recommending approval with conditions.

EGJ:BNC:tdp

Originator: Blessing Chukwu

Arizona Corporation Commission  
**DOCKETED**  
SEP -1 2006

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ABC NR

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2006 SEP -1 A 10:11

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Service List for: Picacho Water Company and Picacho Sewer Company  
Docket Nos. W-03528A-06-0313 and SW-03709A-06-0314

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Sun Lakes, Arizona 85248

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STAFF REPORT  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

PICACHO WATER COMPANY AND PICACHO SEWER COMPANY

W-03528A-06-0313 AND SW-03709A-06-0314

APPLICATIONS FOR EXTENSION OF EXISTING CERTIFICATES OF CONVENIENCE  
AND NECESSITY

SEPTEMBER 1, 2006

## STAFF ACKNOWLEDGMENT

The Staff Report for Picacho Water Company and Picacho Sewer Company (Docket Nos. W-03528A-06-0313 and SW-03709A-06-0314) was the responsibility of the Staff members signed below. Blessing Chukwu was responsible for the review and analysis of the Companies' application. Marlin Scott, Jr. was responsible for the engineering and technical analysis.

A handwritten signature in black ink, appearing to be 'Blessing Chukwu', with a long horizontal line extending to the right.

Blessing Chukwu  
Executive Consultant III

A handwritten signature in black ink, appearing to be 'Marlin Scott, Jr.', with a long horizontal line extending to the right.

Marlin Scott, Jr.  
Utilities Engineer

**EXECUTIVE SUMMARY**  
**PICACHO WATER COMPANY AND PICACHO SEWER COMPANY**  
**APPLICATIONS FOR EXTENSION OF EXISTING CERTIFICATES OF**  
**CONVENIENCE AND NECESSITY TO PROVIDE WATER AND WASTEWATER**  
**SERVICES**  
**DOCKET NOS. W-03528A-06-0313 AND SW-03709A-06-0314**

On May 4, 2006, Picacho Water Company ("PWC" or "Water Company") and Picacho Sewer Company ("PSC" or "Wastewater Company") collectively referred to as ("The Utilities") filed applications with the Arizona Corporation Commission ("ACC" or "Commission") for an extension of their Certificates of Convenience and Necessity ("CC&N") to provide water and wastewater services in portions of Pinal County, Arizona. On July 13, 2006, Staff filed a Sufficiency Letter for PWC indicating that the application had met the sufficiency requirements of A.A.C. R14-2-402. On July 20, 2006, Staff filed a Sufficiency Letter for PSC indicating that the application had met the sufficiency requirements of A.A.C. R14-2-602.

PWC and PSC are Arizona Corporations, in good standing with the Corporations Division, and engaged in providing water and wastewater utility services to customers in a portion of Pinal Counties in Arizona. Mr. Edward Robson and his children own most or all of the stocks of the Utilities and have interest in nine other public utilities in Arizona.

By this application, PWC and PSC are seeking Commission authority to add approximately ¼ square-mile to their respective CC&N area. PWC's CC&N area is seven square-miles, whereas, that of PSC is 8-1/2 square-miles. The Utilities serve a community east of Casa Grande in Pinal County.

Based on Staff's review and analysis of the applications, Staff believes that the existing PWC water system will have adequate production and storage capacity to serve the existing and proposed CC&N extension areas within a conventional five year planning period and can reasonably be expected to develop additional production and storage as required in the future. Staff also believes that the existing PSC Wastewater Treatment Plant will have adequate capacity to serve the existing and proposed CC&N extension areas.

Staff recommends the Commission approve the Utilities' applications for extension of their respective CC&N to provide water and wastewater services in Pinal County, Arizona, subject to compliance with the following conditions:

1. To require PWC to charge its authorized rates and charges in the extension area.
2. To require PWC to file with Docket Control, as a compliance item in this docket, a copy of the Arizona Department of Environmental Quality Approval to Construct ("ATC") for facilities needed to serve the requested areas within two years of the effective date of an order in this proceeding.

3. To require PWC to file with Docket Control, as a compliance item in this docket, a copy the developer's Certificate of Assured Water Supply ("CAWS") for the requested area within two years of the effective date of an order in this proceeding.
4. To require PWC to file with Docket Control, as a compliance item in this docket, a copy of the Pinal County franchise agreement for the extension area within 365 days of the decision in this matter.
5. To require PSC to charge its authorized rates and charges in the extension area.
6. To require PSC to file with Docket Control, as a compliance item in this docket, a copy of the Pinal County franchise agreement for the extension area within 365 days of the decision in this matter.

Staff further recommends that the Commission's Decision granting the requested CC&N extension to the Utilities be considered null and void, after due process, should PWC fail to meet Conditions Nos. 2, 3, 4, and 6 listed above within the time specified.

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## **Introduction**

On May 4, 2006, Picacho Water Company ("PWC" or "Water Company") and Picacho Sewer Company ("PSC" or "Wastewater Company") collectively referred to as ("The Utilities") filed applications with the Arizona Corporation Commission ("ACC" or "Commission") for an extension of their Certificates of Convenience and Necessity ("CC&N") to provide water and wastewater services in portions of Pinal County, Arizona.

On June 1, 2006, the ACC Utilities Division ("Staff") filed an Insufficiency Letter, indicating that the Utilities' applications did not meet the sufficiency requirements of Arizona Administrative Code ("A.A.C.") R-14-2-402(C) and R-14-2-602(B). A copy of the Insufficiency Letter was sent to the Utilities via U.S mail. In the Letter, Staff listed the deficiencies that needed to be cured for administrative purposes.

On July 13, 2006, Staff filed a Sufficiency Letter for PWC indicating that the application had met the sufficiency requirements of A.A.C. R14-2-402.

On July 20, 2006, Staff filed a Sufficiency Letter for PSC indicating that the application had met the sufficiency requirements of A.A.C. R14-2-602.

On August 2, 2006, Staff filed a Motion to Consolidate the above mentioned matters stating that the matters are substantially related and no parties' rights will be prejudiced by the Motion.

On August 17, 2006, a procedural order was issued which consolidated the above mentioned applications for purposes of hearing.

## **Background**

The Utilities are Arizona corporations, in good standing with the Corporations Division, and engaged in providing water and wastewater utility services to customers in a portion of Pinal Counties in Arizona. The original CC&Ns for PWC and PSC were granted by the Commission in Decision No. 61266 (November 25, 1998) and Decision No. 61996 (October 8, 1999), respectively. PSC was granted an extension to its CC&N in Decision No. 67670 (March 9, 2005).

Mr. Edward Robson and his children own most or all of the stocks of the Utilities and have interest in the following public utilities in Arizona: Lago Del Oro Water Company, Pima Utility Water Company, Pima Utility Sewer Company, Saddlebrook Utility Company, Ridgeview Utility Company, Quail Creek Utility Company, Mountain Pass Utility, Santa Rosa Water Company, and Santa Rosa Wastewater Company.

By this application, PWC and PSC are seeking Commission authority to add approximately ¼ square-mile to their respective CC&N area. PWC's CC&N area is seven

square-miles, whereas that of PSC is 8-1/2 square-miles. The Utilities serve a community east of Casa Grande in Pinal County.

### **The Water System**

According to the Water Use Data Sheet submitted by PWC, the Water Company has two wells producing 4,300 gallons per minute ("GPM"), an 800,000 gallon storage tank, and a distribution system serving 31 service connections as of March 2006. It is anticipated that the existing service area could grow to approximately 150 connections at the end of five years. The Water Company has predicted an additional 583 connections for the proposed CC&N extension at the end of five years, resulting in a projected total customer base of approximately 733 at the end of five years. Based on the existing well production and storage capacities, the system can serve approximately 1,200 service connections.

The Water Company is proposing to extend its water system into the requested area at an estimated cost of \$1.5 million (approximately \$2,500 per lot) by extension of its distribution system through the use of debt and equity financing.

Staff concludes that the existing system will have adequate production and storage capacity to serve the existing and proposed CC&N extension areas within a conventional five year planning period and can reasonably be expected to develop additional production and storage as required in the future.

The Arizona Department of Environmental Quality ("ADEQ") Certificate of Approval to Construct ("ATC") for facilities needed to serve the requested area has not been submitted by PWC. Therefore, Staff recommends that PWC file with Docket Control, as a compliance item in this docket, a copy of the ADEQ ATC for facilities needed to serve the requested areas within two years of the effective date of an order in this proceeding.

### **ADEQ Compliance**

According to an ADEQ report dated June 14, 2006, PWC's water system was not yet regulated and no compliance monitoring requirements exist. The system has received pertinent approvals to construct and approvals of construction permits. The first ADEQ field inspection was scheduled for June 2006.

According to an ADEQ report dated July 27, 2006, ADEQ has determined that the operation and maintenance of this system is in compliance with respect to the ADEQ Safe Drinking Water Rules.

### **Arizona Department of Water Resources ("ADWR") Compliance**

PWC is located within the Pinal Active Management Area ("AMA") and is in compliance with its reporting and conservation requirements.

According to PWC, the developer has submitted an application for a Certificate of Assured Water Supply ("CAWS"). Staff recommends that PWC file with Docket Control, as a compliance item in this docket, a copy the developer's CAWS for the requested area within two years of the effective date of an order in this proceeding.

### **ACC Compliance**

According to the Utilities Division Compliance Section, PWC has no outstanding ACC compliance issues.

### **Arsenic**

The U.S. Environmental Protection Agency ("EPA") has reduced the arsenic maximum contaminant level ("MCL") in drinking water from 50 micrograms per liter (" $\mu\text{g/l}$ ") or parts per billion ("ppb") to 10  $\mu\text{g/l}$ . According to PWC annual report, the arsenic level for its Well #4 is 1 ppb. Based on this level, PWC is in compliance with the new arsenic standard.

### **Curtailment Plan Tariff**

A Curtailment Plan Tariff ("CPT") is an effective tool to allow a water company to manage its resources during periods of shortages due to pump breakdowns, droughts, or other unforeseeable events.

PWC has an approved curtailment tariff that was approved by Decision No. 67670 effective March 25, 2005.

### **The Wastewater System**

According to PSC's application, PSC has a 250,000 gallon per day ("GPD") wastewater treatment plant ("WWTP") and collection system. Currently, the WWTP is not operational due to the fact that the planned community is in the early stages of development and the wastewater flows have been minimal. Due to these low flows from 22 service laterals, the influent is collected in a wetwell tank and hauled off site.

It is anticipated that the existing service area could grow to approximately 150 laterals at the end of five years. The Wastewater Company has predicted an additional 600 laterals for the proposed CC&N extension at the end of five years, resulting in a projected total customer base of approximately 750 at the end of five years. Based on the existing WWTP capacity, the system can serve up to approximately 1,000 service laterals. Staff concludes that the existing WWTP will have adequate capacity to serve the existing and proposed CC&N extension area.

According to PSC's July 14, 2006 response to Staff's Insufficiency letter, "there are no artificial lakes, golf courses, ornamental structures or other aesthetic water features planned for the extension areas. Open spaces in the proposed extension area will be watered with

groundwater in accordance with state law.” Once effluent is produced from the WWTP, the effluent will be used to water the golf course in the existing CC&N area, which is expected to be in fall 2006 when the development reaches 100 homes. The pipes for the effluent are already in place. All excess effluent will be sent to recharge basins and recharge wells.

PSC is proposing to extend its sewer system into the requested area at an estimated cost of \$3.0 million (approximately \$5,000 per lot) by extension of its collection system through the use of debt and equity financing.

### **ADEQ Compliance**

According to an ADEQ report dated August 1, 2006, PSC’s WWTP was not operational. The master planned community is in the early stages of development and wastewater flows have been minimal. Due to these low flows, the influent is collected in a wetwell tank and hauled away to the Sun Lakes WWTP in accordance with the Aquifer Protection Permit (“APP”).

PSC was issued a signed APP, dated May 4, 2005, for its 250,000 GPD wastewater treatment plant. PSC received an approved Section 208 Plan Amendment on June 17, 2005 for increased treatment capacity to 5.4 million GPD.

### **ACC Compliance**

According to the Utilities Division Compliance Section, PSC has no outstanding ACC compliance issues.

### **Proposed Rates**

PWC and PSC have proposed to provide water and wastewater utility services to the extension area under their respective authorized rates and charges.

### **Franchise**

Every applicant for a CC&N and/or CC&N extension is required to submit to the Commission evidence showing that the applicant has received the required consent, franchise or permit from the proper authority, pursuant to ARS 40-282.B. If the applicant operates in an unincorporated area, the applicant has to obtain the franchise from the County. If the applicant operates in an incorporated area of the County, the applicant has to obtain the franchise from the City/Town.

The extension area is located in an unincorporated area of Pinal County. As such, Staff recommends that PWC and PSC be required to file with Docket Control, as a compliance item in this docket, a copy of the Pinal County franchise agreement for the extension area within 365 days of the decision in this matter.

## **Recommendations**

### **Water Service CC&N Extension**

Staff recommends the Commission approve PWC's application for extension of its existing Certificate of Convenience and Necessity to provide water service in Pinal County, Arizona, subject to compliance with the following conditions:

1. To require PWC to charge its authorized rates and charges in the extension area.
2. To require PWC to file with Docket Control, as a compliance item in this docket, a copy of the ADEQ ATC for facilities needed to serve the requested areas within two years of the effective date of an order in this proceeding.
3. To require PWC to file with Docket Control, as a compliance item in this docket, a copy of the developer's CAWS for the requested area within two years of the effective date of an order in this proceeding.
4. To require PWC to file with Docket Control as a compliance item in this docket a copy of the Pinal County franchise agreement for the extension area within 365 days of the decision in this matter.

Staff further recommends that the Commission's Decision granting the requested CC&N extension to PWC be considered null and void, after due process, should PWC fail to meet Conditions Nos. 2, 3, and 4 listed above within the time specified.

### **Wastewater Service CC&N Extension**

Staff recommends the Commission approve PSC's application for extension of its existing Certificate of Convenience and Necessity to provide wastewater service in Pinal County, Arizona, as amended, subject to compliance with the following conditions:

1. To require PSC to charge its authorized rates and charges in the extension area.
2. To require PSC to file with Docket Control, as a compliance item in this docket, a copy of the Pinal County franchise agreement for the extension area within 365 days of the decision in this matter.

Staff further recommends that the Commission's Decision granting the requested CC&N extension to PSC be considered null and void, after due process, should PSC fail to meet Condition No. 2 listed above within the time specified.

## MEMORANDUM

DATE: August 15, 2006

TO: Blessing Chukwu  
Executive Consultant III

FROM: Marlin Scott, Jr.   
Utilities Engineer

RE: Picacho Water Company  
Docket No. W-03528A-06-0313 (CC&N Extension)

---

### **Introduction**

Picacho Water Company ("Company") has applied to extend its Certificate of Convenience and Necessity ("CC&N"). The requested area will add approximately 1/4 square-mile to the Company's existing seven square-miles of certificated area. The Company serves a community east of Casa Grande in Pinal County.

### **Capacity**

#### Existing Utility Plant

According to the Water Use Data Sheet submitted by the Company, the Company has two wells producing 4,300 gallons per minute ("GPM"), an 800,000 gallon storage tank, and a distribution system serving 31 service connections as of March 2006. It is anticipated that the existing service area could grow to approximately 150 connections at the end of five years. The Company has predicted an additional 583 connections for the proposed CC&N extension at the end of five years, resulting in a projected total customer base of approximately 733 at the end of five years. Based on the existing well production and storage capacities, the system can serve approximately 1,200 service connections.

#### Proposed Plant Facilities

The Company is proposing to extend its water system into the requested area at an estimated cost of \$1.5 million (approximately \$2,500 per lot) by extension of its distribution system through the use of debt and equity financing.

Staff concludes that the existing system will have adequate production and storage capacity to serve the existing and proposed CC&N extension areas within a conventional

Blessing Chukwu

August 15, 2006

Page 2

five year planning period and can reasonably be expected to develop additional production and storage as required in the future.

## **Arizona Department of Environmental Quality (“ADEQ”) Compliance**

### Compliance Status

According to an ADEQ report dated June 14, 2006, this system was not yet regulated and no compliance monitoring requirements exist. The system has received pertinent approvals to construct and approvals of construction permits. The first ADEQ field inspection was scheduled for June 2006.

According to an ADEQ report dated July 27, 2006, ADEQ has determined that the operation and maintenance of this system is in compliance with respect to the ADEQ Safe Drinking Water Rules.

### Certificate of Approval to Construct

The ADEQ Certificate of Approval to Construct (“ATC”) for facilities needed to serve the requested area has not been submitted by the Company. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, a copy of the ATC for the extension area within two years after the effective date of the decision in this case.

### Arsenic

The U.S. Environmental Protection Agency has reduced the arsenic maximum contaminant level (“MCL”) in drinking water from 50 parts per billion (“ppb”) to 10 ppb. According to the Company annual reports, the arsenic level for its Well #4 is 1 ppb. Based on this level, the Company is in compliance with the new arsenic standard.

## **Arizona Department of Water Resources Compliance**

### Compliance Status

The Company is located within the Pinal Active Management Area (“AMA”) and is in compliance with its reporting and conservation requirements.

### Certificate of Assured Water Supply (“CAWS”)

According to the Company, the developer has submitted an application for a CAWS. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, a copy the developer’s CAWS for the requested area within two years after the effective date of a decision in this case.

## **Curtailment Tariff**

The Company has an approved curtailment tariff that became effective on March 25, 2005 per Decision No. 67670.

## **Summary**

### Conclusions

- A. Staff concludes that the existing system will have adequate production and storage capacity to serve the existing and proposed CC&N extension area within a conventional five year planning period and can reasonably be expected to develop additional production and storage as required in the future.
- B. According to an ADEQ report dated July 27, 2006, ADEQ has determined that the operation and maintenance of this system is in compliance with respect to the ADEQ Safe Drinking Water Rules
- C. The Company indicated its arsenic level for its well source is 1 ppb. Based on this level, the Company is in compliance with the new arsenic standard.
- D. The Company is within the Pinal AMA and is in compliance with its reporting and conservation requirements.
- E. The Company has an approved curtailment tariff that became effective on March 25, 2005 per Decision No. 67670.

### Recommendations

- 1. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, a copy of the ATC for the extension area within two years after the effective date of the decision in this case.
- 2. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, a copy the developer's CAWS for the requested area within two years after the effective date of a decision in this case.

## MEMORANDUM

DATE: August 16, 2006

TO: Blessing Chukwu  
Executive Consultant III

FROM: Marlin Scott, Jr.   
Utilities Engineer

RE: Picacho Sewer Company  
Docket No. SW-03709A-06-0314 (CC&N Extension)

---

### **Introduction**

Picacho Sewer Company ("Company") has applied to extend its Certificate of Convenience and Necessity ("CC&N"). The requested area will add approximately 1/4 square-mile to the Company's existing 8-1/2 square-miles of certificated area. The Company serves a community east of Casa Grande in Pinal County.

### **Capacity**

#### Existing Utility Plant

According to the Company's application, the Company has a 250,000 gallon per day ("GPD") wastewater treatment plant ("WWTP") and collection system. Currently, the WWTP is not operational due to the fact that the planned community is in the early stages of development and the wastewater flows have been minimal. Due to these low flows from 22 service laterals, the influent is collected in a wetwell tank and hauled off site.

It is anticipated that the existing service area could grow to approximately 150 laterals at the end of five years. The Company has predicted an additional 600 laterals for the proposed CC&N extension at the end of five years, resulting in a projected total customer base of approximately 750 at the end of five years. Based on the existing WWTP capacity, the system can serve up to approximately 1,000 service laterals. Staff concludes that the existing WWTP will have capacity to serve the existing and proposed CC&N extension area.

Once effluent is produced from the WWTP, the effluent will be used by the golf course and any future excess flows will be sent to recharge basins and recharge wells.

### Proposed Plant Facilities

The Company is proposing to extend its sewer system into the requested area at an estimated cost of \$3.0 million (approximately \$5,000 per lot) by extension of its collection system through the use of debt and equity financing.

### **Arizona Department of Environmental Quality (“ADEQ”) Compliance**

#### Compliance Status

According to an ADEQ report dated August 1, 2006, the WWTP was not operational. The master planned community is in the early stages of development and wastewater flows have been minimal. Due to these low flows, the influent is collected in a wetwell tank and hauled away to the Sun Lakes WWTP in accordance with the Aquifer Protection Permit.

#### Aquifer Protection Permit (“APP”) and Section 208 Plan Amendment

The Company was issued a signed APP, dated May 4, 2005, for its 250,000 GPD wastewater treatment plant. The Company received an approved Section 208 Plan Amendment on June 17, 2005 for increased treatment capacity to 5.4 million GPD.

### **Summary**

#### Conclusions

- A. Staff concludes that the existing WWTP will have capacity to serve the existing and proposed CC&N extension area.
- B. According to an ADEQ report dated August 1, 2006, the WWTP was not operational. The master planned community is in the early stages of development and wastewater flows have been minimal. Due to these low flows, the influent is collected in a wetwell tank and hauled away to the Sun Lakes WWTP in accordance with the APP.
- C. The Company was issued a signed APP, dated May 4, 2005, for its 250,000 GPD wastewater treatment plant. The Company received an approved Section 208 Plan Amendment on June 17, 2005 for increased treatment capacity to 5.4 million GPD.

**MEMORANDUM**

TO: Blessing Chukwu  
Executive Consultant III  
Utilities Division

FROM: Barb Wells   
Information Technology Specialist  
Utilities Division

THRU: Del Smith   
Engineering Supervisor  
Utilities Division

DATE: May 23, 2006

RE: **PICACHO WATER COMPANY (DOCKET NO. W-03528A-06-0313)**

The area requested by Picacho Water for an extension has been plotted with no complications using the legal description provided with the application (a copy of which is attached).

Also attached is a copy of the map for your files.

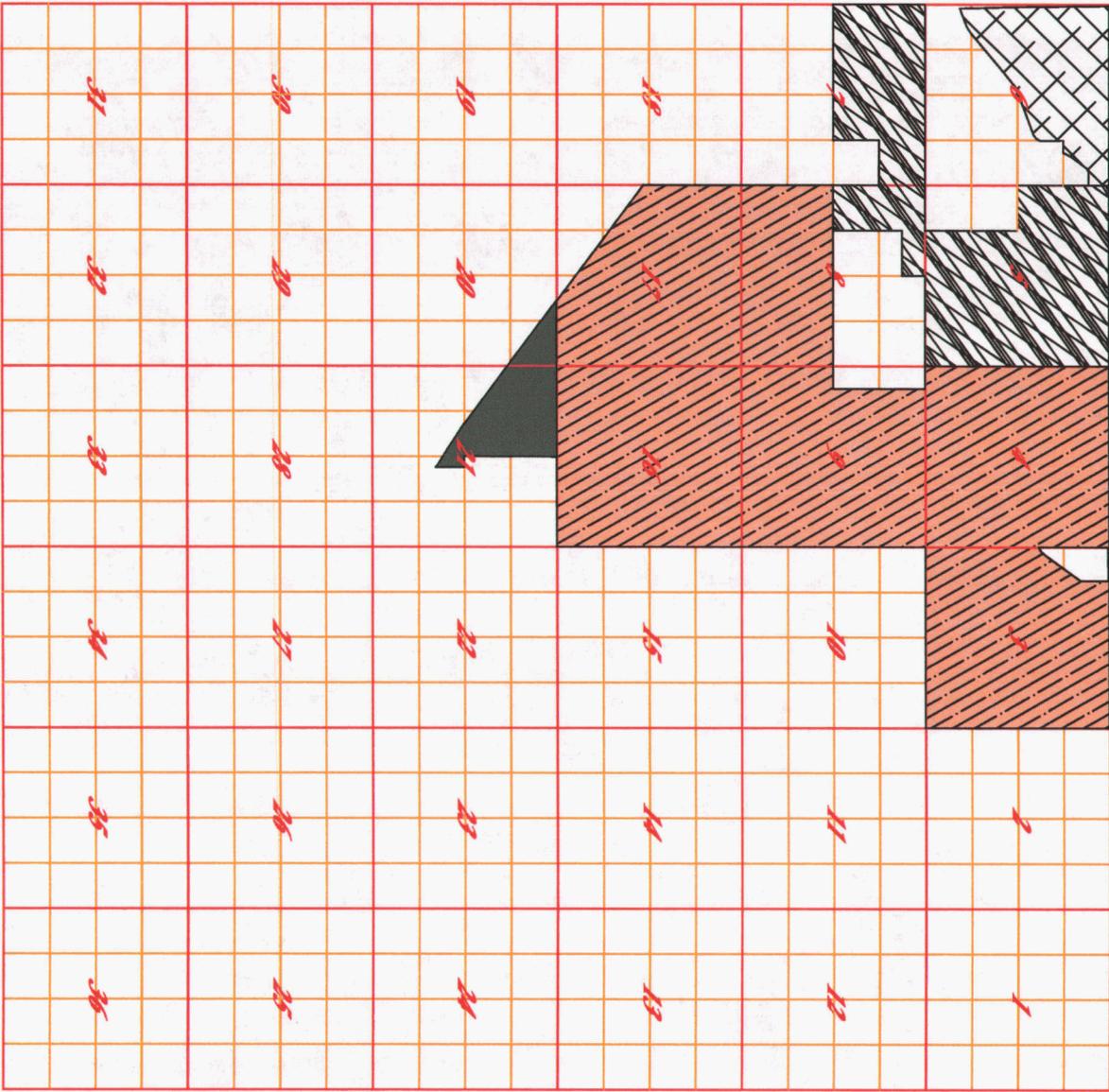
:bsw

Attachments

cc: Mr. Jim Poulos  
Ms. Deb Person (Hand Carried)  
File

**COUNTY:** Pinal

**RANGE 7 East**



**TOWNSHIP 7 South**

-  W-1445 (39)(11)  
Arizona Water Company (Casa Grande)
-  W-2497 (1)  
Golden Corridor Water Company
-  Sewer SW-3709 (2)  
Picacho Sewer Company
-  W-3528 (2)  
Picacho Water Company
-  Picacho Water Company  
Docket No. W-03528A-06-0313  
Application for Extension

EXHIBIT B

Legal Description

Robson Ranch Arizona  
Units 27 & 28  
Addition to Picacho Water Company CC&N

March 22, 2006

A parcel of land located within the Northeast Quarter of Section 20, and within the West Half and the Southeast Quarter of Section 21, Township 7 South, Range 7 East, of the Gila and Salt River Meridian, Pinal County, Arizona, more particularly described as follows:

BEGINNING at the Northwest Corner of said Section 21, a 5/8" rebar;

THENCE South 89°55'22" East 2,648.14 feet along the North line of the Northwest Quarter of said section, to the North Quarter Corner of said section, a GLO brass cap;

THENCE South 00°21'58" West 2,646.48 feet, along the North-South mid-section line of said Section 21, to the East-West mid-section line of said section;

THENCE South 89°46'12" East 332.91 feet along said East-West mid-section line;

THENCE South 00°23'21" West 809.82 feet to the Northeasterly line of Jimmie Kerr Boulevard (Highway 84);

THENCE North 53°50'54" West 85.98 feet along said Northeasterly line, to the beginning of a non-tangent curve, concave Southwesterly, having a radius of 11,509.16 feet, the center of which bears South 33°00'19" West;

THENCE Northwesterly 372.64 feet continuing along said Northeasterly line of Jimmie Kerr Boulevard, and along the arc of said curve, through a central angle of 01°51'18";

THENCE continuing along said Northeasterly line, North 58°50'59" West 274.00 feet, to the beginning of a tangent curve, concave Northeasterly, having a radius of 11,409.16 feet;

THENCE Northwesterly 777.56 feet continuing along said Northeasterly line of Jimmie Kerr Boulevard, and along the arc of said curve, through a central angle of 03°54'17", to the said East-West mid-section line of Section 21;

EXHIBIT B

Legal Description

Robson Ranch Arizona  
Units 27 & 28  
Addition to Picacho Water Company CC&N (cont'd)

March 22, 2006

THENCE South 89°46'12" East 20.30 feet along said mid-section line;

THENCE continuing along said Northeasterly line of Jimmie Kerr Boulevard, North 53°50'54" West 4,467.63 feet, to the North line of said Northeast Quarter of Section 20;

THENCE North 89°40'35" East 1,899.41 feet along said North line, to the TRUE POINT OF BEGINNING.

The above described parcel contains 7,766,054 square feet, or 178.2841 acres, more or less.



# MEMORANDUM

TO: Blessing Chukwu  
Executive Consultant III  
Utilities Division

FROM: Barb Wells   
Information Technology Specialist  
Utilities Division

THRU: Del Smith   
Engineering Supervisor  
Utilities Division

DATE: July 24, 2006

RE: **PICACHO SEWER COMPANY (DOCKET NO. W-03709A-06-0314)**  
**AMENDED LEGAL DESCRIPTION**

Picacho Sewer Company has amended its original application to remove a portion of the original requested area. The attached amended legal description has been docketed and should be used in place of the original description submitted with the application.

Also attached is a copy of the map for your files.

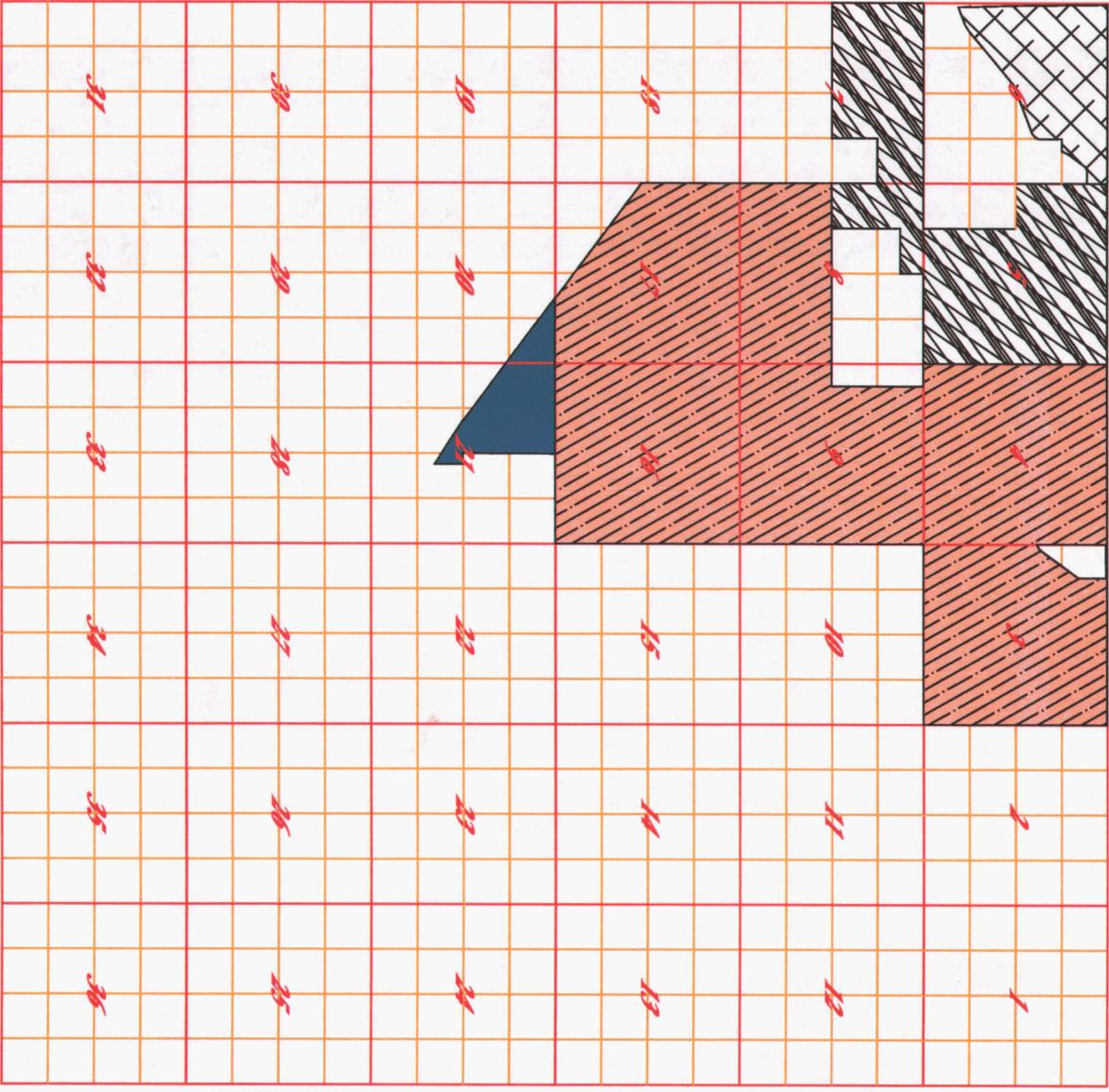
:bsw

Attachments

cc: Mr. Jim Poulos  
Ms. Deb Person (Hand Carried)  
File

# COUNTY: Pinal

## RANGE 7 East



## TOWNSHIP 7 South

-  W-1445 (39)(11)  
Arizona Water Company (Casa Grande)
-  W-2497 (1)  
Golden Corridor Water Company
-  Sewer SW-3709 (2)  
Picacho Sewer Company
-  W-3528 (2)  
Picacho Water Company
-  Picacho Sewer Company  
Docket No. SW-03709A-06-0314  
Application for Extension

AMENDED EXHIBIT B

Legal Description

Robson Ranch Arizona  
Units 27 & 28  
Addition to Picacho Sewer Company CC&N

March 22, 2006

A parcel of land located within the Northeast Quarter of Section 20, and within the West Half and the Southeast Quarter of Section 21, Township 7 South, Range 7 East, of the Gila and Salt River Meridian, Pinal County, Arizona, more particularly described as follows:

BEGINNING at the Northwest Corner of said Section 21, a 5/8" rebar;

THENCE South 89°55'22" East 2,648.14 feet along the North line of the Northwest Quarter of said section, to the North Quarter Corner of said section, a GLO brass cap;

THENCE South 00°21'58" West 2,646.48 feet, along the North-South mid-section line of said Section 21, to the East-West mid-section line of said section;

THENCE South 89°46'12" East 332.91 feet along said East-West mid-section line;

THENCE South 00°23'21" West 809.82 feet to the Northeasterly line of Jimmie Kerr Boulevard (Highway 84);

THENCE North 53°50'54" West 85.98 feet along said Northeasterly line, to the beginning of a non-tangent curve, concave Southwesterly, having a radius of 11,509.16 feet, the center of which bears South 33°00'19" West;

THENCE Northwesterly 372.64 feet continuing along said Northeasterly line of Jimmie Kerr Boulevard, and along the arc of said curve, through a central angle of 01°51'18";

THENCE continuing along said Northeasterly line, North 58°50'59" West 274.00 feet, to the beginning of a tangent curve, concave Northeasterly, having a radius of 11,409.16 feet;

THENCE Northwesterly 777.56 feet continuing along said Northeasterly line of Jimmie Kerr Boulevard, and along the arc of said curve, through a central angle of 03°54'17", to the said East-West mid-section line of Section 21;

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Addition to Picacho Sewer Company CC&N (cont'd)

March 22, 2006

THENCE South 89°46'12" East 20.30 feet along said mid-section line;

THENCE continuing along said Northeasterly line of Jimmie Kerr Boulevard, North 53°50'54" West 4,467.63 feet, to the North line of said Northeast Quarter of Section 20;

THENCE North 89°40'35" East 1,899.41 feet along said North line, to the TRUE POINT OF BEGINNING.

The above described parcel contains 7,766,054 square feet, or 178.2841 acres, more or less.

