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AZ CORP COMMISSION
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Transcript Exhibit(s)

Docket #(s): W-02121A-00-0310

SW-02563A-00-0310

Exhibit #: A1-A5 S1

Arizona Corporation Commission

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A-1

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SALLQUIST, DRUMMOND & O'CONNOR, P.C.
4500 S. Lakeshore Drive, Suite 339
Tempe, Arizona 85282
Telephone: (480) 839-5202 Fax: (480) 345-0412
Attorneys for Livco Water Company and Livco Sewer Company

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF)	DOCKET NO. W-02121A-06-_____
LIVCO WATER COMPANY FOR AN)	
EXTENSION OF ITS CERTIFICATE OF)	APPLICATION FOR EXTENSION
CONVENIENCE AND NECESSITY FOR THE)	OF CERTIFICATE OF
PROVISION OF WATER SERVICE IN)	CONVENIENCE AND
PORTIONS OF APACHE COUNTY,)	NECESSITY FOR WATER SERVICE
ARIZONA,)	

IN THE MATTER OF THE APPLICATION OF)	DOCKET NO. SW-02563A-06-_____
LIVCO SEWER COMPANY FOR AN)	
EXTENSION OF ITS CERTIFICATE OF)	APPLICATION FOR EXTENSION
CONVENIENCE AND NECESSITY FOR THE)	OF CERTIFICATE OF
PROVISION OF WASTEWATER SERVICE IN)	CONVENIENCE AND
PORTIONS OF APACHE COUNTY,)	NECESSITY FOR WASTEWATER
ARIZONA,)	SERVICE

Livco Water Company and Livco Sewer Company (collectively referred to as "LIVCO" or the "Company") submit this Application to extend their water and wastewater Certificates of Convenience and Necessity. In support of this Application, LIVCO states as follows:

1. LIVCO holds a Certificate of Convenience and Necessity ("CC&N") issued by the Arizona Corporation Commission ("Commission") to provide water and wastewater service in portions of Apache County, Arizona.

2. The Company has received a Request for Service for water and wastewater service from a property owner who's parcel is adjacent to the Company's existing water and wastewater CC&N.



1 3. A copy of the completed CC&N Extension Application for the Expansion Area as
2 required by the Commission is attached hereto as **Attachment One**.

3 4. The Developer is currently reviewing the Water Line Extension Agreement and the
4 Wastewater Line Extension Agreement ("LXA's") attached hereto as **Attachment Two**.
5 Executed copies of those Agreements substantially in the form attached will be docketed as late-
6 filed exhibits within 30 days.

7 5. LIVCO will provide service within the Expansion Area under its existing service rates,
8 charges, terms and conditions, as those rates may be amended by appropriate regulatory action.

9 6. As indicated in the Staff Report in the Livco Water Company Rate Application in
10 Docket No W-02121A-05-0820, the Company is presently providing water service to customers
11 within areas the previous owners of the Company failed to obtain a CC&N. The Company
12 hereby requests that it be granted a water CC&N for those portions of Section 7, 29, and 33,
13 Township 12 North, Range 26 East, G&SRB&M, Apache County Arizona, which have not been
14 previously Certificated to the Company as follows, and as described on **Exhibits B and C to**
15 **Attachment One:**

Section Number	Existing Customers	Maximum Customers	Distribution Facilities Status
7	42	380	One-half installed
29	1	358	Transmission installed
33	25	80	All installed

16
17
18
19
20 7. LIVCO will publish the form of notice attached hereto as **Exhibit I to Attachment**
21 **One** in a newspaper of general circulation in LIVCO's service area. An Affidavit of Publication
22 will be docketed upon completion of the publication.
23

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ATTACHMENTS

- One CC&N Form Application
- Two Water and Wastewater Line Extension Agreements

1 Richard L. Sallquist (002677)
Sallquist, Drummond & O'Connor, P.C.
2 4500 S. Lakeshore Drive, Suite 339
Tempe, Arizona 85282
3 (480) 839-5202

4 Attorneys for Livco Water Company and Livco Sewer Company

5 **BEFORE THE ARIZONA CORPORATION COMMISSION**

6 IN THE MATTER OF THE APPLICATION OF) DOCKET NO. W-02121A-06-_____
LIVCO WATER COMPANY FOR AN)
7 EXTENSION OF ITS CERTIFICATE OF) **APPLICATION FOR EXTENSION**
CONVENIENCE AND NECESSITY FOR THE) **OF CERTIFICATE OF**
8 PROVISION OF WATER SERVICE IN) **CONVENIENCE AND**
PORTIONS OF APACHE COUNTY,) **NECESSITY FOR WATER SERVICE**
9 ARIZONA,)

10 IN THE MATTER OF THE APPLICATION OF) DOCKET NO. SW-02563A-06-_____
11 LIVCO SEWER COMPANY FOR AN)
EXTENSION OF ITS CERTIFICATE OF) **APPLICATION FOR EXTENSION**
12 CONVENIENCE AND NECESSITY FOR THE) **OF CERTIFICATE OF**
PROVISION OF WASTEWATER SERVICE IN) **CONVENIENCE AND**
13 PORTIONS OF APACHE COUNTY,) **NECESSITY FOR WASTEWATER**
ARIZONA,) **SERVICE**
14)

15 This Application is substantially in the form prescribed by the Commission.

16 A. The name, address and telephone number of the Applicant is:

17 **Livco Water Company**
18 **P.O. Box 659**
Concho, Arizona 85924
19 **(928) 337-2266**

20 B. The name, address and telephone number of management contact:

21 **Rick Kautz, President**
P.O. Box 659
22 **Concho, Arizona 85924**
(928) 337-2266

23 **ATTACHMENT ONE**

1 C. List the name, address and telephone number of the operator certified by the Arizona
2 Department of Environmental Quality:

3 **Jeff Hammond**
4 **P.O.Box 870**
5 **St. Johns, Arizona 85936**
6 **(928) 337-2378**

7 D. List the name, address and telephone number of the attorney for the Applicant:

8 **Sallquist, Drummond & O'Connor, P.C.**
9 **Richard L. Sallquist**
10 **4500 S. Lakeshore Drive**
11 **Suite 339**
12 **Tempe, Arizona 85282**
13 **(480) 839-5202**

14 E. Attach the following exhibits that apply to you:

15 1. Certificate of Good Standing (if corporation)

16 **Please see attached Exhibit A.**

17 2. Corporate Resolution Authorizing this application (if required by the corporation's
18 Articles of Incorporation)

19 **N/A**

20 F. Attach a legal description of the area requested by either **CADASTRAL** (quarter section
21 description) or **METES AND BOUNDS** survey. References to parcels and docket will
22 not be accepted.

23 **Please see attached Exhibit B.**

G. Attach a detailed map using the form provided as attachment B. Shade and outline the area
requested. Also indicate present Certificated area using different colors of shading and
outline.

Please see attached Exhibit C.

H. Attach a current balance sheet and profit and loss statement.

Please see attached Exhibit D.

1 I. Please provide the following information:
2 1. Indicate the estimated number of customers, by class, to be served in the new area in
3 each of the next five years:

4 **Residential:**

5 First Year 14 Second Year 29 Third Year 46

6 Fourth Year 46 Fifth Year 46

7 **Commercial:**

8 First Year -0- Second Year -1- Third Year -1-

9 Fourth Year -1- Fifth Year -1-

10 **Industrial:**

11 First Year -0- Second Year -0- Third Year -0-

12 Fourth Year -0- Fifth Year -0-

13 **Irrigation:**

14 First Year -0- Second Year -0- Third Year -0-

15 Fourth Year -0- Fifth Year -0-

16 **Other: (specify)**

17 First Year -0- Second Year -0- Third Year -0-

18 Fourth Year -0- Fifth Year -0-

19 2. (WATER ONLY) Indicate the projected annual water consumption, in gallons, for
20 each of the customer classes in the new area for each of the next five years:

21 **Residential Per Customer:**

22 First Year 822,108 Second Year 1,702,438

23 Third Year 2,701,212 Fourth Year 2,701,212 Fifth Year 2,701,212

1 **Commercial:**

2 First Year 0 Second Year 44,400

3 Third Year 44,400 Fourth Year 44,400 Fifth Year 44,400

4 **Industrial:**

5 First Year N/A Second Year _____ Third Year _____

6 Fourth Year _____ Fifth Year _____

7 **Irrigation:**

8 First Year N/A Second Year _____ Third Year _____

9 Fourth Year _____ Fifth Year _____

10 **Other: (specify)**

11 First Year N/A Second Year _____ Third Year _____

12 Fourth Year _____ Fifth Year _____

- 13 3. (Water) Indicate the total estimated annual operating revenue from the new area for
14 each of the next five years:

15 First Year \$1,130 Second Year \$3,253 Third Year \$64,787

16 Fourth Year \$4,787 Fifth Year \$4,787

- 17 4. (Water) Indicate the total estimated annual operating expenses attributable to the
18 new area for each of the next five years:

19 First Year \$1,248 Second Year \$1,140 Third Year \$1,650

20 Fourth Year \$1,650 Fifth Year \$1,650

- 21 5. (Wastewater) Indicate the total estimated annual operating revenue from the new
22 area for each of the next five years:

23 First Year \$1,552 Second Year \$3,654 Third Year \$6,313

 Fourth Year \$6,313 Fifth Year \$6,313

1 6. (Wastewater) Indicate the total estimated annual operating expenses attributable to
2 the new area for each of the next five years:

3 First Year \$288 Second Year \$1,047 Third Year \$2,220

4 Fourth Year \$2,220 Fifth Year \$2,220

5 J. Total estimated cost to construct utility facilities to serve customers in the requested area:

6 **Water \$126,856 Wastewater \$89,989**

7 K. Explain method of financing utility facilities (see paragraph 8 of instructions)

8 **On-site facilities will be financed by the Developer using line extension agreements
that will be submitted to the Commission.**

9 L. Estimated starting and completion date of construction of utility facilities:

10 Starting date: Q2, 2006 Completion date: Q3, 2006

11 M. Attach the following permits:

12 1. Franchise from either the City or County for the area requested.

13 **To be late filed as Exhibit E.**

14 2. Arizona Department of Environmental Quality or designee's approval to construct
facilities.

15 **To be late filed as Exhibit F.**

16 3. Arizona State Land Department approval. N/A

17 4. U.S. Forest Service approval. N/A

18 5. (WATER ONLY) If the area requested is within an Active Management Area,
19 attach a copy of either the utility's Designation of an Assured Water Supply or the
developer's Certificate of 100 Year Assured Water Supply issued by the Arizona
Department of Water Resources.

20 **To be late filed as Exhibit G.**

21 If area requested is outside an Active Management Area, attach the developer's
22 Adequacy Statement issued by the Arizona Department of Water Resources if
applied for by the developer. N/A

1 If area requested is outside an Active Management Area and the developer does not
2 obtain an Adequacy Statement, provide sufficient detailed information to prove that
adequate water exists to provide water to the area requested. N/A

3 N. Attached hereto as **Exhibit H** is an Engineering Data Sheet showing the customer count and
4 consumption data for the latest 13 month period.

5 O. Attached hereto as **Exhibit I** are the forms of Notice of Publication and the Notice to
6 Property Owners in the area. The signed affidavits of mailing and publication will be late
7 filed as exhibits.

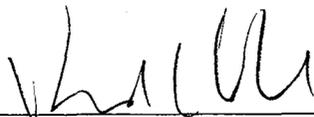
8 **DATED** this 1st day of May, 2006.

9 SALLQUIST, DRUMMOND & O'CONNOR, P.C.

10 By 
11 Richard L. Sallquist
12 4500 S. Lakeshore Drive, Suite 339
13 Tempe, Arizona 85282
14 Attorney for Livco Water Company
15 and Livco Sewer Company

16 Original and ten copies of the
17 foregoing filed this 1st day
18 of May, 2006, with:

19 Docket Control
20 Arizona Corporation Commission
21 1200 West Washington
22 Phoenix, Arizona 85007

23 

LIST OF EXHIBITS

<u>EXHIBIT</u>	<u>DESCRIPTION</u>
A	CERTIFICATE OF GOOD STANDING
B	LEGAL DESCRIPTION
C	MAP OF EXISTING AND REQUESTED AREA
D	2004 FINANCIAL STATEMENTS
E	COUNTY FRANCHISE (Late Filed)
F	ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY APPROVALS (Late Filed)
G	CERTIFICATE OF ADEQUATE WATER SUPPLY (Late Filed)
H	ENGINEERING DATA SHEET
I	NOTICE/AFFIDAVIT OF MAILING AND PUBLICATION

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION

CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

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

*****LIVCO SEWER COMPANY*****

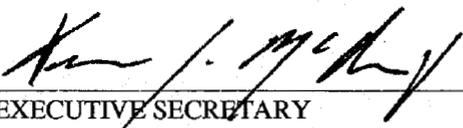
a domestic corporation organized under the laws of the State of Arizona, did incorporate on April 25, 1990.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 27th Day of February, 2006, A. D.




EXECUTIVE SECRETARY

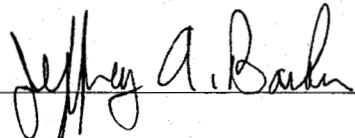
BY: 

EXHIBIT A

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION

CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

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

*****LIVCO WATER COMPANY*****

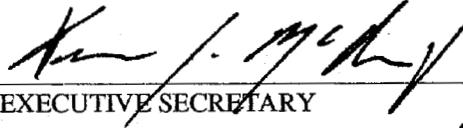
a domestic corporation organized under the laws of the State of Arizona, did incorporate on June 26, 1970.

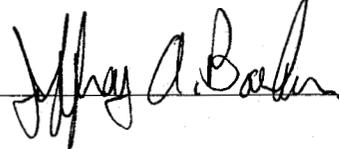
I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report,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

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IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 27th Day of February, 2006, A. D.




EXECUTIVE SECRETARY

BY: 

LEGAL DESCRIPTION

REQUESTED WATER EXPANSION AREA

Parcel 1

Please see attached, and

Parcel 2

All of Section 7, except Parcel 1 and those areas previously certificated to the Company, and

Parcel 3

All of Section 29, except those areas previously certificated to the Company, and

Parcel 4

All of Section 33

all located in Township 12 North, Range 26 East, G&SRB&M, Apache County Arizona

REQUESTED SEWER EXPANSION AREA

Parcel 1

Please see attached

CONCHO WEST SHORE SUBDIVISION

PRELIMINARY PLAN

A PROPOSED SUBDIVISION
IN A PORTION OF SECTIONS 7 & 18, T. 12 N., R. 26 E.,
G.&S.R.D.&M., CONCHO, APACHE COUNTY, ARIZONA

**LEGAL DESCRIPTION
CONCHO WEST SHORE SUBDIVISION**

A portion of Sections 7 and 18, T.12 N., R.26 E., G.&S.R.D.&M., Apache County, Arizona more particularly described as follows:

Commencing at a point marking the Northeast corner of said Section 18; thence South 86° 00' 07" West along the common boundary between Sections 7 & 18, a distance of 1,874.18 feet to the TRUE POINT OF BEGINNING; thence South 00° 50' 31" West, a distance of 1,378.86 feet to a point on the South boundary of the Northwest Quarter of the Northeast Quarter of Section 18, said point lying South 86° 24' 11" West a distance of 426.43 feet from the Northeast 1/16 Section corner; thence South 86° 24' 11" West along said 1/16 Section line a distance of 898.76 feet to a point on the Easterly right-of-way boundary of State Highway 61; thence North 18° 33' 42" East along the highway right-of-way, a distance of 1,437.83 feet to a point of curvatures; thence Northerly along the right-of-way boundary and along a curve being concave to the east, having a radius of 3,745 feet, through a central angle of 05° 14' 54" a distance of 343.05 feet; thence South 69° 00' 28" East a distance 361.78 feet; thence South 00° 50' 31" West a distance of 118.16 feet to the TRUE POINT OF BEGINNING.

Containing 23.04 acres, more or less
Subject to any existing easements or restrictions

CERTIFICATION

I HEREBY CERTIFY THAT THE PART AND SUBDIVISION OF THE PUBLIC LANDS DESCRIBED ABOVE IS ACCORDING TO THE PLAN AND MAP OF SAID SURVEY AND THAT I AM A LICENSED SURVEYOR AND THAT I AM QUALIFIED AND BELIEVE

Garth E. Heston, R.S. 1928

ISAACSON ENGINEERING
P.O. BOX 2008
TULSA, OKLAHOMA, 74101
PHONE: (405) 527-0610

**CONCHO WEST SHORE SUBDIVISION
LEGAL DESCRIPTIONS & DETAILS**

ISSUED PURSUANT TO THE ORDER OF GREEN DAVID,
COUNTY CLERK OF APACHE COUNTY, ARIZONA

FILED IN CONCHO COUNTY, ARIZONA, FEBRUARY 2, 1978

PAGE 2 OF 3

COUINITY Apache

RANGE 26 East

TOWNSHIP 12 North

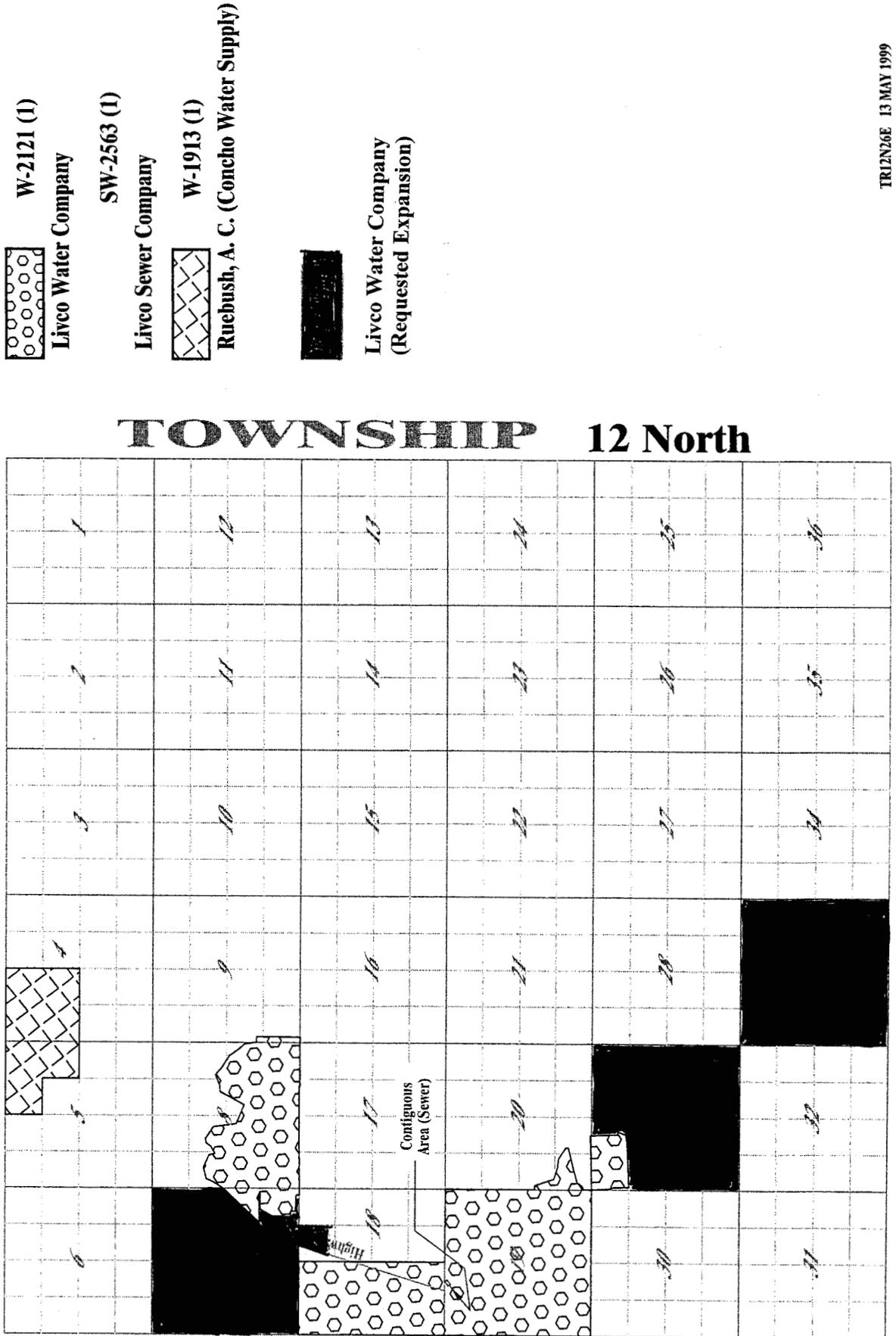
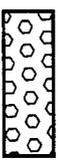


EXHIBIT C

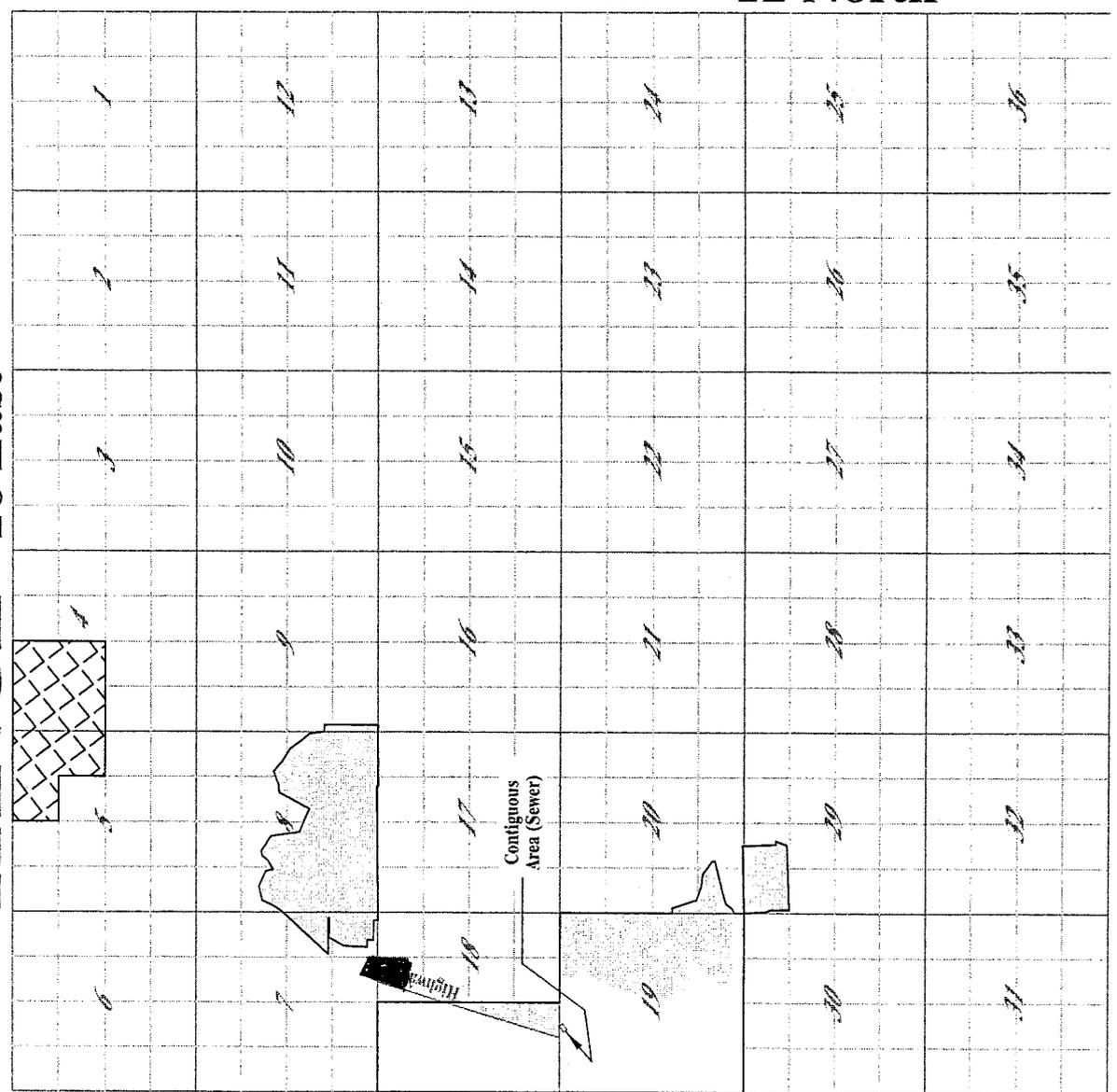
COUNTY Apache

RANGE 26 East

TOWNSHIP 12 North

 W-2121 (1)
 Livco Water Company
 SW-2563 (1)
 Livco Sewer Company
 W-1913 (1)
 Ruebush, A. C. (Concho Water Supply)

 Livco Sewer Company
 (Requested Expansion)



Livco Water & Sewer Co.
Balance Sheet
As of December 31, 2004

	Dec 31, 04
ASSETS	
Current Assets	
Checking/Savings	
131 · Checking Acct National Bank	224.97
Total Checking/Savings	224.97
Accounts Receivable	
141 · Customer Accounts Receivables	
141s · Cust A/R for sewer	281.20
141w · Cust A/R for water	6,508.93
Total 141 · Customer Accounts Receivables	6,790.13
Total Accounts Receivable	6,790.13
Total Current Assets	7,015.10
Fixed Assets	
300 · Plant - Water	
301 · Organization for water	1,882.00
303 · Land & land rights for water	1,060.00
304 · Structures & improvements - W	11,660.10
307 · Wells & Springs	46,784.00
311 · Electric Pumping Equipment - W	50,149.42
330 · Distrib'n reservoirs/standpipe	62,170.00
331 · Transmission/distribution mains	233,420.52
334 · Water Meters	46,281.34
335 · Hydrants	8,325.93
336 · Backflow Prevention - W	774.69
339 · Plant Structrs/Imprvmts other-W	949.99
340 · Office Furniture & Fixtures - W	1,852.62
343 · Tools & Equipment - W	1,529.90
347 · Misc Equipment - W	1,825.31
348 · Other Tangible Plant - W	12,477.58
Total 300 · Plant - Water	481,143.40
350 · Plant - Sewer	
354 · Structures & Improvements - S	3,273.17
360 · Collect.sewers,struct'rs, mains	74.55
371 · Sewer Pumping Equipment	14,363.46
381 · Plant Sewers	97,056.00
382 · Outfall Sewer Lines	126.63
390 · Office Furniture & Fixtures - S	211.71
393 · Tools & Equipment - S	4,810.00
398 · Other Tangible Plant - S	36,803.81
Total 350 · Plant - Sewer	156,719.33
108 · Acc Dep/Amor of utility plant	
108s · Acc dep/amor of plant for sewer	-97,655.42
108w · Acc dep/amor of plant for water	-362,242.29
Total 108 · Acc Dep/Amor of utility plant	-459,897.71
Total Fixed Assets	177,965.02
TOTAL ASSETS	184,980.12
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
231 · Accounts Payable	
231w · Accounts Payable - Water	8,305.82
231s · Accounts Payable - Sewer	5,845.64
Total 231 · Accounts Payable	14,151.46
Total Accounts Payable	14,151.46

Livco Water & Sewer Co.
Balance Sheet
As of December 31, 2004

	Dec 31, 04
Other Current Liabilities	
240 · Note Payable Shareholder	
240w · NP Shareholder - Water	8,312.31
240s · NP Shareholder - Sewer	3,766.87
Total 240 · Note Payable Shareholder	12,079.18
235 · Customer Deposits	
235s · Customer deposits for sewer	60.00
235w · Customer deposits for water	4,640.00
Total 235 · Customer Deposits	4,700.00
236 · Accrued taxes	
236.1 · Payroll Liabilities	8,883.56
Total 236 · Accrued taxes	8,883.56
Total Other Current Liabilities	25,662.74
Total Current Liabilities	39,814.20
Long Term Liabilities	
252 · Advances for Construction	
252w · Adv for constr for water	7,313.00
Total 252 · Advances for Construction	7,313.00
271 · Contrib in Aid of Construction	
271w · Contrib aid in const for water	139,985.00
Total 271 · Contrib in Aid of Construction	139,985.00
272 · Accum Amort in Aid in Construct	
272w · Acc amort aid const for water	-139,985.00
Total 272 · Accum Amort in Aid in Construct	-139,985.00
Total Long Term Liabilities	7,313.00
Total Liabilities	47,127.20
Equity	
201 · Common stock issued	
201s · Common stock for sewer	5,000.00
201w · Common stock for water	82,000.00
Total 201 · Common stock issued	87,000.00
211 · Other paid-in capital	
211s · Other paid-in captial for sewer	98,553.00
211w · Other paid-in capital for water	125,557.00
Total 211 · Other paid-in capital	224,110.00
215 · Retained earnings	
215s · Retained earnings for sewer	-57,135.71
215w · Retained earnings for water	-80,754.91
Total 215 · Retained earnings	-137,890.62
Net Income	-35,366.46
Total Equity	137,852.92
TOTAL LIABILITIES & EQUITY	184,980.12

Livco Water & Sewer Co.
Profit & Loss
January through December 2004

	Jan - Dec 04
Ordinary Income/Expense	
Income	
400 - Income for Water	
460 - Other Water Sales	0.00
461 - Metered Water Sales	94,443.08
471 - Other Water Operating Revenues	
471sf - Superfund	251.28
471tax - Tax on water bills	5,849.06
471 - Other Water Operating Revenues - Other	611.40
Total 471 - Other Water Operating Revenues	6,711.74
Total 400 - Income for Water	101,154.82
680wst - Water sales tax	-6,203.13
500 - Income for Sewer	
521 - Flat Rate Sewer Revenues	4,000.00
Total 500 - Income for Sewer	4,000.00
Total Income	98,951.69
Gross Profit	98,951.69
Expense	
408.2s - Payroll taxes	162.41
600 - Expenses for Water	
601 - Salaries & Wages - Water	15,435.64
615 - Purchased Power - Water	23,987.76
618 - Water Testing	2,094.64
619 - Water Treatment	39.93
620 - Repairs & Maintenance - Water	1,170.54
621 - Office Supplies & Exp - Water	6,888.44
630 - Outside Services - Water	15,824.89
640 - Rents - Water	300.00
655 - General Insurance - Water	2,791.22
675 - Misc Expenses - Water	93.39
408.1w - Taxes (not Prop & income) - W	128.36
408.2w - Payroll taxes	9,982.27
408.11w - Property Taxes - Water	3,759.86
409w - Income taxes for water	90.00
403w - Depreciation expense for water	17,268.00
426w - Other expense for water-baddebt	288.89
Total 600 - Expenses for Water	100,143.83
6560 - Payroll Expenses	0.00
700 - Expenses for Sewer	
701 - Salaries & Wages - Sewer	1,715.07
711 - Sludge Removal Expense	5,798.00
715 - Purchased Power - Sewer	4,591.62
718 - Sewage Treatment & Testing	3,089.75
720 - Repairs & Maintenance - Sewer	639.99
721 - Office Supplies & Exp - Sewer	644.94
730 - Outside Services - Sewer	7,361.74
755 - General Insurance - Sewer	1,449.90
775 - Misc Expenses - Sewer	57.18
403s - Depreciation expense for sewer	7,837.00
408.1s - Taxes (not Prop & Income) - S	12.50
408.11s - Property Taxes - Sewer	99.44
409s - Income taxes for sewer	90.00
426s - Other expense for sewer	25.80
Total 700 - Expenses for Sewer	33,412.93
Total Expense	133,719.17
Net Ordinary Income	-34,767.48
Other Income/Expense	

Livco Water & Sewer Co.
Profit & Loss
January through December 2004

	<u>Jan - Dec 04</u>
Other Income	
421 - Other income	
421w - Other income for water	8.00
Total 421 - Other income	<u>8.00</u>
Total Other Income	8.00
Other Expense	
426 - Other Expense	0.00
427 - Interest Expense	
427s - Interest expense for sewer	180.67
427w - Interest expense for water	426.31
Total 427 - Interest Expense	<u>606.98</u>
Total Other Expense	<u>606.98</u>
Net Other Income	<u>-598.98</u>
Net Income	<u><u>-35,366.46</u></u>

ARIZONA CORPORATION COMMISSION
Utilities Division

1200 WEST WASHINGTON PHOENIX ARIZONA 85007
 PHONES: 602-542-4201 1-800-222-7000

**EXTENSION AGREEMENT
 DATA SHEET**

EXTENSION AGREEMENT WITH:
CONCHO WEST SHORE SUBDIVISION

COMPANY NAME: **Livco Water Company**
 DIVISION:
 W.A. No.:
 ACC No.: **W-02121**

NUMBER OF PROPOSED CUSTOMERS:

PROJECTED PEAK USAGE (DOMESTIC GPM):

NUMBER OF CUSTOMERS BY MONTH FOR THE LAST 12 MONTHS	YEAR	
	2005	2006
JANUARY	362	358
FEBRUARY	360	
MARCH	359	
APRIL	360	
MAY	363	
JUNE	362	
JULY	363	
AUGUST	364	
SEPTEMBER	364	
OCTOBER	358	
NOVEMBER	361	
DECEMBER	358	

TOTAL GALLONS SOLD PER MONTH FOR LAST 12 MONTHS*	YEAR	
	2005	2006
JANUARY	1,776	1,798
FEBRUARY	1,490	
MARCH	1,406	
APRIL	1,521	
MAY	4,206	
JUNE	5,913	
JULY	6,595	
AUGUST	3,562	
SEPTEMBER	4,007	
OCTOBER	2,861	
NOVEMBER	2,059	
DECEMBER	1,481	
Total		47,543

WELL PUMP CAPACITY (GPM) **							
GPM	WELL #	GPM	WELL #	GPM	WELL #	GPM	WELL #
225	55-600014						
66	55-508123						

*** STORAGE CAPACITY (GALLONS):

BOOSTER PUMP CAPACITY (GPM)							
GPM	BOOSTER	GPM	BOOSTER	GPM	BOOSTER	GPM	BOOSTER

Will additional well capacity be needed as a result of this agreement? Yes No

Will new booster stations be necessary to serve the proposed addition? Yes No

* Reported in 10³ gallons
 ** ADEQ designation
 *** Include ground storage

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**PUBLIC NOTICE OF AN APPLICATION FOR AN
EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND
NECESSITY
BY LIVCO WATER COMPANY AND LIVCO SEWER COMPANY**

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Livco Water Company and Livco Sewer Company ("LIVCO") has filed with the Arizona Corporation Commission ("Commission") an application for authority for an extension of its Certificate of Convenience and Necessity to provide water and wastewater service. Our records indicate that you are either currently a customer of LIVCO or are a property owner in the proposed extension area. If the application is granted, LIVCOI would be the exclusive provider of water and wastewater service to the proposed area. LIVCO will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission. The granting of the application would not necessarily prohibit an individual from providing service to themselves from individually owned facilities on their property. The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, Phoenix, Arizona 85007, and at #1 County Road 5100 in Concho, Arizona

The Commission will hold a hearing on this matter. As a property owner or customer you may have the entitled to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. You may not receive any further notice of the proceeding unless requested by you.

If you have any questions or concerns about this application or have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000.

1 Richard L. Sallquist, Esq.
SALLQUIST, DRUMMOND & O'CONNOR, P.C.
2 4500 S. Lakeshore Drive, Suite 339
Tempe, Arizona 85282
3 Telephone: 480-839-5202
Attorneys for Livco Water Company and Livco Sewer Company

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5 **BEFORE THE ARIZONA CORPORATION COMMISSION**
6

7 IN THE MATTER OF THE) DOCKET NO. W-02121A-06-____
APPLICATION OF LIVCO WATER)
8 COMPANY FOR AN EXTENSION OF)
ITS CERTIFICATE OF)
9 CONVENIENCE AND NECESSITY)
FOR THE PROVISION OF WATER)
10 SERVICE IN PORTIONS OF APACHE)
COUNTY, ARIZONA.)

11 IN THE MATTER OF THE) DOCKET NO. SW-02563A-06-____
APPLICATION OF LIVCO SEWER)
12 COMPANY FOR AN EXTENSION OF)
ITS CERTIFICATE OF) **AFFIDAVIT OF MAILING**
13 CONVENIENCE AND NECESSITY)
FOR THE PROVISION OF)
14 WASTEWATER SERVICE IN)
PORTIONS OF APACHE COUNTY,)
15 ARIZONA ZONA.)

16 STATE OF ARIZONA)
17)ss
County of Apache)

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19 1. I am Rick Kautz, President of Livco Water Company and Livco Sewer
20 Company. My business address is #1 County Road, Concho, Arizona 85924.
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2. On May __, 2006, I caused the Notice in the forms attached hereto as Exhibit 1 and incorporated herein by reference for all purposes, to be mailed by first class mail, postage prepaid, to all property owners of record in the records of the Apache County Recorder's Office as of that date.

3. Further affiant sayeth naught

DATED this ____ day of May 2006.

LIVCO WATER COMPANY
LIVCO SEWER COMPANY

By: _____
Rick Kautz

The foregoing instrument was acknowledged before me this ____ day of May 2006, by Rick Kautz.

Notary Public

My Commission Expires:

Original and fifteen copies of the foregoing filed this ____ day of May, 2006, with:

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

**PUBLIC NOTICE OF AN APPLICATION FOR AN
EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND
NECESSITY
BY LIVCO WATER COMPANY**

Livco Water Company ("LIVCO") has filed with the Arizona Corporation Commission ("Commission") an application for authority for an extension of its Certificate of Convenience and Necessity to provide water service. Our records indicate that you are either currently a customer of LIVCO or are a property owner in the proposed extension area. If the application is granted, LIVCO would be the exclusive provider of water service to the proposed area. LIVCO will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission. The granting of the application would not necessarily prohibit an individual from providing service to themselves from individually owned facilities on their property. The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, Phoenix, Arizona 85007, and at #1 County Road 5100 in Concho, Arizona

The Commission will hold a hearing on this matter. As a property owner or customer you may have the entitled to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. You may not receive any further notice of the proceeding unless requested by you.

If you have any questions or concerns about this application or have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000.

Water and Wastewater Line Extension Agreements

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ATTACHMENT TWO

**ON-SITE LINE EXTENSION AGREEMENT
FOR
DEVELOPER INSTALLED WATER FACILITIES**

BETWEEN

LIVCO WATER COMPANY

AND

SINTRA CAPITAL, LLC

FOR

**CONCHO WEST SHORES SUBDIVISION
APACHE COUNTY, ARIZONA**

APRIL __, 2006

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**ON-SITE LINE EXTENSION AGREEMENT
FOR DEVELOPER INSTALLED WATER FACILITIES**

THIS ON-SITE LINE EXTENSION AGREEMENT, entered into this ____ day of April, 2006, by and between LIVCO WATER COMPANY (hereinafter referred to as the "Company") and SINTRA CAPITAL, LLC, an Arizona limited liability company (hereinafter referred to as the "Developer"), is for the construction of utility infrastructure necessary to provide water utility service to CONCHO WEST SHORE SUBDIVISION, a subdivision in Apache County, Arizona as shown on **Attachment 1** (hereinafter called the "Development" and at times the "Property").

WITNESSETH:

WHEREAS, Company represents and warrants to Developer that it owns and operates a public service corporation and holds a Certificate of Convenience and Necessity and other permits and governmental approvals required authorizing it to serve the public with water service at the Development; and

WHEREAS, Developer is developing the Property within the certificated area of the Company, which Development is more fully described in **Attachment 1** hereto and incorporated herein by reference for all purposes; and

WHEREAS, the Company does not presently have water distribution lines on the Property sufficient to serve the Development; and

WHEREAS, under such circumstances the Arizona Corporation Commission's ("Commission") Rules and Regulations permit the Company to require an Advance In Aid of Construction to provide such facilities; and

WHEREAS, unless otherwise provided in this Agreement, the defined terms herein shall have the same meaning as set forth in the Commission Rules and Regulations.

NOW, THEREFORE, it is mutually covenanted and agreed by and between the parties hereto as follows:

I. UTILITY PLANT ADDITIONS; COST; PAYMENT; HOOK-UP FEES ASSESSMENT AND REFUND; OTHER CHARGES; AND GROUNDWATER REPLENISHMENT DISTRICT

A. Utility Plant Additions. The Developer will construct, or cause to be constructed, the water utility plant described on **Attachment 2**, the cost of which is estimated on **Attachment 3**. For any subsequent phase of the Development, the Company and the Developer shall enter into a separate agreement in substantially the same form as this agreement.

B. Cost. The cost of construction of the subject plant as more fully detailed in **Attachment 3**, attached hereto and incorporated herein by reference for all purposes, is estimated to be \$199,519.85. The Construction Cost Advance shall be adjusted to the amount of the invoices provided to the Company as required in Articles III and VI.

C. **Payment.** Developer shall convey the facilities constructed under this Agreement pursuant to Articles III and VI. The payment of funds for the on-site facilities under this Agreement shall be deemed paid upon presentation of the documents pursuant to Article VI. Developer further agrees that upon execution of this Agreement, Developer will advance the applicable Administrative and Legal Fees as set forth in **Attachment 3** hereto.

D. **Other Water Utility Charges.** In the event the Developer or a Builder require construction water for grading, site preparation, road work, dust control or any other construction related purpose, the Developer or Builder shall contact the Company and request, and the Company shall supply, Construction Water Service pursuant to the Company's Tariff.

At the time the Developer, Builder, or a lot owner requests that a water meter be set at a specific lot line, the party requesting that service shall pay to the Company all Service Line Tariff and Water Advances Charges as authorized by the Company's Tariff.

II. SERVICE; COMPANY LIABILITY LIMITATIONS; APPLICABLE RATES

A. **Service.** Notwithstanding any reference to fire protection facilities contained in Attachment 2 or Attachment 3 hereto, the subject plant additions are being installed primarily for the purpose of providing domestic water service to the Development. However, under certain operating conditions, those facilities may provide limited fire protection service to an appropriate fire protection agency contracting with the Company for such service. Service will be provided in accordance with good utility practice.

B. **Company Liability.** Company's obligation for service shall be as set by the stricter of AAC R14-2-407(C) and (D), or this Agreement. Company shall comply with such regulations and any other applicable law.

C. **Applicable Rates.** It is mutually understood and agreed that the charges for water services to said Development shall be at the applicable rates of the Company which are currently on file with the Arizona Corporation Commission. Those rates are subject to change from time to time upon application of the Company and as approved by the Commission.

III. PERMITS AND LICENSES; EASEMENTS; TITLE

A. **Permits and Licenses.** Developer agrees to obtain at its sole expense all licenses, permits, certificates and approvals from public authorities which may be required for the construction of the Improvements on the Property under this Agreement or development of the subject Property and to comply with all municipal and other public laws, ordinances and requirements in regard to the same. The cost of obtaining such licenses, permits, certificates and approvals shall be added to the amount of the refundable Advance In Aid Of Construction. The Company shall be responsible for obtaining at its sole expense all licenses, permits, certificates and approvals from public authorities which may be required for the installation and operation of the off-site water treatment and supply facilities that will serve the Development and into which the Developer constructed facilities will be intertied and connected. The Company shall be responsible for the construction and operation at its cost of all other water production, treatment and distribution facilities necessary to serve the Development.

B. Easements. Prior to the commencement of construction, Developer shall dedicate on the Property upon which the subject facilities will be constructed, a perpetual easement for the construction, operation and maintenance of water lines, mains and appurtenant facilities, in the name of the Company, and in a form acceptable to the Company, or a public utilities easement for such purposes as approved by Apache County.

C. Title. All materials installed, facilities constructed and equipment provided by Developer in connection with construction of facilities under this Agreement and the completed facilities as installed for which an Approval of Construction has been issued by ADEQ, and which facilities the Company has provided written acceptance thereof, shall become the sole property of the Company, and full legal and equitable title thereto shall be then vested in the Company, free and clear of any liens, without the requirement of any written document of transfer to the Company or acceptance by the Company. Developer agrees to execute or cause to be executed promptly such documents as counsel for the Company may request to evidence good and merchantable title to said facilities free and clear of all liens. The Company shall confirm in writing the acceptance of title to the facilities.

IV. COMMENCEMENT OF PERFORMANCE AND TIME OF COMPLETION; PLANS AND SPECIFICATIONS; WORKMANSHIP, MATERIALS, EQUIPMENT AND MACHINERY; CONNECTING NEW FACILITIES; EXISTING UNDERGROUND FACILITIES RESPONSIBILITIES

A. Commencement of Performance and Time of Completion. It is estimated that the Developer started the construction work to be performed under this Agreement in April, 2006 and completed the construction work to be performed under this Agreement in July, 2006. Failure to meet those estimated dates shall in no way relieve the Developer or Company of any of their obligations under this Agreement.

B. Plans and Specifications. All plans, specifications and construction shall be in accordance with good utility practices and in accordance with all rules, regulations and requirements of regulatory agencies having jurisdiction over water service and facilities. All of said plans and specifications shall have all requisite approvals in writing of all necessary agencies and the approval in writing of Company before construction is commenced. The Company's review, revisions and approval shall be provided as promptly as possible. Plans and specifications as approved by Company for water facilities to be constructed hereunder will be incorporated herein by reference and made part of this Agreement when so approved.

C. Materials, Workmanship, Equipment and Machinery. All materials shall be new and both workmanship and materials shall be of good quality which meet the specifications and standards of the American Water Works Association Standards, the Arizona Corporation Commission, ADEQ, the Arizona Department of Health Services and all local regulatory agencies. Developer shall assign to the Company the warranties of its contractor(s) for the facilities to be built pursuant to this agreement or, if the Developer constructs the facilities itself, Developer agrees to pay all costs for removing and replacing any defective part or parts upon the Company providing written notice to the Developer within one year after such facilities being placed in regular operation.

D. Connecting New Facilities. The facilities constructed pursuant to the Agreement shall not be connected to the Company's existing facilities, or operated, without the prior written approval of Company, which approval shall not be unreasonably withheld.

E. Existing Underground Facilities Responsibility. Developer shall be responsible for complying with A.R.S. 40-360.21, et seq., and related local regulations, and will assume all costs and liabilities associated with (1) coordination with the owners or agents of all underground facilities within and adjacent to the Development regarding the location of such facilities, and (2) construction near, or damage to, such underground facilities. Developer will conduct, or cause to be conducted, all excavation in a careful and prudent manner in its construction of all facilities subject to this Agreement.

F. Additional Terms and Conditions. Any additional terms and conditions applicable to this Agreement are contained in **Attachment 4** attached hereto and incorporated herein.

V. INSPECTION, TESTING AND CORRECTION OF DEFECTS

Developer shall comply with the inspection and testing requirements of the Company for the facilities to be constructed hereunder; said requirements shall be reasonable and shall not cause Developer unwarranted delays in the ordinary course of construction. Developer shall promptly notify the Company when facilities under construction are ready for inspection and testing, and the Company shall inspect promptly after being so notified. The Company agrees to conduct any "open trench" inspection within 48 hours of the inspection date designated by Developer, provided Developer gives the Company at least 3 working days advance written notice of the inspection date, and the condition will be deemed automatically approved by Company if it fails to inspect the condition within such 48 hour period, provided the Company received such 3 working days advance written notice. If not inspected and approved by the Company, Developer shall provide within 10 working days its Engineer's Certificate of Approval that said facilities were installed in accordance with the approved plans and specifications.

For the purpose of inspection and testing of everything covered by this Agreement, or the work thereon, Developer shall give the Company and any inspectors appointed by it, free access to the working places and furnish every facility for properly inspecting such materials and work and shall furnish them with full information whenever requested as to the progress of the work on its various parts. The approval of work by any such inspector shall not relieve Developer from its obligation to comply in all respects with the instructions and specifications to make the work a finished job of its kind, completed in accordance with the plans and specification approved by the Company and are satisfactory to the Company upon inspection and testing. Developer agrees that no inspection by or on behalf of the Company shall relieve Developer from its obligation to do and complete the work in accordance with this Agreement. If at any time before the final completion and acceptance of the work any part of the work is found to be defective or deficient in any way, or in any way fails to conform to this Agreement, the Company is hereby expressly authorized to reject or revoke acceptance of such defective or deficient work and require Developer to do over and make good on such defective work. No costs incurred by Developer to do over or make good on defective or deficient work shall be included in the Amount of Advance pursuant to Paragraph 60004.00000.23

VIIA. The Company specifically reserves the right to withhold approval and to forbid connection of the facilities constructed pursuant to this Agreement to the Company's system unless such facilities have been constructed in accordance with the plans and specifications as approved by the Company and are satisfactory to the Company upon inspection and testing. Developer agrees that it will promptly correct all defects and deficiencies in construction, materials and workmanship upon request by the Company made subsequent to inspection by the Company.

VI. INVOICES; LIENS; "AS-BUILT" PLANS

A. **Invoices.** Developer agrees to furnish Company, within thirty (30) days after completion of construction, copies of Developer's, subcontractors', vendors' and all others' invoices for all engineering, surveying, and other services, materials installed, construction performed, equipment provided, materials purchased and all else done for construction pursuant to this Agreement at the actual cost thereof.

B. **Liens.** Developer acknowledges its duty to obtain lien waivers from all providing labor, materials or services hereunder. Developer hereby irrevocably waives any rights it may now have or which it may acquire during the course of this Agreement to record liens against the Company or its property. Developer shall also pay, satisfy and discharge, or bond over all mechanics', materialmen's and other liens, and all claims, obligations and liabilities which may be asserted against the Company or its property by reason of the Developer's construction of the Improvements to be constructed pursuant to this agreement.

C. **"As-Built" Plans.** Developer agrees to furnish the Company, within forty-five (45) days after completion of construction, "as-built" drawings showing the locations of all water mains, hydrants, valves, and service connections to all structures served from facilities which are constructed pursuant to this Agreement. The drawings shall be certified by the Developer's engineer of record and shall be provided on reproducible milar prints and in a digital format (i.e. AutoCad, MicroStation or .dxf format or as otherwise specified by the Company), all available data for the Development, including ALTA surveys, topographical, aerials, tentative plats, engineering plans, and final plats.

VII. AMOUNT OF ADVANCE; INCOME TAX; REFUND; TRANSFER

A. **Amount of Advance.** Based on the estimated cost contained in Paragraph I.B, and subject to receiving invoices pursuant to Paragraph VI.A, totaling at least the estimated cost and the income tax payable under Paragraph I.D, the Advance by the Developer shall be a total of \$199,519.85. Of the total advance, \$177,519.85 shall be refundable pursuant to this Paragraph VII. If the actual construction cost is less than the estimated Advance, the Advance shall be the lesser amount, to the extent supported by invoices provided pursuant to Paragraph VI.A. If the actual cost is more than the estimated Advance, the Advance shall be the greater amount, to the extent supported by invoices provided pursuant to Paragraph VI.A. If funds were advanced by the Developer for the construction by the Company, advances in excess of the actual construction, as well as advanced funds in excess of actual administration, engineering and legal costs, will be refunded to the Developer within thirty (30) days of completion and acceptance of the construction.

B. Time of Payment. The payment of the funds under this Agreement shall be as follows:

1. Upon execution of this Agreement, Developer shall advance the Administrative, Engineering and Legal costs as set forth in **Attachment 3**. This Advance totals \$18,138.17.
2. Upon completion of the construction to be performed by the Developer, Developer shall provide the documentation required by Paragraphs III, IV, V, and VI of this Agreement.

C. Income Taxes. In the event it is determined by Congress, the Internal Revenue Service, the Arizona Legislature or the Arizona Department of Revenue that all or a portion of the cost estimates in Attachment 3 is taxable income to the Company as of the date of this Agreement, or upon receipt of said costs or facilities by the Company, the Developer will advance funds equal to the applicable income taxes for the Company's state and federal tax liability on all funds advanced pursuant to this Agreement. These funds shall be payable by the Developer to the Company immediately upon notification to the Developer of the determination by the appropriate agency having jurisdiction. At the time the refunds are made pursuant to Paragraph VII.D, the Company shall also refund that portion of the income taxes associated with that refund that were advanced under this Paragraph VII.C. The income tax advance refunds shall be based on the annual refund amount under Paragraph VII.D, and computed at the same rate the advance was originally assessed.

D. Computation of Refund. Refunds of the Advance In Aid of Construction shall be made by the Company on or before the 31st day of August of each year commencing with August of 2007, covering any refunds owing from water revenues received during the preceding July 1 to June 30 period. Any additional charge made by the Company based on any sales, privilege tax, excise tax, or regulatory assessment, shall not be included in the computation. The annual refund shall equal ten percent (10%) of the total gross annual revenue from water sales to each bona fide customer in the Development for a period of ten (10) years from the date of this Agreement.

E. Maximum Refund; Interest on Advance; Limitation on Revenues. The refund to the Developer under this Agreement shall in no event exceed the amount of the Advance, as adjusted. No interest shall be paid by the Company on any amounts advanced. The Company shall make no refunds from any revenue received from properties other than those located within the phase of the Development covered by this Agreement and contained within the area identified in Attachment 1 to this Agreement.

F. Transfer of Facilities. In the event of the sale, conveyance or transfer by the Company, pursuant to the approval of the Arizona Corporation Commission, of any portion of its water system, including the facilities serving the Development and installed pursuant to the terms of this Agreement, the Company's obligation under Paragraph VII.D hereto shall cease (except as to any payment which is then due) conditioned upon the transferee assuming, and agreeing to pay the Developer, any sums becoming payable to Developer thereafter in accordance with the provisions of Paragraph VII.D of this Agreement.

G. Company's Right of First Refusal. Before selling or transferring the obligation of the Company under this Agreement to refund the Advance, Developer shall first give the Company, or its assigns, reasonable opportunity to purchase the same at the same price and upon the same terms as contained in any bona fide offer which Developer has received from any third person or persons which he may desire to accept. This provision shall not apply to Developer's assigning or pledging the Agreement in connection with any lender's requirements.

VIII. RISK; LIABILITY; INSURANCE

A. Risk. Developer shall carry on all work required hereunder at its own risk until the same is fully completed and accepted by the Company and will, in case of accident, destruction or injury to the work or material before such final completion and acceptance, replace or repair forthwith the work of materials so injured, damaged or destroyed, in accordance with the original approved plans and specifications and to the satisfaction of the Company and at Developer's own expense.

B. Liability. Developer hereby assumes the entire responsibility and liability for injury or death of any person, or loss for damage to any property contributed to or caused by the active or passive negligence of Developer, its agents, servants, employees, or subcontractors incurred during the course of construction of the facilities. Accordingly, DEVELOPER WILL INDEMNIFY AND HOLD HARMLESS the Company, its officers, directors, engineers, agents and employees from and against such claims or expenses, including penalties and assessments, to which they or any of them may be subjected by reason of such injury, death, loss, claim, penalty, assessment or damage, and in case any suit or other proceeding shall be brought on account thereof, Developer will assume the defense at Developer's own expense and will pay all judgments rendered therein.

C. Insurance. Developer agrees to produce and maintain all insurances described below, including insurance covering the obligations assumed by Developer under Paragraph VIII.A and Paragraph VIII.B hereof. Certificates of Insurance shall be provided to the Company before the commencement of actual construction.

1. Workmens' compensation in the benefit amounts, and occupational disease disability insurance, as required by the laws and regulations of the state.
2. Comprehensive general liability insurance, with minimum combined single limits of \$1,000,000.00, and including operations and protective liability coverages. When the work to be performed requires blasting, Developer's insurance shall specifically cover that risk.
3. Comprehensive automobile liability insurance with minimum combined single limits of \$1,000,000.00, and covering all owned and non-owned automobiles or trucks used by or on behalf of Developer, in connection with the work.

IX. MISCELLANEOUS

Before this Agreement shall become effective and binding upon either the Company or the Developer, it must be approved by the Arizona Corporation Commission or its authorized representative. In the event that it is not so approved this Agreement shall be null and void and of no force or effect whatsoever. This Agreement may not be modified or amended except by a writing signed by both parties. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona. This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof and expressly supersedes and revokes all other prior or contemporaneous promises, representations and assurances of any nature whatsoever with respect to the subject matter hereof. The remedies provided in this Agreement in favor of the Company shall not be deemed its exclusive remedies but shall be in addition to all other remedies available at law or in equity. No waiver by either party of any breach of this agreement nor any failure by either party to insist on strict performance by the other party of any provision of this agreement shall in any way be construed to be a waiver of any future or subsequent breach by such defaulting party or bar the non-defaulting party's right to insist on strict performance by the defaulting party of the provisions of this agreement in the future. Developer is an independent contractor and not an agent or employee of the Company. This Agreement shall inure to the benefit of, be binding upon, and be enforceable by the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

LIVCO WATER COMPANY

SINTRA CAPITAL, L.L.C.

By _____

By _____

Its _____
"Company"

Its _____
"Developer"

ATTACHMENT 1

MAP AND LEGAL DESCRIPTION OF DEVELOPMENT

46 Residential Lots plus irrigation service within CONCHO WEST SHORES SUBDIVISION, a subdivision in Apache County, Arizona, plus one commercial parcel.

Please see attached plat plan.

ATTACHMENT 2

ENGINEERING PLAN OF WATER UTILITY PLANT

Please see attached

ATTACHMENT 3
ESTIMATED ON-SITE AND OFF-SITE FACILITIES
AND ESTIMATED COSTS FOR
DOMESTIC AND FIRE PROTECTION SERVICES ¹

<u>Description</u>	<u>Quantity</u>	<u>Unit</u>	<u>Refundable</u>	<u>Non-Refundable</u>	<u>TOTAL</u>
(Please see attached bid)					
		SUBTOTAL	\$161,381.69	\$20,000.00	\$181,381.69
Engineer, Company Supervision and Legal Fees			<u>\$16,138.17</u>	<u>\$2,000.00</u>	<u>\$22,000.00</u>
TOTAL ADVANCE/CONTRIBUTION			\$177,519.85	\$22,000.00	\$199,519.85

¹ The size and quantity of the required facilities and the cost of those facilities will be subsequently revised in accordance with the approved engineering plans. Thereafter, this Attachment and the Agreement shall be revised to reflect actual cost pursuant to Paragraph B.

ATTACHMENT 4

ADDITIONAL TERMS AND CONDITIONS

- Check and initial if none

Company

Developer

ON-SITE LINE EXTENSION AGREEMENT
FOR
DEVELOPER INSTALLED WASTEWATER FACILITIES

BETWEEN

LIVCO SEWER COMPANY

AND

SINTRA CAPITAL, LLC

FOR

CONCHO WEST SHORE SUBDIVISION
APACHE COUNTY, ARIZONA

APRIL __, 2006

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**ON-SITE LINE EXTENSION AGREEMENT
FOR DEVELOPER INSTALLED WASTEWATER FACILITIES**

THIS ON-SITE LINE EXTENSION AGREEMENT, entered into this ____ day of April, 2006, by and between LIVCO SEWER COMPANY (hereinafter referred to as the "Company") and SINTRA CAPITAL, LLC, an Arizona limited liability company (hereinafter referred to as the "Developer"), is for the construction of utility infrastructure necessary to provide wastewater utility service to CONCHO WEST SHORES SUBDIVISION, a subdivision in Apache County, Arizona as shown in **Attachment 1** (hereinafter called the "Development" or at time the "Property").

WITNESSETH:

WHEREAS, Company owns and operates a public service corporation and holds a Certificate of Convenience and Necessity and represents to Developer that it has permits and governmental approvals required to authorize it to serve the public with wastewater service at the Development; and

WHEREAS, Developer is developing property within the certificated area of the Company, which Development is more fully described in **Attachment 1** hereto and incorporated herein by reference for all purposes; and

WHEREAS, the Company does not presently have wastewater collection lines on the Property sufficient to serve the Development; and

WHEREAS, under such circumstances the Arizona Corporation Commission's ("Commission") Rules and Regulations permit the Company to require an Advance In Aid Of Construction to provide such facilities; and

WHEREAS, unless otherwise provided in this Agreement, the defined terms herein shall have the same meaning as set forth in the Commission Rules and Regulations.

NOW, THEREFORE, it is mutually covenanted and agreed by and between the parties hereto as follows:

I. UTILITY PLANT ADDITIONS; COST; PAYMENT; HOOK-UP FEES; AND OTHER CHARGES

A. Utility Plant Additions. The Developer will construct, or cause to be constructed, the wastewater utility plant described on **Attachment 2**, the cost of which is estimated in **Attachment 3**. For any subsequent phase of the Development, the Company and the Developer shall enter into a separate agreement in substantially the same form as this agreement.

B. Cost. The cost of construction of the subject plant as more fully detailed in **Attachment 3**, attached hereto and incorporated herein by reference for all purposes, is estimated to be \$ 269,404.30. The Construction Cost Advance shall be adjusted to the amount of the invoices provided to the Company as required in Articles III and VI.

C. **Payment.** Developer shall convey the facilities constructed under this Agreement pursuant to Articles III and VI. The payment of funds for the on-site facilities under this Agreement shall be deemed paid upon presentation of the documents pursuant to Article VI. Developer further agrees that upon execution of this Agreement, Developer will advance the applicable Administrative and Legal Fees as set forth in **Attachment 3** hereto.

D. **Other Wastewater Utility Charges.** At the time the Developer, Builder or a lot owner requests that a water meter be set at a specific lot line, the party requesting that service will also be required to initiate wastewater service and shall be responsible for paying to the Company Service Line Connection Charges as authorized by the Company's Tariff.

II. SERVICE; COMPANY LIABILITY; APPLICABLE RATES

A. **Service.** The subject plant additions are being installed for the purpose of providing domestic wastewater service to the Development consistent with the Company's Rules and Regulations. Service will be provided in accordance with good utility practice.

B. **Company Liability.** Company's obligation for service shall be as set by the stricter of AAC R14-2-607(C) and (D) or this Agreement. Company shall comply with such regulations and any other applicable law.

C. **Applicable Rates.** It is mutually understood and agreed that the charges for wastewater services to said Development shall be at the applicable rates of the Company which are currently on file with the Arizona Corporation Commission. Those rates are subject to change from time to time upon application of the Company and as approved by the Commission.

III. PERMITS AND LICENSES; EASEMENTS; TITLE

A. **Permits and Licenses.** Developer agrees to obtain at its own expense all licenses, permits, certificates and approvals from public authorities which may be required for the construction of facilities under this Agreement or development of the subject Property and to comply with all municipal and other public laws, ordinances and requirements in regard to the same. The cost of obtaining such licenses, permits, certificates and approvals shall be added to the amount of the refundable Advance In Aid Of Construction. The Company shall be responsible for obtaining at its own expense all licenses, permits, certificates and approvals from public authorities which may be required for the installation and operation of the off-site wastewater treatment and collection facilities that will serve the Development and into which the Developer constructed facilities shall intertie and connect. The Company shall be responsible for the construction and operation at its cost of all other wastewater treatment and collection facilities necessary to serve the Development.

B. **Easements.** Prior to the commencement of construction, Developer shall dedicate for the Property upon which the facilities to be constructed pursuant to this agreement will be installed, a perpetual easement for the construction, operation and maintenance of wastewater lines, mains and appurtenant facilities, in the name of the Company, and in a form acceptable to the Company, or a public utilities easement for such purposes as approved by Apache County.

C. **Title.** All materials installed, facilities constructed and equipment provided by Developer in connection with construction of facilities under this Agreement and the completed facilities as installed for which an Approval of Construction has been issued by ADEQ, and which facilities the Company has provided written acceptance, shall become the sole property of the Company, and full legal and equitable title thereto shall be then vested in the Company, free and clear of any liens, without the requirement of any written document of transfer to the Company or acceptance by the Company. Developer agrees to execute or cause to be executed promptly such documents as counsel for the Company may request to evidence good and merchantable title to said facilities free and clear of all liens. The Company shall confirm in writing the acceptance of title to the facilities.

IV. **COMMENCEMENT OF PERFORMANCE AND TIME OF COMPLETION; PLANS AND SPECIFICATIONS; WORKMANSHIP, MATERIALS, EQUIPMENT AND MACHINERY; CONNECTING NEW FACILITIES; EXISTING UNDERGROUND FACILITIES RESPONSIBILITIES**

A. **Commencement of Performance and Time of Completion.** It is estimated that the Developer will start the construction work to be performed under this Agreement in April, 2006 and will complete the construction work to be performed under this Agreement in July, 2007. Failure to meet those estimated dates shall in no way relieve the Developer or Company of any of their obligations under this Agreement.

B. **Plans and Specifications.** All plans, specifications and construction shall be in accordance with good utility practices and in accordance with all rules, regulations and requirements of regulatory agencies having jurisdiction over wastewater service and facilities. All of said plans and specifications shall have all requisite approvals in writing of all necessary agencies and the approval in writing of Company before construction is commenced. The Company's review, revisions and approval shall be provided as promptly as possible. Plans and specifications as approved by the Company for wastewater facilities to be constructed hereunder will be incorporated herein by reference and made part of this Agreement when so approved.

C. **Materials, Workmanship, Equipment and Machinery.** All materials shall be new and both workmanship and materials shall be of good quality which meet the specifications and standards of the Arizona Corporation Commission, ADEQ, the Arizona Department of Health Services and all local regulatory agencies. Developer shall assign to the Company the warranties of its contractor for the facilities to be built pursuant to this agreement or, if the Developer constructs the facilities itself, Developer agrees to pay all costs for removing and replacing any defective part or parts upon the Company providing written notice to the Developer within one year after such facilities being placed in regular operation.

D. **Connecting New Facilities.** The facilities constructed pursuant to the Agreement shall not be connected to the Company's existing facilities without the prior written approval of Company, which approval shall not be unreasonably withheld. Nor shall said facilities be operated prior to connection to the Company's facilities. Any such operation may result in either rejection of the facilities by the Company, or extraordinary charges to the Developer to purge the subject facilities prior to acceptance.

E. Existing Underground Facilities Responsibility. Developer shall be responsible for complying with A.R.S. 40-360.21, et seq., and related local regulations, and will assume all costs and liabilities associated with (1) coordination with the owners or agents of all underground facilities within and adjacent to the Development regarding the location of such facilities, and (2) construction near, or damage to, such underground facilities. Developer will conduct, or cause to be conducted, all excavation in a careful and prudent manner in its construction of all facilities subject to this Agreement.

F. Additional Terms and Conditions. Any additional terms and conditions applicable to this Agreement are contained in **Attachment 4** attached hereto and incorporated herein.

V. INSPECTION, TESTING AND CORRECTION OF DEFECTS

Developer shall comply with the inspection and testing requirements of the Company for the facilities to be constructed hereunder; said requirements shall be reasonable and shall not cause Developer unwarranted delays in the ordinary course of construction. Developer shall promptly notify the Company when facilities under construction are ready for inspection and testing, and the Company shall inspect promptly after being so notified. The Company agrees to conduct any "open trench" inspection within 48 hours of the inspection date designated by Developer, provided Developer gives the Company at least 3 working days advance written notice of the inspection date, and the condition will be deemed automatically approved by Company if it fails to inspect the condition within such 48 hour period, provided the Company received such 3 working days advance written notice. If not inspected and approved by the Company, Developer shall provide within 10 working days its Engineer's Certificate of Approval that said facilities were installed in accordance with the approved plans and specifications.

For the purpose of inspection and testing of everything covered by this Agreement, or the work thereon, Developer shall give the Company and any inspectors appointed by it, free access to the working places and furnish every facility for properly inspecting such materials and work and shall furnish them with full information whenever requested as to the progress of the work on its various parts. The approval of work by any such inspector shall not relieve Developer from its obligation to comply in all respects with the instructions and specifications to make the work a finished job of its kind, completed in accordance with the plans and specifications approved by the Company and are satisfactory to the Company upon inspection and testing. Developer agrees that no inspection by or on behalf of the Company shall relieve Developer from its obligation to do and complete the work in accordance with this Agreement. If at any time before the final completion and acceptance of the work any part of the work is found to be defective or deficient in any way, or in any way fails to conform to this Agreement, the Company is hereby expressly authorized to reject or revoke acceptance of such defective or deficient work and require Developer to do over and make good on such defective work. No costs incurred by Developer to do over or make good on defective or deficient work shall be included in the Amount of Advance pursuant to Paragraph A. The Company specifically reserves the right to withhold approval and to forbid connection of the facilities constructed pursuant to this Agreement to the Company's system unless such facilities have been constructed in accordance with the plans and specifications as approved by the Company and are satisfactory to the Company upon inspection and testing. Developer agrees that it will

promptly correct all defects and deficiencies in construction, materials and workmanship upon request by the Company made subsequent to inspection by the Company.

VI. INVOICES; LIENS; "AS-BUILT" PLANS

A. Invoices. Developer agrees to furnish Company, within thirty (30) days after completion of construction, copies of Developer's, subcontractors', vendors' and all others' invoices for all engineering, surveying, and other services, materials installed, construction performed, equipment provided, materials purchased and all else done for construction pursuant to this Agreement at the actual cost thereof.

B. Liens. Developer acknowledges its duty to obtain lien waivers from all providing labor, materials or services hereunder. Developer hereby irrevocably waives any rights it may now have or which it may acquire during the course of this Agreement to record liens against the Company or its property. Developer shall also pay, satisfy and discharge, or bond over, all mechanics', materialmen's and other liens, and all claims, obligations and liabilities which may be asserted against the Company or its property by reason of the Developer's construction of the Improvements to be constructed pursuant to this agreement.

C. "As-Built" Plans. Developer agrees to furnish the Company, within forty-five (45) days after completion of construction, "as-built" drawings showing the locations of all wastewater man holes, lift stations, mains, valves, and service connections to all structures served from facilities which are constructed pursuant to this Agreement. The drawings shall be certified by the Developer's engineer of record and shall be provided on reproducible milar prints, and in a digital format (i.e. AutoCad, MicroStation or .dxf format or as otherwise specified by the Company), all available data for the Development, including ALTA surveys, topographical, aerials, tentative plats, engineering plans, and final plats.

VII. AMOUNT OF ADVANCE; INCOME TAX; REFUND; TRANSFER

A. Amount of Advance. Based on the estimated cost contained in Paragraph I.B., and subject to receiving invoices pursuant to Paragraph VIA, totalling at least the estimated cost, the Advance by the Developer shall be a total of \$269,404.30. Of the total advance, \$269,404.30 shall be refundable pursuant to this Paragraph VII. If the actual construction cost is less than the estimated Advance, the Advance shall be the lesser amount, to the extent supported by invoices provided pursuant to Paragraph VIA. If the actual construction cost is more than the estimated Advance, the Advance shall be the greater amount, to the extent supported by invoices provided pursuant to Paragraph VIA. If funds were advanced by the Developer for the construction by the Company, advances in excess of the actual construction, as well as advanced funds in excess of actual administration, engineering and legal costs, will be refunded to the Developer within thirty (30) days of completion and acceptance of the construction.

B. Time of Payment. The payment of the funds under this Agreement shall be as follows:

1. Upon execution of this Agreement, Developer shall advance the Administrative, Engineering and Legal costs as set forth in **Attachment 3**. This Advance totals \$24,491.30.
2. Upon completion of the construction to be performed by the Developer, Developer shall provide the documentation required by Paragraphs III, IV, V, and VI of this Agreement.

C. Income Taxes. In the event it is determined by Congress, the Internal Revenue Service, the Arizona Legislature or the Arizona Department of Revenue that all or a portion of the cost estimates in Attachment 3 is taxable income to the Company as of the date of this Agreement, or upon receipt of said costs or facilities by the Company, the Developer will advance funds equal to the applicable income taxes for the Company's state and federal tax liability on all funds advanced pursuant to this Agreement. These funds shall be payable by the Developer to the Company immediately upon notification to the Developer of the determination by the appropriate agency having jurisdiction. At the time the refunds are made pursuant to Paragraph VII.D, the Company shall also refund that portion of the income taxes associated with that refund that were advanced under this Paragraph VII.C. The income tax advance refunds shall be based on the annual refund amount under Paragraph VII.D, and computed at the same rate the advance was originally assessed.

D. Computation of Refund. Refunds of the Advance In Aid of Construction shall be made by the Company on or before the 31st day of August of each year commencing with August of 2007, covering any refunds owing from wastewater revenues received during the preceding July 1 to June 30 period. Any additional charge made by the Company based on any sales, privilege tax, excise tax, or regulatory assessment, shall not be included in the computation. The annual refund shall equal ten percent (10%) of the total gross annual revenue from wastewater sales to each bona fide customer in the Development for a period of ten (10) years from the date of this Agreement.

E. Maximum Refund; Interest on Advance; Limitation on Revenues. The refund to the Developer under this Agreement shall in no event exceed the amount of the Advance, as adjusted. No interest shall be paid by the Company on any amounts advanced. The Company shall make no refunds from any revenue received from properties other than those located within the phase of the Development covered by this Agreement and contained within the area identified in Attachment 1 to this Agreement.

F. Transfer of Facilities. In the event of the sale, conveyance or transfer by the Company, pursuant to the approval of the Arizona Corporation Commission, of any portion of its wastewater system, including the facilities serving the Development and installed pursuant to the terms of this Agreement, the Company's obligation under Paragraph VIID hereto shall cease (except as to any payment which is then due) conditioned upon the transferee assuming, and agreeing to pay the Developer, any sums becoming payable to Developer thereafter in accordance with the provisions of Paragraph VIID of this Agreement.

G. Company's Right of First Refusal. Before selling or transferring the obligation of the Company under this Agreement to refund the Advance, Developer shall first give the Company, or its assigns, reasonable opportunity to purchase the same at the same price and upon the same terms as contained in any bona fide offer which Developer has received from any third person or

persons which he may desire to accept. This provision shall not apply to Developer's assigning or pledging the Agreement in connection with any lender's requirements.

VIII. RISK; LIABILITY; INSURANCE

A. Risk. Developer shall carry on all work required hereunder at its own risk until the same is fully completed and accepted by the Company and will, in case of accident, destruction or injury to the work or material before such final completion and acceptance, replace or repair forthwith the work of materials so injured, damaged or destroyed, in accordance with the original approved plans and specifications and to the satisfaction of the Company and at Developer's own expense.

B. Liability. Developer hereby assumes the entire responsibility and liability for injury or death of any person, or loss for damage to any property contributed to or caused by the active or passive negligence of Developer, its agents, servants, employees, or subcontractors incurred during the course of construction of the facilities. Accordingly, DEVELOPER WILL INDEMNIFY AND HOLD HARMLESS the Company, its officers, directors, engineers, agents and employees from and against such claims or expenses, including penalties and assessments, to which they or any of them may be subjected by reason of such injury, death, loss, claim, penalty, assessment or damage, and in case any suit or other proceeding shall be brought on account thereof, Developer will assume the defense at Developer's own expense and will pay all judgments rendered therein.

C. Insurance. Developer agrees to produce and maintain all insurances described below, including insurance covering the obligations assumed by Developer under Paragraph A and Paragraph B hereof. Certificates of Insurance shall be provided to the Company before the commencement of actual construction.

1. Workmens' compensation in the benefit amounts, and occupational disease disability insurance, as required by the laws and regulations of the state.
2. Commercial general liability insurance, with minimum combined single limits of \$1,000,000.00, and including operations and protective liability coverages. When the work to be performed requires blasting, Developer's insurance shall specifically cover that risk.
3. Comprehensive automobile liability insurance, with minimum combined single limits of \$1,000,000.00, and covering all owned and non-owned automobiles or trucks used by or on behalf of Developer, in connection with the work.

IX. MISCELLANEOUS

This Agreement may not be modified or amended except by a writing signed by both parties. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona. This Agreement is consistent with all Rules and Regulations of the Commission and authorized Tariffs of the Company and therefore does not require specific approval of the Commission. This Agreement constitutes the entire agreement and understanding

between the parties with respect to the subject matter hereof and expressly supersedes and revokes all other prior or contemporaneous promises, representations and assurances of any nature whatsoever with respect to the subject matter hereof. The remedies provided in this agreement shall not be deemed exclusive remedies but shall be in addition to all other remedies available at law or in equity. No waiver by either party of any breach of this agreement nor any failure by either party to insist on strict performance by the other party of any provision of this agreement shall in any way be construed to be a waiver of any future or subsequent breach by such defaulting party or bar the non-defaulting party's right to insist on strict performance by the defaulting party of the provisions of this agreement in the future. Developer is an independent contractor and not an agent or employee of the Company. This Agreement shall inure to the benefit of, be binding upon, and be enforceable by the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

LIVCO SEWER COMPANY

SINTRA CAPITAL, LLC

By _____

By _____

Its _____

Its _____

"Company"

"Developer"

ATTACHMENT 1

MAP AND LEGAL DESCRIPTION OF DEVELOPMENT

46 Residential Lots within CONCHO WEST SHORES SUBDIVISION, a subdivision in Apache County, Arizona, plus one commercial parcel.

Please see attached plat plan.

ATTACHMENT 2

ENGINEERING PLAN OF WASTEWATER UTILITY PLANT

Please see attached.

ATTACHMENT 3

**ESTIMATED ON-SITE AND OFF-SITE FACILITIES
AND ESTIMATED COSTS FOR
WASTEWATER SERVICES ¹**

<u>Description</u>	<u>Quantity</u>	<u>Unit</u>	<u>Refundable</u>	<u>Non-Refundable</u>	<u>TOTAL</u>
(Please see attached bid)					
			SUBTOTAL	\$244,913.00	\$244,913.00
Engineer, Company Supervision and Legal Fees			<u>\$24,491.30</u>		<u>\$24,491.30</u>
TOTAL ADVANCE/CONTRIBUTION			\$269,404.30		\$269,404.30

¹ The size and quantity of the required facilities and the cost of those facilities will be subsequently revised in accordance with the approved engineering plans. Thereafter, this Attachment and the Agreement shall be revised to reflect actual cost pursuant to Paragraph B.

ATTACHMENT 4

ADDITIONAL TERMS AND CONDITIONS

- Check and initial if none

Company

Developer

MEMORANDUM

A-2

TO: Blessing Chukwu
Executive Consultant III
Utilities Division

FROM: Barb Wells
Information Technology Specialist
Utilities Division

THRU: Del Smith
Engineering Supervisor
Utilities Division

DATE: August 1, 2006

RE: **LIVCO WATER COMPANY (DOCKET NO. W-02121A-06-0316)**
LIVCO SEWER COMPANY (DOCKET NO. SW-02563A-06-0316)
REVISED LEGAL DESCRIPTION

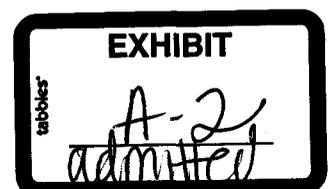
The area requested by Livco for an extension has been plotted using a revised legal description, which has been docketed. This legal description is attached and should be used in place of the original description submitted with the application.

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

:bsw

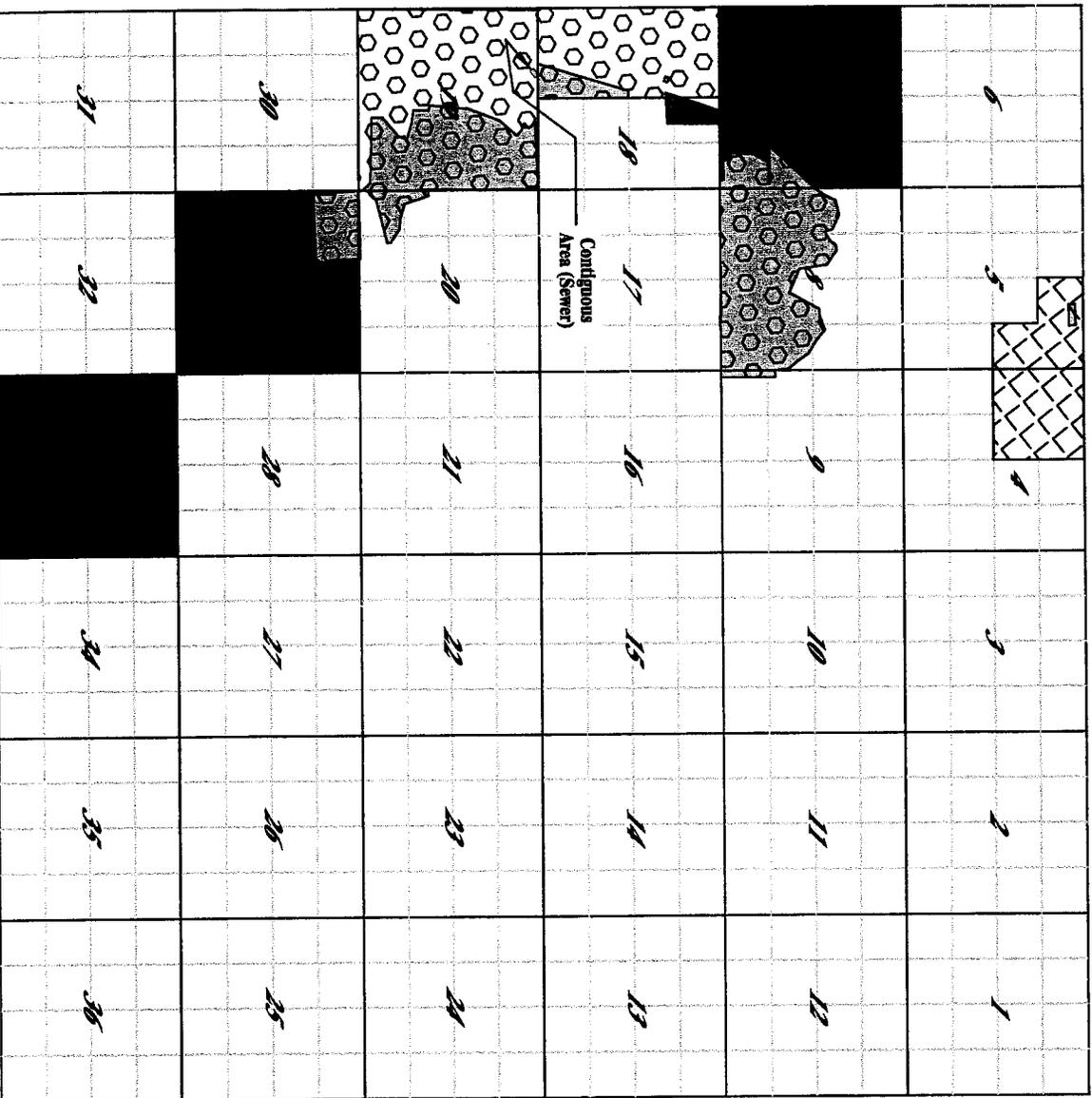
Attachments

cc: Mr. Richard Sallquist
Ms. Deb Person (Hand Carried)
File



COOUNTY Apache

RANGE 26 East



TOWNSHIP 12 North

-  W-2121 (1)
Livco Water Company
-  SW-2563 (1)
Livco Sewer Company
-  W-1913 (1)
Ruebush, A. C. (Concho Water Supply)
- 
Livco Water Company
Docket No. W-02121A-06-0316
Application for Extension
- 
Livco Sewer Company
Docket No. SW-02563A-06-0316
Livco Water Company
Docket No. W-02121A-06-0316
Application for Extension

LIVCO WATER COMPANY AND LIVCO SEWER COMPANY
DOCKET NOS. W-02121A-06-0316 AND SW-02563A-06-0316
AMENDED LEGAL DESCRIPTION

REQUESTED WATER EXPANSION AREA

Parcel 1

Concho West Shore Subdivision – A portion of Sections 7 and 18, Township 12 North, Range 26 East, Gila and Salt River Base and Meridian, Apache County, Arizona, more particularly described as follows:

Commencing at a point marking the Northeast corner of said Section 18;

THENCE South 86° 00' 07" West along the common boundary between Sections 7 and 18, a distance of 1,874.18 feet to the TRUE POINT OF BEGINNING;

THENCE South 00° 50' 31" West, a distance of 1,378.86 feet to a point on the South boundary of the Northwest Quarter of the Northeast Quarter of Section 18, said point lying South 86° 24' 11" West, a distance of 426.43 feet from the Northeast 1/16 Section corner;

THENCE South 86° 24' 11" West along said 1/16 Section line, a distance of 898.76 feet to a point on the Easterly right-of-way boundary of State Highway 61;

THENCE North 18° 33' 42" East along the highway right-of-way, a distance of 1,437.83 feet to a point of curvature;

THENCE Northerly along the right-of-way boundary and along a curve being concave to the East, having a radius of 3,745 feet, through a central angle of 05° 14' 54", a distance of 343.05 feet;

THENCE South 69° 00' 28" East, a distance of 361.78 feet;

THENCE South 00° 50' 31" West, a distance of 118.16 feet to the TRUE POINT OF BEGINNING.

Containing 23.04 acres, more or less

Subject to any existing easements or restrictions

Parcel 2

All of Section 7 except Parcel 1 and those areas previously certificated to the Company

Parcel 3

All of Section 29 except those areas previously certificated to the Company

Parcel 4

All of Section 33

All located in Township 12 North, Range 26 East, G&SRB&M, Apache County, Arizona

REVISED EXHIBIT B July 12, 2006

LIVCO WATER COMPANY AND LIVCO SEWER COMPANY

DOCKET NOS. W-02121A-06-0316 AND SW-02563A-06-0316
AMENDED LEGAL DESCRIPTION

REQUESTED SEWER EXPANSION AREA

Parcel 1

Concho West Shore Subdivision – A portion of Sections 7 and 18, Township 12 North, Range 26 East, Gila and Salt River Base and Meridian, Apache County, Arizona, more particularly described as follows:

Commencing at a point marking the Northeast corner of said Section 18;

THENCE South 86° 00' 07" West along the common boundary between Sections 7 and 18, a distance of 1,874.18 feet to the TRUE POINT OF BEGINNING;

THENCE South 00° 50' 31" West, a distance of 1,378.86 feet to a point on the South boundary of the Northwest Quarter of the Northeast Quarter of Section 18, said point lying South 86° 24' 11" West, a distance of 426.43 feet from the Northeast 1/16 Section corner;

THENCE South 86° 24' 11" West along said 1/16 Section line, a distance of 898.76 feet to a point on the Easterly right-of-way boundary of State Highway 61;

THENCE North 18° 33' 42" East along the highway right-of-way, a distance of 1,437.83 feet to a point of curvature;

THENCE Northerly along the right-of-way boundary and along a curve being concave to the East, having a radius of 3,745 feet, through a central angle of 05° 14' 54", a distance of 343.05 feet;

THENCE South 69° 00' 28" East, a distance of 361.78 feet;

THENCE South 00° 50' 31" West, a distance of 118.16 feet to the TRUE POINT OF BEGINNING.

Containing 23.04 acres, more or less

Subject to any existing easements or restrictions

A-3

SALLQUIST, DRUMMOND & O'CONNOR, P.C.
ATTORNEYS AT LAW
TEMPE OFFICE
4500 S. LAKESHORE DRIVE
SUITE 339
TEMPE, ARIZONA 85282

RICHARD L. SALLQUIST

PHONE (480) 839-5202
FACSIMILE (480) 345-0412
E-MAIL dick@sd-law.com

August 9, 2006

HAND DELIVERY

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

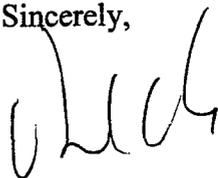
Re: Livco Water Company; Docket No. W-02121A-05-0316; Livco Sewer Company;
Docket No. SW-02563A-05-0316: Affidavits of Mailing and Publication

Dear Sir:

Enclosed please find 15 copies each of the Affidavit of Mailing and Affidavit of Publication as indicated by Paragraph O of Attachment One to the Application.

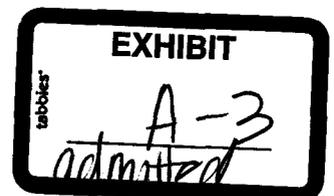
In the event you have any questions regarding this matter, please do not hesitate to call.

Sincerely,



Richard L. Sallquist

Cc: Hearing division
Utilities Division
Legal Division
Rick Kautz



State of Arizona)
County of Apache)

ss.

Affidavit of Publication

White Mountain Independent

PUBLIC NOTICE OF AN APPLICATION
FOR AN
EXTENSION OF ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY
BY LIVCO WATER COMPANY AND LIVCO SEWER
COMPANY

Livco Water Company and Livco Sewer Company ("LIVCO") has filed with the Arizona Corporation Commission ("Commission") an application for authority for an extension of its Certificate of Convenience and Necessity to provide water and wastewater service. Our records indicate that you are either currently a customer of LIVCO or are a property owner in the proposed extension area. If the application is granted, LIVCO would be the exclusive provider of water and wastewater service to the proposed area. LIVCO will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission. The granting of the application would not necessarily prohibit an individual from providing service to themselves from individually owned facilities on their property. The application is available for inspection during regular business hours at the offices of the commission in Phoenix at 1200 West Washington Street, Phoenix, Arizona 85007, and at #1 County Road 5100 in Concho, Arizona.

The Commission will hold a hearing on this matter. As a property owner or customer you may have the right to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may conduct the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. You may not receive any further notice of the proceeding unless requested by you.

If you have any questions or concerns about this application or have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000.

Published in the White Mountain Independent May 12, 2006
(WMI 8174 A, 1x, 5/12/06)

I, Diane R. Janot being first duly sworn, depose and say: I am the agent of the White Mountain Publishing Company, publisher of the White Mountain Independent, a semi-weekly newspaper of general circulation published at St. Johns, County of Apache, Arizona and that the copy hereto attached is a true copy of the advertisement as published in the White Mountain Independent on the following dates:

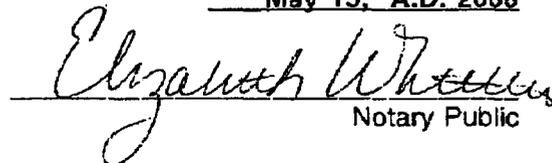
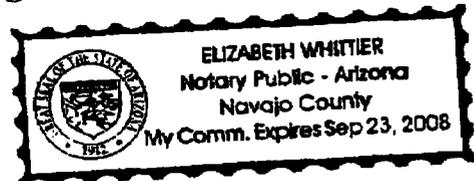
May 12, 2006

White Mountain Independent



Sworn to me this day of

May 15, A.D. 2006


Notary Public

1 Richard L. Sallquist (002677)
 Sallquist, Drummond & O'Connor, P.C.
 2 4500 S. Lakeshore Drive, Suite 339
 Tempe, Arizona 85282
 3 (480) 839-5202

4 Attorneys for Livco Water Company and Livco Sewer Company

5 **BEFORE THE ARIZONA CORPORATION COMMISSION**

6	IN THE MATTER OF THE APPLICATION OF)	DOCKET NO. W-02121A-06-0316
	LIVCO WATER COMPANY FOR AN)	
7	EXTENSION OF ITS CERTIFICATE OF)	AFFIDAVIT OF MAILING
	CONVENIENCE AND NECESSITY FOR THE)	
8	PROVISION OF WATER SERVICE IN)	
	PORTIONS OF APACHE COUNTY,)	
9	ARIZONA,)	
)	

10	IN THE MATTER OF THE APPLICATION OF)	DOCKET NO. SW-02563A-06-0316
	LIVCO SEWER COMPANY FOR AN)	
11	EXTENSION OF ITS CERTIFICATE OF)	
	CONVENIENCE AND NECESSITY FOR THE)	
12	PROVISION OF WASTEWATER SERVICE IN)	
	PORTIONS OF APACHE COUNTY,)	
13	ARIZONA,)	
)	

15 STATE OF ARIZONA)
)ss
 16 County of Apache)

- 17 1. I am Jenni Wicks, Office Manager of Livco Water Company and Livco Sewer
 18 Company. My business address is #1 County Road, Concho, Arizona 85924.
- 19 2. During the week of May 8, 2006, I caused the Notice in the form attached hereto as
 20 Exhibit 1 and incorporated herein by reference for all purposes, to be mailed by first
 21 class mail, postage prepaid, to all property owners of record in the records of the
 22 Apache County Recorder's Office as of that date. A list of those property owners is
 23 attached hereto as Exhibit 2.

1 3. Further affiant sayeth naught

2 DATED this 8 day of August 2006.

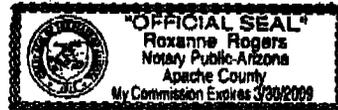
3 LIVCO WATER COMPANY
4 LIVCO SEWER COMPANY

5 By [Signature]
6 Jenni Wicks

7 The foregoing instrument was acknowledged before me this 8 day of August 2006, by
8 Rick Kautz.

9 [Signature]
10 Notary Public

11 My Commission Expires:
12 3-30-2009



13 Original and fifteen copies of the foregoing
14 filed this ___ day of August, 2006,
15 with:

16 Docket Control
17 Arizona Corporation Commission
18 1200 West Washington
19 Phoenix, Arizona 85007
20
21
22
23

**PUBLIC NOTICE OF AN APPLICATION FOR AN
EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND
NECESSITY
BY LIVCO WATER COMPANY**

Livco Water Company ("LIVCO") has filed with the Arizona Corporation Commission ("Commission") an application for authority for an extension of its Certificate of Convenience and Necessity to provide water service. Our records indicate that you are either currently a customer of LIVCO or are a property owner in the proposed extension area. If the application is granted, LIVCO would be the exclusive provider of water service to the proposed area. LIVCO will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission.

If you are already receiving service from Livco, this extension will not change your service or your rates. This application is being submitted to correct an omission by the original owners of Livco when your subdivision was created. The granting of the application would not necessarily prohibit an individual from providing service to themselves from individually owned facilities on their property.

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, Phoenix, Arizona 85007, and at #1 County Road 5100 in Concho, Arizona

The Commission will hold a hearing on this matter. As a property owner or customer you may have the entitled to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. You may not receive any further notice of the proceeding unless requested by you.

If you have any questions or concerns about this application or have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000.

COU4R18666_Condho_OwnershipwSal

PARCEL ID	OWNER NAME1	CARE_OF	ADDRESS	CITY	STATE	ZIP CODE
201-27-381	CHRISTIAN VERN R & KAREN L TRUSTEES		HC 30 BOX 2286	CONCHO	AZ	86024
201-27-010	SCHULTZ RONALD H OR ROSEANN (CPWROS)		HC 30 BOX 2885	CONCHO	AZ	86024
201-27-013	COUCH MELVIN S		HC 30 BOX 2888	CONCHO	AZ	86024
201-27-181	MC CLARY WILLIAM W & MARTHA A JT		HC 30 BOX 3108	CONCHO	AZ	86024
201-27-348A	JOHNSON ROY D & EDITH E (JT)		HC 30 BOX 3158	CONCHO	AZ	86024
201-27-182	MUSALL BLAKE W		HC 30 BOX 3223	CONCHO	AZ	86024
201-27-035	CHAVEZ DREW V & MARCELLA (CPWROS)		HC 30 BOX 3234	CONCHO	AZ	86024
201-27-229	BRANTLEY JO ANN		HC 30 BOX 3255	CONCHO	AZ	86024
201-49-023	KNOLL RICHARD S & LOURDES C JT		HC 30, BOX 3147	CONCHO	AZ	86024
201-27-213	SALAS ARTHUR R SR & LENORE T (CPWROS)		HC 30, BOX 3206	CONCHO	AZ	86024
201-27-300	PEPPE JUDITH M		P O BOX 26	CONCHO	AZ	86024
201-27-305	BONERTZ LARA N		P O BOX 273	CONCHO	AZ	86024
201-27-291	LHOTSKY VERA & MIROSLAV C (JT)		P O BOX 304	CONCHO	AZ	86024
201-49-079	REBELLO JOSEPH & MARCIA (JT)		P O BOX 325	CONCHO	AZ	86024
201-49-017	BOND THERON J JR & GERALDINE E		P O BOX 356	CONCHO	AZ	86024
201-27-295	GREENWADE ROBERT		P O BOX 485	CONCHO	AZ	86024
201-27-015	PADILLA BOBBY S & SARAH M		P O BOX 65	CONCHO	AZ	86024
201-27-118	AMBROSE DENNIS P & DONNA J		P O BOX 72	CONCHO	AZ	86024
201-27-023	JOHNSON BRIAN K & PAULA R (CPWROS)		P O BOX 82	CONCHO	AZ	86024
201-29-088A	COUNTRY CLUB PROPERTIES OF CONCHO, INC		P.O. BOX 271	CONCHO	AZ	86024
201-27-228	GIRARD JEFF K & LAURALYNNIE S		P.O. BOX 282	CONCHO	AZ	86024
201-49-070	CLUFF LOREN RYAN & DONNA MARE JT		P.O. BOX 386	CONCHO	AZ	86024
201-27-344	DONNELLY PAUL G SS		P.O. BOX 546	CONCHO	AZ	86024
201-27-063	STAFFNIK JAMES G		P.O. BOX 661	CONCHO	AZ	86024
201-29-006A	CLARICH MATTHEW S & DOROTHY E TRUSTEES		PO BOX 110	CONCHO	AZ	86024
201-49-036	CHILCOTT R BRIAN & MARGO M		PO BOX 228	CONCHO	AZ	86024
201-49-038	JACKSON WILLIAM M & NHIEM TH JT		PO BOX 26	CONCHO	AZ	86024
201-27-378A	CHARLTON DAVID & OCEAN S		PO BOX 285	CONCHO	AZ	86024
201-27-053	BRYAN BILLY F		PO BOX 335	CONCHO	AZ	86024
201-49-004	NEUZIL STEVEN W & BARBARA L		PO BOX 341	CONCHO	AZ	86024
201-27-178	STITES JAMES D & JACQUELINE M JT		PO BOX 357	CONCHO	AZ	86024
201-27-378	BEGAY DAVEY S & RACHEL L JT		PO BOX 364	CONCHO	AZ	86024
201-27-113	ROBINSON JIMMY D		PO BOX 443	CONCHO	AZ	86024
201-27-182	MECHAM RUSSEL J & LILLA C JT		PO BOX 482	CONCHO	AZ	86024
201-49-057	ANDERSON CLYDE W & ROSEMARY E JT		PO BOX 485	CONCHO	AZ	86024
201-49-024A	NUJAMEZ ALFONSO W & ELVIRA M		PO BOX 473	CONCHO	AZ	86024
201-27-345	ASHCRAFT KEITH D & REBECCA JT		PO BOX 474	CONCHO	AZ	86024
201-49-037	ROADRUNNER IRREVOCABLE TRUST		PO BOX 638	CONCHO	AZ	86024
201-27-193	CONCHO FIRE DISTRICT		PO BOX 58	CONCHO	AZ	86024
201-27-308	MC MILLAN DAVID L & SAFERINA		PO BOX 95	CONCHO	AZ	86024
201-27-382	HENDERSON FRANK W & NATHA M		HC 30 BOX 3187	CONCHO VALLEY	AZ	86024
201-29-121A	LONG CARLA, EDWARD, & ROBERT		HC 30, BOX 3222	CONCHO VALLEY	AZ	86024
201-27-205	THE WILLIAMS FAMILY REVOCABLE TRUST		PO BOX 440	CONCHO VALLEY	AZ	86024
201-27-228	SANCHEZ RALPH N & MARIE E JT		1111 W MCDOWELL RD	PHOENIX	AZ	85007
201-49-080	RAVER KEVIN	ECTOR SHIRLEY ARLENE	1111 W MCDOWELL ROAD	PHOENIX	AZ	85007
201-27-315	ORBIT INVESTMENTS LLC		1135 E CAMPBELL AVE	PHOENIX	AZ	85004
201-29-102C	CREATIVE INVESTMENT SOLUTIONS LP		4440 E INDIAN SCHOOL RD	PHOENIX	AZ	85018
201-27-220	SEIBERT JOHN, CECILIA, & JUDITH		1525 E LAS PALMARITAS	PHOENIX	AZ	85020
201-29-082A	ALL FAITH SELF HELP CENTER INC.		1000 EAST BLUEFIELD AVE	PHOENIX	AZ	85022
201-49-049	MCCLEAN JERRY		18008 NORTH 28TH AVENUE	PHOENIX	AZ	85023
201-29-089C	DISHAROOON JOHN C & HELEN M JT	JOAN LIVELY	728 WEST VILLA RITA DRIVE	PHOENIX	AZ	85023
201-27-252	FLIS JOAN F					
201-49-011	HUPKA JEROME M & LAURIE M					

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201-29-031B	HIGUERA ALICE C	23818 N 22ND WAY	PHOENIX	AZ	85024
201-27-261	FLIS JANE A	3222 WEST BECKER LANE	PHOENIX	AZ	85029
201-49-083	DELLAS HERCULES	4708 N. 63RD DR.	PHOENIX	AZ	85033
201-49-063A	GURULE MICHAEL A & BELA	5045 S 35TH AVE	PHOENIX	AZ	85041
201-28-068B	EIDEL NEIL & AMY JT	4219 E WESTERN STAR BLVD	PHOENIX	AZ	85044
201-49-008	PERALTA FRANK B & BONNIE (JT)	4668 E THISTLE LANDING DR	PHOENIX	AZ	85046
201-49-020	WALTERS NORAH MAE	PO BOX 81923	PHOENIX	AZ	85048
201-29-028A	FEDORA PROPERTIES	4106 E NIGHTHAWK WAY	PHOENIX	AZ	85048
201-27-080	GATHER MONTY & IRENE S	4114 E NIGHTHAWK WAY	PHOENIX	AZ	85204
201-29-0598	DEL GROSSO ALFRED J & NOREEN K	2933 E EMELITA AVE	MESA	AZ	85205
201-49-072	MORTON BENJAMIN H & HAZEL E	4851 EAST HALIFAX STREET	MESA	AZ	85206
201-27-366	GALLUP RANDY & ROBERT & LOIS	4046 E CLOVIS CIRCLE	MESA	AZ	85207
201-49-030	MANISBERGER PAUL E & LELIZA M	7845 E LELAND CIRCLE	MESA	AZ	85210
201-46-016	HARWOOD LILLIAN U	29 WEST SOUTHERN AVE. #25	MESA	AZ	85212
201-29-089A	CLIFFORD GRES E	7847 E OSAGE AVE	MESA	AZ	85213
201-27-001	SAGAN LOUIS	2888 E FOUNTAIN ST	APACHE JUNCTION	AZ	85220
201-27-253	KEMNITZ GALEN T & JOANN V (CP)	328 S PALO VERDE DR	CHANDLER	AZ	85226
201-27-308A	DANIEL MICHAEL A & DENISE	1591 E SAN TAN STREET	CHANDLER	AZ	85226
201-49-032	BROWN KENNETH A & JANE M JT	370 WEST MARTIN ROAD	COOLIDGE	AZ	85228
201-49-028	KURZHALS BARBARA ANN	PO BOX 16194	COOLIDGE	AZ	85233
201-27-178	SCHIEFFER EDWARD A & CAROL A JT	1519 W DEVON DR	GILBERT	AZ	85238
201-27-214	YSAGUIRRE JUAN R & ANITA G	PO BOX 414	MARICOPA	AZ	85242
201-27-173	WARBINGTON ROBERT E & CATHERINE J JT	42283 N JACKRABBIT ROAD	QUEEN CREEK	AZ	85242
201-46-005	BURKS TIMOTHY J & KATHY L	1278 E LATINO CT.	QUEEN CREEK	AZ	85249
201-27-244	UTTER JEAN M	14414 E VALLEJO ST	CHANDLER	AZ	85249
201-27-242	UTTER STEVEN M & GERRI L (CPWROS)	26611 S VAL VISTA DR	CHANDLER	AZ	85249
201-27-259	GEDDES F MICHAEL & SHEILA P JT	8725 NORTH TATUM BLVD	PARADISE VALLEY	AZ	85253
201-27-358	PERALTA DANIEL A & LOLAINE C JT	5112 EAST SWEETWATER	SCOTTSDALE	AZ	85264
201-29-098C	FINGER HARVEY N & THELMA L	5701 E WINDSOR	SCOTTSDALE	AZ	85267
201-29-091B	GRIJALVA JOHN	7001 E PALM LANE #122	SCOTTSDALE	AZ	85267
201-27-297	HARE LEWIS A & TEPITSKY SHIRLEY	8869 E TURQUOISE AVE	SCOTTSDALE	AZ	85268
201-27-270	LOPEZ JACK V	734 EAST PAPAGO	TEMPE	AZ	85281
201-27-265	SCHMIDT LEO A & SALLY A JT	1222 EAST RIVIERA DRIVE	TEMPE	AZ	85282
201-27-032	UTTER ROBERT P DEBORAH L (CPWROS)	15908 E MAPLEWOOD ST	GILBERT	AZ	85298
201-29-018A	SHORES PHILIP M & KAREN A	7248 N 78TH LANE	GLENDALE	AZ	85303
201-27-310	SILBERMAN MARSHA	6007 WEST CORTIZ	GLENDALE	AZ	85304
201-49-002	COLE BENJAMIN F & ELIZABETH ANN	20442 N 37TH LANE	GLENDALE	AZ	85308
201-49-061	MILLS DAVID L & BARBARA M JT	6840 W BRILES RD	GLENDALE	AZ	85331
201-29-078C	CAYAN ROBERT T	4836 E BARWICK DR	CAVE CREEK	AZ	85336
201-28-012B	TRAM PHUC CANH & ANH-XUAN	12201 W LARKSPUR RD	EL MIRAGE	AZ	85336
201-27-328	WINSOR MULFORD IV & VIRGINIA J TRUSTEES	PO BOX 378	GILA BEND	AZ	85337
201-49-022	BLONG WILLIAM P & M ELIZABETH JT	311 MOONLIGHT DR	PARKER	AZ	85344
201-49-080	GOMEZ CLAUDIA B	10630 N BALBOA DRIVE	SUN CITY	AZ	85361
201-49-086	TANNER ELLEN J REVOCABLE LIVING TRUST	30099 N 307TH AVE	WITTMANN	AZ	85379
201-27-105	WAX SANFORD & ESTHER E	15808 W CALAVAR ROAD	SURPRISE	AZ	85381
201-27-100	OLSON RANDAL S & DAWN L JT	7008 W HEARN ROAD	PEORIA	AZ	85382
201-29-064C	GIOLITTO PETER & MAE J JT	24122 NORTH 104TH AVE.	PEORIA	AZ	85614
201-29-0166	BLACK MARK DAVID & SYRTHIA JEAN	501 S LAPOSADA CIR APT 123	GREEN VALLEY	AZ	85616
201-27-298	FREDERICK LISA & WASHBURN APRIL	8512 E CHIPPEWA	HEREFORD	AZ	85628
201-27-080	BLOSSER MARK & VIRGINIA	104 W CAMINO PRESIDIO QUEMADO	SAHUARITA	AZ	85648
201-49-026	MENDEZ EDWARD ARNOLD,	180 PASEO MEXICO	RIO RICO	AZ	85716
201-27-126	HAS ELIZABETH D	2805 E MANCHESTER	TUCSON	AZ	85730
		15886 W KILLARNEY AVE	TUCSON	AZ	85730

BARBARA HENDRICKS
JULIAN & ANITA YSAGUIRRE

JEAN UTTER

ELLEN TANNER

ESTATE OF ARISTEOL MENDEZ

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201-29-103C	GILLESPIE EDWARD M	7612 E CAMINO DEL BRISO	TUCSON	AZ	85750
201-49-078	CHAP ELIA	7990 E SNYDER #18202	TUCSON	AZ	85750
201-27-222	BARNIEY JUNE	161 W OLD LINDEN RD	SHOW LOW	AZ	85901
201-49-014	HUTCHISON HEATHER M	7086 BREEZE WAY LN	SHOW LOW	AZ	85901
201-49-013	WARDLOW JOAN T & MARSHALL BRENT A JT	PO BOX 1341	SHOW LOW	AZ	85902
201-27-016	KOBY KATHLEEN	PO BOX 3773	SHOW LOW	AZ	85902
201-49-071	PHOENIX REAL ESTATE INVESTMENT GROUP LLC	PO BOX 488	EAGAR	AZ	85925
201-27-016	WILDCAT CATTLE COMPANY, LLC	PO BOX 489	EAGAR	AZ	85925
201-27-186	MOUNTAIN LAKE PROPERTIES INC	PO BOX 3768	PINETOP	AZ	85936
201-49-061	JOLLEY FERRIS L	P O BOX 761	ST JOHNS	AZ	85936
201-27-207	THOMPSON SHIRLEY JEAN	P.O. BOX 433	ST JOHNS	AZ	85936
201-27-384	LOOMIS MICHAEL WILLIAM	PO BOX 2003	ST JOHNS	AZ	85936
201-49-042	COOPER JOHN R & MARY LOU (JT)	PO BOX 2197	ST JOHNS	AZ	85938
201-49-043A	MCCLELLAN SR DAVID H & AUDREY A	4946 BUCKSKIN TRAIL	SNOWFLAKE	AZ	85967
201-27-119	ANDERSON KENNETH TRUST	PO BOX 485	VERNON	AZ	85940
201-27-334	WATSON GEORGE L & ALLYN L JT	PO BOX 2331	PAGE	AZ	86040
201-27-137	CASTRO JOE A & MERCILLIA JT	PO BOX 2487	PAGE	AZ	86040
201-28-012B	CHARLEBOIS MICHAEL J & SUSAN M	P.O. BOX 888	MAYOR	AZ	86333
201-49-047	URIAS EDWARD JR & SANDRA A (CPAROS)	P O BOX 194	PAULDEN	AZ	86334
201-27-375	BLUMLEIN MADELON	3285 N SAGE ST	KINGMAN	AZ	86401
201-27-011	WOODWORTH PATRICIA ANNIE	2280 CUP LANE	LAKE HAVASU CITY	AZ	86406
201-49-007	MOWATT ROBERT L & BERNADETTE J	337 PARK LAKE DR	BULLHEAD CITY	AZ	86428
201-27-273	FORBIS THOMAS W	PO BOX 1248	TOPOCK	AZ	86438
201-27-108	HICKCOX STEVEN CRANG	1065 GEMSTONE	BULLHEAD CITY	AZ	86442
201-29-087A	OLIVAS DAWN	54 CONSTITUTION DR	LONDONDERRY	NH	03055
201-29-1188	ST JEAN DAVID R	191 EAST QUASSET ROAD	WOODSTOCK	CT	06281
201-29-1198	POWELL LARRY & LYDIA	210 HADDON ROAD	BROWNS MILLS	NJ	08015
201-27-219	LANARIS PAUL	264 LAWRENCE AVE	HIGHLAND PARK	NJ	08904
201-29-032A	BUENO CURTIS J SR & JOANIN	3809 SHAWHILL RD	ROCKCITY FALLS	NY	12883
201-29-078	KNUDSON GARY L & KAREN K	1000G BRANDON WAY	MANASSAS	VA	20109
201-29-017C	WEGNER BRIAN J & VALERIE I JT	1126 POWHCTAN ST.	ALEXANDRIA	VA	22014
201-27-206	MACIAS JESSE	211 BEATY AVE	MANNINGTON	WV	26562
201-29-081A	SPOHN RONALD E & MARY ELLEN	4402 LAWYERS EAST	MONROE	NC	28110
201-27-338	WALLACE KAREN SUE & HOLLAND KRISTINE ANN	2601 QUAIL LAKE DRIVE	CHARLOTTE	NC	28210
201-49-058	KELLY BARBARA & R T JT	4750 BELFORD RD.	FAYETTEVILLE	NC	28314
201-29-034C	ROE DAVID M & TERESITA T	28 LANCASTER PLACE	HILTON HEAD IS	SC	29928
201-27-096	SULLIVAN STEPHEN T	PO BOX 85521	ORANGE PARK	FL	32066
201-27-379	DOWNS ROBERT D & JOYCE CEPEDA JT	1860 TIMUCUA TRAIL	MIDDLEBURG	FL	32088
201-27-136	LA ROCCA KATHERINE & BARBARA	425 SEAVIEW AVE	DAYTONA BEACH	FL	32116
201-27-980	NELSON GUNNER R & LORETTA A	1912 SECLUSION DR	DAYTONA BEACH	FL	32124
201-49-036	ESQUIBEL DOMINIC D	153 GRAND HERON DR	PANAMA CITY	FL	32407
201-27-215	LANARIS PETER	11310 S.O.B.T. #366	ORLANDO	FL	32837
201-27-062	ENE LARISA D	600 NE 14TH AVENUE #320	HALLENDALE	FL	33006
201-27-266	GIANINI FRANK & ROSA R JT	1602 18TH WAY	WEST PALM BEACH	FL	33407
201-27-190	ST LOUIS HARRY A & KETIE A JT	6009 PETALUMA DR	BOCA RATON	FL	33433
201-27-248	MONTAGUE JAMES D & DUMOND BRENDA	21421 SAWMILL COURT	BOCA RATON	FL	33486
201-29-075B	COTONE MICHAEL O	712 SUNDANCE TRAIL	WIRALUMA	FL	33598
201-27-194	MANNING DELMER D & VIRGINIA L JT	8402 FLAGSTONE DR	TAMPA	FL	33615
201-29-098B	WILDERMUTH KARL P & BEVERLY A	1020 40TH AVENUE NORTH	ST PETERSBURG	FL	33703
201-27-141	NELSON KENNETH H W	106 BATHCLOB CONCOURSE	N REDINGTON BCH	FL	33708
201-49-050	FRANCESE JOSEPH & SANDRA DONNA	10159 45TH WAY	PINELLAS PARK	FL	33762
201-49-074	TUNGPALAN EDISON M & SHANE A	26 ROYAL COVE	NAPLES	FL	34110
201-29-066B	FORTE TITO P & GLORIA M JT	3220 4TH AVE SE	NAPLES	FL	34117
		610 CLUB MARCO CIRCLE	MARCO ISLAND	FL	34145

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201-28-0888	BRAINERD DAVID M & NONG YAO JT	5311 BIRCH AVE	SARASOTA	FL	34235
201-27-283	SERGO JOHN R & ARLEEN JT	4382 KARIBA LAKE TERRACE	SARASOTA	FL	34243
201-28-089C	ALLEN ROBERT C SS	17410 SE 86TH AVE.	SUMMERFIELD	FL	34491
201-49-006	VAN BUSKIRK CHARLES JAY	802 SHOREWINDS DRIVE #C	FT PIERCE	FL	34899
201-28-125C	CALLAN CHARLES D	3986 GRIFFITH HWY	JASPER	TN	37347
201-27-063	MCCOY ERNIE	P O BOX 481	SAQUATAHIE	IN	37374
201-49-048	COX FAY F	280 STEPHEN HILL RD	ATOKA	TN	38004
201-49-008	FLAKES PATRICK HAROLD & PATRICIA ANN JT	PO BOX 190	ATOKA	TN	38004
201-28-073D	PRIOR DOROTHY M	1280 OCEAN SPRINGS RD #E106	OCEAN SPRINGS	MS	38684
201-28-096C	RAFAC STEPHEN A	9786 WILLOW POND	SYLVANIA	OH	43060
201-28-024B	HOFFMAN GLADYS E	870 SHERWOOD DRIVE	ELYRIA	OH	44035
201-28-088A	KEBERDLE RICHARD	5088 OAKMONT DRIVE	LYNDHURST	OH	44124
201-28-030C	MUNDO JOHN DAVID	9215 SPRING ST	HIGHLAND	IN	46322
201-28-018A	HILL MALCOLM B SS	7325 N. MERIDIAN RD.	LAKE VILLAGE	IN	46349
201-27-248	TERLIZZI CHARLENE	9447 LAKE SHORE DRIVE	GARY	IN	46403
201-27-384	DIETSCH DOROTHY ANN	2806 DE KALB	LAKE STATION	IN	46405
201-28-002G	KIEWATT RICHARD C	708 NORTH HILLCREST DRIVE	SOUTH WHITLEY	IN	46787
201-28-067A	DUDEK CATHERINE	25196 CAPE LN	HARRISON TWP	MI	48045
201-28-120B	VAIL MANAGEMENT ASSOCIATION INC	417 ARBOR AVENUE	MONROE	MI	48162
201-28-084A	SHEPARD JOHN P & KAREN A JT	PO BOX 295	HADLEY	MI	48440
201-28-049B	LAHAIE RAYMOND C & HEIDI E	1891 N OCHAMON TR	WEST BRANCH	MI	48861
201-48-073	SOLLENBARGER STANLEY D & KATHLEEN A	27 HIDDEN RIDGE TRAIL	JACKSON	MI	48203
201-28-119C	VAUGHN WILBUR J & JUANITA MAE JT	885 E SOUTH AIRPORT RD	TRAVERSE CITY	MI	49886
201-27-177	BECKER ROBERT PATRICK & SALLY L	P O BOX 382	EVERLY	IA	51336
201-28-033B	PATTERSON CHARLES & JANET	W5491 BAYWOOD DR	ELKHORN	WI	53121
201-28-028C	MARTINEZ ANTONIO G	3514 SOUTH 98TH STREET	MILWAUKEE	WI	53228
201-27-014	MARCIN ALEXANDRA	4931 INDIAN HILLS DRIVE	RACINE	WI	53408
201-27-211	ZIMMERMAN DAVID C & ESTHER L JT	W 1952 BELLE MAPPS CT	GREEN LAKE	WI	54941
201-27-290	HANAMAN DON D & SHARRON V JT	1211 LYNROSE LANE	NEENAH	WI	54956
201-27-341	MOSES TERRY D J	4275 145TH ST WEST	ROSEMOUNT	WI	55068
201-27-353	COLLINS DIANE L & CHARLES F	1778 MAPLE LANE	ST PAUL	MN	55113
201-28-018C	LEWIS WILLIAM R & MARGA E JT	172 WALNUT LANE	APPLE VALLEY	MN	55124
201-28-004B	PERANDE DONALD I	12828 MORGAN AVE SOUTH	BURNSVILLE	MN	55337
201-28-045A	LINK HERBERT H & GERTRUDE O JT	12182 JASPER LN	EDEN PRAIRIE	MN	55347
201-28-005B	DE PHILLIPS ROBERT J	7801 LYNDALE AVE SO #201	RICHFIELD	MN	55423
201-28-085C	HENRICHSEN WALTER W II	57217 200 STREETR	MANKATO	MN	56001
201-27-388	CRUDELE JOSEPH A	1414 E OLIVE STREET	ARLINGTON HIGHTS	IL	60004
201-28-068B	OPLINGER CHARLES E	1603 E CENTRAL RD #118	ARLINGTON HEIGHT	IL	60006
201-27-178	GIANNI PAT & PESCE ANGELO	521 RUE CHAMONIX	BARRINGTON	IL	60010
201-28-085B	HENRICHSEN MICHAEL I	1550 GREENBRIER	GREEN OAKS	IL	60046
201-28-112C	BYRNE MICHAEL J & LUCILLE	3440 S SOREL DR	NORTHBROOK	IL	60062
201-27-203	ADAMS KAREN I	1780 PRESTWICK DRIVE	INVERNESS	IL	60087
201-27-210	PROSI ALEX J JR & FLORENCE R JT	528 SOUTH WILLIAMS STREET	PALATINE	IL	60067
201-28-045B	WOJCIECHOWSKI ANTHONY, MARGARET, & THOMAS	P O BOX 916	PROSPECT HEIGHTS	IL	60070
201-27-176	PACE VINCENTA D)	3511 PRAIRIE DRIVE	PROSPECT GROVE	IL	60081
201-27-288	VALENTI ROSARIO & ANGELA JT	730 CARRIAGE WAY DRIVE	BUFFALO GROVE	IL	60089
201-27-163	STEPUNCIK JAMES & PATRICIA	175 RICHARD COURT	ADDISON	IL	60101
201-27-277	PAYNE MICHELE	331 CATALPA	ADDISON	IL	60101
201-28-060B	KEMPSKI LEONARD & HENRIETTA	510 N DUPAGE AVE	ADDISON	IL	60101
201-27-289	GIANNI DOMENIC & MARIA JT	961 BABBIT AVENUE	ADDISON	IL	60101
201-28-116A	GEELHART JAMES & WOOD-CALDWELL CYNTHIA	4 OAKLEAF CT	ALGONQUIN	IL	60102
		965 HYACINTH LN	BARTLETT	IL	60103
		428 CARDINAL DRIVE	BLOOMINGDALE	IL	60108
		4201 AMBER AVE	CORTLAND	IL	60112

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201-29-006C	OLIVI ADOLPH E & MARY JANE P	31801 KLINE CIRCLE	WARRENVILLE	IL	60556
201-29-066B	HOFFMAN EDWARD L	907 RUGELEY	WESTERN SPRINGS	IL	60558
201-27-258	RUGGIERO ANTHONY J	3800 SOUTH UNION	CHICAGO	IL	60609
201-27-356	WYZUKOWICZ TONY	3614 N OAKLEY AVENUE	CHICAGO	IL	60615
201-27-058	HANKE WILLIAM T & ZENAIDA B JT	5120 NORTH BERNARD	CHICAGO	IL	60626
201-29-001C	ZAHER ELAINE L	1347 W ESTES (E-2)	CHICAGO	IL	60629
201-29-007C	TRENTACOSTI FRANCES J & MARY M JT	11354 ST LAWRENCE	CHICAGO	IL	60629
201-27-187	MARNOS ALICE B	3845 WEST 68RD PLACE	CHICAGO	IL	60629
201-27-174	ROWLAND EDWARD M & MARIE JT	8430 SOUTH KNOX	CHICAGO	IL	60629
201-27-152	FELLOW PATRICK F	8445 SOUTH KNOX AVENUE	CHICAGO	IL	60630
201-29-090A	PESCE FRANK & ANNA M JT	6586 NORTH OCONTO	CHICAGO	IL	60631
201-27-298	PESCE JOSEPH	5328 S TRIPP	CHICAGO	IL	60632
201-29-061C	WILLIS PHYLLIS A	2623 NORTH PARKSIDE	CHICAGO	IL	60639
201-29-089A	KEATING TIMOTHY R	5445 N SHERIDAN AVE APT 2602	CHICAGO	IL	60640
201-29-045C	HYMAN MARLEY B SS	10323 S SEELEY AVE	CHICAGO	IL	60643
201-29-010B	OSTROWSKI EDWARD R & VICTORIA K JT	6618 NORTH LIGHTFOOT	CHICAGO	IL	60646
201-29-022C	ANTABLIAN MINAS H AND ANNA JT	8200 SOUTH TROY	CHICAGO	IL	60652
201-27-301	HAHN COLETTA A	11440 SOUTH CAMPBELL	CHICAGO	IL	60655
201-27-183	LAKAWITCH JAMES R	9232 W GREGORY	CHICAGO	IL	60658
201-29-063C	DYANNA COU & NINA JT	8729 SUMMERDALE	CHICAGO	IL	60658
201-29-091A	PESCE FRANK & ANNA M JT	1815 BONITA DRIVE	CHICAGO	IL	60659
201-29-022B	ARTARIAN ARSHAG & ARTERIAN SAM JT	8137 N CLARK	CHICAGO	IL	60660
201-29-022B	ANTABLIAN HARTION M AND HAGIHA JT	7928 ELMGROVE DRIVE	CHICAGO	IL	60707
201-27-043	DONATELLO THERESE M & KIRAZIS ELIZABETH L	9858 S ALBANY AVE	EVERGREEN PARK	IL	60805
201-29-104A	BUECHELE GEORGE S & DANIEL	PO BOX 41	BOURBONNAIS	IL	60814
201-27-087	HILDEBRAND LOUIS F & MADELINE JT	1010 WEST EMPIRE	FREERPORT	IL	61032
201-27-336	WYE DANIEL A & DIANA JT	15701 E EDDY ROAD	MONROE CENTER	IL	61052
201-29-077C	HERBECK HERBERT & LILLIAN JT	313 MARGARET FULLER RD	OREGON	IL	61081
201-29-123A	ALLEN VIVIAN L TRUSTEE	3628 ADLER LANE	ROCKFORD	IL	61114
201-27-007	KERESTRESI SHIRLEY A LINDSTROM	1006 N JACKSON	STREATOR	IL	61394
201-29-047A	LEHMAN EDWIN L & RUTH JT	614 MEADOWLARK AVE	TROY	IL	62294
201-29-073B	KLEMSCHMIDT DALE L	4143 KINOKA RD	ALMA	IL	62507
201-29-063C	ST JEAN EDGAR R & SUSAN M	710 ELM DR APT 7	WARSAW	MO	63555
201-27-071	SMUKULA RUSSELL E & MARGARET JT	11917 W 141ST STREET	OVERLAND PARK	KS	66221
201-29-060B	BODEN RICHARD A & ROBERTA J O'DONNELL	17386 MEADOWLARK LANE	WAMEGO	KS	66547
201-27-114	SIBERT DAVID F	593 RY-MILLER RD	HOMER	NE	68030
201-29-078C	STRUTHERS CLAYTON L	7813 MOLOKAI DRIVE	PAPILLION	NE	68045
201-49-084	THELIN GEORGE W II	3100 THIEN CIRCLE	LINCOLN	NE	68502
201-27-278	SCHROEDER SARA JANE	1611 MILTON ST	MONROE	LA	71201
201-49-027	VENABLE TAWNA M	212 FRANKLIN WAY	LOWELL	AR	72745
201-29-100B	LAMAHAN CYNTHIA OLDS	2801 OVERLAND WAY	EDMOND	OK	73003
201-27-081	STRAPPAZON JOHN A	8444 PARKMONT DRIVE	ARLINGTON	TX	76001
201-28-092C	SCHLEGEL LLOYD, ELVIRA, & WALTER	4404 HACIENDA DRIVE	ARLINGTON	TX	76017
201-48-078	DRAKE JAMES FRANCIS & KAREN LEE JT	8245 IRISH DRIVE	N RICHLAND HILL	TX	76150
201-27-031	SCHJURING HENRY & PAMELA JT	708 ALLEN STREET	COPPERAS COVE	TX	76522
201-29-012C	BRUECKNER JOHN P & ANTONETTE J JT	503 RUSH COVE	KILLEEN	TX	76542
201-29-122A	STEPHENSON BILLY & JANET JT	4105 BIG BEND TRAIL	TAYLOR	TX	76774
201-49-029	GILLIAM TODD & ELIZABETH	4824 IVANHOE	HOUSTON	TX	77027
201-27-085	ESTLACK R P	6950 SANDS POINT #312	HOUSTON	TX	77074
201-49-040	BRATAKOS GEORGE D	10614 SPRINGWOOD SQUARE	UNIVERSAL CITY	TX	78148
201-49-067	HOVIS ROBERT G & BEATRIZ A	14236 NORTH HILLS VILLAGE DRIVE	SAN ANTONIO	TX	78249
201-29-083B	CHIPOLI STEPHEN CHARLES JR & PATRICIA	8837 TALINE CIR	AUSTIN	TX	78748
201-27-063	SITLER MAUREEN E	1536 EAST FREMONT CIRCLE S	LITTLETON	CO	80122
201-29-008A	BOTELER ROBERT W & JEANE B				

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201-27-081	SIMMONS NORMA J	18350 BEACON LITE RD	MONUMENT	CO	90132
201-29-000A	CLOUTHER HENRY J	1816 MOORE AVE APT 7	PUEBLO	CO	81005
201-29-008B	CLOUTHER ADOLPH & ARABELLA R	354 GLENNWOOD ROAD	CANON CITY	CO	81212
201-49-010	ROGERS CHARLES W & DIANE L (JT)	9200 N DIAMOND VALLEY DR	ST GEORGE	UT	84770
201-49-024B	DAVIS EVALINDA NUANEZ	6 LAS MANANITAS	LOS LUNAS	NM	87001
201-27-103	STAKE JOHN	PO BOX 9	PERALTA	NM	87042
201-27-158	TROMBLEY BETTY L SS	2432 HENDOLA	ALBUQUERQUE	NM	87110
201-29-068B	MOUNTAIN CAPITAL, LLC	1475 CENTRAL AVE., STE. 220	LOS ALAMOS	NM	87544
201-27-265	ROBERTS RUSSELL E	PO BOX 1288	ALAMAGORDO	NM	88511
201-27-200	OCAMPO JACOB A & DOLORES U	828 CASA DEL NORTE	N LAS VEGAS	NV	89031
201-29-042B	HOFERT KENNETH S & KRISTLE C JT	4443 VALLEY REGAL WAY	N LAS VEGAS	NV	89032
201-29-058A	BRANDEL LEO A & ERLINDA D JT	5860 S. PECOS RD #2008	LAS VEGAS	NV	89120
201-27-186	GOLDSTROM DONALD D & SHARON K JT	8942 BELGRUM DR	LAS VEGAS	NV	89122
201-27-307	DIDIER JAMES	7145 W LANDBERG AVE	LAS VEGAS	NV	89124
201-27-308	SIUBA RAYMOND E & NANCY F JT	10408 GLOWING COVE AVE	LAS VEGAS	NV	89129
201-28-125B	GOLAS PATRICIA A	7538 MAJESTIC BAY ST.	LAS VEGAS	NV	89131
201-27-280	ESCOBAR TOMAS M & GAYAGO ESTRELLA	1858 EMPOLI COURT	LAS VEGAS	NV	89134
201-29-006C	HOFERT JAMES	7380 CAMERON STREET	LAS VEGAS	NV	89139
201-49-044	JACKSON ERSKIN R & MARY K JT	3385 S JONES BLVD #2B	LAS VEGAS	NV	89146
201-29-038A	JOHNSTON JOHN R & CYNTHIA L	785 JOEL WAY	FALLON	NV	89408
201-29-070A	CAPP MARTIN ALLEN	8806 MOLOKAI DRIVE	CYPRESS	CA	90630
201-27-239	AMER ALFRED I	5044 LA JARA CRT	LAKE WOOD	CA	90712
201-29-021C	KALAJAN VARTENIE & ATCHABAHIAN ZOVIAR	386 SIERRA MADRE VILLA AVENUE	PASADENA	CA	91107
201-27-267	FRANCISCAN MISSIONARY SISTERS OF MM. CONC.	11320 LAUREL CANYON BLVD	SAN FERNANDO	CA	91340
201-29-044A	SOLOMON DAVID ROSE & STEGER ARLENE	22810 COLLINS ST	WOODLAND HILLS	CA	91367
201-27-231	RIGSBY COLLEEN V ET-AL	4183 ORCHARD ST	MONCLAIR	CA	91783
201-49-045	PEREZ DAVID G	575 E ST. #12	CHULA VISTA	CA	91910
201-29-055B	SCAHILL DENISE	1574 PARKVIEW DRIVE	VISTA	CA	92083
201-27-201	THE SHARON YOLANDE PINSON TRUST	2484 LAURIE LANE	SAN DIEGO	CA	92105
201-27-325	FERNANDEZ RONALD M & MONTOYA ANNETTE	7805 PRARIE MOUND WAY	SAN DIEGO	CA	92139
201-49-003	WATERS JIMMIE A & EVELINE R TRUSTEES	5320 COLORADO RIVER RD	BYTHE	CA	92225
201-27-096	KOWALCZYK LILLIAN J	112 CACHAMILLA CT	PALM DESERT	CA	92260
201-29-031A	BALLESTEROS ALICE	5020 BELLAMY PLACE	RIVERSIDE	CA	92503
201-29-094A	MONTANA MARY & ALMER DEBORAH A MONTANA	7886 REMINGTON DRIVE	RIVERSIDE	CA	92503
201-29-037B	HALL GEORGE R	8483 CRYSTAL STREET	RIVERSIDE	CA	92504
201-27-318	JAMES ROBERT H & DEBORAH F	16821 HALFMOON DRIVE	LAKE ELSINORE	CA	92530
201-27-008	BRUNK DONALD & JAN (CPWROS)	93288 MANDAVILLE WAY	LAKE ELSINORE	CA	92530
201-27-026	GUSTIN RONALD & SANDY	93437 CATLAN AVE	HEMET	CA	92545
201-27-313	VANOOSTING WILLIAM J & ELIZABETH JT	28681 MEADOW VIEW DR	HEMIFEE	CA	92584
201-27-131	HERTEL EDWARD M & NORIKO JT	28755 ORCHID CT	TEMEGULA	CA	92591
201-29-065A	NRL EAST LLC	1 MAUJCHLY	RYVNE	CA	92618
201-29-068A	PRUIZER CARMEN Z	18221 DELAWARE APR. 24	HUNTINGTON BCH	CA	92648
201-27-077	SNYDER DAN C & MANGI L SNYDER	23052 ANDRIA PL	LAGUNA HIGUEL	CA	92677
201-27-087	HOFFMAN WILLIAM J	5904 POBO COURT	BAKERSFIELD	CA	93309
201-49-082	SLOCUM ROBERT WILLIAM	PO BOX 1535	LANCASTER	CA	93539
201-27-335	HUTCHINS GAIL E	134A LANGTON ST	SAN FRANCISCO	CA	94105
201-27-264	MORELLI MICHAEL E & JAYNE D JT	2828 LUCENA WAY	ANTIOCH	CA	94509
201-29-115A	GNALL ANDREW S & CARLA JT	4405 WATER OAK COURT	CONCORD	CA	94621
201-27-237	WINHAM MARK EDWARD & GIBSON LAURIE LOUISE	1019 WOODHAVEN WAY	ANTIOCH	CA	94631
201-27-249	MASARWEH TONY	1121 ABBOTT AVENUE	CAMPBELL	CA	95008
201-29-057B	VALDEZ GEORGE G SS	1339 ADMIRE COURT	MILPITAS	CA	95035
201-27-218	MARKLEY MATTHEW LEE	4796 SOUTH LOUIS LAMOUR DRIVE	GOLD CANYON	AZ	86219
201-48-039	LAGULA EDDIE	9061 PARK MEADOWS DRIVE	ELK GROVE	CA	95604
201-27-084	RUSHING GLEN THOMAS & MELANIE CLAIRE	216 JEPSON WAY	VACAVILLE	CA	95688

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201-27-083	EVANS WILLIAM ROBERT & RONDA LYNN	1021 ARBUTUS AVENUE	CHICO	95828
201-28-076C	EAST REALTY PARTNERS	719 ELLEN AVE	PORTOLA	98122
201-29-101B	MC CALL DEBORAH SS	1063 E SAN BERNARDINO	S. LAKE TAHOE	98160
201-27-238	OSTEEN HARRY V & CARMELINA M JT	USAG-J BOX 2348 UNIT 48013	APO AP	98338
201-49-031	TAKARA ELIZABETH KIM FUNG	98-412 POMOHALE STREET	AEA	98701
201-49-082	YAMADA STEPHEN K	PO BOX 1281	AEA	98701
201-29-070C	KYABU TADASHI D & MARTHA A JT	91-024 MIJUMUJU PLACE	EWA BEACH	98706
201-27-218	NAKAGAWA EARLE H & PATRICE K JT	91-280 LUKINI PL	EWA BEACH	98706
201-27-110	ROBERT K HIGGINS TRUST	91-627 KILPOE STREET	EWA BEACH	98708
201-27-017	WESTLAKE WARD A	91-863 LAALULU STREET APT 35-F	EWA BEACH	98708
201-27-059	MARTINEZ SHERWIN R & MERLITA P JT	PO BOX 2824	KAPOLEI	98707
201-27-130	RUTHFORD PAUL W *	82-1083 KAKOO PLACE	KAPOLEI	98707
201-49-084	ANDRADE WILFRED	92-765 MAKAKILO DRIVE #63	KAPOLEI	98708
201-28-027A	SCHMIDT ROBERT K & JOAN K JT	92-771 MAKAKILO DRIVE #74	KAPOLEI	98708
201-49-081	KINORES JEREMIAH L JR	77 LOKELAU PL	HAUKU	98709
201-28-017A	HERSHMAN HERMAN V	P O BOX 700822	KAPOLEI	98712
201-27-085	RAGASA VICENTE M & CANDIDA C JT *	58-042 MAKA PLACE	HALEIWA	98712
201-49-058	KALEIKINI PIILANI GHAN	58-337 PUPUKEA DRIVE	HALEIWA	98712
201-27-084	DOAK ERNIE L & DEWENT CHARLES R	P O BOX 1118	HALEIWA	98712
201-48-021	MILLER GUY D	PO BOX 1013	HALEIWA	98712
201-27-038	BEHRENS JAY	P O BOX 483	HANAPEPE	98716
201-28-023C	RAFDORD DONALD H & CHERYL A JT	PO BOX 72	HAUULA	98717
201-27-083	STANT DAVID HAUU JR &	53-045 HALAI ST	HILO	98720
201-28-041A	WILSON LANCE J	2907 ANAOILA DR	HILO	98720
201-28-111B	WEHRSIG ARMIN C & HAZEL S JT	307 KIPA STREET	KAANAWA	98730
201-27-221	BRATKOS SOCRATES D	PO BOX 34	KAHUKU	98731
201-27-067	ADAMS JAY J	PO BOX 544	KAHUKU	98732
201-27-075	SANTIAGO NANCY D	360 LONO AVE	KAHUKU	98732
201-49-086	AGIBUAY LEO C & LETICIA M	373 KAMEHAMEHA AVENUE	KAHUKU	98733
201-49-048	MIYAHIRA IRA Y	PO BOX 330462	KAHUKU	98734
201-49-083	CABRAL LAWRENCE E JR	598 KIHAPAI ST.	KAILUA	98734
201-28-053A	RIMSINTH PETER & PRANEE JT	578 WANAAO RD	KAILUA	98743
201-28-048A	HAMADA ROY T	98-1795 PUAKO BEACH DR	KAMUELA	98743
201-28-085B	BANNISTER CHRISTINE R & JAMES	PO BOX 1585	KAMUELA	98743
201-28-086C	POGTIS ALFRED & CARMAN JT	45-754 POOKELA STREET	KAMEOHE	98744
201-27-250	KAAIHUE JUNE Y	PO BOX 5837	KAILUA KONA	98745
201-49-058	FUKUMOTO GAYLORD H & SUSAN L	P.O. BOX 12844	LAHAINA	98781
201-49-058	HIRANO ROY P	4440 MAKOI PLACE	LIHUE	98784
201-49-001	KINORES JEREMIAH L & EMILY JT	PO BOX 1177	LAWAI	98785
201-28-115B	KUJA GORDON B & PEGGY E JT	380 PAU HANA ROAD	MAKAWAO	98788
201-27-217	DAQUYCUY ALEX R	80 KEALAKA AVENUE	MAKAWAO	98788
201-28-036C	OSHIRO RICKY ASACHII & SADIE CHOCK FUN	2854 IROLANI	PUKALANI	98788
201-28-016A	BAKEFOOT ROBERT D & AMY M	1773-C EAMES STREET	WAHAIWA	98788
201-28-016B	CASSIUM AJ CHN & JOHN THOMAS	4838-D HANDRICH STREET	WAHAIWA	98788
201-27-086	GUERERO PACIFICO D & VIRGINIA C	934 LEMU STREET	WAHAIWA	98788
201-27-132	MATSUDA KENDAL MASSAJI & ELLEN SADAMUN(JT)	988 HANAU STREET	WAHAIWA	98788
201-28-084B	TOM CLAUDETTE MYRA	86-934 ALENA LOOP	WAHAIWA	98788
201-28-051C	LOMBOY NESTER D & FIDELITA J *	55-510 KAM HWY	WAILUA	98782
201-49-085	NELSON GLIN	85-1080 PILUKA WAY	LAIE	98782
201-28-048B	RAMOS ALEJANDRO & LUCITA	87-1772 MOHIMI ST	WAIANAE	98782
201-28-047C	CARLOS HERBERT JOHN	87238 OHIOHI PLACE	WAIANAE	98782
201-27-080	KAUPALOLO JOHN IV & SUSAN C JT	87-582 MANUU STREET	WAIANAE	98782
		PO BOX 351	WAIANAE	98782
		871 HILINAI STREET	WAILUKU	98793

ZANE & DEBORAH GRAHAM

SHEILA GONZALES

SIAM INDUSTRIAL SUPPLY CO., LTD

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201-28-0258	ARAGON JOSEPH A JR & LINDA H	41-1859 HUMUPAA STREET	WAIMANALO	HI	96795
201-49-077	HOAPILI JOHN G.K. JR & LORRAINE K JT	P O BOX 9	WAIMANALO	HI	96795
201-28-0398	KEALANAHELE DURAND M & SANDRA P JT	94-806 KAIWAHOLO STREET	WAIKAILOO	HI	96797
201-49-089	MACARANAS BENIGNO & ISABELA Q	94-023 WAIKAILOO LOOP	WAIKAILOO	HI	96797
201-28-076C	BALASON DOMINIO A & EMMA A JT	94-049 WAIKAILOO ST APT 209	WAIKAILOO	HI	96797
201-28-073A	DUMLAO GAUDENCIO C & CERIACA L JT	94-1066 AWALAI STREET	WAIKAILOO	HI	96797
201-49-075	GAMENG CIRLO M & JANE G JT	94-1118 HOOMAKOIA STREET	WAIKAILOO	HI	96797
201-49-016	ROGUE ERNESTO C & EVANGELINE P	94-1488 POKE-O- STREET	WAIKAILOO	HI	96797
201-28-083C	KIYABU CARLTON TAKESHI SS *	94-205 UMEKE PL	WAIKAILOO	HI	96797
201-29-1098	CADIENTE VIRGILIO R & LINDA R JT	94-441 PAIWA STREET	WAIKAILOO	HI	96797
201-27-074	MABANAG MOISES S & AGRIPINA R	94-822 KAAHOLO STREET	WAIKAILOO	HI	96816
201-28-080C	FUKUDA HAROLD T & GAIL N JT	1233 7TH AVENUE	HONOLULU	HI	96817
201-28-043C	VAUCE JORINATHAN L	1738 AUPUNI STREET	HONOLULU	HI	96816
201-28-003A	LEE HERBERT YC *	3138 ALA ILIKA ST # 502	HONOLULU	HI	96818
201-28-043A	MC KENNE KRISTIN L	4648 UKALI ST	HONOLULU	HI	96819
201-28-106A	NAKASATO DENNIS M & JEAN M JT	3010-B PAPALI STREET	HONOLULU	HI	96821
201-28-025A	SANCHEZ ERNEST & LORENE R L JT	422 LANI STREET	HONOLULU	HI	96823
201-27-076	YAMAO GEORGE T	PO BOX 22822	HONOLULU	HI	96826
201-28-109C	FABRAO KIMBERLEY A K	1227 KAHULU ST	HONOLULU	HI	97119
201-27-338	GROSS RICHARD D & CAROLA JT	PO BOX 577	GASTON	OR	97298
201-27-289	RADIUS HOLDINGS, LLC TRUSTEE	P O BOX 25121	PORTLAND	OR	97298
201-27-029	VITALONE GARY OR KARLA	4434 137TH AVE NE	BELLEVUE	WA	98006
201-28-011A	SMILEAU INC	PO BOX 888	LYNDEN	WA	98264
201-28-022A	HAGIRAHMOODI ALI	7428 78TH DR. N.E.	MARYSVILLE	WA	98278
201-28-088B	BIEDERMAN IRA W	7433 44TH AVE NE	OLYMPIA	WA	98516
201-28-088B	SCHAMBER META H	118 PINDEER ROAD	ABERDEEN	WA	98520
201-28-053C	HAUFLAIRE PATRICK JAMES	7316 NE 56 COURT	VANCOUVER	WA	98661
201-27-030	SITLER DAVID J	1375 SOUTH MAIN	COLYVILLE	WA	99114
201-27-282	BLOCK LARRY L & GERALDINE A JT	4209 SOUTHWOOD SHORES ROAD	LOON LAKE	WA	99148
201-27-189	POGUE MARGARET	P O BOX 30474	SPOKANE	WA	99223
201-28-113A	LILICO DELMAR G & MARY JT	578 CALLINGWOOD DR	KAMLOOPS, BC	CANADA	V2S 6B3
	SMITH FAMILY TRUST				
	KIM AUSTIN				
	MARGARET MORLIN				
	MARY LILICO				

SALLQUIST, DRUMMOND & O'CONNOR, P.C.

ATTORNEYS AT LAW
TEMPE OFFICE
4500 S. LAKESHORE DRIVE
SUITE 339
TEMPE, ARIZONA 85282

RICHARD L. SALLQUIST

PHONE (480) 839-5202
FACSIMILE (480) 345-0412
E-MAIL dick@sd-law.com

October 19, 2006

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

Re: Livco Water Company; Docket No. W-02121A-06-0316; Livco Sewer Company;
Docket No. SW-02563A-06-3160: Compliance Filing

Dear Sir:

Enclosed are 15 copies of the Affidavit of Publication as required by the
Procedural Order dated September 11, 2006 in the subject Docket.

In the event you have any questions regarding this matter, please do not hesitate
to call.

Sincerely,



Richard L. Sallquist

Cc: Hearing Division
Legal Division
Utilities Division
Rick Kautz

State of Arizona)
)
County of Apache) ss.

Affidavit of Publication

White Mountain Independent

PUBLIC NOTICE OF THE HEARING FOR AN EXTENSION OF THE CERTIFICATES OF CONVENIENCE AND NECESSITY TO PROVIDE WATER AND WASTEWATER SERVICE

W-02121A-06-0316 et al.

On May 4, 2006, Livco Water Company and Liveco Sewer Company filed a joint application for an extension of their Certificate of Convenience and Necessity to provide public water and wastewater utility service, respectively, to various parts of Apache County, Arizona.

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, Phoenix, Arizona and at the Applicants' office, #1 County Road 5100, Concho, Arizona and on the internet via the Commission website (www.azcc.gov) using the c-docket function.

The Commission will hold a hearing on this matter commencing on November 13, 2006 at 10:00 a.m. at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Intervention shall be permitted to any person entitled by law to intervene and having a direct and substantial interest in the matter. Persons desiring to intervene must file a written motion to intervene with the Commission, which motion should be sent to Applicants or their counsel and to all parties of record, and which, at the minimum, shall contain the following:

1. The name, address, and telephone number of the proposed intervenor and of any party upon whom service of documents is to be made if different than the intervenor.

2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer of Applicants, a shareholder of Applicants, a competitor, etc.).

3. A statement certifying that a copy of the motion to intervene has been mailed to the Applicants or their counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-9-105, except that all motions to intervene must be filed on or before October 20, 2006. This granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any customer from appearing at the hearing and making a statement on such customer's own behalf. If you have any questions about this application, you may contact the applicant at (928) 337-2266. If you wish to file written comments on the application or want further information on intervention, you may write the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000 or appear at the hearing and make comment.

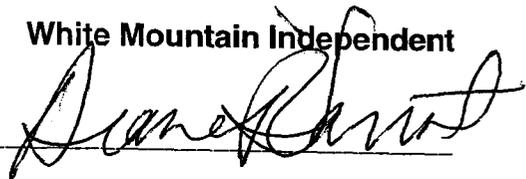
The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting Linda Hogan, ADA Coordinator, voice phone number 602/542-3931, E-mail lhogan@azcc.gov. Requests should be made as early as possible to allow time to arrange the accommodation.

Published in the White Mountain Independent September 22, 2006
(WMI 8610 A, 1x, 9/22/06)

I, Diane R. Janot being first duly sworn, depose and say: I am the agent of the White Mountain Publishing Company, publisher of the White Mountain Independent, a semi-weekly newspaper of general circulation published at St. Johns, County of Apache, Arizona and that the copy hereto attached is a true copy of the advertisement as published in the White Mountain Independent on the following dates:

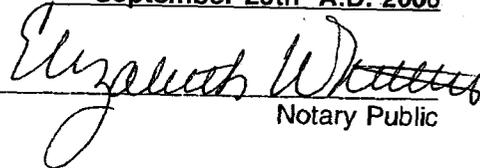
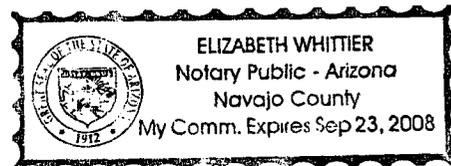
September 22, 2006

White Mountain Independent



Sworn to me this day of

September 25th A.D. 2006


Notary Public

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2006 OCT 25 P 2: 54

AZ CORP COMMISSION
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1 Richard L. Sallquist, Esq. (002677)
SALLQUIST, DRUMMOND & O'CONNOR, P.C.
2 4500 S. Lakeshore Drive, Suite 339
Tempe, Arizona 85282
3 Telephone: (480) 839-5202 Fax: (480) 345-0412
Attorneys for Livco Water Company and Livco Sewer Company

BEFORE THE ARIZONA CORPORATION COMMISSION

5 IN THE MATTER OF THE APPLICATION OF) DOCKET NO. W-02121A-06-0316
6 LIVCO WATER COMPANY FOR AN)
7 EXTENSION OF ITS CERTIFICATE OF)
8 CONVENIENCE AND NECESSITY FOR THE)
9 PROVISION OF WATER SERVICE IN)
PORTIONS OF APACHE COUNTY,)
ARIZONA,)

10 IN THE MATTER OF THE APPLICATION OF) DOCKET NO. SW-02563A-06-0316
11 LIVCO SEWER COMPANY FOR AN)
12 EXTENSION OF ITS CERTIFICATE OF) **OBJECTIONS TO STAFF REPORT**
13 CONVENIENCE AND NECESSITY FOR THE)
PROVISION OF WASTEWATER SERVICE IN)
PORTIONS OF APACHE COUNTY,)
ARIZONA,)

15 Livco Water Company and Livco Sewer Company (collectively referred to as "LIVCO"
16 or the "Company") hereby submit their Objections to the Staff Report issued October 18, 2006
17 pursuant to the Procedural Order dated September 11, 2006.

18 1. The Staff Report recommends approval of the Application with several Conditions.
19 Condition 2 recommends requiring the Company to file as a compliance item Letters of Adequate
20 Water Supply ("LAWS") for Units 1, 3 and 33 as well as Concho Shores West Subdivision.

21 2. Attachment A to the Staff Report, the Memorandum from Marlin Scott in the
22 Engineering Division, at Page 3, recommends requiring a LAWS for ONLY Concho West Shore
23

EXHIBIT
A-5
admitted

1 Subdivision. The Company believes Mr. Scott's recommendation is the appropriate
2 recommendation.

3 3. In response to a Staff's Data Request, the Company providing an explanation of the
4 LAWS the Developer of Concho Shores West Subdivision will obtain (See attached Data
5 Response dated July 6, 2006 with only Item 1 attached). Concho Shores West Subdivision is the
6 only new subdivision in the requested extension area.

7 4. Units 1 and 3 were subdivided in 1970, before the enactment of the 1980 Groundwater
8 Code that established, among other things, the LAWS requirement for NEW subdivisions. The
9 attached Item 1 to the Company's Data Response is the best evidence available to the Company
10 and the Arizona Department of Water Resources ("ADWR") and shows the status of Units 1 and
11 3 as "Ret-Sub". We are advised by ADWR that the pre-1980 Groundwater Code "Retired" status
12 is equivalent to the present-day LAWS. Neither the Company nor ADWR have any further
13 evidence of the status, other than this ADWR data base entry, which we all have the right to rely
14 upon.

15 5. Item 1 shows the status of Unit 33 as "Issued". Also attached is a January 15, 1985
16 letter from ADWR showing the adequacy for Unit 33.

17 6. LAWS are not required for existing subdivisions. ARS §45-108 imposes the
18 requirement for a LAWS on "...the developer of a PROPOSED subdivision...prior to recording
19 the plat..." (See Subsection (A), emphasis added). All units, except Concho West Shores
20 Subdivision, presently have ADWR's approval of water adequacy.

21 7. The Company agrees with all other Conditions recommended by Staff.
22
23

SALLQUIST, DRUMMOND & O'CONNOR, P.C.

ATTORNEYS AT LAW
TEMPE OFFICE
4500 S. LAKESHORE DRIVE
SUITE 339
TEMPE, ARIZONA 85282

RICHARD L. SALLQUIST

PHONE (480) 839-5202
FACSIMILE (480) 345-0412
E-MAIL dick@sd-law.com

July 6, 2006

HAND DELIVERY

Blessing Chukwu
Arizona Corporation Commission
Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

AZ CORP COMMISSION
DOCUMENT CONTROL

2006 JUL -6 P 1:09

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Re: Livco Water Company Docket No. W-02121A-06-0316; Livco Sewer Company:
Docket No. SW-02563A-06-0316: Data Response

Dear Blessing:

Please find attached to the Company's Responses to the deficiency items cited in your June 1, 2006 Insufficiency Letter. We will provide the responses serially without repeating the question.

Item 1. The Company will not seek a Designation of Assured Water Supply or a Letter of Physical Availability Demonstration. The Developer of the individual subdivision is responsible for obtaining a Letter of Adequacy in this non-AMA area. The Company is advised by the Developer's hydrologist that it is proceeding with that application to the Arizona Department of Water Resources and expects to receive that Letter within one year of the Commission's Decision in this matter. ADWR has issued numerous Letters in this area (see attached) and the Developer expects no difficulty in obtaining that Letter in a timely fashion.

Items 2 & 3. Attached are the executed water and wastewater Line Extension Agreements for the Concho West Shore Subdivision. Unsigned copies of those Agreements were provided as Attachment Two to the Application. The customers identified in Response Item 4 are presently receiving water service from the Company. The other property owners in those areas are unknown to the Company and to the best of the Company's knowledge and belief are speculators living primarily out of the State of Arizona.

Item 4. Attached are color maps showing the Company's transmission lines in blue, with the quarter sections marked in pink. The customers' presently receiving service from the Company have a blue dot on their lot.

Item 5. A legible copy of the legal description was provided to Ms. Wells on or about June 5, 2006. A copy of that legal description is attached hereto.

Item 6. Please see the attached 2005 Annual Reports for Livco Water and Livco Sewer.

Item 7. The responsible agency for Apache County is the Northern Arizona Council of Governments ("NACOG"). The Company's engineer is working with the NACOG Staff on the request for this area, and other areas soon to be developed in the Company's vicinity. An Application to Amend the 208 Plan will be submitted to NACOG soon, and is expected to be approved within one year of the decision in this Application.

Item 8. Please see the attached Aquifer Protection Permit.

Item 9. Please see the attached Apache County Franchise.

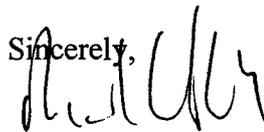
Item 10. Attached are the Approvals to Construct or Approvals of Construction for Concho Valley Unit One, Concho Valley Unit 33, and Section 29. The only other additional new service will be to Country Club Villas, Units 1 to 3. The Approval to Construct for that development will be submitted upon receipt, expected to be within one year of the decision in this Application.

Item 11. No significant turf areas will be served by the Company, only small landscaped entries to developments. The Company will provide potable water to those respective homeowners association for such purposes.

Item 12. Not applicable, see Response Item 11.

In the event you have any questions regarding this matter, please do not hesitate to contact the undersigned.

Sincerely,



Richard L. Sallquist

Enclosures

Cc: Docket Control (15 copies)
Rick Kautz

ARIZONA DEPT. OF WATER RESOURCES 4/25/06
 HYDROLOGY DEPT. DON HORDEN 602-771-8541
 dsh Query WATER ADEQUACY REPORTS

COUNT	Subdivision	PFX	DWR #	STATUS	REP	HYD R	CMP	LO	LO	LO	LO	LO	LOC-S	WATER PROVIDER	ASSIGNED
Apache	Big Six Ranches #3			Unsub	WAR	28-Jun-91	A	12	26	04	08	09			
Apache	Gedar-Guleh-Ranch #1			Unsub	WAR	14-Sep-93	A	12	26	27	28				
Apache	Cedar-Guleh-Ranch #2			Unsub	WAR	24-Jan-95	A	12	26	35					
Apache	Concho Valley #01B			Issued	ADE	11-May-82	A	12	26	18				LIVCO Water Company	G. Howell
Apache	Concho Valley #05A			Issued	ADE	16-Jul-79	A	12	26	19				LIVCO Water Company	
Apache	Concho Valley #05B			Issued	ADE	23-Jun-80	A	12	26	19				LIVCO Water Company	
Apache	Concho Valley #09			Issued	ADE	23-Aug-89	A	12	26	29				LIVCO Water Company	
Apache	Concho Valley #09A			Issued	ADE	23-May-91	A	12	26	19				LIVCO Water Company	
Apache	Concho Valley #10			Issued	ADE	23-May-91	A	12	26	07	08			LIVCO Water Company	
Apache	Concho Valley #12			Issued	ADE	30-Jul-92	A	12	26	08				LIVCO Water Company	
Apache	Concho Valley #1-4,4A,5,6,8			Ret-Sub		20-Jan-78	A	12	26	07,15,17-19,21,22,29,31				LIVCO Water Company	
Apache	Concho Valley #18			Issued	ADE	5-Mar-93	A	12	26	08,09				LIVCO Water Company	
Apache	Concho Valley #33			Issued	ADE	15-Jan-85	A	12	26	33				LIVCO Water Company	

State of Arizona
DEPARTMENT OF WATER RESOURCES
99 E. Virginia Avenue, Phoenix, Arizona 85004



BRUCE BABBITT, Governor
WESLEY E. STEINER, Director

January 15, 1985

Mr. Roy Tanney
Chief of Subdivisions
Real Estate Department
2005 North Central Avenue, 7th Floor
Phoenix, Arizona 85004

Re: Concho Valley Unit 33,
Apache County

Dear Mr. Tanney:

Pursuant to A.R.S. 45-108, Shreeve & Associates, Inc. has provided the Department of Water Resources with information on the water supply for the referenced subdivision in Section 33, T12N, R26E, G&S R B&M.

Water for domestic use will be provided to each of the 82 lots in the subdivision by Livco Water Company from a well within its franchised area.

Adequacy of the water supply was reviewed by the Department with regard to quantity, quality and dependability. The subdivision is located about 25 miles northeast of the City of Show Low. There are two aquifers underlying the property. The subdivision's proposed supply will initially be obtained from the upper volcanic aquifer. The depth to water in the existing supply well is about 50 feet below land surface. This well is capable of producing sufficient quantities of acceptable quality water for the proposed use. The lower aquifer in the area is the regional Coconino Sandstone Formation, and this aquifer could provide additional water supplies if necessary. The depth to water in the Coconino aquifer is about 550 feet below land surface and there has been no noticeable decline of the water level over the past several years. Available information indicates the area receives substantial amounts of annual recharge which should be sufficient to supply the subdivision's projected demands for a sufficiently long period of time. The Department of Water

Think Conservation!

Office of Director 255-1554

Administration 255-1550, Water Resources and Flood Control Planning 255-1566, Dam Safety 255-1541,
Flood Warning Office 255-1548, Water Rights Administration 255-1581, Hydrology 255-1580.

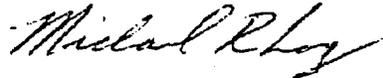
542

Mr. Roy Tanney
January 15, 1985
Page Two

Resources, therefore, finds the water supply to be adequate to meet the subdivision's projected needs. Any change to the subdivision or its water supply plans may invalidate this decision.

This letter constitutes the Department's report on the subdivision water supply and is being forwarded to your office as required by A.R.S. 45-108. This law requires the developer to hold the recordation of the above subdivision's plats until receipt of the Department's report on the subdivision's water supply. By copy of this report, the Apache County Recorder is being officially notified of the developer's compliance with the law.

Sincerely,



Michael R. Long
Chief Hydrologist

dg

cc: Henry H. Leigh,
Lake Investment Company
Shreeve & Associates, Inc.
Livco Water Company
Mary B. Chavez,
Apache County Recorder
Monty Stansbury,
Apache County Planning/Zoning
Wesley Shonerd,
Arizona Department of Health Services

MEMORANDUM

RECEIVED

TO: Docket Control
FROM: Ernest G. Johnson
Director
Utilities Division
Date: October 18, 2006

RECEIVED
OCT 18 2006
ARIZ. CORPORATION COMMISSION

2006 OCT 18 A 8:47
AZ CORP COMMISSION
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RE: STAFF REPORT FOR LIVCO WATER COMPANY AND LIVCO SEWER COMPANY - JOINT APPLICATION FOR EXTENSION OF THEIR EXISTING CERTIFICATES OF CONVENIENCE AND NECESSITY FOR WATER AND WASTEWATER SERVICES (DOCKET NOS. W-02121A-06-0316 AND SW-02563A-06-0316)

Attached is the Staff Report for Livco Water Company and Livco Sewer Company joint application for an extension of their existing Certificates of Convenience and Necessity to provide water and wastewater services. Staff is recommending approval with conditions.

EGJ:BNC:red

Originator: Blessing Chukwu

EXHIBIT
S-1
admitted

Service List for: Livco Water Company and Livco Sewer Company
Docket Nos. W-02121A-06-0316 and SW-02563A-06-0316

Mr. Richard L. Sallquist
Sallquist, Drummond & O'Connor
4500 South Lakeshore Drive, Suite 339
Tempe, AZ 85282

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

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

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

STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

LIVCO WATER COMPANY AND LIVCO SEWER COMPANY

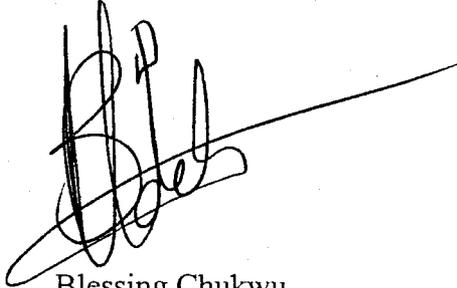
W-02121A-06-0316 AND SW-02563A-06-0316

JOINT APPLICATION FOR EXTENSION OF THEIR EXISTING CERTIFICATES OF
CONVENIENCE AND NECESSITY

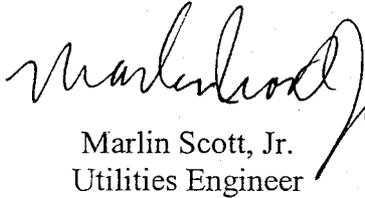
OCTOBER 18, 2006

STAFF ACKNOWLEDGMENT

The Staff Report for Livco Water Company and Livco Sewer Company (Docket Nos. W-02121A-06-0316 and SW-02563A-06-0316) 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', written in a cursive style with a long horizontal stroke extending to the right.

Blessing Chukwu
Executive Consultant III

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

Marlin Scott, Jr.
Utilities Engineer

EXECUTIVE SUMMARY
LIVCO WATER COMPANY AND LIVCO SEWER COMPANY
DOCKET NOS. W-02121A-06-0316 AND SW-02563A-06-0316

On May 4, 2006, Livco Water Company ("LWC" or "Water Company") and Livco Sewer Company ("LSC" or "Wastewater Company") collectively referred to as ("The Utilities") filed a joint application 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 Apache County, Arizona. On September 7, 2006, Staff filed a Sufficiency Letter for the Utilities indicating that the application had met the sufficiency requirements of A.A.C. R14-2-402 and A.A.C. R14-2-602.

LWC and LSC 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 Apache County, Arizona. Country Club Properties of Concho, Inc. owns all of the shares of the Utilities.

This filing is a compliance item per Decision No. 68751 due to the fact that LWC is providing service to customers outside its CC&N. According to LSC, sewer service is not being provided to customers outside its CC&N. LSC has applied for a sewer CC&N extension, along with water CC&N extension, for the proposed Concho West Shore development. By this application, the Utilities are seeking Commission authority to add approximately three square-miles to LWC's existing 2-1/4 square-miles of certificated area and to add approximately 1/16 square-mile to the LSC's existing 1-1/4 square-miles of certificated area. The Utilities serve the communities of Old Concho Townsite and Concho Valley, located 15 miles west and 18 miles southwest, respectively, of St. Johns, Apache County, along State Highway 61.

Based on Staff's review and analysis of the applications, Staff believes that the existing LWC 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 LSC Wastewater Treatment Plant will have adequate capacity to serve the existing and proposed CC&N extension areas.

Staff recommends the Commission issue an Order Preliminary to the Utilities' for extension of their respective CC&N to provide water and wastewater services in Apache County, Arizona, subject to compliance with the following conditions:

1. To require LWC to charge its authorized rates and charges in the extension area.
2. To require LWC to file with Docket Control, as a compliance item in this docket, a copy the developer's Letter of Adequate Water Supply ("LAWS") for Concho Valley Units 1, 3, 33 and the Concho West Shore development within two years of the effective date of the order granting the Order Preliminary.

3. To require LWC to file with Docket Control, as a compliance item in this docket, a copy of the Apache County franchise agreement for the extension area (which covers specifically all of Sections 7, 29 and 33, and Concho West Shore Subdivision in Section 18, all in Township 12 North, Range 26 East) within two years of the effective date of the order granting the Order Preliminary.
4. To require LSC to charge its authorized rates and charges in the extension area.
5. To require LSC to file with Docket Control, as a compliance item in this docket, a copy of the Apache County franchise agreement for the extension area (which covers specifically all of Sections 7, 29 and 33, and Concho West Shore Subdivision in Section 18, all in Township 12 North, Range 26 East) within two years of the effective date of the order granting the Order Preliminary.
6. That after LWC and LSC complies with above requirements 2, 3 and 5 the Utilities shall make a filing stating so. Within 30 days of this filing, Staff shall file a response. The Commission should schedule this item for a vote to grant the CC&N as soon as possible after Staff's filing that confirms the Utilities' compliance with items 2, 3, and 5.

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BACKFLOW PREVENTION TARIFF 3

THE WASTEWATER SYSTEM 3

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RECOMMENDATIONS 5

ATTACHMENT(S)

LIVCO WATER CO. REPORT A

LIVCO SEWER CO. REPORT B

ENGINEERING MAPS C

Introduction

On May 4, 2006, Livco Water Company ("LWC" or "Water Company") and Livco Sewer Company ("LSC" or "Wastewater Company") collectively referred to as ("The Utilities") filed a joint application 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 Apache 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 September 7, 2006, Staff filed a Sufficiency Letter for the Utilities indicating that the application had met the sufficiency requirements of A.A.C. R14-2-402 and A.A.C. R14-2-602.

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 portions of Apache County, Arizona. Country Club Properties of Concho, Inc. owns all of the shares of the Utilities.

Staff determined during its review of the Utilities rate application in Docket Nos. W-02121A-06-0316 and SW-02563A-06-0316 that LWC was serving customers outside its CC&N area, specifically in Sections 29 and 33, all in Township 12 North, Range 26 East. The Utilities were ordered by Decision No. 68751 (June 5, 2006) to file within 90 days of the effective date of the decision, an application for the extension of their CC&N to include sections 29 and 33.

This filing is a compliance item per Decision No. 68751 due to the fact that LWC is providing service to customers outside its CC&N. According to LSC, sewer service is not being provided to customers outside its CC&N. LSC has applied for a sewer CC&N extension, along with water CC&N extension, for the proposed Concho West Shore development. By this application, the Utilities are seeking Commission authority to add approximately three square-miles to LWC's existing 2-1/4 square-miles of certificated area and to add approximately 1/16 square-mile to the LSC's existing 1-1/4 square-miles of certificated area. The Utilities serve the communities of Old Concho Townsite and Concho Valley, located 15 miles west and 18 miles southwest, respectively, of St. Johns, Apache County, along State Highway 61.

The Water System

According to the Water Use Data Sheet submitted by LWC, the Water Company has two wells producing 391 gallons per minute ("GPM"), two storage tanks (250,000 gallon and 25,000

gallon), and a distribution system serving 358 service connections as of January 2006. It is anticipated that the existing service area could grow to approximately 390 connections at the end of five years. The Company has predicted an additional 47 connections for the proposed CC&N extension at the end of five years, resulting in a projected total customer base of approximately 437 at the end of five years. Based on the existing well production and storage capacities, the system can serve approximately 470 service connections.

The Water Company is currently serving customers in three of the four requested parcel areas:

- Section 7: Most of this section has been subdivided as Concho Valley Unit 1 that has 380 available lots with 42 lots currently being served by the water system.
- Section 18: A proposed development, Concho West Shore Subdivision, will serve 47 lots by extending the water system into this requested area at an estimated cost of \$181,382 through the use of a main extension agreement.
- Section 29: Most of this section has been subdivided as Concho Valley Unit 3 that has 358 available lots with one lot currently being served by the water system.
- Section 33: This section has been subdivided as Concho Valley Unit 33 that has 80 available lots with 25 lots currently being served by the water system.

Staff concludes that the proposed plant facility for the Concho West Shore Subdivision and its cost estimate totaling \$181,382 is reasonable. However, no "used and useful" determinations of the proposed plant item were made and no particular treatment should be inferred for rate making or rate base purposes.

Staff also 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") Certificates of Approval to Construct ("ATC") for facilities needed to serve the requested areas, Concho Valley Units 1, 3, 33 and Concho West Shore Subdivision, have been issued by ADEQ.

ADEQ Compliance

The ADEQ reported LWC's system, PWS #01-018, had no deficiencies and is currently delivering water that meets the water quality standard required by Arizona Administrative Code, Title 18, Chapter 4.

Arizona Department of Water Resources (“ADWR”) Compliance

LWC is not located in any Active Management Area, and consequently is not subject to reporting and conservation requirements.

According to LWC, the developer will be submitting an application for a Letter of Adequate Letter Supply (“LAWS”). Staff recommends that LWC file with Docket Control, as a compliance item in this docket, a copy the developer’s LAWS for Concho Valley Units 1, 3, 33 and the Concho West Shore development within two years of the effective date of the order granting the Order Preliminary.

ACC Compliance

According to the Utilities Division Compliance Section, LWC 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 the Water Company’s annual report, the arsenic level for Well No. 1 is 5 ppb and Well No. 2 is 3 ppb. Based on these levels, the Water Company is in compliance with the new arsenic standard of 10 ppb.

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.

LWC has an approved curtailment tariff that became effective on May 11, 2005.

Backflow Prevention Tariff

The purpose of a Backflow Prevention Tariff is to protect a water company’s water from the possibility of contamination caused by the backflow of contaminants that may be present on the customer’s premises.

LWC has an approved backflow prevention tariff that became effective on May 11, 2005.

The Wastewater System

According to LSC’s 2005 Annual Report, the Company has a 20,000 gallon per day (“GPD”) primary settling lagoon, six lift stations and a collection system serving 24 service

laterals. It is anticipated that the existing service area could grow to approximately 33 connections at the end of five years. The Wastewater Company has predicted an additional 47 connections for the proposed CC&N extension at the end of five years, resulting in a projected total customer base of approximately 80 at the end of five years. Based on the existing wastewater treatment capacity, this system can serve approximately 53 service laterals.

In the rate case Engineering Report, dated February 22, 2006, for Decision No. 68751, LSC's treatment facility was reported to be 337,000 GPD with the plant facility having numerous settling ponds. It appears the Wastewater Company has modified its settling ponds to have a current capacity of 20,000 GPD and could be re-modified to accommodate additional future flows.

LSC is proposing to extend its collection system to the proposed Concho West Shore Subdivision development. This extension will serve 47 lots at an estimated cost of \$244,913 that will be funded through the use of a main extension agreement.

Staff concludes that the proposed plant facility for the Concho West Shore Subdivision and its cost estimate totaling \$244,913 is reasonable. However, no "used and useful" determinations of the proposed plant item were made and no particular treatment should be inferred for rate making or rate base purposes.

Staff also concludes that the existing wastewater treatment system will have adequate 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 capacity as required in the future.

ADEQ Compliance

The ADEQ reported this sewer system, Inventory No. 102422, had no deficiencies and is in total compliance with its regulations.

The ADEQ issued a General Permit for construction authorization for facilities to serve the requested area, Concho West Shore Subdivision, on May 8, 2006.

The ADEQ issued an Aquifer Protection Permit ("APP"), No. P-102422, on April 27, 1992 for LSC's wastewater treatment system.

ACC Compliance

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

Proposed Rates

LWC and LSC 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 Apache County. The Utilities submitted an Apache County franchise agreement for Concho Valley Units 9, 9A and 10, which are not the subject of this instant application. As such, Staff recommends that LWC and LSC be required to file with Docket Control, as a compliance item in this docket, a copy of the Apache County franchise agreement for the extension area (which covers specifically all of Sections 7, 29 and 33, and Concho West Shore Subdivision in Section 18, all in Township 12 North, Range 26 East) within two years of the effective date of the order granting the Order Preliminary.

Recommendations

Staff recommends the Commission issue an Order Preliminary to the Utilities' for extension of their respective CC&N to provide water and wastewater services in Apache County, Arizona, subject to compliance with the following conditions:

1. To require LWC to charge its authorized rates and charges in the extension area.
2. To require LWC to file with Docket Control, as a compliance item in this docket, a copy the developer's Letter of Adequate Water Supply ("LAWS") for Concho Valley Units 1, 3, 33 and the Concho West Shore development within two years of the effective date of the order granting the Order Preliminary.
3. To require LWC to file with Docket Control, as a compliance item in this docket, a copy of the Apache County franchise agreement for the extension area (which covers specifically all of Sections 7, 29 and 33, and Concho West Shore Subdivision in Section 18, all in Township 12 North, Range 26 East) within two years of the effective date of the order granting the Order Preliminary.
4. To require LSC to charge its authorized rates and charges in the extension area.

5. To require LSC to file with Docket Control, as a compliance item in this docket, a copy of the Apache County franchise agreement for the extension area (which covers specifically all of Sections 7, 29 and 33, and Concho West Shore Subdivision in Section 18, all in Township 12 North, Range 26 East) within two years of the effective date of the order granting the Order Preliminary.
6. That after LWC and LSC complies with above requirements 2, 3 and 5 the Utilities shall make a filing stating so. Within 30 days of this filing, Staff shall file a response. The Commission should schedule this item for a vote to grant the CC&N as soon as possible after Staff's filing that confirms the Utilities' compliance with items 2, 3, and 5.

MEMORANDUM

DATE: September 28, 2006

TO: Blessing Chukwu
Executive Consultant III

FROM: Marlin Scott, Jr. *MSJ*
Utilities Engineer

RE: Livco Water Company
Docket No. W-02121A-06-0316 (CC&N Extension)

Introduction

Livco Water Company ("Company") has applied to extend its Certificate of Convenience and Necessity ("CC&N"). The requested area will add approximately three square-miles to the Company's existing 2-1/4 square-miles of certificated area. The Company serves the community of Concho Valley, which is located approximately 18 miles southwest of St. Johns along State Highway 61 in Apache County.

This CC&N extension filing is a rate proceeding compliance item per Decision No. 68751 (June 5, 2006) due to the fact that the Company was providing service to customers outside its CC&N.

Capacity

Existing Utility Plant

According to the Water Use Data Sheet submitted by the Company, the Company has two wells producing 391 gallons per minute ("GPM"), two storage tanks (250,000 gallon and 25,000 gallon), and a distribution system serving 358 service connections as of January 2006. It is anticipated that the existing service area could grow to approximately 390 connections at the end of five years. The Company has predicted an additional 47 connections for the proposed CC&N extension at the end of five years, resulting in a projected total customer base of approximately 437 at the end of five years. Based on the existing well production and storage capacities, the system can serve approximately 470 service connections.

Existing/Proposed Plant Facilities

The Company is currently serving customers in three of the four requested parcel areas:

1. Section 7: Most of this section has been subdivided as Concho Valley Unit 1 that has 380 available lots with 42 lots currently being served by the water system.
2. Section 18: A proposed development, Concho West Shore Subdivision, will serve 47 lots by extending the water system into this requested area at an estimated cost of \$181,382 through the use of a main extension agreement.
3. Section 29: Most of this section has been subdivided as Concho Valley Unit 3 that has 358 available lots with one lot currently being served by the water system.
4. Section 33: This section has been subdivided as Concho Valley Unit 33 that has 80 available lots with 25 lots currently being served by the water system.

Staff concludes that the proposed plant facility for the Concho West Shore Subdivision and its cost estimate totaling \$181,382 is reasonable. However, no "used and useful" determinations of the proposed plant item were made and no particular treatment should be inferred for rate making or rate base purposes.

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.

Arizona Department of Environmental Quality ("ADEQ") Compliance

Compliance Status

The ADEQ reported the Company's system, PWS #01-018, had no deficiencies and is currently delivering water that meets the water quality standard required by Arizona Administrative Code, Title 18, Chapter 4.

Certificate of Approval to Construct

The ADEQ Certificates of Approval to Construct for facilities to serve the requested areas, Concho Valley Units 1, 3, 33 and Concho West Shore Subdivision, have been issued by ADEQ.

Arsenic

According to the Company annual reports, the arsenic level for Well #1 is 5 parts per billion ("ppb") ppb and Well #2 is 3 ppb. Based on these levels, the Company is in compliance with the new arsenic standard of 10 ppb.

Arizona Department of Water Resources Compliance

Compliance Status

The Company is not located in any Active Management Area, and consequently is not subject to reporting and conservation requirements.

Letter of Adequate Water Supply ("LAWS")

According to the Company, the developer will be submitting an application for a LAWS. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, a copy the developer's LAWS for the Concho West Shore development within two years after the effective date of a decision in this case.

Arizona Corporation Commission Compliance

A check with the Utilities Division Compliance Section showed that the Company had no outstanding Commission compliance issues.

Curtailment Tariff

The Company has an approved curtailment tariff that became effective on May 11, 2005.

Backflow Prevention Tariff

The Company has an approved backflow prevention tariff that became effective on May 11, 2005.

Summary

Conclusions

- A. Staff concludes that the proposed plant facility for the Concho West Shore Subdivision and its cost estimate totaling \$181, 382 is reasonable. However, no "used and useful" determinations of the proposed plant item were made and no particular treatment should be inferred for rate making or rate base purposes.
- B. 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.

- C. The ADEQ reported the Company's system, PWS #01-018, had no deficiencies and is currently delivering water that meets the water quality standard required by Arizona Administrative Code, Title 18, Chapter 4.
- D. The ADEQ Certificates of Approval to Construct for facilities to serve the requested areas, Concho Valley Units 1, 3, 33 and Concho West Shore Subdivision, have been issued by ADEQ.
- E. According to the Company annual reports, the arsenic level for Well #1 is 5 ppb and Well #2 is 3 ppb. Based on these levels, the Company is in compliance with the new arsenic standard of 10 ppb.
- F. The Company is not located in any Active Management Area, and consequently is not subject to reporting and conservation requirements.
- G. The Company has an approved curtailment tariff that became effective on May 11, 2005.
- H. The Company has an approved backflow prevention tariff that became effective on May 11, 2005.

Recommendation

- 1. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, a copy the developer's LAWS for Concho Valley Units 1, 3, 33 and the Concho West Shore developments within two years after the effective date of a decision in this case.

MEMORANDUM

DATE: September 28, 2006

TO: Blessing Chukwu
Executive Consultant III

FROM: Marlin Scott, Jr. 
Utilities Engineer

RE: Livco Sewer Company
Docket No. SW-02563A-06-0316 (CC&N Extension)

Introduction

Livco Sewer Company ("Company") has applied to extend its Certificate of Convenience and Necessity ("CC&N"). The requested area will add approximately 1/16 square-mile to the Company's existing 1-1/4 square-miles of certificated area. The Company serves the community of Concho Valley, which is located approximately 18 miles southwest of St. Johns along State Highway 61 in Apache County.

This CC&N extension filing is a rate proceeding compliance item per Decision No. 68751 (June 5, 2006). According to the Company, sewer service is not being provided to customers outside its CC&N. The Company has applied for a sewer CC&N extension, along with water CC&N extension, for the proposed Concho West Shore development.

Capacity

Existing Utility Plant

According to the Company's 2005 Annual Report, the Company has a 20,000 gallon per day ("GPD") primary settling lagoon, six lift stations and a collection system serving 24 service laterals. It is anticipated that the existing service area could grow to approximately 33 connections at the end of five years. The Company has predicted an additional 47 connections for the proposed CC&N extension at the end of five years, resulting in a projected total customer base of approximately 80 at the end of five years. Based on the existing wastewater treatment capacity, this system can serve approximately 53 service laterals.

In the rate case Engineering Report, dated February 22, 2006, for Decision No. 68751, the Company's treatment facility was reported to be 337,000 GPD with the plant facility

having numerous settling ponds. It appears the Company has modified its settling ponds to have a current capacity of 20,000 GPD and could be re-modified to accommodate additional future flows.

Proposed Plant Facilities

The Company is proposing to extend its collection system to the proposed Concho West Shore Subdivision development. This extension will serve 47 lots at an estimated cost of \$244, 913 that will be funded through the use of a main extension agreement.

Staff concludes that the proposed plant facility for the Concho West Shore Subdivision and its cost estimate totaling \$244,913 is reasonable. However, no "used and useful" determinations of the proposed plant item were made and no particular treatment should be inferred for rate making or rate base purposes.

Staff concludes that the existing wastewater treatment system will have adequate 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 capacity as required in the future.

Arizona Department of Environmental Quality ("ADEQ") Compliance

Compliance Status

The ADEQ reported this sewer system, Inventory No. 102422, had no deficiencies and is in total compliance with its regulations.

Construction Authorization (General Permit)

The ADEQ issued a General Permit for construction authorization for facilities to serve the requested area, Concho West Shore Subdivision, on May 8, 2006.

Aquifer Protection Permit ("APP")

The ADEQ issued an APP, No. P-102422, on April 27, 1992 for the Company's wastewater treatment system.

Arizona Corporation Commission Compliance

A check with the Utilities Division Compliance Section showed that the Company had no outstanding Commission compliance issues.

Summary

Conclusions

- A. Staff concludes that the proposed plant facility for the Concho West Shore Subdivision and its cost estimate totaling \$244,913 is reasonable. However, no "used and useful" determinations of the proposed plant item were made and no particular treatment should be inferred for rate making or rate base purposes.
- B. Staff concludes that the existing wastewater treatment system will have adequate 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 capacity as required in the future.
- C. The ADEQ reported this sewer system, Inventory No. 102422, had no deficiencies and is in total compliance with its regulations.
- D. The ADEQ issued a General Permit for construction authorization for facilities to serve the requested area, Concho West Shore Subdivision, on May 8, 2006.
- E. The ADEQ issued an APP, No. P-102422, on April 27, 1992 for the Company's wastewater treatment system.
- F. A check with the Utilities Division Compliance Section showed that the Company had no outstanding Commission compliance issues.

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: August 1, 2006

RE: **LIVCO WATER COMPANY (DOCKET NO. W-02121A-06-0316)**
LIVCO SEWER COMPANY (DOCKET NO. SW-02563A-06-0316)
REVISED LEGAL DESCRIPTION

The area requested by Livco for an extension has been plotted using a revised legal description, which has been docketed. This legal description is attached 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.

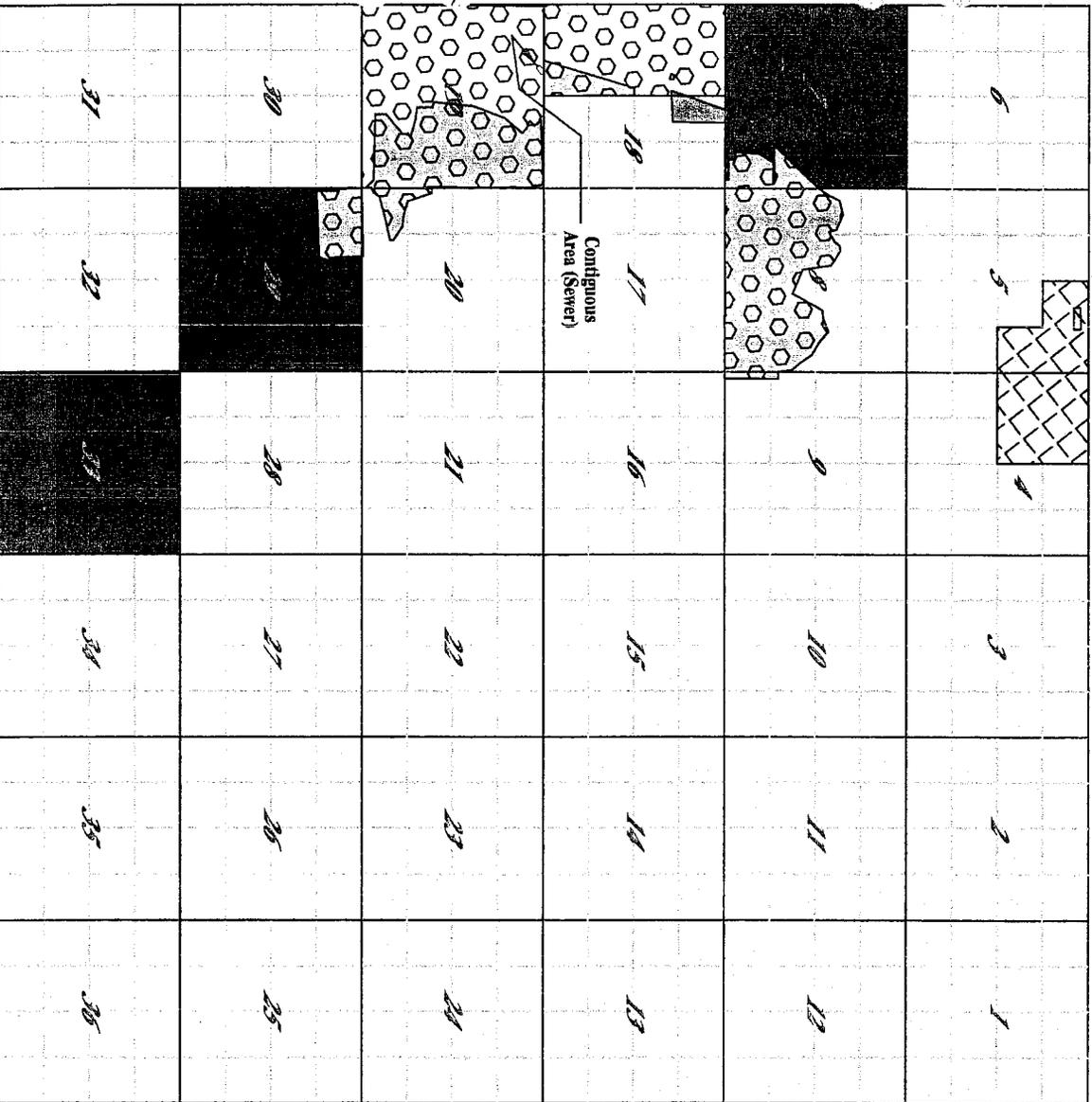
:bsw

Attachments

cc: Mr. Richard Sallquist
Ms. Deb Person (Hand Carried)
File

COUNTY OF Apache

RANGE 26 East



TOWNSHIP 12 North

-  W-2121 (1)
Livco Water Company
-  SW-2563 (1)
Livco Sewer Company
-  W-1913 (1)
Ruebush, A. C. (Concho Water Supply)
-  Livco Water Company
Docket No. W-02121A-06-0316
Application for Extension
-  Livco Sewer Company
Docket No. SW-02563A-06-0316
Livco Water Company
Docket No. W-02121A-06-0316
Application for Extension

LIVCO WATER COMPANY AND LIVCO SEWER COMPANY
DOCKET NOS. W-02121A-06-0316 AND SW-02563A-06-0316
AMENDED LEGAL DESCRIPTION

REQUESTED WATER EXPANSION AREA

Parcel 1

Concho West Shore Subdivision – A portion of Sections 7 and 18, Township 12 North, Range 26 East, Gila and Salt River Base and Meridian, Apache County, Arizona, more particularly described as follows:

Commencing at a point marking the Northeast corner of said Section 18;

THENCE South 86° 00' 07" West along the common boundary between Sections 7 and 18, a distance of 1,874.18 feet to the TRUE POINT OF BEGINNING;

THENCE South 00° 50' 31" West, a distance of 1,378.86 feet to a point on the South boundary of the Northwest Quarter of the Northeast Quarter of Section 18, said point lying South 86° 24' 11" West, a distance of 426.43 feet from the Northeast 1/16 Section corner;

THENCE South 86° 24' 11" West along said 1/16 Section line, a distance of 898.76 feet to a point on the Easterly right-of-way boundary of State Highway 61;

THENCE North 18° 33' 42" East along the highway right-of-way, a distance of 1,437.83 feet to a point of curvature;

THENCE Northerly along the right-of-way boundary and along a curve being concave to the East, having a radius of 3,745 feet, through a central angle of 05° 14' 54", a distance of 343.05 feet;

THENCE South 69° 00' 28" East, a distance of 361.78 feet;

THENCE South 00° 50' 31" West, a distance of 118.16 feet to the TRUE POINT OF BEGINNING.

Containing 23.04 acres, more or less

Subject to any existing easements or restrictions

Parcel 2

All of Section 7 except Parcel 1 and those areas previously certificated to the Company

Parcel 3

All of Section 29 except those areas previously certificated to the Company

Parcel 4

All of Section 33

All located in Township 12 North, Range 26 East, G&SRB&M, Apache County, Arizona

REVISED EXHIBIT B July 12, 2006

DOCKET NOS. W-02121A-06-0316 AND SW-02563A-06-0316
AMENDED LEGAL DESCRIPTION

REQUESTED SEWER EXPANSION AREA

Parcel 1

Concho West Shore Subdivision – A portion of Sections 7 and 18, Township 12 North, Range 26 East, Gila and Salt River Base and Meridian, Apache County, Arizona, more particularly described as follows:

Commencing at a point marking the Northeast corner of said Section 18;

THENCE South $86^{\circ} 00' 07''$ West along the common boundary between Sections 7 and 18, a distance of 1,874.18 feet to the TRUE POINT OF BEGINNING;

THENCE South $00^{\circ} 50' 31''$ West, a distance of 1,378.86 feet to a point on the South boundary of the Northwest Quarter of the Northeast Quarter of Section 18, said point lying South $86^{\circ} 24' 11''$ West, a distance of 426.43 feet from the Northeast 1/16 Section corner;

THENCE South $86^{\circ} 24' 11''$ West along said 1/16 Section line, a distance of 898.76 feet to a point on the Easterly right-of-way boundary of State Highway 61;

THENCE North $18^{\circ} 33' 42''$ East along the highway right-of-way, a distance of 1,437.83 feet to a point of curvature;

THENCE Northerly along the right-of-way boundary and along a curve being concave to the East, having a radius of 3,745 feet, through a central angle of $05^{\circ} 14' 54''$, a distance of 343.05 feet;

THENCE South $69^{\circ} 00' 28''$ East, a distance of 361.78 feet;

THENCE South $00^{\circ} 50' 31''$ West, a distance of 118.16 feet to the TRUE POINT OF BEGINNING.

Containing 23.04 acres, more or less

Subject to any existing easements or restrictions