

ORIGINAL



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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

DOCKETED

2011 AUG 12 P 3:00

AUG 12 2011

AZ CORP COMMISSION
DOCKET CONTROL

DOCKETED BY [Signature]

COMMISSIONERS

- GARY PIERCE – Chairman
- BOB STUMP
- SANDRA D. KENNEDY
- PAUL NEWMAN
- BRENDA BURNS

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. W-02350A-10-0163
 TUSAYAN WATER DEVELOPMENT)
 ASSOCIATION, INC. FOR ESTABLISHMENT)
 OF RATES FOR WATER SERVICE)

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. W-20765A-10-0432
 ANASAZI WATER CO., LLC FOR)
 ADJUDICATION "NOT A PUBLIC SERVICE)
 CORPORATION.")

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. W-20770A-10-0473
 HYDRO-RESOURCES, INC. FOR)
 ADJUDICATION "NOT A PUBLIC SERVICE)
 CORPORATION.")

TUSAYAN VENTURES' RESPONSE TO APPLICATION TO INTERVENE AND CONDITIONAL MOTION FOR EXTENSION OF TIME

Tusayan Ventures ("T Ventures"), through its counsel, hereby submits its response to Squire Motor Inns, Incorporated ("Squire") Application to Intervene and Conditional Motion for Extension of Time. T Ventures agrees with Squire, as stated in its application, that Squire's involvement is critical to the resolution of this case. T Ventures disagrees in part with Squire's request for an Extension of Time.

As noted in the Direct Testimony of the Town of Tusayan ("Town") and cited by Squire in its Motion, Hydro Water Resource's ("Hydro") system needs a well owned by Squire in order to provide proper service. T Ventures agrees that Squire is needed to determine an outcome in this matter. For those and other reasons, T Ventures understands why Squire should be allowed

1702 East Highland Avenue, Suite 316
Phoenix, Arizona 85016

1 interventor status. T Ventures' stance all along has been that this issue needs to be resolved and
2 done so in an expeditious manner. Currently, the citizens of the Town are being charged
3 disparate rates and potentially being over charged for their water. T Ventures continues to stand
4 by the notion that there needs to be a fit and proper entity providing service while charging just
5 and reasonable rates. Any further delay in that resolution is not in the public interest.

6 The request for an Extension of Time should be denied in part and granted in part. While
7 it is clear that Squire has retained counsel recently, it is also clear that the owners and managers
8 of Squire were completely aware of these proceedings and opted not to intervene or retain
9 counsel until after the Intervention deadline. The Directors and Officers of Hydro and Squire are
10 the exact same people except that John Reuter is the President and CEO of Hydro while Gregory
11 Bryan is listed as "other officer" for Squire.¹ It should be noted that Mr. Bryan would seem to be
12 well versed in this case since he is the Mayor of Tusayan. Granting Squire's open ended
13 Extension does not make sense given the above information.

14 T Ventures does agree that Squire's lawyer, Tim Sabo, does potentially need some time
15 to prepare for a hearing. Mr. Sabo is a well respected member of the Bar with a vast amount of
16 experience at the Arizona Corporation Commission having worked and practiced there for
17 almost a decade. With that being said, T Ventures would respectfully request that the September
18 9, 2011 hearing date be used as a settlement conference between the parties and have the hearing
19 commence on September 21, 2011 thereby allowing Squire's counsel time to prepare for the
20 hearing. Squire did not file for intervention during the time allotted even though the Officers and
21 Directors of that entity were aware of it. Delaying this matter any further is not in the public
22 interest.

25 ¹ See Attached Exhibit "A" which includes the 2010 Annual Report of Hydro and the 2011 Annual Report of Squire.
26 The other listed individuals in the Annual Reports are John Seibold, Elling Halvorson and Barry Baker.

1 If the Administrative Law Judge ("ALJ") determines that Squire is needed and needs to
2 file testimony in this matter, T Ventures would request a truncated schedule to accomplish that
3 and start the hearing on September 21, 2011.

4 RESPECTFULLY SUBMITTED this 12th day of August, 2011

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Garry D. Hays
The Law Offices of Garry D. Hays, PC
1702 East Highland Avenue, Suite 204
Phoenix, Arizona 85016

Attorney for Tusayan Ventures LLC

15 ORIGINAL and thirteen (13)
16 copies filed on August 12th, 2011 with:

17 Docket Control
18 Arizona Corporation Commission
19 1200 West Washington Street
20 Phoenix, AZ 85007

21 Copies of the foregoing
22 Mailed/hand delivered/emailed on August 12, 2011 to:

23 Lyn A. Farmer, Esq.
24 Chief Administrative Law Judge
25 Hearing Division
26 Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

Janice Alward, Esq.
Chief Council, Legal Division
Arizona Corporation Commission

1 1200 West Washington Street
Phoenix, AZ 85007

2 Steve Olea
3 Director, Utilities Division
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, AZ 85007

7 Paul L. Brinkmann
8 SHORALL MCGOLDRICK BRINKMANN
9 702 North Beaver
10 Flagstaff, AZ 86001
11 *Attorney for Anasazi Water Co., LLC*

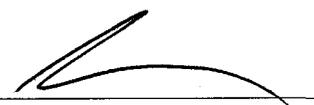
12 Russell A. Kolsrud
13 Ryan J. Lorenz
14 CLARK HILL PLC
15 14850 North Scottsdale Rd., #500
16 Scottsdale, AZ 85254
17 *Attorney for Tusayan Water Development Association, Inc.*

18 Steven A. Hirsch
19 Rodney Ott
20 BRYAN CAVE LLP
21 Two North Central Avenue, #2200
22 Phoenix, AZ 85004
23 *Attorneys for Hydro-Resources, Inc.*

24 William J. Simms III
25 LASOTA & PETERS, PLC
26 722 East Osborn, #100
Phoenix, AZ 85014
Attorney for the Town of Tusayan

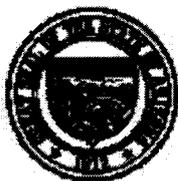
Michael W. Patten
Timothy J. Sabo
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004

Attorneys for Squire Motor Inns, Incorporated

23 By 

Exhibit

"A"



E-FILED

**STATE OF ARIZONA
CORPORATION COMMISSION
CORPORATION ANNUAL REPORT
& CERTIFICATE OF DISCLOSURE**

03478052

DUE ON OR BEFORE 05/18/2011

FILING FEE \$45

PLEASE READ ALL INSTRUCTIONS. The following information is required by A.R.S. §§10-1522 & 10-11622 for all corporations organized pursuant to Arizona Revised Statutes, Title 10. The Commission's authority to prescribe this form is A.R.S. 121(A) & 10-3121(A). **YOUR REPORT MUST BE SUBMITTED ON THIS ORIGINAL FORM.** Make changes or corrections necessary. Information for the report should reflect the current status of the corporation.

- F-0802757-6
1. **SQUIRE MOTOR INNS, INCORPORATED**
74 HIGHWAY 64
P.O. BOX 130
GRAND CANYON, AZ 86023

Business Phone: _____
State of Domicile: WASHINGTON

(Business phone is optional.)

Type of Corporation: BUSINESS

2. **Statutory Agent: HONGHIN WALL STODDS & WARDEN PLLC**
Mailing Address: 100 N KIDDER ST
City, State, Zip: KLASOVZEVY, AZ 86001

Statutory Agent's Street or Physical Address:
Physical Address:
City, State, Zip: AZ

ACC USE ONLY	
Fee	\$ <u>45.00</u>
Penalty	\$ <u>0.00</u>
Reinstates	\$ <u>0.00</u>
Expedites	\$ _____
Resubmits	\$ _____

If appointing a new statutory agent, the new agent MUST consent to that appointment by signing below. Note that the agent address must be in Arizona, (Individual) or Wa, (corporation or limited liability company) having been designated the new Statute do hereby consent to this appointment until my removal or resignation pursuant to law.

Signature of new Statutory Agent

Printed Name of new Statutory Agent

3. **Secondary Address:**

(Foreign Corporations are **REQUIRED** to complete this section).

12515 WILLOS RD NE #200
KIRKLAND, WA 98034

4. **CHARACTER OF BUSINESS**

HOTEL/MOTEL

Received: 04/28/2011 12:17

F-0802757-6 SQUIRE MOTOR INNS, INCORPORATED

5. CAPITALIZATION: (For-profit Corporations and Business Trusts are **REQUIRED** to complete this section.)

Business trusts must indicate the number of transferable certificates held by trustees evidencing their beneficial interest in the estate.

5a. Please examine the corporation's original Articles of Incorporation for the amount of shares authorized.

Number of Shares/Certificates Authorized	Class	Series Within Class (if any)
500000	COMMON	

5b. Review all corporation amendments to determine if the original number of shares has changed. Examine the minutes for the number of shares issued.

Number of Shares/Certificates Issued	Class	Series Within Class (if any)
451698	COMMON	

6. SHAREHOLDERS: (For-profit Corporations and Business Trusts are **REQUIRED** to complete this section.)

List shareholders holding more than 20% of any class of shares issued by the corporation, or having more than a 20% interest in the corporation.

ELLING HALVORSON

JOHN SEIBOLD

7. OFFICERS

Name: BARRY BAKER
 Title: PRESIDENT/CEO
 Address: PO BOX 722
 SUN VALLEY, ID 83353
 Date Taking Office: 12/07/1999

Name: ELLING HALVORSON
 Title: SECRETARY
 Address: 12515 WILLOWS RD NE
 KIRKLAND, WA 98034
 Date Taking Office: 11/13/1999

Name: GREGORY BRYAN
 Title: OTHER OFFICER
 Address: P.O. BOX 130
 74 HIGHWAY 64
 GRAND CANYON, AZ 86023
 Date Taking Office: 11/29/02

Name:
 Title:
 Address:
 Date Taking Office:

8. DIRECTORS

Name: ELLING HALVORSON
 Address: 12515 WILLOWS RD NE #200
 KIRKLAND, WA 98034
 Date Taking Office: 11/13/1997

Name: JOHN SEIBOLD
 Address: 7000 PINE CANYON RD
 WASHOE VALLEY, NV 89445
 Date Taking Office: 11/13/1997

Name:
 Address:
 Date Taking Office:

Name:
 Address:
 Date Taking Office:

F-0802757-6 SQUIRE MOTOR INNS, INCORPORATED

9. FINANCIAL DISCLOSURE (A.R.S. §10-11622(A)(9))

Nonprofits – if your annual report is due on or before September 25, 2008, you must attach a financial statement (e.g. income & balance sheet including assets, liabilities). If your nonprofit annual report is due after September 25, 2008, a financial statement is required. Cooperative marketing associations must in all cases submit a financial statement. All other forms of corporations are required to submit a financial statement no matter what date the annual report was due.

ONLY NONPROFIT CORPORATIONS MUST ANSWER THIS QUESTION:**9A. MEMBERS (A.R.S. §10-11622(A)(6))**This corporation **DOES** **DOES NOT** have members.**10. CERTIFICATE OF DISCLOSURE (A.R.S. §§ 10-202(D), 10-3202(D), 10-1622(A)(5) & 10-11622(A)(7))**

A. Has any person who is currently an officer, director, trustee, incorporator, or who, in a For-profit corporation, controls or holds 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in been:

1. Convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the period immediately preceding the execution of this certificate?
2. Convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses or a monopoly in any state or federal jurisdiction within the seven year period immediately preceding execution of this certificate?
3. Subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven year period preceding execution of this certificate where such injunction, judgment, decree or permanent order involved the violation of:
 - (a) fraud or registration provisions of the securities laws of that jurisdiction, or
 - (b) the consumer fraud laws of that jurisdiction, or
 - (c) the antitrust or restraint of trade laws of that jurisdiction?

One box must be marked: YES

If "YES" to A, the following information must be submitted as an attachment to this report for each person subject to actions stated in items 1 through 3 above.

- | | |
|---|---|
| 1. Full birth name. | 5. Date and location of birth. |
| 2. Full present name and prior names used. | 6. The nature and description of each conviction; the date and location; the court involved; and the file or cause number of each conviction. |
| 3. Present home address. | |
| 4. All prior addresses for immediately preceding 7 year period. | |
- B. Has any person who is currently an officer, director, trustee, incorporator, or who, in a For-profit corporation, controls or holds 20% of the issued and outstanding common shares, or 20% of any other proprietary, beneficial or membership interest in the corporation in any such capacity or held a 20% interest in any other corporation on the bankruptcy or receivership of that other corporation?

One box must be marked: YES

If "YES" to B, the following information must be submitted as an attachment to this report for each corporation subject to actions stated above.

- (a) Name and address of each corporation and the persons involved.
- (b) State(s) in which it: (i) was incorporated and (ii) transacted business.
- (c) Dates of corporate operation.

11. STATEMENT OF BANKRUPTCY OR RECEIVERSHIP (A.R.S. §§ 10-1623 & 10-11623)

A. Has the corporation filed a petition for bankruptcy or appointed a receiver? **One box must be marked: YES**

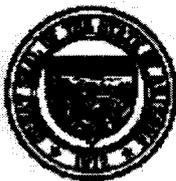
If "Yes" to A, the following information must be submitted as an attachment to this report:

1. All officers, directors, trustees and major stockholders of the corporation within one year of filing the petition for bankruptcy or appointment of a receiver. If a major stockholder is a corporation, the statement shall list the current president, chairman of the board of directors and major stockholders of such corporate stockholder. "Major stockholder" means a shareholder controlling twenty per cent of the issued and outstanding shares or twenty per cent of any proprietary, beneficial or membership interest in the corporation.
2. Whether any such person has been an officer, director, trustee or major stockholder of any other corporation within one year of filing the petition for bankruptcy or receivership of the other corporation. If so, for each such corporation give:
 - (a) Name and address of each corporation;
 - (b) States in which it: (i) was incorporated and (ii) transacted business.
 - (c) Dates of operation.

12. SIGNATURES: Annual Reports must be signed and dated by at least one duly authorized officer or they will be considered false. I declare, under penalty of perjury, that all corporate income tax returns required by Title 43 of the Arizona Revised Statutes have been filed with the Arizona Department of Revenue. I further declare under penalty of perjury that I (we) have examined the certificate, including any attachments, and to the best of my (our) knowledge and belief they are true, correct and complete.

Name GREGORY BRYAN

Date 04/28/2011



E-FILED

STATE OF ARIZONA
CORPORATION COMMISSION
CORPORATION ANNUAL REPORT
& CERTIFICATE OF DISCLOSURE

03298234

DUE ON OR BEFORE 11/07/2010

FILING FEE \$45

PLEASE READ ALL INSTRUCTIONS. The following information is required by A.R.S. §§10-1522 & 10-11622 for all corporations organized pursuant to Arizona Revised Statutes, Title 10. The Commission's authority to prescribe this form is A.R.S. 121(A) & 10-3121(A). YOUR REPORT MUST BE SUBMITTED ON THIS ORIGINAL FORM. Make changes or corrections necessary. Information for the report should reflect the current status of the corporation.

-0715536-6

- 1. HYDRO-RESOURCES, INC.
12515 WILLOWS RD NE
SUITE#200
KIRKLAND, WA 980348795

Business Phone: _____
State of Domicile: ARIZONA

(Business phone is optional.)

Type of Corporation: PROFIT

- 2. Statutory Agent: TOM CHINCHY II
Mailing Address: 8 GUSTY ROSENFELD PLC
1 E WASHINGTON STREET #1600
City, State, Zip: PHOENIX, AZ 850042553

Statutory Agent's Street or Physical Address:
Physical Address:
City, State, Zip: AZ

AOC USE ONLY	
Fee	\$ <u>45.00</u>
Penalty	\$ <u>0.00</u>
Reinstates	\$ <u>0.00</u>
Expedite	\$ _____
Resubmits	\$ _____

If appointing a new statutory agent, the new agent MUST consent to that appointment by signing below. Note that the agent address must be in Arizona, (Individual) or Wa, (corporation or limited liability company) having been designated the new Statute do hereby consent to this appointment until my removal or resignation pursuant to law.

Signature of new Statutory Agent

Printed Name of new Statutory Agent

3. Secondary Address:

(Foreign Corporations are **REQUIRED** to complete this section).

549 CAMPER VILLAGE LANE
TUSAYAN, AZ 86023

4. CHARACTER OF BUSINESS

WHOLESALE SALES

Received: 10/24/2010 16:18

-0715536-6 HYDRO-RESOURCES, INC.

5. CAPITALIZATION: (For-profit Corporations and Business Trusts are **REQUIRED** to complete this section.)

Business trusts must indicate the number of transferable certificates held by trustees evidencing their beneficial interest.

5a. Please examine the corporation's original Articles of Incorporation for the amount of shares authorized.

Number of Shares/Certificates Authorized	Class	Series Within Class (if any)
100000	COMMON	

5b. Review all corporation amendments to determine if the original number of shares has changed. Examine the minutes for the number of shares issued.

Number of Shares/Certificates Issued	Class	Series Within Class (if any)
5478.9	COMMON	

6. SHAREHOLDERS: (For-profit Corporations and Business Trusts are **REQUIRED** to complete this section.)

List shareholders holding more than 20% of any class of shares issued by the corporation, or having more than a 20% interest in the corporation.

JOHN SEIBOLD

ELLING HALVORSON

7. OFFICERS

Name: JOHN RUETER
 Title: PRESIDENT/CEO
 Address: PO BOX 3246
 GRAND CANYON, AZ 86023
 Date Taking Office: 12/07/1999

Name: JOHN SEIBOLD
 Title: SECRETARY
 Address: 6924 E EMERALD SPRING
 LAS VEGAS, NV 89113
 Date Taking Office: 04/07/1999

Name: BARRY J BAKER
 Title: VICE-PRESIDENT
 Address: PO BOX 3246
 GRAND CANYON, AZ 86023
 Date Taking Office: 09/12/2009

Name:
 Title:
 Address:
 Date Taking Office:

8. DIRECTORS

Name: ELLING HALVORSON
 Address: 12515 WILLOWS ROAD NE
 SUITE #200
 KIRKLAND, WA 980348795
 Date Taking Office: 04/07/1994

Name: JOHN R. SEIBOLD
 Address: 6924 E. EMERALD SPRING
 LAS VEGAS, NV 89113
 Date Taking Office: 04/07/1999

Name:
 Address:
 Date Taking Office:

Name:
 Address:
 Date Taking Office:

-0715536-6 HYDRO-RESOURCES, INC.

9. FINANCIAL DISCLOSURE (A.R.S. §10-11622(A)(9))

Nonprofits – if your annual report is due on or before September 25, 2008, you must attach a financial statement (e.g. income & balance sheet including assets, liabilities). If your nonprofit annual report is due after September 25, 2008, a financial statement is required. Cooperative marketing associations must in all cases submit a financial statement. All other forms of corporations are required to submit a financial statement no matter what date the annual report was due.

ONLY NONPROFIT CORPORATIONS MUST ANSWER THIS QUESTION:

9A. MEMBERS (A.R.S. §10-11622(A)(6))

This corporation **DOES** **DOES NOT** have

10. CERTIFICATE OF DISCLOSURE (A.R.S. §§ 10-202(D), 10-3202(D), 10-1622(A)(B) & 10-11622(A)(7))

A. Has any person who is currently an officer, director, trustee, incorporator, or who, in a For-profit corporation, controls or holds 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in been:

1. Convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the period immediately preceding the execution of this certificate?
2. Convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses or a monopoly in any state or federal jurisdiction within the seven year period immediately preceding execution of this certificate?
3. Subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven year period preceding execution of this certificate where such injunction, judgment, decree or permanent order involved the violation
 - (a) fraud or registration provisions of the securities laws of that jurisdiction, or
 - (b) the consumer fraud laws of that jurisdiction, or
 - (c) the antitrust or restraint of trade laws of that jurisdiction?

One box must be marked: YES

If "YES" to A, the following information must be submitted as an attachment to this report for each person subject to actions stated in items 1 through 3 above.

- | | |
|---|---|
| 1. Full birth name. | 5. Date and location of birth. |
| 2. Full present name and prior names used. | 6. The nature and description of each corporation; the date and location; the court involved; and the file or cause number of each. |
| 3. Present home address. | |
| 4. All prior addresses for immediately preceding 7 year period. | |

B. Has any person who is currently an officer, director, trustee, incorporator, or who, in a For-profit corporation, controls or holds the issued and outstanding common shares, or 20% of any other proprietary, beneficial or membership interest in the corporation in any such capacity or held a 20% interest in any other corporation on the bankruptcy or receivership of that other corporation?

One box must be marked: YES

If "YES" to B, the following information must be submitted as an attachment to this report for each corporation subject to statement above.

- (a) Name and address of each corporation and the persons involved.
- (b) State(s) in which it (i) was incorporated and (ii) transacted business.
- (c) Dates of corporate operation.

11. STATEMENT OF BANKRUPTCY OR RECEIVERSHIP (A.R.S. §§ 10-1623 & 10-11623)

A. Has the corporation filed a petition for bankruptcy or appointed a receiver? **One box must be marked: YES**

If "Yes" to A, the following information must be submitted as an attachment to this report:

1. All officers, directors, trustees and major stockholders of the corporation within one year of filing the petition for bankruptcy or appointment of a receiver. If a major stockholder is a corporation, the statement shall list the current president, chairman of the board of directors and major stockholders of such corporate stockholder. "Major stockholder" means a shareholder controlling twenty per cent of the issued and outstanding shares or twenty per cent of any proprietary, beneficial or interest in the corporation.
2. Whether any such person has been an officer, director, trustee or major stockholder of any other corporation within one year of the bankruptcy or receivership of the other corporation. If so, for each such corporation give:
 - (a) Name and address of each corporation;
 - (b) States in which it (i) was incorporated and (ii) transacted business.
 - (c) Dates of operation.

12. SIGNATURES: Annual Reports must be signed and dated by at least one duly authorized officer or they will be considered false. I declare, under penalty of perjury, that all corporate income tax returns required by Title 43 of the Arizona Revised Statutes filed with the Arizona Department of Revenue. I further declare under penalty of perjury that I (we) have examined this certificate, including any attachments, and to the best of my (our) knowledge and belief they are true, correct and complete.

Name JOHN RUETER

Date 10/24/2010