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BEFORE THE ARIZONA CORPORATION COMMISSION

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BOB STUMP  
CHAIRMAN  
  
GARY PIERCE  
COMMISSIONER  
  
BRENDA BURNS  
COMMISSIONER  
  
SUSAN BITTER SMITH  
COMMISSIONER  
  
BOB BURNS  
COMMISSIONER

IN THE MATTER OF THE JOINT )  
APPLICATION OF NORTH MOHAVE )  
VALLEY CORPORATION AND EPCOR )  
WATER ARIZONA INC. FOR APPROVAL OF )  
THE SALE OF ASSETS AND TRANSFER OF )  
CERTIFICATE OF CONVENIENCE AND )  
NECESSITY )

DOCKET NO. W-02259A-13-0138  
DOCKET NO. W-01303A-13-0138

NOTICE OF FILING EXHIBIT A-3

North Mohave Valley Corporation and EPCOR Water Arizona Inc. hereby file the attached First Amendment to Agreement for Purchase and Sale of Water Utility Assets in the above-captioned matter. This document was admitted as Exhibit A-3 in the evidentiary hearing before Judge Marc Stern on August 21, 2013.

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Arizona Corporation Commission  
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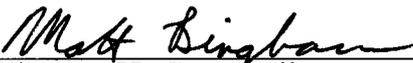
1  
2 RESPECTFULLY SUBMITTED this 22<sup>nd</sup> day of August, 2013.

3 KELLEY MOSS PLLC

4  
5  for  
6 Jamie Kelley  
7 William D. Condray  
8 2031 Highway 95  
9 Bullhead City, AZ 86442  
10 P: (928) 763-6969

11 Attorneys for North Mohave Valley Corporation  
12 and

13 LEWIS AND ROCA LLP

14   
15 Thomas H. Campbell  
16 Matthew Bingham  
17 40 North Central Avenue  
18 Phoenix, AZ 85004  
19 P: (602) 262-5311

20 Attorneys for EPCOR Water Arizona Inc.

21 ORIGINAL and thirteen (13) copies  
22 of the foregoing filed this 22<sup>nd</sup> day  
23 of August, 2013, with:

24 The Arizona Corporation Commission  
25 Utilities Division – Docket Control  
26 1200 W. Washington Street  
Phoenix, Arizona 85007

Copy of the foregoing hand-delivered  
this 22<sup>nd</sup> day of August, 2013, to:

Lyn Farmer, Chief Administrative Law Judge  
Hearing Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

1 Marc Stern, Administrative Law Judge  
Hearing Division  
2 Arizona Corporation Commission  
1200 W. Washington Street  
3 Phoenix, Arizona 85007

4 Janice Alward  
Legal Division  
5 Arizona Corporation Commission  
1200 W. Washington Street  
6 Phoenix, Arizona 85007

7 Charles Hains, Counsel  
Legal Division  
8 Arizona Corporation Commission  
1200 W. Washington Street  
9 Phoenix, Arizona 85007

10 Matthew Laudone  
Legal Division  
11 Arizona Corporation Commission  
1200 W. Washington Street  
12 Phoenix, Arizona 85007

13 Steven M. Olea, Director  
Utilities Division  
14 Arizona Corporation Commission  
1200 W. Washington Street  
15 Phoenix, Arizona 85007

16 COPY of the foregoing mailed  
this 22<sup>nd</sup> day August, 2013, to:

17  
18 Arizona Reporting Service, Inc.  
2200 N. Central Avenue  
Suite 502  
19 Phoenix, Arizona 85004

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**FIRST AMENDMENT TO AGREEMENT FOR PURCHASE AND SALE OF WATER  
UTILITY ASSETS**

THIS FIRST AMENDMENT TO AGREEMENT FOR PURCHASE AND SALE OF WATER UTILITY ASSETS (this "Amendment") is made and entered into as of August 20, 2013 by and between NORTH MOHAVE VALLEY CORPORATION, an Arizona corporation ("Seller"), and EPCOR WATER ARIZONA INC., an Arizona corporation ("Buyer").

RECITALS:

- A. Seller and Buyer are parties to that certain Agreement for Purchase and Sale of Water Utility Assets, dated as of April 19, 2013 (the "Original Agreement").
- B. Any initially capitalized term used, but not defined, in this Amendment shall have the meaning ascribed to that term in the Original Agreement.
- C. The parties wish to amend the Original Agreement as set forth in this Amendment.

NOW, THEREFORE, in consideration of the premises and the respective representations, warranties, covenants and agreements contained in this Amendment and the Original Agreement, Buyer and Seller, each intending to be legally bound by this Agreement, hereby agree as follows:

- 1. Section 2.2(j) of the Original Agreement is hereby amended by deleting "customer deposits and" from that section.
- 2. Section 2.3(a) of the Original Agreement is hereby amended and restated in its entirety as follows:
  - (a) All cash, accounts receivable, prepaid taxes, bank accounts, equity and debt securities of any nature, customer security deposits held by Seller, other deposits maintained by Seller with any governmental authority or utility providing services to Seller, and prepaid expenses of Seller that (i) are Seller's sole property and (ii) are not subject to refund by Seller or its successor to developers or others;
- 3. Schedule 2.2(j) to the Original Agreement is hereby amended and restated in its entirety and is attached to this Amendment as Schedule 2.2(j) (AMENDED).
- 4. The final sentence of Section 4.9 of the Original Agreement is hereby amended and restated in its entirety as follows:

The Transferred Deposits collectively represent all outstanding refund obligations, or potential refund obligations, of Seller relating to developer deposits or prepayments under any line extension agreements during Seller's ownership of the Utility System.

- 5. Schedule 4.9 to the Original Agreement is hereby amended by deleting Subschedule 4.9(ii) – Customer Security Deposits in its entirety, leaving only Subschedules 4.9(i) – Line Extension Agreements, 4.9(iii) – Customer Meter Deposits and 4.9(iv) – Software Licenses to comprise Schedule 4.9.

6. Section 10.3(c) of the Original Agreement is hereby amended and restated in its entirety as follows:

(c) Buyer shall assume Seller's liability for developer deposits and prepayments under any line extension agreements represented by the Transferred Deposits, and credit shall be given to Buyer for that assumption in the calculation of the Purchase Price.

7. The following is hereby appended to the end of Section 11.2 of the Original Agreement:

Buyer acknowledges that Seller is retaining its customer security deposits at the Closing and, therefore, will have an obligation to properly refund those deposits after the Closing. To facilitate those refunds by Seller, Buyer will make available the services of Collette MacArthur, if she is then an employee of Buyer, to provide assistance to Seller on terms and conditions mutually agreeable to Seller and Buyer.

8. Except as the Original Agreement is amended and modified by this Amendment, the parties hereby ratify and affirm the Original Agreement and agree that it is in full force and effect.

9. This Amendment shall be governed by, and construed and interpreted in accordance with, the laws of the State of Arizona, without giving effect to its choice of laws provisions.

10. This Amendment shall be binding upon and inure to the benefit of the parties' successors and permitted assigns.

11. This Amendment may be executed in one or more counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures on this Amendment transmitted by electronic means shall be deemed to be original signatures for all purposes of this Amendment.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

[REST OF THIS PAGE INTENTIONALLY LEFT BLANK]

SELLER:

NORTH MOHAVE VALLEY  
CORPORATION

By: \_\_\_\_\_

Title: President

Date: \_\_\_\_\_

By: John M. Cornick

Title: Secretary-Treasurer

Date: 8/21/2013

BUYER:

EPCOR WATER ARIZONA INC.

By: Way Day

Title: VP ARIZONA OPERATIONS

Date: 8/21/2013

**Schedule 2.2(j) (AMENDED)**  
**Transferred Deposits**

None