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Arizona Corporation Commission

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ARIZONA CORPORATION COMMISSION  
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**COMMISSIONERS**

- BOB STUMP, Chairman
- GARY PIERCE
- BRENDA BURNS
- BOB BURNS
- SUSAN BITTER SMITH

ORIGINAL

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF  
GLOBAL WATER – SANTA CRUZ WATER  
COMPANY, INC. FOR AN EXTENSION OF ITS  
EXISTING CERTIFICATE OF CONVENIENCE  
AND NECESSITY

DOCKET NO. W-20446A-14-0290

**RESPONSE TO INSUFFICIENCY  
LETTER**

Global Water – Santa Cruz Water Company, Inc. (“Santa Cruz”) provides this response to Commission Staff’s Revised Insufficiency Letter submitted September 5, 2014.

1. Pursuant to A.A.C. R.14-2-602.B.5.q, Staff will require documentation establishing the applicant's current financial condition, including at least the applicant's current assets and liabilities and an income statement. Please provide a current set of financial statements (i.e., June 30, 2014) that reflect the rates and rulings set forth by ACC Rate Decision No. 74364 issued February 26, 2014.

**Response to Insufficiency Question 1:**

Santa Cruz’s updated Balance Sheet and Income Statement is attached as Revised Exhibit 8 to Santa Cruz’s Application.

2. Please provide, for each parcel, the preliminary engineering report with specifications in sufficient detail to describe each wastewater system and the principal components of each wastewater system for a five year period as well as the same information beyond the five years to be included in the project. This information should include:
  - a. Master Map/Plan with a layout of the proposed wastewater system's major components (collection, treatment, and disposal systems) and phasing of construction (if phasing is proposed).

1                   b. *Engineering design report, including description of location, hydrology, the*  
2                   *proposed system's configuration, anticipated demand, design capacity, and*  
3                   *design pressure. The report must: (1) Demonstrate that the proposed system*  
4                   *will satisfy the minimum design standards as required by the Arizona*  
5                   *Department of Environmental Quality ("ADEQ"), and if phasing is proposed,*  
6                   *the anticipated demand and system components by phase; and (2) Include a*  
7                   *timeline of construction for the proposed system with estimated starting and*  
8                   *completion dates, and a description of each separate phase of construction if*  
9                   *phasing is proposed.*

10           **Response to Insufficiency Question 2:**

11           Santa Cruz provides the attached Revised Engineering Reports as Revised Exhibit 6 to  
12           Santa Cruz's Application.

13           3. *Please provide an engineering cost estimate for the proposed system by phase, if*  
14           *phasing is proposed, including a breakdown of costs for each major component.*

15           **Response to Insufficiency Question 3:**

16           Santa Cruz provides the attached revised cost estimates by phase, as Revised Exhibits 7 and  
17           9 to the Application. In addition, letters from the property owners providing updated information  
18           regarding phasing and development timeframes are attached as new Exhibit 19 to the Application.  
19           Letters are provided for the Anderson Russell, Estrella Gin, El Dorado Eagle Wing, and Santa Cruz  
20           Land Development properties. The Eagle Wing PAD property is anticipated to be used for a  
21           roadway / right of way (see Revised Engineering Report), and thus no letter is provided for this  
22           property.

23           4. *Were all city, county (franchises), or state agency approvals required by law to*  
24           *construct and operate the proposed facilities provided in the documentation filed?*

25           **Response to Insufficiency Question 4:**

26           Santa Cruz has an existing License Agreement with the City of Maricopa. In the past, Staff  
27           has accepted the License Agreement as a substitute for a Franchise Agreement. See Decision No.

1 70133 (January 23, 2008) at Finding of Fact No. 57. A copy of the License Agreement is provided  
2 as new Exhibit 20 to Santa Cruz's Application.

3 Approvals to Construct from ADEQ are typically issued after the CC&N is extended and  
4 the project is ready to begin construction.

5 Santa Cruz maintains a Designation of Assured Water Supply (DAWS) from the Arizona  
6 Department of Water Resources (ADWR). A copy of Santa Cruz's most recent DAWS order from  
7 was provided as Exhibit 15 to Santa Cruz's Application. Santa Cruz's DAWS is amended from  
8 time to time to reflect the addition of new service areas and to reflect new information regarding  
9 groundwater use.

10 RESPECTFULLY SUBMITTED this 4<sup>th</sup> day of November 2014.

11 ROSHKA DEWULF & PATTEN, PLC

12  
13 By   
14 Michael W. Patten  
15 Timothy J. Sabo  
16 One Arizona Center  
17 400 East Van Buren Street, Suite 800  
18 Phoenix, Arizona 85004

19  
20  
21  
22  
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24  
25  
26  
27  
*Attorneys for Global Water – Palo Verde  
Utilities Company*

1 Original +13 copies of the foregoing  
2 filed this 4<sup>th</sup> day of November 2014, with:

3 Docket Control  
4 Arizona Corporation Commission  
5 1200 West Washington  
6 Phoenix, AZ 85007

7 Copies of the foregoing hand-delivered/mailed  
8 this 4<sup>th</sup> day of November 2014, to:

9 Lyn A. Farmer, Esq.  
10 Chief Administrative Law Judge  
11 Hearing Division  
12 Arizona Corporation Commission  
13 1200 West Washington  
14 Phoenix, AZ 85007

15 Janice Alward, Esq.  
16 Chief Counsel, Legal Division  
17 Arizona Corporation Commission  
18 1200 West Washington  
19 Phoenix, AZ 85007

20 Steven M. Olea  
21 Director, Utilities Division  
22 Arizona Corporation Commission  
23 1200 West Washington  
24 Phoenix, AZ 85007

25 By Jacklyn Howard  
26  
27



APPLICATION OF GLOBAL WATER – SANTA CRUZ WATER COMPANY  
FOR AN EXTENSION OF A CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE WATER UTILITY SERVICE IN PINAL COUNTY, AZ

**REVISED LIST OF EXHIBITS**

<b><u>EXHIBIT #</u></b>	<b><u>STATUS</u></b>	<b><u>DESCRIPTION</u></b>
1	No Change	Legal Descriptions of the Requested Area
2	No Change	Applicant's Officer and Director Information
3	No Change	Applicant's Certificate of Good Standing from the Arizona Corporation Commission
4	No Change	Notice to be sent to City of Maricopa
5	No Change	Notice to be sent to Casa Grande
6	<b>Revised</b>	Pre-Engineering Water Report for Each Property included in the Application
7	<b>Revised</b>	Estimated Total Construction Costs and Plant Projections
8	<b>Revised</b>	Applicant's General Statement of Financial Condition
9	<b>Revised</b>	Annual Revenue and Expenses for First Five Years
10	No Change	Applicant's Tariff – Schedule of Rates and Charges
11	No Change	Written Requests for Service
12	No Change	Maps of Existing CC&N and Requested Area
13	No Change	Letter from PVUC Confirming Provision of Wastewater
14	No Change	Best Management Practices, Backflow Prevention Tariff and Curtailment Tariff
15	No Change	Applicant's Designation of Assured Water Supply
16	No Change	E-mail Regarding Public Water System Compliance Report
17	No Change	Water Use Data Sheet
18	No Change	Notarized Signature of Ron Fleming on behalf of Applicant



APPLICATION OF GLOBAL WATER – SANTA CRUZ WATER COMPANY  
FOR AN EXTENSION OF A CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE WATER UTILITY SERVICE IN PINAL COUNTY, AZ

**REVISED LIST OF EXHIBITS CONTINUED**

<b><u>EXHIBIT #</u></b>	<b><u>STATUS</u></b>	<b><u>DESCRIPTION</u></b>
19	New	Letters from Property Owners regarding Phasing and Development Timeframes
20	New	License Agreement



APPLICATION OF GLOBAL WATER – SANTA CRUZ WATER COMPANY  
FOR AN EXTENSION OF A CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE WATER UTILITY SERVICE IN PINAL COUNTY, AZ

**REVISED-EXHIBIT 6**

**PRE-ENGINEERING WATER REPORT FOR EACH  
PROPERTY INCLUDED IN APPLICATION**



TM

**Global Water - Santa Cruz  
Water Company  
2014 CC&N Expansion  
Anderson Russell, LLC**



**PRELIMINARY ENGINEERING REPORT  
WATER CC&N EXPANSION**

**ANDERSON RUSSELL, LLC PROPERTY  
LOCATED WITHIN**

**SECTION 22, T5S, R4E  
SECTION 23, T5S, R4E  
SECTION 26, T5S, R4E**

**PINAL COUNTY, ARIZONA**

**REVISED NOVEMBER 2014**

Prepared for:  
ANDERSON RUSSELL, LLC  
14400 N. 76<sup>TH</sup> PLACE  
SCOTTSDALE, AZ 85260

Prepared By:  
Global Water – Santa Cruz Water Company

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**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Anderson Russell, LLC**

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**PROJECT SUMMARY**

Anderson Russell, LLC's property (the "Property") is 745 acres-approximately 1.16 square miles of undeveloped land. The Property will be provided water service from Global Water - Santa Cruz Water Company (SCWC). SCWC has filed an application with the Arizona Corporation Commission with the intention to extend its Certificate of Convenience and Necessity ("CC&N") service area to include the Property.

The Property consists primarily of Residential Use with a small amount of Commercial and Mixed Use. Design criteria will be in accordance with the requirements of the most recent version of Global Water's Standards for Planning, Design and Construction. These standards can be found online at [www.gwresources.com](http://www.gwresources.com).

To provide water service to the Property, a 16" water line will be extended to the East side of the Property along the Teel Road alignment from the Santa Cruz Ranch Water Distribution Facility.

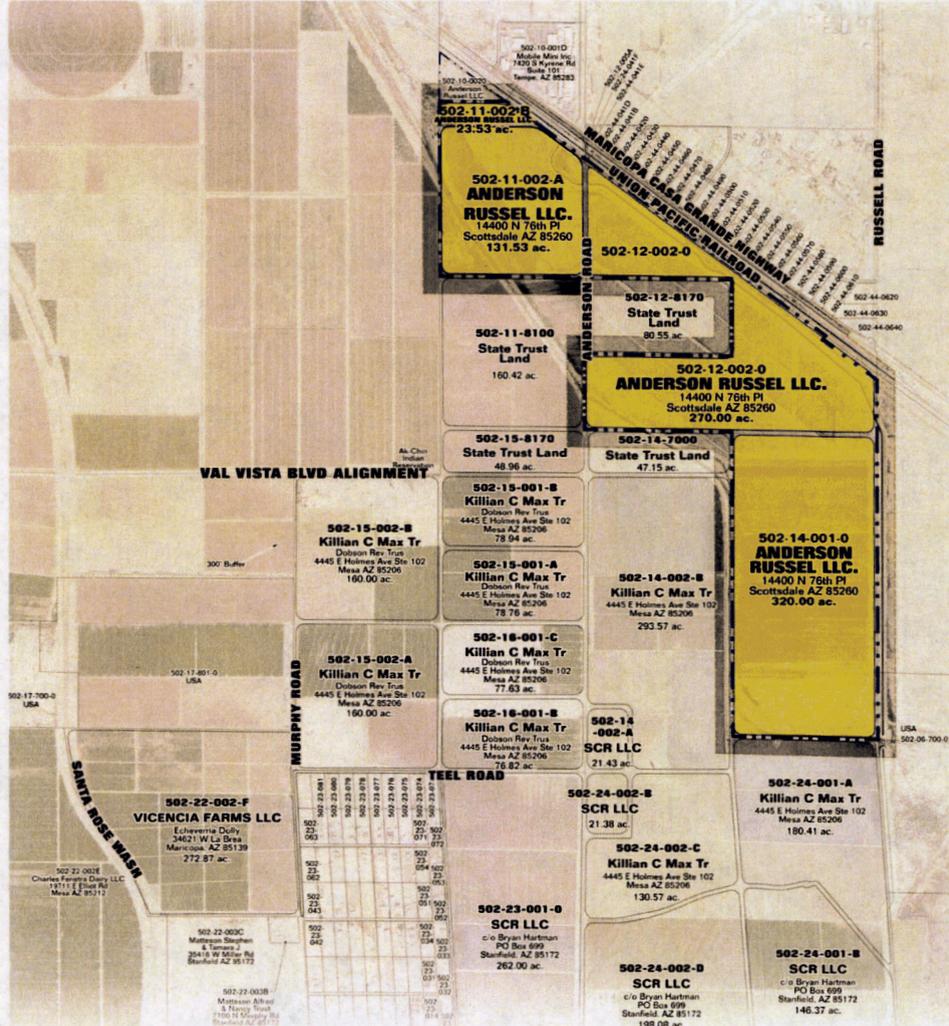
Potable Water demands have been estimated based upon pre-engineering analysis at this time.

**PROJECT LOCATION**

The Property is located South of the Maricopa/Casa Grande Highway, North of Teel Road and Russell Road to the East, in Section 22, Township 5 South, Range 4 East, and Section 23, Township 5 South,

**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Anderson Russell, LLC**

Range 4 East, and Section 26, Township 5 South, Range 4 East of the Gila and Salt River Base Meridian, Pinal County, Arizona and within the incorporated City of Maricopa. The Property is bound by the Union Pacific Railroad to the North, Russell Road to the East, and Teel Road to the South.



**South Maricopa Anderson Corridor Annexation**

Pinal County Assessor's Map of Annexation Property  
Exhibit C



10 December 2013



N:\01\0228601\Graphics\Exhibits\AndersonRussell - Annexation.indd

Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Anderson Russell, LLC

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LEGAL DESCRIPTION

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First American Title

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No. NCS-

EXHIBIT "A"

PARCEL NO. 1:

THAT PORTION OF THE NORTH HALF OF SECTION 23, TOWNSHIP 5 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, LYING SOUTH AND WEST OF THE RIGHT OF WAY OF SOUTHERN PACIFIC RAILROAD.

PARCEL NO. 2:

THAT PORTION OF THE SOUTHEAST QUARTER AND THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SECTION 23, TOWNSHIP 5 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, LYING SOUTH AND WEST OF THE RIGHT OF WAY OF SOUTHERN PACIFIC RAILROAD.

PARCEL NO. 3:

THE NORTHEAST QUARTER OF SECTION 26, TOWNSHIP 5 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA.

PARCEL NO. 4:

THE SOUTHEAST QUARTER OF SECTION 26, TOWNSHIP 5 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA.

PARCEL NO. 5:

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 15 AND THE NORTHEAST QUARTER OF SECTION 22 ALL IN TOWNSHIP 5 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, LYING SOUTH AND WEST OF THE RIGHT OF WAY OF THE SOUTHERN PACIFIC RAILROAD;

EXCEPT ANY PORTION LYING IN THE RIGHT OF WAY OF ANDERSON ROAD.

Page 3

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First American Title

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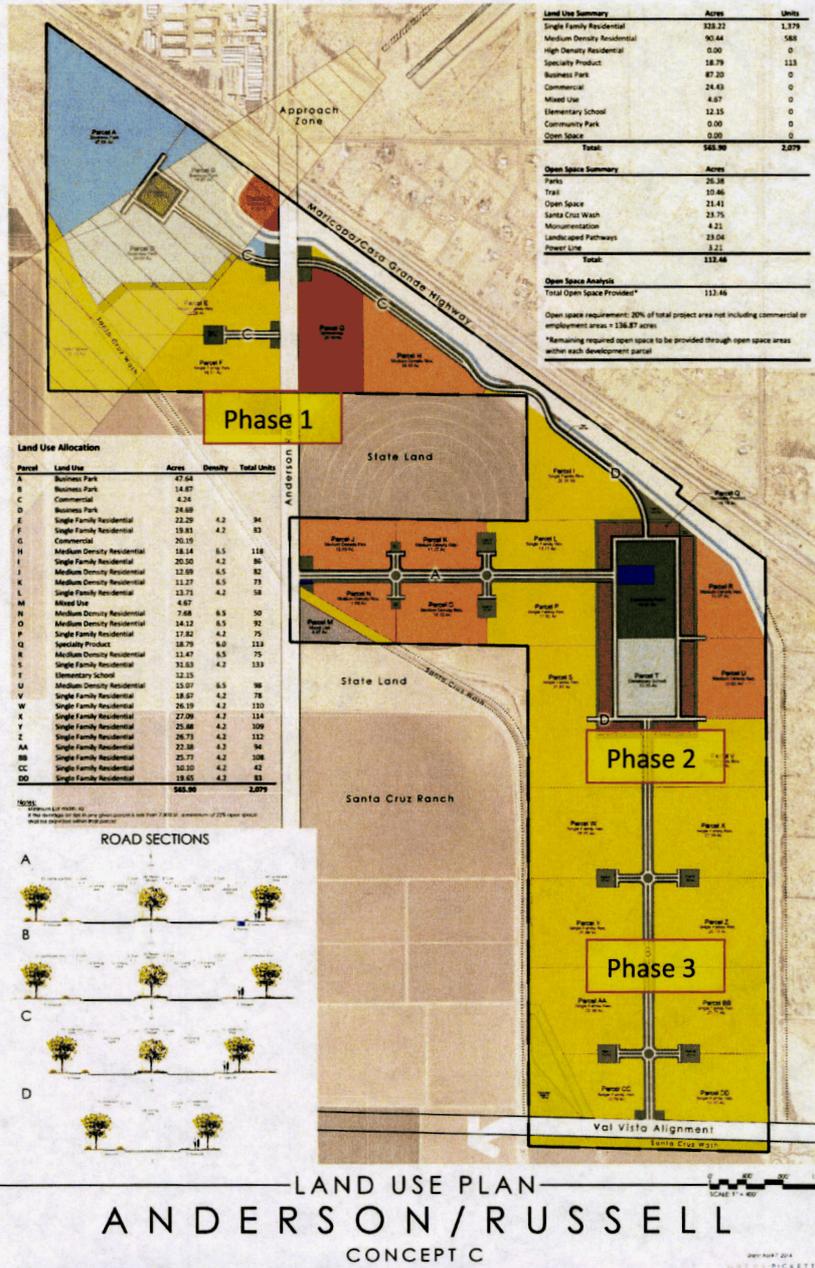




**PROPOSED DEVELOPMENT PHASING**

The Property consists of primarily Residential Use with a small amount of Commercial and Mixed Use. The development has been split into three phases, with continued development through each phase as development occurs. All offsite plant and main distribution pipelines to provide service to the entire development will have to be constructed prior to the commissioning of the first meter in phase I, therefore all offsite infrastructure will begin in 2017 and completed in 2018. Phase I has a schedule to begin onsite infrastructure in 2018 with 40% build-out planned for 2019.

**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Anderson Russell, LLC**



DESIGN CRITERIA



DESIGN & CONSTRUCTION STANDARDS

POTABLE/RAW WATER SYSTEM STANDARDS

I. WATER SYSTEM DESIGN CRITERIA

A. Water Demands

New domestic water systems or extensions shall be designed based on the following criteria:

Land Use	Unit	Average Daily Demand
Residential	Dwelling Unit	250 gpd
Commercial*	Square Foot of Building	0.125 gpd
	Acre of Commercial Property	2,800 gpd
Industrial*	Acre of Industrial Property	1,800 gpd
School	Student	50 gpd
Parks and Landscaped Open Space	Acre	1,800 gpd

\*Does not include high water use commercial/industrial facilities such as restaurants, car washes, bottling plants, etc. Contact Global Water for high water use operations.

The maximum day flow shall be equal to 2 times the average day flow. The peak hour flow shall be equal to 1.7 times the maximum day flow. For preliminary design only, a density of 4.5 dwelling units per acre shall be utilized for single family residential properties without a land use plan. Final design shall be based on the actual density. For utilities within Maricopa County, MCESD standards shall apply.

B. Pressure Requirements

Working pressures within the distribution system shall be between 40 and 80 psi. System pressure shall not drop below 40 psi at any point within the distribution system during peak hour demand. The minimum allowable residual pressure under maximum day demand plus fire flow conditions is 20 psi at all nodes.

C. Fire Flow Requirements

Fire flow requirements shall be in accordance with the local fire department authority in each applicable municipality or the AHJ. The system shall be designed to deliver the required flow rate while maintaining residual pressure, and shall provide the minimum required fire-storage volumes. At a minimum, the water system shall be designed to deliver a design fire flow in accordance with the latest edition of the International Fire Code while maintaining pressures in excess of 20 psi.

D. Network Analysis

The network analysis for the distribution system shall be analyzed utilizing a hydraulic model such as WaterGEMS or WaterCAD. A model shall be constructed to demonstrate that the proposed system meets the design guidelines established by Global Water. Flow conditions shall be analyzed for average day, maximum day, peak hour, and maximum day plus fire flow.

Input parameters to the model shall include a Hazen-Williams coefficient (C) equal to 130. Water supply pressures shall be determined by a fire hydrant flow test performed as close to the point of connection

**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Anderson Russell, LLC**

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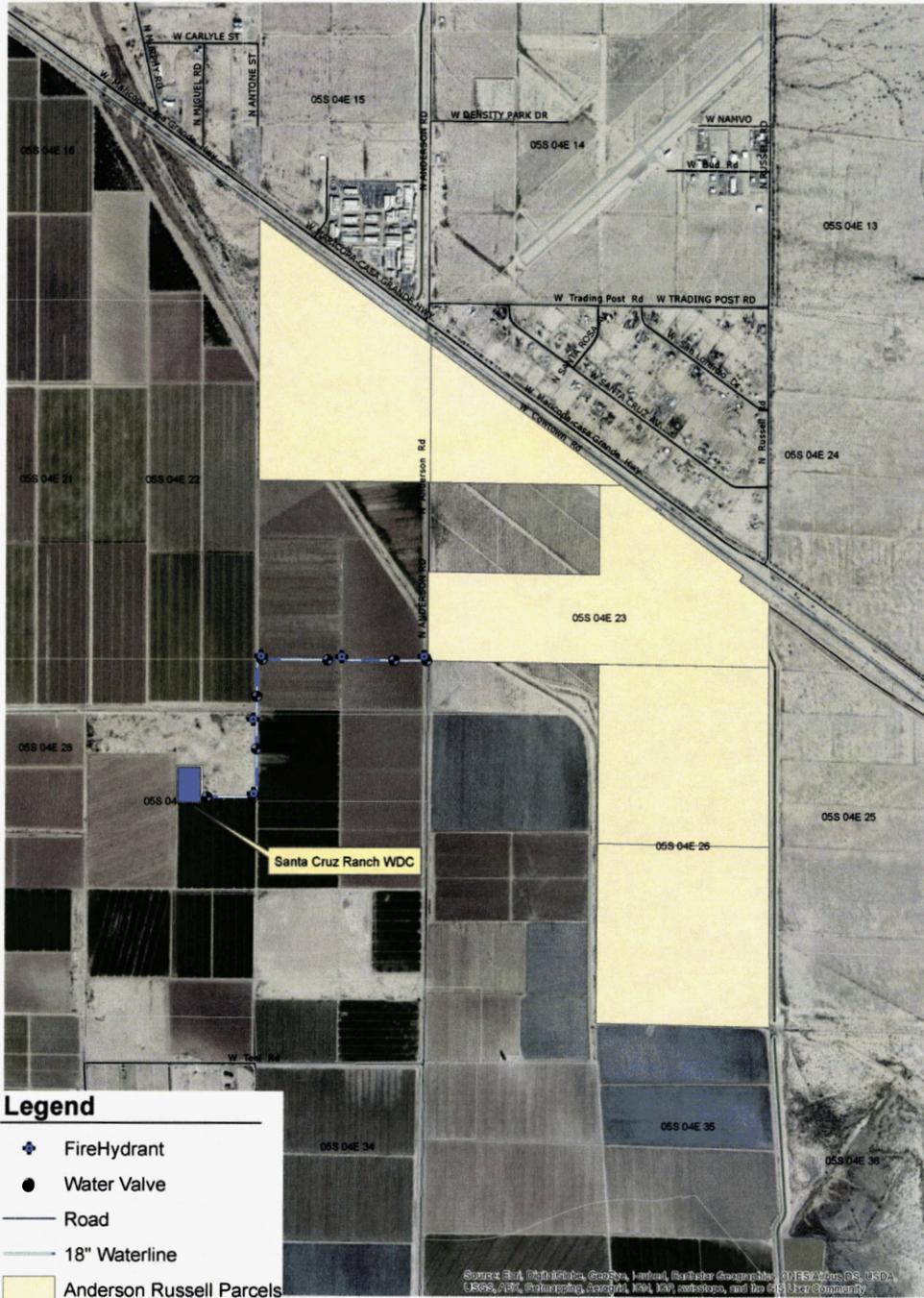
**DEMANDS**

Type	Acres	Avg Daily Demand	Total GPD	Monthly Demand	Avg Meter Vol/Month	Total Meters
Residential	475.00	1,125	534,375	16,031,250	6,529	2455
Commercial	165.00	2,800	462,000	13,860,000	43,057	322
Industrial	19.00	1,800	34,200	1,026,000	54,864	19
Irrigation	86.00	1,800	154,800	4,644,000	140,969	33
	745.00		651,000	35,561,250		2829

EXISTING INFRASTRUCTURE AND PROPOSED NEW INFRASTRUCTURE



PROPOSED CC&N EXPANSION  
 ANDERSON RUSSELL  
 WATER EXHIBIT





## PROPOSED CC&N EXPANSION ANDERSON RUSSELL ON-SITE WATER EXHIBIT



**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Anderson Russell, LLC**

**PROPOSED NEW INFRASTRUCTURE / ESTIMATED COSTS**

<b>ANDERSON RUSSELL</b>					
<b>Off-site Infrastructure</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>
16" DIP	5,500	LF	\$ 51.00	\$ 280,500.00	331
16" Valve Box & Cover	8	ea	\$ 3,882.00	\$ 31,056.00	331
16" 90 degree bend	4	ea	\$ 518.00	\$ 2,072.00	331
22 degree bend	1	ea	\$ 355.00	\$ 355.00	331
11 - 1/4 bend	1	ea	\$ 355.00	\$ 355.00	331
Engineering and Permits	10%	ls	\$ -	\$ 31,433.80	331
<b>Total</b>				<b>\$ 345,771.80</b>	

<b>ANDERSON RUSSELL</b>						
<b>Phase 1 On-Site Water System</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
16" DIP	5,000	LF	\$ 51.00	\$ 255,000.00	331	
12" DIP	0	LF	\$ 45.00	\$ -	331	
8" DIP	7103	LF	\$ 42.00	\$ 298,326.00	331	
16" Valve Box & Cover	5	Ea	\$ 3,882.00	\$ 19,410.00	331	
12" Valve Box and Cover	1	Ea	\$ 3,500.00	\$ 3,500.00	331	
8" Valve Box and Cover	16	Ea	\$ 2,500.00	\$ 40,000.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 184,098.60	331	\$ 800,334.60
Service	1375	Ea	\$ 600.00	\$ 825,000.00	333	\$ 825,000.00
Meter	1375	Ea	\$ 250.00	\$ 343,750.00	334	\$ 343,750.00
Fire Hydrant Complete	16	Ea	\$ 3,500.00	\$ 56,000.00	335	\$ 56,000.00
<b>TOTAL PHASE 1</b>				<b>\$ 2,025,084.60</b>		<b>\$ 2,025,084.60</b>

<b>ANDERSON RUSSELL</b>						
<b>Phase 2 On-Site Water System</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
16" DIP	-	LF	\$ 51.00	\$ -	331	
12" DIP	8000	LF	\$ 45.00	\$ 360,000.00	331	
8" DIP	17503	LF	\$ 42.00	\$ 735,126.00	331	
16" Valve Box & Cover	1	Ea	\$ 3,882.00	\$ 3,882.00	331	
12" Valve Box and Cover	14	Ea	\$ 3,500.00	\$ 49,000.00	331	
8" Valve Box and Cover	25	Ea	\$ 2,500.00	\$ 62,500.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 260,675.80	331	\$ 1,471,183.80
Service	1375	Ea	\$ 600.00	\$ 825,000.00	333	\$ 825,000.00
Meter	1375	Ea	\$ 250.00	\$ 343,750.00	334	\$ 343,750.00
Fire Hydrant Complete	65	Ea	\$ 3,500.00	\$ 227,500.00	335	\$ 227,500.00
<b>TOTAL PHASE 2</b>				<b>\$ 2,867,433.80</b>		<b>\$ 2,867,433.80</b>

**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Anderson Russell, LLC**

<b>ANDERSON RUSSELL</b>						
<b>Phase 3 On-Site Water System</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
16" DIP	-	LF	\$ 51.00	\$ -	331	
12" DIP	5200	LF	\$ 45.00	\$ 234,000.00	331	
8" DIP	16157	LF	\$ 42.00	\$ 678,594.00	331	
16 " Valve Box & Cover	0	Ea	\$ 3,882.00	\$ -	331	
12" Valve Box and Cover	5	Ea	\$ 3,500.00	\$ 17,500.00	331	
8" Valve Box and Cover	56	Ea	\$ 2,500.00	\$ 140,000.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 243,484.40	331	\$ 1,313,578.40
Service	1375	Ea	\$ 600.00	\$ 825,000.00	333	\$ 825,000.00
Meter	1375	Ea	\$ 250.00	\$ 343,750.00	334	\$ 343,750.00
Fire Hydrant Complete	56	Ea	\$ 3,500.00	\$ 196,000.00	335	\$ 196,000.00
<b>TOTAL PHASE 3</b>				<b>\$ 2,678,328.40</b>		\$ 2,678,328.40

**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Anderson Russell, LLC**

**WELL ASSESSMENT AND ESTIMATED COSTS**

Raw water production will be provided based upon the commencement of this development in conjunction with the service demands and the capacity of the system at that time. SCWC has identified additional wells that will be built and added to the system to supplement the need for raw water production as growth occurs. These wells have been identified by a Well Inventory and Data Review Analysis that was completed by the Hydrologist Consultant- Clear Creek Associates, and can be found attached hereto as Exhibit A. In summary, Clear Creek Associates has identified 170 registered wells within the North area assessment, of which 32 have been recommended for further evaluation as the best potential raw water production sites. SCWC will continue its investigation and analysis, and pursue development as necessary to meet the necessary raw water demands.

**Well Site #1**

<b>Item Desc</b>	<b>Quantity</b>	<b>Units</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
Site Work	1	ls	\$ 35,000.00	304	
Slab	1	ls	\$ 10,000.00	304	
Power to Site	1	ls	\$ 50,000.00	304	\$ 95,000.00
Well Drilling	1	ls	\$ 550,000.00	307	
Piping and Valves	1	ls	\$ 70,000.00	307	
Hydrotank	1	ls	\$ 35,000.00	307	
Electrical	1	ls	\$ 40,000.00	307	
Engineering and Permits	10%	ls	\$ 100,500.00	307	\$ 795,500.00
Generator	1	ls	\$ 125,000.00	310	\$ 125,000.00
Well Pump	1	ls	\$ 90,000.00	311	\$ 90,000.00
<b>Total</b>			<b>\$ 1,105,500.00</b>		<b>\$ 1,105,500.00</b>

**Well Site #2**

<b>Item Desc</b>	<b>Quantity</b>	<b>Units</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
Site Work	1	ls	\$ 35,000.00	303	
Slab	1	ls	\$ 10,000.00	303	
Power to Site	1	ls	\$ 50,000.00	303	\$ 95,000.00
Well Drilling	1	ls	\$ 550,000.00	307	
Piping and Valves	1	ls	\$ 70,000.00	307	
Hydrotank	1	ls	\$ 35,000.00	307	
Electrical	1	ls	\$ 40,000.00	307	
Engineering and Permits	10%	ls	\$ 100,500.00	307	\$ 795,500.00
Generator	1	ls	\$ 125,000.00	310	\$ 125,000.00
Well Pump	1	ls	\$ 90,000.00	311	\$ 90,000.00
<b>Total</b>			<b>\$ 1,105,500.00</b>		<b>\$ 1,105,500.00</b>

**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Anderson Russell, LLC**

**WATER COMMITMENT – TOTAL DWELLING UNITS**

<b>PAD OR MASTER PLAN LOCATION</b>	<b>TOTAL NO. OF LOTS</b>	<b>Water Units Committed</b>	<b>WATER COMMITMENTS AT 250 GPD/DU</b>
North Region			<b>250 GPD/DU</b>
Rancho El Dorado	3,210	3210	802500
The Villages	1,938	1938	484500
Acacia Crossings	739	739	184750
Cobblestone Farms	891	891	
Province *	1,333	1333	333250
Santa Rosa Springs	790	647	161750
Glennwilde	2,130	1948	487000
Rancho Mirage Estates	2,153	664	166000
Sorrento Phase 1	821	821	205250
Sorrento Phase 3	651	0	0
Dunn Ranch	641	-	-
El Rancho Santa Rosa	720	-	-
Santa Rosa Crossings	351	230	57,500
Homestead Village	2,308	1,726	431,500
Rancho El Dorado Phase III	1,803	903	225,750
Del Tessa	-	-	-
Province Phase III	862	255	63,750
Tortosa NW (Cottonwood)	1,290	1,290	322,500
Tortosa South	1,172	1,172	-

**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Anderson Russell, LLC**

Tortosa NE	1,062	1,064	-
Maricopa Groves (Senita)	1,375	1,377	344,250
Smith Farms	705	601	150,250
Eagle Shadows Phase 1	1,099	-	-
Maricopa Meadows Total	1,626	1,626	406,500
Alterra North & South Total	1,005	1,005	251,250
Palo Brea Total	526	526	131,500
Desert Cedars Totals	418	418	104,500
Commercial		2,925	731,365
<b>Anderson Russell</b>	<b>4,133</b>	<b>4,133</b>	<b>1,033,250</b>
<b>North Total</b>	<b>35,752</b>	<b>32,439</b>	<b>7,264,115</b>

**SUMMARY / CONCLUSION**

Based upon the data and analysis provided, SCWC will have to construct the Santa Cruz Ranch Water Campus, and extend water infrastructure to provide water service to the Property. Storage and boosting requirements will be met with the Santa Cruz Ranch assets, and will have the capability to meet Peak Day, Peak Hour and Peak Day plus Fire Flow Demands. Raw water production will be handled accordingly based upon the timeline of development in conjunction with the service demands and the capacity of the system at that time. SCWC has identified additional wells that will be built and added to the system to supplement the need for raw water production at the Santa Cruz Ranch facility.



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Company  
2014 CC&N Expansion  
City of Maricopa  
Eagle Wing PAD**



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**PRELIMINARY ENGINEERING REPORT  
WATER CC&N EXPANSION**

**CITY OF MARICOPA  
EAGLE WING PAD**

**SECTION 1, T5S, R3E  
SECTION 6, T5S, R4E  
SECTION 7, T5S, R4E  
SECTION 8, T5S, R4E**

**PINAL COUNTY, ARIZONA**

**REVISED NOVEMBER 2014**

Prepared for:  
City of Maricopa  
PO Box 610  
Maricopa, AZ 85139

Prepared By:  
Global Water – Santa Cruz Water Company

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Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: City of Maricopa - Eagle Wing PAD

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## PROJECT SUMMARY

Eagle Wing PAD (the "Property") is 68 acres- 0.106 square miles of undeveloped land owned by the City of Maricopa. The current plan for the Property is strictly dedicated for future road right-of-way ("ROW"). The ROW will include medians and landscaping, warranting the need for water service. SCWC has filed an application with the Arizona Corporation Commission with the intention to expand its Certificate of Convenience and Necessity ("CC&N") service area to include the Property.

Since the ROW will potentially include landscaping, service requirements may exist. A point of connection will be established as part of the initial construction facilities for the Property. Design criteria will be in accordance with the requirements of the most recent version of Global Water's Standards for Planning, Design, and Construction. The standards can be found online at [www.gwresources.com](http://www.gwresources.com).

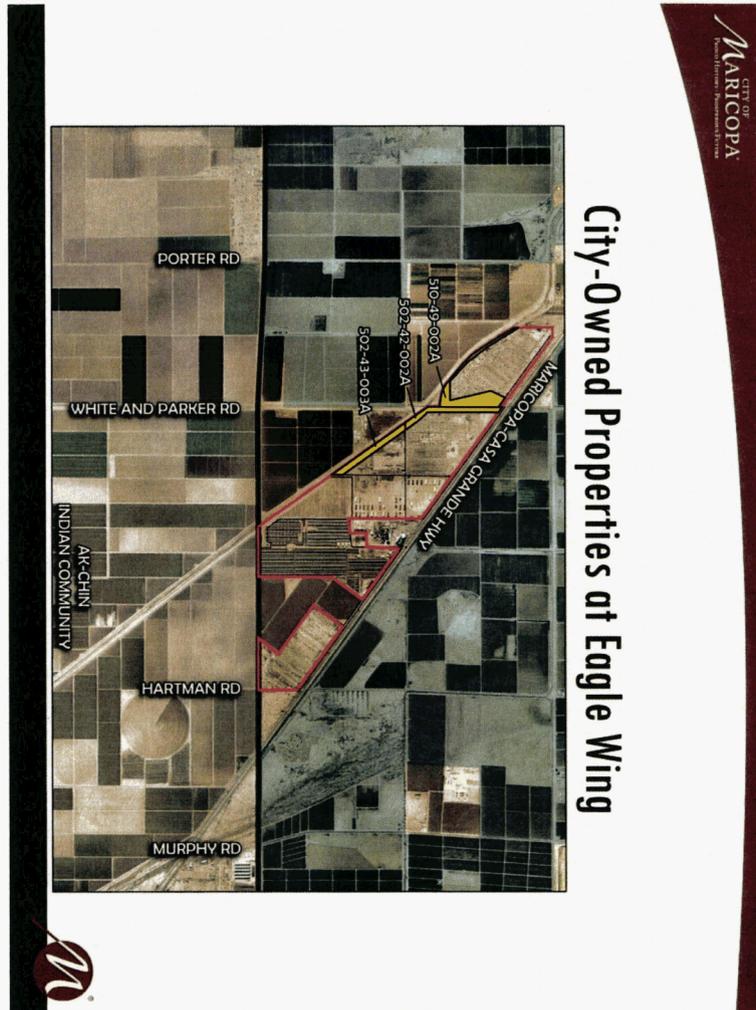
At this time, no water service demands have been estimated for the Property.

## PROJECT LOCATION

The Property is located South of the Union Pacific Railroad in Section 1, Township 5 South, Range 3 East, and Section 6, Township 5 South, Range 4 East, Section 7, Township

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2014 CC&N Expansion: City of Maricopa - Eagle Wing PAD

5 South, Range 4 East, and Section 8, Township 5 South, Range 4 East of the Gila and Salt River Base Meridian, Pinal County, Arizona and within the incorporated City of Maricopa. The Property is bound by the Union Pacific Railroad to the North, surrounded by Eagle Wing property to the East and West, and lies on the Southern edge of Eagle Wing Property.



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**2014 CC&N Expansion: City of Maricopa - Eagle Wing PAD**

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**LEGAL DESCRIPTION**

No. 242-5313948

**EXHIBIT "A"**

PARCEL NO. 1:

THAT PORTION OF PARCEL 1 DESCRIBED IN DOCUMENT 2005-056538 OF OFFICIAL RECORDS, RECORDS OF PINAL COUNTY, ARIZONA, LOCATED IN SECTION 1, TOWNSHIP 5 SOUTH, RANGE 3 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 1;

THENCE NORTH 00 DEGREES 13 MINUTES 59 SECONDS EAST, A DISTANCE OF 1,253.79 FEET ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 1 TO THE SOUTH LINE OF SAID PARCEL 1 AND THE POINT OF BEGINNING;

THENCE NORTH 80 DEGREES 49 MINUTES 31 SECONDS WEST, A DISTANCE OF 495.48 FEET ALONG SAID SOUTH LINE TO A EASEMENT DESCRIBED AS DOCKET 368, PAGE 478 RECORDS OF PINAL COUNTY, ARIZONA;

THENCE NORTH 67 DEGREES 32 MINUTES 21 SECONDS WEST, A DISTANCE OF 245.15 FEET ALONG THE SOUTH LINE OF SAID EASEMENT AND PARCEL 1;

THENCE NORTH 58 DEGREES 33 MINUTES 21 SECONDS WEST, A DISTANCE OF 313.39 FEET ALONG SAID SOUTH LINE;

THENCE NORTH 48 DEGREES 21 MINUTES 01 SECONDS WEST, A DISTANCE OF 756.83 FEET ALONG SAID SOUTH LINE;

THENCE NORTH 43 DEGREES 52 MINUTES 01 SECONDS WEST, A DISTANCE OF 569.99 FEET ALONG SAID SOUTH LINE;

THENCE NORTH 34 DEGREES 39 MINUTES 01 SECONDS WEST, A DISTANCE OF 615.95 FEET ALONG SAID SOUTH LINE;

THENCE NORTH 32 DEGREES 27 MINUTES 01 SECONDS WEST, A DISTANCE OF 378.38 FEET ALONG SAID SOUTH LINE;

THENCE NORTH 30 DEGREES 55 MINUTES 01 SECONDS WEST, A DISTANCE OF 751.97 FEET ALONG SAID SOUTH LINE;

THENCE NORTH 00 DEGREES 07 MINUTES 59 SECONDS EAST, A DISTANCE OF 192.00 FEET ALONG THE WEST LINE OF SAID EASEMENT AND PARCEL 1;

THENCE DEPARTING PARCEL 1 SOUTH 31 DEGREES 59 MINUTES 01 SECONDS EAST, A DISTANCE OF 1,260.00 FEET ALONG THE NORTH LINE OF SAID EASEMENT;

THENCE SOUTH 36 DEGREES 59 MINUTES 01 SECONDS EAST, A DISTANCE OF 970.00 FEET ALONG SAID NORTH LINE;

THENCE SOUTH 46 DEGREES 59 MINUTES 01 SECONDS EAST, A DISTANCE OF 970.00 FEET ALONG SAID NORTH LINE;

THENCE DEPARTING FROM SAID PARCEL SOUTH 89 DEGREES 46 MINUTES 01 SECONDS EAST, A DISTANCE OF 697.22 FEET;

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**2014 CC&N Expansion: City of Maricopa - Eagle Wing PAD**

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No. 242-5313948

THENCE NORTH 13 DEGREES 11 MINUTES 06 SECONDS WEST, A DISTANCE OF 1,535.51 FEET;

THENCE NORTH 25 DEGREES 52 MINUTES 03 SECONDS EAST, A DISTANCE OF 754.79 FEET TO THE SOUTHWESTERLY RIGHT OF WAY LINE OF THE SOUTHERN PACIFIC RAILROAD;

THENCE SOUTH 53 DEGREES 50 MINUTES 31 SECONDS EAST, A DISTANCE OF 317.10 FEET ALONG SAID SOUTHEASTERLY LINE TO THE EAST LINE OF SAID SECTION 1;

THENCE SOUTH 00 DEGREES 13 MINUTES 59 SECONDS WEST, A DISTANCE OF 940.89 FEET ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 1;

THENCE SOUTH 00 DEGREES 13 MINUTES 59 SECONDS WEST, A DISTANCE OF 1,451.26 FEET ALONG SAID EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 1 TO THE POINT OF BEGINNING.

PARCEL NO. 2:

THAT PORTION OF PARCEL 2 DESCRIBED AS DOCUMENT 2005-056538 OF OFFICIAL RECORDS, RECORDS OF PINAL COUNTY, ARIZONA, LOCATED IN SECTION 6, TOWNSHIP 5 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 6;

THENCE NORTH 00 DEGREES 13 MINUTES 59 SECONDS EAST, A DISTANCE OF 840.00 FEET ALONG THE WEST LINE OF SAID SECTION 6 TO THE POINT OF BEGINNING;

THENCE CONTINUING NORTH 00 DEGREES 13 MINUTES 59 SECONDS EAST, A DISTANCE OF 1,865.05 FEET ALONG SAID WEST LINE TO THE WEST QUARTER CORNER OF SAID SECTION 6;

THENCE CONTINUING NORTH 00 DEGREES 13 MINUTES 59 SECONDS EAST, A DISTANCE OF 940.89 FEET ALONG SAID WEST LINE TO THE SOUTHWESTERLY RIGHT OF WAY LINE OF THE SOUTHERN PACIFIC RAILROAD;

THENCE SOUTH 53 DEGREES 50 MINUTES 47 SECONDS EAST, A DISTANCE OF 231.53 FEET ALONG SAID SOUTHWESTERLY LINE TO A LINE THAT IS 187.50 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF SAID SECTION 6;

THENCE SOUTH 00 DEGREES 13 MINUTES 59 SECONDS WEST, A DISTANCE OF 2,697.85 FEET ALONG SAID PARALLEL LINE TO THE NORTHERLY LINE OF A PARCEL DESCRIBED IN DOCKET 372, PAGE 453 RECORDS OF PINAL COUNTY, ARIZONA AND A POINT ON A NON-TANGENT CURVE HAVING A RADIUS THAT BEARS SOUTH 42 DEGREES 11 MINUTES 49 SECONDS WEST, A DISTANCE OF 3,034.79 FEET;

THENCE SOUTHEASTERLY 780.48 FEET ALONG THE ARC OF SAID CURVE AND SAID NORTHERLY LINE, BEING CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF 14 DEGREES 44 MINUTES 07 SECONDS;

THENCE SOUTH 33 DEGREES 04 MINUTES 04 SECONDS EAST, A DISTANCE OF 260.45 FEET ALONG SAID NORTHERLY LINE TO THE SOUTH LINE OF SAID SECTION 6;

THENCE SOUTH 89 DEGREES 56 MINUTES 41 SECONDS WEST, A DISTANCE OF 258.82 FEET ALONG SAID SOUTH LINE TO THE SOUTHWESTERLY LINE OF SAID PARCEL 2;

THENCE NORTH 34 DEGREES 26 MINUTES 01 SECONDS WEST, A DISTANCE OF 1,017.77 FEET ALONG SAID SOUTHWESTERLY LINE TO THE POINT OF BEGINNING.

PARCEL NO. 3:

Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: City of Maricopa - Eagle Wing PAD

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No. 242-5313948

THAT PORTION OF PARCEL 2 DESCRIBED IN DOCUMENT 2005-056538 OF OFFICIAL RECORDS, RECORDS OF PINAL COUNTY, ARIZONA, LOCATED IN SECTION 7, TOWNSHIP 5 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 7;

THENCE NORTH 89 DEGREES 56 MINUTES 41 SECONDS EAST, A DISTANCE OF 578.91 FEET ALONG THE NORTH LINE OF SAID SECTION 7 TO A POINT ON THE SOUTHWESTERLY LINE OF SAID PARCEL 2 AND THE POINT OF BEGINNING;

THENCE CONTINUING NORTH 89 DEGREES 56 MINUTES 41 SECONDS EAST, A DISTANCE OF 263.89 FEET ALONG SAID NORTH LINE TO THE NORTHERLY LINE OF AN EASEMENT DESCRIBED AS DOCKET 1410, PAGE 592 RECORDS OF PINAL COUNTY, ARIZONA;

THENCE SOUTH 35 DEGREES 09 MINUTES 45 SECONDS EAST, A DISTANCE OF 2,868.07 FEET ALONG SAID NORTHERLY LINE TO THE EAST LINE OF SAID PARCEL 2;

THENCE SOUTH 00 DEGREES 29 MINUTES 41 SECONDS EAST, A DISTANCE OF 457.08 FEET ALONG SAID EAST LINE TO SAID SOUTHWESTERLY LINE;

THENCE NORTH 34 DEGREES 25 MINUTES 05 SECONDS WEST, A DISTANCE OF 3,396.06 FEET ALONG SAID SOUTHWESTERLY LINE TO THE POINT OF BEGINNING.

**TOPOGRAPHIC CONDITIONS**

None at this time

**PROPOSED DEVELOPMENT PHASING**

None at this time since this is all just dedicated future ROW

DESIGN CRITERIA



DESIGN & CONSTRUCTION STANDARDS

POTABLE/RAW WATER SYSTEM STANDARDS

I. WATER SYSTEM DESIGN CRITERIA

A. Water Demands

New domestic water systems or extensions shall be designed based on the following criteria:

Land Use	Unit	Average Daily Demand
Residential	Dwelling Unit	250 gpd
Commercial*	Square Foot of Building	0.125 gpd
	Acre of Commercial Property	2,800 gpd
Industrial*	Acre of Industrial Property	1,800 gpd
School	Student	50 gpd
Parks and Landscaped Open Space	Acre	1,800 gpd

\*Does not include high water use commercial/industrial facilities such as restaurants, car washes, bottling plants, etc. Contact Global Water for high water use operations.

The maximum day flow shall be equal to 2 times the average day flow. The peak hour flow shall be equal to 1.7 times the maximum day flow. For preliminary design only, a density of 4.5 dwelling units per acre shall be utilized for single family residential properties without a land use plan. Final design shall be based on the actual density. For utilities within Maricopa County, MCESD standards shall apply.

B. Pressure Requirements

Working pressures within the distribution system shall be between 40 and 80 psi. System pressure shall not drop below 40 psi at any point within the distribution system during peak hour demand. The minimum allowable residual pressure under maximum day demand plus fire flow conditions is 20 psi at all nodes.

C. Fire Flow Requirements

Fire flow requirements shall be in accordance with the local fire department authority in each applicable municipality or the AHJ. The system shall be designed to deliver the required flow rate while maintaining residual pressure, and shall provide the minimum required fire-storage volumes. At a minimum, the water system shall be designed to deliver a design fire flow in accordance with the latest edition of the International Fire Code while maintaining pressures in excess of 20 psi.

D. Network Analysis

The network analysis for the distribution system shall be analyzed utilizing a hydraulic model such as WaterGEMS or WaterCAD. A model shall be constructed to demonstrate that the proposed system meets the design guidelines established by Global Water. Flow conditions shall be analyzed for average day, maximum day, peak hour, and maximum day plus fire flow.

Input parameters to the model shall include a Hazen-Williams coefficient (C) equal to 130. Water supply pressures shall be determined by a fire hydrant flow test performed as close to the point of connection



**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: City of Maricopa - Eagle Wing PAD**

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**DEMANDS**

Type	Acres	Avg Daily Demand	Total GPD	Monthly Demand	Avg Meter Vol/Month	Total Meters
Residential	0.00	1,125	-	-	6,529	0
Commercial	0.00	2,800	-	-	43,057	0
Industrial	0.00	1,800	-	-	54,864	0
Irrigation	0.00	1,800	-	-	140,969	0
ROW	68.00	-	-	-	140,969	0
	68.00					

**EXISTING INFRASTRUCTURE AND PROPOSED NEW INFRASTRUCTURE**

None at this time since this is all just dedicated future ROW

**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: City of Maricopa - Eagle Wing PAD**

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**PROPOSED INFRASTRUCTURE / ESTIMATED COSTS**

COM EAGLE WING PAD					
Off-site Infrastructure	Quantity	Units	Unit Price	Amount	NARUC
No Off-site Infrastructure required					

COM EAGLE WING PAD						
On-Site Water System	Quantity	Units	Unit Price	Total	NARUC	NARUC TOTAL
There is no on-site infrastructure for this property, it is all dedicated right of way						

**WELL ASSESSMENT AND ESTIMATED COSTS**

None at this time since this is all just dedicated future ROW



**Global Water - Santa Cruz Water Company**  
**2014 CC&N Expansion: City of Maricopa - Eagle Wing PAD**

**WATER COMMITMENT – TOTAL DWELLING UNITS**

<b>PAD OR MASTER PLAN LOCATION</b>	<b>TOTAL NO. OF LOTS</b>	<b>Water Units Committed</b>	<b>WATER COMMITMENTS AT 250 GPD/DU</b>
North Region			<b>250 GPD/DU</b>
Rancho El Dorado	3,210	3210	802500
The Villages	1,938	1938	484500
Acacia Crossings	739	739	184750
Cobblestone Farms	891	891	
Province *	1,333	1333	333250
Santa Rosa Springs	790	647	161750
Glennwilde	2,130	1948	487000
Rancho Mirage Estates	2,153	664	166000
Sorrento Phase 1	821	821	205250
Sorrento Phase 3	651	0	0
Dunn Ranch	641	-	-
El Rancho Santa Rosa	720	-	-
Santa Rosa Crossings	351	230	57,500
Homestead Village	2,308	1,726	431,500
Rancho El Dorado Phase III	1,803	903	225,750
Del Tessa	-	-	-
Province Phase III	862	255	63,750
Tortosa NW (Cottonwood)	1,290	1,290	322,500
Tortosa South	1,172	1,172	-

**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: City of Maricopa - Eagle Wing PAD**

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Tortosa NE	1,062	1,064	-
Maricopa Groves (Senita)	1,375	1,377	344,250
Smith Farms	705	601	150,250
Eagle Shadows Phase 1	1,099	-	-
Maricopa Meadows Total	1,626	1,626	406,500
Alterra North & South Total	1,005	1,005	251,250
Palo Brea Total	526	526	131,500
Desert Cedars Totals	418	418	104,500
Commercial		2,925	731,365
<b>Eagle Wing PAD</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>North Total</b>	<b>31,619</b>	<b>27,309</b>	<b>6,045,615</b>

## SUMMARY / CONCLUSION

The Property is 68 acres- 0.106 square miles of undeveloped land owned by the City of Maricopa. The current land plan for the Property is strictly dedicated for future road ROW, and has no determined water demands at this time. The ROW will potentially include medians and landscaping, warranting the need for water service. If water demand is required, storage and boosting requirements will be met with SCWC's existing assets, and will have the capability to meet Peak Day, Peak Hour and Peak Day plus Fire Flow Demands. Raw water production will be provided based upon the timeline of development in conjunction with the service demands and the capacity of the system at that time. SCWC has identified additional wells that will be built and added to the system to supplement the need for raw water production as growth occurs.

The infrastructure needs will be determined at such time Eagle Wing development is progressing, and a point of connection will be established as part of the initial construction facilities for Eagle Wing Parcels 1 and 2.



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**Global Water - Santa Cruz  
Water Company  
2014 CC&N Expansion  
City of Maricopa - Estrella Gin**



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**PRELIMINARY ENGINEERING REPORT  
WATER CC&N EXPANSION**

**CITY OF MARICOPA  
ESTRELLA GIN PROPERTY  
SECTION 21, T4S, R3E  
PINAL COUNTY, ARIZONA**

**REVISED NOVEMBER 2014**

Prepared for:  
City of Maricopa  
PO Box 610  
Maricopa, AZ 85139

Prepared By:  
Global Water–Santa Cruz Water Company

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Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Estrella Gin

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**PROJECT SUMMARY**

Estrella Gin (the "Property") is approximately 52 acres- 0.081 square miles of undeveloped land owned by the City of Maricopa. The Property will be provided water service from Global Water-Santa Cruz Water Company (SCWC). SCWC has filed this application with the Arizona Corporation Commission with the intention to extend its Certificate of Convenience and Necessity ("CC&N") service area to include the Property.

The Property consists of Commercial, Flex Office/Warehouse and Industrial Use with no planned Residential at this time. Design criteria are in accordance with the requirements of the most recent version of Global Water's Standards for Planning, Design and Construction. These standards are available online at [www.gwresources.com](http://www.gwresources.com).

To provide water service to the Property, there is no off-site infrastructure required to be installed. A 12" water line exists within the Property because a line was extended to serve the needs of the City of Maricopa's Fire Station 575. This extension was submitted to the ACC to serve on a contiguous basis.

At this time, design flows have been estimated based upon pre-engineering analysis.



Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Estrella Gin

LEGAL DESCRIPTION

Policy No.: 1002014.V7073

File No.: 01006676-010-LS

EXHIBIT A

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF PINAL, STATE OF ARIZONA, AND IS DESCRIBED AS FOLLOWS:

The Northeast quarter of the Southwest quarter; AND the Southeast quarter of the Northwest quarter of Section 21, Township 4 South, Range 3 East of the Gila and Salty River Meridian, Pinal County, Arizona, lying North of the Southern Pacific Railroad right of way.

Except those portions conveyed to Pinal County, Arizona in Quit Claim Deeds recorded in Docket 973, Page 345 and Docket 1018, Page 934; and

ALSO Except that portion described as follows:

Commencing at the Northwest corner of the Southeast quarter of the Northwest quarter of said Section 21;

Thence South along the West line of said Southeast quarter of the Northwest quarter of Section 21, a distance of 945.00 feet to the TRUE POINT OF BEGINNING;

Thence East along a line perpendicular to said West line, a distance of 70.00 feet to a point on a line 70 feet East of and parallel with the West line of the Southeast quarter of the Northwest quarter of Section 21;

Thence South along said line, a distance of 50.00 feet;

Thence West along a line perpendicular to the West line of said Southeast quarter of the Northwest quarter of Section 21, a distance of 70.00 feet to a point on said West line;

Thence North along the West line of said Southeast quarter of the Northwest quarter of Section 21, a distance of 50.00 feet to the POINT OF BEGINNING; and

ALSO Except that portion described as follows:

Commencing at the Arizona Department of Transportation aluminum cap in handhole marking the North quarter corner of said Section 21 from which the Arizona Department of Transportation aluminum cap in handhole marking the Northeast corner of said Section 21 bears North 89 degrees 38 minutes 51 seconds East, a distance of 2714.34 feet;

Thence South 00 degrees 31 minutes 04 seconds East, along the North-South mid-section line of said Section 21, a distance of 2066.95 feet to the TRUE POINT OF BEGINNING;

Thence continuing South 00 degrees 31 minutes 04 seconds East, along said North-South mid-section line of said Section 21, a distance of 563.37 feet to the 1/4 inch iron pipe marking the center of said Section 21;

Thence South 89 degrees 53 minutes 52 seconds West, along the East-West mid-section line of said Section 21, a distance of 30.00 feet to a point on a line which is parallel with and 30.00 feet Westerly, as measured at right angle from the North-South mid-section line of said Section 21;

Thence North 00 degrees 31 minutes 04 seconds West, along said parallel line, a distance of 371.06 feet to the beginning of a tangent curve of 630.00 foot radius, concave Southeasterly;

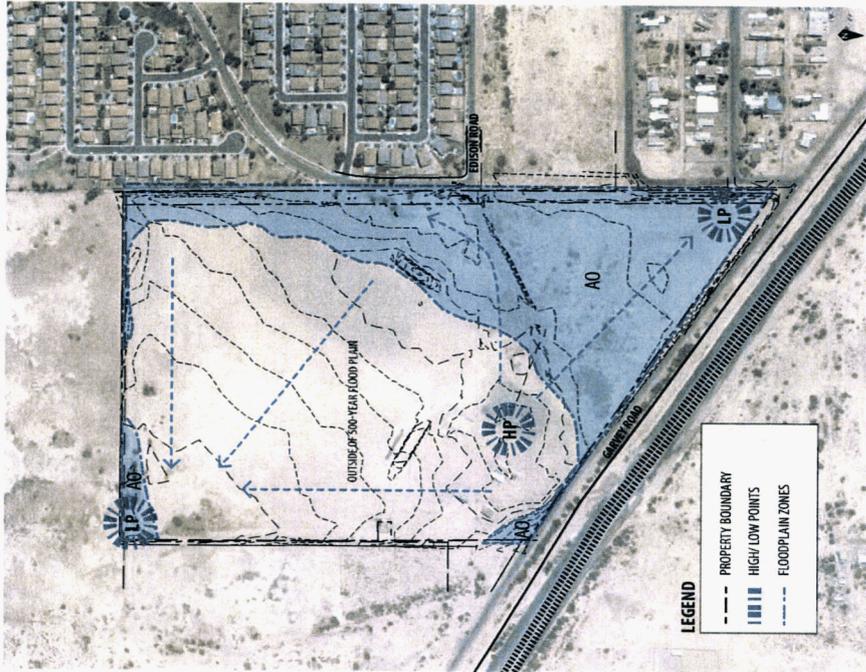
Thence Northeasterly, along said curve, through a central angle of 17 degrees 45 minutes 10 seconds, a distance of 195.20 feet to the POINT OF BEGINNING.

APN: 510-17-005E-6

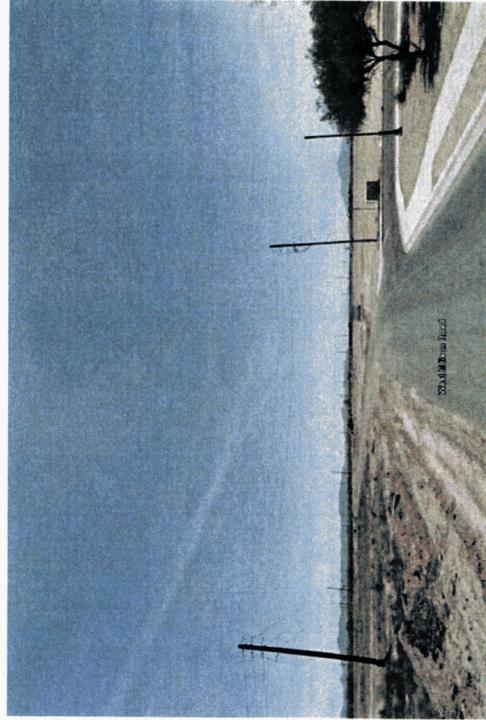
ALTA Owner's Policy (6-17-06)  
Form 1402.06.A

TOPOGRAPHIC CONDITIONS

**SITE ANALYSIS - TOPOGRAPHY & DRAINAGE**



HP - High Point  
 LP - Low Point  
 A0 - 100 Year Floodplain, Flood Depths 1'-0" to 3'-0"



A ridge line running north and east through the site at elevation 1169.0 +/- with low points at the NW, and SE corner of the property. The ridge line going NE through the property is the beginning of the 100 year flood plane which should hold a depth of water between 1.0 and 3.0 per a 100 year storm event. This floodplain will be eliminated when final grading is completed.

**SMITHGROUP JJR**

**PROPOSED DEVELOPMENT PHASING**

The Property consists of Commercial, Flex Office/Warehouse and Industrial Use with no planned Residential Use at this time. The development has been split into three phases, with continued development through each phase as development occurs.





DESIGN CRITERIA



POTABLE/RAW WATER SYSTEM STANDARDS

I. WATER SYSTEM DESIGN CRITERIA

A. Water Demands

New domestic water systems or extensions shall be designed based on the following criteria:

Land Use	Unit	Average Daily Demand
Residential	Dwelling Unit	250 gpd
Commercial*	Square Foot of Building	0.125 gpd
	Acre of Commercial Property	2,800 gpd
Industrial*	Acre of Industrial Property	1,800 gpd
School	Student	50 gpd
Parks and Landscaped Open Space	Acre	1,800 gpd

\*Does not include high water use commercial/industrial facilities such as restaurants, car washes, bottling plants, etc. Contact Global Water for high water use operations.

The maximum day flow shall be equal to 2 times the average day flow. The peak hour flow shall be equal to 1.7 times the maximum day flow. For preliminary design only, a density of 4.5 dwelling units per acre shall be utilized for single family residential properties without a land use plan. Final design shall be based on the actual density. For utilities within Maricopa County, MCESD standards shall apply.

B. Pressure Requirements

Working pressures within the distribution system shall be between 40 and 80 psi. System pressure shall not drop below 40 psi at any point within the distribution system during peak hour demand. The minimum allowable residual pressure under maximum day demand plus fire flow conditions is 20 psi at all nodes.

C. Fire Flow Requirements

Fire flow requirements shall be in accordance with the local fire department authority in each applicable municipality or the AHJ. The system shall be designed to deliver the required flow rate while maintaining residual pressure, and shall provide the minimum required fire-storage volumes. At a minimum, the water system shall be designed to deliver a design fire flow in accordance with the latest edition of the International Fire Code while maintaining pressures in excess of 20 psi.

D. Network Analysis

The network analysis for the distribution system shall be analyzed utilizing a hydraulic model such as WaterGEMS or WaterCAD. A model shall be constructed to demonstrate that the proposed system meets the design guidelines established by Global Water. Flow conditions shall be analyzed for average day, maximum day, peak hour, and maximum day plus fire flow.

Input parameters to the model shall include a Hazen-Williams coefficient (C) equal to 130. Water supply pressures shall be determined by a fire hydrant flow test performed as close to the point of connection



**Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Estrella Gin**

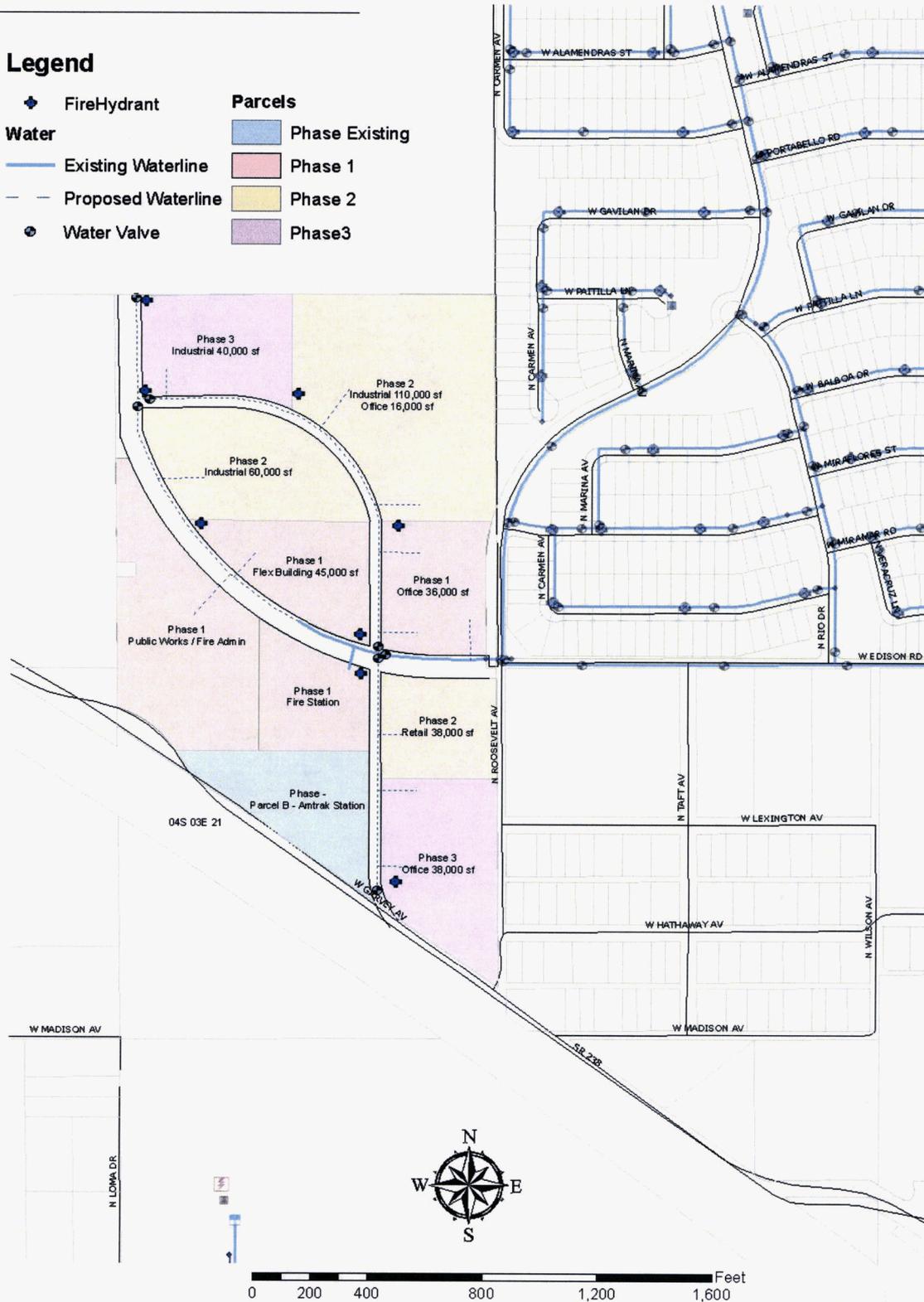
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**DEMANDS**

Type	Acres	Avg Daily Demand	Total GPD	Monthly Demand	Avg Meter Vol/Month	Total Meters
Residential	0.00	1,125	-	-	6,529	0
Commercial	22.00	2,800	61,600	1,848,000	43,057	43
Industrial	22.00	1,800	39,600	1,188,000	54,864	22
Irrigation	8.00	1,800	14,400	432,000	140,969	4
	52.00		115,600	3,468,000		68

EXISTING INFRASTRUCTURE AND PROPOSED NEW INFRASTRUCTURE

# PROPOSED CC&N WATER EXPANSION



**Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Estrella Gin**

**PROPOSED INFRASTRUCTURE / ESTIMATED COSTS**

<b>ESTRELLA GIN</b>						
<b>Offsite Infrastructure</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Amount</b>	<b>NARUC</b>	
No Offsite Infrastructure Required						

<b>ESTRELLA GIN</b>						
<b>Phase 1 On-Site Water System</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
12" DIP	543	LF	\$ 45.00	\$ 24,435.00	331	
8" DIP	464	LF	\$ 42.00	\$ 19,488.00	331	
12" Valve Box and Cover	3	Ea	\$ 3,500.00	\$ 10,500.00	331	
8" Valve Box and Cover	2	Ea	\$ 2,300.00	\$ 4,600.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 14,122.30	331	\$ 73,145.30
Services	62	Ea	\$ 600.00	\$ 37,200.00	333	\$ 37,200.00
Meters	62	Ea	\$ 250.00	\$ 15,500.00	334	\$ 15,500.00
Fire hydrant complete	5	Ea	\$ 3,500.00	\$ 17,500.00	335	\$ 17,500.00
6" Double Check Backflow Fire	4	Ea	\$ 3,000.00	\$ 12,000.00	336	\$ 12,000.00
<b>TOTAL PHASE 1</b>				<b>\$ 155,345.30</b>		<b>\$ 155,345.30</b>

<b>ESTRELLA GIN</b>						
<b>Phase 2 On-Site Water System</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
12" DIP	468	LF	\$ 45.00	\$ 21,060.00	331	
8" DIP	949	LF	\$ 42.00	\$ 39,858.00	331	
12" Valve Box and Cover	1	Ea	\$ 3,500.00	\$ 3,500.00	331	
8" Valve Box and Cover	1	Ea	\$ 2,300.00	\$ 2,300.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 13,191.80	331	\$ 79,909.80
Services	62	Ea	\$ 600.00	\$ 37,200.00	333	\$ 37,200.00
Meter	62	Ea	\$ 250.00	\$ 15,500.00	334	\$ 15,500.00
Fire hydrant complete	1	Ea	\$ 3,500.00	\$ 3,500.00	335	\$ 3,500.00
6" Double Check Backflow Fire	3	Ea	\$ 3,000.00	\$ 9,000.00	336	\$ 9,000.00
<b>TOTAL PHASE 2</b>				<b>\$ 145,109.80</b>		<b>\$ 145,109.80</b>

<b>ESTRELLA GIN</b>						
<b>Phase 3 On-Site Water System</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
12" DIP	365	LF	\$ 45.00	\$ 16,425.00	331	
8" DIP	445	LF	\$ 42.00	\$ 18,690.00	331	
12" Valve Box and Cover	0	Ea	\$ 3,500.00	\$ -	331	
8" Valve Box and Cover	1	Ea	\$ 2,300.00	\$ 2,300.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 10,961.50	331	\$ 48,376.50
Services	62	Ea	\$ 600.00	\$ 37,200.00	333	\$ 37,200.00
Meters	62	Ea	\$ 250.00	\$ 15,500.00	334	\$ 15,500.00
Fire hydrant complete	3	Ea	\$ 3,500.00	\$ 10,500.00	335	\$ 10,500.00

**Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Estrella Gin**

6" Double Check Backflow Fire	3	Ea	\$ 3,000.00	\$ 9,000.00	336	\$ 9,000.00
<b>TOTAL PHASE 3</b>				<b>\$ 120,576.50</b>		<b>\$ 120,576.50</b>

**WELL ASSESSMENT AND ESTIMATED COSTS**

Raw water production will be provided based upon the commencement of this development in conjunction with the service demands and the capacity of the system at that time. SCWC has identified additional wells that will be built and added to the system to supplement the need for raw water production as growth occurs. These wells have been identified by a Well Inventory and Data Review Analysis that was completed by the Hydrologist Consultant- Clear Creek Associates, and can be found attached hereto as Exhibit A. In summary, Clear Creek Associates has identified 170 registered wells within the North area assessment, of which 32 have been recommended for further evaluation as the best potential raw water production sites. SCWC will continue its investigation and analysis, and pursue development as necessary to meet the necessary raw water demands.

**Well Site #1**

Item Desc	Quantity	Units	Total	NARUC	NARUC TOTAL
Site Work	1	ls	\$ 35,000.00	304	
Slab	1	ls	\$ 10,000.00	304	
Power to Site	1	ls	\$ 50,000.00	304	\$ 95,000.00
Well Drilling	1	ls	\$ 550,000.00	307	
Piping and Valves	1	ls	\$ 70,000.00	307	
Hydrotank	1	ls	\$ 35,000.00	307	
Electrical	1	ls	\$ 40,000.00	307	
Engineering and Permits	10%	ls	\$ 100,500.00	307	\$ 795,500.00
Generator	1	ls	\$ 125,000.00	310	\$ 125,000.00
Well Pump	1	ls	\$ 90,000.00	311	\$ 90,000.00
<b>Total</b>			<b>\$ 1,105,500.00</b>		<b>\$ 1,105,500.00</b>

**Well Site #2**

Item Desc	Quantity	Units	Total	NARUC	NARUC TOTAL
Site Work	1	ls	\$ 35,000.00	303	
Slab	1	ls	\$ 10,000.00	303	
Power to Site	1	ls	\$ 50,000.00	303	\$ 95,000.00
Well Drilling	1	ls	\$ 550,000.00	307	
Piping and Valves	1	ls	\$ 70,000.00	307	
Hydrotank	1	ls	\$ 35,000.00	307	
Electrical	1	ls	\$ 40,000.00	307	
Engineering and Permits	10%	ls	\$ 100,500.00	307	\$ 795,500.00
Generator	1	ls	\$ 125,000.00	310	\$ 125,000.00
Well Pump	1	ls	\$ 90,000.00	311	\$ 90,000.00
<b>Total</b>			<b>\$ 1,105,500.00</b>		<b>\$ 1,105,500.00</b>

**Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Estrella Gin**

**WATER COMMITMENT – TOTAL DWELLING UNITS FOR EXISTING CC&N PLUS ESTRELLA GIN**

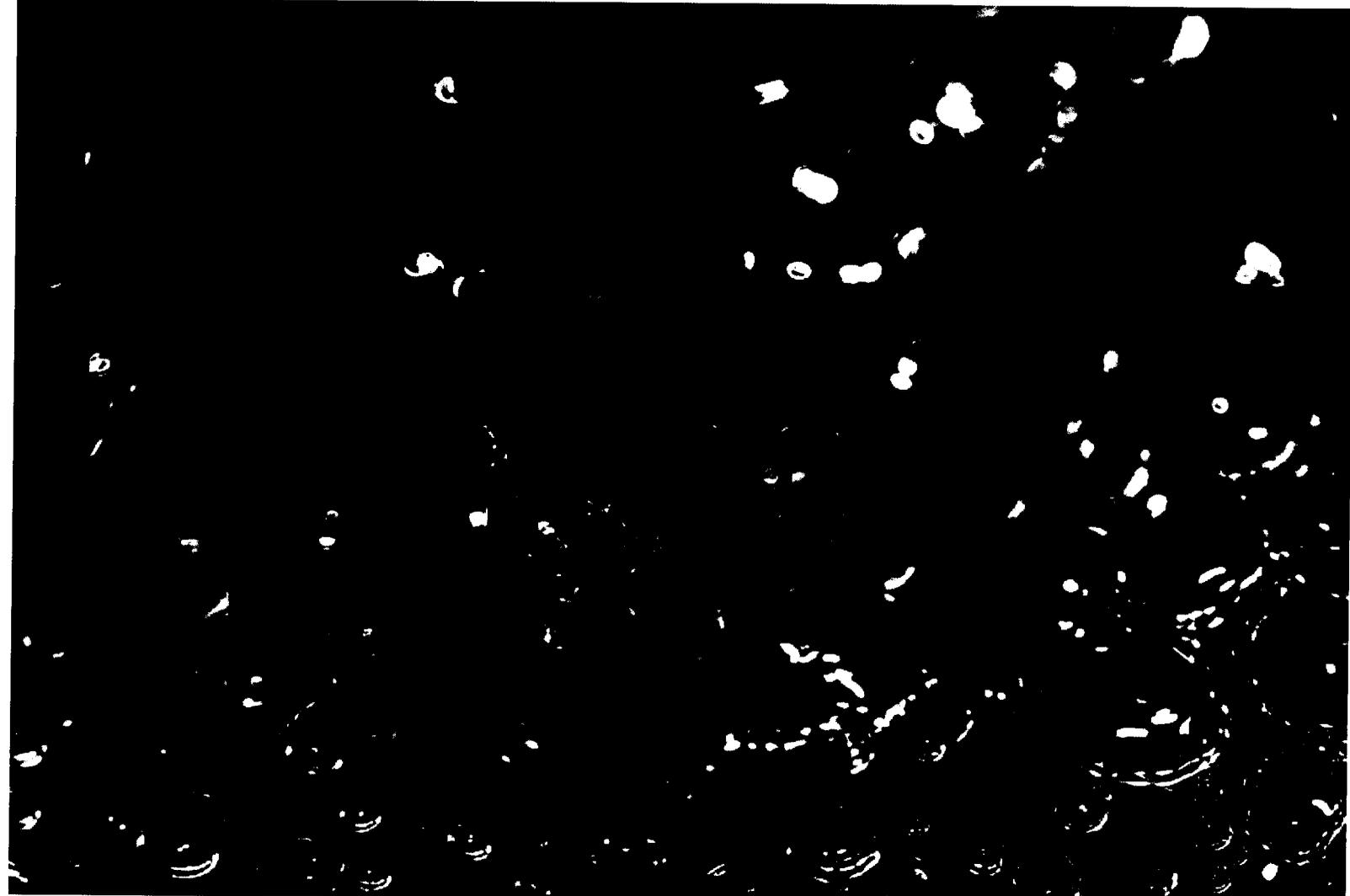
<b>PAD OR MASTER PLAN LOCATION</b>	<b>TOTAL NO. OF LOTS</b>	<b>Water Units Committed</b>	<b>WATER COMMITMENTS AT 250 GPD/DU</b>
North Region			<b>250 GPD/DU</b>
Rancho El Dorado	3,210	3210	802500
The Villages	1,938	1938	484500
Acacia Crossings	739	739	184750
Cobblestone Farms	891	891	
Province *	1,333	1333	333250
Santa Rosa Springs	790	647	161750
Glennwilde	2,130	1948	487000
Rancho Mirage Estates	2,153	664	166000
Sorrento Phase 1	821	821	205250
Sorrento Phase 3	651	0	0
Dunn Ranch	641	-	-
El Rancho Santa Rosa	720	-	-
Santa Rosa Crossings	351	230	57,500
Homestead Village	2,308	1,726	431,500
Rancho El Dorado Phase III	1,803	903	225,750
Del Tessa	-	-	-
Province Phase III	862	255	63,750
Tortosa NW (Cottonwood)	1,290	1,290	322,500
Tortosa South	1,172	1,172	-

**Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Estrella Gin**

Tortosa NE	1,062	1,064	-
Maricopa Groves (Senita)	1,375	1,377	344,250
Smith Farms	705	601	150,250
Eagle Shadows Phase 1	1,099	-	-
Maricopa Meadows Total	1,626	1,626	406,500
Alterra North & South Total	1,005	1,005	251,250
Palo Brea Total	526	526	131,500
Desert Cedars Totals	418	418	104,500
Commercial		2,925	731,365
<b>Estrella Gin Maricopa</b>	<b>184</b>	<b>184</b>	<b>46,000</b>
<b>North Total</b>	<b>31,803</b>	<b>27,493</b>	<b>6,091,615</b>

**SUMMARY / CONCLUSION**

Based upon the data and analysis provided, SCWC's existing water distribution system can be extended to provide service to the Property as identified in the CC&N application. Storage and boosting requirements will be met with SCWC's existing assets, and will have the capability to meet Peak Day, Peak Hour and Peak Day plus Fire Flow Demands. Raw water production will be provided based upon the timeline of development in conjunction with the service demands and the capacity of the system at that time. SCWC has identified additional wells that will be built and added to the system to supplement the need for raw water production as growth occurs. The Property is currently contiguous to SCWC's current CC&N, and SCWC is currently providing water service within the development to Fire Station 575.



TM

**Global Water - Santa Cruz Water  
Company  
2014 CC&N Expansion  
El Dorado Holdings, Inc. - Eagle  
Wing Parcels 1, 2, and 3**



**GLOBAL WATER**  
RELIABLE • RENEWABLE • REUSABLE

**PRELIMINARY ENGINEERING REPORT  
WATER CC&N EXPANSION**

**EAGLE SHADOWS, LLC c/o EL DORADO HOLDINGS, INC.  
EAGLE WING PARCELS 1, 2, AND 3  
LOCATED WITHIN**

**SECTION 1, T5S, R3E  
SECTION 6, T5S, R4E  
SECTION 7, T5S, R4E  
SECTION 8, T5S, R4E**

**PINAL COUNTY, ARIZONA**

**REVISED NOVEMBER 2014**

Prepared for:  
**EAGLE SHADOW, LLC  
426 N. 44<sup>TH</sup> ST, SUITE 100  
PHOENIX, AZ 85005**

Prepared By:  
**Global Water – Santa Cruz Water Company**

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Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Eagle Wing Parcels 1, 2, and 3

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**PROJECT SUMMARY**

Eagle Wing Parcels 1, 2, and 3 (the "Property") has a combined 430 acres- 0.672 square miles of undeveloped land owned by Eagle Shadows, LLC c/o El Dorado Holdings, Inc. The Property will be provided water service from Global Water - Santa Cruz Water Company (SCWC). SCWC has filed an application with the Arizona Corporation Commission with the intention to expand its Certificate of Convenience and Necessity ("CC&N") service area to include the Property.

The property is split into two separate areas, in which Phase 1 and 2 are adjoined, while Phase 3 is a separate section of land in relatively close proximity to Phases 1 and 2.

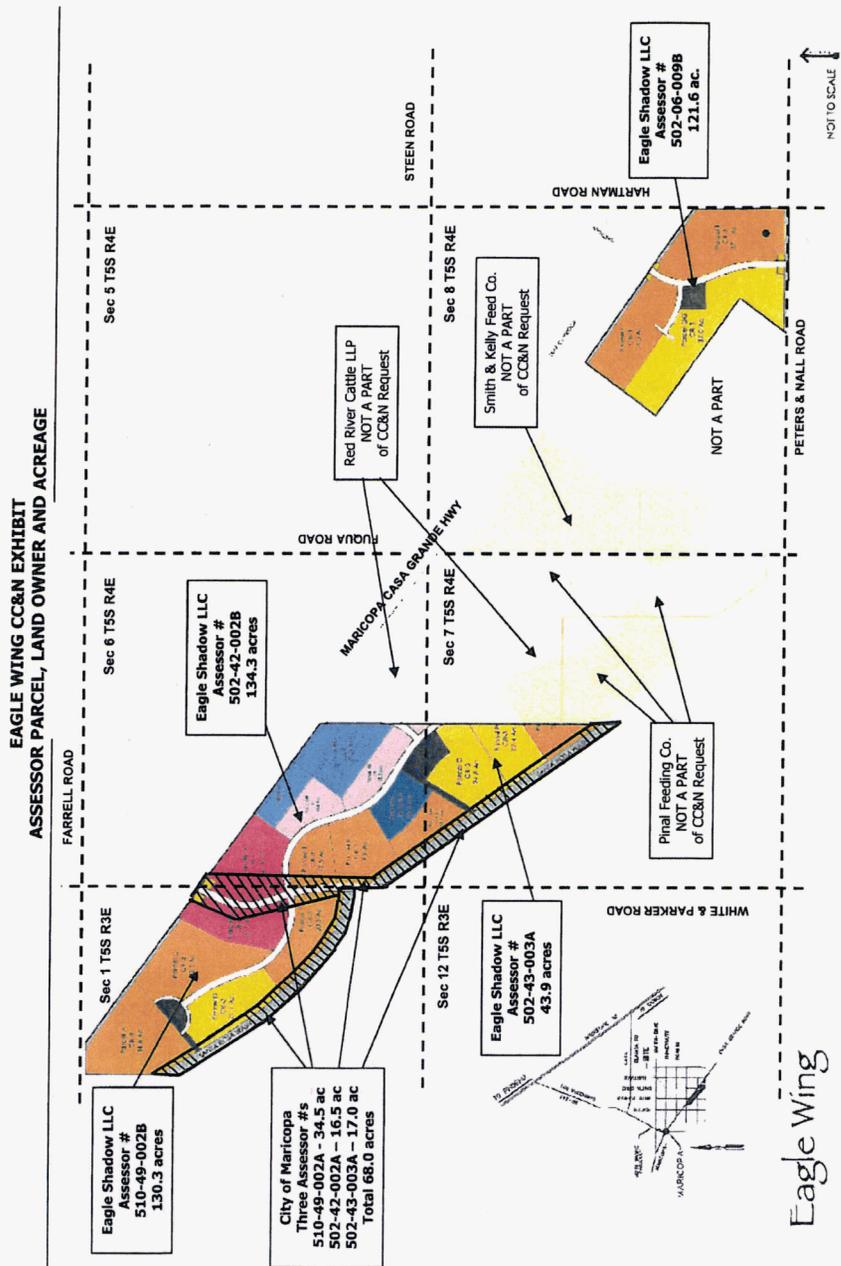
The Property consists of primarily Residential and Commercial Use, with a small amount of Industrial Use. Design criteria will be in accordance with the requirements of the most recent version of Global Water's Standards for Planning, Design and Construction. These Standards can be found online at [www.gwresources.com](http://www.gwresources.com).

To provide water service to this development, a 16" waterline will be extended to Phases 1 and 2 and a separate waterline extension to serve Phase 3. Potable Water demands have been estimated based upon pre-engineering analysis.

**Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Eagle Wing Parcels 1, 2, and 3**

**PROJECT LOCATION**

The Property is two separate plots of land that are not adjoining and located in Section 1, Township 5 South, Range 3 East, Section 6, Township 5 South, Range 4 East, Section 7, Township 5 South, and Section 8, Township 5 South, Range 4 East of the Gila and Salt River Base Meridian, Pinal County, Arizona and within the incorporated City of Maricopa. The Property is bound by the Maricopa Casa Grande Highway to the North, and Peters & Nall Road to the South, Porter Road to the West, and Hartmann Road to the West.



Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Eagle Wing Parcels 1, 2, and 3

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LEGAL DESCRIPTION

No. NCS-504471-PHX1

EXHIBIT "A"

PARCEL NO. 1: Assessor Parcel #510-49-002B 130.3 acres

THAT PORTION OF PARCEL 1 DESCRIBED IN DOCUMENT RECORDED AS 2005-056538 OF OFFICIAL RECORDS, RECORDS OF PINAL COUNTY, ARIZONA, LOCATED IN SECTION 1, TOWNSHIP 5 SOUTH, RANGE 3 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 1;

THENCE SOUTH 89 DEGREES 57 MINUTES 17 SECONDS EAST, A DISTANCE OF 2,377.67 FEET ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 1 TO THE NORTHWEST CORNER OF SAID PARCEL 1 AND THE POINT OF BEGINNING;

THENCE CONTINUING SOUTH 89 DEGREES 57 MINUTES 17 SECONDS EAST ALONG SAID NORTH LINE, A DISTANCE OF 259.66 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 1;

THENCE CONTINUING SOUTH 89 DEGREES 57 MINUTES 17 SECONDS EAST ALONG THE NORTH LINE OF THE NORTHEAST CORNER OF SAID SECTION 1, A DISTANCE OF 222.09 FEET TO THE SOUTHWESTERLY RIGHT OF WAY LINE OF THE SOUTHERN PACIFIC RAILROAD;

THENCE SOUTH 53 DEGREES 49 MINUTES 05 SECONDS EAST, ALONG SAID SOUTHWESTERLY RIGHT OF WAY LINE A DISTANCE OF 2,666.32 FEET TO THE WESTERLY LINE OF A PARCEL OF LAND DEEDED TO THE CITY OF MARICOPA IN DEED RECORDED AS 2010-114179 OF OFFICIAL RECORDS PINAL COUNTY RECORDS;

THENCE SOUTH 25 DEGREES 52 MINUTES 03 SECONDS WEST, A DISTANCE OF 755.50 FEET ALONG THE WEST LINE OF SAID PARCEL;

THENCE SOUTH 13 DEGREES 11 MINUTES 06 SECONDS EAST, A DISTANCE OF 1,535.51 FEET ALONG THE WEST LINE OF SAID PARCEL;

THENCE NORTH 89 DEGREES 46 MINUTES 01 SECONDS WEST, A DISTANCE OF 697.22 FEET ALONG THE NORTHERLY LINE OF SAID PARCEL;

THENCE NORTH 46 DEGREES 59 MINUTES 01 SECONDS WEST, ALONG SAID NORTH LINE, A DISTANCE OF 970.00 FEET ALONG THE NORTHERLY LINE OF SAID PARCEL;

THENCE NORTH 36 DEGREES 59 MINUTES 01 SECONDS WEST, CONTINUING ALONG SAID NORTH LINE, A DISTANCE OF 970.00 FEET;

THENCE NORTH 31 DEGREES 59 MINUTES 01 SECONDS WEST, CONTINUING ALONG SAID NORTH LINE, A DISTANCE OF 1,260.00 FEET TO A POINT ON THE WESTERLY LINE OF SAID PARCEL 1;

THENCE NORTH 00 DEGREES 07 MINUTES 59 SECONDS EAST, ALONG SAID WESTERLY LINE A DISTANCE OF 1,241.13 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 2: Assessor Parcel #502-42-002B 134.3 acres

THAT PORTION OF PARCEL 2 DESCRIBED IN DOCUMENT RECORDED AS 2005-066538 OF OFFICIAL RECORDS, RECORDS OF PINAL COUNTY, ARIZONA, LOCATED IN SECTION 6, TOWNSHIP 5 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 6;

**Global Water - Santa Cruz Water Company**  
**CC&N Expansion- 2014: Eagle Wing Parcels 1, 2, and 3**

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No. NCS-504471-PHX1

THENCE NORTH 89 DEGREES 56 MINUTES 52 SECONDS EAST, ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 6, A DISTANCE OF 837.76 FEET TO A POINT ON THE NORTHERLY LINE OF A PARCEL DEEDED TO THE CITY OF MARICOPA IN DEED RECORDED AS 2010-114179 OF OFFICIAL RECORDS AND THE POINT OF BEGINNING;

THENCE NORTH 33 DEGREES 04 MINUTES 04 SECONDS WEST, ALONG SAID NORTHERLY LINE, A DISTANCE OF 260.50 FEET TO THE BEGINNING OF A TANGENT CURVE;

THENCE NORTHWESTERLY 780.48 FEET ALONG THE ARC OF SAID CURVE AND SAID NORTHERLY LINE, BEING CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 3,034.79 FEET, THROUGH A CENTRAL ANGLE OF 14 DEGREE 44 MINUTES 07 SECONDS;

THENCE NORTH 00 DEGREES 13 MINUTES 59 SECONDS EAST, BEING PARALLEL WITH AND 187.50 FEET EAST OF THE WEST LINE OF SAID SOUTHWEST QUARTER, A DISTANCE OF 1,890.86 FEET ALONG THE EASTERLY LINE OF SAID PARCEL;

THENCE NORTH 00 DEGREES 18 MINUTES 31 SECONDS EAST, A DISTANCE OF 806.89 FEET ALONG SAID EASTERLY LINE TO A POINT ON THE SOUTHWESTERLY RIGHT OF WAY LINE OF THE SOUTHERN PACIFIC RAILROAD;

THENCE SOUTH 53 DEGREES 49 MINUTES 05 SECONDS EAST, ALONG SAID SOUTHWESTERLY RIGHT OF WAY LINE, A DISTANCE OF 2,854.30 FEET TO THE NORTHEAST CORNER OF SAID PARCEL 2;

THENCE SOUTH 01 DEGREES 01 MINUTES 53 SECONDS WEST, ALONG THE EASTERLY LINE OF SAID PARCEL 2, A DISTANCE OF 1,822.10 FEET TO A POINT ON THE SOUTH LINE OF SAID SOUTHWEST QUARTER;

THENCE SOUTH 89 DEGREES 56 MINUTES 52 SECONDS WEST, ALONG SAID SOUTH LINE, A DISTANCE OF 1,636.12 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 3: Assessor Parcel #502-43-003A 43.9 acres

THAT PORTION OF PARCEL 2 DESCRIBED IN DOCUMENT RECORDED AS 2005-056538 OF OFFICIAL RECORDS, RECORDS OF PINAL COUNTY, ARIZONA, LOCATED IN SECTION 7, TOWNSHIP 5 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 7;

THENCE NORTH 89 DEGREES 56 MINUTES 52 SECONDS EAST, ALONG THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 7, A DISTANCE OF 842.83 FEET TO A POINT ON THE NORTHERLY LINE OF A PARCEL DEEDED TO THE CITY OF MARICOPA IN DEED RECORDED AS 2010-114179 OF OFFICIAL RECORDS AND THE POINT OF BEGINNING;

THENCE CONTINUING NORTH 89 DEGREES 56 MINUTES 52 SECONDS EAST ALONG SAID NORTH LINE, A DISTANCE OF 1,631.05 FEET TO A POINT ON THE EASTERLY LINE OF SAID PARCEL 2;

THENCE SOUTH 00 DEGREES 30 MINUTES 08 SECONDS EAST, ALONG SAID EASTERLY LINE, A DISTANCE OF 2,346.17 FEET TO A POINT ON SAID NORTHERLY LINE;

THENCE NORTH 35 DEGREES 09 MINUTES 45 SECONDS WEST, ALONG SAID NORTHERLY LINE, A DISTANCE OF 2,867.91 FEET TO THE POINT OF BEGINNING.

Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Eagle Wing Parcels 1, 2, and 3

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EXHIBIT A

PINAL FEEDING  
JN 04-1085

Assessor Parcel #502-06-009B

LEGAL DESCRIPTION

PHASE 1

THAT PORTION OF SECTION 8, TOWNSHIP 5 SOUTH, RANGE 4 EAST, OF THE  
GILA AND SALT RIVER MERIDIAN, PINAL COUNTY, ARIZONA, MORE  
PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 8;  
THENCE S89°31'13"W, ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER  
OF SAID SECTION 8, A DISTANCE OF 1,936.25 FEET TO THE SOUTHWEST  
CORNER OF PARCEL 1, AS SHOWN IN BOOK 12 OF SURVEYS, PAGE 29,  
RECORDS OF PINAL COUNTY;  
THENCE N35°45'13"E, ALONG THE WESTERLY LINE OF SAID PARCEL 1, A  
DISTANCE OF 951.00 FEET;  
THENCE N54°20'47"W, ALONG SAID WESTERLY LINE, A DISTANCE OF 2,203.00  
FEET;  
THENCE N35°37'13"E, ALONG NORTHWESTERLY LINE OF SAID PARCEL 1, A  
DISTANCE OF 1,388.68 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-  
WAY LINE OF THE SOUTHERN PACIFIC RAILROAD;  
THENCE S54°22'17"E, ALONG SAID SOUTHERLY LINE, A DISTANCE OF 2,886.76  
FEET TO A POINT ON THE EAST LINE OF SAID SECTION 8;  
THENCE LEAVING SAID SOUTH LINE S00°35'37"E, ALONG SAID EAST LINE A  
DISTANCE OF 1,486.96 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 5,298,517 SQUARE FEET OR 121.637 ACRES, MORE  
OR LESS.

OLSSON ASSOCIATES  
7250 NORTH 16TH STREET, SUITE 210  
PHOENIX, ARIZONA 85020  
(602) 748-1000



**TOPOGRAPHIC CONDITIONS**

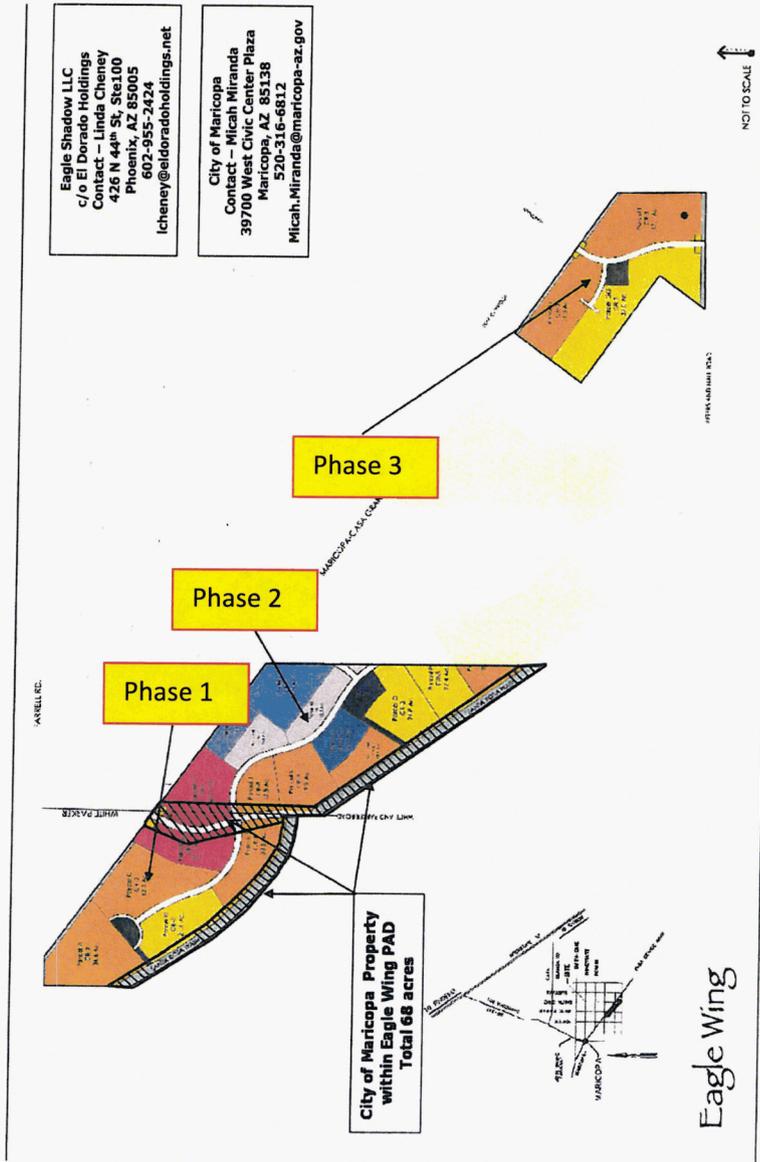
NONE AVAILABLE AT THIS TIME

**PROPOSED DEVELOPMENT PHASING**

The Property consists primarily of Residential and Commercial Use, with a small amount of Industrial Use. The development has been split into three proposed phases, with continued development through

**Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Eagle Wing Parcels 1, 2, and 3**

each phase as development occurs. All offsite plant and main distribution pipelines to provide service to the entire development will have to be constructed prior to the commissioning of the first meter in phase I, therefore all offsite infrastructure will begin in 2018 and be 65% completed in 2019. Phase I has a schedule to begin onsite infrastructure in 2018 with 75% build-out planned for 2019.



DESIGN CRITERIA



DESIGN & CONSTRUCTION STANDARDS

POTABLE/RAW WATER SYSTEM STANDARDS

I. WATER SYSTEM DESIGN CRITERIA

A. Water Demands

New domestic water systems or extensions shall be designed based on the following criteria:

Land Use	Unit	Average Daily Demand
Residential	Dwelling Unit	250 gpd
Commercial*	Square Foot of Building	0.125 gpd
	Acre of Commercial Property	2,800 gpd
Industrial*	Acre of Industrial Property	1,800 gpd
School	Student	50 gpd
Parks and Landscaped Open Space	Acre	1,800 gpd

\*Does not include high water use commercial/industrial facilities such as restaurants, car washes, bottling plants, etc. Contact Global Water for high water use operations.

The maximum day flow shall be equal to 2 times the average day flow. The peak hour flow shall be equal to 1.7 times the maximum day flow. For preliminary design only, a density of 4.5 dwelling units per acre shall be utilized for single family residential properties without a land use plan. Final design shall be based on the actual density. For utilities within Maricopa County, MCESD standards shall apply.

B. Pressure Requirements

Working pressures within the distribution system shall be between 40 and 80 psi. System pressure shall not drop below 40 psi at any point within the distribution system during peak hour demand. The minimum allowable residual pressure under maximum day demand plus fire flow conditions is 20 psi at all nodes.

C. Fire Flow Requirements

Fire flow requirements shall be in accordance with the local fire department authority in each applicable municipality or the AHJ. The system shall be designed to deliver the required flow rate while maintaining residual pressure, and shall provide the minimum required fire-storage volumes. At a minimum, the water system shall be designed to deliver a design fire flow in accordance with the latest edition of the International Fire Code while maintaining pressures in excess of 20 psi.

D. Network Analysis

The network analysis for the distribution system shall be analyzed utilizing a hydraulic model such as WaterGEMS or WaterCAD. A model shall be constructed to demonstrate that the proposed system meets the design guidelines established by Global Water. Flow conditions shall be analyzed for average day, maximum day, peak hour, and maximum day plus fire flow.

Input parameters to the model shall include a Hazen-Williams coefficient (C) equal to 130. Water supply pressures shall be determined by a fire hydrant flow test performed as close to the point of connection



**Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Eagle Wing Parcels 1, 2, and 3**

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**DEMANDS**

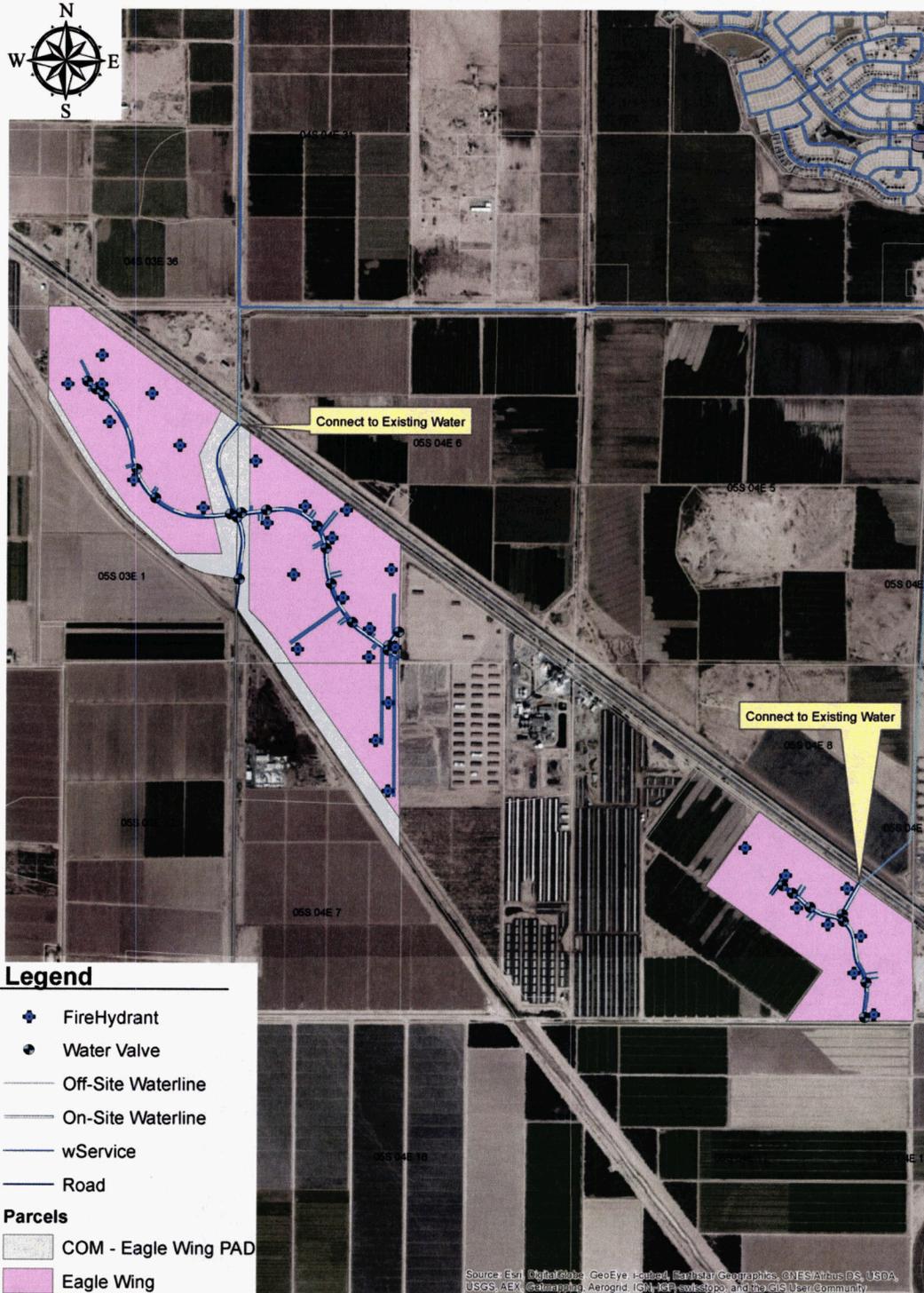
Type	Acres	Avg Daily Demand	Total GPD	Monthly Demand	Avg Meter Vol/Month	Total Meters
Residential	250.00	1,125	281,250	8,437,500	6,529	1292
Commercial	75.00	2,800	210,000	6,300,000	43,057	146
Industrial	15.00	1,800	27,000	810,000	54,864	15
Irrigation	46.00	1,800	82,800	2,484,000	140,969	18
Common	44.00	0	0	0	0	0
	430.00		319,800	18,031,500		1471

EXISTING INFRASTRUCTURE AND PROPOSED NEW INFRASTRUCTURE

PROPOSED CC&N EXPANSION  
EAGLE WING WATER EXHIBIT



## PROPOSED CC&N EXPANSION EAGLE WING ON-SITE WATER EXHIBIT



**Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Eagle Wing Parcels 1, 2, and 3**

**PROPOSED NEW INFRASTRUCTURE/ ESTIMATED COSTS**

<b>EAGLE WING</b>					
<b>Offsite Infrastructure</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>
16" DIP	1,960	LF	\$ 51.00	\$ 99,960.00	331
16 " Valve Box & Cover	4	ea	\$ 3,882.00	\$ 15,528.00	331
16" 90 degree bend	2	ea	\$ 518.00	\$ 1,036.00	331
22 degree bend	1	ea	\$ 355.00	\$ 355.00	331
Jack and Bore	1600	LF	\$ 225.00	\$ 360,000.00	331
Engineering and Permits	10%	Is	\$ -	\$ 47,687.90	331
<b>Total</b>				<b>\$ 524,566.90</b>	

<b>Eagle Wing</b>						
<b>Phase 1 On-Site Water System</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
12" DIP	3100	LF	\$ 45.00	\$ 139,500.00	331	
12" Valve box & Cover	4	Ea	\$ 3,500.00	\$ 14,000.00	331	
8" DIP	4,100	LF	\$ 42.00	\$ 172,200.00	331	
8" Valve Box and Cover	6	LF	\$ 2,500.00	\$ 15,000.00	331	
Engineering and Permits	10%	Is	\$ -	\$ 73,420.00	331	\$ 414,120.00
Service	430	Ea	\$ 600.00	\$ 258,000.00	333	\$ 258,000.00
Meter	430	Ea	\$ 250.00	\$ 107,500.00	334	\$ 107,500.00
Fire Hydrant Complete	8	Ea	\$ 3,500.00	\$ 28,000.00	335	\$ 28,000.00
<b>Total</b>				<b>\$ 807,620.00</b>		<b>\$ 807,620.00</b>

<b>Eagle Wing</b>						
<b>Phase 2 On-Site Water System</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
8" DIP	5,620	LF	\$ 42.00	\$ 236,040.00	331	
8" Valve Box and Cover	8	LF	\$ 2,500.00	\$ 20,000.00	331	
Engineering and Permits	10%	Is		\$ 67,404.00	331	\$ 323,444.00
Service	430	Ea	\$ 600.00	\$ 258,000.00	333	\$ 258,000.00
Meter	430	Ea	\$ 250.00	\$ 107,500.00	334	\$ 107,500.00
Fire Hydrant Complete	15	Ea	\$ 3,500.00	\$ 52,500.00	335	\$ 52,500.00
<b>Total</b>				<b>\$ 741,444.00</b>		<b>\$ 741,444.00</b>

<b>Eagle Wing</b>						
<b>Phase 3 On-Site Water System</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
8" DIP	3,220	LF	\$ 42.00	\$ 135,240.00	331	
8" Valve Box and Cover	6	LF	\$ 2,500.00	\$ 15,000.00	331	
Engineering and Permits	8%			\$ 43,499.20	331	\$ 193,739.20
Service	430	Ea	\$ 600.00	\$ 258,000.00	333	\$ 258,000.00
Meter	430	Ea	\$ 250.00	\$ 107,500.00	334	\$ 107,500.00
Fire Hydrant Complete	8	Ea	\$ 3,500.00	\$ 28,000.00	335	\$ 28,000.00
<b>Total</b>				<b>\$ 587,239.20</b>		<b>\$ 587,239.20</b>

**Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Eagle Wing Parcels 1, 2, and 3**

**WELL ASSESSMENT AND ESTIMATED COSTS**

Raw water production will be provided based upon the commencement of this development in conjunction with the service demands and the capacity of the system at that time. SCWC has identified additional wells that will be built and added to the system to supplement the need for raw water production as growth occurs. These wells have been identified by a Well Inventory and Data Review Analysis that was completed by the Hydrologist Consultant- Clear Creek Associates, and can be found attached hereto as Exhibit A. In summary, Clear Creek Associates has identified 170 registered wells within the North area assessment, of which 32 have been recommended for further evaluation as the best potential raw water production sites. SCWC will continue its investigation and analysis, and pursue development as necessary to meet the necessary raw water demands.

**Well Site #1**

Item Desc	Quantity	Units	Total	NARUC	NARUC TOTAL
Site Work	1	ls	\$ 35,000.00	304	
Slab	1	ls	\$ 10,000.00	304	
Power to Site	1	ls	\$ 50,000.00	304	\$ 95,000.00
Well Drilling	1	ls	\$ 550,000.00	307	
Piping and Valves	1	ls	\$ 70,000.00	307	
Hydrotank	1	ls	\$ 35,000.00	307	
Electrical	1	ls	\$ 40,000.00	307	
Engineering and Permits	10%	ls	\$ 100,500.00	307	\$ 795,500.00
Generator	1	ls	\$ 125,000.00	310	\$ 125,000.00
Well Pump	1	ls	\$ 90,000.00	311	\$ 90,000.00
<b>Total</b>			<b>\$ 1,105,500.00</b>		<b>\$ 1,105,500.00</b>

**Well Site #2**

Item Desc	Quantity	Units	Total	NARUC	NARUC TOTAL
Site Work	1	ls	\$ 35,000.00	303	
Slab	1	ls	\$ 10,000.00	303	
Power to Site	1	ls	\$ 50,000.00	303	\$ 95,000.00
Well Drilling	1	ls	\$ 550,000.00	307	
Piping and Valves	1	ls	\$ 70,000.00	307	
Hydrotank	1	ls	\$ 35,000.00	307	
Electrical	1	ls	\$ 40,000.00	307	
Engineering and Permits	10%	ls	\$ 100,500.00	307	\$ 795,500.00
Generator	1	ls	\$ 125,000.00	310	\$ 125,000.00
Well Pump	1	ls	\$ 90,000.00	311	\$ 90,000.00
<b>Total</b>			<b>\$ 1,105,500.00</b>		<b>\$ 1,105,500.00</b>

**Global Water - Santa Cruz Water Company**  
**CC&N Expansion- 2014: Eagle Wing Parcels 1, 2, and 3**

**WATER COMMITMENT – TOTAL DWELLING UNITS**

<b>PAD OR MASTER PLAN LOCATION</b>	<b>TOTAL NO. OF LOTS</b>	<b>Water Units Committed</b>	<b>WATER COMMITMENTS AT 250 GPD/DU</b>
North Region			<b>250 GPD/DU</b>
Rancho El Dorado	3,210	3210	802500
The Villages	1,938	1938	484500
Acacia Crossings	739	739	184750
Cobblestone Farms	891	891	
Province *	1,333	1333	333250
Santa Rosa Springs	790	647	161750
Glennwilde	2,130	1948	487000
Rancho Mirage Estates	2,153	664	166000
Sorrento Phase 1	821	821	205250
Sorrento Phase 3	651	0	0
Dunn Ranch	641	-	-
El Rancho Santa Rosa	720	-	-
Santa Rosa Crossings	351	230	57,500
Homestead Village	2,308	1,726	431,500
Rancho El Dorado Phase III	1,803	903	225,750
Del Tessa	-	-	-
Province Phase III	862	255	63,750
Tortosa NW (Cottonwood)	1,290	1,290	322,500
Tortosa South	1,172	1,172	-

**Global Water - Santa Cruz Water Company  
CC&N Expansion- 2014: Eagle Wing Parcels 1, 2, and 3**

Tortosa NE	1,062	1,064	-
Maricopa Groves (Senita)	1,375	1,377	344,250
Smith Farms	705	601	150,250
Eagle Shadows Phase 1	1,099	-	-
Maricopa Meadows Total	1,626	1,626	406,500
Alterra North & South Total	1,005	1,005	251,250
Palo Brea Total	526	526	131,500
Desert Cedars Totals	418	418	104,500
Commercial		2,925	731,365
<b>Eagle Wing</b>	<b>1,288</b>	<b>1,288</b>	<b>322,000</b>
<b>North Total</b>	<b>32,907</b>	<b>28,597</b>	<b>6,367,615</b>

## SUMMARY / CONCLUSION

Based upon the data and analysis provided, SCWC's existing water distribution system can be extended to provide service to the Property as identified in the CC&N application. Storage and boosting requirements will be met with SCWC's existing assets, and will have the capability to meet Peak Day, Peak Hour and Peak Day plus Fire Flow Demands. Raw water production will be provided based upon the timeline of development in conjunction with the service demands and the capacity of the system at that time. SCWC has identified additional wells that will be built and added to the system to supplement the need for raw water production as growth occurs.



**Global Water - Santa Cruz Water  
Company  
2014 CC&N Expansion  
Santa Cruz Land Development, LLC**



**PRELIMINARY ENGINEERING REPORT  
WATER CC&N EXPANSION**

**SANTA CRUZ LAND DEVELOPMENT, LLC  
SECTION 21, T4S, R3E  
PINAL COUNTY, ARIZONA**

**REVISED NOVEMBER 2014**

Prepared for:

Santa Cruz Land Development, LLC  
6849 E. County 9 ½ Street  
Yuma, AZ 85365-8909

Prepared By:

Global Water – Santa Cruz Water Company

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Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Santa Cruz Land Development, LLC

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**Global Water - Santa Cruz Water Company**  
**2014 CC&N Expansion: Santa Cruz Land Development, LLC**

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**PROJECT SUMMARY**

Santa Cruz Land Development, LLC owns 114 acres- 0.178 acres of undeveloped land (the "Property"). The Property will be provided water service from Global Water - Santa Cruz Water Company (SCWC). SCWC has filed an application with the Arizona Corporation Commission with the intention to extend its Certificate of Convenience and Necessity ("CC&N") service area to include the Property.

The Property consists of Commercial, Flex Office / Warehouse, and Industrial Use with no planned Residential at this time. Design criteria will be in accordance with the requirements of the most recent version of Global Water's Standards for Planning, Design and Construction. The standards can be found online at [www.gwresources.com](http://www.gwresources.com).

To provide water service to the Property, a 12" water line will be extended to the Northeast corner of the Property from a connection point that exists East of the Property along Highway 238. A 12" waterline will also be extended to the South side of Parcel 1 from the Edison Road alignment.

At this time, demands have been estimated based upon pre-engineering analysis.

**PROJECT LOCATION**

The Property is located North of Garvey Avenue and South of Highway 283 in Section 21, Township 4 South, Range 3 East of the Gila and Salt River Base Meridian, Pinal County, Arizona and within the



LEGAL DESCRIPTION

**LEGAL DESCRIPTION**

**PARCEL NO. 1**

THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 21, TOWNSHIP 4 SOUTH, RANGE 3 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA; EXCEPTING THEREFROM ANY PORTION LYING WITHIN THE SOUTHERN PACIFIC RAILROAD RIGHT OF WAY.

**PARCEL NO. 2**

THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 21, TOWNSHIP 4 SOUTH, RANGE 3 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA; EXCEPTING THEREFROM ANY PORTION LYING WITHIN THE FOLLOWING DESCRIBED PARCEL AS CONVEYED TO THE STATE OF ARIZONA, BY AND THROUGH ITS DEPARTMENT OF TRANSPORTATION, IN DOCKET 1495, PAGE 17, DESCRIBED AS FOLLOWS:

THAT PORTION OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SAID SECTION 21, WHICH LIES BETWEEN THE SOUTH LINE OF THE EXISTING 33.00 FOOT PUBLIC HIGHWAY RIGHT OF WAY AND THE FOLLOWING DESCRIBED LINE:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 21;  
THENCE SOUTH 00 DEGREES 52 MINUTES 48 SECONDS EAST A DISTANCE OF 50.00 FEET ALONG THE WEST LINE OF SAID SECTION 21, TO THE POINT OF BEGINNING;  
THENCE NORTH 89 DEGREES 39 MINUTES 03 SECONDS EAST A DISTANCE OF 2900 FEET TO THE TERMINUS OF SAID LINE; AND

EXCEPT ANY PORTION OF FEE INTEREST IN AND TO SAID PUBLIC HIGHWAY RIGHT OF WAY, AS CONVEYED IN DOCKET 1957, PAGE 17; AND

EXCEPTING THEREFROM ANY PORTION OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 21, AS CONVEYED IN INSTRUMENT NO. 1997-044070, TO MARICOPA DOMESTIC WATER IMPROVEMENT DISTRICT, A POLITICAL SUBDIVISION OF PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 21;

THENCE SOUTH ALONG THE EAST LINE OF SAID NORTHWEST QUARTER OF THE NORTHWEST QUARTER A DISTANCE OF 50.00 FEET TO A POINT ON A LINE 50 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE NORTHWEST QUARTER, SAID POINT BEING THE POINT OF BEGINNING;

THENCE CONTINUING SOUTH ALONG SAID EAST LINE A DISTANCE OF 50.00 FEET TO A POINT ON A LINE PARALLEL WITH THE NORTH LINE OF SAID NORTHWEST QUARTER;

THENCE WEST ALONG SAID LINE A DISTANCE OF 50.00 FEET;

THENCE NORTH ALONG A LINE PARALLEL TO THE EAST LINE OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER A DISTANCE OF 50.00 FEET TO A POINT ON A LINE 50 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE NORTHWEST QUARTER;

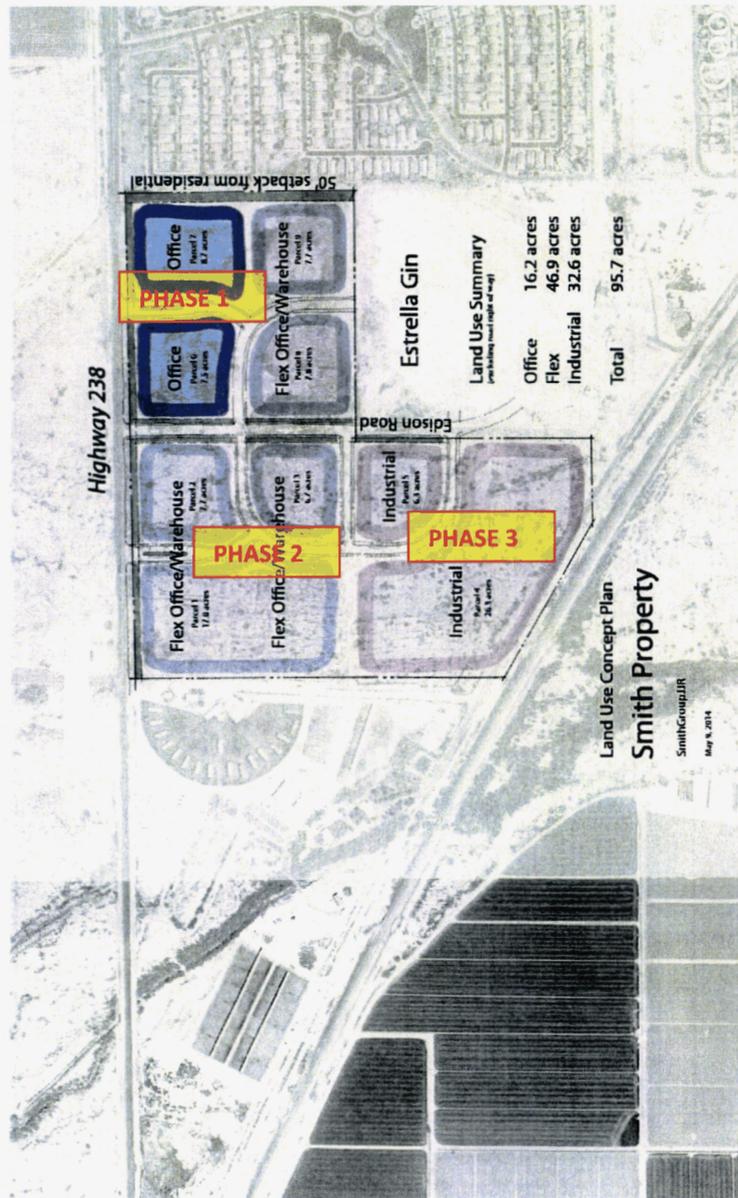
THENCE EAST ALONG SAID LINE A DISTANCE OF 50.00 FEET TO THE POINT OF BEGINNING.

**TOPOGRAPHIC CONDITIONS**

Not available at this time

**PROPOSED DEVELOPMENT PHASING**

The Property consists of Commercial, Flex Office / Warehouse, and Industrial Use with no planned Residential at this time. The development has been split into three phases, with continued development through each phase as development occurs. All offsite plant and main distribution pipelines to provide service to the entire development will have to be constructed prior to the commissioning of the first meter in phase I, therefore all offsite infrastructure will begin in 2019 and expected to be 75% completed by end of year. Phase I has a schedule to begin onsite infrastructure also in 2019 with 75% completed by end of year.





DESIGN CRITERIA



POTABLE/RAW WATER SYSTEM STANDARDS

I. WATER SYSTEM DESIGN CRITERIA

A. Water Demands

New domestic water systems or extensions shall be designed based on the following criteria:

Land Use	Unit	Average Daily Demand
Residential	Dwelling Unit	250 gpd
Commercial*	Square Foot of Building	0.125 gpd
	Acre of Commercial Property	2,800 gpd
Industrial*	Acre of Industrial Property	1,800 gpd
School	Student	50 gpd
Parks and Landscaped Open Space	Acre	1,800 gpd

\*Does not include high water use commercial/industrial facilities such as restaurants, car washes, bottling plants, etc. Contact Global Water for high water use operations.

The maximum day flow shall be equal to 2 times the average day flow. The peak hour flow shall be equal to 1.7 times the maximum day flow. For preliminary design only, a density of 4.5 dwelling units per acre shall be utilized for single family residential properties without a land use plan. Final design shall be based on the actual density. For utilities within Maricopa County, MCESD standards shall apply.

B. Pressure Requirements

Working pressures within the distribution system shall be between 40 and 80 psi. System pressure shall not drop below 40 psi at any point within the distribution system during peak hour demand. The minimum allowable residual pressure under maximum day demand plus fire flow conditions is 20 psi at all nodes.

C. Fire Flow Requirements

Fire flow requirements shall be in accordance with the local fire department authority in each applicable municipality or the AHJ. The system shall be designed to deliver the required flow rate while maintaining residual pressure, and shall provide the minimum required fire-storage volumes. At a minimum, the water system shall be designed to deliver a design fire flow in accordance with the latest edition of the International Fire Code while maintaining pressures in excess of 20 psi.

D. Network Analysis

The network analysis for the distribution system shall be analyzed utilizing a hydraulic model such as WaterGEMS or WaterCAD. A model shall be constructed to demonstrate that the proposed system meets the design guidelines established by Global Water. Flow conditions shall be analyzed for average day, maximum day, peak hour, and maximum day plus fire flow.

Input parameters to the model shall include a Hazen-Williams coefficient (C) equal to 130. Water supply pressures shall be determined by a fire hydrant flow test performed as close to the point of connection



**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Santa Cruz Land Development, LLC**

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**DEMANDS**

Type	Acres	Avg Day Demand	Total GPD	Mon/ Demand	Avg Meter Vol/Month	Total Meters
Residential	0.00	1,125	-	-	6,529	0
Commercial	63.10	2,800	176,680	5,300,400	43,057	123
Industrial	32.60	1,800	58,680	1,760,400	54,864	32
Irrigation	18.30	1,800	32,940	988,200	140,969	7
	114.00		268,300	8,049,000		162

**EXISTING INFRASTRUCTURE AND PROPOSED NEW INFRASTRUCTURE**

**PROPOSED CC&N EXPANSION  
SANTA CRUZ LAND COMPANY  
WATER EXHIBIT**





**Global Water - Santa Cruz Water Company**  
**2014 CC&N Expansion: Santa Cruz Land Development, LLC**

**PROPOSED NEW INFRASTRUCTURE / ESTIMATED COSTS**

<b>SANTA CRUZ LAND</b>					
<b>Offsite Infrastructure</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Amount</b>	<b>NARUC</b>
12" DIP	2518	LF	\$ 45.00	\$ 113,310.00	331
12" Valve	10	Ea	\$ 3,500.00	\$ 35,000.00	331
12"x12" Tee	1	Ea	\$ 300.00	\$ 300.00	331
Engineering and Permits	10%	ls	\$ -	\$ 14,831.00	331
<b>Total</b>				<b>\$ 163,441.00</b>	

<b>SANTA CRUZ LAND</b>						
<b>Phase 1 On-Site Water System</b>	<b>Quan</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
12" DIP	543	LF	\$ 45.00	\$ 24,435.00	331	
8" DIP	464	LF	\$ 42.00	\$ 19,488.00	331	
12" Valve Box and Cover	3	Ea	\$ 3,500.00	\$ 10,500.00	331	
8" Valve Box and Cover	2	Ea	\$ 2,300.00	\$ 4,600.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 20,582.30	331	\$ 79,605.30
Services	138	Ea	\$ 600.00	\$ 82,800.00	333	\$ 82,800.00
Meters	138	Ea	\$ 250.00	\$ 34,500.00	334	\$ 34,500.00
Fire hydrant complete	5	Ea	\$ 3,500.00	\$ 17,500.00	335	\$ 17,500.00
6" Double Check Backflow Fire	4	Ea	\$ 3,000.00	\$ 12,000.00	336	\$ 12,000.00
<b>TOTAL PHASE 1</b>				<b>\$ 226,405.30</b>		\$ 226,405.30

<b>SANTA CRUZ LAND</b>						
<b>Phase 2 On-Site Water System</b>	<b>Quan</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
12" DIP	468	LF	\$ 45.00	\$ 21,060.00	331	
8" DIP	949	LF	\$ 42.00	\$ 39,858.00	331	
12" Valve Box and Cover	1	Ea	\$ 3,500.00	\$ 3,500.00	331	
8" Valve Box and Cover	1	Ea	\$ 2,300.00	\$ 2,300.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 19,651.80	331	\$ 86,369.80
Services	138	Ea	\$ 600.00	\$ 82,800.00	333	\$ 82,800.00
Meters	138	Ea	\$ 250.00	\$ 34,500.00	334	\$ 34,500.00
Fire hydrant complete	1	Ea	\$ 3,500.00	\$ 3,500.00	335	\$ 3,500.00
6" Double Check Backflow Fire	3	Ea	\$ 3,000.00	\$ 9,000.00	336	\$ 9,000.00
<b>TOTAL PHASE 2</b>				<b>\$ 216,169.80</b>		\$ 216,169.80

<b>SANTA CRUZ LAND</b>						
<b>Phase 3 On-Site Water System</b>	<b>Quan</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
12" DIP	365	LF	\$ 45.00	\$ 16,425.00	331	
8" DIP	445	LF	\$ 42.00	\$ 18,690.00	331	
12" Valve Box and Cover	0	Ea	\$ 3,500.00	\$ -	331	

**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Santa Cruz Land Development, LLC**

8" Valve Box and Cover	1	Ea	\$ 2,300.00	\$ 2,300.00	331	
Engineering and Permits	10%	Is	\$ -	\$ 17,421.50	331	\$ 54,836.50
Services	138	Ea	\$ 600.00	\$ 82,800.00	333	\$ 82,800.00
Meters	138	Ea	\$ 250.00	\$ 34,500.00	334	\$ 34,500.00
Fire hydrant complete	3	Ea	\$ 3,500.00	\$ 10,500.00	335	\$ 10,500.00
6" Double Check Backflow Fire	3	Ea	\$ 3,000.00	\$ 9,000.00	336	\$ 9,000.00
<b>TOTAL PHASE 3</b>				<b>\$ 191,636.50</b>		<b>\$ 191,636.50</b>

**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Santa Cruz Land Development, LLC**

**WELL ASSESSMENT AND ESTIMATED COSTS**

Raw water production will be provided based upon the commencement of this development in conjunction with the service demands and the capacity of the system at that time. SCWC has identified additional wells that will be built and added to the system to supplement the need for raw water production as growth occurs. These wells have been identified by a Well Inventory and Data Review Analysis that was completed by the Hydrologist Consultant- Clear Creek Associates, and can be found attached hereto as Exhibit A. In summary, Clear Creek Associates has identified 170 registered wells within the North area assessment, of which 32 have been recommended for further evaluation as the best potential raw water production sites. SCWC will continue its investigation and analysis, and pursue development as necessary to meet the necessary raw water demands.

**Well Site #1**

Item Desc	Quantity	Units	Total	NARUC	NARUC TOTAL
Site Work	1	ls	\$ 35,000.00	304	
Slab	1	ls	\$ 10,000.00	304	
Power to Site	1	ls	\$ 50,000.00	304	\$ 95,000.00
Well Drilling	1	ls	\$ 550,000.00	307	
Piping and Valves	1	ls	\$ 70,000.00	307	
Hydrotank	1	ls	\$ 35,000.00	307	
Electrical	1	ls	\$ 40,000.00	307	
Engineering and Permits	10%	ls	\$ 100,500.00	307	\$ 795,500.00
Generator	1	ls	\$ 125,000.00	310	\$ 125,000.00
Well Pump	1	ls	\$ 90,000.00	311	\$ 90,000.00
<b>Total</b>			<b>\$ 1,105,500.00</b>		<b>\$ 1,105,500.00</b>

Item Desc	Quantity	Units	Total	NARUC	NARUC TOTAL
Site Work	1	ls	\$ 35,000.00	303	
Slab	1	ls	\$ 10,000.00	303	
Power to Site	1	ls	\$ 50,000.00	303	\$ 95,000.00
Well Drilling	1	ls	\$ 550,000.00	307	
Piping and Valves	1	ls	\$ 70,000.00	307	
Hydrotank	1	ls	\$ 35,000.00	307	
Electrical	1	ls	\$ 40,000.00	307	
Engineering and Permits	10%	ls	\$ 100,500.00	307	\$ 795,500.00
Generator	1	ls	\$ 125,000.00	310	\$ 125,000.00
Well Pump	1	ls	\$ 90,000.00	311	\$ 90,000.00
<b>Total</b>			<b>\$ 1,105,500.00</b>		<b>\$ 1,105,500.00</b>

Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Santa Cruz Land Development, LLC

**WATER COMMITMENT – TOTAL DWELLING UNITS**

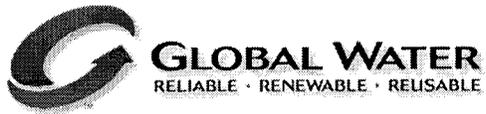
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Rancho El Dorado	3,210	3210	802500
The Villages	1,938	1938	484500
Acacia Crossings	739	739	184750
Cobblestone Farms	891	891	
Province *	1,333	1333	333250
Santa Rosa Springs	790	647	161750
Glennwilde	2,130	1948	487000
Rancho Mirage Estates	2,153	664	166000
Sorrento Phase 1	821	821	205250
Sorrento Phase 3	651	0	0
Dunn Ranch	641	-	-
El Rancho Santa Rosa	720	-	-
Santa Rosa Crossings	351	230	57,500
Homestead Village	2,308	1,726	431,500
Rancho El Dorado Phase III	1,803	903	225,750
Del Tessa	-	-	-
Province Phase III	862	255	63,750
Tortosa NW (Cottonwood)	1,290	1,290	322,500
Tortosa South	1,172	1,172	-

**Global Water - Santa Cruz Water Company  
2014 CC&N Expansion: Santa Cruz Land Development, LLC**

Tortosa NE	1,062	1,064	-
Maricopa Groves (Senita)	1,375	1,377	344,250
Smith Farms	705	601	150,250
Eagle Shadows Phase 1	1,099	-	-
Maricopa Meadows Total	1,626	1,626	406,500
Alterra North & South Total	1,005	1,005	251,250
Palo Brea Total	526	526	131,500
Desert Cedars Totals	418	418	104,500
Commercial		2,925	731,365
<b>Santa Cruz Land</b>	<b>414</b>	<b>414</b>	<b>103,500</b>
<b>North Total</b>	<b>32,033</b>	<b>27,723</b>	<b>6,149,115</b>

**SUMMARY / CONCLUSION**

Based upon the data and analysis provided, SCWC's existing water distribution system can be extended to provide service to the Property as identified in the CC&N application. Storage and boosting requirements will be met with SCWC's existing assets, and will have the capability to meet Peak Day, Peak Hour and Peak Day plus Fire Flow Demands. Raw water production will be provided based upon the timeline of development in conjunction with the service demands and the capacity of the system at that time. SCWC has identified additional wells that will be built and added to the system to supplement the need for raw water production as growth occurs. The Property is contiguous to SCWC's current CC&N, with infrastructure in close proximity to the Property.



APPLICATION OF GLOBAL WATER – SANTA CRUZ WATER COMPANY  
FOR AN EXTENSION OF A CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE WATER UTILITY SERVICE IN PINAL COUNTY, AZ

**REVISED-EXHIBIT 7**

**ESTIMATED TOTAL CONSTRUCTION COSTS AND PLANT PROJECTIONS**

**GLOBAL WATER- SANTA CRUZ WATER COMPANY CC&N EXPANSION  
ESTIMATED OFFSITE WATER INFRASTRUCTURE COSTS**

**SANTA CRUZ LAND**

Offsite Infrastructure	Quantity	Units	Unit Price	Amount	NARUC
12" DIP	2518	LF	\$ 45.00	\$ 113,310.00	331
12" Valve	10	Ea	\$ 3,500.00	\$ 35,000.00	331
12"x12" Tee	1	Ea	\$ 300.00	\$ 300.00	331
Engineering and Permits	10%	ls	\$ -	\$ 14,831.00	331
<b>Total</b>				<b>\$ 163,441.00</b>	

**ESTRELLA GIN**

Offsite Infrastructure	Quantity	Units	Unit Price	Amount	NARUC
No Offsite Infrastructure required					

**EAGLE WING**

Offsite Infrastructure	Quantity	Units	Unit Price	Total	NARUC
16" DIP	1,960	LF	\$ 51.00	\$ 99,960.00	331
16 " Valve Box & Cover	4	ea	\$ 3,882.00	\$ 15,528.00	331
16" 90 degree bend	2	ea	\$ 518.00	\$ 1,036.00	331
22 degree bend	1	ea	\$ 355.00	\$ 355.00	331
Jack and Bore	1600	LF	\$ 225.00	\$ 360,000.00	331
Engineering and Permits	10%	ls	\$ -	\$ 47,687.90	331
<b>Total</b>				<b>\$ 524,566.90</b>	

**ANDERSON RUSSELL**

Offsite Infrastructure	Quantity	Units	Unit Price	Total	NARUC
16" DIP	5,500	LF	\$ 51.00	\$ 280,500.00	331
16 " Valve Box & Cover	8	ea	\$ 3,882.00	\$ 31,056.00	331
16" 90 degree bend	4	ea	\$ 518.00	\$ 2,072.00	331
22 degree bend	1	ea	\$ 355.00	\$ 355.00	331
11 - 1/4 bend	1	ea	\$ 355.00	\$ 355.00	331
Engineering and Permits	10%	ls	\$ -	\$ 31,433.80	331
<b>Total</b>				<b>\$ 345,771.80</b>	

**COM EAGLE WING PAD**

Offsite Infrastructure	Quantity	Units	Unit Price	Amount	NARUC
No Offsite Infrastructure required					

**GLOBAL WAER-SANTA CRUZ WATER COMPANY CC&N EXPANSION  
ESTIMATED ONSITE INFRASTRUCTURE**

<b>SANTA CRUZ LAND</b>						
<b>Phase 1 On-Site Water System</b>	<b>Quan</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
12" DIP	543	LF	\$ 45.00	\$ 24,435.00	331	
8" DIP	464	LF	\$ 42.00	\$ 19,488.00	331	
12" Valve Box and Cover	3	Ea	\$ 3,500.00	\$ 10,500.00	331	
8" Valve Box and Cover	2	Ea	\$ 2,300.00	\$ 4,600.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 20,582.30	331	\$ 79,605.30
Services	138	Ea	\$ 600.00	\$ 82,800.00	333	\$ 82,800.00
Meters	138	Ea	\$ 250.00	\$ 34,500.00	334	\$ 34,500.00
Fire hydrant complete	5	Ea	\$ 3,500.00	\$ 17,500.00	335	\$ 17,500.00
6" Double Check Backflow Fire	4	Ea	\$ 3,000.00	\$ 12,000.00	336	\$ 12,000.00
<b>TOTAL PHASE 1</b>				<b>\$ 226,405.30</b>		<b>\$ 226,405.30</b>

<b>SANTA CRUZ LAND</b>						
<b>Phase 2 On-Site Water System</b>	<b>Quan</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
12" DIP	468	LF	\$ 45.00	\$ 21,060.00	331	
8" DIP	949	LF	\$ 42.00	\$ 39,858.00	331	
12" Valve Box and Cover	1	Ea	\$ 3,500.00	\$ 3,500.00	331	
8" Valve Box and Cover	1	Ea	\$ 2,300.00	\$ 2,300.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 19,651.80	331	\$ 86,369.80
Services	138	Ea	\$ 600.00	\$ 82,800.00	333	\$ 82,800.00
Meters	138	Ea	\$ 250.00	\$ 34,500.00	334	\$ 34,500.00
Fire hydrant complete	1	Ea	\$ 3,500.00	\$ 3,500.00	335	\$ 3,500.00
6" Double Check Backflow Fire	3	Ea	\$ 3,000.00	\$ 9,000.00	336	\$ 9,000.00
<b>TOTAL PHASE 2</b>				<b>\$ 216,169.80</b>		<b>\$ 216,169.80</b>

<b>SANTA CRUZ LAND</b>						
<b>Phase 3 On-Site Water System</b>	<b>Quan</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
12" DIP	365	LF	\$ 45.00	\$ 16,425.00	331	
8" DIP	445	LF	\$ 42.00	\$ 18,690.00	331	
12" Valve Box and Cover	0	Ea	\$ 3,500.00	\$ -	331	
8" Valve Box and Cover	1	Ea	\$ 2,300.00	\$ 2,300.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 17,421.50	331	\$ 54,836.50
Services	138	Ea	\$ 600.00	\$ 82,800.00	333	\$ 82,800.00
Meters	138	Ea	\$ 250.00	\$ 34,500.00	334	\$ 34,500.00
Fire hydrant complete	3	Ea	\$ 3,500.00	\$ 10,500.00	335	\$ 10,500.00
6" Double Check Backflow Fire	3	Ea	\$ 3,000.00	\$ 9,000.00	336	\$ 9,000.00
<b>TOTAL PHASE 3</b>				<b>\$ 191,636.50</b>		<b>\$ 191,636.50</b>

<b>ESTRELLA GIN</b>						
<b>Phase 1 On-Site Water System</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
12" DIP	543	LF	\$ 45.00	\$ 24,435.00	331	
8" DIP	464	LF	\$ 42.00	\$ 19,488.00	331	
12" Valve Box and Cover	3	Ea	\$ 3,500.00	\$ 10,500.00	331	
8" Valve Box and Cover	2	Ea	\$ 2,300.00	\$ 4,600.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 14,122.30	331	\$ 73,145.30
Services	62	Ea	\$ 600.00	\$ 37,200.00	333	\$ 37,200.00
Meters	62	Ea	\$ 250.00	\$ 15,500.00	334	\$ 15,500.00
Fire hydrant complete	5	Ea	\$ 3,500.00	\$ 17,500.00	335	\$ 17,500.00
6" Double Check Backflow Fire	4	Ea	\$ 3,000.00	\$ 12,000.00	336	\$ 12,000.00
<b>TOTAL PHASE 1</b>				<b>\$ 155,345.30</b>		<b>\$ 155,345.30</b>

**ESTRELLA GIN**

Phase 2 On-Site Water System	Quantity	Units	Unit Price	Total	NARUC	NARUC TOTAL
12" DIP	468	LF	\$ 45.00	\$ 21,060.00	331	
8" DIP	949	LF	\$ 42.00	\$ 39,858.00	331	
12" Valve Box and Cover	1	Ea	\$ 3,500.00	\$ 3,500.00	331	
8" Valve Box and Cover	1	Ea	\$ 2,300.00	\$ 2,300.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 13,191.80	331	\$ 79,909.80
Services	62	Ea	\$ 600.00	\$ 37,200.00	333	\$ 37,200.00
Meter	62	Ea	\$ 250.00	\$ 15,500.00	334	\$ 15,500.00
Fire hydrant complete	1	Ea	\$ 3,500.00	\$ 3,500.00	335	\$ 3,500.00
6" Double Check Backflow Fire	3	Ea	\$ 3,000.00	\$ 9,000.00	336	\$ 9,000.00
<b>TOTAL PHASE 2</b>				<b>\$ 145,109.80</b>		<b>\$ 145,109.80</b>

**ESTRELLA GIN**

Phase 3 On-Site Water System	Quantity	Units	Unit Price	Total	NARUC	NARUC TOTAL
12" DIP	365	LF	\$ 45.00	\$ 16,425.00	331	
8" DIP	445	LF	\$ 42.00	\$ 18,690.00	331	
12" Valve Box and Cover	0	Ea	\$ 3,500.00	\$ -	331	
8" Valve Box and Cover	1	Ea	\$ 2,300.00	\$ 2,300.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 10,961.50	331	\$ 48,376.50
Services	62	Ea	\$ 600.00	\$ 37,200.00	333	\$ 37,200.00
Meters	62	Ea	\$ 250.00	\$ 15,500.00	334	\$ 15,500.00
Fire hydrant complete	3	Ea	\$ 3,500.00	\$ 10,500.00	335	\$ 10,500.00
6" Double Check Backflow Fire	3	Ea	\$ 3,000.00	\$ 9,000.00	336	\$ 9,000.00
<b>TOTAL PHASE 3</b>				<b>\$ 120,576.50</b>		<b>\$ 120,576.50</b>

**Eagle Wing**

Phase 1 On-Site Water System	Quantity	Units	Unit Price	Total	NARUC	NARUC TOTAL
12" DIP	3100	LF	\$ 45.00	\$ 139,500.00	331	
12" Valve box & Cover	4	Ea	\$ 3,500.00	\$ 14,000.00	331	
8" DIP	4,100	LF	\$ 42.00	\$ 172,200.00	331	
8" Valve Box and Cover	6	LF	\$ 2,500.00	\$ 15,000.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 73,420.00	331	\$ 414,120.00
Service	430	Ea	\$ 600.00	\$ 258,000.00	333	\$ 258,000.00
Meter	430	Ea	\$ 250.00	\$ 107,500.00	334	\$ 107,500.00
Fire Hydrant Complete	8	Ea	\$ 3,500.00	\$ 28,000.00	335	\$ 28,000.00
<b>Total</b>				<b>\$ 807,620.00</b>		<b>\$ 807,620.00</b>

**Eagle Wing**

Phase 2 On-Site Water System	Quantity	Units	Unit Price	Total	NARUC	NARUC TOTAL
8" DIP	5,620	LF	\$ 42.00	\$ 236,040.00	331	
8" Valve Box and Cover	8	LF	\$ 2,500.00	\$ 20,000.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 67,404.00	331	\$ 323,444.00
Service	430	Ea	\$ 600.00	\$ 258,000.00	333	\$ 258,000.00
Meter	430	Ea	\$ 250.00	\$ 107,500.00	334	\$ 107,500.00
Fire Hydrant Complete	15	Ea	\$ 3,500.00	\$ 52,500.00	335	\$ 52,500.00
<b>Total</b>				<b>\$ 741,444.00</b>		<b>\$ 741,444.00</b>

**Eagle Wing**

Phase 3 On-Site Water System	Quantity	Units	Unit Price	Total	NARUC	NARUC TOTAL
8" DIP	3,220	LF	\$ 42.00	\$ 135,240.00	331	
8" Valve Box and Cover	6	LF	\$ 2,500.00	\$ 15,000.00	331	
Engineering and Permits	8%			\$ 43,499.20	331	\$ 193,739.20
Service	430	Ea	\$ 600.00	\$ 258,000.00	333	\$ 258,000.00
Meter	430	Ea	\$ 250.00	\$ 107,500.00	334	\$ 107,500.00
Fire Hydrant Complete	8	Ea	\$ 3,500.00	\$ 28,000.00	335	\$ 28,000.00
<b>Total</b>				<b>\$ 587,239.20</b>		<b>\$ 587,239.20</b>

**ANDERSON RUSSELL**

Phase 1 On-Site Water System	Quantity	Units	Unit Price	Total	NARUC	NARUC TOTAL
16" DIP	5,000	LF	\$ 51.00	\$ 255,000.00	331	
12" DIP	0	LF	\$ 45.00	\$ -	331	
8" DIP	7103	LF	\$ 42.00	\$ 298,326.00	331	
16" Valve Box & Cover	5	Ea	\$ 3,882.00	\$ 19,410.00	331	
12" Valve Box and Cover	1	Ea	\$ 3,500.00	\$ 3,500.00	331	
8" Valve Box and Cover	16	Ea	\$ 2,500.00	\$ 40,000.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 184,098.60	331	\$ 800,334.60
Service	1375	Ea	\$ 600.00	\$ 825,000.00	333	\$ 825,000.00
Meter	1375	Ea	\$ 250.00	\$ 343,750.00	334	\$ 343,750.00
Fire Hydrant Complete	16	Ea	\$ 3,500.00	\$ 56,000.00	335	\$ 56,000.00
<b>TOTAL PHASE 1</b>				<b>\$ 2,025,084.60</b>		<b>\$ 2,025,084.60</b>

**ANDERSON RUSSELL**

Phase 2 On-Site Water System	Quantity	Units	Unit Price	Total	NARUC	NARUC TOTAL
16" DIP	-	LF	\$ 51.00	\$ -	331	
12" DIP	8000	LF	\$ 45.00	\$ 360,000.00	331	
8" DIP	17503	LF	\$ 42.00	\$ 735,126.00	331	
16" Valve Box & Cover	1	Ea	\$ 3,882.00	\$ 3,882.00	331	
12" Valve Box and Cover	14	Ea	\$ 3,500.00	\$ 49,000.00	331	
8" Valve Box and Cover	25	Ea	\$ 2,500.00	\$ 62,500.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 260,675.80	331	\$ 1,471,183.80
Service	1375	Ea	\$ 600.00	\$ 825,000.00	333	\$ 825,000.00
Meter	1375	Ea	\$ 250.00	\$ 343,750.00	334	\$ 343,750.00
Fire Hydrant Complete	65	Ea	\$ 3,500.00	\$ 227,500.00	335	\$ 227,500.00
<b>TOTAL PHASE 2</b>				<b>\$ 2,867,433.80</b>		<b>\$ 2,867,433.80</b>

**ANDERSON RUSSELL**

Phase 3 On-Site Water System	Quantity	Units	Unit Price	Total	NARUC	NARUC TOTAL
16" DIP	-	LF	\$ 51.00	\$ -	331	
12" DIP	5200	LF	\$ 45.00	\$ 234,000.00	331	
8" DIP	16157	LF	\$ 42.00	\$ 678,594.00	331	
16" Valve Box & Cover	0	Ea	\$ 3,882.00	\$ -	331	
12" Valve Box and Cover	5	Ea	\$ 3,500.00	\$ 17,500.00	331	
8" Valve Box and Cover	56	Ea	\$ 2,500.00	\$ 140,000.00	331	
Engineering and Permits	10%	ls	\$ -	\$ 243,484.40	331	\$ 1,313,578.40
Service	1375	Ea	\$ 600.00	\$ 825,000.00	333	\$ 825,000.00
Meter	1375	Ea	\$ 250.00	\$ 343,750.00	334	\$ 343,750.00
Fire Hydrant Complete	56	Ea	\$ 3,500.00	\$ 196,000.00	335	\$ 196,000.00
<b>TOTAL PHASE 3</b>				<b>\$ 2,678,328.40</b>		<b>\$ 2,678,328.40</b>

**COM EAGLE WING PAD**

<b>On-Site Water System</b>	<b>Quantity</b>	<b>Units</b>	<b>Unit Price</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
There is no on-site infrastructure for this property, it is all dedicated right of way						

**GLOBAL WATER- SANTA CRUZ WATER COMPANY CC&N EXPANSION  
ESTIMATED PLANT COSTS**

**Well Site #1**

Item Desc	Quantity	Units	Total	NARUC	NARUC TOTAL
Site Work	1	ls	\$ 35,000.00	304	
Slab	1	ls	\$ 10,000.00	304	
Power to Site	1	ls	\$ 50,000.00	304	\$ 95,000.00
Well Drilling	1	ls	\$ 550,000.00	307	
Piping and Valves	1	ls	\$ 70,000.00	307	
Hydrotank	1	ls	\$ 35,000.00	307	
Electrical	1	ls	\$ 40,000.00	307	
Engineering and Permits	10%	ls	\$ 100,500.00	307	\$ 795,500.00
Generator	1	ls	\$ 125,000.00	310	\$ 125,000.00
Well Pump	1	ls	\$ 90,000.00	311	\$ 90,000.00
<b>Total</b>			<b>\$ 1,105,500.00</b>		<b>\$ 1,105,500.00</b>

**Well Site #2**

Item Desc	Quantity	Units	Total	NARUC	NARUC TOTAL
Site Work	1	ls	\$ 35,000.00	303	
Slab	1	ls	\$ 10,000.00	303	
Power to Site	1	ls	\$ 50,000.00	303	\$ 95,000.00
Well Drilling	1	ls	\$ 550,000.00	307	
Piping and Valves	1	ls	\$ 70,000.00	307	
Hydrotank	1	ls	\$ 35,000.00	307	
Electrical	1	ls	\$ 40,000.00	307	
Engineering and Permits	10%	ls	\$ 100,500.00	307	\$ 795,500.00
Generator	1	ls	\$ 125,000.00	310	\$ 125,000.00
Well Pump	1	ls	\$ 90,000.00	311	\$ 90,000.00
<b>Total</b>			<b>\$ 1,105,500.00</b>		<b>\$ 1,105,500.00</b>

**GLOBAL WATER- SANTA CRUZ WATER COMPANY CC&N EXPANSION  
ESTIMATED PLANT COSTS**

**Santa Cruz Ranch WDC**

<b>Item Desc</b>	<b>Quantity</b>	<b>Units</b>	<b>Total</b>	<b>NARUC</b>	<b>NARUC TOTAL</b>
Structures and Improvements	1	ls	\$ 600,000.00	304 \$	600,000.00
Raw Water Supply Mains	1	ls	\$ 100,000.00	309 \$	100,000.00
Power Generation Equipment	1	ls	\$ 300,000.00	310 \$	300,000.00
Pumping Equipment	1	ls	\$ 275,000.00	311 \$	275,000.00
Water Treatment Equipment	1	ls		320 \$	-
Water Treatment Plants	1	ls	\$ 400,000.00	320.1 \$	400,000.00
Solution Chemical Feeders	1	ls	\$ 175,000.00	320.2 \$	175,000.00
Distribution Reservoirs & Standpipes	1	ls		330 \$	-
Storage Tanks	1	ls	\$ 650,000.00	330.1 \$	650,000.00
Pressure Tanks	1	ls	\$ 150,000.00	330.2 \$	150,000.00
Other Plant & Misc Equipment	1	ls	\$ 75,000.00	339	
Engineering and Permits	15%	ls	\$ 307,500.00	339 \$	382,500.00
		<b>Total</b>	<b>\$ 3,032,500.00</b>	<b>\$</b>	<b>3,032,500.00</b>

PVUC CC&N Expansion- 2014  
Demand and Meter Count Tables

Santa Cruz Land Development

Parcel	Acres	Avg Day Demand	Total GPD	Mon/ Demand	Avg Meter Vol/Month	Total Meters
Residential	0.00	1,125	-	-	6,529	0
Commercial	63.10	2,800	176,680	5,300,400	43,057	123
Industrial	32.60	1,800	58,680	1,760,400	54,864	32
Irrigation	18.30	1,800	32,940	988,200	140,969	7
	114.00		268,300	8,049,000		162

Estrella Gin

Parcel	Acres	Avg Daily Demand	Total GPD	Monthly Demand	Avg Meter Vol/Month	Total Meters
Residential	0.00	1,125	-	-	6,529	0
Commercial	22.00	2,800	61,600	1,848,000	43,057	43
Industrial	22.00	1,800	39,600	1,188,000	54,864	22
Irrigation	10.00	1,800	18,000	540,000	140,969	4
	54.00		119,200	3,576,000		68

Eagle Wing

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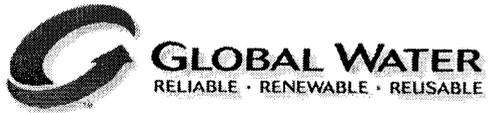
Parcel	Acres	Avg Daily Demand	Total GPD	Monthly Demand	Avg Meter Vol/Month	Total Meters
Residential	250.00	1,125	281,250	8,437,500	6,529	1292
Commercial	75.00	2,800	210,000	6,300,000	43,057	146
Industrial	15.00	1,800	27,000	810,000	54,864	15
Irrigation	46.00	1,800	82,800	2,484,000	140,969	18
	386.00		319,800	18,031,500		1471

Anderson Russell

Parcel	Acres	Avg Daily Demand	Total GPD	Monthly Demand	Avg Meter Vol/Month	Total Meters
Residential	475.00	1,125	534,375	16,031,250	6,529	2455
Commercial	165.00	2,800	462,000	13,860,000	43,057	322
Industrial	19.00	1,800	34,200	1,026,000	54,864	19
Irrigation	86.00	1,800	154,800	4,644,000	140,969	33
	745.00		651,000	35,561,250		2829

COM Eagle Wing PAD

Parcel	Acres	Avg Daily Demand	Total GPD	Monthly Demand	Avg Meter Vol/Month	Total Meters
Residential	0.00	1,125	-	-	6,529	0
Commercial	0.00	2,800	-	-	43,057	0
Industrial	0.00	1,800	-	-	54,864	0
Irrigation	0.00	1,800	-	-	140,969	0
ROW	68.00	-	-	-	140,969	0
	0.00		-	-		



APPLICATION OF GLOBAL WATER – SANTA CRUZ WATER COMPANY  
FOR AN EXTENSION OF A CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE WATER UTILITY SERVICE IN PINAL COUNTY, AZ

**REVISED-EXHIBIT 8**

**APPLICANT'S GENERAL STATEMENT OF FINANCIAL CONDITION**

**BALANCE SHEET**

Acct No.		BALANCE AT 12/31/2013	BALANCE AT 06/30/2014
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$1,800	2,980
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	609,770	743,095
143	Accumulated Provision for Uncollectible Accounts	(24,395)	(25,926)
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	1	1
162	Prepayments	11,020	20,421
173	Accrued Utility Revenues	611,484	820,574
174	Miscellaneous Current and Accrued Assets	110,306	162,098
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$1,319,986</b>	<b>\$1,723,243</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$91,152,084	91,456,391
103	Property Held for Future Use	0	
105	Construction Work in Progress	25,003,905	25,043,767
108	Accumulated Depreciation – Utility Plant	(25,401,870)	(27,211,356)
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility	0	0
	<b>TOTAL FIXED ASSETS</b>	<b>\$90,754,119</b>	<b>\$89,288,802</b>
190	Accumulated Deferred Income Taxes	0	6,508,631
	<b>TOTAL OTHER ASSETS</b>	<b>\$0</b>	<b>\$6,508,631</b>
	<b>TOTAL ASSETS</b>	<b>\$92,074,105</b>	<b>\$97,520,676</b>

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT 12/31/2013	BALANCE AT 06/30/2014
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
231	Accounts Payable	\$596,771	\$634,318
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	1,037,501	1,081,544
236	Accrued Taxes	473,619	435,177
237	Accrued Interest	139,127	164,765
241	Miscellaneous Current and Accrued Liabilities	166,361	372,673
253	Other Deferred Credits	94,144	112,513
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$2,507,523</b>	<b>\$2,800,990</b>
<b>LONG-TERM DEBT (Over 12 Months)</b>			
224	Long-Term Notes and Bonds	\$0	\$0
<b>DEFERRED CREDITS</b>			
251	Unamortized Premium on Debt	\$0	\$0
252	Advances in Aid of Construction	34,013,152	34,133,238
253	Other Deferred Credits	0	1,750
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	28,492,675	82,949
272	Less: Amortization of Contributions	(2,020,104)	(15,082)
281	Accumulated Deferred Income Tax	0	0
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$60,485,723</b>	<b>\$34,202,855</b>
	<b>TOTAL LIABILITIES</b>	<b>\$62,993,246</b>	<b>\$37,003,845</b>
<b>CAPITAL ACCOUNTS</b>			
201	Common Stock Issued	\$10	10
211	Paid in Capital in Excess of Par Value	15,996,256	40,079,756
215	Retained Earnings	13,084,593	20,437,065
218	Proprietary Capital (Sole Props and Partnerships)	0	
	<b>TOTAL CAPITAL</b>	<b>\$29,080,859</b>	<b>\$60,516,831</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$92,074,105</b>	<b>\$97,520,676</b>

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	12/31/2013	06/30/2014
461	Metered Water Revenue	\$10,973,158	\$5,216,980
460	Unmetered Water Revenue	162,873	76,306
474	Other Water Revenues	362,858	162,800
	<b>TOTAL REVENUES</b>	<b>\$11,498,889</b>	<b>\$5,453,086</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$1,746,045	672,234
604	Employee Pensions and Benefits	5,604	21,835
610	Purchased Water	0	0
615	Purchased Power	\$814,557	378,781
616	Fuel for Power Production	0	0
618	Chemicals	53,457	19,819
620	Materials and Supplies	52,673	15,761
621	Office Supplies and Expense	67,516	36,463
631	Contractual Services – Eng.	453	0
632	Contractual Services – Acctg.	186,989	187,222
633	Contractual Services – Management Fees	799,362	441,139
634	Contractual Services - Legal	150,779	66,135
635	Contractual Services - Testing	20,013	8,053
636	Contractual Services - Other	113,019	48,782
641	Rental of Building	117,377	12,950
642	Rental of Equipment	27,065	12,049
650	Transportation Expenses	61,001	31,989
657	Insurance – General Liability	110,135	69,958
658	Insurance – Workers Comp	13,339	8,400
659	Insurance - Other	182,310	86,623
660	Advertising Expense	5,613	1,235
666	Regulatory Commission Expense – Rate Case	209,356	0
667	Regulatory Commission Expense - Other	22,603	4,261
670	Bad Debt Expense	15,769	8,697
675	Miscellaneous Expense	488,469	221,603
403	Depreciation Expense	3,548,454	1,774,377
403	Depreciation Expense –CIAC Amortization	(393,202)	(54,871)
408	Taxes Other Than Income	112,303	50,891
408.11	Property Taxes	880,238	435,599
409	Income Tax	0	(6,520,729)
	<b>TOTAL OPERATING EXPENSES</b>	<b>9,411,297</b>	<b>(1,960,744)</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$0	\$0
421	Non-Utility Income	16,650	2,280

**COMPANY NAME: GLOBAL WATER – SANTA CRUZ WATER COMPANY**

426	Miscellaneous Non-Utility Expenses	12,460	2,130
427	Interest Expense	(125,691)	(66,638)
	TOTAL OTHER INCOME/(EXPENSE)	(\$96,581)	(\$68,618)
	<b>NET INCOME/(LOSS)</b>	<b>\$1,991,011</b>	<b>\$7,352,472</b>



**GLOBAL WATER**  
RELIABLE · RENEWABLE · REUSABLE

APPLICATION OF GLOBAL WATER – SANTA CRUZ WATER COMPANY  
FOR AN EXTENSION OF A CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE WATER UTILITY SERVICE IN PINAL COUNTY, AZ

**REVISED-EXHIBIT 9**

**ANNUAL REVENUE AND EXPENSES FOR FIRST FIVE YEARS**

Santa Cruz Water Company  
 CC&N Expansion 2014  
 Project Statement of Income

Line No:	Description:	2015 Year 1	2016 Year 2	2017 Year 3	2018 Year 4	2019 Year 5
1	Metered Water Revenue \a					
2	Residential	\$ -	\$ -	\$ -	\$ 143,675	\$ 319,999
3	Commercial	13,038	65,282	91,450	263,924	545,026
4	Industrial	9,605	48,070	67,326	103,913	176,411
5	Irrigation	2,967	14,845	20,788	66,728	133,093
6	Unmetered Water Revenue	160	638	319	10,392	13,307
7	Other Water Revenues					
8	<b>Total Estimated Revenues</b>	<b>25,770</b>	<b>128,835</b>	<b>179,883</b>	<b>588,633</b>	<b>1,187,836</b>
9						
10	Employee Labor				66,700	66,700
11	Pumping Power \1	220	1,101	1,541	15,879	34,237
12	Chemicals \1	18	90	126	1,298	2,799
13	Repairs & Maint \1	11	53	75	771	1,662
14	Insurance \1	30	149	208	2,147	4,629
15	Contract Services Fathom \2	19	96	134	1,378	2,971
16	Rent Expense Equip \1	7	37	51	528	1,138
17	Bad Debt Expense \1	4	21	30	307	663
18	Maricopa MOU \1	64	320	448	4,617	9,955
19	Postage & Mailing \1	1	3	4	38	83
20	Phone Services Expense \1	7	36	50	515	1,110
21	Computer Repair & Maint \1	7	36	51	525	1,131
22	Office Supplies Misc \1	3	17	23	238	514
23	Banking fees \1	6	29	41	418	900
24		-	-	-	-	-
25	<b>Total Variable Costs</b>	<b>397</b>	<b>1,987</b>	<b>2,782</b>	<b>95,358</b>	<b>128,491</b>
26						
27	Depreciation \3	21,948	81,643	176,151	258,020	315,804
28	CIAC Amort \4	(10,717)	(39,278)	(85,023)	(119,967)	(132,931)
29	Property Taxes \5	2,165	6,493	9,366	25,126	54,778
30	Income Taxes \6	4,507	29,036	28,521	122,895	305,917
31	<b>Total Other Expenses</b>	<b>17,903</b>	<b>77,894</b>	<b>129,014</b>	<b>286,074</b>	<b>543,567</b>
32						
33	<b>Total Operating Expenses</b>	<b>18,300</b>	<b>79,881</b>	<b>131,796</b>	<b>381,432</b>	<b>672,059</b>
34						
35	<b>Operating Income (Expense)</b>	<b>\$ 7,470</b>	<b>\$ 48,954</b>	<b>\$ 48,087</b>	<b>\$ 207,201</b>	<b>\$ 515,777</b>

36

37 \a - Based on customer growth and average revenue for typical meter

38 \1 - Based on 2013 average cost per account multiplied by estimated new connections.

39 \2 - Based on per connection FATHOM fee

40 \3 - Based on plant estimate & authorization depreciation rates

41 \4 - Based on customer growth at current HUF

42 \5 - ADOR property tax calculation

43 \6 - Based on composite rate last rate case

44

Santa Cruz Water Company  
 C&N Expansion 2014  
 Customer Projections

Line No:

Line No	Customer Additions:	2015		2016		2017		2018		2019	
		Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5	Year 5	
1	Residential	0	0	0	0	250	302				
2	Commercial	3	11	6	6	38	61				
3	Industrial	1	6	3	5	11	11				
4	Irrigation	0	1	1	1	4	6				
5	Total	4.56	18.24	9.12	296.92	380.20					
7	Cumulative Customers:										
8	Residential	0	0	0	0	249.85	552.25				
9	Commercial	2.86	14.31	20.03	57.68	118.94					
10	Industrial	1.44	7.22	10.10	15.58	26.43					
11	Irrigation	0.26	1.28	1.79	5.73	11.43					
12	Total	4.56	22.80	31.92	328.85	709.05					

Customer Additions:	2015		2016		2017		2018		2019		2020		2021	
	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5						
Residential	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Commercial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Industrial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Irrigation	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	

Customer Additions:	2015		2016		2017		2018		2019		2020		2021	
	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5						
Residential	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Commercial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Industrial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Irrigation	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	

Customer Additions:	2015		2016		2017		2018		2019		2020		2021	
	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5						
Residential	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Commercial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Industrial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Irrigation	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	

Customer Additions:	2015		2016		2017		2018		2019		2020		2021	
	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5						
Residential	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Commercial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Industrial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Irrigation	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	

Customer Additions:	2015		2016		2017		2018		2019		2020		2021	
	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5						
Residential	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Commercial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Industrial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Irrigation	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	

Customer Additions:	2015		2016		2017		2018		2019		2020		2021	
	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5						
Residential	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Commercial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Industrial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Irrigation	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	

Customer Additions:	2015		2016		2017		2018		2019		2020		2021	
	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5						
Residential	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Commercial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Industrial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Irrigation	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	

Customer Additions:	2015		2016		2017		2018		2019		2020		2021	
	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5						
Residential	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Commercial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Industrial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Irrigation	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	

New Rates by year using Test Year (not cumulative)

Customer Additions:	2013 Revenue		Active Connections		Average Connections		Revenue per Avg	
	12/31/2012	12/31/2013	12/31/2012	12/31/2013	2015	2016	2015	2016
Residential	\$	\$	16,893	16,547	126,277	126,277	494.02	494.02
Commercial	\$	\$	126	120	4,499.67	4,499.67	4,499.67	4,499.67
Industrial	\$	\$	17	19	6,596.54	6,596.54	6,596.54	6,596.54
Irrigation	\$	\$	184	185	11,562.62	11,562.62	11,562.62	11,562.62
Total	\$	\$	17,220	16,870	650.47	650.47	650.47	650.47

Customer Additions:	2011 TY		2011 TY Revenue		2015		2016	
	Connections	Revenue	Connections	Revenue	2015	2016	2015	2016
Valencia Water Co	5,343	4,940,316	126,277	126,277	126,277	126,277	433,049	433,049
Water Utility of Greater Buckeye	627	462,043	4,645	4,645	4,645	4,645	4,645	4,645
Water Utility of Greater Tonopah	324	207,705	99,992	99,992	99,992	99,992	202,135	202,135
Willow Valley Water Co	1,502	702,652	202,135	202,135	202,135	202,135	202,135	202,135
Water Utility of Northern Scottsdale	76	147,513	-	-	-	-	-	-
sub-total WVR revenue	7,872	6,460,229	433,049	433,049	433,049	433,049	433,049	433,049
Maricopa/CG Region connections	16,028	10,463,460	554,487	554,487	554,487	554,487	554,487	554,487
Santa Cruz Water Co - North	15,831	13,107,528	428,148	428,148	428,148	428,148	428,148	428,148
Palo Verde Utilities Co - North	31,859	23,570,988	982,635	982,635	982,635	982,635	982,635	982,635
sub-total MCGR revenue	39,731	30,031,217	1,415,684	1,415,684	1,415,684	1,415,684	1,415,684	1,415,684
total connections	47,603	36,491,446	2,848,733	2,848,733	2,848,733	2,848,733	2,848,733	2,848,733
Cumulative								

Annual additional cumulative revenue per connection

Customer Additions:	2015		2016		2017		2018		2019		2020		2021	
	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5						
Residential	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Commercial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Industrial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Irrigation	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	

Customer Additions:	2015		2016		2017		2018		2019		2020		2021	
	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5						
Residential	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Commercial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Industrial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Irrigation	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	

Customer Additions:	2015		2016		2017		2018		2019		2020		2021	
	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5						
Residential	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Commercial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Industrial	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Irrigation	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	

Customer Additions:	2015		2016		2017		2018		2019		2020		2021	
	Year 1	Year 2	Year 2	Year 3	Year 3	Year 4	Year 4	Year 5						
Residential	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Commercial	\$	\$												

Santa Cruz Water Company  
 CC&N Expansion 2014  
 Ops Expenses

	2013 Expense Amount	Active Connections 12/31/2012	Active Connections 12/31/2013	Average Connections during 2013	Revenue per Avg Connection	Total Variable Costs (excluding allocated Personnel Costs)				
						2015	2016	2017	2018	2019
Pumping Power	\$ 814,557	16,519	17,220	16,870	\$ 48.29	220.20	1,100.98	1,541.37	15,878.58	34,236.83
Chemicals	\$ 66,585	16,519	17,220	16,870	\$ 3.95	18.00	90.00	126.00	1,297.97	2,798.64
Repairs & Maint	\$ 39,540	16,519	17,220	16,870	\$ 2.34	10.69	53.44	74.82	770.78	1,661.92
Insurance	\$ 110,135	16,519	17,220	16,870	\$ 6.53	29.77	148.86	208.41	2,146.92	4,629.12
Contract Services Fathom	\$ 496,840				\$ 4.19	19.11	95.54	133.75	1,377.86	2,970.90
Rent Expense Equip	\$ 27,065	16,519	17,220	16,870	\$ 1.60	7.32	36.58	51.22	527.60	1,137.58
Bad Debt Expense	\$ 15,769	16,519	17,220	16,870	\$ 0.93	4.26	21.31	29.84	307.38	662.77
Maricopa MOU	\$ 236,856	16,519	17,220	16,870	\$ 14.04	64.03	320.14	448.20	4,617.15	9,955.34
Postage & Mailing	\$ 1,966	16,519	17,220	16,870	\$ 0.12	0.53	2.66	3.72	38.32	82.62
Phone Services Expense	\$ 26,411	16,519	17,220	16,870	\$ 1.57	7.14	35.70	49.98	514.85	1,110.10
Computer Repair & Maint	\$ 26,907	16,519	17,220	16,870	\$ 1.59	7.27	36.37	50.91	524.50	1,130.91
Office Supplies Misc	\$ 12,233	16,519	17,220	16,870	\$ 0.73	3.31	16.53	23.15	238.46	514.15
Banking fees	\$ 21,423	16,519	17,220	16,870	\$ 1.27	5.79	28.96	40.54	417.62	900.45
	\$ 1,896,287					\$ 397	\$ 1,987	\$ 2,782	\$ 28,658	\$ 61,791

Santa Cruz Water Company CC&N Expansion 2014		NARUC Water Depreciation Rates		2015 Year 1		2016 Year 2				
NARUC Acct No.	Depreciable Plant	Average Service Life (Years)	Annual Accrual Rate (%)	Beginning Balance	Additions	Current year depreciation	Ending Balance	Additions	Current year depreciation	Ending Balance
304	Structures & Improvements	30	3.33	\$ -	\$ 139,000.00	\$ (2,316.67)	\$ 136,683.33	\$ 222,750.00	\$ (8,345.83)	\$ 351,087.50
305	Collecting & Impounding Reservoirs	40	2.50	-	-	-	-	-	-	-
306	Lake, River, Canal Intakes	40	2.50	-	-	-	-	-	-	-
307	Wells & Springs	30	3.33	-	\$ 159,100.00	\$ (2,651.67)	\$ 156,448.33	\$ 357,975.00	\$ (11,269.58)	\$ 503,153.75
308	Infiltration Galleries	15	6.67	-	-	-	-	-	-	-
309	Raw Water Supply Mains	50	2.00	-	\$ 20,000.00	\$ (200.00)	\$ 19,800.00	\$ 30,000.00	\$ (700.00)	\$ 49,100.00
310	Power Generation Equipment	20	5.00	-	\$ 85,000.00	\$ (2,125.00)	\$ 82,875.00	\$ 146,250.00	\$ (7,906.25)	\$ 221,218.75
311	Pumping Equipment	8	12.50	-	\$ 73,000.00	\$ (4,562.50)	\$ 68,437.50	\$ 123,000.00	\$ (16,812.50)	\$ 174,625.00
320	Water Treatment Equipment	-	-	-	-	-	-	-	-	-
320.1	Water Treatment Plants	30	3.33	\$ 80,000.00	\$ 80,000.00	\$ (1,333.33)	\$ 78,666.67	\$ 120,000.00	\$ (4,666.67)	\$ 194,000.00
320.2	Solution Chemical Feeders	5	20.00	\$ 35,000.00	\$ 35,000.00	\$ (3,500.00)	\$ 31,500.00	\$ 52,500.00	\$ (12,250.00)	\$ 71,750.00
330	Distribution Reservoirs & Standpipes	-	-	-	-	-	-	-	-	-
330.1	Storage Tanks	45	2.22	\$ 130,000.00	\$ 130,000.00	\$ (1,444.44)	\$ 128,555.56	\$ 195,000.00	\$ (5,055.56)	\$ 318,500.00
330.2	Pressure Tanks	20	5.00	\$ 30,000.00	\$ 30,000.00	\$ (750.00)	\$ 29,250.00	\$ 45,000.00	\$ (2,625.00)	\$ 71,625.00
331	Trans & Distribution Mains- Offsite	50	2.00	-	-	-	-	-	-	-
331	Trans & Distribution Mains- Onsite	50	2.00	-	\$ 14,629.06	\$ (146.29)	\$ 14,482.77	\$ 58,516.24	\$ (877.74)	\$ 72,121.27
333	Services	30	3.33	\$ 7,440.00	\$ 7,440.00	\$ (124.00)	\$ 7,316.00	\$ 29,760.00	\$ (744.00)	\$ 36,332.00
334	Meters	12	8.33	\$ 3,100.00	\$ 3,100.00	\$ (129.17)	\$ 2,970.83	\$ 12,400.00	\$ (775.00)	\$ 14,595.83
335	Hydrants	50	2.00	\$ 3,500.00	\$ 3,500.00	\$ (35.00)	\$ 3,465.00	\$ 14,000.00	\$ (210.00)	\$ 17,255.00
336	Backflow Prevention Devices	15	6.67	\$ 2,400.00	\$ 2,400.00	\$ (80.00)	\$ 2,320.00	\$ 9,600.00	\$ (480.00)	\$ 11,440.00
339	Other Plant & Misc Equipment	15	6.67	\$ 76,500.00	\$ 76,500.00	\$ (2,550.00)	\$ 73,950.00	\$ 114,750.00	\$ (8,925.00)	\$ 179,775.00
340	Office Furniture & Equipment	15	6.67	-	-	-	-	-	-	-
340.1	Computers & Software	3	33.33	-	-	-	-	-	-	-
341	Transportation Equipment	5	20.00	-	-	-	-	-	-	-
342	Stores Equipment	25	4.00	-	-	-	-	-	-	-
343	Tools, Shop & Garage Equipment	20	5.00	-	-	-	-	-	-	-
344	Laboratory Equipment	10	10.00	-	-	-	-	-	-	-
345	Power Operated Equipment	20	5.00	-	-	-	-	-	-	-
346	Communication Equipment	10	10.00	-	-	-	-	-	-	-
347	Miscellaneous Equipment	10	10.00	-	-	-	-	-	-	-
348	Other Tangible Plant	10	-	-	-	-	-	-	-	-
	Total Offsite Depreciation			\$ -	\$ 858,669.06	\$ (21,948.07)	\$ 836,720.99	\$ 1,531,501.24	\$ (81,643.13)	\$ 2,286,579.10
	Percent of Offsites Funded by HUF			\$ -	\$ 827,600.00	\$ (21,433.61)	\$ 806,166.39	\$ 1,407,225.00	\$ (78,556.39)	\$ 2,286,579.10
	CIAC amortization (total offsite dep x 50%)			\$ -	\$ -	\$ (10,716.81)	\$ -	\$ -	\$ (39,278.19)	\$ -

Santa Cruz Water Company		2017			2018			2019		
CC&N Expansion 2014		Year 3			Year 4			Year 5		
NARUC Water Depreciation Rates										
NARUC Acct No.	Depreciable Plant	Additions	Current year depreciation	Ending Balance	Additions	Current year depreciation	Ending Balance	Additions	Current year depreciation	Ending Balance
304	Structures & Improvements	\$ 352,250.00	\$ (17,929.17)	\$ 685,408.33	\$ 42,750.00	\$ (24,512.50)	\$ 703,645.83	\$ 33,250.00	\$ (25,779.17)	\$ 711,116.67
305	Collecting & Impounding Reservoirs									
306	Lake, River, Canal Intakes									
307	Wells & Springs	437,525.00	(24,527.92)	916,150.83	357,975.00	(37,786.25)	1,236,339.58	278,425.00	(48,392.92)	1,466,371.67
308	Infiltration Galleries									
309	Raw Water Supply Mains	\$ 50,000.00	(1,500.00)	97,600.00	\$ -	(2,000.00)	95,600.00	\$ -	(2,000.00)	93,600.00
310	Power Generation Equipment	218,750.00	(17,031.25)	422,937.50	56,250.00	(23,906.25)	455,281.25	43,750.00	(26,406.25)	472,625.00
311	Pumping Equipment	187,000.00	(86,187.50)	325,437.50	40,500.00	(50,406.25)	315,531.25	31,500.00	(54,906.25)	292,125.00
320	Water Treatment Equipment									
320.1	Water Treatment Plants	\$ 200,000.00	(10,000.00)	384,000.00	\$ -	(13,333.33)	370,666.67	\$ -	(13,333.33)	357,333.33
320.2	Solution Chemical Feeders	\$ 87,500.00	(26,250.00)	133,000.00	\$ -	(35,000.00)	98,000.00	\$ -	(35,000.00)	63,000.00
330	Distribution Reservoirs & Standpipes									
330.1	Storage Tanks	\$ 325,000.00	(10,833.33)	632,666.67	\$ -	(14,444.44)	618,222.22	\$ -	(14,444.44)	603,777.78
330.2	Pressure Tanks	\$ 75,000.00	(5,625.00)	141,000.00	\$ -	(7,500.00)	133,500.00	\$ -	(7,500.00)	126,000.00
331	Trans & Distribution Mains- Offsite	\$ 103,731.54	(1,037.32)	102,694.22	\$ 346,953.64	(5,544.17)	444,103.70	\$ 358,635.86	(12,600.06)	790,139.49
331	Trans & Distribution Mains- Onsite	\$ 31,963.92	(1,782.55)	102,302.64	\$ 275,697.00	(4,859.15)	375,140.49	\$ 527,390.57	(12,890.03)	887,641.02
333	Services	14,880.00	(1,488.00)	49,724.00	233,340.00	(5,625.00)	277,439.00	428,160.00	(16,650.00)	688,949.00
334	Meters	6,200.00	(1,550.00)	19,245.83	97,225.00	(5,859.38)	110,611.46	178,400.00	(17,343.75)	271,667.71
335	Hydrants	1,400.00	(364.00)	18,291.00	19,075.00	(568.75)	36,797.25	52,325.00	(1,282.75)	87,839.50
336	Backflow Prevention Devices	3,600.00	(920.00)	14,120.00	4,050.00	(1,175.00)	16,995.00	13,950.00	(1,775.00)	29,170.00
339	Other Plant & Misc Equipment	\$ 191,250.00	(19,125.00)	351,900.00	\$ -	(25,500.00)	326,400.00	\$ -	(25,500.00)	300,900.00
340	Office Furniture & Equipment									
340.1	Computers & Software									
341	Transportation Equipment									
342	Stores Equipment									
343	Tools, Shop & Garage Equipment									
344	Laboratory Equipment									
345	Power Operated Equipment									
346	Communication Equipment									
347	Miscellaneous Equipment									
348	Other Tangible Plant									
	Total Offsite Depreciation	\$ 2,286,050.46	\$ (176,151.03)	\$ 4,396,478.53	\$ 1,473,815.64	\$ (258,020.47)	\$ 5,612,273.70	\$ 1,945,786.42	\$ (315,803.95)	\$ 7,242,256.16
	Percent of Offsites Funded by HUF	\$ 2,228,006.54	\$ (170,046.48)	\$ 844,428.64	\$ 844,428.64	\$ (239,933.19)	\$ 745,560.86	\$ 745,560.86	\$ (265,862.42)	\$ 50.00%
	CIAC amortization [total offsite dep x 50%]	\$ -	\$ (85,023.24)	\$ -	\$ -	\$ (119,966.60)	\$ -	\$ -	\$ (132,931.21)	\$ -

SANTA CRUZ CC&N EXPANSION- 2014  
COST SUMMARY AND SCHEDULE

Santa Cruz Land

	Year 1-2015		Year 2-2016		Year 3-2017	
	% Built	Total	% Built	Total	% Built	Total
<b>Offsite</b>						
NARUC 331	0%	\$ 163,441.00	0%	\$ -	0%	\$ -
<b>Phase I Onsite</b>						
NARUC 331	0%	\$ -	0%	\$ -	0%	\$ -
NARUC 332	0%	\$ 79,605.30	0%	\$ -	0%	\$ -
NARUC 333	0%	\$ 82,800.00	0%	\$ -	0%	\$ -
NARUC 334	0%	\$ 34,500.00	0%	\$ -	0%	\$ -
NARUC 335	0%	\$ 17,500.00	0%	\$ -	0%	\$ -
NARUC 336	0%	\$ 12,000.00	0%	\$ -	0%	\$ -
<b>Phase II Onsite</b>						
NARUC 331	0%	\$ 86,369.80	0%	\$ -	0%	\$ -
NARUC 332	0%	\$ 82,800.00	0%	\$ -	0%	\$ -
NARUC 334	0%	\$ 34,500.00	0%	\$ -	0%	\$ -
NARUC 335	0%	\$ 3,500.00	0%	\$ -	0%	\$ -
NARUC 336	0%	\$ 9,000.00	0%	\$ -	0%	\$ -
<b>Phase III</b>						
NARUC 331	0%	\$ 54,836.50	0%	\$ -	0%	\$ -
NARUC 332	0%	\$ 82,800.00	0%	\$ -	0%	\$ -
NARUC 334	0%	\$ 34,500.00	0%	\$ -	0%	\$ -
NARUC 335	0%	\$ 10,500.00	0%	\$ -	0%	\$ -
NARUC 336	0%	\$ 9,000.00	0%	\$ -	0%	\$ -
<b>Offsite</b>						
NARUC 331	0%	\$ -	0%	\$ -	0%	\$ -
<b>Phase I Onsite</b>						
NARUC 331	20%	\$ 73,145.30	100%	\$ 58,516.24	100%	\$ -
NARUC 332	20%	\$ 37,200.00	100%	\$ 7,440.00	100%	\$ -
NARUC 334	20%	\$ 15,500.00	100%	\$ 3,100.00	100%	\$ -
NARUC 335	20%	\$ 17,500.00	100%	\$ 3,500.00	100%	\$ -
NARUC 336	20%	\$ 12,000.00	100%	\$ 2,400.00	100%	\$ -
<b>Phase II Onsite</b>						
NARUC 331	0%	\$ 79,909.80	0%	\$ -	40%	\$ 31,963.92
NARUC 332	0%	\$ 37,200.00	0%	\$ -	40%	\$ 14,880.00
NARUC 334	0%	\$ 15,500.00	0%	\$ -	40%	\$ 6,200.00
NARUC 335	0%	\$ 3,500.00	0%	\$ -	40%	\$ 1,400.00
NARUC 336	0%	\$ 9,000.00	0%	\$ -	40%	\$ 3,600.00
<b>Phase III</b>						
NARUC 331	0%	\$ 48,376.50	0%	\$ -	0%	\$ -
NARUC 332	0%	\$ 37,200.00	0%	\$ -	0%	\$ -
NARUC 334	0%	\$ 15,500.00	0%	\$ -	0%	\$ -
NARUC 335	0%	\$ 10,500.00	0%	\$ -	0%	\$ -
NARUC 336	0%	\$ 9,000.00	0%	\$ -	0%	\$ -
<b>Offsite</b>						
NARUC 331	0%	\$ 524,566.90	0%	\$ -	0%	\$ -
<b>Phase I Onsite</b>						
NARUC 331	0%	\$ 414,120.00	0%	\$ -	0%	\$ -
NARUC 332	0%	\$ 258,000.00	0%	\$ -	0%	\$ -
NARUC 334	0%	\$ 107,500.00	0%	\$ -	0%	\$ -
NARUC 335	0%	\$ 28,000.00	0%	\$ -	0%	\$ -
<b>Phase II Onsite</b>						
NARUC 331	0%	\$ 323,444.00	0%	\$ -	0%	\$ -
NARUC 332	0%	\$ 258,000.00	0%	\$ -	0%	\$ -
NARUC 334	0%	\$ 107,500.00	0%	\$ -	0%	\$ -
NARUC 335	0%	\$ 52,500.00	0%	\$ -	0%	\$ -
<b>Phase III</b>						
NARUC 331	0%	\$ 193,739.20	0%	\$ -	0%	\$ -
NARUC 332	0%	\$ 258,000.00	0%	\$ -	0%	\$ -
NARUC 334	0%	\$ 107,500.00	0%	\$ -	0%	\$ -
NARUC 335	0%	\$ 28,000.00	0%	\$ -	0%	\$ -

Estrelita Gin

Eagle Wing

SANTA CRUZ CCGN EXPANSION- 2014  
COST SUMMARY AND SCHEDULE

Santa Cruz Land

	Year 4- 2018		Year 5-2019		Total
	% Built	Total	% Built	Total	
<b>Offsite</b>					
NARUC 331	0%	\$ -	75%	\$ 122,580.75	
<b>Phase I Onsite</b>					
NARUC 331	0%	\$ -	75%	\$ 59,703.98	
NARUC 333	0%	\$ -	75%	\$ 62,100.00	
NARUC 334	0%	\$ -	75%	\$ 25,875.00	
NARUC 335	0%	\$ -	75%	\$ 13,125.00	
NARUC 336	0%	\$ -	75%	\$ 9,000.00	
<b>Phase II Onsite</b>					
NARUC 331	0%	\$ -	0%	\$ -	
NARUC 333	0%	\$ -	0%	\$ -	
NARUC 334	0%	\$ -	0%	\$ -	
NARUC 335	0%	\$ -	0%	\$ -	
NARUC 336	0%	\$ -	0%	\$ -	
<b>Phase III</b>					
NARUC 331	0%	\$ -	0%	\$ -	
NARUC 333	0%	\$ -	0%	\$ -	
NARUC 334	0%	\$ -	0%	\$ -	
NARUC 335	0%	\$ -	0%	\$ -	
NARUC 336	0%	\$ -	0%	\$ -	
<b>Offsite</b>					
NARUC 331	0%	\$ -	0%	\$ -	
<b>Phase I Onsite</b>					
NARUC 331	100%	\$ -	100%	\$ -	
NARUC 333	100%	\$ -	100%	\$ -	
NARUC 334	100%	\$ -	100%	\$ -	
NARUC 335	100%	\$ -	100%	\$ -	
NARUC 336	100%	\$ -	100%	\$ -	
<b>Phase II Onsite</b>					
NARUC 331	75%	\$ 27,968.43	90%	\$ 11,986.47	
NARUC 333	75%	\$ 19,020.00	90%	\$ 5,580.00	
NARUC 334	75%	\$ 5,425.00	90%	\$ 2,325.00	
NARUC 335	75%	\$ 1,225.00	90%	\$ 525.00	
NARUC 336	75%	\$ 3,150.00	90%	\$ 1,350.00	
<b>Phase III</b>					
NARUC 331	10%	\$ 4,837.65	50%	\$ 19,350.60	
NARUC 333	10%	\$ 3,720.00	50%	\$ 14,880.00	
NARUC 334	10%	\$ 1,550.00	50%	\$ 6,200.00	
NARUC 335	10%	\$ 1,050.00	50%	\$ 4,200.00	
NARUC 336	10%	\$ 900.00	50%	\$ 3,600.00	
<b>Offsite</b>					
NARUC 331	20%	\$ 104,913.38	65%	\$ 236,055.11	
<b>Phase I Onsite</b>					
NARUC 331	20%	\$ 82,824.00	75%	\$ 227,766.00	
NARUC 333	20%	\$ 51,600.00	75%	\$ 141,900.00	
NARUC 334	20%	\$ 21,500.00	75%	\$ 59,125.00	
NARUC 335	20%	\$ 5,600.00	75%	\$ 15,400.00	
<b>Phase II Onsite</b>					
NARUC 331	0%	\$ -	15%	\$ 48,516.60	
NARUC 333	0%	\$ -	15%	\$ 36,700.00	
NARUC 334	0%	\$ -	15%	\$ 16,125.00	
NARUC 335	0%	\$ -	15%	\$ 7,875.00	
<b>Phase III</b>					
NARUC 331	0%	\$ -	0%	\$ -	
NARUC 333	0%	\$ -	0%	\$ -	
NARUC 334	0%	\$ -	0%	\$ -	
NARUC 335	0%	\$ -	0%	\$ -	

Estrella Gin

	Number of Customers (Meter Sets) Per Year				
	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Total</b>					
Res	0	0	0	0	0
Comm	41	0	0	0	0
Ind	11	0	0	0	0
Irrig	2	0	0	0	0
<b>Phase I Onsite</b>					
Res	0	0	0	0	0
Comm	41	0	0	0	0
Ind	11	0	0	0	0
Irrig	2	0	0	0	0
<b>Phase II Onsite</b>					
Res	0	0	0	0	0
Comm	41	0	0	0	0
Ind	11	0	0	0	0
Irrig	2	0	0	0	0
<b>Phase III</b>					
Res	0	0	0	0	0
Comm	41	0	0	0	0
Ind	11	0	0	0	0
Irrig	2	0	0	0	0
<b>Offsite</b>					
Res	0	0	0	0	0
Comm	14	3	11	0	0
Ind	7	1	6	0	0
Irrig	1	0	1	0	0
<b>Phase I Onsite</b>					
Res	0	0	0	0	0
Comm	14	0	0	0	0
Ind	7	0	0	0	0
Irrig	1	0	0	0	0
<b>Phase II Onsite</b>					
Res	0	0	0	0	0
Comm	14	0	0	0	0
Ind	7	0	0	0	0
Irrig	1	0	0	0	0
<b>Phase III</b>					
Res	0	0	0	0	0
Comm	14	0	0	0	0
Ind	7	0	0	0	0
Irrig	1	0	0	0	0
<b>Offsite</b>					
Res	431	0	0	0	0
Comm	49	0	0	0	0
Ind	5	0	0	0	0
Irrig	6	0	0	0	0
<b>Phase I Onsite</b>					
Res	431	0	0	0	0
Comm	49	0	0	0	0
Ind	5	0	0	0	0
Irrig	6	0	0	0	0
<b>Phase II Onsite</b>					
Res	431	0	0	0	0
Comm	49	0	0	0	0
Ind	5	0	0	0	0
Irrig	6	0	0	0	0
<b>Phase III</b>					
Res	431	0	0	0	0
Comm	49	0	0	0	0
Ind	5	0	0	0	0
Irrig	6	0	0	0	0

Eagle Wing

	Year 1-2015			Year 2-2016			Year 3-2017		
	% Built	Total		% Built	Total		% Built	Total	
<b>Anderson Russell</b>									
<b>Offsite</b>									
NARUC 331	0%	\$ 345,771.80		0%	\$ -		30%	\$ 103,731.54	
<b>Phase I Onsite</b>									
NARUC 331	0%	\$ 800,334.60		0%	\$ -				
NARUC 333	0%	\$ 825,000.00		0%	\$ -				
NARUC 334	0%	\$ 343,750.00		0%	\$ -				
NARUC 335	0%	\$ 56,000.00		0%	\$ -				
<b>Phase II Onsite</b>									
NARUC 331	0%	\$ 1,471,183.80		0%	\$ -		0%	\$ -	
NARUC 333	0%	\$ 825,000.00		0%	\$ -		0%	\$ -	
NARUC 334	0%	\$ 343,750.00		0%	\$ -		0%	\$ -	
NARUC 335	0%	\$ 227,500.00		0%	\$ -		0%	\$ -	
<b>Phase III</b>									
NARUC 331	0%	\$ 1,313,578.40		0%	\$ -		0%	\$ -	
NARUC 333	0%	\$ 825,000.00		0%	\$ -		0%	\$ -	
NARUC 334	0%	\$ 343,750.00		0%	\$ -		0%	\$ -	
NARUC 335	0%	\$ 196,000.00		0%	\$ -		0%	\$ -	
<b>Offsite</b>									
NA	0%	\$ -		0%	\$ -				
<b>Onsite</b>									
NA	0%	\$ -		0%	\$ -				
<b>Plant</b>									
<b>Well Site #1</b>									
NARUC 304	20%	\$ 95,000.00	\$ 19,000.00	65%	\$ 42,750.00		100%	\$ 33,250.00	
NARUC 307	20%	\$ 795,500.00	\$ 159,100.00	65%	\$ 357,975.00		100%	\$ 278,425.00	
NARUC 310	20%	\$ 125,000.00	\$ 25,000.00	65%	\$ 56,250.00		100%	\$ 43,750.00	
NARUC 311	20%	\$ 90,000.00	\$ 18,000.00	65%	\$ 40,500.00		100%	\$ 31,500.00	
<b>Well Site #2</b>									
NARUC 304	0%	\$ 95,000.00		0%	\$ -		20%	\$ 19,000.00	
NARUC 307	0%	\$ 795,500.00		0%	\$ -		20%	\$ 159,100.00	
NARUC 310	0%	\$ 125,000.00		0%	\$ -		20%	\$ 25,000.00	
NARUC 311	0%	\$ 90,000.00		0%	\$ -		20%	\$ 18,000.00	
<b>Santa Cruz Ranch WDC</b>									
NARUC 304	20%	\$ 600,000.00	\$ 120,000.00	50%	\$ 180,000.00		100%	\$ 300,000.00	
NARUC 309	20%	\$ 100,000.00	\$ 20,000.00	50%	\$ 30,000.00		100%	\$ 50,000.00	
NARUC 310	20%	\$ 300,000.00	\$ 60,000.00	50%	\$ 90,000.00		100%	\$ 150,000.00	
NARUC 311	20%	\$ 275,000.00	\$ 55,000.00	50%	\$ 82,500.00		100%	\$ 137,500.00	
NARUC 320.1	20%	\$ 400,000.00	\$ 80,000.00	50%	\$ 120,000.00		100%	\$ 200,000.00	
NARUC 320.2	20%	\$ 175,000.00	\$ 35,000.00	50%	\$ 52,500.00		100%	\$ 87,500.00	
NARUC 330.1	20%	\$ 650,000.00	\$ 130,000.00	50%	\$ 195,000.00		100%	\$ 325,000.00	
NARUC 330.2	20%	\$ 150,000.00	\$ 30,000.00	50%	\$ 45,000.00		100%	\$ 75,000.00	
NARUC 339	20%	\$ 382,500.00	\$ 76,500.00	50%	\$ 114,750.00		100%	\$ 191,250.00	
<b>Totals</b>									
NARUC 331		\$ 5,808,981.90	\$ 14,629.06		\$ 58,516.24			\$ 135,695.46	
NARUC 333		\$ 3,609,000.00	\$ 7,440.00		\$ 29,760.00			\$ 14,880.00	
NARUC 334		\$ 1,503,750.00	\$ 3,100.00		\$ 12,400.00			\$ 6,200.00	
NARUC 335		\$ 651,000.00	\$ 3,500.00		\$ 14,000.00			\$ 1,400.00	
NARUC 336		\$ 60,000.00	\$ 2,400.00		\$ 9,600.00			\$ 3,600.00	
NARUC 304		\$ 790,000.00	\$ 139,000.00		\$ 222,750.00			\$ 352,250.00	
NARUC 307		\$ 1,591,000.00	\$ 159,100.00		\$ 357,975.00			\$ 437,525.00	
NARUC 310		\$ 550,000.00	\$ 85,000.00		\$ 146,250.00			\$ 218,750.00	
NARUC 311		\$ 455,000.00	\$ 73,000.00		\$ 123,000.00			\$ 187,000.00	
NARUC 309		\$ 100,000.00	\$ 20,000.00		\$ 30,000.00			\$ 50,000.00	
NARUC 320.1		\$ 400,000.00	\$ 80,000.00		\$ 120,000.00			\$ 200,000.00	
NARUC 320.2		\$ 175,000.00	\$ 35,000.00		\$ 52,500.00			\$ 87,500.00	
NARUC 330.1		\$ 650,000.00	\$ 130,000.00		\$ 195,000.00			\$ 325,000.00	
NARUC 330.2		\$ 175,000.00	\$ 30,000.00		\$ 45,000.00			\$ 75,000.00	
NARUC 339		\$ 382,500.00	\$ 76,500.00		\$ 114,750.00			\$ 191,250.00	
<b>Totals</b>		\$ 16,901,231.90	\$ 858,669.06		\$ 1,531,501.24			\$ 2,286,050.46	

Anderson Russell

Total	Number of Customers (Meter Sets) Per Year				
	Year 1	Year 2	Year 3	Year 4	Year 5
Res	818	0	0	0	164
Comm	107	0	0	0	21
Ind	6	0	0	0	1
Irrig	11	0	0	0	2

Res	818	0	0	0	0
Comm	107	0	0	0	0
Ind	6	0	0	0	0
Irrig	11	0	0	0	0

Res	818	0	0	0	0
Comm	107	0	0	0	0
Ind	6	0	0	0	0
Irrig	11	0	0	0	0

Total/Year	Number of Customers (Meter Sets) Per Year				
	Year 1	Year 2	Year 3	Year 4	Year 5
Cumulative	5	18	9	297	380
Resid	0	23	32	329	709
Comm	0	0	0	250	302
Ind	3	11	6	38	61
Irrig	1	6	3	5	11

	Year 4-2018		Year 5-2019	
	% Built	Total	% Built	Total
<b>Offsite</b>				
NARUC 331	100%	\$ 242,040.26	100%	\$ -
<b>Phase I Onsite</b>				
NARUC 331	20%	\$ 160,066.92	40%	\$ 160,066.92
NARUC 333	20%	\$ 165,000.00	40%	\$ 165,000.00
NARUC 334	20%	\$ 68,750.00	40%	\$ 68,750.00
NARUC 335	20%	\$ 11,200.00	40%	\$ 11,200.00
<b>Phase II Onsite</b>				
NARUC 331	0%	\$ -	0%	\$ -
NARUC 333	0%	\$ -	0%	\$ -
NARUC 334	0%	\$ -	0%	\$ -
NARUC 335	0%	\$ -	0%	\$ -
<b>Phase III</b>				
NARUC 331	0%	\$ -	0%	\$ -
NARUC 333	0%	\$ -	0%	\$ -
NARUC 334	0%	\$ -	0%	\$ -
NARUC 335	0%	\$ -	0%	\$ -
<b>Offsite</b>				
NA		\$ -		\$ -
<b>Onsite</b>				
NA		\$ -		\$ -
<b>Well Site #1</b>				
NARUC 304	100%	\$ -	100%	\$ -
NARUC 307	100%	\$ -	100%	\$ -
NARUC 310	100%	\$ -	100%	\$ -
NARUC 311	100%	\$ -	100%	\$ -
<b>Well Site #2</b>				
NARUC 304	65%	\$ 42,750.00	100%	\$ 33,250.00
NARUC 307	65%	\$ 357,975.00	100%	\$ 278,425.00
NARUC 310	65%	\$ 56,250.00	100%	\$ 43,750.00
NARUC 311	65%	\$ 40,500.00	100%	\$ 31,500.00
<b>Santa Cruz Ranch WDC</b>				
NARUC 304	100%	\$ -	100%	\$ -
NARUC 309	100%	\$ -	100%	\$ -
NARUC 310	100%	\$ -	100%	\$ -
NARUC 311	100%	\$ -	100%	\$ -
NARUC 320.1	100%	\$ -	100%	\$ -
NARUC 320.2	100%	\$ -	100%	\$ -
NARUC 330.1	100%	\$ -	100%	\$ -
NARUC 330.2	100%	\$ -	100%	\$ -
NARUC 339	100%	\$ -	100%	\$ -
<b>Totals</b>				
	% Built	Total	% Built	Total
NARUC 331		\$ 622,650.64		\$ 886,026.42
NARUC 333		\$ 233,340.00		\$ 428,160.00
NARUC 334		\$ 97,225.00		\$ 178,400.00
NARUC 335		\$ 19,075.00		\$ 52,325.00
NARUC 304		\$ 42,750.00		\$ 33,250.00
NARUC 307		\$ 357,975.00		\$ 278,425.00
NARUC 310		\$ 56,250.00		\$ 43,750.00
NARUC 311		\$ 40,500.00		\$ 31,500.00
NARUC 309		\$ -		\$ -
NARUC 320.1		\$ -		\$ -
NARUC 320.2		\$ -		\$ -
NARUC 330.1		\$ -		\$ -
NARUC 330.2		\$ -		\$ -
NARUC 339		\$ -		\$ -
<b>Totals</b>		\$ 1,473,815.64		\$ 1,945,786.42

COM Eagle Wing PAD

Plant



**GLOBAL WATER**  
RELIABLE · RENEWABLE · REUSABLE

APPLICATION OF GLOBAL WATER – SANTA CRUZ WATER COMPANY  
FOR AN EXTENSION OF A CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE WATER UTILITY SERVICE IN PINAL COUNTY, AZ

**NEW-EXHIBIT 19**

**LETTERS FROM PROPERTY OWNERS REGARDING PHASING AND  
DEVELOPMENT TIMEFRAMES**

October 23, 2014

Mr. Ron Fleming  
President and COO  
Global Water – Palo Verde Utilities Company, Inc, Santa Cruz Water Company, Inc  
21410 N 19<sup>th</sup> Avenue, Suite 201  
Phoenix, AZ 85027

Re: Water, Wastewater and Reclaimed Water Services  
Anderson Russell, LLC (the "Property")

Further to recent communication with Global Water regarding current status of the Application(s) for Extension of its Existing Certificate of Convenience and Necessity to provide water, wastewater and reclaimed water service to our Property, we wish to confirm our development plan schedule and our anticipated need for the noted services as originally provided to Global and dated March 31, 2014.

As you know, many and various economic factors both at the macro and micro level make it difficult to predict market demand for any new development project. As such, we continually monitor and adjust schedules as necessary in accordance with those factors. At this time, we wish to restate that the development schedules provided to Global with our original request for service remain valid and useable.

Please don't hesitate to contact Kelly Hall with PM Consultants at email: [khall@pmcaz.com](mailto:khall@pmcaz.com) or phone 480.220.7393 with any questions or for additional information.

Sincerely,  
PM Consultants, LLC

  
Kelly Hall, AICP

Cc: K. Miller, Anderson Russell, LLC



39700 W. Civic Center Plaza  
Maricopa, AZ 85138  
Ph: 520.568.9098  
Ex: 520.568.9120  
[www.maricopa-az.gov](http://www.maricopa-az.gov)

October 20, 2014

Mr. Ron Fleming  
President and COO  
Global Water – Santa Cruz Water Company, Inc.  
21410 N. 19<sup>th</sup> Avenue, Suite 201  
Phoenix, AZ 85027

Re: Development Phasing For the Estrella Gin Business Park Site

Dear Mr. Fleming:

The Estrella Gin Business Park site is a 52-acre, city-owned parcel that is planned to be developed through a public private partnership. It is the City's leading economic development priority. The goal for the business park is to provide employment opportunities for local residents by allowing expanding businesses to remain in the community and facilitating the relocation of industry to Maricopa. As shown in the Development Phasing Concept Diagram included with the CC&N expansion application, approximately 40 acres is available for private development, anticipated to include a mix of industrial, office and flex space.

In May 2014, the Maricopa City Council approved a Master Planning and Marketing Agreement with The Boyer Company for the planning, design, marketing, disposition and future development of land within the Estrella Gin Business Park. Based on the timeframes set forth in the City's development agreement with The Boyer Company, Phase 1 of the project is to be initiated by mid-2015. Phase 2 and Phase 3 are anticipated to begin by early 2017 and early 2019, respectively.

A public works and fire maintenance facility, and an Amtrak station will also be developed on the site. Construction on these projects is scheduled to start in late 2014 and mid-late 2015. Timely approval of the CC&N expansion application by the Arizona Corporation Commission will be critical to achieving each of the aforementioned development milestones.

Sincerely,

Micah Miranda  
Economic Development Director  
[micah.miranda@maricopa-az.gov](mailto:micah.miranda@maricopa-az.gov)



# El Dorado

Holdings, Inc.

October 21, 2014

Mr. Ron Fleming  
President and CEO  
Global Water Resources – Palo Verde Utilities Company and Santa Cruz Water Company  
21410 N. 19<sup>th</sup> Avenue, Suite 201  
Phoenix, AZ 85027

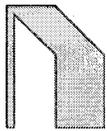
Re: Development Timeline for Eagle Wing Parcels 1, 2 and 3

Eagle Wing is a Master Planned Community in the City of Maricopa with parcels 1, 2 and 3 having a combined 430 acres of residential, commercial and industrial uses. Zoning approval through a Planned Area Development (PAD) was obtained in September of 2005. The demand for such uses did not reach this part of the City before the market turned and therefore the project was put on the shelf.

The market is beginning to recover and Eagle Shadow LLC wants to be in a position to move forward with development when the time comes. Phases 1 and 2 are anticipated to begin in 2018 with full completion in 2019. Phase 3 development will proceed accordingly depending on either the success of phases 1 and 2 or when there is a demand for the property.

Sincerely,

Linda Cheney  
Vice President  
El Dorado Holdings, Inc.  
as Administrative Agent for  
Eagle Shadow, LLC



**NATHAN & ASSOCIATES, INC.**  
LAND BROKERAGE SERVICES

7600 East Doubletree Ranch Road | Suite 150  
Scottsdale, Arizona 85258  
480.367.0700 Phone | 480.367.8341 Fax  
[www.nathanandassociatesinc.com](http://www.nathanandassociatesinc.com)

October 28, 2014

Mr. Ron Fleming  
Global Water Resources  
21410 North 19<sup>th</sup> Avenue  
Suite 201  
Phoenix, Arizona 85027

Re: *Development Timeline for Santa Cruz Land and Development, LLC*  
*Assessor Parcel Numbers: 510-17-003a & 510-17-004a*

Dear Mr. Fleming:

Nathan & Associates, Inc. has exclusively represented Santa Cruz Land and Development, LLC on the property referenced above, which is located at the southeast corner of Highway 238 and Green Road in Maricopa County, Arizona for a number of years.

Land use and conceptual plans on the subject property show office, industrial, flex office and warehouse uses which are permitted within the property's zoning designation. There are currently no residential uses planned. Demand in recent years for the uses planned on the site has been sluggish. Although it is difficult to determine exactly when the commercial and industrial market and the uses proposed on the site will experience renewed demand, I am hopeful that the combination of future housing growth and the planned Edison Road extension to Highway 238 will facilitate buyer and development interest. Like neighboring property owners, I am optimistic that this activity will occur in 2017 or 2018. Approval of the CC&N expansion application will help accomplish this timeframe.

Sincerely,

**NATHAN & ASSOCIATES, INC.**

James. T. 'Nate' Nathan

JTN/akw



**GLOBAL WATER**  
RELIABLE · RENEWABLE · REUSABLE

APPLICATION OF GLOBAL WATER – SANTA CRUZ WATER COMPANY  
FOR AN EXTENSION OF A CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE WATER UTILITY SERVICE IN PINAL COUNTY, AZ

**NEW-EXHIBIT 20**

**LICENSE AGREEMENT**

**LICENSE AGREEMENT**

This License Agreement ("License") is made this day of 9 Nov 2006, by and between City of Maricopa, an Arizona municipal corporation ("City") and Palo Verde Utilities Company, LLC/Global Water-Palo Verde Utilities Company and Santa Cruz Water Company, LLC/Global Water-Santa Cruz Water Company (collectively, "Utility"). This License is entered into pursuant to and in accordance with the Memorandum of Understanding ("MOU") entered into between the City and the Utility's parent company, Global Water Resources, LLC ("GWR") dated December 6, 2005.

**RECITALS:**

A. Utility is currently or will be providing water and wastewater services throughout significant portions of the City, the Subject Territories and Global's Planning Area (as defined in the MOU). Such area is within the current or expected future area for which Utility holds a Certificate of Convenience and Necessity ("CC&N") issued by the Arizona Corporation Commission ("Commission"). Utility has been asked by certain property owners to petition the Commission for an extension of said CC&N to include additional areas within and outside the City but which are not currently within Utility's existing certificated area. The areas outside of the City are within the City's growth and/or planning areas. Utility acknowledges City's commitment to the health and welfare of the residents of these areas and, therefore, will continue to use the best available engineering and technology in supplying water, wastewater and reclaimed water services in conformance with applicable regulations of the United States Environmental Protection Agency, Arizona Department of Environmental Quality, Pinal County Department of Health and Human Services, the Commission, and any other governmental authority having jurisdiction thereof.

B. City acknowledges Utility's operation in these areas and recognizes the importance of the wastewater, water and reclaimed water utility services provided by Utility and further acknowledges the extension of Utility's CC&N and operations to include additional properties outside of and within the City.

C. City has agreed that Utility should be permitted the use of all public streets and rights-of-way within the City for utility service during the term of this License. Utility and City agree that City will have the right to review and approve the location of all wastewater and water mains, force mains, lift stations and other similar facilities that may be placed in public rights-of-way within the City's jurisdiction.

Accordingly, the parties hereto desire to enter into this License.

**AGREEMENT:**

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. **Definitions.** Utility and City agree to the following definitions as to terms utilized herein:

A. "City Administrator" shall mean the City Manager for the City of Maricopa, Arizona, who oversees the day-to-day conduct of City business in accordance with the directions of the Mayor and City Council as set forth in the City Code of the City of Maricopa, Arizona.

B. "City Facilities" shall mean all public utilities for the provision or collection of wastewater, water, gas, electric, telephone, railroad, solid waste and transportation including, but not limited to, methods of manufacture, distribution, transmission, storage or supply of such public utilities.

C. "Utility Facilities" shall mean facilities owned by Utility and used in the provision of water production, treatment and distribution, wastewater collection and treatment and reclaimed water delivery including, but not limited to, methods of manufacture, distribution, transmission, storage or supply of such wastewater treatment.

D. "Proprietary Function" shall mean functions that City, in its discretion, may perform when considered to be for the profit or benefit of the City and its residents as opposed to "Governmental Purposes."

E. "Environmental Laws" shall mean all federal, state and local laws, ordinances, rules, regulations, statutes and judicial decisions now or hereafter in effect, as amended from time to time, in any way relating to or regulating human health or safety, or industrial hygiene or environmental conditions, or protection of the environment, or prevention or cleanup of pollution or contamination of the air, soil, surface water or ground water.

F. "Governmental Purposes" shall include, but not be limited to, the following functions of City: (1) any and all improvement to City streets, alleys, and avenues; (2) establishing and maintaining storm drains and related facilities; (3) establishing and maintaining municipal parks, parking, parkways, pedestrian malls, or grass, shrubs, trees, and other vegetation for the purposes of landscaping any street or public property; (4) collection and disposal of garbage; and (5) as defined by statute and case law.

G. "Hazardous Substances" means those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, or other petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials.

2. **Operating Grant.** City hereby grants Utility, its successors and assigns, the license, right and privilege to construct, maintain, and operate upon, over, along, across, and

under the present and future public rights-of-way (including, but not limited to, streets, alleys, ways, highways and bridges) within the City (currently or in the future) and those areas outside of the City's jurisdictional limits but within its growth areas (as defined on Exhibit A attached hereto), wastewater collection, water distribution, and reclaimed water distribution systems, together with all necessary or desirable appurtenances (including, but not limited to, pumping facilities, transmission mains, service lines, meters, force mains, collection mains, valves, cleanouts, manholes, control stations, remote terminal units, telemetry antennae (subject to applicable regulatory provisions) and equipment for its own use), for the purpose of supplying water together with wastewater collection, treatment and reclaimed water services to City, its successors, the inhabitants thereof, and all individuals and entities either within or beyond the limits thereof, for all reasonable purposes. This License shall be effective on the date first set forth above, and unless earlier revoked or terminated as provided for herein, the term of this License shall continue, as provided for in the MOU, until the earlier of (a) being replaced with a franchise agreement as provided for in the MOU or (b) twenty (20) years from the date of this License.

In the event of conflict between the terms and conditions of this License and the terms and conditions under which the City may grant a license as set forth in applicable Arizona law or the Maricopa City Code, the following will prevail in the order presented: (i) applicable Arizona law, (ii) Maricopa City Code, and (iii) this License.

This License as granted is non-exclusive. City specifically reserves the right to grant, at any time, such additional licenses to use the City's present and future public rights-of-way to other parties as it deems appropriate.

3. Compliance with City Practice; Map Submitted for Approval; City

Construction Near Utility Facilities.

**A. Construction Standards.**

All construction of Utility Facilities hereunder shall be performed in accordance with the construction standards, conditions and administrative procedures (including Global Water Construction Standards, Uniform Standard Specifications for Public Works Construction (MAG)) of City with respect to improvements in the public rights-of-way. Before Utility makes or authorizes any installations in the public rights-of-way, Utility shall submit for approval a map and site plan showing the location of such proposed installations to City Administrator or his designee. In addition, Utility is aware that City may require any landowner, developer or new customer entering into facilities extension agreements with Utility within the jurisdiction of City to submit their plans for facility construction for review and that City may charge a reasonable fee for such review. City shall require that City's costs for an on-site inspector to review Utility's compliance within the requirements of right-of-way permits issued pursuant to this License shall be paid by Utility. The inspector may be full time or part time as determined in the reasonable discretion of City based upon Utility's construction in the public right-of-way.

Utility shall strictly adhere to all applicable codes, right-of-way permit conditions or regulations of City currently or hereafter in force. Utility shall arrange the Utility Facilities within the area of the License in such a manner as to cause no unreasonable interference with the use of said public property. In the event of such interference caused by installation by Utility that is not in accordance with plans that have been submitted to the City, City may require the relocation or removal of Utility's Facilities from the property within the area of this License in question without cost to City.

**B. Restoration.**

Whenever Utility disturbs the surface or subsurface of any public right-of-way or adjoining public property or the public improvement located thereon, therein or thereunder for

any purpose mentioned herein, Utility shall promptly, at its own expense, restore, repair or replace the same to a condition as existed prior to the disturbance to the satisfaction of City (subject to City's customary practice of review upon request of Utility). If such restoration, repair or replacement of the surface, subsurface or any structure thereon, therein or thereunder is not completed in a reasonable time or such restoration, repair or replacement does not meet City's satisfaction, City may perform the necessary restoration, repair or replacement, either through use of its own forces or through a hired contractor, and the cost thereof, including the cost of inspection and supervision, shall be paid by Utility within thirty (30) days after receipt of City's invoice therefor. All excavations made by Utility in the City's public rights-of-way shall be properly safeguarded for the prevention of accidents. The work hereby required shall be done in strict compliance with the applicable rules, regulations and ordinances of City as now or hereafter amended.

#### **C. Location.**

The Utility Facilities herein provided for, to be constructed, installed, operated and maintained hereunder, shall be so located or relocated as to interfere as little as possible with traffic or other authorized uses over, under or through the City's public rights-of-way. Utility shall conduct its activities hereunder within the City's rights-of-way in such a manner as to not unreasonably interfere with City's placement, construction, use and maintenance of its public rights-of-way, street lighting, water pipes, drains, sewers, traffic signal systems, light rail or other City systems that have been, or may be, installed, maintained, used or authorized by City. Those phases of the activities licensed herein relating to traffic control, backfilling, compaction and paving, as well as the location or relocation of Utility Facilities herein provided for, shall be subject to regulation by City.

Utility shall keep accurate installation records of the location of all Utility Facilities in the City's public rights-of-way and shall cooperate with City to furnish such records in an electronic mapping format compatible with the current City electronic mapping format. At a minimum, such files shall be ESRI Shape Files that contain the center line route of the water and wastewater lines together with the nominal line size, operating system name, line section name, shape file projection, longitude/latitude coordinates, and NAD\_1983 HARN Stateplane\_Arizona\_Central\_FIPS\_0202\_Feet\_Intl Projection: Transverse\_Mercator. Upon completion of changes in the Utility Facilities in the City's rights-of-way, Utility shall provide City with installation records in an electronic format compatible with the current City electronic mapping format showing the location of the underground and above ground facilities within thirty (30) calendar days from the completion of the installation.

Utility shall comply with Arizona Revised Statutes Sections 40-360.21 *et seq.* by participating as a member of the Arizona Blue Stake Center with the necessary records and persons to provide location service of Utility Facilities upon receipt of a locate call or as promptly as possible, but in no event later than two (2) working days. A copy of Utility's agreement or proof of membership shall be filed with City.

If, during the design process for public improvements being constructed for a Governmental Purpose, City discovers a potential conflict of Utility Facilities with proposed construction, Utility shall either: (1) at its sole cost through its own service locate and, if necessary, expose its facilities in conflict in the least destructive or intrusive method possible; or (2) reimburse City for the reasonable costs of using a pothole service under contract with City to locate or expose its facilities. City shall make reasonable efforts to design projects pursuant to this subsection so as to avoid relocation expense to Utility. Utility agrees to furnish the location

information in a timely manner, but in no case longer than fifteen (15) calendar days after City's written notice of potential conflict.

Utility agrees not to install, maintain or use any of its Utility Facilities in such a manner as to damage or unreasonably interfere with any existing facilities of any utility located within the rights-of-way of City.

#### **D. Relocation**

City may reasonably require relocation of the Utility Facilities in the City's public rights-of-way. If City requires such relocation, the entire cost of such relocation shall be borne by Utility.

City will not exercise its rights to require relocation of the Utility Facilities in an unreasonable or arbitrary manner, or to avoid its obligation under the License. City agrees to notify Utility during the planning and design of City's projects in rights-of-way that may require relocation of the Utility Facilities and to coordinate its construction plans and schedules with Utility to determine the most cost-effective design to mitigate Utility's cost to relocate the Utility Facilities.

City will make reasonable efforts not to require Utility to relocate the Utility Facilities within the public rights-of-way without providing Utility adequate space within the rights-of-way to relocate the Utility Facilities that must be moved.

Subject to the provisions of this Section, if, during the course of a project undertaken by or on behalf of City, City determines that the Utility Facilities are in conflict, the following procedures shall apply: (i) Prior to issuing notice to proceed to City's contractor, Utility shall, within a reasonable time, but in no event exceeding six (6) months, remove or relocate the conflicting facility to the alternate location provided by City as described in this Section. This time period shall begin running upon receipt by Utility of written notice from City. However, if

both City and Utility agree, the time frame may be extended based on the requirements of the project; (ii) Subsequent to City's notice to proceed to its contractor, City and Utility will immediately begin the coordination necessary to remove or relocate the conflicting facility. Actual construction of such removal or relocation is to begin no later than sixty (60) business days, if practicable, after written notification from City of the conflict.

Utility agrees to obtain a permit as required by this License prior to removing, abandoning, relocating or reconstructing, if necessary, any portion of the Utility Facilities within the City's public rights-of-way. Further, Utility shall reimburse City for pavement damage as reasonably determined by the City Code or the City. Reimbursement for pothole services and pavement damage is separate, and in addition to, any license fees included in this License. Utility, at the time of or prior to submitting construction plans, shall provide City with a description of the type of service to be provided by Utility in sufficient detail for City to determine compliance with this License.

In the event that Utility's construction or maintenance activities under this License conflict with existing or planned facilities occupying the City's public rights-of-way under authority of a City permit or License, and such activities require the relocation of such existing facilities, Utility shall be responsible for the cost of such relocation.

If Utility fails to comply with the terms of this License in undertaking any relocation of the Utility Facilities that are required under this License, and such failure delays construction of a public project causing City to be liable for delay damages, Utility shall reimburse City for those damages attributable to the delay created by Utility. Except for charges that it is disputing in good faith, Utility shall pay City for delay damages under this paragraph within thirty (30) calendar days of receipt of an invoice. Except for charges that Utility is disputing in good faith, a late charge in the amount of one and one-half percent (1.5%) accruing thirty-one (31) days

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from the date of the invoice until paid per month shall be assessed for late payment of such damages.

#### **E. Emergencies**

In the event of a public emergency, City may direct Utility to undertake reasonable activities in connection with the Utility Facilities as deemed reasonably necessary by the City Administrator and Public Works Director to address a public emergency. A public emergency shall be any condition which, in the opinion of any of the officials named, poses an immediate threat to the lives or property of the citizens of City, caused by any natural or man-made disaster, including, but not limited to, storms, floods, fire, accidents, explosions, major water main breaks, hazardous materials spills, etc. Utility shall conduct any such emergency activities at its cost, but may seek recovery for such costs against any party, except City, that may have responsibility for causing the emergency. If Utility does not take the action directed by City described above within 24 hours, City reserves the right to cause such action to be undertaken by City or a third party and seek reimbursement from Utility.

#### **F. Permitting**

Prior to construction or alteration of the Utility Facilities in the City, Utility shall in each case file plans with the City's Public Works Department and any other department as may be designated by City and, where required, receive written approval in the form of a permit before proceeding with such work.

A City construction permit to allow installation of the Utility Facilities in the City may include the following, but not limited to, conditions: (i) Controlling construction hours to nighttime and weekends; (ii) Controlling the length of street segments under construction; (iii) Reserving the right to change the construction schedule to accommodate known and unforeseen events; (iv) Requiring public information/notification efforts; (v) Requiring construction firms to

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utilize contract barricade companies and any other necessary traffic control devices; (vi) Requiring trench plating and restoration of the street segment to accommodate normal traffic needs each day; (vii) Requiring that substantial design be done up front to minimize unanticipated route changes; (viii) Providing for a requirement controlling the number of pipelines constructed in a street segment; (ix) Other reasonable conditions relating to construction in the City's rights-of-way.

#### **G. Other**

In the case of emergency repairs, after calling Police and Fire Departments as appropriate, Utility may call the City's Public Works Director or City Administrator to locate and obtain verbal approval for the emergency repair from the City. However, in all cases Utility must file plans and obtain all applicable permits within two (2) business days of any such emergency.

Whenever the construction, operation, use, relocation, reconstruction, repair, maintenance or related activity by Utility causes the release of a Hazardous Substance, Utility shall take all necessary actions and measures to immediately abate such Hazardous Substance. If Utility cannot contact the City Administrator or Public Works Director immediately, Utility shall proceed to abate the Hazardous Substance immediately and shall notify the City Administrator or Public Works Director, file plans, obtain a permit and make any required changes within two (2) business days of such abatement.

If City undertakes either directly or through a contractor any construction project adjacent to or near the Utility Facilities operated pursuant hereto and such activity does not involve a public improvement for a Governmental Purpose, City shall include in all such construction specifications, bids, and contracts a requirement that, as part of the cost of the project and at no cost to Utility, the contractor or his designee obtain from Utility approval for the temporary

removal, relocation, barricading or depressurization of any Utility Facilities or equipment, the location of which may create an unsafe condition in view of the equipment to be utilized or the methods of construction to be followed by the contractor. City shall indemnify and hold Utility harmless from any and all claims, costs, losses, or expenses incurred by Utility as a result of the failure of City to comply with the requirements hereof.

4. Fees.

A. A fee of three percent (3%) of Gross Revenues as it relates to consumptive use of water and wastewater by residential and commercial customers within the existing incorporated limits of the City, the Subject Territories and in Global's Planning Area shall be paid by Utility to the City. If the ACC Order (as defined in the MOU) has not been entered by April 14, 2006, then the fee of three percent (3%) as provided for above shall be reduced to two percent (2%) with respect to the consumptive use of water and wastewater residential and commercial customers located outside the jurisdictional limits of the City but within GWR's Planning Area; however, if any property located outside the City's jurisdictional limits becomes a part of the City's jurisdictional limits through an annexation, then the fee shall automatically be increased from two percent (2%) to three percent (3%) for the annexed property on the date the annexation is effective. In the event the Commission declines to enter the ACC Order and at the request of the Utility or GWR, the City will then proceed with a franchise election (at Utility's cost) seeking approval of the fees provided for in this Section and to grant Utility or GWR a franchise in connection therewith for a reasonable term as agreed to by the parties, but in no event less than twenty (20) years. The franchise election shall take place on a date to be set by the City and shall occur no later than the earlier of eighteen (18) months following the Commission declining to enter the ACC Order or October 15, 2007. Upon a request of Utility or GWR, the City agrees to continue to cause franchise elections to occur (at Utility's cost) on at

least an annual basis seeking approval of the franchise provided for herein. All of the foregoing payments shall be made on a quarterly basis. Gross Revenues shall include base fees, consumptive fees, and industrial and commercial reclaimed water sales but shall not include revenues as they arise from hook up fees, service connection fees, termination fees, reconnect or disconnect fees, late fees, NSF fees, account handling fees, or bulk service rate on the sale of construction water. The parties acknowledge that Utility or GWR will seek the consent of the Commission to allow for inclusion of all fees described within this Section in the monthly consumptive billing of the utilities. The fees provided for in this Section are flow through fees to Utility and are incremental to the rates currently set in place by the Commission; however, if the Commission does not approve these fees to be added to the monthly consumptive billings of Utility, Utility shall pay the fees as an operating expense.

B. GWR shall pay City a special installation fee of Fifty Dollars (\$50.00) for each residential home within the jurisdictional limits of City as annexed from time to time connecting to the water or wastewater system described herein during the term of this License. Only a single Fifty Dollar (\$50.00) fee will be paid per home. The special installation fee will be adjusted to One Hundred Dollars (\$100.00) for each residential home within GWR's Planning Area (exclusive of the Ak-Chin Indian Reservation and also excluding homes within the jurisdictional limits of the City) connecting to the Utility's water and wastewater system described herein during the terms of this License. All such fees will be paid retroactively on a quarterly basis.

C. Payments due City under this License shall be made payable to the "City of Maricopa" and directed to: The City of Maricopa, P.O. Box 610, Maricopa, Arizona 85239. All forms and remittances received within the cashiering office on or before the last business day of the month following the end of each calendar quarter when due shall be regarded

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as timely filed. The start of business of the first business day following the second month following the end of each calendar quarter when due shall be the delinquency date. Mailing the form of remittance on or before the due date or delinquency date does not relieve Utility of the responsibility of causing its form or remittance to be received by the last business day of the quarter when due. If such payment is not received by the delinquency date, City shall impose interest at a rate of one and one-half percent (1.5%) per month commencing from the delinquency date and continuing until the payment is made. Fractions of a month shall be considered to constitute a full month for the purpose of computing interest. Each payment shall be accompanied by a brief report showing the basis for the computation and such other relevant facts as may be required by the City.

D. The fees contemplated by this Section are the same fees contemplated by the Sections 5 and 12 of the MOU. The MOU shall not be construed as containing an additional obligation for the Utility or GWR to pay fees.

5. Nature of License. This License is not exclusive, and nothing herein contained shall be construed to prevent City from granting other like or similar grants or privileges to any other person, firm or corporation. Utility may not assign this License to any other person, firm or corporation without the prior written consent of City, which shall be expressed by a Resolution from the City Council. Any transfer of this License, whether voluntary or involuntary, without approval of the City shall be deemed void and of no effect.

6. Revocation.

6.1 Revocation for Cause. Subject to Section 6.2 below, this License issued hereunder may, after public hearing, be revoked, altered, or suspended by City as it deems necessary on any of the following grounds: (i) For failure to pay license fees as required under this License; (ii) For failure to comply with the law regarding the operation of the Utility

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Facilities, this License or the appropriate regulatory authority; (iii) For violation of material terms of this License; (iv) Any fraud by Utility in its conduct or relations under the material terms of this License; (v) Willful or grossly negligent repeated violations of this License; (vi) Failure to comply with any federal, state, local or administrative order, law, permit regulation or consent decree as such may apply to the activities of Utility, as contemplated in this License; and (vii) Permanent or temporary suspension for a period greater than ninety (90) calendar days by the United States or the State of Arizona for any authorizations for Utility to own, operate, maintain, or construct the Utility Facilities.

6.2 Cure Period. If any of the foregoing events shall occur, Utility shall be given a period of thirty (30) days after receipt of a written notice of default from City to cure said default prior to the conduct of the hearing described in Section 6.3. If Utility shall fail to cure the event of default within said thirty (30) day period or, in the event of a default that is unable to be cured within such thirty (30) day period, Utility shall fail to commence the cure of the event of default and continue to diligently pursue such cure, the provisions of Section 6.3 shall then apply.

6.3 City Determination; Public Hearing. If Utility shall fail to remedy its default as provided for in Section 6.2, City shall notify Utility of that determination and shall state the major causes and reasons supporting the determination. Utility shall be granted ten (10) days to respond to the determination. City shall consider the response of Utility, if any, and may terminate, postpone for a period, or proceed with the revocation, alteration, or suspension process. If City proceeds with the revocation, alteration or suspension process, or reactivates postponed proceedings, a written statement of revocation, alteration or suspension shall be served upon Utility stating the principal reasons for such action and a copy of the statement shall be sent by certified U.S. Mail, return receipt requested, to Utility. This statement and a Notice of Public Hearing shall be published in a newspaper of general circulation and a public hearing

shall be scheduled thirty (30) days after publication. The City Council shall take final action on the revocation, alteration or suspension of the License after completion of the public hearing.

7 **Abandonment**

7.1 **Abandonment: Removal of Facilities.** In the event that the use of a substantial part of any of the Utility Facilities in the City is commenced in connection with the providing of regular services and then discontinued for any reason for a continuous period of two (2) years for reasons other than Force Majeure, or in the event such Utilities Facilities have been installed in any City public right-of-way without complying with the requirements of this License, or this License has terminated or been revoked, Utility shall promptly, upon being given thirty (30) days' notice from City, begin removal of such Facilities in the City and related appurtenances from the City's public rights-of-way other than such underground facilities which City may permit to be abandoned in place. In the event of such removal, Utility shall promptly restore the street or other area from which such property has been removed to a condition satisfactory to City subject to City's customary practice to review upon request of Utility. As a minimum, Utility shall restore the City's public rights-of-way to a condition as existed prior to the removal of the structure or property.

7.2 **Permanent Abandonment.** Utility Facilities and any other property of Utility remaining in the City's public rights-of-way without the consent of City one hundred and eighty (180) days after the revocation of the License shall be at the option of City considered permanently abandoned. Any Utility property permitted to be abandoned in place shall be abandoned consistent with applicable law.

8. **Indemnification and Insurance**

8.1 **General Indemnification.** Utility shall fully indemnify, defend and hold harmless City, its officers, boards, commissions, elected officials, agents, attorneys, representatives and

employees (the "Indemnitees") against any and all costs, damages, expenses, claims, suits, actions, liabilities and judgments for damages, including but not limited to, reasonable expense for legal fees, whether suit be brought or not, and disbursements and liabilities incurred or assumed by City (collectively "Losses") in connection with: (i) Personal injury or death and damage to any form of property tangible or intangible, in any way arising out of or through the acts or omissions of Utility, its officials, agents, attorneys, representatives or employees; (ii) Requests for relief to the extent arising out of any Utility action or inaction which results in (a) a claim for invasion of the right of privacy; (b) defamation of any person, firm or corporation; (c) trespass or any claim of compensable taking or compensable diminution of use or value of property; (d) violation or infringement of any copyright, trademark, trade name, service mark or patent; (iii) Any and all claims arising out of Utility's failure to comply with the provisions of this License or any federal, state or local law or regulation applicable to Utility; or (iv) Any and all disputes arising out of a claim by any party other than City or Utility wherein damages or other relief is sought to the extent caused by an action or omission of Utility. However, such duty to indemnify, defend and hold harmless shall not apply to Losses arising from the negligence or willful misconduct of City, its employers, agents, representatives and invitees for which City shall indemnify Utility..

8.2 Waiver. The provisions of this Section shall not be read to impose any liabilities on City not imposed by other law, or to waive any immunities City may have under federal or state law. Utility shall make no settlement in any matter identified above without City's written consent, which shall not be unreasonably withheld or delayed. Failure to inform City of settlement shall constitute a breach of the License and City may seek any redress available to it against Utility whether set forth in this License or under any other municipal, state or federal laws. City's exercise of or failure to exercise all rights pursuant to any section of this License

shall not affect in any way the right of City to subsequently exercise any such rights or any other right of City under this License or any other rule, regulation or law.

8.3 All Rights Reserved. All rights of City, pursuant to indemnification and insurance as provided for by this License are in addition to all other rights City may have under this License and any other rule, regulation or law.

8.4 Survival. The provisions of this Section shall not be dependent or conditioned upon the validity of this License or the validity of any of the procedures or agreements involved in the award of a license, but shall be and remain a binding right and obligation of City and Utility even if part or all of this License is declared null and void in a legal or administrative proceeding. It is the intent of Utility and City, upon the Effective Date of the License, that the provisions of this subsection survive any such declaration and shall be a binding obligation of and inure to the benefit of Utility and City and their respective successors and assigns, if any.

8.5 Environmental Indemnification. Utility (as "Indemnitor") agrees to indemnify, defend, save and hold harmless City and its officers, officials, agents and employees as ("Indemnitee") from and against any and all demands, claims, complaints, losses, damages, actions or causes of action, assessments, liabilities, costs or expenses including, without limitation, interest, penalties and reasonable attorneys' fees and reasonable expenses of investigation and remedial work (including investigations and remediation by engineers, environmental consultants and similar technical personnel) asserted against or imposed upon or incurred by Indemnitee arising in connection with, or resulting from, any Environmental Law, including but not limited to, any use, generation, storage, spill, release, discharge or disposal of any Hazardous Substance that comes to be located on, at, about or under the City's rights-of-way because of, or in connection with, the violation of any Environmental Law (hereinafter collectively referred to as "Claims") to the extent that such Claims are caused by the Fault of the

Indemnitor, its officers, officials, agents, employees, contractors, volunteers, tenants, subtenants, invitees or licensees. As used in this Section, "Fault" means those nonculpable acts or omissions giving rise to strict liability under any Environmental Law pertaining to Hazardous Substances, as well as culpable conduct (negligence or willful misconduct) provided however, "Fault" does not include claims caused by the negligence or willful misconduct of City, its employees, agents, representatives or invitees.

8.6 Liability Insurance. Beginning upon the Effective Date and continuing throughout the term of this License, Utility shall maintain insurance in the amounts and under the terms and conditions set forth in Exhibit B. Within thirty (30) days of the Effective Date, Utility shall file with City and maintain on file throughout the term of this License certificates of insurance that demonstrate that Utility complies with the requirements set forth in Exhibit B. Utility shall also provide City certificates evidencing its compliance within ten (10) business days from any subsequent request from City.

8.7 Changes to Insurance. Utility shall have six (6) months from the date of notification from the City Administrator of reasonable changes to the insurance requirements to comply with such changes. City may, no more frequently than each year on the anniversary date of this License, change such insurance requirements to be consistent with insurance requirements consistent with prudent water, wastewater, and reclaimed water utility practices.

9. General Provisions

9.1 License Administrator and Enforcement. In all matters of License administration, the City Administrator shall have authority to determine Utility's compliance with the terms and provisions of this License, and in the event of non-compliance to exercise any or all of the remedies included in this License, except that License revocation may be accomplished as indicated in this License. Should Utility become dissatisfied with any material decision or ruling

of the City Administrator, Utility may appeal the decision of the City Administrator on issues of significance, to the City Council. The City Council may refuse to reconsider, accept, reject or modify the decision of the City Administrator. Notwithstanding the above, this provision shall in no way be deemed to restrict Utility from seeking relief in any court of competent jurisdiction.

9.2 Right of Inspection of Construction. City shall have the right to inspect all construction or installation work performed subject to the provisions of this License and to make such tests as it shall find necessary to ensure compliance with the terms of this License and other pertinent provisions of law.

9.3 Right of Intervention. City shall have the right of intervention in any suit or proceeding related to or arising out of this License to which Utility is party, and Utility shall not oppose such intervention by City but shall in no way be deemed to have waived its rights to oppose the merits of the City's position following such intervention.

9.4 Right of Inspection of Records. Upon five (5) business days' prior written notice, City shall have the right to inspect all books, records, maps, plans, and other like material of Utility which is limited to and relates to this License, at any time during normal business hours at a location within the jurisdictional limits of the City

9.5 Proprietary Information. If Utility determines that in order to respond to City's request for documentation and inspection that it must reasonably provide proprietary information, Utility shall so designate such claim to proprietary treatment on documents provided to City. Proprietary information disclosed by Utility for the purposes hereunder shall mean any document or material clearly identified as confidential (hereinafter "Proprietary Information"). Proprietary Information shall not, however, include information provided by City to calculate the license fee or permits issued by City. Proprietary Information disclosed by Utility hereunder to City or its constituent departments shall be regarded as proprietary as to

third parties, and City shall take such steps as are reasonably necessary to keep such information confidential. The foregoing shall not apply to any information which is already in the public domain; however, if public domain information is included with proprietary information on the same document, City shall only disclose those portions within the public domain. If a third party ever challenges Utility's designation of information as Proprietary Information and Utility does not want the information disclosed, Utility will reimburse the City for any expenses incurred in responding to such challenge by the third party.

9.6 Public Records Acknowledgment. Notwithstanding any provision in this License, Utility acknowledges and understands that City is a political subdivision of the State of Arizona and is subject to the disclosure requirements of Arizona's Public Records Law (Ariz. Rev. Stat. Ann. §§ 39-121, *et seq.*).

9.7 Permission of Property Owner Required. A License granted hereunder shall not convey the right to install any Utility Facilities or other piece of equipment by Utility on private property.

9.8. Compliance with Laws. Utility shall comply with all Federal and State of Arizona laws, as well as all City ordinances, resolutions, rules and regulations heretofore or hereafter adopted or established as they pertain to the exercise of the rights and duties granted Utility under this License.

9.9 Non-Performance by City. Utility shall not be relieved of its obligation to comply with any of the provisions of this License by reason of any failure of the City, upon any one or more occasions, to insist upon or to seek compliance with any such terms and conditions.

9.10 Right to Secure Public Welfare. There is hereby reserved to City every right and power which is required to be herein reserved or provided by any ordinance or the City Code and Utility by its acceptance of this License, agrees to be bound thereby and to comply with any

actions. If Utility discovers a pre-existing environmental condition, Utility shall immediately notify City in writing.

9.14 Right of Cancellation. Utility acknowledges that this License is subject to cancellation by City pursuant to the provisions of Section 38-511, Arizona Revised Statutes.

9.15. Covenant Against Contingent Fees. Utility warrants that no person has been employed or retained to solicit or secure this License upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee; and that no member of the City Council, or any employee of City, has any interest, financially or otherwise, in this License or Utility. For breach or violation of this warranty, City shall have the right to annul this License without liability, or at its discretion to deduct from the License price or consideration, the full amount of such commission, percentage, brokerage or contingent fee.

9.16 Equal Opportunity/Affirmative Action. Utility shall comply with the provisions of this License pertaining to discrimination and accepting applications or hiring employees. Utility shall not discriminate against any worker, employee or applicant, or any member of the public, because of race, color, religion, gender, national origin, sexual orientation, age or disability nor otherwise commit an unfair employment practice. Utility will take affirmative action to ensure that applicants are employed, and employees are dealt with during employment, without regard to their race, color, religion, gender or national origin, sexual orientation, age or disability. Such action shall include but not be limited to the following: employment, promotion, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship as well as all other labor organizations furnishing skilled, unskilled and union labor, or who may perform any such labor or services in connection with this License.

action or requirements of City in its exercise of such rights or power, heretofore or hereafter enacted or established. Neither the granting of this License nor any provision hereof shall constitute a waiver or bar to the exercise of any governmental right or power of City. No privilege or exemption shall be granted under this License except those specifically prescribed herein.

9.11 The License Document—Issuance and Acceptances. The License granted shall not become effective until all provisions required in this subsection are completed, all of such provisions being hereby declared to be conditions precedent to the effectiveness of any such License granted hereunder. In the event any of such provisions are not completed in the time and manner required, the License shall be null and void. Within thirty (30) days of the Effective Date of this License or within such extended period of time as the City Council in its discretion may authorize, Utility shall submit to City its written acceptance of the License, together with the insurance certificates required by the License, and its acknowledgment that it will be bound by and comply with everything which is required of Utility by the provisions of the License. Such acceptance shall be acknowledged by Utility.

9.12. Survival of Warranties. Utility's representations and warranties made under this License or any permit issued hereunder shall survive termination or revocation.

9.13. Hazardous Substances. Utility shall, at its own cost, be responsible for proper investigation and management of all Hazardous Substances under its control, including Hazardous Substances in which it uses, generates or disposes of, and shall comply with all Environmental Laws in carrying out its obligations under this License. In the event Utility releases to the environment Hazardous Substances under its control, to the extent that a governmental agency with jurisdiction requires reporting, investigation, cleanup or remedial measures to be taken, Utility shall, at its sole cost and expense, promptly undertake such required

9.17. Independent Contractor. Any provision in this License that may appear to give the City the right to direct Utility or Utility the right to direct City as to the details of accomplishing the work or to exercise a measure of control over the work means that the party shall follow the wishes of the other party as to the results of the work only. These results shall comply with all applicable laws and ordinances. The parties are each independent of each other and nothing in this License shall be construed as creating a joint venture relationship between the parties.

9.18. Compliance with Federal Laws. Utility understands and acknowledges the applicability of the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989 to this License. Utility agrees to comply with these laws in performing this License and to permit City to verify such compliance.

9.19 Governing Law; Jurisdiction. It is mutually understood and agreed that this License shall be governed by the laws of the State of Arizona, both as to interpretation and performance. Any action at law, suit in equity or judicial proceeding for the enforcement of this License or any provision thereof shall be instituted only in the courts located within Pinal County, Arizona.

9.20 Delivery, Procedure of Notices and Communications. All notices, consent or other communication under this License shall be in writing and either delivered in person, sent by facsimile transmission, deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, or deposited with any commercial air courier or express service and addressed as follows:

To: Global Water Resources, LLC  
21410 North 19<sup>th</sup> Avenue, Suite 201  
Phoenix, Arizona 85027  
Attn: Trevor Hill  
Fax: 623-580-9659

To the City: City of Maricopa  
P.O. Box 610  
Maricopa, Arizona 85239  
Attn: City Manger  
Fax: 520-568-9120

With a copy to: Fitzgibbons Law Offices, PLC  
711 East Cottonwood Lane, Suite E  
Casa Grande, Arizona 85222  
Attn: Denis Fitzgibbons  
Fax: 520-426-9355

Notice shall be deemed received at the time it is personally served or, on the day it is sent by facsimile transmission, on the second day after its deposit with any commercial air courier or express service or, if mailed, three (3) calendar days after the notice is deposited in the United States mail as above provided. Any time period stated in a notice shall be computed from the time the notice is deemed received unless noted otherwise. Any party may change its mailing address, fax number or the person to receive notice by notifying the other party as provided in this Section. Notices sent by facsimile transmission shall also be sent by regular mail to the recipient at the above address. This requirement for duplicate notice is not intended to change the effective date of the notice sent by facsimile transmission.

9.21. Organization/Employment Disclaimer. This License is not intended to constitute, create, give rise to, or otherwise recognize a joint venture, agreement, or relationship, partnership, or formal business organization of any kind, and the rights and obligations of the Parties shall be only those expressly set forth therein. Utility agrees that no persons working for Utility are City employees and that no rights of City Civil Service, Retirement or Personnel rules accrue to such persons. Utility shall have total responsibility for all salaries, wages, bonuses, retirement, withholdings, workmen's compensation, unemployment compensation, other benefits, and all taxes and premiums appurtenant thereto concerning such persons, and shall save and hold City harmless with respect thereto.

9.22 Entire Agreement; Amendment; Waivers. This License, and the below listed exhibits which are incorporated herein by this reference and are attached hereto and/or on file at City and available for inspection, constitute the entire agreement between City and Utility with respect to the transactions contemplated therein and supersede all prior negotiations, communications, discussions and correspondence, whether written or oral, concerning the subject matter hereof. No supplement, modification, or amendment of any term of this License shall be deemed binding or effective unless executed in writing by the Parties. No waiver of any of the provisions of this License shall be deemed, or shall constitute, a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

9.23. Right of Parties. Nothing in this License, whether express or implied, is intended to confer any right or remedies under or by reason of this License on any persons other than the Parties to this License and their respective successors and permitted assigns, nor is anything in this License intended to relieve or discharge any obligation or liability of any person who is not a Party to this License, nor shall any provision hereof give any persons not a Party to this License any right of subrogation or action over or against any Party to this License.

9.24. Construction. This License is the result of negotiations between the Parties, none of whom has acted under any duress or compulsion, whether legal, economic or otherwise. Accordingly, the terms and provisions of this License shall be construed in accordance with their usual and customary meanings. The Parties hereby waive the application of any rule of law that otherwise would be applicable in connection with the construction of this License that ambiguous or conflicting terms or provisions should be construed against the party who (or whose attorney) prepared the executed License or any earlier draft of the same. Unless the context of this License otherwise clearly requires, references to the plural include the singular

and the singular the plural. The words "hereof," "herein," "hereunder" and similar terms in this License refer to this License as a whole and not to any particular provision of this License. All references to "Sections" herein shall refer to the sections and paragraphs of this License unless specifically stated otherwise. The section and other headings contained in this License are inserted for convenience of reference only, and they neither form a part of this License or are they to be used in the construction or interpretation of this License.

9.25. Severability. If any covenant, condition, term or provision of this License is held to be illegal, or if the application thereof to any person or in any circumstances shall to any extent be judicially determined to be invalid or unenforceable, the remainder of this License or the application of such covenant, condition, term or provision to persons or in circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each covenant, term and condition of this License shall be valid and enforceable to the fullest extent permitted by law.

9.26. Cooperation and Further Documentation. Each of the Parties agree to provide the other with such additional and other duly executed documents as shall be reasonably requested to fulfill the intent of this License.

9.27. Survival of Representations and Warranties. All representations and warranties made in this License shall survive the execution and delivery of this License.

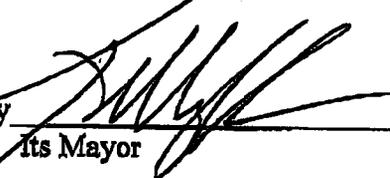
9.28. Force Majeure. For the purpose of any of the provisions of this License, neither Utility nor City, as the case may be, shall be considered in breach of or in default of their obligations under this License as a result of the enforced delay in performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God, acts of the public enemy, acts of the Federal Government, acts of Pinal County, acts of the State of Arizona or any of its departments or

commissions, acts of any railroad, fire, floods, epidemics, strikes, lock outs, freight embargoes and unusually severe weather; it being the purpose and intent of this provision that in the occurrence of any such enforced delay, the time for performance of Utility's and City's obligations, as the case may be, shall be extended for the period of the enforced delay, provided that the party seeking the benefit of this provision shall have notified the other party thereof in writing of the cause or causes thereof, and requested an extension for the period of the enforced delay. If notice by the party claiming such extension is sent to the other party more than thirty (30) days after commencement of the cause, the period of delay shall be deemed to commence thirty (30) days prior to the giving of such notice.

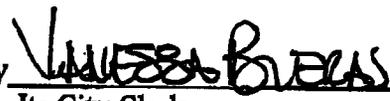
9.29. Recitals. The Parties represent and warrant that the recitals as stated above are accurate, current and are incorporated herein by this reference.

IN WITNESS WHEREOF, the Parties have caused this License to be executed as of the date first set forth above.

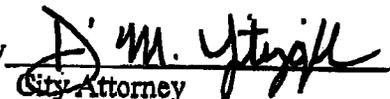
CITY OF MARICOPA

By  \_\_\_\_\_  
Its Mayor

Attest:

By  \_\_\_\_\_  
Its City Clerk

Approved as to form:

By  \_\_\_\_\_  
City Attorney



STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

On this 10<sup>th</sup> day of November 2006, before me, the undersigned officer, personally appeared TREVOR T. HILL, who acknowledged himself to be the President of Palo Verde Utilities Company, LLC/Global Water-Palo Verde Utilities Company and that he, in such capacity, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHERE, I hereunto set my hand and official seal.

Dolly Figueroa  
Notary Public

My Commission Expires: Aug 7, 2010



STATE OF ARIZONA )  
 ) ss.  
County of Maricopa )

On this 10<sup>th</sup> day of November 2006, before me, the undersigned officer, personally appeared TREVOR T. HILL, who acknowledged himself to be the President of Santa Cruz Water Company, LLC/Global Water-Santa Cruz Water Company and that he, in such capacity, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHERE, I hereunto set my hand and official seal.

Dolly Figueroa  
Notary Public

My Commission Expires: Aug 7, 2010

