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AZ CORP COMMISSION  
DOCKET CONTROL

Transcript Exhibit(s)

2015 MAY 26 PM 4:08

Docket #(s): WS-20878A-13-0065

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Exhibit #: A-2 through A-6

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Part 2 of 2

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For part 1 see barcode 0000160898

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Arizona Corporation Commission

DOCKETED

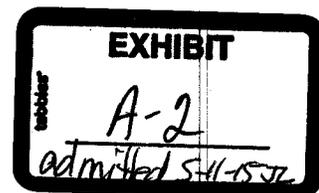
MAY 26 2015

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**SOUTHWEST  
ENVIRONMENTAL UTILITIES/  
APPLICATION FOR CC&N**

**CASE NO. WS-20878A-13-0065**

**EXHIBIT A-2**



ORIGINAL

**SOUTHWEST ENVIRONMENTAL UTILITIES**

5230 East Shea Boulevard, Suite 200 \* Scottsdale, Arizona  
PH: (480) 998-3300; FAX: (480) 483-7908



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2013 AUG 22 P 4: 02

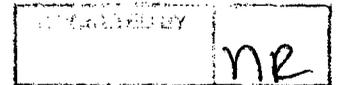
AZ CORP COMMISSION  
DOCKET CONTROL

22 August 2013

Arizona Corporation Commission  
DOCKETED

AUG 22 2013

Blessing N. Chukwu  
Executive Consultant III  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix AZ 85007-2927



Re: Southwest Environmental Utilities, L.L.C. – Application for a Certificate of Convenience and Necessity (CC&N) to provide Water and Wastewater.  
Docket No. WS-20878A-13-0065  
**Compliance with Insufficiency Letter of April 22, 2013**

Dear Ms. Chukwu:

Listed below are the Insufficiency Demands from your letter of April 22, 2013 and our responses.

1. Please clarify the type of service to be provided if the application is approved. On Page 1 of the application, the Company seeks approval for water and on subsequent pages, it seeks approval for both water and wastewater.

*Response: This application is for water and wastewater service*

2. The following minimum requirements of R14-2-402-B5 for water were not submitted:

- n. A complete description of the facilities proposed to be constructed, including a preliminary engineering report with specifications in sufficient detail to describe each water system and the principal components of each water system (e.g., source, storage, transmission lines, distribution lines, etc.) to allow verification of the estimated costs provide under subsection (B)(5)(o) and verification of the requirements of the Commission and the Arizona Department of Environmental Quality can be met;

*Response: Please see the attached engineering report from WLB attached hereto as Attachment 1.*

- o. The estimated total construction cost of the proposed offsite and onsite facilities, including documentation to support the estimates, and an explanation of how the construction will be financed, such as through debt, equity, advances in aid of construction, contributions in aid of construction, or a combination thereof.

*Response: The onsite facilities will be financed by advances in aid of construction. The offsite cost will be financed by a combination of 35% contributions in aid of construction and 65% Equity Funded*

- p. Documentation establishing the applicant's financial condition, including at least the applicant's current assets and liabilities, an income statement, the applicant's estimated revenue and expenses for the first five years following approval of the application, and the estimated value of the applicant's utility plant in service for the first five years following approval of the application,

*Response: This response will be supplemented in a later filing.*

- s. A detailed description of the proposed construction timeline for facilities, with estimated starting and completion dates and, if construction is to be phased, a description of each separate phase of construction.

*Response: Please see the attached engineering report listing the construction timeline for phases 1 and 2.*

- dd. A backflow prevention tariff that complies with Commission standards, if not already on file; (Please use template on ACC's website)

*Response: Please see Attachment 2*

- ee. A curtailment tariff that complies with Commission standards, if not already on file; (Please use template on ACC's website)

*Response: Please see Attachment 3*

- ff. A copy of a Physical Availability Determination, Analysis of Adequate Water Supply, or Analysis of Assured Water Supply issued by the Arizona Department of Water Resources for the proposed service area or extension area or, if not yet obtained, the status of the application for such approval.

*Response: The application to the Arizona Department of Water Resources is being prepared by Southwest Groundwater. The application is planned to be filed the first half of September.*

3. The following minimum requirements of R14-2-106-B5 for wastewater were not submitted:

n. A complete description of the facilities proposed to be constructed, including a preliminary engineering report with specifications in sufficient detail to describe each sewer system and the principal components of each sewer system (e.g., collection mains, trunk lines, lift station, treatment plants, effluent disposal areas, etc.) to allow verification for the estimated costs provided under subsection (B)(5)(p) and verification that the requirements of the Commission and the Arizona Department of Environmental Quality can be met.

*Response: Please see the attached engineering report from WLB attached hereto as Attachment 1.*

o. A copy of the Aquifer Protection Permit issued by the Arizona Department of Environmental Quality for the proposed service area or extension area or, if not yet obtained, the status of the application for such Aquifer Protection Permit.

*Response: The application for the Aquifer Protection Permit has received administrative approval from the Arizona Department of Environmental Quality.*

p. The estimated total construction cost of the proposed offsite and onsite facilities, including documentation to support the estimates, and an explanation of how the construction will be financed, such as through debt, equity, advances in aid of construction, contributions in aid of construction, or a combination thereof.

*Response: The onsite facilities in the amount of will be financed by advances in aid of construction. The offsite cost will be financed by a combination of 35% contributions in aid of construction and 65% Equity Funded*

q. Documentation establishing the applicant's financial condition, including at least the applicant's current assets and liabilities, an income statement, the applicant's estimated revenue and expenses for the first five years following approval of the application, and the estimated value of the applicant's utility plant in service for the first five years following approval of the application.

*Response: This response will be supplemented in a later filing.*

t. A detailed description of the proposed construction timeline for facilities, with estimated starting and completion dates and, if construction is to be phased, a description of each separate phase of construction.

*Response: Please see the attached engineering report listing the construction timeline for phases 1 and 2.*

22 August 2013  
Southwest Environmental Utilities, L.L.C.  
Application for a Certificate of Convenience and Necessity (CC&N) to provide Water and Wastewater  
Docket No. WS-20878A-13-0065  
Compliance with Insufficiency Letter of April 22, 2013

Thank you for the opportunity of complying with these Insufficiency Demands.

Regards,



Daniel R. Hodges  
SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C.

MEB

cc: Docket Control  
Del Smith  
Lyn Farmer  
Brian Bozzo  
Connie Walczak

*Attachment 1*



Engineering • Planning  
Surveying • Urban Design  
Landscape Architecture

August 16, 2013

Mr. Daniel Hodges  
Southwest Environmental Utilities, L.L.C.  
5230 E. Shea Blvd., Ste. 200  
Scottsdale, AZ 85254

Subject: Southwest Environmental Utilities, L.L.C.  
CC&N Expansion

Dear Mr. Hodges:

This letter identifies the water demand, as well as sewer flow and plant requirements, for the property located within the CC&N area requested by Southwest Environmental Utilities, L.L.C. It also lists the associated costs for installing the necessary infrastructure in response to comments received from the Arizona Corporation Commission (ACC) in its review of Southwest Environmental Utilities, L.L.C. application for a water and sewer service area.

### **1. Development Phasing**

Phase I consists of the following development parcels as shown on the attached "Conceptual Land Use Plan" for Johnson Ranch Estates: Parcels B, C, D, E, F, G, H, I, J, K, Z, AA, BB, CC, DD, EE, FF, MM, and NN. These areas consist of the following uses: residential (a variety of different types and densities), mixed use, a town square, an equestrian facility and a wastewater treatment plant. It is anticipated that construction of this initial phase will begin in January 2014. See Appendix A for the Johnson Ranch Estates Conceptual Land Use Plan and phasing of the project.

Phase II within the requested CC&N area is anticipated to be under construction in the year 2017. This property will be developed with primarily residential and commercial land uses.

### **2. Water System**

The water demands for the phases are shown in the following tables and are based on the Southwest Environmental Utilities Design Guide:



Water Use:

- 2.6 people/DU @ 100 gallons per day (gpd)
- Average Day (AD) =  $2.6 \times 100 = 260$  gallons per unit per day (gpud)
- Peak Day (PD) =  $2 \times AD = 520$  gpud
- Peak Hour (PH) =  $3.5 \times AD = 910$  gpud
- Commercial – AD = 1500 gallons per acre per day (gpud)  
PD =  $2 \times AD$   
PH =  $3.5 \times AD$

Supply

Wells: Minimum supply from wells pumping to storage to meet peak day.

Booster: Minimum booster capacity without elevated storage to meet peak hour (PH) demand plus fire flow (FF).

Storage:

- Usable volume equal to AD minimum (50% PD) per ADEQ + fire flow (FF) with minimum FF of 2 hours @ 1000 gpm = 120,000 gal. May be reduced per R18-5-503.
- With well @ PD, provide minimum AD storage at ground storage tanks with boosters to meet PH. Provide well, storage tank and booster at each water plant.

Pipe Sizes:

- Sized for PH with provisions for fire flow.



**Table 1 – Water Demands – Phase 1**

Parcel	Proposed Zoning	Acreage	Dwelling Units	Unit Factor	Avg. Daily Demand (gpd)	Peak Daily Demand (gpd)	Peak Hour Demand (gpd)
B	MFR	10	80	260 gpud	20,800	41,600	72,800
C	MFR	33	264	260 gpud	68,640	137,280	240,240
D	MFR	31	248	260 gpud	64,480	128,960	225,680
E	VWTP	15	--	--	--	--	--
F	MFR	12	96	260 gpud	24,960	49,920	87,360
G	MDR	36	263	260 gpud	68,380	136,760	239,330
H	Mixed Use	34	68	260 gpud	17,680	35,360	61,880
I	MDR	10	73	260 gpud	18,980	37,960	66,430
J	MDR	14	102	260 gpud	26,520	53,040	92,820
K	MDR	21	153	260 gpud	39,780	79,560	139,230
Z	MDR	27	189	260 gpud	49,140	98,280	171,990
AA	Mixed Use	31	62	260 gpud	16,120	32,240	56,420
BB	Mixed Use	14	28	260 gpud	7,280	14,560	25,480
CC	Mixed Use	40	80	260 gpud	20,800	41,600	72,800
DD	Mixed Use	17	34	260 gpud	8,840	17,680	30,940
EE	MDR	12	84	260 gpud	21,840	43,680	76,440
FF	EQ	20	--	--	--	--	--
MM	Mixed Use	25	50	260 gpud	13,000	26,000	45,500
NN	Town Square	11	--	1,500 gpad	16,500	33,000	57,750
<b>Totals Phase 1</b>		<b>413</b>	<b>1,874</b>		<b>503,740 (350 gpm)</b>	<b>1,007,480 (700 gpm)</b>	<b>1,763,090 (1225 gpm)</b>

**Table 2 – Water Demands – Phase 2 (Balance of CC&N Area)**

Project	Proposed Use	Acreage	Dwelling Units	Unit Factor	Avg. Daily Demand (gpd)	Peak Daily Demand (gpd)	Peak Hour Demand (gpd)
Florence	Residential	138	638	260 gpud	165,880	331,760	580,580
Majestic Ranch	Commercial	16	--	1,500 gpad	24,000	48,000	84,000
Majestic Ranch	Residential	123	648	260 gpud	168,480	336,960	589,680
	Commercial	11	--	1,500 gpad	16,500	33,000	57,750
Florence Crossing	Residential	36	250	260 gpud	65,000	130,000	227,500
	Commercial	9	--	1,500 gpad	13,500	27,000	47,250
Sunaire	Residential	108	428	260 gpud	111,280	222,560	689,480
	Commercial	--	--	1,500 gpad	--	--	--
Johnson Ranch Estates	Residential	673	2,390	260 gpud	755,300	1,510,600	2,643,550
	Commercial	26	--	1,500 gpad	39,000	78,000	136,500
<b>Totals Phase 2</b>		<b>1,140</b>	<b>4,354</b>		<b>1,358,940 (944 gpm)</b>	<b>2,717,880 (1,887 gpm)</b>	<b>4,756,290 (3,303 gpm)</b>
<b>Totals Phases 1 &amp; 2</b>		<b>1,553</b>	<b>6,228</b>		<b>1,862,680 (1,294 gpm)</b>	<b>3,725,360 (2,587 gpm)</b>	<b>6,519,380 (4,528 gpm)</b>



*Water System Improvements*

The proposed spine water system improvements are shown on the Conceptual Master Water Plan located in Appendix B of this document. This infrastructure has been designed to meet the water demand of the CC&N area.

The following system improvements are required for Phase 1 of the CC&N area:

- Production will be provided by two wells capable of producing approximately 750 gpm each.
- 2 water plants with 0.5 MG storage reservoirs and a total of 1,225 gpm of booster pumping capacity.
- Water will be distributed via 8", 12" and 16" mains totaling approximately 13,000 linear feet.

The following total system improvements are required for Phases 1 and 2 of the CC&N area:

- Production will be provided by a total of four wells capable of producing approximately 750 gpm each.
- 4 water plants totaling a minimum of 2.0 MG of storage reservoirs with a total of 4,530 gpm of booster pumping capacity.
- Water will be distributed via 8", 12" and 16" mains totaling approximately 24,000 linear feet.

**Table 3 – Water System Spine Infrastructure and Plant Requirements – Phases 1 & 2**

<b>Project</b>	<b>Spine Water Line</b>	<b>Water Plants</b>	<b>Min. Total Wells Capacity</b>	<b>Min. Total Booster Capacity</b>	<b>Min. Total Storage</b>	<b>Storage Provided</b>
Phase 1	13,000 LF*	2	1.01 mgd	1,225 gpm	0.624 MG	1 MG
Phase 2	11,000 LF*	2	2.72 mgd	3,305 gpm	1.355 MG	1 MG
Total	24,000 LF*	4	3.73 mgd	4,530 gpm	1.98 MG	2 MG

\*Linear footage is approximate.



### 3. Wastewater System

The sewer demands for the initial phases are shown in the tables below and are based on the Southwest Environmental Utilities Design Guide :

#### Sewer Demand

- 80 gallons per capita per day (gpcd) for all residential areas requiring sewers (ADWF)
- 2.6 persons/du for all Family Community Residences
- 1,000 gallons per acre per day (gpud) for all commercial (ADWF)
- 3.0 Peaking Factor for all commercial (PDWF)
- 250 gpud for wet weather flow infiltration and inflow

Note: ADWF = Average Dry Weather Flow  
PDWF = Peak Dry Weather Flow  
WWF = Wet Weather Flow

#### Sewage Treatment Plant

- Per the Southwest Environmental Utilities Design Guide, the plant is sized for minimum 187.2 gpud + commercial @ 1,000 gpud.

**Table 4 – Sewer Flow and Plant Requirements – Phase 1**

Project	Total No. Acres	Acres of Comm.	Comm. Flow @ 1000 gpud	Number Of DU	DU x 187.2 gpud	Total AD + Comm.
Johnson Ranch Estates (Phase 1)	372	11	11,000	1,359	254,405	265,405



**Table 5 – Sewer Flow and Plant Requirements – Phase 2 (Balance of CC&N Area)**

Project	Total No. Acres	Acres of Comm.	Comm. Flow @ 1000 gpad	Number Of DU	DU x 187.2 gpad	Total AD + Comm.	% of Total AD + Comm.
Johnson Ranch Estates (Phase 2)	740	26	26,000	2,905	543,816	0.570 MG	58.54%
Sunaire	108	0	0	428	80,122	0.080 MG	8.23%
Florence Crossing	45	9	9,000	250	46,800	0.056 MG	5.73%
Majestic Ranch	134	11	11,000	648	121,306	0.132 MG	13.59%
Florence Majestic Ranch	154	16	16,000	638	119,434	0.135 MG	13.91%
<b>Totals</b>	<b>1,181</b>	<b>62</b>	<b>62,000</b>	<b>4,869</b>	<b>911,478</b>	<b>0.973 MG</b>	<b>100%</b>

**Table 6 – Sewer Flow and Plant Requirements – Phases 1 & 2**

	Total No. Acres	Acres of Comm.	Comm. Flow @ 1000 gpad	Number Of DU	DU x 187.2 gpad	Total AD + Comm.
Phase 1	372	11	11,000	1,359	254,405	265,405
Phase 2	1,181	62	62,000	4,869	911,478	973,000
<b>Totals</b>	<b>1,553</b>	<b>73</b>	<b>73,000</b>	<b>6,228</b>	<b>1,165,883</b>	<b>1,238,405</b>



*Sewer System Improvements*

The proposed spine sewer system improvements are shown on the Conceptual Master Sewer Plan located in Appendix C of this document. This infrastructure has been designed to meet the sewer demand of the CC&N area.

The following system improvements are required for Phase 1 of the CC&N area:

- 300,000 gpd (0.3 MGD) wastewater treatment plant employing the sequencing batch reactor (SBR) process.
- Gravity sewer mains measuring 8", 10", 12" and 15" and totaling approximately 14,000 linear feet.
- No lift stations are required in this phase.

The following total system improvements are required for Phases 1 and 2 of the CC&N area:

- Minimum of 1.3 MGD wastewater treatment plant.
- Gravity sewer mains measuring 8", 10", 12" and 15" and totaling approximately 19,000 linear feet.
- 8" force mains totaling approximately 7,000 linear feet.
- Two lift stations.

**Table 7 – Sewer System Spine Infrastructure – Phases 1 & 2**

Project	Spine Gravity Sewer Line	Force Main	Lift Stations
Phase 1	14,000 LF*	N/A	N/A
Phase 2	5,000 LF*	7,000 LF*	2
Total	19,000 LF*	7,000 LF*	2

\*Linear footage is approximate.

Mr. Daniel Hodges  
August 16, 2013  
Page 8



#### 4. Estimated Cost of System Improvements

Construction cost estimates for the above-mentioned infrastructure were prepared by Specific Engineering, LLC and are included in the original application for a CC&N expansion. Please refer to this application for this information.

Should you have any questions, please feel free to contact me.

Sincerely,

THE WLB GROUP, INC.

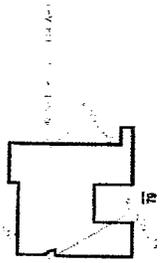
A handwritten signature in black ink that reads "W.C. Walker".

for William C. Walker, PE, RLS  
Principal

**Appendix A**  
**Conceptual Land Use and Phasing Exhibit**

**LEGEND**

- PHASE ONE
- PHASE TWO



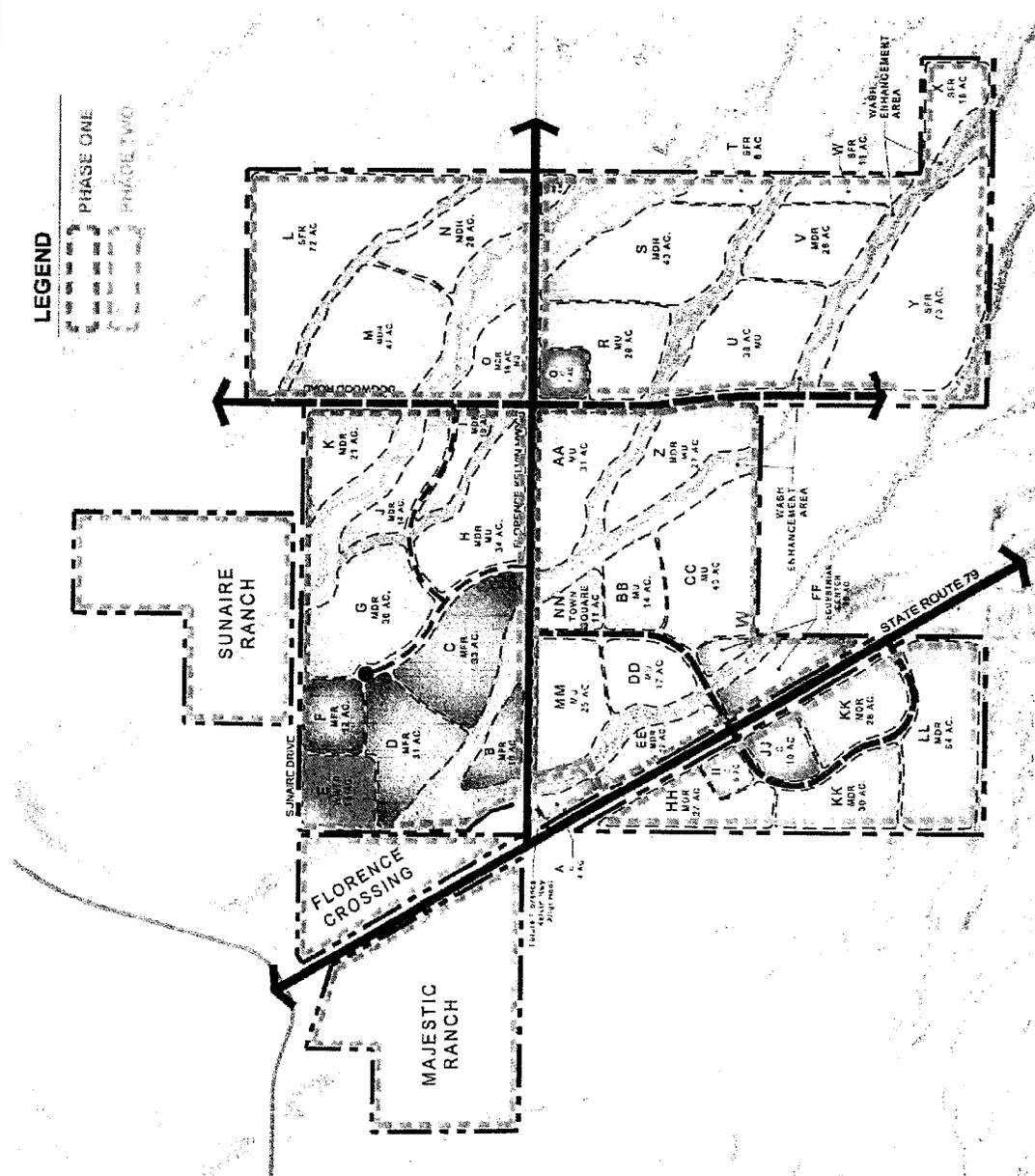
LOCATION MAP

**Legend of Symbols**

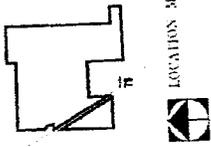
- PROPERTY BOUNDARY
- DEVELOPMENT PARCEL BOUNDARY
- PROPOSED ROAD
- WATER PLANT SITE

**Johnson Ranch Estates Land Use Table**

Land Use Categories	Acreeage	Dwelling Units
Single Family Residential (SFR)	180 Acres	540 D.U.
Medium Density Residential (MDR)	414 Acres	3,022 D.U.
Multi-Family Residential (MFR)	114 Acres	920 D.U.
Mixed Use (MU)	212 Acres	420 D.U.
Commercial (C)	26 Acres	
WWTP	15 Acres	
Equestrian Center	20 Acres	
Open Space	260 Acres	
Arterial/Collector Road ROW	26 Acres	
<b>Totals</b>	<b>1,266 Acres</b>	<b>4,902 D.U.</b>

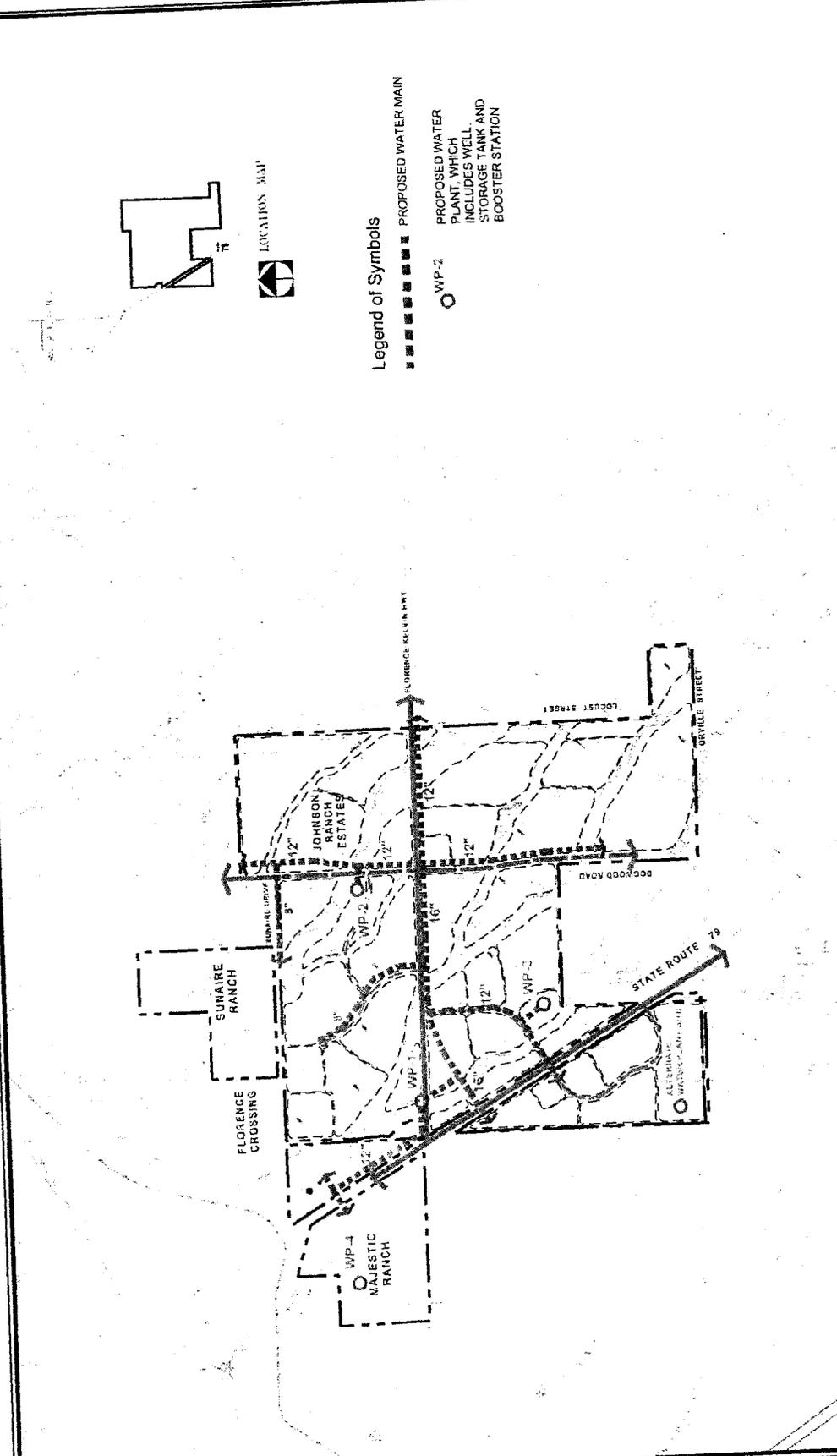


**Appendix B**  
**Conceptual Master Water Plan**



Legend of Symbols

-  PROPOSED WATER MAIN
-  WP-2  
 PROPOSED WATER PLANT, WHICH INCLUDES WELL, STORAGE TANK AND BOOSTER STATION

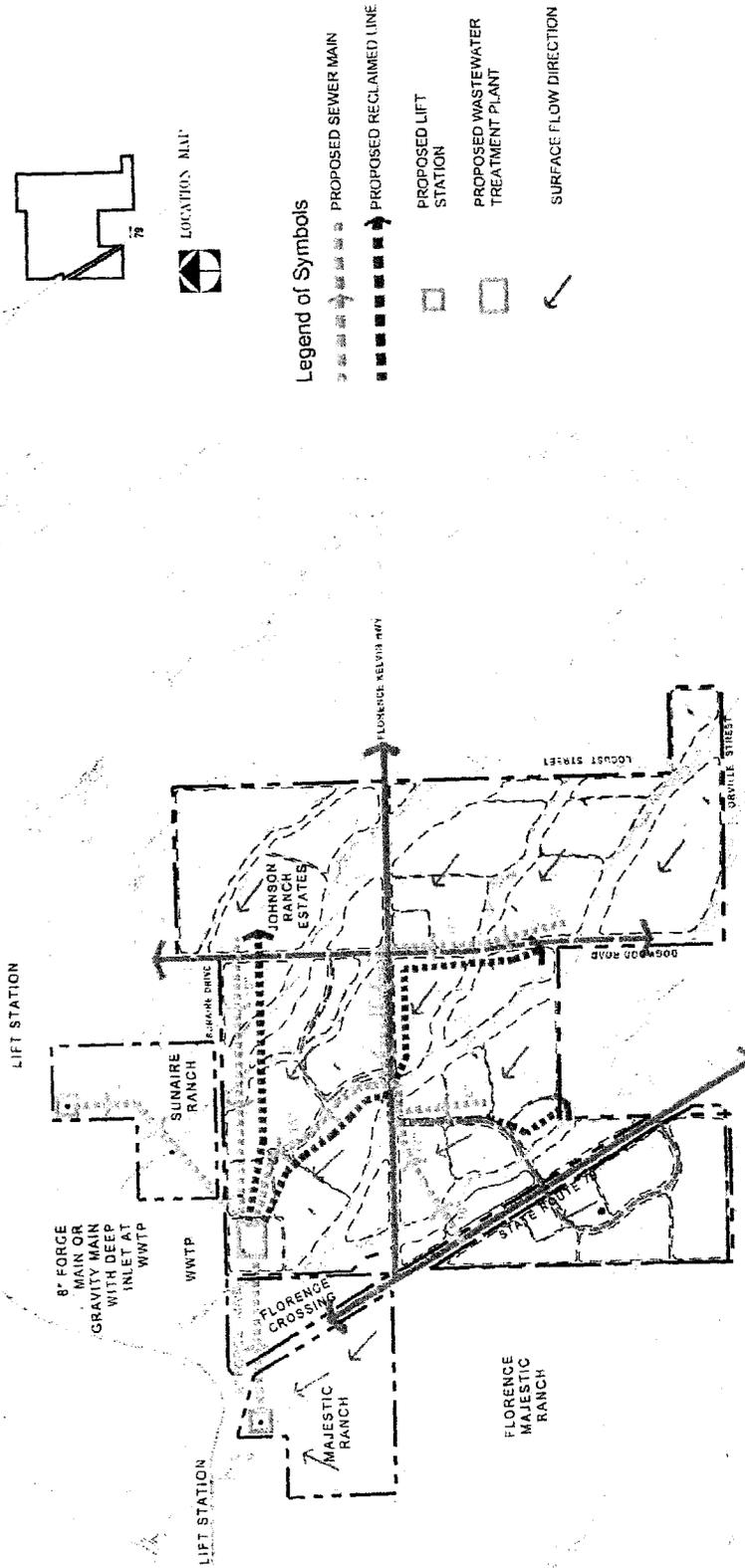


8.10.2013  
 Aerial Photo Date: 2011  
 WLS No. 111057-A-001

**Johnson Ranch Estates**  
**Preliminary Water Design Concept**



**Appendix C**  
**Conceptual Master Sewer Plan**



0' 800' 1600' 2400'

6.10.2013  
 Approval Project Date: 2/9/11  
 WLD No.: 111037-A-087

**Johnson Ranch Estates**  
**Preliminary Sewer Design Concept**



*Attachment 2*

**CROSS-CONNECTION OR BACKFLOW TARIFF**

**PURPOSE:**

The purpose of this tariff is to protect **Southwest Environmental Utilities LLC** ("Company") water from the possibility of contamination caused by the backflow of contaminants that may be present on the customer's premises by requiring the installation and periodic testing of backflow-prevention assemblies pursuant to the provisions of the Arizona Administrative Code ("A.C.C.") R14-2-405.B.6 and A.A.C. R18-4-215.

**REQUIREMENTS:**

In compliance with the Rules of the Arizona Corporation Commission ("Commission") and the Arizona Department of Environmental Quality ("ADEQ"), specifically A.A.C. R14-2-405.B.6 and R18-4-215 relating to backflow prevention:

1. The Company may require a customer to pay for and to have installed a backflow-prevention assembly if A.A.C. R18-4-215.B or C applies.
2. A backflow-prevention assembly required to be installed by the customer under Paragraph 1 of this tariff shall comply with the requirements set forth in A.A.C. R18-4-215.D and E.
3. Subject to the provisions of A.A.C. R14-2-407 and 410, and in accordance with Paragraphs 1 and 7 of this tariff, the Company may terminate service or may deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff.
4. The Company shall give any existing customer who is required to install a backflow-prevention assembly written notice of said requirement. If A.A.C. R14-2-410B.1.a. is **not** applicable, the customer shall be given thirty (30) days from the time such written notice is received in which to comply, with this notice. If the customer can show good cause as to why he cannot install the backflow-prevention assembly within thirty (30) days, the Company or Commission Staff may suspend this requirement for a reasonable period of time.

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**\*\*FOR OFFICIAL USE ONLY\*\***

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

5. Testing shall be in conformance with the requirements of A.A.C. R18-4-215F. The Company may require the customer to pay to have the backflow-prevention assembly tested as long as the Company does not require an unreasonable number of tests.
6. The customer shall provide the Company with records of installation and testing. For each backflow-prevention assembly, these records shall include:
  - a. Assembly identification number and description;
  - b. Location
  - c. Date(s) or test(s)
  - d. Description of repairs and recommendations for repairs made by tester; and
  - e. The tester's name and certificate number.
7. In the event the backflow-prevention assembly does not function properly or fails any test, and an obvious hazard as contemplated under A.A.C. R14-2-410.b.1.a. exists, the Company may terminate service immediately and without notice. The backflow-prevention assembly shall be repaired or replaced by the customer and retested.
8. In the event the backflow-prevention assembly does not function properly or fails any test, or in the event that a customer fails to comply with the testing requirement, and A.A.C. R14-2-410.B.1.a. is **not** applicable, the backflow-prevention assembly shall be repaired or replaced within fourteen (14) days of the initial discovery of the deficiency in the assembly or its function. Failure to remedy the deficiency or dysfunction of the assembly, or failure to retest, shall be grounds for termination of water service in accordance with A.A.C. R14-2-410.

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**\*\*FOR OFFICIAL USE ONLY\*\***

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

*Attachment 3*

## TARIFF SCHEDULE

Utility: Water/Wastewater

Tariff Sheet No.: 1 of 4

Docket No.: \_\_\_\_\_

Decision No.: \_\_\_\_\_

Phone No.: (480) 998-3300

Effective: \_\_\_\_\_

**CURTAILMENT PLAN FOR:** Southwest Environmental Utilities LLC  
(Template 102109)

ADEQ Public Water System No: \_\_\_\_\_

**Southwest Environmental Utilities LLC** ("Company"), is authorized to curtail water service to all customers within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

### **Stage 1 Exists When:**

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, the Company is deemed to be opening normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

### **Stage 2 Exists When:**

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

Revised October 21, 2009

## TARIFF SCHEDULE

Utility: Water/Wastewater

Tariff Sheet No.: 2 of 4

Docket No.: \_\_\_\_\_

Decision No.: \_\_\_\_\_

Phone No.: (480) 998-3300

Effective: \_\_\_\_\_

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

### **Stage 3 Exists When:**

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, the Company shall request the customers to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

### Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Beginning with Stage 3, the Company shall post at least \_\_\_\_ signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. The Company shall notify Customer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than Stage 3 until a permanent solution has been implemented.

Revised October 21, 2009

## TARIFF SCHEDULE

Utility: Water/Wastewater

Tariff Sheet No.: 3 of 4

Docket No.: \_\_\_\_\_

Decision No.: \_\_\_\_\_

Phone No.: (480) 998-3300

Effective: \_\_\_\_\_

### Stage 4 Exists When:

- a. Company's total water storage or well production has been less than 25 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection.

The following uses of water shall be prohibited:

- Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- Washing of any vehicle is prohibited
- The use of water for dust control or any outdoor cleaning uses is prohibited
- The use of drip or misting systems of any kind is prohibited
- The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- The use of construction water is prohibited
- Restaurant patrons shall be served water only upon request
- Any other water intensive activity is prohibited

The Company's operation of its standpipe service is prohibited. The addition of new service lines and meter installations is prohibited.

### Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Company shall post at least \_\_\_\_\_ signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. Company shall notify the Customer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.

Revised October 21, 2009

**TARIFF SCHEDULE**

Utility: Water/Wastewater

Tariff Sheet No.: 4 of 4

Docket No.: \_\_\_\_\_

Decision No.: \_\_\_\_\_

Phone No.: (480) 998-3300

Effective: \_\_\_\_\_

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply or must otherwise provide emergency drinking water for its customers until a permanent solution has been implemented.

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply with two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

**ORIGINAL**  
**SOUTHWEST ENVIRONMENTAL UTILITIES**

5230 East Shea Boulevard, Suite 200 \* Scottsdale, Arizona  
PH: (480) 998-3300; FAX: (480) 483-7908



28 August 2013

Arizona Corporation Commission  
**DOCKETED**

AUG 28 2013

Docket Control Center  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

DOCKETED BY	NR
-------------	----

WS-20878A-13-0065

Re: SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C. APPLICATION FOR APPROVAL OF CERTIFICATE OF CONVENIENCE AND NECESSITY AMENDMENT

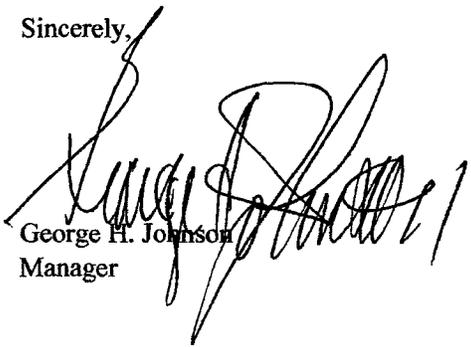
Southwest Environmental Utilities, LLC is submitting this package as an amendment to the CC&N application previously submitted to the Arizona Corporation Commission on 21 March 2013. The purpose of this amendment is to include the subdivisions Redstone Ranch and Florence 157 into the aforementioned CC&N service area. This amendment includes the following information:

- Legal descriptions, Attachment #1 (The legal description for Southwest Environmental Utilities was previously submitted and is being re-submitted along with the legal descriptions for Redstone Ranch and Florence 157)
- Map showing requested areas and surrounding utilities, Attachment #1
- Engineering Reports for Redstone Ranch and Florence 157, Attachment #2
- Construction Timeline, Attachment #3
- Maps showing the boundaries of requested area, owner, and land size, Attachment #4

All other information given in the initial CC&N application pertain to Redstone Ranch and Florence 157.

If you have any questions or comments, please feel free to contact Katherine Nierva at (480) 998-3300.

Sincerely,

  
George H. Johnson  
Manager

cc: Michelle Belaski  
Katherine Nierva

RECEIVED  
2013 AUG 28 P 3:13  
AZ CORP COMMISSION  
DOCKET CONTROL

# Attachment 1

LEGAL DESCRIPTIONS  
FOR  
SOUTHWEST ENVIRONMENTAL UTILITIES, LLC  
CC&N

BEING PORTIONS OF SECTION 12, TOWNSHIP 5 SOUTH, RANGE 9 EAST AND SECTIONS 7, 8, 17, 18, AND 19, TOWNSHIP 5 SOUTH, RANGE 10 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA AND DESCRIBED AS FOLLOWS:

**BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 18,**

THENCE N. 00°49'34" E., ALONG THE WEST LINE OF SAID SECTION 18, A DISTANCE OF 2629.50 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 18;

THENCE CONTINUING ALONG SAID WEST LINE, N. 00°50'11" W., A DISTANCE OF 2206.12 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT OF WAY LINE FOR US HWY 79;

THENCE N. 31°53'55" W., ALONG SAID SOUTHWESTERLY RIGHT OF WAY LINE, A DISTANCE OF 454.39 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 12;

THENCE S. 88°31'42" W., ALONG SAID SOUTH LINE, A DISTANCE OF 2316.55 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 12;

THENCE CONTINUING ALONG SAID SOUTH LINE, S. 88°31'42" W., A DISTANCE OF 2549.58 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 12;

THENCE N. 01°43'02" W., ALONG THE WEST LINE OF SAID SECTION 12, A DISTANCE OF 2649.79 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 12;

THENCE N. 88°31'54" E., ALONG THE EAST-WEST MID-SECTION LINE OF SAID SECTION 12, A DISTANCE OF 1568.27 FEET TO THE NORTHWEST CORNER OF LOT 1 AS SHOWN ON A "RECORD OF SURVEY MINOR LAND DIVISION OF PARCEL 202-21-015D" RECORDED IN SURVEYS BOOK 3, PAGE 134, PINAL COUNTY RECORDS, PINAL COUNTY ARIZONA;

THENCE S. 02°15'14" E., ALONG THE WEST LINE OF SAID MINOR LAND DIVISION, A DISTANCE OF 916.07 FEET TO THE NORTHWEST CORNER OF LOT 5 OF SAID MINOR LAND DIVISION;

THENCE N. 88°31'11" E., ALONG THE NORTH LINE OF SAID LOT 5, A DISTANCE OF 982.55 FEET TO THE NORTHEAST CORNER OF SAID LOT 5;

THENCE N. 01°23'34" W., ALONG THE EAST LINE OF SAID MINOR LAND DIVISION, A DISTANCE OF 809.79 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE FOR EAST SALAZAR ROAD;

THENCE S. 73°02'13" E., ALONG SAID SOUTHERLY RIGHT OF WAY LINE, A DISTANCE OF 1073.58 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT OF WAY LINE FOR US HWY. 79;

THENCE N. 31°53'55" W., ALONG SAID SOUTHWESTERLY RIGHT OF WAY LINE, A DISTANCE OF 335.90 FEET;

THENCE DEPARTING SAID SOUTHWESTERLY RIGHT OF WAY LINE, N. 57°55'46" E., A DISTANCE OF 306.01 FEET TO A POINT ON THE EAST-WEST MID-SECTION LINE OF SAID SECTION 12;

THENCE N. 88°31'54" E., ALONG SAID EAST-WEST MID-SECTION LINE, A DISTANCE OF 1461.87 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 12;

THENCE N. 00°54'24" W., ALONG THE EAST LINE OF SAID SECTION 12, A DISTANCE OF 2642.80 FEET TO THE NORTHWEST CORNER OF SAID SECTION 7;

THENCE N. 88°02'40" E., ALONG THE NORTH LINE OF SAID SECTION 7, A DISTANCE OF 3565.10 FEET TO THE NORTHEAST CORNER OF THE WEST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 7;

THENCE S. 01°49'24" E., ALONG THE EAST LINE OF SAID WEST HALF, A DISTANCE OF 2639.28 FEET TO THE SOUTHEAST CORNER OF SAID WEST HALF;

THENCE N. 89°15'28"E., ALONG THE EAST-WEST MID-SECTION LINE OF SAID SECTION 7, A DISTANCE OF 1320.00 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 7 AND THE WEST QUARTER CORNER OF SAID SECTION 8;

THENCE N. 01°49'24" W., ALONG THE WEST LINE OF SAID SECTION 8, A DISTANCE OF 659.82 FEET TO THE NORTHWEST CORNER OF THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER OF SAID SECTION 8;

THENCE N. 88° 13'08" E., ALONG THE NORTH LINE OF SAID SOUTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER, A DISTANCE OF 2654.61 FEET TO THE NORTHEAST CORNER OF SAID SOUTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER;

THENCE S. 01°50'43" E., ALONG THE NORTH-SOUTH MID-SECTION LINE OF SAID SECTION 8, A DISTANCE OF 661.44 FEET TO THE CENTER QUARTER CORNER OF SAID SECTION 8;

THENCE CONTINUING ALONG SAID NORTH-SOUTH MID-SECTION LINE, S. 01°50'43" E., A DISTANCE OF 2635.87 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 8;

THENCE S. 88°10'30" W., ALONG THE SOUTH LINE OF SAID SECTION 8, A DISTANCE OF 2656.23 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 8 AND THE SOUTHEAST CORNER OF SAID SECTION 7;

THENCE S. 88°13'55" W., ALONG THE SOUTH LINE OF SAID SECTION 7, A DISTANCE OF 2640.42 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 7 AND THE NORTH QUARTER CORNER OF SAID SECTION 18;

THENCE S. 01°47'36" E., ALONG THE NORTH-SOUTH MID-SECTION LINE OF SAID SECTION 18, A DISTANCE OF 2620.59 FEET TO THE CENTER QUARTER CORNER OF SAID SECTION 18;

THENCE CONTINUING ALONG SAID NORTH-SOUTH MID-SECTION LINE, S. 01°47'36" E., A DISTANCE OF 2648.58 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 18;

THENCE S. 89°14'13" W., ALONG THE SOUTH LINE OF SAID SECTION 18, A DISTANCE OF 2492.72 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS 1,294.06 ACRES MORE OR LESS.

FOLLOWING PARCELS ALSO INCLUDED:

THE WEST HALF OF SECTION 17, AND THE SOUTH 825.00 FEET OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 5 SOUTH, RANGE 10 EAST, OF THE GILA AND SALT RIVER BASELINE AND MERIDIAN, PINAL COUNTY, AZ, AND;

THE NORTHEAST QUARTER OF SECTION 18, TOWNSHIP 5 SOUTH, RANGE 10 EAST, OF THE GILA AND SALT RIVER BASELINE AND MERIDIAN, PINAL COUNTY, AZ, AND;

THE SOUTHEAST QUARTER OF SECTION 18, TOWNSHIP 5 SOUTH, RANGE 10 EAST OF THE GILA AND SALT RIVER BASELINE AND MERIDIAN, PINAL COUNTY, ARIZONA; AND

THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 5 SOUTH, RANGE 10 EAST OF THE GILA AND SALT RIVER BASELINE AND MERIDIAN, PINAL COUNTY, ARIZONA.

NOTE:

THIS LEGAL DESCRIPTION IS FOR CC&N PURPOSES ONLY AND DOES NOT REPRESENT THE RESULTS OF AN ACTUAL FIELD SURVEY.

**REDSTONE RANCH**

**LEGAL DESCRIPTION**

A parcel of land located in a portion of the Northeast Quarter of Section 7, Township 5 South, Range 10 East, Gila and Salt River Meridian, Pinal County, Arizona, more particularly described as follows:

The NW Quarter of the SE Quarter of the NE Quarter of said Section 7, and

The South Half of the SE Quarter of the NE Quarter of said Section 7.

Except any portion lying within the adjacent dedicated road rights of way.

Said parcel containing 30 acres +/-.

**FLORENCE 157**

**LEGAL DESCRIPTION**

A parcel of land located in a portion of the Northwest Quarter of Section 29, Township 5 South, Range 10 East, Gila and Salt River Meridian, Pinal County, Arizona, more particularly described as follows:

All that portion of the NW Quarter of said Section 29 lying southwesterly of Highway 79,

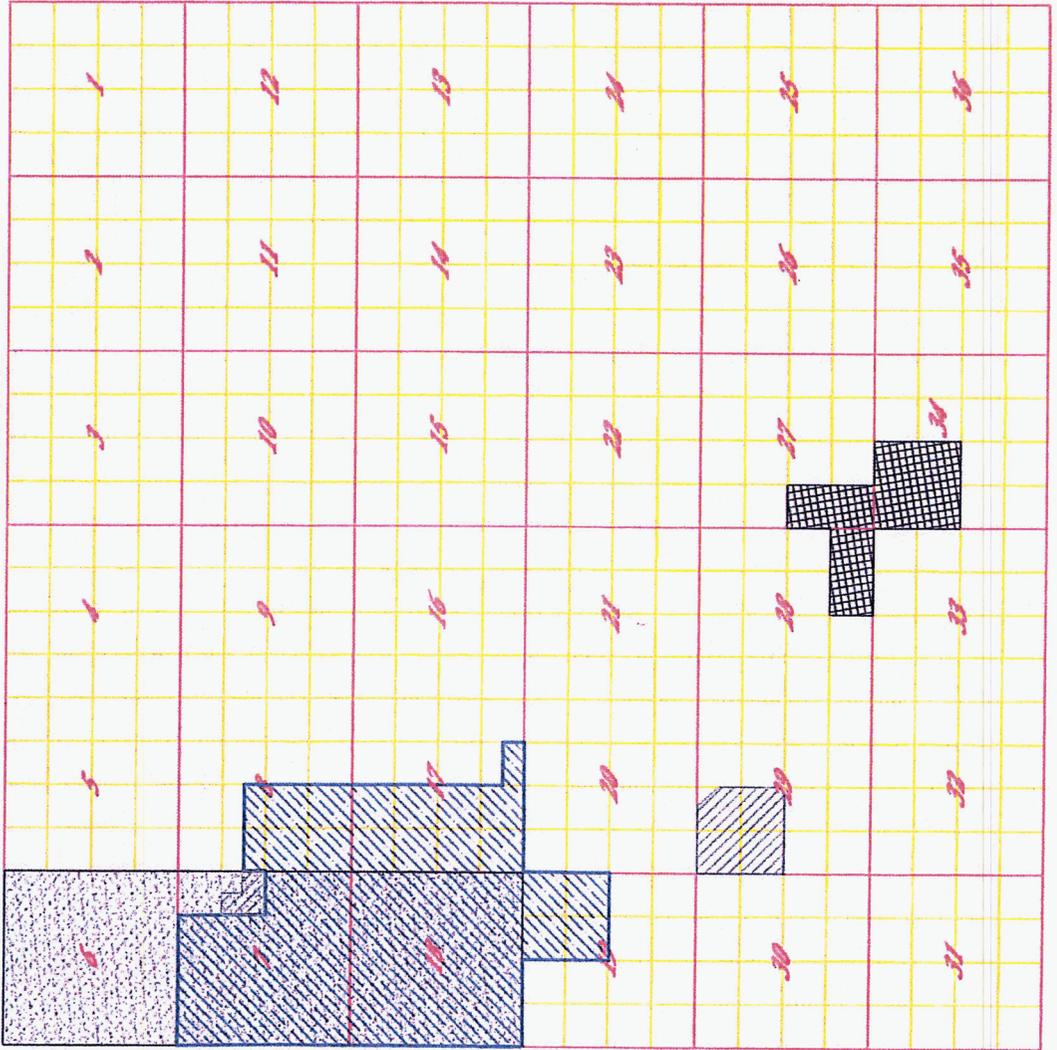
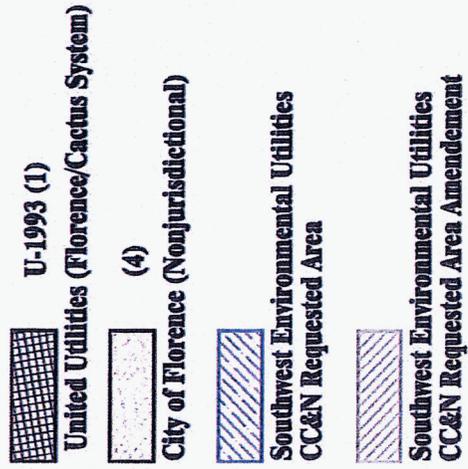
Except any portion lying within the adjacent dedicated road rights of way.

Said parcel containing 157 acres +/-.

# COUNTY Pinal

RANGE 10 East

TOWNSHIP 5 South



# Attachment 2

## **REDSTONE RANCH**

A Portion of the NE ¼ of Section 7, T5S, R10E  
Pinal County, Arizona

Water and Wastewater Analysis  
Southwest Environmental Utilities LLC Service Area

August 21, 2013

**DRAFT**

*Prepared for:*

GH Capital LLC

*Prepared by:*

The WLB Group, Inc.  
4444 East Broadway  
Tucson, Arizona 85711  
(520) 881-7480 Phone  
(520) 881-7492 Fax

WLB No. 213006-A-001

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5.0 WASTEWATER SYSTEM REQUIREMENTS ..... 3  
6.0 PROPOSED WASTEWATER SYSTEM IMPROVEMENTS ..... 4  
7.0 WASTEWATER SYSTEM COSTS..... 4  
8.0 PHASING..... 4

**TABLES**

Table 1 – Water Demands..... 2  
Table 2 – Estimated Water System Improvement Costs ..... 3  
Table 3 – Estimated Wastewater System Improvement Costs..... 4

**EXHIBITS**

- Exhibit 1 – Location Map
- Exhibit 2 – Southwest Environmental Utilities LLC Proposed CC&N Area
- Exhibit 3 – Conceptual Land Use Plan
- Exhibit 4 – Proposed Water System Improvements
- Exhibit 5 – Proposed Wastewater System Improvements

**APPENDICES**

- Appendix A – Legal Description

## 1.0 INTRODUCTION

### 1.1 General

The Redstone Ranch project consists of approximately 30 acres located in a portion of the Northeast Quarter of Section 7, Township 5 South, Range 10 East, Pinal County, Arizona. Please refer to Exhibit 1: Location Map.

This report serves to quantify the water and wastewater demands and infrastructure needs for the project, as it is planned for inclusion in the proposed Southwest Environmental Utilities LLC CC&N area. The property is located adjacent to the proposed CC&N area. Please refer to Exhibit 2: Southwest Environmental Utilities LLC Proposed CC&N Area.

### 1.2 Land Use Plan

The property is proposed for single family residential uses with a target of 120 residential dwelling units (DU) as shown on Exhibit 3: Conceptual Land Use Plan. The land use plan for Redstone Ranch consists of 30 acres planned for a residential density of 4 dwelling units per acre for a total of 120 dwelling units.

### 1.3 Site Conditions

The property is currently undeveloped with the exception of one single family residence and yard area. The topography of the site is characterized as gently sloping from southeast to northwest. There are several washes running through the site. The property slopes from southeast to northwest with a high elevation of approximately 1,600' at the southeast corner and a low elevation of 1,572' at the northwest corner. The average cross slope is in the range of 1% to 2%.

## 2.0 WATER SYSTEM REQUIREMENTS

The following water system demands and requirements are based on the Southwest Environmental Utilities LLC Design Guidelines.

### Water Use:

- 2.6 people/Dwelling Unit (DU) @ 100 gallons per day (gpd)
- Average Day (AD) =  $2.6 \times 100 = 260$  gallons per unit per day (gpud)
- Peak Day (PD) =  $2 \times AD$
- Peak Hour (PH) =  $3.5 \times AD$
- Commercial – AD = 1500 gallons per acre per day (gpac)
  - PD =  $2 \times AD$
  - PH =  $3.5 \times AD$

Supply

Wells: Minimum supply from wells pumping to storage to meet peak day.

Booster: Minimum booster capacity to meet peak hour (PH) demand plus fire flow (FF).

Storage:

- Usable volume equal to AD minimum (50% PD) per ADEQ + fire flow (FF)

Pipe Sizes:

- Sized for PH with provisions for fire flow.

**Table 1: Water Demands**

No. DU	Unit Factor	Average Day Demand (gpd)	Peak Day Demand (gpd)	Peak Hour Demand (gpd)	Storage Demand (gpd)
120	260 gpud	31,200 gpd	62,400 gpd	109,200 gpd	152,000 gpd

These demands will be met by the installation of additional water production, storage, pumping and distribution infrastructure and connection to the proposed Southwest Environmental Utilities LLC water system planned to serve Johnson Ranch Estates (JRE) and other projects within the proposed CC&N. Please refer to Exhibit 4: Proposed Water System Improvements.

**3.0 PROPOSED WATER SYSTEM IMPROVEMENTS**

The proposed water system improvements to serve Redstone Ranch are shown on Exhibit 4. The system improvements consist of the following items:

- 8" main extending north from the proposed Johnson Ranch water system.
- The additional storage and pumping capacity required will be provided by connection with the proposed Johnson Ranch Estates facilities.

#### 4.0 WATER SYSTEM COSTS

The proposed water system costs required to serve Redstone Ranch are estimated to be \$232,300 as shown in Table 2.

**Table 2: Estimated Water System Improvement Costs**

Item	Quantity	Unit	Unit Cost	Total
<b>Off-Site Water System</b>				
8" Water Main Extension	250	LF	\$40	\$10,000
<b>On-Site Water System</b>	120	LOT	\$1,600	\$192,000
Subtotal				\$202,000
15% Contingency				\$30,300
<b>Total</b>				<b>\$232,300</b>

#### 5.0 WASTEWATER SYSTEM REQUIREMENTS

The following sewer demands for the project are based on the Southwest Environmental Utilities LLC Design Guide:

##### Sewer Demand

- 80 gallons per capita per day (gpcd) for all residential areas requiring sewers (ADWF)
- 2.6 persons/du for all Family Community Residences
- 1,000 gallons per acre per day (gpac) for all commercial (ADWF)
- 3.0 Peaking Factor for all commercial (PDWF)
- 250 gpac for wet weather flow infiltration and inflow

Note: ADWF = Average Dry Weather Flow  
PDWF = Peak Dry Weather Flow  
WWF = Wet Weather Flow

##### Sewage Treatment Plant

- Per the Southwest Environmental Utilities LLC Design Guide, the sewer treatment plant capacity required to serve the project is based on a minimum 187.2 gpud + commercial @ 1,000 gpac.

## 6.0 PROPOSED WASTEWATER SYSTEM IMPROVEMENTS

Wastewater flows from this project will be directed to an 8" gravity sewer that will connect with a 10" gravity sewer planned within the Johnson Ranch Estates project, located to the south of the site. From this point, wastewater will be conveyed to the proposed wastewater treatment plant. Please refer to Exhibit 5: Proposed Wastewater System Improvements.

## 7.0 WASTEWATER SYSTEM COSTS

The proposed wastewater system costs required to serve Redstone Ranch are estimated to be \$300,150 as shown in Table 3.

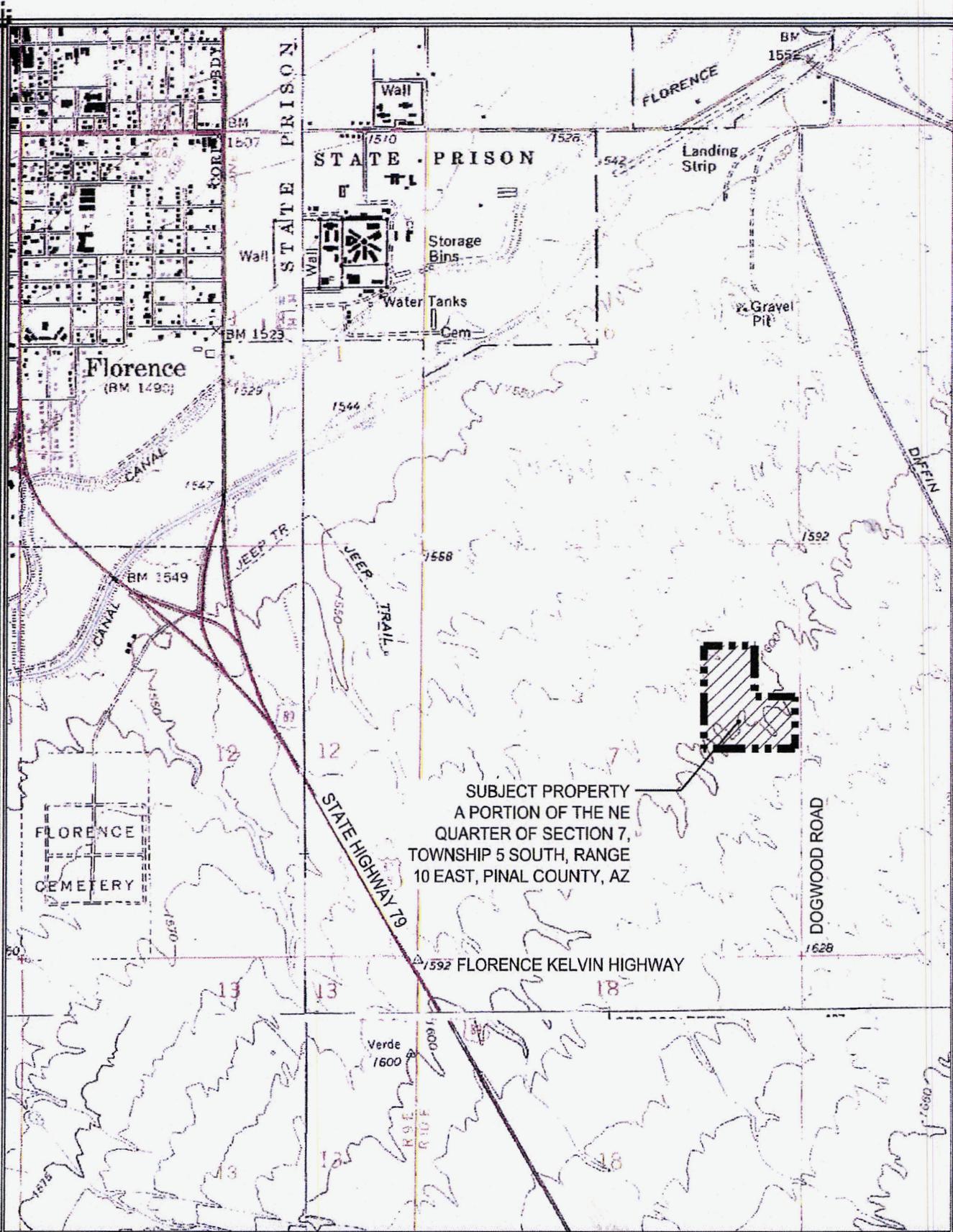
**Table 3: Estimated Wastewater System Improvement Costs**

Item	Quantity	Unit	Unit Cost	Total
<b>Off-Site Wastewater System</b>				
8" Sewer Main Incl. Manholes	1,000	LF	\$45	\$45,000
<b>On-Site Wastewater System</b>	120	LOT	\$1,800	\$216,000
Subtotal				\$261,000
15% Contingency				\$39,150
<b>Total</b>				<b>\$300,150</b>

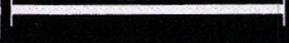
## 8.0 PHASING

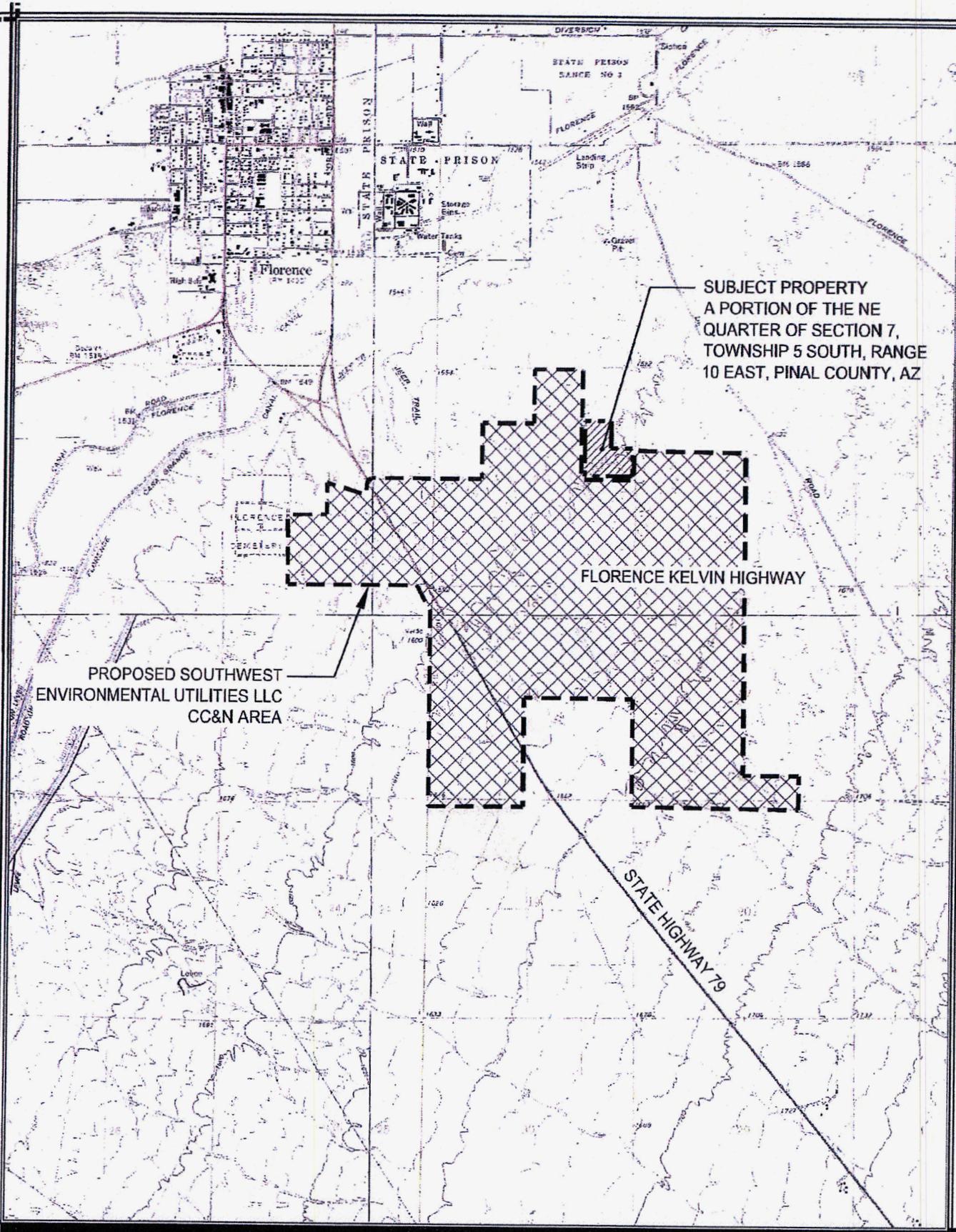
This property is anticipated to be developed in Phase II of the overall development, and is anticipated to be under construction in 2017.

**EXHIBITS**



SUBJECT PROPERTY  
 A PORTION OF THE NE  
 QUARTER OF SECTION 7,  
 TOWNSHIP 5 SOUTH, RANGE  
 10 EAST, PINAL COUNTY, AZ



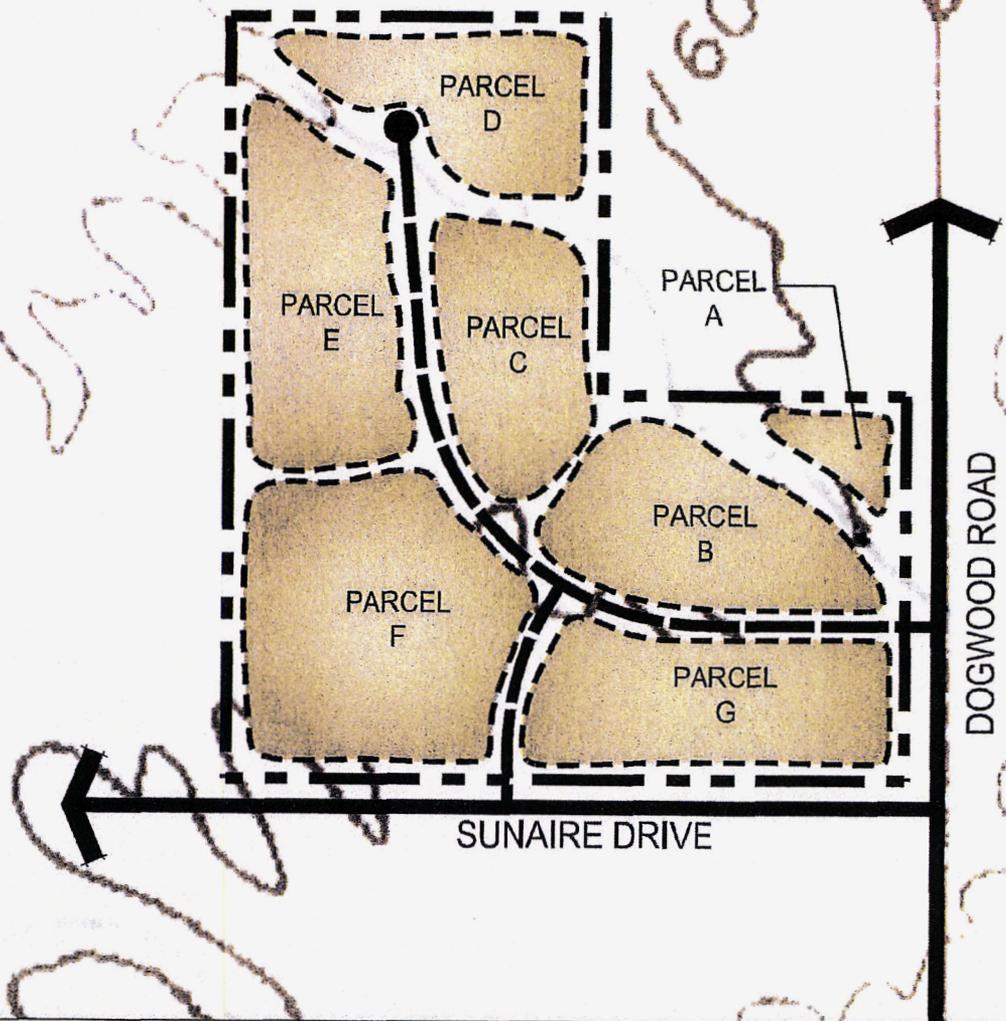


## LEGEND

	PROPERTY BOUNDARY
	DEVELOPMENT PARCEL BOUNDARY
	PROPOSED ROAD
	MEDIUM DENSITY RESIDENTIAL AREA

## NOTES

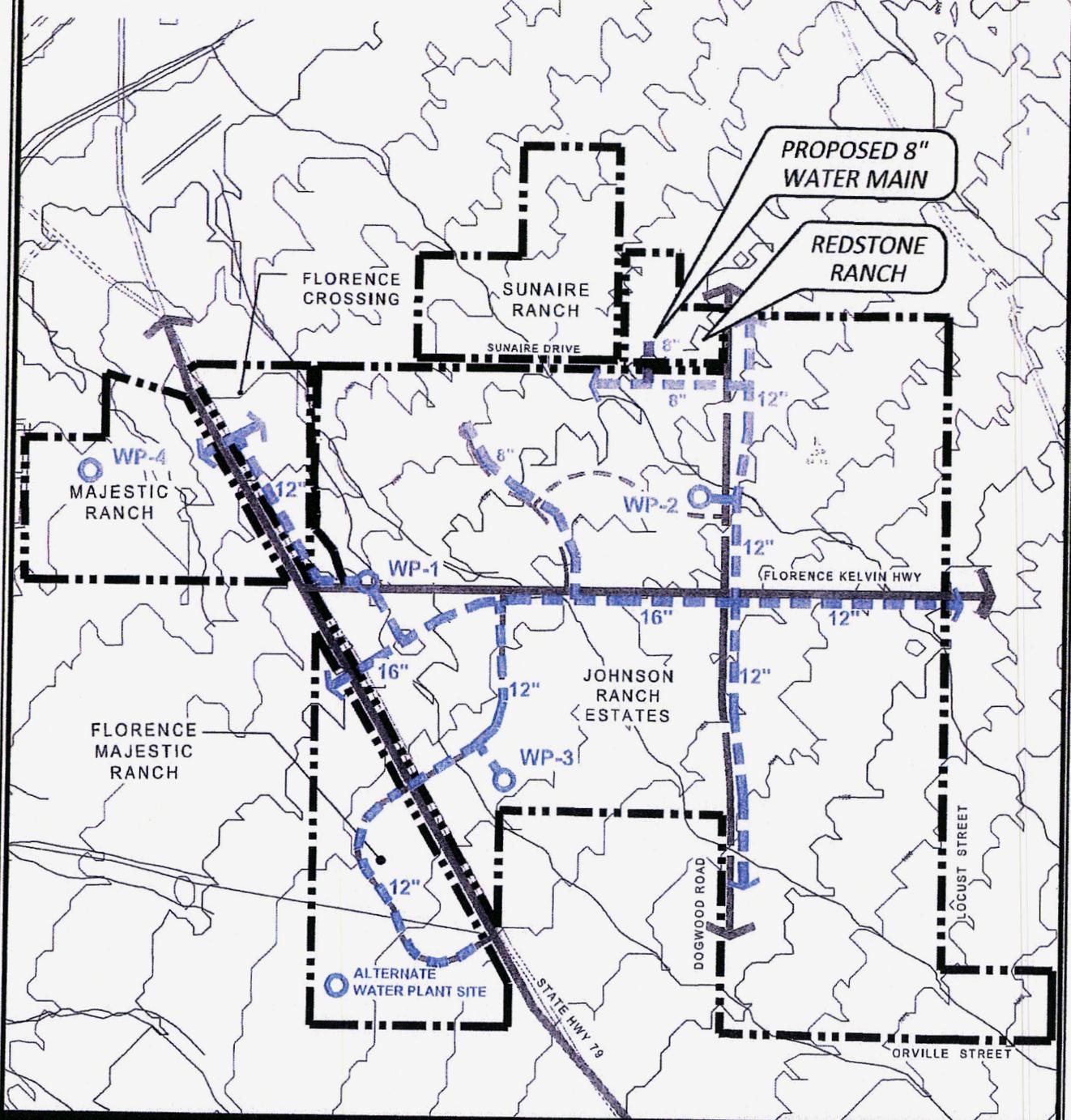
1. TOTAL SITE AREA: 30 ACRES.
2. TOTAL NUMBER OF DWELLING UNITS: 120



**Legend of Symbols**

 PROPOSED WATER MAIN

 WP-2  
 PROPOSED WATER PLANT, WHICH INCLUDES WELL, STORAGE TANK AND BOOSTER STATION



**PROPOSED 8" WATER MAIN**

**REDSTONE RANCH**

FLORENCE CROSSING

SUNAIRE RANCH

SUNAIRE DRIVE

WP-4  
 MAJESTIC RANCH

WP-1

WP-2

FLORENCE KELVIN HWY

FLORENCE MAJESTIC RANCH

JOHNSON RANCH ESTATES

WP-3

ALTERNATE WATER PLANT SITE

STATE HWY 79

DOGWOOD ROAD

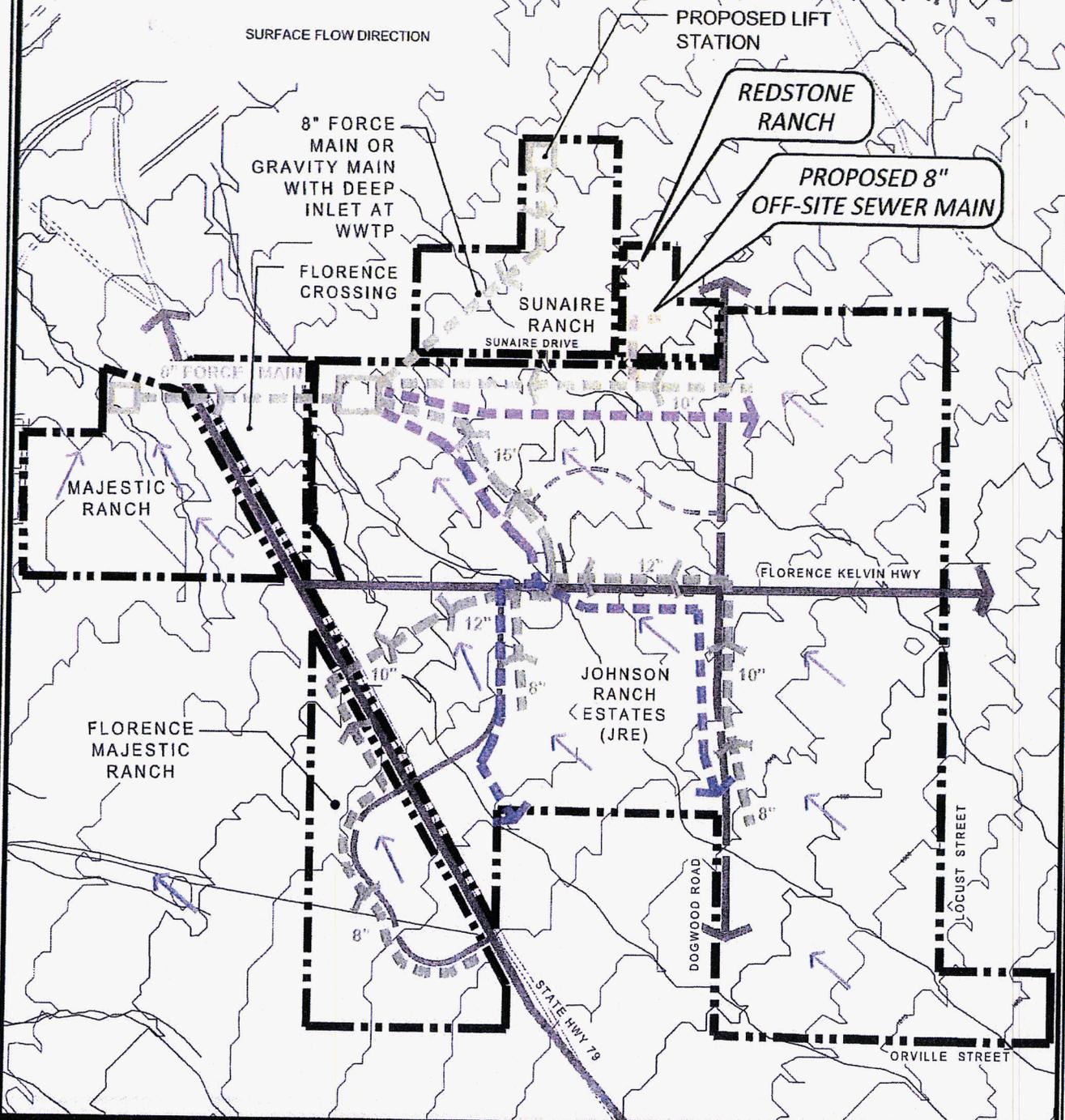
LOCUST STREET

ORVILLE STREET



**Legend of Symbols**

-  PROPOSED SEWER MAIN
-  PROPOSED RECLAIMED LINE
-  PROPOSED OFF-SITE SEWER MAIN
-  PROPOSED WASTEWATER TREATMENT PLANT
-  SURFACE FLOW DIRECTION



## APPENDICES

## REDSTONE RANCH

### LEGAL DESCRIPTION

A parcel of land located in a portion of the Northeast Quarter of Section 7, Township 5 South, Range 10 East, Gila and Salt River Meridian, Pinal County, Arizona, more particularly described as follows:

The NW Quarter of the SE Quarter of the NE Quarter of said Section 7, and

The South Half of the SE Quarter of the NE Quarter of said Section 7.

Except any portion lying within the adjacent dedicated road rights of way.

Said parcel containing 30 acres +/-.

## **FLORENCE 157**

A Portion of the NW ¼ of Section 29, T5S, R10E  
Pinal County, Arizona

Water and Wastewater Analysis  
Southwest Environmental Utilities LLC Service Area

August 21, 2013

**DRAFT**

*Prepared for:*

Hanna 120 Holdings, LLC

*Prepared by:*

The WLB Group, Inc.  
4444 East Broadway  
Tucson, Arizona 85711  
(520) 881-7480 Phone  
(520) 881-7492 Fax

WLB No. 213008-A-001

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- Exhibit 5 – Proposed Wastewater System Improvements

**APPENDICES**

- Appendix A – Legal Description

## 1.0 INTRODUCTION

### 1.1 General

The Florence 157 project consists of approximately 157 acres located in a portion of the Northwest Quarter of Section 29, Township 5 South, Range 10 East, Pinal County, Arizona. Please refer to Exhibit 1: Location Map.

This report serves to quantify the water and wastewater demands and infrastructure needs for the project, as it is planned for inclusion in the proposed Southwest Environmental Utilities LLC CC&N area. The property is located approximately one mile south of the proposed CC&N area. Please refer to Exhibit 2: Southwest Environmental Utilities LLC Proposed CC&N Area.

### 1.2 Land Use Plan

The property is proposed for single family residential uses with a target of 628 residential dwelling units (DU) as shown on Exhibit 3: Conceptual Land Use Plan. The land use plan for Florence 157 consists of 157 acres planned for a residential density of 4 dwelling units per acre for a total of 628 dwelling units.

### 1.3 Site Conditions

The property is currently undeveloped. The topography of the site is characterized as gently sloping from southeast to northwest. There are several washes running through the site. The property slopes from southeast to northwest with a high elevation of approximately 1,710' at the southeast corner and a low elevation of 1,677' at the northwest corner. The average cross slope is in the range of 1% to 2%.

## 2.0 WATER SYSTEM REQUIREMENTS

The following water system demands and requirements are based on the Southwest Environmental Utilities LLC Design Guidelines.

### Water Use:

- 2.6 people/Dwelling Unit (DU) @ 100 gallons per day (gpd)
- Average Day (AD) =  $2.6 \times 100 = 260$  gallons per unit per day (gpud)
- Peak Day (PD) =  $2 \times \text{AD}$
- Peak Hour (PH) =  $3.5 \times \text{AD}$
- Commercial – AD = 1500 gallons per acre per day (gpac)
  - PD =  $2 \times \text{AD}$
  - PH =  $3.5 \times \text{AD}$

### Supply

Wells: Minimum supply from wells pumping to storage to meet peak day.

Booster: Minimum booster capacity to meet peak hour (PH) demand plus fire flow (FF).

Storage:

- Usable volume equal to AD minimum (50% PD) per ADEQ + fire flow (FF)

Pipe Sizes:

- Sized for PH with provisions for fire flow.

**Table 1: Water Demands**

No. DU	Unit Factor	Average Day Demand (gpd)	Peak Day Demand (gpd)	Peak Hour Demand (gpd)	Storage Demand (gpd)
628	260 gpud	163,280 gpd	326,560 gpd	571,480 gpd	283,280 gpd

These demands will be met by the installation of additional water production, storage, pumping and distribution infrastructure and connection to the proposed Southwest Environmental Utilities LLC water system planned to serve Johnson Ranch Estates (JRE) and other projects within the proposed CC&N. Please refer to Exhibit 4: Proposed Water System Improvements.

### 3.0 PROPOSED WATER SYSTEM IMPROVEMENTS

The proposed water system improvements to serve Florence 157 are shown on Exhibit 4. The system improvements consist of the following items:

- 12" water main that will connect the site to the overall water system infrastructure planned for Johnson Ranch Estates. This water main is approximately 7,200 linear feet.
- Minimum of 200,000 gallon storage reservoir with 1,400 gpm of booster pumping capacity to meet Peak Hour (PH) and fire flow (FF).

#### 4.0 WATER SYSTEM COSTS

The proposed water system costs required to serve Florence 157 are estimated to be \$2,119,220 as shown in Table 2.

**Table 2: Estimated Water System Improvement Costs**

Item	Quantity	Unit	Unit Cost	Total
<b>Off-Site Water System</b>				
12" Water Main Extension Incl. Valves	7,200	LF	\$40	\$288,000
Storage Tank	1	LS	\$200,000	\$200,000
Booster Station	1	LS	\$350,000	\$350,000
Subtotal				\$838,000
<b>On-Site Water System</b>				
	628	LOT	\$1,600	\$1,004,800
Subtotal				\$1,842,800
15% Contingency				\$276,420
<b>Total</b>				<b>\$2,119,220</b>

#### 5.0 WASTEWATER SYSTEM REQUIREMENTS

The following sewer demands for the project are shown in the tables below and are based on the Southwest Environmental Utilities LLC Design Guide :

##### Sewer Demand

- 80 gallons per capita per day (gpcd) for all residential areas requiring sewers (ADWF)
- 2.6 persons/du for all Family Community Residences
- 1,000 gallons per acre per day (gpac) for all commercial (ADWF)
- 3.0 Peaking Factor for all commercial (PDWF)
- 250 gpac for wet weather flow infiltration and inflow

Note: ADWF = Average Dry Weather Flow  
 PDWF = Peak Dry Weather Flow  
 WWF = Wet Weather Flow

##### Sewage Treatment Plant

- Per the Southwest Environmental Utilities LLC Design Guide, the sewer treatment plant capacity required to serve the project is based on a minimum 187.2 gpud + commercial @ 1,000 gpac.

## 6.0 PROPOSED WASTEWATER SYSTEM IMPROVEMENTS

This project will utilize 8" gravity sewers to collect wastewater, which will be conveyed to the northwest corner of the site, which is the low point. At this point, the on-site gravity sewers will connect with a 8" gravity sewer that will extend to the north along the east line of Section 19 and then turn to the northwest and follow the right-of-way line for State Highway 79 until it reaches the Johnson Ranch Estates project. Here, this 8" line will connect to a 8" line that is planned as part of the wastewater infrastructure within Johnson Ranch Estates, and that connects to the proposed wastewater treatment plant. The length of this off-site gravity main is approximately 7,200 linear feet.

## 7.0 WASTEWATER SYSTEM COSTS

The proposed wastewater system costs required to serve Florence 157 are estimated to be \$1,672,560 as shown below in Table 3.

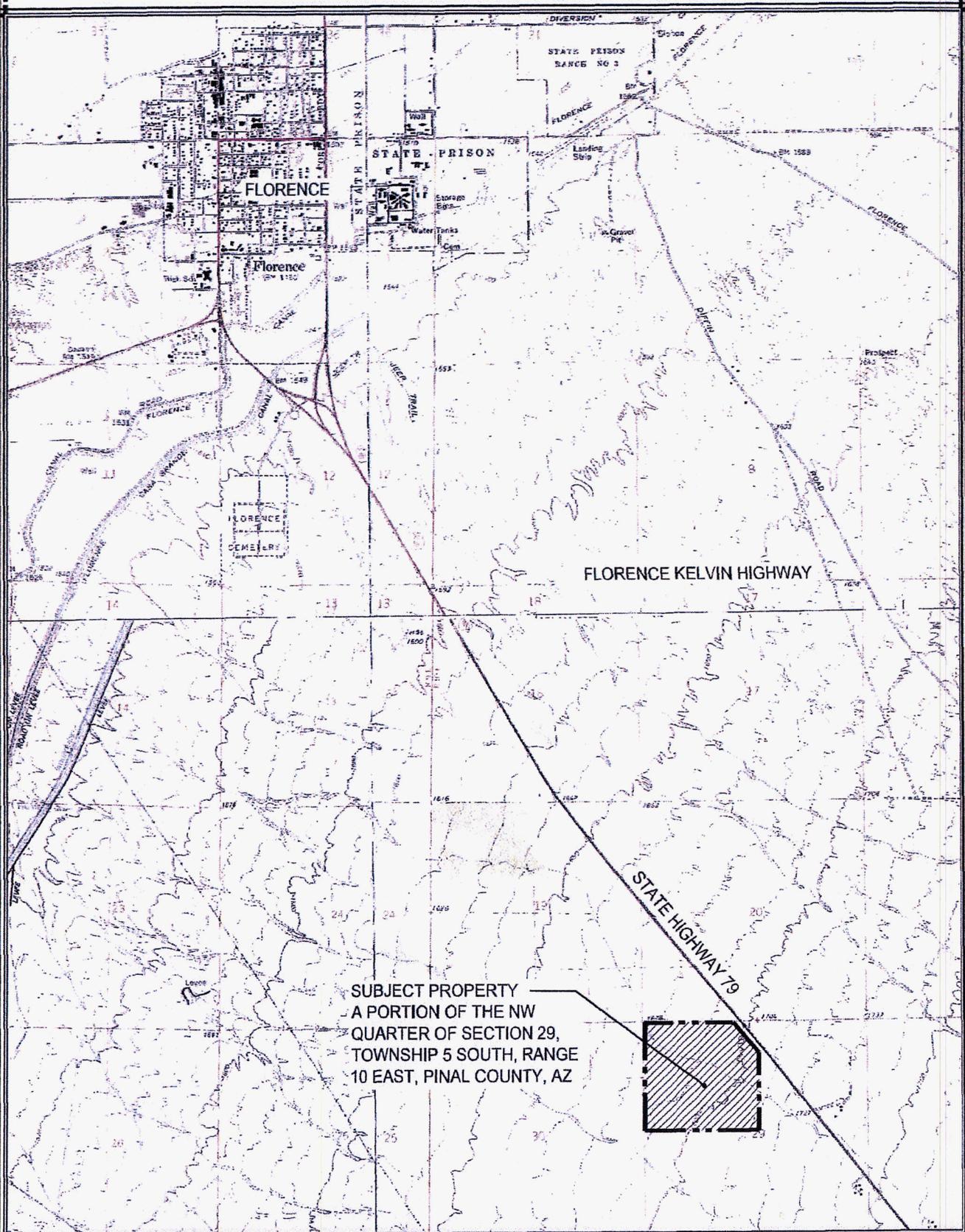
**Table 3: Estimated Wastewater System Improvement Costs**

Item	Quantity	Unit	Unit Cost	Total
<b>Off-Site Sewer System</b>				
8" Sewer Main Incl. Manholes	7,200	LF	\$45	\$324,000
<b>On-Site Sewer System</b>	628	LOT	\$1,800	\$1,130,400
Subtotal				\$1,454,400
15% Contingency				\$218,160
<b>Total</b>				<b>\$1,672,560</b>

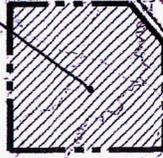
## 8.0 PHASING

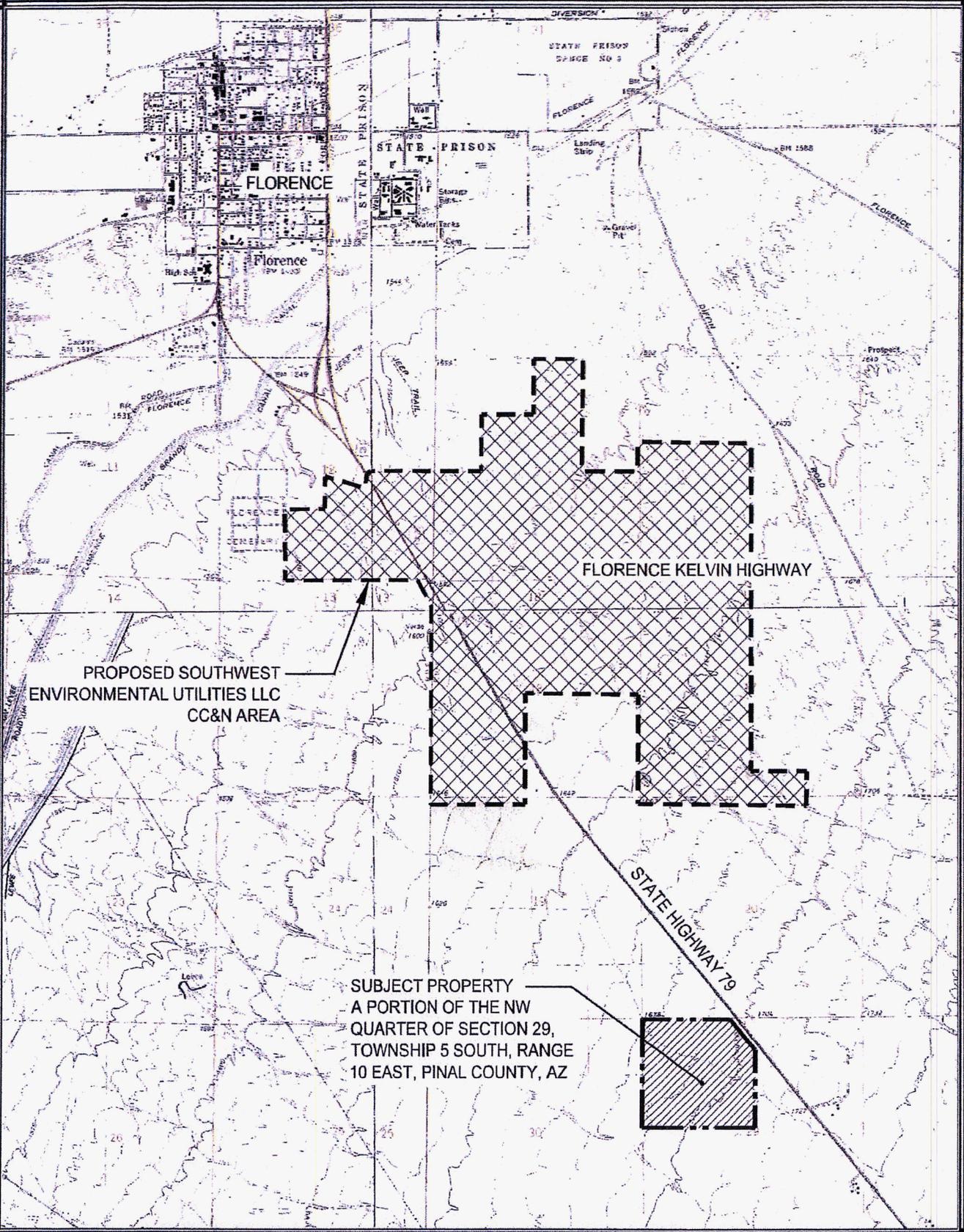
This property is anticipated to be developed in Phase II of the overall development, and is anticipated to be under construction in 2017.

**EXHIBITS**



SUBJECT PROPERTY  
 A PORTION OF THE NW  
 QUARTER OF SECTION 29,  
 TOWNSHIP 5 SOUTH, RANGE  
 10 EAST, PINAL COUNTY, AZ



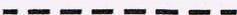
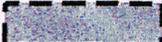


PROPOSED SOUTHWEST ENVIRONMENTAL UTILITIES LLC CC&N AREA

SUBJECT PROPERTY  
 A PORTION OF THE NW QUARTER OF SECTION 29,  
 TOWNSHIP 5 SOUTH, RANGE 10 EAST, PINAL COUNTY, AZ

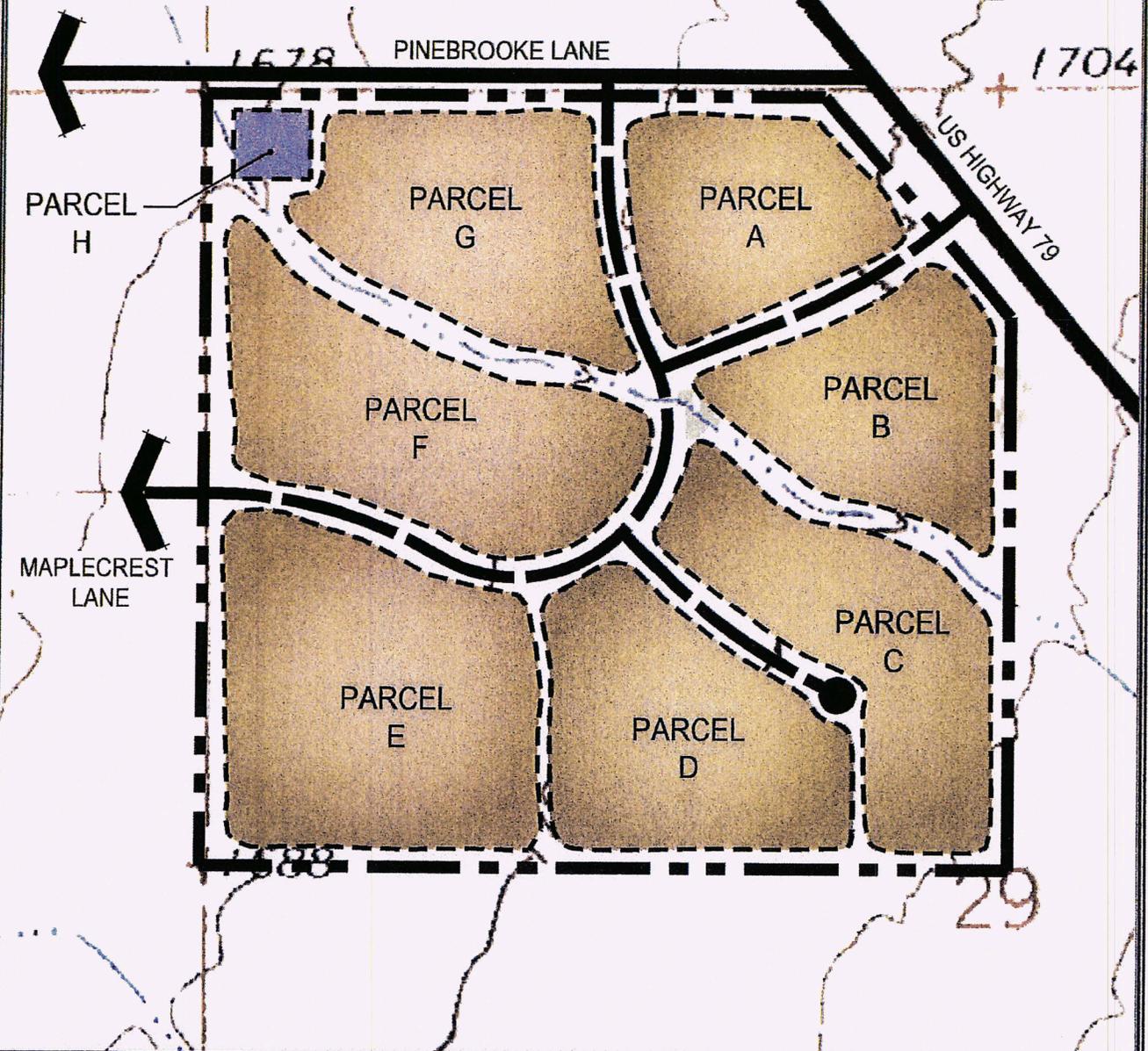


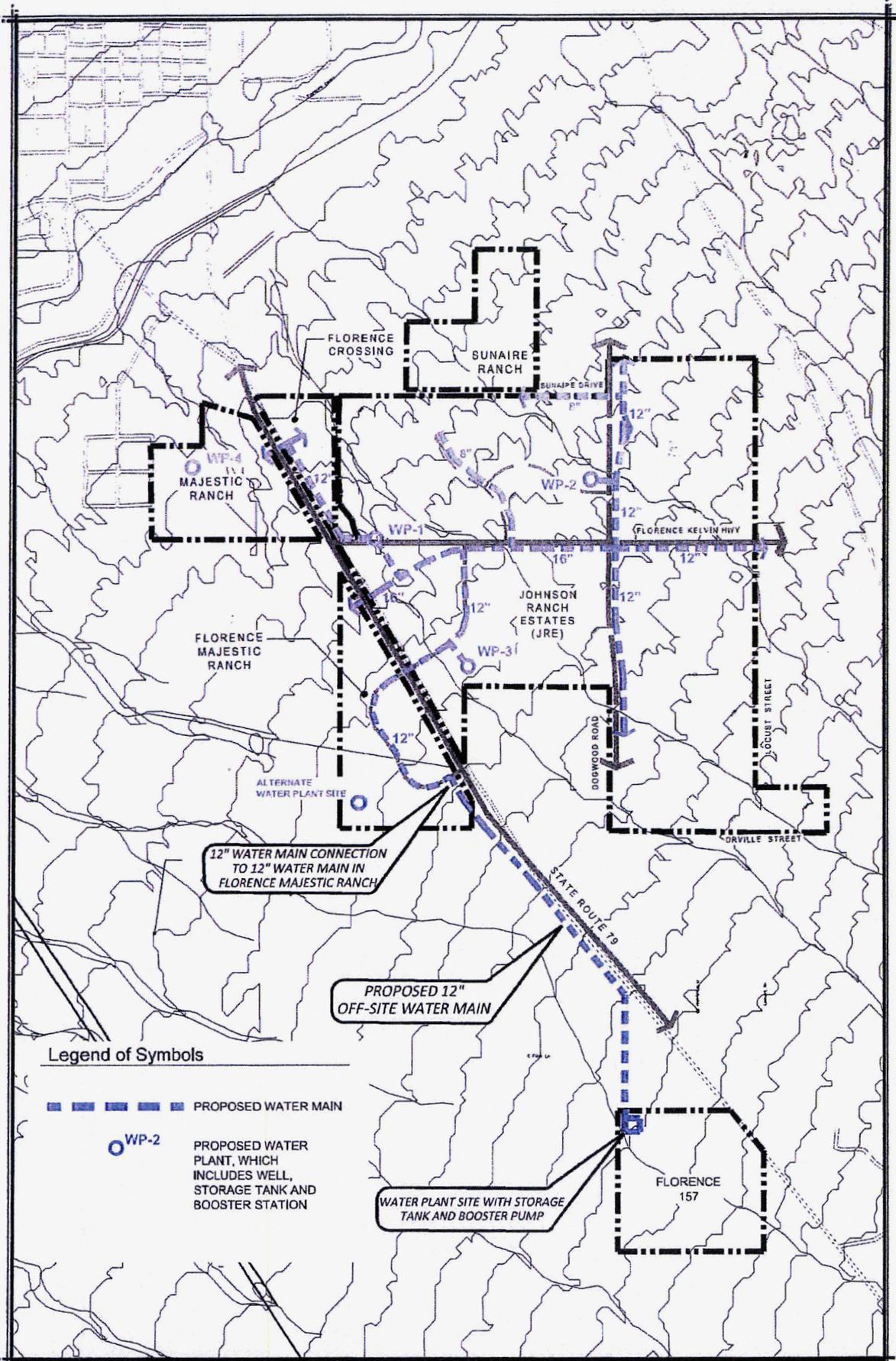
# LEGEND

-  PROPERTY BOUNDARY
-  DEVELOPMENT PARCEL BOUNDARY
-  PROPOSED ROAD
-  MEDIUM DENSITY RESIDENTIAL AREA
-  UTILITY CAMPUS

# NOTES

1. TOTAL SITE AREA: 157 ACRES.
2. TOTAL NUMBER OF DWELLING UNITS: 628





Legend of Symbols

— PROPOSED WATER MAIN

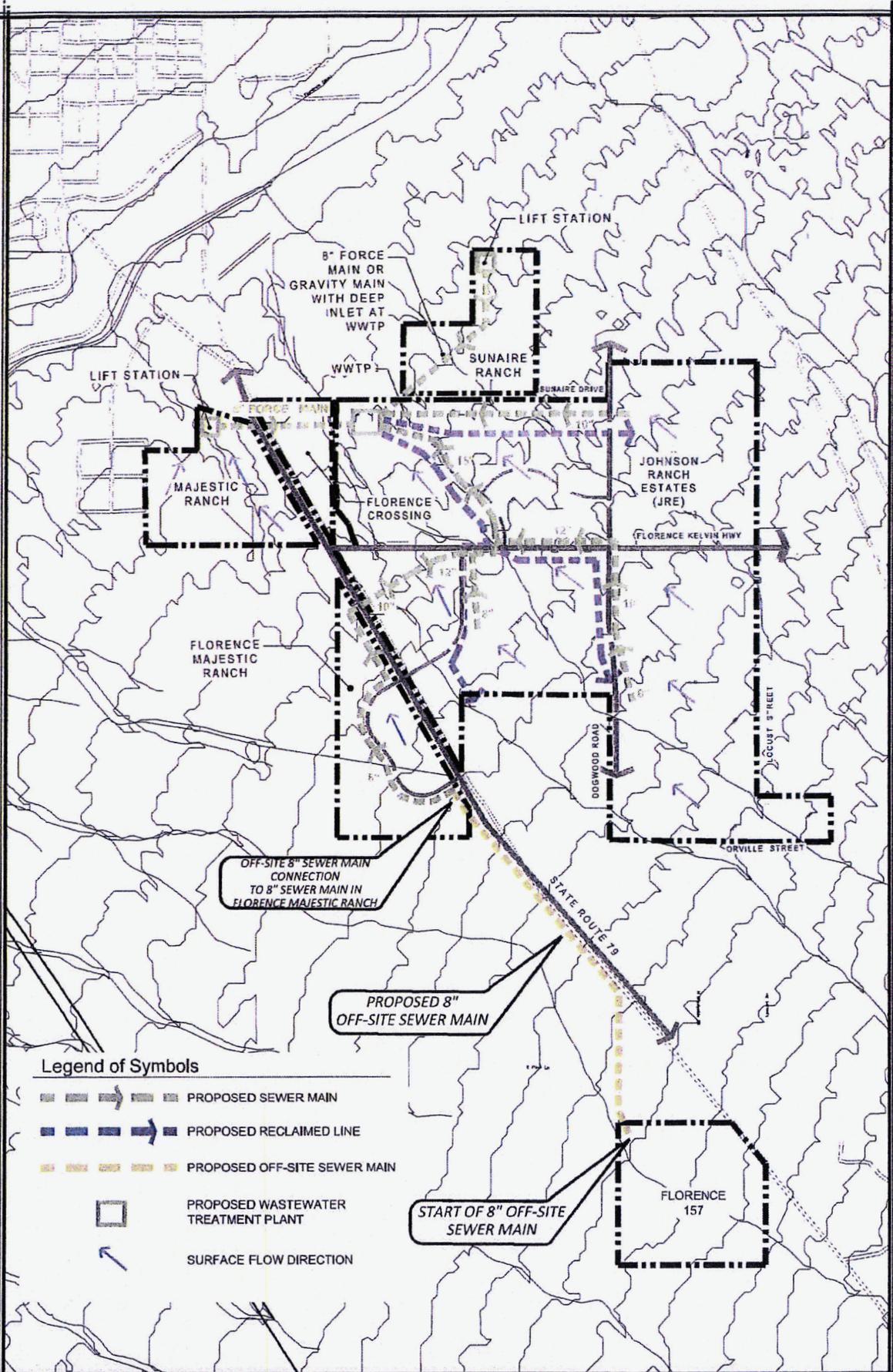
WP-2  
 PROPOSED WATER PLANT, WHICH INCLUDES WELL, STORAGE TANK AND BOOSTER STATION

WATER PLANT SITE WITH STORAGE TANK AND BOOSTER PUMP

12" WATER MAIN CONNECTION TO 12" WATER MAIN IN FLORENCE MAJESTIC RANCH

PROPOSED 12" OFF-SITE WATER MAIN





**Legend of Symbols**

-  PROPOSED SEWER MAIN
-  PROPOSED RECLAIMED LINE
-  PROPOSED OFF-SITE SEWER MAIN
-  PROPOSED WASTEWATER TREATMENT PLANT
-  SURFACE FLOW DIRECTION

**EXHIBIT 5: PROPOSED WASTEWATER SYSTEM IMPROVEMENTS**



## APPENDICES

**FLORENCE 157**

**LEGAL DESCRIPTION**

A parcel of land located in a portion of the Northwest Quarter of Section 29, Township 5 South, Range 10 East, Gila and Salt River Meridian, Pinal County, Arizona, more particularly described as follows:

All that portion of the NW Quarter of said Section 29 lying southwesterly of Highway 79,

Except any portion lying within the adjacent dedicated road rights of way.

Said parcel containing 157 acres +/-.

# Attachment 3

## Construction Timeline

### Phase I:

Construction of WP-1 and associated offsite water infrastructure will begin in January 2014 and completion is anticipated July 1 2014.

Construction of WP-2 and associated offsite water infrastructure will begin July 1 2014 and completion is anticipated January 1 2015.

Construction of the Wastewater Treatment Plant and offsite sewer infrastructure will begin in April 2014 and is expected to be completed in September 2014.

### Phase II:

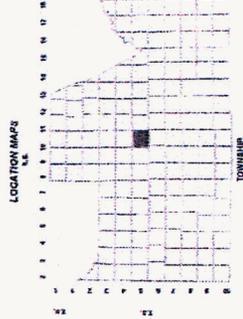
Construction of WP-3 and associated offsite water infrastructure will begin in January 2017 and completion is anticipated in July 1 2017.

Construction of WP-4 and associated offsite water infrastructure will begin July 1 2017 and completion is anticipated January 1 2018.

Construction for the Redstone Ranch and Florence 157 subdivisions will begin in January of 2017.

# Attachment 4

BOOK - MAP  
**206-16**  
SEC. 29 T.05S. R.10E.



TOWNSHIP		RANGE	
1	2	3	4
5	6	7	8
9	10	11	12
13	14	15	16
17	18	19	20
21	22	23	24
25	26	27	28
29	30	31	32
33	34	35	36
37	38	39	40
41	42	43	44



Revised: 12/19/2012  
By: T.H.



PINAL COUNTY  
*Local open opportunities*

Pinal County Assessor

THIS MAP DOES NOT REPRESENT A SURVEY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA DELINEATED HEREIN, EITHER EXPRESSED OR IMPLIED BY PINAL COUNTY OR ITS EMPLOYEES. THIS MAP IS COMPILED FROM OFFICIAL RECORDS, INCLUDING PLATS, SURVEYS, RECORDED DEEDS AND CONTRACTS, AND IS NOT INTENDED FOR THE PINAL COUNTY ASSESSOR'S OFFICE PURPOSES.



Owner: Hanna 120 Holdings, LLC  
Size: 157 acres  
Development: Florence 157

ARIZONA  
G-87228

SEE MAP 206-01

SEE MAP 206 - 17

SEE MAP 206-14

SEE MAP 206-08\_1

SEE MAP 206-18

SEE MAP 206-01

CACTUS FOREST RD.  
SEE MAP 206-01

# Parcel Search

[Start a New Search](#)

-  [Search Results \(60 Entries\)](#)
-  [Parcel Details \(206-16-001A\)](#)

[Link to This Parcel](#) [Print View](#)

Parcel Number 206-16-001A shows the following information for Tax Year: 2014 [Tax Year Chart](#)

<b>Parcel Number:</b> 206-16-001A ( <a href="#">Taxing Information</a> )		<b>Primary Owner:</b> HANNA 120 HOLDINGS LLC ETAL	
<b>Section:</b> 29	<b>Township:</b> 5S	<b>Range:</b> 10E	<b>Name 2:</b>
<b>Atlas Number:</b> 063-29	<b>Map:</b> <a href="#">View Parcel Map</a>	<b>In C/O:</b> C/O RAVEN II HOLDINGS	
<b>Property Description:</b> (What is this?)		<b>Tax Bill Mailing Address</b>	
A PORTION OF NW/4 OF SEC 29-5S-10 SOUTHWESTERLY OF HWY 79 AKA PCL A BK-10 OF SURVEYS PG-26 156.81 AC		<b>Address:</b>	4616 E FIGHTER ACES DR
		<b>City:</b>	MESA
		<b>State:</b>	AZ
		<b>Zip Code:</b>	85215

<b>Date of Sale:</b> 8/16/2005	<b>Property Address (Location):</b>
<b>Sale Amount:</b> \$3,532,500.00	
<b>Document(s):</b>	<b>Subdivision:</b>
2005-105252 2004-033060	<b>Unit:</b> <b>Block:</b> <b>Lot:</b> <b>Phase:</b>
	<b>Cabinet:</b> <b>Slide:</b>

<b>Imp:</b> 0.00	<b>Item:</b>
<b>Const ear:</b> 0	<b>Grnd Flr Perim:</b> 0
<b>Stories:</b>	<b>Total Sq. Ft.:</b> 0

<b>Parcel Size:</b>	156.81
<b>Size Indicator:</b>	Acres
<b>Tax Area Code:</b>	0162 (Rates current as of 2012)
<b>Use Code:</b>	0004
<b>Land Legal Class:</b>	02RL - Vacant Land / Non-Profit Imp
<b>Impr. Legal Class:</b>	
<b>Full Cash Value (FCV):</b>	\$282,439.00
<b>Limited Value (LPV):</b>	\$282,439.00
<b>Real Property Ratio:</b>	

<b>Assessed FCV:</b>	\$45,190.00
<b>Assessed LPV:</b>	\$45,190.00
<b>Attached Personal Property:</b>	No Personal Property Listed

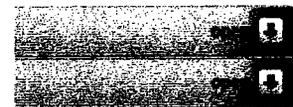
The data presented on this website is deemed reliable but not guaranteed. This information should be used for informational use only and does not constitute a legal document for the description of these properties. The Pinal County Assessor's Office disclaims any responsibility or liability for any direct or indirect damages resulting from the use of this data.



# Parcel Search

[Start a New Search](#)

-  **Search Results (181 Entries)**
-  **Parcel Details (206-01-0230)**



[Link to This Parcel](#) [Print View](#)

**Parcel Number 206-01-0230 shows the following information for Tax Year:** 2014 [Tax Year Chart](#)

<b>Parcel Number:</b> 206-01-0230 ( <a href="#">Taxing Information</a> )		<b>Primary Owner:</b> GH CAPITAL LLC	
<b>Section:</b> 07	<b>Township:</b> 05S	<b>Range:</b> 10E	<b>Name 2:</b>
<b>Atlas Number:</b> 063-07	<b>Map:</b> <a href="#">View Parcel Map</a>	<b>In C/O:</b>	
<b>Property Description:</b> (What is this?)		<b>Tax Bill Mailing Address</b>	
S1/2 SE NE NW SE NE OF SEC 7-5S-10E 30.00 AC		<b>Address:</b>	5108 N 40TH ST STE 3
		<b>City:</b>	PHOENIX
		<b>State:</b>	AZ
		<b>Zip Code:</b>	85018

<b>Date of Sale:</b>	6/28/2013
<b>Sale Amount:</b>	\$112,500.00
<b>Document(s):</b>	
	<a href="#">2013-054056</a>
	<a href="#">2010-057701</a>
	<a href="#">2004-074008</a>

<b>Property Address (Location):</b>			
14416 N DOGWOOD RD FLORENCE AZ 85132			
<a href="#">VIEW MAP</a>			
Property Address refers to a geographical location: it may not match the mailing address city or zip code			
<b>Subdivision:</b>			
<b>Unit:</b>	<b>Block:</b>	<b>Lot:</b>	<b>Phase:</b>
<b>Cabinet:</b>	<b>Slide:</b>		

<b>Imp:</b> 1.00	<b>Item:</b> Mobile Home Yard Improvements
<b>Const ear:</b> 1996	<b>Grnd Flr Perim:</b> 1
<b>Stories:</b>	

<b>Parcel Size:</b>	30.00
<b>Size Indicator:</b>	Acres
<b>Tax Area Code:</b>	<u>0162</u> (Rates current as of 2012)
<b>Use Code:</b>	8734

<b>Land Legal Class:</b>	02RL - Vacant Land / Non-Profit Imp
<b>Impr. Legal Class:</b>	03I - Owner Occupied Residential
<b>Full Cash Value (FCV):</b>	\$88,536.00
<b>Limited Value (LPV):</b>	\$88,536.00
<b>Real Property Ratio:</b>	
<b>Assessed FCV:</b>	\$12,483.00
<b>Assessed LPV:</b>	\$12,483.00

<b>Attached Personal Property:</b>	No Personal Property Listed
------------------------------------	-----------------------------

The data presented on this website is deemed reliable but not guaranteed. This information should be used for informational use only and does not constitute a legal document for the description of these properties. The Pinal County Assessor's Office disclaims any responsibility or liability for any direct or indirect damages resulting from the use of this data.

**SOUTHWEST ENVIRONMENTAL UT.**

5230 East Shea Boulevard, Suite 200 \* Scottsdale, Ari;  
PH: (480) 998-3300; FAX: (480) 483-7908



0000148042

ORIGINAL

11 September 2013

RECEIVED  
2013 SEP 11 P 1:31  
AZ CORP COMMISSION  
DOCKET CONTROL

Blessing N. Chukwu  
Executive Consultant III  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix AZ 85007-2927

Re: Southwest Environmental Utilities, L.L.C. – Application for a Certificate of Convenience and Necessity (CC&N) to provide Water and Wastewater.  
Docket No. WS-20878A-13-0065  
**Compliance with Insufficiency Letter of April 22, 2013**

Dear Ms. Chukwu:

Please see the CORRECTED Attachment 2 and Attachment 3 as pertain to the below requirements:

dd. A backflow prevention tariff that complies with Commission standards, if not already on file; (Please use template on ACC's website)

*Response: Please see Attachment 2*

ee. A curtailment tariff that complies with Commission standards, if not already on file; (Please use template on ACC's website)

*Response: Please see Attachment 3*

Thank you for the opportunity of complying with these Insufficiency Demands.

Regards,

Michelle E. Belaski  
SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C.

cc: Docket Control  
Del Smith  
Lyn Farmer  
Brian Bozzo  
Connie Walczak

Arizona Corporation Commission  
**DOCKETED**  
SEP 11 2013

DOCKETED BY  
VIR

---

# Attachment 2

**CROSS-CONNECTION OR BACKFLOW TARIFF**

**PURPOSE:**

The purpose of this tariff is to protect SOUTHWEST ENVIRONMENTAL UTILITIES, LLC ("Company") water from the possibility of contamination caused by the backflow of contaminants that may be present on the customer's premises by requiring the installation and periodic testing of backflow-prevention assemblies pursuant to the provisions of the Arizona Administrative Code ("A.A.C.") R14-2-405.B.6 and A.A.C. R18-4-215.

**REQUIREMENTS:**

In compliance with the Rules of the Arizona Corporation Commission ("Commission") and the Arizona Department of Environmental Quality ("ADEQ"), specifically A.A.C. R14-2-405.B.6 and A.A.C. R18-4-215 relating to backflow prevention:

1. The Company may require a customer to pay for and to have installed a backflow-prevention assembly if A.A.C. R18-4-215.B or C applies.
2. A backflow-prevention assembly required to be installed by the customer under Paragraph 1 of this tariff shall comply with the requirements set forth in A.A.C. R18-4-215.D and E.
3. Subject to the provisions of A.A.C. R14-2-407 and 410, and in accordance with Paragraphs 1 and 7 of this tariff, the Company may terminate service or may deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff
4. The Company shall give any existing customer who is required to install a backflow-prevention assembly written notice of said requirement. If A.A.C. R14-2-410.B.1.a. is **not** applicable, the customer shall be given thirty (30) days from the time such written notice is received in which to comply with this notice. If the customer can show good cause as to why he cannot install the backflow-prevention assembly within thirty (30) days, the Company or Commission Staff may suspend this requirement for a reasonable period of time.

---

**\*\*FOR OFFICIAL USE ONLY\*\***

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

5. Testing shall be in conformance with the requirements of A.A.C. R18-4-215.F. The Company may require the customer to pay to have the backflow-prevention assembly tested as long as the Company does not require an unreasonable number of tests.
6. The customer shall provide the Company with records of installation and testing. For each backflow-prevention assembly, these records shall include:
  - a. assembly identification number and description;
  - b. location
  - c. date(s) of test(s);
  - d. description of repairs and recommendations for repairs made by tester; and
  - e. the tester's name and certificate number.
7. In the event the backflow-prevention assembly does not function properly or fails any test, and an obvious hazard as contemplated under A.A.C. R14-2-410.B.1.a. exists, the Company may terminate service immediately and without notice. The backflow-prevention assembly shall be repaired or replaced by the customer and retested.
8. In the event the backflow-prevention assembly does not function properly or fails any test, or in the event that a customer fails to comply with the testing requirement, and A.A.C. R14-2-410.B.1.a. is **not** applicable, the backflow-prevention assembly shall be repaired or replaced within fourteen (14) days of the initial discovery of the deficiency in the assembly or its function. Failure to remedy the deficiency or dysfunction of the assembly, or failure to retest, shall be grounds for termination of water service in accordance with A.A.C. R14-2-410.

---

**\*\*FOR OFFICIAL USE ONLY\*\***

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

# Attachment 3

**TARIFF SCHEDULE**

Utility: WATER/WASTEWATER  
Docket No.: WS-20878A-13-0065  
Phone No.: 480-998-3300

Tariff Sheet No.: 1 of 4  
Decision No.: \_\_\_\_\_  
Effective: \_\_\_\_\_

**CURTAILMENT PLAN FOR: SOUTHWEST ENVIRONMENTAL UTILITIES, LLC**  
(Template 102109)

ADEQ Public Water System No: \_\_\_\_\_

**SOUTHWEST ENVIRONMENTAL UTILITIES, LLC**

\_\_\_\_\_  
("Company"), is authorized to curtail water service to all customers within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

**Stage 1 Exists When:**

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, the Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

**Stage 2 Exists When:**

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

## TARIFF SCHEDULE

Utility: WATER/WASTEWATER  
Docket No.: WS-20878A-13-0065  
Phone No.: 480-998-3300

Tariff Sheet No.: 2 of 4  
Decision No.: \_\_\_\_\_  
Effective: \_\_\_\_\_

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

### **Stage 3 Exists When:**

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, the Company shall request the customers to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

### Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Beginning with Stage 3, the Company shall post at least \_\_\_\_\_ signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. The Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than Stage 3 until a permanent solution has been implemented.

## TARIFF SCHEDULE

Utility: WATER/WASTEWATER  
Docket No.: WS-20878A-13-0065  
Phone No.: 480-998-3300

Tariff Sheet No.: 3 of 4  
Decision No.: \_\_\_\_\_  
Effective: \_\_\_\_\_

### Stage 4 Exists When:

- a. Company's total water storage or well production has been less than 25 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- Washing of any vehicle is prohibited
- The use of water for dust control or any outdoor cleaning uses is prohibited
- The use of drip or misting systems of any kind is prohibited
- The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- The use of construction water is prohibited
- Restaurant patrons shall be served water only upon request
- Any other water intensive activity is prohibited

The Company's operation of its standpipe service is prohibited. The addition of new service lines and meter installations is prohibited.

### Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Company shall post at least \_\_\_\_\_ signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.

**TARIFF SCHEDULE**

Utility: WATER/WASTEWATER  
Docket No.: WS-20878A-13-0065  
Phone No.: 480-998-3300

Tariff Sheet No.: 4 of 4  
Decision No.: \_\_\_\_\_  
Effective: \_\_\_\_\_

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply or must otherwise provide emergency drinking water for its customers until a permanent solution has been implemented.

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply with two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

**ORIGINAL**  
**SOUTHWEST ENVIRONMENTAL UTILITIES**



5230 East Shea Boulevard, Suite 200 \* Scottsdale, Ariz  
PH: (480) 998-3300; FAX: (480) 483-7908

RECEIVED

19 September 2013

2013 SEP 19 P 3: 01

AZ CORP COMMISSION  
DOCKET CONTROL

Blessing N. Chukwu  
Executive Consultant III  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

Re: SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C. APPLICATION FOR APPROVAL OF  
CERTIFICATE OF CONVENIENCE AND NECESSITY  
Docket No. WS-20878A-13-0065  
**ADDITIONAL INFORMATION REQUESTED**

As requested during the meeting held on September 13, 2013, Southwest Environmental Utilities, LLC is submitting the following supplemental information:

- Map delineating each development included in the Southwest Environmental Utilities, LLC CC&N, along with the owner and size of each development, Attachment #1
- Request for service letters from Owners of Redstone Ranch and Florence 157, Attachment #2

If you have any questions or comments, please feel free to contact Katherine Nierva at (480) 998-3300.

Sincerely,

Daniel R. Hodges  
SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C.

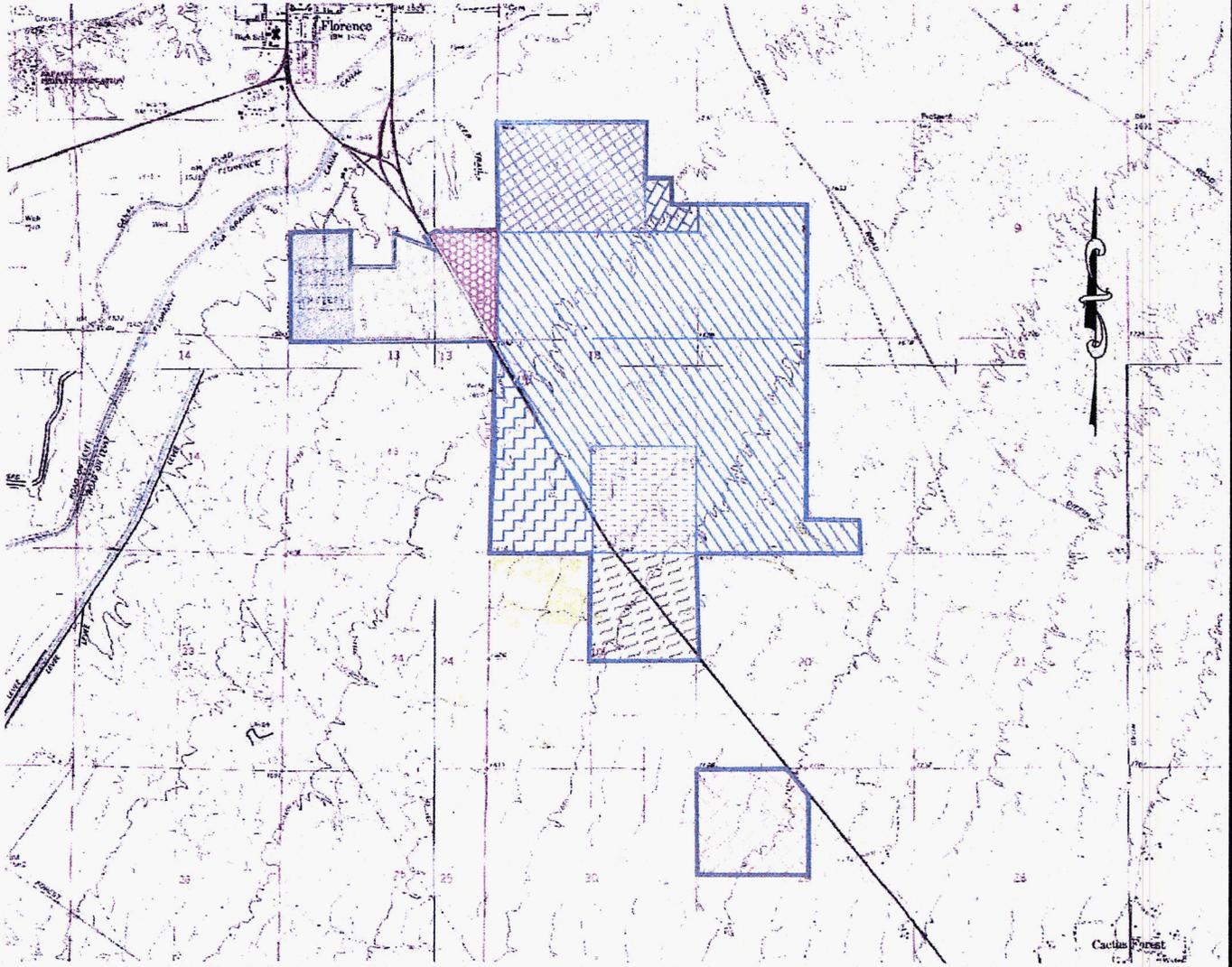
cc: Michelle Belaski  
Katherine Nierva

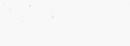
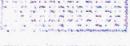
Arizona Corporation Commission  
DOCKETED

SEP 19 2013

DOCKETED BY

# Attachment 1



PARCEL	OWNER	ACRES	
	REDSTONE RANCH	G H CAPITAL, LLC	30
	SEE SHEET 2		
	FLORENCE CROSSING	FLORENCE CROSSING LAND PARTNERS, LLC	45
	MAJESTIC RANCH	CIVIC PROPERTIES, LLC	134
	JOHNSON RANCH ESTATES	JOHNSON RANCH ESTATES, LLC	1112
	FLORENCE MAJESTIC RANCH	FLORENCE / MAJESTIC RANCH, LLC	154
	FLORENCE 157	HANNA 120 HOLDINGS, LLC	157
		TOWN OF FLORENCE	99.6
	STATE LAND	STATE OF ARIZONA	160
		TOWN OF FLORENCE	160

 208 BOUNDARY

S:\Specific Engineering\3200\Acad\Acad\Acad\subdivision.dwg Plotter: Sep 19, 2013

SOUTHWEST ENVIRONMENTAL UTILITIES

DRAWN FRB  
DATE 9/2013  
SCALE N.T.S.



**SPECIFIC ENGINEERING, LLC.**  
5310 E. SHEA BOULEVARD SUITE 2  
SCOTTSDALE, ARIZONA 85254  
Phone: (480) 598-6335  
FAX: (480) 598-6437

206-33

SEC. 7 N2 TN.5S RG.10E SEE MAP 206-01

FINISTERRE RANCHETTES

No service request letters received by these owners.

BK. 1 (SUR) - PG. 73  
BK. 1 (SUR) - PG. 93

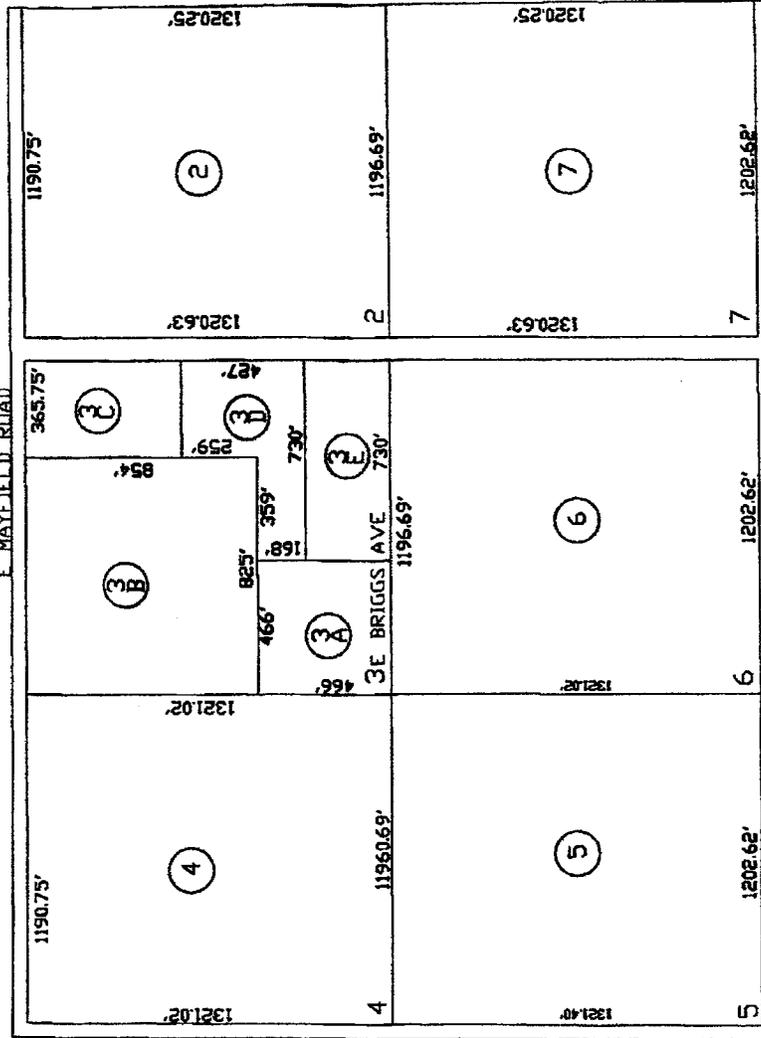
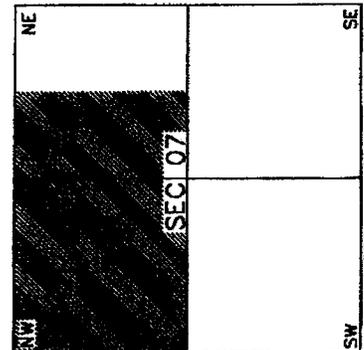
See Attachment for Partial Owners and Sizes

AREA CODE  
0000

SPECIAL DISTRICTS  
000000  
000000

THIS MAP IS FOR TAX PURPOSES ONLY.  
THIS OFFICE WILL NOT ASSUME LIABILITY FOR  
REPRESENTATIONAL, MERCHANTABILITY OR FITNESS.

VICINITY MAP



SEE MAP 202-21

SEE MAP 206-01

THE ORIGINAL PLAT OF THIS SUBDIVISION IS ON FILE WITH THE PINAL COUNTY CLERK'S OFFICE. FOR INFORMATION OF FILE AND COUNTY CALL (602) 968-7100.



SCALE 1" = 600'

06-10-2001

Parcel No.	Owner	Size (Acres)
206-33-0020	CIVIC PROPERTIES LLC	36.20
206-33-003A	FARIMA TAGHABONI LIV TRUST	5.00
206-33-003B	SHAH K G M FIROZ & KONDO YURI TRS	16.00
206-33-003C	TURK GERALD E & CATHERINE M	5.00
206-33-003D	DESIENA PAUL	5.20
206-33-003E	SHAH K G M FIROZ & KONDO YURI REV LIVING	5.00
206-33-0040	BEHRENS TED	36.20
206-33-0050	FLORENCE 40 INVESTMENTS LLC	36.20
206-33-0060	CIVIC PROPERTIES LLC	36.20
206-33-0070	CIVIC PROPERTIES LLC	36.20

# Attachment 2



September 16, 2013

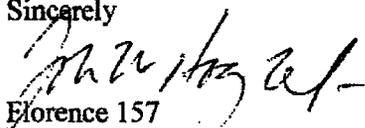
Mr. George H. Johnson, Manager  
Southwest Environmental Utilities, LLC  
5230 East Shea Blvd., Suite 200  
Scottsdale, AZ 85254

RE: Florence 157  
Parcel # 20616001A

Dear Mr. Johnson

Please accept this letter as our formal request to have our 157 acre parcel referenced above be served with water and sewer by Southwest Environmental Utilities, LLC. Please see attached legal description and location map of our parcel.

Sincerely

  
Florence 157  
Managing Partner

# **FLORENCE 157**

## **LEGAL DESCRIPTION**

A parcel of land located in a portion of the Northwest Quarter of Section 29, Township 5 South, Range 10 East, Gila and Salt River Meridian, Pinal County, Arizona, more particularly described as follows:

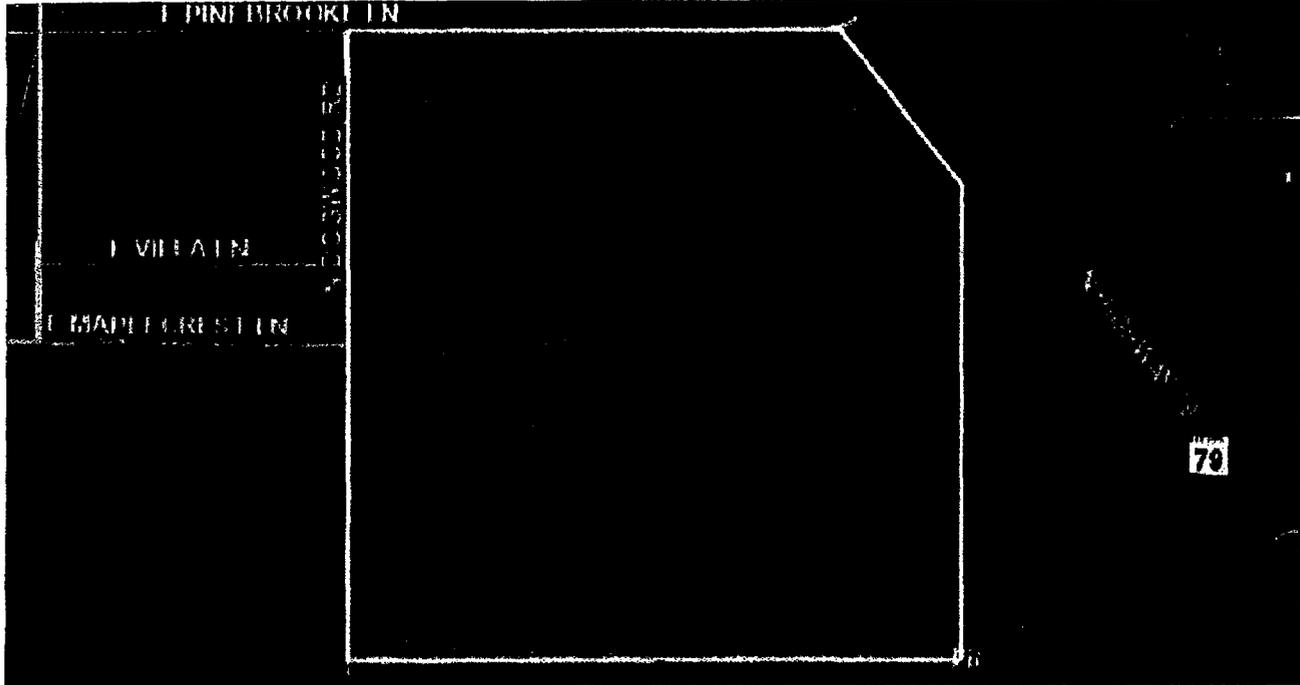
All that portion of the NW Quarter of said Section 29 lying southwesterly of Highway 79,

Except any portion lying within the adjacent dedicated road right of ways.

Said parcel containing 157acres +/-

# Development Services Parcel Information Report

Disclaimer: Final County makes no warranty, expressed or implied, regarding the accuracy, completeness, or usefulness of the information provided on this document. Final County disclaims any responsibility or liability for any direct or indirect damages resulting from the use of the information represented on this document. This map and represented data is not intended to be used as a survey product or official record. It is the users responsibility to verify any information shown here with the proper authority. Printer of this report assumes all liability for the unauthorized distribution or sensitive data.



## Assessor Parcel Number: 20616001A

Parcel Size: 156.81      Unit of Measure: A      Tax Area Code: 0162  
 Legal Description: A PORTION OF NW/4 OF SEC 29-5S-10 SOUTHWESTERLY OF HWY 79 AKA PCL A BK-10 OF SURVEYS PG-26 156.81 AC

### Ownership

Name1: HANNA 120 HOLDINGS LLC ETAL  
 Name2:

[Click Here To View Assessor Parcel And Value Detail](#)

### Mailing Address

Mail Address1: C/O RAVEN II HOLDINGS  
 Mail Address2: 4616 E FIGHTER ACES DR  
 City: MESA      State: AZ      Zip Code: 85215  
 Province:      Country:      Postal Code:

### Property Address

Primary Property Address:  
 City: FLORENCE      State: AZ      Zip Code: 85132

(Note: additional addresses may exist on this property)

### Other Characteristics

Group Home Number:	Issue Date:	Num Persons:	Current Zoning Designation(s): CB-2,GR,MHP,RVP,CR-4
Comments:			Zoning Case Number: PZ-021-84,PZ-021-84,PZ-021-84,PZ-021-84,PZ-021-84
Industrial Use Permit (IUP):	Rec. Date:	Fee Number:	Flood Zone:
Special Density Permit (SDP):	Letter Date:	Appvd. Date:	2009 Comprehensive Plan Area:
2nd Dwelling:	Special Use Permit (SUP):		MODERATE LOW DENSITY RESIDENTIAL (1-3.5 du/ac)
Rec. Date:	Rec. Date:	Fee Number:	Code Inspector Area: Paula Mullenix

\*\*\*\*Information above subject to change. Please verify with proper authority prior to any action\*\*\*\*

**GH CAPITAL, L.L.C.**  
5108 North 40th Street, Suite 3  
Phoenix, Arizona 85018  
Tel: 602-957-1799 Fax: 602-957-2033

---

September 16, 2013

George Johnson  
Johnson Utilities  
5230 East Shea Boulevard, Suite 200  
Scottsdale, Arizona 85254

RE: CC&N for Southwest Environmental Utilities LLC

Dear Mr. Johnson:

GH Capital LLC is the owner of approximately 30 acres of vacant land in Pinal County, identified as Parcel 206-01-0230, located in the Northeast Quarter of Section 7, Township 5 South, Range 10 East. The property is in the process of being annexed into the Town of Florence, and is being planned as a single family residential community known as Redstone Ranch, with a target of 120 dwelling units. Redstone Ranch is adjacent to the proposed water and wastewater CC&N service area for Southwest Environmental Utilities, LLC.

We respectfully request that our property be included in the CC&N application. Please contact Rob Longaker at WLB Engineering for any necessary additional information.

Sincerely,

GH CAPITAL, L.L.C.



Perry Mathis, Manager

**SOUTHWEST ENVIRONMENTAL UTIL.**

5230 East Shea Boulevard, Suite 200 \* Scottsdale, Arizo  
PH: (480) 998-3300; FAX: (480) 483-7908



**ORIGINAL**

**RECEIVED**

23 September 2013

2013 SEP 23 P 1:04

**AZ CORP COMMISSION  
DOCKET CONTROL**

Blessing N. Chukwu  
Executive Consultant III  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

Re: SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C. APPLICATION FOR APPROVAL OF  
CERTIFICATE OF CONVENIENCE AND NECESSITY  
Docket No. WS-20878A-13-0065  
**Response to Insufficiency – Item P, Financial Statements**

To further supplement Item P of the CC&N Application, we are submitting the following documentation for Southwest Environmental Utilities, LLC:

- Income Statement For Six Months Ending June 30, 2013
- Balance Sheet June 30, 2013
- Statement from National Bank of Arizona confirming sufficient funds for project construction

If you have any questions or comments, please feel free to contact Katherine Nierva at (480) 998-3300.

Sincerely,

Daniel R. Hodges  
SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C.

Arizona Corporation Commission

**DOCKETED**

SEP 23 2013

DOCKETED BY	
-------------	--

cc: Michelle Belaski  
Katherine Nierva

Southwest Environmental Utilities LLC  
**Income Statement**  
 For the Six Months Ending June 30, 2013

	<u>Current Month</u>		<u>Year to Date</u>	
<b>Revenues</b>				
<b>Total Revenues</b>	<u>0.00</u>	0.00	<u>0.00</u>	0.00
<b>Cost of Sales</b>				
<b>Total Cost of Sales</b>	<u>0.00</u>	0.00	<u>0.00</u>	0.00
<b>Gross Profit</b>	<u>0.00</u>	0.00	<u>0.00</u>	0.00
<b>Expenses</b>				
RevSplit-CONT SVS LEGAL	<u>\$ 0.00</u>	0.00	<u>\$ 0.00</u>	0.00
<b>Total Expenses</b>	<u>0.00</u>	0.00	<u>0.00</u>	0.00
<b>Net Income</b>	<u><u>\$ 0.00</u></u>	0.00	<u><u>\$ 0.00</u></u>	0.00

Southwest Environmental Utilities LLC  
Balance Sheet  
June 30, 2013

ASSETS

Current Assets	_____	
Total Current Assets		0.00
Property and Equipment	_____	
Total Property and Equipment		0.00
Other Assets	_____	
Total Other Assets		<u>0.00</u>
Total Assets	\$	<u><u>0.00</u></u>

LIABILITIES AND CAPITAL

Current Liabilities	_____	
Total Current Liabilities		0.00
Long-Term Liabilities	_____	
Total Long-Term Liabilities		<u>0.00</u>
Total Liabilities		0.00
Capital		
Member's Proprietary Capital	\$	0.00
Net Income		<u>0.00</u>
Total Capital		<u>0.00</u>
Total Liabilities & Capital	\$	<u><u>0.00</u></u>

NATIONAL BANK OF ARIZONA  
EXECUTIVE | BANKING

09/20/2013

To whom it may concern:

RE: George H. Johnson

Mr. Johnson has in excess of \$10 million dollars on deposit with National Bank of Arizona. This amount has been on deposit for many years. If you have any further questions, feel free to call me at 480-384-5038.

Thank you,



Wende Tuerk  
Vice President/Executive Banking  
National Bank of Arizona

**SOUTHWEST ENVIRONMENTAL UTILITIES**

5230 East Shea Boulevard, Suite 200 \* Scottsdale, Arizona  
PH: (480) 998-3300; FAX: (480) 483-7908



RECEIVED

ORIGINAL

23 September 2013

2013 SEP 26 A 10:43

AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission  
DOCKETED

SEP 26 2013

Jian Liu  
Water/Wastewater Engineer  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

DOCKETED BY	
-------------	--

Re: SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C. APPLICATION FOR APPROVAL OF  
CERTIFICATE OF CONVENIENCE AND NECESSITY  
Docket No. WS-20878A-13-0065  
**ADDITIONAL INFORMATION REQUESTED**

Per the phone conversation between you and Katherine Nierva on September 21, 2013, Southwest Environmental Utilities, LLC is submitting the following information:

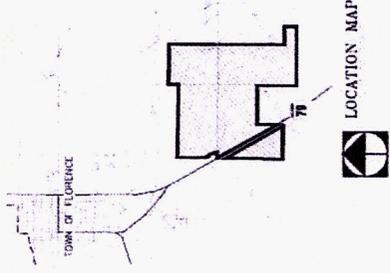
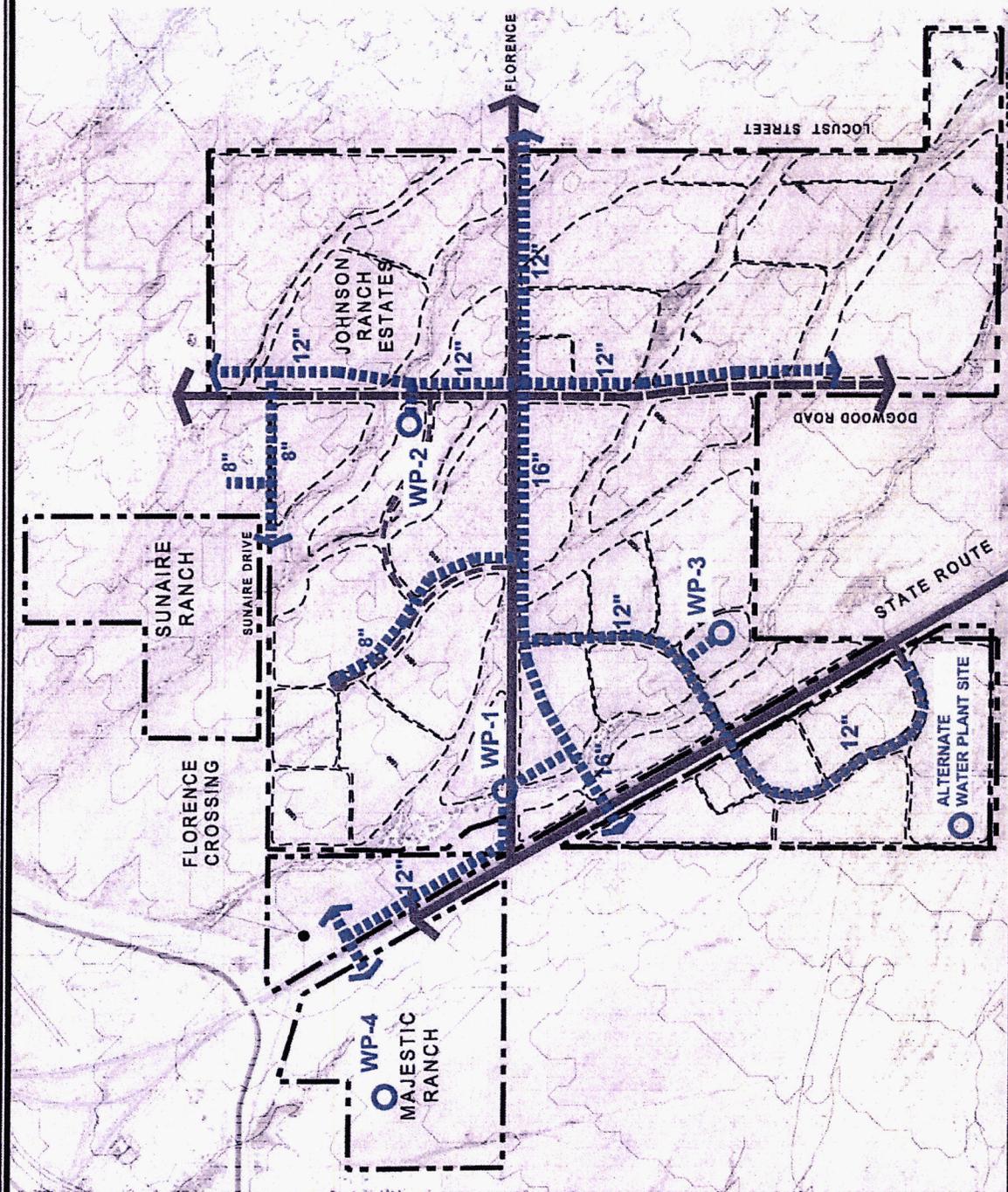
- Maps of the Preliminary Water and Sewer Design Concepts for Southwest Environmental Utilities
- Construction Timeline including the entire area of the proposed CC&N area. The water and sewer system components addressed in the construction timeline are shown on the attached Preliminary Water and Sewer Design Concepts

If you have any questions or comments, please feel free to contact Katherine Nierva at (480) 998-3300.

Sincerely,

Daniel R. Hodges  
SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C.

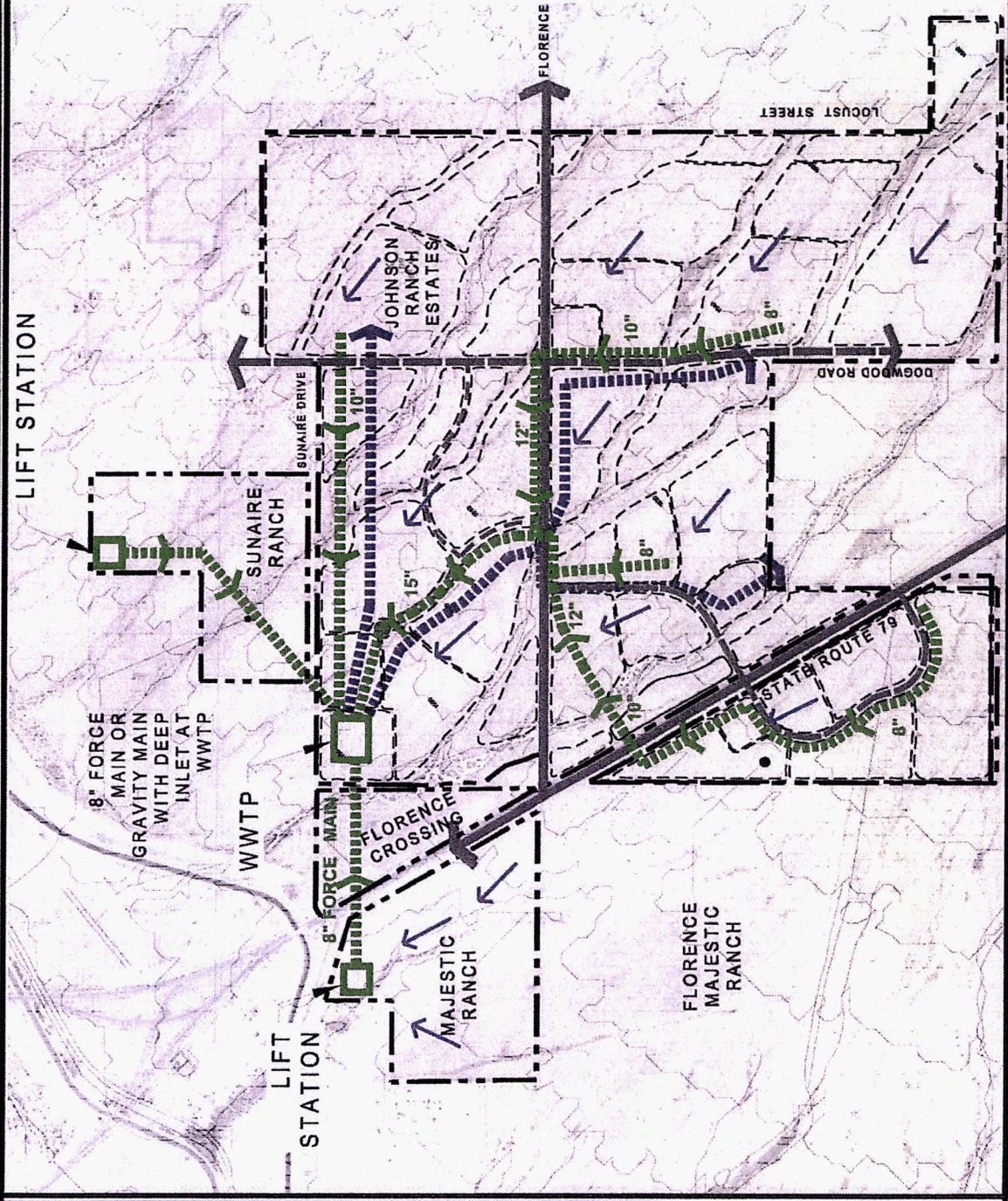
cc: Michelle Belaski  
Katherine Nierva



**Legend of Symbols**

- 
 PROPOSED WATER MAIN
- 
 WP-2  
 PROPOSED WATER PLANT, WHICH INCLUDES WELL, STORAGE TANK AND BOOSTER STATION





LIFT STATION

8" FORCE MAIN OR GRAVITY MAIN WITH DEEP INLET AT WWTP

WWTP

SUNAIRE RANCH

LIFT STATION

8" FORCE MAIN FLORENCE CROSSING

MAJESTIC RANCH

JOHNSON RANCH ESTATES

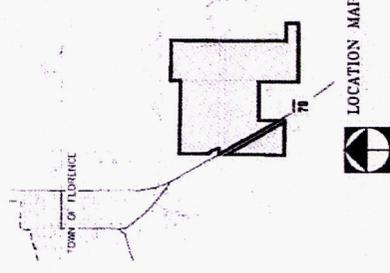
FLORENCE MAJESTIC RANCH

LOCUST STREET

DOGWOOD ROAD

STATE ROUTE 79

FLORENCE



Legend of Symbols

- PROPOSED SEWER MAIN
- PROPOSED RECLAIMED LINE
- PROPOSED LIFT STATION
- PROPOSED WASTEWATER TREATMENT PLANT
- ↙ SURFACE FLOW DIRECTION

Johnson Ranch Estates  
Preliminary Sewer Design Concept



## Construction Timeline

### Phase I:

Construction of WP-1 and associated offsite water infrastructure will begin in March 2014 and completion is anticipated September 1 2014.

Construction of WP-2 and associated offsite water infrastructure will begin July 1 2014 and completion is anticipated January 1 2015.

Construction of the Wastewater Treatment Plant and offsite sewer infrastructure will begin in April 2014 and is expected to be completed in September 2014.

Construction of onsite sewer and water lines for Johnson Ranch Estates Parcels B, C, D, E, F, G, H, I, J, K, Z, AA, BB, CC, DD, EE, FF, MM, and NN will begin January 2014.

### Phase II:

Construction of WP-3 and associated offsite water infrastructure will begin in January 2017 and completion is anticipated in July 1 2017.

Construction of WP-4 and associated offsite water infrastructure will begin July 1 2017 and completion is anticipated January 1 2018.

Construction for the onsite sewer and water lines Florence Majestic Ranch, Majestic Ranch, Florence Crossing, Sunaire Ranch, Redstone Ranch, Florence 157, and the remaining Johnson Ranch Estates Parcels will begin in January 2017.

# ***SOUTHWEST ENVIRONMENTAL UTIL.***

5230 East Shea Boulevard, Suite 200 \* Scottsdale, Arizona  
PH: (480) 998-3300; FAX (480) 483-7908



0000150384

**ORIGINAL**

Arizona Corporation Commission  
**DOCKETED**

DEC 06 2013

6 December 2013  
2013 DEC -6 P 3:41

AZ CORP COMMISSION  
DOCKET CONTROL

Docket Control Center  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix AZ 85007-2927

DOCKETED BY	
-------------	--

Re: Southwest Environmental Utilities, L.L.C. – Application for a Certificate of Convenience and Necessity (CC&N) to provide Water and Wastewater.  
Docket No. WS-20878A-13-0065  
**Preliminary Engineering Report**

As discussed during a meeting held with Jian Liu and Blessing Chukwu on October 10<sup>th</sup>, Southwest Environmental Utilities, LLC is submitting this Preliminary Engineering Report to satisfy insufficiencies and to provide additional information to include the following:

- An overview of the proposed CC&N area, water and sewer infrastructure planning, development and construction phasing, and regulatory requirements. This overview includes maps of the proposed CC&N area, the size of each parcel and landowner
- Request for service letters received
- Preliminary Engineering Design Report that includes the Land Use Plan, Preliminary Water Design Concept, and Preliminary Sewer Design Concept
- Construction Cost Estimates for onsite and offsite water and sewer infrastructure

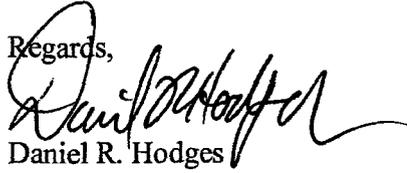
A Preliminary Engineering Report (one (1) hard copy and three (3) electronic copies) was submitted to Jian Liu on November 4, 2013 that includes all items listed above, as well as the following:

- Southwest Environmental Utilities, LLC 0.3 MGD SBR WWTP Design Report
- Aquifer Protection Permit Application
- CAAG 208 Water Quality Plan
- Operating Agreement between the Town of Florence and Southwest Environmental Utilities, LLC

These items are not included in this submittal due to these documents being oversized. However, these items are available upon request.

If you have any questions or comments, please feel free to contact Katherine Nierva at (480) 998-3300.

Regards,

A handwritten signature in black ink, appearing to read "Daniel R. Hodges". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Daniel R. Hodges  
SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C.

cc: Del Smith  
Lyn Farmer  
Brian Bozzo  
Connie Walczak

# Southwest Environmental Utilities, LLC

Preliminary Engineering Report for CC&N Application

Prepared By:

Southwest Environmental Utilities, LLC

5230 E. Shea Blvd. Suite 200

Scottsdale, AZ 85254

December 6, 2013

## Table of Contents

Background.....	1
Development Phasing.....	1
Water System and Infrastructure.....	1
Sewer System and Infrastructure.....	2
Construction Schedule.....	2
Regulatory Requirements.....	3
Cost Estimates.....	4

## List of Figures

Figure 1 – Proposed CC&N Area

Figure 2 – Map of Township 5 South, Range 9 East

Figure 3 – Map of Township 5 South, Range 10 East

Figure 4 – Map of Each Parcel within the Southwest Environmental Utilities CC&N

## Appendices

Appendix A – Request for Service Letters

Appendix B – Southwest Environmental Utilities, LLC Preliminary Engineering Design Report

Appendix C –Construction Cost Estimates

## Background

Southwest Environmental Utilities, LLC is applying for a new Certificate of Convenience & Necessity (CC&N) for an area located on the southern portion of the Town of Florence. This area includes private land in the following sections within Township 5 South, Ranges 9 and 10 East: a portion of Sections 1 and 12 in Township 5 South, Range 9 East; a portion of Sections 6, 8, 16, 18, 19, 20, 22, and 29, and all of Sections 7, 27, and 28 in Township 5 South, Range 10 East. The entire proposed CC&N area consists of 1,740 acres and is undeveloped open desert land. The land generally slopes in the northwesterly direction. See Figure 1 for a map of the CC&N area. Figures 2 and 3 show the proposed CC&N area and the existing surrounding utilities that lie within Township 5 South, Range 9 East and Township 5 South, Range 10 East, respectively.

The proposed CC&N area comprises of the future developments: Johnson Ranch Estates, Majestic Ranch, Florence Crossing, Sunaire Ranch, Florence Majestic Ranch, Redstone Ranch, and Florence 157. In February 2013, the Town of Florence and Southwest Environmental Utilities, LLC entered into an Operating Agreement which granted Southwest Environmental Utilities, LLC to be the water and wastewater service provider for the proposed CC&N area.

## Development Phasing

Construction for this area will be divided into two phases, Phase I and Phase II. Under Phase I construction, 19 parcels of the Johnson Ranch Estates subdivision (Parcels B, C, D, E, F, G, H, I, J, K, Z, AA, BB, CC, DD, EE, FF, MM, and NN) will be developed. These parcels will be developed into residential use, mixed use, a town square, an equestrian facility, and a wastewater treatment plant site. Phase I is anticipated to begin in March 2014. Phase II construction will consist of the remaining Johnson Ranch Estates parcels (Parcels A, L, M, N, O, P, Q, R, S, T, U, V, W, X, and Y), Majestic Ranch, Florence Crossing, Sunaire Ranch, Florence Majestic Ranch, Redstone Ranch, and Florence 157. These parcels and subdivisions will be developed into residential and commercial use. Details of the construction schedule are further discussed under the Construction Schedule section. Figure 4 shows a map delineating each parcel, owner, size, and if a request for service letter was received by the property owner. All request for service letters received are included in Appendix A.

## Water System and Infrastructure

The sources of potable water will be four wells located throughout the service area. The groundwater in this area is of sufficient quality that treatment is not necessary. Each well will have its own designated storage tank, from which water will be pumped using booster pumps and delivered via a network of piping. The water infrastructure will be designed to meet all pressure and fire flow requirements per the Arizona Department of Environmental Quality and Southwest Environmental Utilities design standards.

### Water design criteria:

The following design criteria will be utilized for all areas within the Southwest Environmental Utilities service area unless directed otherwise by ADEQ or the A.C.C.

- Average day demand for Residential Use shall equal 100 gallons/day/person at 2.6 persons per dwelling unit or 260/gallons/dwelling unit/day.
- Average day demand for Commercial Use, Schools, Parks, Community Centers and Equestrian Centers shall equal 1,500 gallons/acre/day.
- Minimum pressure conditions are 20 psi and maximum 80 psi.
- Fire flow demand and storage requirements are 1,000 gpm for 2 hours or per U.F.C., whichever is higher.
- Water storage facilities shall be sized to provide a usable volume equal to no less than approximately 48% of the peak-day demand plus 120,000 gallons for fire protection.

Details of the demands, storage volumes, boosting capacity, pipe sizes and material, etc. are included in Appendix B, Southwest Environmental Utilities, LLC Preliminary Engineering Design Report. Upon well construction, a pump test will be conducted to verify actual well pump flow rates.

## Sewer System and Infrastructure

Wastewater will be collected by means of onsite sewer lines located within the commercial and residential subdivisions and will flow either directly to the wastewater treatment plant, or to a lift station and then pumped to the wastewater treatment plant. The sewer infrastructure will consist of two lift stations, force mains, gravity mains, and a wastewater treatment plant. The sewer infrastructure will be sized and designed to meet the Arizona Department of Environmental Quality and Southwest Environmental Utilities design standards.

### Sewer Design Criteria:

- Average daily flow for all residential areas requiring sewers is 80 GPCD.
- 1.8 persons/dwelling unit for all Adult Community Residences
- 2.6 persons/dwelling unit for all Family Community Residences
- 1,000 GPAD for all commercial and school areas
- 3.0 Peaking Factor for all commercial and school areas
- 250 GPAD for wet weather flow infiltration and inflow

The wastewater treatment plant for the Southwest Environmental Utilities CC&N area will be a sequencing batch reactor plant designed for an average flow rate of 0.3 MGD. This WWTP will be located on Parcel E of Johnson Ranch Estates where it will be used to treat domestic and commercial wastewater flows. The treatment processes that will be used are a static screen, sequencing batch reactor tanks, sand filters, and UV disinfection.

## Construction Schedule

Construction of the onsite and offsite water and sewer infrastructure will be divided into two phases:

### Phase I:

Once the approval of the CC&N is received, a final design report, engineering plans for sewer and water infrastructure, and all required forms will be submitted to ADEQ for the Approval to Construct. The start

of construction is anticipated to start 6 months after CC&N approval. The estimated construction start date is June 2014.

Construction of WP-1 and associated offsite water infrastructure will begin in June 2014 and completion is anticipated December 2014.

Construction of onsite sewer and water lines for Johnson Ranch Estates Parcels B, C, D, E, F, G, H, I, J, K, Z, AA, BB, CC, DD, EE, FF, MM, and NN will begin June 2014 and expected completion is March 2015.

Construction of the Wastewater Treatment Plant and offsite sewer infrastructure will begin after approval of the CC&N and APP and is estimated to be June 2014. Construction of the Wastewater Treatment Plant is expected to be completed in December 2014 and the offsite sewer infrastructure is expected to be completed in June 2015. Construction of the Wastewater Treatment Plant is subject to approval of the Aquifer Protection Permit.

Construction of WP-2 and associated offsite water infrastructure will begin January 2015 and completion is anticipated July 2015.

#### Phase II:

Construction of WP-3 and associated offsite water infrastructure will begin in January 2017 and completion is anticipated July 2017.

Construction of WP-4 and associated offsite water infrastructure will begin July 2017 and completion is anticipated January 2018.

Construction for the onsite sewer and water lines Florence Majestic Ranch, Majestic Ranch, Florence Crossing, Sunaire Ranch, Redstone Ranch, Florence 157, and the remaining Johnson Ranch Estates Parcels will begin in January 2017 and is expected to be completed in January 2018.

Lift Station 1 and Lift Station 2 construction is scheduled to begin January 2017 and is anticipated to be completed in July 2017.

## Regulatory Requirements

Southwest Environmental Utilities is currently in the process of obtaining all the required permits and documents for water supply and wastewater disposal and reuse. The following documents have been submitted or will be submitted at a later time:

#### Water

- Assured Water Supply Application will be submitted to Arizona Department of Water Resources
- Capacity Development Application for a New Public Water System will be submitted to Arizona Department of Environmental Quality upon approval of the CC&N application.
- Application for Approval to Construct for Water Plant-1 and onsite water and sewer lines for Phase 1 will be submitted upon approval of the CC&N Application.

### Wastewater

- Aquifer Protection Permit Application submitted to the Arizona Department of Environmental Quality, August 14, 2013.
- CAAG 208 Water Quality Plan for Southwest Environmental Utilities, LLC, submitted to the Central Arizona Association of Governments, September 2013.
- Arizona Pollutant Discharge Elimination System (AzPDES) Permit, application to be submitted subsequent to obtaining the Aquifer Protection Permit.
- Application for Approval to Construct for the wastewater treatment plant and offsite sewer infrastructure submitted to Arizona Department of Environmental Quality. Will be submitted upon approval of the CC&N Application.

### General

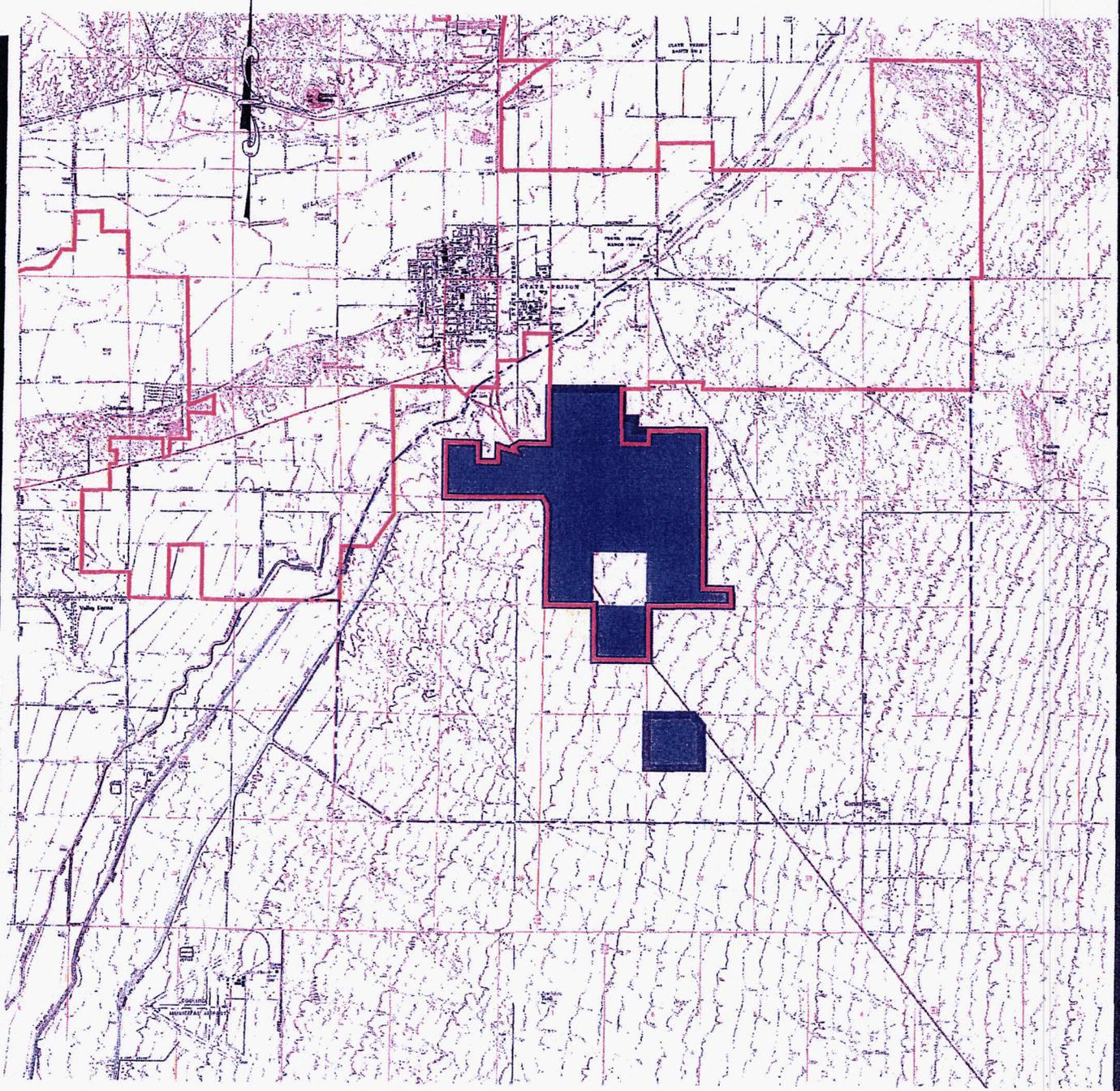
- Planned Unit Development approved on December 1, 2008 by the Town of Florence. An amendment to the Planned Unit Development will be submitted in November 2013.
- Operating Agreement with Town of Florence, signed February 25, 2013.

## Cost Estimates

Construction cost estimates for onsite and offsite water and sewer infrastructure are included as Appendix C. These estimates were calculated from actual construction costs of similar sized water and sewer infrastructure projects.

# Figures

S:\Specific\_Engineering\3200\cc&n\figure\_1.dwg Plotted: Oct 23, 2013



**LEGEND**

- TOWN OF FLORENCE
- 208 BOUNDARY
- PROPOSED CC&N AREA

**FIGURE 1**

PROPOSED CC&N AREA  
 SOUTHWEST ENVIRONMENTAL  
 UTILITIES

DRAWN FRB  
 DATE 10/2013  
 SCALE N.T.S.



**SPECIFIC ENGINEERING, LLC.**

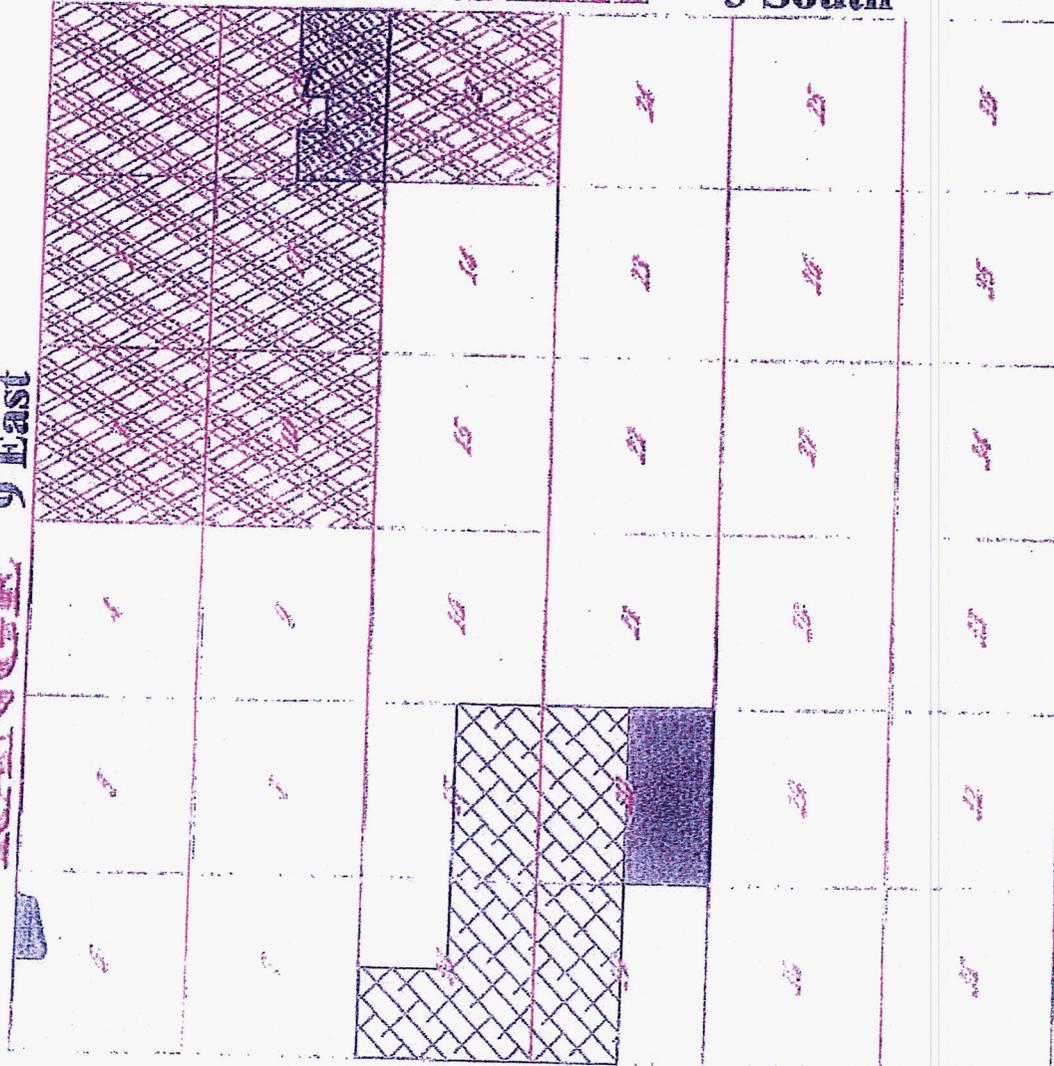
5310 E. SHEA BOULEVARD SUITE 2  
 SCOTTSDALE, ARIZONA 85254  
 Phone: (480) 596-8335  
 FAX: (480) 596-6437



# COUNTY OF PINAL

## RANGE 9 East

## TOWNSHIP 5 South



 W-1445 (39)(3)  
Arizona Water Company (Coolidge)

 C-8895 (4)  
City of Florence (Nonjurisdictional)

 (3)  
Arizona Water Company  
Docket No. W-1445-05-389  
Application for Extension

 (4)  
Johnson Utilities Company  
Docket No. WS-02987A-06-0667  
Application for Extension for Water & Sewer

  
Southwest environmental utilities  
CC&N Requested Area

FIGURE 2

# COOUNTY Pinal

RANGE 10 East

TOWNSHIP 5 South

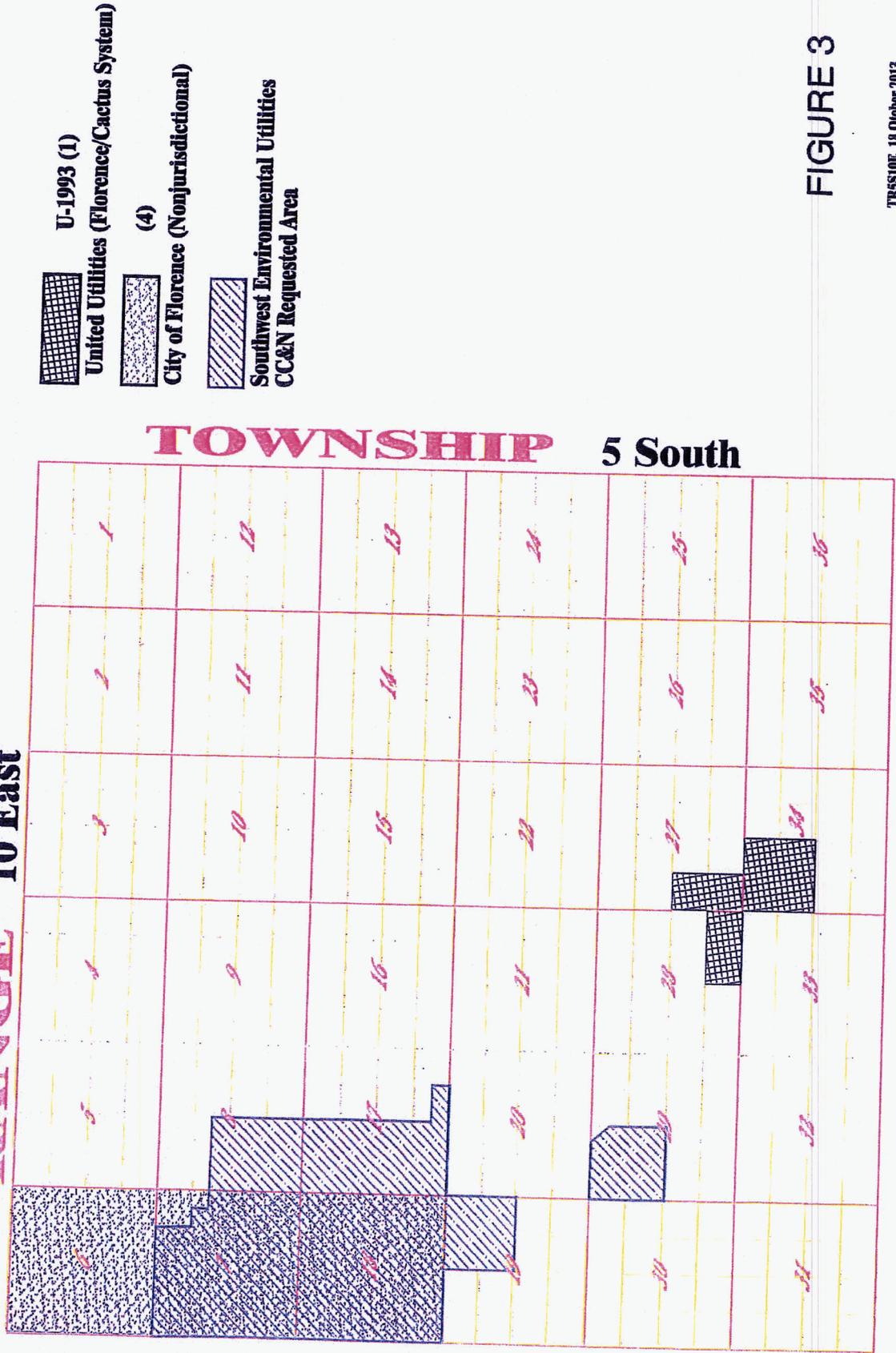
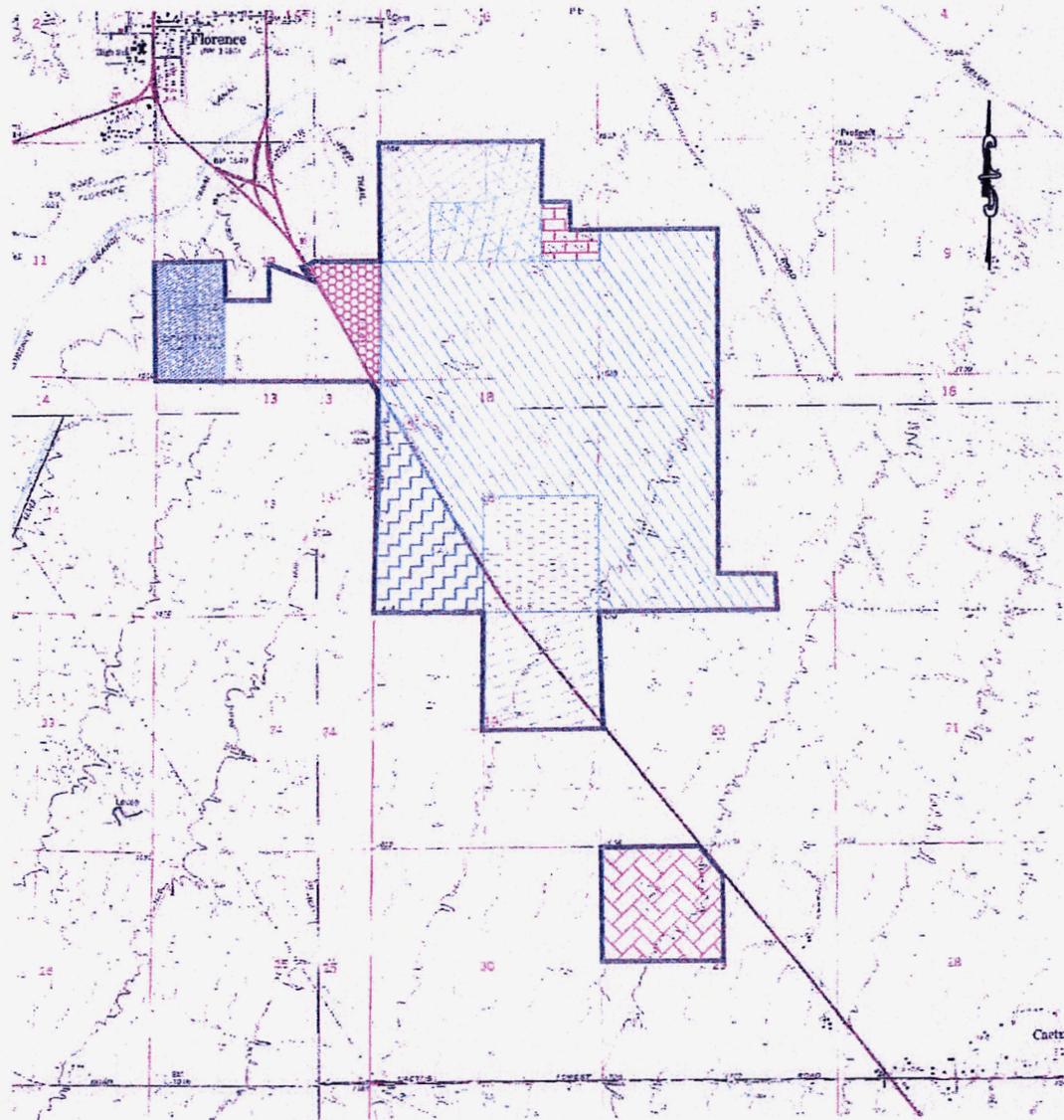


FIGURE 3



PARCEL	OWNER	ACRES	REQUEST FOR SERVICE LETTER RECEIVED?
 REDSTONE RANCH	G H CAPITAL, LLC	30	YES
SEE SHEET 2			NO
 FLORENCE CROSSING	FLORENCE CROSSING LAND PARTNERS, LLC	45	YES
 MAJESTIC RANCH	CIVIC PROPERTIES, LLC	134	NO
 JOHNSON RANCH ESTATES	JOHNSON RANCH ESTATES, LLC	1112	YES
 FLORENCE MAJESTIC RANCH	FLORENCE / MAJESTIC RANCH, LLC	154	YES
 FLORENCE 157	HANNA 120 HOLDINGS, LLC	157	YES
TOWN OF FLORENCE		99.6	YES
 STATE LAND	STATE OF ARIZONA	160	NO
TOWN OF FLORENCE		160	YES
 SUNAIRE RANCH	CIVIC PROPERTIES, LLC	108	NO

208 BOUNDARY

SOUTHWEST ENVIRONMENTAL  
UTILITIES

DRAWN FRB

DATE 10/2013

SCALE NOT OT SCALE



SPECIFIC ENGINEERING, LLC.

DAVID E. BISH, REGISTERED SURVEYOR  
SCOTTSDALE, ARIZONA 85254  
PHONE (480) 988-4333  
FAX (480) 988-9437



FIGURE 4

# Appendix A

## Request for Service Letters

**Town of Florence**  
P.O. Box 2670  
775 North Main Street  
Florence, Arizona 85132

Phone (520) 868-7500  
Fax (520) 868-7501  
TDD (520) 868-7502

[www.florenceaz.gov](http://www.florenceaz.gov)

**TOWN SERVICES**

Building Safety  
868-7573

Community Development  
868-7575

Finance  
868-7624

Fire  
868-7609

Grants  
868-7513

Human Resources  
868-7545

Library  
868-8311

Municipal Court  
868-7514

Parks & Recreation  
868-7589

Police  
868-7681

Public Works  
868-7620

Senior Center  
868-7622

Town Attorney  
868-7557

Utility Billing  
868-7680

Water/Wastewater  
868-7677

February 25, 2013

George Johnson  
Southwest Environment Utilities LLC  
5230 E. Shea Boulevard, Suite 200  
Scottsdale, Arizona 85254

RE WATER AND WASTEWATER SERVICE TO CONTAIN PORTION OF THE  
TOWN OF FLORENCE CITY LIMITS LOCATED SOUTH OF THE CENTRAL  
ARIZONA PROJECT CANAL

Dear Mr. Johnson:

The Town of Florence Supports Southwest Environment Utilities, LLC to  
provide water and wastewater services to certain portions of the  
incorporated town limits located south of the Central Arizona Project Canal  
as referenced in the attached legal description.

The Town of Florence supports Southwest Environment Utilities, LLC  
application to extend its Certificate of Convenience and Necessity (CC&N)  
for water and wastewater services to this referenced property per the  
operating agreement dated February 19, 2013, Fee Number 2013-015706.

Should you have any questions, please feel free to contact me at (520) 868-  
7558.

Sincerely,

  
Charles A. Montoya  
Town Manager

Attachment: Legal Descriptions for Southwest Environmental Utilities, LLC  
CC&N

Copied: James E. Mannato, Town Attorney  
Wayne Costa, Public Work Director  
File

LEGAL DESCRIPTIONS  
FOR  
SOUTHWEST ENVIRONMENTAL UTILITIES, LLC  
CC&N

BEING PORTIONS OF SECTION 12, TOWNSHIP 5 SOUTH, RANGE 9 EAST AND  
SECTIONS 7, 8, 17, 18, AND 19, TOWNSHIP 5 SOUTH, RANGE 10 EAST OF  
THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA  
AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 18,

THENCE N. 00°49'34" E., ALONG THE WEST LINE OF SAID SECTION 18, A DISTANCE  
OF 2629.50 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 18;

THENCE CONTINUING ALONG SAID WEST LINE, N. 00°50'11" W., A DISTANCE OF 2206.12  
FEET TO A POINT ON THE SOUTHWESTERLY RIGHT OF WAY LINE FOR US HWY 79;

THENCE N. 31°53'55" W., ALONG SAID SOUTHWESTERLY RIGHT OF WAY LINE, A  
DISTANCE OF 454.39 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 12;

THENCE S. 88°31'42" W., ALONG SAID SOUTH LINE, A DISTANCE OF 2316.55 FEET  
TO THE SOUTH QUARTER CORNER OF SAID SECTION 12;

THENCE CONTINUING ALONG SAID SOUTH LINE, S. 88°31'42" W., A DISTANCE  
OF 2549.58 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 12;

THENCE N. 01°43'02" W., ALONG THE WEST LINE OF SAID SECTION 12, A DISTANCE  
OF 2649.79 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 12;

THENCE N. 88°31'54" E., ALONG THE EAST-WEST MID-SECTION LINE OF SAID SECTION 12,  
A DISTANCE OF 1568.27 FEET TO THE NORTHWEST CORNER OF LOT 1 AS SHOWN ON A  
"RECORD OF SURVEY MINOR LAND DIVISION OF PARCEL 202-21-015D" RECORDED IN  
SURVEYS BOOK 3, PAGE 134, PINAL COUNTY RECORDS, PINAL COUNTY ARIZONA;

THENCE S. 02°15'14" E., ALONG THE WEST LINE OF SAID MINOR LAND DIVISION, A  
DISTANCE OF 916.07 FEET TO THE NORTHWEST CORNER OF LOT 5 OF SAID MINOR  
LAND DIVISION;

THENCE N. 88°31'11" E., ALONG THE NORTH LINE OF SAID LOT 5, A DISTANCE OF  
982.55 FEET TO THE NORTHEAST CORNER OF SAID LOT 5;

THENCE N. 01°23'34" W., ALONG THE EAST LINE OF SAID MINOR LAND DIVISION, A  
DISTANCE OF 809.79 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE  
FOR EAST SALAZAR ROAD;

THENCE S. 73°02'13" E., ALONG SAID SOUTHERLY RIGHT OF WAY LINE, A DISTANCE  
OF 1073.58 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT OF WAY LINE FOR US  
HWY. 79;

THENCE N. 31°53'55" W., ALONG SAID SOUTHWESTERLY RIGHT OF WAY LINE, A DISTANCE OF 335.90 FEET;

THENCE DEPARTING SAID SOUTHWESTERLY RIGHT OF WAY LINE, N. 57°55'46" E., A DISTANCE OF 306.01 FEET TO A POINT ON THE EAST-WEST MID-SECTION LINE OF SAID SECTION 12;

THENCE N. 88°31'54" E., ALONG SAID EAST-WEST MID-SECTION LINE, A DISTANCE OF 1461.87 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 12;

THENCE N. 00°54'24" W., ALONG THE EAST LINE OF SAID SECTION 12, A DISTANCE OF 2642.80 FEET TO THE NORTHWEST CORNER OF SAID SECTION 7;

THENCE N. 88°02'40" E., ALONG THE NORTH LINE OF SAID SECTION 7, A DISTANCE OF 3565.10 FEET TO THE NORTHEAST CORNER OF THE WEST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 7;

THENCE S. 01°49'24" E., ALONG THE EAST LINE OF SAID WEST HALF, A DISTANCE OF 2639.28 FEET TO THE SOUTHEAST CORNER OF SAID WEST HALF;

THENCE N. 89°15'28" E., ALONG THE EAST-WEST MID-SECTION LINE OF SAID SECTION 7, A DISTANCE OF 1320.00 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 7 AND THE WEST QUARTER CORNER OF SAID SECTION 8;

THENCE N. 01°49'24" W., ALONG THE WEST LINE OF SAID SECTION 8, A DISTANCE OF 659.82 FEET TO THE NORTHWEST CORNER OF THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER OF SAID SECTION 8;

THENCE N. 88° 13'08" E., ALONG THE NORTH LINE OF SAID SOUTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER, A DISTANCE OF 2654.61 FEET TO THE NORTHEAST CORNER OF SAID SOUTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER;

THENCE S. 01°50'43" E., ALONG THE NORTH-SOUTH MID-SECTION LINE OF SAID SECTION 8, A DISTANCE OF 661.44 FEET TO THE CENTER QUARTER CORNER OF SAID SECTION 8;

THENCE CONTINUING ALONG SAID NORTH-SOUTH MID-SECTION LINE, S. 01°50'43" E., A DISTANCE OF 2635.87 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 8;

THENCE S. 88°10'30" W., ALONG THE SOUTH LINE OF SAID SECTION 8, A DISTANCE OF 2656.23 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 8 AND THE SOUTHEAST CORNER OF SAID SECTION 7;

THENCE S. 88°13'55" W., ALONG THE SOUTH LINE OF SAID SECTION 7, A DISTANCE OF 2640.42 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 7 AND THE NORTH QUARTER CORNER OF SAID SECTION 18;

THENCE S.  $01^{\circ}47'36''$  E., ALONG THE NORTH-SOUTH MID-SECTION LINE OF SAID SECTION 18, A DISTANCE OF 2620.59 FEET TO THE CENTER QUARTER CORNER OF SAID SECTION 18;

THENCE CONTINUING ALONG SAID NORTH-SOUTH MID-SECTION LINE, S.  $01^{\circ}47'36''$  E., A DISTANCE OF 2648.58 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 18;

THENCE S.  $89^{\circ}14'13''$  W., ALONG THE SOUTH LINE OF SAID SECTION 18, A DISTANCE OF 2492.72 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS 1,294.06 ACRES MORE OR LESS.

FOLLOWING PARCELS ALSO INCLUDED:

THE WEST HALF OF SECTION 17, AND THE SOUTH 825.00 FEET OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 5 SOUTH, RANGE 10 EAST, OF THE GILA AND SALT RIVER BASELINE AND MERIDIAN, PINAL COUNTY, AZ, AND;

THE NORTHEAST QUARTER OF SECTION 18, TOWNSHIP 5 SOUTH, RANGE 10 EAST, OF THE GILA AND SALT RIVER BASELINE AND MERIDIAN, PINAL COUNTY, AZ, AND;

THE SOUTHEAST QUARTER OF SECTION 18, TOWNSHIP 5 SOUTH, RANGE 10 EAST OF THE GILA AND SALT RIVER BASELINE AND MERIDIAN, PINAL COUNTY, ARIZONA; AND

THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 5 SOUTH, RANGE 10 EAST OF THE GILA AND SALT RIVER BASELINE AND MERIDIAN, PINAL COUNTY, ARIZONA.

NOTE:

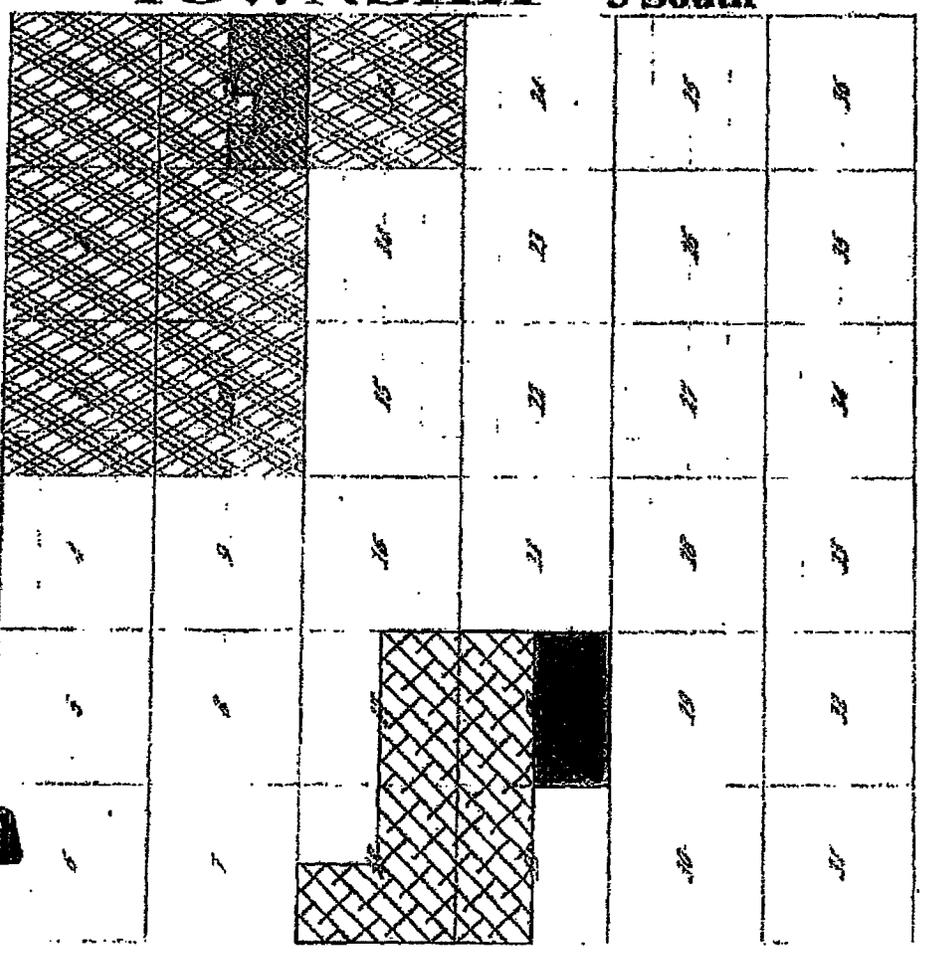
THIS LEGAL DESCRIPTION IS FOR CC&N PURPOSES ONLY AND DOES NOT REPRESENT THE RESULTS OF AN ACTUAL FIELD SURVEY.

Map No. 21

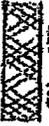
**COUNTY of Pinal**

**RANGE 9 East**

**TOWNSHIP 5 South**



 W-1445 (3)(4)  
Arizona Water Company (Coolidge)

 E-0005 (4)  
City of Phoenix (Nonjurisdictional)

 (3)  
Arizona Water Company  
Decker No. W-1445-05-305  
Application for Extension

 (4)  
Johnsun Utilities Company  
Decker No. WS-0207A-06-0467  
Application for Extension for Water & Sewer

  
Southwest environmental utilities  
CCEN Requested Area

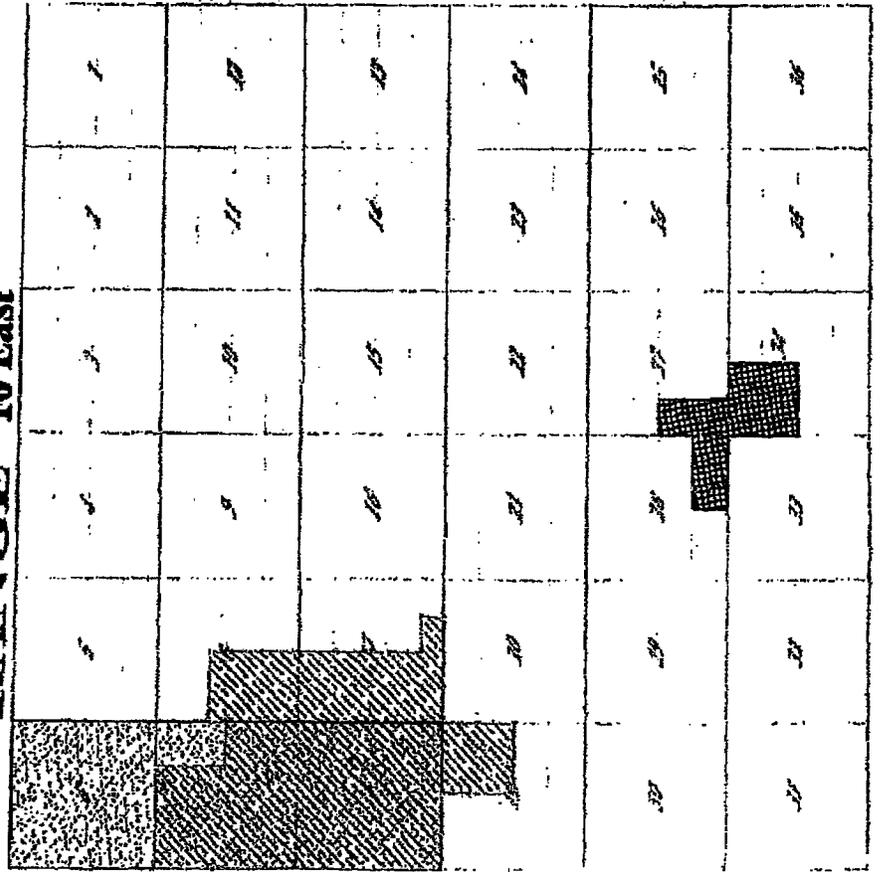
Map No. 22

Map No. 22

**COUNTY = Pinal**

**RANGE 10 East**

**TOWNSHIP 5 South**



-  E-1993 (1)  
Unified Utilities (Florence/Cactus System)
-  (4)  
City of Florence (Nonjurisdictional)
-   
Shaded, environmental sensitive  
OASIS Requested Area



*"The Power and Rewards of Vision"*

January 9, 2013

Southwest Environmental Utilities, LLC  
Attn: Mr. George Johnson  
5230 E Shea Blvd, Suite 200  
Scottsdale AZ 85254

Re: Florence Majestic Ranch

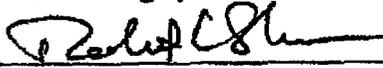
Mr. Johnson,

Florence/Majestic Ranch, L.L.C. hereby requests that Southwest Environmental Utilities, LLC provide water and wastewater service to our Florence Majestic Ranch development. A legal description of the Property is attached to this letter as Exhibit A. Florence/Majestic Ranch, L.L.C. will support any and all regulatory approvals necessary to providing water and sewer service to our development

Please call should you have further questions or need additional information.

**FLORENCE/MAJESTIC RANCH, L.L.C.**

By: **KT/RMG Manager, L.L.C.**

By:   
Its Authorized Officer

8800 N. Gainey Center Drive | Suite 255 | Scottsdale | Arizona 85258  
480-609-1200 | fax 480-609-1130 | [www.ronmcrac.com](http://www.ronmcrac.com)

Mr. George Johnson  
Southwest Environmental Utilities, LLC  
January 9, 2013  
Page 2

Exhibit A

Description of Property

**ALL THAT PART OF SECTION 18, TOWNSHIP 5 SOUTH, RANGE 10 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:**

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 18;

THENCE NORTH 00 DEGREES 49 MINUTES 34 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 18, A DISTANCE OF 2629.50 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 18;

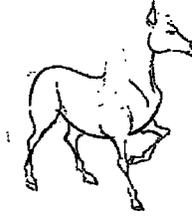
THENCE NORTH 00 DEGREES 50 MINUTES 11 SECONDS WEST, ALONG THE WEST LINE OF SAID SECTION 18, A DISTANCE OF 2206.12 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE HIGHWAY 89;

THENCE SOUTH 31 DEGREES 53 MINUTES 55 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE HIGHWAY 89, A DISTANCE OF 4655.79 FEET TO A POINT ON THE NORTH-SOUTH MID-SECTION LINE OF SAID SECTION 18;

THENCE SOUTH 01 DEGREES 47 MINUTES 36 SECONDS EAST, ALONG THE NORTH-SOUTH MID-SECTION LINE, A DISTANCE OF 849.82 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 18;

THENCE SOUTH 89 DEGREES 14 MINUTES 13 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 18, A DISTANCE OF 2492.72 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 18 AND THE POINT OF BEGINNING.

APN 206-01-012A5



**JOHNSON RANCH ESTATES, LLC**

1 March 2013

Southwest Environmental Utilities, LLC  
5230 E Shea Blvd, Suite 200  
Scottsdale AZ 85254

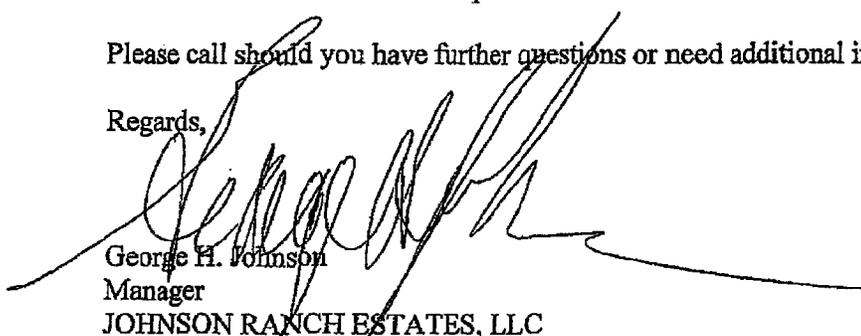
Re: Johnson Ranch Estates

To Whom It May Concern,

Johnson Ranch Estates, LLC hereby requests that Southwest Environmental Utilities, LLC provide water and wastewater service to our Johnson Ranch Estates development. A legal description of the property is attached to this letter as Exhibit A. Johnson Ranch Estates, LLC will support any and all regulatory approvals necessary to providing water and sewer service to our development

Please call should you have further questions or need additional information.

Regards,

  
George H. Johnson  
Manager  
JOHNSON RANCH ESTATES, LLC

Attachment: Exhibit A

5230 East Shea Boulevard, Suite 200  
Scottsdale AZ 85254  
(480) 998-3300 Phone  
(480) 483-7908 Fax

JOHNSON RANCH ESTATES

LEGAL DESCRIPTION

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

Parcel No. 1:

The Northwest quarter of Section 17, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Commencing at the Northwest corner of said Section 17, which is a GLO brass cap, said Point being the POINT OF BEGINNING, from which the West quarter corner of said Section 17 bears South 00 degrees 02 minutes 58 seconds East a distance of 2644.13 feet (measured), which is a GLO brass cap;

Thence North 89 degrees 56 minutes 35 seconds East, along the North line of said Section 17, a distance of 2655.84 feet (measured), to the North quarter corner of said Section 17, which is a GLO brass cap;

Thence South 00 degrees 06 minutes 29 seconds East, along the North-South mid-section line, a distance of 2649.15 feet (measured) to the center quarter corner;

Thence North 89 degrees 56 minutes 55 seconds West, along the East-West mid-section line, a distance of 2658.56 feet (measured) to the West quarter corner of said Section 17;

Thence North 00 degrees 02 minutes 58 seconds West, along the West line of said Section 17, a distance of 2644.13 feet (measured) to the POINT OF BEGINNING.

Parcel No. 2:

The Northeast quarter of Section 18, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Commencing at the Northeast corner of said Section 18, which is a GLO brass cap, said point being the POINT OF BEGINNING, from which the East quarter corner of said Section 18 bears South 00 degrees 02 minutes 58 seconds East a distance of 2644.13 feet (measured); which is a GLO brass cap;

Thence South 00 degrees 02 minutes 58 seconds East, along the East line of said Section 18, a distance of 2644.13 feet (measured) to the East quarter corner of said Section 18;

Thence North 89 degrees 29 minutes 23 seconds West, along the East-West mid-section line, a distance of 2641.46 feet (measured);

Thence North 00 degrees 02 minutes 26 seconds West, along the North-South mid-section line a distance of 2619.92 feet (measured) to the North quarter corner of said Section 18, which is a GLO brass cap;

Thence North 89 degrees 59 minutes 06 seconds East, a distance of 2640.94 feet (measured) to the POINT OF BEGINNING;

EXCEPT all coal, oil, gas and other minerals as reserved in the patent to said land.

Parcel No. 3:

The Southwest quarter of Section 17, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Commencing at the West quarter corner of said Section 17, which is a GLO brass cap, said point being the POINT OF BEGINNING, from which the Northwest corner of said Section 17, which is a GLO brass cap, bears North 00 degrees 02 minutes 58 seconds West, a distance of 2644.13 feet (measured);

Thence South 89 degrees 56 minutes 55 seconds East, along the East-West mid-section line, a distance of 2658.56 feet (measured) to the center quarter corner of said Section 17;

Thence South 00 degrees 06 minutes 58 seconds East, along the North-South mid-section line, a distance of 2638.21 feet (measured) to the South quarter corner of said Section 17, which is a GLO brass cap;

Thence South 89 degrees 57 minutes 55 seconds West, along the South line of said Section 17, a distance of 2664.91 feet (measured) to the Southwest corner of said section 17, which is a GLO brass cap;

Thence North 00 degrees 01 minutes 18 seconds East, along the West line of said Section 17, a distance of 2642.21 feet (measured) to the POINT OF BEGINNING.

**Parcel No. 4:**

Parcel C, Book 8 of Surveys, Page 255, being a portion of the Southeast quarter of Section 17, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the South quarter corner of Section 17, which is a General Land Office Brass cap, from which the Southwest corner of said Section 17, which is a GLO brass cap, bears South 89 degrees 57 minutes 55 seconds West a distance of 2,664.91 feet, said point being the POINT OF BEGINNING;

Thence North 00 degrees 06 minutes 58 seconds West along the North-South midsection line, a distance of 825.00 feet;

Thence South 89 degrees 51 minutes 20 seconds East parallel with the south line of said Section 17, a distance of 1,328.12 feet;

Thence South 00 degrees 04 minutes 22 seconds East a distance of 825.00 feet to the South line of said Section 17;

Thence North 89 degrees 51 minutes 20 seconds West along said South line a distance of 1,327.50 feet to the POINT OF BEGINNING;

EXCEPT all coal, oil, gas and other minerals as reserved in the patent to said land.

March 1, 2013

Southwest Environmental Utilities, LLC  
5230 E Shea Blvd, Suite 200  
Scottsdale AZ 85254

Re: Florence Crossing Land Partners, LLC  
±56 acres at Hwy 79 and Kelvin Hwy, Florence Arizona

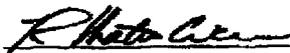
Mr. Johnson,

Florence Crossing Land Partners, LLC hereby requests that Southwest Environmental Utilities provide water and wastewater service to our Florence Crossing PAD development. A legal description of the Property is attached to this letter as Exhibit A. Florence Crossing Land Partners, LLC will support any and all regulatory approvals necessary to providing water and sewer service to our development

Please call should you have further questions or need additional information.

Regards,

Maximillian Investment Company, LLC  
Managing Member of Florence Crossing Land Partners, LLC

By:   
Matthew Werner, Its Manager

**EXHIBIT "A"**

**Parcel No. 1:**

Beginning at the East quarter corner of Section 12, Township 5 South, Range 9 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, herein referred to as the True Point of Beginning of that property described as follows:

Thence North 89 degrees 35 minutes 52 seconds West, along the Northerly line of the Southeast quarter of said Section 12, for a distance of 1,461.22 feet;

Thence South 58 degrees 56 minutes 48 seconds West, for a distance of 133.73 feet;

Thence South 30 degrees 50 minutes 19 seconds East, for a distance of 2,993.88 feet;

Thence North 89 degrees 36 minutes 16 seconds East, for a distance of 33.75 feet to a point on the Easterly section line of said Section 12;

Thence North 00 degrees 09 minutes 26 seconds East, a distance of 2,649.61 feet to the True Point of Beginning.

**Parcel No.2:**

Beginning at the Southwest corner of Section 7, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, hereinafter referred to as the True Point of Beginning of that property described as follows:

Thence North 00 degrees 13 minutes 35 seconds East, a distance of 51.74 feet to the Southeast corner of Section 12, Township 5 South, Range 9 East;

Thence North 00 degrees 09 minutes 26 seconds East, along the Westerly line of said Section 7, for a distance of 1,155.36 feet;

Thence South 26 degrees 07 minutes 45 seconds East, for a distance of 56.83 feet;

Thence South 03 degrees 18 minutes 32 seconds East, for a distance of 172.05 feet;

Thence South 06 degrees 04 minutes 06 seconds West, for a distance of 109.93 feet;

Thence South 01 degree 29 minutes 30 seconds East, for a distance of 181.67 feet;

Thence South 50 degrees 03 minutes 31 seconds East, for a distance of 84.44 feet;

Thence South 39 degrees 18 minutes 23 seconds East, for a distance of 257.76 feet;

Thence South 18 degrees 00 minutes 04 seconds East, for a distance of 237.67 feet;

Thence South 24 degrees 28 minutes 37 seconds East, for a distance of 115.00 feet;

Thence South 15 degrees 34 minutes 40 seconds East, for a distance of 107.89 feet, to a point on the Southerly line of said Section 7;

Thence South 89 degrees 17 minutes 08 seconds West, for a distance of 409.56 feet, along the Southerly line of said Section 7 to the Southwest corner of said Section 7 and the True Point of Beginning.

# Appendix B

Southwest Environmental Utilities, LLC  
Preliminary Engineering Design Report



Engineering • Planning  
Surveying • Urban Design  
Landscape Architecture

October 16, 2013

Mr. Daniel Hodges  
Southwest Environmental Utilities, LLC  
5230 E. Shea Blvd., Ste. 200  
Scottsdale, AZ 85254

Subject: Southwest Environmental Utilities, LLC  
CC&N Expansion

Dear Mr. Hodges:

This letter identifies the water demand, as well as sewer flow and plant requirements, for the property located within the CC&N area requested by Southwest Environmental Utilities, L.L.C. It also lists the associated costs for installing the necessary infrastructure in response to comments received from the Arizona Corporation Commission (ACC) in its review of Southwest Environmental Utilities, LLC application for a water and sewer service area.

It is our assumption that the application for the Approval to Construct would be submitted to ADEQ upon approval of the CC&N application.

### **1. Development Phasing**

Phase I consists of the following development parcels located within Johnson Ranch Estates: Parcels B, C, D, E, F, G, H, I, J, K, Z, AA, BB, CC, DD, EE, FF, MM, and NN. These areas consist of the following uses: residential (a variety of different types and densities), mixed use, a town square, an equestrian facility and a wastewater treatment plant. It is anticipated that construction of this initial phase will begin in June 2014. Please refer to Appendix A: Conceptual Land Use Plan and Phasing Plan for the location of the above-listed parcels and the phasing of the project.

Phase II within the requested CC&N area is anticipated to be under construction in the year 2017. This property will be developed with primarily residential and commercial land uses. Please refer to Appendix A: Conceptual Land Use Plan and Phasing Plan for the location of Phase II.

### **2. Water System**

The water demands for the phases are shown in the following tables and are based on the Southwest Environmental Utilities LLC Design Guide and Standard Details (August 2013):

Water Use:

- 2.6 people/DU @ 100 gallons per day (gpd)
- Average Day (AD) =  $2.6 \times 100 = 260$  gallons per unit per day (gpud)
- Peak Day (PD) =  $2 \times AD = 520$  gpud
- Peak Hour (PH) =  $3.5 \times AD = 910$  gpud
- Commercial – AD = 1500 gallons per acre per day (gpud)  
PD =  $2 \times AD$   
PH =  $3.5 \times AD$

Supply

Wells: Minimum supply from wells pumping to storage to meet peak day.

Booster: Minimum booster capacity without elevated storage to meet peak hour (PH) demand plus fire flow (FF).

Storage:

- Usable volume equal to AD minimum (50% PD) per ADEQ + fire flow (FF) with minimum FF of 2 hours @ 1000 gpm = 120,000 gal. May be reduced per R18-5-503.
- With well @ PD, provide minimum AD storage at ground storage tanks with boosters to meet PH. Provide well, storage tank and booster at each water plant.

Pipe Sizes:

- Sized for PH with provisions for fire flow.

**Table 1 – Water Demands – Phase 1**

Parcel	Proposed Zoning	Acreage	Dwelling Units	Unit Factor	Avg. Daily Demand (gpd)	Peak Daily Demand (gpd)	Peak Hour Demand (gpd)
B	MFR	10	80	260 gpud	20,800	41,600	72,800
C	MFR	33	264	260 gpud	68,640	137,280	240,240
D	MFR	31	248	260 gpud	64,480	128,960	225,680
E	WWTP	15	--	--	--	--	--
F	MFR	12	96	260 gpud	24,960	49,920	87,360
G	MDR	36	263	260 gpud	68,380	136,760	239,330
H	Mixed Use	34	68	260 gpud	17,680	35,360	61,880
I	MDR	10	73	260 gpud	18,980	37,960	66,430
J	MDR	14	102	260 gpud	26,520	53,040	92,820
K	MDR	21	153	260 gpud	39,780	79,560	139,230
Z	MDR	27	189	260 gpud	49,140	98,280	171,990
AA	Mixed Use	31	62	260 gpud	16,120	32,240	56,420
BB	Mixed Use	14	28	260 gpud	7,280	14,560	25,480
CC	Mixed Use	40	80	260 gpud	20,800	41,600	72,800
DD	Mixed Use	17	34	260 gpud	8,840	17,680	30,940
EE	MDR	12	84	260 gpud	21,840	43,680	76,440
FF	EQ	20	--	--	--	--	--
MM	Mixed Use	25	50	260 gpud	13,000	26,000	45,500
NN	Town Square	11	--	1,500 gpad	16,500	33,000	57,750
<b>Totals Phase 1</b>		<b>413</b>	<b>1,874</b>		<b>503,740 (350 gpm)</b>	<b>1,007,480 (700 gpm)</b>	<b>1,763,090 (1225 gpm)</b>

**Table 2 – Water Demands – Phase 2 (Balance of CC&N Area)**

Project	Proposed Use	Acreage	Dwelling Units	Unit Factor	Avg. Daily Demand (gpd)	Peak Daily Demand (gpd)	Peak Hour Demand (gpd)
Florence Majestic Ranch	Residential	139	638	260 gpud	165,880	331,760	580,580
	Commercial	15	--	1,500 gpad	22,500	45,000	78,750
Majestic Ranch	Residential	123	648	260 gpud	168,480	336,960	589,680
	Commercial	11	--	1,500 gpad	16,500	33,000	57,750
Florence Crossing	Residential	36	250	260 gpud	65,000	130,000	227,500
	Commercial	9	--	1,500 gpad	13,500	27,000	47,250
Sunaire	Residential	108	428	260 gpud	111,280	222,560	389,480
	Commercial	--	--	1,500 gpad	--	--	--
Redstone Ranch	Residential	30	120	260 gpud	31,200	62,400	109,200
	Commercial	--	--	1,500 gpad	--	--	--
Florence 157	Residential	157	628	260 gpud	163,280	326,560	571,480
	Commercial	--	--	1,500 gpad	--	--	--
Johnson Ranch Estates	Residential	677	2,390	260 gpud	621,400	1,242,800	2,174,900
	Commercial	22	--	1,500 gpad	33,000	66,000	115,500
<b>Totals Phase 2</b>		<b>1,327</b>	<b>5,102</b>		<b>1,412,020</b> (981 gpm)	<b>2,824,040</b> (1,961 gpm)	<b>4,942,070</b> (3,432 gpm)
<b>Totals Phases 1 &amp; 2</b>		<b>1,740</b>	<b>6,976</b>		<b>1,915,760</b> (1,330 gpm)	<b>3,831,520</b> (2,661 gpm)	<b>6,705,160</b> (4,656 gpm)

*Water System Improvements*

The proposed spine water system improvements are shown on the Conceptual Master Water Plan located in Appendix B of this document. This infrastructure has been designed to meet the water demand of the CC&N area.

The following system improvements are required for Phase 1 of the CC&N area:

- Production will be provided by two wells capable of producing approximately 750 gpm each.
- 2 water plants with 0.5 MG storage reservoirs and a total of 1,225 gpm of booster pumping capacity.

- Water distribution lines as follows:
  - 8" water line: 3,000+/- LF
  - 12" water line: 5,000+/- LF
  - 15" water line: 5,000+/- LF
  - Phase 1 water lines totaling: 13,000+/- LF

The following total system improvements are required for Phases 1 and 2 of the CC&N area:

- Production will be provided by a total of four wells capable of producing approximately 750 gpm each.
- 4 water plants totaling a minimum of 2.0 MG of storage reservoirs with a total of 4,530 gpm of booster pumping capacity.
- Water distribution lines as follows:
  - 8" water line: 2,000+/- LF
  - 12" water line: 23,000+/- LF
  - Phase 1 and 2 water lines totaling: 38,000+/- LF

**Table 3 – Water System Spine Infrastructure and Plant Requirements – Phases 1 & 2**

Project	Spine Water Line	Water Plants	Min. Total Wells Capacity	Min. Total Booster Capacity	Min. Total Storage	Storage Provided
Phase 1	13,000 LF*	2	1.01 mgd	1,225 gpm	0.624 MG	1 MG
Phase 2	25,000 LF*	2	2.72 mgd	3,305 gpm	1.355 MG	1 MG
Total	38,000 LF*	4	3.73 mgd	4,530 gpm	1.98 MG	2 MG

\*Linear footage is approximate.

### 3. Wastewater System

The sewer demands for the initial phases are shown in the tables below and are based on the Southwest Environmental Utilities Design Guide and Standard Details (August 2013):

#### Sewer Demand

- 80 gallons per capita per day (gpcd) for all residential areas requiring sewers (ADWF)
- 2.6 persons/du for all Family Community Residences

- 1,000 gallons per acre per day (gpud) for all commercial (ADWF)
- 3.0 Peaking Factor for all commercial (PDWF)
- 250 gpud for wet weather flow infiltration and inflow

Note: ADWF = Average Dry Weather Flow  
 PDWF = Peak Dry Weather Flow  
 WWF = Wet Weather Flow

Sewage Treatment Plant

- Per the Southwest Environmental Utilities Design Guide and Standard Details (August 2013), the plant is sized for minimum 187.2 gpud + commercial @ 1,000 gpud.

**Table 4 – Sewer Flow and Plant Requirements – Phase 1**

Project	Total No. Acres	Acres of Comm.	Comm. Flow @ 1000 gpud	Number Of DU	DU x 187.2 gpud	Total AD + Comm.
Johnson Ranch Estates (Phase 1)	413	11	11,000	1,359	254,405	265,405

**Table 5 – Sewer Flow and Plant Requirements – Phase 2 (Balance of CC&N Area)**

Project	Total No. Acres	Acres of Comm.	Comm. Flow @ 1000 gpud	Number Of DU	DU x 187.2 gpud	Total AD + Comm.	% of Total AD + Comm.
Johnson Ranch Estates (Phase 2)	699	11	11,000	2,390	447,408	0.458 MG	45.80%
Sunaire	108	0	0	428	80,122	0.080 MG	8.0%
Florence Crossing	45	9	9,000	250	46,800	0.056 MG	5.60%
Majestic Ranch	134	11	11,000	648	121,306	0.132 MG	13.2%
Florence Majestic Ranch	154	15	15,000	638	119,434	0.134 MG	13.4%

Redstone Ranch	30	0	0	120	22,464	0.022 MG	2.20%
Florence 157	157	0	0	628	117,562	0.118 MG	11.80%
<b>Totals</b>	<b>1,327</b>	<b>47</b>	<b>46,000</b>	<b>5,102</b>	<b>955,096</b>	<b>1 MG</b>	<b>100%</b>

**Table 6 – Sewer Flow and Plant Requirements – Phases 1 & 2**

	<b>Total No. Acres</b>	<b>Acres of Comm.</b>	<b>Comm. Flow @ 1000 gpud</b>	<b>Number Of DU</b>	<b>DU x 187.2 gpud</b>	<b>Total AD + Comm.</b>
Phase 1	413	11	11,000	1,874	350,813	361,813
Phase 2	1,327	47	47,000	5,102	955,094	1,002,094
<b>Totals</b>	<b>1,740</b>	<b>58</b>	<b>58,000</b>	<b>6,976</b>	<b>1,305,907</b>	<b>1,363,907</b>

*Sewer System Improvements*

The proposed spine sewer system improvements are shown on the Conceptual Master Sewer Plan located in Appendix C of this document. This infrastructure has been designed to meet the sewer demand of the CC&N area.

The following system improvements are required for Phase 1 of the CC&N area:

- 300,000 gpd (0.3 MGD) wastewater treatment plant employing the sequencing batch reactor (SBR) process.
- Gravity sewer mains as follows:
  - 8" gravity main: 1,500+/- LF
  - 10" gravity main: 6,000+/- LF
  - 12" gravity main: 3,500+/- LF
  - 15" gravity main: 3,000+/- LF
  - Phase 1 gravity sewer mains totaling: 14,000+/- LF
- No lift stations are required in this phase.

The following total system improvements are required for Phases 1 and 2 of the CC&N area:

- Minimum of 1.3 MGD wastewater treatment plant.

- Gravity sewer mains as follows:
  - 8" gravity main: 16,000+/- LF
  - 10" gravity main: 7,000+/- LF
  - 12" gravity main: 3,500+/- LF
  - 15" gravity main: 3,000+/- LF
- 8" force mains totaling approximately 7,000 linear feet.
- Phase 1 and 2 sewer mains totaling: 36,500+/- LF
- Two lift stations.

**Table 7 – Sewer System Spine Infrastructure – Phases 1 & 2**

<b>Project</b>	<b>Spine Gravity Sewer Line</b>	<b>Force Main</b>	<b>Lift Stations</b>
Phase 1	14,000 LF*	N/A	N/A
Phase 2	15,500 LF*	7,000 LF*	2
Total	29,500 LF*	7,000 LF*	2

\*Linear footage is approximate.

#### **4. Estimated Cost of System Improvements**

Construction cost estimates for the above-mentioned infrastructure were prepared by Specific Engineering, LLC and are included in the original application for a CC&N expansion. Please refer to this application for this information.

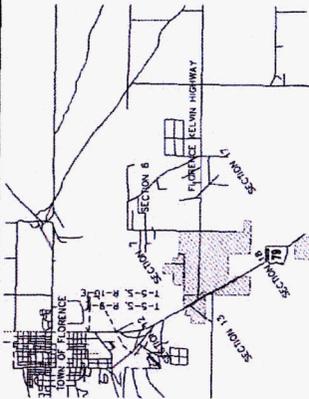
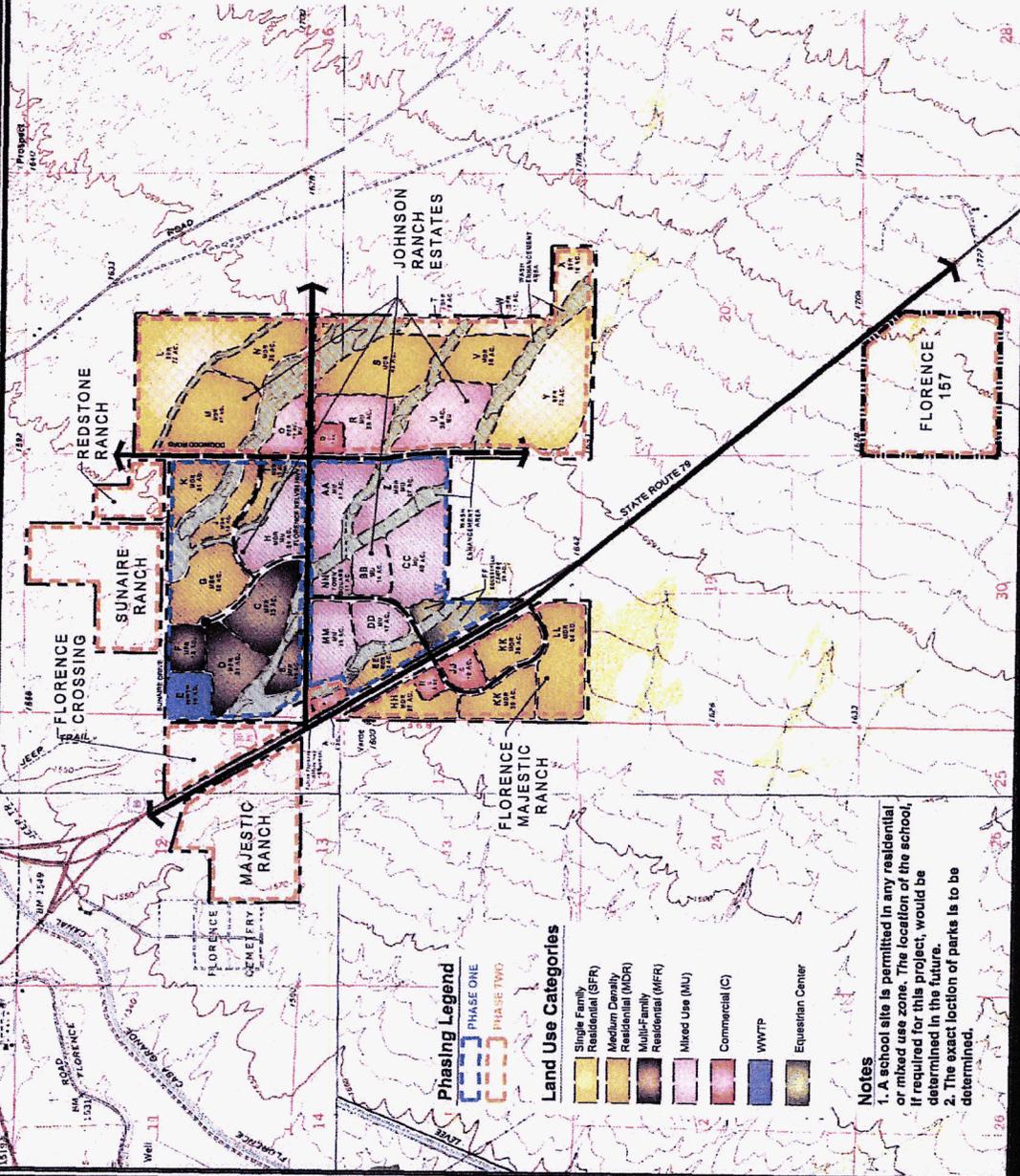
Should you have any questions, please feel free to contact me.

Sincerely,

THE WLB GROUP, INC.

William C. Walker, PE, RLS  
Principal

**Appendix A**  
**Conceptual Land Use and Phasing Exhibit**



- Legend of Symbols**
- PROPERTY BOUNDARY
  - - - DEVELOPMENT PARCEL BOUNDARY
  - PROPOSED ROAD
  - W WATER PLANT SITE

**Project Summary**

Project Name	Acreage	Commercial Acreage	Number of Dwelling Units
Johnson Ranch Estates	1,112	11	4,264
Florence Majestic Ranch	154	15	638
Majestic Ranch	134	11	648
Florence Crossing	45	9	260
Sunaire	108	0	428
Redstone Ranch	30	0	120
Florence 157	157	0	628
<b>Totals</b>	<b>1,740</b>	<b>48</b>	<b>6,976</b>

- Phasing Legend**
- PHASE ONE
  - PHASE TWO

- Land Use Categories**
- Single Family Residential (SFR)
  - Medium Density Residential (MDR)
  - Multi-Family Residential (MFR)
  - Mixed Use (MU)
  - Commercial (C)
  - WWTP
  - Equestrian Center

- Notes**
1. A school site is permitted in any residential or mixed use zone. The location of the school, if required for this project, would be determined in the future.
  2. The exact location of parks is to be determined.

**Conceptual Land Use Plan and Phasing Plan**



WLB Group  
 10000 W. 10th Avenue  
 Suite 100  
 Denver, CO 80202  
 Phone: 303.755.1100  
 Fax: 303.755.1101

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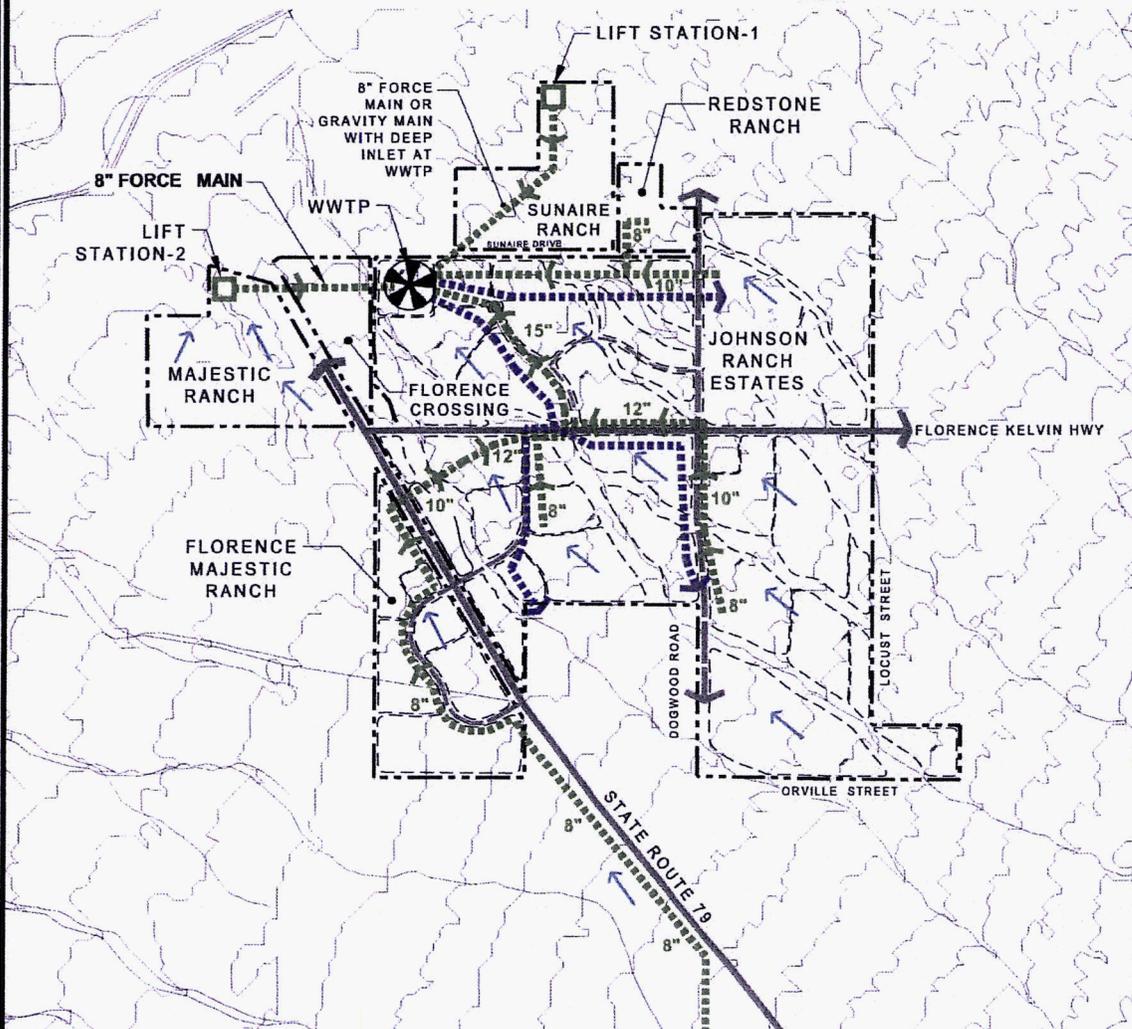
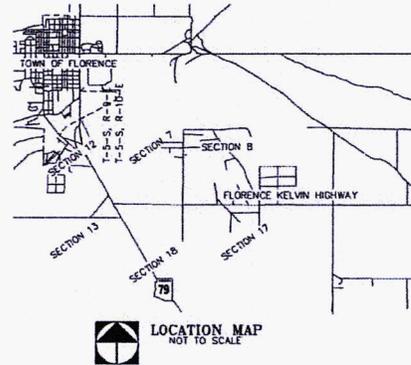
**Appendix B**  
**Preliminary Water Design Concept**



**Appendix C**  
**Preliminary Sewer Design Concept**

**Legend of Symbols**

- PROPOSED SEWER MAIN
- PROPOSED RECLAIMED LINE
- PROPOSED LIFT STATION
- ⊗ PROPOSED WASTEWATER TREATMENT PLANT (WWTP)
- ↗ SURFACE FLOW DIRECTION



Sewer System Spine Infrastructure, Phasing and Estimated Construction Dates

Phases	Infrastructure Item	Estimated Construction Start Date	Estimated Construction Completion Date
Phase 1	14,000 LF PVC Gravity Main*	June 2014	June 2015
	Wastewater Treatment Plant (WWTP)	June 2014	Dec 2014
Phase 2	15,500 LF PVC Gravity Main*	January 2017	January 2018
	7,000 LF PVC Force Main*	January 2017	January 2018
	Lift Station-1	January 2017	July 2017
	Lift Station-2	January 2017	July 2017

\*Linear footage is approximate.

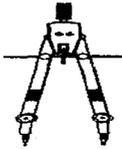


# Appendix C

Construction Cost Estimates

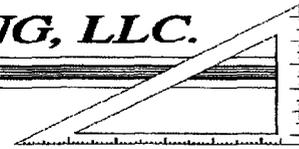
# Sewer Construction Costs





# SPECIFIC ENGINEERING, LLC.

5310 E. SHEA BOULEVARD SUITE 2  
SCOTTSDALE, ARIZONA 85254  
Phone: (480) 596-6335  
FAX: (480) 596-6437



**PRELIMINARY CONSTRUCTION ESTIMATE**

**PROJECT NO.**

**PROJECT : SOUTHWEST ENVIRONMENTAL UTILITIES**

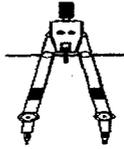
**NO. of LOTS: N/A**

**DATE: 10/21/13**

**BY: SOUTHWEST ENVIRONMENTAL UTILITIES, LLC**

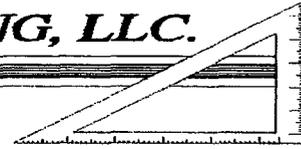
## **ONSITE SEWER**

Description	Unit	Approximate Quantity	Unit Price	TOTAL
JOHNSON RANCH ESTATES-PARCEL A	LS	1	12,680.00	\$12,680.00
JOHNSON RANCH ESTATES-PARCEL B	LS	1	112,000.00	\$112,000.00
JOHNSON RANCH ESTATES-PARCEL C	LS	1	369,600.00	\$369,600.00
JOHNSON RANCH ESTATES-PARCEL D	LS	1	347,200.00	\$347,200.00
JOHNSON RANCH ESTATES-PARCEL E-WRP				
JOHNSON RANCH ESTATES-PARCEL F	LS	1	134,400.00	\$134,400.00
JOHNSON RANCH ESTATES-PARCEL G	LS	1	368,200.00	\$368,200.00
JOHNSON RANCH ESTATES-PARCEL H	LS	1	95,200.00	\$95,200.00
JOHNSON RANCH ESTATES-PARCEL I	LS	1	102,200.00	\$102,200.00
JOHNSON RANCH ESTATES-PARCEL J	LS	1	142,800.00	\$142,800.00
JOHNSON RANCH ESTATES-PARCEL K	LS	1	214,200.00	\$214,200.00
JOHNSON RANCH ESTATES-PARCEL L	LS	1	421,400.00	\$421,400.00
JOHNSON RANCH ESTATES-PARCEL M	LS	1	630,000.00	\$630,000.00
JOHNSON RANCH ESTATES-PARCEL N	LS	1	350,000.00	\$350,000.00
JOHNSON RANCH ESTATES-PARCEL O	LS	1	53,200.00	\$53,200.00
JOHNSON RANCH ESTATES-PARCEL P	LS	1	49,000.00	\$49,000.00
JOHNSON RANCH ESTATES-PARCEL Q	LS	1	19,380.00	\$19,380.00
JOHNSON RANCH ESTATES-PARCEL R	LS	1	98,000.00	\$98,000.00
JOHNSON RANCH ESTATES-PARCEL S	LS	1	595,000.00	\$595,000.00
JOHNSON RANCH ESTATES-PARCEL T	LS	1	42,000.00	\$42,000.00
JOHNSON RANCH ESTATES-PARCEL U	LS	1	133,000.00	\$133,000.00
JOHNSON RANCH ESTATES-PARCEL V	LS	1	373,800.00	\$373,800.00
JOHNSON RANCH ESTATES-PARCEL W	LS	1	57,400.00	\$57,400.00
JOHNSON RANCH ESTATES-PARCEL X	LS	1	84,000.00	\$84,000.00



# SPECIFIC ENGINEERING, LLC.

5310 E. SHEA BOULEVARD SUITE 2  
SCOTTSDALE, ARIZONA 85254  
Phone: (480) 596-6335  
FAX: (480) 596-6437



**PRELIMINARY CONSTRUCTION ESTIMATE**  
**PROJECT : SOUTHWEST ENVIRONMENTAL UTILITIES**  
**DATE: 10/21/13**  
**ONSITE SEWER**

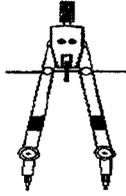
**PROJECT NO.**  
**NO. of LOTS: N/A**  
**BY: SOUTHWEST ENVIRONMENTAL UTILITIES, LLC**

Description	Unit	Approximate Quantity	Unit Price	TOTAL
JOHNSON RANCH ESTATES-PARCEL Y	LS	1	459,200.00	\$459,200.00
JOHNSON RANCH ESTATES-PARCEL Z	LS	1	264,600.00	\$264,600.00
JOHNSON RANCH ESTATES-PARCEL AA	LS	1	86,800.00	\$86,800.00
JOHNSON RANCH ESTATES-PARCEL BB	LS	1	39,200.00	\$39,200.00
JOHNSON RANCH ESTATES-PARCEL CC	LS	1	112,000.00	\$112,000.00
JOHNSON RANCH ESTATES-PARCEL DD	LS	1	47,600.00	\$47,600.00
JOHNSON RANCH ESTATES-PARCEL EE	LS	1	117,600.00	\$117,600.00
JOHNSON RANCH ESTATES-PARCEL FF - Equestrian Park				
JOHNSON RANCH ESTATES-PARCEL MM	LS	1	70,000.00	\$70,000.00
JOHNSON RANCH ESTATES-PARCEL NN	LS	1	26,400.00	\$26,400.00
FLORENCE MAJESTIC RANCH	LS	1	936,140.00	\$936,140.00
MAJESTIC RANCH	LS	1	933,600.00	\$933,600.00
FLORENCE CROSSING	LS	1	373,140.00	\$373,140.00
SUNAIRE	LS	1	599,200.00	\$599,200.00
FLORENCE 157	LS	1	879,200.00	\$879,200.00
REDSTONE RANCH	LS	1	168,000.00	\$168,000.00
SUBTOTAL				<b>\$8,870,140.00</b>

**TOTALS SHOWN ARE FOR ONSITE SEWER COSTS**

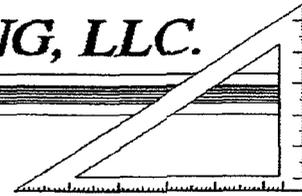
Note: Specific Engineering LLC has no control over the costs of labor, materials or equipment or over any contractor's method of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent Specific Engineering, LLC's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. Specific Engineering LLC cannot and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable cost prepared by Specific Engineering LLC.

## Water Construction Costs



# SPECIFIC ENGINEERING, LLC.

5310 E. SHEA BOULEVARD SUITE 2  
SCOTTSDALE, ARIZONA 85254  
Phone: (480) 596-6335  
FAX: (480) 596-6437



## PRELIMINARY CONSTRUCTION ESTIMATE

PROJECT NO. 3200A001

PROJECT :Southwest Environmental Utilities Infrastructure

NO. of LOTS: N/A

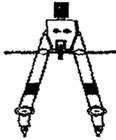
10/21/2013

BY: SOUTHWEST ENVIRONMENTAL UTILITIES, LL

## OFFSITE WATER INFRASTRUCTURE

Description	Unit	Approximate Quantity	Unit Price	TOTAL
16" AWWA C900 DR 18 PVC 150psi	LF	6,580	45.00	\$296,100.00
12" AWWA C900 DR 18 PVC 150psi	LF	16,860	35.00	\$590,100.00
10" AWWA C900 DR 18 PVC 150psi	LF	2,640	28.00	\$73,920.00
8" AWWA C900 DR 18 PVC 150psi	LF	2,640	17.00	\$44,880.00
16" GATE VALVE, BOX & COVER	EA	9	2,200.00	\$19,800.00
12" GATE VALVE, BOX & COVER	EA	34	1,870.00	\$63,580.00
10" GATE VALVE, BOX & COVER	EA	4	1,350.00	\$5,400.00
8" GATE VALVE, BOX & COVER	EA	4	890.00	\$3,560.00
PVC WATER MAIN LOCATING TAPE	LF	28,720	0.85	\$24,412.00
WELL WITH WATER PLANT NO.1	LS	1	671,112.00	\$671,112.00
WATER PLANT NO.1-500,000 GAL STORAGE TANK	LS	1	600,000.00	\$600,000.00
WELL WITH WATER PLANT NO.2	LS	1	671,112.00	\$671,112.00
WATER PLANT NO.2-500,000 GAL STORAGE TANK	LS	1	600,000.00	\$600,000.00
WELL WITH WATER PLANT NO.3	LS	1	671,112.00	\$671,112.00
WATER PLANT NO.3-500,000 GAL STORAGE TANK	LS	1	600,000.00	\$600,000.00
WELL WITH WATER PLANT NO. 4	LS	1	671,112.00	\$671,112.00
WATER PLANT NO. 4-500,000 GAL STORAGE TANK	LS	1	600,000.00	\$600,000.00
SUBTOTAL				<b>\$6,206,200.01</b>

Note: Specific Engineering LLC has no control over the costs of labor, materials or equipment or over any contractor's method of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent Specific Engineering, LLC's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. Specific Engineering LLC cannot and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable cost prepared by Specific Engineering LLC.



# SPECIFIC ENGINEERING, LLC.

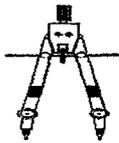
5310 E. SHEA BOULEVARD SUITE 2  
SCOTTSDALE, ARIZONA 85254  
Phone: (480) 596-6335  
FAX: (480) 596-6437



**PRELIMINARY CONSTRUCTION ESTIMATE**  
**PROJECT : SOUTHWEST ENVIRONMENTAL UTILITIES**  
**DATE: 10/21/13**  
**ONSITE WATER**

**PROJECT NO.**  
**NO. of LOTS: N/A**  
**BY: SOUTHWEST ENVIRONMENTAL UTILITIES, LLC**

Description	Unit	Approximate Quantity	Unit Price	TOTAL
JOHNSON RANCH ESTATES-PARCEL A	LS	1	24,000.00	\$24,000.00
JOHNSON RANCH ESTATES-PARCEL B	LS	1	128,000.00	\$128,000.00
JOHNSON RANCH ESTATES-PARCEL C	LS	1	422,400.00	\$422,400.00
JOHNSON RANCH ESTATES-PARCEL D	LS	1	396,800.00	\$396,800.00
JOHNSON RANCH ESTATES-PARCEL E-WRP				
JOHNSON RANCH ESTATES-PARCEL F	LS	1	576,000.00	\$576,000.00
JOHNSON RANCH ESTATES-PARCEL G	LS	1	420,800.00	\$420,800.00
JOHNSON RANCH ESTATES-PARCEL H	LS	1	108,800.00	\$108,800.00
JOHNSON RANCH ESTATES-PARCEL I	LS	1	116,800.00	\$116,800.00
JOHNSON RANCH ESTATES-PARCEL J	LS	1	163,200.00	\$163,200.00
JOHNSON RANCH ESTATES-PARCEL K	LS	1	244,800.00	\$244,800.00
JOHNSON RANCH ESTATES-PARCEL L	LS	1	481,600.00	\$481,600.00
JOHNSON RANCH ESTATES-PARCEL M	LS	1	720,000.00	\$720,000.00
JOHNSON RANCH ESTATES-PARCEL N	LS	1	400,000.00	\$400,000.00
JOHNSON RANCH ESTATES-PARCEL O	LS	1	60,800.00	\$60,800.00
JOHNSON RANCH ESTATES-PARCEL P	LS	1	56,000.00	\$56,000.00
JOHNSON RANCH ESTATES-PARCEL Q	LS	1	42,000.00	\$42,000.00
JOHNSON RANCH ESTATES-PARCEL R	LS	1	112,000.00	\$112,000.00
JOHNSON RANCH ESTATES-PARCEL S	LS	1	680,000.00	\$680,000.00
JOHNSON RANCH ESTATES-PARCEL T	LS	1	48,000.00	\$48,000.00
JOHNSON RANCH ESTATES-PARCEL U	LS	1	152,000.00	\$152,000.00
JOHNSON RANCH ESTATES-PARCEL V	LS	1	427,200.00	\$427,200.00
JOHNSON RANCH ESTATES-PARCEL W	LS	1	65,600.00	\$65,600.00
JOHNSON RANCH ESTATES -PARCEL X	LS	1	96,000.00	\$96,000.00



# SPECIFIC ENGINEERING, LLC.

5310 E. SHEA BOULEVARD SUITE 2  
SCOTTSDALE, ARIZONA 85254  
Phone: (480) 596-6335  
FAX: (480) 596-6437



**PRELIMINARY CONSTRUCTION ESTIMATE**  
**PROJECT : SOUTHWEST ENVIRONMENTAL UTILITIES**  
**DATE: 10/21/13**

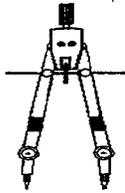
**PROJECT NO.**  
**NO. of LOTS: N/A**  
**BY: SOUTHWEST ENVIRONMENTAL UTILITIES, LLC**

## ONSITE WATER

Description	Unit	Approximate Quantity	Unit Price	TOTAL
JOHNSON RANCH ESTATES-PARCEL Y	LS	1	524,800.00	\$524,800.00
JOHNSON RANCH ESTATES-PARCEL Z	LS	1	302,400.00	\$302,400.00
JOHNSON RANCH ESTATES-PARCEL AA	LS	1	99,200.00	\$99,200.00
JOHNSON RANCH ESTATES-PARCEL BB	LS	1	44,800.00	\$44,800.00
JOHNSON RANCH ESTATES-PARCEL CC	LS	1	128,000.00	\$128,000.00
JOHNSON RANCH ESTATES-PARCEL DD	LS	1	54,400.00	\$54,400.00
JOHNSON RANCH ESTATES-PARCEL EE	LS	1	134,400.00	\$134,400.00
JOHNSON RANCH ESTATES-PARCEL FF-Equestrian Park	LS	1	78,400.00	\$78,400.00
JOHNSON RANCH ESTATES-PARCEL MM	LS	1	80,000.00	\$80,000.00
JOHNSON RANCH ESTATES-PARCEL NN	LS	1	66,000.00	\$66,000.00
FLORENCE MAJESTIC RANCH	LS	1	1,110,800.00	\$1,110,800.00
MAJESTIC RANCH	LS	1	1,102,800.00	\$1,102,800.00
FLORENCE CROSSING	LS	1	454,000.00	\$454,000.00
SUNAIRE	LS	1	684,800.00	\$684,800.00
REDSTONE RANCH	LS	1	192,000.00	\$192,000.00
FLORENCE 157	LS	1	1,004,800.00	\$1,004,800.00
	SUBTOTAL			<b>\$12,004,400.00</b>

**TOTAL SHOWN IS FOR ONSITE COSTS**

Note: Specific Engineering LLC has no control over the costs of labor, materials or equipment or over any contractor's method of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent Specific Engineering, LLC's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. Specific Engineering LLC cannot and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable cost prepared by Specific Engineering LLC.



# SPECIFIC ENGINEERING, LLC.

5310 E. SHEA BOULEVARD SUITE 2  
SCOTTSDALE, ARIZONA 85254  
Phone: (480) 596-6335  
FAX: (480) 596-6437



## PRELIMINARY CONSTRUCTION ESTIMATE

PROJECT NO.

3200A001

**PROJECT :Southwest Environmental Utilities Infrastructure**

NO. of LOTS: N/A

10/21/2013

BY: SOUTHWEST ENVIRONMENTAL UTILITIES, LI

## OFFSITE WATER INFRASTRUCTURE

Description	Unit	Approximate Quantity	Unit Price	TOTAL
16" AWWA C900 DR 18 PVC 150psi	LF	6,580	45.00	\$296,100.00
12" AWWA C900 DR 18 PVC 150psi	LF	16,860	35.00	\$590,100.00
10" AWWA C900 DR 18 PVC 150psi	LF	2,640	28.00	\$73,920.00
8" AWWA C900 DR 18 PVC 150psi	LF	2,640	17.00	\$44,880.00
16" GATE VALVE, BOX & COVER	EA	9	2,200.00	\$19,800.00
12" GATE VALVE, BOX & COVER	EA	34	1,870.00	\$63,580.00
10" GATE VALVE, BOX & COVER	EA	4	1,350.00	\$5,400.00
8" GATE VALVE, BOX & COVER	EA	4	890.00	\$3,560.00
PVC WATER MAIN LOCATING TAPE	LF	28,720	0.85	\$24,412.00
WELL WITH WATER PLANT NO.1	LS	1	671,112.00	\$671,112.00
WATER PLANT NO.1-500,000 GAL STORAGE TANK	LS	1	600,000.00	\$600,000.00
WELL WITH WATER PLANT NO.2	LS	1	671,112.00	\$671,112.00
WATER PLANT NO.2-500,000 GAL STORAGE TANK	LS	1	600,000.00	\$600,000.00
WELL WITH WATER PLANT NO.3	LS	1	671,112.00	\$671,112.00
WATER PLANT NO.3-500,000 GAL STORAGE TANK	LS	1	600,000.00	\$600,000.00
WELL WITH WATER PLANT NO. 4	LS	1	671,112.00	\$671,112.00
WATER PLANT NO. 4-500,000 GAL STORAGE TANK	LS	1	600,000.00	\$600,000.00
	SUBTOTAL			<b>\$6,206,200.01</b>

Note: Specific Engineering LLC has no control over the costs of labor, materials or equipment or over any contractor's method of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent Specific Engineering, LLC's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. Specific Engineering LLC cannot and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable cost prepared by Specific Engineering LLC.

**SOUTHWEST ENVIRONMENTAL UTIL**

5230 East Shea Boulevard, Suite 200 \* Scottsdale, Arizor.  
PH: (480) 998-3300; FAX: (480) 483-7908



0000151548

March 4, 2014

**ORIGINAL**

Blessing N. Chukwu  
Executive Consultant III  
AZ Corporate Commission  
1200 West Washington Street  
Phoenix AZ 85007-2927

Re: Docket WS-20878A-13-0065  
Request for Certificate for Convenience and Necessity;  
Additional Request for Service Letter  
Sunaire Ranch and Majestic Ranch Developments

Arizona Corporation Commission  
**DOCKETED**  
MAR 04 2014  
DOCKETED BY 

Dear Ms. Chukwu:

Please see the Request for Service letter from Civic Properties, L.L.C. requesting water and wastewater service for the Sunaire Ranch and Majestic Ranch developments (Attachment A).

Please feel free to contact either myself or Katherine Nierva at (480) 998-330 with concerns or questions regarding the above.

Regards,

Daniel R. Hodges  
SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C.

Attachment (1)

cc: Docket Control (13)  
Jian Liu (Water/Wastewater Engineer)

**RECEIVED**  
2014 MAR -4 A 11:23  
AZ CORP COMMISSION  
DOCKET CONTROL

# Attachment A

**Civic Properties, L.L.C.**  
**an Arizona limited liability company**

February 27, 2014

Southwest Environmental Utilities, L.L.C.  
5230 E Shea Blvd, Suite 200  
Scottsdale AZ 85254  
George H. Johnson, Manager

Re: Sunaire Ranch and Majestic Ranch developments (the "Properties")

Dear Mr. Johnson:

Civic Properties, L.L.C. ("Company") hereby requests that Southwest Environmental Utilities, L.L.C. ("Provider") provide water and wastewater service to the above referenced Properties owned by the Company. The legal descriptions for the Properties are attached to this letter as Exhibit A.

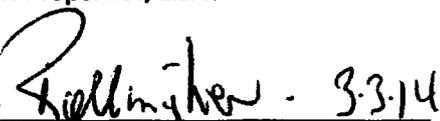
We understand the Properties are currently included in the certified area of the Application ("Application") for an Extension of Certificate of Convenience and Necessity ("CC&N") filed by Provider with the Arizona Corporation Commission. So long as the Properties are included within the Application and approved CC&N and Provider commits to provide water and wastewater service to the above referenced Properties, the Company will support any and all regulatory approvals necessary to provide water and wastewater services to the Properties.

Please call should you have further questions or need additional information.

Regards,

Civic Properties, L.L.C.

By:

 - 3.3.14  
Irving Rollinger, its Manager

**LEGAL DESCRIPTION**

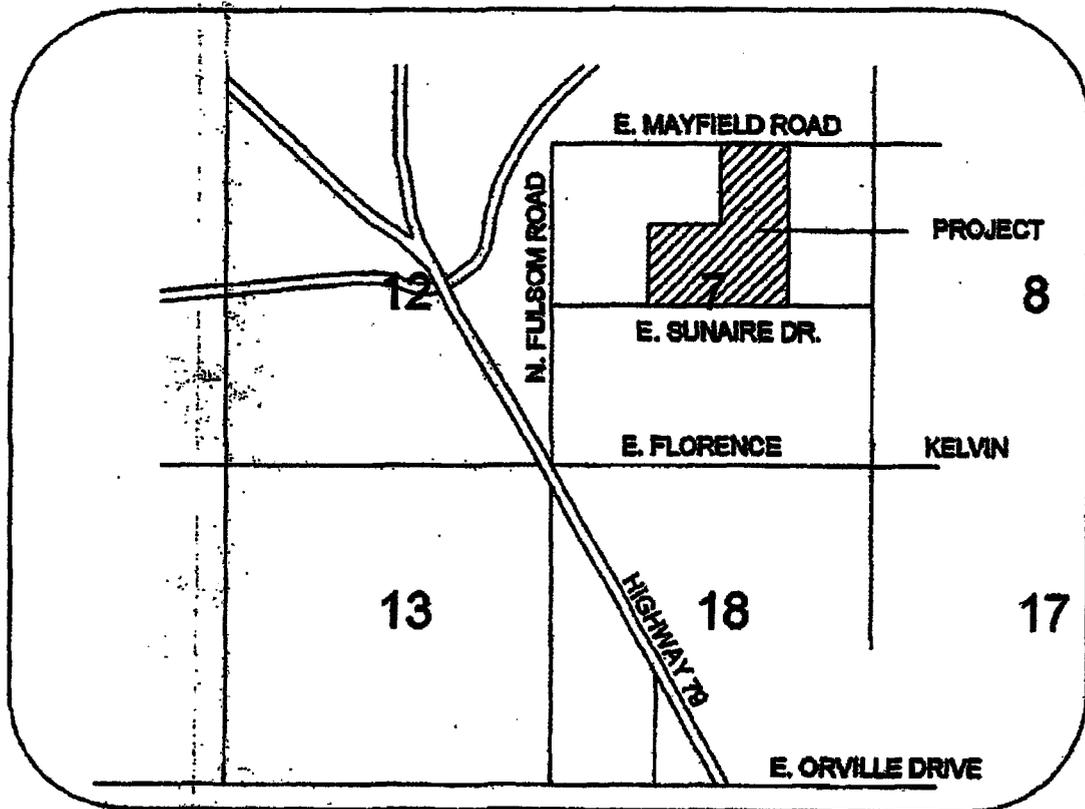
**PARCEL NO. 1:**

PARCEL 2, OF FINISTERRE RANCHETTES, ACCORDING TO THE SURVEY OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF PINAL COUNTY, ARIZONA RECORDED IN BOOK 1 OF SURVEYS, PAGE 73 AND AMENDED IN BOOK 1 OF SURVEYS, PAGE 93, BEING SITUATED IN THE NORTH HALF OF SECTION 7, TOWNSHIP 5 SOUTH, RANGE 10 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA AND RE-DEDICATED IN DOCKET 1089, PAGE 59.

**PARCEL NO. 2:**

PARCELS 6 AND 7 OF FINISTERRE RANCHETTES, ACCORDING TO THE SURVEY OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF PINAL COUNTY, ARIZONA, RECORDED IN BOOK 1 OF SURVEYS, PAGE 73 AND AMENDED IN BOOK 1 OF SURVEYS, PAGE 93, BEING SITUATED IN THE NORTH HALF OF SECTION 7, TOWNSHIP 5 SOUTH, RANGE 10 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA AND RE-DEDICATED IN DOCKET 1089, PAGE 59.

**SECTION 7  
TOWNSHIP 5 SOUTH, RANGE 10 EAST  
G. & S.R.B. & M.**



**VICINITY MAP**

**EXHIBIT "A"**

**PARCEL NO. 1:**

A parcel of land being a portion of the East half of the Southwest quarter of Section 12, Township 5 South, Range 9 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, being more particularly described as follows:

**BEGINNING** at the South quarter corner of said Section 12;

thence West along the South line of said Southwest quarter, a distance of 956.17 feet, recorded (956.49 feet measured);

thence North 0 degrees 40 minutes 41 seconds West, recorded (North 00 degrees 41 minutes 33 seconds West measured), a distance of 1733.86 feet;

thence North 89 degrees 58 minutes 38 seconds East, a distance of 982.55 feet to a point on the East line of said Southwest quarter;

thence South 0 degrees 03 minutes 19 seconds West recorded (South 00 degrees 10 minutes 09 seconds West, measured), a distance of 1733.85 feet to the POINT OF BEGINNING.

**PARCEL NO. 2:**

That portion of the Southeast quarter of Section 12, Township 5 South, Range 9 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, lying Southwesterly of the Southwesterly line of U.S. Highway 80-89;

**EXCEPTING THEREFROM** that portion thereof described as follows:

**BEGINNING** at a point on the West line of said Southeast quarter of Section 12, which is North 00 degrees 03 minutes 40 seconds East, a distance of 2,543.21 feet from the South quarter corner of said Section 12;

thence North 00 degrees 03 minutes 40 seconds East, along said West line, a distance of 105.98 feet to the Northwest corner of said Southeast quarter of Section 12;

thence North 89 degrees 59 minutes 12 seconds East, along the North line of said Southeast quarter of Section 12, a distance of 754.23 feet to a point on said Southwesterly line of U.S. Highway 80-89;

thence South 30 degrees 10 minutes 00 seconds East along said Southwesterly line, a distance of 473.93 feet;

thence North 72 degrees 59 minutes 29 seconds West, a distance of 1,037.90 feet to the POINT OF BEGINNING.

***SOUTHWEST ENVIRONMENTAL UT.***

5230 East Shea Boulevard, Suite 200 \* Scottsdale, AZ  
PH: (480) 998-3300; FAX: (480) 483-790.



0000155966

RECEIVED

2014 SEP 17 P 2:57

17 September 2014

ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

**DOCKETED**

SEP 17 2014

**ORIGINAL**

Brian E. Smith  
Attorney, Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix AZ 85007-2927

DOCKETED BY 

Re: Southwest Environmental Utilities, L.L.C. – Application for a Certificate of Convenience and Necessity (CC&N) to Provide Water and Wastewater.  
Docket No. WS-20878A-13-0065  
**Response to First Set of Data Requests**

Dear Mr. Smith:

Southwest Environmental Utilities, LLC received the letter requesting data pertaining to Docket No. WS-20878A-13-0065, dated September 5, 2014. As stated in the Preliminary Engineering Report, dated December 6, 2013, construction of Phase I is anticipated to start six months after the approval of the CC&N Application. However, the construction timeline has been revised to start one year after the approval of the CC&N Application. Since the CC&N application has yet to be approved, the construction start and completion dates have been delayed accordingly. It is assumed that the CC&N Application will receive approval six months from now (approximately March 2015), and therefore the construction start and completion dates have been set accordingly.

Construction of WP-1 and associated offsite water infrastructure will begin in March 2016 and completion is anticipated September 2016.

Construction for Johnson Ranch Estates Parcels B, C, D, E, EE, and NN sewer and water lines is estimated to begin in July 2016 and expected to be completed in July 2018.

Construction for Johnson Ranch Estates Parcels F, G, H, FF, and MM sewer and water lines is estimated to begin in July 2017 and expected to be completed in July 2019.

Construction for Johnson Ranch Estates Parcels I, J, K, Z, AA, BB, CC, and DD is estimated to begin in July 2018 and expected to be completed in July 2019.

Upon approval of the CC&N application, detailed design and engineering for WP-1 and

17 September 2014  
Southwest Environmental Utilities, L.L.C.  
Application for a Certificate of Convenience and Necessity (CC&N) to provide Water and Wastewater  
Docket No. WS-20878A-13-0065  
Response to First Set of Data Requests

onsite water and sewer lines for the Johnson Ranch Estates Phase I parcels will be prepared. Concurrent to the design and engineering, the Approval to Construct applications for WP-1 and the onsite water lines for the Johnson Ranch Estates Phase I parcels and the Notice of Intent to Discharge Sewage Collection System applications for the onsite sewer of Johnson Ranch Estates Phase I parcels will be prepared and submitted to the Arizona Department of Environmental Quality. Once the Approvals to Construct and Construction Authorizations have been issued, construction will commence. It is assumed it will take one year to prepare the detailed design, engineering, and receive approval from ADEQ once the CC&N Application is approved. Therefore, the construction start and complete dates have been estimated accordingly.

Thank you for the opportunity of submitting this information to you. Feel free to contact me at (480) 998-3300 if you have any questions

Regards,



Katherine F. Nierva, P.E.  
SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C.

cc: Docket Control

# ***SOUTHWEST ENVIRONMENTAL UTIL***

5230 East Shea Boulevard, Suite 200 \* Scottsdale, Arizona  
PH: (480) 998-3300; FAX: (480) 483-7908



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2014 NOV 21 A 11: 14

ORIGINAL

CORP COMMISSION  
DOCKET CONTROL

20 November 2014

Arizona Corporation Commission  
DOCKETED

NOV 21 2014

Blessing N. Chukwu  
Executive Consultant III  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix AZ 85007-2927

DOCKETED BY 

Re: Southwest Environmental Utilities, L.L.C. – Application for a Certificate of Convenience and Necessity (CC&N) to Provide Water and Wastewater.  
Docket No. WS-20878A-13-0065  
**Response to Insufficiency Letter #3**

Dear Ms. Chukwu:

Southwest Environmental Utilities, LLC received Insufficiency Letter #3. As stated in our Response to the First Set of Data Requests letter, dated September 17, 2014, construction of Phase 1 is anticipated to start six months after the approval of the CC&N Application. Since the CC&N application has yet to be approved, the construction start and completion dates have been delayed accordingly. It is assumed that the CC&N Application will receive approval in March 2015, and therefore the construction start and completion dates have been set accordingly. However, if the CC&N application receives approval after March 2015, the construction schedule will be delayed. Listed below are the Insufficiency Demands from your letter and our responses.

1. Please provide Developer's contact information (name, phone number) for each proposed development (project) for this Certificate of Convenience and Necessity (CC&N) application.

Response:

Johnson Ranch Estates – George Johnson, (480) 998-3300  
Florence Crossing – George Johnson, (480) 998-3300  
Florence Majestic Ranch – Ron McRae, (480) 609-1200  
Sunaire Ranch – Irving Rollingher, (480) 862-9234  
Majestic Ranch – Irving Rollingher, (480) 862-9234  
Redstone Ranch – Perry Mathis, (602) 957-1799  
Florence 157 project is being deleted from this application

2. Phase 1 development includes 19 parcels. Please provide the estimated construction start and completion dates for each parcel.

Response:

Construction of WP-1 and associated offsite water infrastructure will begin in July 2015 and completion is anticipated December 2015.

Construction for Johnson Ranch Estates Parcels B, C, D, E, EE, and NN sewer and water lines is estimated to begin in July 2015 and expected to be completed in July 2017.

Construction for Johnson Ranch Estates Parcels F, G, H, FF, and MM sewer and water lines is estimated to begin in July 2016 and expected to be completed in July 2018.

Construction for Johnson Ranch Estates Parcels I, J, K, Z, AA, BB, CC, and DD is estimated to begin in July 2017 and expected to be completed in July 2018.

3. Phase 2 development has 7 projects. Please provide the estimated construction start and completion dates for each project, if construction is to be separated by parcels, please provide the estimated construction start and completion dates for each parcel.

Response:

Construction for the onsite sewer and water lines for Florence Majestic Ranch, Majestic Ranch, Florence Crossing, Sunaire Ranch, Redstone Ranch, and Johnson Ranch Estates Parcels L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, GG, HH, II, JJ, KK, and LL is estimated to begin January 2016 and expected completion is January 2018.

4. When will first resident move into each project?

Response: It is expected that upon construction completion of the water and sewer lines, it will take one year for the grading and paving, home constructions, and all required inspections and permitting before the first resident moves into each project.

5. When will last resident move into each project?

Response: Based on estimates for the proposed CC&N area, the last resident will move into each project approximately nine to ten years after the project construction is completed.

20 November 2014  
Southwest Environmental Utilities, L.L.C.  
Application for a Certificate of Convenience and Necessity (CC&N) to provide Water and Wastewater  
Docket No. WS-20878A-13-0065  
Response to First Set of Data Requests

Thank you for the opportunity of submitting this information to you. Feel free to contact me at (480) 998-3300 if you have any questions

Regards,

*Katherine Nierva*

Katherine F. Nierva, P.E.  
SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C.

cc: Docket Control

**SOUTHWEST ENVIRONMENTAL UTILITIES**

5230 East Shea Boulevard, Suite 200 \* Scottsdale, Arizona  
PH: (480) 998-3300; FAX: (480) 483-7908



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2014 DEC -4 P 3:02

AZ CORP COMMISSION  
DOCKET CONTROL

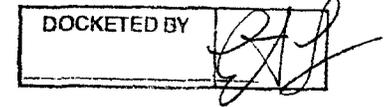
2 December 2014

ORIGINAL

Arizona Corporation Commission  
DOCKETED

DEC 04 2014

Blessing N. Chukwu  
Executive Consultant III  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix AZ 85007-2927



Re: Southwest Environmental Utilities, L.L.C. – Application for a Certificate of Convenience and Necessity (CC&N) to provide Water and Wastewater.  
Docket No. WS-20878A-13-0065  
**Amendment to the Proposed CC&N Area**

Dear Ms. Chukwu:

Southwest Environmental Utilities, LLC is amending the proposed CC&N area to delete the Florence 157 property from the CC&N application. The proposed CC&N area now includes the following properties:

- Johnson Ranch Estates
- Florence Majestic Ranch
- Majestic Ranch
- Florence Crossing
- Sunaire Ranch
- Redstone Ranch

The legal descriptions for each of these properties are attached hereto as Attachment A.

If you have any questions, feel free to contact me at (480) 998-3300.

Regards,

Katherine F. Nierva, P.E.

cc: Docket Control

*Attachment A*

JOHNSON RANCH ESTATES

LEGAL DESCRIPTION

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

Parcel No. 1:

The Northwest quarter of Section 17, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Commencing at the Northwest corner of said Section 17, which is a GLO brass cap, said Point being the POINT OF BEGINNING, from which the West quarter corner of said Section 17 bears South 00 degrees 02 minutes 58 seconds East a distance of 2644.13 feet (measured), which is a GLO brass cap;

Thence North 89 degrees 56 minutes 35 seconds East, along the North line of said Section 17, a distance of 2655.84 feet (measured), to the North quarter corner of said Section 17, which is a GLO brass cap;

Thence South 00 degrees 06 minutes 29 seconds East, along the North-South mid-section line, a distance of 2649.15 feet (measured) to the center quarter corner;

Thence North 89 degrees 56 minutes 55 seconds West, along the East-West mid-section line, a distance of 2658.56 feet (measured) to the West quarter corner of said Section 17;

Thence North 00 degrees 02 minutes 58 seconds West, along the West line of said Section 17, a distance of 2644.13 feet (measured) to the POINT OF BEGINNING.

Parcel No. 2:

The Northeast quarter of Section 18, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Commencing at the Northeast corner of said Section 18, which is a GLO brass cap, said point being the POINT OF BEGINNING, from which the East quarter corner of said Section 18 bears South 00 degrees 02 minutes 58 seconds East a distance of 2644.13 feet (measured), which is a GLO brass cap;

Thence South 00 degrees 02 minutes 58 seconds East, along the East line of said Section 18, a distance of 2644.13 feet (measured) to the East quarter corner of said Section 18;

Thence North 89 degrees 29 minutes 23 seconds West, along the East-West mid-section line, a distance of 2641.46 feet (measured);

Thence North 00 degrees 02 minutes 26 seconds West, along the North-South mid-section line a distance of 2619.92 feet (measured) to the North quarter corner of said Section 18, which is a GLO brass cap;

Thence North 89 degrees 59 minutes 06 seconds East, a distance of 2640.94 feet (measured) to the POINT OF BEGINNING;

EXCEPT all coal, oil, gas and other minerals as reserved in the patent to said land.

Parcel No. 3:

The Southwest quarter of Section 17, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Commencing at the West quarter corner of said Section 17, which is a GLO brass cap, said point being the POINT OF BEGINNING; from which the Northwest corner of said Section 17, which is a GLO brass cap, bears North 00 degrees 02 minutes 58 seconds West, a distance of 2644.13 feet (measured);

Thence South 89 degrees 56 minutes 55 seconds East, along the East-West mid-section line, a distance of 2658.56 feet (measured) to the center quarter corner of said Section 17;

Thence South 00 degrees 05 minutes 58 seconds East, along the North-South mid-section line, a distance of 2638.21 feet (measured) to the South quarter corner of said Section 17, which is a GLO brass cap;

Thence South 89 degrees 57 minutes 55 seconds West, along the South line of said Section 17, a distance of 2664.91 feet (measured) to the Southwest corner of said section 17, which is a GLO brass cap;

Thence North 00 degrees 01 minutes 18 seconds East, along the West line of said Section 17, a distance of 2642.21 feet (measured) to the POINT OF BEGINNING.

Parcel No. 4:

Parcel C, Book 8 of Surveys, Page 255, being a portion of the Southeast quarter of Section 17, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the South quarter corner of Section 17, which is a General Land Office Brass cap, from which the Southwest corner of said Section 17, which is a GLO brass cap, bears South 89 degrees 57 minutes 55 seconds West a distance of 2,664.91 feet, said point being the POINT OF BEGINNING;

Thence North 00 degrees 06 minutes 58 seconds West along the North-South midsection line, a distance of 825.00 feet;

Thence South 89 degrees 51 minutes 20 seconds East parallel with the south line of said Section 17, a distance of 1,328.12 feet;

Thence South 00 degrees 04 minutes 22 seconds East a distance of 825.00 feet to the South line of said Section 17;

Thence North 89 degrees 51 minutes 20 seconds West along said South line a distance of 1,327.50 feet to the POINT OF BEGINNING;

EXCEPT all coal, oil, gas and other minerals as reserved in the patent to said land.

# Florence Majestic Ranch

## Exhibit A

### Description of Property

**ALL THAT PART OF SECTION 18, TOWNSHIP 5 SOUTH, RANGE 10 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:**

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 18;

THENCE NORTH 00 DEGREES 49 MINUTES 34 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 18, A DISTANCE OF 2629.50 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 18;

THENCE NORTH 00 DEGREES 50 MINUTES 11 SECONDS WEST, ALONG THE WEST LINE OF SAID SECTION 18, A DISTANCE OF 2206.12 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE HIGHWAY 89;

THENCE SOUTH 31 DEGREES 53 MINUTES 55 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE HIGHWAY 89, A DISTANCE OF 4655.79 FEET TO A POINT ON THE NORTH-SOUTH MID-SECTION LINE OF SAID SECTION 18;

THENCE SOUTH 01 DEGREES 47 MINUTES 36 SECONDS EAST, ALONG THE NORTH-SOUTH MID-SECTION LINE, A DISTANCE OF 849.82 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 18;

THENCE SOUTH 89 DEGREES 14 MINUTES 13 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 18, A DISTANCE OF 2492.72 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 18 AND THE POINT OF BEGINNING.

APN 206-01-012A5

# Majestic Ranch

No. 201-1427587

## EXHIBIT "A"

### PARCEL NO. 1:

A parcel of land being a portion of the East half of the Southwest quarter of Section 12, Township 5 South, Range 9 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, being more particularly described as follows:

BEGINNING at the South quarter corner of said Section 12;

thence West along the South line of said Southwest quarter, a distance of 956.17 feet, recorded (956.49 feet measured);

thence North 0 degrees 40 minutes 41 seconds West, recorded (North 00 degrees 41 minutes 33 seconds West measured), a distance of 1733.86 feet;

thence North 89 degrees 58 minutes 38 seconds East, a distance of 982.55 feet to a point on the East line of said Southwest quarter;

thence South 0 degrees 03 minutes 19 seconds West recorded (South 00 degrees 10 minutes 09 seconds West, measured), a distance of 1733.85 feet to the POINT OF BEGINNING.

### PARCEL NO. 2:

That portion of the Southeast quarter of Section 12, Township 5 South, Range 9 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, lying Southwesterly of the Southwesterly line of U.S. Highway 80-89;

EXCEPTING THEREFROM that portion thereof described as follows:

BEGINNING at a point on the West line of said Southeast quarter of Section 12, which is North 00 degrees 03 minutes 40 seconds East, a distance of 2,543.21 feet from the South quarter corner of said Section 12;

thence North 00 degrees 03 minutes 40 seconds East, along said West line, a distance of 105.98 feet to the Northwest corner of said Southeast quarter of Section 12;

thence North 89 degrees 59 minutes 12 seconds East, along the North line of said Southeast quarter of Section 12, a distance of 754.23 feet to a point on said Southwesterly line of U.S. Highway 80-89;

thence South 30 degrees 10 minutes 00 seconds East along said Southwesterly line, a distance of 473.93 feet;

thence North 72 degrees 59 minutes 29 seconds West, a distance of 1,037.90 feet to the POINT OF BEGINNING.

# Florence Crossing

## EXHIBIT "A"

### Parcel No. 1:

Beginning at the East quarter corner of Section 12, Township 5 South, Range 9 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, herein referred to as the True Point of Beginning of that property described as follows:

Thence North 89 degrees 35 minutes 52 seconds West, along the Northerly line of the Southeast quarter of said Section 12, for a distance of 1,461.22 feet;

Thence South 58 degrees 56 minutes 48 seconds West, for a distance of 133.73 feet;

Thence South 30 degrees 50 minutes 19 seconds East, for a distance of 2,993.88 feet;

Thence North 89 degrees 36 minutes 16 seconds East, for a distance of 33.75 feet to a point on the Easterly section line of said Section 12;

Thence North 00 degrees 09 minutes 26 seconds East, a distance of 2,649.61 feet to the True Point of Beginning.

### Parcel No.2:

Beginning at the Southwest corner of Section 7, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, hereinafter referred to as the True Point of Beginning of that property described as follows:

Thence North 00 degrees 13 minutes 35 seconds East, a distance of 51.74 feet to the Southeast corner of Section 12, Township 5 South, Range 9 East;

Thence North 00 degrees 09 minutes 26 seconds East, along the Westerly line of said Section 7, for a distance of 1,155.36 feet;

Thence South 26 degrees 07 minutes 45 seconds East, for a distance of 56.83 feet;

Thence South 03 degrees 18 minutes 32 seconds East, for a distance of 172.05 feet;

Thence South 06 degrees 04 minutes 06 seconds West, for a distance of 109.93 feet;

Thence South 01 degree 29 minutes 30 seconds East, for a distance of 181.67 feet;

Thence South 50 degrees 03 minutes 31 seconds East, for a distance of 84.44 feet;

Thence South 39 degrees 18 minutes 23 seconds East, for a distance of 257.76 feet;

Thence South 18 degrees 00 minutes 04 seconds East, for a distance of 237.67 feet;

Thence South 24 degrees 28 minutes 37 seconds East, for a distance of 115.00 feet;

Thence South 15 degrees 34 minutes 40 seconds East, for a distance of 107.89 feet, to a point on the Southerly line of said Section 7;

Thence South 89 degrees 17 minutes 08 seconds West, for a distance of 409.56 feet, along the Southerly line of said Section 7 to the Southwest corner of said Section 7 and the True Point of Beginning.

# LEGAL DESCRIPTION

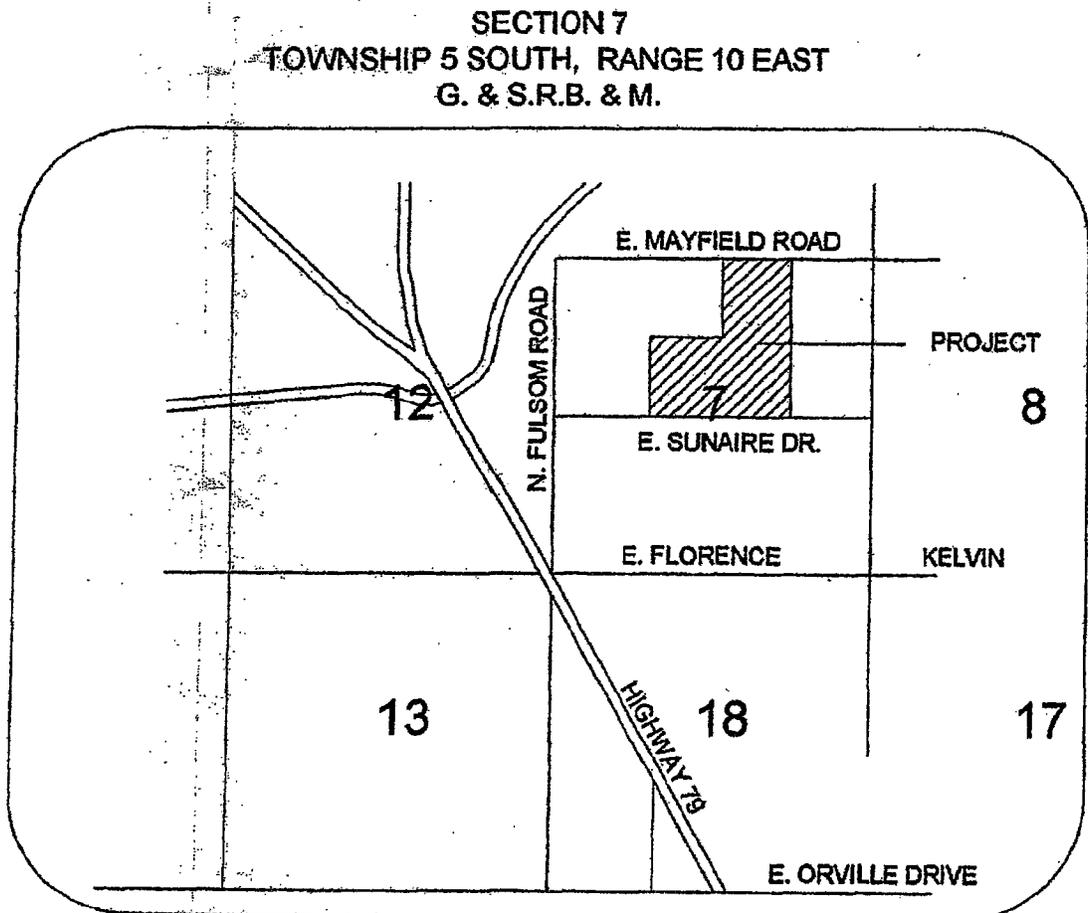
Sunaire Ranch

PARCEL NO.1:

PARCEL 2, OF FINISTERRE RANCHETTES, ACCORDING TO THE SURVEY OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF PINAL COUNTY, ARIZONA RECORDED IN BOOK 1 OF SURVEYS, PAGE 73 AND AMENDED IN BOOK 1 OF SURVEYS, PAGE 93, BEING SITUATED IN THE NORTH HALF OF SECTION 7, TOWNSHIP 5 SOUTH, RANGE 10 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA AND RE-DEDICATED IN DOCKET 1089, PAGE 59.

PARCEL NO.2:

PARCELS 6 AND 7 OF FINISTERRE RANCHETTES, ACCORDING TO THE SURVEY OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF PINAL COUNTY, ARIZONA, RECORDED IN BOOK 1 OF SURVEYS, PAGE 73 AND AMENDED IN BOOK 1 OF SURVEYS, PAGE 93, BEING SITUATED IN THE NORTH HALF OF SECTION 7, TOWNSHIP 5 SOUTH, RANGE 10 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA AND RE-DEDICATED IN DOCKET 1089, PAGE 59.



VICINITY MAP

- NTS -

**REDSTONE RANCH**

**LEGAL DESCRIPTION**

A parcel of land located in a portion of the Northeast Quarter of Section 7, Township 5 South, Range 10 East, Gila and Salt River Meridian, Pinal County, Arizona, more particularly described as follows:

The NW Quarter of the SE Quarter of the NE Quarter of said Section 7;

The South Half of the SE Quarter of the NE Quarter of said Section 7.

Said parcel containing 30 acres +/-.



EXPIRES 3/31/2014  
(INDICATES RENEWAL DATE)

**SOUTHWEST ENVIRONMENTAL UT.**

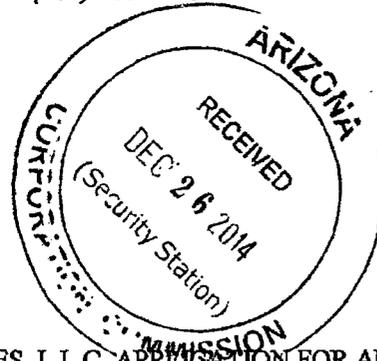


0000159050

5230 East Shea Boulevard, Suite 200 \* Scottsdale, Arizona 85254  
PH: (480) 998-3300; FAX: (480) 483-7908

December 22, 2014

Jian Liu  
Water/Wastewater Engineer  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007



ORIGINAL

Re: SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C. APPLICATION FOR APPROVAL OF  
CERTIFICATE OF CONVENIENCE AND NECESSITY  
Docket No. WS-20878A-13-0065  
**CONSTRUCTION COSTS AND CUSTOMER LOCATIONS - FIRST FIVE YEARS**

Dear Mr. Liu,

Within the first five years of when residents move into the Southwest Environmental Utilities service area, it is anticipated to have 590 residential customers, 3 commercial customers and 3 irrigation customers. The attached map shows the location and number of customers in the CC&N area within the first five years.

**Construction Costs**

Water

In the first five years of when the first resident moves into the area, the water infrastructure will consist of two well sites and all associated equipment, one 500,000 gallon storage tank, and transmission mains. All onsite water infrastructure will be funded by the developer through line extension agreements (Advances in Aid of Construction). For future water plants, it is anticipated that approximately 1,000 LF of 12" PVC pipe and 2 gate valves will be installed for each plant to connect the wells and tanks to the water distribution system. Two future water plants are planned for construction beyond the first five years, and therefore 2,000 LF of 12" PVC pipe and four valves has been subtracted from the estimated Construction Costs at Buildout. The Offsite Water Infrastructure Construction Cost Estimates at Buildout is found in Attachment A. Table 1 shows the costs of each water infrastructure component used by customers within the first five years.

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DOCKET CONTROL  
2014 DEC 26 PM 3 16

Arizona Corporation Commission

**DOCKETED**

DEC 26 2014

DOCKETED BY

Table 1: Water Infrastructure for First Five Years

Description	Approximate Quantity	Unit	Unit Price	Total
Well Site	2	EA	\$671,112.00	\$1,342,224.00
500,000 Gallon Storage Tank	1	EA	\$600,000.00	\$600,000.00
16" AWWA C900 DR 18 PVC 150 psi	6,580	LF	\$45.00	\$296,100.00
12" AWWA C900 DR 18 PVC 150 psi	14,860 <sup>1</sup>	LF	\$35.00	\$520,100.00
10" AWWA C900 DR 18 PVC 150 psi	2,640	LF	\$28.00	\$73,920.00
8" AWWA C900 DR 18 PVC 150 psi	2,640	LF	\$20.00	\$52,800.00
16" Gate Valve, Box and Cover	9	EA	\$2,200.00	\$19,800.00
12" Gate Valve, Box and Cover	30 <sup>1</sup>	EA	\$1,870.00	\$56,100.00
10" Gate Valve, Box and Cover	4	EA	\$1,350.00	\$5,400.00
8" Gate Valve, Box and Cover	4	EA	\$890.00	\$3,560.00
PVC Water Main Locating Tape	28,720	LF	\$0.85	\$24,412.00
<b>Total</b>				<b>\$2,994,416.00</b>

<sup>1</sup> Estimated quantities before Water Plants No. 2 and 3 are constructed.

Sewer

The sewer infrastructure will consist of a 0.3 MGD wastewater treatment plant, lift station, and gravity and force main piping. All onsite sewer infrastructure will be funded by the developer through line extension agreements (Advances in Aid of Construction). Attachment B shows the Offsite Sewer Infrastructure Construction Costs at Buildout. Table 2 below shows the costs of each sewer infrastructure component installed and constructed and used to serve customers at the end of the first five years.

Table 2: Sewer Infrastructure for First Five Years

Description	Approximate Quantity	Unit	Unit Price	Total
0.3 MGD Wastewater Treatment Plant	1	EA	\$3,000,000.00	\$3,000,000.00
Lift Station	1	EA	\$200,000.00	\$200,000.00
15" SDR 35 PVC Pipe	3,960	LF	\$32.00	\$126,720.00
12" SDR 35 PVC Pipe	3,960	LF	\$25.00	\$99,000.00
10" SDR 35 PVC Pipe	7,260	LF	\$18.00	\$130,680.00
8" SDR 35 PVC Pipe	2,400	LF	\$13.00	\$31,200.00
8" Force Main	2,800	LF	\$20.00	\$56,000.00
4' Diameter Manhole	21	EA	\$2,600.00	\$54,600.00
5' Diameter Manhole	16	EA	\$3,000.00	\$48,000.00
<b>Total</b>				<b>\$3,746,200.00</b>

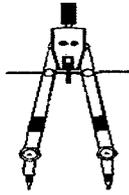
If you have any questions or comments, please feel free to contact me at (480) 998-3300.

Sincerely,

*Katherine Frieva*

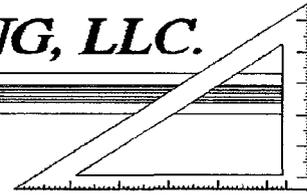
Katherine F. Nierva, P.E.  
SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C.

# Attachment A



# SPECIFIC ENGINEERING, LLC.

5310 E. SHEA BOULEVARD SUITE 2  
SCOTTSDALE, ARIZONA 85254  
Phone: (480) 596-6335  
FAX: (480) 596-6437



**PRELIMINARY CONSTRUCTION ESTIMATE**

**PROJECT NO.**

**3200A001**

**PROJECT :Southwest Environmental Utilities Infrastructure**

**NO. of LOTS: N/A**

**10/21/2013**

**BY: SOUTHWEST ENVIRONMENTAL UTILITIES, LL**

**OFFSITE WATER INFRASTRUCTURE**

Description	Unit	Approximate Quantity	Unit Price	TOTAL
16" AWWA C900 DR 18 PVC 150psi	LF	6,580	45.00	\$296,100.00
12" AWWA C900 DR 18 PVC 150psi	LF	22,360	35.00	\$782,600.00
10" AWWA C900 DR 18 PVC 150psi	LF	2,640	28.00	\$73,920.00
8" AWWA C900 DR 18 PVC 150psi	LF	2,640	17.00	\$44,880.00
16" GATE VALVE, BOX & COVER	EA	9	2,200.00	\$19,800.00
12" GATE VALVE, BOX & COVER	EA	34	1,870.00	\$63,580.00
10" GATE VALVE, BOX & COVER	EA	4	1,350.00	\$5,400.00
8" GATE VALVE, BOX & COVER	EA	4	890.00	\$3,560.00
PVC WATER MAIN LOCATING TAPE	LF	34,220	0.85	\$29,087.00
WELL WITH WATER PLANT NO.1	LS	1	671,112.00	\$671,112.00
WATER PLANT NO.1-500,000 GAL STORAGE TANK	LS	1	600,000.00	\$600,000.00
WELL WITH WATER PLANT NO.2	LS	1	671,112.00	\$671,112.00
WATER PLANT NO.2-500,000 GAL STORAGE TANK	LS	1	600,000.00	\$600,000.00
WELL WITH WATER PLANT NO.3	LS	1	671,112.00	\$671,112.00
WATER PLANT NO.3-500,000 GAL STORAGE TANK	LS	1	600,000.00	\$600,000.00
WELL WITH WATER PLANT NO. 4	LS	1	671,112.00	\$671,112.00
WATER PLANT NO. 4-500,000 GAL STORAGE TANK	LS	1	600,000.00	\$600,000.00
	<b>SUBTOTAL</b>			<b>\$6,403,375.01</b>

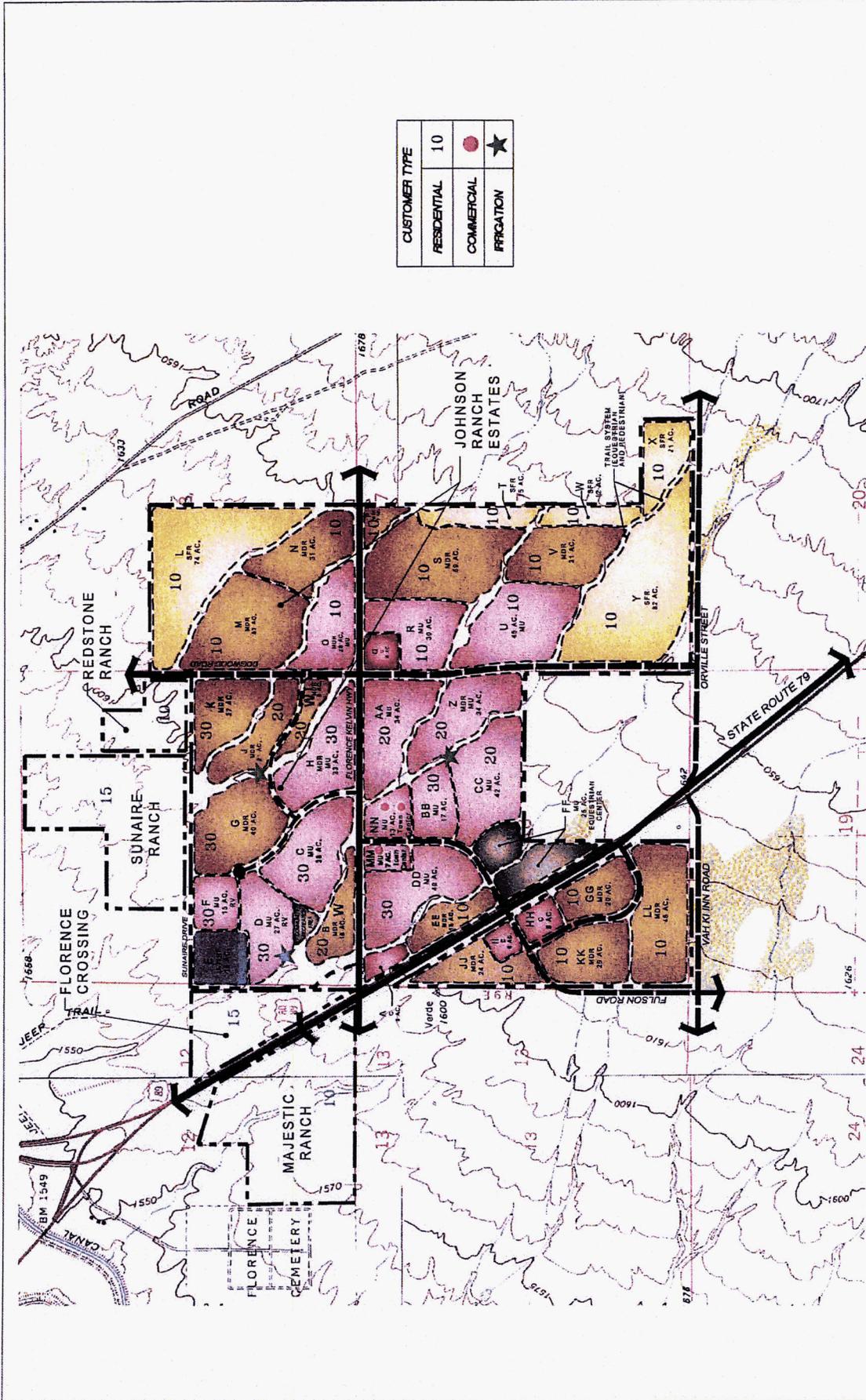
Note: Specific Engineering LLC has no control over the costs of labor, materials or equipment or over any contractor's method of determining prices or over competitive bidding or market conditions. Consequently, the estimates of cost contained herein represent Specific Engineering, LLC's opinions of probable cost and are made solely on the basis of experience and qualifications and represent only a best judgement as a design professional familiar with the construction industry. Specific Engineering LLC cannot and does not guarantee that proposals, bids or final construction costs will not vary from opinions of probable cost prepared by Specific Engineering LLC.

---

**Attachment B**



CUSTOMER TYPE	
RESIDENTIAL	10
COMMERCIAL	●
FRIGATON	★



**SOUTHWEST ENVIRONMENTAL UTILITIES, LLC.**

CUSTOMER COUNTS - FIRST FIVE YEARS

# SOUTHWEST ENVIRONMENTAL U

5230 East Shea Boulevard, Suite 200 \* Scottsdale, AZ  
PH: (480) 998-3300; FAX: (480) 483-7908



0000159071

December 22, 2014

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AZ CORP COMMISSION  
DOCKET CONTROL

2014 DEC 29 PM 3 15

**ORIGINAL**

Jian Liu  
Water/Wastewater Engineer  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Re: SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C. APPLICATION FOR APPROVAL OF  
CERTIFICATE OF CONVENIENCE AND NECESSITY  
Docket No. WS-20878A-13-0065  
**CONSTRUCTION COSTS AND CUSTOMER LOCATIONS - FIRST FIVE YEARS**

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Within the first five years of when residents move into the Southwest Environmental Utilities service area, it is anticipated to have 590 residential customers, 3 commercial customers and 3 irrigation customers. The attached map shows the location and number of customers in the CC&N area within the first five years.

## Construction Costs

### Water

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Arizona Corporation Commission

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DEC 29 2014

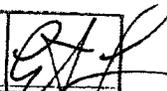
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Table 1: Water Infrastructure for First Five Years

Description	Approximate Quantity	Unit	Unit Price	Total
Well Site	2	EA	\$671,112.00	\$1,342,224.00
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12" AWWA C900 DR 18 PVC 150 psi	14,860 <sup>1</sup>	LF	\$35.00	\$520,100.00
10" AWWA C900 DR 18 PVC 150 psi	2,640	LF	\$28.00	\$73,920.00
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Table 2: Sewer Infrastructure for First Five Years

Description	Approximate Quantity	Unit	Unit Price	Total
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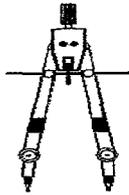
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Sincerely,

*Katherine Frieva*

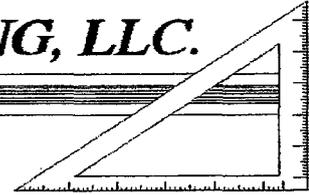
Katherine F. Nierva, P.E.  
SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C.

# Attachment A



# SPECIFIC ENGINEERING, LLC.

5310 E. SHEA BOULEVARD SUITE 2  
SCOTTSDALE, ARIZONA 85254  
Phone: (480) 596-6335  
FAX: (480) 596-6437



## PRELIMINARY CONSTRUCTION ESTIMATE

**PROJECT :Southwest Environmental Utilities Infrastructure**

10/21/2013

## OFFSITE WATER INFRASTRUCTURE

PROJECT NO.

3200A001

NO. of LOTS: N/A

BY: SOUTHWEST ENVIRONMENTAL UTILITIES, LL

Description	Unit	Approximate Quantity	Unit Price	TOTAL
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WATER PLANT NO. 4-500,000 GAL STORAGE TANK	LS	1	600,000.00	\$600,000.00
	SUBTOTAL			<b>\$6,403,375.01</b>

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# Attachment B





CUSTOMER TYPE	
RESIDENTIAL	10
COMMERCIAL	●
IRRIGATION	★

**SOUTHWEST ENVIRONMENTAL UTILITIES, LLC.**

CUSTOMER COUNTS - FIRST FIVE YEARS

**SOUTHWEST ENVIRONMENTAL UTILITIES**

5230 East Shea Boulevard, Suite 200 \* Scottsdale, Arizona  
PH: (480) 998-3300; FAX: (480) 483-7908



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DOCKET CONTROL

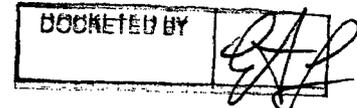
11 February 2015

Arizona Corporation Commission  
DOCKETED

FEB 11 2015

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix AZ 85007-2927

ORIGINAL



Re: Southwest Environmental Utilities, L.L.C. – Application for a Certificate of Convenience and Necessity (CC&N) to provide Water and Wastewater.  
Docket No. WS-20878A-13-0065  
**Amendment to the Proposed CC&N Area**

Southwest Environmental Utilities, LLC has amended the proposed CC&N area to delete the Florence 157 and Florence Crossing properties from the CC&N application. The properties to be included within the CC&N area include:

- Johnson Ranch Estates
- Florence Majestic Ranch
- Majestic Ranch
- Sunaire Ranch
- Redstone Ranch

The metes and bounds legal descriptions for each of these properties are attached hereto as Attachment A.

If you have any questions, feel free to contact me at (480) 998-3300.

Regards,

Burton K. Watkins

# Attachment A

JOHNSON RANCH ESTATES

LEGAL DESCRIPTION

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

Parcel No. 1:

The Northwest quarter of Section 17, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Commencing at the Northwest corner of said Section 17, which is a GLO brass cap, said Point being the POINT OF BEGINNING, from which the West quarter corner of said Section 17 bears South 00 degrees 02 minutes 58 seconds East a distance of 2644.13 feet (measured), which is a GLO brass cap;

Thence North 89 degrees 56 minutes 35 seconds East, along the North line of said Section 17, a distance of 2655.84 feet (measured), to the North quarter corner of said Section 17, which is a GLO brass cap;

Thence South 00 degrees 06 minutes 29 seconds East, along the North-South mid-section line, a distance of 2649.15 feet (measured) to the center quarter corner;

Thence North 89 degrees 56 minutes 55 seconds West, along the East-West mid-section line, a distance of 2638.56 feet (measured) to the West quarter corner of said Section 17;

Thence North 00 degrees 02 minutes 58 seconds West, along the West line of said Section 17, a distance of 2644.13 feet (measured) to the POINT OF BEGINNING.

Parcel No. 2:

The Northeast quarter of Section 18, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Commencing at the Northeast corner of said Section 18, which is a GLO brass cap, said point being the POINT OF BEGINNING, from which the East quarter corner of said Section 18 bears South 00 degrees 02 minutes 58 seconds East a distance of 2644.13 feet (measured), which is a GLO brass cap;

Thence South 00 degrees 02 minutes 58 seconds East, along the East line of said Section 18, a distance of 2644.13 feet (measured) to the East quarter corner of said Section 18;

Thence North 89 degrees 29 minutes 23 seconds West, along the East-West mid-section line, a distance of 2641.46 feet (measured);

Thence North 00 degrees 02 minutes 26 seconds West, along the North-South mid-section line a distance of 2619.92 feet (measured) to the North quarter corner of said Section 18, which is a GLO brass cap;

Thence North 89 degrees 59 minutes 06 seconds East, a distance of 2640.94 feet (measured) to the POINT OF BEGINNING;

EXCEPT all coal, oil, gas and other minerals as reserved in the patent to said land.

Parcel No. 3:

The Southwest quarter of Section 17, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Commencing at the West quarter corner of said Section 17, which is a GLO brass cap, said point being the POINT OF BEGINNING, from which the Northwest corner of said Section 17, which is a GLO brass cap, bears North 00 degrees 02 minutes 58 seconds West, a distance of 2644.13 feet (measured);

Thence South 89 degrees 56 minutes 55 seconds East, along the East-West mid-section line, a distance of 2658.56 feet (measured) to the center quarter corner of said Section 17;

Thence South 00 degrees 06 minutes 58 seconds East, along the North-South mid-section line, a distance of 2638.21 feet (measured) to the South quarter corner of said Section 17, which is a GLO brass cap;

Thence South 89 degrees 57 minutes 55 seconds West, along the South line of said Section 17, a distance of 2664.91 feet (measured) to the Southwest corner of said section 17, which is a GLO brass cap;

Thence North 00 degrees 01 minutes 18 seconds East, along the West line of said Section 17, a distance of 2642.21 feet (measured) to the POINT OF BEGINNING.

Parcel No. 4:

Parcel C, Book 8 of Surveys, Page 255, being a portion of the Southeast quarter of Section 17, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the South quarter corner of Section 17, which is a General Land Office Brass cap, from which the Southwest corner of said Section 17, which is a GLO brass cap, bears South 89 degrees 57 minutes 55 seconds West a distance of 2,664.91 feet, said point being the POINT OF BEGINNING;

Thence North 00 degrees 06 minutes 58 seconds West along the North-South midsection line, a distance of 825.00 feet;

Thence South 89 degrees 51 minutes 20 seconds East parallel with the south line of said Section 17, a distance of 1,328.12 feet;

Thence South 00 degrees 04 minutes 22 seconds East a distance of 825.00 feet to the South line of said Section 17;

Thence North 89 degrees 51 minutes 20 seconds West along said South line a distance of 1,327.50 feet to the POINT OF BEGINNING;

EXCEPT all coal, oil, gas and other minerals as reserved in the patent to said land.

# Florence Majestic Ranch

## Exhibit A

### Description of Property

**ALL THAT PART OF SECTION 18, TOWNSHIP 5 SOUTH, RANGE 10 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:**

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 18;

THENCE NORTH 00 DEGREES 49 MINUTES 34 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 18, A DISTANCE OF 2629.50 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 18;

THENCE NORTH 00 DEGREES 50 MINUTES 11 SECONDS WEST, ALONG THE WEST LINE OF SAID SECTION 18, A DISTANCE OF 2206.12 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE HIGHWAY 89;

THENCE SOUTH 31 DEGREES 53 MINUTES 55 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE HIGHWAY 89, A DISTANCE OF 4655.79 FEET TO A POINT ON THE NORTH-SOUTH MID-SECTION LINE OF SAID SECTION 18;

THENCE SOUTH 01 DEGREES 47 MINUTES 36 SECONDS EAST, ALONG THE NORTH-SOUTH MID-SECTION LINE, A DISTANCE OF 849.82 FEET OT THE SOUTH QUARTER CORNER OF SAID SECTION 18;

THENCE SOUTH 89 DEGREES 14 MINUTES 13 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 18, A DISTANCE OF 2492.72 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 18 AND THE POINT OF BEGINNING.

APN 206-01-012A5

# Majestic Ranch

## EXHIBIT "A"

### PARCEL NO. 1:

A parcel of land being a portion of the East half of the Southwest quarter of Section 12, Township 5 South, Range 9 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, being more particularly described as follows:

**BEGINNING** at the South quarter corner of said Section 12;

thence West along the South line of said Southwest quarter, a distance of 956.17 feet; recorded (956.49 feet measured);

thence North 0 degrees 40 minutes 41 seconds West, recorded (North 00 degrees 41 minutes 33 seconds West measured), a distance of 1733.86 feet;

thence North 89 degrees 58 minutes 38 seconds East, a distance of 982.55 feet to a point on the East line of said Southwest quarter;

thence South 0 degrees 03 minutes 19 seconds West recorded (South 00 degrees 10 minutes 09 seconds West, measured), a distance of 1733.85 feet to the **POINT OF BEGINNING**.

### PARCEL NO. 2:

That portion of the Southeast quarter of Section 12, Township 5 South, Range 9 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, lying Southwesterly of the Southwesterly line of U.S. Highway 80-89;

**EXCEPTING THEREFROM** that portion thereof described as follows:

**BEGINNING** at a point on the West line of said Southeast quarter of Section 12, which is North 00 degrees 03 minutes 40 seconds East, a distance of 2,543.21 feet from the South quarter corner of said Section 12;

thence North 00 degrees 03 minutes 40 seconds East, along said West line, a distance of 105.98 feet to the Northwest corner of said Southeast quarter of Section 12;

thence North 89 degrees 59 minutes 12 seconds East, along the North line of said Southeast quarter of Section 12, a distance of 754.23 feet to a point on said Southwesterly line of U.S. Highway 80-89;

thence South 30 degrees 10 minutes 00 seconds East along said Southwesterly line, a distance of 473.93 feet;

thence North 72 degrees 59 minutes 29 seconds West, a distance of 1,037.90 feet to the **POINT OF BEGINNING**.



**LEGAL DESCRIPTION  
SUNAIRE RANCH**

All of Parcels 2, 6, and 7 of Finisterre Ranchettes, as shown on Book 1, Records of Survey, Page 93, Pinal County Records of Section 7, Township 5 South, Range 10 East, Gila and Salt River Meridian, Pinal County, Arizona, being more particularly described as follows;

**COMMENCING** at the Northeast corner of said Section 7;

**THENCE** N 90°00'00" W, along the North line of said Section 7, a distance of 1320.00 feet to the Northeast corner of Said Parcel 2 and the **POINT OF BEGINNING**;

**THENCE** S 00°03'00" W, along the East line of Said Parcels 2 and 7, a distance of 2640.51 feet to the Southeast corner of said Parcel 7;

**THENCE** S 89°58'00" W, along the South line of Said Parcels 6 and 7, a distance of 2405.24 feet to the Southwest corner of said Parcel 6;

**THENCE** N 00°34'00" E, along the West line of Said Parcel 6, a distance of 1321.00 feet to the Northwest corner of said Parcel 6;

**THENCE** N 89°59'00" E, along the North line of Said Parcel 6, a distance of 1196.65 feet to the common corner of said Parcels 6, 7, and 2;

**THENCE** N 00°18'27" E, along the West line of Said Parcel 2, a distance of 1320.65 feet to the Northwest corner of said Parcel 2;

**THENCE** N 90°00'00" E, along the North line of said Section 7, a distance of 1190.75 feet to the **POINT OF BEGINNING**;

Prepared By:

THE WLB GROUP, INC.

Peter D. Cote, RLS 44121



EXPIRES 3-31-2015

STATE OF ARIZONA

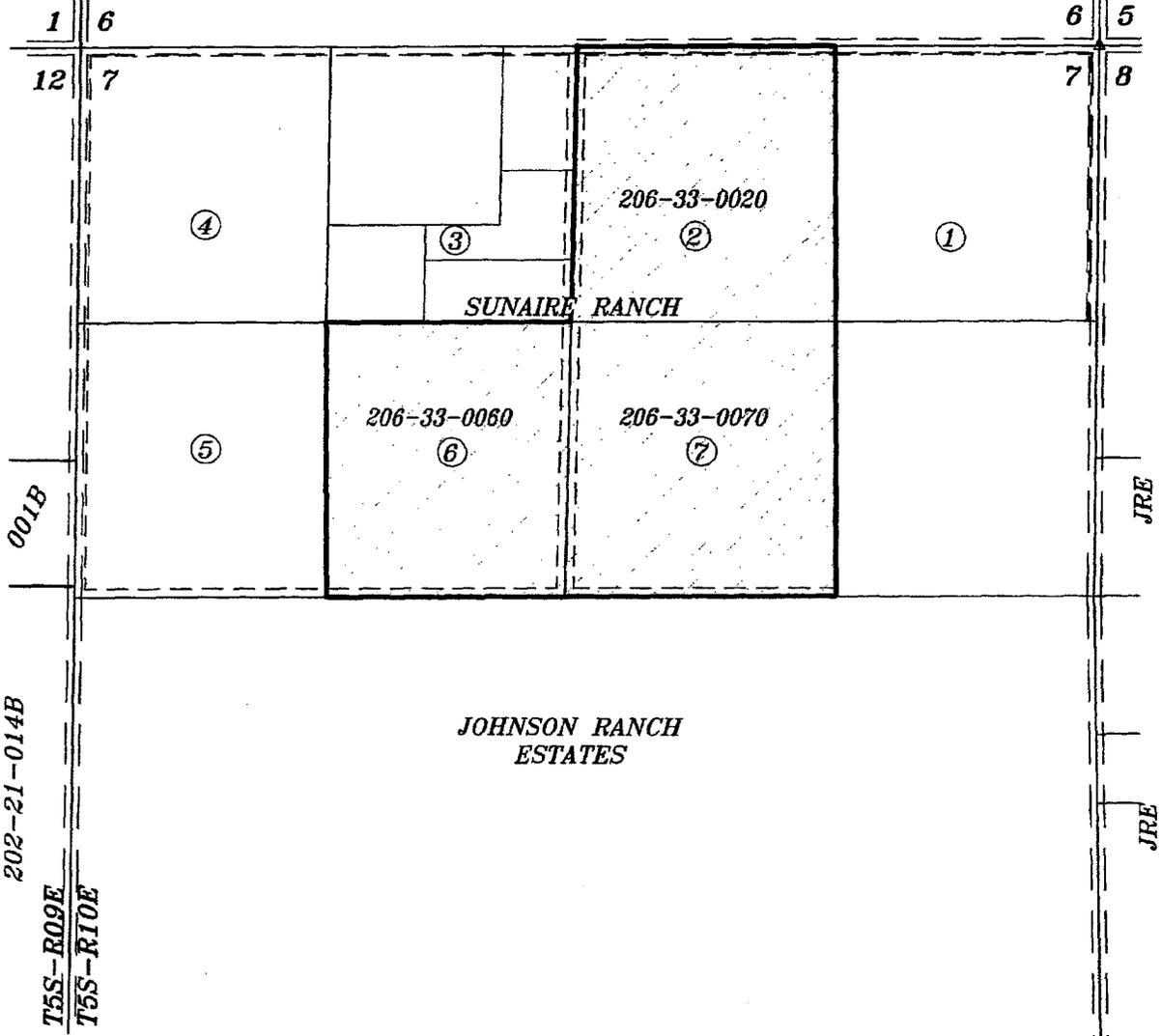


EXHIBIT TO ACCOMPANY DESCRIPTION OF  
SUNAIRE RANCH  
PARCELS 2, 6, & 7 OF  
FINISTERRE RANCHETTES  
SECTION 7, T-5S, R-10E, G.S.R.M.,  
PINAL COUNTY, ARIZONA

WLB No. 111057-A001-1003

N:\111057\Florence 604\survey\60ft ieue 202-21-014b.dwg



1"=800'



SHEET 2 OF 2

**REDSTONE RANCH**

**LEGAL DESCRIPTION**

A parcel of land located in a portion of the Northeast Quarter of Section 7, Township 5 South, Range 10 East, Gila and Salt River Meridian, Pinal County, Arizona, more particularly described as follows:

The NW Quarter of the SE Quarter of the NE Quarter of said Section 7;

The South Half of the SE Quarter of the NE Quarter of said Section 7.

Said parcel containing 30 acres +/-.



EXPIRES 3/31/2014  
(INDICATES RENEWAL DATE)

**SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C.**

5230 East

Arizona 85254

**ORIGINAL**



0000162790

18 RECEIVED

15 APR - 7 P 2:52

6 April 2015

AZ CORP COMMISSION  
DOCKET CONTROL

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix AZ 85007-2927

Re: Southwest Environmental Utilities, L.L.C. – Application for a Certificate of Convenience and Necessity (CC&N) to provide Water and Wastewater.  
Docket No. WS-20878A-13-0065  
**Amendment to the Proposed CC&N Area**

Southwest Environmental Utilities, LLC has amended the proposed CC&N area to delete the Florence 157 and Florence Crossing properties from the CC&N application. The properties to be included within the CC&N area include:

- Johnson Ranch Estates
- Florence Majestic Ranch
- Majestic Ranch
- Sunaire Ranch
- Redstone Ranch

The metes and bounds legal descriptions for each of these properties and the metes and bounds legal description of the entire proposed CC&N area are attached hereto as Attachment A.

If you have any questions, feel free to contact me at (480) 998-3300.

Regards,

Bradley J. Cole

Arizona Corporation Commission

**DOCKETED**

APR 07 2015

DOCKETED BY	PC
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# Attachment A

LEGAL DESCRIPTIONS  
FOR  
SOUTHWEST ENVIRONMENTAL UTILITIES, LLC.  
CC&N

CONSISTING OF 3 PARCELS DESCRIBED AS FOLLOWS

BEING PORTIONS OF SECTION 12 TOWNSHIP 5 SOUTH, RANGE 9 EAST AND  
SECTIONS 7, 8, 17, 18 AND 19, TOWNSHIP 5 SOUTH RANGE 10 EAST OF  
THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA  
AND DESCRIBED AS FOLLOWS:

PARCEL 1

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 18,

THENCE N.00°24'15"E., ALONG THE WEST LINE OF SAID SECTION 18, A DISTANCE  
OF 2653.09 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 18;

THENCE CONTINUING ALONG SAID WEST LINE, N.00°34'14"E., A DISTANCE OF  
2598.88 FEET TO THE NORTHWEST CORNER OF SAID SECTION 18;

THENCE N.89°29'42"E., ALONG THE NORTH LINE OF SAID SECTION 18. A  
DISTANCE OF 409.56 FEET;

THENCE LEAVING SAID NORTH LINE OF SAIS SECTION 18, N.15°25'20"W., A  
DISTANCE OF 108.55 FEET;

THENCE N.24°57'43"W., A DISTANCE OF 115.42 FEET;

THENCE N.17°44'42"W., A DISTANCE OF 236.79 FEET;

THENCE N.39°36'06"W., A DISTANCE OF 257.56 FEET;

THENCE N.50°11'31"W., A DISTANCE OF 84.54 FEET;

THENCE N.01°08'06"W., A DISTANCE OF 182.25 FEET;

THENCE N.05°42'39"W., A DISTANCE OF 108.79 FEET;

THENCE N.03°00'49"W., A DISTANCE OF 171.63 FEET;

THENCE N.26°33'54"W., A DISTANCE OF 40.22 FEET TO A POINT ON THE WEST LINE OF SAID SECTION 7;

THENCE N.00°31'20"E. ALONG THE WEST LINE OF SAID SECTION 7, A DISTANCE OF 1516.91 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 7;

THENCE N.00°24'19"E. ALONG THE WEST LINE OF SAID SECTION 7, A DISTANCE OF 2582.92 FEET TO THE NORTHWEST CORNER OF SAID SECTION 7;

THENCE N.89°42'19"E. ALONG THE NORTH LINE OF SAID SECTION 7, A DISTANCE OF 2446.83 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 7;

THENCE S.89°42'22"E. CONTINUING ALONG SAID NORTH LINE OF SAID WEST HALF, A DISTANCE OF 1126.07 FEET;

THENCE S.00°20'26"E., A DISTANCE OF 1321.30 FEET;

THENCE N.89°16'52"E., A DISTANCE OF 658.03 FEET;

THENCE S.00°31'36"E., A DISTANCE OF 661.20 FEET;

THENCE S.89°57'19"E., A DISTANCE OF 660.17 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 7, SAID POINT BEING S.00°19'40"E., A DISTANCE OF 1981.58 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 8;

THENCE N.89°41'14"E., A DISTANCE OF 2649.31 FEET; TO A POINT ON THE NORTH-SOUTH MID SECTION LINE OF SAID SECTION 8;

THENCE S.00°19'50"E., ALONG THE SAID NORTH-SOUTH MID SECTION LINE A DISTANCE OF 661.63 FEET, TO THE CENTER OF SAID SECTION 8;

THENCE S.00°19'50"E., ALONG THE SAID NORTH-SOUTH MID SECTION LINE A DISTANCE OF 2642.50 FEET, TO THE SOUTH QUARTER CORNER OF SAID SECTION 8 AND THE NORTH QUARTER CORNER OF SECTION 17;

THENCE S.00°16'36"E., ALONG THE NORTH-SOUTH MID SECTION LINE OF SAID SECTION 17 A DISTANCE OF 4452.50 FEET, TO A POINT

THENCE LEAVING SAID NORTH-SOUTH MID SECTION LINE S.00°00'00"E., A DISTANCE OF 1316.41 FEET;

THENCE S.01°00'09"E., A DISTANCE OF 826.94 FEET, TO A POINT ON THE SOUTH LINE OF SAID SECTION 17, SAID POINT BEING N.89°45'22"E A DISTANCE OF 1324.35 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 17;

THENCE S.89°45'24"E., ALONG THE SAID SOUTH LINE OF SAID SECTION 17 A DISTANCE OF 1324.35 FEET, TO THE SOUTH QUARTER CORNER OF SAID SECTION 17;

THENCE S.89°45'24"E., CONTINUING ALONG THE SAID SOUTH LINE OF SAID SECTION 17 A DISTANCE OF 2648.72 FEET, TO THE SOUTHWEST CORNER OF SAID SECTION 17;

THENCE N.00°18'44"E., ALONG THE WEST LINE OF SAID SECTION 17 A DISTANCE OF 2641.52 FEET, TO THE WEST QUARTER CORNER OF SAID SECTION 17 AND THE EAST QUARTER CORNER OF SECTION 18;

THENCE N.89°51'00"W., ALONG THE EAST-WEST MID SECTION LINE OF SAID SECTION A DISTANCE OF 2639.17 FEET, TO THE CENTER OF SAID SECTION 18;

THENCE ALONG SAID NORTH-SOUTH MID SECTION LINE, S.00°15'32"E. A DISTANCE OF 2646.01 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 18;

THENCE S.89°58'47"E., ALONG THE SOUTH LINE OF SAID SECTION 18 A DISTANCE OF 2396.08 FEET, TO THE SOUTHWEST CORNER OF SAID SECTION 18; AND THE POINT OF BEGINNING FOR PARCEL 1.

THE ABOVE DESCRIBED PARCEL 1 CONTAINS 1,536 ACRES MORE OR LESS

PARCEL 2

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 12,

THENCE N.00°10'32"E., ALONG THE WEST LINE OF SAID SECTION 12, A DISTANCE OF 2653.09 FEET;

THENCE N.89°57'33"E., A DISTANCE OF 916.20 FEET;

THENCE S.00°00'57"E., A DISTANCE OF 1549.82 FEET;

THENCE N.89°45'56"E., A DISTANCE OF 9856.61 FEET;

THENCE N.00°00'57"E., A DISTANCE OF 803.25 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE FOR EAST SALAZAR ROAD;

THENCE S.73°06'18"E. ALONG SAID SOUTHERLY RIGHT OF WAY LINE A DISTANCE OF 999.04 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE FOR US HIGHWAY 79;

THENCE S.30°22'30"E. ALONG SAID SOUTHERLY RIGHT OF WAY LINE A DISTANCE OF 2639.38 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID SECTION 12;

THENCE S.89°57'58"E. ALONG SAID SOUTHERLY AY LINE A DISTANCE OF 4817.78 FEET TO THE POINT OF BEGINNING FOR PARCEL 2.

THE ABOVE DESCRIBED PARCEL 2 CONTAINS 223 ACRES MORE OR LESS.

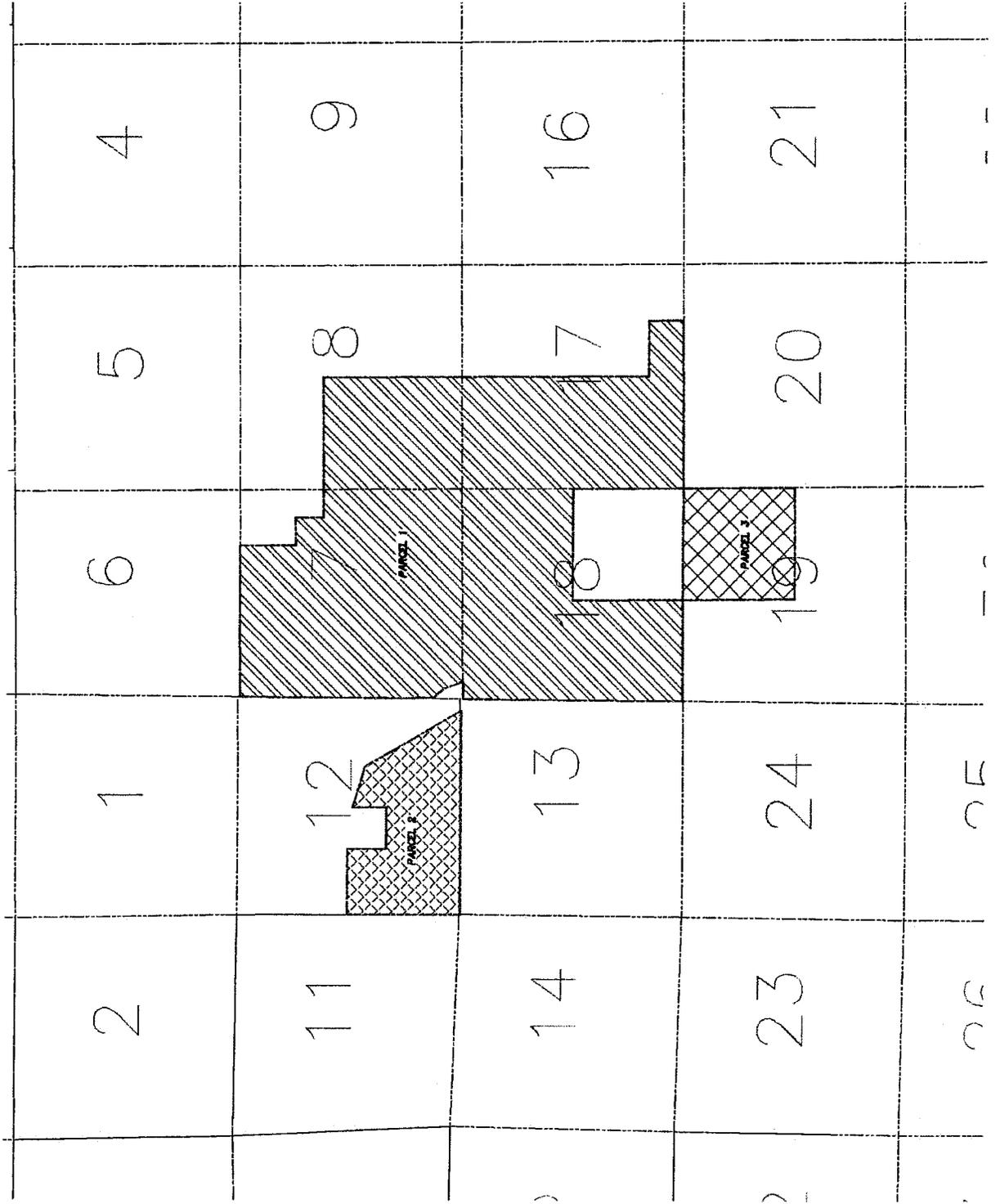
PARCEL 3

THE NORTHEAST QUARTER OF SECTION 19,

THE ABOVE DESCRIBED PARCEL 3 CONTAINS 160 ACRES MORE OR LESS.

NOTE:

THIS LEGAL DESCRIPTION IS FOR CC&N PURPOSES ONLY AND DOSE NOT REPRESENTS THE RESULTS OF AN ACTUAL FIELD SURVEY.





**JOHNSON RANCH ESTATES, LLC**

1 March 2013

Southwest Environmental Utilities, LLC  
5230 E Shea Blvd, Suite 200  
Scottsdale AZ 85254

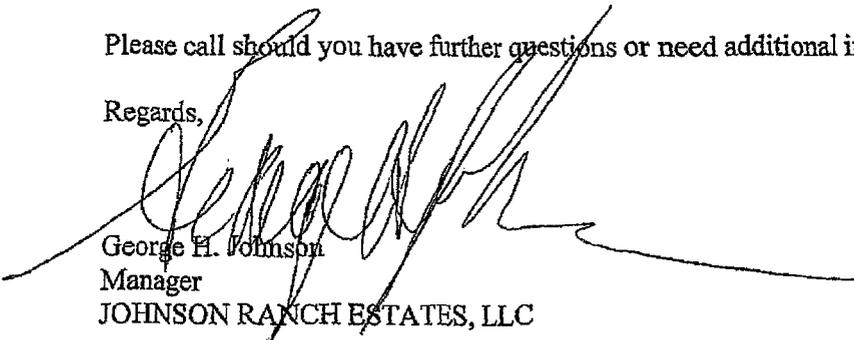
Re: Johnson Ranch Estates

To Whom It May Concern,

Johnson Ranch Estates, LLC hereby requests that Southwest Environmental Utilities, LLC provide water and wastewater service to our Johnson Ranch Estates development. A legal description of the property is attached to this letter as Exhibit A. Johnson Ranch Estates, LLC will support any and all regulatory approvals necessary to providing water and sewer service to our development

Please call should you have further questions or need additional information.

Regards,

  
George H. Johnson  
Manager  
JOHNSON RANCH ESTATES, LLC

Attachment: Exhibit A

5230 East Shea Boulevard, Suite 200  
Scottsdale AZ 85254  
(480) 998-3300 Phone  
(480) 483-7908 Fax

JOHNSON RANCH ESTATES

LEGAL DESCRIPTION

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

Parcel No. 1:

The Northwest quarter of Section 17, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Commencing at the Northwest corner of said Section 17, which is a GLO brass cap, said Point being the POINT OF BEGINNING, from which the West quarter corner of said Section 17 bears South 00 degrees 02 minutes 58 seconds East a distance of 2644.13 feet (measured), which is a GLO brass cap;

Thence North 89 degrees 56 minutes 35 seconds East, along the North line of said Section 17, a distance of 2655.84 feet (measured), to the North quarter corner of said Section 17, which is a GLO brass cap;

Thence South 00 degrees 06 minutes 29 seconds East, along the North-South mid-section line, a distance of 2649.15 feet (measured) to the center quarter corner;

Thence North 89 degrees 56 minutes 55 seconds West, along the East-West mid-section line, a distance of 2658.56 feet (measured) to the West quarter corner of said Section 17;

Thence North 00 degrees 02 minutes 58 seconds West, along the West line of said Section 17, a distance of 2644.13 feet (measured) to the POINT OF BEGINNING.

Parcel No. 2:

The Northeast quarter of Section 18, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Commencing at the Northeast corner of said Section 18, which is a GLO brass cap, said point being the POINT OF BEGINNING, from which the East quarter corner of said Section 18 bears South 00 degrees 02 minutes 58 seconds East a distance of 2644.13 feet (measured), which is a GLO brass cap;

Thence South 00 degrees 02 minutes 58 seconds East, along the East line of said Section 18, a distance of 2644.13 feet (measured) to the East quarter corner of said Section 18;

Thence North 89 degrees 29 minutes 23 seconds West, along the East-West mid-section line, a distance of 2641.46 feet (measured);

Thence North 00 degrees 02 minutes 26 seconds West, along the North-South mid-section line a distance of 2619.92 feet (measured) to the North quarter corner of said Section 18, which is a GLO brass cap;

Thence North 89 degrees 59 minutes 06 seconds East, a distance of 2640.94 feet (measured) to the POINT OF BEGINNING;

EXCEPT all coal, oil, gas and other minerals as reserved in the patent to said land.

Parcel No. 3:

The Southwest quarter of Section 17, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Commencing at the West quarter corner of said Section 17, which is a GLO brass cap, said point being the POINT OF BEGINNING; from which the Northwest corner of said Section 17, which is a GLO brass cap, bears North 00 degrees 02 minutes 58 seconds West, a distance of 2644.13 feet (measured);

Thence South 89 degrees 56 minutes 55 seconds East, along the East-West mid-section line, a distance of 2658.56 feet (measured) to the center quarter corner of said Section 17;

Thence South 00 degrees 06 minutes 58 seconds East, along the North-South mid-section line, a distance of 2638.21 feet (measured) to the South quarter corner of said Section 17, which is a GLO brass cap;

Thence South 89 degrees 57 minutes 55 seconds West, along the South line of said Section 17, a distance of 2664.91 feet (measured) to the Southwest corner of said section 17, which is a GLO brass cap;

Thence North 00 degrees 01 minutes 18 seconds East, along the West line of said Section 17, a distance of 2642.21 feet (measured) to the POINT OF BEGINNING.

Parcel No. 4:

Parcel C, Book 8 of Surveys, Page 255, being a portion of the Southeast quarter of Section 17, Township 5 South, Range 10 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the South quarter corner of Section 17, which is a General Land Office Brass cap, from which the Southwest corner of said Section 17, which is a GLO brass cap, bears South 89 degrees 57 minutes 55 seconds West a distance of 2,664.91 feet, said point being the POINT OF BEGINNING;

Thence North 00 degrees 06 minutes 58 seconds West along the North-South midsection line, a distance of 825.00 feet;

Thence South 89 degrees 51 minutes 20 seconds East parallel with the south line of said Section 17, a distance of 1,328.12 feet;

Thence South 00 degrees 04 minutes 22 seconds East a distance of 825.00 feet to the South line of said Section 17;

Thence North 89 degrees 51 minutes 20 seconds West along said South line a distance of 1,327.50 feet to the POINT OF BEGINNING;

EXCEPT all coal, oil, gas and other minerals as reserved in the patent to said land.

# Florence Majestic Ranch

## Exhibit A

### Description of Property

**ALL THAT PART OF SECTION 18, TOWNSHIP 5 SOUTH, RANGE 10 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:**

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 18;

THENCE NORTH 00 DEGREES 49 MINUTES 34 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 18, A DISTANCE OF 2629.50 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 18;

THENCE NORTH 00 DEGREES 50 MINUTES 11 SECONDS WEST, ALONG THE WEST LINE OF SAID SECTION 18, A DISTANCE OF 2206.12 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE HIGHWAY 89;

THENCE SOUTH 31 DEGREES 53 MINUTES 55 SECONDS EAST ALONG THE SOUTHERLY RIGHT-OF-WAY LINE OF STATE HIGHWAY 89, A DISTANCE OF 4655.79 FEET TO A POINT ON THE NORTH-SOUTH MID-SECTION LINE OF SAID SECTION 18;

THENCE SOUTH 01 DEGREES 47 MINUTES 36 SECONDS EAST, ALONG THE NORTH-SOUTH MID-SECTION LINE, A DISTANCE OF 849.82 FEET OT THE SOUTH QUARTER CORNER OF SAID SECTION 18;

THENCE SOUTH 89 DEGREES 14 MINUTES 13 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 18, A DISTANCE OF 2492.72 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 18 AND THE POINT OF BEGINNING.

APN 206-01-012A5

## Majestic Ranch

## EXHIBIT "A"

## PARCEL NO. 1:

A parcel of land being a portion of the East half of the Southwest quarter of Section 12, Township 5 South, Range 9 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, being more particularly described as follows:

BEGINNING at the South quarter corner of said Section 12;

thence West along the South line of said Southwest quarter, a distance of 956.17 feet; recorded (956.49 feet measured);

thence North 0 degrees 40 minutes 41 seconds West, recorded (North 00 degrees 41 minutes 33 seconds West measured), a distance of 1733.86 feet;

thence North 89 degrees 58 minutes 38 seconds East, a distance of 982.55 feet to a point on the East line of said Southwest quarter;

thence South 0 degrees 03 minutes 19 seconds West recorded (South 00 degrees 10 minutes 09 seconds West, measured), a distance of 1733.85 feet to the POINT OF BEGINNING.

## PARCEL NO. 2:

That portion of the Southeast quarter of Section 12, Township 5 South, Range 9 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, lying Southwesterly of the Southwesterly line of U.S. Highway 80-89;

EXCEPTING THEREFROM that portion thereof described as follows:

BEGINNING at a point on the West line of said Southeast quarter of Section 12, which is North 00 degrees 03 minutes 40 seconds East, a distance of 2,543.21 feet from the South quarter corner of said Section 12;

thence North 00 degrees 03 minutes 40 seconds East, along said West line, a distance of 105.98 feet to the Northwest corner of said Southeast quarter of Section 12;

thence North 89 degrees 59 minutes 12 seconds East, along the North line of said Southeast quarter of Section 12, a distance of 754.23 feet to a point on said Southwesterly line of U.S. Highway 80-89;

thence South 30 degrees 10 minutes 00 seconds East along said Southwesterly line, a distance of 473.93 feet;

thence North 72 degrees 59 minutes 29 seconds West, a distance of 1,037.90 feet to the POINT OF BEGINNING.



**LEGAL DESCRIPTION  
SUNAIRE RANCH**

All of Parcels 2, 6, and 7 of Finisterre Ranchettes, as shown on Book 1, Records of Survey, Page 93, Pinal County Records of Section 7, Township 5 South, Range 10 East, Gila and Salt River Meridian, Pinal County, Arizona, being more particularly described as follows;

- COMMENCING** at the Northeast corner of said Section 7;
- THENCE** N 90°00'00" W, along the North line of said Section 7, a distance of 1320.00 feet to the Northeast corner of Said Parcel 2 and the **POINT OF BEGINNING**;
- THENCE** S 00°03'00" W, along the East line of Said Parcels 2 and 7, a distance of 2640.51 feet to the Southeast corner of said Parcel 7;
- THENCE** S 89°58'00" W, along the South line of Said Parcels 6 and 7, a distance of 2405.24 feet to the Southwest corner of said Parcel 6;
- THENCE** N 00°34'00" E, along the West line of Said Parcel 6, a distance of 1321.00 feet to the Northwest corner of said Parcel 6;
- THENCE** N 89°59'00" E, along the North line of Said Parcel 6, a distance of 1196.65 feet to the common corner of said Parcels 6, 7, and 2;
- THENCE** N 00°18'27" E, along the West line of Said Parcel 2, a distance of 1320.65 feet to the Northwest corner of said Parcel 2;
- THENCE** N 90°00'00" E, along the North line of said Section 7, a distance of 1190.75 feet to the **POINT OF BEGINNING**;

Prepared By:  
THE WLB GROUP, INC.  
Peter D. Cote, RLS 44121



EXPIRES 3-31-2015

STATE OF ARIZONA

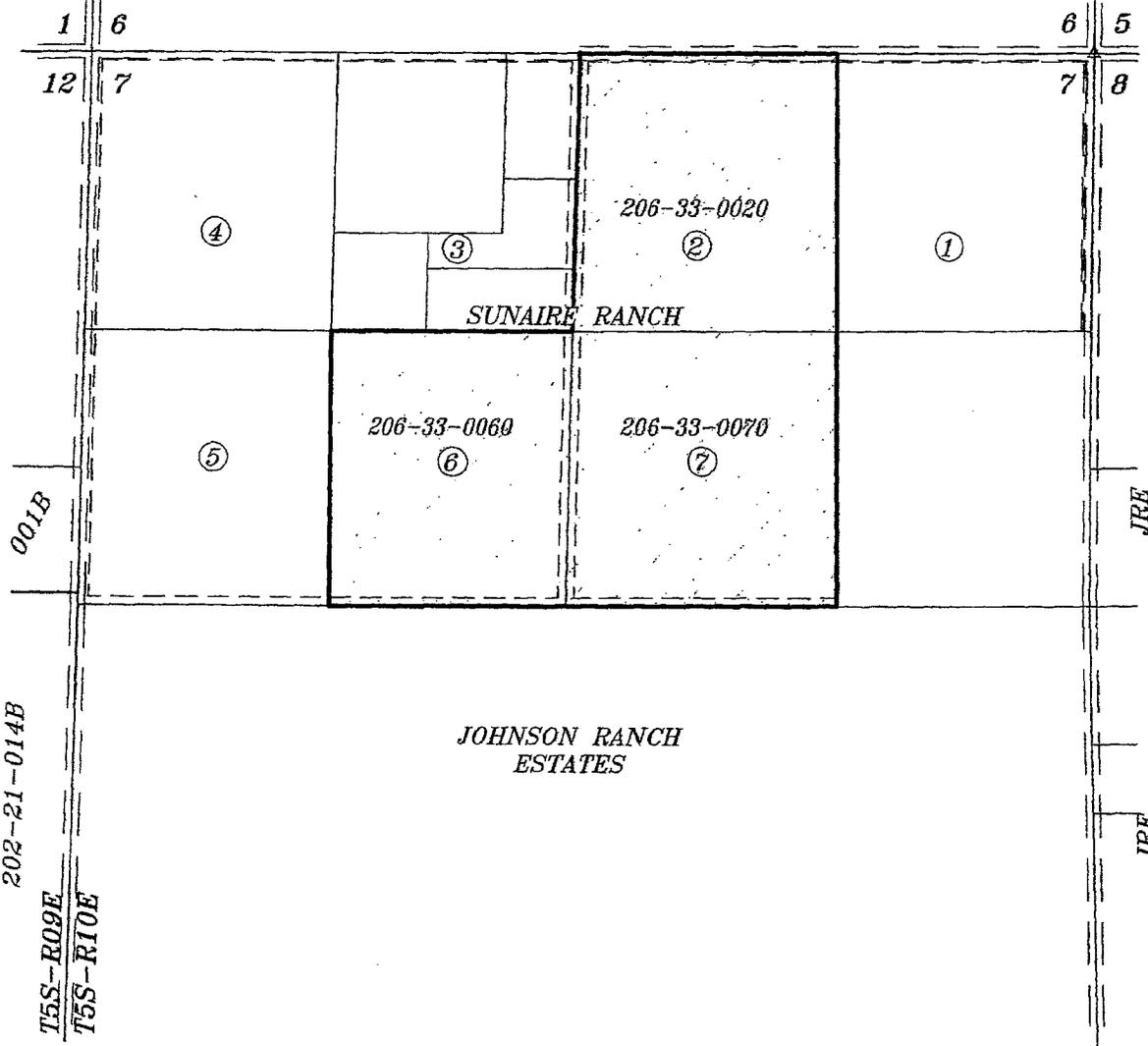


EXHIBIT TO ACCOMPANY DESCRIPTION OF  
SUNAIRE RANCH  
PARCELS 2, 6, & 7 OF  
FINISTERRE RANCHETTES  
SECTION 7, T-5S, R-10E, G.S.R.M.,  
PINAL COUNTY, ARIZONA

WLB No. 111057-A001-1003

N:\111057\Florence 604\survey\60ft ieue 202-21-014b.dwg



1"=800'



SHEET 2 OF 2

**REDSTONE RANCH**

**LEGAL DESCRIPTION**

A parcel of land located in a portion of the Northeast Quarter of Section 7, Township 5 South, Range 10 East, Gila and Salt River Meridian, Pinal County, Arizona, more particularly described as follows:

The NW Quarter of the SE Quarter of the NE Quarter of said Section 7;

The South Half of the SE Quarter of the NE Quarter of said Section 7.

Said parcel containing 30 acres +/-.



EXPIRES 3/31/2014  
(INDICATES RENEWAL DATE)



0000161650

**SW ENVIRONMENTAL UTILITIES, L.L.C.**

5230 East Shea Boulevard, Suite 200 \* Scottsdale, Arizona 85254  
PH: (480) 998-3300; FAX: (480) 483-7908

RECEIVED

2015 APR 13 P 4:09

**ORIGINAL**

13 April 2015

AZ CORP COMMISSION  
DOCKET CONTROL

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix AZ 85007-2927

Re: Southwest Environmental Utilities, L.L.C. – Application for a Certificate of Convenience and Necessity (CC&N) to provide Water and Wastewater.  
Docket No. WS-20878A-13-0065  
**Amendment to the Proposed CC&N Area**

Southwest Environmental Utilities, LLC is submitting a revised legal description of the proposed CC&N area to include the following properties:

- Johnson Ranch Estates
- Florence Majestic Ranch
- Sunaire Ranch
- Majestic Ranch
- Redstone Ranch

The metes and bounds legal description of the entire proposed CC&N Area, the Pinal County Maps showing the proposed CC&N Area, and the Conceptual Land Use Plan and Phasing Plan are attached hereto as Attachment A.

The metes and bounds legal description encompasses the gross acreage. The acreage in the Conceptual Land Use Plan and Phasing Plan excludes roadways and easements.

If you have any questions, feel free to contact me at (480) 998-3300.

Regards,

Bradley J. Cole  
Chief Operating Officer

Arizona Corporation Commission

**DOCKETED**

APR 13 2015

DOCKETED BY	
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# Attachment A

April 11, 2015

LEGAL DESCRIPTIONS  
FOR  
SOUTHWEST ENVIRONMENTAL UTILITIES, LLC.  
CC&N

CONSISTING OF 2 PARCELS DESCRIBED AS FOLLOWS

BEING PORTIONS OF SECTION 12 TOWNSHIP 5 SOUTH, RANGE 9 EAST AND  
SECTIONS 7, 8, 17, AND 18, TOWNSHIP 5 SOUTH RANGE 10 EAST OF  
THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA  
AND DESCRIBED AS FOLLOWS:

PARCEL 1

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 18,

THENCE N.00°24'15"E., ALONG THE WEST LINE OF SAID SECTION 18, A DISTANCE  
OF 2653.09 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 18;

THENCE N.00°34'14"E., CONTINUING ALONG SAID WEST LINE, A DISTANCE OF  
2598.88 FEET TO THE NORTHWEST CORNER OF SAID SECTION 18;

THENCE N.89°29'42"E., ALONG THE NORTH LINE OF SAID SECTION 18. A  
DISTANCE OF 409.56 FEET;

THENCE LEAVING SAID NORTH LINE OF SAID SECTION 18, N.15°25'20"W., A  
DISTANCE OF 108.55 FEET;

THENCE N.24°57'43"W., A DISTANCE OF 115.42 FEET;

THENCE N.17°44'42"W., A DISTANCE OF 236.79 FEET;

THENCE N.39°36'06"W., A DISTANCE OF 257.56 FEET;

April 11, 2015

THENCE N.50°11'31"W., A DISTANCE OF 84.54 FEET;

THENCE N.01°08'06"W., A DISTANCE OF 182.25 FEET;

THENCE N.05°42'39"E., A DISTANCE OF 108.79 FEET;

THENCE N.03°00'49"W., A DISTANCE OF 171.63 FEET;

THENCE N.26°33'54"W., A DISTANCE OF 40.22 FEET TO A POINT ON THE WEST LINE OF SAID SECTION 7;

THENCE N.00°31'20"E. ALONG THE WEST LINE OF SAID SECTION 7, A DISTANCE OF 1516.91 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 7;

THENCE N.00°24'19"E. ALONG THE WEST LINE OF SAID SECTION 7, A DISTANCE OF 2582.92 FEET TO THE NORTHWEST CORNER OF SAID SECTION 7;

THENCE N.89°42'17"E. ALONG THE NORTH LINE OF SAID SECTION 7, A DISTANCE OF 2446.83 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 7;

THENCE N.89°42'22"E. CONTINUING ALONG SAID NORTH LINE OF SAID WEST HALF, A DISTANCE OF 1126.07 FEET;

THENCE S.00°20'26"E., A DISTANCE OF 1321.30 FEET;

THENCE N.89°16'52"E., A DISTANCE OF 658.03 FEET;

THENCE S.00°31'36"E., A DISTANCE OF 661.20 FEET;

THENCE S.89°57'19"E., A DISTANCE OF 660.17 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 7, SAID POINT BEING S.00°19'40"E., A DISTANCE OF 1981.58 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 8;

THENCE N.89°41'14"E., A DISTANCE OF 2649.31 FEET; TO A POINT ON THE NORTH-SOUTH MID SECTION LINE OF SAID SECTION 8;

THENCE S.00°19'50"E., ALONG THE SAID NORTH-SOUTH MID SECTION LINE A DISTANCE OF 661.63 FEET, TO THE CENTER OF SAID SECTION 8;

THENCE S.00°19'50"E., ALONG THE SAID NORTH-SOUTH MID SECTION LINE A DISTANCE OF 2642.50 FEET, TO THE SOUTH QUARTER CORNER OF SAID SECTION 8 AND THE NORTH QUARTER CORNER OF SECTION 17;

THENCE S.00°16'36"E., ALONG THE NORTH-SOUTH MID SECTION LINE OF SAID SECTION 17 A DISTANCE OF 4452.50 FEET, TO A POINT

THENCE LEAVING SAID NORTH-SOUTH MID SECTION LINE N.90°00'00"E., A DISTANCE OF 1316.41 FEET;

THENCE S.01°00'09"E., A DISTANCE OF 826.94 FEET, TO A POINT ON THE SOUTH LINE OF SAID SECTION 17, SAID POINT BEING N.89°45'22"E A DISTANCE OF 1324.35 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 17;

THENCE S.89°45'24"W., ALONG THE SAID SOUTH LINE OF SAID SECTION 17 A DISTANCE OF 1324.35 FEET, TO THE SOUTH QUARTER CORNER OF SAID SECTION 17;

THENCE S.89°45'41"W., CONTINUING ALONG THE SAID SOUTH LINE OF SAID SECTION 17 A DISTANCE OF 2648.72 FEET, TO THE SOUTHWEST CORNER OF SAID SECTION 17;

THENCE N.00°18'43"W., ALONG THE WEST LINE OF SAID SECTION 17 A DISTANCE OF 2641.52 FEET, TO THE WEST QUARTER CORNER OF SAID SECTION 17 AND THE EAST QUARTER CORNER OF SECTION 18;

April 11, 2015

THENCE N.89°51'00"W., ALONG THE EAST-WEST MID SECTION LINE OF SAID SECTION A DISTANCE OF 2641.96 FEET, TO THE CENTER OF SAID SECTION 18;

THENCE S.00°15'32"E., ALONG NORTH-SOUTH MID SECTION LINE, A DISTANCE OF 2646.01 FEET TO THE SOUTH QUARTER CORNER OF SAID SECTION 18;

THENCE S.89°58'47"W., ALONG THE SOUTH LINE OF SAID SECTION 18 A DISTANCE OF 2396.08 FEET, TO THE SOUTHWEST CORNER OF SAID SECTION 18; AND THE POINT OF BEGINNING FOR PARCEL 1.

EXCEPT THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER, THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER AND THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 7, OTHERWISE KNOWN AS PARCELS 3, 4, AND 5 OF FINISTERRE RANCHETTES AS SHOWN ON BOOK 1 OF RECORDS OF SURVEY, PAGE 93, PINAL COUNTY RECORDER.

THE ABOVE DESCRIBED PARCEL 1 CONTAINS 1,430 ACRES MORE OR LESS

PARCEL 2

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 12,

THENCE N.00°10'32"W., ALONG THE WEST LINE OF SAID SECTION 12, A DISTANCE OF 2678.11 FEET;

THENCE N.89°57'33"E., A DISTANCE OF 1549.82 FEET;

THENCE S.00°00'57"E., A DISTANCE OF 916.20 FEET;

THENCE N.89°45'56"E., A DISTANCE OF 985.61 FEET;

April 11, 2015

THENCE N.00°00'57"W., A DISTANCE OF 803.25 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE FOR EAST SALAZAR ROAD;

THENCE S.73°06'18"E. ALONG SAID SOUTHERLY RIGHT OF WAY LINE A DISTANCE OF 999.04 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE FOR US HIGHWAY 79;

THENCE S.30°22'30"E. ALONG SAID SOUTHERLY RIGHT OF WAY LINE A DISTANCE OF 2639.38 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID SECTION 12;

THENCE S.89°57'58"W. ALONG SAID SOUTHERLY LINE A DISTANCE OF 4817.78 FEET TO THE POINT OF BEGINNING FOR PARCEL 2

EXCEPT THE FOLLOWING DESCRIBED PARCEL;

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 12,

THENCE N.00°10'32"W., ALONG THE WEST LINE OF SAID SECTION 12, A DISTANCE OF 2678.11 FEET;

THENCE N.89°57'33"E., A DISTANCE OF 1549.82 FEET;

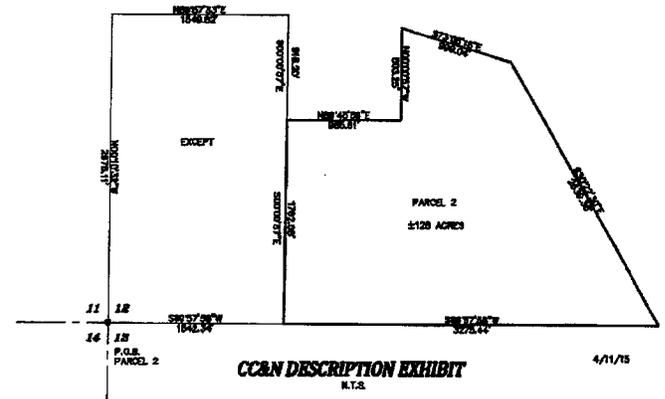
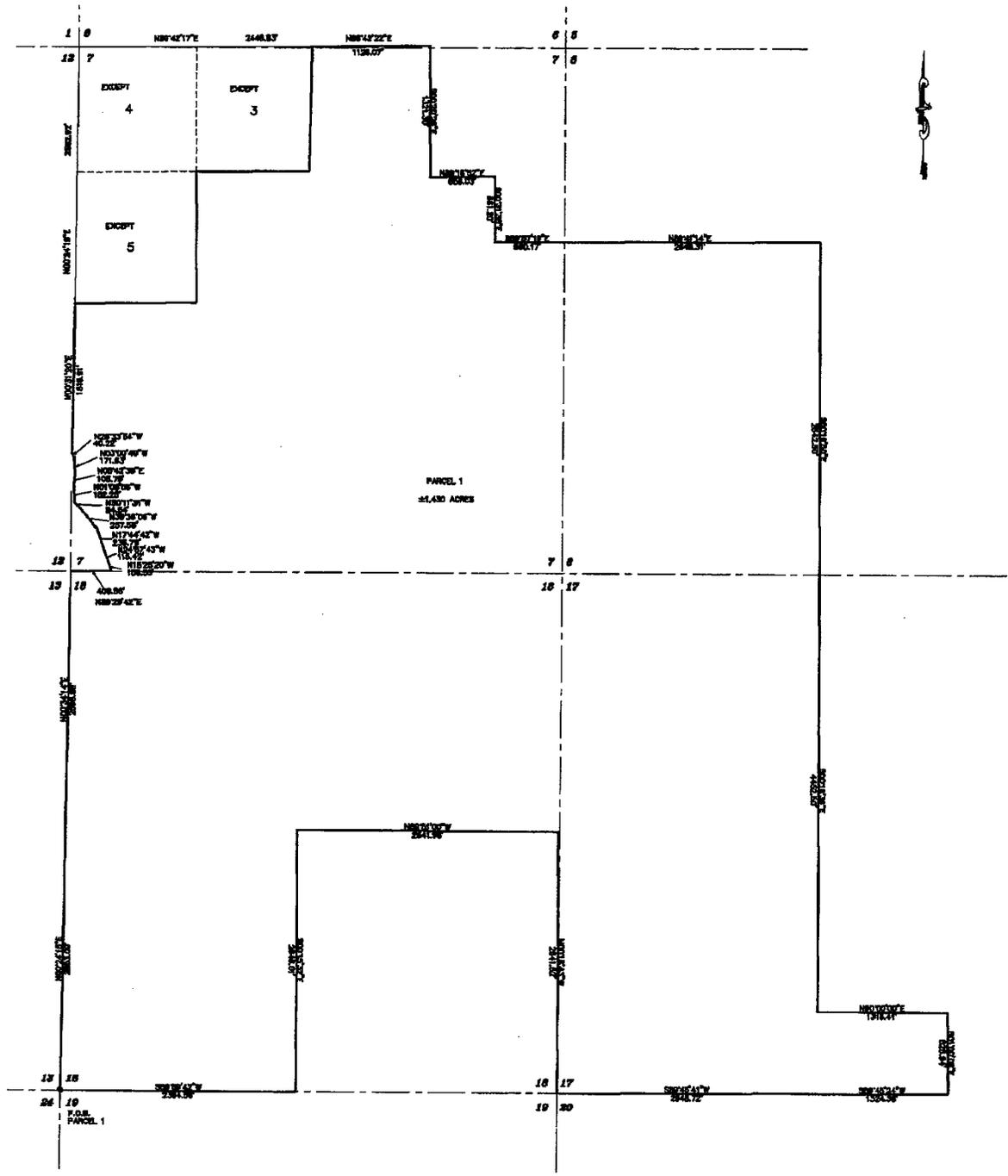
THENCE S.00°00'57"E., A DISTANCE OF 916.20 FEET;

THENCE CONTINUE S.00°00'57"E., A DISTANCE OF 1762.08 FEET;

THENCE S.89°57'58"W. ALONG SAID SOUTHERLY LINE A DISTANCE OF 1542.34 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL 2 CONTAINS 128 ACRES MORE OR LESS.

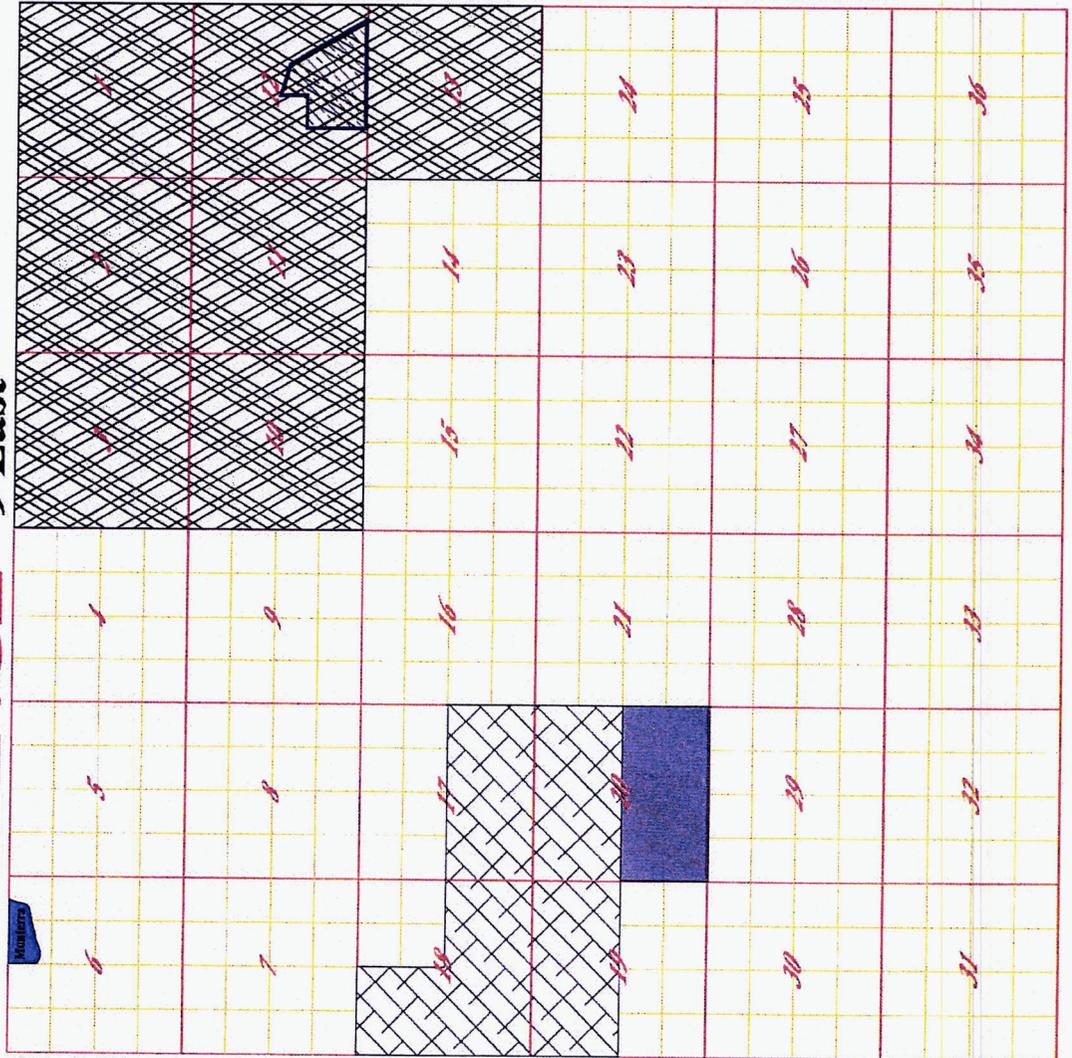
NOTE: THIS LEGAL DESCRIPTION IS FOR CC&N PURPOSES ONLY AND DOES NOT REPRESENT THE RESULTS OF AN ACTUAL FIELD SURVEY.



# COOUNTY Pinal

## RANGE 9 East

## TOWNSHIP 5 South



-  W-1445 (39)(3)  
Arizona Water Company (Coolidge)
-  C-0005 (4)  
City of Florence (Nonjurisdictional)
-  (3)  
Arizona Water Company  
Docket No. W-1445-05-389  
Application for Extension
-  (4)  
Johnson Utilities Company  
Docket No. WS-02987A-06-0667  
Application for Extension for Water & Sewer
-  Southwest Environmental Utilities  
CC&N Requested Area

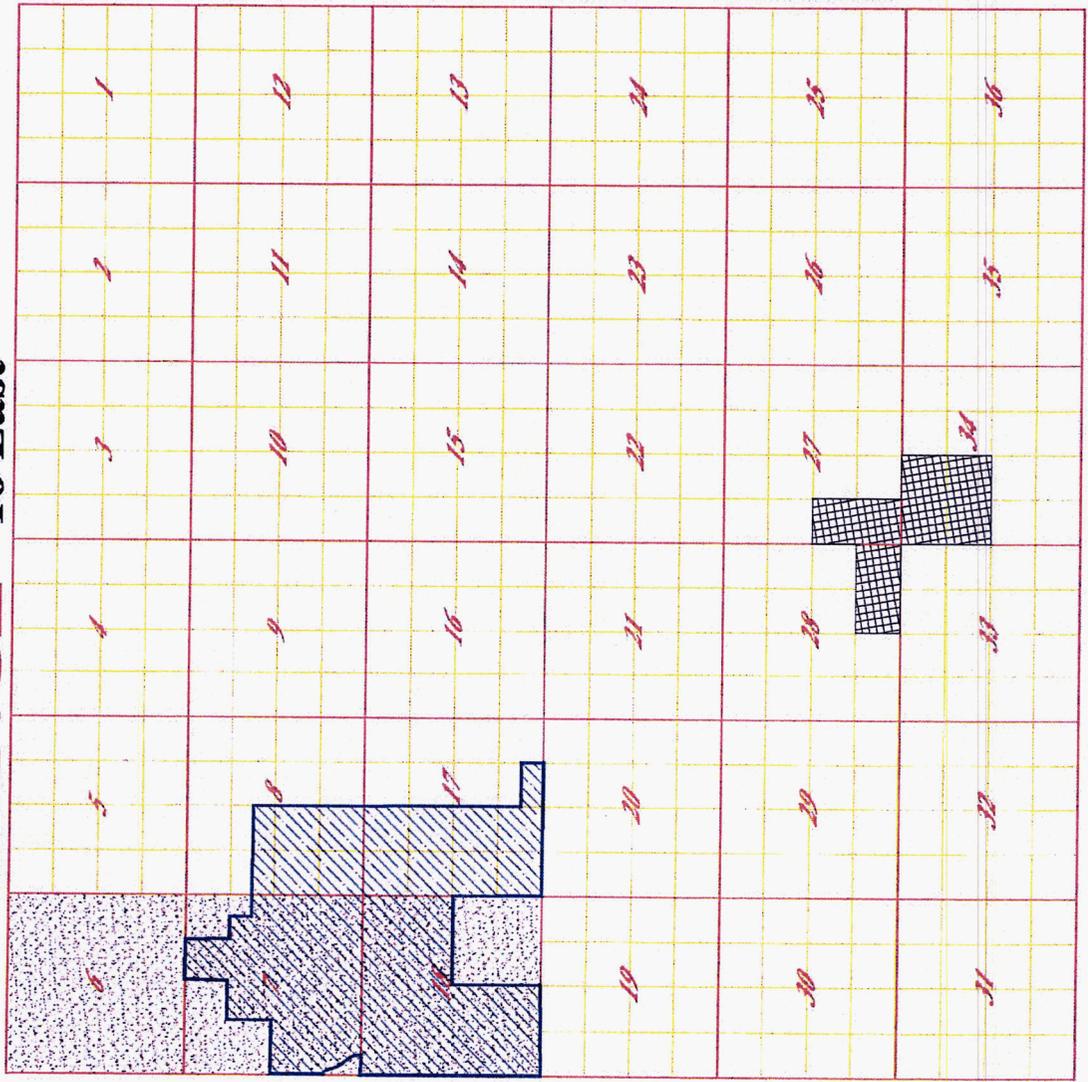
# COUNTY: Pinal

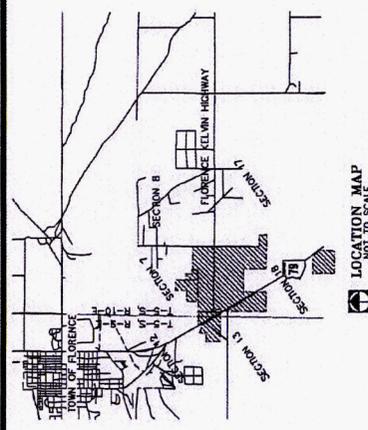
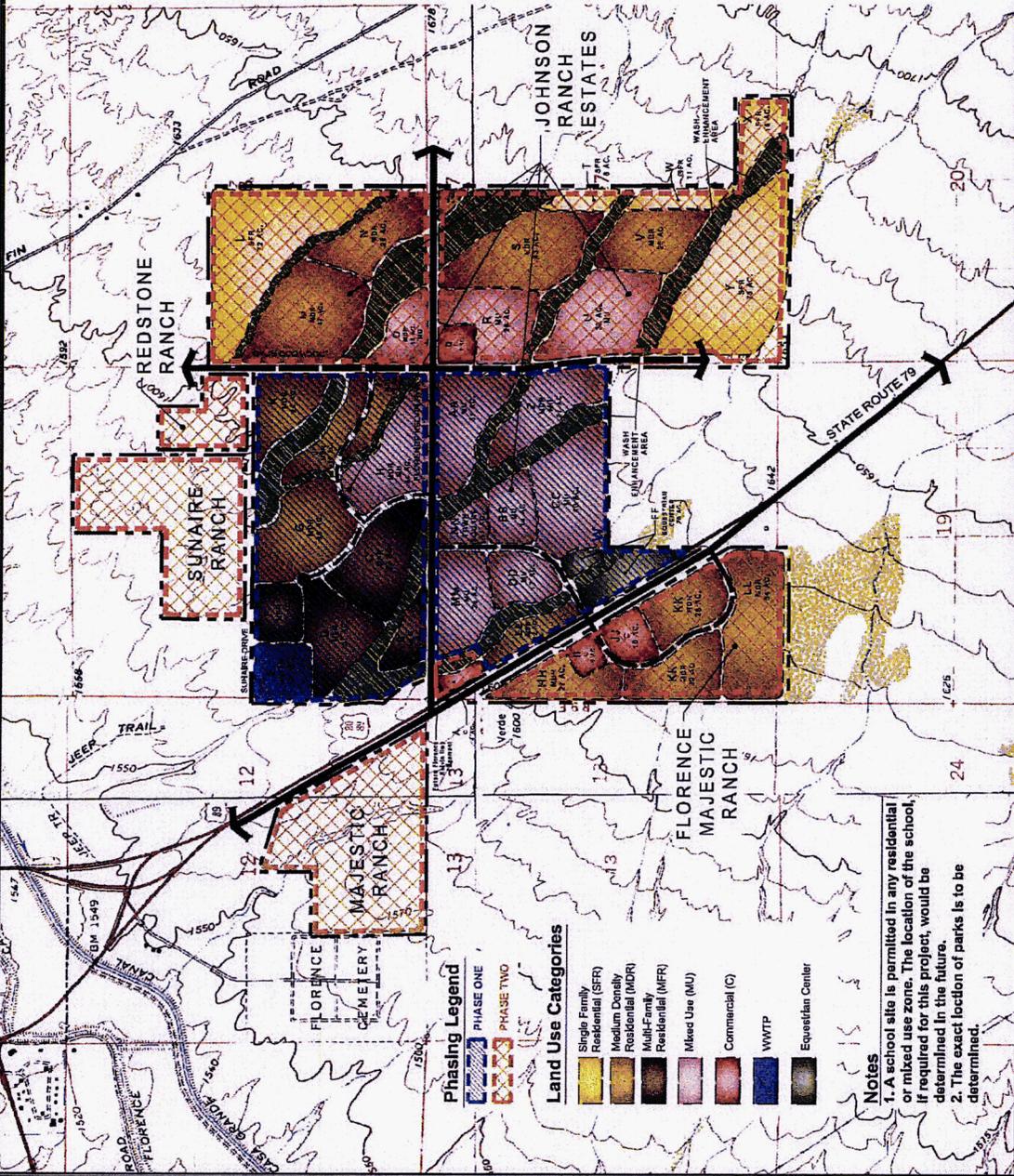
## RANGE 10 East

## TOWNSHIP 5 South

Legend:

-  U-1993 (1)
-  United Utilities (Florence/Cactus System) (4)
-  City of Florence (Nonjurisdictional)
-  Southwest Environmental Utilities CC&N Requested Area





- Legend of Symbols**
- PROPERTY BOUNDARY
  - - - DEVELOPMENT PARCEL BOUNDARY
  - PROPOSED ROAD
  - W WATER PLANT SITE

**Project Summary**

Project Name	Acreage	Commercial Acreage	Number of Dwelling Units
Johnson Ranch Estates	1,112	11	4,264
Florence Majestic Ranch	154	15	638
Majestic Ranch	134	11	648
Sunaire	108	0	428
Redstone Ranch	30	0	120
<b>Totals</b>	<b>1,538</b>	<b>37</b>	<b>6,098</b>

- Phasing Legend**
- PHASE ONE
  - PHASE TWO

- Land Use Categories**
- Single Family Residential (SFR)
  - Medium Density Residential (MDR)
  - Multi-Family Residential (MFR)
  - Mixed Use (MU)
  - Commercial (C)
  - WWTP
  - Equestrian Center

**Notes**

1. A school site is permitted in any residential or mixed use zone. The location of the school, if required for this project, would be determined in the future.
2. The exact location of parks is to be determined.

# Conceptual Land Use Plan and Phasing Plan



# **SOUTHWEST ENVIRONMENTAL UTIL**

5230 East Shea Boulevard, Suite 200 \* Scottsdale, Arizona  
PH: (480) 998-3300; FAX: (480) 483-7908



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2015 FEB 13 P 2: 04

February 13, 2015

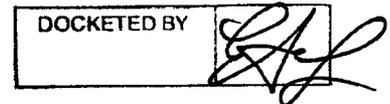
AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission  
DOCKETED

FEB 13 2015

ORIGINAL

Mr. Brian Bozzo  
Compliance Director – Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix AZ 85007



Re: Docket No. WS20878A-13-0065  
Notice of Filing, Affidavit of Mailing Public Notice and Affidavit of Publication

Dear Mr. Bozzo:

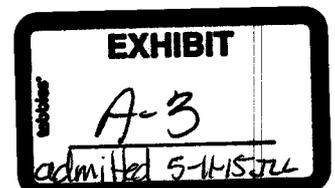
In a Procedural Order dated January 16, 2015, Southwest Environmental Utilities, L.L.C. (“Southwest Environmental” or the “Company”) was ordered: (i) to mail via First Class U.S. Mail a copy of the required Public Notice to each property owner in the proposed extension areas and to publish said Notice in a newspaper of general circulation in the proposed extension areas, with publication and mailing to be completed no later than February 13, 2015; and (ii) to file certification of mailing and publication as soon as practicable after the mailing/publication has been completed, but not later than March 6, 2015.

Attached hereto as Attachment 1 is an Affidavit of Publication from the Florence Reminder and Blade-Tribune attesting to the publication of the required Public Notice on February 4, 2015. Attached hereto as Attachment 2 is the Affidavit of Katherine Nierva attesting that the required public notice was mailed to each property owner in the proposed extension area on January 28, 2015.

Respectfully,

George H. Johnson  
SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C.

cc: Docket Control (13 copies)  
Steve Olea, Director / ACC Utilities Division  
Yvette B. Kinsey, Administrative Law Judge / ACC Hearing Division  
Janice Alward, Chief Counsel / ACC Legal Division  
Jeffrey Crockett, Esq. / Brownstein Hyatt Farber Schreck, L.L.P.



*Attachment 1*

STATE OF ARIZONA

COUNTY OF PINAL

SS.

# Affidavit of Publication

## PUBLIC NOTICE OF THE HEARING ON THE APPLICATION OF SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C. FOR APPROVAL TO EXTEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER AND WASTEWATER SERVICES IN PINAL COUNTY, ARIZONA (Docket No. WS-20878A-13-0065)

On March 21, 2013, Southwest Environmental Utilities, L.L.C. ("Southwest" or "Company") filed with the Arizona Corporation Commission ("Commission") an application requesting approval to extend its Certificate of Convenience and Necessity ("CC&N") to provide water and wastewater services to several developments known as Florence Majestic Ranch, Johnson Ranch Estates, Florence Crossing, Sunaire Ranch, and Majestic Ranch, all located in the Town of Florence, Pinal County, Arizona. Southwest's application states the proposed extension area will encompass approximately 1,912 acres. On August 28, 2013, Southwest filed an amendment to its application, requesting to include an additional area known as Redstone Ranch. The Commission's Utilities Division ("Staff") has not yet made a recommendation regarding Southwest's amended application, and the Commission is not bound by the proposals made by Southwest, Staff or any intervenors. The Commission will issue a Decision regarding Southwest's application following consideration of testimony and evidence presented at an evidentiary hearing. Copies of the amended application and other filings are available at Southwest's offices, 5230 E. Shea Boulevard, Suite 200, Scottsdale, Arizona, and the Commission's offices at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the internet via the Commission website ([www.azcc.gov](http://www.azcc.gov)) using the e-docket function.

The Commission will hold a hearing on this matter on March 30, 2015, at 10:00 a.m. at the Commission's offices, 1200 West Washington Street, Hearing Room No. 1, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. You may also file your written comments electronically by going to the Commission's homepage at [www.azcc.gov](http://www.azcc.gov) and clicking on the "Submit a Public Comment" button or by mailing a letter referencing Docket Number WS-20878A-13-0065 to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you would like to intervene, you must file a written motion to intervene with the Commission, and you must send copies of the motion to the Company or its counsel, and to all parties of record in the case. Your motion to intervene must contain the following:

1. Your name, address, and telephone number and the name, address, and telephone number of any party upon whom documents are to be served in your place, if desired;
2. A short statement of your interest in the proceeding (e.g., a customer of the Company, a shareholder of the Company, etc.);
3. A statement certifying that a copy of your motion to intervene has been mailed to the Company or its counsel and to all parties of record in the case; and
4. If the proposed intervener is not represented by an attorney who is an active member of the Arizona State Bar, and is not an individual representing himself or herself, information and any appropriate documentation demonstrating the intervener's compliance with Arizona Supreme Court Rules 31, 38 and 42, as applicable.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before March 6, 2015. If representation by counsel is required by Arizona Supreme Court Rule 31, intervention will be conditioned upon the interveners obtaining counsel to represent the intervener. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at the hearing and to cross-examine witnesses. However, the failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.

The Commission does not discriminate on the basis of disability in

RUTH A. KRAMER first being duly sworn deposes and says: That he/she is a native born citizen of the United States of America, over 21 years of age, that I am an agent and/or publisher of the Tri-Valley Dispatch, a weekly newspaper published at Casa Grande, Pinal County, Arizona, Wednesday of each week; that a notice, a full, true and complete printed copy of which is hereunto attached, was printed in the regular edition of said newspaper, and not in a supplement thereto, for ONE issues. The first publication thereof having been on the

4TH day of FEBRUARY A.D., 2015

Second publication \_\_\_\_\_

Third publication \_\_\_\_\_

Fourth publication \_\_\_\_\_

Fifth publication \_\_\_\_\_

Sixth publication \_\_\_\_\_

## TRI-VALLEY DISPATCH

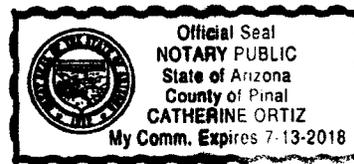
By [Signature]  
agent and/or publisher of the Tri-Valley Dispatch

Sworn to before me this 9th

day of February A.D., 2015

Catherine Ortiz

Notary Public in and for the County of Pinal, State of Arizona



*Attachment 2*



*Exhibit "A"*

**PUBLIC NOTICE OF THE HEARING ON THE APPLICATION OF  
SOUTHWEST ENVIRONMENTAL UTILITIES, L.L.C. FOR APPROVAL TO EXTEND  
ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER  
AND WASTEWATER SERVICES IN PINAL COUNTY, ARIZONA**  
**(Docket No. WS-20878A-13-0065)**

On March 21, 2013, Southwest Environmental Utilities, L.L.C. ("Southwest" or "Company") filed with the Arizona Corporation Commission ("Commission") an application requesting approval to extend its Certificate of Convenience and Necessity ("CC&N") to provide water and wastewater services to several developments known as Florence Majestic Ranch, Johnson Ranch Estates, Florence Crossing, Sunaire Ranch, and Majestic Ranch, all located in the Town of Florence, Pinal County, Arizona. Southwest's application states the proposed extension area will encompass approximately 1,912 acres. On August 28, 2013, Southwest filed an amendment to its application, requesting to include an additional area known as Redstone Ranch. The Commission's Utilities Division ("Staff") has not yet made a recommendation regarding Southwest's amended application, and the Commission is not bound by the proposals made by Southwest, Staff or any intervenors. The Commission will issue a Decision regarding Southwest's application following consideration of testimony and evidence presented at an evidentiary hearing. Copies of the amended application and other filings are available at Southwest's offices, 5230 E. Shea Boulevard, Suite 200, Scottsdale, Arizona, and the Commission's offices at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the internet via the Commission website ([www.azcc.gov](http://www.azcc.gov)) using the e-docket function.

The Commission will hold a hearing on this matter on **March 30, 2015, at 10:00 a.m.** at the Commission's offices, 1200 West Washington Street, Hearing Room No.1, Phoenix, Arizona. Public comments will be taken **on the first day** of the hearing. You may also file your written comments electronically by going to the Commission's homepage at [www.azcc.gov](http://www.azcc.gov) and clicking on the "Submit a Public Comment" button or by mailing a letter referencing Docket Number WS-20878A-13-0065 to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you would like to intervene, you must file a written motion to intervene with the Commission, and you must send copies of the motion to the Company or its counsel, and to all parties of record in the case. Your motion to intervene must contain the following:

1. Your name, address, and telephone number and the name, address, and telephone number of any party upon whom documents are to be served in your place, if desired;
2. A short statement of your interest in the proceeding (e.g., a customer of the Company, a shareholder of the Company, etc.);
3. A statement certifying that a copy of your motion to intervene has been mailed to the Company or its counsel and to all parties of record in the case; and
4. If the proposed intervener is not represented by an attorney who is an active member of the Arizona State Bar, and is not an individual representing himself or herself, information and any appropriate documentation demonstrating the intervener's compliance with Arizona Supreme Court Rules 31, 38 and 42, as applicable.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before March 6, 2015. If representation by counsel is required by Arizona Supreme Court Rule 31, intervention will be conditioned upon the intervenors obtaining counsel to represent the intervener. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at the hearing and to cross-examine witnesses. However,

the failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shaylin Bernal, Email [SAbernal@azcc.gov](mailto:SAbernal@azcc.gov), voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

**Southwest Environmental Utilities, L.L.C.**  
**Public Notice for Meeting on March 30, 2015 at 10:00 am**

**Landowners:**

Town of Florence  
PO Box 2670  
Florence AZ 85312

Civic Properties, L.L.C.  
9000 Snowy Owl Lane  
Blaine WA 98230

McRae Group of Companies  
8800 North Gainey Center Drive, Suite 255  
Scottsdale AZ 85258

Florence Crossing Land Partners, L.L.C.  
3200 E Camelback Road, Suite 130  
Phoenix AZ 85018

Johnson Ranch Estates, L.L.C.  
5230 E Shea Blvd, Suite 200  
Scottsdale AZ 85254

Ted Behrens  
20941 E Florence Kelvin HWY  
Florence AZ 85132

Florence 40 Investments, L.L.C.  
7702 E Doubletree Ranch Road, Suite 300  
Scottsdale AZ 85258

Shah K G M Firoz & Kiondo Yuri Trs  
10049 E Dynamite Blvd, Suite 115  
Scottsdale AZ 85262

Gerald E & Catherine M Turk  
PO Box 21573  
Mesa AZ 85277

Paul Desiena  
15531 E Via del Palo  
Gilbert AZ 85298

Farima Taghaboni Liv Trust  
11510 Ghiberti Way  
Porter Ranch CA 91326

GH Capital, L.L.C.  
5108 N 40th Street, Suite 3  
Phoenix AZ 85018

Sunaire Ranch and Majestic Ranch

Florence Majestic Ranch  
Ron McRae

Florence Crossing  
Matt Warner

Johnson Ranch Estates

Redstone Ranch  
Perry Mathis

Brownstein Hyatt Farber Schreck, LLP  
One East Washington, Suite 2400  
Phoenix, AZ 85004

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

COMMISSIONERS

2015 MAY -6 P 2:37

SUSAN BITTER SMITH - Chairman  
BOB STUMP  
BOB BURNS  
DOUG LITTLE  
TOM FORESE

AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION  
OF SOUTHWEST ENVIRONMENTAL  
UTILITIES, L.L.C., FOR A CERTIFICATE  
OF CONVENIENCE AND NECESSITY TO  
PROVIDE WATER AND WASTEWATER  
SERVICE IN PINAL COUNTY, ARIZONA.

DOCKET NO. WS-20878A-13-0065

SOUTHWEST ENVIRONMENTAL  
UTILITIES' OBJECTIONS TO STAFF  
REPORT

On April 28, 2015, Utilities Division Staff ("Staff") filed its staff report in this docket. On May 4, 2015, Staff filed a Notice of Errata which included an amended staff report (hereinafter, the "Staff Report"). Pursuant to the Procedural Order dated April 7, 2015, Southwest Environmental Utilities, L.L.C. ("SEU" or the "Company") hereby files its objections to the Staff Report.<sup>1</sup>

1. SEU Objects to Staff's Recommended Water System Fair Value Rate Base.

For the proposed water utility, SEU has an estimated rate base at the end of the first five years of operation of \$1,456,494. However, Staff increases rate base by \$1,629,762 to \$3,086,256. Staff's higher rate base is primarily the result of Staff's elimination of the water hook-up fees ("HUFs") that were proposed by the Company. For the reasons discussed in Section 4 below, SEU urges the Commission to approve the requested water HUFs and the Company's proposed fair value rate base. SEU does not oppose Staff's recommended rate of return of 10%.

<sup>1</sup> Pursuant to an agreement with Staff, which was approved by the administrative law judge, SEU is submitting its objections to the Staff Report on May 6, 2015.

EXHIBIT

A-4

admitted 5-11-15 JLL

1           2.     SEU Objects to Staff's Recommended Wastewater System Fair Value Rate  
2                     Base.

3           For the proposed wastewater utility, SEU has an estimated rate base at the end of  
4     ~~the first five years of operation of \$2,448,586. However, Staff increases rate base by~~  
5     \$1,012,522 to \$3,461,108. Staff's higher rate base is primarily the result of Staff's  
6     elimination of the wastewater HUFs that were proposed by the Company. For the  
7     reasons discussed in Section 4 below, SEU urges the Commission to approve the  
8     requested wastewater HUFs and the Company's proposed fair value rate base. SEU does  
9     not oppose Staff's recommended rate of return of 10%.

10           3.     SEU Objects to Staff's \$10,000 per month Expense for Vaulting and  
11                     Hauling and/or Flushing Sewer Lines.

12           Staff adds an expense of \$10,000 per month for vaulting and hauling and/or  
13     flushing sewer lines. However, SEU has previously advised Staff in a response to a data  
14     request that any and all expenses of vaulting and hauling and/or flushing sewer lines  
15     during the early years of operation will be borne solely by the developers pursuant to  
16     their respective collection main extension agreements. Other utilities in Arizona have  
17     required developers to pay for the costs of vaulting and hauling and/or flushing. As one  
18     example, EPCOR Water Arizona (formerly Arizona-American Water Company)  
19     required the developer of Corte Bella to pay for the flushing of sewer lines in the early  
20     phase of the development. In that case, an automatic flushing system was installed at the  
21     developer's expense to periodically flush the sewer lines until such time as the flows  
22     were sufficient for the system to operate without flushing. Likewise, there is no valid  
23     reason to require customers of SEU to pay these typical costs of initiating sewer service  
24     to a new development.

25           George Johnson, the owner of SEU, has years of experience operating wastewater  
26     systems, including working with many developers who have constructed and connected  
27     new sewer collection infrastructure to Johnson Utilities' sewer collection and treatment  
28     system. As a result, Mr. Johnson is very familiar with the process of commencing new

1 sewer service to a new development or subdivision. Although SEU is not aware of (and  
2 Staff has not cited) any rule or statute that states whether or how often sewer lines should  
3 be flushed in order for a new sewer system to function normally while initial sewer flows  
4 are low, the Company is legally obligated to operate the sewer system in a way which  
5 does not cause any septic condition. Mr. Johnson has explained in a response to Staff's  
6 data requests that he will employ certified wastewater operators at SEU to make  
7 certain that the sewer system operates in accordance with applicable state and federal  
8 laws at all times. This includes requiring vaulting and hauling and/or flushing of sewer  
9 lines during the early construction phases of new subdivisions, as deemed necessary by  
10 SEU.

11 The frequency of vaulting and hauling and/or flushing of sewer lines depends  
12 upon a variety of factors which cannot be predicted at this time with any degree of  
13 accuracy, as evidenced by the lack of any supporting analysis supporting Staff's  
14 recommended \$10,000 monthly expense. Thus, the frequency of vaulting and hauling  
15 and/or flushing of sewer lines will be determined by SEU once the new collection system  
16 is operating. However, with regard to the costs of vaulting and hauling and/or flushing  
17 sewer lines, SEU will include a requirement in its collection main extension agreements  
18 that obligates the developer of each subdivision to pay any and all costs of vaulting and  
19 hauling and/or flushing sewer lines as deemed necessary, in the discretion of SEU, until  
20 such time as sewer flows reach a level where vaulting and hauling and/or flushing is no  
21 longer required in order for the sewer system to function normally. As a result, there will  
22 be not cost borne by SEU and the inclusion of Staff's recommended \$10,000 expense is  
23 unwarranted and unreasonable.

24 4. SEU Objects to Staff's Elimination of Hook-Up Fees.

25 SEU has proposed water and wastewater HUFs but Staff has recommended  
26 eliminating the HUFs on the grounds that Staff does not recommend HUFs for new  
27 Certificates of Convenience and Necessity ("CC&Ns"). Johnson Utilities has had  
28 approved water and wastewater HUFs since the company began operating. Mr. Johnson

1 believes that HUFs are important for new and established utilities because they help keep  
2 utility rates lower. In addition, HUFs help mitigate the risk of building backbone plant  
3 for new developments as they appropriately place a greater share of the financial  
4 responsibility of constructing new plant on developers instead of the utility and its rate  
5 payers. So long as HUFs do not represent a disproportionate share of the cost of  
6 constructing backbone plant, they provide benefits to the utility and its ratepayers. SEU  
7 requests that the Commission approve the requested water and wastewater HUFs.

8 5. SEU Objects to the Higher Rates in Staff's Rate Design.

9 Because Staff has eliminated the requested HUFs, the water and wastewater rates  
10 have increased accordingly. SEU objects to the higher rates proposed by Staff which  
11 result from elimination of the HUFs.

12 6. SEU Objects to Staff's Recommended Effluent Rate.

13 SEU proposed an effluent rate of \$1.00 per thousand gallons. However, without  
14 any explanation or analysis, Staff has recommended an effluent rate of only \$0.63 per  
15 thousand gallons. For many years, Liberty Utilities (Litchfield Park Water & Sewer)  
16 Corp. ("Liberty") has been authorized to sell effluent based upon the market for effluent.  
17 The current tariff sets a maximum effluent rate of \$430 and Liberty may reduce the  
18 effluent rate as necessary to dispose of its effluent. While allowing Liberty to tailor  
19 effluent sales to meet customer demand, the Commission also directed that "LPSCO  
20 should make every reasonable effort to maximize the revenues received from effluent  
21 sales in order to ensure that all customers receive a benefit from those sales."<sup>2</sup>

22 One way to resolve the difference between the effluent rate proposed by SEU and  
23 the rate recommended by Staff would be to follow the Liberty model and set a maximum  
24 effluent rate of \$1.00 per thousand (\$326 per acre-foot) and allow the Company to  
25 reduce the rate as necessary to dispose of the effluent. Alternatively, SEU requests that  
26 the Commission approve the requested effluent rate of \$1.00 per thousand.

27  
28 <sup>2</sup> Decision 72026 (Docket SW-01428A-09-0103 *et al.*) at 63, lines 20-22.

1           7.     SEU Objects to Staff's Recommendation of a 10% per Annum Refund of  
2                     Advances in Aid of Construction for Water Infrastructure.

3           In the notes to Schedule MJR-WIIS to Mary Rimback's April 21, 2015  
4 Memorandum attached as Attachment C to the Staff Report, Staff states that it "increased  
5 the amount refunded to developers from 5% to 10%, which decreased rate base starting  
6 in year 2."<sup>3</sup> Since its inception, Johnson Utilities has refunded advances in aid of  
7 construction for both water and wastewater infrastructure at a rate of 5% per annum until  
8 the advance has been fully refunded. This policy allows the utility to build additional  
9 rate base and developers are happy to receive the return of their full advance. SEU plans  
10 to refund water and wastewater advances at the rate of 5% per annum until fully  
11 refunded. Thus, the Company requests that the Commission reject Staff's recommended  
12 reduction to rate base pertaining to the 10% refund amount.

13           Because there is no note regarding refunds of advances in Schedule MJR-WW-  
14 IIS, SEU is operating under the belief that Staff agrees to a 5% refund of advances for  
15 wastewater infrastructure.

16           8.     SEU Objects to Staff's Proposed Late Payment Charge of 150% Per Month  
17                     for the Water Division.

18           In Schedule MJR-W4 (page 2 of 2) of Mary Rimback's April 21, 2015  
19 Memorandum attached as Attachment C to the Staff Report, Staff proposes a late  
20 payment charge for the water division of 150% per month instead of the 1.50% proposed  
21 by SEU. The Company assumes that this recommendation is a typo, and that Staff  
22 actually intends a late charge of 1.50% per month for the water division.

23           9.     Clarification Regarding After Hours Service Charge.

24           At pages 5-6 of Mary Rimback's April 21, 2015 Memorandum attached as  
25 Attachment C to the Staff Report, Staff agrees with SEU that an after hour service charge

26  
27 <sup>3</sup> While the notes to Schedule MJR-WIIS state that Staff has increased the amount refunded to  
28 developers from 5% to 10% for water infrastructure, Schedule MJR-WI Refunds uses a rate of 5% to  
calculate the refunds. Thus, it is not clear to SEU whether Staff is proposing a 10% refund or a 5%  
refund. SEU is seeking to refund advances in aid of construction at the 5% rate.

1 is appropriate when a customer requests establishment of service after normal business  
2 hours. Staff correctly notes that “[s]uch a charge compensates the utility for additional  
3 expenses incurred when providing after hour service.” With regard to water service, in  
4 Schedule MJR-W4 (page 2 of 2) Staff eliminates the “Establishment of Service (After  
5 Hours)” charge in the amount of \$50.00 and retains the “After Hours Service Charge” in  
6 the amount of \$50.00. Likewise, with regard to wastewater service, in Schedule MJR-  
7 WW4 Staff eliminates the “Establishment of Service (After Hours) if sewer only” charge  
8 in the amount of \$50.00 and retains the “After Hours Service Charge (If wastewater  
9 customer only, at customer’s request)” in the amount of \$50.00. However, in Ms.  
10 Rimback’s Memorandum, she states that “Staff recommends the addition of a Service  
11 Charge (after hours) tariff in the amount of \$50.00 and that this charge be in addition to  
12 the charge for any utility service provided after hours at the customer’s request.”

13 SEU believes there may be some ambiguity in Staff’s recommendation and seeks  
14 clarification. As SEU reads Staff’s recommendation and Schedule MJR-W4 (page 2 of  
15 2), if a water and wastewater customer requests establishment of service after hours, then  
16 SEU can charge the customer a \$25 Establishment of Service charge and a \$50.00 After  
17 Hours Service Charge, for a total charge of \$75.00. Likewise, if a wastewater-only  
18 customer requests establishment of service after hours, then SEU can charge the  
19 customer a \$25 Establishment of Service charge and the \$50.00 After Hours Service  
20 Charge, for a total charge of \$75.00.

21 Similarly, the \$50.00 After Hours Service Charge would apply to any activity by  
22 SEU which is requested after hours by the customer including re-establishment of  
23 service, reconnection of service, meter tests, meter re-reads, etc.

24 10. Clarification Regarding Designation of Assured Water Supply/CAGR  
25 Adjuster.

26 Recommendation 16 at page 7 of the Staff Report requires that SEU file with  
27 Docket Control a copy of the Certificates of Assured Water Supply (“CAWS”) issued by  
28 the Arizona Department of Water Resources for the areas included within the CC&N

Brownstein Hyatt Farber Schreck, LLP  
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Phoenix, AZ 85004

1 within two years of the effective date of the order approving the CC&N. SEU is still  
2 evaluating whether or not it will seek a Designation of Assured Water Supply ("DAWS")  
3 for the area included in its CC&N. A DAWS would eliminate the need for individual  
4 developers to obtain a CAWS for their respective developments. SEU requests that  
5 Recommendation 16 be expanded to include a DAWS as an option for the Company in  
6 addition to the filing of CAWS for the various developments.

7 Additionally, in the event that SEU obtains a DAWS, the Company requests  
8 specific authority in the order granting the CC&N to seek approval of a Central Arizona  
9 Groundwater Replenishment District ("CAGR") adjuster mechanism similar to the one  
10 that is currently used by Johnson Utilities. The Commission has previously determined  
11 that a CAGR adjuster is an appropriate mechanism to pass through to customers the  
12 taxes associated with membership in the CAGR.

13 RESPECTFULLY submitted this 6<sup>th</sup> day of May, 2015.

14 BROWNSTEIN HYATT FARBER SCHRECK LLP

15 

16 Jeffrey W. Crockett, Esq.  
17 One East Washington Street, Suite 2400  
18 Phoenix, Arizona 85004  
19 Attorneys for Johnson Southwest Environmental  
20 Utilities, L.L.C.

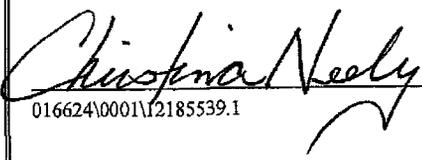
21 ORIGINAL and thirteen (13) copies  
22 filed this 6<sup>th</sup> day of May, 2015, with:

23 Docket Control  
24 ARIZONA CORPORATION COMMISSION  
25 1200 West Washington Street  
26 Phoenix, Arizona 85007

27 COPY of the foregoing hand-delivered  
28 this 6<sup>th</sup> day of May, 2015, to:

Yvette B. Kinsey, Administrative Law Judge  
Hearing Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
Phoenix, Arizona 85007

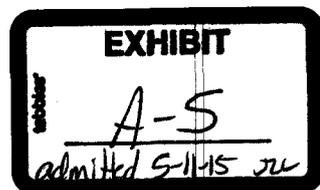
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Modified Recommendation Regarding Certificates of Assured Water Supply

Staff recommends that the Company file with Docket Control, as a compliance item in this docket, a copy of ADWR's Certificate of Assured Water Supply or a Designation of Assured Water Supply for the requested areas within 2 years of the effective date of the order granting this application.

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Recommendation Regarding CAGR D Adjuster Mechanism

In the event the Company obtains a designation of assured water supply and enrolls its service area in the Central Arizona Groundwater Replenishment District ("CAGR D"), the Company may file a motion to amend this Order prospectively, pursuant to A.R.S. § 40-252, to authorize a CAGR D adjuster mechanism with the same terms and conditions as that approved for Johnson Utilities, L.L.C, in Docket WS-02987A-08-0180.

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