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MEMORANDUM

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TO: Docket Control

FROM: Thomas M. Broderick
Director
Utilities Division

2015 SEP 24 P 2:39

ARIZONA CORPORATION COMMISSION
SECRETARY'S OFFICE

Date: September 24, 2015

RE: **STAFF REPORT** – IN THE MATTER OF THE PETITION OF ARIZONA WATER COMPANY FOR AN INCREASE OF AREA TO BE SERVED AT CENTRAL HEIGHTS, ARIZONA (DOCKET NO. W-01445A-14-0305)

Attached is the Staff Report, as required by Procedural Order, for the City of Globe's "Petition To Amend Decision 33424 Pursuant To A.R.S. § 40-252" ("Petition").

TMB:BNC:red/RRM

Originator: Blessing Chukwu

Arizona Corporation Commission

DOCKETED

SEP 24 2015

DOCKETED BY	BTU
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Service List for: Arizona Water Company
Docket No. W-01445A-14-0305

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STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

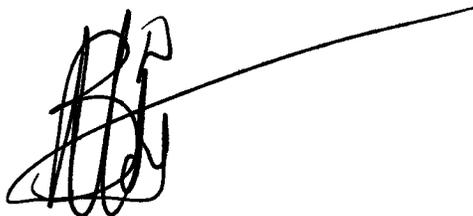
ARIZONA WATER COMPANY
DOCKET NO. W-01445A-14-0305

PETITION FOR AN INCREASE OF AREA TO BE SERVED
AT CENTRAL HEIGHTS, ARIZONA

SEPTEMBER 24, 2015

STAFF ACKNOWLEDGMENT

The Staff Report for Arizona Water Company (Docket No. W-01445A-14-0305) was prepared by the Staff member signed below.

A handwritten signature in black ink, appearing to be 'Blessing Chukwu', with a long horizontal line extending to the right from the end of the signature.

Blessing Chukwu
Executive Consultant III

**STAFF REPORT
ARIZONA WATER COMPANY
DOCKET NO. W-01445A-14-0305**

On September 20, 1961, the Arizona Corporation Commission (“ACC” or “Commission”) issued Decision No. 33424 granting Arizona Water Company’s (“AWC” or “Company”) application (Docket No. U-1445) for extension of its Certificate of Convenience and Necessity (“CC&N”) to serve portions of Gila County, Arizona.

On August 18, 2014, the City of Globe (“Globe” or “City”) filed a “Petition To Amend Decision No. 33424 Pursuant To Arizona Revised Statutes (“A.R.S.”) § 40-252” (“Petition”) requesting that the Commission remove portions of AWC’s CC&N that the City states it has provided water service to since the early 1900s.

On October 16, 2014, the Commissioners voted to reopen Decision No. 33424 pursuant to A.R.S. § 40-252, and directed the Commission’s Hearing Division to conduct further proceedings on the matter. On January 9, 2015, by Procedural Order, Staff was ordered, among other things, to file a Staff Report on or before February 23, 2015.

On February 23, 2015, Staff filed a preliminary Staff Report which addressed the information ordered by the January 9, 2015 Procedural Order.

AWC’S CC&N NEAR THE CITY OF GLOBE

AWC provides water utility service to over 86,200 customers in Arizona. The Company provides water service to customers in 22 water systems in three groups: Northern, Eastern and Western. The Miami water system is part of the Eastern Group. The disputed areas are part of AWC’s Miami water system.

On September 11, 1961, the Commission issued Decision Nos. 33421 and 33424 authorizing AWC to extend water service to various portions of Gila County. (See Staff’s Attachment A for a copy of the decisions.)

Decision No. 33424 mentioned above is the subject of this instant Petition filed by the City. Staff located two copies of Decision No. 33424, one which includes a handwritten mailing list that does not include the City. The other copy does not include a service list.

THE CITY OF GLOBE’S PETITION

The City of Globe, a political subdivision of the State of Arizona, provides water and wastewater service to customers within and outside certain portions of its corporate City limits, in Gila County, Arizona. The City provides water and/or wastewater service to approximately 3,600 customers.

According to the City’s petition, there are two areas that are in dispute: the Northern area, which is within the City’s boundaries and the Southern area, which is outside the City’s boundaries. The City alleges that it has provided water service to the Southern Area, which is known as

Arlington Heights, since the 1910's. The City alleges that the Northern Area, which is within the City limits, and encompasses the City's wastewater treatment plant, has been served by the City since 1917.

The City has approximately 80 customers located in the disputed area, and requests that the Commission remove portions of AWC's CC&N it has allegedly provided water service to since the early 1900s. The City petition raises the question of whether the CC&N was granted in error and whether a notice was given to the City of Globe. Decision No. 33424 in its Finding of Fact states: "It further appears that the application does not conflict with any other person or corporation furnishing a service of like character within the additional area sought to be certificated and that a need and demand has been established and exists for the proposed service supporting a finding of convenience and necessity therefore." According to AWC, it discovered on or about February 2, 2012, that the City was serving in the Southern Area. With respect to the Northern Area, AWC states that it discovered that the City was serving in the Northern Area on or about December 5, 2013.

STAFF ANALYSIS OF THE PETITION

In any CC&N Petition proceeding, Staff is charged with reviewing the evidence submitted by an applicant, to make a recommendation to the Commission based upon the facts contained in the application and any responses to the application by interested and/or affected parties. The issues in this Petition relate to whether the City was providing utility services in the Northern and Southern disputed areas prior to September 11, 1961, when Decision No. 33424 was issued by the Commission and whether the City was given a Notice of the application and/or hearing on the merits of the application. Staff also notes that the Petition raises the issue of whether AWC was operating under a franchise from the City.

Staff's Attachment B includes maps that reflect the boundaries of AWC's CC&N in the disputed areas; reflect the portions of AWC's CC&N that are being served by Globe; identify where Globe provides water and/or wastewater within AWC's CC&N; identify the location of AWC's infrastructure in or near the disputed areas; and identify any other regulated water utilities in the vicinity.

During its review, Staff issued both formal and informal data requests to AWC and to the City. Staff's Attachment C includes copies of Staff's relevant data requests and the parties' responses.

In order to evaluate the relief requested by the City, Staff examined three issues: (i) whether service was being provided at the time the Commission granted the CC&N; (ii) whether the City was given an opportunity to be heard during the proceeding and (iii) whether the requirements regarding obtaining a franchise were met.

A. Service in the Disputed Areas

The Southern Area

Staff conducted a review of responses given by the City and AWC in response to Staff's data requests to uncover any facts regarding whether water service was being provided in the Southern Area at the time the Commission granted the CC&N. In testimony, City witness Robert Pate states that he discovered records indicating that the City installed water mains in 1924. Mr. Pate states that there was a waterline map from 1930 showing 11 structures with at least 5 of those structures receiving water service. Also in response to data request, a document entitled "Water Report Globe Arizona 1957" was produced. Within that report was a map which showed the service area for the City. The report also discussed the City's plans for expansion of its water service. In response to a Staff data request, AWC indicated that it did not have infrastructure in the Southern Area.

The City provided Staff with the names and addresses of approximately 80 customers that it has been providing service to in the Southern Area and Northern Area.¹ AWC, in response to a Staff data request, does not serve any customers in the Southern Area.

Company witness Frederick Schneider presents several documents in his testimony to refute the claims of the City. For the Southern Area, Mr. Schneider reviewed the City Council minutes from 1924, relied upon by City witness Mr. Pate and states that two streets, Euclid Avenue and West Hackney Avenue were not in the Southern Disputed area in 1961. However, with respect to the third street, Blake Street, that was discussed in the 1924 City Council minutes, Mr. Schneider acknowledges that Blake Street is in and out of the disputed area.

Both the City and the Company discussed and included in their testimony an aerial photo of the Southern Area in May 1961, that show structures in the area. Staff assumes those structures were receiving some type of water service, although the map cannot be used to say conclusively that it was the City.

While it is difficult to reconstruct what happened in and before 1961, it appears that there was infrastructure and service in the Southern Area in 1961.

The Northern Area

The Northern Area is within the City's boundaries and covers the City's wastewater treatment facility. According to the City's witness, Mr. Pate, the City has been active in the area since 1918. The Water Report Globe Arizona 1957 appears to show water infrastructure belonging to the City in the Northern Area. The City has also provided a list of customers that it provides water service to in the Northern Area. AWC has responded to data requests from Staff indicating that it does not have customers or infrastructure in the Northern Area.

¹ The customer list is a part of Staff's Attachment C and is being provided to the Administrative Law Judge under seal, because of potential privacy issues.

Both the City and AWC provided supporting documents in support of their positions. The Company presented testimony to refute the City's claim that it had infrastructure and provided service in the Northern Area prior to 1961.

AWC witness Frederick Schneider states that Miami Copper Company may have been the owner of the water mains shown in and around the Northern Area. Even if it cannot be conclusively stated that the City owned the water distribution system in the Northern Area, there was infrastructure and presumably water service in the area prior to 1961.

Staff concludes based on its review of all of the documents submitted by the parties, that there was infrastructure and that water service was being provided in the Northern and Southern Areas at the time the CC&N was granted.

B. Notice

The City, in its Petition, alleges that it did not receive notice of the 1961 proceeding. In any CC&N proceeding, notice is paramount to ensure that affected parties (landowners, customers, municipalities, counties, and/or other providers in the vicinity) have an opportunity to be heard. Although, the burden of providing notice of an application generally falls on the applicant, it appears that in 1961, it was Commission practice that the Commission issued the notice for hearing on CC&N applications and not the CC&N applicant.

In reviewing Commission records in Docket No. U-1445, "Proceedings in Cause, Orders, Etc.", Staff notes the entry that was made on 8/31: "Hearing on above application set for 9-11-61, in Phoenix, notices mailed on 8-31-61." In reviewing the Commission records in the docket and other available information from around 1959, it appears that the Commission, in accordance with its rules back then, mailed notice of hearings to the board of supervisors of the county in which the area covered by application was located, the clerk of nearby cities, and the daily newspaper and advised the attorneys of record for applicants of the hearing date.

1. Notice by Publication

On Thursday, September 7, 1961, an article titled "Miami area water set for hearing" was published by *Arizona Silver Belt*, a newspaper of general circulation in Globe and Miami areas. (See Staff's Attachment E for a copy of the *Arizona Silver Belt* Article.) Although the article did not include the exact legal description of the affected areas or use the words "public notice", it did provide the date and time of the hearing and described generally the vicinity of the affected areas. Staff concludes that the publication may have been adequate notice of the application and hearing.

2. Direct Notice

However, it is not clear if the City was provided direct notice of hearing as was the Commission's practice at that time. The notice that was sent by the Commission Secretary, Mr. Frances J. Byrnes, on August 31, 1961, did not list the "City of Globe" (See Staff's Attachment D for a copy of the August 31, 1961 Notice of Hearing). The notice was sent to Mr. Navor Proctor,

who allegedly served as the City Attorney in or around 1961. However, it is not clear whether the notice was sent to Mr. Proctor in his capacity as City Attorney or in his capacity as Attorney of record for East Globe Water Co.; the Notice reads "East Globe Water Co. c/o Navor Proctor." The Commission authorized the sale of East Globe Water Co. to the City on January 30, 1962 in Decision No. 33631-A. In that case, Mr. Proctor was identified as the City Attorney for Globe but appeared on behalf of Applicant.

Mr. Proctor apparently represented East Globe since 1955. Decision No. 29170, granted East Globe Water, its CC&N and Mr. Proctor represented East Globe in that proceeding. Moreover, Staff located two copies of Decision No. 33424, one which includes a handwritten mailing list that does not include the City. (See Staff's Attachment A for a copy of the decisions.)

Staff concludes that it is unclear whether direct notice was given to the City as was accorded to other jurisdictions listed on the service list.

C. Franchise

Pursuant to A.R.S. § 40-282, every applicant for a CC&N and/or CC&N extension is required to submit to the Commission evidence showing that the applicant has received the required consent, franchise or permit from the proper authority, authorizing the use of public roads or lands to construct, install, operate and maintain a water and/or wastewater system. If the applicant operates in an unincorporated area, the company has to obtain the franchise from the County. If the applicant operates in an incorporated area of the County, the applicant has to obtain the franchise from the City/Town.

The above requirement was in effect at the time of Decision No. 33424, issued September 11, 1961. Neither the City nor AWC filed in the record evidence showing the City gave AWC consent, franchise, or permit for the Northern disputed area which is within the City limits at the time the CC&N was granted. Subsequently, the City and AWC executed a franchise agreement in 2014, which does not include the Northern disputed area. The Southern disputed area is in an unincorporated area of Gila County. AWC submitted to Staff a copy of the franchise agreement it had entered into with Gila County, which covers the Southern disputed area. (See Staff's Attachment F for a copy of the Franchise Agreements.)

Staff concludes that although AWC received a CC&N from the Commission, it does not have a franchise for the Northern Area. AWC does possess the necessary franchise for the Southern Area.

D. Conclusions

Based on Staff's analysis, Staff concludes that it appears that service was being provided in the Northern and Southern Areas at the time the CC&N was granted. Staff also concludes it is not clear whether direct notice was given to the City of Globe as was accorded to other jurisdictions listed on the service list. Finally, Staff concludes that the AWC does not have a franchise for the Northern Area, but does possess the necessary franchise for the Southern Area.

OBSERVATION

Staff notes that one of the factors that the Commission would consider prior to granting a CC&N was whether there was service being provided in the requested area. The Commission would also consider whether there was a need for service in the requested area. It would be unusual for the Commission to grant a CC&N in an area where service is being provided and the fact that in this matter, apparently service was being provided in 1961 may have led to the Commission making a different decision. While each party has presented competing documents on whether there was infrastructure in the Northern and Southern Areas and whether it was the City's infrastructure, it appears that infrastructure existed in the disputed areas at the time the CC&N was granted.

A CC&N holder has to be ready, willing and able to provide service. There has been no plan presented by AWC on how safe and uninterruptible service would be provided to customers who have been receiving service from the City. AWC states that it does not have infrastructure in the disputed areas; the infrastructure in the disputed areas belongs to the City. Even if one assumes that the City placed infrastructure in the Northern and Southern areas to serve customers, AWC has not offered any explanation of why it did not provide service to the disputed areas for over 50 years.

STAFF'S ATTACHMENT A

DECISIONS

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY FOR INCREASE OF AREA TO BE SERVED AT MIAMI, ARIZONA IN THE AREA AS HEREINAFTER DESCRIBED.

DOCKET NO. U-1445

OFFICE AND CHIEF

ARIZONA CORPORATION COMMISSION
DOCKETED

SEP 20 1961

DOCKETED IN
SEP 20 1961

BY THE COMMISSION:

Notice having been given as provided by law, the above entitled matter came on for hearing before the Commission sitting in Phoenix, Arizona on September 11, 1961.

Applicant was represented by its attorney, Arthur M. Johnson, of the law firm, Fennemore, Craig, Allen & McClennen. Appearance in opposition was made by Robert Moore, for and on behalf of the Salt River Valley Water Users Association.

Testimony was presented, both oral and documentary, and from the testimony, files and records in the matter the Commission is of the opinion that applicant has complied with the statutes of Arizona and with the rules and regulations of the Commission for the issuance of a certificate of convenience and necessity.

It further appears that the application does not conflict with any other person or corporation furnishing a service of like character within the additional area sought to be certificated and that a need and demand has been established and exists for the proposed service supporting a finding of convenience and necessity therefore.

WHEREFORE, IT IS ORDERED that the application be, and it is hereby, approved and this order shall constitute and be a certificate of convenience and necessity as contemplated by the provisions of Section 40-281, A. T.R. S., authorizing applicant herein to construct, operate and maintain a public water system within the additional area described as beginning at the NE corner of Section 30, T 1 N, R 15 E; thence westerly approximately 3 miles; thence southerly approximately 1- $\frac{1}{4}$ miles; thence westerly approximately 1 mile; thence southerly approximately $\frac{1}{2}$ mile; thence westerly approximately 1- $\frac{1}{2}$ miles to the NW corner of Section 4, T 1 S, Range 14 East; thence southerly to the SW corner of the NE $\frac{1}{4}$ of Section 9, T 1 South, R 14 E; then easterly to the SE corner of the NE $\frac{1}{4}$ of Section 10, T 1 S, Range 14 East; thence northerly to the NW corner

IN THE MATTER OF THE PETITION OF ARIZONA WATER COMPANY FOR INCREASE OF AREA TO BE SERVED AT CENTRAL HEIGHTS, ARIZONA DESCRIBED AS BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF SECTION 26, TOWNSHIP 1 NORTH, RANGE 15 EAST; THENCE WESTERLY TO THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER, SECTION 28, TOWNSHIP 1 NORTH, RANGE 15 EAST; THENCE NORTHERLY TO THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SEC. 16, TOWNSHIP 1 NORTH, RANGE 15 EAST; THENCE EASTERLY TO THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER SECTION 14, TOWNSHIP 1 NORTH, RANGE 15 EAST; THENCE SOUTHERLY TO THE POINT OF BEGINNING, ALL C&SR&M., GILA COUNTY, ARIZONA.

DOCKET NO. U-1445

DECISION NO. 33424

SEP 20 1961
 FILED
 SEP 20 1961
 FILED
 SEP 20 1961
 FILED

OPINION AND ORDER

BY THE COMMISSION:

Notice having been given as provided by law, the above entitled matter came on for hearing before the Commission sitting in Phoenix, Arizona on September 11, 1961.

Applicant was represented by its attorney, Arthur M. Johnson, of the law firm, Fennemore, Craig, Allen & McClennen. Appearance in opposition was made by Robert Moore, for and on behalf of the Salt River Valley Water Users Association.

Testimony was presented, both oral and documentary, and from the testimony, files and records in the matter the Commission is of the opinion that applicant has complied with the statutes of Arizona and with the rules and regulations of the Commission for the issuance of a certificate of convenience and necessity.

It further appears that the application does not conflict with any other person or corporation furnishing a service of like character within the additional area sought to be certificated and that a need and demand has been established and exists for the proposed service supporting a finding of convenience and necessity therefore.

WHEREFORE, IT IS ORDERED that the application be, and it is hereby, approved and this order shall constitute and be a certificate of convenience and necessity as contemplated by the provisions of Section 40-281, A. R. S., authorizing applicant herein to construct, operate and maintain a public water system within the additional area described as beginning at the Southeast corner of the Southwest Quarter (SW $\frac{1}{4}$) of Section 26, Township 1 North, Range 15 East; thence Westerly to the Southwest corner of the Southeast Quarter of the Southwest Quarter (SW $\frac{1}{4}$), of Section 28, Township 1 North, Range 15 East; thence Northerly to the

Northwest Corner of the Northeast Quarter (NE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of Section 16, Township 1 North, Range 15 East; thence easterly to the Northeast corner of the Southwest Quarter (SW $\frac{1}{4}$) of Section 14, Township 1 North, Range 15 East; thence southerly to the point of beginning, all G&SR&M., Gila County, Ariz.

The rates and charges heretofore approved for this Company, shall be in full force and effect for this area.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

IN WITNESS WHEREOF, I, FRANCIS J. BYRNES, Secretary of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of this Commission, to be affixed at the Capitol in the City of Phoenix, this 20th day of September 1961.

Francis J. Byrnes

FRANCIS J. BYRNES
SECRETARY

Copies mailed 9-20-61 to

*Walter E. Craig
Arizona Water Co. - att. Carl Schmidt
Pinal Co. Bd. Sup.
Gila Co. Bd. of Sup.
Bureau Sup.*

*Int. River Water Users - att. R.H. Moore
Secretary
Sacket*

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE PETITION OF ARIZONA WATER COMPANY FOR INCREASE OF AREA TO BE SERVED AT CANTON WISDOM, ARIZONA DESCRIBED AS BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF SECTION 26, TOWNSHIP 1 NORTH, RANGE 15 EAST; THENCE WESTERLY TO THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, SECTION 28, TOWNSHIP 1 NORTH, RANGE 15 EAST; THENCE NORTHERLY TO THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SEC. 16, TOWNSHIP 1 NORTH, RANGE 15 EAST; THENCE EASTERLY TO THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER SECTION 14, TOWNSHIP 1 NORTH, RANGE 15 EAST; THENCE SOUTHERLY TO THE POINT OF BEGINNING, ALL GARIBOLDI, GAVAZZI COUNTY, ARIZONA.

DOCKET NO. U-1443

REC'D
DOCKETED
SEP 20 1961

OPINION AND ORDER

BY THE COMMISSION:

Notice having been given as provided by law, the above entitled matter came on for hearing before the Commission sitting in Phoenix, Arizona on September 11, 1961.

Applicant was represented by its attorney, Arthur M. Johnson, of the law firm, Fenimore, Craig, Allen & McClennen. Appearance in opposition was made by Robert Moore, for and on behalf of the Salt River Valley Water Users Association.

Testimony was presented, both oral and documentary, and from the testimony, files and records in the matter the Commission is of the opinion that applicant has complied with the statutes of Arizona and with the rules and regulations of the Commission for the issuance of a certificate of convenience and necessity.

It further appears that the application does not conflict with any other person or corporation furnishing a service of like character within the additional area sought to be certificated and that a need and demand has been established and exists for the proposed service supporting a finding of convenience and necessity therefore.

WHEREFORE, IT IS ORDERED that the application be, and it is hereby, approved and this order shall constitute and be a certificate of convenience and necessity as contemplated by the provisions of Section 40-261, A. R. S., authorizing applicant herein to construct, operate and maintain a public water system within the additional area described as beginning at the Southeast corner of the Southwest Quarter (SW¹/₄) of Section 26, Township 1 North, Range 15 East; thence Westerly to the Southwest corner of the Southwest Quarter of the Southwest Quarter (SW¹/₄), of Section 28, Township 1 North, Range 15 East; thence Northerly to the

DOCKET NO. U-1445

DECISION NO. 33424

Northwest Corner of the Northeast Quarter (NE¹/₄) of the Southwest Quarter (SW¹/₄) of Section 16, Township 1 North, Range 15 East; thence easterly to the Northeast corner of the Southwest Quarter (SW¹/₄) of Section 14, Township 1 North, Range 15 East; thence southerly to the point of beginning, all CARRIZO, Gila County, Ariz.

The rates and charges heretofore approved for this Company, shall be in full force and effect for this area.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

IN WITNESS WHEREOF, I, FRANCIS J. BYRNES, Secretary of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of this Commission, to be affixed at the Capital in the City of Phoenix, this 20 day of September, 1961.

Francis J. Byrnes
FRANCIS J. BYRNES
SECRETARY

Benjamin J. Bussell
COMMISSIONER

CHAIRMAN

COMMISSIONER

TITLE

EARL JUDY
DBA
EAST GLOBE WATER COMPANY

DOCKET NO.
D-1166

1100-1000-1100

20 4-64
Date
1955

Proceedings in Cases, Orders, Etc.

- 4 11 Appl. filed for C of G&N auth. the const. & opr. of a water system in the area described as all the NW $\frac{1}{4}$ & the W $\frac{1}{2}$ of the NW $\frac{1}{4}$ of sec. 35; All that part situate, lying & below E & N of U. S. Highway 70, of the NW $\frac{1}{4}$, the N $\frac{1}{2}$ of the SE $\frac{1}{4}$ of sec. 34 & all that part situate, lying & being E & N of Highway 70 of the W $\frac{1}{2}$ of the SW $\frac{1}{4}$ of sec. 35, all situate, lying & being in T1N, R15E Q35RM, Gila County, Ariz. except those parcels heretofore sold for highway & road purposes.
- 7 14 Hearing on abv. set for Phx. for 7/25/55 & notices mailed 7/14/55.
- 8 12 Opn & Ord. Dec. 29170, grnt, abv. appl. for C of G&N a.s.n. the constr. & opr. of a water system in the area described as all of the NW $\frac{1}{4}$ of Sec. 35; all that part situate, lying & being E & N of U. S. Highway 70, of the NW $\frac{1}{4}$ the N $\frac{1}{2}$ of the SE $\frac{1}{4}$ of Sec. 34 & all that part situate, lying & being E & N of highway 70 of the W $\frac{1}{2}$ of the SW $\frac{1}{4}$ of Sec. 35, all situate, lying & being in T1N of R15E, Gila Co., Ariz., EYCHT those parcels heretofore sold for Highway & road purposes.
- 1951
- 8 9 Application filed for transfer of C of C & N to A. C. Hunter.
- 8 10 Executive Session held on above application for transfer of C of C & N.
- 9 6 Opinion and Order Decision No. 33389 granted application as prayed for.
- 1962
- 1 8 Appl. of A. C. & Fay Y. Hunter to sell to City of Globe, a municipal corporation filed.
- 1 15 Hearing on abv. set for 1/17/62 in Phx. & atty. notified by phone and confirmed.
- 1 30 Opn & Ord, Dec. No. 33631, grnt. abv. appl. to sell to City of Globe as prayed for pursuant to Atty. Gen. Opn. 62-7.

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF EARL JUDY, DBA EAST GLOBE WATER COMPANY, FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY AUTHORIZING THE CONSTRUCTION AND OPERATION OF A WATER SYSTEM IN THE AREA DESCRIBED AS ALL THE NW $\frac{1}{4}$ AND THE W $\frac{1}{2}$ OF THE NW $\frac{1}{4}$ OF SECTION 35; ALL THAT PART SITUATE, LYING AND BEING EAST AND NORTH OF U. S. HIGHWAY 70, OF THE NE $\frac{1}{4}$, THE N $\frac{1}{2}$ OF THE SE $\frac{1}{4}$ OF SECTION 34 AND ALL THAT PART SITUATE, LYING AND BEING EAST AND NORTH OF HIGHWAY 70 OF THE N $\frac{1}{2}$ OF THE SW $\frac{1}{4}$ OF SECTION 35, ALL SITUATE, LYING AND BEING IN TOWNSHIP 1 NORTH, RANGE 15 EAST, GILBERT, GILA COUNTY, ARIZONA EXCEPT THOSE PARCELS HERETOFORE SOLD FOR HIGHWAY AND ROAD PURPOSES.

DOCKET NO. U-1466

DECISION NO. 29170

OPINION AND ORDER

Arizona Corporation Commission
DOCKETED

BY THE COMMISSION:

Notice having been given as provided by law, the above entitled matter came on for hearing before the Commission on July 25, 1955, in Phoenix, Arizona.

Applicant was represented by his attorney, Navor Proctor. Testimony, both oral and documentary, was presented in support of the application, and from the testimony, records and files in the matter the Commission is of the opinion that applicant has complied with the statutes of Arizona and with the rules and regulations of the Commission for the issuance of a certificate of convenience and necessity.

The application was unopposed and in the opinion of the Commission, the application contemplates a service in the public interest.

It further appears that the application does not conflict with any other person or corporation furnishing a service of like character within the area sought to be certificated and that a need and demand has been established and exists for the proposed service supporting a finding of convenience and necessity therefor.

WHEREFORE, IT IS ORDERED that the application be, and it is hereby approved, and this order shall constitute and be a certificate of convenience and necessity as contemplated by the provisions of Section 69-235, A. C. A., 1939, authorizing applicant herein to construct, operate and maintain a public water system within the area described as all the northwest Quarter of Section 35; all that part situate, lying and being East and North of U. S. Highway 70, of the Northeast Quarter; the North Half of the Southeast Quarter of Section 34

DOCKET NO. U-1466

DECISION NO. 29170

and all that part situate, lying and being East and North of Highway 70 of the North Half of the Southwest Quarter of Section 35, all situate, lying and being in Township 1, North of Range 15 East, Gila County, State of Arizona, EXCEPT those parcels heretofore sold for Highway and Road purposes, and to furnish a domestic and commercial water service to residents and business establishments therein.

The rates approved and which shall apply are as follows:

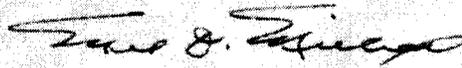
For the first 3000 gallons or less of water for each consumer per month, \$5.00.

For each 1000 gallons in excess of the minimum gallons per month, per each consumer, \$1.50.

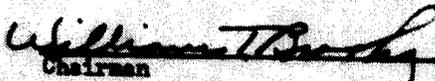
The rules and regulations and other charges shall be as set forth in General Order No. U-4 as approved by this Commission for domestic water companies.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

IN WITNESS WHEREOF, I, MEL D. MICHAEL, Secretary of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of this Commission to be affixed, at the Capitol in the City of Phoenix, this *12th* day of *August* 1955.

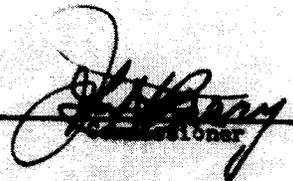


MEL D. MICHAEL
Secretary



Chairman

Commissioner



Commissioner

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF AARON C. HUNTER AND FAY Y. HUNTER, DBA EAST GLOBE WATER COMPANY, FOR AUTHORITY TO SELL THE PHYSICAL ASSETS OF SAID COMPANY TO THE CITY OF GLOBE, A MUNICIPAL CORPORATION.

DOCKET NO. U-1466

DECISION NO. 33631-A
ARIZONA CORPORATION COMMISSION
DOCKETED

OPINION AND ORDER

BY THE COMMISSION:

The foregoing application for ~~transfer~~ came on to be heard before this Commission on January 17, 1962.

Navor Proctor, City Attorney for the City of Globe, appeared on behalf of applicants, and there was no appearance in opposition to the granting of the application.

At the hearing the following facts were established by testimony:

1. The Agreement dated January 4, 1962 was executed and delivered by mutual agreement between the parties.
2. The entire assets of the private utility were sold and delivered and all consumers requiring water service in the area covered by the certificate of convenience and necessity were being served. That there were no assets or portions of the water system of East Globe Water Company which were not disposed of under the contract. That the City of Globe has undertaken to render water service to all present and future consumers in said area.

That the Commission being fully advised by Robert W. Pickrell, The Attorney General of the State of Arizona, on January 8, 1962, Opinion No. 62-7, as to legal jurisdiction; that said opinion is binding upon this Commission and in pursuance thereof, the following Decision and Order is hereby rendered:

IT IS ORDERED that the Arizona Corporation Commission lacks jurisdiction upon the petition herein filed as to approval or disapproval of the consideration for the sale or terms of sale of East Globe Water Company assets to the City of Globe.

DOCKET NO. U-1466

DECISION NO. 33631-A

IT IS FURTHER ORDERED that the Arizona Corporation Commission having jurisdiction in some aspects to the application and as to that jurisdiction finds those conditions complied with and have been satisfied and in the best interest of the public, hereby grants the petition of the said utility to sell its assets to the City of Globe and orders a suspension of the obligations of the said utility, and its certificate of convenience and necessity be held inoperative and in abeyance pending final payment and performance of the sales agreement between said public utility and the said City of Globe.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

IN WITNESS WHEREOF, I, FRANCIS J. BYRNES, Secretary of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of this Commission to be affixed, at the Capitol in the City of Phoenix, this 30th day of January, 1962.

Francis J. Byrnes
FRANCIS J. BYRNES
SECRETARY

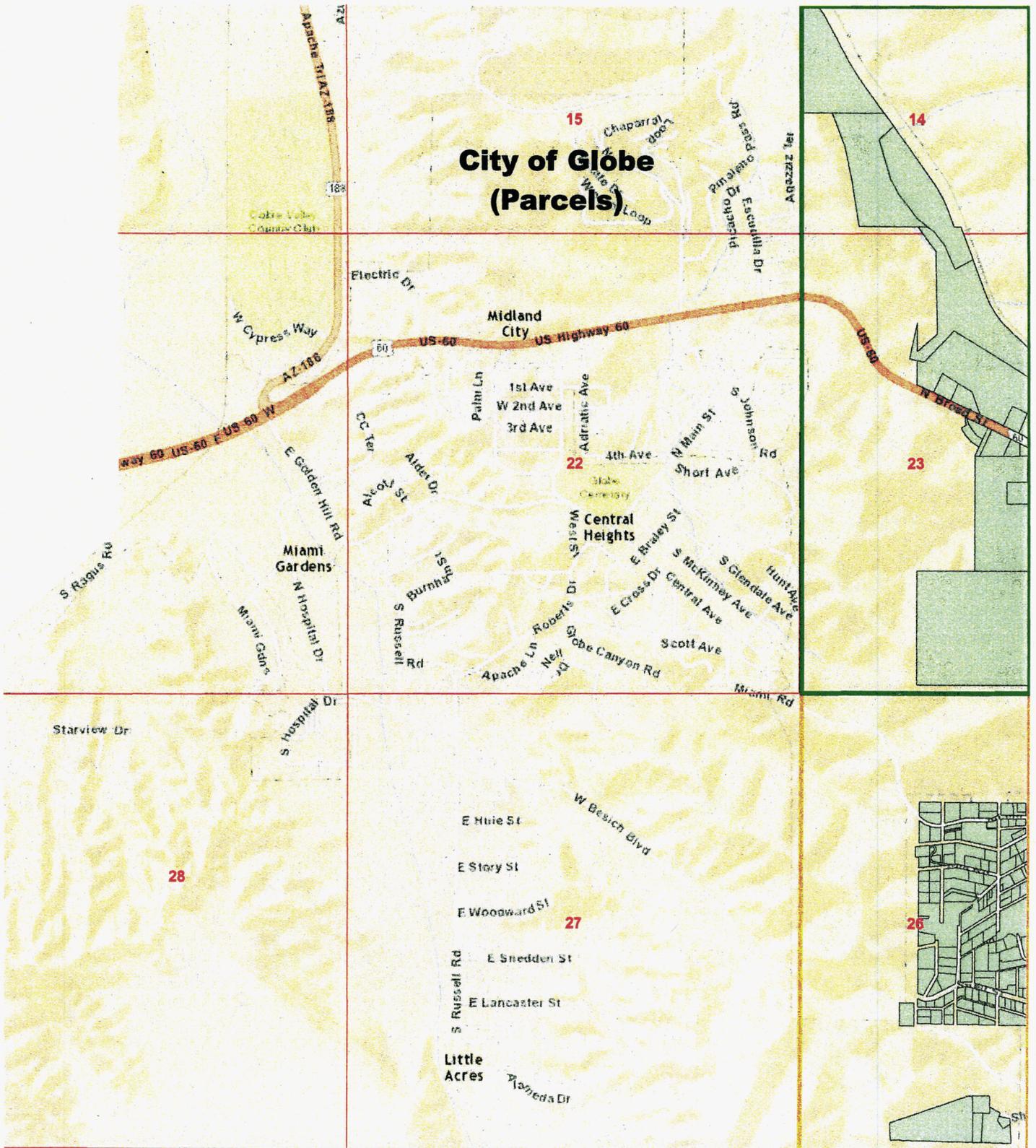
By Acting Secretary

E. T. Davis CHAIRMAN *James J. ...* COMMISSIONER *John ...* COMMISSIONER

STAFF'S ATTACHMENT B

MAPS

GILA COUNTY



GILA COUNTY

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**Decision
No. 64251**

01N14E

01N15E

**Decision
Nos. 33424
and 39280
(Central Heights
Transfer)**

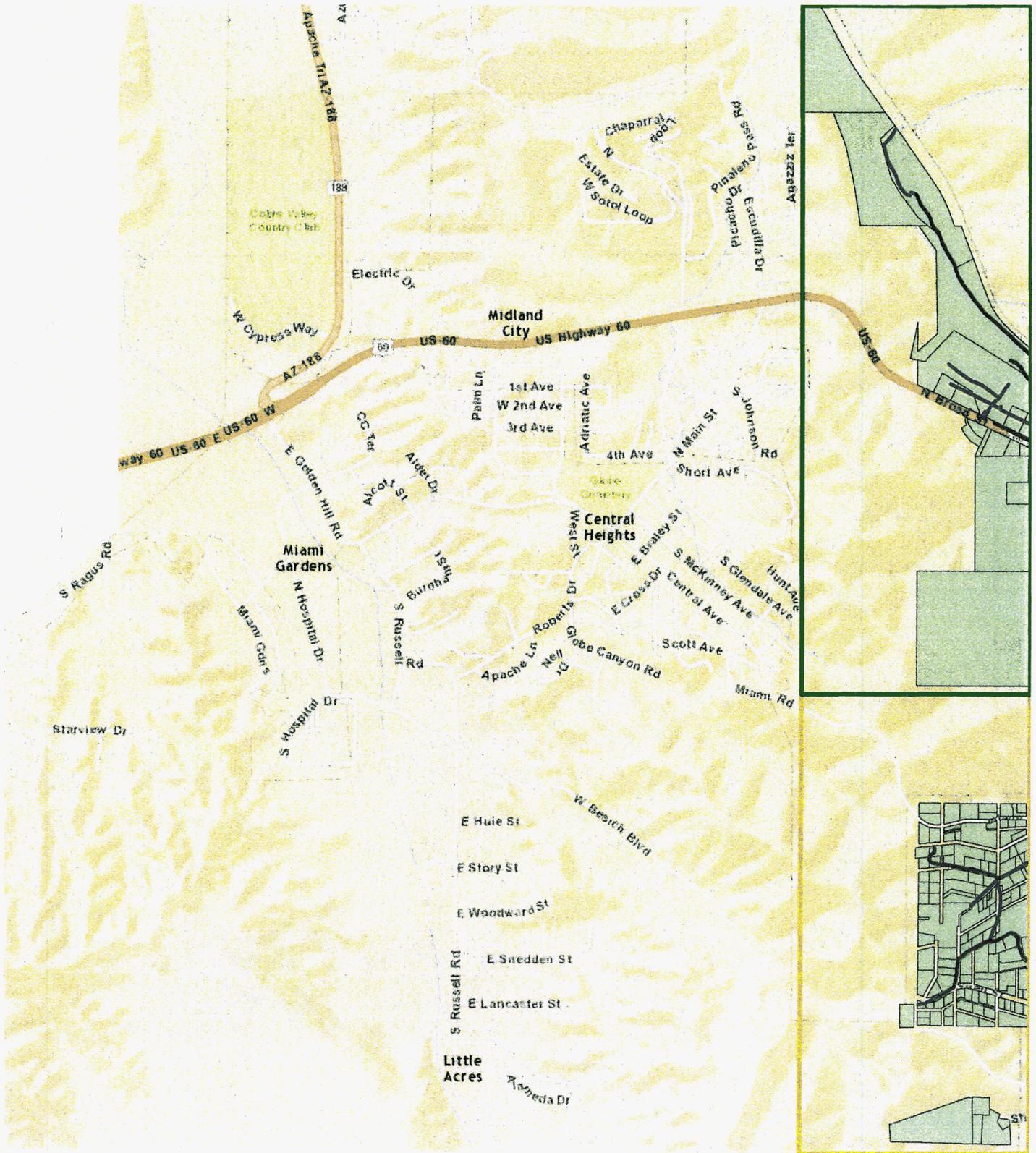
**Decision
No. 38862**

**Decision
No. 33421**

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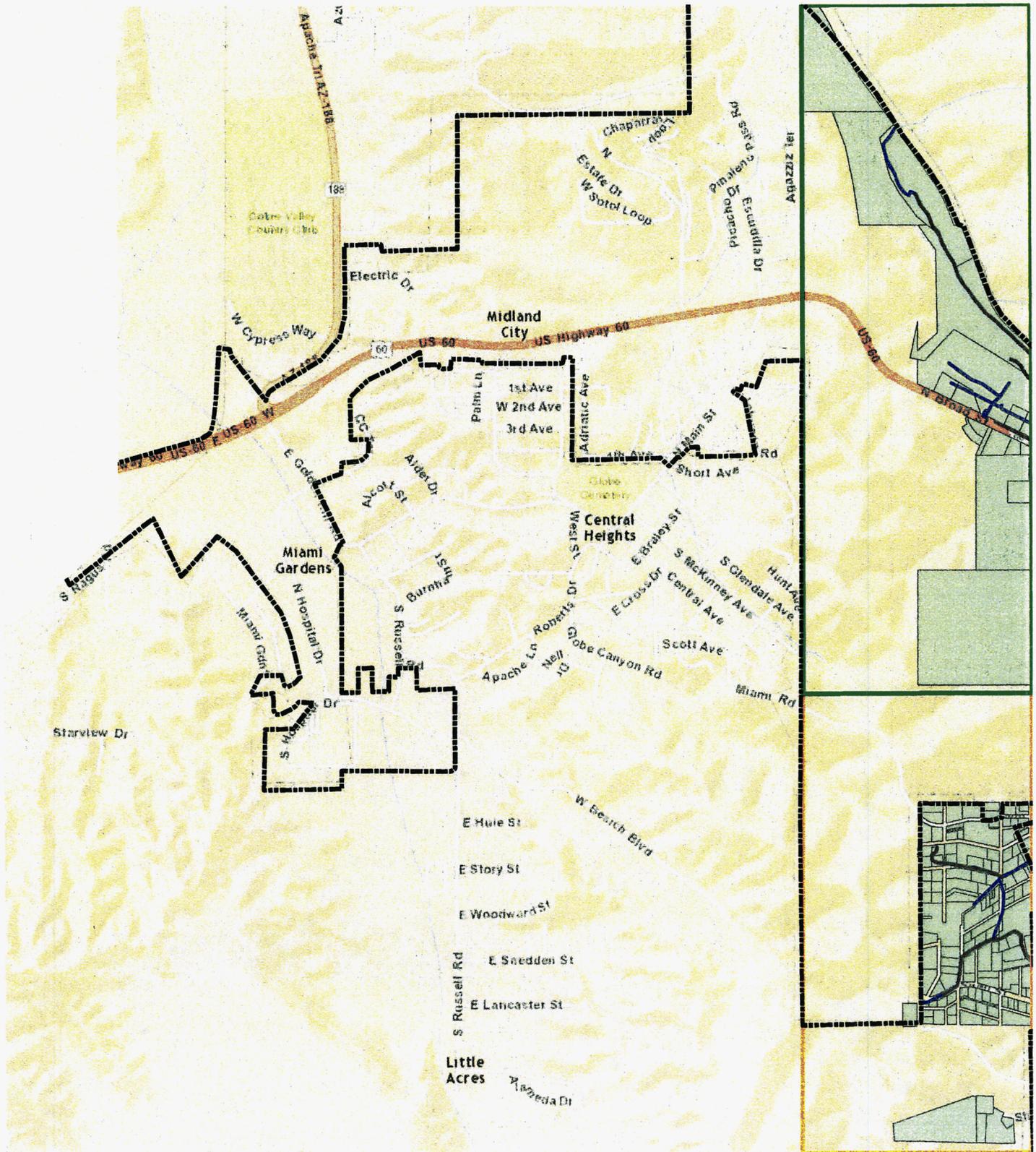
GILA COUNTY



Legend

-  Globe Sewer Line
-  Globe Water Line

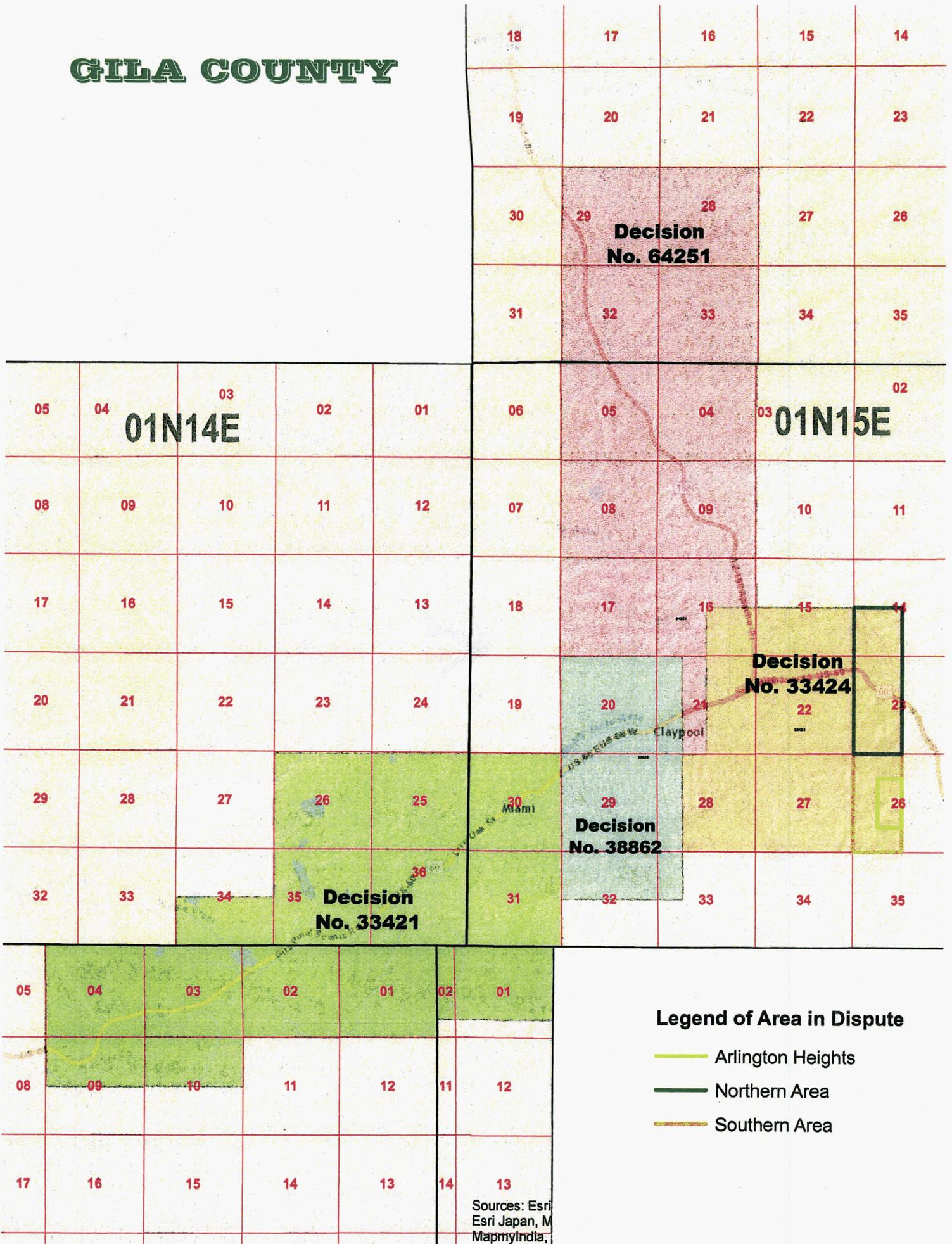
GILA COUNTY



Legend

- 2015 City Limits
- Globe Sewer Line
- Globe Water Line

GILA COUNTY

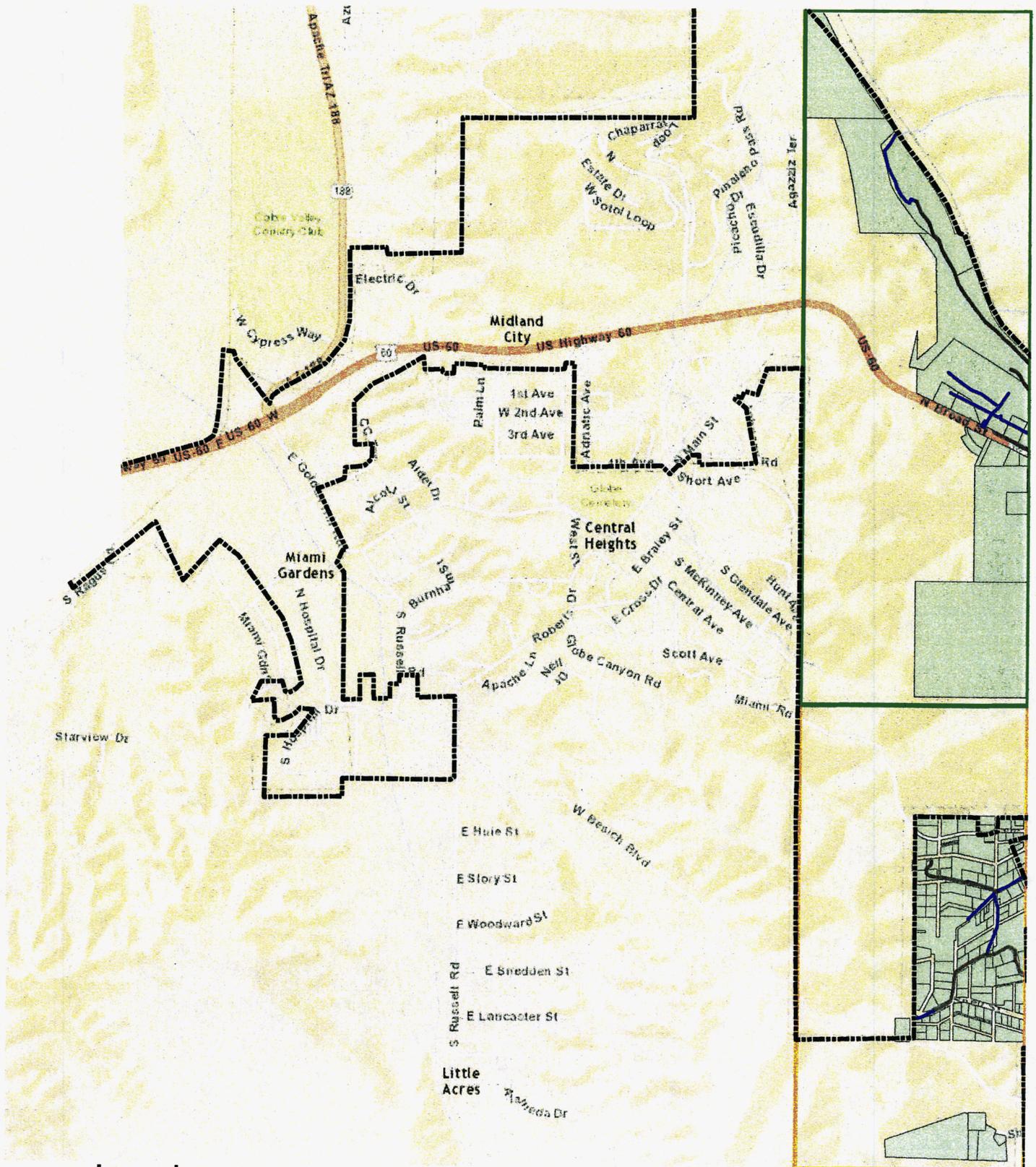


Legend of Area in Dispute

- Arlington Heights
- Northern Area
- Southern Area

Sources: Esri
Esri Japan, M
MapmyIndia,

GILA COUNTY



Legend

- 2015 City Limits
- Globe Sewer Line
- Globe Water Line
- Disputed Area

STAFF'S ATTACHMENT C

DATA REQUESTS AND DATA REQUESTS RESPONSES

City of Globe
Docket No. W-01445A-14-0305
In the matter of the application of City of Globe for approval to amend Decision
33424 Pursuant to A.R.S. §40-252.

STF 2.1 Please provide any information you may have regarding the ownership of East Globe Water Company.

Response: The East Globe Water Company was started by the Hunter family. On October 23, 1961 discussion was presented at the Globe City Council meeting as to the feasibility of purchasing of the small water system. A proposal was given that would require the City of Globe to pay \$13,000 for the existing system that included 15 services and \$200 for each added service up to 85 additional services.

A copy of an un-executed agreement between the Hunter family and the City of Globe prepared by the local law firm of Rawlins, Little and Proctor.

On February 5, 1962 The Corporation Commission gave permission for the City of Globe to purchase East Globe Water Company.

Witness: Brent Billingsley
 City of Globe
 150 N Pine St
 Globe, Arizona 85501

STF 2.2 Please provide the relationship between the City of Globe and Mr. Navor Proctor, in and around 1961.

Response: Mr. Navor Proctor was a private local attorney who was employed by many people and entities in the local region, including the City of Globe and the Hunter family (East Globe Water Company)

Witness: Brent Billingsley
 City of Globe
 150 N Pine St
 Globe, Arizona 85501

City of Globe
Docket No. W-01445A-14-0305
In the matter of the application of City of Globe for approval to amend Decision
33424 Pursuant to A.R.S. §40-252.

STF 2.3 Did the City of Globe acquire Skyline Drive Water Company? If the answer is yes, please provide a discussion of the acquisition.

Response: On September 18, 1961 a "New Business" agenda item was read that looked at the possibility of a lease purchase of the Skyline Drive Water Company. The Water Company had 95 customers and the purchase price would be \$36,000.

After ACC approval the City would pay \$5000 and 70% of gross revenue until paid.

The purchase of the water company became official on February 1, 1962

Witness: Brent Billingsley
 City of Globe
 150 N Pine St
 Globe, Arizona 85501

STF 2.4 With respect to the park in the disputed area, please state the name of the park, when it was established and if the City furnishes water and sewer service to the park. If the answer is yes, please state when the City began providing service.

Response: The Old Dominion Mine is a large area that extends from the area near downtown Globe, into the disputed area in the North. The City of Globe and BHP Copper entered in an agreement March 10, 2009, giving the City an Easement to develop a walking and historic park, simply calling it the Old Dominion Park. Around 2011, through grants, the City was able to install restrooms that use water and sewer services from the City of Globe.

The easement document describes through a legal description of the area of the mine property, where the City is allowed to develop. All the allowable developable land in the Old Dominion easement is outside the disputed area.

Witness: Brent Billingsley

City of Globe
Docket No. W-01445A-14-0305
In the matter of the application of City of Globe for approval to amend Decision
33424 Pursuant to A.R.S. §40-252.

City of Globe
150 N Pine St
Globe, Arizona 85501

STF 2.5

Does the City provide both water and sewer service in the North and South disputed area?

Response: The City of Globe has provided both water and sewer collection and treatment for years prior to the AZ Water 1961 CC&N. The City has had a sewer treatment plant in the North disputed area, being built in 1918 and later a new sewer treatment plant was built in 1981 which continues in use to the present. All sewer from the North disputed area and South Disputed area as well as the rest of town goes to this treatment facility.

Water maps show water mains in the South disputed area as far back as 1928.

Witness: Brent Billingsley
City of Globe
150 N Pine St
Globe, Arizona 85501

**CITY OF GLOBE'S RESPONSES TO ARIZONA WATER
COMPANY'S SECOND SET OF DATA REQUESTS
Docket W-01445A-14-0305**

1
2 AWC-GLOBE 2.1 Please identify each customer, located inside the Northern Area, to which
3 the City of Globe provided water service on or before September 20, 1961.
4 In your response, please include each customer's address, real property
5 parcel number, account number, name, any other information the City of
6 Globe used to identify the customer, the date the customer requested
7 service, the date the City began serving the customer, and the date the City
8 ended service to the customer.

9
10 **RESPONSE TO AWC 2.1**

11 The City does not have information that is responsive to this data request
12 except there is a current list of customers in the disputed area which is
13 attached to this DR.

14
15 Witness: Brent Billingsley
16 City of Globe
17 150 N. Pine St.
18 Globe, Arizona 85501
19

20 AWC-GLOBE 2.2 Please provide all documentary evidence (including but not limited to
21 invoices, customer lists, account statements, requests for service, maps, and
22 repair records) for each customer you identify in your response to Data
23 Request 2.1.

24 **RESPONSE TO AWC 2.2**

25 As AWC is aware, the City has recently come into possession of some
26 documents that may be responsive to this data request and others in this set
27 of DRs. There is a document entitled Globe Water Study dated October 4,
28 1957. While it does not have specific information regarding just the
disputed area, there are several infrastructure maps taken from an April
1957 report that was performed by Yost and Gardner. These maps show
where Globe has lines in the ground at the time of the report. The water
study is document Globe00464 in the Gibson documents (throughout this
response the Gibson documents will be used to describe the documents that
both AWC and Globe were given by a former elected official of the City of
Globe.). Additionally, the Gibson documents contained a piece of paper
that seems to show a customer list from 1966 but it is unknown at this time
as to where those customers lived. (Gibson00738)

29
30 Witness: Brent Billingsley
31 City of Globe
32 150 N. Pine St.
33 Globe, Arizona 85501
34

35 AWC-GLOBE 2.3 Please identify each customer, located inside the Southern Area, to which
36 the City of Globe provided water service on or before September 20, 1961.

In your response, please include each customer's address, real property parcel number, account number, name, any other information the City of Globe used to identify the customer, the date the customer requested service, the date the City began serving the customer, and the date the City ended service to the customer.

RESPONSE TO AWC-GLOBE 2.3

Please see answer to AWC 2.1.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.4 Please provide all documentary evidence (including but not limited to invoices, customer lists, account statements, requests for service, maps, and repair records) for each customer you identify in your response to Data Request 2.3.

RESPONSE TO AWC-GLOBE 2.4

Please see answer to AWC 2.2.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.5 Please identify all physical plant, property, and other infrastructure the City of Globe installed in the Northern Area prior to September 20, 1961. In your response, please include the location and date of installation for the physical plant, property, and other infrastructure.

RESPONSE TO AWC-GLOBE 2.5

Globe does not have information that is responsive to this request except the water study referenced in the answer to AWC 2.2.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.6 Please provide all documentary evidence for all physical plant, property, and infrastructure you identify in your response to Data Request 2.5, including construction plans, diagrams, schematics, maps, drawings, invoices, work orders, receipts, and City council resolutions. Please also provide all permits, Arizona Department of Environmental Quality Approvals, or other government or regulatory approvals for the physical

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plant, property, and infrastructure you identify in your response to Data Request 2.5.

RESPONSE TO AWC-GLOBE 2.6

The City of Globe does not have anything that is responsive to this data request except the water study referenced in the answer to AWC 2.2. As part of the Gibson documents, there are some budgets that the City obtained. These budgets are for the whole City water system, nothing is broken out by the disputed areas.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.7

Please identify all physical plant, property, and other infrastructure the City of Globe installed in the Southern Area prior to September 20, 1961. In your response, please include the location and date of installation for the physical plant, property, and other infrastructure.

RESPONSE TO AWC-GLOBE 2.7

Please see answer to AWC 2.5.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.8

Please provide all documentary evidence for all physical plant, property, and infrastructure you identify in your response to Data Request 2.7, including construction plans, diagrams, schematics, maps, drawings, invoices, work orders, receipts, and City council resolutions. Please also provide all permits, Arizona Department of Environmental Quality Approvals, or other government or regulatory approvals for the physical plant, property, and infrastructure you identify in your response to Data Request 2.7.

RESPONSE TO AWC-GLOBE 2.8

Please see answer to AWC 2.6.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.9

Please identify all witnesses able to testify regarding the information Arizona Water Company requests in Data Requests 2.1 to 2.8. In your

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answer, please include current contact information for each witness and the Data Request response for which the witness can provide testimony.

RESPONSE TO AWC-GLOBE 2.9

The only witness that Globe will be calling for historical information is Robert Pate of Tierra Right of Way. At this time, Globe will have one additional witness, which is Ernest Johnson. Mr. Johnson will testify to public policy issues.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.10 Please identify each customer, located inside the Northern Area, to which the City of Globe provided water service beginning after September 20, 1961. In your response, please include each customer's address, real property parcel number, account number, name, any other information the City of Globe used to identify the customer, the date the customer requested service, the date the City began serving the customer, and the date the City ended service to the customer.

RESPONSE TO AWC-GLOBE 2.10

The City of Globe does not have information responsive to this question except the current list of customers that was referenced in the response to AWC 2.1. Additionally, the Gibson documents contained a piece of paper that seems to show a customer list from 1966 but it is unknown at this time as to where those customers lived. (Gibson00738)

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.11 Please identify and provide all documentary evidence (including but not limited to invoices, customer lists, account statements, requests for service, maps) for each customer you identify in your response to Data Request 2.10.

RESPONSE TO AWC-GLOBE 2.11

As part of the Gibson documents, Globe came into possession of a document entitled Water Works Report - 1975. This document specifically on page 3-1, shows a service area map. This document is Globe00591 of the Gibson documents.

Witness: Brent Billingsley

City of Globe
150 N. Pine St.
Globe, Arizona 85501

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AWC-GLOBE 2.12 Please identify each customer, located inside the Southern Area, to which the City of Globe provided water service beginning after September 20, 1961. In your response, please include each customer's address, real property parcel number, account number, name, any other information the City of Globe used to identify the customer, the date the customer requested service, the date the City began serving the customer, and the date the City ended service to the customer.

RESPONSE TO AWC-GLOBE 2.12

The City does not have the information requested in this DR except for the attached customer list that is referenced in response to AWC 2.1.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.13 Please identify and provide all documentary evidence (including but not limited to invoices, customer lists, account statements, requests for service, maps) for each customer you identify in your response to Data Request 2.12.

RESPONSE TO AWC-GLOBE 2.13

See response to AWC 2.12.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.14 Please identify all physical plant, property, and other infrastructure the City of Globe installed in the Northern Area after September 20, 1961. In your response, please include the location and date of installation for the physical plant, property, and other infrastructure.

RESPONSE TO AWC-GLOBE 2.14

The City does not have any information that is responsive to the DR except for the proposed infrastructure improvements plans which has recently been the subject of much discussion between the parties. Additionally, Attached as Exhibit 2 is a map prepared by the City of Globe showing the current infrastructure for the entire city.

Witness: Brent Billingsley

City of Globe
150 N. Pine St.
Globe, Arizona 85501

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3 AWC-GLOBE 2.15 Please provide all documentary evidence for all physical plant, property,
4 and infrastructure you identify in your response to Data Request 2.14,
5 including construction plans, diagrams, schematics, maps, drawings,
6 invoices, work orders, receipts, and City council resolutions. Please also
7 provide all permits, Arizona Department of Environmental Quality
8 Approvals, or other government or regulatory approvals for the physical
9 plant, property, and infrastructure you identify in your response to Data
10 Request 2.14.

11 **RESPONSE TO AWC-GLOBE 2.15**

12 To the best of the City's knowledge, it does not possess information that is
13 responsive to the DR except that the City has shared with AWC all of the
14 plans for proposed infrastructure improvement in the northern area.

15 Witness: Brent Billingsley
16 City of Globe
17 150 N. Pine St.
18 Globe, Arizona 85501

19 AWC-GLOBE 2.16 Please identify all physical plant, property, and other infrastructure the City
20 of Globe installed in the Southern Area after September 20, 1961. In your
21 response, please include the location and date of installation for the
22 physical plant, property, and other infrastructure.

23 **RESPONSE TO AWC-GLOBE 2.16**

24 Please see answer to AWC 2.14.

25 Witness: Brent Billingsley
26 City of Globe
27 150 N. Pine St.
28 Globe, Arizona 85501

AWC-GLOBE 2.17 Please provide all documentary evidence for all physical plant, property,
and infrastructure you identify in your response to Data Request 2.16,
including construction plans, diagrams, schematics, maps, drawings,
invoices, work orders, receipts, and City council resolutions. Please also
provide all permits, Arizona Department of Environmental Quality
Approvals, or other government or regulatory approvals for the physical
plant, property, and infrastructure you identify in your response to Data
Request 2.16.

RESPONSE TO AWC-GLOBE 2.17

The City does not information that is responsive to this DR.

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Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.18 Please identify all witnesses able to testify regarding the information Arizona Water Company requests in Data Requests 2.10 to 2.17. In your answer, please include current contact information for each witness and the Data Request response for which the witness can provide testimony.

RESPONSE TO AWC-GLOBE 2.18

Robert Pate of Tierra Right of Way will be the person testifying for the City as it relates to historical documents.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.19 Please identify all water systems, water infrastructure, water companies, or water customers that the City of Globe acquired between January 1, 1900 and September 20, 1961, which are located in what is known in this matter as the Northern Area. In your response, please identify each water system, water company, or water customer's location, date of acquisition, price of acquisition, selling person or entity, name or other identifying label, and the number of customers associated with the acquisition.

RESPONSE TO AWC-GLOBE 2.19

The City does not believe that it has information that is responsive to this request. In the Gibson documents, there is some papers that discuss a citizen trying to sell water rights to the City which, as best as can be ascertained, the City turned down. These documents are located in Globe00682 to Globe 00707.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.20 Please provide all documentary evidence for all water systems, water infrastructure, water companies, or water customers that the City of Globe acquired between January 1, 1900 and September 20, 1961, which you identify in your response to Data Request 2.19, including plans, diagrams, schematics, maps, drawings, invoices, work orders, receipts, and City council resolutions.

RESPONSE TO AWC-GLOBE 2.20

Please see answer to AWC 2.19.

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Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.21 Please identify all water systems, water infrastructure, water companies, or water customers that the City of Globe acquired between January 1, 1900 and September 20, 1961, which are located in what is known in this matter as the Southern Area. In your response, please identify each water system, water company, or water customer's location, date of acquisition, price of acquisition, selling person or entity, name or other identifying label, and the number of customers associated with the acquisition.

RESPONSE TO AWC-GLOBE 2.21

Please see answer to AWC 2.19.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.22 Please provide all documentary evidence for all water systems, water infrastructure, water companies, or water customers that the City of Globe acquired between January 1, 1900 and September 20, 1961, which you identify in your response to Data Request 2.21, including plans, diagrams, schematics, maps, drawings, invoices, work orders, receipts, and City council resolutions.

RESPONSE TO AWC-GLOBE 2.22

Please see answer to AWC 2.19.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.23 Please identify all water systems, water infrastructure, water companies, or water customers that the City of Globe acquired after September 20, 1961, which are located in what is known in this matter as the Northern Area. In your response, please identify each water system, water company, or water customer's location, date of acquisition, price of acquisition, selling person or entity, name or other identifying label, and the number of customers associated with the acquisition.

RESPONSE TO AWC-GLOBE 2.23

Please see answer to AWC 2.19.

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Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.24 Please provide all documentary evidence for all water systems, water infrastructure, water companies, or water customers that the City of Globe acquired after September 20, 1961, which you identify in your response to Data Request 2.23, including plans, diagrams, schematics, maps, drawings, invoices, work orders, receipts, and City council resolutions.

RESPONSE TO AWC-GLOBE 2.24

Please see answer to AWC 2.19.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.25 Please identify all water systems, water infrastructure, water companies, or water customers that the City of Globe acquired after September 20, 1961, which are located in what is known in this matter as the Southern Area. In your response, please identify each water system, water company, or water customer's location, date of acquisition, price of acquisition, selling person or entity, name or other identifying label, and the number of customers associated with the acquisition.

RESPONSE TO AWC-GLOBE 2.25

Please see answer to AWC 2.19.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.26 Please provide all documentary evidence for all water systems, water infrastructure, water companies, or water customers that the City of Globe acquired after September 20, 1961, which you identify in your response to Data Request 2.25, including plans, diagrams, schematics, maps, drawings, invoices, work orders, receipts, and City council resolutions.

RESPONSE TO AWC-GLOBE 2.26

Please see answer to AWC 2.19.

Witness: Brent Billingsley

1 City of Globe
150 N. Pine St.
2 Globe, Arizona 85501

3 AWC-GLOBE 2.27 Please identify all offers to sell water systems, water infrastructure, water
4 companies, or water customers to the City of Globe between January 1,
5 1900 and September 20, 1961. In your response, please identify the
6 offering party, the terms of the offer, the date of the offer, and the City of
7 Globe's response, if any, to such offers.

8 **RESPONSE TO AWC-GLOBE 2.27**

9 Please see answer to AWC 2.19.

10 Witness: Brent Billingsley
City of Globe
150 N. Pine St.
11 Globe, Arizona 85501

12 AWC-GLOBE 2.28 Please provide all documentary evidence for all offers to sell water
13 systems, water infrastructure, water companies, or water customers to the
14 City of Globe between January 1, 1900 and September 20, 1961.

15 **RESPONSE TO AWC-GLOBE 2.28**

16 Please see answer to AWC 2.19.

17 Witness: Brent Billingsley
City of Globe
150 N. Pine St.
18 Globe, Arizona 85501

19 AWC-GLOBE 2.29 Please identify all offers to sell water systems, water infrastructure, water
20 companies, or water customers to the City of Globe after September 20,
21 1961. In your response, please identify the offering party, the terms of the
22 offer, the date of the offer, and the City of Globe's response, if any, to such
23 offers.

24 **RESPONSE TO AWC-GLOBE 2.29**

25 Please see answer to AWC 2.19.

26 Witness: Brent Billingsley
City of Globe
150 N. Pine St.
27 Globe, Arizona 85501

28 AWC-GLOBE 2.30 Please provide all documentary evidence for all offers to sell water

1 systems, water infrastructure, water companies, or water customers to the
2 City of Globe after September 20, 1961.

3 **RESPONSE TO AWC-GLOBE 2.30**

4 Please see answer to AWC 2.29.

5 Witness: Brent Billingsley
6 City of Globe
7 150 N. Pine St.
8 Globe, Arizona 85501

9 AWC-GLOBE 2.31 Please identify all witnesses able to testify regarding the information
10 Arizona Water Company requests in Data Requests 2.19 to 2.30. In your
11 answer, please include current contact information for each witness and the
12 Data Request response for which the witness can provide testimony.

13 **RESPONSE TO AWC-GLOBE 2.31**

14 The City does not have any witness that will be able to answer the above
15 DRs..

16 Witness: Brent Billingsley
17 City of Globe
18 150 N. Pine St.
19 Globe, Arizona 85501

20 AWC-GLOBE 2.32 Please identify all areas the City of Globe annexed after 1900. In your
21 response, please identify the date and the legal description of each
22 annexation.

23 **RESPONSE TO AWC-GLOBE 2.32**

24 The Gibson documents contained some portion of the necessary paperwork
25 for annexation. Please see Globe00785 for the documents that Globe
26 possesses.

27 Witness: Brent Billingsley
28 City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.33 Please provide all files, documents, and records for each annexation you
identify in your response Data Request 2.32.

RESPONSE TO AWC-GLOBE 2.33

Please see answer to AWC 2.32.

Witness: Brent Billingsley

1 City of Globe
150 N. Pine St.
2 Globe, Arizona 85501

3 AWC-GLOBE 2.34 Please provide every approved City Council Ordinance changing or
4 extending the corporate limits of the City of Globe since the City's
incorporation to present.

5 **RESPONSE TO AWC-GLOBE 2.34**

6 Globe does not have any more information to provide at this time except
7 what was provided in

8 Witness: Brent Billingsley AWC 2.23
9 City of Globe
150 N. Pine St.
10 Globe, Arizona 85501

11 AWC-GLOBE 2.35 Please identify all witnesses able to testify regarding the information
12 Arizona Water Company requests in Data Requests 2.32 to 2.34. In your
13 answer, please include current contact information for each witness and the
Data Request response for which the witness can provide testimony.

14 **RESPONSE TO AWC-GLOBE 2.35**

15 Please see answer to AWC 2.1 and 2.32.

16 Witness: Brent Billingsley
17 City of Globe
150 N. Pine St.
18 Globe, Arizona 85501

19 AWC-GLOBE 2.36 Please identify all outside contractors the City of Globe has used to work
20 on its water system from 1961 to present, with a description of their work.

21 **RESPONSE TO AWC 2.36**

22 The City objects to AWC 2.36 as not relevant, overbroad and unduly
23 burdensome.

24 Witness: Brent Billingsley
25 City of Globe
150 N. Pine St.
26 Globe, Arizona 85501

27 AWC-GLOBE 2.37 Please produce all records related to work outside contractors performed
28 for the City of Globe on the water systems and infrastructure in the
Northern Area on or before September 20, 1961.

RESPONSE TO AWC-GLOBE 2.37

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Globe does not have any information that is responsive to this DR except for what has already been discussed in earlier DRs.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.38 Please produce all records related to work outside contractors performed for the City of Globe on the water systems and infrastructure in the Southern Area on or before September 20, 1961.

RESPONSE TO AWC-GLOBE 2.38

Please see answer to AWC 2.37.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.39 Please produce all records related to work outside contractors performed for the City of Globe on the water systems and infrastructure in the Northern Area from September 20, 1961 to the present.

RESPONSE TO AWC-GLOBE 2.39

Please see answer to AWC 2.36.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.40 Please produce all records related to work outside contractors performed for the City of Globe on the water systems and infrastructure in the Southern Area from September 20, 1961 to the present.

RESPONSE TO AWC-GLOBE 2.40

Please see answer to AWC 2.36.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

1 AWC-GLOBE 2.41 Please identify all witnesses able to testify regarding the information
2 Arizona Water Company requests in Data Requests 2.36 to 2.40. In your
3 answer, please include current contact information for each witness and the
4 Data Request response for which the witness can provide testimony.

5
6 **RESPONSE TO AWC-GLOBE 2.41**

7 Please see answer to AWC 29 as it relates to Globe's witness regarding
8 historical documents.

9
10 Witness: Brent Billingsley
11 City of Globe
12 150 N. Pine St.
13 Globe, Arizona 85501

14 AWC-GLOBE 2.42 Please identify the location of all of the City's wastewater treatment plants
15 on September 20, 1961. In your response, please include the address and
16 legal description of the real property parcel or parcels on which the
17 wastewater treatment plants were located on September 20, 1961.

18 **RESPONSE TO AWC-GLOBE 2.42**

19 To the best of the City's knowledge, the wastewater treatment plant was
20 located where it currently is on Pinal Creek Road.

21
22 Witness: Brent Billingsley
23 City of Globe
24 150 N. Pine St.
25 Globe, Arizona 85501

26 AWC-GLOBE 2.43 Please provide any and all agreements between the City and Freeport-
27 McMoRan or its predecessors, or any other party, concerning construction
28 and operation of the City's wastewater treatment plant currently located in
the Northern Area.

RESPONSE TO AWC-GLOBE 2.43

The City did not possess any information that would be responsive to the
DR before the Gibson documents. While there don't seem to any
document directly responsive, there are some discussions of the proposed
wastewater plant.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.44 Please identify all witnesses able to testify regarding the information
Arizona Water Company requests in Data Requests 2.42 to 2.43. In your
answer, please include current contact information for each witness and the
Data Request response for which the witness can provide testimony.

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RESPONSE TO AWC-GLOBE 2.44

Please see answer to AWC 2.9.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.45 Please provide all documents related to Arizona Water Company's sale of land to the City, upon which the City located a water tank, mentioned on page 3, lines 1 and 2, of Globe's Petition to Amend Decision 33424 Pursuant to A.R.S. §40-252 ("Petition"). In your response, please identify all witnesses able to testify regarding the subject of this data request.

RESPONSE TO AWC-GLOBE 2.45

The only information in Globe's possession regarding this DR has already been given to AWC. AWC, in response to the City of Globe's DR, provided more information on this matter.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.46 Please provide all maps of the City of Globe's water system and water infrastructure, including wastewater facilities, from 1900 to the present.

RESPONSE TO AWC-GLOBE 2.46

All maps that are available to the City have been disclosed including the maps referenced in AWC 2.2 and 2.11.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

AWC-GLOBE 2.47 Please state when and how the City of Globe first became aware of Decision No. 33424, Docket No. U-1445, and the certificate of convenience and necessity the Arizona Corporation Commission issued to Arizona Water Company in Decision No. 33424. In your response to this Data Request, please provide the name of the person or persons at the City of Globe who first became aware of Decision No. 33424, Docket No. U-1445, and the certificate of convenience and necessity the Arizona Corporation Commission issued to Arizona Water Company in Decision No. 33424. Please also provide all documents, records, or files related to

1 Decision No. 33424 and Docket No. U-1445. Please also provide the name
2 and contact information for each witness who can provide testimony about
3 the subject of this Data Request.

4 **RESPONSE TO AWC-GLOBE 2.47**

5 This data request has no relation to the events of 1961 that are at issue in
6 this case.

7 Witness: Brent Billingsley
8 City of Globe
9 150 N. Pine St.
10 Globe, Arizona 85501

11 AWC-GLOBE 2.48 Please identify all agreements entered into between 1900 and September
12 20, 1961 between the City of Globe and any mining companies for the use
13 of any water infrastructure, including without limitation pipes, wells, tanks,
14 and reservoirs. Please produce all documents related to any agreements
15 you identify in response to this Data Request. Please also identify all
16 witnesses able to testify regarding any agreements you identify in response
17 to this Data Request.

18 **RESPONSE TO AWC-GLOBE 2.48**

19 The City does not have any documents that are responsive to this request.
20 However, there is a document from 1946 that references the City
21 purchasing water from the Miami Copper Company. That document,
22 Geology and Ground Water Resources of the Upper Pinal Creek area is
23 attached hereto and the reference is located on page 6

24 Witness: Brent Billingsley
25 City of Globe
26 150 N. Pine St.
27 Globe, Arizona 85501

28 AWC-GLOBE 2.49 Please identify all agreements from 1961 to present between the City of
Globe and any mining companies for the use of any water infrastructure,
including without limitation pipes, wells, tanks, and reservoirs. Please
produce all documents related to any agreements you identify in response
to this Data Request. Please also identify all witnesses able to testify
regarding any agreements you identify in response to this Data Request.

RESPONSE TO AWC-GLOBE 2.49

Please see answer to AWC 2.48.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

1 AWC-GLOBE 2.50 Please identify any intergovernmental agreements between the City of
2 Globe and the State of Arizona, Gila County, or any other town or
3 municipality regarding the City of Globe's use of rights-of-way in the
4 Northern Area on or before September 20, 1961 or that is in any way
5 related to the City of Globe's provision of water service to customers in the
6 Northern area on or before September 20, 1961. Please produce all
7 documents related to any agreements you identify in response to this Data
8 Request.

9 **RESPONSE TO AWC-GLOBE 2.50**

10 The City does not have any information that is responsive to this request.

11 Witness: Brent Billingsley
12 City of Globe
13 150 N. Pine St.
14 Globe, Arizona 85501

15 AWC-GLOBE 2.51 Please identify any intergovernmental agreements between the City of
16 Globe and the State of Arizona, Gila County, or any other town or
17 municipality regarding the City of Globe's use of rights-of-way in the
18 Northern Area after September 20, 1961 or that is in any way related to the
19 City of Globe's provision of water service to customers in the Northern
20 area after September 20, 1961. Please produce all documents related to
21 any agreements you identify in response to this Data Request.

22 **RESPONSE TO AWC-GLOBE 2.51**

23 The City does not have any information that is responsive to this request.

24 Witness: Brent Billingsley
25 City of Globe
26 150 N. Pine St.
27 Globe, Arizona 85501

28 AWC-GLOBE 2.52 Please identify any intergovernmental agreements between the City of
Globe and the State of Arizona, Gila County, or any other town or
municipality regarding the City of Globe's use of rights-of-way in the
Southern Area on or before September 20, 1961 or that is in any way
related to the City of Globe's provision of water service to customers in the
Southern area on or before September 20, 1961. Please produce all
documents related to any agreements you identify in response to this Data
Request.

RESPONSE TO AWC-GLOBE 2.52

The City does not have any information responsive to this request.

Witness: Brent Billingsley
City of Globe

150 N. Pine St.
Globe, Arizona 85501

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3 AWC-GLOBE 2.53 Please identify any intergovernmental agreements between the City of
4 Globe and the State of Arizona, Gila County, or any other town or
5 municipality regarding the City of Globe's use of rights-of-way in the
6 Southern Area after September 20, 1961 or that is in any way related to the
7 City of Globe's provision of water service to customers in the Southern
8 area after September 20, 1961. Please produce all documents related to
9 any agreements you identify in response to this Data Request.

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11 **RESPONSE TO AWC-GLOBE 2.53**

12 The City does not have any information that is responsive to this request.

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Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

12 AWC-GLOBE 2.54 Please identify all witnesses able to testify regarding the information
13 Arizona Water Company requests in Data Requests 2.50 to 2.53. In your
14 answer, please include current contact information for each witness and the
15 Data Request response for which the witness can provide testimony.

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RESPONSE TO AWC-GLOBE 2.54

N/A.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

20 AWC-GLOBE 2.55 Please identify all permissions (i.e., consents, franchises or permits), if any,
21 obtained by the City of Globe from Gila County to construct water lines or
22 other infrastructure in the Southern Area. Please further provide copies of
23 all identified permissions, as well as related documents and
24 correspondence.

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RESPONSE TO AWC-GLOBE 2.55

The City does not have any information that is responsive to this request.

Witness: Brent Billingsley
City of Globe
150 N. Pine St.
Globe, Arizona 85501

1 AWC-GLOBE 2.56 Please provide all certificates of occupancy, permits, approvals, or other
2 similar documents the City of Globe issued on or before September 20,
3 1961 for any building or construction project located in the Northern Area.

4 **RESPONSE TO AWC-GLOBE 2.56**

5 The City does not have any information responsive to this request.

6 Witness: Brent Billingsley
7 City of Globe
8 150 N. Pine St.
9 Globe, Arizona 85501

10 AWC-GLOBE 2.57 Please provide all certificates of occupancy, permits, approvals, or other
11 similar documents the City of Globe issued on or before September 20,
12 1961 for any building or construction project located in the Southern Area.

13 **RESPONSE TO AWC-GLOBE 2.57**

14 The City does not have any information responsive to this request.

15 Witness: Brent Billingsley
16 City of Globe
17 150 N. Pine St.
18 Globe, Arizona 85501

19 AWC-GLOBE 2.58 Please provide all certificates of occupancy, permits, approvals, or other
20 similar documents the City of Globe issued after September 20, 1961 for
21 any building or construction project located in the Northern Area.

22 **RESPONSE TO AWC-GLOBE 2.58**

23 The City does not have any information responsive to this request.

24 Witness: Brent Billingsley
25 City of Globe
26 150 N. Pine St.
27 Globe, Arizona 85501

28 AWC-GLOBE 2.59 Please provide all certificates of occupancy, permits, approvals, or other
similar documents the City of Globe issued after September 20, 1961 for
any building or construction project located in the Southern Area.

RESPONSE TO AWC-GLOBE 2.59

The City does not have any information responsive to this request.

Witness: Brent Billingsley
City of Globe

150 N. Pine St.
Globe, Arizona 85501

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WATER REPORT

GLOBE, ARIZONA

1957

Mayor

Louis S. Rayes

Aldermen

Tony Chiono
Golden G. Hunsaker
Carl Coppa

James T. Lewis
William J. Merrifield
William N. Sherwood

City Manager

Murray D. Snyder

Water Superintendent

Claude House

JOHN A. CAROLLO
Consulting Engineers
Phoenix, Arizona

PROPERTY OF
CITY OF GLOBE

JOHN A. CAROLLO
Consulting Engineers
3308 North Third St.
Phoenix, Arizona

October 4, 1957

Honorable Mayor and City Council
City of Globe
Globe, Arizona

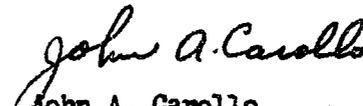
Gentlemen:

We are sending you herewith 40 copies of our Report on your water works expansion program. After you have had an opportunity to examine the Report, we will be happy to come again to Globe and go over the details of the Report with the Council and the City Manager. We also would be glad to again discuss the program with the Citizens Committee appointed by the Mayor.

We want to take this opportunity of thanking Mr. Murray Snyder, City Manager, and Mr. Claude House, Water Superintendent, for their assistance in providing us with the data that has been collected in the past, and in going over the water works problem with us. We wish to also thank Mr. Creed Troutman, Chairman of the Citizens Committee, and all the members who gave their time in helping us prepare this Report.

Respectfully submitted,

JOHN A. CAROLLO
Consulting Engineers


John A. Carollo

JAC:ijs

GLOBE00465

WATER REPORT

GLOBE, ARIZONA

1957

Mayor

Louis S. Reyes

Aldermen

Tony Chiono
Golden G. Hunsaker
Carl Coppa

James T. Lewis
William J. Merrifield
William N. Sherwood

City Manager

Murray D. Snyder

Water Superintendent

Claude House

JOHN A. CAROLLO
Consulting Engineers
Phoenix, Arizona

CITY OF GLOBE, ARIZONA

WATER REPORT

It is not the intent of this Report to criticize Yost and Gardner's Water Report for the City of Globe. All basic data as set forth in Yost and Gardner's Report are accepted. We disagree with some of the conclusions of their Report in regard to the main transmission line and required elevated storage.

Yost and Gardner's population and water production requirements are shown on page 9 of their Report. The tabular data are as follows:

TABLE A

REQUIRED WATER PRODUCTION

<u>Year</u>	<u>Population Excluding Transients</u>	<u>Average Day MGD</u>	<u>Max. Day MGD</u>	<u>Max. Hour MGD</u>	<u>Fire Flow Req'd Rate for 10 Hrs.</u>	<u>Rate-Max. Day Plus Fire Flow</u>
1956-57	7,400 +	0.67	1.3 Est	2.5 Est	3.89	5.20
1960	8,100 Min. 11,700 Max.	0.81 1.17	1.86 2.69	3.64 5.27	4.05 4.85	5.91 7.54
1970	10,400 Min. 15,000 Max.	1.04 1.50	2.39 3.45	4.68 6.75	4.58 5.46	6.97 8.91
1980	12,500 Min. 17,500 Max.	1.25 1.75	2.88 4.02	5.63 7.88	5.00 5.87	7.88 9.89

The data indicates that by 1980 the maximum population served will be 17,500; the maximum yearly average water consumption, 1.75 million gallons per day; and the maximum daily water consumption, 4.02 million gallons per day.

The Report recommends immediate installation, without purchase of any outside water utilities, of a 500 gallon per minute pump in the

existing 12-inch U.S.F.S. well, and the drilling of a new 16-inch well equipped with an 800 gallon per minute pump.

The 500 gallon per minute pump will supply 720,000 gallons per day. This amount added to the existing 1.4 million gallons per day sustained capacity (shown on page 10 of the Yost and Gardner Report) equals 2.12 million gallons per day, or more than enough to meet the average day demand of 1.75 million gallons per day for 17,500 people, the forecasted maximum population. Also, this quantity of 2.12 million gallons per day would be enough to meet the daily demand for 75% of the year in 1980 for the maximum population of 17,500. The 800 gallon per minute pump will supply, together with the existing pumps, 2.55 million gallons per day, or enough to meet the daily demand for 88% of the year in 1980 for the maximum population of 17,500. The two pumps working together with the existing pumps will meet the average demand for the peak week in 1980 for the maximum population of 17,500.

A summary of the above information is contained in the following table:

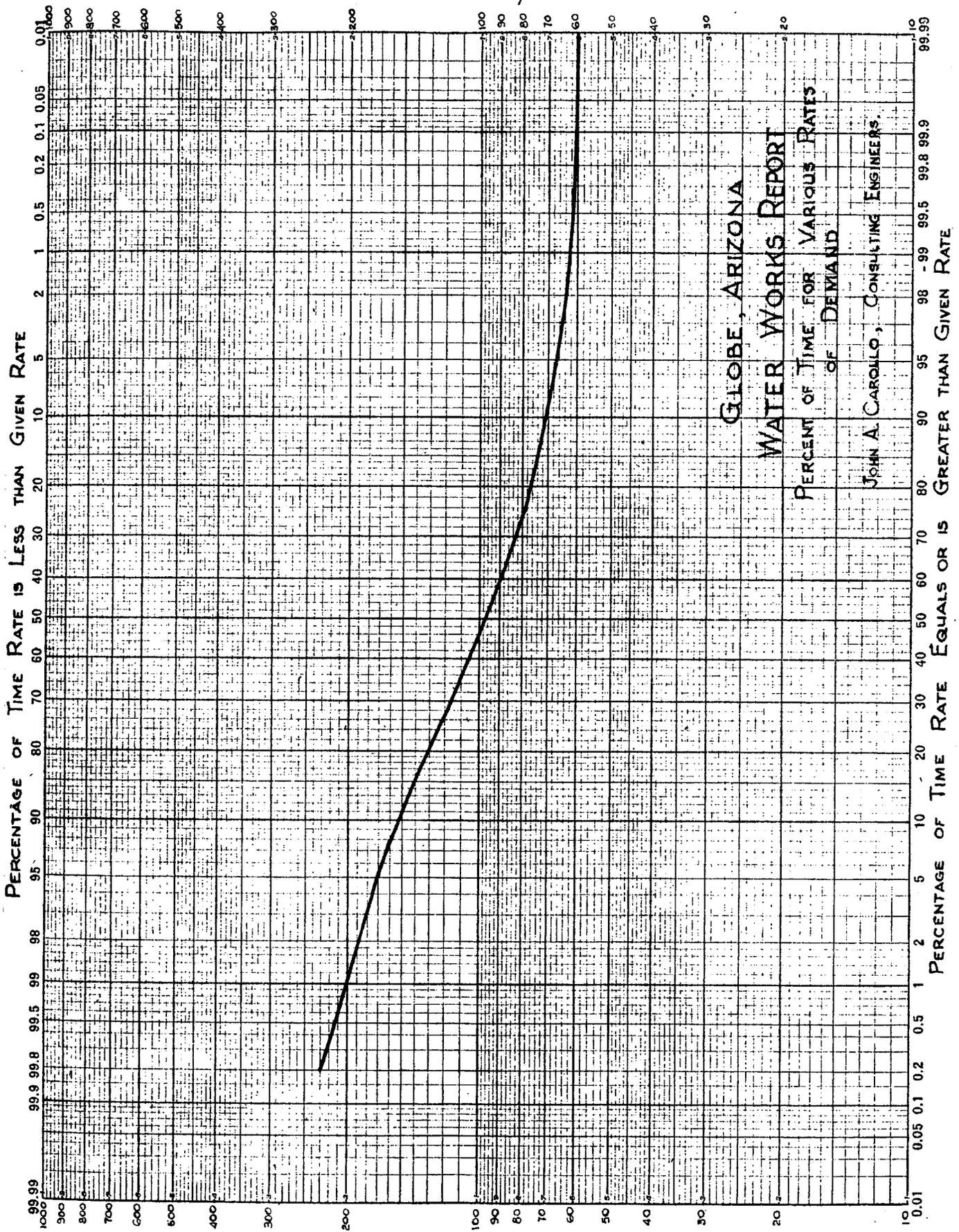
TABLE B

PERCENT OF TIME - SUPPLY VERSUS DEMAND

<u>Existing Sustained Capacity MGD</u>	<u>Proposed New Pumping Capacity MGD</u>	<u>Total Capacity MGD</u>	<u>% of Year That Supply Meets Demand in 1980</u>	<u>% of Year Supply <u>Does Not Meet Demand</u>(1980)</u>
1.4		1.4	25	75
1.4	0.72 (500 GPM)	2.12	75	25
1.4	1.15 (800 GPM)	2.55	88	12
1.4	1.87(1300 GPM)	3.27	98	2

Plate No. 1 indicates the percent of time any given pumping rate, expressed in a percentage of the yearly average water consumption, occurs.

PUMPAGE RATES IN % OF YEARLY AVERAGE



GLOBE, ARIZONA
WATER WORKS REPORT
PERCENT OF TIME FOR VARIOUS RATES
OF DEMAND
JOHN A. CAROLLO, CONSULTING ENGINEERS.

PUMPAGE RATES IN % OF YEARLY AVERAGE

It will be noted that for only 2% of the time, or approximately six days out of the year, will the demand exceed the supply for 17,500 people in 1980.

A comparison of initial costs, pumping power costs, and savings are shown in the following tables, based on pumping from the new well field to the existing tanks only when the existing sustained capacity cannot meet the demand. The existing sustained capacity can meet the 1980 demand for 25% of the time.

TABLE C

INITIAL COST OF PIPE LINE

<u>Size Pipe Inches</u>	<u>Length Lin.Ft.</u>	<u>Cost per Foot</u>	<u>Total Cost</u>
12	25,000	\$ 6.30	\$157,500
14	25,000	8.20	205,000
16	25,000	10.00	250,000

TABLE D

PUMPING HEADS

<u>Pumping Rate GPM</u>	<u>Static Lift</u>		<u>Friction Loss for 25,000 L.F. of Pipe</u>			<u>Total Lift</u>		
	<u>Out of Well*</u>	<u>Booster to Tank*</u>	<u>12"</u>	<u>14"</u>	<u>16"</u>	<u>12"</u>	<u>14"</u>	<u>16"</u>
500	535	324	17.5	9	4	876	868	863
800	535	324	41.8	20	10	901	879	869
1300	535	324	103.0	49	25	962	908	884

*Taken from S. F. Turner and Yost and Gardner Reports.

Ground surface elevation at wells	3485
Static water elevation	<u>3018</u>
Difference	467
Long term draw down, 2 wells (Page 6, Turner Report)	<u>68</u>
Total lift out of well	535
Reservoir working elevation	3809
Elevation of Booster Station ground	<u>3485</u>
	324

TABLE E

PUMPING COST

Based on continuous pump operation in 1980 and power cost of 2.1¢* per kilowatt hour.

Pump Capacity GPM	12" Pipe			14" Pipe			16" Pipe		
	Total Lift	Kw Hrs. per Yr.	Cost per Year	Total Lift	Kw Hrs. per Yr.	Cost per Year	Total Lift	Kw Hrs. per Yr.	Cost per Year
500	876	1,035,958	\$21,755.12	868	1,026,509	\$21,556.69	863	1,020,584	\$21,432.26
800	901	1,704,836	35,801.56	879	1,663,211	34,927.43	869	1,644,287	34,530.02
1300	962	2,957,919	62,116.30	908	2,791,882	58,629.52	884	2,718,088	57,079.85

*Deduced from Appendix V-c, Yost and Gardner Report.

TABLE F

PUMPING COST

Based on time pumps are in operation in 1980 and power cost of 2.1¢ per kilowatt hour.
(1.4 MGD from existing City pumps good for 25 percent of time in 1980)

Pumping Rate GPM	% of Year Rate Applies	12" Pipe		14" Pipe		16" Pipe	
		Cost Based on Use of					
500	50	\$10,877.56	\$10,778.34	\$10,716.13	\$10,716.13	\$10,716.13	\$10,716.13
800	13	4,654.20	4,540.57	4,488.90	4,488.90	4,488.90	4,488.90
1300	12	7,453.96	7,035.54	6,849.58	6,849.58	6,849.58	6,849.58
Total	75	\$22,985.72	\$22,354.45	\$22,054.61	\$22,054.61	\$22,054.61	\$22,054.61

TABLE G

PENALTY IN PUMPING COSTS
OF 12" AND 14" OVER 16" PIPE LINE

<u>Size Pipe</u>	<u>Penalty in Yearly Pumping Costs for 12" & 14" Pipe in 1980</u>	<u>Average Yearly Penalty in Pumping Costs for 12" & 14" Pipe from 1958 to 1980</u>	<u>Total Penalty for 22-Year Period</u>
12	\$931	\$465	\$10,230
14	300	150	3,300

TABLE H

PRINCIPAL AND INTEREST SAVINGS
ON INITIAL COST OF PIPE LINES

<u>Size Pipe</u>	<u>First Cost Pipe Line</u>	<u>Annual Payments to Discharge Debt in 22 Years at 4$\frac{1}{2}$% Interest</u>	<u>Total Cost 22 Years</u>	<u>Savings in Total Cost of 12" & 14" Over 16"</u>
12	\$157,500	\$11,419	\$251,200	\$147,600
14	205,000	14,863	327,000	71,800
16	250,000	18,125	398,800	-

TABLE I

SAVINGS IN TOTAL COSTS
OF 12" AND 14" OVER 16" PIPE LINE

<u>Size Pipe</u>	<u>Savings in Retirement Cost</u>	<u>Pumping Cost Penalty</u>	<u>Net Savings in 22 Years</u>
12	\$147,600	\$10,230	\$137,170
14	71,800	3,300	68,500

Additional power cost for pumping through a 12-inch line is more than offset by the interest on the savings of the first cost for installing a 12-inch line. Therefore, a 12-inch pipe is the largest pipe from the U.S.F.S. well to the existing 720,000 gallon storage tank that can be justified, even if it is assumed that there will be 17,500 people served water by the City of Globe in 1980.

The preceding tables and information are all based on the supposition that the existing sustained capacity for water production will be used as the primary source of supply. The following tables have been developed to show the effect on power cost if the U.S.F.S. well field is used as the primary source for short periods of time.

TABLE J

PERCENT OF TIME - SUPPLY VERSUS DEMAND

<u>Existing Sustained Capacity MGD</u>	<u>Proposed New Pumping Capacity MGD</u>	<u>Total Capacity MGD</u>	<u>% of Year That Supply Meets Demand in 1980</u>	<u>% of Year Supply Does Not Meet Demand(1980)</u>
	0.72 (500 GPM)	0.72	0	100
	1.15 (800 GPM)	1.15	5	95
	1.87 (1300 GPM)	1.87	62	38
1.4	1.87	3.27	98	2

TABLE K

PUMPING COST

Based on time pumps are in operation in 1980 and power cost of 2.1¢ per kilowatt hour

<u>Pumping Rate GPM</u>	<u>% of Year Rate Applies</u>	<u>Cost Based on Use of 12" Pipe</u>	<u>Cost Based on Use of 14" Pipe</u>	<u>Cost Based on Use of 16" Pipe</u>
500	0	\$ -	\$ -	\$ -
800	5	1,790.07	1,746.37	1,726.50
1300	95	59,010.49	55,698.05	54,225.86
Total	100	\$60,800.56	\$57,444.42	\$55,952.36

TABLE I
PENALTY IN PUMPING COSTS
OF 12" AND 14" OVER 16" PIPE LINE

Size Pipe	Penalty in Yearly Pumping Costs for 12" & 14" Pipe in 1980	Average Yearly Penalty in Pumping Costs for 12" & 14" Pipe from 1958 to 1980	Total Penalty for 22-Year Period
12	\$4,848	\$2,424	\$53,328
14	1,492	746	16,412

The savings in total costs of a 12-inch pipe line over a 16-inch pipe line with this pumping procedure would be \$147,600 less \$53,328, or \$94,272 instead of \$137,170.

The Yost and Gardner Report on page 12 states, "Additional storage on the order of 3 million gallons or more could finally be provided in town to meet future fire flow demands. It would be wise to finally provide at least one maximum day's use in storage under any event." On page 9 in the table quoted previously, Yost and Gardner state that the maximum day plus fire flow equal 5.2 and 5.91 million gallons per day for 1956-57 and 1960, respectively. This rate is supposed to be maintained for 10 hours. If the present firm well capacity is 1.4 million gallons per day, and if a 500 and an 800 gallon per minute well are added, the total equals 3.27 million gallons per day rate. The deficiency to be made up from storage is 1.93 to 2.64 million gallons per day rate for 10 hours. At 1.93 million gallons per day rate, 804,000 gallons storage are needed now in 1956-57 and 1,100,000 gallons storage will be needed by 1960. So by using the

data compiled on pages 9 and 11 of the Yost and Gardner Report, the 750,000 gallon reservoir is not large enough for fire protection at present. This is particularly true if it is assumed that the tank is not full at the time of a fire. By 1960 a deficiency in storage of about 500,000 gallons would be experienced if no storage is added now. The lack of storage directly affects the insurance rate of property owners within the present City limits. One million gallons of storage can be built in Globe for about \$43,000.

A change from 16-inch to 12-inch pipe from the well field to the existing tank, and the addition of one million gallons of high level storage can be built for about \$390,000. The plan, including one million gallons of added storage, provides storage needed now for fire protection compared to the plan including a 16-inch transmission main and no additional storage.

The preceding comparisons have been made on the basis of a maximum population served in 1980 of 17,500, as assumed in the Yost and Gardner Report. Perhaps a more realistic evaluation of growth of the City of Globe would be obtained if it were assumed that it would be on a median curve, between the minimum and maximum curve, as shown in Yost and Gardner's Report. This would place its population at 15,000, or approximately double its present population by 1980. The following tables have been prepared to illustrate the supply and demand factors in the year 1980 based on a population of 15,000.

TABLE MREQUIRED WATER PRODUCTION

<u>Year</u>	<u>Population Excluding Transients</u>	<u>Average Day MGD</u>	<u>Max. Day MGD</u>	<u>Max. Hour MGD</u>	<u>Fire Flow Req'd Rate for 10 Hrs.</u>	<u>Rate-Max. Day Plus Fire Flow</u>
1980	15,000	1.50	3.45	6.75	5.46	8.91

TABLE NPERCENT OF TIME - SUPPLY VERSUS DEMAND

<u>Existing Sustained Capacity MGD</u>	<u>Proposed New Pumping Capacity MGD</u>	<u>Total Capacity MGD</u>	<u>% of Year That Supply Meets Demand in 1980</u>	<u>% of Year Supply Does Not Meet Demand(1980)</u>
1.4		1.4	60	40
1.4	0.72 (500 GPM)	2.12	88	12
1.4	1.15 (800 GPM)	2.55	95	5
1.4	1.87 (1300 GPM)	3.27	99.5	0.5

It will be noted that for only 0.5% of the time, or approximately a little over one day out of the year, will the demand exceed the supply; so for all practical purposes, and taking into account the additional elevated storage, it may be considered that the supply meets the demand 100% of the time.

The following table is based on Tables E and N and on pumping from the well field to the tanks only when the existing sustained capacity cannot meet the demand.

TABLE OPUMPING COST

Based on time pumps are in operation in 1980
 and power cost of 2.1¢ per kilowatt hour
 (1.4 MGD from existing City pumps good for 60% of the time in 1980)

<u>Pumping Rate GPM</u>	<u>% of Year Rate Applies</u>	<u>Cost Based on Use of 12" Pipe</u>	<u>Cost Based on Use of 14" Pipe</u>	<u>Cost Based on Use of 16" Pipe</u>
500	28	\$ 6,091.43	\$ 6,035.87	\$ 6,001.03
800	7	2,506.11	2,444.92	2,417.10
1300	5	<u>3,105.81</u>	<u>2,931.48</u>	<u>2,853.99</u>
Total	40	\$11,703.35	\$11,412.27	\$11,272.12

TABLE P
PENALTY IN PUMPING COSTS
OF 12" AND 14" OVER 16" PIPE LINE

<u>Size Pipe</u>	<u>Penalty in Yearly Pumping Costs for 12" & 14" Pipe in 1980</u>	<u>Average Yearly Penalty in Pumping Costs for 12" & 14" Pipe from 1958 to 1980</u>	<u>Total Penalty for 22-Year Period</u>
12	\$431	\$215	\$4,730
14	140	70	1,540

TABLE Q
PRINCIPAL AND INTEREST SAVINGS
ON INITIAL COST OF PIPE LINES

<u>Size Pipe</u>	<u>First Cost Pipe Line</u>	<u>Annual Payments to Discharge Debt in 22 Years at 4 1/2% Interest</u>	<u>Total Cost 22 Years</u>	<u>Savings in Total Cost of 12" & 14" Over 16"</u>
12	\$157,500	\$11,419	\$251,200	\$147,600
14	205,000	14,863	327,000	71,800
16	250,000	18,125	398,800	-

TABLE R
SAVINGS IN TOTAL COSTS
OF 12" AND 14" OVER 16" PIPE LINE

<u>Size Pipe</u>	<u>Savings in Retirement Cost</u>	<u>Pumping Cost Penalty</u>	<u>Net Savings in 22 Years</u>
12	\$147,600	\$4,730	\$142,870
14	71,800	1,540	70,260

By examining the above tables, it is apparent that the 12-inch transmission main is the largest size justifiable.

On Maps A, B, C, and D we have illustrated fourteen alternate ways of improving the City of Globe's water supply from wells on Forest Service land east of Globe. The estimate of cost for each alternate is tabulated on the appropriate map.

Two routes from the wells to the City reservoir have been considered, one along U. S. Highway 70 and the second along U. S. 70 to the Southern Pacific Railway and then following the railroad to the existing booster station and then to the existing reservoir.

The estimates cover both 12- and 16-inch transmission mains, and both a booster station near the new well and near the present booster station.

The estimates cover a one million gallon reservoir at Crestline and near the U. S. 60 turn-off.

Table S lists the plans in order of their cost.

TABLE S

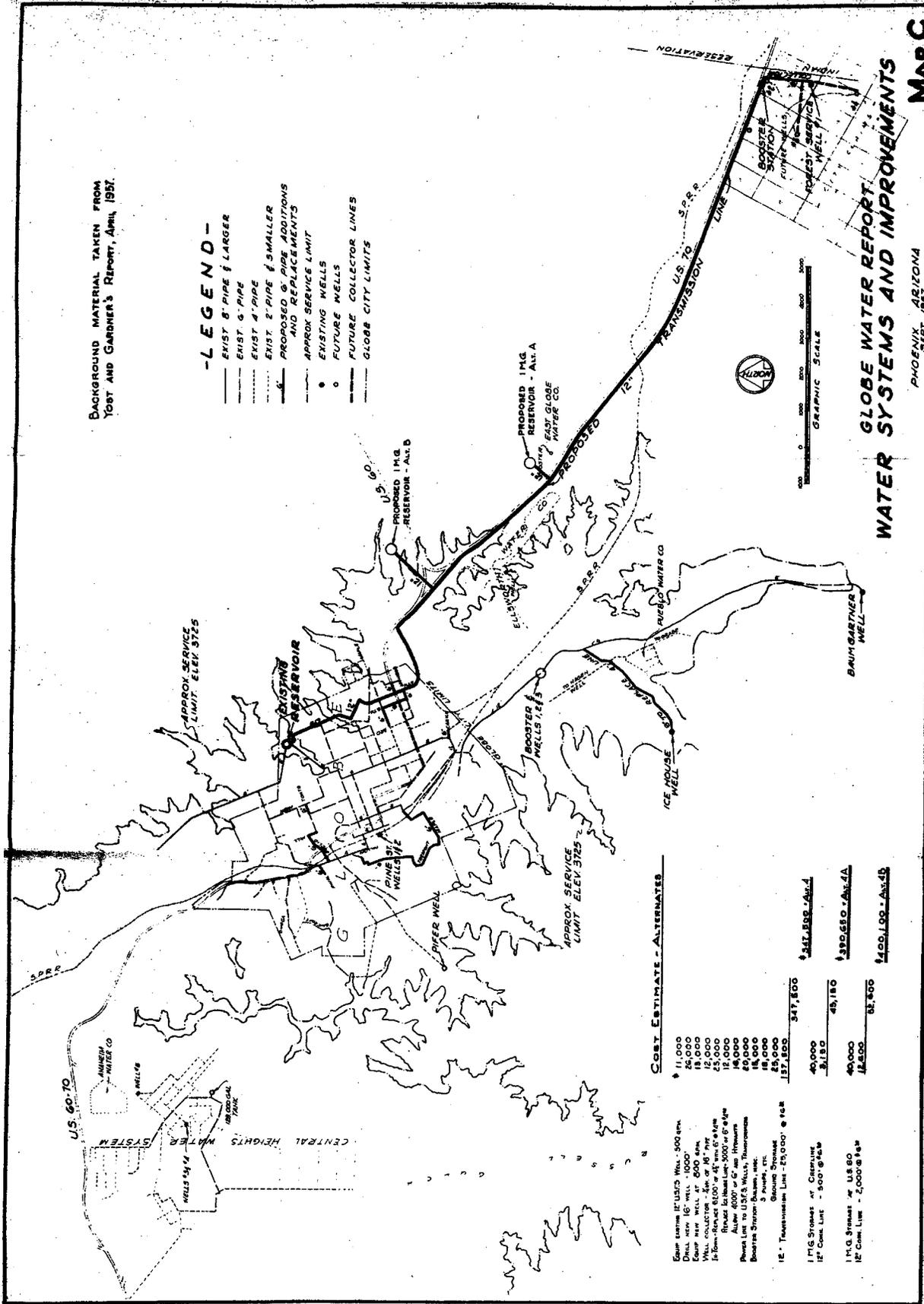
<u>Alter- nate Plan</u>	<u>Cost Estimate</u>	<u>Size Line</u>	<u>Description</u>		
			<u>Ground Storage Located</u>	<u>Booster Station Located</u>	<u>Route</u>
6	\$342,840	12"	None	Well No. 1	SPRR
4	347,500	12"	None	USFS Well Field	US 70
5	357,640	12"	None	USFS Well Field	SPRR
4A	390,650	12"	Crestline	USFS Well Field	US 70
4B	400,100	12"	US 60	USFS Well Field	US 70
6A	411,190	12"	US 60	Well No. 1	SPRR
5A	425,990	12"	US 60	USFS Well Field	SPRR
3	435,200	16"	None	Well No. 1	SPRR
1	440,000	16"	None	USFS Well Field	US 70
2	450,000	16"	None	USFS Well Field	SPRR
1A	483,150	16"	Crestline	USFS Well Field	US 70
1B	492,600	16"	US 60	USFS Well Field	US 70
3A	503,550	16"	US 60	Well No. 1	SPRR
2A	518,350	16"	US 60	USFS Well Field	SPRR

We believe that one million gallons of storage should be constructed now, and that a 12-inch supply line is as large as is justified.

Table S shows that Plan 4A is the lowest cost plan that meets the above requirement. The cost of Plan 4A is \$390,650.

BACKGROUND MATERIAL TAKEN FROM
YOST AND GARDNER'S REPORT, APRIL 1957.

- LEGEND -**
- EXIST 8" PIPE & LARGER
 - EXIST 6" PIPE
 - EXIST 4" PIPE
 - EXIST 2" PIPE & SMALLER
 - PROPOSED 8" PIPE ADDITIONS AND REPLACEMENTS
 - APPROX SERVICE LIMIT
 - EXISTING WELLS
 - FUTURE WELLS
 - FUTURE COLLECTOR LINES
 - GLOBE CITY LIMITS



COST ESTIMATE - ALTERNATES

11,000	\$117,800 - Alt. A
26,000	
12,000	
25,000	\$130,650 - Alt. A
12,000	
14,000	
4,000	
18,000	
25,000	
127,850	\$426,100 - Alt. B
40,000	
3,150	
40,000	
12,500	
	\$2,800

12" Transmission Line - \$5,000' @ 12¢
 12" Collector Line - \$100 @ 12¢

**GLOBE WATER REPORT
WATER SYSTEMS AND IMPROVEMENTS**

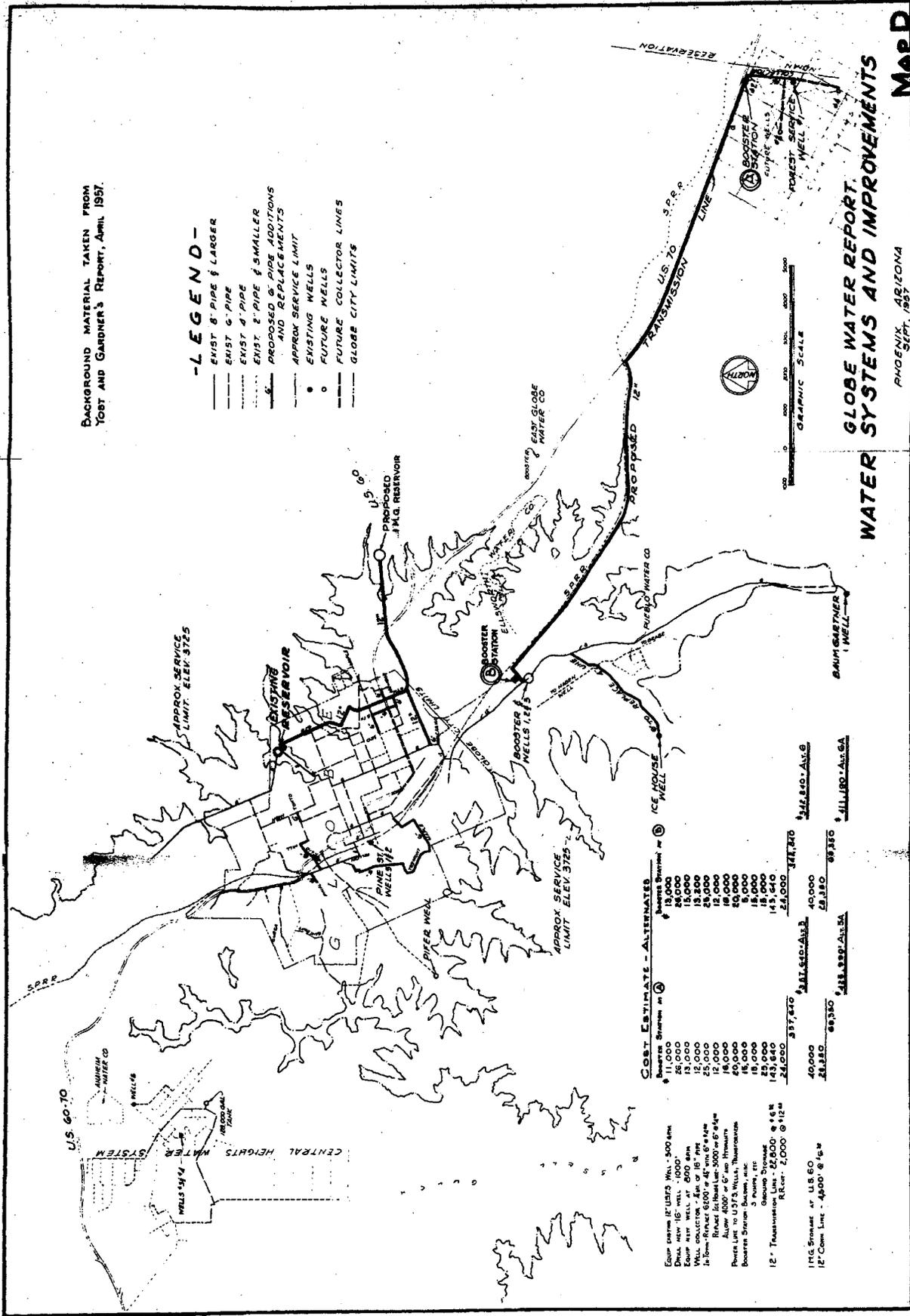
MAP C

PHOENIX, ARIZONA
SEPT. 1957

BACKGROUND MATERIAL TAKEN FROM
YOST AND GARDNER'S REPORT, APRIL 1957.

- LEGEND -

- EXIST 6" PIPE & LARGER
- EXIST 4" PIPE
- EXIST 2" PIPE & SMALLER
- - - PROPOSED 6" PIPE ADDITIONS AND REPLACEMENTS
- - - APPROX SERVICE LIMIT
- EXISTING WELLS
- FUTURE WELLS
- FUTURE COLLECTOR LINES
- GLOBE CITY LIMITS



COST ESTIMATE - ALTERNATES

Booster Station in (A)	Booster Station in (B)
10,000	10,000
15,000	15,000
20,000	20,000
25,000	25,000
30,000	30,000
35,000	35,000
40,000	40,000
45,000	45,000
50,000	50,000
55,000	55,000
60,000	60,000
65,000	65,000
70,000	70,000
75,000	75,000
80,000	80,000
85,000	85,000
90,000	90,000
95,000	95,000
100,000	100,000
105,000	105,000
110,000	110,000
115,000	115,000
120,000	120,000
125,000	125,000
130,000	130,000
135,000	135,000
140,000	140,000
145,000	145,000
150,000	150,000
155,000	155,000
160,000	160,000
165,000	165,000
170,000	170,000
175,000	175,000
180,000	180,000
185,000	185,000
190,000	190,000
195,000	195,000
200,000	200,000
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210,000	210,000
215,000	215,000
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225,000	225,000
230,000	230,000
235,000	235,000
240,000	240,000
245,000	245,000
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380,000	380,000
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390,000	390,000
395,000	395,000
400,000	400,000
405,000	405,000
410,000	410,000
415,000	415,000
420,000	420,000
425,000	425,000
430,000	430,000
435,000	435,000
440,000	440,000
445,000	445,000
450,000	450,000
455,000	455,000
460,000	460,000
465,000	465,000
470,000	470,000
475,000	475,000
480,000	480,000
485,000	485,000
490,000	490,000
495,000	495,000
500,000	500,000

Equip cost per 1000 ft. Well - 5000
 Drill new 18" well - 1000
 Equip new well at 200 ft
 Well collector - 2 in. or 18" pipe
 10 ft. collector - 2 in. or 18" pipe
 10 ft. collector - 2 in. or 18" pipe
 Allow 4000' or 5' and 1000 ft
 Power line to U.S. 70 Wells, 1000 ft
 Booster Station Building, etc.
 12" Transmission Line - 25,000 @ 15¢
 12" Trans. 2,000 @ 15¢

1116 Street at U.S. 60
 12" Com. Line - 4000' @ 15¢

**GLOBE WATER REPORT.
WATER SYSTEMS AND IMPROVEMENTS**

PHOENIX, ARIZONA
SEPT. 1957

MAP D

ARIZONA WATER COMPANY

3805 N. BLACK CANYON HIGHWAY, PHOENIX, ARIZONA 85015-5351 • P.O. BOX 29006, PHOENIX, AZ 85038-9006
PHONE: (602) 240-6860 • FAX: (602) 240-6874 • TOLL FREE: (800) 533-6023 • www.azwater.com

September 10, 2015

Robin R. Mitchell, Attorney
Legal Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

RECEIVED

SEP 15 2015

ARIZONA WATER COMPANY
PHOENIX, ARIZONA

Blessing Chukwu, Utilities Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

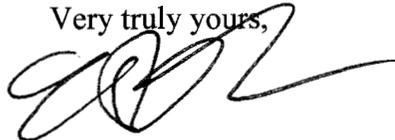
Re: Arizona Water Company's Responses to Staff's Third Set of Data Requests to
Arizona Water Company re: Docket No. W-01445A-14-0305

Dear Mmes. Mitchell and Chukwu:

Please find enclosed Arizona Water Company's **Response to Staff's Third Set of Data Requests** in the above-referenced docket and the rate comparison Ms. Mitchell requested. This data response is provided via both mail and email delivery.

If you have any questions, please do not hesitate to contact me.

Very truly yours,



E. Robert Spear
General Counsel

hac
Enclosures

c: William J. Sims, III
Sims Murray, Ltd.
2020 N. Central Avenue, Suite 670
Phoenix, AZ 85004

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

**ARIZONA WATER COMPANY'S RESPONSES TO
ARIZONA CORPORATION COMMISSION
STAFF'S THIRD SET OF DATA REQUESTS TO
ARIZONA WATER COMPANY
DOCKET NO. W-01445A-14-0305
September 10, 2015**

Company Response Number: STF 3-1

Q. When did you discover that the City of Globe was serving in the disputed areas?

A. Objection. This data request calls for information that is irrelevant to the issues in this case. A.R.S. § 9-516(A) states: "It is declared as the public policy of the state that when adequate public utility service under authority of law is being rendered in an area, within or without the boundaries of a city or town, a competing service and installation shall not be authorized, instituted, made or carried on by a city or town unless or until that portion of the plant, system and business of the utility used and useful in rendering such service in the area in which the city or town seeks to serve, has been acquired." (Emphasis added). Globe stated on the record at the March 4, 2015 status conference and oral argument on Arizona Water Company's motion to dismiss before Administrative Law Judge Paternoster that it does not challenge the adequacy of Arizona Water Company's service. *See* March 4, 2015 Status Conference, Reporter's Transcript of Proceedings at 24:5-7 ("...this is not a deletion case. This is not a complaint case. Neither one of those things apply."); and at 24:20-21 ("So it is not a deletion of their service territory."). Accordingly, the date that Arizona Water Company discovered the extent of Globe's unlawful usurpation of the Company's exclusive CCN area has no relevance as to whether Globe may legally institute or carry on service there.

Notwithstanding the foregoing objection, Arizona Water Company first learned that Globe was serving its customers in the Southern Disputed Area on or about February 2, 2012, and first learned that Globe was serving its customers in the Northern Disputed Area on or about December 5, 2013. *See* Aug. 1, 2012 Notice of Claim (produced with the Company's June 4, 2015 Suppl. Resp. to Globe's First Set of Data Requests); June 3, 2014 Notice of Claim (GLOBE00371-388).

Response provided by:	Fredrick K. Schneider, P. E.
Title:	Vice President – Engineering
Address:	3805 North Black Canyon Highway Phoenix, AZ 85015

**ARIZONA WATER COMPANY'S RESPONSES TO
ARIZONA CORPORATION COMMISSION
STAFF'S THIRD SET OF DATA REQUESTS TO
ARIZONA WATER COMPANY
DOCKET NO. W-01445A-14-0305
September 10, 2015**

Company Response Number: STF 3-2

Q. Please provide a redacted listing of Arizona Water customers being served by Arizona Water in the disputed areas.

A. *See Arizona Water Company's responses to STF 1-8 and STF 1-9. In its petition, Globe defined the Northern Disputed Area and the Southern Disputed Area to include only those locations where it unlawfully instituted and continues to unlawfully carry on a competing water service within Arizona Water Company's exclusive CCN area in violation of A.R.S. §9-516(A). Accordingly, Arizona Water Company does not currently serve customers in the disputed areas.*

The Company remains ready, willing, and able to provide water service to customers within the disputed areas and believes that service can be switched over to Arizona Water Company's water system quickly and efficiently.

Response provided by:	Fredrick K. Schneider, P. E.
Title:	Vice President – Engineering
Address:	3805 North Black Canyon Highway Phoenix, AZ 85015

**ARIZONA WATER COMPANY'S RESPONSES TO
ARIZONA CORPORATION COMMISSION
STAFF'S THIRD SET OF DATA REQUESTS TO
ARIZONA WATER COMPANY
DOCKET NO. W-01445A-14-0305
September 10, 2015**

Company Response Number: STF 3-3

Q. Did Arizona Water provide water service to any of the mines, specifically Miami Copper, Old Dominion or Inspiration Copper?

A. To the best of its knowledge, Arizona Water Company never provided water service to the Old Dominion Mine, but has provided water service to its successors at various times and in various places throughout its Miami CCN area, but not in the disputed areas. To the best of its knowledge, Arizona Water Company provided water service to Miami Copper and Inspiration Copper and their successors at various times and in numerous locations throughout its Miami CCN area, but not in the disputed areas. Arizona Water Company continues to provide water service to the successors of these mines in various locations throughout its Miami division CCN area, but not in the disputed areas.

Response provided by: Fredrick K. Schneider, P. E.
Title: Vice President – Engineering
Address: 3805 North Black Canyon Highway
 Phoenix, AZ 85015

**ARIZONA WATER COMPANY'S RESPONSES TO
ARIZONA CORPORATION COMMISSION
STAFF'S THIRD SET OF DATA REQUESTS TO
ARIZONA WATER COMPANY
DOCKET NO. W-01445A-14-0305
September 10, 2015**

Company Response Number: STF 3-4

Q. Please provide any information you may have regarding the ownership of East Globe Water Company.

A. Arizona Water Company has no information regarding the ownership of East Globe Water Company before the City of Globe purchased it.

Response provided by: Fredrick K. Schneider, P. E.
Title: Vice President – Engineering
Address: 3805 North Black Canyon Highway
 Phoenix, AZ 85015

**ARIZONA WATER COMPANY'S RESPONSES TO
ARIZONA CORPORATION COMMISSION
STAFF'S THIRD SET OF DATA REQUESTS TO
ARIZONA WATER COMPANY
DOCKET NO. W-01445A-14-0305
September 10, 2015**

Company Response Number: STF 3-5

Q. Does the Company have any other documentation supporting its 1961 CC&N Application?

A. Arizona Water Company has not been able to locate any records from its 1961 CCN Application, as described in the testimony of William M. Garfield, filed on August 17, 2015, at pg. 11 lines 7-16, which details the Company's search. Arizona Water Company discovered the documents it has produced in this matter, including those attached to the testimony of Fredrick K. Schneider and William M. Garfield, during research it recently conducted for this matter. Arizona Water Company currently has no additional documentation but will supplement the record pursuant to the August 4, 2015 procedural order if it discovers more documentation.

Response provided by: Fredrick K. Schneider, P. E.
Title: Vice President – Engineering
Address: 3805 North Black Canyon Highway
 Phoenix, AZ 85015

Arizona Water Company
Comparison of Rates by Meter Size and Class

Residential 5/8 x 3/4-Inch			
Average Usage ¹ 6,321 gallons			
	Rate	Gallon Cap per Tier	Charges
Arizona Water Company			
Minimum Charge	\$ 22.260		\$ 22.26
1st Tier - per 1,000 gallons	\$ 1.634	3,000	\$ 4.90
2nd Tier - per 1,000 gallons	\$ 3.327	10,000	\$ 11.05
3rd Tier - per 1,000 gallons	\$ 4.797		\$ -
MAP	\$ 0.180		\$ 0.18
Total Charges - Arizona Water Company			<u>\$ 38.39</u>
City of Globe - Outside City			
Minimum Charge	\$ 23.400		\$ 23.40
1st Tier - per 1,000 gallons ²	\$ 3.960	4,000	\$ 15.84
2nd Tier - per 1,000 gallons ²	\$ 4.400	25,000	\$ 10.21
3rd Tier - per 1,000 gallons ²	\$ 5.540		\$ -
NCFWF	\$ 1.700		\$ 1.70
Bond Issue Debt Retirement	\$ 8.000		\$ 8.00
Total Charges - City of Globe			<u>\$ 59.15</u>
Arizona Water Company Increase/(Decrease) Compared to City of Globe			<u>\$ (20.76)</u>

Commercial 5/8 x 3/4-Inch			
Average Usage ¹ 7,468 gallons			
	Rate	Gallon Cap per Tier	Charges
Arizona Water Company			
Minimum Charge	\$ 22.260		\$ 22.26
1st Tier - per 1,000 gallons	\$ 3.327	10,000	\$ 24.85
2nd Tier - per 1,000 gallons	\$ 4.797		\$ -
MAP	\$ 0.180		\$ 0.18
Total Charges - Arizona Water Company			<u>\$ 47.29</u>
City of Globe - Inside City			
Minimum Charge	\$ 8.950		\$ 8.95
1st Tier - per 1,000 gallons ²	\$ 3.220	4,000	\$ 12.88
2nd Tier - per 1,000 gallons ²	\$ 3.610	25,000	\$ 12.52
3rd Tier - per 1,000 gallons ²	\$ 4.570		\$ -
CFWF	\$ 1.700		\$ 1.70
Bond Issue Debt Retirement	\$ 8.000		\$ 8.00
Total Charges - City of Globe			<u>\$ 44.05</u>
Arizona Water Company Increase/(Decrease) Compared to City of Globe			<u>\$ 3.24</u>

¹Average Usage is Arizona Water Company's average consumption for Residential and Commercial customers with a 5/8-Inch meter in the Superstition system from Schedule H-2 of the rate application filed in Docket No. W-01445A-11-0310.

²City of Globe's usage rates are published as per 100 gallons of water but adjusted to per 1,000 gallons of water for comparative purposes.

STAFF'S ATTACHMENT D

**NOTICE OF HEARING FOR
DOCKET NO. U-1445**

BEFORE THE ARIZONA CORPORATION COMMISSION

UTILITY HEARINGS TO BE HELD BEFORE THE ARIZONA CORPORATION COMMISSION ON MONDAY, SEPTEMBER 11, 1961, AT THE HOUR OF 10:00 O'CLOCK A. M. OF SAID DAY, IN THE COMMISSION HEARING ROOM, CAPITOL ANNEX BUILDING, PHOENIX, ARIZONA.

DOCKET NO.

CASE

U-1798

IN THE MATTER OF THE APPLICATION OF SUNSET WATER COMPANY FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY TO CONSTRUCT, OPERATE AND MAINTAIN A PUBLIC UTILITY WATER SYSTEM IN THE W $\frac{1}{2}$ OF SECTION 18, TOWNSHIP 19 NORTH, RANGE 17 WEST, AND SECTIONS 14, 21, 22, 23, 24 AND 26, TOWNSHIP 19 NORTH, RANGE 18 WEST, G&SRB&M, MOHAVE COUNTY, ARIZONA.

U-1445

IN THE MATTER OF THE PETITION OF ARIZONA WATER COMPANY FOR INCREASE OF AREA TO BE SERVED AT MIAMI, ARIZONA TO INCLUDE BEGINNING AT THE NE CORNER OF SECTION 30, T 1 N, R 15 E; THENCE WESTERLY APPROXIMATELY 3 MILES; THENCE SOUTHERLY APPROXIMATELY 1-1/2 MILES; THENCE WESTERLY APPROXIMATELY 1 MILE; THENCE SOUTHERLY APPROXIMATELY 1/2 MILE; THENCE WESTERLY APPROXIMATELY 1-1/2 MILES TO THE NW CORNER OF SECTION 4, T 1 S, R 14 E; THENCE SOUTHERLY TO THE SW CORNER OF THE NW $\frac{1}{4}$ OF SECTION 9, T 1 S, R 14 E; THENCE EASTERLY TO THE SE CORNER OF THE NE $\frac{1}{4}$ OF SECTION 10, T 1 S, R 14 E; THENCE NORTHERLY TO THE NW CORNER OF SECTION 11, T 1 S, R 14 E; THENCE EASTERLY TO THE SE CORNER OF SECTION 1, T 1 S, R 14 E; THENCE NORTHERLY APPROXIMATELY $\frac{1}{2}$ MILE; thence easterly approximately 1- $\frac{1}{2}$ MILES TO THE SW CORNER OF SECTION 6, T 1 S, R 15 E; THENCE NORTHERLY TO THE POINT OF BEGINNING, ALL G&SRB&M, GILA COUNTY, ARIZONA.

U-1445
Arizona Corporation Commission
DOCKETED

SEP 31 1961

DOCKETED BY

IN THE MATTER OF THE PETITION OF ARIZONA WATER COMPANY FOR INCREASE OF AREA TO BE SERVED AT CENTRAL HEIGHTS, ARIZONA DESCRIBED AS BEGINNING AT THE SE CORNER OF THE SW $\frac{1}{4}$ OF SECTION 26, T 1 N, R 15 E; THENCE WESTERLY TO THE SW CORNER OF THE SE $\frac{1}{4}$ OF THE SW $\frac{1}{4}$, SECTION 28, T 1 N, R 15 E; thence NORTHERLY TO THE NW CORNER OF THE NE $\frac{1}{4}$ OF THE SW $\frac{1}{4}$ SECTION 16, T 1 N, R 15 E; THENCE EASTERLY TO THE NE CORNER OF THE SW $\frac{1}{4}$ SECTION 14, T 1 N, R 15 E; THENCE SOUTHERLY TO THE POINT OF BEGINNING, ALL G&SRB&M, GILA COUNTY, ARIZONA.

U-1445

IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY TO SERVE THE VICINITY OF FLORENCE JUNCTION, ARIZONA DESCRIBED AS BEGINNING AT THE NE CORNER OF SECTION 1, T 2 S, R 10 E; THENCE WESTERLY TO THE NW CORNER OF SECTION 1, T 2 S, R 9 E; SOUTHERLY TO THE SW CORNER OF SECTION 36, T 2 S, R 9 E; THENCE EASTERLY TO THE SE CORNER OF SECTION 36, T 2 S, R 10 E; THENCE NORTHERLY TO THE POINT OF BEGINNING, ALL G&SRB&M, PINAL COUNTY, ARIZONA.

U-1799

IN THE MATTER OF THE APPLICATION OF RAINBOW VALLEY IRRIGATION COMPANY, AN ARIZONA CORPORATION, FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY TO OPERATE A MUTUAL IRRIGATION WATER SYSTEM TO SERVE SECTION 14; NE $\frac{1}{4}$ and E $\frac{1}{2}$ of SE $\frac{1}{4}$ of SECTION 15; SECTION 22; E $\frac{1}{2}$ OF SECTION 23; E $\frac{1}{2}$ OF SECTION 25; W $\frac{1}{2}$ OF SECTION 26; SECTION 27; SE $\frac{1}{4}$ OF SECTION 34 and the SW $\frac{1}{4}$ OF SECTION 35, ALL T 2 S, R 2 W, G&SRB&M, MARICOPA COUNTY, ARIZONA.

UTILITY HEARINGS
PHOENIX, ARIZONA
SEPTEMBER 11, 1961
PAGE 2

DOCKET NO.

CASE

U-1800

IN THE MATTER OF THE APPLICATION OF DOODLEBUG WATER COMPANY, AN ARIZONA NON-PROFIT CORPORATION, FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY TO CONSTRUCT, OPERATE AND MAINTAIN A MUTUAL WATER SYSTEM FOR THE PURPOSE OF FURNISHING DOMESTIC WATER TO ITS MEMBERS IN OAK CLIFFS SUBDIVISION AND OTHER AREA DESCRIBED AS ALL THAT PORTION OF THE NW $\frac{1}{4}$ NW $\frac{1}{4}$ OF SECTION 19, TOWNSHIP 17 NORTH, RANGE 6 EAST, OF THE G&SR&M, COCONINO COUNTY, ARIZONA, LYING WEST OF THE CENTER LINE OF OAK CREEK, AND SPECIFICALLY INCLUDING ALL OF OAK CREEK CLIFFS, A SUBDIVISION AS SHOWN BY MAP OF RECORD IN THE OFFICE OF THE COUNTY RECORDER, COCONINO COUNTY, ARIZONA, CASE 1 OF MAPS, MAP 101, AND OF SUCH OTHER PROPERTY NEAR OR ADJACENT THERETO AS MAY BE DESIGNATED BY THE BY LAWS OF THE CORPORATION.

U-1801

IN THE MATTER OF THE APPLICATION OF OVERGAARD WATER COMPANY FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY TO CONSTRUCT, OPERATE AND MAINTAIN A DOMESTIC WATER SYSTEM IN THE AREA DESCRIBED AS ALL OF SECTION 33, T 12 N, R 17 E, EXCEPT THAT PORTION, IF ANY SERVED BY McNARY UTILITIES CO.; THE EAST HALF (E $\frac{1}{2}$) OF SECTION 32, T 12 N, R 17 E, EXCEPT THAT PORTION SERVED BY McNARY UTILITIES CO.; AND THE SOUTHEAST QUARTER (SE $\frac{1}{4}$) OF SECTION 29, T 12 N, R 17 E, G&SR&M, NAVAJO COUNTY, ARIZONA.

DATED at Phoenix, Arizona this 31st day of August, 1961.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

FRANCIS J. BYRNES
SECRETARY

Notices mailed to following, for hearing of 9-11-61.

Earl Carroll
Max A. Springer - Box 488 - Peoria
Kearich J. Thiele - Box 488 - Peoria
Mohave County Board of Supervisors - Kingman
Sacramento Valley Water Co, c/o George M. Hill
Walter E. Craig - Arthur Johnson, from Fennema, Craig, Allen & McCleenan
Carl Schmidt - Arizona Water Co.
Arizona Water Co. - Miami
Citizens Utilities Co, Attn: John Gibbs
East Globe Water Co, c/o Navor Procter
Louis B. Ellsworth, Sr. - Globe
Hagan Const. & the Pueblo Water Co. - Globe
Westover, Mansfield, Westover & Coppie - Box 551 - Yuma, Attn: Mr. Coppie
Yuma County Board of Supr.
Rainbow Valley Irrigation Co- c/o Wm. P. Coppie
Deedlebug Water Company c/o E. V. Staude - Sedona
" " " c/o Marguerite B. Staude - Sedona
" " " c/o L. G. Kumanz - Sedona
James Morbie - Sedona Water Company - Sedona
Coconino County Board of Supervisors - Flagstaff
Oak Creek Heights Water Assoc. c/o Walter Zaharek, Sedona
Favour & Quail - Attn. John M. Favour
League of Ariz. Cities & Towns Attn: John J. DeBolska
E. R. Orth
Hardy Scott
Mark Crumley
Martie Bozar
Robert W. Pickrell
State Land Dept. - Attn. Louis Duncan
Daniel E. Moore - Bisbee
Dushan S. Vlahovich - Atty. Bisbee
Lloyd W. Golder III - Tucson
Hall & Jones - Attn. Mr. Hall, Mr. Jones- Tucson
Langmade & Langmade
Robert W. Debolt - Viking Supply Corp. Phoenix
C. C. Childress " " " Tucson
S. H. Rylie - Arizona Oil Reporter
General Services Administration
Martin T. Ferris - A. S. U.
Ralph Painter
Salt River Water Users Assoc. Attn. Robert Moore, Mr. Alexander, F. E. Smith
Bert Smith - Nogales
Merchant, Parkman, Miller & Pitt - Attn. J. Emory Barker - Tucson, Henry R. Merchant
Darnell, Holessapple, McFall & Spaid- Attn. Mr. McFall, Holessapple
Cells & Barr Engineers - Tucson
Laney & Laney Attn. Lynn M. Laney
Mark Raymond, Chief Eng. - Maricopa County Mun. Water Cons. Dist. #1 - Peoria
George L. Ellis
Lewis, Kocs, Seoville, Basuchamp & Linton Attn. Record Room
Mohave County Miner - Kingman
Arizona Silver Belt - Miami
Gila County Board of Supervisors - Globe
Final " " " - Florence
Maricopa " " " Phoenix
Bur. of Sanitation
James M. Wilson - Atty. Sedona
Arizona News Service - Robert Crighton
John Kendall, Ariz. Mgr. United Press International
E. W. Duhane
A. B. Spector
Mr. H. W. Wittman - Phoenix
M. D. Brown - Atty. Phoenix
Jennings, Strouss, Salmon & Trask Attn. Charles L. Strouss, Jr., R. Jennings,
C. R. Hoover
Mr. L. B. Bell - Phoenix
Newell Kring c/o Goodyear Farms - Litchfield Park
City of Phoenix- Meyer, City Clerk, City Mgr., City Attorney
Mr. P. B. Klutha - Kaiser Steel Corp. Denver
Hester, Bartlett & Penn - Phoenix
Div. of Water & Sewer Attn. Mr. Travani

Hearing notices for 9-15-61 were sent to the following:

Page 2

Frank G. & Rose N. Fowler - National City, Calif.

Snell & Wilmer - Attn. Mr. Wilmer

S. Paul Ferris - Atty. Phoenix

Newshire Farms, Inc. - Phoenix

C. R. Palmstater, Mayor - Town of Goodyear

Arlene Russell, City Clerk - City of Chandler

Cunningham, Carson & Messinger Attn. Ed. Lowry

Juanita W. McCartney - Casa Grande

Virgil W. Chandler - Atty. Phoenix

Helen L. Shaw

Guynn, Tutty & Sievright Attn. Mr. Sievright

Mr. & Mrs. T. I. Reynolds - Casa Grande

Clarence B. Nystuen - Casa Grande

Mr. Ivan H. Bullock - Phoenix

Mr. & Mrs. Cloud A. Sheppard - Phoenix

Scottsdale Progress Attn. Katy Worth

Southwest Lumber Mills, Inc. - McNary

Don G. Pass - Phoenix

" " - Scottsdale

J. A. Armstrong, Mgr. - McNary Utilities Co. - Phoenix

Zane Parham - Overgaard, Arizona

William Ed Cole - Phoenix

Nevado County Board of Supervisors - Holbrook

Roland Fish - McNary

M. S. M. Hater Co. - Phi.

STAFF'S ATTACHMENT E

ARIZONA SILVER BELT ARTICLE

Arizona Silver Belt

Miami, Fla., Thursday, September 21, 1934

Council fails to meet; members again absent

The Silver Belt Council failed to meet last night because of business pre-occupations. The meeting was held at 8 o'clock and was attended by a number of members. The meeting was held at 8 o'clock and was attended by a number of members. The meeting was held at 8 o'clock and was attended by a number of members.

Sotelo to write new Belt column

The Silver Belt is pleased to announce a new weekly writer for its "Sports" column. Joe Sotelo, a well-known sports writer, will be writing for the new column. Sotelo is a well-known sports writer and has written for the Silver Belt for many years.



First-week winner

Mrs. Verlean Boston, right, of Van Vleet Court, was the first-week winner in the contest for the best dress. She won the contest for the best dress. She won the contest for the best dress.

Weed disease world's copper

The world's copper supply is being threatened by a new disease of the weed. The disease is a new disease of the weed. The disease is a new disease of the weed.

New policeman on Miami force

The Town of Miami has a new policeman as of Sept. 1. The new policeman is a new policeman. The new policeman is a new policeman.

B.I. analyzes

The B.I. analyzes the situation in the area. The B.I. analyzes the situation in the area. The B.I. analyzes the situation in the area.



Belt paper girl saves for bonds

Judy Taylor, 10, daughter of Mrs. Muffel Taylor, Golden Hill, Miami, is one of the Silver Belt's "Paper Girls" who are saving for bonds. Judy Taylor is one of the Silver Belt's "Paper Girls" who are saving for bonds.

Recorder notes busy August

Transactions in the Dade Recorder's office during August totaled 432. The recorder's office is busy with transactions. The recorder's office is busy with transactions.

Area enrollment remains stable

The enrollment in the area remains stable. The enrollment in the area remains stable. The enrollment in the area remains stable.

Two county fairs planned this year

The Dade County Fair will be held at Pine and Sept. 28 at Young, Palmetto County fair will be held at Pine and Sept. 28 at Young. The Dade County Fair will be held at Pine and Sept. 28 at Young.

Hearing slated on fringe zones

A public hearing on the zoning plan for the fringe zones of Glade-Miami has been set for Sept. 22. A public hearing on the zoning plan for the fringe zones of Glade-Miami has been set for Sept. 22.

Miami area water set for hearing

Two matters affecting the Miami area will be discussed before the Arizona Corporation Commission at a public hearing. Two matters affecting the Miami area will be discussed before the Arizona Corporation Commission at a public hearing.

Weather

Thursday 87-90
Friday 85-88
Saturday 83-86
Sunday 81-84

Yet representative due

Ralph K. Wheeler, representative of the Arizona Veterans Service Commission, will be at Miami Town Hall from noon to 1 p.m. on Wednesday, Sept. 23. Ralph K. Wheeler, representative of the Arizona Veterans Service Commission, will be at Miami Town Hall from noon to 1 p.m. on Wednesday, Sept. 23.

Think it over

Have two dogs, a cat, a bird, and a fish, she said. Have two dogs, a cat, a bird, and a fish, she said.



Arizona Silver Belt

Miami, Arizona, Thursday, September 7, 1961

10¢ a copy

Wright fails to meet; Sotelo to write new Belt column

The Silver Belt is pleased to announce a new sports writer and to introduce his weekly column, "Sports of Sorts."

Joe Sotelo, the new columnist, is a janitor at Miami High School. You will find a feature about him elsewhere in this issue. His new column appears in the sports section starting this week.

We welcome Joe, and we're sure you won't mind his nice, timely, informative, too writes for you. With football season just around the corner, his "inside the locker room" reports will be of special interest, and "Sports of Sorts" will bring you choice sidelights and anecdotes that don't always make the news headlines.

Recorder notes busy August

Transactions in the City Recorder's office during August totaled 439. Doris Parkin, recorder, said. Cash paid to the county treasurer was \$1027.25.

Weed discards world's copper

H. C. Weed, vice-president and general manager of International Consolidated Copper Co., but when his week discussed the status of U.S. copper in relation to free world production and the price of copper in America's copper market.

He said that the fifth in the nation and Arizona's aggregate is equal to that of the United States. As a situation, he said, the world's largest user of copper and its greatest producer, he said.

Following is an account of United States production. A 7.5 per cent increase in copper companies surpassed Inspiration, Dodge, and others.



New policeman on Miami force

The Town of Miami has a new policeman as of Sept. 1 — the first man of Spanish extraction in the history of the Miami Police Department.

Paul Gonzalez, 49, was added to the force and went to work on the night shift Friday. Gonzalez has been a Miamian

Electron at post office as second-class matter under Act of Congress March 3, 1911.



Photo

ated Zones

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Miami has been
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news of actual duty instead of
10 hours, considering an hour
off for meals.

The appointment of Gonzales
is on a probationary basis, May-
or L. F. Franco said, and Gon-
zales said he understands the
basis of his appointment.

Miami area water set for hearing

Two matters affecting the
Miami area will be discussed
before the Arizona Corporation
Commission at a public hearing
Monday.

Both matters concern peti-
tions of the Arizona Water
Company to increase its area
of service, one in Miami, the
other in Central Heights. Both
matters appear under Docket
No. U-1445.

The hearings are scheduled
for 10 a.m. Monday in the Com-
mission hearing room, Capitol
Annex Building, Phoenix.

George Ihrig, Mountain Dis-
trict Manager for the Arizona
Water Co., said the hearings
are for the purpose of having
rights available to develop new
areas as they may require serv-
ice.

tract with the union. A
was made in July. In August
settlements were made with the
Teamsters and the two Railroad
Brotherhoods. The Electricians,
Machinists, and the Retail
Trades have rejected our settle-
ment proposals.

AFTER A MEETING with
Federal Conciliator William P.
Halloran, the Electricians' Ne-
gotiating Committee agreed to
resubmit our proposal to their
members, and the Company
agreed to extend acceptance of
the proposal to Sept. 15. A con-
ciliation meeting was scheduled
with the Machinists' Negoti-
ating Committee on Sept. 5.

Since our proposal has been
accepted by 71.1 per cent of the
employees represented by unions,
we are hopeful that future meet-
ings will bring a satisfactory
conclusion to this year's labor
negotiations.

Think it over...

Teachers are not just people
earning a living; they are the
architects of our future in a
land of freedom and opportu-
nity.

— L. L. L.

STAFF'S ATTACHMENT F

**CITY AND COUNTY
FRANCHISE AGREEMENT**

When recorded, deliver to:

Marian Sheppard
Board of Supervisors



Gila County, AZ

RESL

2002-010190

Page: 1 of 6

06/24/2002 02:04P
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RESOLUTION NO. 02-06-05

BEFORE THE BOARD OF SUPERVISORS

GILA COUNTY, STATE OF ARIZONA

In the Matter of:

Application of ARIZONA WATER COMPANY

for a water franchise.

FRANCHISE

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF GILA COUNTY, STATE OF ARIZONA, THAT:

WHEREAS, ARIZONA WATER COMPANY ("Franchisee") on January 16, 2002, presented to the Gila County Board of Supervisors an application petitioning that the Board grant it a non-exclusive water franchise for public utility purposes pursuant to A.R.S. §40-283 to enter upon all present and future public highways, roads, streets, alleys, thoroughfares (except state highways and except within the present confines of any incorporated city or town) within the unincorporated areas of Gila County to construct, operate and maintain water system facilities along, over, under and across said public highways, roads, streets, alleys and thoroughfares for the provision of water utility service; and,



WHEREAS, the above named petitioner is an Arizona public service corporation that will operate its water utility service in Gila County pursuant to a Certificate of Convenience and Necessity granted by the Arizona Corporation Commission; and,

WHEREAS, upon filing of said application, the Board of Supervisors ordered the public notice of the Intention of the Board to make such a grant by publication in the *Arizona Silver Belt*, once a week, three times consecutively on May 22, 2002, May 29, 2002, and June 5, 2002, and noticing that on Tuesday, June 18, 2002, the Gila County Board of Supervisors would consider the application at the courthouse at 1400 E. Ash Street in Globe; and,

WHEREAS, the *Arizona Silver Belt* has provided the Gila County Board of Supervisors with an affidavit that the notice had been published at least once a week for three consecutive weeks in the newspaper; and,

WHEREAS, notice was also regularly given pursuant to A.R.S. §38-431; and,

WHEREAS, this matter appeared before the Gila County Board of Supervisors on June 18, 2002, and no one appeared in opposition thereto; and,

WHEREAS, it appears that it will benefit the public safety, health or welfare in the granting of this franchise and that the Franchisee has complied with all necessary laws to enable it to receive such a franchise.

NOW, THEREFORE, IT IS RESOLVED that a franchise be granted to ARIZONA WATER COMPANY for the purpose of entering all present and future public highways, roads, streets, alleys, thoroughfares (except state highways and except within the present confines of any incorporated city or town) for the period of fifteen (15) years, unless earlier terminated, to construct, operate and maintain



water service facilities within the unincorporated areas of Gila County, specifically providing, however, that:

1. All rights hereunder are granted under the express condition that the Board of Supervisors of Gila County shall have the power at any time to impose such restrictions and limitations and to make such regulations on such highways, roads, streets, alleys and thoroughfares as may be deemed best for the public safety, welfare and convenience.

2. All rights hereunder are granted on the express condition that the Franchisee shall bear all expenses, including damage and compensation, for any alteration of the direction, surface grade or alignment of a county road or any other such highway, road, street, alley, or thoroughfare occasioned by the exercise of its franchise rights. If such road improvements are necessary and the Franchisee fails to make such improvements or bear all expenses necessary within 45 days after notification by Gila County, this grant shall be immediately rescinded and without any force or effect. Franchisee shall erect and maintain all necessary safety precautions throughout the period of the improvements.

3. All rights hereby granted shall be exercised so as not to interfere or conflict with any easement or right-of-way heretofore granted by said Board of Supervisors. Before Franchisee enters upon any highway, road, street, alley or thoroughfare that requires a right-of-way permit from the Gila County Public Works Division pursuant to Ordinance 97-3, Franchisee shall apply for and receive such a permit.

4. All water system facilities constructed, operated and maintained pursuant to this franchise shall be placed, removed or relocated, initially and



Gila County, AZ

RESL

throughout the term of this franchise, along, in, or, under, over and across the said highways, roads and thoroughfares in such manner and location as the Board of Supervisors or its duly authorized agents may approve. Such placement, removal or relocation shall be done at the sole expense of the Franchisee upon a determination by the Board of Supervisors of Gila County that such facilities interfere unduly with vehicular traffic over any such highway, road, street, alley, or thoroughfare. In all other instances, the costs incurred in relocating such facilities shall be borne by and added to the costs of the public or private improvement causing or resulting in such relocation.

5. Franchisee shall indemnify, defend, and save harmless Gila County from all costs, expenses and liabilities in connection with the grant of this franchise and exercise of the same by Franchisee.

6. The franchise granted herein shall not be deemed exclusive and the Board of Supervisors expressly reserves the right to grant from time to time similar franchises over the same territory, highways, roads, streets, alleys and thoroughfares.

7. The right, privilege and franchise granted herein shall be binding upon and inure to the benefit of Franchisee, its successors and assigns; provided, however, that no transfer or assignment shall be made without prior written notice to the Board of Supervisors.

8. In the event Gila County takes action to dispose of unnecessary public roadways in accordance with the provisions of Arizona Revised Statutes 28-7201, et seq., Gila County shall recognize and preserve each of Grantee's prior rights-of-



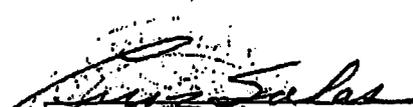
way, easements, and rights under this Franchise which are affected thereby, as they existed prior to such disposition.

9. This franchise is granted upon the express condition that a Certificate of Convenience and Necessity be acquired from the Arizona Corporation Commission within twelve (12) months of the date of this franchise; and if such Certificate is not acquired within twelve (12) months from this date, this franchise shall be null and void.

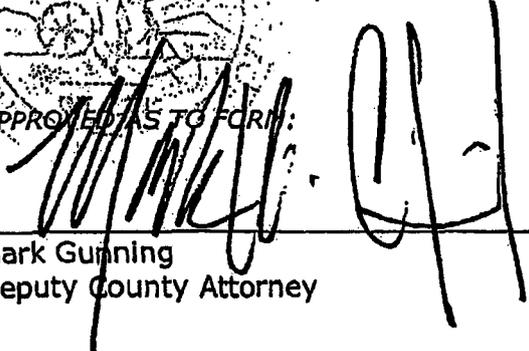
10. A copy of the Certificate of Convenience and Necessity must be submitted to the Clerk of the Board of Supervisors within the twelve (12) month period.

11. This franchise supercedes and revokes any other existing franchise between Gila County and Arizona Water Company.

IN WITNESS THEREOF the Board of Supervisors of Gila County, State of Arizona, by its chairman and clerk, have hereunto set their hand and caused its official seal to be affixed this 18th day of June 2002.


Cruz Salas, Chairman
Gila County Board of Supervisors


Steven L. Besich, Clerk
Gila County Board of Supervisors


APPROVED AS TO FORM:

Mark Gunning
Deputy County Attorney



2002-010190

Page: 6 of 6

06/24/2002 02:04P

Gila County, AZ

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0.00

The foregoing terms and conditions are hereby accepted by the Franchisee.

By Robert W. Justice

Title V.P. and GEN. Counsel

Date 6/18/2002

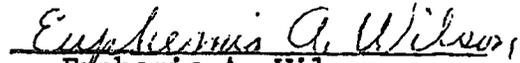
ASSIGNMENT OF FRANCHISE

KNOW ALL MEN BY THESE PRESENTS:

That for and in consideration of the sum of one dollar (\$1.00) and other valuable consideration, receipt whereof is hereby acknowledged, GLENN L. WILSON and EUPHEMIA A. WILSON, dba Central Heights Water System, do by these presents assign, transfer and convey unto CENTRAL HEIGHTS WATER COMPANY, an Arizona corporation, all of their right, title, claim and demand in and to that certain franchise dated March 5, 1956, issued by the Board of Supervisors of Gila County, Arizona, together with all of their rights, title and privileges arising therefrom, or in any wise thereunto appertaining.

DATED this 26th day of May, 1958.


Glenn L. Wilson


Euphemia A. Wilson

dba Central Heights Water System

STATE OF ARIZONA)
County of *Maricopa* ss

On this the *26th* day of May, 1958, before me, the undersigned Notary Public, personally appeared GLENN L. WILSON and EUPHEMIA A. WILSON, known to me to be the persons whose names are subscribed to the foregoing assignment of franchise and acknowledged that they executed the same for the purposes therein contained.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Gene S. Armstrong
Notary Public

My commission expires:
10-18-60

F R A N C H I S E

WHEREAS, the petition of GLENN L. WILSON, doing business as Central Heights Water System, for the right, permission, license, franchise and authority to construct, lay, maintain and operate water pipes and pipe lines for the transmission and distribution of water in, on, along, across and under the public roads, streets, alleys and places now within or that may be hereafter laid out or established within what is known as Central Heights, Central Heights Addition to Central Heights Townsite, Doc Butler Estates, Globe Heights, Country Club Manor Replatted, Country Club Manor Unit No. 2, Midland City, Fairmont Acreage, Little Ranches No. 1, Little Ranches No. 2, or any suburbs or additions thereto, was taken up and considered; and

WHEREAS, it appears that the territory embraced and described in said petition is not included within the limits or confines of any incorporated village, town or city; and it further appearing that notice of hearing of said petition was heretofore given by this Board of Supervisors for once a week for three (3) weeks prior to this date, and the same was published in a weekly newspaper printed at Globe, Gila County, Arizona, a newspaper of general circulation in said county, to wit, the Arizona Record, as required by law; and

WHEREAS, it appears that no petition has been filed requesting this Board to deny the privilege herein requested by said Glenn L. Wilson, and that all acts and things required by law have heretofore been done and performed; and

WHEREAS, it appears that such right, permission, license, franchise and authority should be granted so as to enable the inhabitants of said described territory to procure water for their use and to enable said petitioner to transmit and deliver the same to said inhabitants; and

WHEREAS, the said petition above mentioned having been presented to this Body of Supervisors, and said Board having fully

I do hereby certify that the within instrument was filed with me on this _____ day of _____, 1956.
Date Mar. 5th., 1956 Time 10:10 A. M. Docket 50 Official Records Page 177
Records of Gila County, Arizona.

WITNESS my hand and official seal the day and year first above written.

JOSEPH KINSMAN, County Recorder.

considered the same, the following resolution of said Board of Supervisors is adopted, to wit:

BE IT RESOLVED AND ORDAINED by the Board of Supervisors of the County of Gila and State of Arizona, as follows:

Section 1. That a franchise be and hereby is granted to GLENN L. WILSON, doing business as Central Heights Water System, and to his heirs and assigns, for the term of twenty-five (25) years from the date of the final passage and adoption of this franchise, to supply the inhabitants of the Townsites of Central Heights, Central Heights Addition to Central Heights Townsite, Doc Butler Estates, Globe Heights, Country Club Manor Replatted, Country Club Manor Unit No. 2, Midland City, Fairmont Acreage, Little Ranches No. 1, Little Ranches No. 2, and vicinity, with water for domestic and commercial use, and for all other uses or purposes for which the same now is or hereafter may be adapted or used.

Section 2. Glenn L. Wilson, his heirs and assigns, under said franchise, shall have the right and hereby is granted permission to acquire, construct, erect and maintain in said Townsites of Central Heights, Central Heights Addition to Central Heights Townsite, Doc Butler Estates, Globe Heights, Country Club Manor Replatted, Country Club Manor Unit No. 2, Midland City, Fairmont Acreage, Little Ranches No. 1, Little Ranches No. 2, Gila County, Arizona, such water plants, water pipe lines and distributing systems or other works as shall be required to furnish a suitable and adequate supply of water to said townsites and the inhabitants thereof, to operate and maintain the same during the continuance of this franchise and to lay, construct, maintain, extend, repair and operate along, across, through, upon and under any and all public streets, avenues, alleys and public grounds of said Townsites of Central Heights, Central Heights Addition to Central Heights Townsite, Doc Butler Estates, Globe Heights, Country Club Manor Replatted, Country Club Manor

-2-

I do hereby certify that the within instrument was duly and lawfully recorded.

Date Mar. 5th., 1956 Time 10:10 A. M. Docket 50 Official Records Page 177
Records of Gila County, Arizona.

WITNESS my hand and official seal the day and year first above written.

JOSEPH KINSMAN, County Recorder

212691

By *Joseph Kinsman* Deputy

Unit No. 2, Midland City, Fairmont Acreage, Little Ranches No. 1 and Little Ranches No. 2, Gila County, Arizona, now existing and that may hereafter be created or acquired, water pipes and conduits, and any and all other necessary and proper means, devices, systems, attachments and structures for the purpose of carrying on the business, or any part thereof, of acquiring, transmitting, distributing, furnishing and selling water for the purposes above stated, together with the right to make such excavations in the streets and public places of said townsites as may be necessary therefor, and to remove all of such water pipes, conduits, devices, appliances and structures from time to time as may be necessary and proper; provided, however, that said Glenn L. Wilson, his heirs and assigns, shall bear all expense, including damage and compensation, for any alteration of the direction, surface, grade or alignment of such streets, avenues and alleys made for the purpose of exercising this franchise.

Section 3. The grant herein shall not extend to state highways.

Section 4. This franchise shall take effect and be in force from and after its final adoption according to law.

Witness this 5th day of March, 1956.



Steve Bryant
Chairman, Board of Supervisors

IT IS HEREBY CERTIFIED that the foregoing is a true and correct copy of that certain franchise granted by the Gila County Board of Supervisors to Glenn L. Wilson on Monday, the 5th day of March, 1956, as the same appears in the official minutes of said Board of its regular meeting of said 5th day of March, 1956.



GILA COUNTY BOARD OF SUPERVISORS

By Lawrence E. Rothgatter
Its Clerk

-3-

STATE OF ARIZONA, County of Gila, ss:
I do hereby certify that the within instrument was filed and recorded at request of Glenn L. Wilson
Date Mar. 5th., 1956 Time 10:10 A. M. Docket 50 Official Records Page 177
Records of Gila County, Arizona.

WITNESS my hand and official seal the day and year first above written.

JOSEPH KINSMAN, County Recorder.

212691

By Joseph Kinsman Deputy

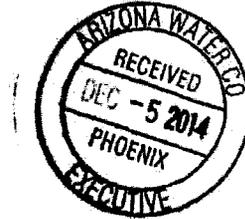
1907 - 2007



SCANNED

City of Globe

150 N. Pine Street
Globe, Arizona 85501



December 4, 2014

Arizona Water Company
PO Box 29006
3805 N. Black Canyon Highway
Phoenix, Arizona 85039-9006

Attention: William M. Garfield, President

Re: Franchise Agreement with the City of Globe

Dear Mr. Garfield,

Enclosed please find one original fully executed Franchise Agreement with the City of Globe which was passed by voters on November 4, 2014 at the General Election.

Thank you for your assistance in this process.

Respectfully,

Shelly Salazar,
City Clerk

FILE COPY



**FRANCHISE AGREEMENT BETWEEN
ARIZONA WATER COMPANY
AND THE CITY OF GLOBE, ARIZONA**

WHEREAS, this Franchise Agreement (hereinafter "Agreement") is made and entered into this 18th day of November, 2014, by and between the City of Globe, Arizona, a municipal corporation of the State of Arizona (hereinafter referred to as "City"), and Arizona Water Company, an Arizona corporation (hereinafter referred to as "Grantee").

WHEREAS, the Parties hereby agree:

Section 1. Subject to the provisions of this Agreement and the laws and ordinances of the State of Arizona and the City of Globe, Arizona, there is hereby granted to Arizona Water Company, its successors and assigns, the right, license, privilege and franchise to construct, maintain, and operate upon, over, along, across, and under the present and future public rights-of-way (including but not limited to streets, alleys, highways, and bridges), in the City of Globe, Arizona, in the Grantee's service area as described on Exhibit A (collectively, the "Service Area"), for the purpose of the installation and servicing of pipes and appurtenances in order to provide water services to the City of Globe, Arizona, its successors, the inhabitants thereof and persons and corporations within the limits thereof for all purposes and repealing conflicting ordinances.

Section 2. Whenever in this instrument the words or phrases hereinafter in this section defined are used, they shall have the respective meanings assigned to them in the following definitions:

- a. The word "City" shall mean Globe, Arizona.
- b. The word "Grantee" shall mean Arizona Water Company and its lawful successors and assigns with respect to the franchise hereby granted.
- c. The word "Franchise" shall mean the rights, privileges and franchise hereinafter more particularly described.
- d. The phrases "public road" and "public roads" shall mean the public highways, streets, avenues, alleys, highways, bridges, and public ways and places as the same may now or may hereafter exist within and under the jurisdiction of the City.
- e. The phrase "pipes and appurtenances" shall mean water lines, mains, services, traps, vents, vaults, manholes, meters, gauges, regulators, valves, fire hydrants, conduits, appliances, attachments, and other water system facilities and without limitation to the foregoing, any property located or to be located in, upon, along, across, under or over the present or future public roads within City and used or useful in conveying and/or distributing water under and pursuant to this Franchise.

- f. The phrase "installing, maintaining service and using" shall mean to construct, erect, install, operate, maintain, use, repair or replace.

Section 3. This Franchise for installing, maintaining, relocating and using pipes and appurtenances in so many and in such parts of the public roads of City within the Service Area as Grantee may from time to time elect to use for the purpose of conveying and distributing water to the public for lawful purposes is hereby granted by City to Grantee. All construction under this grant shall be performed in accordance with established practices, per Grantee's Construction Specifications and Standard Specification Drawings or as adopted by the Maricopa Association of Governments ("MAG Standards") if not specified in Grantee's Construction Specifications and Standard Specification Drawings, with respect to such public roads, and before any installations are made in said public roads of City, a map and global positioning system ("GPS") coordinates showing the location of such installations shall be submitted to such persons as may be designated by the City for approval as to location of pipes and appurtenances.

Section 4. The term of the Franchise shall commence on the date approved by the voters of City and continue and remain in full force and effect for a period of twenty-five (25) years from and after said date.

Section 5. All pipes and appurtenances which shall be installed and used under and pursuant to the provisions of this Franchise and in the exercise thereof shall be installed, constructed and maintained in accordance with established best industry practices and per Grantee's Construction Specifications and Standard Specification Drawings or MAG Standards, if not specified in Grantee's Construction Specifications and Standard Specification Drawings.

5.1 Regulation of Rights-of-Way or other City Property: The Grantee expressly acknowledges the City's right to enforce regulations concerning the Grantee's use of City right-of-way including requirements for permits.

5.2 Compliance with Laws: The Grantee shall promptly and fully comply with all lawfully enacted laws, regulations, permits and orders enacted by the City.

5.3 Notification: The Grantee shall provide to the City, daytime and nighttime telephone numbers of a designated Grantee representative from whom the City may obtain status information from the Grantee on a 24-hour basis concerning interruptions of utility service in any part of the City.

5.4 Franchise Fee Payment: Payment of the Franchise fee as required by this Agreement exempts the Grantee from Right-of-Way Permit fees for excavation or pavement cuts. Payment of the Franchise fee as required by this Agreement does not exempt the Grantee from any other lawful tax or fee imposed generally upon similar classes of businesses operating within the City.

Franchise Agreement Between
Arizona Water Company and the City of Globe, Arizona

November 18, 2014

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5.5 Restoration: In the event the Grantee's system or any part thereof is partially or wholly destroyed or incapacitated in a manner that damages any City property, the Grantee shall restore such property within the shortest practicable time.

Section 6. Grantee shall promptly, but in no case later than thirty (30) days after installing, maintaining or using said pipes and appurtenances or any part thereof at its own cost and expense, place said public roads or so much thereof as may have been damaged thereby, in as good order and condition as that in which they were before being disturbed or excavated for the purposes of installing, maintaining and using said pipes and appurtenances or any part thereof.

Section 7. Notwithstanding any provision contained herein to the contrary, Grantee shall, in addition to the payment provided in Section 8, pay any license or occupation tax established by City, provided such fee does not exceed the amount of similar fees paid by any other utility operated with City.

Section 8. Grantee shall pay to City in consideration of the grant of this Franchise a sum equal to three percent (3%) of Grantee's gross receipts from the sale of water for residential and commercial purposes, including connect or reconnect charges, service establishment or reestablishment charges, or other similar charges, but excluding transaction privilege taxes and similar governmental impositions, from the sales and/or delivery by it of water and other charges for services attendant to the sale and/or delivery of water delivered through Grantee's water distribution system as shown by Grantee's billing records within the present and any future corporate limits of City, as Grantee is notified from time to time by City of the extent of such corporate limits. Grantee shall have no obligation to collect Franchise fees for any such extension of City's corporate limits if City fails to notify Grantee, and Grantee shall only be responsible for such collections after proper notice by City is provided.

For the purpose of verifying amounts payable hereunder, the books and records of Grantee shall be subject to inspection by duly authorized officers or representatives of City at reasonable times.

Beginning with the effective date of this Franchise, payment as described in the preceding paragraphs shall be payable in quarterly amounts within thirty (30) days after the end of each calendar quarter. Said payment shall be a Franchise fee. The amount of such Franchise fees may be specifically added to customer bills, to the extent allowed by applicable law.

In addition, Grantee shall pay any general ad valorem taxes, assessments for special improvements, general sales or transaction privilege license taxes or any similar general sales or transaction privilege license taxes or any similar general tax or levy assessed or levied by the City or any other governmental unit with jurisdiction.

Franchise Agreement Between
Arizona Water Company and the City of Globe, Arizona

November 18, 2014
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Section 9. Grantee's facilities installed or constructed under and pursuant to this Franchise shall not interfere with any City facilities including water, sanitary, storm water, communications, or any other City uses of the right-of-way. Grantee's facilities shall be installed and maintained in City rights-of-way so as to minimize interference with other property, vegetation, and other improvements and natural features within the right-of-way, including both existing and planned improvements of which the Grantee has been advised.

9.1 Company Work within the City: All work within City rights-of-way performed or caused to be performed by the Grantee shall be done:

9.1.1 in a high quality manner utilizing Grantee's Construction Specifications and Standard Specification Drawings or MAG Standards and specifications for public works construction if not specified in Grantee's Construction Specifications and Standard Specification Drawings; and

9.1.2 for all construction exceeding \$15,000 in cost, using plans sealed by a Professional Engineer ("PE") licensed in the State of Arizona; and

9.1.3 in a timely and expeditious manner; and

9.1.4 in a manner which minimizes inconvenience to the public with traffic control provided per the most recent Manual for Uniform Traffic Control Devices ("MUTCD") or at the City's discretion, the most recent Phoenix Barricade Manual; and

9.1.5 in a cost effective, professional, and efficient manner which (for construction exceeding \$50,000 in cost) includes the use of contractors (for the trades specified) licensed in the State of Arizona; and

9.1.6 in accordance with all applicable laws, ordinances, regulations, and permit processes.

9.1.7 Nothing herein shall prevent the Company from performing work within rights-of-way in accordance with the terms of this Agreement.

9.2 Inspection: The installation, renovation, repair, and replacement of any Grantee facilities in the City right-of-way by or on behalf of the Grantee shall be subject to permit inspection and approval by the City. Such inspection and approval may include but not be limited to the following matters: location of Grantee facilities, cutting and trimming of trees and shrubs, and disturbance of pavement, sidewalks, and surfaces of City Streets. The Grantee agrees to cooperate with the City in conducting inspections and shall promptly perform any remedial action required by the City pursuant to all applicable laws, ordinances, regulations, and permit processes.

9.3 Compliance: The Grantee and all of its contractors shall comply with the requirements of all municipal laws, ordinances, regulations, permits, and standards including but not limited to requirements of all building and zoning codes and requirements regarding curb and pavement cuts, excavation, digging, and other construction activities. The Grantee shall assure that its contractors working in City streets hold the necessary licenses and permits required by law.

9.4 As-Built Drawings: For projects constructed after the date of this Agreement and upon written request of the City, the Grantee shall provide within fourteen (14) days, on a project by project basis, as-built drawings of any Grantee facility installed within the City right-of-way or contiguous to the City right-of-way. As-built drawings refer to the facility drawings maintained in the Grantee's computer aided design ("CAD"), geographical information system ("GIS"), or any equivalent system.

9.5 Obstruction to Use: When the Grantee performs any work in or affecting the City right-of-way, or any or improvements therein, Grantee shall (at its own expense), promptly remove any obstructions therefrom, repair any damage, and restore such City streets and landscaping and improvements therein to a condition that meets applicable standards. If weather or other conditions do not permit the complete restoration or repair required by this Section the Grantee may with the approval of the City temporarily restore the affected infrastructure, provided that such temporary restoration is at the Grantee's sole expense and provided further, that the Grantee promptly undertakes and completes the required permanent restoration or repair when the weather or other conditions no longer prevent such permanent restoration or repair. If the Grantee fails to promptly restore or repair the City streets, landscaping, and improvements therein as required by this Section 9.5, the City may, upon giving fourteen (14) days' written notice to the Grantee, restore such City streets, remove the obstruction therefrom, or repair the damage, provided the Grantee shall be responsible for the actual cost incurred by the City to restore or repair such City streets, landscaping and improvements therein or to remove any obstructions therefrom.

9.6 Damage: The Grantee shall promptly repair any damage to the City streets, landscaping, and improvements included in the right-of-way and remedy any situation within the City right-of-way that is caused by Grantee activities or Grantee facilities that results in a dangerous condition or otherwise poses a hazard to the health or safety of the public. Upon the City becoming aware of any such situation, the City shall provide written notice to the Grantee as soon as practicable under the circumstances and the Grantee shall promptly, upon receipt of such notice, take action to abate said dangerous condition or hazard. If the Grantee fails to repair such damage or eliminate the dangerous condition within a reasonable time after notice, the City may take reasonable action to abate said dangerous condition or hazard and the Grantee shall reimburse the City for the reasonable costs thereof, provided however, that the Grantee shall not be liable for costs incurred by the City for providing emergency police or fire services generally made available to the public.

Franchise Agreement Between
Arizona Water Company and the City of Globe, Arizona

November 18, 2014

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9.7 Relocation: Except for Grantee's facilities installed in locations prior to such locations becoming a City road or other City right-of-way, the Grantee shall, at its sole cost and expense, temporarily or permanently remove, relocate, change, or alter the position or depth of any Grantee facility in City right-of-way whenever the City shall determine that such removal, relocation, change, or alteration is necessary for the completion of any project undertaken by the City. City agrees to notify Grantee during the planning and design of City's projects in or outside of public rights-of-way that may require relocation of Grantee's water facilities and to coordinate its construction plans and schedules with Grantee to determine the most cost-effective design to mitigate Grantee's cost to relocate its water facilities. For all relocations, the Grantee and the City agree to cooperate on the location and relocation of the Grantee facilities in the City's right-of-way in order to achieve relocation in the most efficient and effective manner possible. Notwithstanding the foregoing, once the Grantee has relocated any Grantee facility at the City's direction if the City requests that the same Grantee facility be relocated within one year, the subsequent relocation shall not be at the Grantee's expense unless said subsequent relocation is necessary to remedy public health and safety concerns not reasonably foreseeable by the City at the time of the prior relocation.

Section 10. City shall in no way be liable or responsible for any acts or damage that may occur in the construction, operation or maintenance by Grantee of its pipes and appurtenances hereunder, which could have been avoided by exercise of reasonable care, and the acceptance of this Franchise shall be deemed an agreement on the part of Grantee, its successors and assigns, to indemnify City and hold it harmless against any and all liability, loss, cost, damage or expense which may accrue to City by reason of the negligence, default or misconduct of Grantee in installing, maintaining, removing, relocating, and using its pipes and appurtenances hereunder.

Section 11. The right, privilege and Franchise hereby granted may not be transferred in whole or in part by Grantee, its successors and assigns, unless a resolution consenting to such assignment has been adopted by the Mayor and City Council; City shall not unreasonably withhold consent to any transfer Grantee may request pursuant to this Section.

Section 12. This grant is not exclusive and nothing herein contained shall be construed to prevent City from granting other like or similar grants or privileges to any other person, firm or corporation or to deny to or lessen the power and privileges granted to City by Sections 9-501 and 9-502, Arizona Revised Statutes and revisions thereto.

Section 13. All Ordinances and parts of Ordinances in conflict with the provisions hereof are hereby repealed.

Franchise Agreement Between
Arizona Water Company and the City of Globe, Arizona

November 18, 2014

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Section 14. If any section, paragraph, subdivision, clause, phrase or provision of this Ordinance shall be adjudged invalid or unconstitutional, the same shall not affect the validity of this Ordinance as a whole or any part of the provisions hereof other than the part so adjudged to be invalid and unconstitutional.

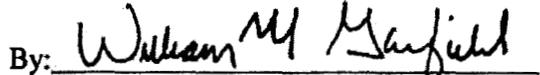
Section 15. To preserve the public health, peace and safety, it is necessary that this Ordinance become immediately operative. It is, therefore, declared to be an emergency measure and shall take effect and become operative from and after its passage by the City Council, approved by the Mayor, and publication as required, following its submission to the qualified electors of City as required by law, and its approval by said election.

IN WITNESS WHEREOF, the Parties have executed this Franchise Agreement on this 18th day of November, 2014.

CITY OF GLOBE

ARIZONA WATER COMPANY

By: 
(Sign Here)

By: 
(Sign Here)

Name: Terence O. Wheeler
(Print Name)

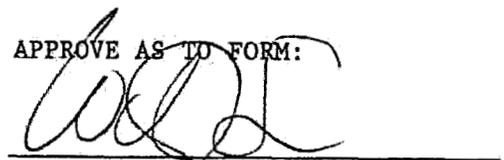
Name: William M. Garfield

Its: Mayor
(Print Title)

Its: President

ATTEST:

Globe City Clerk

APPROVE AS TO FORM:

CITY ATTORNEY

