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2018 MAY 30 P 2: 18

McRae
GROUP of COMPANIES

"The Power and Rewards of Vision"

May 14, 2018



Arizona Corporation Commission

DOCKETED

MAY 30 2018

DOCKETED BY

Chairman Forese
Members Tobin, Burns, Dunn and Olson
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

WS-02987A-06-0667

Re: Monterra South, Walker Butte 500 & Walker Butte 700 ("Properties")

Gentlemen:

Please consider this as request by the undersigned, representative of RMG Monterra South, L.L.C, Walker Butte 500, L.L.C., and Walker Butte 700, L.L.C., respective owners of the Properties, for an extension of time to the existing Johnson Utilities CC&N that currently provides water and sewer to said properties. Such a request is made as an extension time to the current CC&N is imperative to the viability of our projects. This is not a request for an extension of the Johnson Utilities CC&N territory but merely an extension of time on the current CC&N territory.

For purposes of background, our Properties consist of over 1,400 acres of land, and, with various entitlements and/or government approvals in place, are planned to develop up to 8,093 homes and/or some mixed use components. Without availability of continued service from Johnson Utilities, these projects will stall and remain dormant as to our knowledge; there is no other provider in the area that has the infrastructure to serve these properties.

As you will see from the enclosed requests for service from ourselves and four other property owners (eight properties total) to Johnson Utilities, we believe the market for housing in this Corridor will accelerate in the near future, making it even more important we continue to have Johnson Utilities available as our water service provider.

Thank you and please do not hesitate to contact me with any questions.

Sincerely,

John Kaites
Vice Chairman
McRae Group of Companies

Enclosures

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BARCLAY

GROUP

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Biltmore Financial Center I
2390 E. Camelback Road
Suite 200
Phoenix, AZ 85016

February 20, 2018

Via E-Mail: mbelaski@azvision.net

GARY DRUMMOND
JOHNSON UTILITIES, LLC
5230 E. Shea Blvd. #200
Scottsdale, AZ 85254

Re: Florence Plaza

Mr. Drummond:

This letter serves as a formal request by Barclay Holdings XLVI, LLC for water and sewer utility service at our project located on the southwest corner of Attaway Road and Hunt Highway.

Although, our project has been delayed and the exact timing of our project is market dependent, we would like to ensure that our request for water and sewer service with Johnson Utilities is current. The intent is to extend our request for service for 2 years and apply for an Approval to Construct when the market demand for retail in the greater Florence market has fully recovered.

Sincerely,



Colby O. Fincham
Sr. VP of Development and Finance

LANGLEY PROPERTIES

February 20, 2018

Gary Drummond
Johnson Utilities – Land Development
5230 E Shea Blvd #200
Scottsdale AZ 85254

Re: Renewal of request for water and sewer service

Dear Mr. Drummond,

We would like to renew our request for water and utility service on our project known as Monterra North. This land is owned by the entity Langley Riggins 600, LLC.

Since our original request market conditions have changed. Recent land transactions indicate that conditions may be changing again in the near future and we want to be sure that our request for service is still current with Johnson Utilities. Thank you for your assistance with this request and feel free to contact me if you need anything else.

Sincerely,



Stacy J Brimhall
Manager – Langley Riggins 600, LLC



March 12, 2018

Mr. Brad Cole
C/o Michelle Belaski
Johnson Utilities
5230 E. Shea Blvd., Suite 200
Scottsdale, AZ 85254

(submitted via email MBelaski@azvision.net)

Re: Montessa / Request for an extension of time to comply with decision 70411

Dear Mr. Cole:

The purpose of this letter is to request an extension to our request for Service from Johnson Utilities for the above referenced property. The extraordinary circumstances brought on by the historic great recession decimated the housing market throughout Pinal County and our project was no exception. The unprecedented bust resulted in a historically slow recovery but signs of recovery are underway and we are encouraged they will continue. This will only occur if builder ready projects are positioned to move forward in response to demand and that can only occur if utility service remains available.

Please contact me at (602) 430-4496 or via email Blake@SkyBridgeCo.com with any questions, comments or requests for additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Blake McKee", written in a cursive style.

Blake McKee
Authorized Member
B&B 2, L.L.C., an Arizona limited liability company

March 12, 2018

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

**Re: Walker Butte Properties (located west of Hunt Highway, Florence,
Arizona)**

Ladies and Gentlemen:

As you may recall, entities owned and/or controlled by Ironline Partners, LLC ("ILP") have recently acquired approximately 480 acres of the Walker Butte project in the Town of Florence. Walker Butte is a 1650± acre mixed use project, planned for up to 8,500± houses, located in the Pinal County Corridor south of the Queen Creek/San Tan Heights communities. Located on the west side of Hunt Highway, Walker Butte, has governmental development approvals in place (including Development Agreement and PAD for entire project, and preliminary plat for initial phase), positioning it to available for development.

Certainly, Walker Butte will require water service in the foreseeable future. We understand most of Walker Butte was included in Johnson Utilities LLC's ("JUC") service area prior to 2006, with the remainder added in 2006. This letter will serve as the written request by the undersigned, as the owners of significant parts of Walker Butte, for an updated Request for Service for JUC to continue to make water service available for Walker Butte.

Although we had previously anticipated development of Walker Butte would have commenced by now, the continued slow recovery in the housing market, particularly within the Pinal County Corridor (including Florence) has delayed the return of active homebuilding to this area. However, we believe market indicators, including the increasing new homebuilding activity in the Phoenix Metro area, shortage of new and used homes for sale, increasing home prices, planning for a freeway through the area and improving employment indicate demand for housing in this area will accelerate in the near future. As a result, we have continued efforts to fine-tune Walker Butte to make it as close to "builder-ready" as possible, including working with JUC to determine preferred water service structure. Integral to our on-going efforts and ability to have Walker Butte positioned for development is continued maintenance of Walker Butte's Request for Service with JUC.

Please do not hesitate to contact us if you have any questions or need any additional information.

IRONLINE PARTNERS, LLC


Robert M. Karber