

City Council Meeting Notice & Agenda



Tuesday, October 20, 2015
City Council Chamber
8401 West Monroe Street
Peoria, AZ 85345

Study Session

5:00 P.M. Convene

Roll Call

Study Session Agenda

Subject(s) for Discussion Only

1. Upcoming Negotiation Interests - Joint Labor/Management Presentation
2. Northern Community Park Site Selection Study Update
3. Building Development Proposed Service Level Improvements

Adjournment

Mayor
Cathy Carlat

Willow
District
Jon Edwards,
Vice Mayor

Acacia
District
Vicki Hunt

Ironwood
District
Bill Patena

Mesquite
District
Bridget Binsbacher

Palo Verde
District
Michael Finn

Pine
District
Carlo Leone

Regular Meeting

7:00 P.M. Convene

Pledge of Allegiance

Roll Call

Final Call To Submit Speaker Request Forms

Consent Agenda

CONSENT AGENDA: All items listed on the Consent Agenda are considered to be routine or have been previously reviewed by the City Council, and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember so requests; in which event the item will be removed from the General Order of Business, and considered in its normal sequence on the Agenda.

Consent

4. **C - Code Amendment, Chapter 14, Fuel Pump-Topper Signage**

Discussion and possible action to adopt **ORD. 2015-22** amending Chapter 14 of the Peoria City Code (1977 edition) by modifying Article 14-34, Sign Types and Requirements, to remove content regulations for fuel pump-topper signs.

5. **C - Budget Amendment, Office of Communications, Channel 11 Router Upgrade**

Discussion and possible action to approve a budget amendment in the amount of \$30,000 from the General Fund Contingency account to the Channel 11 Infrastructure Digital Router Project account for installation and integration of the Channel 11 high-definition digital router.

6. **C - White Tank Mountains Conservancy Membership**

Discussion and possible action to: (a) authorize a membership with the White Tank Mountains Conservancy; and (b) approve a budget amendment in the amount of \$25,000 from the General Fund Contingency account to the Planning Division; City Membership Dues account.

7. **C - Deeds and Easements, Various Locations**

Discussion and possible action to adopt **RES. 2015-104** accepting Deeds and Easements for various Real Property interests acquired by the City.

8. **C - Designate Roadways, Establish Rights-of-Way, Various Locations**

Discussion and possible action to adopt **RES. 2015-105** designating various Real Properties to be used as City roadways and authorize the establishment of Public Rights of Way to be opened and maintained by the City as a Public Street.

9. **C - PUBLIC HEARING - Bingo License, Westbrook Village Association**

PUBLIC HEARING: RE: A Class A (Small Game) Bingo License located at 19251 North Westbrook Parkway, Bea Cowan, Applicant, #10004542.

COUNCIL ACTION: Discussion and possible action to recommend approval to the Arizona Department of Revenue for a Class A (Small Game) Bingo License located at 19251 North Westbrook Parkway, Bea Cowan, Applicant, #10004542.

Regular Agenda

New Business

10. **R - Acquisition of the New River Utility Company**

Discussion and possible action to: (a) approve the final version of the Stock Purchase Agreement with New River Utility Company; (b) adopt **RES. 2015-106** authorizing an Asset Purchase Agreement and authorization to file all necessary proceedings with the Arizona Corporation Commission to accomplish the termination of the certificate of necessity and dissolution of the corporation; (c) approve an Asset Purchase Agreement with New River Utility Company; and (d) authorize the Office of the City Attorney to represent the City of Peoria, Arizona and New River Utility Company in proceedings pertaining to the Asset Purchase Agreement.

11. **R - Establishment of an Ad Hoc Charter Review Committee**

Discussion and possible action to: (a) establish an ad hoc committee to review the City Charter and to recommend Charter amendments to the Council; and (b) adopt **RES. 2015-107** appointing members to the ad hoc committee.

Call To The Public (Non-Agenda Items)

If you wish to address the City Council, please complete a Speaker Request Form and return it to the clerk before the call to order for this meeting. The City Council is not authorized by state law to discuss or take action on any issue raised by public comment until a later meeting.

Reports from City Manager

12. **Council Calendar**

13. **Reports**

- A. Environmental Excellence Award
- B. Upcoming Events

Reports from City Council Reports from the Mayor

Adjournment

NOTE: Documentation (if any) for items listed on the Agenda is available for public inspection, a minimum of 24 hours prior to the Council Meeting, at any time during regular business hours in the Office of the City Clerk, 8401 W. Monroe Street, Room 150, Peoria, AZ 85345.

Accommodations for Individuals with Disabilities. *Alternative format materials, sign language interpretation and assistive listening devices are available upon 72 hours advance notice through the Office of the City Clerk, 8401 West Monroe Street, Peoria, Arizona 85345 – Phone: (623) 773-7340 or FAX (623) 773-7304. To the extent possible, additional reasonable accommodations will be made available within the time constraints of the request. The City has a TDD line where accommodations may be requested at: (623) 773-7221.*

Public Notice

In addition to the City Council members noted above, one or more members of the City of Peoria Boards and Commissions may be present to observe the City Council meeting as noticed on this agenda.

City Council Meetings can be viewed live on Channel 11 (Cox Cable) and are available for viewing on demand at <http://www.peoriaaz.gov/content2.aspx?id=2151>.

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 1

Date Prepared: October 6, 2015

Council Meeting Date: October 20, 2015

TO: Carl Swenson, City Manager

THROUGH: Susan Daluddung, Deputy City Manager

FROM: Julie Ayers, Human Resources Director

SUBJECT: Upcoming Negotiation Interests - Joint Labor/Management Presentation

Purpose:

This study session is being held pursuant to City Code Chapter 19 (Personnel), to provide an opportunity for the City and Labor Groups to present bargaining interests in preparation for upcoming labor negotiations.

Background/Summary:

The Memorandum of Understanding (MOU) dated November 2013 between the City of Peoria and Peoria Police Officers Association representing Peoria Police Officers (PPOA) expires on June 30, 2016.

Pursuant to Chapter 19 (Personnel) of the City Code, both the City and Labor Groups are able to present their interests in study session at the first Council meeting in October prior to the start of negotiations. However, due to the unavailability of a study session at the first Council meeting in October, the City and PPOA have agreed to hold this joint presentation on October 20, 2015.

Staff's Recommendation:

For information purposes only.

Fiscal Analysis:

n/a

Exhibit(s): n/a

Contact Name and Number: Julie Ayers, Human Resources Director, x7580

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 2

Date Prepared: October 5, 2015

Council Meeting Date: October 20, 2015

TO: Carl Swenson, City Manager

FROM: Andrew Granger, P.E., Development and Engineering Director

THROUGH: Susan J. Daluddung, Deputy City Manager

SUBJECT: Northern Community Park Site Selection Study Update

Purpose:

In April 2015, the Engineering Department awarded a contract to J2 Design for a Northern Community Park Site Selection Study to analyze the most appropriate location for the City's next community park. Staff seeks to update Council on the site study, provide a recommendation on the preferred project site, and inform Council on the project schedule.

Background/Summary:

The City of Peoria funded a Northern Community Park within it's Capital Improvement Program in FY2015. The project allowed for an initial site selection study to determine the most appropriate location for a northern community park. Subsequent final design and construction for the first phase of the park are funded in FY 2017-2018 for approximately \$30 Million.

In a recently adopted Community Service Master Plan, a community park located in northern Peoria was targeted as a high priority need, with specific functions including lighted ball fields, playgrounds, picnic areas, open turf areas, a dog park, and all associated amenities for parks. A future phase would include a recreation center.

Our parks design consultant, J2 Design, analyzed three potential sites for the new Northern Community Park. One site is owned by the Bureau of Land Management. The site is 160 acres and is located near the future intersection of 99th Avenue and Lone Mountain Parkway. Due to concerns regarding natural washes, floodway delineation across a large portion of the site, and significant cultural resources at the site, it would be challenging to locate all the programmatic functions of the park onto the site.

The 2nd site is owned by Property Reserve Arizona, LLC, which previously housed a sand and gravel pit operation on the parcel. This site is approximately 320 acres and is located east of Loop 303, west of the Agua Fria River, and north of Jomax Parkway. Due to the concerns regarding the nature of the fill, significant infrastructure requirements, and its geographical

constraints, it would be highly challenging to locate all the programmatic functions of the park onto the site within the approved budget.

The 3rd site is owned by the Flood Control District of Maricopa County (FCDMC) and is located behind the New River Dam, in the impoundment area east of Lake Pleasant Parkway, south of Loop 303, and is approximately 457 acres in size. It is ultimately, the most ideal site for the park due to the site location away from development, close proximity to infrastructure, and natural condition of the land, which will be able to fully accommodate the park's full design build-out. Coordination efforts with FCDMC and the United States Army Corps of Engineers (USACE) are underway to proceed with the conceptual design and mitigate any impacts to the existing New River levee and dam areas.

Previous Actions:

There have been no previous actions on this item.

Options:

This is an information presentation only.

Contact Name and Number:

Andrew Granger, Development and Engineering Director, 623-773-7215

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 3

Date Prepared: October 5, 2015

Council Meeting Date: October 20, 2015

TO: Carl Swenson, City Manager

FROM: Andrew Granger, Development and Engineering Department Director

THROUGH: Susan J. Daluddung, Deputy City Manager

SUBJECT: Building Development Proposed Service Level Improvements

Purpose:

The purpose of this report is to update the City Council on staff's progress regarding efforts to improve Building Development service levels based on the needs of the development community. The service level improvements will require additional resources funded through an increase in building permit fees.

Background/Summary:

Development activity has been steadily increasing since 2011 and has now overstretched current staff abilities to maintain industry accepted service levels. Residential activity is placing a strain on all available plan review and inspection resources to a point where it is affecting services provided to *non-residential* development customers. Additional personnel resources are required to improve existing service levels to meet industry expectations. In an effort to mitigate the cost of these resources, without supplementing them through the General Fund, additional revenue will be required through a building permit fee increase. Building permit fees have not been increased since 1999.

The City has had been in contact with the Home Builders Association of Central Arizona (HBACA) on the topic of increased permit fees and has hosted two development forums with industry representatives and stakeholders. Staff presented information regarding current service levels, proposed service levels upon adoption of the revised fees and increased personnel, and an outline of the fees to be increased. While fees are often a topic of considerable debate, it became clear that HBACA and the stakeholders placed greater value on the benefit of improved service and had little concern about the increase in permit fees.

Robert Goodhue, Deputy Director of Development, will make a presentation on the results of the stakeholder meetings and show the necessary fee schedule adjustments, along with industry desired increases to customer service levels.

Previous Actions:

- *August 19, 2015 – First stakeholder meeting*
- *September 10, 2015 – Second stakeholder meeting*
- *March 2015-Present – Ongoing communication with Jackson Moll, Vice President at HBACA*

Contact Name and Number: Robert Goodhue, Deputy Director of Development, x7589

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 4C

Date Prepared: September 21, 2015

Council Meeting Date: October 20, 2015

TO: Carl Swenson, City Manager

FROM: Chris Jacques, AICP, Planning and Community Development Director

THROUGH: Susan J. Daluddung, AICP, Deputy City Manager

SUBJECT: TA15-0004, Zoning Ordinance Text Amendment, Fuel Pump-Topper Signage

Purpose:

This is a request for City Council to adopt an Ordinance amending Article 14-34 “Sign Types and Requirements” of the Zoning Ordinance. The amendment modifies regulations for fuel pump-topper signage.

Background/Summary:

Bootz & Duke Sign Company initiated this request to modify the content allowed on fuel pump-topper signage. Section 14-34-8.A.16.b.2 of the Zoning Ordinance currently only allows pump-topper signage to display instructional or price information, while prohibiting the advertisement of products and promotional sales. The applicant is requesting to remove this section completely so that the sign content of pump-toppers are no longer regulated. All other requirements within this section will remain in affect, such as:

- Such signs shall not exceed three (3) square feet in area;
- No sign permit required.

All existing and future gas services stations would be affected by the proposed change to the Zoning Ordinance. A gas service station is permitted with a Conditional Use Permit within all commercial zoning districts, except Office Commercial District (O-1) and Convenience Commercial District (C-1).

The proposed change is consistent with the City’s intent to create a more content-neutral sign code. The small-scale pump-topper signs are geared towards gas station customers only, due to the size and location of the signage. By removing the content restrictions, the City is allowing gas station owners the freedom to further promote their businesses onsite to their customers.

In summary, the proposed amendment constitutes an improvement to the Zoning Ordinance by aligning our standards with current business practices. It supports the General Plan goals by

maintaining and encouraging open communication with business owners regarding their needs for success.

Public notice of the proposed amendments to the Zoning Ordinance was provided in the manner prescribed under Article 14-39. The time, date, and place of the hearing have been published at least once in a newspaper of general circulation in the City at least fifteen (15) days prior to the hearing.

Previous Actions:

On September 17, 2015, the Planning & Zoning Commission voted 6-0 in favor of recommending approval of the request to amend Article 14-34 of the Zoning Ordinance.

Options:

- A:** Approve as recommended by Staff and the Planning & Zoning Commission; or
- B:** Approve with modifications; or
- C:** Deny; or
- D:** Continue action to a date certain or indefinitely; or
- E:** Remand to the Planning & Zoning Commission for further consideration.

Staff's Recommendation:

The Mayor and City Council concur with the Planning and Zoning Commission's recommendation to adopt the attached Ordinance amending Article 14-34 "Sign Types and Requirements", of the Zoning Ordinance.

Fiscal Analysis:

This request is not expected to have budgetary impacts to the City.

Exhibit(s):

Exhibit 1- September 17, 2015 Staff Report to the Planning and Zoning Commission

Exhibit 2- Draft Ordinance (deletions/additions shown as ~~strike~~/underscore)

Contact Name and Number: Jennifer Fostino, City Planner, x7565



ZONING ORDINANCE TEXT AMENDMENT

REPORT TO THE PLANNING AND ZONING COMMISSION

CASE NUMBER: TA 15-0004
DATE: September 17, 2015
AGENDA ITEM: 5R

Applicant: Bootz & Duke Sign Co
Request: Amend Article 14-34 "Sign Types and Requirements", of the Zoning Ordinance to modify regulations for pump-topper signage.
Support / Opposition: As of the date of this printing, Staff has not received any written or verbal support or opposition to this request.
Recommendation: **Approve** as requested.

BACKGROUND

1. Bootz & Duke Sign Company is requesting to amend the Zoning Ordinance to allow gas pump-topper signage to advertise products and promotional sales. These signs are located on top of gas pumps.
2. Section 14-34-8.A.16.b.2 of the Zoning Ordinance currently only allows pump-topper signage to display instructional or price information, while prohibiting the advertisement of products and promotional sales. The applicant is requesting to remove this section completely so that the sign content of pump-toppers are no longer regulated.

DISCUSSION AND ANALYSIS

3. A gas service station is permitted with a Conditional Use Permit within all commercial zoning districts, except Office Commercial District (O-1) and Convenience Commercial District (C-1). The proposed change to the Zoning Ordinance would affect all existing and future gas service stations.
4. The following requirements stated in Section 14-34-8.A.16.b will remain in affect:
 - Such signs shall not exceed three (3) square feet in area;
 - No sign permit required.

5. The proposed change is consistent with the City's intent to create a more content-neutral sign code. The small-scale pump-topper signs are geared towards gas station customers only due to the size and location of the signage. By removing the content restrictions, the City is allowing gas station owners the freedom to further promote their businesses onsite to their customers.

Administrative Procedure

Noticing and Neighborhood Comment

6. Public notice of this proposed amendment to the Zoning Ordinance was provided in the manner prescribed under Article 14-39. The time, date, and place of the hearing have been published at least once in a newspaper of general circulation in the City at least fifteen (15) days prior to the hearing. As of the printing of this report, no support or opposition to this case has been received from the public.

Proposition 207

7. It has been determined that a Proposition 207 waiver is not required.

FINDINGS AND RECOMMENDATION

8. Based on the following findings:

- The proposed amendment is consistent with the goals, objectives and policies of the Economic Development element of the General Plan, by maintaining and encouraging open communication with business owners regarding their needs for success.
- The proposed amendment does constitute an overall improvement to the Zoning Ordinance by aligning our standards with current business practices.

It is recommended that the Planning and Zoning Commission take the following action:

Recommend approval of Case TA15-0004 to the City Council.

ATTACHMENTS

Exhibit A: Proposed changes to Article 14-34
(deletions/additions shown as ~~strike~~/underscore)

Exhibit B: Photos of Existing "Pump-Topper" Sign and Locations for Signage

Prepared by: Jennifer Fostino
Planner

ARTICLE 14-34

SIGNS

(Amended by Ord. No. 2011-01, 2012-06, 2012-17, 2013-16, 2014-21 and 2015-07,
20XX-XX)

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- 14-34-2 INTENT
- 14-34-3 INTERPRETATION AND SCOPE
- 14-34-4 EXCEPTIONS
- 14-34-5 REQUIREMENT OF CONFORMITY
- 14-34-6 SIGNAGE APPROVAL AS PART OF SITE PLAN APPROVAL
- 14-34-7 DEFINITIONS
- 14-34-8 SIGN TYPES AND REQUIREMENT
- 14-34-9 SIGNS PERMITTED FOR NON-RESIDENTIAL USES IN THE C-O, C-1, C-2, C-3, I-1, I-2, P.A.D., P.C., O-1, PC-1, PC-2, C-4, C-5, PI-1, AND BPI ZONING DISTRICTS
- 14-34-10 SIGNS PERMITTED FOR NON-RESIDENTIAL USES IN THE AG, FP, SU, R1-6, R1-7, R1-8, R1-10, R1-12, R1-18, R1-35, 4M-1, RMH-1, RMH-2, RMH-3, P.A.D. AND P.C. ZONING DISTRICTS
- 14-34-11 SIGNS PERMITTED FOR RESIDENTIAL USES IN ALL DISTRICTS
- 14-34-12 NONCONFORMING SIGNS
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- 14-34-14 LIABILITY OF DAMAGES
- 14-34-15 EFFECT OF AMENDMENT ON PENDING SUITS
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- 14-34-17 PERMIT APPLICATION AND EXPIRATION
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- 14-34-26 SIGN MAINTENANCE
- 14-34-27 DESIGN AND CONSTRUCTION SPECIFICATIONS
- 14-34-28 PERMITTED LIGHTING AND MOVEMENTS
- 14-34-29 LOCATION REQUIREMENTS

14-34-1 INDEX (deleted in Ord. No. 96-03)

14-34-2 INTENT

The intent of this Article 14-34 is to regulate the type, placement, and physical dimensions of signs located in the City of Peoria. It is in the public interest and desired

- e. All such signs shall be located on the development site;
- f. Only one (1) sign shall be displayed per street frontage;
- g. Sign permit required.

16. Gasoline Service Station Signs.

- a. Service Station Identification/Price Sign. A permanently mounted, two component sign displaying business identification and the retail cost of a gallon of gas/diesel on the premises of the service station.

- 1) One such sign per street frontage;
- 2) Such sign shall not exceed thirty-two (32) square feet in area nor eight (8) feet in height measured from top of finished grade or top of curb whichever is greater
- 3) The price component of the sign shall not exceed six (6) feet in height measured from top of finished grade or top of curb whichever is greater;
- 4) The price component of the sign shall not exceed sixteen (16) square feet in area;
- 5) The sign shall have a landscape area at the base of each sign equal to at least four (4) square feet for each square foot of sign area;
- 6) The sign shall have a monument base of masonry construction. A comparable alternate base material may be used, upon written approval of the Planning Director;
- 7) Sign permit required.

- b. Pump-Topper Sign. A sign which is affixed to the top or sides of an operable, fuel dispensing pump.

- 1) Such signs shall not exceed three (3) square feet in area;
- ~~2) Such signs shall only display instructional information or price information and shall not include sign copy pertaining to any product, sale or promotion;~~
- 3) No sign permit required

17. Grand Opening Signs. A sign used for the introduction or promotion of a new business, store, shopping center, office or the announcement of an established business changing ownership. (Ord. No. 08-07)

Existing Pump-Topper Sign and Location for Signage



ORDINANCE NO. 2015-22

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, AMENDING CHAPTER 14 OF THE PEORIA CITY CODE (1977 EDITION), BY AMENDING ARTICLE 14-34 "SIGNS", OF THE PEORIA ZONING ORDINANCE; PROVIDING FOR SEPARABILITY AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Commission of the City of Peoria, Maricopa County, Arizona, held a public hearing on September 17, 2015 to consider a proposed amendment to the Peoria City Code, after notice in the manner provided by law; and

WHEREAS, due and proper notice of such Public Hearing was given in the time, form, substance, and manner provided by law including publication of such in the Peoria Times on August 28, 2015; and

WHEREAS, the Planning and Zoning Commission of the City of Peoria, Arizona at its regularly convened meeting of September 17, 2015 voted to recommend to the Mayor and Council of the City of Peoria, Arizona, that an amendment be made to the Peoria City Code (1977 edition) and Chapter 14 of the Peoria City Code; and

WHEREAS, the Mayor and Council of the City of Peoria, Arizona, have considered the recommendation of the Planning and Zoning Commission of the City of Peoria, Arizona, and deem it to be in the best interest of the public health, safety and welfare of the residents of the City of Peoria, Arizona to amend Article 14-34 "Signs" of Chapter 14 of the Peoria City Code (1977 edition):

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Peoria, Arizona as follows:

SECTION 1. of Chapter 14 of the Peoria City Code (1977 edition) shall be amended to read as indicated on Exhibit A.

SECTION 2. Effective Date. This Ordinance shall become effective on the date provided by law.

SECTION 3. SEPARABILITY. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria,
Maricopa County, Arizona this 20th day of October, 2015.

Cathy Carlat, Mayor

Date Signed

ATTEST:

Rhonda Geriminsky, City Clerk

APPROVED AS TO FORM:

Stephen M. Kemp, City Attorney

Published in: Peoria Times
Pub. Dates: October 30, 2015
Effective Date:

EXHIBIT A

ARTICLE 14-34 SIGNS

(Amended by Ord. No. 2011-01, 2012-06, 2012-17, 2013-16, 2014-21 and 2015-07, ~~20XX-XX~~)

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The intent of this Article 14-34 is to regulate the type, placement, and physical dimensions of signs located in the City of Peoria. It is in the public interest and desired

- e. All such signs shall be located on the development site;
- f. Only one (1) sign shall be displayed per street frontage;
- g. Sign permit required.

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- a. Service Station Identification/Price Sign. A permanently mounted, two component sign displaying business identification and the retail cost of a gallon of gas/diesel on the premises of the service station.
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**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 5C

Date Prepared: August 14, 2015

Council Meeting Date: October 20, 2015

TO: Mayor and City Council

FROM: Bo Larsen, Director of Communications

THROUGH: Carl Swenson, City Manager

SUBJECT: Budget Amendment for Ch 11 Router Upgrade – Equipment and Installation

Purpose:

This is a request to approve additional funding and a budget amendment in the amount of \$30,000 to complete the installation and integration for the Ch. 11 HD digital router.

Background/Summary:

The Office of Communications/Ch. 11 requested and received CIP funding for FY2016 to purchase an HD digital router for Peoria Channel 11. The router is used to receive and then direct all video and audio feeds needed for live and taped broadcasts and video production. An upgrade is needed to replace an analog system which is no longer supported by Microsoft operating systems or the broadcast industry suppliers.

After consulting with Level 3 Audio Visual, the selected vendor for this project, it was determined that the original request from Ch. 11 did not include the integration labor costs to complete the installation.

Previous Actions:

Ch. 11 staff researched the appropriate device to meet the current and long term needs of Ch. 11's transition to an HD digital station and provided their recommendations and request for funding to the director. With the recommendation and request for funding the director presented the project to the Technical Review Committee and then to the CIP Management Committee. The CIP request was approved by City Council for FY2016.

Options:

A: Approve the request for additional funding and General Fund reserves of \$30,000 to complete the installation and integration for the Ch. 11 HD digital router and a budget adjustment to the Ch.11 Infrastructure Digital Router project account from the General Fund contingency account.

B. Deny approval of the request for additional funding of \$30,000 to complete the installation and integration for the Ch. 11 HD digital router.

Staff's Recommendation:

Staff recommends approval of \$30,000 for installation and integration into the Ch. 11 system by Level 3 Audio Visual.

Fiscal Analysis:

The CIP project OC00001 - Ch11 Infrastructure Digital Router was approved \$75,000 in FY2016. The additional funding request of \$30,000 would come from General Fund reserves to make the total project \$105,000. The budget amendment would be \$30,000 to the Ch11 Infrastructure Digital Router project account 1000-0310-542008-CIPOF-OC00001OT from General Fund contingency account 1000-0300-570000.

Contact Name and Number:

Bo Larsen
Director of Communications
623-773-7934

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 6C

Date Prepared: September 23, 2015

Council Meeting Date: October 20, 2015

TO: Carl Swenson, City Manager

FROM: Chris M. Jacques, AICP, Planning Director

THROUGH: Susan J. Daluddung, AICP, Deputy City Manager
Jeff Tyne, Deputy City Manager

SUBJECT: White Tank Mountains Conservancy Membership

Purpose:

This is a request for City Council to authorize a membership with the White Tank Mountains Conservancy (WTMC) and approve a budget amendment and the use of General Fund Contingency in the amount of \$25,000.

Background/Summary:

On June 2, 2015, the City Council approved and adopted the *Peoria Sonoran Preservation Program*. The goal of the program is to identify areas that merit special consideration and then attempt to strategically assemble them over time – through acquisition, conservation, partnerships and development cases -- into a meaningful network of connected open spaces for a variety of users. One of the program's land conservation and funding strategies contemplates the City of Peoria growing partnerships with public entities (e.g. State Lands, BLM) and conservation organizations, such as the White Tank Mountain Conservancy.

The White Tank Mountains Conservancy (www.wtmconservancy.org) is a Buckeye, Arizona based organization dedicated to protecting natural lands by seeking pragmatic solutions that enhance the economy of the region while ensuring the sustainability of the natural and cultural resources within the region's iconic and rugged landscapes. This is accomplished by five specific areas of impact in support of these landscapes: Regional Planning and Partnerships, Stewardship and Volunteerism, Advocacy and Public Policy, Research, Education and Training, and Tourism and Public Attraction. It is through these focus areas that the WTMC seek to protect natural areas and maintain the character and beauty of the Sonoran Desert.

It is anticipated that through the City of Peoria's partnership with the White Tank Mountains Conservancy that we will better be able to leverage resources, share expertise, build synergy in the region, and collaborate to implement innovative projects related to land conservation and acquisition. Peoria would join the City of Buckeye, Maricopa County, Sonoran Institute,

WestMARC, DMB, Conservation Alliance of Central Arizona and other West Valley cities contemplating membership as part of a larger regional partnership.

Previous Actions:

June 2, 2015 – City Council adopted the *Sonoran Preservation Program* and accompanying implementation strategies.

Options:

A: Approve a budget transfer in the amount of \$25,000 from General Fund Contingency Account 1000-0300-570000 to the Planning Division; City Membership Dues account 1000-0610-521003 for the purpose of gaining a membership in the White Tank Mountains Conservancy.

B: Do not approve this budget transfer to join the White Tank Mountains Conservancy.

Staff's Recommendation:

Staff recommends that the City Council approve membership with the White Tank Mountains Conservatory and approve a budget amendment in the amount of \$25,000 from General Fund Contingency Account 1000-0300-570000 to the Planning Division; City Membership Dues account 1000-0610-521003.

Fiscal Analysis:

Cost of this membership will come from General Fund contingency.

Exhibit(s):

Exhibit 1: WTMC Summary

Contact Name and Number: Chris M. Jacques (623) 773-7609



Leadership Partners:



Learn more about the Conservancy:



www.WTMConservancy.org



Conserving the White Tank Mountains

The White Tank Mountains in the West Valley of Phoenix are among the best conserved natural areas in the metropolitan region. They lie along the western edge of the urban environment, standing as a natural barrier to the continued growth of one of America's fastest-growing cities. The White Tank Mountains harbor incredible natural and cultural resources including a robust mule deer herd, mountain lions, Javelina, and petroglyphs. In addition, the mountains feature two regional parks: the White Tank Mountain Regional Park, managed by the Maricopa County Parks and Recreation Department; and Skyline Park, managed by the City of Buckeye. Management of these large recreation areas strives to balance the preservation of natural and cultural resources with the continued use by recreationists, naturalists, and the general public.

The Future of the White Tank Mountains

The unprecedented growth of adjacent cities has pushed houses and urban infrastructure to the very edges of this iconic natural area. There are now serious concerns surrounding the sustainability of the White Tank Mountains and their natural and cultural resources in the possible event that they become completely surrounded by development. Today, more than a dozen master-planned communities are planned on the west and north sides of the White Tank Mountains. Some of the challenges are caused by development and infrastructure that could fill the valley floor and cut off the natural connections that animals in the White Tanks rely upon for forage, migration, and genetic diversity. Moreover, the addition of up to a million new residents around this area could place significant pressure on the resources if access and use are not appropriately managed. These developments have been legally planned and permitted but with careful advocacy and pragmatic efforts, many of the possible impacts from growth can be mitigated and resolved.

It is imperative that West Valley communities prepare today for the likely impacts of this expected growth and establish an organization whose sole mission is to preserve the resources in the mountains for posterity. The White Tank Mountains Conservancy, with a robust advocacy network, volunteer support base, and diverse support from the many entities that surround the mountains, will ensure that the White Tank Mountains are able to safeguard natural and cultural resources, thereby preserving the incredible Sonoran Desert history and their opportunities for education, recreation, and ecological services.

White Tank Mountains Conservancy (WTMC)

A diverse coalition of partners is working to establish this new organization. The partners engaged in leadership of the initiative include:

- The Sonoran Institute
- DMB Associates Inc.
- City of Buckeye
- Maricopa County Parks and Recreation
- Westmarc
- The Central Arizona Conservation Alliance

A wide variety of West Valley cities and towns, businesses, and developers have been involved in the success of the new organization. Following the October 2014 introduction event held at Verrado in Buckeye, leaders will develop a detailed plan for the establishment of the WTMC, which will result in securing the not-for-profit corporation status and developing the business plan for the new organization.

Though the final details have yet to be worked out, the organization intends to focus on five specific areas of impact in support of the White Tank Mountains and their resources.



Cactus blossoms are among the many beautiful natural features in the White Tank Mountains.

- Regional Planning and Partnerships: The WTMC will ensure that the mountains remain connected to the broader region with a regional trail network, connections for recreational activities, and appropriate wildlife corridors to prevent genetic isolation.
- Stewardship and Volunteerism: By working with existing groups including the Friends of the White Tanks and trail stewards, the WTMC will provide leadership

and volunteers who can provide the labor necessary to maintain and enhance recreational and environmental values.

- Advocacy and Public Policy: There are many issues connected to the resources of the White Tank Mountains that must be addressed through public policy. The WTMC will take an active role in assessing threats and opportunities that are affected by local, state, and national policy, while

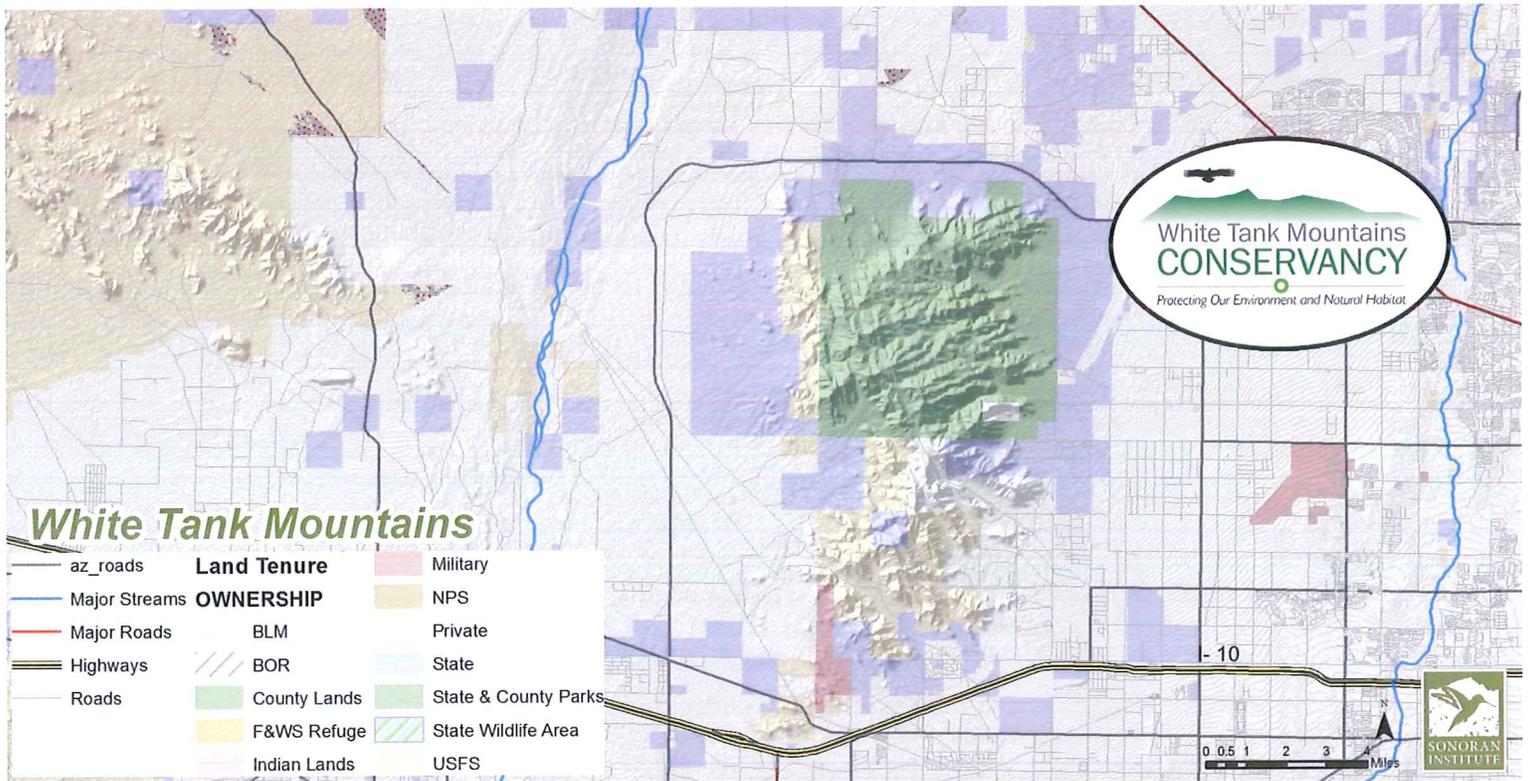
advocating for the continued protection and enhancement of resources.

- Research, Education and Outreach: The White Tank Mountains contain some of the Sonoran Desert's best natural and cultural resources. WTMC will engage research to learn more about these resources and develop opportunities to educate decision makers and community members about the climate, ecology, geology and culture of the region.

- Tourism and Public Attraction: Natural resources and outdoor recreation are two of the most significant contributors for tourism and economic development. The West Valley can leverage the White Tank Mountains as an important component of its economic development strategy—WTMC will be a leader in this opportunity.

Impact

The White Tank Mountains Conservancy will protect the White Tank Mountains by seeking pragmatic solutions that enhance the economy of the West Valley while ensuring the sustainability of the natural and cultural resources within this iconic and rugged landscape. Through partnership and collaboration with regional organizations, the WTMC will ensure that these sentinels on the western edge of the Phoenix metropolitan area thrive under the pressures of future growth and remain a vibrant sanctuary that retains the enduring character and beauty of the Sonoran Desert.



**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 7C

Date Prepared: October 5, 2015

Council Meeting Date: October 20, 2015

TO: Carl Swenson, City Manager
FROM: Andrew Granger, P.E., Development and Engineering Director
THROUGH: Susan J. Daluddung, Deputy City Manager
SUBJECT: Deeds and Easements, Various Locations

Purpose:

This is a request for City Council to adopt a Resolution accepting Deeds and Easements for various Real Property interests acquired by the City. The deeds and easements have been recorded by the Maricopa County Recorder's Office and this process will formally accept them into the system.

Background/Summary:

The City of Peoria periodically acquires a number of property interests including deeds, roadway dedications and various types of easements. All documents are reviewed for accuracy and recorded. A Resolution to accept these documents has been prepared, which lists each document by recording number and provides information related to each so the property interest to be accepted can be identified.

Previous Actions:

This is an ongoing process which occurs when we have acquired a number of real property interests.

Options:

- A: Approve the adoption of the Resolution accepting Deeds and Easements into our system.
- B: Deny adoption of the Resolution that formally accepts the Deeds and Easements into our system, resulting in the City not having an official record of what has been transferred to the City through recordation in the Maricopa County Recorder's office.

Staff's Recommendation:

Staff recommends the adoption of a Resolution accepting Deeds and Easements for various Real Property interests acquired by the City and previously recorded by the Maricopa County Recorder's Office to ensure completeness of the process.

Fiscal Analysis:

There is no fiscal impact to the City.

Narrative:

This Resolution includes Real Property interests acquired since the adoption of the previous acceptance resolution. The acceptance of the Resolution by City Council would bring the deeds and easements into our system and is the final step in the process.

Exhibit(s):

Exhibit 1: Resolution

Contact Name and Number: Angela Manuel, Real Property Coordinator, (623) 773-7728

RESOLUTION NO. 2015-104

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA ADOPTING A RESOLUTION FORMALLY ACCEPTING DEEDS AND EASEMENTS FOR PROPERTY RIGHTS CONVEYED TO THE CITY OF PEORIA.

WHEREAS, the real estate interests hereinafter referenced have been conveyed to the City of Peoria;

WHEREAS, it is to the advantage of the City of Peoria to accept said real property interests; and

WHEREAS, the City has determined that acquisition of these property interests is in the interest of the public health, safety and welfare.

NOW THEREFORE, be it resolved by the Mayor and Council of the City of Peoria, Maricopa County, Arizona as follows:

SECTION 1. That the following real property interests are hereby accepted by the City of Peoria and referenced by the recording number issued by the Maricopa County Recorder's Office.

Vistancia Wells 1 and 4 Access
Sun City North Investors
EASEMENT FOR INGRESS/EGRESS
Maricopa County Recording No. 20150682550

El Mirage Rd. Alignment south of
Jomax Rd. Alignment

Trilogy West Sewer
AZ State Land Department
EASEMENT FOR RIGHT OF WAY AND UNDERGROUND UTILITIES
Maricopa County Recording No. 20150697727
(Project No. State Land R/W No. 16-117879)

Jomax & Dysart Roads

Resolution No. 2015-104
Acceptance of Deeds and Easements
October 20, 2015
Page: 2

SECTION 2. Public Easement and Land Rights

That the Mayor and Council accept the deeds and public easements transferred to the City of Peoria as described herein.

SECTION 3. Recording Authorized

That the City Clerk shall record the original of this Resolution with the Maricopa County Recorder's Office.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona, this 20th day of October, 2015.

Cathy Carlat, Mayor

ATTEST:

Rhonda Geriminsky, City Clerk

APPROVED AS TO FORM:

Stephen M. Kemp, City Attorney

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 8C

Date Prepared: September 22, 2015

Council Meeting Date: October 20, 2015

TO: Carl Swenson, City Manager
FROM: Andrew Granger, P.E., Development and Engineering Director
THROUGH: Susan J. Daluddung, Deputy City Manager
SUBJECT: Designate Roadways, Establish Rights-of-Way, Various Locations

Purpose:

This is a request for City Council to adopt a Resolution designating various Real Properties to be used as City roadways and authorize the establishment of Public Rights-of-Way to be opened and maintained by the City as a Public Street. The deeds and easements have been recorded by the Maricopa County Recorder's Office and this process will formally incorporate them into the system.

Background/Summary:

The City of Peoria has, by separate Resolution, accepted each right-of-way to be designated as a public street. The attached Resolution lists each document that conveyed the property rights to be designated as public rights-of-way. The description found in the attached Resolution lists each document by recording number and provides information related to each. The individual description also identifies the type of roadway and type of improvement for each parcel.

Previous Actions:

This is an ongoing process that occurs after real property has been accepted into our system.

Options:

A: Approve the adoption of the Resolution designating various Real Property to be used as City roadways and authorize the establishment of Public Rights-of-Way to be opened and maintained by the city as a Public Street.

B: City Council denies the formal designation of various Real Property into our system. The result would be that the Public Rights-of-Way would not be maintained by the City as a Public Street.

Staff's Recommendation:

Staff recommends the adoption of a Resolution designating various Real Properties to be used as City roadways and maintained by the City.

Fiscal Analysis:

There is no significant fiscal impact to the City.

Narrative:

The adoption of the Resolution by City Council would bring the Real Property interests into our maintenance system and is the final step in the process.

Exhibit(s):

Exhibit 1: Resolution

Contact Name and Number: Angela Manuel, Real Property Coordinator, (623) 773-7728

RESOLUTION NO. 2015-105

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA ADOPTING A RESOLUTION AUTHORIZING THE ESTABLISHMENT OF PUBLIC STREETS, TO BE OPENED AND MAINTAINED BY THE CITY.

WHEREAS, the Mayor and Council of the City find and determine that the public health, safety and welfare require the establishment of public streets to be opened and maintained by the City;

WHEREAS, the Mayor and Council are vested with the authority pursuant to Article 1, Section 3 (6) of the Peoria City Charter and Section 23-18 of the Peoria City Code (1992) to establish the general location and routing of public streets; and

WHEREAS, the Development and Engineering Director of the City having submitted a map indicating the general location of the proposed public streets and recommends the acceptance of the street by the City for inclusion in the City Street system.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Peoria as follows:

SECTION 1. Recommendation of Development and Engineering Director to Establish a Public Street.

That the Mayor and Council find and determine that it is in the interest of the public health, safety and welfare of the city to accept the recommendation of the Development and Engineering Director to establish public streets in accordance with the general location set forth herein and accept the street for inclusion in the city street system and designate the streets for inclusion on the street classification map required by this chapter.

SECTION 2. Designation of a Public Street

That the Mayor and Council find and determine that the proposed public streets, as described below shall be designated to be either a major arterial, a minor arterial, a collector street or a local street, to be opened as a public street and maintained by the City.

Resolution No. 2015-105
Authorizing Establishment of Public Streets
October 20, 2015
Page 2

79th Ave and Thunderbird Rd
Satinder & Gurminder Purewal
SPECIAL WARRANTY DEED
Collector
Maricopa County Recording No. 20150669419
(Project No. EN00116)

SEC 79th Ave. & Thunderbird Rd.

Thunderbird Rd. Widening Rehab – L101 to 95th Ave. North side of Thunderbird Rd.
Larry & Jeff Ltd. Partnership West of Loop 101
FINAL ORDER OF CONDEMNATION
Major Arterial
Maricopa County Recording No. 20150674524
(Project No. EN00011)

SECTION 3. Amendment of Plans and Maps

That the Mayor and Council find and determine that the Transportation Plan of the City's general plan, the street classification map and the local streets plan shall be amended in the manner required by law to reflect the addition of a public street as set forth herein.

SECTION 4. Signage, Posting and Effective Date

(a) That the Development and Engineering Director or his designee are authorized to post such signage as deemed appropriate to indicate the existence of a public roadway and to provide for the safe and orderly movement of vehicular and pedestrian traffic on the public streets as set forth herein.

(b) That the City Attorney or his designee shall draft and submit the ordinances necessary to establish a speed limit for the public streets as set forth herein.

(c) That this Resolution shall become effective sixty-days after enactment by the City Council.

SECTION 5. Recording Authorized

Resolution No. 2015-105
Authorizing Establishment of Public Streets
October 20, 2015
Page 3

That the City Clerk shall record the original of this Resolution with the Maricopa County Recorder's Office.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Peoria, Arizona this 20th day of October, 2015.

CITY OF PEORIA, an Arizona municipal corporation

Cathy Carlat, Mayor

ATTEST:

Rhonda Geriminsky, City Clerk

APPROVED AS TO FORM:

Stephen M. Kemp, City Attorney

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 9C

Date Prepared: October 06, 2015

Council Meeting Date: October 20, 2015

TO: Carl Swenson, City Manager

FROM: Brent Mattingly, Finance Director

THROUGH: Jeff Tyne, Deputy City Manager

SUBJECT: Public Hearing: Proposed Recommendations by the City to the Arizona Department of Revenue for a Class A (Small Game) Bingo License.

Purpose:

Pursuant to Arizona Law the City must recommend to the Arizona Department of Revenue for approval. The Standard for the recommendation is whether the best interest of the community will be served by the issuance of this license and whether the public convenience is served.

Background/Summary:

Bea Cowan, Recreation Center Manager for Westbrook Village Association, has applied for a Class A (Small Game) Bingo License located at 19251 N. Westbrook Parkway.

The Class A license is used for recreational and social purposes, returning all gross receipts to the players in prizes. Class A licensees cannot exceed \$15,600 per year in gross receipts. That is the amount left, if any, after paying prizes.

The public hearing notice was posted and no comments were received during the posting period. The license application was reviewed according to State law and all Departments gave approvals.

Previous Actions:

There is currently a Class A (Small Game) Bingo License at this location. They are adding an additional license to have more games.

Options:

A: Recommend approval to the Arizona Department of Revenue for a Class A (Small Game) Bingo License located at 19251 N. Westbrook Parkway, Bea Cowan, Applicant, #10004542.

B: Recommend denial to the Arizona Department of Revenue for a Class A (Small Game) Bingo License located at 19251 N. Westbrook Parkway, Bea Cowan, Applicant, #10004542.

Staff's Recommendation:

That the Mayor and Council recommend approval to the Arizona Department of Revenue for a Class A (Small Game) Bingo License located at 19251 N. Westbrook Parkway, Bea Cowan, Applicant, #10004542.

Fiscal Analysis:

The item has no financial implications.

Narrative:

The appropriate fees have been paid and the applicant has been advised that a representative needs to be present at the meeting to answer any questions that the Council or public may have.

Exhibit 1: New Class A (Small Game) Bingo License Application.

FOR OFFICIAL USE ONLY PURSUANT TO A.R.S. § 5-404.A

- License Applicants: Complete lines 2, 3, and 4. Submit with entire license package to local governing body.
- Local Governing Body: Complete and return with license package to the Department of Revenue Bingo Section.

New Application Change of Location Date _____

License Number _____

From (Name of local governing body) _____

Address (number and street, PO Box) _____

City _____ State _____ ZIP Code _____

Phone No. (with area code) _____

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

88 _____

81 PM 80 RCVD

1 This is to certify that on _____ a hearing was conducted pursuant to Arizona Revised Statute, Title 5, Chapter 4, in the matter of:

Application for a bingo license by the following applicant.

Application for a bingo license location transfer.

2 Applicant's Name
Westbrook Village Recreation

3 Location/Address where games will be conducted: _____ City _____ State _____ ZIP Code _____

19251 N. Westbrook Pkwy. Peoria AZ 85382

4 Fill in the time on the days games will be played:

SUN	MON	TUE	WED	THUR	FRI	SAT
<input type="checkbox"/> a.m.	<input type="checkbox"/> a.m.					
<input type="checkbox"/> p.m.	6:00 <input checked="" type="checkbox"/> p.m.	<input type="checkbox"/> p.m.				

5 Background investigations:

have have not been conducted on all individuals listed in the Bingo License Application.

6 Recommendation for the application: Approved Disapproved

7 Specific reasons for disapproval are hereby listed pursuant to A.R.S. § 5-404.1:

This endorsement must be signed by a delegated authority of the local governing body.

Bea Cowan / Karen Jones

8-13-15 Recreation Centers Manager

0 Manager TITLE 8-13-15

- Type or print in black ink and complete all information requested on this form. If you do not, your application will be returned. All information is subject to verification. If you need more space, attach additional sheets.
- All bingo licenses expire one year from the date of issue. To continue conducting bingo games, you must renew your license prior to the expiration date.

1 Applicant's Name Westbrook Village Recreation		
2a Mailing Address 19281 N. Westbrook Pkwy		
2b City Peoria	State AZ	ZIP Code 85382
3a Administrative Office Location 19281 N. Westbrook Pkwy		
3b City Peoria	State AZ	ZIP Code 85382
4a Name of Contact Person Karen Jones	4b Telephone No. (623) 566-0099	
4c E-mail Address KarenJ@WestbrookVillage.org	4c Fax No.	

Falsification of information contained in this application constitutes a Class 6 felony.

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

88

81 PM 80 RCVD

- 5 Class B and Class C license applicants only: If applying as a qualified organization, check one box to indicate the type of organization:
- Charitable Social Religious Veterans
 Fraternal Volunteer Fire Department Homeowners Association Nonprofit Ambulance Service

6 Class B and Class C license applicants only applying as a qualified organization, provide parent or auxiliary information:

6a Parent Name	6b Auxiliary Name
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code

7 Class B and Class C license applicants only applying as a qualified organization, provide the date the organization was established in Arizona: _____

8 Class B and Class C license applicants only applying as a qualified organization, list the current officers of the organization:

8a Name	8b Name
Title	Title
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code
8c Name	8d Name
Title	Title
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code

Continued on page 2 →

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

Approved Disapproved Class A License Class B License Class C License

Reviewer's Name (please print)	Date	License Number	Effective Date	Expiration Date
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Applicant's Name (as shown on page 1)

Westbrook Village Recreation

APPLICATION FOR BINGO LICENSE

9 Class B and Class C license applicants only: Bingo checking account information:

Checking Account Number	Bank Name	Bank Branch
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10 Class B and Class C license applicants only: Bingo interest-bearing account information:

Account Number	Bank Name	Bank Branch
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11 Class B and Class C license applicants only: List all officers and/or supervisors authorized to sign checks from the accounts listed above. If applying as a qualified organization, all supervisors must be members of the applicant:

11a Name	11b Name
Title	Title
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code

12 List the name(s) of the one or two persons who will serve as managers. If applying as a qualified organization, these persons must be members of the applicant. Each person must submit an affidavit.

12a Name	12b Name
Karen Jones	Beatrice Cowan
Title	Title
General Manager	Recreation Centers Manager
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
19281 N. Westbrook Pkwy.	19281 N. Westbrook Pkwy.
City State ZIP Code	City State ZIP Code
Peoria AZ 85382	Peoria AZ 85382

13 List the name of the one person designated as proceeds coordinator. If applying as a qualified organization, this person must be an officer or director and a member of the applicant. Each person must submit an affidavit.

Name	Address – Number and Street, Rural Rt., Apt. No.
Beatrice Cowan	19281 N. Westbrook Pkwy.
Title	City State ZIP Code
Recreation Centers Manager	Peoria AZ 85382

14 List the name(s) of the person(s) who will serve as supervisor. If applying as a qualified organization, each person must be a member of the applicant. Each person must submit an affidavit.

14a Name	14b Name
Keith Call	Kasey Huhta
Title	Title
Assistant General Manager	Recreation Centers Assistant
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
19281 N. Westbrook Pkwy.	19281 N. Westbrook Pkwy.
City State ZIP Code	City State ZIP Code
Peoria AZ 85382	Peoria AZ 85382
14c Name	14d Name
Beatrice Cowan	Diana Hanson
Title	Title
Recreation Centers Manager	Executive Assistant
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
19281 N. Westbrook Pkwy.	19281 N. Westbrook Pkwy.
City State ZIP Code	City State ZIP Code
Peoria AZ 85382	Peoria AZ 85382

See attached page for additional info.

Supervisors (continued)

Karen Jones
General Manager
19281 N. Westbrook Pkwy.
Peoria, AZ 85382

Ronald E. Lyzniak
19281 N. Westbrook Pkwy.
Peoria, AZ 85382

Timothy L. Pinkerton



Renee Pinkerton



Kathy Margolis



Applicant's Name (as shown on page 1)

Westbrook Village Recreation

APPLICATION FOR BINGO LICENSE

15 List the name(s) of the person(s) who will serve as assistants. If applying as a qualified organization, each person must be a member or new member of the applicant. Except for "Class A" licensees, each person must submit an affidavit.

15a Name Mary Bailey	15b Name Rosella Fleming
15c Name Susan McDonald	15d Name Shirley Sawka
15e Name Dianna Ready	15f Name
15g Name	15h Name

16 Street address of the physical location where bingo will be played:

19251 N. Westbrook Village Pkwy. Peoria, AZ 85382

17 Indicate the time on each respective day that bingo will be played:

SUN	MON	TUE	WED	THUR	FRI	SAT
<input type="checkbox"/> a.m. <input type="checkbox"/> p.m.	<input type="checkbox"/> a.m. <input checked="" type="checkbox"/> p.m. 6:00	<input type="checkbox"/> a.m. <input type="checkbox"/> p.m.				

18 List dates of proposed game cancellation if any:

19 Indicate the type of premises where bingo will be played. Check one box:

a Neither rent nor mortgage will be paid from bingo funds.

b Rented or leased. Attach rental affidavit and copy of rental agreement.

Landlord's Name	Address - Number and Street, Rural Rt., Apt. No.
Telephone Number (with area code)	City State ZIP Code

c Owned solely by the organization. Attach copy of mortgage, deed of trust, purchase agreement, escrow agreement, or other related document.

Holder of Mortgage	Address - Number and Street, Rural Rt., Apt. No.
Telephone Number (with area code)	City State ZIP Code

d Owned jointly with other organization. Attach copy of mortgage, deed of trust, purchase agreement, escrow agreement, or other related document.

1) Holder of Mortgage	Address - Number and Street, Rural Rt., Apt. No.
Telephone Number (with area code)	City State ZIP Code
2) Co-Owner Holder:	Address - Number and Street, Rural Rt., Apt. No.
Telephone Number (with area code)	City State ZIP Code
3) Co-Owner Holder:	Address - Number and Street, Rural Rt., Apt. No.
Telephone Number (with area code)	City State ZIP Code

Continued on page 4 →

Applicant's Name (as shown on page 1)

Westbrook Village Recreation

APPLICATION FOR BINGO LICENSE

20 List bingo licensees who are or will be conducting bingo in the same premises as you and those licensees located within 1,000 feet of your premises:

20a Name	20b Name
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code

21 Expected bingo expenses:

a Mortgage: \$ _____ per month

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

b Rent: \$ _____ per month hour occasion

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

c Janitorial Services: \$ _____ per month hour occasion

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

d Accounting Services: \$ _____ per month hour occasion

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

e Security Services: \$ _____ per month hour occasion

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

f Bingo Supplies: \$ _____ per _____

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

Line 21 continues on page 5 →

Applicant's Name (as shown on page 1)
 Westbrook Village / Beatrice Cowan

APPLICATION FOR BINGO LICENSE

21 Expected Bingo Expenses, continued...

g Maximum prize payout per occasion: \$ _____, Attach game schedule that lists individual prize amounts.

Paid to		Address - Number and Street, Rural Rt., Apt. No.		
Telephone number (with area code)		City	State	ZIP Code

h Utility Expenses:

Electric (payable to)		Address - Number and Street, Rural Rt., Apt. No.		
Account Number	Monthly Amount \$	City	State	ZIP Code

Gas (payable to)		Address - Number and Street, Rural Rt., Apt. No.		
Account Number	Monthly Amount \$	City	State	ZIP Code

Water (payable to)		Address - Number and Street, Rural Rt., Apt. No.		
Account Number	Monthly Amount \$	City	State	ZIP Code

Trash Removal (payable to)		Address - Number and Street, Rural Rt., Apt. No.		
Account Number	Monthly Amount \$	City	State	ZIP Code

22 Briefly state the specific projected use of net proceeds from games of bingo:

I, Bea Cowan / Karen Jones under penalty of perjury and upon oath, declare that I am duly authorized to sign and file this application. I hereby swear or confirm that I have read the foregoing application and know the contents thereof and that all information provided has been fully, accurately, and truthfully completed to the best of my knowledge.

8-13-15 Rec Centers Manager
DATE TITLE
Manager 8-13-15 General Manager

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name Westbrook Village Recreation	License Number 07-626-A
Position (check the appropriate boxes): <input checked="" type="checkbox"/> Manager <input checked="" type="checkbox"/> Supervisor <input type="checkbox"/> Proceed Coordinator <input type="checkbox"/> Assistant	REVENUE USE ONLY. DO NOT MARK IN THIS AREA. 88

Affiant's Name Karen Jones	
Social Security Number [REDACTED]	Date of Birth [REDACTED]
City [REDACTED]	State [REDACTED]
ZIP Code [REDACTED]	WORK Phone No. (with area code) [REDACTED]

81 PM	80 RCVD
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If licensee is a qualified organization, complete the following section:

Member? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date Joined Organization
Officers? <input type="checkbox"/> Yes <input type="checkbox"/> No	Officer Title
Do you have an affidavit on file for any other licensee? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", list license number(s):	

I, Karen Jones AFFIANT'S NAME, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

[REDACTED SIGNATURE]

7-7-15
Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801



Arizona Department of Revenue • Bingo Section

1600 West Monroe, Phoenix, AZ 85007 • (602) 716-7801

AFFIDAVIT

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes, §5-404.

Please type or print in black ink.

LICENSEE'S NAME Westbrook Village Recreation	LICENSE NUMBER 07-626-A
POSITION Check the appropriate boxes: <input type="checkbox"/> Manager <input checked="" type="checkbox"/> Supervisor <input type="checkbox"/> Proceed Coordinator <input type="checkbox"/> Assistant	

AFFIANT'S NAME Keith M. Call		SOCIAL SECURITY NO. [REDACTED]
ADDRESS [REDACTED]		
STATE [REDACTED]		ZIP CODE [REDACTED]
HOME PHONE NO. (with area code) [REDACTED]	WORK PHONE NO. (with area code) [REDACTED]	

If licensee is a qualified organization, complete the following section:

MEMBER? <input type="checkbox"/> Yes <input type="checkbox"/> No	DATE JOINED ORGANIZATION
OFFICERS? <input type="checkbox"/> Yes <input type="checkbox"/> No	OFFICER TITLE
DO YOU HAVE AN AFFIDAVIT ON FILE FOR ANY OTHER LICENSEE? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", list license number(s):	

I, Keith M. Call, the above named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

SIGNATURE: [REDACTED]

DATE: 7/30/15



Arizona Department of Revenue • Bingo Section

1600 West Monroe, Phoenix, AZ 85007 • (602) 716-7801

AFFIDAVIT

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes, §5-404.

Please type or print in black ink.

LICENSEE'S NAME Westbrook Village Recreation	LICENSE NUMBER 07-626-A
POSITION Check the appropriate boxes: <input checked="" type="checkbox"/> Manager <input checked="" type="checkbox"/> Supervisor <input checked="" type="checkbox"/> Proceed Coordinator <input type="checkbox"/> Assistant	

AFFIANT'S NAME Beatrice A. Cowan	SOCIAL SECURITY NO. [REDACTED]
ADDRESS [REDACTED]	
CITY [REDACTED]	STATE ZIP CODE [REDACTED]
HOME PHONE NO. (with area code) [REDACTED]	WORK PHONE NO. (with area code) [REDACTED]

If licensee is a qualified organization, complete the following section:

MEMBER? <input type="checkbox"/> Yes <input type="checkbox"/> No	DATE JOINED ORGANIZATION
OFFICERS? <input type="checkbox"/> Yes <input type="checkbox"/> No	OFFICER TITLE
DO YOU HAVE AN AFFIDAVIT ON FILE FOR ANY OTHER LICENSEE? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", list license number(s):	

I, Beatrice A. Cowan AFFIANT'S NAME, the above named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.


SIGNATURE OF AFFIANT
7-28-15
DATE



Arizona Department of Revenue • Bingo Section

1600 West Monroe, Phoenix, AZ 85007 • (602) 716-7801

AFFIDAVIT

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes, §5-404.

Please type or print in black ink.

LICENSEE'S NAME Westbrook Village Recreation	LICENSE NUMBER 07-626-A
POSITION Check the appropriate boxes: <input type="checkbox"/> Manager <input checked="" type="checkbox"/> Supervisor <input type="checkbox"/> Proceed Coordinator <input type="checkbox"/> Assistant	

AFFIANT'S NAME Diana Hanson	SOCIAL SECURITY NO.
AD [REDACTED]	DATE OF BIRTH [REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
HOME PHONE NO. (with area code) [REDACTED]	WORK PHONE NO. (with area code) 603-5101-0099

If licensee is a qualified organization, complete the following section:

MEMBER? <input type="checkbox"/> Yes <input type="checkbox"/> No	DATE JOINED ORGANIZATION
OFFICERS? <input type="checkbox"/> Yes <input type="checkbox"/> No	OFFICER TITLE
DO YOU HAVE AN AFFIDAVIT ON FILE FOR ANY OTHER LICENSEE? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", list license number(s):	

I, Diana Hanson, the above named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

[REDACTED SIGNATURE]

DATE 7/31/15



Arizona Department of Revenue • Bingo Section

1600 West Monroe, Phoenix, AZ 85007 • (602) 716-7801

AFFIDAVIT

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Please type or print in black ink.

LICENSEE'S NAME Westbrook Village Recreation	LICENSE NUMBER 07-626-A
POSITION Check the appropriate boxes: <input type="checkbox"/> Manager <input checked="" type="checkbox"/> Supervisor <input type="checkbox"/> Proceed Coordinator <input type="checkbox"/> Assistant	

AFFIANT'S NAME Ronald E. Lyzniak		SOCIAL SECURITY NO. [REDACTED]
ADDRESS [REDACTED]		DATE OF BIRTH [REDACTED]
STATE [REDACTED]		ZIP CODE [REDACTED]
HOME PHONE NO. (with area code) [REDACTED]	WORK PHONE NO. (with area code) [REDACTED]	

If licensee is a qualified organization, complete the following section:

MEMBER? <input type="checkbox"/> Yes <input type="checkbox"/> No	DATE JOINED ORGANIZATION _____
OFFICERS? <input type="checkbox"/> Yes <input type="checkbox"/> No	OFFICER TITLE _____
DO YOU HAVE AN AFFIDAVIT ON FILE FOR ANY OTHER LICENSEE? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", list license number(s): _____	

I, Ronald E. Lyzniak, the above named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

[REDACTED SIGNATURE]
SIGNATURE OF AFFIANT

DATE

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name <i>Westbrook Village Recreation</i>	License Number <i>07-6210-A</i>
Position (check the appropriate boxes): <input type="checkbox"/> Manager <input checked="" type="checkbox"/> Supervisor <input type="checkbox"/> Proceed Coordinator <input type="checkbox"/> Assistant	REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

Affiant's Name <i>Timothy L. Pinkerton</i>	
Social Security Number [REDACTED]	Date of Birth [REDACTED]
Address [REDACTED]	
City [REDACTED]	ZIP Code [REDACTED]
Home Phone No. (with area code) [REDACTED]	Work Phone No. (with area code) [REDACTED]

88	81 PM	80 RCVD
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If licensee is a qualified organization, complete the following section:

Member? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date Joined Organization
Officers? <input type="checkbox"/> Yes <input type="checkbox"/> No	Officer Title
Do you have an affidavit on file for any other licensee? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", list license number(s):	

Timothy L. Pinkerton

[REDACTED], the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

[REDACTED]

Date *June 12th, 2015*

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name
Westbrook Village Recreation

Position (check the appropriate boxes):
 Manager Supervisor Proceed Coordinator Assistant

License Number
07-626-A

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

88

81 PM

80 RCVD

Affiant's Name
Renee Pinkerton

Social Security Number [REDACTED] Date of Birth [REDACTED]

State [REDACTED] ZIP Code [REDACTED]

Home No. (with area code) [REDACTED] Work Phone No. (with area code) [REDACTED]

If licensee is a qualified organization, complete the following section:

Member?
 Yes No Date Joined Organization _____

Officers?
 Yes No Officer Title _____

Do you have an affidavit on file for any other licensee?
 Yes No If "Yes", list license number(s): _____

I, Renee Pinkerton AFFIANT'S NAME, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

[REDACTED]

Date 7/10/2015

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

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Licensee's Name
Westbrook Village, Recreation

Position (check the appropriate boxes):
 Manager Supervisor Proceed Coordinator Assistant

License Number
07-626-A

Affiant's Name
Kasey Huhta

Social Security Number [REDACTED] Date of Birth [REDACTED]

State [REDACTED] ZIP Code [REDACTED]

Home Phone No. (with area code) [REDACTED] Work Phone No. (with area code) [REDACTED]

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

88

81 PM 80 RCVD

If licensee is a qualified organization, complete the following section:

Member?
 Yes No Date Joined Organization _____

Officers?
 Yes No Officer Title _____

Do you have an affidavit on file for any other licensee?
 Yes No If "Yes", list license number(s): _____

I, Kasey Huhta AFFIANT'S NAME, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

[REDACTED]

7/7/15
Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

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Licensee's Name <u>Westbrook Village Recreation</u>		License Number <u>07-626-A</u>	
Position (check the appropriate boxes): <input type="checkbox"/> Manager <input checked="" type="checkbox"/> Supervisor <input type="checkbox"/> Proceed Coordinator <input type="checkbox"/> Assistant		REVENUE USE ONLY. DO NOT MARK IN THIS AREA. 88	
Affiant's Name <u>Kathy Margolis</u>			
Social Security Number 	Date of Birth 		
City 	State 		ZIP Code
Home Phone NO. (with area code) 	Work Phone NO. (with area code) 	81 PM	80 RCVD

If licensee is a qualified organization, complete the following section:

Member? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date Joined Organization
Officers? <input type="checkbox"/> Yes <input type="checkbox"/> No	Officer Title
Do you have an affidavit on file for any other licensee? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", list license number(s):	

I, Kathy Margolis, AFFIANT'S NAME, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

Date 7/10/15

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

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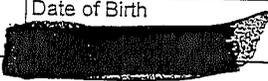
Licensee's Name
Westbrook Village Recreation

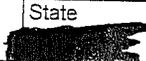
Position (check the appropriate boxes):
 Manager Supervisor Proceed Coordinator Assistant

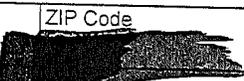
License Number
07-626-A

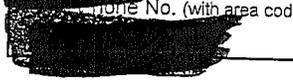
Affiant's Name
Shirley Sawka

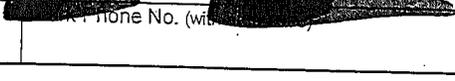
Social Security Number


Date of Birth


State


ZIP Code


Home No. (with area code)


Work Phone No. (with area code)


REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

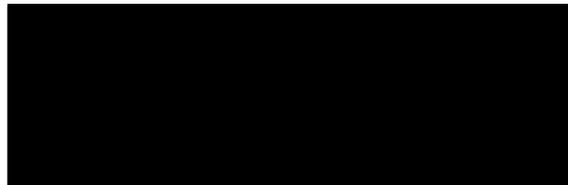
88

81 PM 80 RCVD

If licensee is a qualified organization, complete the following section:

Member? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date Joined Organization
Officers? <input type="checkbox"/> Yes <input type="checkbox"/> No	Officer Title
Do you have an affidavit on file for any other licensee? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", list license number(s):	

I, Shirley Sawka AFFIANT'S NAME, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.



7-10-15

Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

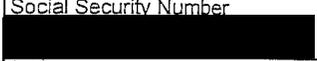
This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

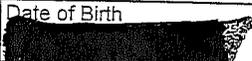
Licensee's Name
Westbrook Village Recreation

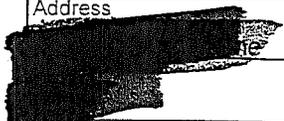
Position (check the appropriate boxes):
 Manager Supervisor Proceed Coordinator Assistant

License Number
07-626-A

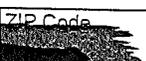
Affiant's Name
Rosella Fleming

Social Security Number


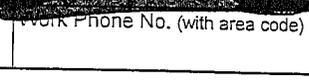
Date of Birth


Address


State


ZIP Code


Home Phone No. (with area code)


Work Phone No. (with area code)


REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

88

81 PM 80 RCVD

If licensee is a qualified organization, complete the following section:

Member? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date Joined Organization ____/____/____
Officers? <input type="checkbox"/> Yes <input type="checkbox"/> No	Officer Title
Do you have an affidavit on file for any other licensee? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", list license number(s):	

I, Rosella Fleming AFFIANT'S NAME, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.



Date 7-10-15

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

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Licensee's Name <u>Westbrook Village Recreation</u>		License Number <u>07-626-A</u>	
Position (check the appropriate boxes): <input type="checkbox"/> Manager <input type="checkbox"/> Supervisor <input type="checkbox"/> Proceed Coordinator <input checked="" type="checkbox"/> Assistant		REVENUE USE ONLY. DO NOT MARK IN THIS AREA. <u>88</u> <u>81</u> PM <u>80</u> RCVD	
Affiant's Name <u>Mary E. Bailey</u>			
Social Security Number 	Date of Birth 		
City 	State 		
Work Phone No. (with area code) 			

If licensee is a qualified organization, complete the following section:

Member? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date Joined Organization
Officers? <input type="checkbox"/> Yes <input type="checkbox"/> No	Officer Title
Do you have an affidavit on file for any other licensee? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", list license number(s):	

I, Mary E. Bailey, AFFIANT'S NAME, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

Signature

Date _____

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801



Arizona Department of Revenue • Bingo Section

1600 West Monroe, Phoenix, AZ 85007 • (602) 716-7801

AFFIDAVIT

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes, §5-404.

Please type or print in black ink.

LICENSEE'S NAME <u>Westbrook Village Recreation</u>	LICENSE NUMBER <u>07-626-A</u>
POSITION Check the appropriate boxes: <input type="checkbox"/> Manager <input checked="" type="checkbox"/> Supervisor <input type="checkbox"/> Proceed Coordinator <input checked="" type="checkbox"/> Assistant	

AFFIANT'S NAME <u>DIANNA L. REIDY</u>	SOCIAL SECURITY NUMBER [REDACTED]
ADDRESS [REDACTED]	[REDACTED]
CITY [REDACTED]	[REDACTED]
HOME PHONE NUMBER [REDACTED]	WORK PHONE NO. (with area code) [REDACTED]

If licensee is a qualified organization, complete the following section:

MEMBER? <input type="checkbox"/> Yes <input type="checkbox"/> No	DATE JOINED ORGANIZATION _____
OFFICERS? <input type="checkbox"/> Yes <input type="checkbox"/> No	OFFICER TITLE _____
DO YOU HAVE AN AFFIDAVIT ON FILE FOR ANY OTHER LICENSEE? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", list license number(s): _____	

I, DIANNA L. REIDY, the above named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

[REDACTED]

3-25-2015
DATE



Arizona Department of Revenue • Bingo Section

1600 West Monroe, Phoenix, AZ 85007 • (602) 716-7801

AFFIDAVIT

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes, §5-404.

Please type or print in black ink.

LICENSEE'S NAME <u>Westbrook Village Recreation</u>	LICENSE NUMBER <u>07-626-A</u>
POSITION Check the appropriate boxes: <input type="checkbox"/> Manager <input type="checkbox"/> Supervisor <input type="checkbox"/> Proceed Coordinator <input checked="" type="checkbox"/> Assistant	

AFFIANT'S NAME <u>Susan McDonald</u>	SOCIAL SECURITY NO.
ADDRESS 	
CITY 	STATE
HOME PHONE NO. (with area code) 	WORK PHONE NO. (with area code)

If licensee is a qualified organization, complete the following section:

MEMBER? <input type="checkbox"/> Yes <input type="checkbox"/> No	DATE JOINED ORGANIZATION _____
OFFICERS? <input type="checkbox"/> Yes <input type="checkbox"/> No	OFFICER TITLE _____
DO YOU HAVE AN AFFIDAVIT ON FILE FOR ANY OTHER LICENSEE? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", list license number(s): _____	

I, Susan McDonald, the above named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

DATE 3-24-15

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name <u>Westbrook Village Recreation</u>		License Number <u>07-626-A</u>	
Position (check the appropriate boxes): <input type="checkbox"/> Manager <input type="checkbox"/> Supervisor <input type="checkbox"/> Proceed Coordinator <input checked="" type="checkbox"/> Assistant			
REVENUE USE ONLY. DO NOT MARK IN THIS AREA.			
Affiant's Name <u>Elvira Shawe</u>		88	
Social Security Number 		Date of Birth 	
State 		ZIP Code 	
Home Phone No. (with area code) 		81 PM	80 RCVD
Work Phone No. (with area code) 			

If licensee is a qualified organization, complete the following section:

Member? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date Joined Organization
Officers? <input type="checkbox"/> Yes <input type="checkbox"/> No	Officer Title
Do you have an affidavit on file for any other licensee? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes", list license number(s):	

I, Elvira Shawe, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

Signature of Affiant

8-17-15
Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Date Prepared: October 12, 2015

Council Meeting Date: October 20, 2015

TO: Honorable Mayor and City Council

FROM: Stephen M. Kemp, City Attorney

SUBJECT: Acquisition of the New River Utility Company

Purpose:

This is a request for the Mayor and City Council to:

- A. Approve the final version of the Stock Purchase Agreement between New River Utility Company and the City of Peoria, Arizona.
- B. Adopt Resolution No. 2015-106 authorizing entry into and execution of an Asset Purchase Agreement and authorization to file all necessary proceedings with the Arizona Corporation Commission to accomplish the termination of the Certificate of Necessity and dissolution of the corporation.
- C. Approve an Asset Purchase Agreement between New River Utility and the City of Peoria, Arizona.
- D. Authorize the Office of the City Attorney to represent the City of Peoria, Arizona and New River Utility Company in proceedings pertaining to the Asset Purchase Agreement.

Background/Summary:

In 2015, the City entered into negotiations with the New River Utility Company, an Arizona Corporation (hereinafter "NRUC") to acquire all of the outstanding stock of NRUC. The price for the acquisition of the stock of NRUC by the City would be a financing through the Arizona Water Infrastructure Financing Authority. The use of this financing and the authorization to acquire private utility companies were part of Question 1 of a bond issue approved by the qualified electors of the City in a special election held on May 5, 2005. The negotiations between NRUC and the City resulted in a final version of the Stock Purchase Agreement acceptable to all parties. At the prior Council meeting held on October 6, 2015, the Council approved a resolution accepting the terms and conditions of the financing issued through the Arizona Water Infrastructure Financing Authority.

Item A is the final version with exhibits of the Stock Purchase Agreement with NRUC. The result of this Agreement is that the City will own all of the outstanding stock of NRUC. Once the stock

is acquired, the City will insert its own Board of Directors and management team. Under the Arizona Constitution, the City may not retain ownership in a company, except for the limited purpose of obtaining Arizona Corporation Commission approval and to dissolve the company.

Once the Stock Purchase Agreement is closed, the City and NRUC under its new management team will enter into an Asset Purchase Agreement for the City to acquire all of the assets of NRUC, and to file the necessary actions with the Arizona Corporation Commission to cancel NRUC's Certificate of Necessity and dissolve the corporation. Item B is the resolution of the City Council authorizing the entry of the City into the proposed Asset Purchase Agreement.

Item C is the proposed Asset Purchase Agreement between the City and NRUC. Once approved by the City, the Asset Purchase Agreement will be submitted to the NRUC Board of Directors for approval. Once approved, an application will be filed with the Arizona Corporation Commission requesting cancellation of NRUC's Certificate of Necessity and dissolving the corporation. This process will require NRUC to provide notice to all of the customer's of NRUC of the Arizona Corporation Commission process. After execution of the Asset Purchase Agreement, the City appointed management team will be operating NRUC, until the Arizona Corporation Commission acts on the City's application.

Item D is an authorization by the Mayor and Council to authorize the Office of the City Attorney to represent both the City and NRUC in the proceedings before the Arizona Corporation Commission. The proposed Asset Purchase Agreement requires each party to give its consent in writing by signing the Agreement. This is a requirement of the Arizona Rules of Professional Conduct applicable to the practice of law in this state.

Assuming approval of these items, it is the intent to proceed with closing on the Stock Purchase Agreement and execution of the Asset Purchase Agreement as soon as practicable.

Previous Actions:

Prior Executive Sessions on the acquisition of New River Utility Company.

On July 7, 2015, Discussion and Possible Action to authorize staff to execute all documents pertaining to the acquisition of the New River Utility Company.

Options:

A: Approve the Final Stock Purchase Agreement; Resolution authorizing the Asset Purchase Agreement; Asset Purchase Agreement and Consent to joint representation of the City of Peoria and the New River Utility Company by the Office of the City Attorney.

B: Do not approve the Agenda Item authorizing the required documents for acquisition of the New River Utility Company.

Staff's Recommendation:

Staff recommends and requests that Council approve items A-D. Item A will provide for the City to acquire all of the stock of the New River Utility Company and to insert its own management team. Item B is the authorization to enter into the Proposed Asset Purchase Agreement. Item C is the proposed Asset Purchase Agreement and Item D authorizes the Office of the City Attorney to represent the City of Peoria and the New River Utility Company in all proceedings before the Arizona Corporation Commission pertaining to this transaction.

Fiscal Analysis:

Costs of acquiring, upgrading, and maintaining the utility system will be provided from the monthly revenues received from customers within the NRUC service area. The acquisition will not impact utility rates of city customers outside of the NRUC. Future budgets will include both the revenues from the system area as well as capital and operating expenses of the system. Costs of acquiring and upgrading the system will be largely financed from a loan from the Water Infrastructure Finance Authority which was previously approved by Council.

Narrative:

Assuming Council approval of these items, the City will proceed to the following:

1. Closing on the Stock Purchase Agreement
2. Appoint the City Management Team for New River Utilities Company
3. New River Utility Approval of the Asset Purchase Agreement
4. File Application for cancellation of the Certificate of Necessity issued to New River Utility Company by the Arizona Corporation Commission and apply for dissolution of the New River Utility Company
5. Upon approval by the Arizona Corporation Commission, complete transfer of all property, rights and interests of New River Utility Company to the City of Peoria.

A number of City Staff have been involved in this complex project. In the City Attorney's Office, Cheryl Boswell, Assistant City Attorney and Ben Ganados, Paralegal. In the Finance & Budget Department, Brent Mattingly, Chief Financial Officer, Katie Gregory, Deputy Finance & Budget Director, and Sonia Andrews, Finance Manager, and in the Utilities Department, William Mattingly, Public Works and Utilities Director, and Michael Weber, Deputy Utilities Director.

Exhibits:

Exhibit 1: Stock Purchase Agreement

Exhibit 2: Resolution No. 2015-106

Exhibit 3: Asset Purchase Agreement

Contact Name and Number: Stephen M. Kemp, City Attorney (623) 773-7321

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (the “Agreement”) is executed and delivered on October _____, 2015, between the City of Peoria, Arizona, an Arizona municipal corporation (“Buyer”), and Robert L. Fletcher and Mary Karen Fletcher, as Trustees of the Robert L. Fletcher and Mary Karen Fletcher Family Trust, created under trust instrument dated July 19, 2002 (“Seller”).

WHEREAS, Seller owns all of the issued and outstanding shares of capital stock of New River Utility Company, an Arizona corporation (the “Company”);

WHEREAS, the Company is engaged in the business of providing water service to the public within portions of the City of Peoria, Arizona, pursuant to authority granted by the Arizona Corporation Commission in Decision Nos. 33131 (May 24, 1961) and 33354 (August 15, 1961) (the “Business”); and

WHEREAS, Seller desires to sell, and Buyer desires to purchase, all of the issued and outstanding shares of capital stock of the Company (the “Shares”), all in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained and other good and valuable consideration, received to the full satisfaction of each of them, the parties agree as follows:

ARTICLE 1

SALE AND TRANSFER; PURCHASE PRICE; CLOSING

1.1 Delivery of Shares. On the terms and subject to the conditions set forth in this Agreement, Seller shall, on the Closing Date (as defined below), transfer, assign and deliver to Buyer certificates representing the Shares, free and clear of any liens, security interests, encumbrances, adverse claims, and pledges whatsoever (collectively, “Encumbrances”).

1.2 Company Assets. Buyer and Seller agree that except for the Excluded Assets (defined below), all assets of the Company used in connection with the Business and necessary for the operation of the Business after the Closing in the same manner as operated immediately prior to the Closing (the “Company Assets”) shall be included in the transaction contemplated by this Agreement. The Company Assets include all well permits and well sites used by the Company to withdraw water and serve the customers located within its service area pursuant to applicable law. If after the Closing, any Company Assets are discovered to not be owned by the Company, the Seller shall take any and all actions necessary to transfer such assets to the Company.

1.3 Excluded Assets. The parties agree that certain assets of the Company shall remain the property of Seller or its affiliates and, notwithstanding the structuring of this transaction as a stock purchase, shall not be sold to Buyer as part of the Company as of the Closing (the “Excluded Assets”). Such Excluded Assets are as follows: (a) all motor vehicles; (b) all office furniture; (c) all cash and cash equivalents; and (d) all cell phones. Buyer

acknowledges and agrees that the Company may take, and Seller may cause the Company to take, any and all actions necessary to transfer such Excluded Assets to Seller or its affiliates at or before the Closing (as defined below). Buyer further agrees to cause the Company to take any and all actions necessary after the Closing to transfer such Excluded Assets to Seller or its affiliates.

1.4 Purchase Price.

(a) Purchase Price. Subject to the conditions set forth in this Agreement, at the Closing Buyer shall pay to Seller for the Shares the sum of \$10,000,000 (the “Purchase Price”).

(b) Payment of Purchase Price. The Purchase Price shall be paid to Seller at the Closing by wire transfer of immediately available funds.

1.5 Time and Place of Closing. Unless otherwise agreed to by the parties, this transaction shall be closed concurrently with the execution of this Agreement (the “Closing”). The Closing shall take place at the offices of Buyer, 8401 W. Monroe Street, Peoria, AZ 85345, or at such other place as the parties may agree. The date on which the Closing occurs shall be referred to as the “Closing Date.”

1.6 Closing Deliveries by Seller. At the Closing, Seller shall deliver to Buyer, all duly executed:

(a) a certificate(s) representing the Shares, duly endorsed or accompanied by appropriate stock powers;

(b) evidence of the release of any Encumbrances on the Shares;

(c) resignations, effective as of the Closing Date, of all officers and directors of the Company;

(d) a certificate of good standing with respect to the Company issued by the Arizona Corporation Commission;

(e) resolutions of the board of directors of the Company authorizing the execution, delivery, and performance of this Agreement and the transactions contemplated hereby;

(f) a current balance sheet of the Company showing that all of the Company’s customer deposits have been refunded and that except for any current Liabilities that have arisen in the ordinary course of business, the Company has no Liabilities on its balance sheet;

(g) a schedule of all the outstanding accounts receivable of the Company along with an aging schedule; and

(h) such other separate documents or instruments of sale, assignment, or transfer required by Buyer to consummate the transactions contemplated by this Agreement (the “Transactions”).

1.7 Closing Deliveries by Buyer. At the Closing, Buyer shall deliver to Seller, all duly executed (where applicable):

- (a) the Purchase Price payable to Seller by wire transfer of immediately available funds;
- (b) a certified copy of resolutions of the City Council (or delegation of the City Council) of Buyer authorizing the execution and delivery of this Agreement and the consummation of the Transactions by Buyer; and
- (c) such other separate instruments of sale, assignment, or transfer reasonably required by Seller to consummate the Transactions.

ARTICLE 2

REPRESENTATIONS AND WARRANTIES OF SELLER

Except as otherwise disclosed in the Disclosure Schedules to this Agreement, Seller makes the representations and warranties set forth in this Article 2 to Buyer. Whenever a representation or warranty herein is qualified as having been made “to the best of Seller’s knowledge,” such phrase shall mean the knowledge of Robert L. Fletcher, without inquiry.

2.1 Organization; Authority; Capitalization.

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Arizona and is duly authorized, qualified and licensed under all laws, regulations, ordinances and orders of public authorities to carry on its businesses in the places and in the manner as presently conducted except for where failure to be so authorized, qualified or licensed would not have a material adverse affect on its business. Copies of the Company’s Articles of Incorporation and Bylaws, each as amended, are set forth on Schedule 2.1(a).

(b) Seller has the full legal right, power and authority to enter into this Agreement and to consummate the Transactions. On or before the Closing, all action of Seller necessary to approve the Transactions shall have been taken.

(c) The authorized capitalization of the Company consists of 100,000 shares of common stock, of which 100 Shares are issued and outstanding. All of the Shares are validly issued, fully paid and non-assessable and owned, beneficially and of record, by Seller. Except for liens on the Shares that will be released before or concurrently with the Closing, there are no outstanding rights, warrants, options or agreements with respect to any class of capital stock of the Company, including agreements granting to any person rights to acquire any capital stock or agreements with respect to the voting thereof. Except for the Shares, there are no other outstanding equity securities or other interests of the Company. The Company has no obligation (contingent or otherwise) to purchase, redeem or otherwise acquire any of its equity securities or any interests therein or to pay any dividend or make any distribution in respect thereof. The Company has not agreed to register any securities under the Securities Act of 1933, as amended (the “Act”), or under any state securities law. The Company has no subsidiaries and the Company does not control, directly or indirectly, or have any direct or indirect equity participation in, any other person or entity.

2.2 Binding Effect. This Agreement is the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms.

2.3 Consents and Approvals; No Violation.

(a) Except as set forth on Schedule 2.3(a), no filing or registration with, and no permit, authorization, consent or approval of, any party, including any federal, state or local court or regulatory agency, or other governmental authority or private arbitral authority (collectively, a “Governmental Authority”), is necessary for the consummation by Seller of the Transactions; provided, however, that Seller makes no representations or warranties as to the effect of the Transactions on any Permits (as defined below) and that Buyer shall be responsible for obtaining all required governmental consents to or approvals of the Transactions.

(b) Except as set forth on Schedule 2.3(b), the execution, delivery and performance of this Agreement, the consummation of the Transactions and the fulfillment of the terms hereof will not: (i) conflict with or result in a breach or violation of the Articles of Incorporation or Bylaws of the Company or the trust agreement of Seller; (ii) conflict with, or result in a material breach under, any document, agreement or other instrument to which the Company is a party, or result in the creation or imposition of any Encumbrance on any properties of the Company; or (iii) violate any law, regulation, judgment, order, injunction or decree of any applicable Governmental Authority applicable to the Company (“Applicable Laws”), except in the case of clauses (ii) and (iii) for breaches, violations, defaults, or Encumbrances as would not result in a material adverse effect on the Company. Buyer acknowledges and agrees, however, that the Transactions will result in the revocation of the Company’s status as an S corporation.

2.4 Litigation. Except as set forth on Schedule 2.4, there is no claim, litigation, action, suit or proceeding, formal arbitration, informal arbitration or mediation, administrative, judicial or otherwise (collectively, “Proceedings”), pending or, to the best of Seller’s knowledge, threatened against the Company, or against Seller and relating to the Company, before any Governmental Authority that could reasonably be expected to have a material adverse effect on the Company or that would prevent, delay or make illegal the Transactions.

2.5 Taxes. Except as set forth on Schedule 2.5, (a) the Company has filed, or will file, in a timely manner all requisite federal, state, local and other tax returns due for all fiscal periods ended on or before the date hereof and as of the Closing shall have filed in a timely manner all such returns due for all periods ended on or before the Closing Date; (b) no federal, state, local or other tax returns or reports filed by the Company (whether filed prior to, on or after the date hereof) with respect to the Company will result in any taxes, assessments, fees or other governmental charges upon the Company or the Buyer; (c) all federal, state and local taxes due and payable by the Company have been paid; (d) there are no agreements to extend the statutory period for the assessment of any taxes, examinations in progress or claims against the Company for federal, state, local and other taxes (including penalties and interest) for any period or periods prior to and including the date hereof (and as of the Closing Date) and no notice of any claim, whether pending or threatened, for taxes has been received; and (e) there are no liens for taxes on any assets of the Company, except for liens relating to current real property taxes and personal property taxes that are not yet due and payable.

2.6 Personal Property and Other Assets; Water Rights.

(a) Except for the Excluded Assets, each piece of equipment used or for use in the Business and owned by the Company (the “Equipment”) is being retained by the Company and transferred to Buyer through its acquisition of the Shares in its “as is” condition.

(b) At the Closing, the Company shall have good and marketable title to its assets (other than the Excluded Assets), free and clear of all debts and Encumbrances. The Company does not lease any of its assets used in the operation of the Business. Schedule 2.6 sets forth a complete and accurate list of all the tangible personal property assets (including Equipment) owned by the Company.

(c) The well sites, buildings, machinery, equipment, and other tangible assets the Company owns, which are necessary for the conduct of the Business as presently conducted, are sufficient to carry on the Business after the Closing. The Company does not own any Type 1 or Type 2 groundwater rights.

(d) The Company has all rights necessary to extract and deliver water to its customers pursuant to applicable law, and the Company has no reason to believe that any such rights will be lost, revoked or compromised or will not be satisfied, except as would not reasonably be expected to have a material adverse effect on the Company and its Business. The Company intends that title to all such rights shall remain vested with the Company upon the Closing.

2.7 Contracts. Seller has made available to Buyer true and correct copies of all of the Company’s material written leases, contracts and agreements (the “Contracts”). A list of the Contracts is set forth on Schedule 2.7. To the best of Seller’s knowledge, except as set forth on Schedule 2.7: (a) all of the Contracts are in full force and effect; (b) all rent and other payments by Seller or the Company under the Contracts are current and there are no existing defaults by Seller or the Company under the Contracts; and (c) no termination, condition or other event has occurred which (whether with or without notice, lapse of time or the happening or occurrence of any other event) would constitute a default or a basis for force majeure or other claim of excusable delay or non-performance under the Contracts. The Company has no active or outstanding line extension agreements.

2.8 Environmental Matters. To the best of Seller’s knowledge, except as set forth on Schedule 2.8, as of the date of this Agreement, neither Seller nor the Company has received any written notice regarding the Company or its assets from any Governmental Authority or other third party alleging a violation of any Applicable Laws that relate to health, the environment, or a community’s right to know (“Environmental Laws”).

2.9 Permits. Set forth on Schedule 2.9 is a complete and accurate list of all permits, licenses, consents and approvals of every kind held by the Company, including permit applications, franchises, and certificates of convenience and necessity (the “Permits”). To the best of Seller’s knowledge, except as set forth on Schedule 2.9, all of the Permits are valid, in good standing and in full force and effect. Notwithstanding the foregoing, however, Seller makes no representations or warranties as to the effect of the Transactions on any Permits.

2.10 Financial Information.

(a) True and complete copies of the 2013 and 2014 ACC filings (the “Financial Statements”), are included as Schedule 2.10(a). The Financial Statements were prepared in accordance with the books of account and other financial records of the Company. Buyer acknowledges and agrees that such Financial Statements have been prepared based on the ACC’s regulatory requirements and may be different than financial statements prepared on the tax basis or on another accounting basis, and that such Financial Statements may not “fairly present” the financial condition and the results of operations and cash flows of the Company as of the applicable date or for the applicable periods.

(b) Except as disclosed in the Schedule 2.10(b), there are no Liabilities of the Company other than Liabilities (i) reflected or reserved against on the balance sheet dated as of December 31, 2014, and (ii) Liabilities which have arisen after December 31, 2014 in the ordinary course of business. “Liabilities” means any and all debts, liabilities and obligations of the type that are required to be included in a balance sheet prepared in accordance with generally accepted accounting principles, but excludes non-contractual liabilities (such as contingent liabilities arising out of events that occurred before the Closing or arising under any Applicable Law (including any Environmental Law) other than Tax liabilities).

2.11 Absence of Changes. Since December 31, 2014, except as otherwise set forth in Schedule 2.11, the Company has not:

(a) transferred or encumbered any rights, Permits, real or personal property, in each case, used or necessary for the provision of utility service, except in the ordinary course of business.

(b) issued or sold any capital stock, or rights to purchase any such stock or any securities convertible into or exchangeable for such stock;

(c) suffered any damage, destruction or loss (insured or uninsured) materially and adversely affecting its ability to conduct its business or operations;

(d) merged or consolidated with or been acquired by any person, firm or corporation (or agreed to do so);

(e) agreed to any waiver or settlement of any lawsuit or dispute involving it or its properties;

(f) made or authorized any loan or advance to any person;

(g) incurred (or agreed to) any Liability, except current liabilities in the ordinary and usual course of business; or

(h) made (or agreed to) any purchase or lease of capital assets exceeding \$10,000.

2.12 No Guarantees. The Company has not guaranteed or become subject to a similar contingent obligation in respect of the obligations or liabilities of any other person or entity.

2.13 Customer Deposits. As of the Closing, the Company has refunded all of its customer deposits.

2.14 Accounts Receivable. The accounts receivable of the Company as of the Closing Date: (i) represent valid and binding obligations for services actually provided by the Company, enforceable in accordance with their terms, (ii) are not the subject of any action or legal proceeding, and (iii) have arisen in the ordinary course of business. There are no contests, claims, counterclaims, rights of set off or other defenses with respect to such accounts receivable.

2.15 No Other Representations. Seller is not making any representations or warranties, expressed or implied, of any nature whatsoever except as specifically set forth in this Agreement.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF BUYER.

Buyer makes the representations and warranties set forth in this Article 3 to Seller.

3.1 Organization; Authority.

(a) Buyer is a municipal corporation duly incorporated, validly existing and in good standing under the laws of the State of Arizona and is duly authorized, qualified and licensed under all laws, regulations, ordinances and orders of public authorities to carry on its business in the place and the manner as presently conducted, except for where failure to be so authorized, qualified or licensed would not have a material adverse effect on it or its ability to consummate the Transactions.

(b) Buyer has the full legal right, power and authority to enter into this Agreement and to consummate the Transactions. On or before the Closing, all municipal action of Buyer necessary to approve the Transactions shall have been taken.

3.2 Binding Effect. This Agreement is the valid and binding obligation of Buyer, enforceable against it in accordance with its terms.

3.3 Consents and Approvals; No Violation.

(a) No filing or registration with, and no permit, authorization, consent or approval of, any party, including any Governmental Authority, is necessary for the consummation by Buyer of the Transactions.

(b) The execution, delivery and performance of this Agreement, the consummation of the Transactions and the fulfillment of the terms hereof will not: (i) conflict with, or result in a breach or violation of the charter of Buyer; (ii) conflict with, or result in a material breach under, any document, agreement or other instrument to which Buyer is a party, or result in the creation or imposition of any encumbrance on any properties of Buyer; or (iii) violate any Applicable Laws; except in the case of clauses (ii) and (iii) for breaches, violations, defaults, liens, charges or encumbrances as do not and would not result in a material adverse effect on Buyer's ability to consummate the Transactions.

3.4 Litigation. There are no Proceedings, pending or, to the best of Buyer's knowledge, threatened against Buyer before any Governmental Authority that would prevent, delay or make illegal the Transactions.

3.5 Independent Investigation. Buyer has conducted its own independent investigation of the Company, its assets and the Business. Buyer acknowledges that it has had access to Seller's representatives and to any and all real estate, environmental, financial, operational and other documents and information that Buyer has requested or otherwise determined is necessary as part of Buyer's due diligence review of the Company, its assets and the Business, and that it has inspected the same and the Company's assets. Buyer has been provided all information and documentation it has requested and has received answers to all questions asked of Buyer and its representatives and personnel. Buyer acknowledges that, **EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT AND IN THE SCHEDULES HERETO, BUYER, THROUGH ITS ACQUISITION OF THE SHARES, IS ACQUIRING THE COMPANY AND ALL OF ITS ASSETS "AS IS, WHERE IS" AND "WITH ALL FAULTS" AND SELLER HAS NOT MADE, AND SELLER HEREBY EXPRESSLY DISCLAIMS AND NEGATES, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE WHATSOEVER, RELATING TO THE COMPANY OR ITS ASSETS (INCLUDING ANY REPRESENTATIONS OR WARRANTIES AS TO ENVIRONMENTAL MATTERS OR ANY IMPLIED OR EXPRESSED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE).**

3.6 Investment. Buyer is acquiring the Shares pursuant to this Agreement for its own account and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Act.

3.7 Buyer's Representations and Warranties. From the date of this Agreement until the Closing Date, except as provided for in or contemplated by this Agreement or except as consented to or approved by Seller in writing, Buyer covenants and agrees that it will not take any action that would make any representation and warranty of Buyer hereunder inaccurate in any material respect at or as of the Closing.

ARTICLE 4

REMEDIES

4.1 Survival; Exclusivity. The representations and warranties contained in this Agreement and the certificates and other documents delivered pursuant to this Agreement shall survive the Closing for 6 months; provided, however, the representations and warranties (and indemnification obligations related thereto) in Section 2.5 shall survive until six months following the expiration of the applicable statute of limitations and the representations and warranties in Section 2.8 shall survive for a period of one year. The covenants and agreements contained in this Agreement and the certificates and other documents delivered pursuant to this Agreement shall survive the Closing to the extent applicable. Such representations, warranties, covenants and agreements contained herein are exclusive, and the parties hereto confirm that they have not relied upon any other representations, warranties, covenants and agreements as an inducement to enter into this Agreement or otherwise.

4.2 Indemnification by Seller. Seller agrees to indemnify and hold harmless Buyer from any and all claims, damages, losses, liabilities, costs and expenses (including settlement costs and any legal, accounting or other expenses for investigating or defending any actions or threatened actions) (collectively, "Losses") reasonably incurred by Buyer in connection with any breach by Seller of any representation or warranty in this Agreement or any breach by Seller of any covenant, agreement or obligation contained in this Agreement or any document contemplated hereby; provided, however, that Seller shall not be liable for the breach of any representation or warranty in this Agreement if Buyer had knowledge before the Closing of facts that would make such representation or warranty untrue.

4.3 Indemnification by Buyer. Buyer agrees to indemnify and hold harmless Seller from any and all Losses reasonably incurred by Seller in connection with any breach by Buyer of any representation or warranty in this Agreement or any breach by Buyer of any covenant, agreement or obligation contained in this Agreement or any document contemplated hereby; provided, however, that Buyer shall not be liable for the breach of any representation or warranty in this Agreement if Seller had knowledge before the Closing of facts that would make such representation or warranty untrue.

4.4 Limitation on Liability. Notwithstanding the other provisions of this Article 4, the indemnification obligations of Buyer and Seller set forth in this Article 4 shall apply only after the aggregate amount of such obligations exceeds \$10,000, at which time the indemnification obligations shall be effective only as to those Losses in excess of such initial \$10,000. Further, the indemnification obligations of Buyer and Seller set forth in this Article 4 shall be limited to an aggregate amount not to exceed \$5,000,000.

4.5 Exclusivity. Indemnification pursuant to this Article 4, as limited by the provisions of this Article 4, shall be the exclusive remedy of the parties with respect to any breach by any party of any representation or warranty in this Agreement.

ARTICLE 5

GENERAL

5.1 Tax Returns. From and after the Closing, Buyer shall not amend any of the Company's federal or state income tax returns for any period ending on or before the Closing Date.

5.2 Further Assurances. Subject to the terms and conditions of this Agreement, at any time and from time to time following the Closing, at Buyer's request (and at the expense of the Buyer but without further consideration), Seller shall execute and deliver to Buyer such other instruments of sale, transfer, conveyance, assignment and confirmation, provide such materials and information and take such other actions as Buyer may reasonably request in order to fully consummate the transactions contemplated by this Agreement and to assist Buyer with actions related to the cancellation of the Company's Certificate of Convenience and Necessity.

5.3 Assignment; Binding Effect; Amendment. This Agreement and the rights of the parties hereunder may not be assigned and shall be binding upon and shall inure to the benefit of the parties hereto and their successors. This Agreement, upon execution and delivery, constitutes

a valid and binding agreement of the parties hereto enforceable in accordance with its terms and may be modified or amended only by a written instrument executed by both of the parties hereto.

5.4 Entire Agreement. This Agreement is the final, complete and exclusive statement and expression of the agreement among the parties hereto relating to the subject matter of this Agreement, it being understood that there are no oral representations, understandings or agreements covering the same subject matter as this Agreement. This Agreement supersedes, and cannot be varied, contradicted or supplemented by, evidence of any prior or contemporaneous discussions, correspondence, or oral or written agreements of any kind.

5.5 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

5.6 No Brokers. Seller represents and warrants to Buyer that Seller has had no dealings with any broker or agent so as to entitle such broker or agent to a commission or fee in connection with the transaction described herein. Buyer represents and warrants to Seller that Buyer has had no dealings with any broker or agent so as to entitle such broker or agent to a commission or fee in connection with the transaction described herein. If for any reason a commission or fee shall become due, the party dealing with such agent or broker shall pay such commission or fee, and agrees to indemnify and save harmless the other party from all claims for such commission or fee and from all attorneys' fees, litigation costs and other expenses relating to such claim.

5.7 Expenses of Transaction. Whether or not the transactions herein shall be consummated: (a) Buyer will pay the fees, expenses and disbursements of Buyer and its agents, representatives, accountants and counsel incurred in connection with the subject matter of this Agreement and any amendments hereto and all other costs and expenses incurred in the performance and compliance with all conditions to be performed by Buyer under this Agreement; and (b) Seller will pay the fees, expenses and disbursements of Seller and its agents, representatives, accountants and counsel incurred in connection with the subject matter of this Agreement and any amendments hereto and all other costs and expenses incurred in the performance and compliance with all conditions to be performed by Seller under this Agreement.

5.8 Notices. All notices or other communications required or permitted hereunder shall be in writing and may be given by depositing the same in United States mail, addressed to the party to be notified, postage prepaid and registered or certified with return receipt requested, by overnight courier, or by delivering the same in person to such party.

If to Seller, addressed to it at:

7837 West Deer Valley Road
Peoria, Arizona 85382
Attn: Robert L. Fletcher

with a copy to:

Fennemore Craig, P.C.
2394 East Camelback Road
Suite 600
Phoenix, AZ 85016
Attn: Norman D. James, Esq.

If to Buyer, addressed to it at:

City of Peoria, Arizona
8401 W. Monroe Street, Room 300
Peoria, AZ 85345
Attn: City Manager

City of Peoria, Arizona
8401 W. Monroe Street, Room 280
Peoria, AZ 85345
Attn: Stephen M. Kemp, Esq., City Attorney

Notice shall be deemed given and effective the day personally delivered with delivery verification, the day after being sent by overnight courier, subject to signature verification, and three business days after the deposit in the U.S. Mail of a writing addressed as above and sent first class mail, certified, return receipt requested, or when actually received, if earlier. Any party may change the address for notice by notifying the other parties of such change in accordance with this Section.

5.9 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Arizona, without giving effect to any choice or conflict of law provision or rule (whether of the State of Arizona or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Arizona.

5.10 Jurisdiction; Waiver of Jury Trial. The parties agree that any disputes arising out of or related in any way to this Agreement, including a breach of this Agreement, shall be filed exclusively in the state or federal courts in Maricopa County, Arizona. The parties consent and agree to the jurisdiction of the Arizona courts. Neither party will argue or contend that it is not subject to the jurisdiction of the Arizona courts or that venue in Maricopa County, Arizona, is improper.

5.11 Attorneys' Fees. Should any litigation be commenced under this Agreement, the successful party in such litigation shall be entitled to recover, in addition to such other relief as the court may award, its reasonable attorneys' fees, expert witness fees, litigation related expenses, and court or other costs incurred in such litigation or proceeding. For purposes of this clause, the term "successful party" means the net winner of the dispute, taking into account the claims pursued, the claims on which the pursuing party was successful, the amount of money sought, the amount of money awarded, and offsets or counterclaims pursued (successfully or unsuccessfully) by the other party. If a written settlement offer is rejected and the judgment or award finally obtained is equal to or more favorable to the offeror than an offer made in writing to settle, the offeror is deemed to be the successful party from the date of the offer forward.

5.12 No Waiver. No delay of or omission in the exercise of any right, power or remedy accruing to any party as a result of any breach or default by the other party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of or in any similar breach or default occurring later; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default occurring before or after that waiver. The rights and remedies of any party based upon, arising out of or otherwise in respect to any inaccuracy or breach of any representation, warranty, covenant, or agreement, or failure to fulfill any condition shall in no way be limited by the fact that the act, omission, occurrence or other stated facts upon which any claim of any such inaccuracy or breach is based may also be the subject matter of any other representation, warranty, covenant, or agreement as to which there is no inaccuracy or breach.

5.13 Captions. The headings of this Agreement are inserted for convenience only, and shall not constitute a part of this Agreement or be used to construe or interpret any provision hereof.

5.14 Severability. In case any provision of this Agreement shall be invalid, illegal or unenforceable, it shall, to the extent possible, be modified in such manner as to be valid, legal and enforceable but so as most nearly to retain the intent of the parties. If such modification is not possible, such provision shall be severed from this Agreement. In either case the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

5.15 Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local or foreign statute shall be deemed to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word “include” or “including” means include or including, without limitation.

5.16 Cancellation. This Agreement is subject to cancellation for conflict of interest without penalty or further obligation as provided by A.R.S. § 38-511.

5.17 Acknowledgement. The parties acknowledge and recognize that after the Closing, Buyer may sell and convey all assets of the Company to the City of Peoria, an Arizona municipal corporation authorized to provide water service.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

BUYER:

The City of Peoria, an Arizona municipal corporation

By: _____
Name: Carl Swenson, City Manager

Approved as to form:

By: _____
Name: Stephen M. Kemp, City Attorney

Attestation:

By: _____
Name: Rhonda Geriminsky, City Clerk

SELLER:

Robert L. Fletcher and Mary Karen Fletcher, as Trustees of the Robert L. Fletcher and Mary Karen Fletcher Family Trust, created under trust instrument dated July 19, 2002

By: _____
Name: Robert L. Fletcher

By: _____
Name: Mary Karen Fletcher

LIST OF SCHEDULES

Schedule 2.1(a)	--	Articles of Incorporation and Bylaws
Schedule 2.3(a)	--	Consents
Schedule 2.3(b)	--	Conflicts
Schedule 2.4	--	Litigation
Schedule 2.5	--	Taxes
Schedule 2.6	--	Tangible Personal Property and Equipment
Schedule 2.7	--	Contracts
Schedule 2.8	--	Environmental Matters
Schedule 2.9	--	Permits
Schedule 2.10(a)	--	Financial Statements
Schedule 2.10(b)	--	Liabilities
Schedule 2.11	--	Changes

SCHEDULE 2.1(a)
Articles of Incorporation and Bylaws

1. Articles of Incorporation, dated February 20, 1959, as amended by Amendment to Articles of Incorporation, dated May 1, 1962, as amended by Articles of Amendment to Articles of Incorporation, dated December 5, 1979, as amended by Articles of Amendment to the Articles of Incorporation, dated January 20, 2003.

2. New River Utility Company Amended and Restated Bylaws, dated January 1, 2003.

SCHEDULE 2.3(a)
Consents

None.

SCHEDULE 2.3(b)
Conflicts

None.

SCHEDULE 2.4
Litigation

None.

SCHEDULE 2.5
Taxes

None.

SCHEDULE 2.6
Tangible Personal Property and Equipment

Computers

Dell Studio XPS 8100 Computer number 6R8KJM1
Dell HDM Monitor
HP Laser Jet Pro 400, Model M-401dne
HP Pavilion Tower computer
HP Pavilion 23XI Monitor

Meter Reading Equipment

Nomad hand held and Trimble laser light
Docking station
Belt clip with Neptune R900 Belt Clip Receiver
Neptune Advantage 11, handheld wand for meter reading
Neptune Technology Sharp E-Coder for R900 Belt Clip Receiver

Tools and Supplies

Three barrels of food grade drip oil
Three drip oilers
Inventory of new meters
One fire hydrant presume gauge
One hose pressure gauge and hose bib
Two street valve keys
Two water meter keys
One hand crank for 55 gallon drip oil pump
Four fire hydrant meters
Three fire hydrant valve wrenches
One meter fitting wrench
One meter open jaw wrench

Water Deliver Equipment

200 horsepower water pump associated with well 55-805437
150 horsepower water pump associated with well 55-616944
300 horsepower water pump associated with well 55-616945
150 horsepower water pump associated with well 55-616946
300 horsepower water pump associated with well 55-616948
Two 100 horsepower booster pump
Six 25 horsepower booster pumps
447 fire hydrants
Three 1,000,000 gallon storage tanks
Two 1,000 gallon pressure tanks

Three chlorine gas water treatment stations
Four arsenic treatment filters
All the water mains shown in the 2014 Annual Report of New River Utility Company
All of the customer water meters shown in the 2014 Annual Report of New River Utility Company
1,400 feet of cinder block wall
240 feet of chain link fence

Golf Carts

1999 EZGO
1991 Club Car

Other

Digital check scanner TS240
Panasonic dot matrix printer
Super scripts laser printer
OKI Microline 420 9 pin printer
Brother laser printer
NEC Superscript 1260 printer
Charrette five drawer filing cabinet with blueprints for New River Utility franchise
Twenty pieces Sensus, Upper Housing Touch Pad Disc
New River Utility Company operating manual
Wire and adapters for office equipment
Two drawer file cabinets
Back-up disk with billing history
Meter repair tool box with cable cutter and crimpers
20 meter locks
Well log books and pump information manuals

SCHEDULE 2.7
Contracts

1. Agreement, dated March 13, 1990, between the City of Glendale and New River Utility Company.
2. Emergency Interconnect Agreement between the City of Peoria and New River Utility Company dated August 23, 2011.
3. Assignment of Rights and Assumption of Obligations of the Central Arizona Project Municipal and Industrial Water Service Subcontract dated July 12, 2007 between New River Utility Company and the Central Arizona Water Conservation District.

C 2615

Y9903
COPY

AGREEMENT

THIS AGREEMENT is entered into this 13th day of March, 1990, between the CITY OF GLENDALE, a municipal corporation and political subdivision of the State of Arizona (hereinafter "City"), and NEW RIVER UTILITY COMPANY, an Arizona corporation and public service corporation (hereinafter "New River").

WHEREAS, New River is the holder of a Certificate of Convenience and Necessity, issued by the Arizona Corporation Commission, which grants New River the exclusive right to provide public utility service, and, specifically, the provision of potable water for drinking water, household, commercial and industrial purposes, within certain geographical areas of Maricopa County, Arizona (hereinafter the "certificated area");

WHEREAS, a portion of the certificated area of New River lies within the incorporated limits of the City (hereinafter the "Glendale certificated area"), which portion is located within Section 35, Township 4 North, Range 1 East, G&SRB&M (hereinafter "Section 35") and is shown on the map attached hereto as Exhibit "A";

WHEREAS, New River has a water delivery subcontract with the United States Department of Interior and the Central Arizona Water Conservation District ("CAWCD") for a supply of Central Arizona Project Municipal and Industrial water (hereinafter the "CAP Subcontract") in the total amount of 2,359 acre-feet per year, but does not currently have the facilities with

which to take delivery of, treat and deliver its CAP water to customers within its certificated area;

WHEREAS, the City owns and operates a municipal water delivery system within the City and wishes to provide water service to the public throughout Section 35, including the Glendale certificated area and the City holds the powers of eminent domain to acquire New River's Glendale certificated area, the related portion of New River's rights under its CAP Subcontract, any water rights held by New River within the Glendale certificated area, and the related portion of its franchise, for such purposes;

WHEREAS, New River has no installed water system or facilities in Section 35 or in the immediate vicinity of Section 35;

WHEREAS, on March 7, 1989, the City Council of the City adopted an ordinance authorizing the acquisition of the Glendale certificated area, and all tangible and intangible utility property and water rights related thereto, which ordinance is attached hereto as Exhibit "B";

WHEREAS, the parties are in agreement on the terms of transfer of a portion of the tangible and intangible properties of New River to the City, as they are located within or associated with the Glendale certificated area in lieu of a condemnation action which would be brought by the City in the absence of this Agreement having been reached with New River;

WHEREAS, the City has an operating water treatment plant, turnout facilities and distribution works for the City's CAP water, with future plans to either increase the capacity of the City's existing CAP water treatment plant or to build another such plant, and related facilities; and

WHEREAS, New River desires to contract with the City, pursuant to which contract the City would take delivery of, treat and deliver New River's CAP water which is available to New River under its CAP Subcontract, at the City's cost of treatment, as hereinafter described, and with participation by New River in the capital costs of treatment facilities to be expanded or constructed, owned and operated by the City, a portion of which treatment facilities would be used to treat New River's CAP water as mentioned above, and the City is willing to provide such service to New River so long as the capital costs of such treatment facilities associated with the treatment of New River's CAP water are borne by New River and so long as New River pays the City's costs, as hereinafter described, of treating New River's CAP water;

NOW, THEREFORE, IT IS AGREED as follows:

I. DELETION OF GLENDALE CERTIFICATED AREA, TRANSFER OF UTILITY PLANT AND PROPERTY AND RELATED MATTERS.

A. Contemporaneously with the execution of this Agreement by both parties hereto, New River shall execute the assignment attached hereto as Exhibit "C", and shall, within sixty days of the date of the execution of this Agreement and Exhibit "C", file with the Arizona Corporation Commission ("the

Commission") an application seeking the approval of the assignment attached hereto as Exhibit "C", and seeking the Commission's approval of all other aspects of this Agreement and the Exhibits hereto which require its approval.

B. Contemporaneously with the execution of this Agreement by both parties hereto, New River shall execute an assignment, in the form of Exhibit "D" hereto, assigning to the City all of New River's rights to 100 acre-feet of the water available to New River under its CAP Subcontract, and an assignment, quit-claim deed, and bill of sale, in the form of Exhibit "E" hereto, transferring to the City all of New River's right, title and interest in any water rights and tangible and intangible utility property within the Glendale certificated area, except for New River's Maricopa County franchise within the right-of-way of 83rd Avenue, on the western border of the Glendale certificated area. The assignment evidenced by Exhibit "D" shall not be effective until it has been approved by the United States ("the U.S."), the CAWCD, and, if necessary, the Commission, and New River shall make application to CAWCD, the U.S., and the Commission for all required approvals within sixty days of the execution of this Agreement. The assignment, quit-claim deed, and bill of sale evidenced by Exhibit "E" shall not be effective until this Agreement and Exhibit "E" have been approved by the Commission.

C. New River represents to the City that, as of the date first written above, there are no charges, liens, or encum-

branches against the Glendale certificated area or against any of the property to be assigned or transferred hereunder. New River represents to the City that it has not provided water service in Section 35 and that it has no facilities or properties in that portion of Section 35 outside the Glendale certificated area. New River covenants that it will do no act between the date first written above and the date Exhibits "C", "D" and "E" are in effect which would cause a charge, lien, or encumbrance to be placed upon the property described in Exhibits "C", "D" or "E". New River represents, further, that it is in good standing with the Commission, that it has filed with the Commission all reports required to be filed by New River, that there are no proceedings pending before the Commission for the revocation of New River's certificate of convenience and necessity, and that it has executed a subcontract for M&I water service from the CAP, which subcontract has been validated by a decree of the Superior Court which is final and from which no appeals can now be taken.

D. New River shall execute such additional documents as may be necessary to effect the assignments and transfers described in Article I.B. hereof and shall prosecute the application described in Article I.A. hereof diligently and at its own expense. New River shall make all reasonable efforts in obtaining the approval of the CAWCD and the U.S. of the assignment evidenced by Exhibit "D" hereto. The City shall cooperate with New River in prosecuting the application and in effecting the assignment and transfer described in Article I.B. hereof.

New River shall support any application made by the City for a franchise from Maricopa County within the right-of-way of 83rd Avenue, on the western border of the Glendale certificated area, provided, however, that New River shall not be required to support, and may oppose, any such application if the granting of the application would have the effect of revoking the franchise to such area currently held by New River.

E. From and after the date Exhibits "C", "D" and "E" are effective and the Commission has approved this Agreement and all Exhibits hereto requiring its approval, New River acknowledges the right of the City to be the sole provider of public water service within the Glendale certificated area and within Section 35.

II. TREATMENT AND DELIVERY OF CAP WATER.

A. Definitions. For purposes of this Article II, New River's CAP water entitlement means that amount of water to which New River is entitled under its CAP Subcontract, less the amount of its CAP water allocation to be transferred to the City under Article I.B. hereof and with respect to which New River has given the notice or notices provided for in paragraph B.5.a. of this Article II (hereinafter "New River's CAP entitlement" or "allocation").

B. Capital Charges and Related Matters

1. New River agrees to pay to the City a Capital Charge to be utilized by the City to fund the construction of such additional CAP water treatment plant capacity as is neces-

sary for the City to treat New River's CAP allocation. Such additional capacity may be included in the capacity of a new CAP water treatment plant or in an expansion of the City's existing CAP water treatment plant, whichever option the City, in its discretion, elects. The Capital Charge to be paid by New River to the City shall be that amount of money which is equal to the City's costs in arranging to treat New River's CAP allocation under whichever of the following options the City elects:

a. In the event the City elects to build a new CAP water treatment plant in order to treat New River's CAP allocation, New River shall pay a Capital Charge which is in the proportion that the capacity required to treat its CAP entitlement bears to the total capacity of the new CAP water treatment plant. The Capital Charge shall be determined by adding all of the capital costs of the new plant and multiplying the sum thereby obtained by the ratio of the new plant's capacity attributable to the treatment of New River's CAP allocation to the total treatment capacity of the new plant. For purposes of this paragraph, the term "capital costs" shall mean land costs, engineering, design, and technical studies costs, contract amounts for the construction of the new plant, overhead charges, including legal services and project administration by the City (provided that overhead charges shall in no event exceed 15% of the contract amount for the construction of the new plant), and all other costs reasonably incurred by the City in connection with the construction of the new plant. "Capital costs" may also

include costs for rights-of-way, if any, associated with the construction of the new CAP water treatment plant, but shall not include the costs described in Paragraph II.B.1.c. of this Article II.

b. In the event the City elects to expand the City's existing CAP water treatment plant in order to treat New River's CAP allocation, New River shall pay a Capital Charge which is equal to the capital costs of constructing the treatment capacity to be used for the treatment of New River's CAP allocation in the expanded portion of the existing CAP water treatment plant, plus a share of the land costs, design and engineering costs, and other infrastructure costs previously incurred by the City in anticipation of a future expansion of the plant, if any, which share shall be in the proportion that the capacity included in the expansion to be used to treat New River's CAP allocation bears to the total capacity of the plant after the expansion has been concluded. For purposes of this paragraph, the term "capital costs" shall mean the engineering, design, and technical studies costs, contract amounts for the construction of the additional capacity required for the treatment of New River's CAP allocation, overhead charges, including legal services and project administration by the City (provided that overhead charges shall in no event exceed 15% of such contract amount), and all other costs reasonably incurred by the City in connection with the expansion of the plant in order to treat New River's CAP allocation. "Capital costs" may also include costs for rights-

of-way, if any, associated with the construction of the expansion of the existing CAP water treatment plant, but shall not include the costs described in Paragraph II.B.1.c. of this Article II.

c. The cost of any transmission facilities, including rights-of-way, from the City's treatment plant used to treat New River's CAP allocation to the Delivery Point, as defined in paragraph II.B.4. of this Article II, shall not be included in any way in determining the amount of the Capital Charge to be paid by New River to the City.

d. The Capital Charge under paragraphs B.1.a. and B.1.b. of this Article II may include a reasonable amount for contingencies, not to exceed ten percent (10%) of the total Capital Charge payable by New River, exclusive of the amount for contingencies, which amount shall be held at interest in a contingency fund ("Contingency Fund") and which amount, plus all interest earnings thereon, shall be refunded to New River to the extent such amount is not expended in the construction of the new plant or in the expansion of the existing plant, as the case may be. No expenditure shall be made from the Contingency Fund by the City without giving New River written notice of such expenditure at least 14 working days prior to the making of such expenditure. New River shall have the right to protest the making of such expenditure, and the City, after receipt of such a protest, shall have the right to make such expenditure or to refrain from making such expenditure; provided, however, that New River shall have the right to recover the amount of the

expenditure taken from the Contingency Fund, plus interest, in an action in which New River demonstrates that the expenditure was not appropriately charged to or made from the Contingency Fund. No expenditure shall be made from the Contingency Fund unless the City also makes an expenditure for the same contingency, and any expenditure from the Contingency Fund shall be in the same proportion to the total contingency expenditure that New River's capacity in the new or expanded treatment plant bears to the total capacity of the new or expanded treatment plant. In the event New River's capacity is equal to 100% of the capacity of the new or expanded treatment plant, the City shall not be required to make an expenditure for the contingency. For purposes of this Agreement, the Contingency Fund may be used to cover extra costs of construction attributable to reasonable unanticipated conditions or circumstances which are necessary in order to complete construction of the new or expanded plant, provided such extra costs are not a result of the City's negligence.

2. The City shall provide to New River, in the notice required by paragraph II.B.5. of this Article II, a detailed itemization of the Capital Charge to be paid by New River, showing all components of such Capital Charge and how all components were calculated and determined. The City shall also provide, if requested by New River, all underlying documentation, calculations and other information necessary to show clearly the bases for each component of the Capital Charge. If New River

disputes all or any part of the City's calculation of the Capital Charge, the parties agree to negotiate in good faith to attempt to arrive at a mutually acceptable calculation. If a mutually acceptable calculation cannot be reached, each party shall have available all legal and equitable recourse allowed by law; provided, however, that the City shall have no obligation to enter into contracts or cause the project to be constructed until such dispute is resolved and the Capital Charge is paid by New River.

3. a. The City agrees, within a reasonable time after the Notification Date referred to below, and payment by New River of the Capital Charge, to cause to be constructed the new CAP water treatment plant or an expansion to the City's existing CAP water treatment plant (the "Project") in sufficient capacity and designed so as to permit the City to take delivery of New River's CAP allocation from the works of the CAP, treat such water and deliver it to New River, through a metered connection at the Delivery Point. The determination of the timing of construction of the Project will be made by the City, exercising good-faith discretion and in consideration, among other factors, of the plans the City may then have to expand its existing CAP water treatment plant or build another such plant, the timing of such plans and the economies which can be realized by combining such plans with the Project to be funded by New River.

b. Upon completion and operational acceptance of the Project by the City (the "Completion Date"), the

City shall take delivery of, treat and deliver to the Delivery Point New River's CAP entitlement under the pertinent provisions of New River's CAP Contract and all applicable rules, regulations and operational orders, of the U.S., CAWCD and DWR, for which New River shall pay the Water Delivery Charge provided for in paragraph C. of this Article II, in addition to the Capital Charge.

c. The Project shall be constructed under City control as a public works contract.

d. The Project shall be owned absolutely by the City and New River shall have no interest therein. New River's rights under this Agreement are in the nature of a contractual right for the treatment and delivery of New River's CAP allocation.

4. The Delivery Point shall be in or on the west side of the intersection of 75th Avenue and Deer Valley Road, Glendale, Arizona, at which point the City shall, at New River's expense, install a meter. New River shall have the right to observe the installation and calibration of the meter, and the right upon reasonable notice to inspect the meter and to request and observe any recalibration thereof. The City shall keep accurate records of all water deliveries through the meter, which records New River may inspect during business hours. The meter shall be installed at New River's request, and shall be installed not less than thirty days prior to the delivery of water through the Delivery Point, provided New River shall first have made such changes to its system, including the addition of a storage tank,

if necessary, as the City may reasonably require for the efficient operation of the City's own system up to the Delivery Point.

5. a. The Notification Date shall be that date on which New River delivers to the City written notification of its readiness to proceed with the Project, make payment of the Capital Charge and accept delivery of its CAP entitlement. In selecting the Notification Date, New River shall give due consideration to the time needed to acquire land and rights-of-way (if necessary), to design and engineer the Project, to complete the public bidding and other requirements for public works projects, and construct the Project, and to any plans or desire the City may have to include in the overall Project additional capacity beyond that needed for treatment and delivery of New River's CAP entitlement. To the greatest extent possible, New River shall consult with the City on the choice of the Notification Date and provide the City notice of New River's plans and needs in this respect, in advance of the Notification Date.

b. New River shall include in the notice provided for in this paragraph B.5 a statement of the number of acre-feet of its CAP water which it desires the City to treat and deliver, which number of acre-feet may be less than the total number of acre-feet remaining after the assignment described in paragraph B. of Article I of this Agreement becomes effective; provided, however, that New River may give the notice provided in paragraph B.5.a. of this Article II only once unless otherwise

agreed between New River and the City. Within six months of its receipt of New River's notice, the City shall estimate the Capital Charge which New River must pay in order to be entitled to the treatment of its CAP allocation hereunder and shall, within such period, in writing, notify New River of the estimated amount of the Capital Charge. The period within which the City must give the notice herein required shall be extended for six months if the City determines in good faith that it will be unable to commence the expansion of the existing treatment plant or the construction of the new plant by a date six months after its receipt of New River's notice pursuant to paragraph B.5.a. of this Article II. The estimate to be included in the City's notice shall include supporting calculations, documentation and information sufficient to permit New River to ascertain how the estimated Capital Charge was determined.

c. Within six months of its receipt of the notice from the City, New River shall advance to the City the amount specified in the notice; provided, however, that such six month period shall be extended by the amount of time required to resolve any dispute as to the amount of the estimate and by the amount of time required to obtain any Commission approval necessary either to finance or to advance the amount specified in the notice, or both; and, provided, further, that during the period of any such extension, the City shall have no obligation to proceed with the construction of the plant expansion or a new plant.

d. In the event the amount advanced by New River pursuant to the City's notice is insufficient to pay the Capital Charge actually incurred by the City, New River shall pay the difference to the City prior to being entitled to the delivery of treated water through the Delivery Point. In the event the amount advanced by New River is greater than the amount of the Capital Charge paid by the City, the City shall refund the difference to New River within sixty days of the Completion Date.

e. Nothing in this paragraph or in this Agreement shall be construed as requiring or obligating New River to give the notices described in this paragraph, which New River is free to elect not to give, or to make the payments described herein, without first having obtained all approvals the Commission may require; provided, however, that if New River shall not have given the notification provided in this Paragraph on or before December 31, 2010, New River shall have no further rights or obligations under this Agreement.

C. Water Treatment and Delivery.

1. Provided New River shall first have complied with the applicable requirements of paragraph B. of this Article II, and conditioned upon New River's payment to the City of the Delivery Charge herein provided for, the City, during the period commencing on the Completion Date and extending to the end of the term of New River's CAP subcontract, shall treat New River's CAP allocation and shall deliver treated CAP water to the Delivery Point. The right to treatment and delivery of its

CAP allocation herein provided for shall be renewable by New River for the period of time covered by any renewal or extension of New River's CAP subcontract upon such terms and conditions as the City and New River may agree.

2. The Water Delivery Charge to be paid by New River to the City shall be calculated by the City to cover, as nearly as can be computed, the actual or reasonably estimated cost to the City of taking delivery of, treating, and delivering to New River at the Delivery Point New River's CAP entitlement. The Water Delivery Charge will include, but not necessarily be limited to the following: a proportionate share (based upon the proportion of the capacity for which New River has paid a capital charge to the total capacity of the treatment plant) of all direct operating expenses, costs for plant maintenance, routine repair and equipment replacement, power charges, and a reasonable amount for plant overhead and administration by the City. The City will modify the Water Delivery Charge from time to time as significant changes in the cost components of the Water Delivery Charge occur. At the request of New River (and in no event more frequently than twice per year), the City will review the Water Delivery Charge calculations to determine in good faith whether significant changes have occurred in the cost components to justify a modification of the Water Delivery Charge. The City shall provide New River with information showing the manner in which the Water Delivery Charge was calculated, all of the components of the Charge and the bases of such components. In no

event shall the Water Delivery charge include costs associated with transmission facilities from the treatment plant to the Delivery Point.

3. New River will be billed by the City on a monthly basis for the current Water Delivery Charge, which shall be due and payable upon presentation. All Water Delivery Charges which remain unpaid for more than thirty (30) days after presentation to New River, shall bear interest at the rate of one percent (1%) per month, until paid. Fractions of a month shall be considered to constitute a full month for purpose of computing interest. If two or more billings of Water Delivery Charges remain unpaid in excess of thirty (30) days each, at the City's option the City may stop taking delivery of, treating and delivering water to New River under this Agreement until such billings and any applicable interest is paid in full; or the City may thereafter require New River to maintain an advance deposit of not less than two months' nor more than six months' average Water Delivery Charges, calculated on the basis of the current per acre-foot Water Delivery Charge multiplied by the total amount of capacity for which New River has paid a Capital Charge to the City; or both. New River agrees to pay to the City, in addition to interest as provided above, reasonable attorneys' fees and costs or expenses incurred for collection of any Water Delivery Charges which remain unpaid for thirty (30) days or more from presentation to New River, regardless of whether suit is filed.

4. If any improvements, upgrades, repairs, or modifications ("extraordinary work"), beyond those which may already be covered by the calculation of the Water Delivery Charge, are required to be made to the plant, including all pipes and other facilities used by the City to take delivery of New River's CAP entitlement, whether by reason of functional or physical depletion, obsolescence or wear, government regulation or change in applicable laws, requirements of good engineering and/or operational practices, or other cause (except for the negligence of the City or its employees), New River agrees to pay to the City its proportionate share of the cost of such extraordinary work, including all cost components of the type included in calculation of the Capital Charge as incurred by the City for the extraordinary work, whether performed by City employees or independent contractors. Payment shall be made by New River to the City for New River's share of the cost of such extraordinary work within thirty (30) days of receipt of written notice thereof by the City. The interest, attorneys' fees and collections costs and expenses provisions pertaining to unpaid Water Delivery Charges shall apply to New River's share of the cost of such extraordinary work. In addition, the City may require New River to pay in advance an estimate of New River's share of the cost of the extraordinary work, with any excess amount paid to be refunded to New River and any deficiency to be billed and collected by the City under the above provisions for payment of the cost of extraordinary work. New River's share of the cost of extra-

ordinary work shall be calculated in the proportion that the capacity used for providing water deliveries to New River under this Agreement bears to the total capacity of the affected plant or other facility.

5. The City shall take all reasonable steps to treat the water delivered to New River to potable quality in accordance with the public drinking water standards in effect for the City's delivery of water to its own customers. The City shall have no responsibility or liability to treat or deliver water to New River of a quality in excess of such standards or for adverse water quality impacts from causes or factors beyond the ability of the City to reasonably control. The City shall supply periodic chemical analysis reports of the quality of the water supplied to New River under this Agreement. The City bears no responsibility for water quality beyond the Delivery Point.

6. The City shall have no responsibility or liability for any interruption or failure to deliver water to New River resulting from causes or factors beyond the ability of the City to reasonably control and New River shall defend, save, hold harmless and indemnify the City for all claims, damages and expenses which may arise therefrom, regardless by whom made.

III. GENERAL PROVISIONS.

A. New River shall, at or prior to the execution of this Agreement on its behalf, have taken all steps necessary to authorize its officers to execute the Agreement and hereby warrants and represents that such steps have been taken and that

this Agreement is binding upon it as a lawful contract of New River, subject to such approval hereof by the Commission as may be required by law.

B. The City shall, at or prior to the execution of this Agreement on its behalf, have taken all steps necessary to authorize its officers to execute the Agreement and hereby warrants and represents that such steps have been taken and that this Agreement is binding upon it as a lawful contract of the City, subject to the condition that the Commission approve New River's execution of this Agreement, if necessary.

C. No officer, official or agent of the City or New River has the power to amend, modify or alter this Agreement or waive any of its provisions or conditions or to bind the City or New River by making any promise or representation not contained herein, except as may be expressly authorized by the Glendale City Council or New River's Board of Directors by appropriate written instrument.

D. The City shall have no obligation to spend public funds under this Agreement, except as may, in the discretion of the Glendale City Council, be appropriated according to law.

E. This Agreement is subject to all applicable provisions of law and regulations, including the Charter and Code of the City of Glendale, as may be amended from time to time hereafter.

F. This Agreement shall not be assigned or transferred by either party without the advance written consent of the

other party, which consent shall not be unreasonably withheld but shall be binding upon the parties' successors in the event such consent is obtained.

G. This Agreement contains all of the promises made and terms and conditions of the agreement between the parties and supersedes all prior negotiations, representations or agreements, either oral or written.

H. Time is of the essence in the performance of all obligations under this Agreement.

I. The interpretation and enforcement of this Agreement shall be governed by the law of the State of Arizona.

J. No waiver of any provision of or a default under this Agreement shall affect the right of either party thereafter to enforce said provision or to exercise any right or remedy in the event of any other default, whether or not of the same or similar nature.

K. The City shall be absolved from liability for any act, omission, or circumstance occasioned by any cause whatsoever not within the control of the City and which the City could not, by reasonable diligence, have avoided. Such acts, omissions, or circumstances, however, shall not relieve the City of liability in the event of its failure to use reasonable diligence to remedy the situation and remove the cause in an adequate manner and with all reasonable dispatch and to give notice and full particulars of the same in writing to New River as soon as possible after the occurrence of the cause relied on. The requirement that any

force majeure be remedied with all reasonable dispatch shall not require the settlement of strikes, labor controversies or other disputes by acceding to the demands of the opposing party or parties, or any otherwise unreasonable action by the City.

L. No non-party to this Agreement shall be deemed to be nor is intended to be a third-party beneficiary of this Agreement or any part hereof.

M. It is the intention of the parties that the provisions of this Agreement are severable and if any provision shall be declared invalid by the valid judgment or decree of any court of competent jurisdiction, such invalidity shall not affect the remaining provisions.

N. This Agreement shall inure to the benefit of and be binding upon the parties and their permitted successors, representatives, heirs and assigns.

O. This Agreement may be executed in any number of counterparts and in that event, each signed copy shall be an original, but all such counterparts shall constitute one and the same Agreement.

P. This Agreement is the product of negotiation between the parties, with both parties represented by legal counsel and shall not be interpreted for or against the party drafting the Agreement, but shall be interpreted according to the fair meaning of its terms.

Q. Any notice, report, or demand required or permitted by any provision of this Agreement shall be served and

deemed to be sufficiently given for all purposes, effective as of the first attempted delivery thereof, by certified mail, postage and charges prepaid, as follows:

(1) If to the City, to:

CITY MANAGER
CITY OF GLENDALE
5850 West Glendale Avenue
Glendale, Arizona 85301

With copies to:

CITY ATTORNEY
CITY OF GLENDALE
5850 West Glendale Avenue
Glendale, Arizona 85301

DEPUTY CITY MANAGER-PUBLIC WORKS
CITY OF GLENDALE
5850 West Glendale Avenue
Glendale, Arizona 85301

or to any other address or addresses as may be designated in writing from time to time by the City.

(2) If to New River, to:

NEW RIVER UTILITY COMPANY
c/o R. Les Fletcher, III *RLF*
2601 North 32nd Avenue
Phoenix, Arizona 85009

With copy to:

RYLEY, CARLOCK & APPLEWHITE
2600 The Arizona Bank Building
101 North First Avenue
Phoenix, Arizona 85003
Attention: Michael J. Brophy

or to any other address or addresses as may be designated in writing from time to time by New River.

R. In the event it is necessary for any one of the parties hereto to bring any action to enforce any of the terms

and covenants of this Agreement, it is agreed that the prevailing party shall be entitled to recover against the other party its reasonable attorneys' fees and costs incurred.

S. Articles I and III of this Agreement shall be effective on the date this Agreement has been executed by both parties hereto. Article II of this Agreement shall be effective on the date the Commission approves this Agreement and Exhibits "C" and "D" hereto or determines its approval is not necessary.

EXECUTED as of the date first written above.

CITY OF GLENDALE, a municipal corporation and political subdivision of the State of Arizona

By


Name: _____
Title: CITY MANAGER

ATTEST:


City Clerk

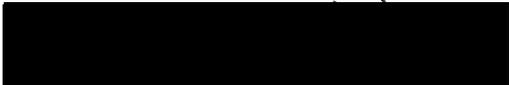
APPROVED AS TO FORM:


City Attorney

NEW RIVER UTILITY COMPANY, an
Arizona corporation and public
service corporation

By 
Name: ROBERT L. FLETCHER
Title: MANAGER

ATTEST:


Corporate Secretary

STATE OF ARIZONA)
) ss.
County of Maricopa)

SUBSCRIBED AND SWORN to before me this 20th day
of MARCH, 19 90, by MARTIN VANACOUR,
CITY MANAGER of the CITY OF GLENDALE, a municipal corpora-
tion and political subdivision of the State of Arizona, on behalf
of said corporation and political subdivision.


Notary Public

My Commission Expires:
My Commission Expires April 30, 1993

STATE OF ARIZONA)
) ss.
County of Maricopa)

SUBSCRIBED AND SWORN to before me this 2nd day
of February, 1990, by Robert L. Fletcher,
President of NEW RIVER UTILITY COMPANY, an Arizona
corporation and public service corporation, on behalf of said
corporation and public service corporation.



Notary Public

My Commission Expires:

My Commission Expires Jan. 13, 1991

[EXHIBIT "A"]

MAP OF NEW RIVER UTILITY COMPANY'S
CERTIFICATED AREA
LYING WITHIN THE INCORPORATED LIMITES OF THE
CITY OF GLENDALE

Section 35, Township 4 North, Range 1 East,
G&SRB&M

{Attached}

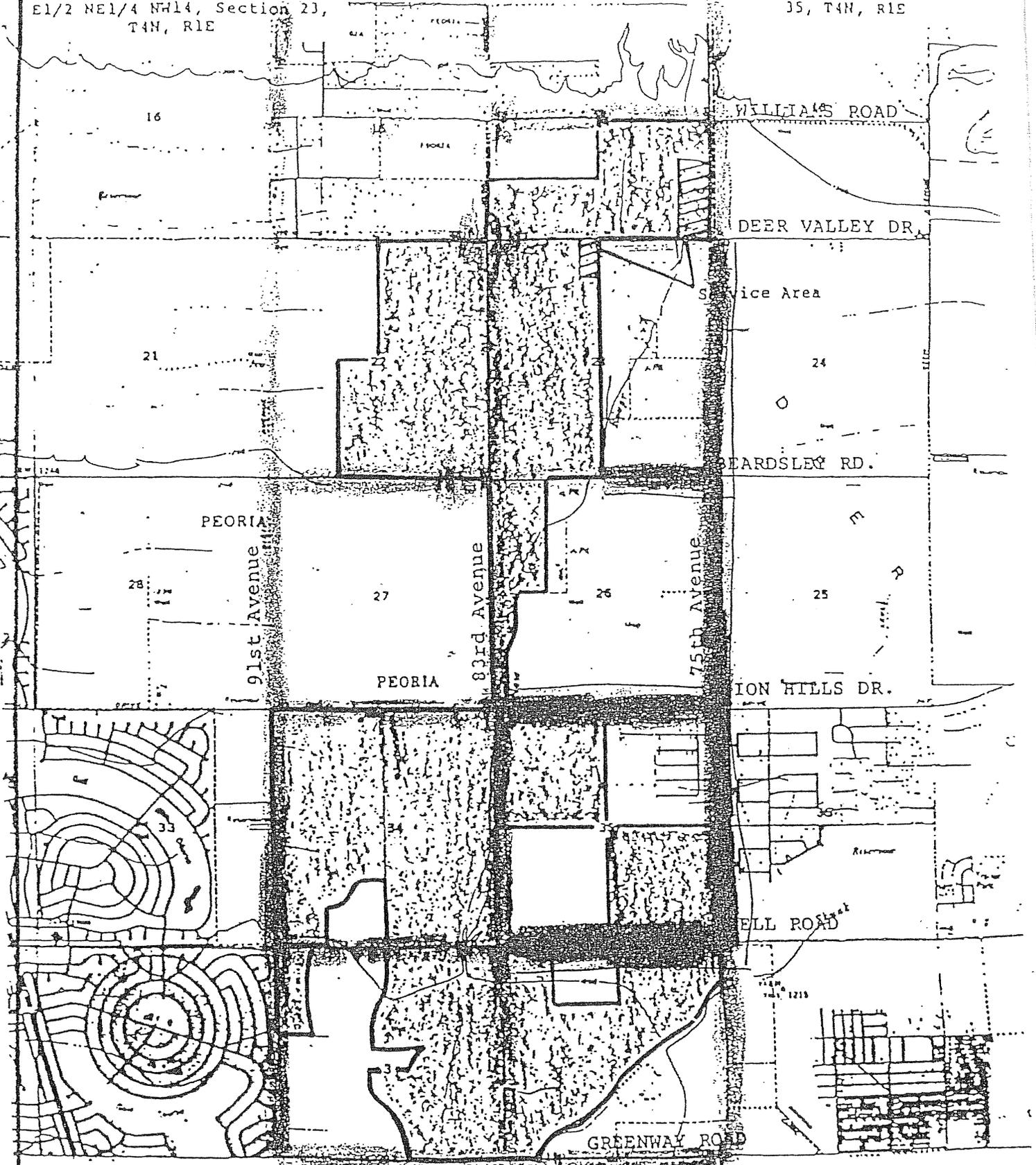
Service Area

SERVICE AREA MAP

CC&N

Portions of Sections 2 and 3, T3N, R1E
Sections 14, 22, 23, 26, 34,
35, T4N, R1E

Portions of E1/2 SE1/4,
Section 14, and portion of
E1/2 NE1/4 NW1/4, Section 23,
T4N, R1E



*Shaded-outlined area is the approximate certificated area of the water company.

LENDALE

PEORIA

COUNTY

[EXHIBIT "B"]

ORDINANCE OF THE CITY OF GLENDALE

{Attached}

RDINANCE NO. 1592 NEW SERIES

AN ORDINANCE OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, DECLARING A PUBLIC NEED AND NECESSITY AND AUTHORIZING AND DIRECTING THE CITY MANAGER AND CITY ATTORNEY TO ACQUIRE ALL OF THE RIGHTS, TITLE AND INTEREST IN THE REAL AND PERSONAL PROPERTY, SYSTEM, PLANT, CERTIFICATES OF CONVENIENCE AND NECESSITY, FRANCHISES, RIGHTS AND OTHER PROPERTY OF NEW RIVER UTILITY COMPANY WITHIN A CERTAIN DESCRIBED AREA OF MARICOPA COUNTY, ARIZONA, FOR THE REASON THAT SAID PROPERTY MUST BE ACQUIRED BY THE CITY IN ORDER FOR THE CITY TO ADEQUATELY SERVE AND SUPPLY WATER AND AS A MATTER OF PUBLIC NEED AND NECESSITY; AND DECLARING AN EMERGENCY.

WHEREAS, the Council of the City of Glendale has determined that it is a matter of public need and necessity to acquire all of the rights, title and interest in all the real property, personal property, system, plant, certificates of convenience and necessity, franchises, rights and other property of NEW RIVER UTILITY COMPANY, an Arizona corporation, within that certain described area of Maricopa County, State of Arizona, as listed in the attached Exhibit A, including all rights that said NEW RIVER UTILITY COMPANY may have to construct, operate and maintain a public water system within the area described in the attached Exhibit A, in order for the City to adequately serve and supply water to customers within and/or without its corporate boundaries and to extend and expand the City's water supply system; and

WHEREAS, the Council of the City of Glendale declares that upon such acquisition, the City intends to utilize such property to furnish water to customers within and/or without its corporate boundaries, which use the Council hereby declares to be a public use.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That it is deemed necessary and essential as a matter of public necessity and public welfare that the City of Glendale acquire, by gift, purchase or by condemnation, through the power of eminent domain, all of the rights, title and interest in all of the physical properties and assets presently owned or used by NEW RIVER UTILITY COMPANY and comprised in its water supply and distribution system, whether within or without the corporate limits of the City of Glendale, within the area described in attached Exhibit A which is incorporated herein by this reference.

SECTION 2. That the City Manager and the City Attorney are hereby authorized and directed to acquire, by gift, purchase or by condemnation, through the power of eminent domain, all of the rights, title and interest in all the real property, if any; personal property,

if any; system, if any; wells, if any; plant, if any; equipment, if any; certificates of convenience and necessity, if any; franchises, if any; rights and other property, if any; of NEW RIVER UTILITY COMPANY, an Arizona corporation, within that certain described area of Maricopa County, State of Arizona, as described in the attached Exhibit A, including any right said NEW RIVER UTILITY COMPANY may have to construct, operate and maintain a public water system within the area described in the attached Exhibit A, and to do all things necessary to acquire title to and possession of said property under the power of eminent domain for the City of Glendale.

SECTION 3. That the duly authorized disbursing officers of the City of Glendale be, and they are hereby authorized and directed to pay all sums necessary to acquire the above-described plant and property as well as all recording, escrow closing costs and other costs necessary for the acquisition of said plant and property.

SECTION 4. Whereas the immediate operation of the provisions of this Ordinance is necessary for the preservation of the public peace, health, and safety of the City of Glendale, an emergency is hereby declared to exist, and this Ordinance shall be in full force and effect from and after its passage, adoption, and approval by the Mayor and Council of the City of Glendale, and it is hereby exempt from the referendum provisions of the Constitution and the laws of the State of Arizona.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 7th day of March, 1989.

GEORGE R. RENNER
M A Y O R

ATTEST:

LAVERGNE BEHM
City Clerk

(SEAL)

APPROVED AS TO FORM:

PETER VAN HAREN
City Attorney

REVIEWED BY: . . .

MARTIN VANACOUR
City Manager

EXHIBIT "A"

The Northwest Quarter and the
Southeast Quarter of Section
35, Township 4 North, Range 1
East, G&SRB&M, Maricopa County,
Arizona.

[Exhibit "C"]

ASSIGNMENT

NEW RIVER UTILITY COMPANY, an Arizona corporation and public service corporation (hereinafter "New River"), for valuable consideration, the receipt of which New River acknowledges, hereby assigns to the CITY OF GLENDALE, a municipal corporation and political subdivision of the State of Arizona (hereinafter "City"), without warranty other than as set forth in Article I.C. of the Agreement to which this Exhibit "C" is attached, and except as therein provided, "as is", all of its right, title and interest in and to that portion of the Certificate of Convenience and Necessity which has been issued by the Arizona Corporation Commission ("Commission") to New River, which is located within Section 35, Township 4 North, Range 1 East, Gila and Salt River Base and Meridian, and which is shown on the map attached hereto as Exhibit "A", which Exhibit "A" is hereby made a part hereof.

This Assignment shall not be effective until the Agreement to which this Assignment is attached as Exhibit "C" has been approved by the Commission, to the extent that such Agreement requires the Commission's approval, and this Assignment has been approved by the Commission.

DATED this 20th day of March, 1990.

NEW RIVER UTILITY COMPANY, an Arizona corporation and public service company

By 

Name: Robert L FLETCHER
Title: Pres

STATE OF ARIZONA)
) SS
County of Maricopa)

SUBSCRIBED AND SWORN TO before me this 2nd day of February, 1990, by Robert L Fletcher, President of NEW RIVER UTILITY COMPANY, an Arizona corporation and public service corporation, on behalf of said corporation and public service corporation.



My Commission Expires:
My Commission Expires Jan. 13, 1991

Notary Public

[EXHIBIT "D"]

ASSIGNMENT OF RIGHTS UNDER CAP CONTRACT

{Form to be Attached}

ASSIGNMENT OF RIGHTS
AND ASSUMPTION OF OBLIGATIONS OF
CENTRAL ARIZONA PROJECT
MUNICIPAL AND INDUSTRIAL WATER SERVICE SUBCONTRACT

THIS AGREEMENT is made and entered into this 13th day of March, 19 90, by and between THE NEW RIVER UTILITY COMPANY, an Arizona corporation and public service corporation (the "Seller"), and THE CITY OF GLENDALE, a municipal corporation and political subdivision of the State of Arizona (the "Buyer").

R E C I T A L S

WHEREAS, the Seller is the owner of a certificate of convenience and necessity issued by the Arizona Corporation Commission ("the Commission") to provide water utility service in certain portions of Maricopa County ("the certificated area"); and

WHEREAS, a portion of the Seller's certificated area lies within the incorporated limits of the Buyer (hereinafter the "Glendale certificated area"), which portion is located within Section 35, Township 4 North, Range 1 East, G&SRB&M, and is shown on the map attached hereto as Exhibit "A"; and

WHEREAS, on or about March 29, 1985, the Seller, the United States of America, acting through the Secretary of the Interior, and the Central Arizona Water Conservation District ("CAWCD"), entered into a subcontract for the delivery of water from the Central Arizona Project in the amount of 2,359 acre-feet per

year, entitled "Subcontract Among the United States, the Central Arizona Water Conservation District, and the New River Utility Company Providing for Water Service, Central Arizona Project, Subcontract No. 5-07-30-W0082 (the "Subcontract"); and

WHEREAS, on or about March 13, 1990, the Buyer has entered into a contract with the Seller to acquire all of the assets of or related to the Glendale certificated area through a negotiated sale pursuant to a written agreement (the "Sale Agreement") which was entered into under threat of eminent domain and in lieu thereof; and

WHEREAS, the Sale Agreement provides that it is the intention of the Buyer and the Seller that the Seller's right in and to 100 acre-feet of Central Arizona Project Water under the Subcontract be transferred to the Buyer; and

WHEREAS, Article 6.7 of the Subcontract provides that the provisions of the Subcontract shall apply to and bind the successors and assigns of the parties to the Subcontract, but that no assignment of any portion of the Subcontract will be valid until approved by the United States; and

WHEREAS, application is being made to the Commission for approval of the sale of the assets of the Seller within the Glendale certificated area; and

WHEREAS, in accordance with the terms and conditions of the Sale Agreement, the assets of or related to the Glendale certificated area will be transferred to the Buyer and the Certificate of Convenience and Necessity related to the Glendale

certificated area previously held by the Seller will be terminated; and

NOW, THEREFORE, in consideration of the foregoing, the parties hereto agree as follows:

1. The Seller hereby assigns, transfers, and conveys to the Buyer all of its rights, title, interest and obligations under the Subcontract in and to 100 acre-feet of Central Arizona Project Water and retains all other of its rights and obligations under the Subcontract.

2. The Buyer has read the Subcontract, knows the contents and requirements thereof, and accepts the assignment of 100 acre-feet of Central Arizona Project Water under the Subcontract and agrees to be bound by all terms and conditions of the Subcontract pertaining to the 100 acre-feet of Central Arizona Project water hereby assigned.

3. This instrument shall not be effective until all required approvals have been secured from the Commission, the United States, and the CAWCD.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

SELLER:

NEW RIVER UTILITY COMPANY, an
Arizona corporation and public
service corporation

By


Name: ROBERT L. FLETCHER
Title: Pres.

ATTEST:


Corporate Secretary

BUYER:

CITY OF GLENDALE, a municipal
corporation and political sub-
division of the State of Arizona

By


Name: _____
Title: CITY MANAGER

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney

APPROVAL

The undersigned, pursuant to Article 6.7 of the Subcontract, on behalf of the United States of America, acting through the Secretary of Interior, and the Central Arizona Water Conservation District hereby approves the foregoing Agreement in accordance with its terms.

Legal Review and Approval: THE UNITED STATES OF AMERICA

By _____
Field Solicitor
Phoenix, Arizona

By _____
Regional Director
Lower Colorado Region
Bureau of Reclamation

CENTRAL ARIZONA WATER CONSERVATION
DISTRICT

By _____
President

ATTEST:

Secretary

[EXHIBIT "E"]

ASSIGNMENT, QUIT-CLAIM DEED, AND
BILL OF SALE

NEW RIVER UTILITY COMPANY, an Arizona corporation and public service corporation, for valuable consideration the receipt of which New River acknowledges, hereby assigns, without warranty other than as set forth in Article I.C. of the Agreement to which this Exhibit "E" is attached, and, except as provided in the Agreement, quit-claims and sells "as is" all of its right, title and interest in and to any water rights and any tangible and intangible utility property within Section 35, Township 4 North, Range 1 East, Gila and Salt River Base Meridian, to the CITY OF GLENDALE, a municipal corporation and political subdivision of the State of Arizona.

This Assignment, Quit-Claim Deed, and Bill of Sale shall not be effective until the Agreement to which this instrument is attached as Exhibit "E" has been approved by the Arizona Corporation Commission (the "Commission"), to the extent that such Agreement requires the Commission's approval, and this Assignment, Quit-Claim Deed, and Bill of Sale has been approved by the Commission.

DATED this 20th day of March, 1990.

NEW RIVER UTILITY COMPANY, an Arizona corporation and public service company

By



Name: ROBERT L FLETCHER

Title: President

STATE OF ARIZONA)
) ss
County of Maricopa)

SUBSCRIBED AND SWORN TO before me this 2nd day of February, 1990, by Robert L Fletcher, President of NEW RIVER UTILITY COMPANY, an Arizona corporation and public service corporation, on behalf of said corporation and public service corporation.

My Commission Expires:


Notary Public

My Commission Expires Jan. 13, 1991

**AGREEMENT BETWEEN THE CITY OF PEORIA
AND NEW RIVER UTILITY COMPANY FOR
A TEMPORARY WATER SERVICE CONNECTION**

THIS AGREEMENT is made this 23rd day of August 2011, between the City of Peoria, a municipal corporation of the State of Arizona ("Peoria"), and New River Utility Company, an Arizona corporation ("Company"), for the purposes and considerations set forth hereinafter.

RECITALS:

A. Company is a public service corporation engaged in furnishing water utility services pursuant to authority granted by the Arizona Corporation Commission. Company's certificated service area is located within Peoria.

B. Company may at times need to shut down one of its existing wells for maintenance or replacement. While the well is shut down, certain Company customers could receive low water pressure.

C. In order to assist in the Company's efforts to provide adequate water pressure during the well shut down, Peoria has agreed to allow Company to connect to Peoria's water system on a temporary basis and at Company's cost.

D. As part of this Agreement, the parties also agree that Company will provide relevant customer information to Peoria for Peoria's wastewater billing purposes.

E. Subject to the conditions set forth in this Agreement, Peoria is willing to provide a temporary water connection to its facilities to Company and Company is willing to pay for such connection. The water connection provided by Peoria to Company shall be limited in scope and duration as further provided in this Agreement.

NOW, THEREFORE, in consideration of the respective rights, privileges and obligations of the parties hereinafter set forth, it is agreed as follows:

AGREEMENTS:

1. Agreement to Furnish Water Connection.

Peoria agrees to provide a water connection to Company's system at a location designated in Appendix "A" ("Connection Point"). The parties may agree in writing to amend Appendix "A" without amending this entire Agreement. Peoria makes no representations or warranties regarding the quality of the water delivered to Company other than the representation that the quality of water delivered to Company at the Connection Point will be of the same general quality of water that Peoria transports and distributes to customers within its municipal water system.

2. Payment for Water Service.

Company agrees to pay Peoria for all water delivered to Company at the Connection Point. The amount paid by Company shall be based on Peoria's rate schedule in effect at the time of water delivery. For the purpose of determining the applicable rate, Company shall be classified as a commercial rate customer. Peoria will waive any base meter charges for any billing period, when no water has been used.

3. Limitation on Service.

The water deliveries provided by Peoria to Company hereunder shall be strictly limited to customers of the Company situated within the Company's Water Service Area. Company shall not extend service to other customers or otherwise utilize water delivered by Peoria to Company hereunder for the purpose of providing water utility service to locations outside of the Company's Water Service Area.

4. Construction of Connection.

Company shall be responsible for and pay all costs associated with the construction of the physical connection to Peoria's water distribution system. The connection shall be made at the Connection Point. In connection with constructing the connection to the Connection Point, Company shall install necessary valves and fittings to allow the connection to be securely closed if necessary. Forty-eight (48) hours prior to connection construction, Company shall notify, in writing, any Peoria customers whose water supply will be interrupted. Peoria will provide a list of customers that will be affected.

5. Engineering Review: Inspection of Construction.

Prior to the commencement of construction of the connection to Peoria's water distribution main, Company shall submit engineering plans and specifications for the connection to Peoria for review and approval. Peoria's representative shall have the right to inspect the construction and installation of said facilities and shall approve said facilities prior to the commencement of water deliveries to Company hereunder.

The Company shall also ensure it receives all regulatory required approvals from Maricopa County and the State of Arizona before water deliveries are made. This includes Approval to Construct and Approval of Construction if required.

6. Company's Distribution System.

Peoria's obligations to Company under this Agreement shall terminate at the Point of Delivery. Company shall be responsible for the construction, operation and maintenance of all water distribution mains and related facilities and improvements necessary to transport and deliver water from the Point of Delivery to customers within the Company's Water Service Area. Peoria shall have no right, title or interest in such water distribution mains and related facilities and improvements.

7. Water Consumption Information.

Company agrees to provide to Peoria water consumption information for Company's customers that are receiving Peoria wastewater service (listed by account holder name and billing address), for Peoria's use in billing for wastewater services. In order for Company to provide this service, Peoria will submit to Company a map or legal description of its wastewater service area and Company will provide consumption data for all of its customers within Peoria's wastewater service area to Peoria. Peoria agrees that it is only authorized to use such water consumption information for purposes of wastewater services billing and collections and is not authorized to disclose such information to any other party except as may be required by law. Such information will be provided by Company to Peoria on a monthly basis, as requested by Peoria. Such information will be provided to Peoria within 30 days of the end of the month. The format of the data shall be as mutually agreed to between Peoria and Company. If the Company fails to provide the water usage information as outlined above, Peoria, in its sole discretion, may elect to terminate this Agreement with a 60 day written notice.

8. Term of Agreement.

The Agreement shall be effective on the date on which it has been approved and executed by both parties, as reflected on the signature page below. The Agreement shall thereafter have a term of five years. At the end of the five (5) year period the Agreement will automatically renew on an annual basis unless either Peoria or the Company provides to the other party a notice of intent to terminate this Agreement. The notice shall be in writing and be provided in accordance with Section 9 to the non-noticing party at least six (6) months before the effective date of such termination.

9. Notices.

All notices, claims, requests and demands hereunder shall be in writing and served in person or via certified (return receipt requested) mail, postage prepaid, addressed as follows:

If to Peoria:	City of Peoria 8401 West Monroe Street Peoria, Arizona 85345 Attn: Public Works – Utilities Director
If to Company:	New River Utility Company 7939 West Deer Valley Road Peoria, Arizona 85382 Attn: Robert L. Fletcher, President

10. Conflict of Interest.

This Agreement is subject to cancellation by Peoria pursuant to the provisions of Section 38-511, Arizona Revised Statutes, which provides, in general, that a contract may be canceled within three years after its execution if any person significantly involved in initiating, negotiating, securing, drafting or creating a contract on behalf of Peoria becomes an employee or agent of, or consultant to, the other party to the contract.

11. Indemnification

Each party shall indemnify and agrees to pay, defend and hold harmless the other party from any liability, obligation, action, suit, judgment, fine, award, loss, claim, demand or expense (including reasonable attorneys' fees) arising from any act or omission of the indemnifying party relating to this Agreement.

12. Entire Agreement.

This Agreement sets forth the entire agreement between the parties with respect to the subject matter hereof. Any amendment or modification of this Agreement shall be in writing and shall be effective when executed by a duly authorized representative of both parties hereto.

13. Waiver.

The failure of a party at any time to require performance by the other party of any term, condition or provision herein shall not affect the parties' subsequent rights and obligations under such provision. Waiver by either party of a breach of any term, condition herein shall not constitute a waiver of any subsequent breach of such provision or a waiver of such provision itself.

14. Successors and Assigns.

This Agreement shall be binding upon and inure to benefit of the successors and assigns of the parties. However, neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party.

15. Counterparts.

This Agreement may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but all together shall constitute but one and the same Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers and agents on the day and year first written above.

CITY OF PEORIA,
an Arizona municipal corporation

NEW RIVER UTILITY COMPANY,
an Arizona corporation

By *Carl Swenson*
Carl Swenson, City Manager

By [REDACTED]
Robert L. Fletcher, President

Date: 8/25/11, 2011

Date: 11-30-11, 2011

ATTEST:

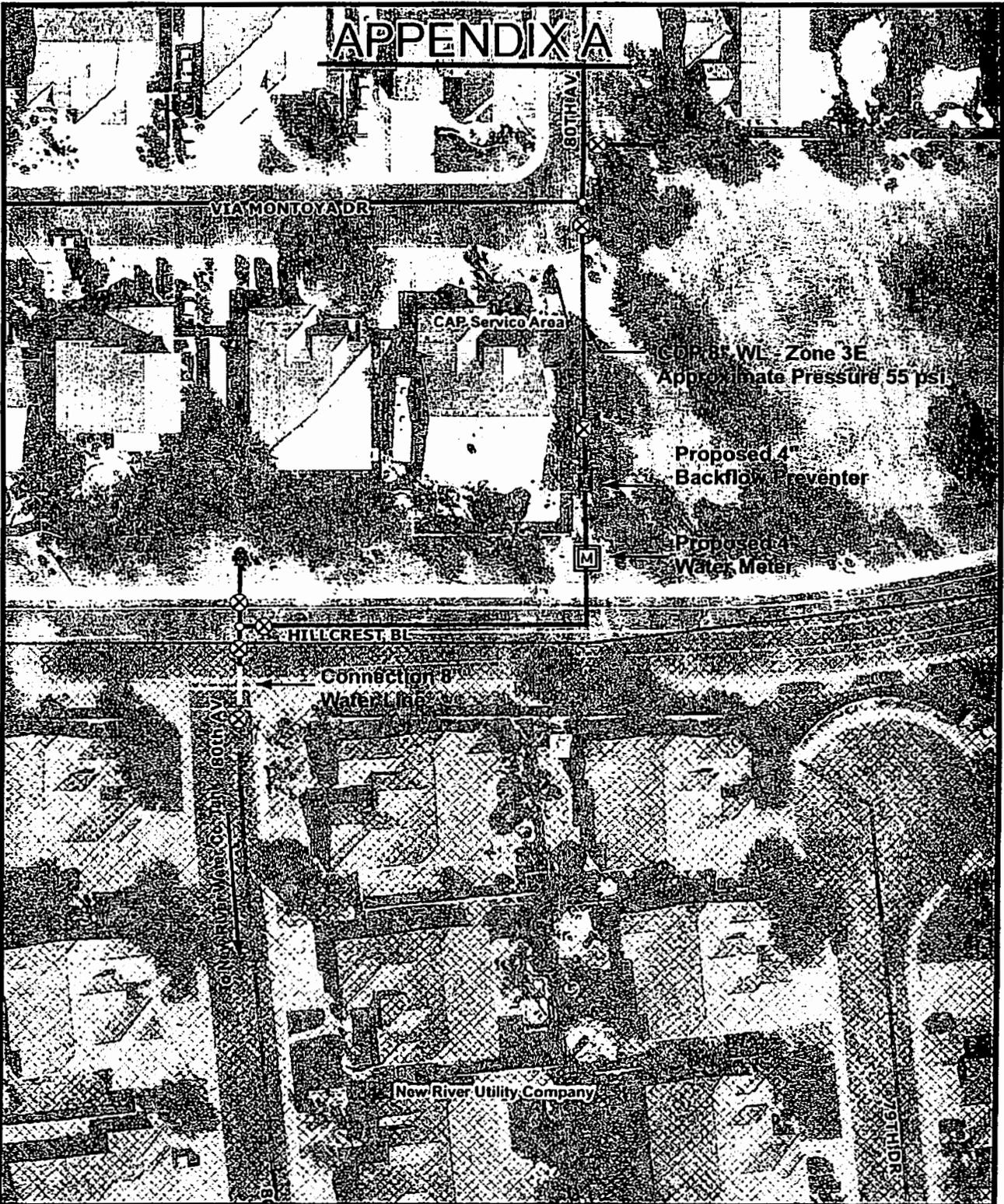
Wanda Nelson
Wanda Nelson, City Clerk



APPROVED AS TO FORM:

Stephen M. Kemp
Stephen M. Kemp, City Attorney

APPENDIX A



Connection to New River Water Company



City of Peoria

Legend

WATER SYSTEMS SYSTEM OWNER

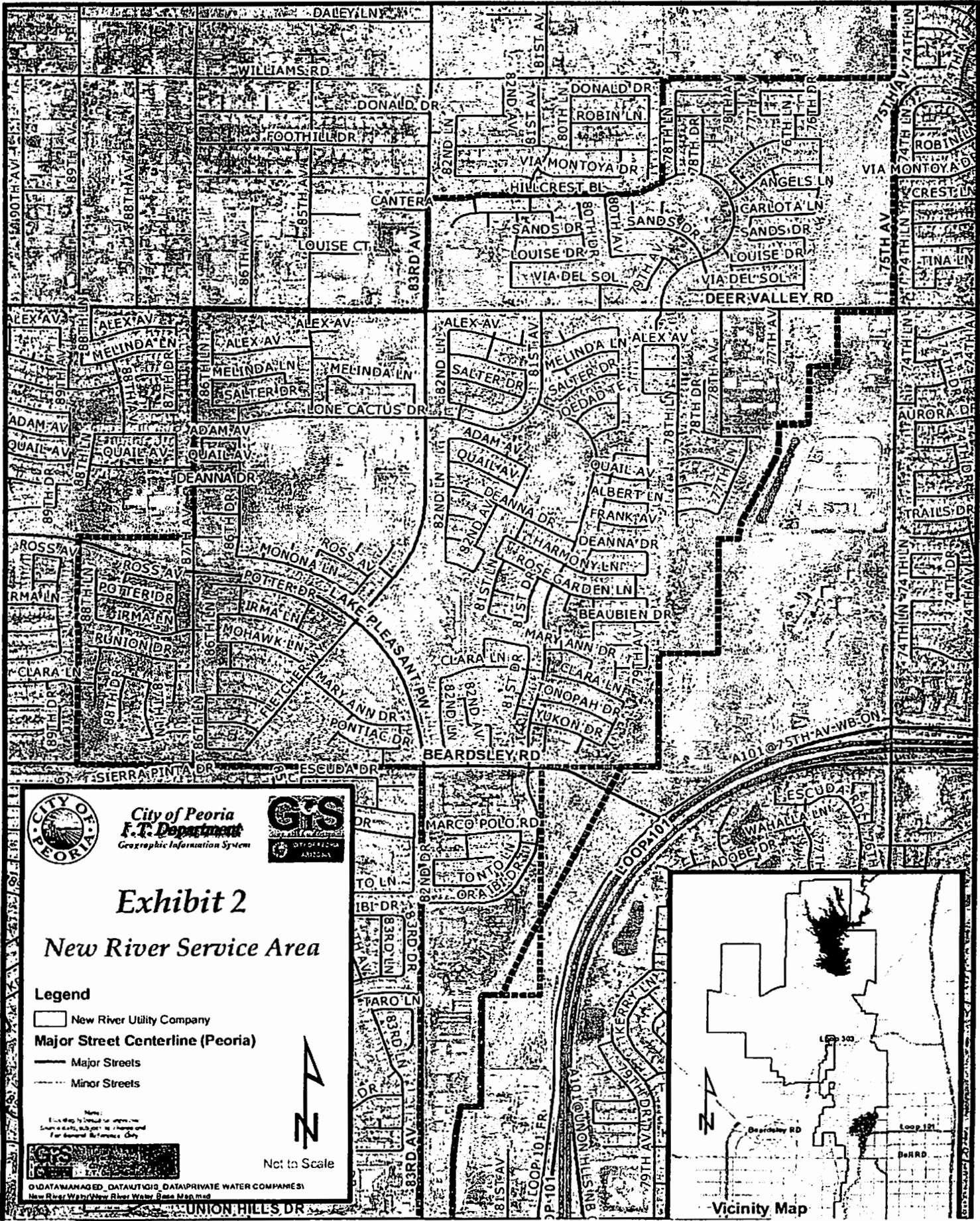
- City of Peoria
- New River Water Company
- ▨ New River Utility Company



Not to Scale



Notes:
1. This map is for informational purposes only.
2. For more information, contact the City of Peoria.
3. For further information, contact the City of Peoria.



City of Peoria
F.T. Department
 Geographic Information System



Exhibit 2

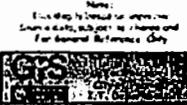
New River Service Area

Legend

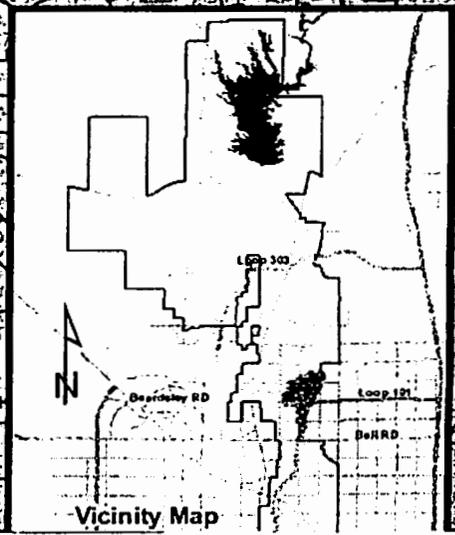
- New River Utility Company
- Major Street Centerline (Peoria)
- Major Streets
- Minor Streets



Not to Scale



© DATA MANAGED, DATA UTILITY, DATA PRIVATE WATER COMPANIES
 New River Water, New River Water Base Map.mxd



Vicinity Map

EXHIBIT 3

New River Utility Company Fact Sheet

AGREEMENT BETWEEN THE CITY OF PEORIA AND THE NEW RIVER UTILITY COMPANY FOR A TEMPORARY WATER SERVICE CONNECTION

1. Service Area:

- The New River Utility Company provides water services only and does not provide wastewater services. The Service Area is located in the Northern portion of the City, extending from Union Hills Drive and 83rd Avenue on the south to 75th Avenue and Williams Road on the North, with an eastern boundary of the New River and a western boundary that moves between 83rd Avenue to 88th Lane, (see Exhibit 2 of this Council Communication). The City of Peoria provides wastewater service for this entire area.
- The New River Utility Company Service Area is wholly contained within the City limits. It does not serve unincorporated areas of Maricopa County

2. Number of Customers:

In its 2010 Annual Report to the Arizona Corporation Commission, the New River Utility Company indicated that it has 2,841 metered water service connections. The City of Peoria provides wastewater service has the following shared customers with New River Utility Company:

- 2,602 residential customers
- 44 commercial customers
- 9 schools

3. The City of Peoria is the wastewater Provider in the New River Utility Company Service Area.

- The City sets wastewater rates based on the winter water consumption of its customers.

4. System Standards:

- Since 1994, all development within City of Peoria served by the New River Utility Company is required to meet city standards for system construction and for fire flow capacity.

- All system infrastructure is required to meet the requirements of the Maricopa County Environmental Services Division which reviews and permits new construction.

5. Protection or Safeguards for Peoria Water Customers:

- The City of Peoria Water System will be protected by a certified back flow prevention device at the connection site to ensure any water quality issues in the New River Utility Company service area do not impact the City of Peoria Water System.
- The City of Peoria would provide water quality of the same as it delivers to its own customers
- Makes no representation regarding water pressure.
- The City's responsibilities end at the point of connection.
- New River Water Company is responsible for the operation and distribution of water within their system

6. New River Utility Company is responsible to:

- Obtain all regulatory required approvals from Maricopa County and the State of Arizona before water deliveries are made.
- Pay all costs associated with the construction of the physical connection to Peoria's water distribution system
- Pay for water delivered as a commercial rate customer.
- Provide water consumption information to Peoria for Peoria's wastewater billing purposes.

ASSIGNMENT OF RIGHTS AND
ASSUMPTION OF OBLIGATIONS OF THE
CENTRAL ARIZONA PROJECT MUNICIPAL AND INDUSTRIAL
WATER SERVICE SUBCONTRACT

THIS AGREEMENT is made and entered into this 12th day of July,
2007, by and between New River Utility Company ("New River") and the Central Arizona
Water Conservation District ("CAWCD").

RECITALS

A. On or about October 17, 1984, New River, the United States of America
(the "United States"), acting through the Secretary of the Interior, and the CAWCD executed a
subcontract for the annual delivery of 2,359 acre-feet of Central Arizona Project ("CAP")
municipal and industrial ("M&I") water, entitled "Subcontract Among the United States, the
Central Arizona Water Conservation District, and New River Utility Company, Providing for
Water Service, Central Arizona Project," Subcontract No. 5-07-30-W0082 (the "Subcontract").

B. Amendment No. 1 to the Subcontract was entered into on September 27,
1993, reducing the Subcontract entitlement amount to 1,885 acre-feet.

AGREEMENT

1. New River hereby assigns, transfers, and conveys to CAWCD all of New
River's annual entitlement to CAP M&I water under the Subcontract.
2. CAWCD agrees to enter into a Supplemental Contract between the
United States and CAWCD for Delivery of CAP Water for use in fulfilling the responsibilities of
the Central Arizona Groundwater Replenishment District (the "Supplemental Contract").

3. This Agreement shall not become effective unless and until all the following conditions have occurred.

- a. This Agreement has been executed by the parties.
- b. CAWCD and the United States have executed the Supplemental Contract.
- c. This Agreement and related documents have been submitted to the Arizona Department of Water Resources for review as provided in A.R.S. § 45-107D.
- d. CAWCD and the United States have approved this Agreement as evidenced by the signatures of their respective representatives on the attached approval.
- e. CAWCD has paid New River the amounts due under the CAWCD Policy Regarding the Relinquishment and Transfer of CAP M&I Subcontract Allocations.

4. Upon this Agreement becoming effective, all of New River's obligations under the Subcontract are deemed satisfied and the Subcontract shall be terminated and shall be of no further force or effect.

5. To the extent that another entity relieves CAWCD, acting in its capacity as the Central Arizona Groundwater Replenishment District, of its current and future replenishment obligation for Member Lands or Member Service Areas located within the New River service area, as shown on Exhibit A hereto, CAWCD will transfer to that entity an equal amount of entitlement to CAP M&I water, up to 1,885 acre-feet.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

NEW RIVER UTILITY COMPANY

By: _____



Title: _____

President

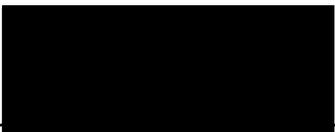
CENTRAL ARIZONA WATER
CONSERVATION DISTRICT

By: _____



President

Attest: _____

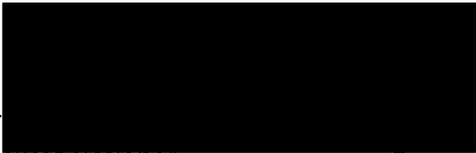


Secretary

APPROVAL

The undersigned, pursuant to Article 6.7 of the Subcontract, on behalf of the United States of America, acting through the Secretary of Interior, and the Central Arizona Water Conservation District hereby approve the foregoing Assignment in accordance with its terms.

Legal Review and Approval

By: 
Field Solicitor
Phoenix, Arizona

THE UNITED STATES OF AMERICA

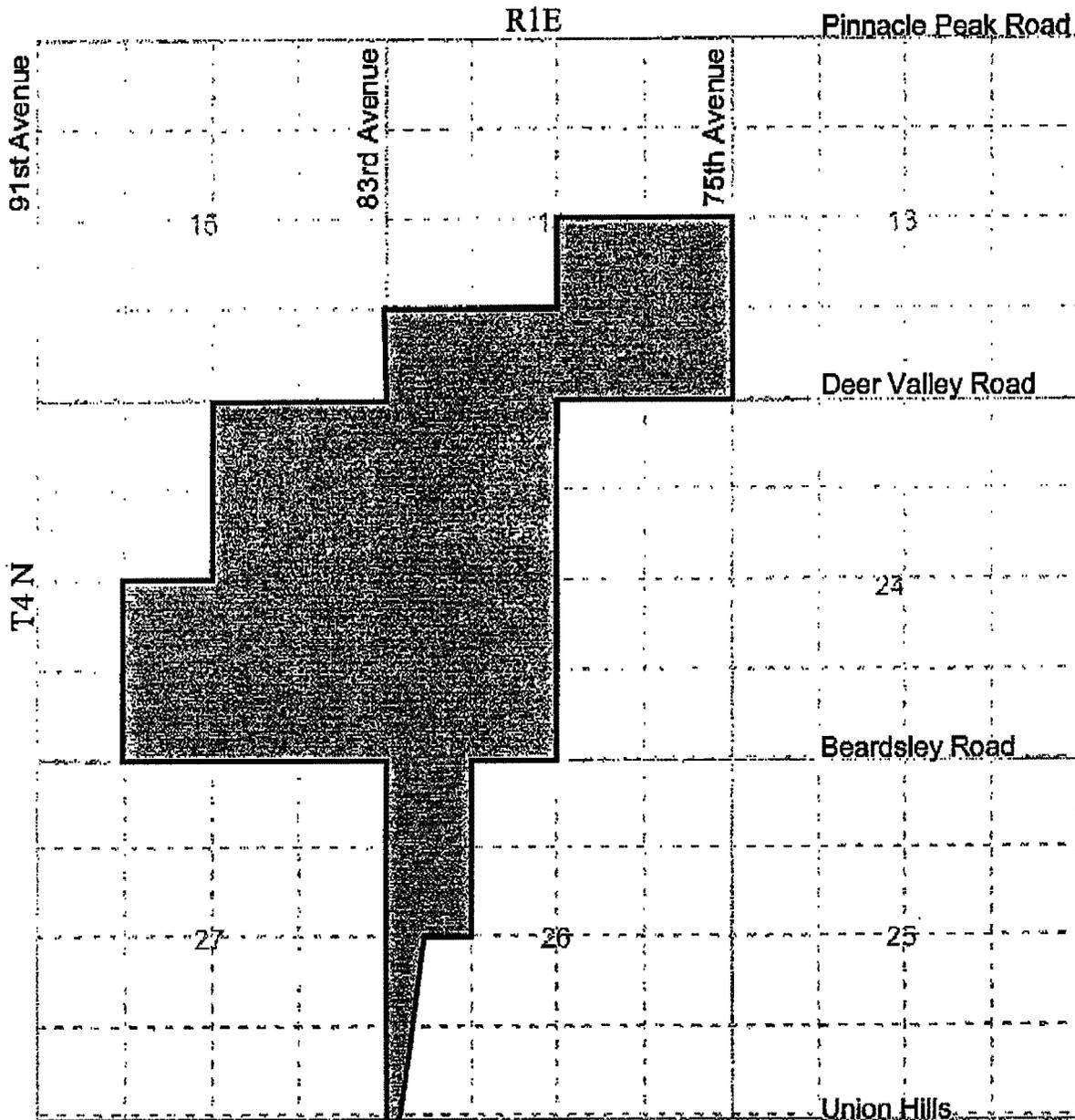
By: 
Achry Regional Director
Lower Colorado Region
Bureau of Reclamation

Attest: 
Secretary

CENTRAL ARIZONA WATER
CONSERVATION DISTRICT
By: 
President

:sw\javelina\users\sswilson\My Documents\agreements\assignnewriver-grd.wpd

New River Utility Company



SCHEDULE 2.8
Environmental Matters

None.

SCHEDULE 2.9
Permits

1. Letter from Internal Revenue Service to New River Utilities regarding taxpayer identification number 86-0377211.
2. Privilege Tax License, Account Number 12572, issued by the City of Peoria, issued to New River Utility Co., Inc.
3. Permit to Operate, Permit No. 07051, issued by Maricopa County Environmental Services Department, issued to New River Utility Co. Inc.
4. Arizona Department of Water Resources, ADWR # 91-000200.0000 and ADEQ # AZ0407051 issued to New River Utility Company.
5. State of Arizona Transaction Privilege License No. 07557626-L.
6. Opinion and Order, Decision No. 65134, date of hearing June 6, 2003, In the Matter of the Application of New River Utility Company for a Rate Increase; Letter, dated August 30, 2002, from Fennemore Craig, P.C. to the Utilities Division of the Arizona Corporation Commission regarding Decision No. 65143.
7. Large Municipal Provider Service Area Withdrawal Right, Right No. 56-002254.0000, issued to New River Utility Company.
8. Certificate of Grandfathered Groundwater Rights, Certificate No. 58-101897.0002, dated April 10, 1985 issued by the County of Maricopa, State of Arizona Department of Water Resources. Irrigation Right was classified as non-exempt, small right on July 7, 1994. Irrigation Right is less than 10 acres, but not exempt from administrative requirements. Per aerial photographs, the land appears to be developed.
9. Registration of Existing Exempt Well, Registration No. 55-616943, filed June 2, 1982. Record owner is New River Utility Co.
10. Registration of Existing Non-Exempt Well, Registration No. 55-616944, filed June 2, 1982. Record owner is New River Utility Co.
11. Registration of Existing Non-Exempt Well, Registration No. 55-616947, filed June 2, 1982. Record owner is New River Utility Company.
12. Registration of Existing Non-Exempt Well, Registration No. 55-616945, filed June 2, 1982. Record owner is New River Utility Co.
13. Registration of Existing Non-Exempt Well, Registration No. 55-616946, filed June 2, 1982. Record owner is New River Utility Co.

14. Registration of Existing Non-Exempt Well, Registration No. 55-616948, filed June 2, 1982. Record owner is New River Utility Company.
15. Registration of Existing Non-Exempt Well, Registration No. 55-805437-L, filed June 20, 1989. Record owner is New River Utility Company.
16. Statement of Claimant Form for Other Uses Lower Gila River Watershed, File No. 39-29634, filed January 6, 1987. Record owner is New River Utility Company.
17. Statement of Claimant Form for Other Uses Lower Gila River Watershed, File No. 39-29635, filed January 6, 1987. Record owner is New River Utility Company.
18. Statement of Claimant Form for Irrigation Use Lower Gila River Watershed, File No. 39-29636, filed January 6, 1987. Record owner is New River Utility Company.
19. Statement of Claimant Form for Other Uses Lower Gila River Watershed, File No. 39-29636, filed January 6, 1987. Record owner is New River Utility Company.
20. Statement of Claimant Form for Irrigation Use Lower Gila River Watershed, File No. 39-29637, filed January 6, 1987. Record owner is New River Utility Company.
21. Statement of Claimant Form for Other Uses Lower Gila River Watershed, File No. 39-29637, filed January 6, 1987. Record owner is New River Utility Company.
22. Statement of Claimant Form for Other Uses Lower Gila River Watershed, File No. 39-29638, filed January 6, 1987. Record owner is New River Utility Company.
23. The following documents relating to the status of New River Utility Company's Certificate of Convenience and Necessity:
 - (a) Map provided by Lori Miller of the Arizona Corporation Commission's engineering department (new map received June 10, 2015);
 - (b) Arizona Corporation Commission Decision No. 33131 dated May 24, 1961;
 - (c) Arizona Corporation Commission Decision No. 33230 dated July 3, 1961;
 - (d) Arizona Corporation Commission Decision No. 33354 dated August 15, 1961;
 - (e) Arizona Corporation Commission Decision No. 54309 dated January 3, 1985;
 - (f) Arizona Corporation Commission Decision No. 54753 dated October 25, 1985;

- (g) Arizona Corporation Commission Decision No. 54849 dated January 14, 1986;
- (h) Arizona Corporation Commission Decision No. 56858 dated April 4, 1990;
- (i) Arizona Corporation Commission Decision No. 57514 dated August 14, 1991;
- (j) Arizona Corporation Commission Decision No. 58029 dated October 7, 1992;
- (k) Arizona Corporation Commission Decision No. 67164 dated August 10, 2004;
- (l) Arizona Corporation Commission Decision No. 67440 dated December 3, 2004; and
- (m) Arizona Corporation Commission Decision No. 69576 dated May 21, 2007.

- (n) Arizona Corporation Commission Decision No. 74294 dated January 29, 2014, as amended by Arizona Corporation Commission Decision No. 74367 dated February 26, 2014.

SCHEDULE 2.10(a)
Financial Statements

1. Annual Report for the year ending December 31, 2013, filed by New River Utilities Company with the Arizona Corporation Commission Utilities Division.
2. Annual Report for the year ending December 31, 2014, filed by New River Utilities Company with the Arizona Corporation Commission Utilities Division.

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01737A

New River Utility Company, Inc.
7939 W. Deer Valley Rd.
Peoria, AZ 85382

RECEIVED

MAR 05 2014

ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2013
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FOR COMMISSION USE

ANN 04	13
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3-5-14

COMPANY INFORMATION

Company Name (Business Name) New River Utility Company Inc

Mailing Address 7939 W. Deer Valley Rd.
(Street)

Peoria Arizona 85382
(City) (State) (Zip)

623-561-1848 623-561-5831 
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address —

Local Office Mailing Address 7939 W. Deer Valley Rd.
(Street)

Peoria Arizona 85382
(City) (State) (Zip)

623-561-1848 623-561-5831 
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address —

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: Bob Fletcher President
(Name) (Title)

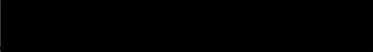
7939 W. Deer Valley Rd Peoria Arizona 85382
(Street) (City) (State) (Zip)

623-561-1848 623-561-5831 
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address —

On Site Manager: Bob Fletcher
(Name)

7939 W. Deer Valley Rd. Peoria Arizona 85382
(Street) (City) (State) (Zip)

623-561-1848 623-561-5831 
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address —

Statutory Agent: R. L. Fletcher
 (Name)

7939 W. Deer Valley Rd Peoria Arizona 85382
 (Street) (City) (State) (Zip)

623-561-1848 623-561-5831 [REDACTED]
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: Norm James
 (Name)

3003 N. Central Ave Phoenix Arizona 85012
 (Street) (City) (State) (Zip)

602-916-5346 602-916-5546 —
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address —

OWNERSHIP INFORMATION

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input checked="" type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe)	

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input checked="" type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME New River Utility Company Inc

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	75181		75181
304	Structures and Improvements	142030	24184	117846
307	Wells and Springs	103545	103545	—
311	Pumping Equipment	1824433	1086287	788146
320	Water Treatment Equipment	416172	201021	215151
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders	26239	22995	3644
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	1087907	697770	430137
330.2	Pressure Tanks	18026	9161	8925
331	Transmission and Distribution Mains	1338950	749773	589177
333	Services	236325	159373	76952
334	Meters and Meter Installations	159917	74105	85812
335	Hydrants	193193	106676	86517
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	31572	5406	26166
340	Office Furniture and Equipment	14519	7826	6693
340.1	Computers & Software	18615	12271	6344
341	Transportation Equipment	63200	11123	52077
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	5749484	3181116	25683768

This amount goes on the Balance Sheet Acct. No. 108

Glenn

COMPANY NAME

*New River Utility Company Inc***CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Aect. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	75181		
304	Structures and Improvements	142090	2.81	3985
307	Wells and Springs	103545	—	—
311	Pumping Equipment	1824433	5.94	101001
320	Water Treatment Equipment	416172	13.39	55227
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders	26239	33.33	8746
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	1087967	4.11	44740
330.2	Pressure Tanks	18086	4.0	724
331	Transmission and Distribution Mains	1338550	3.93	52642
333	Services	236325	3.99	9422
334	Meters and Meter Installations	159917	3.93	6283
335	Hydrants	193193	4.0	7728
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	31572	6.0	1894
340	Office Furniture and Equipment	14519	2.0	291
340.1	Computers & Software	18615	2.48	462
341	Transportation Equipment	63200	16.78	10607
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	5749484		304252

This amount goes on the Comparative Statement of Income and Expense Acct. No. 403.

Glenn

COMPANY NAME ^{Utility} New River Company Inc

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
ASSETS			
CURRENT AND ACCRUED ASSETS			
131	Cash	\$ 6069	\$
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	75079	64737
146	Notes/Receivables from Associated Companies	1160704	1173467
151	Plant Material and Supplies		
162	Prepayments		2061
174	Miscellaneous Current and Accrued Assets		1827
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 1296422	\$ 1242092
FIXED ASSETS			
101	Utility Plant in Service	\$ 5538214	\$ 5749484
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	2935572	3181116
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 2602692	\$ 2968368
	TOTAL ASSETS	\$ 3899114	\$ 3810460

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

COMPANY NAME *New River Utility Company Inc***BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 15764	\$ 21049
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		110000
235	Customer Deposits	25800	23408
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	9367	
	TOTAL CURRENT LIABILITIES	\$ 50931	\$ 154457
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 100	\$ 100
211	Paid in Capital in Excess of Par Value	4163618	4163618
215	Retained Earnings	(215135)	(50771)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 3848583	\$ 3656007
	TOTAL LIABILITIES AND CAPITAL	\$ 3899114	\$ 3810460

Glenn

COMPANY NAME *New River Utility Company Inc*

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1243297	\$ 1153041
460	Unmetered Water Revenue		
474	Other Water Revenues	24799	34429
	TOTAL REVENUES	\$ 1261695	\$ 1187470
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 125190	\$ 134168
610	Purchased Water		
615	Purchased Power	147943	157863
618	Chemicals	1901	2127
620	Repairs and Maintenance	150718	150031
621	Office Supplies and Expense	8252	78051
630	Outside Services	235938	172119
635	Water Testing	61957	67976
641	Rents	20000	54000
650	Transportation Expenses	17399	20283
657	Insurance - General Liability	7993	10531
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	18502	1294
403	Depreciation Expense	255227	304252
408	Taxes Other Than Income	25265	27689
408.11	Property Taxes	70398	58423
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 1216583	\$ 1238907
	OPERATING INCOME/(LOSS)	\$ 51112	\$ (51437)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 2457	\$ 2762
421	Non-Utility Income	1148	1206
426	Miscellaneous Non-Utility Expenses	662	
427	Interest Expense		61
	TOTAL OTHER INCOME/(EXPENSE)	\$ 2943	\$ 3907
	NET INCOME/(LOSS)	\$ 54055	\$ (47530)

Glenn

8

COMPANY NAME

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$ None	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ _____

Meter Deposits Refunded During the Test Year \$ _____

COMPANY NAME	
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
#1 55-805437	200	960	1268	20	8	1980
#2 55-616944	150	400	1262	20-16	6	1952
#3 55-616945	300	1100	1650	16	8	1958
#4 55-616946	150	400	1300	16	6	1983
#6 55-616948	300	1100	1730	16	8	1983

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
City of Peoria	400	

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
100	2	447	
25	6		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
1,000,000	3	1000	2

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	PVC	41,136
8	PVC	119,371
10	PVC	10,949
12	PVC	11,667
16"	DIP	52
12	DIP	16,629
10	DIP	29
8	DIP	11,981
6	DIP	2525

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	2199
3/4	3
1	544
1 1/2	11
2	113
Comp. 3	4
Turbo 3	
Comp. 4	3
Turbo 4	
Comp. 6	4
Turbo 6	
Total	2881

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

3- Chlorine Gas Stations

4- Arsenic Treatment Filters

STRUCTURES:

1400 Ft Block wall

240 Ft Chain link

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: New River Utility Company Inc
 Name of System: New River Utility ADEQ Public Water System Number: 07051

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2013

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	2,881	33,875,700	34,873,000	
FEBRUARY	2,881	31,073,300	32,073,000	
MARCH	2,881	29,109,078	30,109,000	873,000
APRIL	2,881	41,313,622	42,313,000	2,131,000
MAY	2,881	45,594,600	46,594,000	1,931,000
JUNE	2,881	63,844,400	64,844,000	61,000
JULY	2,881	63,996,920	64,996,000	
AUGUST	2,881	71,446,660	72,446,000	
SEPTEMBER	2,881	54,148,900	55,148,000	
OCTOBER	2,881	54,019,900	55,019,000	
NOVEMBER	2,881	49,575,900	50,575,000	
DECEMBER	2,881	33,126,100	34,012,000	
TOTALS →		571,065,080	582,891,000	4,996,000

What is the level of arsenic for each well on your system? 6-8 mg/l
 (more than one well, please list each separately.)

Does your system have fire hydrants, what is the fire flow requirement? 1500 GPM for 1 hrs

Does your system have chlorination treatment, does this treatment system chlorinate continuously?
 Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 () Yes () No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

Tracy

COMPANY NAME: *New River Utility Company Inc*
 Name of System: *New River Utility* ADEQ Public Water System Number: *07051*

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	3	0
FEBRUARY	0	4	0
MARCH	0	5	0
APRIL	0	4	0
MAY	0	9	0
JUNE	0	10	0
JULY	0	13	0
AUGUST	0	7	0
SEPTEMBER	0	9	0
OCTOBER	0	26	0
NOVEMBER	0	13	0
DECEMBER	0	6	0
TOTALS →	0	109	0

OTHER (description):

COMPANY NAME New River Utility Company Inc YEAR ENDING 12/31/2013

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2013 was: \$ 58,422.68

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

NRV does not get copies of checks from the bank

Bank statement shows checks cleared by the bank

Code 4082 - Property Tax

NEW RIVER UTILITY COMPANY

8363

Maricopa County Treasurer					9/9/2013	
Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
9/9/2013	Bill	200-17-827 5	23.78	23.78		23.78
9/9/2013	Bill	200-17-828 2	23.76	23.76		23.76
9/9/2013	Bill	200-18-001P 2	10.40	10.40		10.40
9/9/2013	Bill	200-18-001Q 1	2,705.56	2,705.56		2,705.56
9/9/2013	Bill	200-18-001R 1	16.80	16.80		16.80
9/9/2013	Bill	200-18-660A 2	74.90	74.90		74.90
9/9/2013	Bill	200-18-670 0	35.96	35.96		35.96
9/9/2013	Bill	200-18-671 7	229.84	229.84		229.84
9/9/2013	Bill	200-16-006D 3	185.74	185.74		185.74
9/9/2013	Bill	200-16-006E 2	92.86	92.86		92.86
9/9/2013	Bill	200-16-010G 3	10.40	10.40		10.40
9/9/2013	Bill	618-21-152 3	6,383.30	6,383.30		6,383.30
9/9/2013	Bill	618-21-156 2	48,629.38	48,629.38		48,629.38
					Check Amount	58,422.68

1310 Well Fargo Chec

58,422.68

Checks paid							
Number	Amount	Date	Number	Amount	Date	Number	Date
				11,566.10	09/17	8363-4082	09/12
2380	53.79	09/09	8350	17.85	09/06	8364	09/24
2384*	26.89	09/16	8351	5.07	09/10	8365	09/20
2388*	71.72	09/30	8352	7,608.36	09/10	8366	09/13
6920*	3,880.48	09/19	8353	171.09	09/09	8367	09/26
6922*	1,000.00	09/17	8354	3,762.31	09/12	8368	09/23
6924*	4,040.00	09/17	8355	11,073.28	09/12	8369	09/24
8337*	7.55	09/03	8356	64.07	09/09	8370	09/23
8338	14.98	09/09	8357	1,711.70	09/11	8371	09/20
8341*	127.28	09/05	8358	4,719.18	09/13	8372	09/24
8344*	700.00	09/03	8359	107.74	09/11	8373	09/19
8346*	402.70	09/05	8360	3.09	09/16	8374	09/26
8347	402.87	09/09	8361	42.57	09/18	8386*	09/27
8349*	13,610.82	09/17	8362				
			Total checks paid				
			\$137,970.53				

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

MAR 05 2014

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa, President</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>PL Fletcher</u>
COMPANY NAME	<u>New River Utility Company Inc</u>

AZ CORP COMM
Director - Utilities

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2013

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

[Redacted Signature] Pres

SIGNATURE OF OWNER OR OFFICIAL

623-561-1848

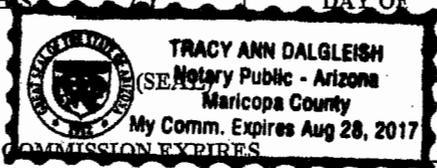
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 17th DAY OF

COUNTY NAME	<u>MARICOPA</u>	
MONTH	<u>JANUARY</u>	<u>2014</u>



[Redacted Signature]

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

August 28, 2017

COMPANY NAME New River Utility Company Inc. YEAR ENDING 12/31/2013

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported None
Estimated or Actual Federal Tax Liability None

State Taxable Income Reported None
Estimated or Actual State Tax Liability None

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

1-20-14

DATE

RL Fletcher

PRINTED NAME

President

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAR 05 2014

AZ. CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE <u>B L Fletcher Pres</u>
COMPANY NAME <u>New River Utility Company Inc</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2013

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2013 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$) \$ <u>1,284,849.91</u>

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 119,039.64 IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

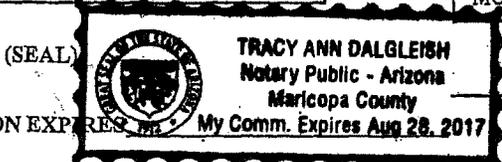
<div style="background-color: black; width: 100%; height: 30px; margin-bottom: 5px;"></div> <p style="font-size: small; margin: 0;">SIGNATURE OF OWNER OR OFFICIAL</p> <p style="font-size: large; margin: 0;"><u>623-561-1848</u></p> <p style="font-size: small; margin: 0;">TELEPHONE NUMBER</p>

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 17th DAY OF

COUNTY NAME <u>Maricopa</u>	
MONTH <u>JANUARY</u>	.20 <u>14</u>



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES Aug 28, 2017

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED

MAR 05 2014

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Maricopa</u>	
NAME (OWNER OR OFFICIAL) <u>R. L. Fletcher</u>	TITLE <u>President</u>
COMPANY NAME <u>New River Utility Company Inc</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2013

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2013 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>1,284,849.91</u>

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 119,039.64 IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.

[REDACTED SIGNATURE]

SIGNATURE OF OWNER OR OFFICIAL

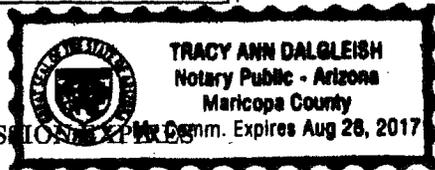
623-561-1848

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 17th DAY OF

NOTARY PUBLIC NAME <u>Tracy Ann Dalglish</u>	
COUNTY NAME <u>Maricopa</u>	
MONTH <u>JANUARY</u>	<u>2014</u>

(SEAL)



MY COMMISSION EXPIRES

[REDACTED SIGNATURE]

SIGNATURE OF NOTARY PUBLIC

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01737A

New River Utility Company, Inc.
7939 W. Deer Valley Rd.
Peoria, AZ 85382

RECEIVED
FEB 25 2015
ACC UTILITIES DIRECTOR

Please click here if pre-printed Company name on this form is not your current Company name or dba name is not included.

Please list current Company name including dba here:

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2014
----	----	------

FOR COMMISSION USE

ANN 04	14
--------	----

3-3-15

COMPANY INFORMATION

Company Name (Business Name) New River Utility Co Inc

Mailing Address 7939 W. Deer Valley Rd
(Street)
Peoria Ariz. 85382
(City) (State) (Zip)

623-561-1848 623-561-5831 
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address —

Local Office Mailing Address 7939 W. Deer Valley Rd
(Street)
Peoria Ariz. 85382
(City) (State) (Zip)

623-561-1848 _____
Local Customer Service Phone No. (Include Area Code) (1-800 or other long distance Customer Service Phone No.)

Email Address — Website address —

MANAGEMENT INFORMATION

Regulatory Contact:

Management Contact: Bob Fletcher President
(Name) (Title)

7939 W. Deer Valley Rd Peoria Ariz. 85382
(Street) (City) (State) (Zip)

623-561-1848 623-561-5831 
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address —

On Site Manager: Bob Fletcher
(Name)

7939 W. Deer Valley Rd Peoria Ariz 85382
(Street) (City) (State) (Zip)

623-561-1848 623-561-5831 
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address —

Statutory Agent: RL Fletcher
 (Name)

7939 W. Deer Valley Rd Peoria Az. 85382
 (Street) (City) (State) (Zip)

623-561-1848 623-561-5831 [REDACTED]
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: Norm James
 (Name)

3003 N. Central Ave Phx. AZ. 85012
 (Street) (City) (State) (Zip)

602-916-5346 602-916-5546 —
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address T

OWNERSHIP INFORMATION

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input checked="" type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe)	

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input checked="" type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME

*New River Utility Co.*UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	75181		75181
304	Structures and Improvements	142030	28269	113761
307	Wells and Springs	173088	104833	68255
311	Pumping Equipment	1824433	1114189	710244
320	Water Treatment Equipment	416172	260474	155698
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders	26239	26239	-
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	1087907	702510	385397
330.2	Pressure Tanks	18086	9884	8202
331	Transmission and Distribution Mains	1338550	802415	536135
333	Services	236325	168795	67530
334	Meters and Meter Installations	191620	83905	107715
335	Hydrants	193193	114404	78789
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	31572	7467	24105
340	Office Furniture and Equipment	14519	8291	6228
340.1	Computers & Software	18615	13646	4969
341	Transportation Equipment	90849	23501	67348
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	5878379	3468822	2409557

This amount goes on the Balance Sheet Acct. No. 108

Glenn

01/21/2015

16:11

NEW RIVER UTILITY + 8794114

NO. 960 0084

COMPANY NAME

New River Utility Co Inc

WATER UTILITY CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1 x 2)
301	Organization			
302	Franchises			
303	Land and Land Rights	75181	-	-
304	Structures and Improvements	142030	2.88	4084
307	Wells and Springs	172038	.74	1283
311	Pumping Equipment	1824433	4.27	77902
320	Water Treatment Equipment	416172	14.29	59452
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders	26239	13.89	3644
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks	1087907	4.11	44740
330.2	Pressure Tanks	18086	4.0	723
331	Transmission and Distribution Mains	1338550	3.93	52642
333	Services	236325	3.99	9422
334	Meters and Meter Installations	191620	5.11	9799
335	Hydrants	193193	4.0	7728
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	31972	6.53	2061
340	Office Furniture and Equipment	14519	3.21	466
340.1	Computers & Software	18615	7.39	1376
341	Transportation Equipment	90849	18.4	16712
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	SUBTOTAL			
	LESS CIAC Amortization			
	TOTALS *	5878379	4.97	292040

*This amount goes on the Comparative Statement of Income and Expense Acct. No. 403

Glenn
5

COMPANY NAME

*New River Utility Co Inc***WATER UTILITY BALANCE SHEET**

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$	\$ 116783
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	64737	92142
146	Notes/Receivables from Associated Companies	1173467	
151	Plant Material and Supplies		
162	Prepayments	2061	6246
174	Miscellaneous Current and Accrued Assets	1827	1866
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 1242092	\$ 217037
	FIXED ASSETS		
101	Utility Plant in Service	\$ 5749484	\$ 5878379
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	3181116	3468822
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 2969368	\$ 2409557
	TOTAL ASSETS	\$ 3810460	\$ 262694

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

Glenn

6

COMPANY NAME New River Utility Co Inc

WATER UTILITY BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
CURRENT LIABILITIES			
231	Accounts Payable	\$ 21045	\$ 11211
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	110000	
235	Customer Deposits	22408	1705
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		12108
	TOTAL CURRENT LIABILITIES	\$ 134453	\$ 41024
LONG-TERM DEBT (Over 12 Months)			
224	Long-Term Notes and Bonds	\$	\$
DEFERRED CREDITS			
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
CAPITAL ACCOUNTS			
201	Common Stock Issued	\$ 100	\$ 100
211	Paid in Capital in Excess of Par Value	4163618	4163618
215	Retained Earnings	(507711)	(1578148)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 3656007	\$ 2585570
	TOTAL LIABILITIES AND CAPITAL	\$ 3810460	\$ 2626594

Glenn

COMPANY NAME New River Utility Co Inc

WATER UTILITY COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1153041	\$ 1482802
460	Unmetered Water Revenue		
474	Other Water Revenues	34429	46283
	TOTAL REVENUES	\$ 1187470	\$ 1529085
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 134168	\$ 141973
610	Purchased Water		89884
615	Purchased Power	157863	173966
618	Chemicals	2127	3019
620	Repairs and Maintenance	150031	85963
621	Office Supplies and Expense	78051	61447
630	Outside Services	172119	52451
635	Water Testing	67976	69755
641	Rents	54000	54000
650	Transportation Expenses	20383	20168
657	Insurance - General Liability	10931	7563
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	1294	
403	Depreciation Expense	304292	292040
408	Taxes Other Than Income	27689	27669
408:11	Property Taxes	98423	57291
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 1238907	\$ 1132781
	OPERATING INCOME/(LOSS)	\$ (51437)	\$ 396304
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 2762	\$
421	Non-Utility Income	1206	
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	61	206
	TOTAL OTHER INCOME/(EXPENSE)	\$ 3907	\$ (206)
	NET INCOME/(LOSS)	\$ (47930)	\$ 396098

Glenn

COMPANY NAME

New River Utility Co. Inc

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate		% None %	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$

Meter Deposits Refunded During the Test Year

\$

COMPANY NAME	<i>New River Utility Co. Inc</i>		
Name of System:	<i>New River Utility Co. Inc</i>	ADEQ Public Water System Number:	<i>07051</i>

WATER UTILITY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
<i>1 55-805437</i>	<i>200</i>	<i>900</i>	<i>1268</i>	<i>20"</i>	<i>8"</i>	<i>1980</i>
<i>2 55-616944</i>	<i>150</i>	<i>400</i>	<i>1262</i>	<i>20-16"</i>	<i>6</i>	<i>1952</i>
<i>3 55-616445</i>	<i>300</i>	<i>1100</i>	<i>1650</i>	<i>16"</i>	<i>8"</i>	<i>1988</i>
<i>4 55-616946</i>	<i>150</i>	<i>400</i>	<i>1300</i>	<i>16"</i>	<i>6</i>	<i>1983</i>
<i>5 55-616948</i>	<i>300</i>	<i>1100</i>	<i>1730</i>	<i>16</i>	<i>8</i>	<i>1983</i>

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
<i>City of Peoria</i>	<i>400</i>	

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
<i>100</i>	<i>2</i>	<i>447</i>	
<i>25</i>	<i>6</i>		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
<i>1,000,000</i>	<i>3</i>	<i>1000</i>	<i>2</i>

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	<i>New River Utility</i>	
Name of System:	<i>New River Utility</i>	ADEQ Public Water System Number: <i>07051</i>

WATER UTILITY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	<i>PVC</i>	<i>41,136</i>
8	<i>PVC</i>	<i>119,371</i>
10	<i>PVC</i>	<i>10,949</i>
12	<i>PVC</i>	<i>11,667</i>
16"	<i>DIP</i>	<i>52</i>
12"	<i>DIP</i>	<i>16,629</i>
10	<i>DIP</i>	<i>29</i>
8"	<i>DIP</i>	<i>11,981</i>
6"	<i>DIP</i>	<i>2525</i>

CUSTOMER METERS

Size (in inches)	Quantity
<i>5/8 X 3/4</i>	<i>2199</i>
<i>3/4</i>	<i>3</i>
<i>1</i>	<i>544</i>
<i>1 1/2</i>	<i>11</i>
<i>2</i>	<i>113</i>
<i>Comp. 3</i>	<i>4</i>
<i>Turbo 3</i>	
<i>Comp. 4</i>	<i>3</i>
<i>Turbo 4</i>	
<i>Comp. 6</i>	<i>4</i>
<i>Turbo 6</i>	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

3 - Chlorine Gas Stations

4 - Arsenic Treatment Filters

STRUCTURES:

1400 Ft Blockwall

240 Ft Chain Link

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: New River Utility Co
 Name of System: New River WMA ADEQ Public Water System Number: 07051

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2014

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	2,881	35,440,700		
FEBRUARY	2,881	28,983,300		
MARCH	2,881	36,870,805		
APRIL	2,881	48,268,100		
MAY	2,881	43,443,700		
JUNE	2,881	61,940,000		
JULY	2,882	68,765,000		
AUGUST	2,882	58,550,934		
SEPTEMBER	2,882	50,103,000		
OCTOBER	2,882	42,486,000		
NOVEMBER	2,882	43,256,000		
DECEMBER	2,882	39,765,000		
TOTALS →		571,065,080		

What is the level of arsenic for each well on your system? _____ mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
 Yes No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 Yes No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 Yes No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

Trac 4

COMPANY NAME:	New River Utility Co		
Name of System:	New River Utility	ADEQ Public Water System Number:	07051

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	12	0
FEBRUARY	0	16	0
MARCH	0	24	0
APRIL	0	25	0
MAY	0	37	0
JUNE	0	33	0
JULY	0	25	0
AUGUST	0	30	0
SEPTEMBER	0	11	0
OCTOBER	0	12	0
NOVEMBER	0	21	0
DECEMBER	0	36	0
TOTALS →	0	282	0

OTHER (description):

Tracy

COMPANY NAME New River Utility Co YEAR ENDING 12/31/2014

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2014 was: \$ 57,291.24

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

NRU does not get copies of cancelled cancelled checks. The bank statement shows The Property Tax check cleared the bank

Maricopa County Treasurer				9/19/2014		
Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
9/19/2014	Bill	200-18-001Q	2,549.10	2,549.10		2,549.10
9/19/2014	Bill	200-18-001R	16.34	16.34		16.34
9/19/2014	Bill	200-16-006D	206.48	206.48		206.48
9/19/2014	Bill	200-16-006E	112.24	112.24		112.24
9/19/2014	Bill	200-16-010G	10.22	10.22		10.22
9/19/2014	Bill	618-21-152	6,117.00	6,117.00		6,117.00
9/19/2014	Bill	618-21-156	47,856.68	47,856.68		47,856.68
9/19/2014	Bill	200-18-660A	76.20	76.20		76.20
9/19/2014	Bill	200-18-670	37.24	37.24		37.24
9/19/2014	Bill	200-18-671	258.08	258.08		258.08
9/19/2014	Bill	200-17-827	25.84	25.84		25.84
9/19/2014	Bill	200-17-828	25.82	25.82		25.82
					Check Amount	57,291.24

Checks paid

Number.	Amount	Date	Number	Amount	Date	Number	Amount	Date
8550	18.64	09/30	8866	28.27	09/10	8886	177.20	09/30
8829*	33.23	09/02	8867	27.68	09/10	8887	107.74	09/22
8831*	28.78	09/05	8868	5,630.80	09/10	8888	813.58	09/24
8841*	796.16	09/02	8870*	24.50	09/18	8889	200.00	09/22
8844*	2.41	09/02	8871	1,468.50	09/12	8890	57,291.24	09/26
8849*	82.05	09/02	8872	61.58	09/25	8891	10.92	09/29
8852*	1,658.28	09/02	8873	12.84	09/17	8893*	15.03	09/29
8854*	1,866.00	09/02	8874	11,966.87	09/18	8898*	5.55	09/29
8855	271.62	09/02	8875	14.06	09/22	8900*	85.00	09/25
8857*	4.19	09/02	8876	6,009.68	09/23	8901	45.00	09/30
8858	11.47	09/08	8879*	29.79	09/22	8905*	40.00	09/29
8859	492.00	09/09	8880	14.06	09/23	8907*	6,123.26	09/29
8860	420.12	09/05	8881	37.74	09/19	8908	65.00	09/24
8861	25.91	09/12	8882	1,000.00	09/16	8909	109.06	09/25
8862	95.00	09/08	8883	44.38	09/24	8910	3,000.00	09/26
8863	16,913.66	09/11	8884	1,717.45	09/22	8913*	1,098.90	09/26
8865*	5.97	09/22	8885	193.02	09/22			

09/20/14 10 Total checks paid

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

FEB 25 2015

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE <u>RL Fletcher</u>
COMPANY NAME <u>New River Utility Co Inc</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

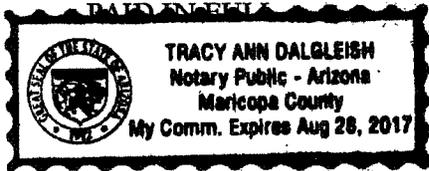
MONTH	DAY	YEAR
12	31	2014

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



[Redacted Signature]

SIGNATURE OF OWNER OR OFFICIAL

623-561-1848

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 20th DAY OF

COUNTY NAME <u>MARICOPA</u>
MONTH <u>February</u> , 20 <u>15</u>

(SEAL)

[Redacted Signature]

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES _____

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

FEB 25 2015

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<i>Maricopa</i>
NAME (OWNER OR OFFICIAL) TITLE	<i>RLF Fletcher Pres</i>
COMPANY NAME	<i>New River Utility Co Inc</i>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

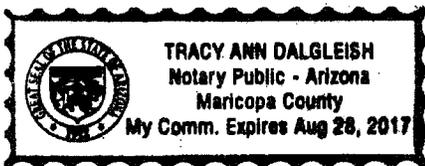
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2014

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2014 WAS:



Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>1,836,895.17</u>

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 149,715.17 IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

[REDACTED SIGNATURE]

SIGNATURE OF OWNER OR OFFICIAL

623-561-2848

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 20th DAY OF

COUNTY NAME	<i>Maricopa</i>
MONTH	<i>February</i>
	<i>2015</i>

(SEAL)

[REDACTED SIGNATURE]

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES August 28, 2017

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**

Intrastate Revenues Only

RECEIVED

FEB 25 2015

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Maricopa</u>	
NAME (OWNER OR OFFICIAL) <u>R L Fletcher</u>	TITLE <u>Pres</u>
COMPANY NAME <u>New River Utility Co</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2014

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

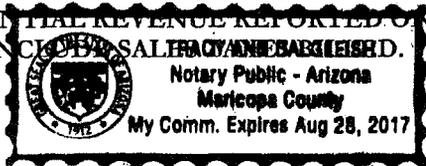
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2014 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>1,836,895.17</u>

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 149,715.17 IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALARY AND BENEFITS.



[Redacted Signature]

SIGNATURE OF OWNER OR OFFICIAL

623 561 2848

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 20th DAY OF

(SEAL)

MY COMMISSION EXPIRES

NOTARY PUBLIC NAME <u>Tracy Ann Dalgleish</u>	
COUNTY NAME <u>MARICOPA</u>	
MONTH <u>February</u>	, 20 <u>15</u>

[Redacted Signature]

SIGNATURE OF NOTARY PUBLIC

SCHEDULE 2.10(b)
Liabilities

None.

SCHEDULE 2.11
Changes

1. The Company installed a new pump for Well #2 in January, 2015.
2. The Company installed new arsenic media in the Company's arsenic filters.

RESOLUTION NO. 2015-106

RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, TO AUTHORIZE THE EXECUTION AND DELIVERY OF AN ASSET PURCHASE AGREEMENT TO ACQUIRE ALL OF THE ASSETS OF THE NEW RIVER UTILITY COMPANY, AN ARIZONA CORPORATION, INCLUDING BUT NOT LIMITED TO THE ACQUISITION OF CERTAIN REAL PROPERTY AND FOR THE INTEGRATION OF SUCH INTO THE EXISTING CITY OF PEORIA MUNICIPAL WATER UTILITY SYSTEM AND SERVICE AREA, AND TO AUTHORIZE THE FILING OF AN ACTION WITH THE ARIZONA CORPORATION COMMISSION TO TERMINATE THE CERTIFICATE OF NECESSITY AND TO DISSOLVE THE CORPORATION AND DECLARING AN EMERGENCY.

WHEREAS, the Mayor and Council of the City of Peoria, Maricopa County, Arizona, have determined that the acquisition of all of the assets by the City of Peoria, Arizona of the New River Utility Company, an Arizona Corporation is necessary in the public interest, including but not limited to the acquisition of real property owned by the New River Utility Company, and;

WHEREAS, upon acquisition of the New River Utility Company, it is the intent of the City of Peoria, Arizona, to operate all assets of the company as part of the City's municipal water utility system and to incorporate the service area of the New River Utility Company into the City of Peoria Service Area.

NOW THEREFORE, be it resolved by the Mayor and Council of the City of Peoria, Maricopa County, Arizona as follows:

1. That it is necessary and for the best interest of the City that all of the assets of the New River Utility Company, including all real property owned by the New River Utility Company be acquired for the purpose of integrating the Property into the City's existing municipal water utility system and service area.
2. That the Mayor and Council direct that the City of Peoria is authorized and directed to acquire the property for the City at a cost of no more than Ten Dollars (\$10.00) and other good and valuable consideration, exclusive of title insurance fees, inspection fees, and other escrow closing costs.

3. That upon execution and delivery of the Asset Purchase Agreement by New River Utility Company to the City of Peoria, Arizona, the City is authorized to file and participate in all such filings with the Arizona Corporation Commission to terminate the Certificate of Necessity held by the New River Utility Company and issued by the Arizona Corporation Commission and to dissolve the New River Utility Corporation.
4. That the Mayor and Council ratify and affirm all actions taken by the City of Peoria, Arizona to acquire all outstanding shares of stock of the New River Utility Company for purposes of acquiring the assets of the company and termination of the company's Certificate of Necessity.
5. The immediate operation of the provisions of this Resolution are necessary for the preservation of the public peace, health and safety and an emergency is declared to exist. This Resolution will be in full force and effect from and after its passage and approval by the Mayor and Council of the City of Peoria, Arizona, as required by law and is exempt from the referendum provisions of the Constitution and laws of the State of Arizona.

PASSED, AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona, this 20th day of October, 2015.

The following votes were cast pertaining to this resolution:

AYES:

NAYS:

Resolution No. 2015-106
New River Utility Company Acquisition
October 20, 2015
Page 3 of 3 Page

Cathy Carlat, Mayor

ATTEST:

Rhonda Geriminsky, City Clerk

APPROVED AS TO FORM:

Stephen M. Kemp, City Attorney

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the “Agreement”), is entered into as of this ___ day of _____, 2015 (“Effective Date”), by and between NEW RIVER UTILITY COMPANY, an Arizona corporation and public service company (hereinafter “Seller”), and THE CITY OF PEORIA, ARIZONA, an Arizona Municipal Corporation (hereinafter “Buyer”).

RECITALS

A. Seller is a public service company engaged in the business of providing water service to the public within portions of the City of Peoria, Arizona, pursuant to authority granted by the Arizona Corporation Commission in Decision Nos. 33131 (May 24, 1961) and 33354 (August 15, 1961) (the “Business”); and

B. Seller is the legal and beneficial owner of certain assets defined in Section 1 herein, and as described in the respective Exhibits attached to this Agreement, and desires to sell the Assets upon the terms and conditions set forth in this Agreement.

C. Buyer is an Arizona municipal corporation authorized to provide water service pursuant to A.R.S. § 9-511 and desires to purchase the Seller’s Assets which include the water system and associated real property upon the terms and conditions set forth herein.

D. Buyer is an Arizona Charter City and is authorized by Article XII, Section 2 of its adopted City Charter to own and operate any public utility and to purchase any existing utility properties used or useful to public service. Further that such City Charter was approved by the qualified electors of the City on March 15, 1983. On May 7, 2005 City submitted to the qualified electors of the City, Bond Question No. 1 which provided and authorized the City to acquire water rights, lands, and interests in lands and facilities by purchase and whereas the Mayor and Council adopted Resolution 05-72 on May 24, 2005 finding that a majority of the qualified electors of the City voting in the Special Election held on May 7, 2005 approved such authority to acquire in accordance with the provisions of Arizona Revised Statutes, Section 9-514.

AGREEMENT

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

1. Conveyance of Assets. Subject to the terms, conditions and limitations set forth in this Agreement, on the Closing Date, Seller shall sell, assign, transfer, convey, and deliver to Buyer, and Buyer shall purchase, acquire and accept from Seller the Assets described in this section, and as set forth in the respective Exhibits attached hereto, inclusive of all tanks, surface

water treatment equipment, pump stations, wells, water rights, water distribution systems, all real and personal property assets, inventory and equipment currently used to conduct the operation by NEW RIVER UTILITY COMPANY of its business, including without limitation, the following:

- 1.1 Deposits and Payments. The Assets include any funds held as of Closing for which a refund is not then due. All payments received by Seller after Closing shall be assigned to Buyer and shall belong to Buyer and be transmitted to Buyer in a timely manner.
- 1.2 Equipment, Inventory and Records. Seller shall provide on or before the Closing a Bill of Sale conveying all of Seller's right, title and interest in and to the Assets described in **Exhibit A**, including all Equipment, Inventory and Records, in the form attached hereto as **Exhibit B**. Buyer and Seller agree to execute and deliver such other instruments of conveyance and transfer as may be reasonably requested or necessary to convey and transfer to, and vest the Assets in Buyer.
- 1.3 Contract Rights. Buyer shall assume all Contract Rights associated with conduct of the Business. The Contract Rights shall be assigned by Seller and assumed by Buyer, and the Licenses, Certificates, Warranties and Guarantees that are transferable shall be assigned by Seller to Buyer, at Closing by the execution and delivery by Seller and Buyer of the Assignment and Assumption of Contract Rights. The Assignment and Assumption of Contract Rights shall be substantially in the form of **Exhibit C** hereto.
- 1.4 Real Property. The Real Property described in **Exhibit D** shall be conveyed at Closing by the execution and delivery by Seller of the Special Warranty Deed, in the form attached hereto as **Exhibit E**. The easements described in **Exhibit F** shall be conveyed by the Seller by an Assignment of Easements which shall be substantially in the form of **Exhibit G** hereto. The Seller's water rights associated with the respective Real Property shall be conveyed by the Seller by way of an Assignment of Water Rights which shall be substantially in the form attached hereto as **Exhibit H**. Seller shall deliver the Real Property at Closing to Buyer subject only to Permitted Encumbrances.
- 1.5 Limitations. The purchase of the Assets, as set forth herein, shall not constitute a purchase of Seller as a corporate entity by Buyer nor render Buyer a successor-in-interest to Seller as to Seller's corporate identity and status. This Agreement is limited to the purchase and sale of the Assets only and Buyer is not assuming any liabilities of Seller with respect to the Assets or the Business that may be incurred by the Buyer at any time subsequent to their transfer hereunder unless otherwise specifically set forth herein.
- 1.6 Sale Free of Liens. The Assets sold, conveyed, transferred, assigned and delivered by Seller to Buyer, as herein provided, are and shall be as of the Closing, free and clear of all Liens, other than Permitted Liens. Such acquired Assets shall be conveyed by appropriate deeds, bills of sale, endorsements, security interests, leases, pledges, assignments and other instruments of transfer and conveyance described herein.

1.7 Assumption of Liabilities. Subject to the terms and conditions set forth in this Agreement, Buyer shall assume and agree to pay, perform and discharge when due any and all liabilities and obligations of the Seller arising out of or relating to the System or the acquired Assets on or after the Closing.

2. Purchase Price. Buyer agrees to pay Seller as the Purchase Price for Seller's interests in the Assets the sum of Ten Dollars (\$10.00) and other good and valuable consideration (the "Purchase Price"), payable in lawful money of the United States of America.

3. Regulatory and Master Water System Approvals and Conditions to Closing.

Buyer's and Seller's obligations to proceed with Closing under this Agreement are contingent upon: (i) Seller obtaining such approval of the ACC as may be necessary to complete the sale of the Assets to Buyer and cancellation of Seller's Certificate of Convenience and Necessity (the "Regulatory Approvals"); (ii) Seller's execution and delivery of the Transfer Instruments; (iii) Seller's and Buyer's payment of amounts required to be paid under this Agreement on or before Closing; and (iv) the parties' representations and warranties contained in this Agreement being true and correct in all material respects as of Closing. Buyer shall cooperate in all reasonable respects with Seller's effort to obtain the Regulatory Approvals. If (i) the Regulatory Approvals have not been obtained by December 31, 2015, the parties may agree to extend the date of Closing according to the provisions of **Section 5.3** of this Agreement, or, alternatively, this Agreement shall terminate.

4. Representations and Warranties

4.1 Seller's Representations and Warranties. Seller hereby represents and warrants to Buyer as follows:

4.1.1 Title. Seller is the owner of, and has good and marketable title to, the personal and Real Property that is a part of the Assets to be conveyed hereunder.

4.1.2 Disclosed Agreements. Except for this Agreement, Seller has entered into no agreement currently in effect to sell the Assets.

4.1.3 Sole Owner. After Closing, Buyer will be the sole owner of the water system. No other person or legal entity has any ownership interest in the water system.

4.1.4 Arizona Corporation Commission. To Seller's knowledge, New River Utility Company is in good standing with the ACC and has filed all reports and other filings required by state statutes or ACC regulations. Seller has not been notified by the ACC of any pending or contemplated investigation or other administrative action against or concerning New River Utility Company. Seller agrees to cooperate with the Buyer and with the ACC in obtaining the Regulatory Approvals.

- 4.1.5** Taxes. To Seller's knowledge, all income tax, property tax and other tax obligations of New River Utility Company are current. Seller has not been notified by any taxing authority of any pending or contemplated investigations or other administrative action against or concerning New River Utility Company.
- 4.1.6** Liabilities. To the best of Seller's knowledge, there are no liens, judgments, pending or threatened lawsuits, claims, administrative proceedings or other actions against, or that concern or affect Seller or the Assets that would adversely affect this transaction or the title that Buyer will receive, other than those that have been disclosed in writing to Buyer.
- 4.1.7** Liens. There are no liens, encumbrances, judgments, security interests, monetary obligations or other matters affecting New River Utility Company, the Assets or its operations that have not been disclosed to Buyer and will be outstanding at the time of Closing, if any, except Permitted Encumbrances and current real estate taxes which are not yet due and payable.
- 4.1.8** Proceedings. To the best of Seller's knowledge, there are no actions or proceedings by any person or governmental entity or any other facts or circumstances, including any causes of action, lawsuits or claims, whether existing or threatened, which might materially and adversely affect the Assets.
- 4.1.9** No Breach. To the best of Seller's knowledge, neither the execution and delivery of this Agreement nor the consummation of the transaction contemplated by this Agreement will result (either immediately or after the passage of time and/or the giving of notice) in any breach or default by Seller under any agreement or understanding to which Seller is a party or by which Seller may be bound or which would have an effect upon Seller's ability to fully perform its obligations under this Agreement.
- 4.1.10** No Bankruptcy. Seller has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition or suffered the filing of any involuntary petition by Seller's creditors, (iii) suffered the appointment of a receiver to take all, or substantially all, of Seller's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Seller's assets, or (v) admitted in writing its inability to pay its debts as they fall due, and no such action is threatened or contemplated.
- 4.1.11** Regulations. To the best of Seller's knowledge, there are currently no violations of any applicable zoning regulation or ordinance or other law, order, ordinance, rule, regulation or requirement, or of any covenant, condition or restriction affecting or relating to the use or

occupancy of the Real Property from any governmental agency having jurisdiction over the Assets or from any other person entitled to enforce the same.

- 4.1.12** Permits. To the best of Seller's knowledge, Seller has all permits, licenses, authorization and approvals required by law or any governmental agency to conduct the Business.
- 4.1.13** Condemnation. To the best of Seller's knowledge, there are no pending or threatened condemnations or eminent domain proceedings to which would affect the Business or Assets.
- 4.1.14** Organization. Seller has been duly formed and presently exists as an Arizona public service corporation, and subject to receipt of the Regulatory Approvals, has the full right and authority to enter into this Agreement, to consummate the sale of the Assets contemplated herein and to observe and perform all of its covenants and obligations hereunder. The persons executing this Agreement and any other document required here by have full authority to act on behalf of and to bind the Seller in and to the obligations imposed on it by this Agreement.
- 4.1.15** Commissions. Seller has made no agreements respecting commissions or brokerage fees in connection herewith. Seller shall indemnify Buyer for any claims of commission through Seller. This indemnification provision shall survive Closing.
- 4.1.16** Environmental Regulations. To the best of Seller's knowledge, the Assets to be conveyed hereunder are in compliance with all current applicable environmental, health and safety laws and regulations.
- 4.1.17** Hazardous Materials. Seller has not dumped, buried or released or otherwise disposed of any hazardous materials or environmental pollutants on the Real Property. Seller knows of no dumping, burial, release or other disposal of hazardous materials or other environmental pollutants on the Real Property. Seller is not aware of any environmental problems that may affect the well sites, quality of water or service or delivery of water to Seller's customers.
- 4.1.18** ACC Filings. To the best of Seller's knowledge, there are no material inaccuracies in the information contained in the latest Annual Report filed by Seller with the Utilities Division of the ACC.
- 4.1.19** Sufficiency and Adequacy. To the best of Seller's knowledge, the Real Property to be conveyed pursuant hereto is adequate and sufficient to permit Buyer to operate the Business in its usual and customary manner, and all Improvements located within the Real Property are to be conveyed to Buyer pursuant hereto.

- 4.1.20 Preservation of Assets. Seller agrees to maintain the Assets in their current condition, ordinary wear excepted, to the date of Closing.
- 4.1.21 Joint Representation. Seller is an Arizona Corporation with professional staff and management. Seller has requested that the Office of the City Attorney of the City of Peoria, Arizona represent it in proceedings before the Arizona Corporation Commission, while also representing Buyer in such proceedings. Seller acknowledges that it has the right to separate legal representation and that in the event of a conflict of interest in a litigation matter that the Office of the City Attorney will not be able to represent Seller. Seller by execution of this Agreement is giving its consent to the joint representation by the Office of the City Attorney in accordance with the Arizona Rules of Professional Conduct, Rule 1.7.
- 4.1.22 Accuracy of Representations and Warranties. None of the foregoing representations and warranties of Seller contain any untrue statements of a material fact, or omit or misstate a material fact necessary in order to make the statements contained herein not misleading.

The foregoing representations and warranties shall survive Closing for a period of one (1) year and thereafter shall lapse, except for any breach of such warranties and representations with respect to which Buyer has commenced an action against Seller prior to the expiration of such one (1) year period.

4.2 Buyer's Representations and Warranties. Buyer hereby represents and warrants to Seller as follows:

- 4.2.1 Authority. Buyer has been duly formed and presently exists as a Municipal Corporation under the laws of the state of Arizona, and the entering into of this Agreement and the performance of Buyer's obligations hereunder have been duly authorized by all proper and necessary official actions, and do not violate any applicable governmental statute, rule, regulation, ordinance, contract or other restriction. All actions required by law for this Agreement to be a valid and binding obligation of Buyer have been taken or will have been taken as of Closing. The person executing this Agreement and any other documents required hereby has full authority to act on behalf of and to bind Buyer in and to the obligations imposed on it by this Agreement.
- 4.2.2 Continuing Service of Customers. Buyer agrees to provide a continuous adequate and reliable municipal water supply to all individuals and entities served by New River Utility Company, subject to all applicable laws, rules and regulations as well as the payment of all applicable fees by such individuals and entities. Any excess water capacity not needed to satisfy the foregoing service commitment may be used anywhere in Buyer's municipal water system for any lawful

purpose.

- 4.2.3 Inspection. Buyer has inspected the facility and has determined that all of the Assets are installed in a manner that will allow them to function properly and the installation is compliant with all applicable local, state and federal laws, rules and regulations.
- 4.2.4 Commissions. Buyer has made no agreements respecting commissions or brokerage fees in connection herewith. Buyer shall indemnify Seller for any claims of commission through Buyer. This indemnification provision shall survive Closing.
- 4.2.5 Joint Representation. Buyer is an Arizona Municipal Corporation with professional staff and management. Buyer has requested that the Office of the City Attorney of the City of Peoria, Arizona represent it in proceedings before the Arizona Corporation Commission, while also representing Seller in such proceedings. Buyer acknowledges that it has the right to separate legal representation and that in the event of a conflict of interest in a litigation matter that the Office of the City Attorney will not be able to represent Buyer. Buyer by execution of this Agreement is giving its consent to the joint representation by the Office of the City Attorney in accordance with the Arizona Rules of Professional Conduct, Rule 1.7.
- 4.2.6 Accuracy of Representations and Warranties. None of the representations and warranties of Buyer contain any untrue statements of a material fact, or omit or misstate a material fact necessary in order to make the statements contained herein not misleading.

The foregoing representations and warranties shall survive Closing for a period of one (1) year and thereafter shall lapse, except with respect to any breach of such warranties and representations for which Seller has commenced an action against Buyer prior to the expiration of such one (1) year period.

- 5. Closing. The Closing of this sale shall take place when all of the Conditions Precedent to Closing have been fully satisfied as set forth in Section 3 herein.
 - 5.1 Closing Date. The Closing shall take place at the City of Peoria City Attorney's Office, at 8401 W. Monroe Street, Peoria, AZ 85345, on _____, 2015 (the "Closing Date").
 - 5.2 Closing Documents.
 - 5.2.1 Deliveries by Seller. At the Closing, Seller shall have delivered to the Buyer the following agreements, documents and other items:
 - a. The Warranty Deeds conveying to the Buyer all of Seller's rights, title and interest in and to the Real Property;
 - b. The Bill of Sale transferring all of the acquired Assets comprising of

personal property;

- c. A duly executed counterpart to an Assignment and Assumption Agreement and Consent for each contract, and obligations and benefits thereof, that the Seller is assigning and the Buyer is assuming;
- d. The Assignment of Water Rights and well registrations.
- e. The Assignment of Easements for the easement interests owned by the Seller;
- f. Copies or originals of all Files and Records, materials, documents and records in possession of Seller relating to the Real Property or Assigned Contracts;
- g. Any other documents or instruments required by this Agreement, including Regulatory Approvals.

5.2.2 Deliveries by Buyer. At Closing, Buyer shall deliver to Seller the following:

- a. A duly executed counterpart to an Assignment and Assumption Agreement and Consent for each contract, and obligations and benefits thereof, that the Seller is assigning and the Buyer is assuming;
- b. All related agreements, duly executed by Buyer;
- c. Any other instruments necessary to or reasonably required by Seller to effectuate the transaction contemplated herein.

5.3 Notwithstanding the foregoing, Seller and Buyer may agree to mutually extend the Closing date until such later time by executing a written instrument setting a new date for Closing.

5.4 Other.

5.4.1 Seller shall transfer its water utility operations to Buyer as of Closing; Buyer shall make its own utility deposit arrangements as to new customers acquired after Closing.

5.5 As set forth in Section 1.4 above, Seller shall assign all well registrations and all water rights claims subject to the Arizona Department of Water Resources which are associated with the Assets, if any. Assignment of water rights shall be facilitated by way of an Assignment of Water Rights. Seller agrees to cooperate in good faith, after Closing, in the execution of any additional documents necessary to accomplish the aforesaid assignment of such registrations and claims.

5.6 Seller shall provide to Buyer a full and complete list of Seller's customers with addresses and any other documentation needed to enable Buyer to continue to

operate the water system and provide ongoing adequate and reliable water service to Seller's customers.

5.7 This transaction shall be approved in writing by the ACC pursuant to A.R.S. 40-285(A) as previously set forth in Section 3 herein.

6. **Miscellaneous Provisions.**

6.1 **Indemnification.**

6.1.1 **By Buyer.** Buyer hereby agrees to indemnify Seller against, and to hold Seller harmless from and against any and all actions, suits, proceedings, demands, assessments, judgments, claims, damages, costs and expenses, including without limitation legal fees, court costs and disbursements, incurred by Seller relating to (i) the Assets or Business and arising from acts, occurrences or matters that occur from and after Closing, and (ii) any material misrepresentation, breach of warranty or covenant, or nonfulfillment of any obligation under this Agreement on the part of Buyer.

6.1.2 **By Seller.** Seller hereby agrees to indemnify Buyer against, and to hold Buyer harmless from and against any and all actions, suits, proceedings, demands, assessments, judgments, claims, damages, costs and expenses, including without limitation legal fees, court costs and disbursements, incurred by Buyer relating to (i) the Assets or Business and arising from acts, occurrences, matters or the use and operation of the Assets occur place prior to Closing, or (ii) any material misrepresentation, breach of warranty or covenant, or nonfulfillment of any obligation under this Agreement on the part of the Seller.

6.2 **Default.** In the event that either Party hereto fails to perform their respective obligations set forth in this Amendment as and when required herein, the nondefaulting Party shall have all rights and remedies available at law or in equity to enforce the defaulting Party's obligations hereunder

6.3 **Customer Deposits.** Seller has collected no deposits from customers for the provision of Domestic Water Delivery. Buyer has collected and shall retain any deposits collected for wastewater, drainage and solid waste collection

6.4 **Notices.** Any and all notices, approvals, consents or other communications required or permitted by this Amendment shall be given by electronic mail or in the alternative by personal delivery and addressed to the Parties at the following addresses:

If to the City: City of Peoria
City Manager's Office
8401 West Monroe Street
Peoria, Arizona 85345

With a copy to: City of Peoria
City Attorney's Office
8401 West Monroe Street
Peoria, Arizona 85345

If to Seller New River Utility Company
c/o Michael D. Weber, General Manager
P.O. Box 4038
Peoria, AZ 85380-4038

- 6.5 **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors, heirs and personal representatives. Neither Buyer nor Seller shall assign this Agreement without the express prior written consent of the other party.
- 6.6 **Entire Agreement.** This Agreement and the Related Agreements represent the entire agreement among the Parties with respect to the subject matter hereof, thereof and supersede all prior or contemporaneous written or oral agreements or understandings of any kind among the Parties hereto and thereto with respect to the subject matter hereof and thereof. All Exhibits and Schedules hereto are expressly made a part of this Agreement as fully as though completely set forth herein.
- 6.7 **State Law.** The validity, construction, and effect of this Agreement shall be governed by the laws of the state of Arizona without regard to conflict of law principles.
- 6.8 **Severability.** If any one or more of the provisions of this Agreement shall be held invalid or unenforceable, the validity and enforceability of all other provisions of this Agreement shall not be affected.
- 6.9 **Conflict of Interest.** Pursuant to A.R.S. Section 38-511, Buyer may cancel this Agreement within three (3) years after its execution, without penalty or further obligations, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of Buyer is, at any time while the Agreement or any extension of the Agreement is in effect, an employee or agent of Seller in any capacity or a consultant to Seller with respect to the subject matter of the Agreement.
- 6.10 **Headings.** The descriptive headings of the several sections of this Agreement are inserted for convenience only and do not constitute a part of this Agreement.
- 6.11 **Modification.** This Agreement may not be changed orally, but only by an agreement in writing, signed by the parties.
- 6.12 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall together

constitute the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have entered this Agreement effective as of the date first set forth above.

SELLER:

NEW RIVER UTILITY COMPANY, an
Arizona Corporation

By: _____

Name: _____

Its: _____

State of Arizona)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this ___ day of _____ 2015, by _____, the _____ of New River Utility Company, an Arizona corporation and public service company.

(Seal and Expiration Date)

Notary Public

BUYER:

The City of Peoria

By: _____
Name: Carl Swenson, City Manager

State of Arizona)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this ___ day of _____ 2015, by Carl Swenson, the City Manager for the City of Peoria, Arizona, an Arizona municipal corporation, on behalf of the City.

(Seal and Expiration Date)

Notary Public

ATTEST:

By: _____
Name: Rhonda Geriminsky, City Clerk

APPROVED AS TO FORM:

By: _____
Name: Stephen M. Kemp, City Attorney

LIST OF EXHIBITS

- Exhibit A: List of Assets (Personal Property)
- Exhibit B: Bill of Sale
- Exhibit C: Assignment and Assumption of Contract Rights
- Exhibit D: Legal Descriptions of Nine (9) Parcels of Real Property
- Exhibit E: Special Warranty Deed
- Exhibit F: List of Easements
- Exhibit G: Assignment of Easement
- Exhibit H: Assignment of Water Rights

ASSET PURCHASE AGREEMENT

ALL EXHIBITS

ARE ON FILE IN THE

CITY OF PEORIA

**CITY ATTORNEY'S OFFICE
8401 W. MONROE STREET
PEORIA, AZ 85345**

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 11R

Date Prepared: 1 October 2015

Council Meeting Date: 20 October 2015

TO: Council Members

FROM: Mayor Carlat

SUBJECT: Establishment of an Ad Hoc Charter Review Committee

Purpose:

Discussion and possible action for the City Council to establish an ad hoc committee to review the City Charter and to recommend Charter amendments to the Council; and that the Mayor and Council adopt the attached resolution appointing members to the ad hoc committee.

Background/Summary:

In 1983, Peoria voters adopted a City Charter, which continues in use today. The City Charter instituted a Council-Manager form of government, and established the roles of governance for the City. The City Charter has been amended through voter approval several times since its inception. However, a comprehensive citizen review of the City Charter has not been completed since 1992.

For many communities, it is customary to review governing documents on a periodic basis. Given the extended period of time since a comprehensive review, I am proposing that the Council establish an ad hoc committee charged with reviewing the City Charter and recommending Charter amendments, if any, to the Council. Although, Council would instruct the ad hoc committee not to make recommendations for changing the Council-Manager form of government or the six geographic council districts system that is outlined in the current City Charter. These are two fundamental principles in the Charter that the Council would not consider amending. The ad hoc committee would meet as needed and bring back to Council its recommendations no later than the second Council Meeting in May 2016.

The ad hoc committee would be comprised of nine members; three appointees nominated by the Mayor (one of which will serve as the Chairperson); and one appointee nominated by each Councilmember from their district. No appointees can currently be holding an elected office. A Vice Chair and Secretary will be elected from among the ad hoc committee members. The Vice Chair will serve in the absence of the Chairperson and the Secretary will keep the minutes of the meetings.

The City Attorney or his designee will provide legal advice as may be necessary. The Strategic Management Officer will manage the committee's process and the City Manager's Office will provide administrative support.

Since the ad hoc committee is an official body of the City Council, all meetings must comply with statutes and laws regulating open meetings, including meeting notices, agendas, and minutes.

Duties of the Ad Hoc Charter Review Committee will include:

1. Comply with the Arizona Open Meetings Act.
2. Review the current City Charter and determine if revisions are necessary.
3. If City Charter revisions are identified, the committee will provide a rationale for the recommended change.
4. Hold public comment meeting(s) to obtain public input on the City Charter and proposed revisions.
5. Recommend charter changes and associated rationale to the City Council.

Proposed Timeline:

October 2015

- Receive approval from Council to establish an Ad Hoc Charter Review Committee.

October – December 2015:

- Mayor and Council select members.

January – April 30, 2016:

- First meeting: Elect a Vice Chairperson, establish meeting dates/times and review process.
- Meetings: Review the City Charter and determine if Charter amendments are needed.

May 1-13, 2016: Gather public comments of proposed charter amendments.

- Hold public comment meeting(s).
- Place proposed charter amendments on website for comment.

May 14-31, 2016: Review public comments and produce final report to Council.

- Committee meets to review and consider public comments.
- Final report is prepared for Council.

June 7, 2016:

- Presentation to Council Study Session on Charter Committee's Recommendations.

June 21, 2016:

- Council Meeting to call election.

July 11, 2016

- Notify County Elections

August 25, 2016

- Ballot Arguments Due

October 4, 2016

- Mail Publicity Pamphlets

October 13, 2016

- Early Voting Begins

November 8, 2016

- General and Citywide Election.

Previous Actions:

A Charter Review Ad Hoc Committee was last established in 1992.

Options: *(include as many as reasonable)*

A: Establish a Charter Review Ad Hoc Committee.

B: Do not establish a Charter Review Ad Hoc Committee.

Staff's Recommendation:

Staff recommends that a Charter Ad Hoc Review Committee be established. It is customary to review governing documents on a periodic basis. The City charter has not been reviewed by a Ad Hoc Committee since 1992.

Fiscal Analysis:

No fiscal impact.

Exhibit(s):

Exhibit 1: Resolution No. 2015-107

RESOLUTION NO. 2015-107

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA ADOPTING A RESOLUTION AUTHORIZING THE ESTABLISHMENT OF AN AD HOC COMMITTEE TO REVIEW THE CITY CHARTER AND TO RECOMMEND PROPOSED CHARTER AMENDMENTS TO THE CITY COUNCIL AND APPOINTING MEMBERS AND ESTABLISHING DUTIES.

WHEREAS, the Mayor and Council of the City having determined that the City Charter should be reviewed for possible amendments and revisions; and

WHEREAS, the Mayor and Council having determine that community input and comment on such proposed amendments is in the best interest of the City; and

WHEREAS, the Mayor and Council desire to establish an ad hoc committee to review such input and comment and to provide recommendations on proposed charter amendments.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Peoria as follows:

SECTION 1. Establishment of Ad Hoc Charter Review Committee

(a) There is established an Ad Hoc Charter Review Committee of the City of Peoria consisting of nine members who shall be selected as follows:

- (1) 3 members selected by the Mayor. One of which is designed as Committee Chair.
- (2) 1 member that resides in the Acacia District to be selected by the Council Member from the Acacia District.
- (3) 1 member that resides in the Ironwood District to be selected by the Council Member from the Ironwood District.
- (4) 1 member that resides in the Mesquite District to be selected by the Council Member from the Mesquite District.

(5) 1 member that resides in the Palo Verde District to be selected by the Council Member from the Palo Verde District.

(6) 1 member that resides in the Pine District to be selected by the Council Member from the Pine District.

(7) 1 member that resides in the Willow District to be selected by the Council Member from the Willow District.

SECTION 2. City Attorney as Legal Counsel

The City Attorney or his designee shall serve as Legal Counsel to the Charter Review Committee and shall provide such legal advice and represent the Charter Review Committee in all legal matters as may be necessary.

SECTION 3. Duties of the Ad Hoc Charter Review Committee

The Ad Hoc Charter Review Committee Shall:

(a) The Chairperson shall chair the meetings and establish the committee agenda.

(b) Elect a Vice Chairperson who will serve in the absence of the Chairperson.

(c) Elect a Secretary who shall keep the minutes of the meetings.

(d) Comply with the Arizona Open Meeting Act as set forth in A.R.S § 38-431, *et seq.*

(e) Review the current City Charter and determine such revisions and the associated rationale, if any which may be necessary and recommend to the City Council.

The Ad Hoc Charter Review Committee may:

(a) Hold one or more public meeting to obtain public input on the City Charter and Proposed revisions.

SECTION 4. Actions prohibited.

The Ad Hoc Charter Review Committee shall not:

- (a) Consider and make recommendations for changing the Council-Manager form of government
- (b) Consider and make recommendations on elimination of the District System for election of Council members as outlined in the current City Charter.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Peoria, Arizona this 20th day of October, 2015.

Cathy Carlat, Mayor

ATTEST:

Rhonda Geriminsky, City Clerk

APPROVED AS TO FORM:

Stephen M. Kemp, City Attorney



City Council Calendar

Color Key:
City Council

< September	October 2015					November >
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5	6 Special City Council Meeting Regular City Council Meeting	7	8	9	10
11	12	13	14	15	16	17
18	19	20 Special City Council Meeting & Study Session Regular City Council Meeting	21	22	23	24
25	26	27	28	29	30	31



City Council Calendar

Color Key:
City Council

< October	November 2015					December >
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17 Special City Council Meeting & Study Session Regular City Council Meeting	18	19	20	21
22	23	24	25	26	27	28
29	30					

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: RCM 13A

Date Prepared: October 8, 2015

Council Meeting Date: October 20, 2015

TO: Carl Swenson, City Manager

FROM: Lisa Estrada, Sustainability & Economic Efficiency Manager

THROUGH: Jeff Tyne, Deputy City Manager

SUBJECT: Environmental Excellence Award

Summary:

On September 12, 2015, the City of Peoria received the coveted first-place Crescordia award at the Arizona Forward Environmental Excellence Award for its Sustainable U Education and Outreach program under the Environmental/Communication category. The annual awards event recognizes outstanding contributions to the physical environment by promoting sustainability, conserving natural resources and preserving Arizona's unique desert environment for future generations. The City of Peoria is proud to be a recognized leader for its environmental stewardship and commitment to maintaining the best quality of life for Peoria residents now and the future.

Contact Name and Number: Lisa Estrada, (623) 773-7684

**CITY OF PEORIA, ARIZONA
CITY MANAGER REPORT**

Agenda Item: RCM 13B

Date Prepared: October 5, 2015

Council Meeting Date: October 20, 2015

TO: Carl Swenson, City Manager
FROM: John R. Sefton Jr., Community Services Director
THROUGH: Jeff Tyne, Deputy City Manager
SUBJECT: Upcoming Events

HALLOWEEN MONSTER BASH:

The City of Peoria invites the community to the Halloween Monster Bash on Friday, October 30, 2015 from 5pm – 9pm. The Monster Bash offers a safe alternative to trick or treating and another opportunity to show off your costume during the Parade of Costumes which begins at 5:30pm. The event will feature inflatables, carnival games, climbing wall, haunted house, scary science, entertainment, make-n-take crafts, and much more.

This year the event will be held at Peoria Sports Complex, 16101 N 83rd Ave, Peoria, AZ 85382. Parking and admission are free. Attendees are encouraged to bring a donation of canned food to benefit St. Mary's/Westside Food Bank Alliance. Food and beverage will be available for purchase. For more information call 623-773-7137 or visit us on the web at www.peoriaaz.gov/specialevents.

EIGHT'S GREAT FOODFEST:

The City of Peoria, in conjunction with R Entertainment and Arizona PBS - Eight, is gearing up for our third Eight's Great FoodFest, on Sunday, November 1, noon to 3pm, at the Trilogy Country Club, Vistancia, in Peoria.

Eight's Great FoodFest delivers a coveted foodie exploration, with a special focus on the quintessentially American cooking pastime, grilling. Eight's Great FoodFest also showcases plenty of local favorite dining spots and a one-ticket-for-all--&-drink sampling experience.

Tickets: Purchase tickets at www.azpbs.org/foodfest and click on the 'buy tickets' link. Admission to the event is \$30 and includes, wine and beer tastings.

TAKE ME HOME HUEY:

The City of Peoria is proud to host the Inaugural Exhibition of *Take Me Home Huey* created by Artist Steve Maloney, as a central theme of this year's 2015 Veterans Day events scheduled **November 5 to 7** at Peoria's Rio Vista Recreation Center inside Rio Vista Park.

The heart of the project is a contemporary sculpture repurposed from a boneyard Huey helicopter #174, brought down with two casualties in February 1969 during a Medevac mission in Vietnam. Its mission is significant; to honor Vietnam Veterans, inspire conversation, promote healing, and help raise awareness for Post-Traumatic Stress (PTS).

Light Horse Legacy acquired, re-skinned, restored and delivered the aircraft to the artist to transform into art for healing. Importantly, Dave Barron Light Horse Legacy founder, researched Huey #174 and reunited surviving soldiers and families connected to the aircraft.

The Sculpture will be located in the park adjacent to the Veterans Memorial Wall and available for viewing throughout the weekend with several events planned. Details below.

Thursday, Nov. 5 Public may view the exhibit in Rio Vista Park.

5:30-7:30pm Invitation only unveiling and reception

Friday, Nov. 6: Two multi-media presentations at Rio Vista Recreation Center hosted by City of Peoria

10 – 11:30 am Artist Introduction & History of the Huey Helicopter in the Vietnam War. Following the presentation, visit to the sculpture and question and answer with artist and veterans (for high school students & adults)

6 – 7:30 pm Post-Traumatic Stress Panel Discussion following overview of the Take Me Home Huey project. Art for healing and removing the stigma of PTSD (for adults)

Saturday, Nov. 7: Rio Vista Recreation Center

8:30 am – Veterans Day 5KRun

9:30 am – Awards Ceremony and Breakfast

Sculpture on display throughout the day and evening

The *Take Me Home Huey* sculpture will serve as inspiration for a Veterans Day 5K run hosted by the Peoria Veterans Memorial Board at Rio Vista Recreation Center. Stop by after the 5k run inside the Recreation Center representatives from Light Horse Legacy will be there to talk about their outreach program and the project.

To learn more about the project visit ***TakeMeHomeHuey.org***

VOLKSTOCK:

The 2015 VolkStock Music Festival and VW Car Show sponsored by German Toyz V-dub Club and Lunde's Peoria Volkswagen is planned for November 6th – 8th at Pioneer Park. This festival will celebrate the cool vibe that made Woodstock famous with live music and a fun, festive atmosphere, accentuated by the coolest cars from the era, VWs. The car show welcomes "dubs" of all years and models.

Registration is \$25 for show cars on the grass. The event is free for spectators. Register online at www.volkstock.com

COPPER HILLS 4-PEAK CHALLENGE:

The inaugural Copper Hills 4 Peak Challenge is sponsored by the Copper Hills Church in the WestWing Community. This event will feature a family and community activity to challenge participants to traverse Peoria's four mighty hills: Sunrise, Calderwood Butte, EastWing and WestWing on November 14. WestWing Park, along with the newly completed Copper Hills Campus, will play host to the base camp for the hikers along with the after-party with music, food, and fun activities.

Registration is \$20 for adults and \$10 for children ages 6-17. Register online at www.4peakchallenge.com

Exhibit(s): Flyers

Contact Name and Number: Bill Moss (623)773-7133

PRESENTED BY
sears
VACATIONS

HALLOWEEN MONSTER BASH



**NEW
NITE!**

Friday

Oct 30th

5 p.m. - 9 p.m.

Peoria Sports Complex, 16101 N. 83rd Avenue, Peoria, AZ

FREE admission with canned food item(s) to help support The St. Mary's / Westside Food Bank Alliance

CARNIVAL GAMES • PARADE OF COSTUMES
FOOD & OTHER ACTIVITIES (Nominal fee for some activities)



ARROWHEAD
Towne Center

FOR MORE INFORMATION,
CALL (623) 773-7137 or VISIT
PEORIAAZ.GOV/SPECIALEVENTS



 **Eight's**
GREAT

FoodFest



PEORIA, AZ

SUNDAY
November 1st

11 a.m. to 3 p.m.

Trilogy at Vistancia
12575 W. Golf Club Drive
Peoria, AZ 85383


Trilogy®
Active Lifestyle Communities

 **RENTAL**

 **AQUA**
HYDRATE™



Mercedes-Benz
Mercedes-Benz of Arrowhead



Southern Wine & Spirits
Dedicated to Sales & Service



Eight's Great FoodFest features more than a dozen of the Valley's favorite restaurants at the Trilogy at Vistancia in Peoria.

The community event also features wine and craft beer tastings, cooking demonstrations, live music **AND MORE!**

\$30

Ticket price includes:

- Unlimited Food Samples
- Wine and craft beer samples
- Cooking demonstrations

PARKING

will be located offsite at 28455 N. Vistancia Blvd. in Peoria. Shuttle service will be provided from this location to the Trilogy Golf Club.



City of Peoria
COMMUNITY SERVICES

Tickets available at
www.azpbs.org/foodfest



Take Me Home Huey

**Thursday-Saturday,
November 5-7
Rio Vista Park at the
Veteran's Memorial,
8866 W. Thunderbird Rd.**

FEATURES

- Steve Maloney's 47-foot-long, Mixed-Media Sculpture
- A Transformed, Bone-yard, Vietnam War U.S. Army Huey Helicopter
- Opening Ceremony: Thursday, Nov. 5
- Multi-Media Presentations: Friday, Nov. 6
- Veterans Day 5K Run: Saturday, Nov. 7

FREE

<http://takemehomehuey.org>



VolkStock

Saturday
November 7th 2015

Pioneer Community Park
8755 N. 83rd Ave, Peoria, AZ



LEGEND

WATER	RAMADA	
PARKING	COMPETITION	
RESTROOMS	PLAYGROUND	
BIKE PARKING		

**VW Car Show
Swap, Vendors
Kids
Play Area,
Bouncies,
Food,
Dog Friendly,
LIVE MUSIC
ALL DAY**



- Six Lighted Ball Fields
- Four Lighted Multipurpose fields
- Dog Park
- Lake - Fishing Permit Required
AZ Community Fishing Program
- Picnic Ramadas
- Playground/Swing sets
- Splash Ground
- Heritage Court for small events

www.VolkStock.com



COPPER HILLS 4 PEAK CHALLENGE

Saturday, November 14
Westwing Mountain,
27035 N. Black Rock Blvd.

5:30 – 6:30 a.m.,
Hiker Check-in
7 a.m., Challenge Begins
11 a.m. – 2 p.m., After Party

FEATURES

- 11 miles of rugged trails.
- A test of endurance, not speed.
- After Party with Bands, Bounce Houses, Food, Beverages and more

FEES

Challenge:

Adult Hiker, \$20 • Youth Hiker, \$10

After Party Pass:

Adults, \$7.50 • Youth (6-17) \$5
Children 5 and under, free

www.4peakchallenge.com