ARIZONA DEPARTMENT OF WATER RESOURCES
OFFICE OF ASSURED AND ADEQUATE WATER SUPPLY
3550 NORTH CENTRAL AVENUE, 2nd FLOOR
PHOENIX, ARIZONA 85012
(602) 771-8599 Fax: (602) 771-8689

DATE RECEIVED:

RECEIVED
JUN 23 2011
OFFICE OF ASSURED WATER SUPPLY

40-700705.0000
APPLIC/ Pueblo del Sol Water Company

DESIGNATION OR MODIFICATION OF DESIGNATION OF ADEQUATE WATER SUPPLY APPLICATION

PART A - GENERAL INFORMATION

1. This is an application for: ☒ New Designation ☐ Modification of an existing Designation

   If this is a modification of an existing designation, you may expressly reference items submitted in support of a previous application rather than resubmitting identical items. However, please provide updated documentation if more recent information is available.

2. Name of municipal provider: Pueblo del Sol Water Company COUNTY: Cochise
   System No. 91- 000058.0000 (Contact the Office of Assured and Adequate Water Supply)

3. Name and address of person representing the municipal provider:
   Name: Rick Coffman
   Title: Vice President E-Mail: rcoffman@castlecooke.com
   Address: 4100 Canyon De Flores, Sierra Vista, Arizona 85650-5360 Phone: 520-378-9344 Fax: _____

4. Contact person for questions regarding this application:
   Name: Christa McJunkin
   Company: Fluid Solutions E-Mail: cmcjunkin@flusol.com
   Address: 2727 North Third Street, Suite 300, Phoenix, AZ 85004 Phone: 602-707-7815 Fax: 602-707-7778

5. Please provide a map of the service area that includes the current and proposed distribution system and any treatment or storage facilities and reference as an attachment.

   Hard copy of service area map attached ☒ Attachment: Attachment A
   Electronic copy of service area map attached ☒ Attachment: Attachment B

I DO HEREBY certify that the information contained in **this application and all information accompanying it is true and correct to the best of my knowledge and belief. NOTE:** If the applicant is a city or town, include a resolution of the governing body of the city or town authorizing the person to sign the application.

Rick Coffman — Vice President
Printed Name — Title

Signature — 6-15-2011
Date

REV 04-28-2011

PART B - DEMAND ESTIMATE

Please use the Designation demand spreadsheet provided by the Department to document the estimated water demand in the service area. See the Department's website at http://www.azwater.gov and click on Permits, Forms and Applications to download a copy of the Designation demand spreadsheet **OR** provide a detailed explanation of the assumptions used in estimating the water demand for the water service area and reference the demand spreadsheet and/or the assumptions used as an attachment and complete Table B below. Attachment: Attachment C.

Requested Term of Designation: 2025 (not less than two years after issuance).

CURRENT ANNUAL DEMAND: 1,502.31 acre-feet per year **YEAR:** 2009

The current demand is the total water production for the most recent completed calendar year. This includes both potable and non-potable water sources, as well as water that is lost or unaccounted for.

COMMITTED DEMAND: 177.02 acre-feet per year

The committed demand is the estimated demand for recorded, but unbuilt lots within the water service area.

PROJECTED DEMAND: 2,471.48 acre-feet per year **YEAR:** 2025

The projected demand is difference between the total amount of water projected to be delivered in the projected calendar year you are seeking to be designated through, minus the current demand.

TOTAL ANNUAL DEMAND: 4,150.81 acre-feet per year **YEAR:** 2025

The annual estimated demand is the sum of the current demand, committed demand and projected demand.

TABLE B:
SUM OF CURRENT, COMMITTED, AND PROJECTED DEMAND FOR THE WATER SERVICE AREA FOR THE CURRENT YEAR PLUS EACH SUBSEQUENT YEAR FOR THE NEXT TEN YEARS

Year	1	2	3	4	5	6	7	8	9	10
Population										
Current Demand (af/yr)										
Committed demand (af/yr)										
Projected demand (af/yr)										
Total Demand (af-yr)										

(If proposed term of Designation is greater than 10 years, please provide this information on a separate sheet.)

PART C- PHYSICAL AVAILABILITY OF SOURCE WATER

1. A comprehensive hydrologic study must be submitted with this application, unless the Department has previously reviewed the hydrologic conditions for this area and has issued a valid Letter of Water Availability, Physical Availability Determination or Analysis of Assured Water Supply. The Department has adopted a substantive policy statement to provide guidelines for preparing a new hydrologic study. The policy statement is available on the Department's website at http://www.azwater.gov under the Permits, Forms and Applications page.

   Please indicate the evidence of physical availability and reference as an attachment: Attachment D

   ☐ Water Availability Letter ☐ Physical Availability Determination

   ☒ New Hydrologic Study ☐ Other, please specify: _____

Technical Registration Requirements

The Arizona Department of Water Resources requires hydrologic and engineering reports, studies, drawings and maps, specifications, analyses or related data submitted to support the evaluation of this application to be signed and sealed by a professional geologist or qualified professional engineer who is registered in the State of Arizona under the authority of A.R.S. Title 32, Chapter 1.

2. ☐ Requesting a depth-to-static water level requirement exemption, per R12-15-716(C). **NOTE:** Financial capability to obtain groundwater at the lower depth must be proven.

3. If not already included in the attachment under Part C, question 1 above, please attach a list of all existing service area wells including the well registration numbers, legal description (township, range, section, 180, 40, 10 quarter sections) and pump capacity of each well in gallons per minute. If your application includes proposed wells, please provide the legal description (township, range, section, 180, 40, 10 quarter sections) of each proposed well and the anticipated pump capacity of each proposed well in gallons per minute.

4. If you had a pre-application meeting with the Department, please indicate the date of that meeting: _____.

5. If you submitted a hydrologic study proposal to the Department's Hydrology Division for their review prior to submitting this application, please indicate the date of submittal of the hydrologic study proposal: _____.

PART D- CONTINUOUS AVAILABILITY AND LEGAL AVAILABILITY OF SOURCE WATER

1. If applicant is a private water company, attach any Decision and Order from the Arizona Corporation Commission establishing the CC&N or extension of CC&N. Reference as attachment: Attachment E.

2. To complete the table below, multiply the Total Annual Demand computed in Part B by 100 to obtain the 100-year demand and enter at the bottom of the chart. Enter the appropriate 100-year demands for each type of water delivered to the subdivision for each category:

Source of Supply	**100 Year Volume (ac-ft)**
Groundwater	397,379
Colorado River Water: Direct treatment and delivery	
Stored and Recovered water	
Surface Water: Direct treatment and delivery	
Stored and Recovered water	
Effluent: Direct treatment and delivery	
Stored and Recovered water	
Other	
Total 100-yr Volume	397,379

3. See A.A.C. R12-15-717 and R12-15-718 for documentation that should be submitted as evidence of continuous availability and legal availability (respectively) for each source of supply. Please reference attachment(s): Discussed in hydro study

PART E - FINANCIAL CAPABILITY

Please check one or more of the following and include attachments as necessary:

☒ The applicant has constructed adequate delivery, storage, and treatment works.

☐ The applicant has entered into written agreements requiring potential developers to construct adequate delivery, storage, and treatment works. Attachment: _____

If the applicant is a city or town, the applicant has:

☐ Adopted a five year capital improvement plan that provides for the construction, or the commencement of construction, of adequate delivery, storage, and treatment works in a timely manner, and has submitted a certification by the applicant's chief financial officer that finances are available to implement that portion of the five-year plan; or

☐ Submitted evidence demonstrating that financing mechanisms are in place to construct adequate delivery, storage, and treatment works in a timely manner.

☐ If the applicant is a private water company, the applicant has received approval from the Arizona Corporation Commission for financing the construction of adequate delivery, storage, and treatment works.

PART F - WATER QUALITY

1. Are the well or wells from which water will be withdrawn by the municipal provider within one mile of a Water Quality Assurance Revolving Fund (WQARF) or Superfund site? ☐ Yes ☒ No.

   If "Yes", please submit a contaminant migration and mitigation analysis demonstrating that the water supply will continue to meet the water quality requirements in A.A.C. Title 18, Chapter 4, and reference as attachment: _____

2. ☒ Municipal provider is or will be regulated by the Arizona Department of Environmental Quality (ADEQ) or another governmental entity with equivalent jurisdiction. If this applies, independent proof of adequate water quality is not required.

3. ☒ If provider is currently regulated, provider is in compliance with all state and federal water quality regulations.

4. If the municipal provider serves or will serve 15 customers or less, provide current (within the last 60 days) analytical results on water samples taken from a well or wells constructed *within the service area*, demonstrating that the water meets the water quality requirements in A.A.C. Title 18, Chapter 4, and reference as attachment: _____

   NOTE: Information on the required water quality analyses may be found at the ADEQ website http://www.adeq.gov.

PART G – FEES

Please calculate fees by completing the appropriate items below, and include the total fees with your application. Payment may be made by cash, check, or credit card (if you wish to pay by credit card, please contact the Assured and Adequate Water Supply Program Coordinator at 602-771-8599). Checks should be made payable to the Department of Water Resources. **Failure to enclose the required fees will cause the application to be returned. Fees for designations of adequate water supply are authorized by A.R.S. § 45-113.**

The initial fee for an application for a Designation of Adequate Water Supply or a Modification of a Designation of Adequate Water Supply Application is $2,000. Total fees for this application are based upon an hourly billable rate, which can be found on the ADWR web site @www.azwater.gov. If the costs of reviewing your application exceed $2,000, you will be invoiced for the difference, up to a maximum total fee of $25,000. Payment may be made by cash, check, or credit card (if you wish to pay by credit card, please contact the Office of Assured and Adequate Water Supply at 602-771-8599). Checks should be made payable to the Arizona Department of Water Resources. In addition to the hourly application fee, the applicant must pay any review-related costs associated with the application and the actual cost of mailing or publishing any legal notice of the application or any notice of a pre-decision administrative hearing on the application. Review-related costs are: (1) costs associated with a pre-decision hearing on the application, such as court reporter services and facility rentals for the hearing, and (2) mileage expenses for a site visit conducted before issuing a decision on the application. **Failure to enclose the initial application fee will cause the application to be returned. Fees for an application for a Designation of Adequate Water Supply or a Modification of a Designation of Adequate Water Supply Application are authorized by A.R.S. § 45-113 and A.A.C. R-12-15-103.**

INITIAL FEE DUE: **$2000.00**

PUBLIC NOTICE PUBLICATIONS:

IF THE DEVELOPMENT IN LOCATED IN A JURISDICTION WHICH HAS ADOPTED AN ORDINANCE REQUIRING AN ADEQUATE WATER SUPPLY, THE APPLICANT WILL BE ASSESSED A PUBLIC NOTICE FEE. PUBLIC NOTICE FEES ARE DETERMINED BASED ON THE NUMBER OF LINES NEEDED IN THE NOTICE. THEREFORE, THE APPLICANT WILL BE NOTIFIED OF THE COST PRIOR TO PUBLICATION. PAYMENT FOR THE PUBLIC NOTICE FEE WILL BE REQUIRED BEFORE A DESIGNATION OR MODIFICATION OF A DESIGNATION IS ISSUED.

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Arizona Department of Water Resources

3550 N Central Ave.
Phoenix AZ 85012

Customer:

PUEBLO DEL SOL WATER
COMPANY
4226 AVENIDA COCHISE
SUITE 13
SIERRA VISTA, AZ 85635

Receipt #: 11-17932
Office: MAIN OFFICE
Receipt Date: 6/27/2011
Sale Type: IN_PERSON
Cashier: WRRBO

Item No.	Index	AOBJ	Description	Ref ID	Qty	Unit Price	Ext Price
67126	15248	4336-TT	Issuance or modification of designation of assured or adequate water supply	40-700705.0000	1	2,000.00	2,000.00
						RECEIPT TOTAL:	**2,000.00**

Payment type: CHECK
Amount Paid: $2,000.00
Payment Received Date: 6/27/2011

Check # 14274

Notes: FROM TTA.

No refund without valid receipt

DVD containing model files is available upon request from ADWR