Clean Water Act 208 Amendment

Maricopa County
Balterra
Wastewater Treatment Facility

Prepared by:

CSA Engineering
4645 E Cotton Center Blvd
Suite 169, Building 2
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June 2007

CSA
engineering

Maricopa County

Environmental Services
Water and Waste Management Division

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March 13, 2006

Maricopa Association of Governments
302 North 1st Avenue, Suite 300
Phoenix, AZ 85003

Attention: Ms. Lindy Bauer, Environmental Program Coordinator

Re: Maricopa County, Balterra Wastewater Treatment Facility
Clean Water Act, MAG 208 Amendment

Dear Ms. Bauer:

CSA Engineering has submitted a proposed 208 Amendment for Balterra Wastewater Treatment Facility (WTF) to Maricopa County Environmental Services Department (Department) dated March 10, 2006. The Facility will be located on a 15-acre site north of Indian School Road within the southeast corner of T2N, R7W, Sec 24 and the southwest quarter of T2N, R6W, Sec 19. The initial capacity of the facility will be 0.55-MGD and the ultimate capacity will be 15 MGD. The WTF will use membrane bioreactors designed to produce Class A+ effluent. The plant will serve an approximate 24 square mile area bounded by Glendale Avenue to the north, 419th Avenue to the west, I-10 to the south, and extending to 363rd Avenue to the east.

In accordance with the MAG Water Quality Management Plan, Section 4.4, MAG 208 Amendment Requirements, the document was submitted to the Department for review and sponsorship, since the facility is located within an unincorporated area of Maricopa County, outside of any municipal planning areas. The facility is located further than three miles from any municipality and therefore comments from other communities were not required.

The WTF and all related sewage collection facilities will be constructed and the operations will be managed by the developer, J.F. Properties, through the Balterra Sewer Corp. A CCN application has already been filed with the ACC.

The Saddle Mountain Unified School District No. 90 (SMUSD) is located approximately 3 miles east of the proposed WTF, within the proposed service area. SMUSD has a 15,000-gpd MAG 208 Small Plant to serve the Ruth Fisher School . An amendment was submitted on November 30, 2005 to expand the SMUSD facility to 45,000 gpd to serve the adjacent Tonopah Valley High School. Construction of that expansion was started but is not yet complete. This March 2006 208 Amendment proposes to supersede previous amendments submitted by SMUSD. The Developer will provide a gravity sewer from the SMUSD to the WTF and a reclaimed water delivery line back to the campus.

Based on a review of the proposed 208 MAG 208 Amendment, dated March 10, 2006, the Department has determined that the proposed plant does not conflict with Maricopa County plans for the area.

Please note that the Department has not reviewed, nor approved, the design of the facilities as part of the 208 review. Any technical issues that remain will need to be resolved during the design phase of the project. Approval to Construct (ATC) and Approval of Construction (AOC) must be obtained from this Department prior to start of construction and startup, respectively, of all treatment, discharge, recharge, and reuse facilities, including all conveyance facilities and final end user facilities.

If you have any questions or comments, please feel free to contact Mr. Kenneth James, PE, or myself at 506-6666.

Sincerely,

Kenneth L. James, P.E. for

Dale Bodiya, P.E.
Interim Manager, Water and Waste Management Division

cc: Jim Condit, PE, J.F. Properties, 6720 N. Scottsdale Rd., Suite 250, Scottsdale, AZ 85253
Peter Chan, PE, CSA Engineering, 4645 E. Cotton Center Blvd., Suite 169, Bldg. 2, Phoenix, AZ 85040
Utilities Division - Engineering Section, Arizona Corporation Commission 1200 W. Washington, Phoenix, AZ 85007-2996
File

MARICOPA ASSOCIATION of GOVERNMENTS

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Phone (602) 254-6300 ▲ FAX (602) 254-6490
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August 21, 2006

Ms. Edwina Vogan
Arizona Department of Environmental Quality
208 Water Quality Management Planning
5th Floor Hydrology Unit
1110 West Washington Street
Phoenix, Arizona 85007

Dear Ms. Vogan:

As the designated Regional Water Quality Management Planning Agency, the Maricopa Association of Governments (MAG) Regional Council approved the MAG 208 Water Quality Management Plan Amendment for the Balterra Wastewater Treatment Facility on July 26, 2006. The State Water Quality Management Working Group then recommended approval of the amendment to the Arizona Department of Environmental Quality (ADEQ) on August 15, 2006. It is now requested that the ADEQ Director approve the Balterra 208 Plan Amendment, certify that it is consistent with the MAG 208 Water Quality Management Plan, and submit the amendment to the U.S. Environmental Protection Agency for approval.

The Balterra Wastewater Treatment Facility would have an ultimate capacity of 15 million gallons per day. The facility would be located in unincorporated Maricopa County in the northeast quadrant of 403rd Avenue and Indian School Road within Section 19 of Township 2 North, Range 6 West and Section 24 of Township 2 North, Range 7 West. Reclaimed water would be disposed of through reuse, recharge, and an Arizona Pollutant Discharge Elimination System (AZPDES) Permit discharge to the adjacent wash (T2N-R6W-30W as identified in the Palo Verde Watershed Zone A Flood Delineation Study). The AZPDES Permit discharge point would be located along the northeast edge of the facility site, near the confluence of the adjacent wash and Winters Wash.

On April 25, 2006, the MAG Water Quality Advisory Committee (WQAC) authorized a public hearing on the Draft Balterra 208 Plan Amendment. The notice of public hearing was advertised in *The Arizona Republic* on May 5, 2006 and the hearing was held on June 27, 2006. At the public hearing, three testimonies were submitted on the Draft Balterra 208 Plan Amendment. In addition, MAG received seven letters with written comments on the draft amendment. Following the public hearing, the WQAC recommended approval of the Draft Balterra 208 Plan Amendment. Following the hearing, Maricopa County prepared a response to public comments received on the Draft Balterra 208 Plan Amendment and the Saddle Mountain Unified School District #90 submitted a letter to MAG in support of the Draft Balterra 208 Plan Amendment.

On July 7, 2006, written comments, the public hearing transcript, the response by Maricopa County to public comments, and the Saddle Mountain Unified School District #90 letter were transmitted to the MAG Management Committee. On July 12, 2006, MAG received two letters with written comments on the Draft Balterra 208 Plan Amendment. The letters were provided to the MAG Management Committee at its July 12, 2006 meeting. At the meeting, four members of the public commented on the Draft Balterra 208 Plan Amendment. The MAG Management Committee recommended approval of the Draft Balterra 208 Plan Amendment. The materials provided to the MAG Management Committee are included in Attachment A.

The materials provided to the MAG Management Committee were included in the agenda packet for the July 26, 2006 MAG Regional Council meeting. On July 26, 2006, MAG received one letter with written comments on the Balterra 208 Plan Amendment (Attachment B). The letter was provided to the MAG Regional Council at its July 26, 2006 meeting. At the meeting, eight members of the public commented on the Balterra 208 Plan Amendment. Following discussion and consideration of public comments, the MAG Regional Council took action to approve the MAG 208 Plan Amendment for the Balterra Wastewater Treatment Facility.

The materials provided to the MAG Regional Council were included in the mailing of the Balterra 208 Plan Amendment to the State Water Quality Management Working Group for its August 15, 2006 meeting. At the meeting, several members of the public commented on the Balterra 208 Plan Amendment. Following discussion and consideration of public comments, the State Water Quality Management Working Group recommended approval of the MAG 208 Plan Amendment for the Balterra Wastewater Treatment Facility to the Arizona Department of Environmental Quality.

Generally, the public comments received on the Balterra 208 Plan Amendment throughout the process were in regard to the service area identified for the Balterra Wastewater Treatment Facility. Figures 2A and 2B in the Balterra 208 Plan Amendment were modified at the request of ADEQ to further clarify the service area for the facility.

At the request of the Arizona Department of Environmental Quality, the meeting minutes from the MAG Water Quality Advisory Committee, MAG Management Committee, and MAG Regional Council detailing committee recommendations on the Balterra 208 Plan Amendment are included in Attachment C. Please note that minutes marked as draft are subject to final approval by the appropriate committees. Three copies of the amendment document; the letter of official request to initiate the process; the legal advertisement for public hearing; an official affidavit of public hearing; a notice to interested parties; a list of locations where documents are available for viewing; the public hearing transcript; and the response by Maricopa County to public comments are provided in Attachment D.

Thank you in advance for you assistance. If you have any questions, please contact me at (602) 254-6300.

Sincerely,

Julie A. Hoffman
Environmental Planner II

cc: Dennis Smith, Maricopa Association of Governments
Dale Bodiya, Maricopa County Environmental Services Department
Ken James, Maricopa County Environmental Services Department
Peter Chan, CSA Engineering
John Tyldesley, CSA Engineering
Jim Condit, JF Properties
Paul Gilbert, Beus Gilbert
Felipe Zubia, Beus Gilbert

Janet Napolitano
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

1110 West Washington Street • Phoenix, Arizona 85007
(602) 771-2300 • www.azdeq.gov

Stephen A. Owens
Director

Ms. Alexis Strauss, Director
EPA Region IX, Water Division
75 Hawthorne Street (WTR-1)
San Francisco, CA 94105

Dear Ms. Strauss:

Pursuant to Section 208 of the Clean Water Act and 40 CFR 130.6(e), I certify that the *CWA 208 Plan Amendment for Maricopa County Balterra Wastewater Treatment Facility, November, 2006*, is consistent with both the State of Arizona's and the Maricopa Association of Governments' Water Quality Management Plans.

This amendment covers 24 square miles in an area of western Maricopa County identified by the County as the North Tonopah Planning Area – Southeast. The Balterra Sewer Company (BSC), by virtue of the Certificate of Convenience and Necessity (CC&N) granted to it by the Arizona Corporation Commission, has the ability to construct, operate and maintain the wastewater collection, treatment and disposal system within its CC&N area. There has been opposition to this amendment by other developers who have been working with another utility to provide for a comprehensive solution to water, wastewater and reclaimed water throughout this part of the west valley. While ADEQ has some concerns about how the County addressed the issues, the Balterra Plan meets the technical criteria for approval. ADEQ will continue working with the Arizona Corporation Commission and the County to resolve issues as development commences.

This amendment also includes a legal review, by the proponent, as to the authorities of a private utility to carry out the functions of a Designated Management Agency (DMA) under CWA 208(b)(2), CWA 208(c), and 40 C.F.R. 130.6(c)(5). ADEQ has reviewed the information and believes it addresses the issues raised by EPA in its July 20, 2006 letter.

As the Governor's designee for the State's Water Quality Management program, I hereby transit this amendment and supporting documentation to EPA for review.

Sincerely,

Stephen A. Owens
Director

Northern Regional Office
1515 East Cedar Avenue • Suite F • Flagstaff, AZ 86004

Southern Regional Office
400 West Congress Street • Suite 433 • Tucson, AZ 85701

Printed on recycled paper

Enclosures: Final CWA 208 Plan, public participation packet, DMA Authority Review

cc: Cheryl McGovern, Water Division, EPA Region IX (WTR-4)
Julie Hoffman, Environmental Planner, MAG
Edwina Vogan, Regional Planning Coordinator, AZPDES Unit, ADEQ

208 WQM Amendment Checklist

Designated Planning Agency: Maricopa Association of Governments

Name of Amendment: *Maricopa County Balterra Wastewater Treatment Facility, November, 2006*

Amendment Summary: Maricopa County has identified a 60 square mile area centered around Tonopah for purposes of wastewater master planning. Known as the North Tonopah Planning Area (NTPA), it is bounded on the south by interstate 10, on the west by 456th Avenue, the north by the Central Arizona Project (CAP) Canal and the east by 363rd Avenue (see Appendix I). The County further divided this planning area into three smaller, roughly equal units and identified the approximate locations for regional wastewater treatment plants within these smaller planning units. A draft NTAP Wastewater Master Plan was prepared by the developer of the Balterra development (JF Properties) and Balterra Sewer Corporation, in cooperation with Maricopa County Environmental Services Department, in November, 2006. That Master Plan has not yet been approved by the County.

This WQM Plan amendment is for the 24-section North Tonopah Planning Area -- Southeast (NTPA – SE) only (see Figure 2A and Appendix I) and proposes one 15 mgd wastewater treatment facility to treat flows from this entire planning area. The WWTP will be built in multiple phases. The first phase is 0.55 mgd to serve the Balterra master planned community and the Ruth Fisher Elementary School (replacing an existing 15,000 gpd wastewater package plant). The Balterra WWTP facility will be enlarged as other proposed developments in the area require service. There are five master planned developments currently identified within the NTPA-SE that are slated to begin home building in 2007-2008. These developments cover over 5,500 acres or approximately one-fifth of the total sewer service area.

Disposal Option(s): A+ effluent will be used for beneficial reuse for irrigation of school grounds, parks and large turf open-space landscaping amenities throughout the service area, on-site groundwater recharge basins located at the facility, and surface water discharge.

If AZPDES, name of receiving water: An unnamed wash near its confluence with Winters Wash, just north of where Winters Wash flows under I-10 via culvert. (see Figure 4B) **303(d) status:** N/A

Review Criteria	*Comments*
Authority	The Balterra Sewer Co. (BSC) has prepared an analysis of its authorities to perform the functions of a Designated Management Agency as enumerated under Section 208(c)(2)(A)-(I) of the Clean Water Act. The analysis and supporting documentation are enclosed as an attachment to this submittal and, when approved, will become an appendix to the final plan document.

BSC has received a Certificate of Convenience and Necessity from the Arizona Corporation Commission and a franchise agreement from Maricopa County to serve the Balterra master planned community and the Ruth Fisher Elementary School and Tonopah Valley High School, both part of the Saddle Mountain Unified School District. This represents 1170 acres out of the 15,000 acres in the NTPA-SE. BSC must submit additional CC&N requests and franchise expansion requests as new developments request service.

20-year Needs

The NTPA-SE is a small portion of a larger MAG regional analysis zone (RAZ 346). Current population for the entire RAZ is less than 4,000 persons. The official POPTAC 2028 population projection for the area is 10,000 persons. This amendment projects populations far in excess of these official estimates based on land use planning proposals that have been submitted to Maricopa County for this service area. The projected number of residential dwelling units is 47,000 with a NPTA-SE service area population of 150,600 at full buildout. Total flows at buildout are estimated at 15.0 mgd and will be handled with one phased WWTP. The initial phase, will serve the Balterra development and the Saddle Mountain School District, with a 0.55 mgd WWTP. Phase II is anticipated to be 1.1 mgd and is expected to be constructed within 6 years of the initial plant operation.

Regulations

An Aquifer Protection Permit (APP) will be required for operation of the facility; an Arizona Pollutant Discharge Elimination System Permit (AZPDES) for any surface water discharges, a Reclaimed Water Permit for reuse and an Underground Storage Permit must be obtained from ADWR for groundwater recharge. During the construction phase for the WRF, a Stormwater Pollution Prevention Plan (SWPPP) is required. The WWTP site is being designed so that all stormwater is contained on site and there will be no discharges of stormwater from the facility. This plan is solely for the wastewater treatment facility and infrastructure; it does not address how the planning area will develop.

Construction

The Balterra WWTP will be constructed by the developer, JF Properties, and is anticipated to be operational by spring, 2008. BSC was formed by JF Properties to own and operate the wastewater collection and treatment system known as Balterra Sewer Corp.

Financing

Initial infrastructure costs will be financed by JF Properties, the developer of Balterra. This initial financing will cover the capital costs and operating costs for the WWTP and infrastructure until sufficient customers are connected to the system. It is anticipated that future phases, the sizing of which will be dictated by market demand, will be funded by the other developments in proportion to each development's need for service and by monthly customer service fees. The rate structure must be approved by the ACC prior to implementation.

Implementation

The only treatment plant that is operational in this 60 square mile area is the 15,000 gpd facility currently serving the Ruth Fisher Elementary School, approximately 3 miles east of the BSC site. The Saddle Mountain Unified School District has been in discussions with BSC as well as other potential providers to obtain sewer service in order to close its existing WWTP. The school can be served via gravity flow to this facility. The balance of the sewer service area is largely undeveloped.

Public Participation

Public Notice: May 5, 2006
Public Meeting: June 27, 2006
Water Quality Advisory Committee meetings: April 25, 2006 & June 27, 2006 (public hearing)
Management Committee: July 12, 2006
Regional Council: July 26, 2006
WQMWG Meetings: August 15, 2006
ADEQ Certification letter:

Discussion

This CWA 208 amendment has had some opposition. Beginning in the fall, 2005, Maricopa County Environmental Services Department (MCESD) informed the developers in this West Valley area that they needed to provide a regional solution to wastewater. After several meetings among the developers, the developer of Balterra broke from the group and submitted plans to MCESD in early 2006 for a WWTP to serve its 1170 acres (including the school). MCESD responded that the proposal needed to be more regional in concept and the two parties agreed to a 24-section sewer service area. This 208 plan amendment was deemed adequate to proceed by MCESD in April, 2006.

When JF Properties proceeded independently and with no master planning document yet in place, the remaining developers, including the 4400 acres adjacent to Balterra's development, continued to work on a regional solution with another water and wastewater utility. This second regional plan covering nearly 175 square miles was submitted to MCESD in May, 2006 but has not been processed due to the County's concerns over it having processed the Balterra proposal for part of the area and the comprehensive nature of the second proposal.

At each of the four MAG meetings, including the public hearing, substantial opposition was presented to the inclusion of properties in this amendment without owner approval and the failure of MCESD and MAG to consider the alternative plan that had been proposed. Despite the concerns expressed, each committee passed the amendment onto the next level of review. Copies of the objection letters, the meeting minutes, and the County's response to comments are included.

ADEQ has reviewed the letters, the meeting minutes and the hearing transcript and has concerns both with how the amendment was processed and whether the concerns have been adequately addressed.

However, discussions with MAG and MCESD staff indicate referring the Plan back to the County for re-review would yield a similar result. On December 1, 2006, the Water Quality Division Director's office held a meeting with the interested parties in an attempt to seek a resolution. Over 30 people were in attendance. After hearing from the various parties and discussing various options, ADEQ took the matter under advisement.

Despite concerns with the amendment process and whether the concerns expressed at the MAG hearings were adequately addressed in the MAG process, ADEQ finds the amendment meets the technical requirements of CWA 208 regional planning. ADEQ will continue to work with Maricopa County as well as the Corporation Commission to resolve issues that arise and development progresses.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105-3901

Mark C. Brown, President
New World Properties, Inc.
706 E. Bell Road, Suite 200
Phoenix, AZ 85022

Dear Mr. Brown:

Thank you for your letter of March 1, 2007 regarding the Maricopa County Balterra Wastewater Treatment Facility Section 208 Amendment (Amendment). The letter describes your concerns with the adequacy of the Amendment from its development to the subsequent review by the Arizona Department of Environmental Quality. We have recently been informed these concerns are currently under discussion by Balterra and Global Water Resources.

We are supportive of this dialogue as the interests and concerns are locally based and best resolved at the State and local level. While these discussions occur, we will continue our review of the Amendment.

The Arizona Clean Water Act Section 208 process provides 120 days from the date of US EPA Region 9 receipt before an amendment becomes final, which in this case is June 9, 2007. We trust this time will be sufficient for all parties to reach an acceptable resolution to any outstanding concerns.

If you have additional information or questions regarding our review, please call Laura Tom Bose at 415-972-3477.

Sincerely yours,

Alexis Strauss 14 May 2007
Alexis Strauss
Director, Water Division

Cc: Garry D. Hays, Anderson Law Firm
Joan Card, ADEQ
Joel Farkas, Balterra Sewer Corporation
Trevor Hill, Global Water Resources

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From: Edwina M. Vogan [mailto:Vogan.Edwina@azdeq.gov]
Sent: Monday, June 11, 2007 3:30 PM
To: Jim Condit
Subject: RE: Balterra 208 Amendment

I have verified with my counterpart at EPA. The plan is approved. Edwina Vogan

---

From: Jim Condit [mailto:jcondit@jfcompanies.com]
Sent: Monday, June 11, 2007 10:13 AM
To: Edwina M. Vogan
Cc: Joan Card
Subject: Balterra 208 Amendment

Edwina,
I am inquiring about the final approval of the Maricopa County Balterra Wastewater Treatment Facility Section 208 Amendment.
Please see the attached PDF copy of a letter prepared by EPA and sent on May 14, 2007.
The letter indicates that the amendment became final on June 9th. Please confirm.
Thank you for your assistance and diligence with this amendment.

Jim Condit, PE
Utility Development Manager
Water & Wastewater Resources
JF Companies
6720 North Scottsdale Road
Suite #250
Scottsdale, Arizona 85253
Office: 480.422.6900
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Web Site: www.JFCompanies.com

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208 AMENDMENT CHECKLIST

Section 208 Clean Water Act

40 CFR Part 130.6

REQUIREMENT	PROVIDE BRIEF SUMMARY ON HOW REQUIREMENTS ARE ADDRESSED	ADDRESSED ON PAGE:
AUTHORITY Proposed Designated Management Agency (DMA) shall self-certify that it has the authorities required by Section 208(c)(2) of the Clean Water Act to implement the plan for its proposed planning and service areas. Self-certification shall be in the form of a legal opinion by the DMA or entity attorney.	The Balterra Wastewater Treatment Facility is located in unincorporated county lands, outside of the function of any DMA. Balterra Sewer Corp. will be performing the functions of a DMA for this treatment plant. See Appendix G for DMA self certification.	Appendix G
20-YEAR NEEDS Clearly describe the existing wastewater (WWT) treatment facilities: - Describe existing WWT facilities.	Saddle Mountain Unified School District #90 is currently operating a wastewater treatment facility at Ruth Fisher Elementary School. This plant is located 3 miles east of the proposed Balterra WWTF. Other planned or constructed treatment facilities are located approximately ten miles east of the proposed Balterra WWTF.	Page 2
- Show WWT certified and service areas for private utilities and sanitary district boundaries if appropriate.	There are no private utilities or sanitary districts for sewage systems within the planned regional sewer service area for this facility. The Saddle Mountain Unified School District #90 is currently operating a 15,000 gpd activated sludge wastewater treatment facility to serve its school locations.	Page 2 and 7
Clearly describe alternatives and the recommended WWT plan: - Provide POPTAC population estimates (or (COG-approved estimates only where POPTAC not available) over 20-year period.	The area is located in MAG designated regional analysis zone (RAZ) 346. POPTAC estimates a current population of less than 4000 within RAZ 346. Actual population within the NTSEPA is less than 1000. The RAZ 346 population estimate for 2028 is approximately 10,000. Service area population estimates based upon buildout projections for known developments in the area are estimated to be 150,598 capita at full buildout based upon 47,062 dwelling units at a per capita per dwelling unit of 3.2.	Figure 3, Page 4
- Provide wastewater flow estimates overthe20-year planning period.	Estimated sewage flow is projected to be 15,060,000 gallons per day by 2028, as shown in Figure 3.	Figure 3
- Illustrate the WWT planning and service areas.	North Tonopah's Southeast Planning Area is shown in Figure 2A.	Figure 2A
- Describe the type and capacity of the recommended WWT plant.	The membrane bioreactor activated sludge process was selected as the treatment process for the Balterra Sewer Corp.'s wastewater treatment facility. Peripheral facility components include headworks, tertiary treatment units, solids handling facilities, odor control facilities, administration facilities and maintenance facilities. Ultimate capacity at buildout of the service area is estimated to be 15.0 mgd. The initial phase will be 0.55 MGD	Figure 4A and 4B, Page 5
- Identify water quality problems, consider alternative control measures, and recommend solution for implementation.	No water quality problems are anticipated. Effluent will be A+ and will be sufficient to meet requirements of: • APP Permit requirements for protection of aquifers. • NPDES Permit requirements for surface discharges.	Page 7

- If private WWT utilities with certified areas are within the proposed regional service area; define who (municipal or private utility) serves what area and when. Identify whose sewer lines can be approved in what areas and when?	There are no existing wastewater service providers in the area. The Ruth Fisher Elementary School has a 15,000 gpd facility on their site to serve their site and Tonopah Valley High School. A 208 amendment to expand this facility to 45,000 gpd has been approved. Upon completion of construction this facility will be closed and its flow will be directed to the proposed Balterra WWTF.	Page 7
- Describe method of effluent disposal and reuse sites (if appropriate).	Effluent disposal will be accomplished by reuse and groundwater recharge. Discharge to the adjacent wash (T2N-R6W-30W as identified in the Palo Verde Watershed Zone A Flood Delineation Study) will only be used as an emergency back-up. The discharge point is along the north east edge of the WWTF site, near the confluence of the minor wash and Winters Wash.	Page 7
- If Sanitary Districts are within a proposed planning or service area, describe who serves the Sanitary Districts and when.	There are no sanitary districts within the proposed planning or service areas.	Page 7
- Describe ownership of land proposed for plant sites and reuse areas.	Fronterra Village, LLC, an affiliate of JF Properties, currently owns the land for the Balterra Wastewater Treatment Facility site. Upon Completion of construction, ownership of the land will pass to Balterra Sewer Corp. Balterra Sewer Corp. is a private service corporation formed for the purpose of providing wastewater utility service in Maricopa County, Arizona. JF Properties will construct the WWTF and Balterra Sewer Corp. intends to own, operate and maintain a sewer utility company and to engage in any and all activities related thereto.	Page 3
- Address time frames in the development of the treatment works.	The initial phase (0.55 mgd) at Balterra WWTF is scheduled for construction beginning the first quarter 2007 with plant commissioning to be completed by first quarter 2008. .	Figure 5
- Address financial constraints in the development of the treatment works.	The wastewater treatment facility will be funded with monies from Balterra Sewer Corp., and impact fees from new development. No financial constraints are expected for the treatment facility.	Page 10
- Describe how discharges will comply with EPA municipal and industrial stormwater discharge regulations (Section 405, CWA).	All stormwater will be contained onsite at the water reclamation facilities. There will be no non-point discharges from the water reclamation facilities.	Page 7
- Describe how open areas & recreational opportunities will result from improved water quality and how those will be used.	The reuse of effluent will safely enhance parks, school turf and other open space landscaping while minimizing use of groundwater for irrigation.	Page 7
- Describe potential use of lands associated with treatment works and increased access to water-based recreation, if applicable.	Not applicable.	Not applicable
REGULATIONS - Describe types of permits needed, including NPDES, APP and reuse.	The Balterra WWTF will require the following permits: ATC, AOC, vault and haul, air quality, and annual operation permit – permitting agency is MCESD; APP and AZPEDS – permitting agency is ADEQ; underground storage facility and water storage facility permit – permitting agency is ADWR	Page 8
- Describe restrictions on NPDES permits, if needed, for discharge and sludge disposal.	No discharge restrictions are known to be needed since the WWTF will produce Class A+ effluent. Sludge will be produced as a Class B and deposited in the Southwest Regional Landfill.	Page 7 and 9
- Provide documentation of communication with ADEQ Permitting Section 30 to 60 days prior to public hearing regarding the need for specific permits.	A pre application meeting was held on December 19, 05 Meeting minutes are shown in Appendix C.	Appendix C

- Describe pretreatment requirements and method of adherence to requirements (Section 208 (b)(2)(D), CWA).	Currently there are not industrial users in North Tonopah's Southeast Planning Area. Any proposed industrial users will be required to self pre-treat as shown in Appendix H before their waste streams will be accepted into the treatment facility.	Page 8 & Appendix H
- Identify, if appropriate, specific pollutants that will be produced from excavations and procedures that will protect ground and surface water quality (Section 208(b)(2)(K) and Section 304, CWA).	Not applicable.	Not applicable
- Describe alternatives and recommendation in the disposition of sludge generated. (Section 405 CWA)	Sludge will be Class B and will be deposited in the Southwest Regional Landfill. On-site sludge will be dewatered and temporarily stored in covered bins.	Page 9
- Define any nonpoint issues related to the proposed facility and outline procedures to control them.	Not applicable.	Not applicable
- Describe process to handle all mining runoff, orphan sites and underground pollutants, if applicable.	Not applicable.	Not applicable
- If mining related, define where collection of pollutants has occurred, and what procedures are going to be initiated to contain contaminated areas.	Not applicable.	Not applicable
- If mining related, define what specialized procedures will be initiated for orphan sites, if applicable.	Not applicable.	Not applicable
CONSTRUCTION Define construction priorities and time schedules for initiation and completion.	Construction of the initial phase is scheduled to begin the first quarter of 2007. The completion date for construction of the Phase I infrastructure improvements is estimated to be the first quarter of 2008.	Page 9
Identify agencies that will construct, operate and maintain the facilities and otherwise carry out the plan.	JF Properties will construct the Balterra Wastewater Treatment Facility. Balterra Sewer Corp., an affiliate of JF Properties, will own, operate, and maintain the wastewater collection system and the wastewater treatment facilities for the Balterra WWTF. The corporation Board of Directors will provide management direction and oversight for and will hire sufficient staff to provide for on-going operation and maintenance of the wastewater systems.	Page 9
Identify construction activity-related sources of pollution and set forth procedures and methods to control, to the extent feasible, such sources.	Pollutants associated with construction activities are expected to be those typically generated at a construction site such as; fugitive dust, non-hazardous solid waste materials and VOCs from paints and adhesives. The contractor will be required to comply with all State, County, and City regulations pertaining to pollution control.	Page 9
FINANCING AND OTHER MEASURES NECESSARY TO CARRY OUT THE PLAN - If plan proposes to take over certificated private utility, describe how, when and financing will be managed.	Not applicable.	Not applicable
- Describe any significant measure necessary to carry out the plan, e.g., institutional, financial, economic, etc.	Additional phased construction will be financed through developer contributions/impact fees. As shown in appendix B, the financing arrangement will be in place to implement the necessary infrastructure.	Page 10 and Appendix B

- Describe proposed methods(s) of community financing.	Balterra Sewer Corp., through it's affiliation with JF Properties, will finance the initial phase construction and will seek reimbursement through sewer service fees from users of the WWTF. Balterra Sewer Corp.'s estimated annual operating revenue and operating expenses for each of the first five years of operation is summarized in Table 5.1. Balterra Sewer Corp., through its affiliation with JF Properties, has access to funds in the amount of more than $6.8 million to cover initial WWTF construction and first year's operating expenses.	Page 10 and Appendix B
- Provide financial information to assure DMA has financial capability to operate and maintain wastewater system over its useful life.	Financial information is discussed in Appendix B	Appendix B
- Provide a timeline outlining period of time necessary for carrying out implementation of Plan.	A timeline for carrying out the implementation of the Plan is shown in Figure 5.	Figure 5
- Provide financial information indicating the method and measures necessary to achieve project financing. (Section 201 CWA or Section 604 may apply.)	Initial financing for the Balterra WWTF will be provided by JF Properties, the developer of Balterra. This initial financing will cover the capital costs and operating costs for the Balterra WWTF until sufficient customers are connected to the wastewater system and payment of monthly sewer service charges are being collected. No financial constraints are expected for the treatment facility.	Page 10
IMPLEMENTABILITY Describe impacts and implementability of Plan: - Describe impacts on existing wastewater (WW) facilities, e.g., Sanitary district, infrastructure/facilities and certificated areas.	There are no existing wastewater treatment facilities in the vicinity of the proposed Balterra WWTF. The Ruth Fisher Elementary School WWTF is located approximately 3 miles east of the proposed Balterra WWTP site. Once the proposed Balterra WWTF is completed, the Ruth Fisher Elementary School WWTF will be closed and its flows will be directed to the Balterra WWTF.	Page 2
- Describe how and when existing package plants will be connected to a regional system.	The existing treatment facility at the Ruth Fisher Elementary school will be connected to the Balterra WWTF through a sewer outfall to be constructed in Indian School Road.	Page 2
- Describe the impact on communities and businesses affected by the plan.	There will be no negative impacts on communities or businesses anticipated.	Page 11
- If a municipal wastewater (WWT) system is proposed, describe how WWT service will be provided until the municipal system is completed: i.e. will package plants and septic systems be allowed and under what circumstances. (Interim services)	Packaged plants and/or interim services will not be required due to the phasing of the proposed WWTP.	Page 6
PUBLIC PARTICIPATION - Submit copy of mailing list used to notify the public of the public hearing on the 208 amendment. (40 CFR, Chapter 1, Part 25.5)	Public participation requirements will be satisfied through MAG.	Page 11
- List location where documents are available for review at least 30 days before public hearing.	Public participation requirements will be satisfied through MAG.	Page 11
- Submit copy of the public notice of the public hearing as well as an official affidavit of publication from the area newspaper. Clearly show the announcement appeared in the newspaper at least 45 days before the hearing.	Public participation requirements will be satisfied through MAG.	Page 11
- Submit affidavit of publication for official newspaper publication.	Public participation requirements will be satisfied through MAG.	Page 11
- Submit responsiveness summary for public hearing.	Public participation requirements will be satisfied through MAG.	Page 11

1.0 Executive Summary

In accordance with Section 208 of the Clean Water Act, the Maricopa Association of Governments (MAG) is the Designated Regional Water Quality Management Planning Agency. This application is to request an amendment to the MAG 208 Water Quality Management Plan for the proposed Balterra Wastewater Treatment Facility located in unincorporated Maricopa County near Tonopah, Arizona. The treatment plant will be designed for an ultimate hydraulic capacity of 15,000,000 gallons per day on an average annual basis and will serve a subregional area of approximately 24 square miles.

This Clean Water Act 208 Amendment application is one of four documents being prepared in association with the proposed Balterra Wastewater Treatment Facility. The other three documents include (1) a Basis of Design Report for the initial wastewater treatment facility, (2) an application for a Certificate of Convenience and Necessity for the Balterra Sewer Corp. and (3) a regional wastewater master plan for the North Tonopah Planning Area, generally bounded by Interstate 10 to the south, the CAP Canal to the north, BLM and State lands to the west and 363rd Avenue to the east. The executive summary of the North Tonopah Wastewater Master Plan has been included as Appendix I to this document. This regional study of some 60 square miles has been subdivided initially into three more manageable sewer service areas as shown in Figure 2A. This 208 amendment is only for the North Tonopah's Southeast Planning Area (NTSEPA) as shown in Figure 2A. As of June 8th, 2006, the CC&N application has been granted as shown in Appendix J.

There are five master planned developrnents within the boundary of the NTSEPA that are scheduled to begin home building beginning in the first quarter of 2008. These developments, Balterra, CopperLeaf, Desert Whisper, Silver Water Ranch and Tonopah 560, cover some 5,500 acres or approximately one fifth of the anticipated regional sewer service area. The NTSEPA is located between 363rd and 419th Avenues adjacent to Interstate 10 and north to the Glendale Road alignment as shown in Figure 2A. JF Properties will build an initial phase, 0.55 mgd facility located as shown in Figure 4A. Subsequent phases, as detailed in Figure 4A will be built by the Balterra Sewer Corp. Future expansion of the treatment plant will be built as market forces dictate growth rates in the master planned communities and undeveloped areas within the service area boundaries. For planning purposes, the Phase II design will begin and will have the Approval to Construct prior to the approval of Phase I construction.

Balterra Wastewater Treatment Facility will produce Class A+ effluent that will be disposed of using three alternatives: primary disposal will be through reuse at School Sites, various parks and large turf open-space landscaping amenities throughout the service area and through on-site groundwater recharge basins (located at 33°29'44" N, 112°55'17" W). Direct injection wells will also be implemented when dictated by subsequent expansions. An AZPDES permit for emergency discharge into the adjacent wash (T2N-R6W-30W as identified in the Palo Verde Watershed Zone A Flood Delineation Study) will be obtained.

Water reuse will be phased as described in the NTSEPA Reclaimed Water Master Plan dated February 2006. The initial phase calls for a 12" reclaimed waterline to be laid along Indian School allowing the Saddle Mountain Unified School District #90 site's irrigation needs to be served by the treated effluent. As

the facility output increases more effluent, more pipelines will be added to serve additional sites within the NTSEPA as shown in figure 6.

An AZPDES permit will be obtained for disposal of treated effluent into a nearby wash (T2N-R6W-30W as identified in the Palo Verde Watershed Zone A Flood Delineation Study) in cases of emergency discharge needs. The discharge point is along the north east edge of the WWTF site, near the confluence of the minor wash and Winters Wash, just north of the point where Winters Wash flows through a culvert under the I-10. The 100 year flow at this culvert is estimated at 8910 cfs. The maximum contribution from this plant of 1.7 cfs will not contribute significantly to the conveyance capacity of the culvert. Calculations on the flows located in the nearby washes may be found in Appendix E.

Construction for the initial 0.55 mgd phase, see Figure 4A, will be scheduled to begin in the first quarter of 2007 and commissioned for operation during the first quarter of 2008. Ownership and operational responsibilities will come through Balterra Sewer Corp. in perpetuity. A letter describing the financial commitments to this project is attached in Appendix B.

A summary of the amendment request is provided in accordance with the Clean Water Act, Section 208 checklist. The checklist references where various issues were addressed within the document.

2.0 Authority

The purpose of this application to the Maricopa Association of Governments (MAG) is to amend the MAG 208 Water Quality Management Plan to include the Balterra Wastewater Treatment Facility. MAG is the Designated Planning Agency with the authority required by Section 208 (a)(2)(B) of the Clean Water Act to amend the Water Quality Management Plan for the Maricopa County Planning Area. MAG has the authority to implement the plan for the proposed planning and services areas as outlined in this amendment application. The proposed facility is to be located within the planning area for Maricopa County.

3.0 Twenty Year Needs

A description of the 20-year needs, including adjacent area wastewater facilities, growth estimates during the 20-years, as well as descriptions of the proposed Balterra WWTF is addressed in this section.

3.1 Description of Existing Wastewater Treatment Plants

Ruth Fisher Elementary School, located at Indian School Road and west of Wintersburg Road in Tonopah, operates a 15,000 gallon per day wastewater package plant. A 208 amendment for the expansion of the facility to 45,000 gallons per day was approved by the MAG Regional Council on January 26, 2005. The Saddle Mountain Unified School District #90 (SMUSD) officials and representatives of the Balterra development have been engaged in considerable discussion regarding sewer service for the Ruth Fisher Elementary School and Tonopah Valley High School. Letters from SMUSD officials may be found in

Appendix F, documenting their desire to direct their flows to the proposed Balterra WWTF upon its completion and close their own facility. Currently, both schools are served by a 15,000 gallon per day package plant. Prior to these discussions, the school district submitted a 208 amendment for the expansion of the existing package plant to 45,000 gallons per day. There are no other existing wastewater treatment facilities located in the NTSEPA.

The nearest wastewater facilities, either existing or in advanced planning stages, are located east of the proposed Balterra WWTF along the Sun Valley Parkway approximately ten miles distant. These facilities include Tartesso, Sun Valley South, Trillium West and Festival Ranch.

3.2 Description of the Proposed Balterra Wastewater Treatment Facility

3.2.1 Site Location and Property Ownership

The proposed NTSEPA consists of approximately 24 square miles of land located north of Interstate 10 and south of Glendale Road. East and West boundaries are along 363rd and 419th Avenues, respectively.

As illustrated on the Vicinity Map, Figure 1, The Balterra development, consists of 1,100 acres along with other planned developments including Copper Leaf, 896 acres; Silver Water Ranch, 390 acres (located north of the I-10); Desert Whisper, 960 acres; and Coyote Ridge, 1920 acres subdivided into 36 to 40 acre individual ownership parcels; constitute approximately 5,500 acres of planned development communities or one fifth of the proposed subregional service area.

The NTSEPA is accessible from I-10 at two main interchanges: Wintersburg Road and 411th Avenue. Additional interchanges are contemplated at 355th, 363rd, 371st, 395th and 403rd Avenues as development within the service area increases.

Other property ownership within the service area consists of miscellaneous five-acre parcel subdivisions, large acreage agricultural farms and BLM land in addition to the above-described master planned developments. Some of the undeveloped desert land is owned and administered through the United States Bureau of Reclamation.

The development master plan for Balterra was submitted to Maricopa County July 2005 and after the Technical Advisory Committee meeting, comments were addressed and it was resubmitted February 2006. Currently a portion of the east half of the property is agricultural, while the remainder is vacant, unimproved desert.

As seen in Figure 4B, the proposed 15 acre location of the Balterra WWTF is in the northeast quadrant of 403rd Avenue and Indian School Road within Section 19 of Township 2 North, Range 6 West and Section 24 of Township 2 North, 7 West; longitude 33°29'40" N and latitude 112°55'10" W. This 15 acres is currently owned by Fronterra Village, LLC, an affiliate of JF Properties. Upon completion of the Balterra WWTF, ownership of the land would pass to Balterra Sewer Corp.

3.2.2 Topographic Conditions

The existing ground within the proposed NTSEPA slopes generally to the south and consists of undeveloped ground cover typically classified as desert brush. Vegetation includes various types of cacti, mesquite trees, creosote bush, Palo Verde trees, and scattered short grasses. The site is relatively flat and drains to the southeast at an average slope of 0.50 percent. No fissures have been found on the property.

The NTSEPA is bisected by two major washes, which drain from north to the south. These abraded washes ultimately converge into several major drainages. Winters Wash, which enters the service area west of 395th Avenue, constitutes the main drainage, intercepting numerous minor washes from the west. A second major wash enters the service area east of Wintersburg Road and flows south to the interchange at approximately Thomas Road and Wintersburg intersections immediately south and adjacent to Interstate 10. A 404 delineation, which identifies washes that fall under federal jurisdiction, has been approved by the Corps of Engineers. These washes have been incorporated into various land use plans within the service area as preserved open space.

3.2.3 Service Area and Population Estimates

The NTSEPA represents a small portion of the MAG designated regional analysis zone (RAZ) 346. Current POPTAC population for the entire RAZ is estimated at less than 4000. The 2028 POPTAC population estimate is approximately 10,000 people.

The NTSEPA specific population estimates are based upon land use planning for existing, planned Development Master Plans as well as the remaining unplanned portion. These areas are all within the service area and comprise the entire NTSEPA as shown in Figure 2A. The projected number of residential dwelling units in the service area is 47,062 over the 15,022 acres. At an estimated 3.2 capita per dwelling unit, service area population is projected to be 150,598.

At present the existing population in the NTSEPA is estimated to be less than 1,000. The Balterra, Desert Whisper and Copper Leaf anticipated build out schedules per annum are 420 (beginning in 2008), 720 (beginning in 2008), and 280 (beginning in 2010) single-family dwelling units respectively. Silver Water Ranch, while identified as a future growth DMP, at the time of this report has not filed an application with Maricopa County. As a consequence, this development has been shown having a build out schedule commensurate with the unplanned areas. See Figure 3 for the 20-year growth projection for the service area.

3.2.4 Estimated Wastewater Flow

The wastewater flow into the BWWTF will come from three main sources: sewage flows from developments in the NTSEPA, the local schools' waste flows and process waste from water treatment of any nearby wells. The Ruth Fisher package plant has a capacity of 15,000 gpd; this capacity is used to estimate the schools' waste production during the school year. Process waste from water treatment can be estimated as 5%-7% of the sewage flow into the facility. Overall sewage flows can be estimated from predicted population densities in the

NTSEPA. The following table identifies the population estimates and sewage flow summary for the NTSEPA. The contributing areas are as identified in Figure 2B.

Table 3.1 Flow Summaries for North Tonopah's Southeast Planning Area

Contributing Area	Area (acres)	DU/acre	Estimated Total DU's	Wastewater	
				Gallons/DU	Average Daily Flow (ADF) Gallons/Day
1	381	4	1,524	320	487,680
2	311	3.5	1,088	320	348,160
3	311	3	933	320	298,560
4	640	2	1,280	320	409,600
5	160	2	320	320	102,400
6	640	2	1,280	320	409,600
7	320	3	960	320	307,200
8	320	3.5	1,120	320	358,400
9	522	4	2,088	320	668,160
10	995	4	3,980	320	1,273,600
11	442	3.5	1,547	320	495,040
12	442	3	1,326	320	424,320
13	801	2	1,602	320	512,640
14	530	2	1,060	320	339,200
15	449	2	898	320	287,360
16	432	2	864	320	276,480
17	92	3	276	320	88,320
18	92	3.5	322	320	103,040
19	367	4	1,468	320	469,760
20	611	4	2,444	320	782,080
21	640	4	2,560	320	819,200
22	320	3.5	1,120	320	358,400
23	320	3	960	320	307,200
24	640	2	1,280	320	409,600
25	107	2	214	320	68,480
26	640	2	1,280	320	409,600
27	320	3	960	320	307,200
28	320	3.5	1,120	320	358,400
29	640	4	2,560	320	819,200
30	617	4	2,468	320	789,760
31	640	4	2,560	320	819,200
32	640	4	2,560	320	819,200
33	160	3.5	560	320	179,200
34	160	3	480	320	153,600
	15022 (total)	3 (average)	47,062 (total)		15,059,840 (total, GPD)

*** Many areas with DU's less than 1.0/acre have individual, on-site wastewater treatment; only 50% of these areas are estimated to contribute to the regional flow.

3.2.5 WWTF Description

The Balterra WWTF will be an activated sludge multiphase facility utilizing membrane bioreaction and consisting of an initial 0.55 MGD phase, with a potential for up to a total of 15.0 MGD average daily flow. The initial phase will consist of the following process units:

- Influent pump station consisting of two submersible pumps (one duty, one standby). Future expansions will require an upgrade to the existing lift station system.
- Headworks to consist of flow metering, fine screens and degritting. The headworks will be enclosed to prevent odor and vector attraction.

- Membrane bioreactors that will be designed as an anoxic-oxic system. The bioreactors will be enclosed and outfitted with wet scrubbers to control odor.
- Aeration will be supplied using positive displacement blowers housed in a sound attenuating building.
- The membrane system does not require a tertiary filter. The pore size of the micro filters is very small (<1 micron) when compared to conventional filters (50-200 microns), negating the need for a polymer coagulant.
- Aerobic digesters to be operated as a unit with the MBR.
- UV disinfection with an emergency NaOCl backup disinfection system.
- Solids handling will consist of mechanical dewatering and polymer units.
- MCC and electrical system will be housed in a building along with an additional backup generator.
- Administration building with restroom and shower facilities.
- Permeate pump station
- Groundwater recharge system or reuse system

The design layout for the initial 0.55 MGD hydraulic phase will be constructed in such a way as to subdivide the basin systems so that equipment for biological treatment can be sized in 0.275 MGD increments to better accommodate growth rate in the area. Design will be based upon a hydraulic loading of 100 gallons per capita per day average annual daily flow with an average capita per dwelling unit of 3.2 persons. Biological loading will be designed for maximum month (MM) values of 300 mg/L BOD, 300 mg/L suspended solids and 48 mg/L total nitrogen daily loading factors.

The treated effluent will meet ADEQ Title 18, Chapter 11 requirements for Class A+ reclaimed water, and the effluent water quality will conform to the following:

- Turbidity < 2 NTU (24 hour mean)
- Turbidity < 5 NTU (any time)
- Fecal Coliform = none detected (4 or 7 samples)
- Fecal Coliform < 23 CFU/100mL (any time)
- Total Nitrogen < 10 mg/L (5 day mean)

Because the initial introduction of sewage from a hydraulic standpoint will be dictated by the rate of home building in the NTSEPA, a vault and haul disposal process will be employed until such time as the plant inflow reaches a treatable level (approximately 27,500 gpd). A bioreactor basin will be used for storage; aerated to ensure that the raw sewage remains non-septic; and then hauled to the Resource Recovery Techniques of Arizona sewage treatment facility. This mode of operation will continue until the hydraulic loading to the treatment plant reaches a treatable capacity level. The vault and haul operation will be permitted and operated under the Balterra Sewage Corp. authority.

Water reuse will be phased as described in the NTSEPA Reclaimed Water Master Plan dated February 2006. The initial phase calls for a 12" reclaimed waterline to be laid along Indian School allowing the Saddle Mountain Unified School District #90 site's irrigation needs to be served by the treated effluent. As

the facility output increases more effluent, more pipelines will be added to serve additional sites within the NTSEPA as shown in figure 6.

Digested waste sludge will be thickened and dewatered using mechanical dewatering equipment. The dewatered sludge cake will be then hauled to the Southwest Regional landfill. The sludge cake will be classification B in accordance with R18-9-1006, Class A and Class B Pathogen Reduction Requirements.

3.2.5.1 Effluent Disposal and Quality Requirements

Effluent disposal options for North Tonopah's Southeast Planning Area will include a combination of future use options such as water amenities for gateway entrances within a development, parks, open space landscaping, golf courses, schools, and other open space amenities. A second option for effluent disposal will be in the form of groundwater recharge through the use of groundwater recharge basins and direct injection wells located at the treatment plant site. A third disposal option will be in the form of an AZPDES permit to allow for emergency discharge of treated effluent in the minor wash (T2N-R6W-30W as identified in the Palo Verde Watershed Zone A Flood Delineation Study) adjacent to the north east edge of the treatment plant site as shown in Figure 4B.

Initial effluent disposal will be through the use of recharge basins. The basins will be sized using in situ geotechnical investigation to determine percolation rates, depths to groundwater and soils materials characteristics. The facility's three recharge basins will be designed to allow for alternating wetting, drying and maintenance cycles to ensure percolation rate efficiencies over time.

Effluent quality will be classified as A+ Reclaimed Water. This level of water quality will meet the requirements for all types of reuse and will comply with effluent reuse regulations of the Arizona Administration Code, Title 18, Chapter 9.

3.2.5.2 Storm Water Discharge

The Balterra WWTF will be designed so that all storm water is contained on site. In this manner, there will be no non-point discharges of storm water from the facility. Upon completion of grading and drainage plans, the Stormwater Pollution Prevention Plan (SWPPP) will be submitted to the Maricopa County Flood Control District for consideration. Before construction begins at the WWTF, a Notice of Intent (NOI) will be submitted to the county.

3.3 Sanitary Districts, Private Utilities, and WWTP Service Areas

The location of the Balterra WWTF and North Tonopah's Southeast Planning Area is shown in Figure 2A. The Saddle Mountain Unified School District #90 (SMUSD) owns and operates a 15,000 gpd package plant, with an ultimate capacity of 45,000 gpd, located approximately three miles east of the proposed Balterra WWTF. Preliminary studies indicate that this facility could be connected by gravity to the proposed Balterra WWTF. This would be the desire as requested by SMUSD representatives. There are no other existing private

wastewater treatment collection or facilities, sanitary districts, or certified service areas that would be impacted from a process treatment standpoint

Balterra infrastructure will include water distribution and sewer collection. Sewer outfall pipelines to the Balterra WWTF will be sized to accommodate the ultimate planned sewerage flows (15.0 MGD) from the NTSEPA, shown in Figure 2A.

3.4 Summary of Alternatives

Three treatment processes were evaluated for use at the Balterra WWTF. These processes included conventional activated sludge, membrane bioreactor activated sludge and sequencing batch reactor. The differences between each process are primarily seen in the secondary treatment steps of aeration and clarification. While all three processes provide for full secondary treatment, including biological nutrient removal through nitrification and denitrification, the method and equipment used to accomplish treatment varies. Due to several reasons, including ease of operation, accommodation of variations in flow rates, best process stability, highest effluent quality, smallest footprint area and expansion ability, the membrane bioreactor activated sludge process was selected by the Balterra Sewer Corp. as the preferred treatment process for the Balterra WWTF.

3.5 Permitting Requirements

The Balterra WWTF will require the following permits:

Permit	Permitting Agency
Approval to Construct (ATC)	Maricopa County Environmental Services Department
Approval of Construction (AOC)	Maricopa County Environmental Services Department
Aquifer Protection Permit (APP)	Arizona Department of Environmental Quality
Underground Storage Facility Permit Water Storage Permit	Arizona Department of Water Resources
Arizona Pollutant Discharge Elimination System (AZPDES) Permit	Arizona Department of Environmental Quality
Vault and Haul Permit	Maricopa County Environmental Service Department
Air Quality Permit	Maricopa County Air Quality Control
Annual Operation Permit	Maricopa County Environmental Services Department

An APP pre-application meeting for the Balterra WWTF was held with ADEQ on December 19th, 2005. Meeting documentation is located in Appendix C.

3.6 Pretreatment Requirements

There are no industrial users located in the NTSEPA and therefore no pretreatment is anticipated for the initial phase. Each prospective industrial user will be required to be in compliance with all pretreatment requirements dictated by Maricopa County and all federal pretreatment requirements as provided in 40 CFR Part 403 and enforced by Arizona Department of Environmental Quality.

These pretreatment requirements are documented in articles 4 and 5 of the Balterra Sewer Corp.'s rules and regulations as presented in Appendix H.

3.7 Sludge Management

Sludge processing will include digestion, thickening and dewatering for the Balterra WWTF. During the startup period of the initial phase, sewage will be temporarily stored on site in a sludge holding tank equipped with aeration and disinfection. At a predetermined frequency, the sewage will be hauled to the Resource Recovery Techniques of Arizona's existing WWTF for additional treatment. It is anticipated that at a rate of 55 DU being added to the service area per month, the WWTF will be able to maintain normal operations within 3 weeks. This projection also assumes a flow of 15,000 gpd from the Ruth Fisher Elementary School. Once sewage flows build to the volume that the treatment plant can be successfully operated (approximately 27,500 gpd), the vault and haul operation will cease.

Thereafter, waste activated sludge will be digested, thickened, and dewatered using high solids centrifuges. Polymer addition will be required ahead of the centrifuges in order to achieve the high efficiency dewatering. Because the sludge will be deposited in a landfill, stabilization will not be required. The dewatered sludge will be stored in haul-off containers and periodically hauled to the Southwest Regional landfill for final disposal. Sludge will be Class B in accordance with R18-9-1006. There is not an end user identified for this product at this time. However the options for sludge disposal will remain open. Until such time as there is a market for the sludge, it will be delivered to the landfill for disposal. A valid sludge hauler and sludge disposal permit will be obtained from Maricopa County.

4.0 Construction and Operation Responsibility

Construction of the Balterra WWTF will be the responsibility of the developer, JF Properties. In order to accommodate the Balterra residential building schedule including other developers in the NTSEPA, the 0.55 MGD initial phase treatment facility must be started no later than the first quarter of 2007 with an anticipated plant commissioning to occur during the first quarter of 2008. A critical path schedule is shown in Figure 5.

The developer, JF Properties, has created a corporation that is established for the purpose of owning and operating the Wastewater collection and Treatment facility under the name, "Balterra Sewer Corp." The corporation will provide management direction and oversight for the operation and will hire staff/contract operators to provide for on-going and perpetual operations and maintenance.

4.1 Sources of Construction Pollution

Construction of the Balterra WWTF will not be a pollution intensive activity. Anticipated pollutants may include dust from construction activities, construction related solid waste, and disposal of other inert materials. The construction will be conducted under an Air Quality Permit from Maricopa County, and will comply

with the provisions of the permit. Any wastes generated during construction will be properly managed and disposed of at the Southwest Regional landfill.

5.0 Financing

5.1 Financing Plan

Financing for the initial 0.55 MGD phase is budgeted in the amount of approximately $5.9 million. Through its affiliation with JF Properties, Balterra Sewer Corp. has access to funds in the amount of no less then $6.8 million, as described in appendix B. As noted in Section 3.2, Description of the Proposed Balterra Wastewater Treatment Facility, the initial phase is projected to satisfy first phase capacity requirements for the NTSEPA. As the owner of the Balterra WWTF, Balterra Sewer Corp. will initiate memorandums of agreement between each developer entity needing treatment capacity. Anticipated financing and other measures for future construction phases will come from the respective developments in the service area in proportion to each development's expansion needs as called for to support the planned development. Balterra Sewer Corp. proposes to establish monthly sewer service charges sufficient to provide full funding for all costs of management, operation, maintenance, and capital recovery. The rate structure and rates will be submitted to the Arizona Corporation Commission for approval prior to implementation.

Preliminary estimates of annual operating revenues and expenses are presented in the following Table 5.1:

Table 5.1 – Annual Operating Revenues and Expenses

Year	Customers	Revenues	Expenses
1	576	$221,760	$723,029
2	1152	$705,600	$463,315
3	1752	$1,471,680	$480,889
4	2352	$1,975,680	$645,577
5	3552	$2,983,680	$974,953

The Balterra sewer collection system will be designed to receive ultimate service area build out flows in its collection system as well as the sewer outfall pipelines. Outfall sewer pipelines will be designed and constructed for the ultimate service area flows of 15.0 MGD.

6.0 Impacts and Implementation

6.1 Implementation Plan

This application identifies a regional service area for the Balterra WWTF. The initial phase is anticipated to be completed by the first quarter of 2008. The initial phase is anticipated to have a hydraulic treatment capacity of 0.55 MGD, split into two sub-phases of 0.275 MGD each. Phase 1A and 1B will operate in the same basins and piping, requiring minor modification for upgrade. Remaining phases will be added as needed depending on market demand for housing.

Design of Phase II will begin as soon as construction of Phase I commences. In general, design for each additional phase should begin when 70 percent of the plant hydraulic/biological loading capacity has been reached. At that time actual sewage flows per dwelling unit will be known from historical flow measurement by which treatment capacity needs will be known. Construction for each expansion phase should begin when 80 percent of the plant capacity has been reached. Ultimate capacity of the Balterra WWTF will be 15.0 MGD. A start-up plan will be submitted to the Maricopa County Environmental Services Department once a contract has been awarded for design of the treatment plant.

6.2 Impacts of the Proposed Plan

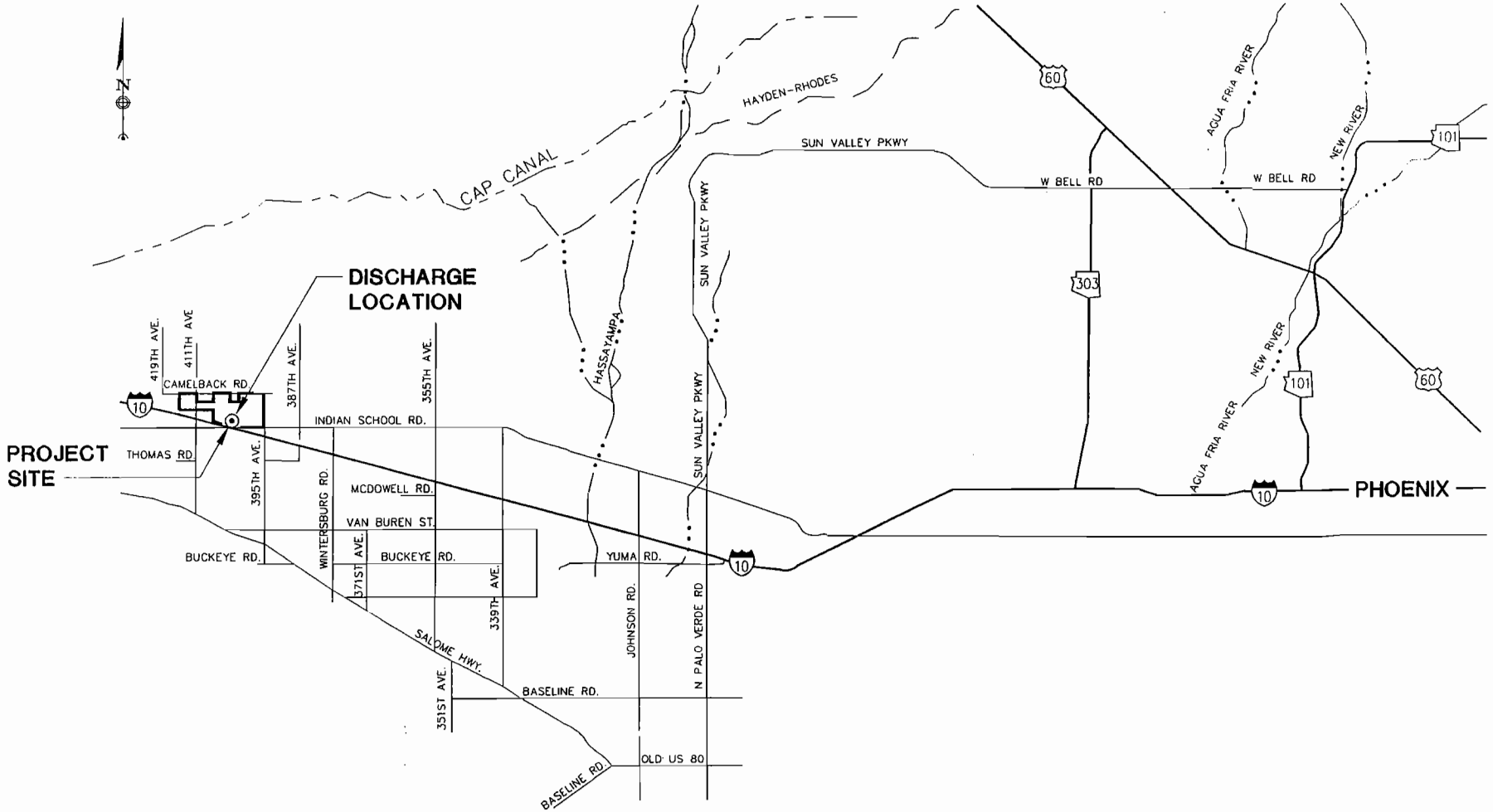
The implementation of Balterra WWTF is not anticipated to have any negative impacts on the adjacent community. The treated effluent reuse, or recharge is not anticipated to increase odor or vector concern. Rather, it is expected that the Balterra WWTF will bring a much needed municipal sewer service to this un-incorporated area of Maricopa County.

7.0 Public Participation

MAG is responsible, with the cooperation of Maricopa County as sponsoring agency, for ensuring that required public participation requirements are followed as outlined in 40 CFR 25. The following constitute the minimum requirements:

- Submittal of a mailing list used to notify the public of the public hearing.
- Listing of locations where documents are available for review at least 30 days prior to the public hearing.
- Publication of public notice for the public hearing with information on time, date, subject, and location of public hearing at least 45 days prior to the public hearing.
- Submittal of an affidavit of publication for official newspaper publication.
- Submittal of a responsiveness summary following the public hearing.

FIGURES

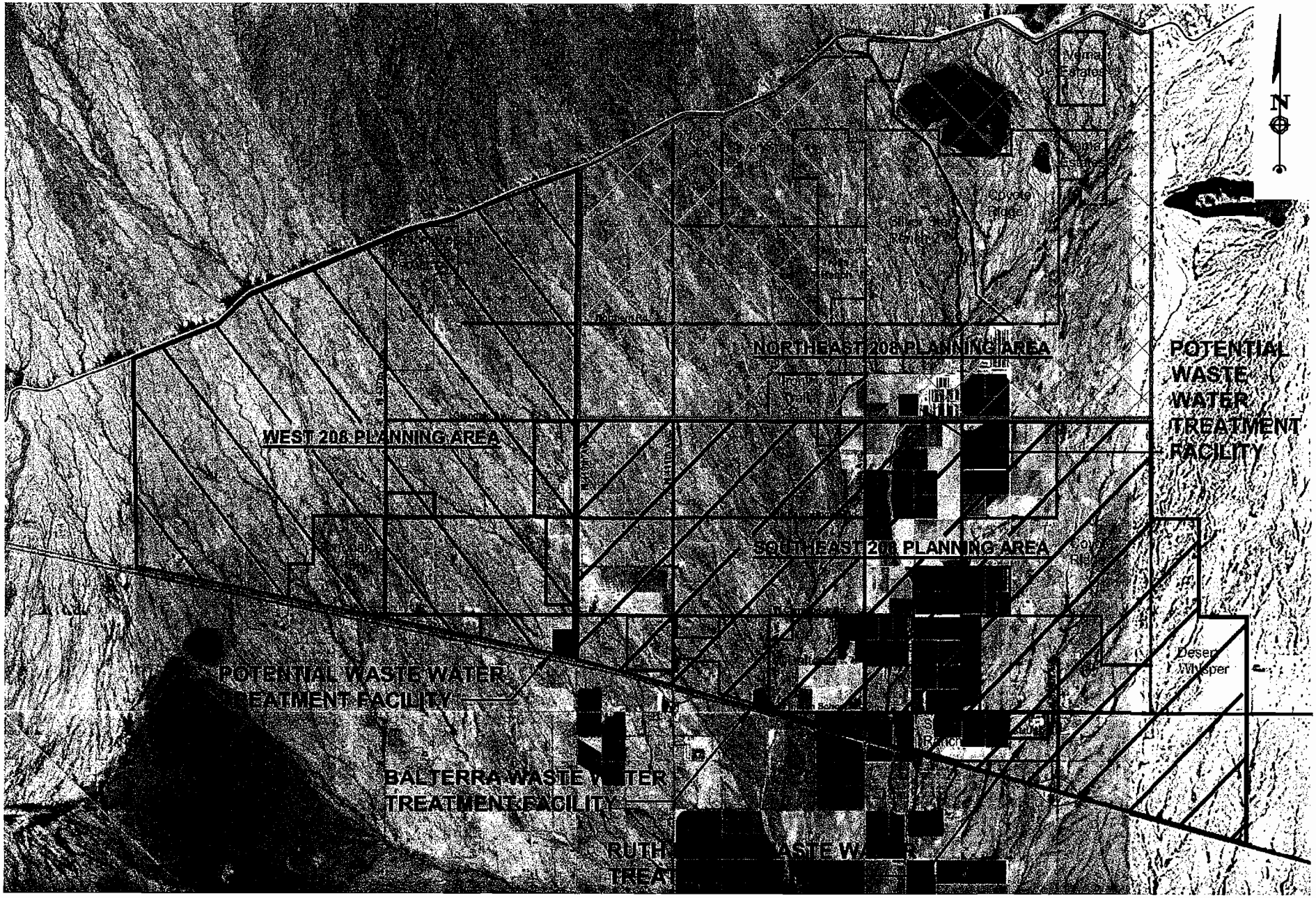


VICINITY MAP

CSA engineering

FIGURE 1

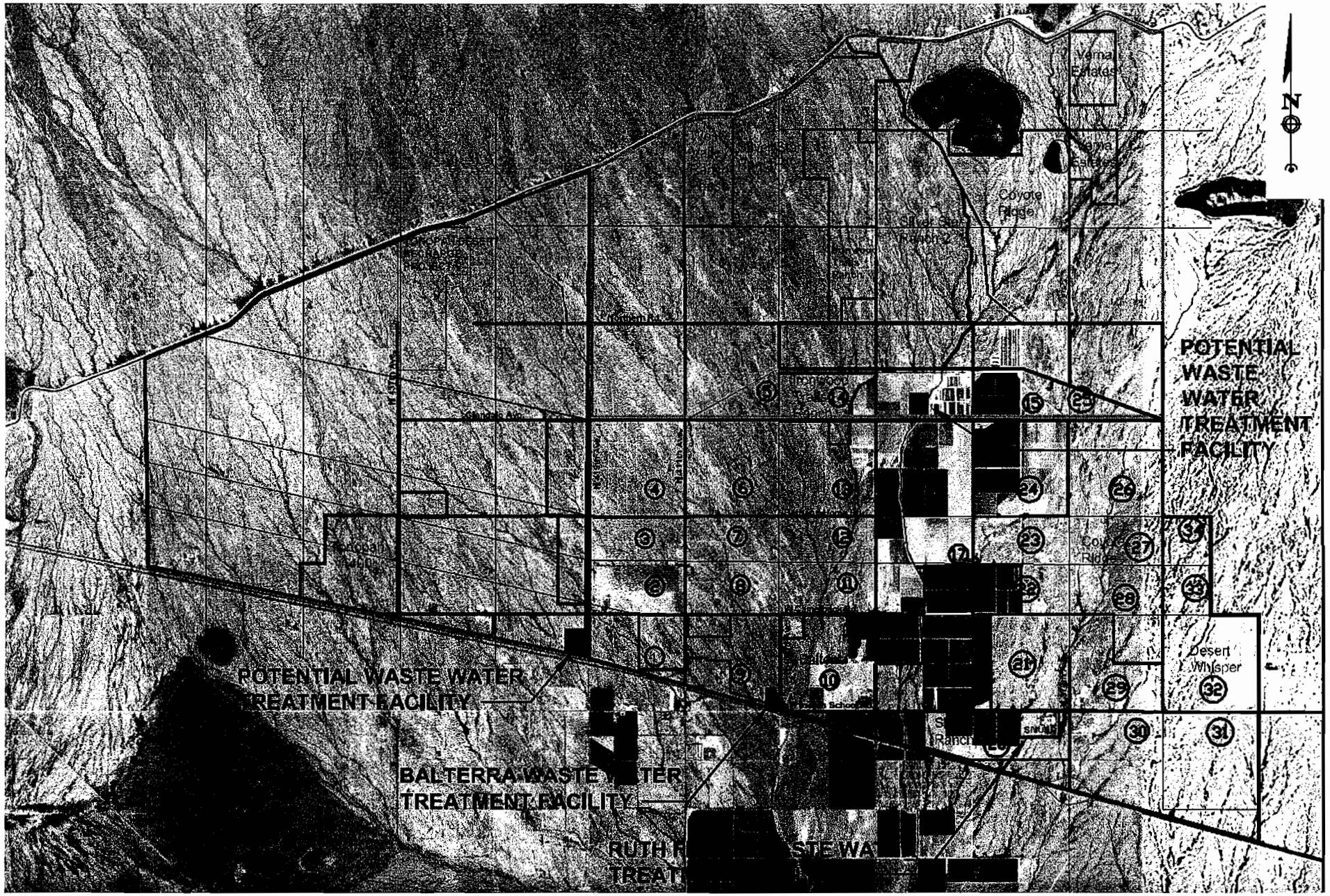
P:\Buckeye\70500 Ballerro APP Application\Deficiency\Figure 1-Vicinity.dwg SAVED: 02-03-06 10:21:03am PLOT: 03-07-06 9:53:38am GDavis



NORTH TONOPAH PLANNING AREA

CSA engineering

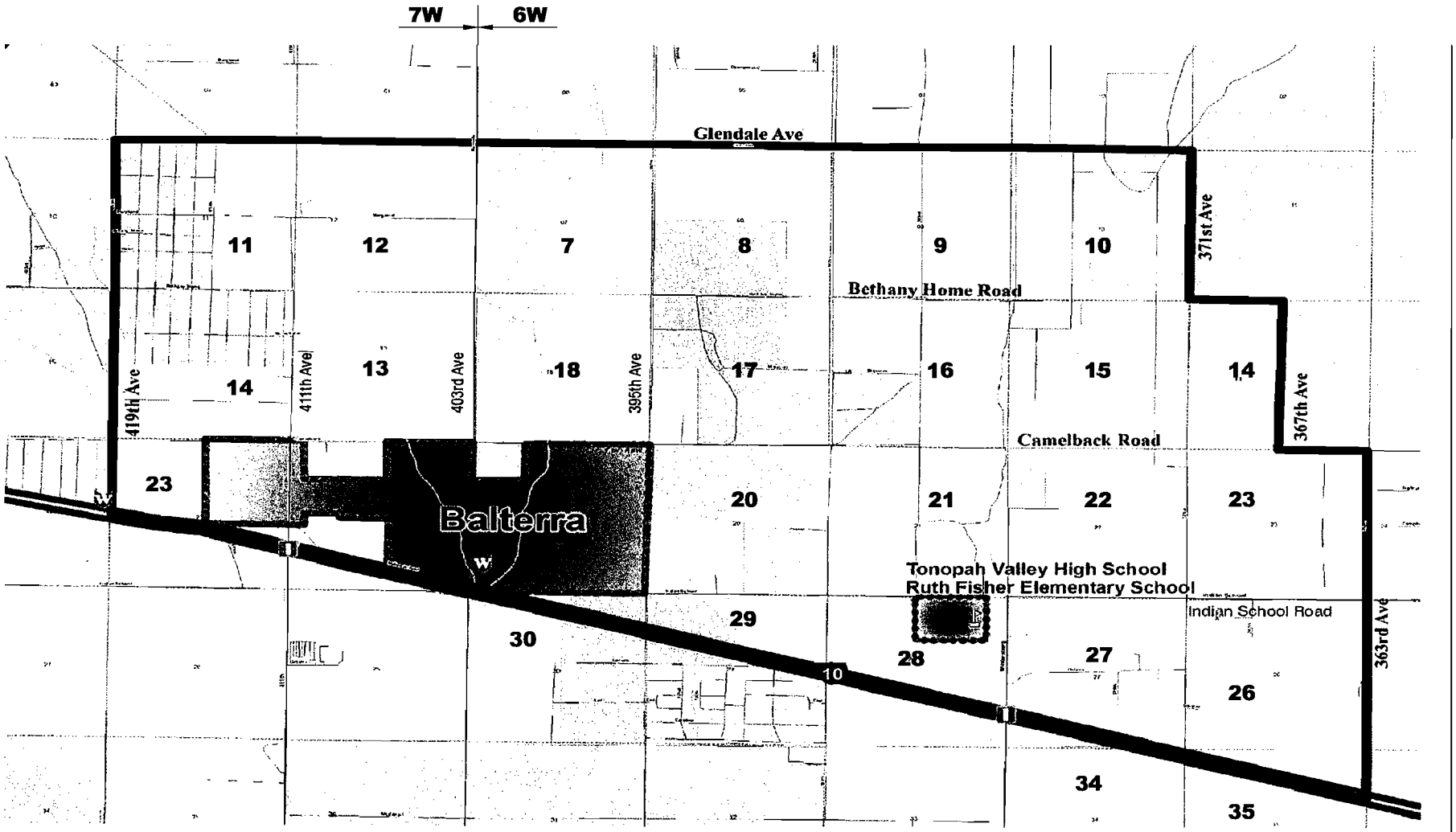
FIGURE 2A



NORTH TONOPAH PLANNING AREA

CSA engineering

FIGURE 2B



CSA engineering

SOUTHEAST 208 PLANNING AREA DETAIL

FIGURE: 2C

DATE: JUNE 2007

P:\Buckeye\705200 Balterra 208 Amendment\Exhibits\FIGURE 2C.dwg PLOT: 06-12-07 2:00:42pm SSlocker

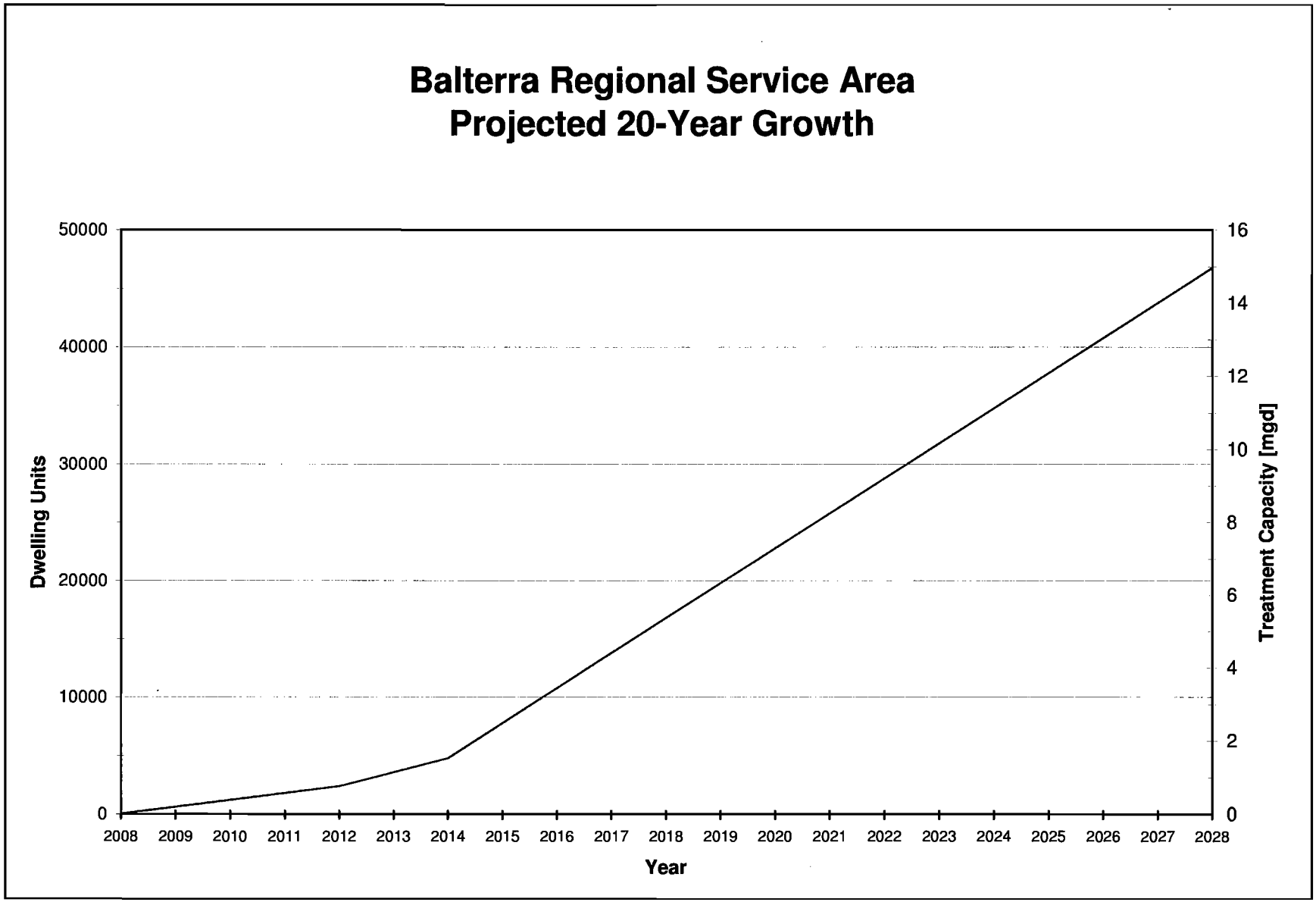
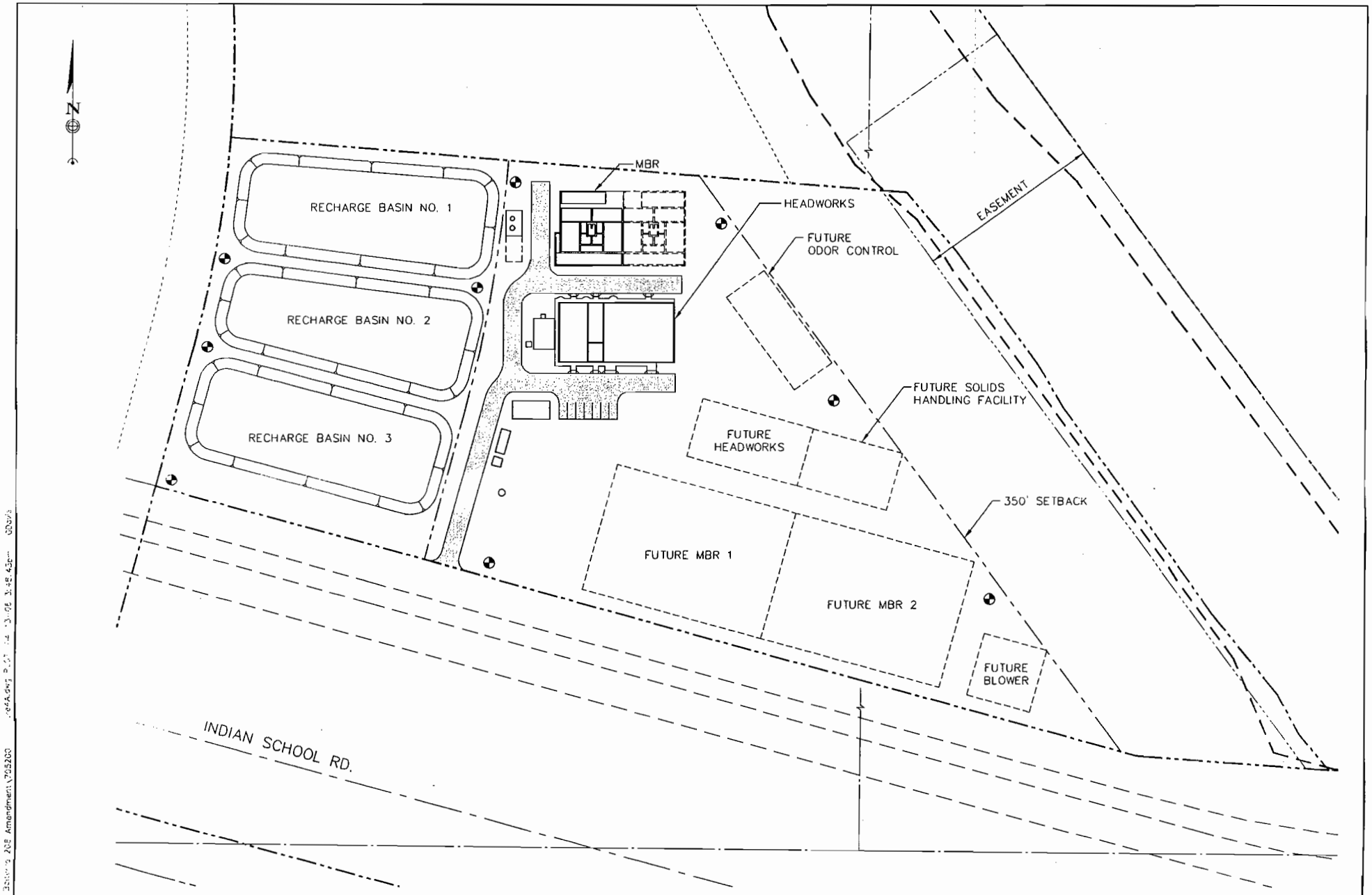

Balterra Regional Service Area
Projected 20-Year Growth
Dwelling Units
Treatment Capacity [mgd]
Year
0
10000
20000
30000
40000
50000
0
2
4
6
8
10
12
14
16
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
2027
2028

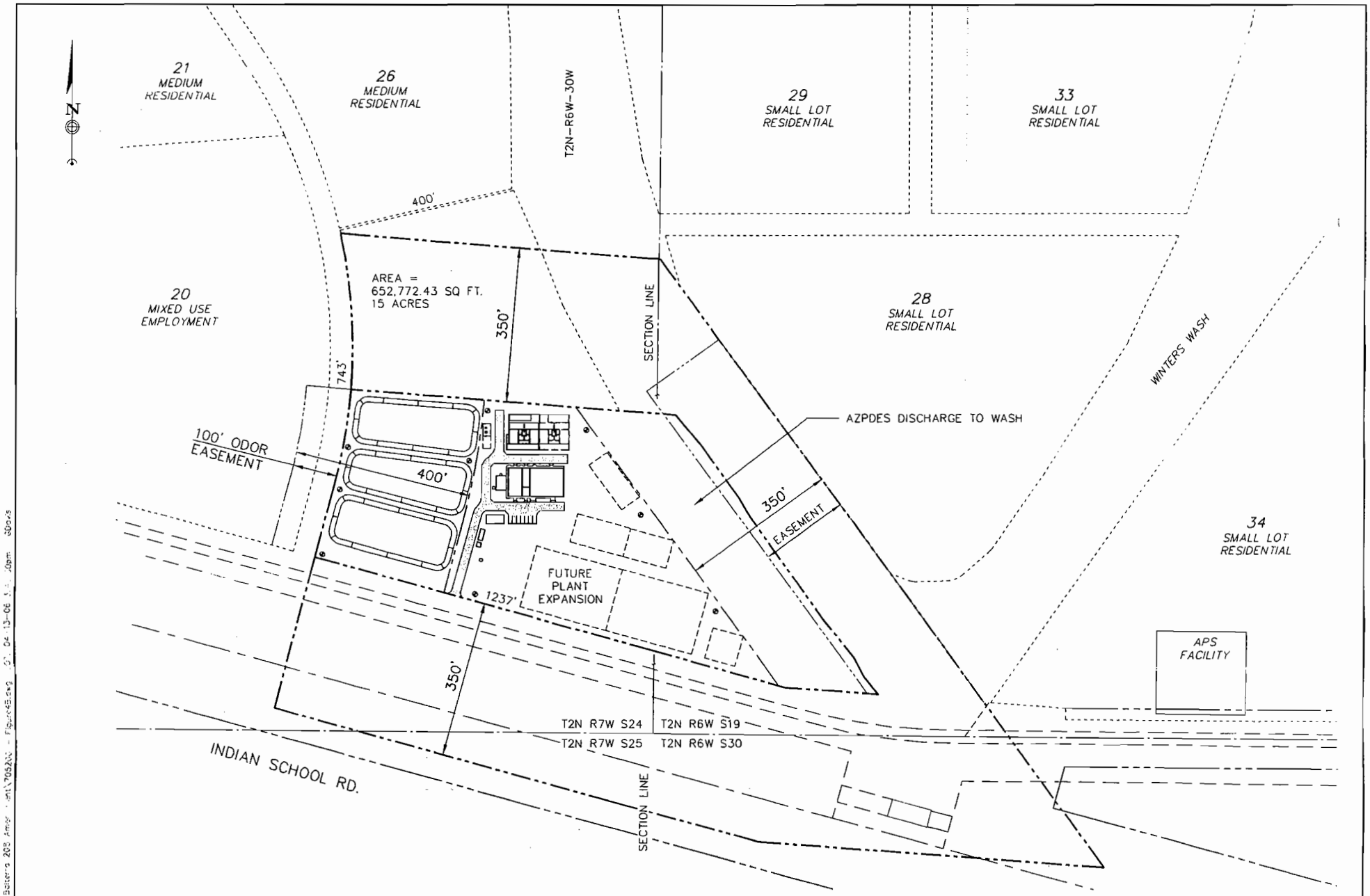
FIGURE 3



BALTERRA WASTEWATER TREATMENT FACILITY
SITE PLAN

CSA engineering

FIGURE 4A



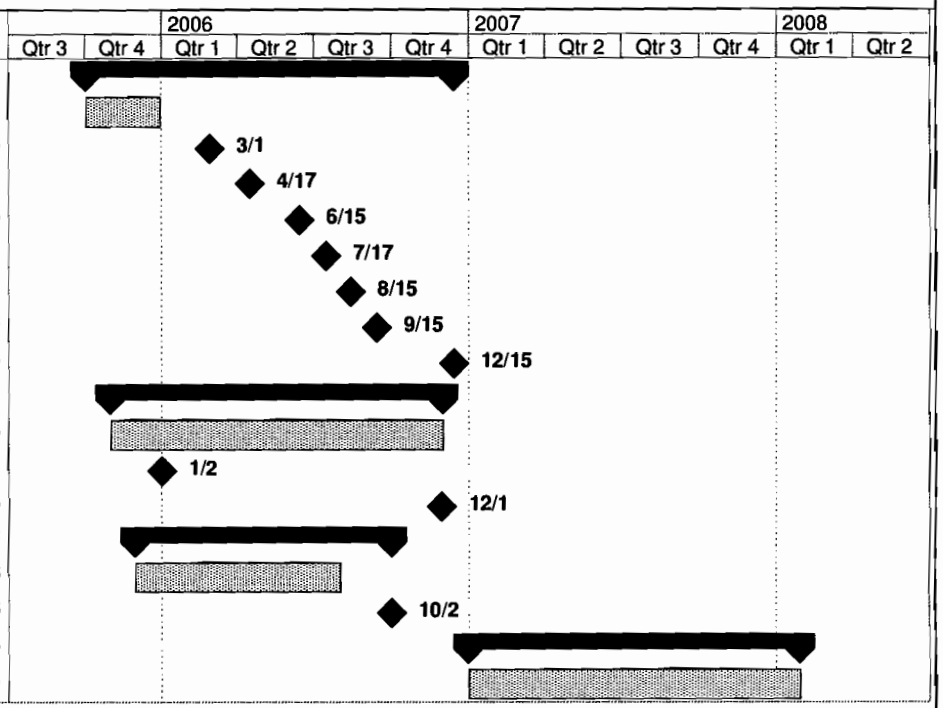
BALTERRA WASTEWATER TREATMENT FACILITY
SITE PLAN

CSA engineering

FIGURE 4B

Schedule
Balterra Regional WWTF & Service Area

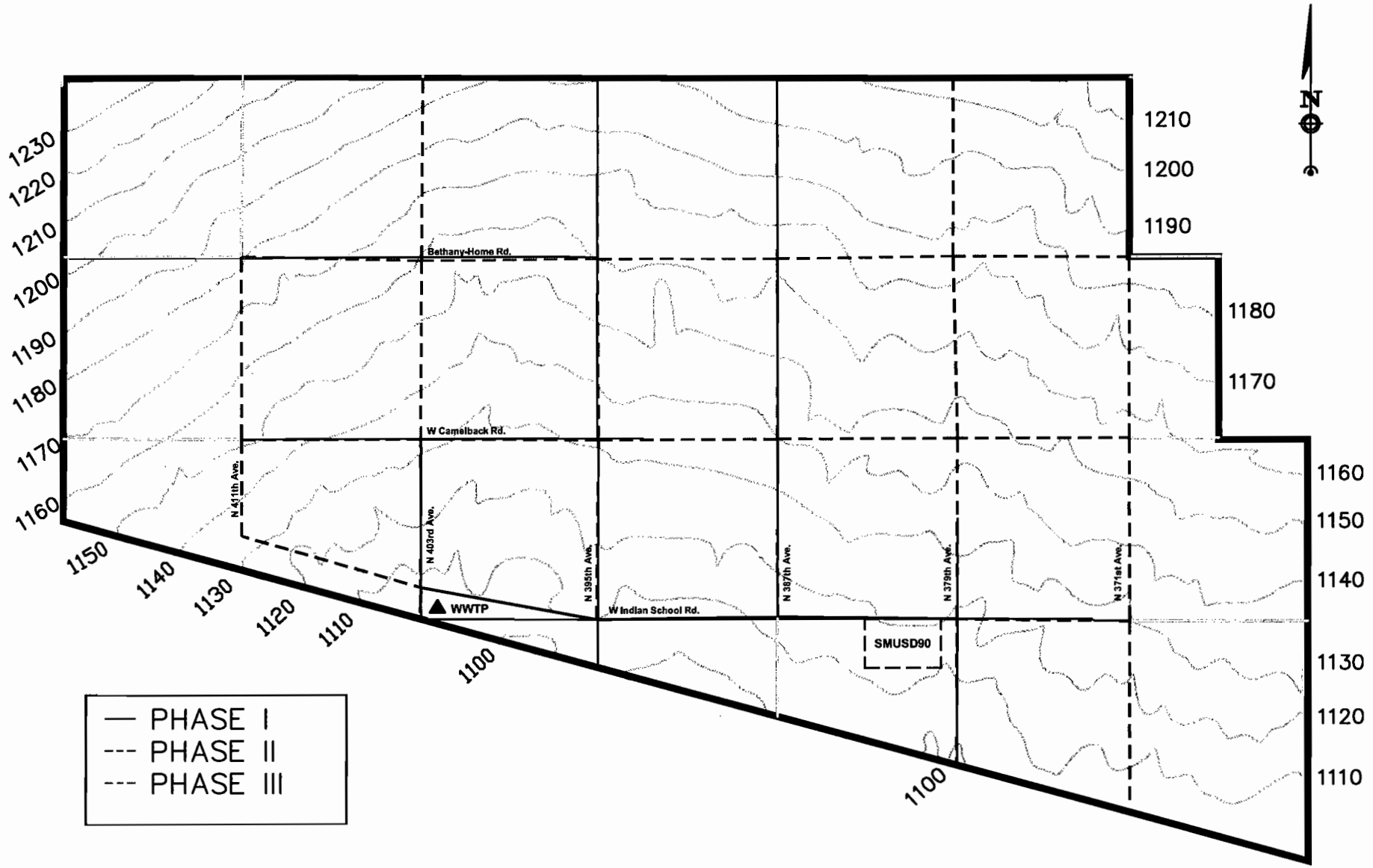
ID	Task Name	Duration	Start	Finish
1	**MAG 208**	**314 days**	**Mon 10/3/05**	**Fri 12/15/06**
2	MAG 208 Application	65 days	Mon 10/3/05	Fri 12/30/05
3	Water Quality Advisory	0 days	Wed 3/1/06	Wed 3/1/06
4	Public Hearing	0 days	Mon 4/17/06	Mon 4/17/06
5	Management Committee	0 days	Thu 6/15/06	Thu 6/15/06
6	Regional Council	0 days	Mon 7/17/06	Mon 7/17/06
7	State Water Quality Management	0 days	Tue 8/15/06	Tue 8/15/06
8	ADEQ Approval	0 days	Fri 9/15/06	Fri 9/15/06
9	EPA Approval	0 days	Fri 12/15/06	Fri 12/15/06
10	**APP Permitting**	**284 days**	**Tue 11/1/05**	**Fri 12/1/06**
11	Aquifer Protection Permit	284 days	Tue 11/1/05	Fri 12/1/06
12	Pre-application	0 days	Mon 1/2/06	Mon 1/2/06
13	ADEQ Approval to Operate	0 days	Fri 12/1/06	Fri 12/1/06
14	**WWTP Design**	**217 days**	**Thu 12/1/05**	**Mon 10/2/06**
15	WWTP Design	174 days	Thu 12/1/05	Tue 8/1/06
16	County ATC	0 days	Mon 10/2/06	Mon 10/2/06
17	**Construction**	**282 days**	**Mon 1/1/07**	**Tue 1/29/08**
18	WWTP	282 days	Mon 1/1/07	Tue 1/29/08



Project: Balterra Schedule
Date: Thu 3/9/06

Task
Split
Progress
Milestone
Summary
Project Summary
External Tasks
External Milestone
Deadline

Figure 5



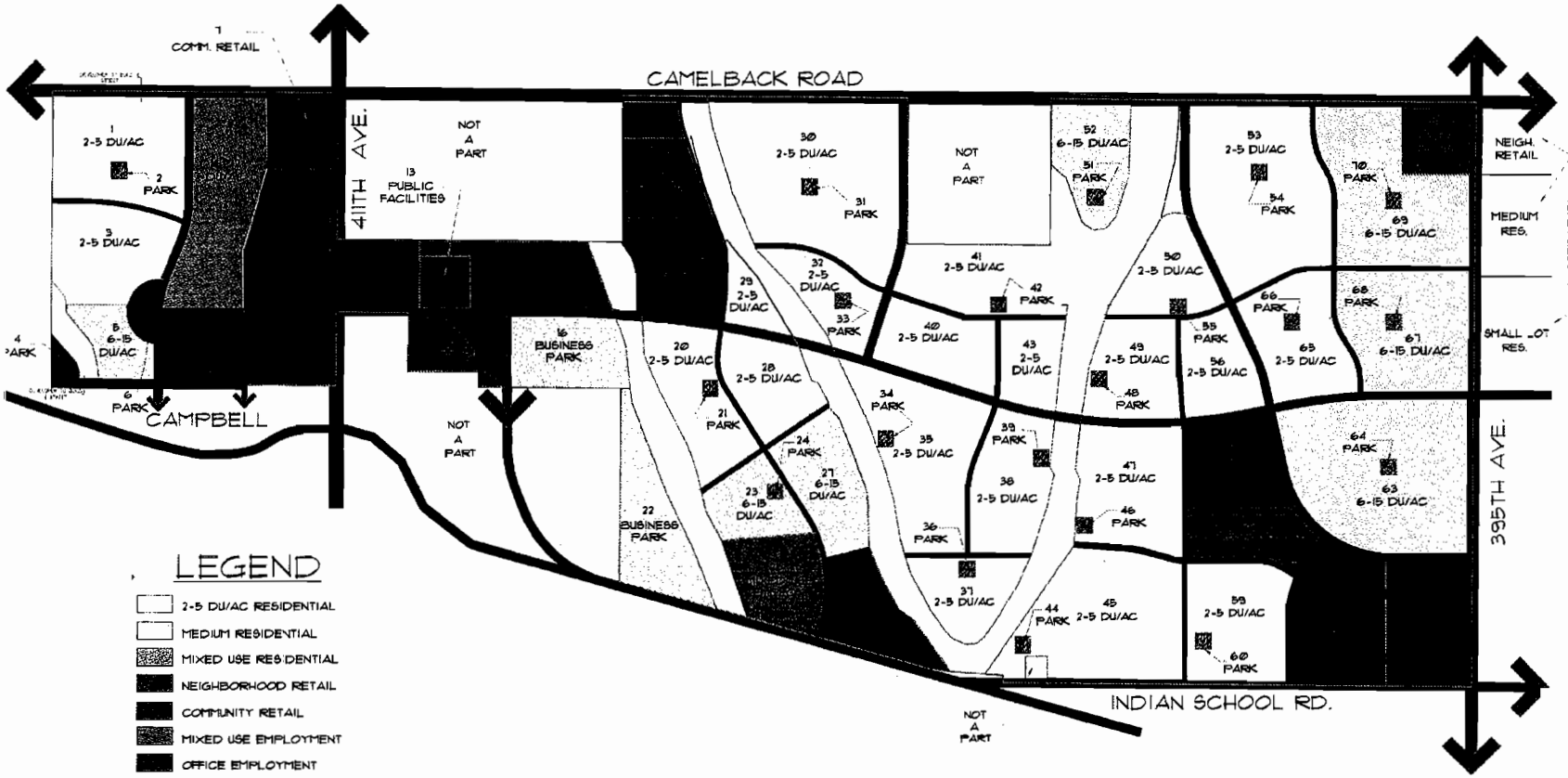
NORTH TONOPAH SOUTHEAST PLANNING AREA - RECLAIMED WATERLINE

CSA engineering

FIGURE 6

APPENDICES

APPENDIX A



BALTERRA CONCEPTUAL USE PLAN

CSA engineering

APPENDIX A

APPENDIX B

COLORADO
BUSINESS BANK

March 8, 2006

Maricopa County Environmental Services Dept.
Water & Waste Management Division
Water & Wastewater Treatment Plant Plans & Inspections
1001 N. Central Ave.
Suite 595
Phoenix AZ 85004

ATTN: Mr. Ken James

RE: JF Properties, Inc.

Dear Mr. James:

This letter is prepared in response to various requests from agencies of the Arizona State Government, inquiring about the financial ability of JF Properties, Inc. and its affiliates ("JF Properties") to construct major capital infrastructure and to show the financial capability to build a wastewater treatment plant.

In the past, Colorado Business Bank ("CBB" or the "Bank") has participated with the principals of JF Properties in financing approximately $50 million for land development and public infrastructure construction. Our relationship with JF Properties' principals has spanned more than 10 years, during which time CBB has financed 14 projects which have included water and wastewater infrastructure and public streets along with other capital improvements. At its highest point, the lending relationship with JF Properties' principals has exceeded $15 million in aggregate outstanding commitments.

In most instances, the Bank's financing has been provided in addition to and in conjunction with other public entities, public enterprises or with special service districts. Financing for such public entities, public enterprises or special service districts has been obtained by the principals of JF Properties in the form of tax exempt bonds issued for the purpose of constructing public infrastructure for regional improvements. The tax exempt bonds have been issued to and purchased by sophisticated institutional investors. JF Properties' principals have been involved with such financing in excess of $125 million.

With respect to the financial resources necessary to construct the subject wastewater treatment plant for Balterra Sewer Corporation, the Bank can state that Balterra Sewer Corporation, through its affiliation with JF Properties, has access to funds in an amount

821 17th Street, Denver, Colorado 80202 (303) 293-2265 Fax: (303) 312-3485
P.O. Box 8779, Denver, Colorado 80201-8779

of not less than $6.8 million for the purpose of funding capital improvements as it becomes necessary. I have attached a limited financial statement for JF Properties to provide support for this letter.

Should you have any further questions regarding this matter, please feel free to contact me at 720/264-5606.

Sincerely,

Cyd D. Petre
First Vice President

Enclosure

cc: Ms. Julie Hoffman – Maricopa Association of Governments
Ms. Vinita Bhatt – Arizona Dept. of Environmental Quality
Ms. Edwina Vogan – Arizona Dept. of Environmental Quality

APPENDIX C

APP Pre-Application Meeting

December 19, 2005
1:00 p.m. - ADEQ

ATTENDEES

Vinita Bhatt, ADEQ
Sujana Attaluri, ADEQ
Jean Black, ADEQ
Marcy Mullins, ADEQ
Peter Chan, CSA Engineering
Joe Furedy, CSA Engineering
Steve Noel, Southwest Ground-water Consultants
Jim Condit, JF Properties/Balterra Sewer Corp

MINUTES

1. Jean will serve as Project Hydrologist. Sujana will be the project engineer. Marcy will serve as Project Officer. The application must be submitted to Asif Majeed who could re-assign the project to other ADEQ staff.

2. Virus monitoring will be required. Four out of seven samples must be non-detect.

3. CSA presented the treatment options utilizing Membrane Bioreactor (MBR) as the treatment option. With the use of MBR, chemical coagulation may not be necessary.

4. ADEQ could require that the implementation of each phase be less than 5 year. If it exceeds 5 years, then the BADCT requirements will be re-evaluated.

5. Design will show 2.2 mgd capacity. MAG 208 will show a regional facility greater than 2.2 mgd.

6. All expansion phases up to 2.2 mgd will be provided in the APP.

7. The use of vadoze zone wells or deep well injection will be submitted to ADEQ for review.

8. There is a noise level limitation at the property line of less than 50 dB.

9. The submittal will require a vicinity map, site plan, and process diagram

10. ADEQ will require lat/longs for all discharge (recharge) basins, with their respective geometry, include depth and freeboard.

11. Ruth Fischer WWTP will send their flows to the new Balterra WWTF

12. Administrative completeness will not be issued until ADEQ approves the MAG208.

13. ADEQ will require 8 samples without any outliers in the data. Another alternative is to drill an additional sampling well upstream of the treatment facility.

14. Fecal or E-coli can be used in the permit

15. ADEQ has a limit of 186 days for Technical review and 35 days for Administrative completeness review.

16. Groundwater recharge impact study will be submitted with the application

17. R18-9-A203 outlines the financial requirements

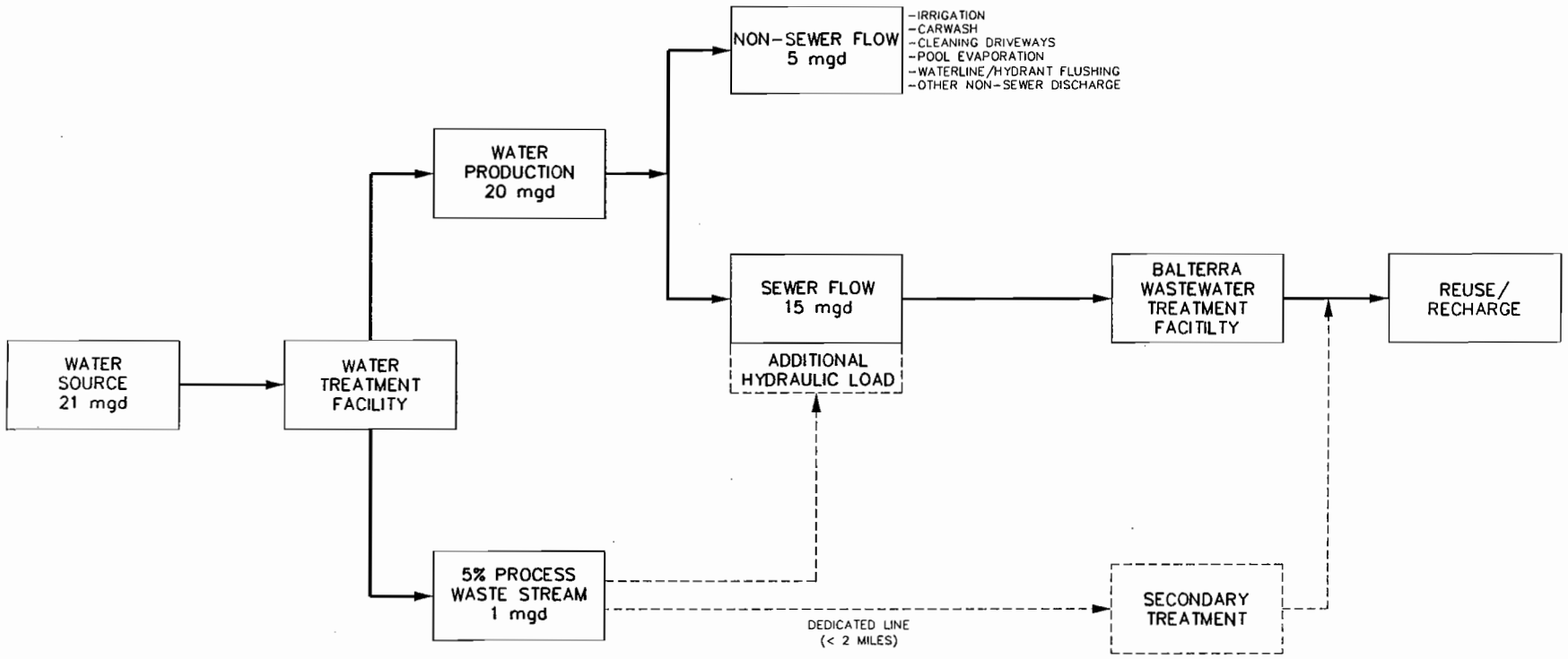
18. Manny Sainz will review the financial requirements for this project.

19. The APP application must include construction cost, O&M costs, and closure cost based on 2005 figures.

20. County will be required to issue "flood letter".

21. A NaOCl injection system for backup disinfection and injection well maintenance will be included in the design report.

APPENDIX D



REGIONAL CONCEPT
AVERAGE DAY WATER PRODUCTION
WASTE GENERATION BY AN ADVANCED WATER TREATMENT FACILITY

CSA engineering

APPENDIX D

APPENDIX E

DRAINAGE MEMORANDUM
FOR

BALTERRA

PREPARED FOR

JF PROPERTIES INC.
6720 N. Scottsdale Road, Suite 250
Scottsdale, AZ 85253
(480) 777-7757

PREPARED BY

DAVID EVANS AND ASSOCIATES, INC.
2141 EAST HIGHLAND AVE., SUITE 200
PHOENIX, AZ 85016
(602) 678-5151

February 28, 2006
DEA PROJECT NO. JFPI0000-0002

The Balterra Development Master Plan Drainage Report, prepared by DEA dated January 26, 2006 determined the flood plain limits for the Balterra site. The delineation was completed using the hydrologic flows established in the Palo Verde Watershed Zone A Floodplain Delineation Study prepared for the Flood Control District of Maricopa County (FCDMC) and the site specific topographic mapping with a 1-foot contour interval. The Palo Verde Watershed Zone A Floodplain Delineation Study is in for review with FEMA and established the hydrologic flows using the 100-year 24-hour event as the peak 100-year wash discharges.

DEA determined the water surface elevations using HEC-RAS modeling as part of the Development Master Plan. The resulting DEA flood limits varied from the flood plain limits determined in the Palo Verde Study as a result of the detailed topographic mapping. A flow split found to contribute 211 cfs from the wash west of the bridge crossing (T2N-R7W-S25E) results in an increase flow at the bridge. The hydraulic analysis used to determine the water surface elevations for the existing conditions include the added split flow.

DEA determined the water surface elevations at the bridge crossing using the 100-year 24-hour peak discharge plus the split flow as the existing conditions. The flow at the bridge crossing used in the HEC-RAS modeling was 9120 cfs. The wash sensitivity to an additional 46 cfs is negligible with respect to the peak drainage flows. Results of the comparison are listed in Table 1.

Table 1: Existing and WWTP Flows Added to Wash Comparison

River	Reach	River Station	Existing Conditions			Existing Conditions plus WWTP flow		
			(cfs)	WSE	Velocity (ft/s)	(cfs)	WSE	Velocity (ft/s)
Winters	1	1550	9120	1101.58	11.49	9164	1101.61	11.51
Winters	1	1625	9120	1103.09	8.02	9164	1103.12	8.02
Winters	1	1737	9120	1104.19	2.06	9164	1104.23	2.06

HEC-RAS Plan: X

River	Reach	River Sta	Profile	Q Total	Min Ch El	W.S. Elev	Crit W.S.	E.G. Elev	E.G. Slope	Vel Chnl	Flow Area	Top Width	Froude # Chl.
				(cfs)	(ft)	(ft)	(ft)	(ft)	(ft/ft)	(ft/s)	(sq ft)	(ft)	
Winters Wash	Reach-3	1737	PF 1	9120.00	1094.10	1104.19		1104.24	0.000197	2.07	7074.31	1691.74	0.12
Winters Wash	Reach-3	1737	PF 2	9164.00	1094.10	1104.23		1104.28	0.000195	2.06	7138.21	1696.20	0.12
Winters Wash	Reach-3	1625	PF 1	9120.00	1091.50	1103.09	1098.94	1104.08	0.003731	8.02	1140.92	152.75	0.48
Winters Wash	Reach-3	1625	PF 2	9164.00	1091.50	1103.12	1098.96	1104.12	0.003740	8.02	1146.59	154.38	0.48
Winters Wash	Reach-3	1550	PF 1	9120.00	1091.50	1101.58	1099.39	1103.63	0.006001	11.49	793.59	88.05	0.67
Winters Wash	Reach-3	1550	PF 2	9164.00	1091.50	1101.61	1099.41	1103.67	0.006001	11.51	796.32	88.09	0.67
T2N-R6W-S30W	Reach-1	7133	PF 1	1720.00	1131.70	1136.79	1135.55	1137.17	0.003967	4.98	345.23	121.56	0.52
T2N-R6W-S30W	Reach-1	7133	PF 2	1720.00	1131.70	1136.79	1135.55	1137.17	0.003967	4.98	345.23	121.56	0.52
T2N-R6W-S30W	Reach-1	6965	PF 1	1720.00	1130.58	1135.73	1135.05	1136.26	0.010301	7.21	401.18	277.14	0.64
T2N-R6W-S30W	Reach-1	6965	PF 2	1720.00	1130.58	1135.73	1135.05	1136.26	0.010301	7.21	401.18	277.14	0.64
T2N-R6W-S30W	Reach-1	6800	PF 1	1720.00	1129.20	1134.39	1133.27	1134.96	0.005677	6.10	307.91	126.75	0.56
T2N-R6W-S30W	Reach-1	6800	PF 2	1720.00	1129.20	1134.39	1133.27	1134.96	0.005677	6.10	307.91	126.75	0.56
T2N-R6W-S30W	Reach-1	6640	PF 1	1720.00	1128.30	1133.87		1134.03	0.003596	4.00	687.86	442.51	0.37
T2N-R6W-S30W	Reach-1	6640	PF 2	1720.00	1128.30	1133.87		1134.03	0.003596	4.00	687.86	442.51	0.37
T2N-R6W-S30W	Reach-1	6400	PF 1	1720.00	1127.00	1132.23	1131.68	1132.77	0.007588	6.52	368.12	201.87	0.57
T2N-R6W-S30W	Reach-1	6400	PF 2	1720.00	1127.00	1132.23	1131.68	1132.77	0.007588	6.52	368.12	201.87	0.57
T2N-R6W-S30W	Reach-1	6200	PF 1	1720.00	1125.80	1130.49	1130.17	1130.92	0.010360	6.22	402.67	257.90	0.61
T2N-R6W-S30W	Reach-1	6200	PF 2	1720.00	1125.80	1130.49	1130.17	1130.92	0.010360	6.22	402.67	257.90	0.61
T2N-R6W-S30W	Reach-1	6000	PF 1	1720.00	1124.23	1128.76		1129.22	0.006559	6.38	461.25	376.87	0.66
T2N-R6W-S30W	Reach-1	6000	PF 2	1720.00	1124.23	1128.76		1129.22	0.006559	6.38	461.25	376.87	0.66
T2N-R6W-S30W	Reach-1	5760	PF 1	1720.00	1122.36	1127.47	1126.99	1127.78	0.007299	5.68	485.87	330.43	0.54
T2N-R6W-S30W	Reach-1	5760	PF 2	1720.00	1122.36	1127.47	1126.99	1127.78	0.007299	5.68	485.87	330.43	0.54
T2N-R6W-S30W	Reach-1	5570	PF 1	1720.00	1121.85	1126.44		1126.61	0.004077	4.56	638.10	346.53	0.41
T2N-R6W-S30W	Reach-1	5570	PF 2	1720.00	1121.85	1126.44		1126.61	0.004077	4.56	638.10	346.53	0.41
T2N-R6W-S30W	Reach-1	5374	PF 1	1720.00	1119.70	1125.02	1124.56	1125.48	0.008952	6.85	422.60	294.91	0.61
T2N-R6W-S30W	Reach-1	5374	PF 2	1720.00	1119.70	1125.02	1124.56	1125.48	0.008952	6.85	422.60	294.91	0.61
T2N-R6W-S30W	Reach-1	5168	PF 1	1720.00	1119.10	1123.52	1123.01	1123.72	0.007308	5.32	610.61	480.50	0.52
T2N-R6W-S30W	Reach-1	5168	PF 2	1720.00	1119.10	1123.52	1123.01	1123.72	0.007308	5.32	610.61	480.50	0.52
T2N-R6W-S30W	Reach-1	4950	PF 1	1720.00	1117.53	1121.92	1121.61	1122.15	0.007194	5.35	569.03	416.88	0.53
T2N-R6W-S30W	Reach-1	4950	PF 2	1720.00	1117.53	1121.92	1121.61	1122.15	0.007194	5.35	569.03	416.88	0.53

HEC-RAS Plan: X (Continued)

River	Reach	River Sta	Profile	Q Total	Min Ch El	W.S. Elev	Crit W.S.	E.G. Elev	E.G. Slope	Vel Chnl	Flow Area	Top Width	Froude # Chl
				(cfs)	(ft)	(ft)	(ft)	(ft)	(ft/ft)	(ft/s)	(sq ft)	(ft)	
T2N-R6W-S30W	Reach-1	4760	PF 1	1720.00	1116.29	1120.65	1120.19	1120.86	0.005521	5.15	652.29	529.14	0.51
T2N-R6W-S30W	Reach-1	4760	PF 2	1720.00	1116.29	1120.65	1120.19	1120.86	0.005521	5.15	652.29	529.14	0.51
T2N-R6W-S30W	Reach-1	4542	PF 1	1720.00	1115.14	1119.35		1119.60	0.006280	5.59	547.47	383.70	0.52
T2N-R6W-S30W	Reach-1	4542	PF 2	1720.00	1115.14	1119.35		1119.60	0.006280	5.59	547.47	383.70	0.52
T2N-R6W-S30W	Reach-1	4345	PF 1	1720.00	1113.31	1118.37	1118.37	1118.49	0.003943	3.78	674.54	344.02	0.37
T2N-R6W-S30W	Reach-1	4345	PF 2	1720.00	1113.31	1118.37	1118.37	1118.49	0.003943	3.78	674.54	344.02	0.37
T2N-R6W-S30W	Reach-1	4114	PF 1	1720.00	1111.37	1116.87	1116.16	1117.07	0.006221	4.60	555.54	337.22	0.45
T2N-R6W-S30W	Reach-1	4114	PF 2	1720.00	1111.37	1116.87	1116.16	1117.07	0.006221	4.60	555.54	337.22	0.45
T2N-R6W-S30W	Reach-1	3900	PF 1	1720.00	1110.25	1115.93	1114.18	1116.17	0.003333	5.39	638.96	393.01	0.44
T2N-R6W-S30W	Reach-1	3900	PF 2	1720.00	1110.25	1115.93	1114.18	1116.17	0.003333	5.39	638.96	393.01	0.44
T2N-R6W-S30W	Reach-1	3700	PF 1	1720.00	1108.89	1115.44		1115.67	0.002038	4.77	665.46	335.71	0.35
T2N-R6W-S30W	Reach-1	3700	PF 2	1720.00	1108.89	1115.44		1115.67	0.002038	4.77	665.46	335.71	0.35
T2N-R6W-S30W	Reach-1	3500	PF 1	1720.00	1107.71	1114.29	1113.36	1114.86	0.006431	7.01	360.25	148.54	0.53
T2N-R6W-S30W	Reach-1	3500	PF 2	1720.00	1107.71	1114.29	1113.36	1114.86	0.006431	7.01	360.25	148.54	0.53
T2N-R6W-S30W	Reach-1	3292	PF 1	1720.00	1106.17	1113.00	1112.29	1113.52	0.008310	6.81	346.55	142.36	0.57
T2N-R6W-S30W	Reach-1	3292	PF 2	1720.00	1106.17	1113.00	1112.29	1113.52	0.008310	6.81	346.55	142.36	0.57
T2N-R6W-S30W	Reach-1	3085	PF 1	1720.00	1105.40	1111.57	1111.57	1111.95	0.004750	6.58	588.31	441.04	0.54
T2N-R6W-S30W	Reach-1	3085	PF 2	1720.00	1105.40	1111.57	1111.57	1111.95	0.004750	6.58	588.31	441.04	0.54
T2N-R6W-S30W	Reach-1	2871	PF 1	1720.00	1103.93	1109.89	1109.29	1110.09	0.005792	4.60	569.44	339.51	0.44
T2N-R6W-S30W	Reach-1	2871	PF 2	1720.00	1103.93	1109.89	1109.29	1110.09	0.005792	4.60	569.44	339.51	0.44
T2N-R6W-S30W	Reach-1	2676	PF 1	1720.00	1102.80	1108.74		1108.97	0.005272	5.29	600.66	439.44	0.47
T2N-R6W-S30W	Reach-1	2676	PF 2	1720.00	1102.80	1108.74		1108.97	0.005272	5.29	600.66	439.44	0.47
T2N-R6W-S30W	Reach-1	2460	PF 1	1720.00	1101.60	1107.51		1107.76	0.006495	5.10	542.71	364.59	0.47
T2N-R6W-S30W	Reach-1	2460	PF 2	1720.00	1101.60	1107.51		1107.76	0.006495	5.10	542.71	364.59	0.47
T2N-R6W-S30W	Reach-1	2300	PF 1	1720.00	1100.69	1106.50		1106.82	0.005648	6.18	555.78	381.94	0.50
T2N-R6W-S30W	Reach-1	2300	PF 2	1720.00	1100.69	1106.50		1106.82	0.005648	6.18	555.78	381.94	0.50
T2N-R6W-S30W	Reach-1	2089	PF 1	1720.00	1099.50	1105.79	1104.36	1105.91	0.002619	4.05	827.77	502.96	0.34
T2N-R6W-S30W	Reach-1	2089	PF 2	1720.00	1099.50	1105.79	1104.36	1105.91	0.002613	4.05	828.50	502.99	0.34
T2N-R6W-S30W	Reach-1	1893	PF 1	1720.00	1098.37	1104.76		1105.11	0.005193	5.80	511.99	322.40	0.47
T2N-R6W-S30W	Reach-1	1893	PF 2	1720.00	1098.37	1104.78		1105.12	0.005052	5.73	518.86	324.15	0.46

HEC-RAS Plan: X (Continued)

River	Reach	River Sta	Profile	Q Total	Min Ch El	W.S. Elev	Crit W.S.	E.G. Elev	E.G. Slope	Vel Chnl	Flow Area	Top Width	Froude # Chl
				(cfs)	(ft)	(ft)	(ft)	(ft)	(ft/ft)	(ft/s)	(sq ft)	(ft)	
T2N-R6W-S30W	Reach-1	1709	PF 1	1720.00	1097.37	1104.45	1102.04	1104.56	0.001458	3.28	791.58	312.10	0.26
T2N-R6W-S30W	Reach-1	1709	PF 2	1720.00	1097.37	1104.48	1102.04	1104.59	0.001414	3.25	801.04	313.06	0.26
T2N-R6W-S30W	Reach-1	1450	PF 1	1720.00	1096.87	1104.32		1104.36	0.000511	2.13	1385.45	561.84	0.16
T2N-R6W-S30W	Reach-1	1450	PF 2	1720.00	1096.87	1104.35		1104.39	0.000492	2.10	1405.64	563.34	0.15
T2N-R6W-S30W	Reach-1	1360	PF 1	1720.00	1095.70	1104.26	1100.18	1104.30	0.000357	1.84	1469.43	488.58	0.13
T2N-R6W-S30W	Reach-1	1360	PF 2	1720.00	1095.70	1104.30	1100.18	1104.33	0.000345	1.81	1487.76	489.16	0.13

APPENDIX F

Saddle Mountain Unified School District #90
38201 West Indian School Road
Tonopah, AZ 85354
Phone 623-474-5100
Fax 623-691-6757
www.smusd.com

Roxanne Morris, Superintendent

August 11th, 2005

To Whom It May Concern:

RE: Certificate of Convenience and Necessity Application ("CC&N") and MAG 208 Amendment ("208 Amendment") – Balterra Sewer Corp.

Dear Sir/Madam:

Please consider the following information as it pertains to the above referenced documents related to the formation of the Balterra Sewer Corp.

Saddle Mountain Unified School District ("SMUSD") and Balterra Sewer Corp. are currently working together, as neighbors, to resolve regional sewer issues.

Currently SMUSD is constructing a small package plant for the new high school, Tonopah Valley High School. Balterra Sewer Corp. has reviewed our MAG 208 application and has completed preliminary analysis of the viability of a partnership in use of a regional wastewater treatment plant system.

As you know, the Balterra CC&N and 208 Amendment propose to design and construct as well as operate and maintain a regional wastewater treatment plant which will benefit both the Balterra development as well as SMUSD. SMUSD has requested that Balterra Sewer Corp. construct their plant with enough capacity to accept the sewer flows from the school district, which will mean the package plant at the district will ultimately be eliminated and the plant currently operating the Ruth Fisher elementary campus will be eliminated. The partnership with Balterra Sewer Corp. will enable Saddle Mountain Unified School District to remove themselves from the business of the operation of sewer plants.

SMUSD has discussed the plans for the wastewater treatment plant and supports the CC&N and MAG 208 because the plant will allow for the elimination of the existing package treatment and the operation and maintenance obligations therewith. We have worked closely with Balterra Sewer Corp to confirm the viability of this project.

Let me know if I may provide you with any additional information.

Respectfully,

Roxanne G. Morris

Roxanne G. Morris
Superintendent of Schools – SMUSD

Cc: Mr. Kimo Seymour – Makai Development
Mr. Joel Farkas – JF Properties

Governing Board Members
Ann Hollenstein, President Ken Black, Clerk Dan Blackburn Kathy Hayes Judy Burton

Saddle Mountain Unified School District #90
38201 West Indian School Road
Tonopah, AZ 85354
Phone 623-474-5101 - NEW
Fax 623-691-6757
www.smusd.com

December 23rd, 2005

To Whom It May Concern:

RE: Balterra Sewer Corp. CC&N Filing

Dear Sir/Madam:

It has come to my attention that the Arizona Corporation Commission (ACC) has voiced some concern about the desires of the Saddle Mountain Unified School District's desire to obtain sewer service from Balterra Sewer Corp.

The Saddle Mountain Unified School District No. 90 (SMUSD), formerly known as the Ruth Fisher School District has been in existence for over 30 years. During those past 30 years, the District had only one elementary school, the Ruth Fisher Elementary School, which is located in Tonopah, AZ, a rural, un-incorporated area of Maricopa County. Our District has a boundary of 550 square miles. Within our district, we are preparing to have approximately 20 elementary and 5 high schools within the next decade. Our primary business is that of educating the students, not the construction, oversight and maintenance of utilities, specifically, water and sewer treatment plants.

As a matter of necessity, the Ruth Fisher Elementary School has historically operated with either a septic system or a small "package plant," as there have been no regional sewer resources available. As the area has grown, so too has the necessity for the District to expand. Accordingly, we opened the new Tonopah Valley High School, adjacent to the Ruth Fisher Elementary School, this year. With the population of our students increasing monthly, we have forecast the need to expand and upgrade our package plant accordingly. SMUSD has filed a 208 Water Quality Management Plan for Small Plant Review and Approval, dated October 2004, which states in part "....at such time as there is a regional utility, we will join that system." In the mean time, Balterra Sewer Corp. has emerged and we have requested service from them. The District expects to bear the costs of taking our existing package plant out of service.

The Saddle Mountain Unified School District is faced with many demands and limited resources in order to fulfill our mission of education. It is important for us to appropriate the limited resources we have to something that others who are more knowledgeable in their respective disciplines can do more efficiently and at a lower overall cost to the District.

As stated in my previous letter, dated August 11, 2005, partnering with Balterra Sewer Corp. will enable the District to remove ourselves from the business of operating sewer plants, maintaining them and ensuring regulatory compliance, none of which are in concert with our core mission, which is to educate children. Furthermore, the District anticipates the long-term costs of operating and maintaining wastewater facilities will be higher when compared to the rates to be charged for regulated service from Balterra Sewer Corp.

Please do not hesitate to contact me in the event I may be able to clarify any other items.

Respectfully,

Roxanne G. Morris

Roxanne G. Morris
Superintendent of Schools-SMUSD

Governing Board Members
Ann Hollenstein, President Ken Blackson Clerk Dan Blackson Kathy Torres Gary Burton

APPENDIX G

BEUS GILBERT
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EMAIL: PGILBERT@BEUSGILBERT.COM

50035-001

09 November 2006

VIA HAND DELIVERY

Linda Taunt
Arizona Department of Environmental Quality
1110 West Washington Street
Phoenix, AZ 85007

RE: DMA Functions for MAG's 208 Plan Amendment with Balterra Sewer Corp.

Dear Ms. Taunt:

For the purpose of satisfying Section 208(c)(2)(A) through Section 208(c)(2)(I) of the Clean Water Act, the intent of this correspondence is to demonstrate how the Balterra Sewer Corp., a private utility, can function as a Designated Management Agency (DMA) for the Southeast 208 Service Area of the North Tonopah Area. Below are the required functions of a DMA, as well as the authority by which the Balterra Sewer Corp. can serve the functions of a DMA.

FUNCTION (Section 208(c)(2)(A)) – Carry out appropriate portions of an areawide waste treatment management plan developed under Section 208(b) of the Clean Water Act.

AUTHORITY – The Balterra Sewer Corp. is a corporation formed for the purpose of providing wastewater utility service to an underserved area of unincorporated Maricopa County. Balterra Sewer Corp. received approval of its areawide treatment management plan by the Maricopa Association of Governments, the Designated Planning Agency, through the MAG Regional Council approval on July 26, 2006. Additionally, on June 5, 2006, through Decision No. 68742, the Arizona Corporation Commission (Commission) granted the Balterra Sewer Corp. a Certificate of Convenience and Necessity (CC&N) to provide wastewater services. In granting the CC&N, the Commission concluded that there is a public need and necessity for wastewater utility service in the CC&N service territory, and that the Balterra Sewer Corp. is a fit and proper entity to receive a wastewater CC&N for the service area in Maricopa County. On June 21, 2006, Maricopa County granted the Balterra Sewer Corp. a Franchise Agreement which authorizes the company to construct, operate and maintain a sewage system, and, "...to use along, upon, under and across public highways, roads, alleys and thoroughfares" within Maricopa

County in the area covered by Balterra's CC&N. The current CC&N and the approved County franchise agreement include approximately 1,150 acres. With these approvals, it is the intent of Balterra Sewer Corp. to carry out the responsibilities of an areawide waste treatment management plan.

To plan for future service to areas outside Balterra Sewer Corp's. current CC&N and franchise area, Balterra Sewer Corp has been directed by Maricopa County Environmental Services to create a Master Sewer Plan that coincides with the Maricopa County sewer plan. The executive summary of the draft plan, The North Tonopah Wastewater Master Plan, is included with the MAG 208 Amendment submittal document as Appendix I. To implement the plan, Balterra Sewer Corp. will expand the existing CC&N within areas of the proposed service area (through contract and per Balterra Sewer Corp's. Rules and Regulations) and will provide bulk wastewater service to Service Providers outside its CC&N, when requested.

FUNCTION (Section 208(c)(2)(B)) – Manage effectively waste treatment works and related facilities serving an area in conformance with any plan required by Section 208(b) of the Clean Water Act.

AUTHORITY – The Balterra Sewer Corp. has planned a 15-MGD wastewater treatment facility which will be constructed in phases as wastewater flows increase in the Southeast 208 Service Area. The Balterra Sewer Corp. participated in the preparation of the Wastewater Master Plan for the North Tonopah Area. The Wastewater Master Plan projects a buildout flow of 15 million gallons per day (MGD) for the North Tonopah Southeast 208 Service Area.

Upon a request for service from any landowners within the service area, but outside the current CC&N area, Balterra Sewer Corp. can and will apply for the expansion of the CC&N. Balterra Sewer Corp. can provide bulk sewer service to alternative Service Providers (through contract and per BSC's Rules & Regulations) who in turn can provide service to "other landowners."

To effectively manage the treatment facility, Balterra Sewer Corp. will hire certified operators and ensure that they are appropriately trained in accordance with ADEQ and the Arizona Division of Occupational Safety and Health requirements.

The mechanism in place to effectuate this management is the Balterra Sewer Corp. Rules & Regulations, the administrative codes and revised statutes of the State of Arizona and local ordinances. These Rules and Regulations are enforceable per the authority granted to sewer utilities established under Title 14, Chapter 2, and Article 6 of the Arizona Administrative Code.

Balterra Sewer Corp. will advise and refer to applicable agencies when issues or violations arise. If persons within Balterra Sewer Corp's. CC&N do not receive timely

service, they may request a show cause hearing before the Arizona Corporation Commission, BSC's regulator, to address their concerns.

FUNCTION (Section 208(c)(2)(C)) – Directly or by contract, design and construct new works, and operate and maintain new and existing works as required by any plan developed pursuant to Section 208(b) of the Clean Water Act.

AUTHORITY – The Balterra Sewer Corp. participated in the preparation of the Wastewater Master Plan for the North Tonopah Area. The Wastewater Master Plan projects a buildout flow of 15 million gallons per day (MGD) for the Southeast 208 Service Area.

The Balterra Sewer Corp. has submitted its 90 percent design drawings for Phase 1A of the wastewater treatment facilities to Maricopa County Environmental Services Department (MCESD) for review. Upon MCESD's approval of the design drawings and Approval to Construct, the Balterra Sewer Corp. will publicly bid the project and engage a contractor to construct Phase 1A of the facilities. Upon completion of construction and approval of construction by MCESD, the Balterra Sewer Corp., through a certified operator, will provide operations and maintenance of the treatment works. Subsequent phases will be designed and constructed in accordance with the approved North Tonopah Area Wastewater Master Plan. Timing of the design and construction of subsequent phases will be determined by growth within the current CC&N and by request for service from landowners outside the current CC&N and franchise areas.

All operators, agents and employees of the Balterra Sewer Corp., including all employees and agents of contractors and/or subcontractors operating or constructing the wastewater treatment facilities, will be certified and trained, as necessary, in accordance with ADEQ and the Arizona Division of Occupational Safety and Health requirements.

FUNCTION (Section 208(c)(2)(D)) – Accept and utilize grants, or other funds from any source, for waste treatment management purposes.

AUTHORITY – The Balterra Sewer Corp., as a corporation formed for the purpose of providing wastewater utility service, has the express authority to accept and utilize grants, loans and/or other funds from any source for waste treatment management purposes.

FUNCTION (Section 208(c)(2)(E)) – Raise revenues, including the assessment of waste treatment charges.

AUTHORITY – In accordance with Ordering Paragraph number 12 of its CC&N approval, the Balterra Sewer Corp. has filed its wastewater service tariff schedule with the Arizona Corporation Commission Docket Control. The tariff was approved by the Arizona Corporation Commission in Decision No. 68742 on June 5, 2006. In addition to the rates and charges approved by the Commission, the tariff allows the Balterra Sewer

Corp. to collect from its customers all applicable sales, transaction, privilege, regulatory or other taxes and assessments per Rule A.A.C. R14-2-409.D(5).

FUNCTION (Section 208(c)(2)(F)) – Incur short- and long-term indebtedness.

AUTHORITY – The Balterra Sewer Corp., as a corporation formed for the purpose of providing wastewater utility service, is specifically authorized, in its corporate documents, to incur short- and long-term indebtedness through financial institutions. Arizona Revised Statutes Section40-30140-301 allows a public service corporation to, "...issue stocks and stock certificates, bonds, notes and other evidences of indebtedness, and to create liens on their property located within this state is a special privilege, the right of supervision, restriction and control of which is vested in the state, and such power shall be exercised as provided by law and under rules, regulations and orders of the Corporation Commission."

FUNCTION (Section 208(c)(2)(G)) – Assure in implementation of an areawide waste treatment management plan that each participating community pays its proportionate share of treatment costs.

AUTHORITY – In accordance with Ordering Paragraph number 12 of its CC&N approval, the Balterra Sewer Corp. has filed its wastewater service tariff schedule with the Arizona Corporation Commission Docket Control for its current CC&N area. The tariff, which assures costs are paid proportionately by each community, was approved by the Arizona Corporation Commission in Decision No. 68742 on June 5, 2006. In addition to the rates and charges approved by the Commission, the tariff allows the Balterra Sewer Corp. to collect from its customers all applicable sales, transaction, privilege, regulatory or other taxes and assessments per Rule A.A.C. R14-2-409.D(5).

FUNCTION (Section 208(c)(2)(H)) – Refuse to receive any wastes from any municipality or subdivision thereof, which does not comply with any provisions of an approved plan under Section 208 of the Clean Water Act applicable to such area.

AUTHORITY – In accordance with R14-2-603.C.2. and R-14-2-609 of the Arizona Administrative Code (a copy of which is attached), the Balterra Sewer Corp., as an approved utility, may refuse to establish service or terminate service. Furthermore, the Balterra Sewer Corp. has adopted Rules and Regulations to provide for the construction, administration and operation of its wastewater system, and to define the service area of the Balterra Sewer Corp. These Rules and Regulations provide for the administration and enforcement of standards to promote the health, safety and general welfare of the customers and other service users of the wastewater system. The Rules and Regulations define the requirements for acquiring wastewater service from the Balterra Sewer Corp. and outline terms for revocation of service in accordance with the Arizona Administrative Code.

FUNCTION (Section 208(c)(2)(I)) – Accept for treatment industrial wastes.

AUTHORITY – The Balterra Sewer Corp. will accept for treatment, industrial wastes, subject to the Balterra Sewer Corp. adopted Rules and Regulations. Balterra Sewer Corp's. Rules and Regulations incorporate pretreatment standards per 40 CFR403, AAC Title 12, Article 4, and AAC Title 18, Articles 9 and 11 as approved by the Arizona Corporation Commission. These Rules and Regulations are enforceable per the authority granted to sewer utilities established under Title 14, Chapter 2, and Article 6 of the Arizona Administrative Code.

The Balterra Sewer Corp. Rules and Regulations provide for the construction, administration and operation of its wastewater system, and define the standards for water or wastewater discharged into the wastewater system. The Rules and Regulations require all customers of the system to comply with all applicable Pretreatment Discharge Standards and associated requirements. The applicable Pretreatment Discharge Standards are based on standards established by the EPA, the State of Arizona (where stricter than EPA standards) and additional standards established by Balterra Sewer Corp. These standards can be found in Articles 4 and 5 of Balterra Sewer Corp's. Rules and Regulations a copy of which are included in the MAG 208 Amendment submittal document as Appendix H. Specifically these standards present limits for discharged wastes, list prohibited wastes, list requirements for deleterious wastes, present processes for enforcing National Categorical Pretreatment Standards, establish the process for Hazardous Waste Discharge notification, present the protocol, plan review, and standards for pretreatment facilities, list the requirements for a Wastewater Contribution Permit, establish the reporting requirements for Significant Industrial Users, list Inspection and sampling protocol and present remedies for non compliance (including monetary penalties which go to Balterra Sewer Corp., see penalty section of Article 5 of the Balterra Sewer Corp. Rules and Regulations).

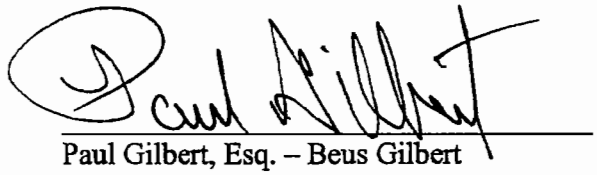
The Rules and Regulations, specifically Article 5, establish a Pretreatment/Industrial Waste Control Program which includes discharge standards, design standards, protocol for monitoring, sampling, and inspection, as well as remedies for non compliance. Pretreatment standards have been further refined for specific activities such as service stations and design standards for grease and sand/oil interceptors.

General requirements prohibit the discharge of any storm water, surface water, groundwater, roof runoff, subsurface drainage, cooling water, air conditioning wastewater or any other domestic, commercial or industrial wastewater that does not meet National Pretreatment Standards. Specific activities (such as food service operations, automobile service stations, RV parks, dental operations, etc.) are addressed through Pretreatment Discharge Standards. Each Pretreatment Discharge Standard is prepared for a specific industry and defines the local limits, design requirements and management requirements for waste discharged from the industry.

Compliance with the Rules and Regulations will be monitored by Balterra Sewer Corp. inspectors. The Rules and Regulations outline the remedies for noncompliance of any industrial user, including notice procedures, suspension of services and monetary

penalties. In the event of a violation, Balterra Sewer Corp. will notify the appropriate regulatory agencies of noncompliant situations within the specified timeframe for the noncompliant offenses as set out in the Rules and Regulations, per the Balterra Sewer Corp's. AZPDES or Aquifer Protection Permit, per the AAC, or per any other agreement or governmental ordinance. Balterra Sewer Corp. will cooperate with and/or assist the regulatory agencies in correcting the noncompliant situations.

Based upon the information presented above, I certify, as its legal counsel, that the Balterra Sewer Corp. can fully perform the functions of a Designated Management Agency (DMA) for the Southeast 208 Service Area of the North Tonopah Area as proposed by the MAG 208 Plan Amendment approved by the MAG Regional Council on July 26, 2006 and the State Water Quality Management Working Group on August 15, 2006. I also certify that the Balterra Sewer Corp., functioning as a DMA, has the legal, institutional, managerial and financial capability necessary to carry out its responsibilities of an areawide waste treatment management plan.



Paul Gilbert, Esq. – Beus Gilbert

cc: Julie Hoffman - Maricopa Association of Governments
Ken James - Maricopa County Environmental Services Department
Chris Paulson – Balterra Sewer Corp.
Jim Condit – JF Properties

APPENDIX H

ARTICLE 4.
LIMITATIONS ON DISCHARGE

4.1 Limitations On Discharged Wastes/Prohibited Wastes.

4.1.1 Standards for Wastewater Discharge into the Corporation's Wastewater System:

Customers and Service Providers shall comply with all applicable Pretreatment Standards and Requirements listed in Articles 4 and 5 and as set forth in **Exhibit D**. No Service Provider or Customer shall discharge or cause to be discharged into the Corporation's Wastewater System any storm water, surface water, ground water, roof runoff, subsurface drainage, cooling water, air conditioning wastewater or any other domestic, commercial or industrial wastewater that does not meet National Pretreatment Standards.

4.1.2 Service Provider Requirements for Limiting the Discharge of Harmful Wastes into the Corporation Facilities, Grease Interceptors/Traps and Sand/Oil Interceptors/Traps:

Every Service Provider shall adopt rules and regulations approved by the Corporation sufficient to provide for the proper handling of liquid wastes containing excessive grease, excessive sand or other harmful ingredients, as set forth in Articles 4 and 5 and as set forth in **Exhibit D**.

4.1.3 Review of Plans for the Construction and Installation of Pretreatment Facilities:

If any wastewater is discharged, or is proposed to be discharged, to the Corporation Facilities (1) from restaurants or other food preparation establishments described above, (2) from automotive maintenance or other oil and inert solid producing operations or (3) that may contain the substances or exceed the limitations for standards for wastewater discharged into the Corporation's Wastewater System, the Service Provider or Customer shall be responsible for contacting the Corporation regarding planning, review, construction and installation of pretreatment facilities prior to discharging any Wastewater into the Corporation's Wastewater System. A process for plan review shall determine the need, method, and size of pretreatment facilities required to pretreat or otherwise control the Wastewater to make it acceptable for discharge into the Corporation Facilities.

4.1.4 Pretreatment Requirements for Existing Property/Corporation Facilities:

The Corporation shall inspect existing Customer facilities to determine whether any existing pretreatment facility is deficient in size, or waste emanating from the property, business or industry violates the Corporation's Rules and Regulations

and/or may cause harm to the Corporation Facilities, or persons entering said Corporation Facilities to perform maintenance, or to the treatment process and/or environment. The Corporation shall require the Customer to install suitable pretreatment facilities or take other appropriate remedial measures as directed by the Corporation. Corporation Customers must comply with the standards set forth in **Exhibit D**.

Service providers shall adopt rules and regulations which reflect agreement with the Corporations Pretreatment Rules and Regulations herein.

4.1.5 Sampling Manholes:

The Corporation may require Customers to install one or more discreet sampling manholes. All placements of sampling manholes must be approved by the Corporation prior to installation.

4.1.6 Interceptor Maintenance:

(a) Responsibility for Maintenance: It shall be the Customer's responsibility to ensure grease and sand/oil interceptors are maintained and in proper working order as set forth in **Exhibit D**. Interceptors shall be unobstructed and available for periodic maintenance inspections and discharge sampling by the Corporation and/or Service Provider.

(b) Inspection: Existing interceptor/trap installations shall be inspected by the Corporation and/or Service Provider to determine compliance with the Corporation's oil and grease discharge standards. Installations not able to achieve compliance with such standards due to improper design shall be modified or replaced in order to achieve compliance with Corporation Design Standards, including design and sizing criteria as set forth in **Exhibit D** hereto.

(c) Reports: Customer's shall comply with the record keeping standards set forth in **Exhibit D** and have maintenance reports readily available for the Corporation to review upon request. Service providers shall provide a semi-annual report briefly summarizing their interceptor inspections and Customer maintenance activities (including pump and haul dates).

ARTICLE 5.
PRETREATMENT/INDUSTRIAL WASTE CONTROL

5.1 General.

5.1.1 Authority:

This Article 5 is adopted by the Corporation in accordance with Clean Water Act, and any regulations implementing the Clean Water Act, including, but not limited to, 40 CFR 403.8, applicable Arizona Revised Statutes, including but not limited to 49 A.R.S. 2, applicable Arizona Administrative Codes, including but not limited to 18 A.A.C. 9 and 18. A.A.C. 11, and with all the powers thereof which are specifically granted to the Corporation, or are necessary or incidental to or implied from power specifically granted therein for carrying out the objectives and purposes of the Corporation and this Article 5. The provisions in this Article 5 shall be called the Pretreatment/Industrial Waste Control Program of the Corporation.

5.1.2 Compliance:

The Pretreatment/Industrial Waste Control Program of the Corporation is designed to enable the Corporation to comply with all conditions of its National Pollutant Discharge Elimination System (AZPDES) Permit, Aquifer Protection Permit, Federal Pretreatment Regulations, Arizona Pretreatment Regulations, and any applicable sludge disposal regulations, and to meet the following objectives:

(a) To prevent the introduction of pollutants into the Corporation Facilities which will interfere with the operation of the Wastewater Systems or contaminate the sludge.

(b) To prevent the introduction of pollutants into the Wastewater System which will pass through the Wastewater System, inadequately treated, into the receiving waters or the atmosphere.

(c) To prevent the introduction of pollutants into the Wastewater System which might constitute a hazard to humans or to animals.

(d) To assure the Corporation's ability to recycle and reclaim Wastewater and sludge.

(e) To protect human health and welfare, the environment, property and the Corporation's Wastewater System.

PART A
RULES AND REGULATIONS FOR INDUSTRIAL/PRETREATMENT USERS

5.1 Applicability.

(a) A User is any non-domestic discharger who contributes, causes, or permits the contribution of wastewater into the Corporation's wastewater collection and treatment system.

(b) Any User, the sewage from which directly or indirectly enters the Wastewater System of the Corporation from an area within or without the boundaries (through a Service Provider) of the Corporation, shall be subject to the requirements of this Part and shall be bound by these Rules and Regulations as they now exist or may hereafter be amended. Such Rules and Regulations may be enforced against any User.

5.2 General Discharge Prohibitions.

No User shall contribute or cause to be contributed, directly or indirectly, any pollutant or wastewater which will interfere with the operation or performance of the Corporation's Wastewater System. These general prohibitions apply to all such Users of the Corporation's Wastewater System whether or not the User is subject to national categorical pretreatment standards or any other national, State, Corporation, or local pretreatment standards or requirements: A User may not discharge any of the sewage, water, substances, materials, or wastes listed in Articles 5.4, 5.27, 5.28, 4.29 of these Rules and Regulations.

5.3 Specific Discharge Limitations – Users.

5.3.1 Corporation Limitations:

No User shall discharge into the Corporation Wastewater System or into any connected sewer system at any time or over any period of time, Wastewater containing any of the following materials and substances in excess of the limitations provided herein. These limitations may also be imposed directly on process wastewaters prior to dilution by domestic and other Wastewaters discharged by the User:

	Contaminant	Limit in mg/L
1.	Arsenic	0.33
2.	Cadmium	3.4
3.	Chromium	3.6
4.	Copper	6.1
5.	Lead	2.2
6.	Mercury	0.13
7.	Molybdenum	0.71
8.	Nickel	5.6
9.	Selenium	0.66
10.	Silver	2.9
11.	Tetrachloroethene	1.5*
12.	Zinc	15.6

*Notwithstanding these numeric limitation, the discharge of dry-cleaning

process

wastes, including new and used tetrachloroethene (perchloroethylene), still bottom oil, and separator water, is prohibited entirely. Where necessary the Corporation may require that these wastes be physically prevented from discharging into the Corporation's Wastewater System.

5.3.2 General Requirements Regarding Deleterious Wastes.

None of the following described sewage, water, substances, materials or waste shall be discharged into the Corporation's Wastewater System; and each governing body of each Service Provider shall prohibit and shall prevent any discharges from any outlet into its sewer system, if such discharges cause or significantly contribute to a violation of any of the requirements contained herein:

(a) Sewage of such a nature and delivered at such a rate as to impair the hydraulic capacity of the Corporation's Wastewater System, normal and reasonable wear and usage excepted.

(b) Sewage of such a quantity, quality, or other nature as to impair the strength or the durability of the sewer structures, equipment or treatment works, either by chemical or by mechanical action.

(c) Sewage having a flash point lower than 187°F, as determined by the test methods specified in 40 CFR §261.21.

(d) Any radioactive substance, the discharge of which, does not comply with Article 4, Appendix B of the AAC. Title 12, Chapter 1.

(e) Any garbage other than that received directly into the Service Provider's sewer system from domestic and commercial garbage grinders in dwellings, restaurants, hotels, stores, and institutions, by which such garbage has been shredded to such a degree that all particles will be carried freely under flow conditions normally prevailing in public sewers with no particle greater than one-half (1/2) inch in any dimension.

(f) Any night soil or septic tank pumpage, except by permit in writing from the Corporation at such points and under such conditions as the Corporation may stipulate in each permit.

(g) Sludge or other material from sewage or industrial waste treatment plants or from water treatment plants, except such sludge or other material, the discharge of which to the Corporation Wastewater System shall be governed by the provisions of these Rules and Regulations or any Connector Agreement or as otherwise authorized by the Corporation.

(h) Water which has been used for cooling or heat transfer purposes without recirculation, discharged from any system of condensation, air conditioning, refrigeration, or similar use.

(i) Water accumulated in excavations or accumulated as the

result of grading, water taken from the ground by well points, or any other drainage associated with construction.

(j) Any water or wastes containing grease or oil and other substances that will solidify or become discernibly viscous at temperatures between 32°F and 150°F except by permit in writing from the Corporation at such points and under such conditions as the Corporation may stipulate in each permit.

(k) Any wastes that contain a corrosive, noxious, or malodorous material or substance which, either singly or by reaction with other wastes, is capable of causing damage to the Corporation's Wastewater System or to any part thereof, of creating a public nuisance or hazard, or of preventing entry into the sewers for maintenance and repair.

(l) Any wastes that contain concentrated dye wastes or other wastes that are either highly colored or could become highly colored by reacting with any other wastes, except by permission of the Corporation.

(m) Any wastes which are unusual in composition; i.e., contain an extremely large amount of suspended solids or BOD; are high in dissolved solids such as sodium chloride, calcium chloride, or sodium sulfate; contain substances conducive to creating tastes or odors in drinking water supplies; otherwise make such waters unpalatable even after conventional water purification treatment; or are in any other way extremely unusual unless the Corporation determines that such wastes may be admitted to the Corporation Wastewater System or shall be modified or treated before being so admitted.

(n) Any substance which may cause the Corporation's effluent or any other product of the Corporation such as residues, sludges or scums, to be unsuitable for reclamation and reuse or to interfere with the reclamation process. In no case, shall a substance discharged to the Wastewater System cause the Corporation to be in non-compliance with sludge use or disposal criteria, guidelines or regulations developed under Article 405 of the Clean Water Act; any criteria, guidelines, or regulations affecting sludge use or disposal developed pursuant to the Solid Waste Disposal Act, the Clean Air Act, the Toxic Substances Control Act, or State criteria applicable to the sludge management method being used.

(o) Any substance which may cause the Corporation to violate its National Pollutant Discharge Elimination System (AZPDES) Permit, Aquifer Protection Permit, or the receiving water quality standards.

(p) Except for existing combined sewer facilities, any stormwater, directly or indirectly, from surface drains, ditches, or streams, storm or combined sewers, roof, areaway, sumps and sump pumps, or foundation drains, or from any other means, including subsurface drainage or groundwater.

5.3.3 Prohibited Discharges.

None of the following described sewage, water, substances, materials, or wastes shall be discharged into the Corporation's Wastewater System or into the sewer system of a Service

Provider, by any User and each governing body of each Service Provider shall prohibit

and shall prevent such discharges by any User, either directly or indirectly, into its sewer system:

(a) Any liquids, solids or gases which by reason of their nature or quantity are, or may be, sufficient either alone or by interaction with other substances to cause fire or explosion or be injurious in any other way to the Corporation's Wastewater System, the sewer system of a Service Provider or any of its connectors, or to the operation of the Corporation. At no time shall any reading on an explosion hazard meter, at the point of discharge into the Corporation's Wastewater System or the sewer system of a Service Provider or any of its Customers (or at any point in the Wastewater Systems), or at any monitoring location designated by the Corporation in a wastewater contribution permit, be more than ten percent (10%) of the Lower Explosive Limit (LEL) of the meter. Prohibited materials include, but are not limited to, gasoline, kerosene, naphtha, benzene, toluene, xylene, ethers, alcohols, ketones, aldehydes, peroxides, chlorates, perchlorates, bromates, carbides, hydrides, and sulfides.

(b) Any solid or viscous material which could cause an obstruction to flow in the sewers or in any way could interfere with the treatment process, including as examples of such materials but without limiting the generality of the foregoing, significant proportions of ashes, wax, paraffin, cinders, sand, mud, straw, shavings, metal, glass, rags, lint, feathers, tars, plastics, wood and sawdust, paunch manure, hair and fleshings, entrails, lime slurries, beer and distillery slops, grain processing wastes, grinding compounds, acetylene generation sludge, chemical residues, acid residues, food processing bulk solids, snow, ice, and all other solid objects, material, refuse, and debris not normally contained in sanitary sewage.

(c) Any Wastewater having a pH less than 5.0 for discharges from Industrial Users into the Corporation's Wastewater System or the sewer system of a Service Provider or that of any of its Customers, or less than 6.0 or greater than 9.0 for other discharges into the Corporation's Wastewater System, or wastewater having any other corrosive property capable of causing damage or hazard to any part of the Corporation's Wastewater System or the sewer system of a Service Provider or any of its Customers, or to personnel.

(d) Any wastewater having a temperature which will inhibit biological activity at the Corporation's treatment plant, but in no case wastewater containing heat in such amounts that the temperature at the introduction into the Corporation's, Wastewater Treatment Works exceeds 40°C (104°F).

(e) Any pollutants, including oxygen demanding pollutants (BOD, etc.) released at a flow rate and/or pollutant concentration which cause Upset. In no case shall a slug load have a flow rate or contain concentrations or qualities of pollutants that exceed for any time period longer than fifteen (15) minutes more than five (5) times the average twenty-four (24) hour concentration, quantities, or flow during normal operation.

(f) Any water or wastes containing a toxic substance in sufficient quantity, either singly or by interaction with other substances, to injure or interfere with any sewage treatment process, to constitute a hazard to humans or to animals, or to create any hazard or toxic effect in the waters which receive the treated or untreated sewage.

(g) Petroleum oil, nonbiodegradable cutting oil, or products of mineral oil origin, each in amounts that will cause interference or Upset.

(h) Pollutants which result in the presence of toxic gases, vapors, or fumes within the system in a quantity that may cause acute worker health and safety problems.

(i) Any trucked or hauled pollutants except at discharge points designated by the Corporation.

(j) Any water or wastes containing pollutant quantities or concentrations exceeding the limitations in Article 5 of these Rules and Regulations, or the limitations in any applicable Categorical Standards.

(k) Any wastewater discharges to the Corporation's Wastewater System, except at locations approved by the Corporation.

5.3.4 National Categorical Pretreatment Standards:

Once promulgated, Categorical Standards for a particular industrial subcategory, if more stringent, shall supersede all conflicting discharge limitations contained in this Article 5, Part B, as they apply to that industrial subcategory.

5.3.5 State Requirements:

State requirements and limitations on discharges shall apply in any case where they are more stringent than federal requirements and limitations or those contained elsewhere in this Article 5, Part B.

5.3.6 Dilution Prohibited:

Except where permitted by Categorical Standards, no User may increase the use of process water or, in any way, attempt to dilute a discharge as a partial or complete substitute for adequate treatment to attain compliance with the limitations contained in National Categorical Pretreatment Standards or any other specific discharge limitations contained in this Article 5. The Corporation may set or require a Service Provider to set

mass limitations or alternate concentration-based limitations for those Users which are using improper dilution to meet these limitations.

5.4 Insignificant Discharges.

Notwithstanding the prohibitions and limitations contained in Article 5.3 of these Rules and Regulations, the Corporation may allow a proposed discharge to the system if the Corporation determines that the quantity and quality of the discharge, both alone and in conjunction with similar discharges which might be affected by this determination, will have no material effect on the Corporation's operations, including the quality of its effluent or sludges. Approval of the Corporation must be received in writing before the discharge may commence, and the discharge must adhere to any

terms and conditions of the Corporation's approval.

Approval of such a discharge is entirely at the discretion of the Corporation, and shall not constitute approval of any additional or similar discharges. Disapproval of a proposed discharge by the Corporation shall not be subject to the appeal and hearing procedure set forth in these Rules and Regulations.

5.4 Accidental Or Unusual Discharges.

An accidental or unusual discharge is a discharge which may disrupt Wastewater System treatment processes or operations, damage Wastewater System facilities, cause an AZPDES or Aquifer Protection Permit violation at the Corporation's treatment plant or degrade sludge quality excessively, or which differs significantly in quantity or quality from discharges under normal operations.

5.4.1 Accidental Discharge Protection:

Each User shall provide protection from accidental or unusual discharges of prohibited materials or other substances regulated by these Rules and Regulations. Infrastructure necessary to prevent accidental discharge of prohibited materials shall be provided and maintained at the Customer or User's own cost and expense.

5.4.2 Notification Requirements:

(a) Telephone Notification. In the case of any accidental or unusual discharge, it is the responsibility of the User to immediately telephone and notify the Corporation and the Service Provider providing sewage services of the incident. The notification shall include the location of discharge, type of waste, concentration and volume, and corrective actions.

(b) Written Notice. Within five (5) days following an accidental or unusual discharge, the User shall submit to the Corporation a detailed written report describing the cause of the discharge and the measures to be taken by the User to prevent similar future occurrences. Such notification shall not relieve the User of any expense, loss, damage, or other liability which may be incurred as a result of damage to the Corporations wastewater system, fish kills, or any other damage to person or property; nor shall such notification relieve the User of any fines, civil penalties, or other liability which may be imposed by these Rules and Regulations or other applicable law.

Notice To Employees. A notice shall be permanently posted on the User's bulletin board or other prominent place advising employees whom to call in the event of an accidental discharge. Employers shall ensure that all employees who may cause or suffer such an accidental discharge to occur are advised of the emergency notification procedure.

5.4.3 Slug Discharge Plan Requirements:

At least every two (2) years, or as required by 40 CFR §403.8(f)(2)(v), the Corporation shall evaluate whether each Significant Industrial User needs a plan to control slug discharges. If a slug discharge plan is needed, it shall be submitted to the Corporation for review and approval as directed by the Corporation, and shall contain, at a minimum, the following elements:

(a) A description of discharge practices, including non-routine batch discharges.

(b) A description of stored chemicals.

(c) Procedures for immediately notifying the Corporation and the Service Provider providing sewage services of slug discharges, including any discharge that would violate any prohibition or limitation under Articles 5.17 or 5.18 of these Rules and Regulations, with procedures for follow-up written notification within five (5) days.

(d) If necessary, procedures to prevent adverse impact from accidental spills, including inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading operations, control of plant-site runoff, worker training, building of containment structures or equipment, measures for containing toxic organic pollutants (including solvents), and/or measures and equipment for emergency response.

5.5 Hazardous Waste Discharge Notification.

Industrial Users shall notify the Corporation, the EPA Regional Waste Management Division Director, and the state hazardous waste authorities in writing of any discharge into the Corporations Wastewater System of any substance which, if otherwise disposed of, would be considered a hazardous waste under 40 CFR Part 261. This notification requirement does not apply to pollutants already being reported under the reporting requirements contained in these Rules and Regulations. The specific information required to be reported and the time frames in which it is to be reported are found at 40 CFR §403.12(p).

5.6 Wastewater Contribution Permits.

5.6.1 Applicability:

All Significant Industrial Users and other users as required by the Corporation, contributing to or proposing to connect to or to contribute to the Corporation's Wastewater System, shall obtain a Wastewater Contribution Permit. Such permit shall either be issued by the Corporation, or co-issued by the Service Provider providing sewage services and the Corporation or in a form acceptable to the Corporation.

Requirements pertaining to permits co-issued with municipalities or issued solely by the Corporation are contained in the Corporation's Rules and Regulations. Permits co-issued with Service Providers may also contain requirements

contained in the various municipal codes, ordinances, resolutions, and rules and regulations.

5.6.2 Permit Application:

Users required to obtain a Wastewater Contribution Permit shall complete and file with the Corporation an application accompanied by a fee as determined pursuant to Article 5.12 of these Rules and Regulations.

Applications Are Due: For new dischargers, at least 90 days prior to beginning discharge to the Corporation's Wastewater System.

For existing dischargers who become subject to a newly promulgated Categorical Standard, at least 90 days prior to the effective date of such standard.

For existing dischargers who, because of process changes or additions, will become subject to an existing Categorical Standard, at least 90 days prior to beginning discharge from the categorical process.

For existing dischargers subject to Categorical Standards as of the effective date of this regulation, who have not previously obtained a Wastewater Contribution Permit, within 30 days of the effective date of this regulation.

For all other dischargers, in a time frame as specified in notice from the Corporation.

In support of the application, the User shall submit, in units and terms appropriate for evaluation, the following information:

(a) Name, mailing address, and facility location.

(b) SIC number(s) according to the Standard Industrial Classification (SIC) Manual, Office of Management and Budget, 1987, as amended or the 1997 North American Industrial Classification System (NAICS), as amended.

(c) Time and duration of wastewater discharges.

(d) Average daily and thirty (30) minute peak wastewater flow rates, including daily, monthly, and seasonal variations, if any.

(e) Site plan, floor plans, mechanical and plumbing plans, and details to show all sewers, sewer connections, and appurtenances by the size, location, and elevation.

(f) Description of activities, facilities, and plant processes on the premises including all materials which are or could be discharged.

(g) Wastewater constituents and characteristics including, but not limited to, those limited by Article 5 of these Rules and Regulations, as determined

by a reliable analytical laboratory. Sampling and analysis shall be performed in accordance with
procedures established by the EPA pursuant to Article 304(g) of the act and contained in 40 CFR, Part 136, as amended.

(h) A statement regarding whether or not the discharge standards and pollutant limitations contained in Article 5 of these Rules and Regulations, including any applicable State or national pretreatment standards, are being met on a consistent basis and if not, whether additional O&M and/or additional pretreatment is required for the User to meet the applicable standards.

(i) If additional pretreatment and/or O&M will be required to meet the discharge standards and pollutant limitations, the shortest schedule by which the User will provide such additional treatment. For state or national pretreatment standards, the completion date in this schedule shall not be later than the compliance date established for the applicable pretreatment standard.

The schedule shall contain increments of progress in the form of dates for the commencement and completion of major events leading to the construction and operation of additional pretreatment required for the User to meet the applicable discharge standards and pollutant limitations (e.g., Hiring an engineer, completing preliminary plans, completing final plans, executing contract for major components, commencing construction, completing construction, etc.). In no case shall an increment of progress exceed nine (9) months.

(j) Each product produced by type, amount, process or processes, and rate of production.

(k) The type and amount of raw materials processed (average and maximum per day).

(l) The number and type of employees, and hours of operation of the plant, and proposed or actual hours of operation of the Pretreatment System.

(m) Any other information as may be deemed by the Corporation to be necessary to evaluate the permit application.

5.6.3 Permit Issuance:

The Corporation shall issue a Wastewater Contribution Permit to the applicant if the Corporation finds that all of the following conditions are met:

(a) The proposed discharge of the applicant is in compliance with the prohibitions and limitations of Articles 5.17 and 5.18 of these Rules and Regulations;

(b) The proposed discharge of the applicant would permit the normal and efficient operation of the wastewater treatment system; and

(c) The proposed discharge of the applicant would not result

in a violation by the Corporation of the terms and conditions of its Aquifer Protection or AZPDES Permits.

If the Corporation finds that the condition set out in Paragraph 1 of this Subsection is not met, the Corporation may issue a Wastewater Contribution Permit to the applicant if the conditions set out in Paragraphs 2 and 3 of this Subsection are met and if the applicant submits, and the Corporation approves, a schedule setting out the measures to be taken by the applicant and the dates that such measures will be implemented to ensure compliance with the provisions of these Rules and Regulations.

5.6.4 Permit Denial;

Appeal and Hearing. In the event an application for a Wastewater Contribution Permit is denied, the Corporation shall notify the applicant in writing of such denial. Such notification shall state the grounds for denial with that degree of specificity which will inform the applicant of the measures or actions which must be taken by the applicant prior to issuance of a permit.

An applicant denied a Wastewater Contribution Permit may request that the Corporation Manager review the denial and issue a permit. If the Corporation Manager reaffirms the denial, the applicant may appeal this decision pursuant to the terms and conditions of the Corporation's appeal and hearing procedure as set forth in these Rules and Regulations.

5.6.5 Permit Conditions:

Wastewater Contribution Permits shall be expressly subject to all provisions of these Rules and Regulations. Permits will contain, at a minimum, the following:

(a) A statement of duration (in no case more than five (5) years).

(b) A statement of non-transferability without, at a minimum, prior notification to the Corporation and provision of a copy of the existing permit to the new Customer or operator.

(c) Effluent limits based on applicable Pretreatment Standards, Categorical Pretreatment Standards, specific discharge limitations, as cited in these Rules and Regulations, site-specific discharge limitations, and other federal, state and local law and regulations.

(d) Self-monitoring, sampling, reporting, notification, and record keeping requirements, including an identification of the pollutants to be monitored, sampling locations, sampling frequencies, and sample types. These requirements shall be based on applicable general pretreatment standards and requirements at 40 CFR §403; categorical pretreatment standards; specific discharge limitations; State and local law and regulations; and Corporation determinations as to the type, quantity, quality, and frequency of information needed to adequately determine

compliance with conditions of the permit.

(e) A statement of applicable civil and criminal penalties for violation of pretreatment standards and requirements, and any applicable compliance schedules. Such schedules may not extend compliance dates beyond federal deadlines.

(f) Permits may also contain the following:

1. A Schedule Of User Charges and Fees pursuant to Article 5.12 of these Rules and Regulations.

2. Limits on average and maximum rate and time of discharge or requirements for flow regulation and equalization.

3. Requirements for installation and maintenance of inspection and sampling facilities.

4. Requirements for notification to the Corporation of any new introduction of wastewater constituents or any substantial change in operations or in the volume or character of the wastewater constituents being introduced into the Corporation's Wastewater System.

5. Requirements for notification of slug discharges.

6. Other conditions as deemed appropriate by the Corporation to ensure compliance with these Rules and Regulations.

5.6.6 Permit Modifications:

(a) The terms and conditions of a Wastewater Contribution Permit may be modified by the Corporation during the term of the permit as limitations or requirements as identified in these Rules and Regulations are modified or other just cause exists. The User shall be informed of any proposed changes in his permit at least thirty (30) days prior to the effective date of change. Any changes or new conditions in the permit shall include a reasonable time schedule for compliance.

(b) Within nine (9) months of the promulgation of a national categorical pretreatment standard, the Wastewater Contribution Permit of Users subject to such standard shall be revised to require compliance with such standard within the time frame prescribed by such standard.

5.6.7 Permit Duration;

Reapplication: Permits shall be issued for a specified time period, not to exceed five (5) years. The User shall apply for permit reissuance a minimum of ninety (90) days prior to the expiration of the User's existing Permit.

5.7 Reporting Requirements For Significant Industrial Users.

5.7.1 Initial Compliance Report For Users Subject To National Categorical Pretreatment Standards:

Within ninety (90) days following the date for final compliance with applicable Pretreatment Standards or, in the case of a new source, following commencement of the introduction of wastewater into the Corporation's Wastewater System, or as specified in the wastewater discharge permit, any User subject to Pretreatment Standards and requirements shall submit to the Corporation a report indicating the nature and concentration of all pollutants in the discharge from the regulated processes which are limited by the Pretreatment Standards and requirements and the average and maximum daily flow for those process units in the User's facility which are limited by such Pretreatment Standards or requirements.

Where applicable Pretreatment Standards contain limitations on the mass of pollutants discharged per unit of production, the report shall also contain the pollutant mass and production information necessary to determine compliance with such Pretreatment Standards.

The report shall state whether the applicable Pretreatment Standards and Requirements are being met on a consistent basis and, if not, what additional O&M and/or pretreatment is necessary to bring the User into compliance with the applicable Pretreatment Standards or Requirements. This statement shall be signed by an authorized representative of the Industrial User, and certified to by a qualified professional.

5.7.2 Periodic Compliance Reports:

(a) Any User subject to a National Categorical Pretreatment Standard, after the compliance date of such Pretreatment Standard, or, in the case of a new source, after commencement of the discharge into the Corporation's Wastewater System, shall submit to the Corporation during the months of July and January, unless required more frequently in the pretreatment standard or by the Corporation, a report covering the preceding six (6) months and indicating the nature and concentration of pollutants in the effluent which are limited by such pretreatment standards. In addition, this report shall include a record of average and maximum daily flows for the reporting period for all regulated processes.

(b) Where applicable Pretreatment Standards contain limitations on the mass of pollutants discharged per unit of production, the report shall also contain the pollutant mass and production information necessary to determine compliance with such pretreatment standards. At the discretion of the Corporation and in consideration of such factors as local high or low flow rates, holidays, and budget cycles, the Corporation may agree to alter the months during which the above reports are to be submitted.

(c) Significant Industrial Users not subject to National Categorical Pretreatment Standards shall submit to the Corporation at least once every

six (6) months (on dates specified by the Corporation), unless required more frequently by the Corporation, a description of the nature, pollutant concentrations, flows, and, where requested, pollutant masses, of the discharges required to be reported by the Corporation.

(d) All reports submitted pursuant to this section shall be based on analyses performed in accordance with procedures established by the EPA Administrator pursuant to Article 304(g) of the act and contained in 40 CFR, Part 136 and amendments thereto or with any other test procedures approved by the EPA Administrator. Sampling shall be performed in accordance with the techniques approved by the administrator.

5.8 Monitoring Corporation Facilities.

The Corporation may require to be provided and operated at the User's own expense, monitoring facilities to allow inspection, sampling, and flow measurement of any discharges as necessary to determine compliance with the provisions of these Rules and Regulations.

There shall be ample room in or near such sampling manhole or facility to allow accurate sampling and preparation of samples for analysis. The facility, sampling, and measuring equipment shall be maintained at all times in a safe and proper operating condition at the expense of the User.

The sampling and monitoring facilities shall be provided in accordance with the Corporation's requirements and all applicable local construction standards and specifications. Construction shall be completed within such a time frame as the Corporation shall specify by written notification.

5.9 Information Submittal, Inspection and Sampling.

The Corporation may require any User to submit information as necessary to determine compliance with the requirements of these Rules and Regulations.

The Corporation may inspect the facilities of any User to ascertain whether the requirements of these Rules and Regulations are being complied with. Persons or occupants of premises where wastewater is created or discharged shall allow the Corporation or its representatives ready access at all reasonable times to all parts of the premises for the purposes of inspection, sampling, records examination and copying, or in the performance of any of their duties.

The Corporation, Maricopa County, the Arizona Department of Environmental Quality, and EPA shall have the right to set up on the User's property such devices as are necessary to conduct sampling, inspection, compliance monitoring and/or metering operations. Where a User has security measures in force which would require proper identification and clearance before entry into the User's premises, the User shall make necessary arrangements with security guards so that upon presentation

of suitable identification, personnel from the Corporation, the Arizona Department of Environmental Quaity, and EPA will be permitted to enter, without delay, for the purposes of performing their specific responsibilities.

All records relating to compliance with pretreatment standards and requirements shall be made available to officials of the Corporation, the Arizona Department of Environmental Quality, and EPA upon request.

5.10 Wastewater Treatment.

Users shall provide wastewater treatment as required to comply with the requirements of these Rules and Regulations, and shall achieve compliance with all national categorical pretreatment standards within the time limitations as specified by the federal pretreatment regulations. Any facilities required to pretreat wastewater to a level acceptable to the Corporation shall be provided, operated, and maintained at the User's expense.

5.11 Confidential Information.

Information and data on a User obtained from reports, questionnaires, permit applications, permits, monitoring programs, and inspections shall be available to the public or other governmental agency without restriction unless the User specifically designates and is able to demonstrate to the satisfaction of the Corporation that the release of such information would divulge sales or marketing data, processes, or methods of production entitled to protection as "Confidential Business Information" of the User. Wastewater constituents and characteristics will not be recognized as confidential information. It shall be the User's obligation to stamp each page, which has been demonstrated to the Corporation's satisfaction to contain trade secrets, with the words "Confidential Business Information," "Confidential Information," or "Confidential." A failure by the User to designate and identify any document in this manner may result in the document losing its protection from disclosure as confidential business information.

Confidential business information shall not be made available for inspection by the public but shall be made available upon request to governmental entities or agencies for uses related to these Rules and Regulations, the Corporation's Aquifer Protection Permit and Arizona Discharge Pollutant Discharge Elimination System (AZPDES) Permit and/or the pretreatment program in accordance with 40 CFR Part 2 and Title 18. Article 9 of the AAC. Confidential business information shall not be transmitted to any governmental agency or entity for other uses by the Corporation except upon written request and after a ten (10) day notification and right to object is given to the User. Such notification shall not be required in certain circumstances provided for in 40 CFR Part 2. If after a request for public inspection, a person or entity challenges the determination of any record to protection as confidential business information, the User shall cooperate, to the fullest extent possible and at User's own expense, with the

Corporation in the defense of the determination. At the request of the Corporation the user shall, at the User's expense, provide a defense to such challenge.

5.12 Remedies For Noncompliance; Enforcement.

5.12.1 Notice Of Violation:

Whenever the Corporation determines that any User has violated or is violating any provision of these Rules and Regulations or a Wastewater Contribution Permit issued or approved hereunder, the Corporation may serve upon such User a written notice (NOV) stating the nature of the violation(s). Where directed to do so by the notice, a plan for the satisfactory correction of the violation(s) shall be submitted to the Corporation by the User, within a time frame as specified in the notice. Copies of the NOV will be distributed to the appropriate regulating agencies.

5.12.2 Administrative Orders:

Whenever the Corporation determines that any User has violated or is violating any provision of these Rules and Regulations, or any directives, orders, or permits issued or approved hereunder, the Corporation may serve upon such User a written order stating the nature of the violations(s), and requiring that the User correct the violation(s) within a specified period of time; perform such tasks as the Corporation determines are necessary for the User to correct the violations; or perform such tasks and submit such information as is necessary for the Corporation to evaluate the extent of noncompliance or to determine appropriate enforcement actions to be taken. Copies of the Administrative Order will be distributed to the appropriate regulating agencies.

5.12.3 Compliance Orders / Compliance Schedules:

Whenever the Corporation determines that any User has violated or is violating any provision of these Rules and Regulations, or any directives, orders or permits issued or approved hereunder, the Corporation may serve upon the User a written order requiring that the User submit, within a time frame as specified in the notification, a plan (compliance schedule) for the satisfactory correction of such violation(s). Copies of the Compliance Order will be distributed to the appropriate regulating agencies.

The compliance schedule must represent the shortest schedule by which the User will provide additional treatment or perform such other tasks as will enable the User to consistently comply with applicable requirements. The schedule shall contain increments of progress in the form of dates for the commencement and completion of major events leading to
compliance (e.g., Hiring an engineer, completing preliminary plans for pretreatment systems, completing final plans, executing contracts for major components, commencing construction, completing construction). In no case shall an increment of progress exceed nine (9) months.

Upon approval by the Corporation (and appropriate regulating agencies when necessary), the compliance schedule will be issued to the User as an administrative order which contains the approved schedule milestones and any applicable reporting requirements. Issuance of a compliance schedule by the Corporation does not release the User of liability for any violations.

Not later than fourteen (14) days following each date in the schedule and the final date for compliance, the User shall submit a progress report to the Corporation including, at a minimum, information on whether or not the User complied with the increment of progress to be met on such date and, if not, the date on which it expects to comply with this increment of progress, the reason(s) for delay, and the steps being taken by the User to return to the schedule established.

5.12.4 Suspension Of Service:

The Corporation may suspend the wastewater treatment service and/or a Wastewater Contribution Permit when such suspension is necessary, in the opinion of the Corporation, in order to stop an actual or threatened discharge which presents or may present an imminent or substantial endangerment to the health or welfare of persons, to the environment, causes pass through or interference or causes the Corporation to violate any condition of its Aquifer Protection Permit or AZPDES permit.

Any User notified of a suspension of the wastewater treatment service and/or the Wastewater Contribution Permit shall immediately stop or eliminate the discharge. In the event of a failure of the User to comply voluntarily with the suspension order, the Corporation shall take such steps as deemed necessary, including immediate severance of the sewer connection, to prevent or minimize damage to the Corporation's Wastewater System System or endangerment to any individuals or the environment. The Corporation shall reinstate the Wastewater Contribution Permit and/or the wastewater treatment service upon proof of the elimination of the non-complying discharge. A detailed written statement submitted by the User describing the causes of the harmful contribution and the measures taken to prevent any future occurrence shall be submitted to the Corporation within fifteen (15) days of the date of occurrence. Copies of the User's harmful contribution statement will be distributed to the appropriate regulating agencies when necessary.

5.12.5 Permit Revocation:

Any User who has violated or is violating any provision of these Rules and Regulations, or any orders or permits issued or approved hereunder, is subject to having his permit revoked. Grounds for permit revocation include, but are not limited to:

(a) Failure of a User to factually report the wastewater constituents and characteristics of his discharge.

(b) Failure of the User to report significant changes in

operations, or wastewater constituents and characteristics.

(c) Refusal of reasonable access to the User's premises for the purpose of inspection or monitoring.

(d) Violation of conditions of the permit.

5.12.6 Penalties:

Any User who is found to have violated any provision of these Rules and Regulations, or any orders or permits issued or approved hereunder, shall be subject to a Pretreatment Noncompliance penalty as listed in the Corporations Schedule of Fees, Rates and Charges. (See Exhibit A). The penalty shall reflect the costs associated with administering, monitoring, sampling, and inspecting waste streams from violating Users. The Corporation reserves the right to recover funds from a violating User for any fines or penalties paid by the Corporation for violations of the AZPDES permit, Aquifer Protection permit, or any other Federal, State, or local permit due to the Interference or Upset.

Each day on which a violation occurs or continues shall be deemed a separate and distinct violation.

In addition to the penalties provided herein, the Corporation may recover reasonable attorney's fees, court costs, court reporter's fees, and other expenses of litigation by appropriate suit at law against the User found to have violated these Rules and Regulations, or the order or permits issued hereunder. Such penalties shall be in addition to any actual damages the Corporation may incur because of such violations.

5.12.7 Legal Action:

If any person discharges sewage, industrial wastes or other wastes into the Corporation's wastewater disposal system contrary to the provisions of these Rules and Regulations, or any orders or permits issued hereunder, the Corporation's attorney may commence an action for appropriate legal and/or equitable relief in the District Court of Maricopa County.

5.12.8 Appeal Procedure:

Any User who is aggrieved by any enforcement action taken by the Corporation pursuant to this Article 5.12 may within thirty (30) days of the receipt of notice of the determination, order, or finding being appealed request in writing that the Corporation review the enforcement action. The request (Letter of Appeal) shall state all points of disagreement and objection to the determination, order, or finding. If the Corporation reaffirms the action, the User may appeal this decision to the ACC.

(a) Hearing Request, Deadlines, Procedure and Related Matters **[Reserved].**

5.13 Charges and Fees.

Charges and fees to be assessed against Users will be determined by the Corporation and, where instituted, will be set at a level to allow the Corporation to recover its costs for administering elements of the Pretreatment/Industrial Waste Control Program. Program elements for which charges and fees may be assessed include, but are not limited to, permit applications; monitoring, inspection, and surveillance activities; and general program administration.

PART B
RULES AND REGULATIONS FOR SERVICE PROVIDER USE OF CORPORATION WASTEWATER SYSTEM

5.14 Applicability.

Any Service Provider, the sewage from which directly or indirectly enters the Wastewater System of the Corporation from areas within or without the boundaries or Service Area of the Corporation, shall be subject to the requirements of this Part and shall be bound by these Rules and Regulations as they now exist or may hereafter be amended.

All Service Providers are required to design and administer Pretreatment Industrial Waste Control Programs which are in accordance with this Article 5, and which will enable the Corporation to comply with all pretreatment and effluent limitation conditions of its National Pollutant Discharge Elimination System (AZPDES) Permit, Aquifer Protection Permit, Federal Pretreatment Regulations, and applicable sludge disposal regulations.

5.15 Compliance With Requirements.

Each Service Provider will cause all sewage at any time discharged directly or indirectly into its sewer system, or into the Corporation Wastewater System by it or on its behalf, to comply with any requirements of the Corporation. In all cases where the application or the enforcement of said requirements involve technical or scientific analyses or determinations, the Corporation shall have final authority as to methods, standards, criteria, significance, evaluation, and interpretation of such analyses and determinations. Each Service Provider will permit no new connections and will discontinue existing public connections and will require the discontinuance of existing private connections to its sewer system which allow entrance therein of such sewage as will cause the discharge at any time into its sewer system, or into the Corporation Wastewater System from such sewer system of sewage that does not comply with said requirements of the Corporation.

The Corporation may from time to time make a determination of the respects in which sewage discharged or to be discharged into the sewer system of a Service Provider, or into the Corporation Wastewater System by any Service Provider, is not in compliance with said requirements and with the amendments thereof, if any, then in effect. A copy of said determination shall be mailed to the Service Provider at its usual place of business and for all purposes of these Rules and Regulations shall be conclusively deemed to have been made in accordance with this section and to be correct at the expiration of thirty (30) days after such mailing unless within said period of thirty (30) days the Service Provider shall have filed with the Corporation an objection thereto stating that such determination is incorrect and stating the changes therein which should be made in order to correct such determination.

5.15.1 Penalties:

Any Service Provider who is found to have violated any provision of these Rules and Regulations, or any orders or permits issued or approved hereunder, shall be subject to a penalty as listed in the Corporations Schedule of Fees, Rates and Charges. (See Exhibit A). The penalty shall reflect the costs associated with administering, monitoring, sampling, and inspecting waste streams from violating Service Provider. The Corporation reserves the right to recover funds from a violating Service Provider for any fines or penalties paid by the Corporation for violations of the AZPDES permit, Aquifer Protection permit, or any other Federal, State, or local permit due to the Interference or Upset.

Each day on which a violation occurs or continues shall be deemed a separate and distinct violation.

In addition to the penalties provided herein, the Corporation may recover reasonable attorney's fees, court costs, court reporter's fees, and other expenses of litigation by appropriate suit at law against the User found to have violated these Rules and Regulations, or the order or permits issued hereunder. Such penalties shall be in addition to any actual damages the Corporation may incur because of such violations.

5.16 Legal Authority Requirements.

5.16.1 Ordinance/Resolution:

Except as provided in Subsection 5.4.3, each Service Provider will enact and enforce an ordinance or resolution which conforms to 40 CFR §403.8(f)(1) Pretreatment Program Requirements, as from time to time amended, for legal authority and containing all other legal provisions mandated by these Rules and Regulations. Any proposed amendments to such ordinance or resolution, or any proposed actions which would serve to amend such ordinance or resolution with respect to any pretreatment program requirements, must be submitted to the Corporation for review, and must be approved in writing by the Corporation, prior to such enactment.

Each Service Provider shall adopt and enforce in its ordinance or resolution provisions which are in conformance to the following provisions:

(a) A provision requiring any Industrial User responsible for a significant accidental or unusual discharge to notify immediately both the Service Provider and the Corporation.

(b) A provision precluding, except where authorized by Categorical Standards, the use of dilution to attain conformance to Pretreatment/Industrial Waste Control Standards, and authorizing the Service Provider to set mass limitations for any Industrial User using improper dilution.

(c) A provision forbidding and where possible penalizing the knowing transmittal of false information by an Industrial User to the Service Provider or Corporation.

(d) A provision requiring the installation of all necessary monitoring and pretreatment facilities by Industrial Users. This provision shall also authorize the Service Provider to impose compliance schedules on Industrial Users for the installation of such facilities.

(e) A provision applying civil or criminal penalties or, where permitted by 40 CFR §403.8(f)(1), assessing liquidated damages against Industrial Users which violate Pretreatment/Industrial Waste Control Standards and Requirements. Where possible, such penalties and liquidated damages shall be set at a level determined by the Corporation to provide a reasonable degree of deterrence to violations.

(f) A provision adopting discharge limitations for Users at least as stringent as the corresponding limitations in Article 5, Part B of these Rules and Regulations.

(g) A provision requiring that Industrial Users agree to act and allow the Corporation to act as provided under the provisions of this Article 5.

(h) A provision requiring that any User discharging any toxic Pollutants which cause an increase in the cost of managing the effluent or the sludge of the Corporation's Wastewater System shall pay for such increased costs.

5.16.2 Attorney's Statement:

Except as provided in Subsection 5.4.3, each Service Provider must submit to the Corporation an Attorney's Statement which conforms to the requirements of 40 CFR §403.9(b)(1), and which certifies that the Service Provider has adequate authority to carry out its responsibilities under the Corporation's Pretreatment/Industrial Waste Control Program including the provisions of these Rules and Regulations.

5.16.3 Legal Authority Exemption:

Any Service Provider that does not serve any commercial or Industrial Users may submit a letter to the Corporation in lieu of enacting the ordinance or resolution, and submitting the Attorney's Statement, as required by these Rules and Regulations. The letter must state that the Service Provider has no commercial or

Industrial Users, and must identify any nonresidential Users served. Furthermore, any Service Provider submitting such a letter shall (1) notify the Corporation at least fourteen (14) days in advance of the date that any commercial or Industrial User is granted a sewer connection and (2) fully comply with the Corporation's Pretreatment/Industrial Waste Control Program, including the requirements of these Rules and Regulations, and the Federal Pretreatment Regulations prior to allowing that User to connect to the Service Provider's sewer system. The Corporation, at its own discretion, may require any Service Provider to fully comply with these Rules and Regulations, regardless of whether or not the aforementioned letter has been submitted and/or previously accepted by the Corporation.

5.17 Program Procedure Requirements.

5.17.1 General:

Each Service Provider must formulate, fund, and implement procedures which will enable Corporation compliance with the "Procedures" and "Funding" requirements contained in 40 CFR §403.8(f)(2) and (3) of the Federal Pretreatment Regulations, and which will enable Service Provider compliance with the requirements of these Rules and Regulations.

5.17.2 Procedures Manual:

The Corporation shall issue to all Service Providers a manual on Procedures for Implementing the Pretreatment/Industrial Waste Control Program of the Corporation (Procedures Manual). The Procedures Manual shall set forth Corporation requirements on formulating, funding, and implementing Pretreatment/Industrial Waste Control Program procedures, and shall provide guidance to Service Providers on implementing the procedural requirements.

Where necessary to maintain continued compliance with applicable federal and state regulations, or these Rules and Regulations, or to facilitate the operation of the Pretreatment/Industrial Waste Control Program, the Corporation may from time to time amend the Procedures Manual, and shall provide notice of such amendments to all Service Providers.

The following subsections highlight the procedural requirements that will be more fully presented in the Procedures Manual to be adopted by the Corporation.

5.17.3 Industrial Waste Survey:

Each Service Provider shall formulate and implement procedures for conducting ongoing, comprehensive industrial waste surveys to locate and identify all Significant Industrial Users discharging to the Service Provider's sewer system.

5.17.4 Notification to Industrial Users:

Each Service Provider is responsible for notifying its Industrial Users of their obligations under the Pretreatment/Industrial Waste Control Program.

5.17.5 Permitting of Significant Industrial Users:

Each Service Provider shall control, through permits, industrial waste discharges from each Significant Industrial User within its service area.

The Corporation shall make the final determination as to whether a particular Industrial User is a Significant Industrial User. To this end, the Corporation may require that a Service Provider collect and forward to the Corporation all information necessary to make this determination.

In the event that a Service Provider fails to issue a suitable permit to a Significant Industrial User upon notification to do so by the Corporation, the Corporation shall deny service to the Significant Industrial User, and may impose conditions upon the Service Provider to take such steps as are necessary to provide such service.

5.17.6 Monitoring of Industrial Users:

Each Service Provider must sample, monitor, and inspect its Significant Industrial Users, and where appropriate, require industrial self-monitoring, at a frequency adequate to determine if such Users are in compliance with applicable Pretreatment/Industrial Waste Control Program Standards and Requirements.

5.17.7 Slug Discharge Determinations:

Each Service Provider must evaluate, at least every two (2) years, whether each Significant Industrial User needs a plan to control slug discharges. If needed, the Slug Control Plan must contain the minimum elements listed at 40 CFR §403.8(f)(2)(v).

5.17.8 Compliance Activities:

Each Service Provider is required to implement procedures for identifying violators of Pretreatment/Industrial Waste Control Program Standards and Requirements, and to diligently enforce such Standards and Requirements and provide suitable remedies for non-compliance.

5.17.9 Industrial User Reporting/Confidentiality:

Each Service Provider is required to receive and analyze self-monitoring reports and any other notices submitted by Industrial Users pursuant to the requirements of the Pretreatment/ Industrial Waste Control Program. Where an Industrial User claims confidentiality for any information

transmitted, the Service Provider must implement procedures to ensure that confidential information is treated in accordance with the procedures in 40 CFR Part 2 and/or 5 CCR 1002-63.

5.17.10 Public Participation:

(a) Each Service Provider must comply with the public participation requirements of 40 CFR Part 25 in the enforcement of National Pretreatment Standards.

(b) Each Service Provider must make all information collected under the Pretreatment/Industrial Waste Control Program, except those documents legitimately classified as "confidential," available for public review and copying to the extent required by 40 CFR §403.14 and the ARS. Title 39 (Public Records, Printing, and Notices).

(c) The Corporation will publish an annual notice in the newspaper with the largest daily circulation within the Corporation, a list of Users that were found to be in significant noncompliance during the previous year with Pretreatment Standards or other Pretreatment Requirements. For the purposes of this provision, "significant noncompliance" is as defined at 40 CFR §403.8(f)(2)(vii).

5.17.11 Information Transmittal:

Each Service Provider shall transmit to the Corporation, in a timely manner, all documents as necessary to enable the Corporation to effectively administer the Pretreatment/Industrial Waste Control Program. Such documents shall include:

(a) A certified copy of the Industrial Waste Discharge Ordinance or Resolution, and any amendments thereto, together with any Rules and Regulations issued pursuant to such ordinance or resolution.

(b) Copies of all Industrial Waste permits and contracts issued or entered into pursuant to the requirements of the Pretreatment/Industrial Waste Control Program.

(c) Copies of all industrial survey, monitoring, and inspection reports.

(d) Any information needed to enable the Corporation to determine whether a particular Industrial User is subject to a particular Categorical Standard.

(e) Notices of all compliance and enforcement activities, and all related correspondence.

(f) An annual staffing, costs, and funding report, if requested by the Corporation Manager.

5.17.12 Staffing, Costs, and Funding:

Each Service Provider must provide sufficient resources and qualified personnel to carry out its responsibilities under the Pretreatment/Industrial Waste

Control Program. Upon request of the Corporation, a Service Provider must submit to the Corporation a report describing personnel responsibilities, an itemization of program capital and operating costs, and a demonstration that adequate funds are available to support program activities.

5.18 Extra-Jurisdictional Industrial Users.

Each Service Provider shall have the responsibility for those Industrial Users located outside its corporate limits, who discharge industrial wastewater into the Service Provider's sewer system. Each extra-jurisdictional Industrial User shall be subject to an ordinance, resolution, or equivalent source of legal authority which contains 40 CFR §403.8(f)(1) minimum legal authorities and all other legal provisions mandated by these Rules and Regulations. Each extra-jurisdictional Industrial User shall also be included in a Pretreatment Program which substantially conforms to 40 CFR §403.8(f)(2) and (3) "Procedures" and "Funding" requirements. To this end, the Service Provider shall make contractual arrangements with the extra-jurisdictional legal entity exercising powers over the Industrial User providing either for the inclusion of the Industrial User in the Corporation's Pretreatment/Industrial Waste Control Program, or for formal review of a Pretreatment Program administered by the extra-jurisdictional legal entity. Where necessary to obtain compliance with Federal Pretreatment Regulations, the Service Provider shall enter into a separate contract with each extra-jurisdictional Industrial User discharging into its sewer system.

The Service Provider shall also secure by contract, as it applies to extra-jurisdictional Industrial Users, for each of the following Corporation rights: (i) the right to inspect, sample, and monitor Industrial Users, (ii) the right to terminate service to an Industrial User on an emergency basis, (iii) the right to determine the applicability of Categorical Standards and to determine Significant Industrial Users, (iv) the right to receive copies of all monitoring reports, (v) the right to enforce all Article 5 discharge limitations and (vi) the right to act in lieu of the Service Provider in executing Pretreatment/Industrial Waste Control Program responsibilities.

Where the Service Provider and extra-jurisdictional legal entity fail to execute their Program responsibilities in obtaining compliance by extra-jurisdictional Industrial Users with all applicable Pretreatment/ Industrial Waste Control Standards and Requirements, the Corporation shall have full recourse to the remedy provisions of these Rules and Regulations as they apply to the Service Provider receiving the industrial waste discharge in question.

5.19 Exemptions.

A Service Provider administering a Pretreatment Program, separate from that of the Corporation, which has been approved by the Regional Administrator of EPA or the Arizona Department of Environmental Quality in accordance with §403.11 of the Federal Pretreatment Regulations, may be exempted from compliance with certain provisions of this Article 5, as determined by the Corporation.

5.20 Program Review.

The Corporation shall review Municipal ordinances or other Service Provider resolutions, measures, guidelines, or regulations, and amendments thereof, for conformance to 40 CFR §403.8(f)(1) Pretreatment Requirements for minimum legal authorities and for the inclusion of all other legal provisions mandated by these Rules and Regulations. The Corporation shall periodically review the enforcement efforts of Service Providers to ascertain whether Pretreatment/Industrial Waste Control Requirements and Standards are being diligently enforced at the local level.

Insofar as a Service Provider administers the Pretreatment/Industrial Waste Control Program, the Corporation shall periodically review the Service Provider's procedures, including, but not limited to, procedures for updating the industrial waste survey, and for inspecting, sampling, and monitoring industrial waste discharges, to ensure that each such Service Provider is administering the Program in technical conformance to "Procedures" and "Funding" requirements under 40 CFR §403.8(f)(2) and (3) of the Federal Pretreatment Regulations and to the provisions of these Rules and Regulations. Any significant Program changes shall be subject to Corporation approval.

5.21 Remedies.

5.21.1 Emergency Remedies:

Where a discharge to the Wastewater System reasonably appears to present an imminent endangerment to the health or welfare of persons, or presents or may present an endangerment to the environment, or threatens to interfere with the operation of the Corporation, the Corporation shall immediately initiate investigative procedures to identify the source of the discharge, and take any steps necessary to halt or prevent the discharge. If necessary, the Corporation shall seek injunctive relief against the violating Service Provider and any User contributing significantly to the emergency condition.

5.21.2 Routine Remedies:

If the Corporation determines that a Pretreatment/Industrial Waste Control Program as administered by a Service Provider is not in compliance with Pretreatment/Industrial Waste Control Requirements, or that the discharge from a Service Provider is not in compliance with Corporation Standards, the Corporation shall issue a notice setting forth the Requirements and Standards not being complied with and directing the Service Provider to attain conformance to these Requirements and Standards within a period of ten (10) days.

If after ten (10) days, the Service Provider has failed or refuses to comply with this notice, the Corporation may issue an additional notice setting forth remedial actions to be taken by the violating Service Provider and a time schedule for

attaining compliance with all Pretreatment/ Industrial Waste Control Requirements and Standards. If after thirty (30) days notice, the violating Service Provider has not taken necessary steps to correct the violation, the Corporation may assume in whole or in part Pretreatment/Industrial Waste Control Program responsibilities in lieu of the violating Service Provider. The Corporation may continue in this capacity until the violating Service Provider agrees to the original terms of the notice and any additional terms which the Corporation feels are necessary to ensure ongoing compliance by the Service Provider with all Pretreatment/ Industrial Waste Control Requirements and Standards. The Service Provider shall be liable for all costs associated with the Corporation's assumption of responsibilities on behalf of the Service Provider and the Corporation may recover such costs in any manner permitted by law.

5.22 Program Preemption.

Where the Corporation preempts a Service Provider in the execution of Pretreatment/Industrial Waste Control Program responsibilities, the Corporation shall directly enforce Federal Pretreatment Standards, including Categorical Standards, and the provisions of Article 5 of these Rules and Regulations against the Industrial Users located within the service area of the Service Provider. The Corporation may request that all industrial self-monitoring reports, including those required under 40 CFR §403.12, be conveyed directly to the Corporation. Moreover, the Corporation shall carry out all inspection and sampling activities necessary to monitor compliance with Pretreatment/Industrial Waste Control Standards and Requirements. Where Program preemption occurs, the Corporation shall have the right to seek injunctive relief against the Service Provider and any Industrial User in order to obtain full compliance with Pretreatment/Industrial Waste Control Standards and Requirements. The Corporation shall bill and the Service Provider shall be liable for costs incurred by the Corporation in conjunction with the administration of the Program in lieu of the Service Provider, and the Corporation may recover such costs, including attorneys fees and costs, in any manner permitted by law.

The Corporation shall have the right to require the cessation of any industrial wastewater discharge in violation of Pretreatment/Industrial Waste Control Standards and Requirements. Where the Corporation finds an Industrial User to be in violation of any Pretreatment/Industrial Waste Control Standard or Requirement, the Corporation may require the Industrial User to enter into a bilateral contract with the Corporation containing any conditions, including conditions relating to the installment of pretreatment or monitoring facilities, necessary to ensure compliance with Pretreatment/Industrial Waste Control Standards and Requirements. At the discretion of the Corporation, these conditions may be incorporated into the municipal industrial waste discharge permit or Agreement once Program responsibilities are returned to the Service Provider.

5.23 Program Delegation.

Any Service Provider may enter into an Agreement with the Corporation

providing the Corporation with the legal authority to carry out technical and administrative procedures necessary to implement the Pretreatment/ Industrial Waste Control Program at the local level. These procedures may include, among others, updating the industrial waste survey, providing technical services relating to the issuance and review of industrial waste discharge permits, inspecting and monitoring industrial waste discharges, waste discharge facilities and operations of permittees, and providing technical assistance for local enforcement actions. Where Program delegation occurs, the delegation agreement shall contain provisions for the Corporation to recover the costs, including attorneys fees and costs, incurred by the Corporation in conjunction with the administration of the Program on behalf of the Service Provider.

5.23 Corporation Monitoring.

For the purpose of determining the quantity, quality, and other characteristics of any sewage which shall be or may be delivered and discharged into the Wastewater System by a Service Provider, or into the system of a Service Provider by any User, the Corporation shall have the right at all reasonable times to enter upon and to inspect the Service Provider's system or any industrial or commercial installations connected thereto or any other connections which contribute sewage or Wastewater to the Service Provider's system and to inspect and copy records, to take samples and to make tests, measurements, and analyses of sewage or other wastes in, entering, or to be discharged into such Service Provider's system.

5.24 Specific Discharge Limitations for Service Providers.

No Service Provider shall discharge to the Wastewater System at any time or over any period of time wastewater containing any of the following materials and substances in excess of the limitations provided herein:

	Contaminant	Limit mg/L
1.	Cyanides (as HCN)	2
2.	Oil and Grease (Hexane or approved solvent extractable)	75
3.	Phenolic compounds (as Phenol)	10
4.	Sulfides (as H2S)	10

APPENDIX I

NORTH TONOPAH

WASTEWATER EXECUTIVE SUMMARY

TONOPAH, ARIZONA

Prepared In Cooperation with:

Maricopa County Environmental Services Department

Balterra Sewer Corp.

and

JF Properties, Inc.
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Suite 250
Scottsdale, Arizona 85253
(480) 422-6900

Prepared by:

Morrison-Maierle, Inc.
80 E. Rio Salado Parkway, Suite 201
Tempe, AZ 85281
(480) 517-5800

November 2006

Project No. 8543.002

1.0 INTRODUCTION

Purpose

The purpose of the North Tonopah Wastewater Master Plan is to achieve sustainable use of the region's water resources by protecting and enhancing its quality, while maintaining economic development and growth. Water quality management involves the community working with government to identify and establish local environmental values and water quality objectives to ensure that regional areas have "road maps" toward achievement of planned growth. The Master Plan presents a conceptual wastewater plan to provide economically viable sanitary sewer service to the North Tonopah area (see Vicinity Map).

Planning Area Background

The North Tonopah Planning Area was delineated after an initial evaluation of the entire Tonopah area. It was quickly determined that the area was too large to be served by a single 7 to 15 MGD plant, which Maricopa County deems an ideal size. Interstate 10 was used as the most reasonable delineation line in determining a northern and southern study area in that there is a comparable amount of land mass and suggested dwelling units on both sides to support a regional wastewater treatment facility within the 10 MGD range.

Approach

The focus of this wastewater master plan is to plan the regional wastewater facilities for treatment and collection for the North Tonopah area. This master plan will also identify MAG 208 WQMP planning areas for future growth and development occurring within the master planning area.

2.0 CURRENT PLANNING AREA CONDITIONS

Boundary Description

The North Tonopah planning area is bound on the south by Interstate 10, on the west by North 456th Avenue, on the north by the Central Arizona Project (CAP) canal, and the east by Belmont Ranch, approximately North 363rd Avenue. There is approximately 38,000 acres (60 sq. miles) of land within the planning area.

The planning area was developed in concert with Maricopa County Environmental Services Department staff, private land owners, and developers within the North Tonopah area.

MAG 208 WQMP Areas

There is only one known MAG 208 WQMP for wastewater planning area established within the proposed planning area boundary. The Saddle Mountain Unified School District No. 90 (SMUSD) is located approximately at 380th Avenue and Indian School Road. SMUSD has an existing 15,000-gpd MAG 208 Small Plant to serve the Ruth Fisher Elementary School and a 208 Amendment approved by MAG Regional Council on January 26, 2005 to expand the SMUSD facility to 45,000-gpd to serve the adjacent Tonopah Valley High School.

The nearest existing wastewater facility, besides the small mechanical treatment plant at the school site, is located near Thomas Road and Sun Valley Parkway within the Town of Buckeye, approximately 10 miles east of the planning area. "Letters of No Objection" will not be required because there are no MAG Municipal Planning Areas within 3 miles of the proposed wastewater treatment facility.

3.0 FUTURE PLANNING AREA CONDITIONS

Dwelling Unit Densities

The planning area was broken down based on the likelihood of development, with average densities of four (4) Dwelling Units per Acre (DU/Acre) nearest to I-10, then dropping to two and one half (2.5) DU/Acre along the CAP Canal.

The projected average densities for the full build out future to be:

Development	Avg. Dwelling Units/Acre
Balterra	4.0
Copper Leaf	3.9
Coyote Ridge	<1.0
Desert Whisper	3.0
Silver Water Ranch	4.0
Tonopah 1400	3.8

MAG 208 Planning Areas

The North Tonopah area was divided into three MAG 208 Planning Areas. These planning areas are identified in Figure 3. The areas are roughly equal in size, with dividing lines based on natural geographic features, sizing limitations of the regional wastewater treatment facilities, and the potential growth and phasing of development within each of the regional basins. The southeast area encompasses approximately 14,000 acres, the west area approximately 10,000 acres, and the northeast area approximately 14,000 acres.

MAG 208 Planning Area Wastewater Flow Projection Assumptions

The following wastewater flow criteria were utilized in the sizing of the regional wastewater treatment facilities and the trunk sewer collection system. These criteria were established in cooperation with Maricopa County Environmental Services Department. A wastewater generation rate of 100 gallons per capita per day was the figure developed which includes both residential and commercial wastewater generation. The following represent how this per capita flow rate was used in sizing the future wastewater treatment facilities and the future trunk sewer system.

- Regional Wastewater Reclamation Facilities - 320 gallons per residential dwelling unit.
- Trunk Sewer Collection System – 3.2 people per residential dwelling unit at 100 gallons per capita per day, with a peaking factor in accordance ACC Title 18 Chapter 9.

The average day flow projections for the planning areas are:

Contributing Area	Area (acres)	Estimated Total DU's	Gallons/DU	Average Daily Flow (ADF) Gallons/Day
Southeast MAG 208	13,960	47,053	320	15,056,960
West MAG 208	10,149	30,027	320	9,608,640
Northeast MAG 208	13,838	34,595	320	11,070,400

Flow Projections for the Sewer Collection Systems

Sizes of lines were based on maintaining a 2.0 feet/second flow velocity, and not exceeding 80% depth of flow capacity. Slopes of the proposed trunk mains were from 0.2% to 0.3% to be conservative at this level of planning given the topographic data available. Figure 6 is the recommended layout of the future trunk mains.

4.0 WASTEWATER TREATMENT AND DISPOSAL

The regional wastewater treatment facilities in the North Tonopah area need consist of treatment processes that ultimately have build-out capacities as identified in the master plan. The facilities have been sited to provide the capability for regional treatment.

It is anticipated that an influent pump station will be required at the headworks of each treatment facility due to the depths of the trunk sewers when they reach the treatment facility. The influent pump station will need be equipped with variable frequency drive pumps to accommodate the range of flows as development occurs.

The influent pump station must also house flow metering equipment to measure incoming flow into the treatment facility as well as measure recycle flow from the downstream treatment processes.

Screening facilities for the regional treatment facilities will generally consist of screening systems that are able to remove items that are not able to be adequately treated in the downstream processes.

Based on these factors, the following secondary treatment alternatives are considered the most viable options for the regional facilities in the North Tonopah area:

- Conventional Activated Sludge
- Sequencing Batch Reactors
- Activated Sludge utilizing Membrane Bioreactors

Each of these secondary treatment alternatives are considered viable because each will produce high quality Class A+ effluent, which can be directly reused or recharged. All three secondary treatment alternatives also provide biological nutrient removal through nitrification and denitrification.

Secondary clarification and tertiary filtration will be dependent upon the final selection of secondary treatment.

Disinfection can be accomplished by ultra violet radiation or chlorination.

Wastewater Disposal Options

Effluent disposal options for the North Tonopah planning area require an effluent that meets strict environmental restriction. Regional treatment facilities producing Class A+ effluent will meet these requirements, as well as provide flexibility in effluent disposal. Effluent disposal should be centered around the following:

- Surface water discharge
- Effluent reuse
- Groundwater recharge

Each of these disposal options have their own specific permitting and testing requirements, and must reflect the development and governmental goals identified for the overall Master Plan area.

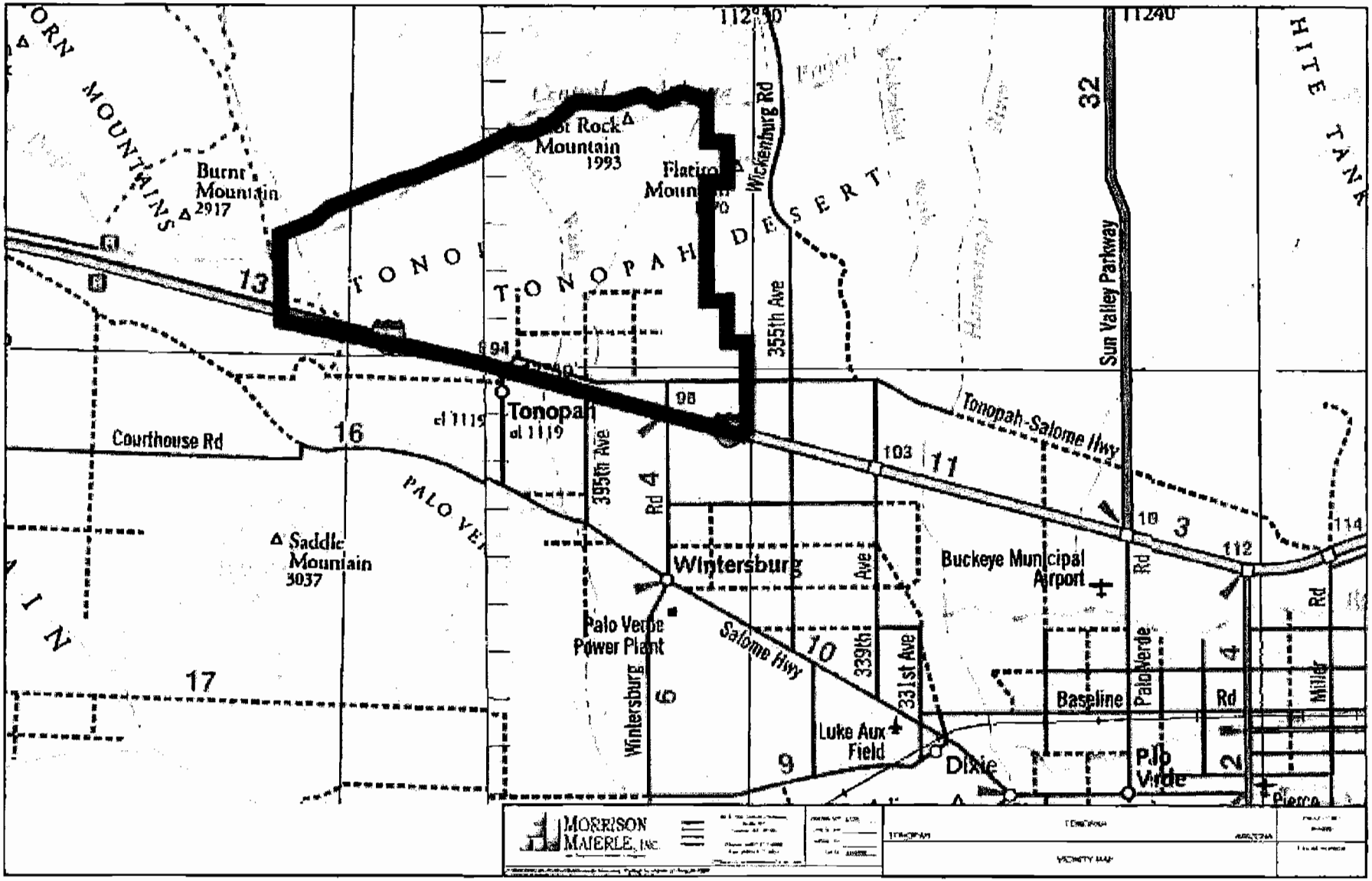
Solids Processing and Disposal

The solids generated within the biological secondary treatment will require dewatering and thickening for disposal. All three biological secondary treatment alternatives produce a sludge that is suitable for disposal in local landfills.

Phasing Wastewater Treatment Facility Improvements

Phasing of the wastewater treatment facilities is dependent upon the growth of wastewater flows being generated within each regional planning area. When the future sizes of developments and their projected growth rate are better defined, the hydraulic capacity of each treatment facility can be more accurately projected.

In general, design of additional phasing should be initiated when 60 to 70 percent of the current hydrologic or biologic design capacity has been reached. Construction should then be initiated when the hydraulic and or biologic capacity has reached the 75 to 80 percent committed capacity.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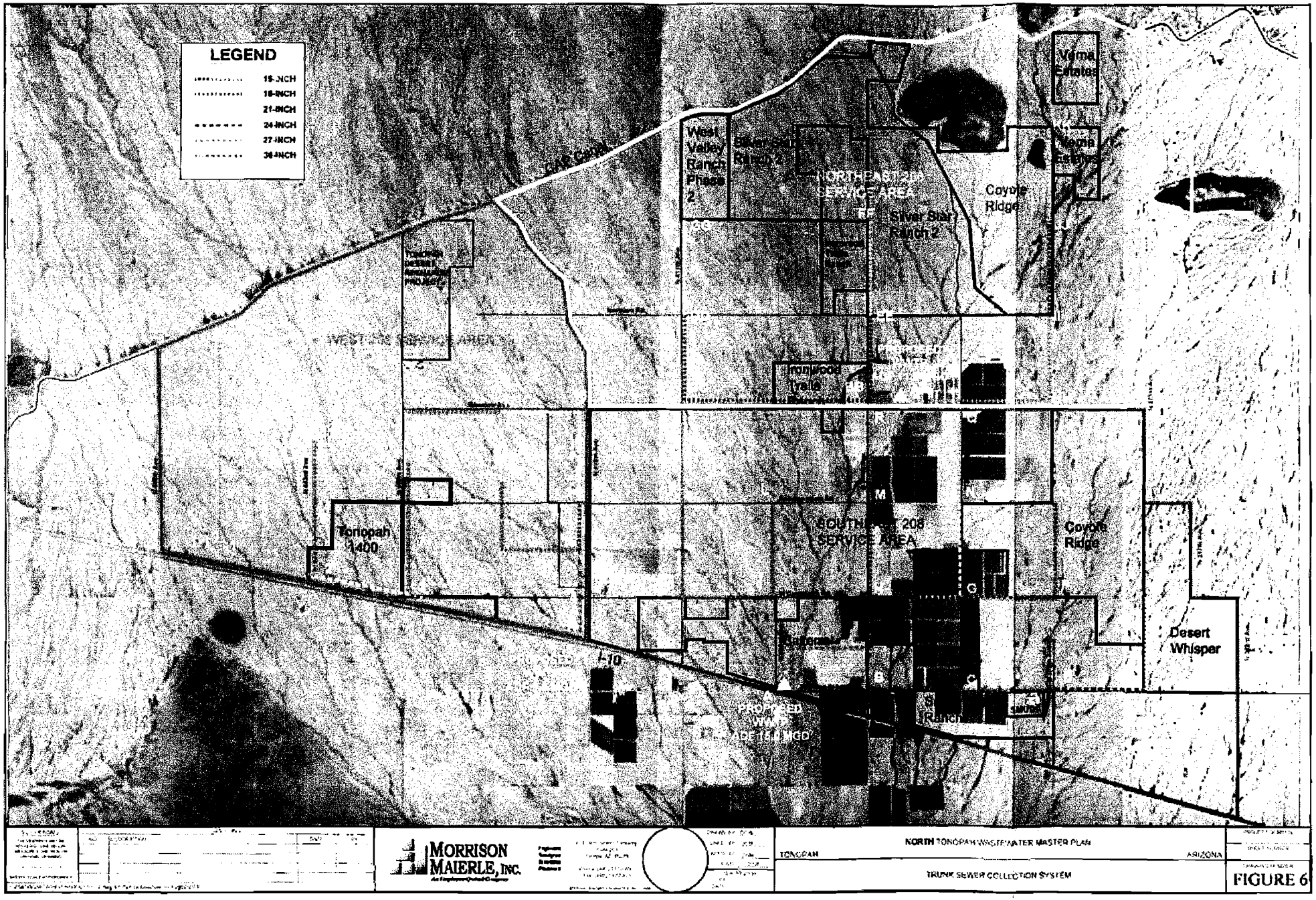
Rock Mountain 1993
Wickenburg Rd
355th Ave
Sun Valley Parkway
Tonopah
Courthouse Rd
395th Ave
Tonopah-Salome Hwy
Saddle Mountain 3037
Wintersburg
Buckeye Municipal Airport
Palo Verde Power Plant
Salome Hwy
339th Ave
331st Ave
Wintersburg Rd
Luke Aux Field
Dixie
Baseline
Palo Verde
Miller Rd
Pierre
MORRISON MAIERLE, INC.



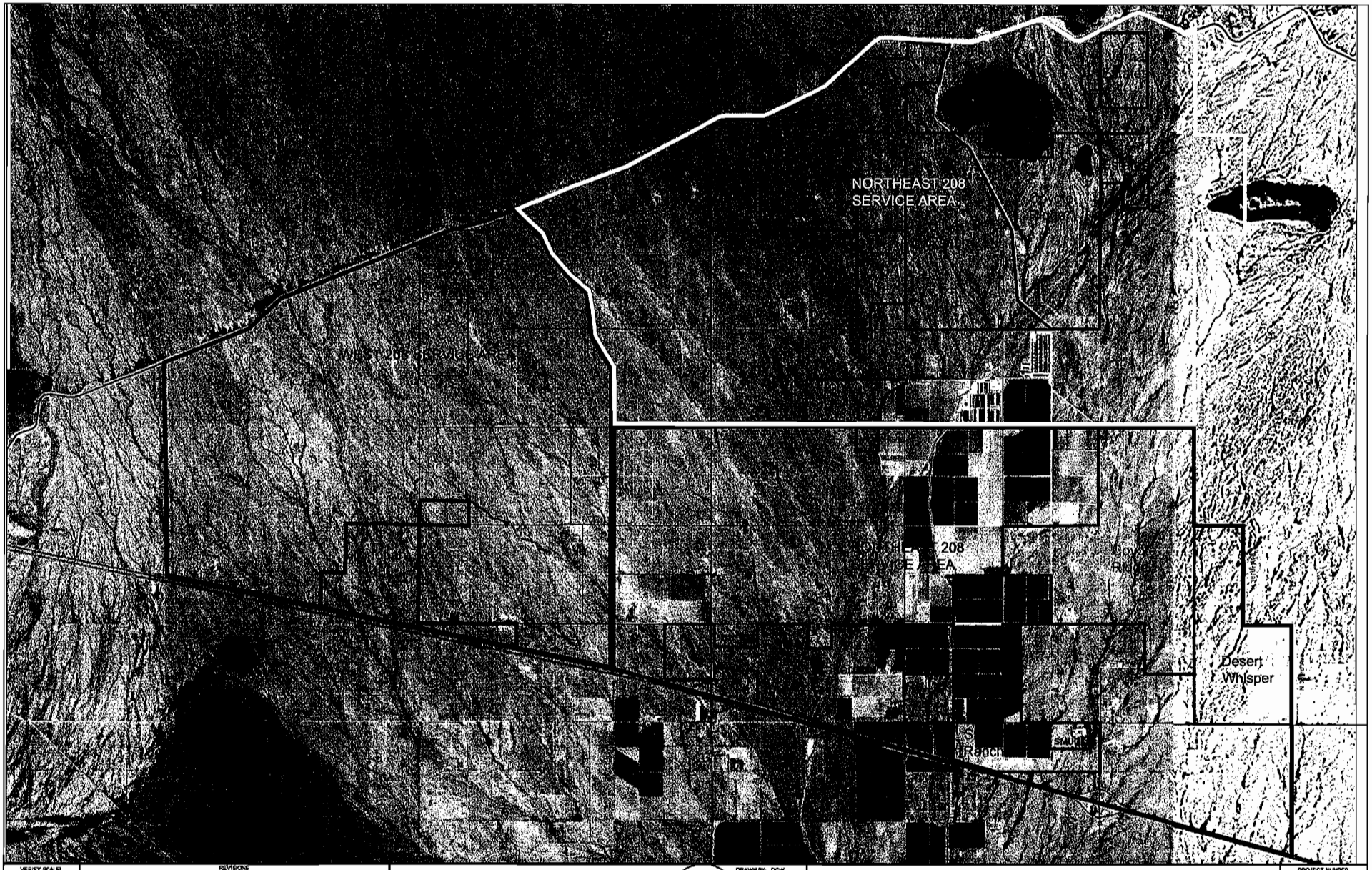
MORRISON MAIERLE, INC.

NORTH TONOPAH WASTEWATER MASTER PLAN

TONOPAH ARIZONA

TRUNK SEWER COLLECTION SYSTEM

FIGURE 6



VERIFY SCALE	REVISIONS			
THESE PRINTS MAY BE PHOTO'D. LINE BELOW MEASURES ONE INCH ON ORIGINAL DRAWING.	NO.	DESCRIPTION	DATE	BY
MODIFY SCALE ACCORDINGLY!				

MORRISON MAIERLE, INC.
An Employee-Owned Company

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Surveyors
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DRAWN BY: DCW
CHK'D BY: JCM
APPR BY: DMM
DATE: 07/2008
Q.A. REVIEW
BY:

NORTH TONOPAH WASTEWATER MASTER PLAN

TONOPAH — ARIZONA

MAG 208 SERVICE AREAS

PROJECT NUMBER

SHEET NUMBER

DRAWING NUMBER
FIGURE 3

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission
DOCKETED
JUN 0 5 2006
DOCKETED BY RB
JAY SHAPIRO
JUN 0 8 2006
ACTION

COMMISSIONERS

JEFF HATCH-MILLER, Chairman
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES

IN THE MATTER OF THE APPLICATION OF BALTERRA SEWER CORP. FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WASTEWATER SERVICE IN MARICOPA COUNTY, ARIZONA.	DOCKET NO. SW-20403A-05-0586 DECISION NO. 68742 **OPINION AND ORDER**

DATE OF HEARING:	April 10, 2006
PLACE OF HEARING:	Phoenix, Arizona
ADMINISTRATIVE LAW JUDGE:	Amy Bjelland
APPEARANCES:	Jay L. Shapiro, FENNEMORE CRAIG, on behalf of Applicant; and Mr. Keith Layton, Staff Attorney, Legal Division, on behalf of the Utilities Division of the Arizona Corporation Commission.

BY THE COMMISSION:

On August 12, 2005, Balterra Sewer Corporation ("Balterra" or "Applicant") filed with the Arizona Corporation Commission ("Commission") an Application for a Certificate of Convenience and Necessity ("Certificate").

On September 9, 2005, the Commission's Utilities Division Staff ("Staff") filed an Insufficiency Letter.

On November 15, 2005, Balterra filed documents in response to Staff's Insufficiency Letter as well as its Notice of Filing Amended Legal Description and its Notice of Filing Direct Testimony of James L. Condit.

On January 3, 2006, Balterra filed documents in response to a December 7, 2005 meeting with Staff.

On January 23, 2006, Staff filed a Sufficiency Letter.

On April 10, 2006, a hearing was convened before a duly authorized Administrative Law

Judge of the Commission at its offices in Phoenix, Arizona. At the conclusion of the hearing, the matter was taken under advisement pending submission of a revised legal description of the area for which the Certificate was sought.

On April 14, 2006, Balterra filed its Notice of Filing Amended Legal Description.

* * * * * * * * * *

Having considered the entire record herein and being fully advised in the premises, the Commission finds, concludes, and orders that:

FINDINGS OF FACT

1. Applicant is a corporation formed for the purpose of providing wastewater utility service to an approximately two-square mile area including the Balterra mixed-use residential/commercial development ("Development") and the Ruth Fisher Elementary and Tonopah Valley High School, both within the Saddle Mountain Unified School District ("District"). The requested area is in the vicinity of 411th Avenue and Camelback Road. At full build-out, Balterra proposes that the Development will require water and wastewater services for a maximum of 6,100 equivalent residential units. Water service is expected to be provided to the requested area by the Water Utility of Greater Tonopah, with which Balterra witness Mr. Bradley A. Simons, Director of Utilities for JF Properties and Wastewater Management Coordinator for Balterra, stated Balterra is working closely.

2. Both Fronterra Village, the owner of the Development, and the District have requested wastewater service of Balterra.

3. At hearing, Mr. Simons testified that the District's schools are located to the east of the Development by about two and one-half miles. Currently Ruth Fisher Elementary is served by a wastewater package plant, and the District is constructing a new larger wastewater facility to replace the existing one and provide service to Tonopah Valley High School. Balterra and the District have conducted a preliminary analysis and have concluded that a public-private partnership in a regional wastewater system for the Southeast 208 Planning Area ("Planning Area")[1] will best serve the public

[1] The Planning Area is bordered by I-10 to the south, Glendale Avenue to the north, 419th Avenue to the west and along the east by a jagged line running along, from north to south, 371st Avenue, 367th Avenue, and 363rd Avenue.

interest. This application is the first step toward a regional wastewater treatment facility as contemplated by Balterra and the District for the larger Planning Area.

4. The proposed facility is a membrane bioreactor treatment plant designed to treat 2.2 million gallons per day ("MGD") of wastewater flow. It will be constructed and installed in three phases to accommodate growth in the area. Treated effluent will be disposed of in a surface water impoundment system consisting of a two-cell evaporation/transportation pond structure.

5. Phase I includes installation of a 0.275 MGD treatment plant, which will be extended to 1.1 MGD in Phase II. Balterra expects Phase II to occur within six years of initial operation of the plant. Balterra expects to serve 2,770 residential customers and one school customer within five years. Balterra has estimated a cost of $18.8 million for the wastewater treatment system through Phase II of the development, equating to a unit cost of approximately $17 per gallon of treated effluent. Staff concluded that the proposed plant will have adequate capacity to serve customers within the requested area and it is reasonable to expect that additional capacity can be developed when needed.

6. Sewer companies are required by the Arizona Department of Environmental Quality ("ADEQ") to obtain an Aquifer Protection Permit ("APP") and/or Arizona Pollutant Discharge Elimination System ("AZPDES") permit before the plant can be placed in service. Mr. Simons testified that a draft was submitted to ADEQ for review and approval and that Balterra has received comments and submitted responses, but is still awaiting a determination of sufficiency from ADEQ. Staff recommended that Balterra file with Docket Control, as a compliance item in this docket, a copy of the notice issued by ADEQ that Applicant's APP and/or AZPDES has been approved no later than October 31, 2007.

7. The Maricopa County Environmental Services Department ("MCESD") requires the proposed treatment plant and sewage collection system to obtain Certificates of Approval to Construct ("ATC") and Approval of Construction ("AOC"). Staff recommended that Balterra file with Docket Control, as a compliance item in this docket, a copy of the ATC that MCESD will issue for the proposed Phase I treatment plant no later than June 30, 2007. Staff further recommended that Balterra file with Docket Control, as a compliance item in this docket, a copy of the AOC that

MCESD will issue for the proposed Phase I sewer collection system no later than October 31, 2007. In Balterra's Response to Staff Report, Balterra objected to Staff's recommended deadline of October 31, 2007. Mr. Simons testified that given the timeframes as Balterra is aware of them, Balterra will need until June 30, 2008 to file the AOC that MCESD will issue for the proposed Phase I sewer collection system. At hearing, Dorothy Hains, Utility Engineer for the Commission, testified that Staff wished to revise its recommendation to provide for a deadline of March 31, 2008. Mr. Simons testified that this revised recommendation of March 31, 2008 to file the AOC is satisfactory to Balterra.

8. Pursuant to Section 208 of the Federal Water Pollution Control Act, each state is required to develop and implement area-wide water quality management plans for pollution control purposes. The Maricopa Association of Governments ("MAG") has been designated as the area-wide water quality management planning agency for Maricopa County and must approve an amendment to the MAG Section 208 plan for the sewer system. Mr. Simons testified that the 208 plan amendment has been drafted and submitted to MAG for review and approval. Balterra has submitted its request to MAG for the amendment. Staff recommended that Balterra file with Docket Control, as a compliance item in this docket, a copy of the MAG approved 208 plan no later than January 31, 2007. In Balterra's Response to Staff Report, Balterra objected to this recommended deadline. Mr. Simons testified that given the timeframes as Balterra is aware of them, Balterra will need until April 30, 2007 to file a copy of the MAG approved 208 plan. However, at hearing, Ms. Hains testified that Staff wished to revise its recommendation to provide for a deadline of April 30, 2007. Mr. Simons testified that Staff's revised recommended deadline was satisfactory to Balterra.

9. Regarding the issue of the legal description of the proposed service area, Mr. Simons testified that there was some discussion with Staff prior to the hearing that, due to an incorrect legal description contained in Balterra's previous filings, the District site was not reflected as part of the requested area in Staff's Report. Mr. Simons testified that the entire District site of 60 acres was contemplated in the initial CC&N request of 1,170 acres, as the Balterra property itself is 1,110 acres, leaving 60 acres for the school site. Balterra filed a late filed exhibit with an accurate legal description including the District.

value rate base in year five to be $9,116,397, and that the decision in this matter should allow Balterra to collect from its customers a proportionate share of any privilege, sales or use tax for the sales of any effluent only. Staff also recommended that the Commission grant Balterra's Application for a Certificate to provide wastewater services, subject to the following conditions (including Staff's revisions as noted above):

(1) Balterra must charge Staff's recommended rates and charges as shown in Exhibit B, attached;

(2) Balterra must file in Docket Control a schedule of its approved rates and charges within 30 days after this Decision is issued;

(3) Balterra must maintain its books and records in accordance with the National Association of Regulatory Utility Commissioners ("NARUC");

(4) Balterra must use the wastewater depreciation rates by individual NARUC category as delineated in Exhibit C, attached;

(5) Balterra must file with Docket Control, as a compliance item in this docket, a copy of the notice issued by ADEQ that Balterra's APP and/or AZPDES has been approved no later than October 31, 2007;

(6) Balterra must file with Docket Control, as a compliance item in this docket, a copy of the MAG approved 208 Plan no later than April 30, 2007;

(7) Balterra must file with Docket Control, as a compliance item in this docket, a copy of the ATC that MCESD will issue for the proposed Phase I treatment plant no later than June 30, 2007;

(8) Balterra must file with Docket Control, as a compliance item in this docket, a copy of the AOC that MCESD will issue for the proposed Phase I sewer collection system no later than March 31, 2008;

(9) Balterra must file documentation with Docket Control, as a compliance item in this docket, a notification of service to its first customer within 15 days of serving its first customer;

(10) Balterra must file a rate application no later than three months following the

fifth anniversary of the date it begins providing service to its first customer;

(11) Balterra's operators, agents, or employees, including employees and agents of contractors and/or subcontractors operating or constructing the Balterra wastewater facilities, must comply with all ADOSH requirements including any and all training required by ADOSH to operate wastewater facilities; and

(12) On an annual basis, on the anniversary date of the Decision in this matter, for three years, Balterra must file with Docket Control, as a compliance item in this docket, certification from ADOSH that it has availed itself of ADOSH consultation services and its operators, agents, or employees, including employees and agents of contractors and/or subcontractors operating or constructing the Balterra wastewater facilities have taken appropriate training.

20. Staff further recommended that the Commission's Decision granting Balterra's application for a Certificate be considered null and void, after due process, should Balterra fail to meet conditions (2), (5), (6), (7), (8), or (12) within the time specified.

CONCLUSIONS OF LAW

1. Applicant is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. §40-281 *et seq*.

2. The Commission has jurisdiction over Applicant and the subject matter of the application.

3. Notice of the application was provided in accordance with law.

4. There is a public need and necessity for wastewater utility service in the proposed service territory as set forth in Exhibit A attached hereto.

5. Applicant is a fit and proper entity to receive a wastewater CC&N to include the service area more fully described in Exhibit A attached hereto, subject to compliance with the conditions set forth above.

6. Staff's recommendation for approval of the application is reasonable and should be adopted.

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. . .

ORDER

IT IS THEREFORE ORDERED that the application of Balterra Sewer Corporation for a Certificate of Convenience and Necessity to provide wastewater service to the area in Maricopa County, Arizona, as described in Exhibit A attached hereto, is approved.

IT IS FURTHER ORDERED that the projected fair value rate base in year five is estimated to be $9,116,397.

IT IS FURTHER ORDERED that Balterra Sewer Corporation may collect from its customers a proportionate share of any privilege, sales or use tax for the sales of any effluent only.

IT IS FURTHER ORDERED that Balterra Sewer Corporation shall charge Staff's recommended rates and charges as shown in Exhibit B, attached.

IT IS FURTHER ORDERED that Balterra Sewer Corporation shall maintain its books and records in accordance with the National Association of Regulatory Utility Commissioners.

IT IS FURTHER ORDERED that Balterra Sewer Corporation shall use the wastewater depreciation rates by individual National Association of Regulatory Utility Commissioners category as delineated in Exhibit C, attached.

IT IS FURTHER ORDERED that Balterra Sewer Corporation shall file documentation with Docket Control, as a compliance item in this docket, a notification of service to its first customer within 15 days of serving its first customer.

IT IS FURTHER ORDERED that Balterra Sewer Corporation shall file a rate application no later than three months following the fifth anniversary of the date it begins providing service to its first customer.

IT IS FURTHER ORDERED that Balterra Sewer Corporation's operators, agents, employees or operators, including employees and agents of contractors and/or subcontractors operating or constructing the Balterra Sewer Corporation wastewater facilities, shall comply with all Arizona Division of Occupational Safety and Health requirements including any and all training required by Arizona Division of Occupational Safety and Health to operate wastewater facilities.

IT IS FURTHER ORDERED that this Decision shall be considered null and void, after due process, should Balterra fail to meet the following conditions within the time specified.

IT IS FURTHER ORDERED that Balterra Sewer Corporation, on an annual basis, on the anniversary date of the Decision in this matter, for three years, shall file with Docket Control, as a compliance item in this docket, certification from Arizona Division of Occupational Safety and Health that it has availed itself of Arizona Division of Occupational Safety and Health consultation services and its operators, agents, employees or operators, including employees and agents of contractors and/or subcontractors operating or constructing the Balterra Sewer Corporation wastewater facilities have taken appropriate training.

IT IS FURTHER ORDERED that Balterra Sewer Corporation shall file with Docket Control a schedule of its approved rates and charges within 30 days after this Decision is issued.

IT IS FURTHER ORDERED that Balterra Sewer Corporation shall file with Docket Control, as a compliance item in this docket, a copy of the notice issued by the Arizona Department of Environmental Quality that Balterra Sewer Corporation's Aquifer Protection Permit and/or Arizona Pollutant Discharge Elimination System has been approved no later than October 31, 2007.

IT IS FURTHER ORDERED that Balterra Sewer Corporation shall file with Docket Control, as a compliance item in this docket, a copy of the Maricopa Association of Governments approved Section 208 Plan no later than April 30, 2007.

IT IS FURTHER ORDERED that Balterra Sewer Corporation shall file with Docket Control, as a compliance item in this docket, a copy of the Approval to Construct that Maricopa County Environmental Services Department will issue for the proposed Phase I treatment plant no later than June 30, 2007.

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IT IS FURTHER ORDERED that Balterra Sewer Corporation shall file with Docket Control, as a compliance item in this docket, a copy of the Approval of Construction that Maricopa County Environmental Services Department will issue for the proposed Phase I sewer collection system no later than March 31, 2008.

IT IS FURTHER ORDERED that in recognition of ongoing drought conditions in Arizona, the Company shall provide the Commission within one year of the effective date of this order a detailed report describing the Company's progress toward working with the water company for the requested area, Water Utility of Greater Tonopah, to increase the use of effluent specifically as it pertains to golf courses, ornamental lakes or other aesthetic water features. This report shall be filed each January beginning in 2007 with the Commission's Docket Control until the Company's next general rate case.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

CHAIRMAN COMMISSIONER

COMMISSIONER COMMISSIONER COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 5th day of June, 2006.

BRIAN C. McNEIL
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

FENNEMORE CRAIG, P.C.

3003 North Central Avenue, Suite 2600
Phoenix, Arizona 85012-2913
(602) 916-5000

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AZ CORP COMMISSION
DOCUMENT CONTROL

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July 25, 2006

VIA HAND DELIVERY

Mr. Brian Bozzo
Manager, Compliance and Enforcement
Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Re: Balterra Sewer Corporation; Docket No. SW-20403A-05-0586
Notice of Compliance Filing

Dear Brian:

We understand that an applicant, when granted a CC&N, is typically required to file its County franchise agreement for the extension area. This requirement was not set forth in Decision No. 68742 (June 5, 2006). Nevertheless, in keeping with the standard, Balterra Sewer Corporation hereby submits its new County franchise, along with the June 21, 2006 meeting minutes of the Board of Supervisors.

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

Very Truly Yours,

FOR

Jay L. Shapiro

JLS/wb
Enclosure

cc: Docket Control (w/ encl.)
Mr. Joel Farkas (w/ encl., via U.S. mail)

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COUNTY OF MARICOPA

State of Arizona

Office of the Clerk

Board of Supervisors

State of Arizona ***)*** ***ss.***
County of Maricopa ***)***

I, Lori Pacini, Deputy Clerk of the Board of Supervisors, do hereby certify that the attached is a true and correct excerpt from the minutes of the meeting of the Board of Supervisors held on June 21, 2006. These minutes are currently pending approval by the Board:

BALTERRA SEWER CORP, PUBLIC SERVICE FRANCHISE, APPROVED

(Attached)

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the County of Maricopa. Done at Phoenix, the County Seat, on July 10, 2006.

Lori Pacini

Deputy Clerk of the Board of Supervisors

cc: *Balterra Sewer Corp.*
Civil Division
File (F23205)

PUBLIC HEARING – FRANCHISE – BALTERRA SEWER CORPORATION

Chairman Stapley called for a public hearing to solicit comments on the application filed by Balterra Sewer Corporation for a public utility franchise to construct, maintain and operate a sewage system consisting of lines, connections, manholes and all necessary equipment, for a period of 25 years or for a period of one year after the franchised area or a portion thereof is annexed by a municipality, whichever is shorter, for the transmission and delivery of domestic sewage system for use along, upon, under and across public highways, roads, alleys and thoroughfares (excepting State highways) within that portion of Maricopa County, Arizona, known and described as follows, to-wit:

The description for that portion of the property described below, lying within section 23, township 2 north, range 7 west, Gila and Salt River base and meridian, Maricopa County, Arizona, is based on an alta/acsm land title survey by Morrison Maierle, Incorporated, dated September 22, 2004.

That portion of section 19, township 2 north, range 6 west, and section 24, township 2 north, range 7 west, Gila and Salt River base and meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at an Arizona Department of Transportation brass cap at the southeast corner of said section 19;
thence north 89°28'08" west, along the south line of the southeast quarter of said section 19, a distance of 2,640.04 feet to a brass cap at the south quarter corner of said section 19;
thence north 89°28'43" west, along the south line of the southwest quarter of said section 19, a distance of 1,687.12 feet to a half inch rebar and yellow cap marked "dea 40622" at the southeast corner of that certain tract of land condemned for highway as recorded under docket no. 7553, page 749, records of Maricopa County, Arizona;
thence north 00°31'17" east, along the east line of that certain tract of land condemned for highway as recorded under docket no. 7553, page 749, records of Maricopa County, Arizona, a distance of 65.22 feet to an Arizona Department of Transportation brass cap;
thence north 85°42'56" west, along the north line of that certain tract of land condemned for highway as recorded under docket no. 7553, page 749, records of Maricopa County, Arizona, a distance of 629.08 feet to an Arizona Department of Transportation brass cap;
thence north 74°33'19" west, along the north line of that certain tract of land condemned for highway as recorded under docket no. 7553, page 749, records of Maricopa County, Arizona, a distance of 308.20 feet to a half inch rebar and yellow cap marked "dea 40622" at a point on the west line of said section 19, also being the northeast corner of that certain tract of land deeded for highway as recorded under docket no. 6412, page 55, records of Maricopa County, Arizona;
thence north 74°32'33" west, along the north line of that certain tract of land deeded for highway as recorded under docket no. 6412, page 55, records of Maricopa County, Arizona, a distance of 1,142.11 feet to an Arizona Department of Transportation brass cap;
thence north 74°32'55" west, along the north line of that certain tract of land deeded for highway as recorded under docket no. 6412, page 55, records of Maricopa County,

Arizona, a distance of 1,300.16 feet to an Arizona Department of Transportation brass cap;
thence north 74°32'56" west, along the north line of that certain tract of land deeded for highway as recorded under docket no. 6412, page 55, records of Maricopa County, Arizona, a distance of 294.08 feet to a one half inch rebar on the west line of the southeast quarter of said section 24;
thence north 00°32'56" east, along the west line of the southeast quarter of said section 24, a distance of 1751.55 feet to a one inch rebar at the center of said section 24;
thence north 89°27'44" west, along the south line of the northwest quarter of said section 24, a distance of 1321.24 feet to a five eighths inch rebar at the southwest corner of the southeast quarter of the northwest quarter of said section 24;
thence north 00°33'08" east, along the west line of the southeast quarter of the northwest quarter of said section 24, a distance of 132.00 feet to a half inch rebar on the north line of the south 132.00 feet of the southwest quarter of the northwest quarter of said section 24;
thence north 89°27'44" west, along the north line of the south 132.00 feet of the southwest quarter of the northwest quarter of said section 24, a distance of 660.61 feet to a half inch rebar marked "don miller, ls 15335" at the west line of the east half of the southwest quarter of the northwest quarter of said section 24;
thence north 00°33'16" east, along the west line of the east half of the southwest quarter of the northwest quarter of said section 24, a distance of 528.12 feet to a half inch rebar marked "don miller, ls 15335" at the southeast corner of the northwest quarter of the southwest quarter of the northwest quarter of said section 24;
thence north 89°27'40" west, along the south line of the northwest quarter of the southwest quarter of the northwest quarter of said section 24, adistance of 660.59 feet to a half inch rebar and yellow cap marked "dea 40622" at the southwest corner of the northwest quarter of the southwest quarter of the northwest quarter of said section 24;
thence north 00°33'24" east, along the west line of the northwest quarter of said section 24, a distance of 660.13 feet to a half inch rebar at the northwest corner of the southwest quarter of the northwest quarter of said section 24;
thence south 89°27'36" east, along the north line of the south half of the northwest quarter of said section 24, a distance of 2642.28 feet to a five eights inch rebar at the southeast corner of the northeast quarter of the northwest quarter of said section 24;
thence north 00°32'53" east, along the east line of the northeast quarter of the northwest quarter of said section 24, a distance of 1320.15 feet to a half inch rebar at the north quarter corner of said section 24;
thence south 89°31'19" east, along the north line of the northeast quarter of said section 24, a distance of 2645.96 feet to a glo brass cap at the northeast corner of said section 24;
thence south 00°33'36" west, along the east line of the northeast quarter of said section 24, a distance of 1320.00 feet to a half inch rebar at the south line of the north 1320.00 feet of the northwest quarter of said section 19;
thence south 89°29'19" east, along the south line of the north 1320.00 feet of the northwest quarter of said section 19, a distance of 1320.00 feet to a half inch rebar at the southeast corner of the west 1320.00 feet of the north 1320.00 feet of the northwest quarter of said section 19;
thence north 00°33'36" east, along the east line of the west 1320.00 feet of the northwest quarter of said section 19, a distance of 1320.00 feet to a half inch rebar on the north line

of the northwest quarter of said section 19, also being the northeast corner of the west 1320.00 feet of the north 1320.00 feet of the northwest quarter of said section 19;
thence south 89°29'19" east, along the north line of the of the northwest quarter of said section 19, a distance of 1286.27 feet to a glo brass cap at the north quarter corner of said section 19;
thence south 89°29'54" east, along the north line of the of the northeast quarter of said section 19, a distance of 2643.72 feet to a rebar with aluminum cap marked "ls 36563, 2004" at the northeast corner of said section 19;
thence south 00°32'10" west, along the east line of the of the northeast quarter of said section 19, a distance of 2643.21 feet to a rebar with aluminum cap marked "ls 36563, 2004" at the east quarter corner of said section 19;
thence south 00°32'12" west, along the east line of the of the southeast quarter of said section 19, a distance of 2643.45 feet to an Arizona Department of Transportation brass cap at the southeast corner of said section 19 and the point of beginning;
together with the northeast quarter of section 23, township 2 north, range 7 west, Gila and Salt River base and meridian, Maricopa County, Arizona,
being also described as follows:
beginning at a half-inch rebar at the northeast corner of section 23, township 2 north, range 7 west, Gila and Salt River base and meridian, Maricopa County, Arizona;
thence south 00°33'24" west, along the east line of the northeast quarter of said section 23, a distance of 2640.55 feet to a glo brass cap at the east quarter corner of said section 23;
thence north 89°26'32" west, along the south line of the northeast quarter of said section 23, a distance of 2636.57 feet to a half inch rebar with tag marked "l.s. 12218" at the center of said section 23;
thence north 00°35'09" east, along the west line of the northeast quarter of said section 23, a distance of 2641.17 feet to a glo brass cap at the north quarter corner of said section 23;
thence south 89°25'44" east, along the north line of the northeast quarter of said section 23, a distance of 2635.23 feet to a glo brass cap at the northeast corner of said section 23 and the point of beginning.

Except that portion of the southwest quarter of said section 19 described as follows:
commencing at a brass cap found at the south quarter corner of said section 19, from which an Arizona Department of Transportation brass cap at the southeast corner of said section 19 bears south 89°28'08" east, a distance of 2640.04 feet; thence north 89°28'43" west, along the south line of the southwest quarter of said section 19, a distance of 1482.82 feet; thence north 00°31'17" east, a distance of 40.00 feet to a half in rebar at a point on a line lying 40.00 feet north of and parallel to the south line of the southwest quarter of said section 19 and the true point of beginning;
thence continuing north 00°31'17" east, a distance of 200.00 feet to a half in rebar at a point on a line lying 240.00 feet north of and parallel to the south line of the southwest quarter of said section 19;
thence south 89°28'43" east, along said line lying 240.00 feet north of and parallel to the south line of the southwest quarter of said section 19, a distance of 200.00 feet to a half in rebar;

thence south 00°31'17" west, a distance of 200.00 feet to a half in rebar at a point on said line lying 40.00 feet north of and parallel to the south line of the southwest quarter of said section 19;
thence north 89°28'43" west, along said line lying 40.00 feet north of and parallel to the south line of the southwest quarter of said section 19, a distance of 200.00 feet to a half in rebar at the point of beginning; situate in the County of Maricopa, State of Arizona.

contains 1,110.083 acres more or less. (gross)
contains 1,082.750 acres more or less. (net)

and
the northwest quarter of the northeast quarter and the west half of the northeast quarter of the northeast quarter of section 28, township 2 north, range 5 west of the Gila and Salt River base and meridian, Maricopa County, Arizona;

except any portion lying within the dedicated right of way for Indian School Road per road declaration recorded in docket 3124, pages 573-575, records of Maricopa County, Arizona;

also except any portion lying within that property described in document recorded under recording no. 870106857 records of Maricopa County, Arizona.

contains 57.6 acres more or less.

No protests having been received and no speakers coming forth at the Chairman's call, motion was made by Supervisor Wilson, seconded by Supervisor Brock, and unanimously carried (4-0-1) to grant the said franchise as applied for and to impose such restrictions and limitations upon said applicant as to the use of such public highways, roads, alleys and thoroughfares as may be deemed best for the public safety and welfare and to include in such franchise the statutory provisions set forth in Title 40, Chapter 2, Article 4, A.R.S., 1956, requiring the grantee of said franchise to pay such expenses, damages and compensations, if any, as may result from the use and operation of said franchise and as in said statute specified. (F23205)

BEFORE THE BOARD OF SUPERVISORS

OF

MARICOPA COUNTY, STATE OF ARIZONA

IN THE MATTER OF THE APPLICATION OF	)	
	)	
	)	
	)	
Balterra Sewer Corp.	)	FRANCHISE
	)	
	)	
	)	
	)	

FOR A FRANCHISE

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

WHEREAS, Balterra Sewer Corp. hereinafter designated as the Grantee, doing business in Maricopa County, Arizona, bearing date of April 18, 2006, praying for the right, privilege, license and franchise to construct, maintain and operate a sewage system consisting of lines, connections, manholes and all necessary equipment for a period not to exceed twenty-five (25) years or for a period of one (1) year after the franchised area or a portion thereof is annexed by a municipality, whichever is shorter, for the supplying of this service, along, upon, under and across public highways, roads, alleys and thoroughfares (excepting State Highways), within that portion of Maricopa County, Arizona, known and described as follows, to-wit:

The description for that portion of the property described below, lying within section 23, township 2 north, range 7 west, Gila and Salt River base and meridian, Maricopa County, Arizona, is based on an alta/acsm land title survey by Morrison Maierle, Incorporated, dated September 22, 2004.

That portion of section 19, township 2 north, range 6 west, and section 24, township 2 north, range 7 west, Gila and Salt River base and meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at an Arizona Department of Transportation brass cap at the southeast corner of said section 19;
thence north 89°28'08" west, along the south line of the southeast quarter of said section 19, a distance of 2,640.04 feet to a brass cap at the south quarter corner of said section 19;
thence north 89°28'43" west, along the south line of the southwest quarter of said section 19, a distance of 1,687.12 feet to a half inch rebar and yellow cap marked "dea 40622" at the southeast corner of that certain tract of land condemned for highway as recorded under docket no. 7553, page 749, records of Maricopa County, Arizona;
thence north 00°31'17" east, along the east line of that certain tract of land condemned for highway as recorded under docket no. 7553, page 749, records of Maricopa County, Arizona, a distance of 65.22 feet to an Arizona Department of Transportation brass cap;
thence north 85°42'56" west, along the north line of that certain tract of land condemned for highway as recorded under docket no. 7553, page 749, records of Maricopa County, Arizona, a distance of 629.08 feet to an Arizona Department of Transportation brass cap;

thence north 74°33'19" west, along the north line of that certain tract of land condemned for highway as recorded under docket no. 7553, page 749, records of Maricopa County, Arizona, a distance of 308.20 feet to a half inch rebar and yellow cap marked "dea 40622" at a point on the west line of said section 19, also being the northeast corner of that certain tract of land deeded for highway as recorded under docket no. 6412, page 55, records of Maricopa County, Arizona;
thence north 74°32'33" west, along the north line of that certain tract of land deeded for highway as recorded under docket no. 6412, page 55, records of Maricopa County, Arizona, a distance of 1,142.11 feet to an Arizona Department of Transportation brass cap;
thence north 74°32'55" west, along the north line of that certain tract of land deeded for highway as recorded under docket no. 6412, page 55, records of Maricopa County, Arizona, a distance of 1,300.16 feet to an Arizona Department of Transportation brass cap;
thence north 74°32'56" west, along the north line of that certain tract of land deeded for highway as recorded under docket no. 6412, page 55, records of Maricopa County, Arizona, a distance of 294.08 feet to a one half inch rebar on the west line of the southeast quarter of said section 24;
thence north 00°32'56" east, along the west line of the southeast quarter of said section 24, a distance of 1751.55 feet to a one inch rebar at the center of said section 24;
thence north 89°27'44" west, along the south line of the northwest quarter of said section 24, a distance of 1321.24 feet to a five eighths inch rebar at the southwest corner of the southeast quarter of the northwest quarter of said section 24;
thence north 00°33'08" east, along the west line of the southeast quarter of the northwest quarter of said section 24, a distance of 132.00 feet to a half inch rebar on the north line of the south 132.00 feet of the southwest quarter of the northwest quarter of said section 24;
thence north 89°27'44" west, along the north line of the south 132.00 feet of the southwest quarter of the northwest quarter of said section 24, a distance of 660.61 feet to a half inch rebar marked "don miller, ls 15335" at the west line of the east half of the southwest quarter of the northwest quarter of said section 24;
thence north 00°33'16" east, along the west line of the east half of the southwest quarter of the northwest quarter of said section 24, a distance of 528.12 feet to a half inch rebar marked "don miller, ls 15335" at the southeast corner of the northwest quarter of the southwest quarter of the northwest quarter of said section 24;
thence north 89°27'40" west, along the south line of the northwest quarter of the southwest quarter of the northwest quarter of said section 24, adistance of 660.59 feet to a half inch rebar and yellow cap marked "dea 40622" at the southwest corner of the northwest quarter of the southwest quarter of the northwest quarter of said section 24;
thence north 00°33'24" east, along the west line of the northwest quarter of said section 24, a distance of 660.13 feet to a half inch rebar at the northwest corner of the southwest quarter of the northwest quarter of said section 24;
thence south 89°27'36" east, along the north line of the south half of the northwest quarter of said section 24, a distance of 2642.28 feet to a five eights inch rebar at the southeast corner of the northeast quarter of the northwest quarter of said section 24;
thence north 00°32'53" east, along the east line of the northeast quarter of the northwest quarter of said section 24, a distance of 1320.15 feet to a half inch rebar at the north quarter corner of said section 24;
thence south 89°31'19" east, along the north line of the northeast quarter of said section 24, a distance of 2645.96 feet to a glo brass cap at the northeast corner of said section 24;
thence south 00°33'36" west, along the east line of the northeast quarter of said section 24, a distance of 1320.00 feet to a half inch rebar at the south line of the north 1320.00 feet of the northwest quarter of said section 19;

thence south 89°29'19" east, along the south line of the north 1320.00 feet of the northwest quarter of said section 19, a distance of 1320.00 feet to a half inch rebar at the southeast corner of the west 1320.00 feet of the north 1320.00 feet of the northwest quarter of said section 19;
thence north 00°33'36" east, along the east line of the west 1320.00 feet of the northwest quarter of said section 19, a distance of 1320.00 feet to a half inch rebar on the north line of the northwest quarter of said section 19, also being the northeast corner of the west 1320.00 feet of the north 1320.00 feet of the northwest quarter of said section 19;
thence south 89°29'19" east, along the north line of the of the northwest quarter of said section 19, a distance of 1286.27 feet to a glo brass cap at the north quarter corner of said section 19;
thence south 89°29'54" east, along the north line of the of the northeast quarter of said section 19, a distance of 2643.72 feet to a rebar with aluminum cap marked "ls 36563, 2004" at the northeast corner of said section 19;
thence south 00°32'10" west, along the east line of the of the northeast quarter of said section 19, a distance of 2643.21 feet to a rebar with aluminum cap marked "ls 36563, 2004" at the east quarter corner of said section 19;
thence south 00°32'12" west, along the east line of the of the southeast quarter of said section 19, a distance of 2643.45 feet to an Arizona Department of Transportation brass cap at the southeast corner of said section 19 and the point of beginning;
together with the northeast quarter of section 23, township 2 north, range 7 west, Gila and Salt River base and meridian, Maricopa County, Arizona,
being also described as follows:
beginning at a half-inch rebar at the northeast corner of section 23, township 2 north, range 7 west, Gila and Salt River base and meridian, Maricopa County, Arizona;
thence south 00°33'24" west, along the east line of the northeast quarter of said section 23, a distance of 2640.55 feet to a glo brass cap at the east quarter corner of said section 23;
thence north 89°26'32" west, along the south line of the northeast quarter of said section 23, a distance of 2636.57 feet to a half inch rebar with tag marked "l.s. 12218" at the center of said section 23;
thence north 00°35'09" east, along the west line of the northeast quarter of said section 23, a distance of 2641.17 feet to a glo brass cap at the north quarter corner of said section 23;
thence south 89°25'44" east, along the north line of the northeast quarter of said section 23, a distance of 2635.23 feet to a glo brass cap at the northeast corner of said section 23 and the point of beginning.

Except that portion of the southwest quarter of said section 19 described as follows:
commencing at a brass cap found at the south quarter corner of said section 19, from which an Arizona Department of Transportation brass cap at the southeast corner of said section 19 bears south 89°28'08" east, a distance of 2640.04 feet; thence north 89°28'43" west, along the south line of the southwest quarter of said section 19, a distance of 1482.82 feet; thence north 00°31'17" east, a distance of 40.00 feet to a half in rebar at a point on a line lying 40.00 feet north of and parallel to the south line of the southwest quarter of said section 19 and the true point of beginning;
thence continuing north 00°31'17" east, a distance of 200.00 feet to a half in rebar at a point on a line lying 240.00 feet north of and parallel to the south line of the southwest quarter of said section 19;
thence south 89°28'43" east, along said line lying 240.00 feet north of and parallel to the south line of the southwest quarter of said section 19, a distance of 200.00 feet to a half in rebar;

thence south 00°31'17" west, a distance of 200.00 feet to a half in rebar at a point on said line lying 40.00 feet north of and parallel to the south line of the southwest quarter of said section 19;
thence north 89°28'43" west, along said line lying 40.00 feet north of and parallel to the south line of the southwest quarter of said section 19, a distance of 200.00 feet to a half in rebar at the point of beginning; situate in the County of Maricopa, State of Arizona.

contains 1,110.083 acres more or less. (gross)
contains 1,082.750 acres more or less. (net)

and
the northwest quarter of the northeast quarter and the west half of the northeast quarter of the northeast quarter of section 28, township 2 north, range 5 west of the Gila and Salt River base and meridian, Maricopa County, Arizona;

except any portion lying within the dedicated right of way for Indian School Road per road declaration recorded in docket 3124, pages 573-575, records of Maricopa County, Arizona;

also except any portion lying within that property described in document recorded under recording no. 870106857 records of Maricopa County, Arizona.

contains 57.6 acres more or less.

and not within the confines of any incorporated city or town, and under such restrictions and limitations and upon such terms as the Board of Supervisors may provide, not inconsistent with the laws of the State of Arizona, or the orders and rules of the Corporation commission of the State of Arizona, and that the Board take such proceedings herein as is provided by laws of the State of Arizona; and

WHEREAS, upon filing said application, the said Board of Supervisors on the May 17, 2006 formal meeting ordered that public notice of the intention of said Board to make such grants be given by publishing a notice in the official newspaper of Maricopa County, published in the County of Maricopa, State of Arizona, and that 9:00 a.m., on the June 21, 2006 formal meeting, at the meeting room of said Board of Supervisors located at 205 West Jefferson Street, in the City of Phoenix, Arizona, be set as the time and place of hearing the said application; and

WHEREAS, the said application coming on regularly for hearing on said day and it appearing by the affidavit of the duly authorized agent of the said time and place set for the consideration of such application has been published for at least once a week for the three-week period prior to said date set forth herein, to-wit:

In the issues of the said newspaper on May 25, 2006, June 1, 2006 and June 8, 2006, and it appearing that no sufficient protest has been filed by the qualified electors of the said County petitioning said Board of Supervisors to deny such license and franchise, and it further appearing the best interests of Maricopa County will be served by the granting of said application and the franchise referred to therein;

NOW, THEREFORE, the Board of Supervisors of Maricopa County, State of Arizona, acting on behalf of said County does hereby grant unto Balterra Sewer Corp., doing business in Maricopa County, Arizona, subject to the terms, conditions and limitations hereinafter contained, the right, privilege, license and franchise to construct, maintain and operate a sewage system, for a period of not to exceed twenty-five (25) years or for a period of one (1) year after the franchised area is annexed by a municipality, whichever is shorter, for the supplying of this service along, upon, under and across the pubic highways, roads, alleys and thoroughfares (excepting State highways) within that portion of Maricopa County, Arizona, hereinabove described, under such restrictions and limitations and upon such terms as this Board at any time may provided, not inconsistent with the laws of the State of Arizona, or the orders and rules of the Corporation Commission of the State of Arizona, specifically providing, however, that:

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

2) All rights hereby granted shall be exercised so as to not interfere or conflict with any easements or rights-of-way heretofore granted by said Board of Supervisors and now in force.

3) All rights hereby granted shall be exercised so as not to interfere or conflict with any easement, either public or private, of whatsoever nature, which has been acquired in or to the proper use of said highway, roads, and thoroughfares, or any portion thereof.

4) All rights hereby granted shall be exercised so as not to interfere or conflict with or endanger in any way the proper use by the public of said highways, roads, and thoroughfares, or any portion thereof.

5) That the said Grantee shall bear all expenses incurred including damages and compensation for the alteration of the course, direction, surface, grade or alignment of any of the said highways, roads and thoroughfares necessarily made by the said grantee for the purpose of this franchise; that said grantee will maintain his equipment from time to time as may be needed, without the necessity of notice from Maricopa County. In the event the said grantee shall fail to make any repairs within ten days from the time same becomes necessary, then Maricopa County may cause the same to be made, and said grantee agrees to pay Maricopa County the cost thereof.

6) That all property of the franchise be installed and operated by the said grantee and shall be placed, removed or relocated, initially and throughout the term of this franchise, along, in, over, under and across the said highway, roads and thoroughfares, in such a manner and location as the Board of Supervisors or its duly authorized agents may designate. Such placement, removal or relocation shall be done at the sole expense of the grantee upon a determination by the Board of Supervisors of Maricopa County that such placement, removal or relocation is necessary.

If the grantee fails or refuses to so remove or relocate, Maricopa County may so remove or relocate, at the sole expense of grantee, such expense to include any and all damages and compensation of whatsoever nature arising therefrom.

In this section the term "property" includes conduits, pipe, wires, poles, or other structures and appliances used to supply or deal in gas, electricity, lights, water, heat, refrigeration, power, telephones, telegraph, television and other public utilities.

Any finding or determination made by the Board of Supervisors pursuant hereto shall be final and binding upon the grantee whether or not such findings or determinations relates to the requirements of public safety or welfare, the use of public roads or the need for proposed improvements, and whether or not the function to be served by such removal or relocation is of a governmental or proprietary nature.

7) That said grantee shall indemnity and save harmless, the said County of Maricopa from all costs, expense and liabilities in connection with the granting of this franchise and exercise of the same by them.

8) That the rights of any person claiming to be injured in any manner by the maintenance of said projects and equipment shall not be affected hereby.

9) That the terms and conditions of this franchise shall inure to the benefit of, and be binding upon, all the heirs and assigns of the said Grantee.

10) That the franchise and privilege herein granted shall not be deemed to be exclusive and the said Board of Supervisors hereby expressly reserves the right and power to grant from time to time similar franchises and privileges over the same territory and highways, roads and thoroughfares.

11) This franchise is granted upon the express condition that the Certificate of Convenience and Necessity be procured from the Corporation Commission of the State of Arizona and the Certificate of Assured Water Supply be procured from the Arizona Department of Water Resources and proof thereof submitted to the Board of Supervisors within six months from the date of granting of this franchise; and if such Certificates are not granted within six months from said date, then this franchise to be void, otherwise to be in full force and effect for the time herein specified.

12) This franchise extension is granted upon the express condition that all of the Property Tax obligations of the franchisee shall remain current and if such taxes are not current, then this franchise extension is deemed void.

13) All materials and construction methods used with the public right-of-way shall conform to the applicable standards, specifications and special provisions currently in effect in Maricopa County.

14) The Franchise holder shall obtain a construction permit from the Office of the County Engineer prior to construction of any facilities in the public right-of-way.

DATED this 21st day of June, 2006.

Chairman, Board of Supervisors

ATTEST:

Clerk, Board of Supervisors

ENVIRONMENTAL SERVICES DEPARTMENT
1001 N. Central, Suite150
Phoenix, AZ 85004-1940

Division of Water and Waste Management
Subdivision Infrastructure & Planning Program
(602) 506-6675
FAX (602) 506-5813

Approval Date: 10-30-06

MCESD Project: 055700

CERTIFICATE OF APPROVAL
WASTEWATER MASTER PLANS
(WITH STIPULATIONS)

PROJECT DESCRIPTION: Balterra - a mixed use community that includes residential, park and commercial uses on 1,110 acres and will result in approximately 4458 residential housing units. The wastewater master plan presents a new regional wastewater system owned and operated by the Balterra Sewer Corporation.

SEWER SYSTEM: Balterra Sewer Corporation

LOCATION: Maricopa County;
Section 19, T2N, R6W
Section 23, S24, T2N, R7W

PROJECT OWNER: Joel H. Farkas, Vice President
JF Properties, Inc.
6720 N. Scottsdale Road, Suite 250
Scottsdale, AZ 85253

Pursuant to Arizona Administrative Code (AAC) Title 18: Chapter 9, Article 3 and the Maricopa County Environmental Health Code: Chapters II. The sanitation facilities, as represented in approved plan documents on file with the Maricopa County Environmental Services Department for the above described subdivision are hereby approved subject to the following stipulations: **Construction of this public wastewater system project shall not begin until an Approval To Construct is issued by Maricopa County Environmental Services Department. Operation of this public wastewater system project shall not begin until an Approval Of Construction is issued by Maricopa County Environmental Service Department.**

WATER AND WASTE MANAGEMENT DIVISION

By _____
Wesley A. Shonerd, PE, Program Manager
Subdivision Infrastructure & Planning Program