

WATER CORRESPONDENCE

Paul Michaud

Subject: UPDATE: Villas at Mtn Shadows Plats - Paradise Valley (EPCOR "Not Guarantee Language)

From: Finke, Brad [<mailto:bfinke@epcor.com>]
Sent: Wednesday, August 12, 2015 11:21 AM
To: Paul Michaud
Subject: FW: Villas at Mtn Shadows Plat - Paradise Valley

Paul:

Josh forwarded your e-mail to me for review and response. Item 3 in EPCOR's "will-serve" letter dated January 26, 2015, regarding water service for the Villas at Mountain Shadows includes the sentence "Please note that EPCOR does not guarantee the adequacy of its water capacity for fire protection." This statement is standard language that we include in all of our "will-serve" letters and it typically catches the attention of developers and municipalities.

The basis of this disclaimer is that EPCOR is a regulated utility that provides water service to the public in compliance with State law. As a utility that is regulated by the Arizona Corporation Commission, EPCOR does not provide fire protection services and does not warrant, guarantee or represent that any water utility services provided will comply with any fire-protection requirements of any governmental agency, or of any county, municipal, or private fire protection providers. EPCOR will allow public and private fire protection providers to use water from our system for fire-fighting purposes, provided that our normal system demands are first met and water system pressure is not decreased to less than 20 pounds per square inch. The requirement to maintain a minimum standard delivery pressure of 20 pounds per square inch is provided in the Arizona Administrative Code for all water utilities. The rules and regulations do not require water utilities to provide sufficient water capacity for fire protection.

EPCOR's letter dated May 8, 2015, regarding fire flow availability for Mountain Shadows states that "based on the hydraulic modeling results of the proposed water lines, Mountain Shadows West will receive fire flows in the range of 2,064 gpm to 2,124 gpm at the required residual zone pressure of 20 psi." We are confident that the fire flows will indeed be between 2,064 gpm to 2,124 gpm under the conditions mentioned in the letter, including that the proposed water lines will be installed as shown in our hydraulic model. However, we cannot guarantee that these fire flows will be available at all times, such as when a line break occurs, or if water demands significantly change with increased development over time, or when maintenance is being performed on the water system, or during times of local emergencies or disasters that require a disruption in service.

I hope this helps to clarify the language that we use in our letters. If you have any further questions on this matter, please let me know.

The logo for EPCOR WATER, featuring the text "EPCOR WATER" in white, bold, sans-serif capital letters on a black rectangular background.

Brad Finke, P.E.
Engineering Manager
EPCOR Water
2355 W. Pinnacle Peak Road, Suite 300
Phoenix, AZ 85027

O 623.445.2402

epcor.com

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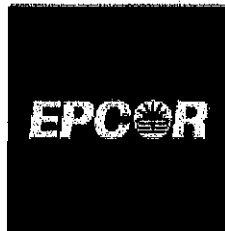
From: Paul Michaud [<mailto:pmichaud@paradisevalleyaz.gov>]
Sent: Friday, August 07, 2015 1:40 PM
To: Vig, Joshua
Subject: Villas at Mtn Shadows Plat - Paradise Valley

Josh:

I have been asked by the Paradise Valley Planning Commission to clarify some language on correspondence provided by EPCOR regarding the proposed subdivision villa plats at Mountain Shadows (APN 169-30-103, 169-30-104 and 169-30-105). I need to provide this update in my staff report for an upcoming hearing due out at the end of August. The Paradise Valley Planning Commission reviewed some of these plats at their July meeting. They asked to get clarification on text written in the attached January 26, 2015 EPCOR correspondence. Specifically, Item 3, which states "Please note that EPCOR does not guarantee the adequacy of its fire capacity for fire protection." The confusion or uneasiness by our Planning Commission was that EPCOR verified the capacity to service the subject site with a fire flow pressure of 2,064 gpm to 2,124 gpm, which is more than the minimum Town required 1,500 gpm flow rate at the residual zone pressure of 20 psi. It was assumed that the "not guarantee" language added in the EPCOR correspondence may be a new standard disclaimer, might relate back to the circumstance that fire flow testing is a model and done without the benefit of the specifics for the actual structures that will be built, and/or some other reasoning. I would appreciate if you, or another appropriate representative from EPCOR, could clarify the reasoning for the inclusion of this "not guarantee" language for me to report back to the Planning Commission. Staff is comfortable with the EPCOR correspondence, as evidenced by the attached correspondence from our Fire Marshal. However, the appointed/elected officials would like further comfort level by EPCORs clarification of this matter. I appreciate your time on this inquiry.

Regards,

Paul E. Michaud, AICP
Senior Planner
6401 E Lincoln Drive
480-348-3574 (phone)
480-483-1811 (TDD)
pmichaud@paradisevalleyaz.gov



2355 West Pinnacle Peak Road, Suite 300
Phoenix, AZ 85027 USA
epcor.com

July 16, 2015

Town of Paradise Valley
6401 E. Lincoln Drive
Paradise Valley, AZ 85253

RE: The Final Plat for the Villas at Mountain Shadows

EPCOR has reviewed the project for the Final Plat for the Villas at Mountain Shadows, a resubdivision of Lot 132 of Mountain Shadow Resort Unit 2 – Amended VII. EPCOR has no issue with the Final Plat as well as the construction plans for water service. The PUE to be dedicated is adequate for our utility service, per our Project Manager Josh Vig. Therefore, EPCOR has no objection.

Please feel free to contact me with any questions or concerns at 623-780-3777 or email at kdotray@epcor.com

Sincerely,


Kimberly Dotray
Real Property Manager



2355 West Pinnacle Peak Road, Suite 300
Phoenix, AZ 85027 USA
epcor.com

May 8, 2015

Fred E. Fleet
Coe and Van Lee Consultants, Inc.
4550 North 12th Street
Phoenix, Arizona 85014

Dear Mr. Fleet,

This letter is to inform you that an analysis of the fire flow availability for the proposed Mountain Shadows West has been completed.

The analysis was performed using the hydraulic model for EPCOR Water's Paradise Valley water district, prepared by EPCOR. This model was last calibrated in 2010 and has been updated as necessary. The model is believed to be an accurate representation of the water system within a reasonable margin of error.

According to the plans submitted to EPCOR, the water lines proposed for Mountain Shadows West will be located in the northeast portion of the existing Mountain Shadows Golf Course, which is positioned at the southwest corner of Lincoln Drive and 56th Street. The proposed water lines are shown in the attached diagram. The new water lines will be 8-inch ductile iron pipe; they will connect to the existing 12-inch pipe in Lincoln Drive and the 8-inch pipe in 56th Street.

The Town of Paradise Valley is requesting a minimum fire flow of 1,500 gpm at a residual pressure of 20 psi. Based on the hydraulic modeling results of the proposed water lines, Mountain Shadows West will receive fire flows in the range of 2,064 gpm to 2,124 gpm at the required residual zone pressure of 20 psi (see attachment). This analysis was performed using the maximum day demand scenario. The results show that there is adequate fire flow availability to satisfy the minimum flow requested by the Town. Please note that these are estimated values from a model, and actual field tests are expected to vary depending on system demand and other fluctuating conditions.

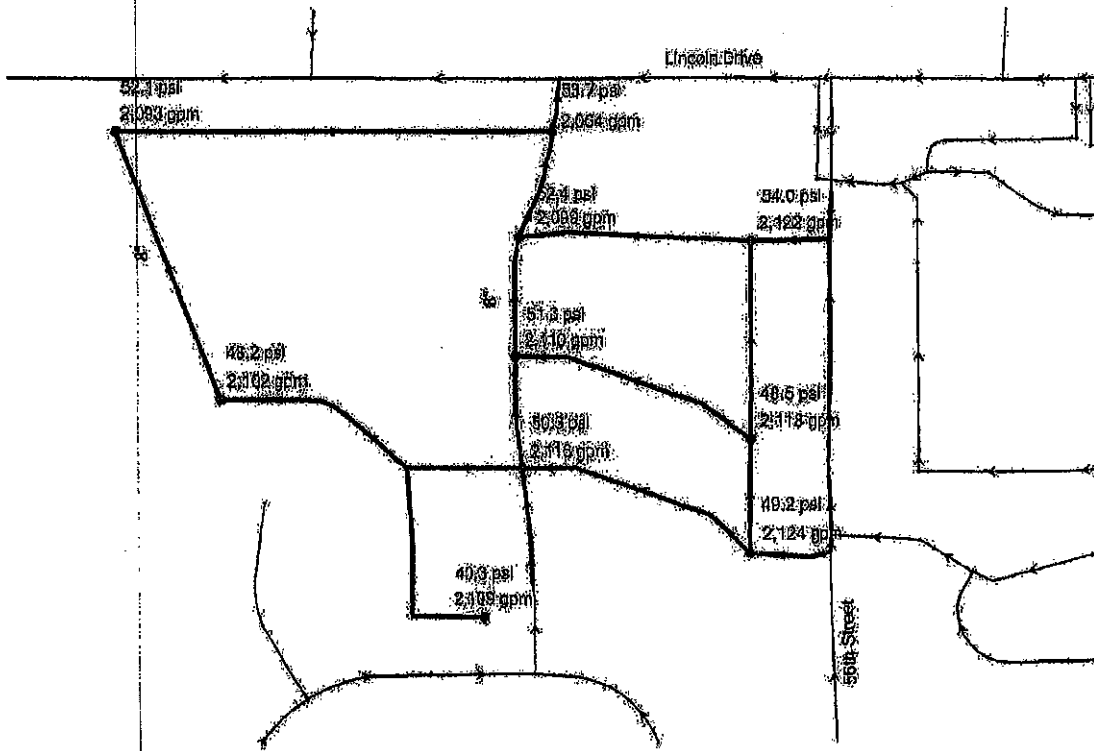
If you have any questions concerning the model or the analysis performed, please feel free to contact me.

Sincerely,

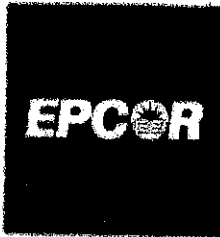
Gandace Coleman, PE
Engineering Project Manager
EPCOR Water

Attachment: Mountain Shadows West, Fire Flow Availability

**Mountain Shadows West
Fire Flow Availability and Residual Pressure
20 psi Minimum Zone Pressure
Maximum Day Demand Scenario**



Prepared by EPCOR Water
Paradise Valley Working Model



2355 West Pinnacle Peak Road, Suite 300
Phoenix, AZ 85027 USA
epcor.com

January 26, 2015

MTS Land LLC
18201 Van Karman Suite 950
Irvine, CA 92812

Sent via e-mail to: Fef_cvlci.com

Re: Will-Serve Letter for Water Service
Villas at Mountain Shadows

To whom it may concern;

This letter is in response to Coe & Van Loo's request to EPCOR Water Arizona Inc. ("EPCOR") regarding EPCOR's willingness to provide water service to the Villas at Mountain Shadows (the "Development"). The Development is a residential project that encompasses approximately 9 acres and is located in the Town of Paradise Valley as shown in Exhibit A. EPCOR provides the following information for your consideration:

1. EPCOR has confirmed that the Development is located within the area encompassed by EPCOR's Certificate of Convenience & Necessity ("CC&N") as issued by the Arizona Corporation Commission.
2. Where new waterlines will be required to serve the Development, such water service to the Development by EPCOR will be conditioned upon the developer entering into a Main Extension Agreement (an "MXA") with EPCOR in a form acceptable to EPCOR, and upon the developer fully performing its obligations under the MXA. The MXA will provide, among other things, that the developer will be responsible for the cost to construct all water main extensions necessary to distribute water from EPCOR's existing system to the individual service line connections in the Development. The design and construction of all such main extensions will be subject to EPCOR's approval, and ownership of the main extensions, together with related real property easement rights, must be transferred to EPCOR prior to the initiation of water service in the Development.
3. Based on water service currently provided by EPCOR in the CC&N, EPCOR will have adequate water capacity for normal use in the Development upon developer's fulfillment of its obligations under the MXA. Please note that EPCOR does not guarantee the adequacy of its water capacity for fire protection.
4. Developer will be required, as a condition to EPCOR providing water service to the Development, to pay all required fees pursuant to EPCOR's then-current tariffs and as may be provided in the MXA.

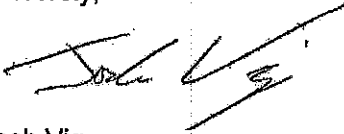
This letter assumes that construction of the main extensions within the Development will begin within one (1) year after the date of this letter.

If developer begins construction of any water mains in the Development or any other water service infrastructure intended to serve the Development without, in each instance, the prior written approval of such construction by EPCOR, developer will be proceeding with such construction at its own risk.

This letter does not independently create any rights or obligations in either developer or EPCOR, and is provided to developer for information only. Any agreement between developer and EPCOR for water service in the Development must be memorialized in a written agreement executed and delivered by their respective authorized representatives.

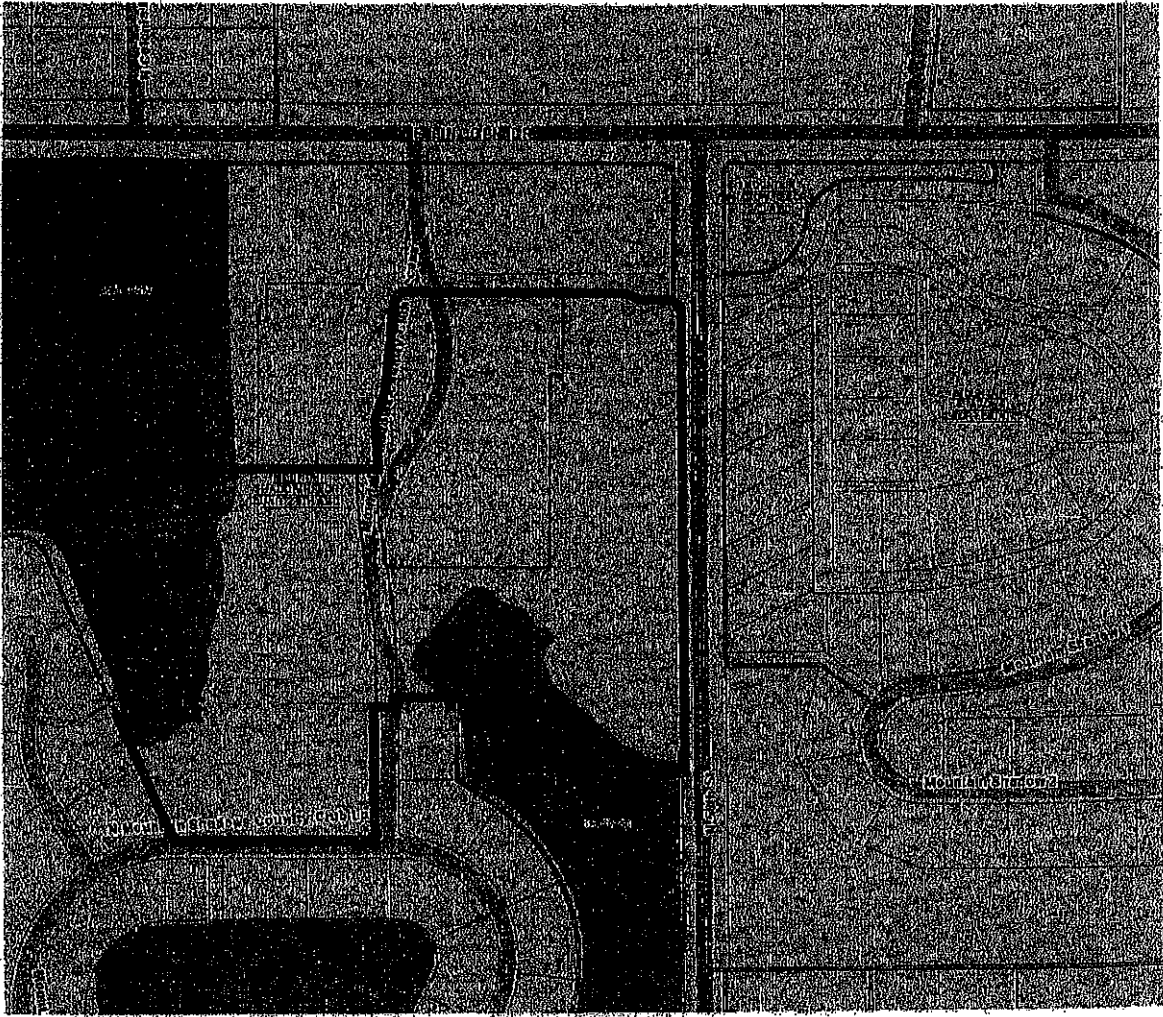
For additional information, please contact me at (623) 445-2495 or at jvig@epcor.com

Sincerely,

A handwritten signature in black ink, appearing to read "Josh Vig", written over a horizontal line.

Josh Vig
Project Manager

EXHIBIT A





EPCOR

2355 West Pinnacle Peak Road, Suite 300
Phoenix, AZ 85027 USA
epcor.com

January 15, 2015

Fred E. Fleet
Coe and Van Loo Consultants, Inc.
4550 North 12th Street
Phoenix, Arizona 85014

Dear Mr. Fleet,

This letter is to inform you that an analysis of the fire flow availability for the proposed Villas at Mountain Shadows Resort has been updated.

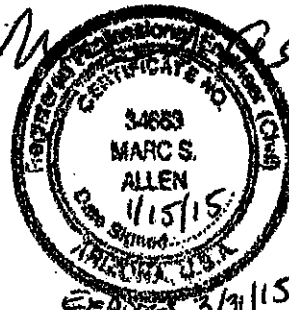
The analysis was performed using the hydraulic model for EPCOR Water's Paradise Valley water district, prepared by EPCOR. This model was last calibrated in 2010 and has been updated as necessary. The model is believed to be an accurate representation of the water system within a reasonable margin of error.

According to the plans Fleet-Fisher Engineer submitted to EPCOR, the water lines proposed for this phase of the Mountain Shadows Resort will be located in the northeast portion of the existing Mountain Shadows Golf Course, which is positioned at the southwest corner of Lincoln Drive and 56th Street. The proposed water lines are shown in the attached diagram. The new water lines will be 8-inch ductile iron pipe; they will connect to the existing 12-inch pipe in Lincoln Drive and the 8-inch pipe in 56th Street. There are six fire hydrants in the proposed plan.

The Town of Paradise Valley is requesting a minimum fire flow of 1,500 gpm at a residual pressure of 20 psi. Based on the hydraulic modeling results of the proposed water lines, the hydrants will receive a flow of 2,066 gpm to 2,137 gpm at the required residual zone pressure of 20 psi (see attachment). This analysis was performed using the maximum day demand scenario. The results show that there is adequate fire flow availability to satisfy the minimum flow requested by the Town. Please note that these are estimated values from a model, and actual field tests are expected to vary depending on system demand and other fluctuating conditions.

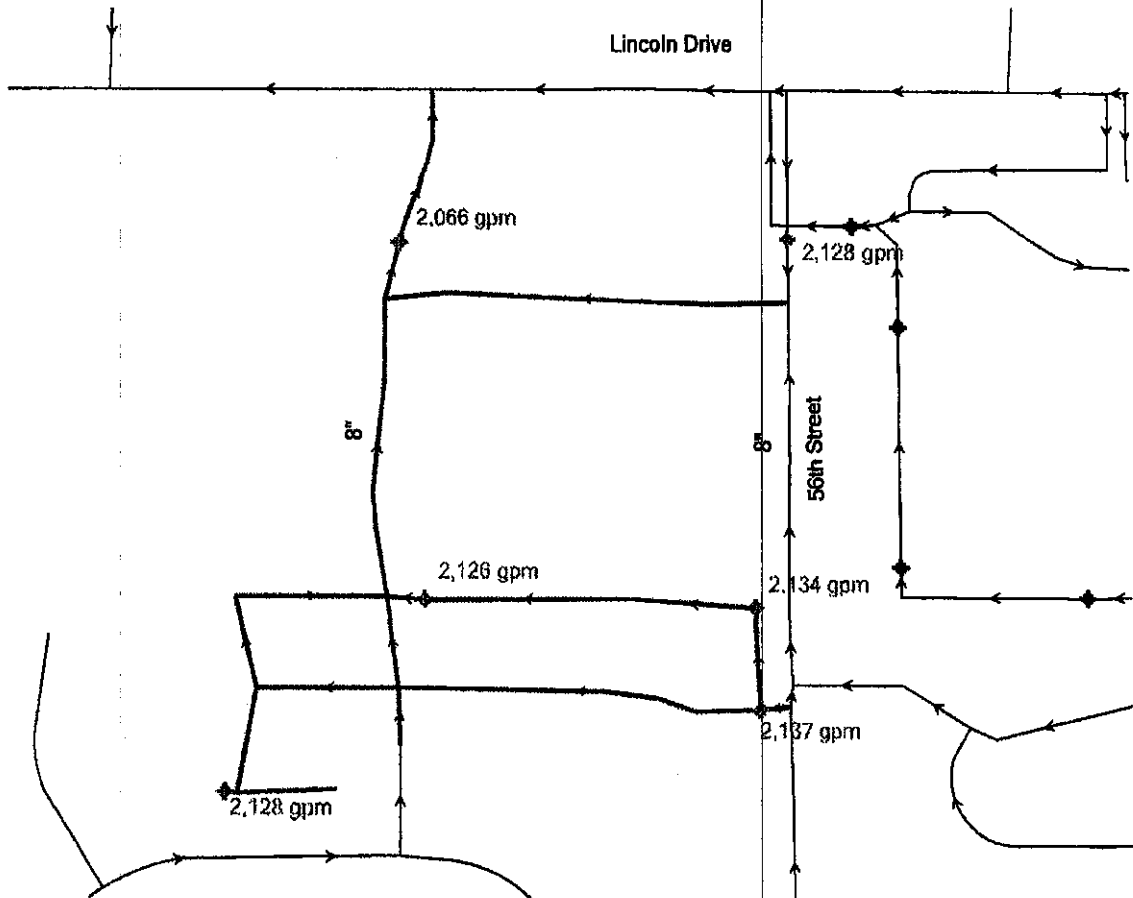
If you have any questions concerning the model or the analysis performed, please feel free to contact me.

Sincerely,
Candace Coleman
Candace Coleman, PE
Engineer, Planning
EPCOR Water



Attachment: Villas at Mountain Shadows Resort, Fire Flow Availability

Villas at Mountain Shadows Resort
Fire Flow Availability at 20 psi Minimum Zone Pressure
Maximum Day Demand Scenario



Prepared by EPCOR Water
Paradise Valley Working Model

**STATE OF ARIZONA
DEPARTMENT OF WATER RESOURCES
CERTIFICATE OF ASSURED WATER SUPPLY**

This is to certify that

MTS Land, LLC, a Delaware limited liability company, owner

has met the requirements of A.R.S. §§ 45-576 and the applicable regulations, and

By powers vested in the Director of the Arizona Department of Water Resources by the State of Arizona, and subject to the conditions contained in the applicable regulations,

Is issued this Certificate of Assured Water Supply for

**Mountain Shadows Resort
Township 2 North, Range 4 East, Section 8
GSRB&M Maricopa County, PHOENIX Active Management Area**

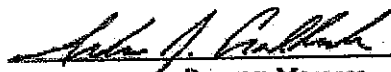
Sufficient water of adequate quality will be continuously available to satisfy the water demand of the referenced subdivision for at least one hundred years. The referenced subdivision consists of 178 lots as described in the preliminary plat on file with the Department, and has an estimated water demand of 36.42 acre-feet per year. The subdivision will be served groundwater by EPCOR - Paradise Valley.

This Certificate is invalid as to any entity not named above.
This Certificate may be assigned pursuant to A.A.C. R12-15-705.

Certificate Number: 27-700797.0000



ARIZONA DEPARTMENT OF WATER RESOURCES



Program Manager

8/27/2014
Date

TYPE A CERTIFICATE

SEWER CORRESPONDENCE



City Of Phoenix
Water Services Department
Resource and Development Planning

July 23, 2015

MS Resort Owner, LLC
2525 E Arizona Biltmore Circle, Ste. B-220
Phoenix, Arizona 85016

RE: Sewer Capacity for Mountain Shadows Redevelopment, Southwest corner of 56th Street and
Lincoln Drive, Paradise Valley, Q.S. 21-40

The request for sewer capacity and availability for the proposed re-development project has been reviewed. Based on the conceptual site plan it depicts the following:

1. 59 existing single family units in the original Mountain Shadows West" development
2. 28 proposed single family townhouse units
3. 40 proposed multi-unit condominiums
4. 45 proposed condominium hotel units
5. 190 room hotel with a 60,000 square foot resort
6. A proposed 10,000 square foot restaurant

City of Phoenix affirms that sewer capacity is available to serve the proposed development. There is an 8-inch tap connection available at City of Phoenix manhole #406 in Lincoln Dr. The sewer shall remain as private but will connect to the City's 12-inch sewer main in Lincoln Drive.

Please call me at 602-534-4198 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "N. Prieto".

Nazario Prieto, P.E.
Civil Engineer III
Water Services Department
Water Resources & Development Planning

S:200dmshared/WRDP/letters/21-40 PV MountainShadowsReDev.doc

ec: Gary Griffith
Lucy Graham

ELECTRIC CORRESPONDENCE



ARIZONA PUBLIC SERVICE

Town of Paradise Valley
c/o Ron Watson
Dry Utilities Services Arizona
4801 S. Lakeshore Dr.
Suite 112
Tempe, AZ 85282

Ray Smith
Survey & Row Representative
Customer Construction East

Mail Station 4031
P.O. Box 53933
Phoenix, AZ 85072-3933
T: 602.493-4405
F: 602.493-4429
R.Smith@aps.com

June 11, 2015

This is regarding the plans for The Final Plat For The Villas at Mountain Shadows, a resubdivision of Lot 132 of Mountain Shadow Resort Unit 2 - Amended VII. After reviewing the preliminary plat for The Villas at Mountain Shadows, Arizona Public Service does not see a problem with Tract B, Tract C and Tract D being dedicated to water, sewer, gas, electric, telephone and cable television utility providers. It is also understood that the purpose of this easement is to allow service to and from Lots 128, 128-A, 129, 131, 132(Future Lots 1-20), 133, 134, 135 and Tract "A" of Amended VII. This will be sufficient enough to place Arizona Public Service facilities in order to meet the needs of the customers of this development.

Please contact me at 602-493-4405 or by email at r.smith@aps.com with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Ray Smith", with a stylized flourish at the end.

Ray Smith
Survey/ROW Agent
Arizona Public Service
Customer Construction East



4612 E BELL RD
PHOENIX, AZ 85032

4-29-15

Mr. Rick Carpinelli
CROWN REALTY DEVELOPMENT
5517 East Lincoln Drive
Paradise Valley, AZ 85253

Re: Villas at Mountain Shadows

Dear Mr. Carpinelli,

The above referenced project is located in Arizona Public Service Company's electric service area. The Company extends its lines in accordance with the "Conditions Governing Extensions of Electric Distribution Lines and Services," Schedule 3, and the "Terms and Conditions for the Sale of Electric Service," Schedule 1, on file with the Arizona Corporation Commission at the time we begin installation of the electric facilities.

Application for the Company's electric service often involves construction of new facilities for various distances and costs depending upon customer's location, load size and load characteristics. With such variations, it is necessary to establish conditions under which Arizona Public Service will extend its facilities.

The enclosed policy governs the extension of overhead and underground electric facilities to customers whose requirements are deemed by Arizona Public Service to be usual and reasonable in nature.

Please give me a call at 602-493-4470 so that we may set up an appointment to discuss the details necessary for your project.

Sincerely,

Harry O'Neill

Harry O'Neill
Customer Project Manager
Customer Construction East

NATURAL GAS CORRESPONDENCE



SOUTHWEST GAS CORPORATION

July 16, 2015

Town of Paradise Valley
c/o Ron Watson
Dry Utility Services Arizona
4801 S. Lakeshore Drive
Suite 112
Tempe, AZ 85282

To Whom It May Concern:

This is regarding the plans for the final plat for 'The Villas at Mountain Shadows', a re-subdivision of Lot 132 of Mountain Shadows Resort Unit 1 – Amended VII. After reviewing the preliminary plat, Southwest Gas Corporation doesn't see a problem with Tract B, Tract C and Tract D being dedicated to allow utilities the right to install and operate within those Tracts. It is understood that the purpose of this dedication is to allow service to and from the lots specified within the proposed plat. This dedication language will be sufficient to allow Southwest Gas to install its facilities subject to the future design and provided the design for installation is within the areas specified and there is adequate room within those areas.

Please contact me at 602-484-5281 or by email at alis.gause@swgas.com with any questions.

Respectfully,

Alis Gause

Alis Gause
Analyst I, Right of Way
Engineering & Project Support Staff
Southwest Gas Corporation



SOUTHWEST GAS CORPORATION

June 11, 2015

**Crown Realty Development
Attn: Rick Carpinelli
5517 E Lincoln Dr
Paradise Valley AZ 85253**

RE: Natural Gas Service: Villas at Mountain Shadows (56th St & Lincoln)

In response to your recent inquiry concerning the availability of natural gas to the above location, Southwest Gas Corporation is the natural gas supplier for this area. Gas can be extended to this subdivision from our gas main along Mountain Shadows Country Club Access Rd. Please keep in mind there is an existing service and meter on site with address of 5525 E Lincoln Dr Paradise Valley AZ 85253 that will need to be removed and abandoned.

Natural gas is available to serve this project in accordance with our Rule Six as filed with the Arizona Corporation Commission. We extend our facilities based on economic justification. Without reviewing a preliminary engineering plan for this project, we cannot, at this time, determine what fees would be required from the developer. We are interested in serving this project with the preferred fuel, natural gas, and look forward to hearing from you as plans progress.

If you have any questions regarding our policies or procedures, please contact me at 602-818-1891.

Sincerely,

Jeff Shelton
Energy Advisor
Central Arizona Division

CABLE CORRESPONDENCE



Town of Paradise Valley
c/o Ron Watson
Dry Utilities Services Arizona
4801 S. Lakeshore Dr.
Suite 112
Tempe, AZ 85282

June 26, 2015

This is regarding the plans for The Final Plat for the Villas at Mountain Shadows, a re-subdivision of Lot 132 of Mountain Shadow Resort Unit 2 - Amended VII. After reviewing the preliminary plat for The Villas at Mountain Shadows, Cox does not see a problem with Tract B, Tract C and Tract D being dedicated to water, sewer, gas, electric, telephone and cable television utility providers. It is also understood that the purpose of this easement is to allow service to and from Lots 128, 128-A, 129, 131, 132 (Future Lots 1-20), 133, 134, 135 and Tract "A" of Amended VII. This will be sufficient enough to place Cox facilities in order to meet the needs of the customers of this development.

Please contact me at 602-694-1418 or by email at zachary.killin@cox.com with any questions or concerns.

Sincerely,

A handwritten signature in cursive script that reads "Zach Killin".

Zach Killin

Cox Communications
Construction Planner
zachary.killin@cox.com
1550 W. Deer Valley Rd
Phoenix Arizona 85027
Cell - 602-694-1418



1550 W Deer Valley Road
Phoenix, AZ 85027

April 16th, 2015

Mr. Rick Carpinelli
CROWN REALTY DEVELOPMENT
5517 East Lincoln Drive
Paradise Valley, AZ 85253

Project: Villas at South Mountain

To Whom It May Concern:

This letter is to confirm that Cox Communications is a licensed telecommunications provider for the above area located in Maricopa County. Service to a development with public streets and public utility easements, meeting the density requirement as stipulated in the license with the County, will be provided at no cost to the developer. Should the project not meet the density requirement, a capital contribution program is available.

For private communities (whether gated or not), our standard easement agreement will be required. Otherwise the same procedures apply. The developer also has the option of providing service to the community at a reduced rate under the bulk discount program. If you're interested, please contact me for additional information on the program.

Upon receipt of the appropriate trench maps and placement time lines, Cox Communications will place its facilities in the joint utility trenches. For the preliminary information and/or the service are map, please call our Cox Traffic Management Center at 623-328-3554.

Sincerely,

Daniel Weryzynski

Daniel Weryzynski
Account Executive
Phone 623-328-6701

INTERNET CORRESPONDENCE



100 Centurylink Dr.
Mailstop 3TCW089.2
Monroe, LA 71203

June 11, 2015

Town of Paradise Valley
c/o Ron Watson
Dry Utilities Services Arizona
4801 S. Lakeshore Dr.
Suite 112
Tempe, AZ 85282

To Whom It May Concern:

This is regarding the plans for The Final Plat For The Villas at Mountain Shadows, a re-subdivision of Lot 132 of Mountain Shadow Resort Unit 2 – Amended VII. After reviewing the preliminary plat for For The Villas at Mountain Shadows, CenturyLink does not see a problem with Tract B, Tract C and Tract D being dedicated to water, sewer, gas, electric, telephone and cable television utility providers. It is also understood that the purpose of this easement is to allow service to and from Lots 128, 128-A, 129, 131, 132(Future Lots 1-20), 133, 134, 135 and Tract "A" of Amended VII. This will be sufficient enough to place CenturyLink facilities in order to meet the needs of the customers of this development.

Please contact me at 318-330-6894 or by email at michael.pietlukiewicz@centurylink.com with any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Pietlukiewicz".

Michael Pietlukiewicz
Network Real Estate



CenturyLink™

CenturyLink Engineering
135 W. Orion St. 1st Floor
Tempe, AZ 85283
BICS@Centurylink.com

April 14, 2015

Mr. Rick Carpinelli
CROWN REALTY DEVELOPMENT
5517 East Lincoln Drive
Paradise Valley, Arizona 85253

RE: Villas at Mountain Shadows

Mr. Carpinelli,

The above mentioned project is located in a parcel of land located in Section 8, Township 2N and Range 4E in Maricopa County.

In response to your "Service Availability" request for the above mentioned development located at the southwest corner of Lincoln Drive and 56th Street, Paradise Valley, AZ, this letter is to acknowledge that this subject property is within CenturyLink serving territory.

The tariff Rates and Regulations prescribed for service for this area are on file with your State Utilities Commission, and may be examined at your local CenturyLink Business Office.

Sincerely,

Ronijean Grant-Sloan
CenturyLink Supervisor Construction/Engineering Permits/Joint Use/Developer Administration
135 W Orion Street, 1st Floor
Tempe, AZ 85283
480/768-4294 (Office)
480/748-1352 (Cell)