

1
2
3
4

ARIZONA DEPARTMENT OF WATER RESOURCES
BEFORE THE DIRECTOR

5
6
7

In the Matter of Certificates of Assured Water Supply Nos. 27-402170.0000, Verrado Parcel 4.416 and 27-402172.0000, Verrado Parcel 4.418

**STIPULATION AND CONSENT ORDER
REVOKING CERTIFICATE OF
ASSURED WATER SUPPLY**

8
9

The Department of Water Resources (Department) and DMB White Tank, LLC (DMB) agree as follows:

10

I. JURISDICTION

- 11 1. This Stipulation and Consent Order is entered into pursuant to the authority of the Director
12 of the Department (Director) as set forth in A.R.S. §§ 45-105 and 45-576 and A.A.C. R12-
13 15-709(A).

14

II. FACTUAL BACKGROUND

- 15 2. Verrado Parcel 4.416 and Verrado Parcel 4.418 are subdivisions located in Maricopa
16 County, Arizona, within the Phoenix Active Management Area.
- 17 3. On September 14, 2006, the Department issued Certificate of Assured Water Supply
18 (Certificate) No. 27-402170.0000 for 21 lots in Verrado Parcel 4.416 with an estimated
19 water demand of 15.21 acre-feet per year to Fidelity National Title Insurance Company, a
20 California corporation, as Trustee of Trust No. B176, with Caterpillar Foundation, an
21 Illinois not-for-profit corporation, as first beneficiary and DMB, an Arizona limited liability
22 company, as second beneficiary. Physical availability for Certificate No. 27-402170.0000
23 was demonstrated with Analysis of Assured Water Supply No. 28-400460 as extended by
24 42-400460.0001 and 42-400460.0002 (Verrado Analysis).
25
26

- 1 4. On September 14, 2006, the Department issued Certificate No. 27-402172.0000 for 36 lots
2 in Verrado Parcel 4.418 with an estimated water demand of 18.44 acre-feet per year to
3 Fidelity National Title Insurance Company, a California corporation, as Trustee of Trust
4 No. B176, with Caterpillar Foundation, an Illinois not-for-profit corporation as first
5 beneficiary and DMB, an Arizona limited liability company as second beneficiary. Physical
6 availability for Certificate No. 27-402172.0000 was demonstrated with the Verrado
7 Analysis.
8
- 9 5. Prior to the issuance of Certificate Nos. 27-402170.0000 and 27-402172.0000, Verrado
10 Parcels 4.416 and 4.418 were enrolled as member lands in the Central Arizona Groundwater
11 Replenishment District (CAGR), pursuant to A.R.S. § 48-3774.
12
- 13 6. On December 1, 2015, DMB submitted a request to CAGR to terminate its member land
14 status for Verrado Parcels 4.416 and 4.418.
15
- 16 7. The CAGR has verified that DMB is the current owner of all the lands contained within
17 Certificate Nos. 27-402170.0000 and 27-402172.0000.
18
- 19 8. On January 12, 2016, DMB submitted a request for revocation of Certificate Nos. 27-
20 402170.0000 and 27-402172.0000 and a return of the groundwater demand included in the
21 certificates to the Verrado Analysis.
22
- 23 9. No residential lots have been sold nor has any building begun at Verrado Parcels 4.416 and
24 4.418.
25
26

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

III. EFFECTIVE DATE

10. This Stipulation and the Consent Order below, when signed and approved by the Director or his designated representative, shall have the full force and effect of a final decision and order, and it shall be effective as of that date.

IV. CONSENT TO REVOCATION OF CERTIFICATES

11. DMB waives its right to a hearing in this matter and the right to appeal this Stipulation and the Consent Order below.

12. DMB affirms that it is the sole owner of the lands described in Certificate Nos. 27-402170.0000 and 27-402172.0000.

13. DMB agrees that Certificate No. 27-402170.0000 shall be revoked effective upon CAGR D's termination of member land status for Verrado Parcel 4.416.

14. DMB agrees that Certificate No. 27-402172.0000 shall be revoked effective upon CAGR D's termination of member land status for Verrado Parcel 4.418.

15. DMB admits the jurisdiction of the Department and consents to the revocation of Certificate No. 27-402170.0000 upon termination of member land status for Verrado Parcel 4.416 and consents to entry of the Consent Order below.

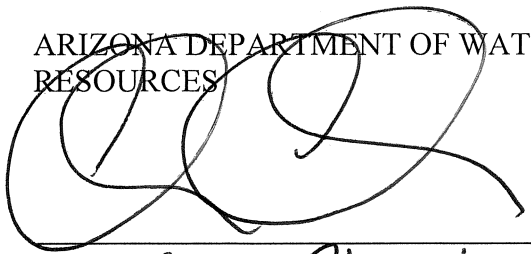
16. DMB admits the jurisdiction of the Department and consents to the revocation of Certificate No. 27-402172.0000 upon termination of member land status for Verrado Parcel 4.418 and consents to entry of the Consent Order below.

- 1 17. Upon revocation of Certificate No. 27-402170.0000, 15.21 acre-feet per year of
2 groundwater will be returned to Analysis of Assured Water Supply No. 28-400460 as
3 extended by 42-400460.0001 and 42-400460.0002.
4
- 5 18. Upon revocation of Certificate No. 27-402172.0000, 18.44 acre-feet per year of
6 groundwater will be returned to Analysis of Assured Water Supply No. 28-400460 as
7 extended by 42-400460.0001 and 42-400460.0002.
8
- 9 19. DMB agrees that the return of the groundwater to Analysis of Assured Water Supply No.
10 28-400460 as extended by 42-400460.0001 and 42-400460.0002 shall not extend the term
11 of the analysis.
12
- 13 20. DMB affirms that no promise was made to induce it to enter this Stipulation and declares
14 that it has entered this Stipulation voluntarily.
15
16
17
18
19
20
21
22
23
24
25
26

1 The undersigned warrant their authority to bind the parties on whose behalf their signatures are
2 made to the provisions of this Stipulation, and the Consent Order shall be binding on the parties,
their successors and assigns, forever.

3 DMB White Tank, LLC, an Arizona
4 Limited liability company

ARIZONA DEPARTMENT OF WATER
RESOURCES



5
6 By: DMB Associates, Inc., an Arizona
corporation
7 Its: Manager

Name: Clint Chandler

8 Mary S. Alexander

Title: Assistant Director

9 Name: MARY S. ALEXANDER

Date: October 4, 2016

10 Title: Executive VP

11 Date: 10/3/16

12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

CONSENT ORDER

IT IS ORDERED that the terms of the foregoing Stipulation are approved and adopted as the final Decision and Order in this case.

IT IS FURTHER ORDERED that Certificate No. 27-402170.0000 is revoked effective upon termination of member land status for Verrado Parcel 4.416.

IT IS FURTHER ORDERED that Certificate No. 27-402172.0000 is revoked effective upon termination of member land status for Verrado Parcel 4.418.

IT IS FURTHER ORDERED that upon revocation of Certificate No. 27-402170.0000, 15.21 acre-feet per year of groundwater shall be returned to Analysis of Assured Water Supply No. 28-400460 as extended by 42-400460.0001 and 42-400460.0002.

IT IS FURTHER ORDERED that upon revocation of Certificate No. 27-402172.0000, 18.44 acre-feet per year of groundwater shall be returned to Analysis of Assured Water Supply No. 28-400460 as extended by 42-400460.0001 and 42-400460.0002.

BE IT SO APPROVED this 4 day of October, 2016.



Thomas Buschatzke
Director
Arizona Department of Water Resources
3550 N Central Avenue
Phoenix, Arizona 85012

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

COPIES of the foregoing sent via
Certified mail and electronic mail
this 5th day of October, 2016 to:

DMB White Tank, LLC
c/o DMB Associates, Inc.
7600 E. Doubletree Ranch Road
Suite 300
Scottsdale, AZ 85258
Attn: Mary Alexander
MAlexander@dmbinc.com

CMRRR# 7007 2680 0000 5306 9357

Copy of the foregoing sent by electronic mail
this 5th day of October, 2016 to:

Central Arizona Groundwater Replenishment District
Candi Cox
ccox@cap-az.com

Arizona Department of Real Estate
Carla Randolph
crandolph@azre.gov

Margaret R. Gallogly
Attorney for DMB White Tank, LLC
mgallogly@fclaw.com

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

DMB White Tank, LLC
 c/o DMB Associates, Inc.
 ATTN: Mary Alexander
 7600 E. Doubletree Ranch Rd. Suite 300
 Scottsdale, AZ 85258

2. Article Number

(Transfer from service label)

7007 2680 0000 5306 9357

PS Form 3811, July 2013

Domestic Return Receipt

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type
 Certified Mail® Priority Mail Express™
 Registered Return Receipt for Merchandise
 Insured Mail Collect on Delivery

4. Restricted Delivery? (Extra Fee) Yes

Certified Mail Provides:

- A mailing receipt
- A unique identifier for your mailpiece
- A record of delivery kept by the Post

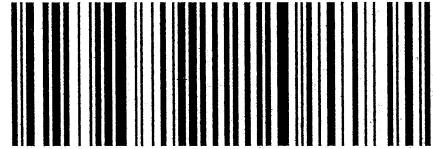
Important Reminders:

- Certified Mail may ONLY be combined with other services.
- Certified Mail is not available for any valuables, please consider Insured coverage.
- NO INSURANCE COVERAGE IS provided for items valued over \$500. For an additional fee, a Return Receipt for Merchandise may be obtained.
- For an additional fee, a Return Receipt for Merchandise (PS Form 3811) to the article and fee. Endorse mailpiece "Return Receipt for Merchandise" and attach a duplicate return receipt, a USPS Form 3811, is required.
- For an additional fee, delivery may be made to an addressee's authorized agent. Advise the addressee of the agent's name and address by endorsing "Restricted Delivery".
- If a postmark on the Certified Mail receipt is not legible, a postmarking stamp may be used at the post office for postmarking. The receipt is not needed, detach and attach to the mailpiece.

IMPORTANT: Save this receipt and return it to the post office.

PS Form 3800, August 2006 (Reverse) PSN 7530-02-000-9001

7007 2680 0000 5306 9357



CERTIFIED MAIL™

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE