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Division of Public Utilities

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*Director, Division of Public Utilities*

--==-- MEMORANDUM ==--

**TO:** PUBLIC SERVICE COMMISSION OF UTAH

**FROM:** DIVISION OF PUBLIC UTILITIES  
Chris Parker, Division Director  
Bill Duncan, Manager, Telecom & Water Section  
Shauna Benvegna-Springer, Utility Analyst

**DATE:** November 20, 2012

**SUBJECT:** In the Matter of the Notice of Merger of Boulder King Ranch Estates Water Company with and into Boulder Farmstead Water Company

**RE:** Docket No. 11-2254-01

In response to the Order Requiring Further Action before CPCN Can Be Cancelled and AN Exemption Acknowledged issued by the Utah Public Service Commission (“Commission”) on October 31, 2012, the Division of Public Utilities (“Division”) is filing with the Commission the documents on behalf of Boulder King Ranch Estates Water Company (“Boulder King”) and Boulder Farmstead Water Company (“Boulder Farmstead”). The documents include:

- 1) A copy of the Plan of Merger between Boulder King and Boulder Farmstead,
- 2) A copy of the current Articles of Incorporation of Boulder Farmstead with Amendments,
- 3) A copy of the Amended and Restated Bylaws of Boulder Farmstead,
- 4) A copy of the Resolution from Boulder King’s Board of Directors meetings adopting the Plan of Merger,
- 5) A copy of the Resolution from Boulder Farmstead’s Board of Directors meetings adopting the Plan of Merger,
- 6) A copy of the minutes of the Boulder Farmstead’s Shareholder Meeting held August 30, 2011,
- 7) A copy of the minutes of Boulder King’s Shareholder Meeting held September 10, 2011,
- 8) An email, from David Heaton of Boulder King, identifying when the merger was completed and what was transferred as a result of the merger,

- 9) An email, from Connie Reid of Boulder Farmstead, identifying when the merger was completed and what was transferred as a result of the merger, and
- 10) A copy of the “database status” of Boulder King from the Division of Corporations (the Articles of Merger defined the conversion process of Boulder King), a copy of the Articles of Merger and Division of Corporation’s certification on October 14, 2011.

Additional information and documents were provided to the Division to support the completion of the merger as of April 4, 2012 (warranty deed with Dale Clarkston), and the continuance of the Letter of Exemption. Boulder Farmstead is operating as a mutually owned water company serving its owners and shareholders of the corporation, based upon the documents presented. Boulder Farmstead possesses the required infrastructure for a public utility as recorded with the Division of Water Rights and the Division of Drinking Water.

The Division recommends the Commission cancel the Certificate of Public Convenience and Necessity (CPCN) for Boulder King, Certificate #2254. The Division also recommends the Commission acknowledge that the merger did not affect the status of the Letter of Exemption (LOE) #106 issued to Boulder Farmstead and that it remains valid.

cc: Jim Arnold, Boulder King Ranch Estates Water Company  
Susan Heaton, Boulder King Ranch Estates Water Company  
Connie Reid, Boulder Farmstead Water Company  
Jeffrey R. Gittins, Attorney at Smith Hartvigsen,  
Patricia Schmid, Assistant Attorney General

Attachments (11)