

SALT RIVER PROJECT

P.O. BOX 1980
PHOENIX, ARIZONA 85001

February 24, 1975



TELEPHONE 273-5900

Arthur C. Gehr, Esq.
Snell & Wilmer
3100 Valley Center
Phoenix, Arizona 85073

Dear Mr. Gehr:

Re: Right of Eminent Domain of the Salt River
Project Agricultural Improvement and
Power District

You have requested an opinion of counsel as to the legal authority of the Salt River Project Agricultural Improvement and Power District, one of several participants in the Palo Verde Nuclear Generating Station, a part of the Arizona Nuclear Power Project, to exercise the right of eminent domain.

The Salt River Project Agricultural Improvement and Power District, pursuant to the Constitution of the State of Arizona, Article 13, Section 7, is a duly formed agricultural improvement district, and thus a political subdivision of the state, vested with all the rights, privileges and benefits, and entitled to the immunities and exemptions granted municipalities and political subdivisions under the Constitution or any law of the State.

Arizona Revised Statutes, Title 45, Chapter 4, Section 901, et. seq., enabling legislation for agricultural improvement districts, and thus the statutory framework under which the Salt River Project Agricultural Improvement and Power District is organized, provides with regard to the right of eminent domain, the following:

"Condemnation proceedings may be brought by the board of directors in the name of the district, and all laws of the state relating to the exercise of the right of eminent domain and the taking of private property for public purposes and obtaining immediate possession thereof shall apply to the

Arthur C. Gehr, Esq.
Page 2

February 24, 1975

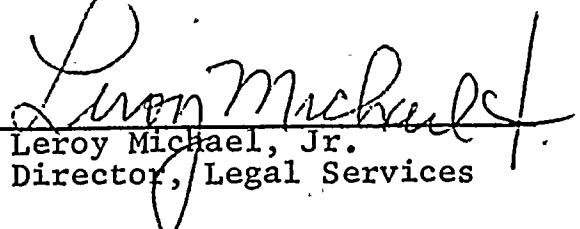
proceedings. The use of the property which is condemned, taken or appropriated under the provisions of this chapter is declared to be a public use, subject to regulation and control by the state in the manner provided by law." ARS §45-939

In the opinion of the undersigned the Salt River Project Agricultural Improvement and Power District, a validly formed and existing agricultural improvement district, pursuant to the Constitution of the State of Arizona, Article 13, Section 7, and ARS §45-901, et seq., may exercise the right of eminent domain pursuant to ARS §45-939, supra.

Attached hereto is a copy of a resolution of the Board of Directors of the Salt River Project Agricultural Improvement and Power District, duly authorized on October 15, 1973, concerning specific exercise of the right of eminent domain in connection with the site for the Palo Verde Nuclear Generating Station.

Yours very truly,

SALT RIVER PROJECT AGRICULTURAL
IMPROVEMENT AND POWER DISTRICT

By 
Leroy Michael, Jr.
Director, Legal Services

LM:mw

Attachment

RESOLUTION

WHEREAS, the Salt River Project Agricultural Improvement and Power District is a participant in the Arizona Nuclear Power Project pursuant to a Participation Agreement entered into as of August 23, 1973, and

WHEREAS, Arizona Public Service Company, as Project Manager for the Arizona Nuclear Power Project, has recommended the purchase of certain real property as a plant site, and

WHEREAS, it may be necessary to proceed to condemnation to acquire said site,

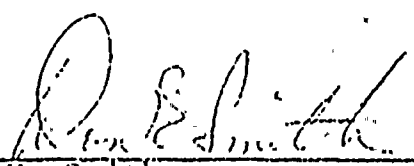
NOW, THEREFORE, BE IT RESOLVED, that this Board authorizes the President to send a letter to the owners of the proposed site giving notice that the Salt River Project Agricultural Improvement and Power District will institute proceedings to obtain said real property by exercise of the powers of eminent domain in the event the participants in the Arizona Nuclear Power Project are unable to acquire the plant site through negotiation.

CERTIFICATE

I, Don E. Smith, the duly appointed, qualified and acting Assistant Secretary of the Salt River Project Agricultural Improvement and Power District HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution authorized by a majority of the Board of Directors on the 15th day of October, 1973, at a special meeting wherein a quorum was present and voted.

WITNESS my hand and seal of the Salt River Project Agricultural Improvement and Power District this 17th day of October, 1973.

(seal)



Don E. Smith
Assistant Secretary