



## BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: 9/5/2023

*\*= Mandatory, information must be provided*

Click or tap the boxes to enter text. If not applicable, indicate "N/A".

**\*Title:**

Regular Session Addendum Agenda Item – For the Attorney General to present Southwest Gas Corporation's Offer of Judgment for approval of the Board of Supervisors.

**\*Introduction/Background:**

The Pima County Attorney's Office requests that the Board of Supervisors consider the Attorney General's presentation of Southwest Gas Corporation's Offer of Judgment.

**\*Discussion:**

N/A

**\*Conclusion:**

The Board of Supervisors should consider the Attorney General's presentation of Southwest Gas Corporation's Offer of Judgment.

**\*Recommendation:**

Follow the legal recommendation from the Pima County Attorney's Office.

**\*Fiscal Impact:**

N/A

**\*Board of Supervisor District:**

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☒ All

Department: Pima County Attorney's Office

Telephone: 520-724-5700

Contact: Chief Civil Deputy Sam Brown

Telephone: 520-724-5700

Department Director Signature:  Date: 08/28/2023

Deputy County Administrator Signature: \_\_\_\_\_ Date: \_\_\_\_\_

County Administrator Signature:  Date: 8/29/23

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5 Scottsdale, AZ 85260

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8 Attorneys for Plaintiff

9 **THE SUPERIOR COURT OF THE STATE OF ARIZONA**

10 **IN THE ARIZONA TAX COURT**

11 **SOUTHWEST GAS CORPORATION, a**  
12 **California corporation,**

13 **Plaintiff,**

14 **v.**

15 **ARIZONA DEPARTMENT OF**  
16 **REVENUE, an agency of the State of**  
17 **Arizona; COUNTIES OF: COCHISE,**  
18 **GILA, GRAHAM, GREENLEE, LA PAZ,**  
19 **MARICOPA, MOHAVE, PIMA, PINAL**  
20 **and YUMA, each of which is a political**  
21 **subdivision of the State of Arizona,**

22 **Defendants.**

No. TX 2021-000366

**PLAINTIFF'S OFFER OF**  
**JUDGMENT**

(Assigned to: Hon. Sara Agne)

23 Plaintiff, SOUTHWEST GAS CORPORATION, a California corporation, hereby  
24 makes an offer of judgment to Defendants: ARIZONA DEPARTMENT OF REVENUE  
25 ("ADOR"), and the COUNTIES OF: COCHISE, GILA, GRAHAM, GREENLEE, LA  
26 PAZ, MARICOPA, MOHAVE, PIMA, PINAL and YUMA, pursuant to Rule 68, Arizona  
Rules of Civil Procedure, on the following terms and conditions.

1. The Subject Property is Arizona property collectively identified by three

1 taxpayer identification numbers: 54-641 (Operating Utility Plant), 64-641  
2 (Environmental Protection Facilities), and 65-641 (Construction Work in  
3 Progress).

- 4 2. Plaintiff offers to accept full cash values (“FCV”) for the Subject Property to  
5 be allocated by ADOR among the Defendant Counties in the same manner  
6 that the current full cash values for each tax year were allocated among the  
7 Defendant Counties (because the allocation methodology used by ADOR is  
8 not in dispute herein) as follows:

9 **2022TY** –

10 Total FCV of the Subject Property for the 2022 tax year = \$2,300,000,000.

11 **2023TY**

12 Total FCV of the Subject Property for the 2023 tax year = \$2,500,000,000.

13 The 2022 and 2023 tax rolls to be corrected to reflect these full cash values  
14 and the resultant changes in limited property values.

- 15 3. The Defendants issue refunds to Plaintiff of any excess taxes levied, assessed,  
16 and paid by or on behalf of Plaintiff on the Subject Property as a result of the  
17 changes in full cash and limited property values set forth above, plus interest,  
18 as provided by law.
- 19 4. If this offer is accepted, Defendants will pay Plaintiff: \$43,435 for its statutory  
20 attorneys’ fees incurred to date, plus \$70,000 for its expert witness expenses  
21 incurred to date, plus taxable costs accrued to date of \$363, all pursuant to  
22 A.R.S. §§ 12-332 and 12-348.

23 Pursuant to Rule 68(g), if you do not provide written notice that the offer is accepted  
24 within 30 days after its service, and you do not obtain a more favorable judgment than this  
25 offer, you will be required to pay Plaintiff as a sanction twenty percent of the difference in  
26 assessed property tax for each year and the amount of property tax that would be due under

1 the terms of this offer. Furthermore, Defendants' refusal of the offer will be used by  
2 Plaintiff as additional support in its application for an award of its attorneys' fees, expert  
3 witness expenses, and taxable costs. *See e.g., 4501 Northpoint LP v. Maricopa County*, 212  
4 Ariz. 98, 128 P.3d 215 (2006); A.R.S. § 12-348.

5 DATED this 14th day of August, 2023.

6 MOONEY, WRIGHT, MOORE & WILHOIT, PLLC

7  
8 By /s/ Paul J. Mooney

Paul J. Mooney

Paul Moore

Attorneys for Plaintiff

10  
11 ORIGINAL of the foregoing served via  
12 email this 14th day of August, 2023, to:

13 Jerry A. Fries

Lisa Neuville

14 Kimberly Cygan

OFFICE OF THE ATTORNEY GENERAL

15 2005 North Central Avenue

16 Phoenix, AZ 85004-1592

Attorneys for Defendants

17  
18 /s/ Kim Simonis