

NEW APPLICATION



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AZ CORP COMMISSION  
DOCUMENT CONTROL

Bensch Ranch Utilities, LLC  
11593 S. Fortuna Rd.  
Yuma, AZ 85367

June 21, 2001

Docket Control Center  
Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, Arizona

SW-04026A-01-0499

Attached is an application by Bensch Ranch Utilities, LLC requesting a CC&N to provide sewer service. The purpose of this application is to provide the Corporation Commission with complete financial and organizational information on the proposed sewer utility, the future growth prospects of said utility, and the rates requested to begin achieving a modest return on capital within five years.

Please feel free to contact me if you have any questions or comments.

Sincerely,

Jason Williamson  
Managing Member, Bensch Ranch Utilities, LLC

**ARIZONA CORPORATION COMMISSION**

**APPLICATION FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY**

**SEWER**

- A. The name, address and telephone number of the Applicant (Company) is:

Bensch Ranch Utilities, LLC  
11593 S. Fortuna Rd.  
Yuma, AZ 85367  
(866) 681-0148

- B. If doing business (d.b.a.) under a name other than the Applicant (Company) name listed above, specify:
- 

- C. List the name, address and telephone number of the management contact:

Jason Williamson  
c/o Pivotal Utility Management  
6825 E. Tennessee Ave. Suite 401  
Denver, CO 80224  
(303) 333-1250

- D. List the name, address and telephone number of the attorney for the Applicant:

Joshua Meyer, Esq.  
11593 S. Fortuna Rd.  
Yuma, AZ 85367  
(520) 342-9324

- E. List the name, address and telephone number of the operator certified by the Arizona Department of Environmental Quality:

Arizona Wastewater Service  
Steve Burnett

P.O. Box 3890  
 Sedona, AZ 86336  
 (520) 203-9320

F. List the name, address and telephone number of the on-site manager of the utility:

Arizona Wastewater Service  
 Steve Burnett  
 P.O. Box 3890  
 Sedona, AZ 86336  
 (520) 203-9320

Will be managed by:  
 Pivotal Utility Management  
 6825 E. Tennessee Ave. Suite 401  
 Denver, CO 80224  
 (303) 333-1250

G. The Applicant is a:

<input type="checkbox"/> Corporation: <input type="checkbox"/> "C", <input type="checkbox"/> "S", <input type="checkbox"/> Non-Profit <input type="checkbox"/> Arizona, <input type="checkbox"/> Foreign	<input type="checkbox"/> Partnership <input type="checkbox"/> Limited, <input type="checkbox"/> General <input type="checkbox"/> Arizona, <input type="checkbox"/> Foreign
<input type="checkbox"/> Sole Proprietorship	<input checked="" type="checkbox"/> Limited Liability Company (LLC)
<input type="checkbox"/> Other (Specify)	

H. If Applicant is a corporation (n/a):

1. List names of Officers and Directors:
2. Attach a copy of the corporation's "Certificate of Good Standing" issued by the Corporation's Division of the Arizona Corporation Commission.

3. Attach a copy of the Articles of Incorporation.
4. Attach a copy of the corporation's By-Laws.
5. If a for-profit corporation, indicate the number of shares of stock authorized for issue:
6. If stock has been issued, indicate the number of shares issued and date of issue:

H. If the Applicant is a partnership (n/a):

1. List the names of the general partners:
2. List the name, address and telephone number of the managing partners:
3. Attach a copy of the Partnership's Articles of Partnership.

- If the Applicant is a foreign limited partnership, provide a copy of the Partnership's "Certificate of Registration" filed with the Arizona Secretary of State.

J. If the Applicant is a sole proprietor, list the name, address and telephone number of the proprietor:

K. If the Applicant is a Limited Liability Company:

1. List the names of managers:

Jason Williamson

Dwight L. Zemp

Joshua J. Meyer

John Clingman

L. List the names and addresses of any other public utility interest, which the applicant may have:

n/a – New Utility Company

M. Attach a description of the area requested using **CADASTRAL** (quarter section description) or **Metes and Bounds** survey. References to parcels and docket numbers will not be accepted. (attached hereto)

N. Attach a detailed map using the form provided as Attachment "B". Shade and outline the area requested. Also, indicate any other utility within the general area using different colors. (attached hereto)

O. Attach financial information in a format similar to Attachment "C" (attached as attachment C hereto – Note additional pro forma cash flow spreadsheet has also been attached)

P. Explain the method of financing utility facilities.

Majority of utility plant in service will be contributed, although a portion (estimated at 78%) of the treatment plant equipment will be rented (leased).

Q. Estimated starting and completion dates of construction of utility facilities:

Estimated Starting date: October, 2001

Estimated Completion date: January, 2002

R. Attach proposed Tariffs using either the water or sewer format of Attachment "D", unless the Utilities Division, prior to the filing of application, approves another form (attached hereto).

S. Attach the following permits:

1. The franchise from either the City or County for the area requested. (Letter saying franchise not required Attached Hereto)
2. The Arizona Department of Environmental Quality (or its designee's) approval to construct facilities. (Design Currently being Reviewed – File #22901 – Kristie Kilgore, PE is project officer)
3. The Arizona State Land Department approval. (If you are including any State land in your requested area this approval is needed.) N/A
4. Any U.S. Forest Service approval. (If you are including any U.S. Forest Service land in your requested area this approval is needed.) N/A
5. (WATER ONLY) If the area requested is within an Active Management Area, attach a copy of the utility's Designation of an Assured Water Supply, or the developer's Certificate

of Assured Water Supply issued by the Arizona Department of Water Resources, whichever applies.

- If the area requested is outside an Active Management Area, attach the developer's Adequacy Statement issued by the Arizona Department of Water Resources, if applied for by the developer.
  - If the area requested is outside an Active Management Area and the developer does not obtain an Adequacy Statement, provide sufficient detail to prove that adequate water exists to provide water to the area requested.
6. Provide a copy of your estimated property taxes. This may be obtained by contacting the Arizona Department of Revenue, Division of Property Valuation and Equalization. You must provide them with a five (5) year projection of the original cost of the plant, depreciation expense, the location of the property and the school district. (With the new methodology, communication with the DOR was not necessary...the estimated property taxes, based on revenues, are reflected on the pro forma cash flows as well as the income statement)

T. Provide the following information:

1. Indicate the estimated number of customers, by class, to be served in each of the first five years of operation:

**Residential:**

First Year 15 Second Year 51 Third Year 87 Fourth Year 123  
Fifth Year 159

**Commercial:**

First Year 1 Second Year 3 Third Year 3 Fourth Year 3  
Fifth Year 3

**Industrial:**

First Year 0 Second Year 0 Third Year 0 Fourth Year 0  
Fifth Year 0

**Irrigation:**

First Year 0 Second Year 0 Third Year 0 Fourth Year 0  
Fifth Year 0

2. Indicate the projected annual water consumption or sewerage treatment, in gallons, for each of the customer classes for each of the first five years of operation:

**Residential:**

First Year 0.6 million  
Second Year 1.3 million  
Third Year 4.6 million  
Fourth Year 7.9 million  
Fifth Year 14.5 million

**Commercial:**

First Year 0.5 million  
Second Year 1.2 million  
Third Year 3.1 million  
Fourth Year 3.1 million  
Fifth Year 3.1 million

**Industrial:** No Industrial

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_ Fourth Year \_\_\_\_\_  
Fifth Year \_\_\_\_\_

**Irrigation:** No Irrigation

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_ Fourth Year \_\_\_\_\_  
Fifth Year \_\_\_\_\_

3. Indicate the total estimated annual operating revenue for each of the first five years of operation:

**Residential:**

First Year: \$ 3,699    Second Year: \$ 20,751    Third Year: \$ 41,018  
Fourth Year: \$ 61,322    Fifth Year: \$ 81,626

**Commercial:**

First Year: \$4,228    Second Year: \$14,024    Third Year: \$15,984  
Fourth Year: \$15,984    Fifth Year: \$15,984

**Industrial:** (no industrial)

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_

Fourth Year \_\_\_\_\_ Fifth Year \_\_\_\_\_

**Irrigation:** (no irrigation)

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_

Fourth Year \_\_\_\_\_ Fifth Year \_\_\_\_\_

4. Indicate the total estimated annual operating expenses for each of the first five years of operation:

**Residential:**

First Year: \$ 40,874    Second Year: \$ 47,472    Third Year: \$ 54,150  
Fourth Year: \$ 62,442    Fifth Year: \$ 73,477

**Commercial:**

First Year: \$17,500    Second Year: \$22,500    Third Year: \$22,500  
Fourth Year: \$22,500    Fifth Year: \$22,500

**Industrial:** (no industrial)

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_

Fourth Year \_\_\_\_\_ Fifth Year \_\_\_\_\_

**Irrigation:** (no irrigation)

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_

Fourth Year \_\_\_\_\_ Fifth Year \_\_\_\_\_

5. Attach an itemized list of the major components of the water or sewer system (see Attachment C – Utility Plant in Service).
6. Indicate the total estimated cost to construct utility facilities:  
\$ 930,000 (estimate on 6/1/01)

*Jason Williamson*  
(Signature of Authorized Representative)

Jason Williamson

(Type or Print Name Here)

Manager

(Title)

SUBSCRIBED AND SWORN to before me this 19<sup>th</sup> day of June, 2001

*M. St. Antoine*

NOTARY PUBLIC

My Commission Expires 02/21/2005

My Commission Expires \_\_\_\_\_



EXHIBIT "A"

PARCEL I:

*L TRACTS N 1/0 plus*  
LOTS 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 860, 861, 862, 863, 864, 865, 866 AND 867, SPRING VALLEY, UNIT II, ACCORDING TO THE PLAT OF RECORD IN BOOK 16 OF MAPS, PAGES 72-74, RECORDS OF YAVAPAI COUNTY, ARIZONA.

EXCEPT ALL GAS, OIL, METALS AND MINERAL RIGHTS AS RESERVED FROM SAID LAND.

ALSO EXCEPT ALL URANIUM, THORIUM, OR ANY OTHER MATERIALS WHICH IS OR MAY BE PARTICULARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS AS RESERVED FROM SAID LAND.

*Spring Valley -  
Ray Runyon.*

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*ATTN JASON Williams*

*Spring Valley -  
Ray Ryan*

PAGE 2 OF 2  
BK 3784 PG 273 FEE#3293557

**Exhibit A**

**TRACTS N & O, SPRING VALLEY, UNIT II, ACCORDING TO THE PLAT OF RECORD IN BOOK 16 OF MAPS, PAGES 72-74, RECORDS OF YAVAPAI COUNTY, ARIZONA.**

**EXCEPT ALL GAS, OIL, METALS AND MINERAL RIGHTS AS RESERVED FROM SAID LAND.**

**ALSO EXCEPT ALL URANIUM, THORIUM, OR ANY OTHER MATERIALS WHICH IS OR MAY BE PARTICULARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS AS RESERVED FROM SAID LAND.**

**AND ALSO EXCEPTING THEREFROM THAT PORTION OF TRACT O, DESCRIBED AS FOLLOWS:**

**BEGINNING AT THE NORTHEAST CORNER OF LOT 852, SPRING VALLEY, UNIT II;**

**THENCE NORTH 61 DEGREES, 39 MINUTES, 26 SECONDS WEST, 400.00 FEET;**

**THENCE SOUTH 28 DEGREES, 20 MINUTES, 34 SECONDS WEST, 100.00 FEET;**

**THENCE SOUTH 61 DEGREES, 39 MINUTES, 26 SECONDS EAST, 400.00 FEET;**

**THENCE NORTH 28 DEGREES, 20 MINUTES, 34 SECONDS EAST, 100.00 FEET TO THE POINT OF BEGINNING.**

BEUSCH RANCH  
Exhibit A  
TOTAL PROPERTY

PARCEL I:

G.L.O. Lots 2, 3 and 4, the Southeast quarter of the Northwest quarter and the Northeast quarter of the Southwest quarter and the Northwest quarter of the Southeast quarter and the Southeast quarter of the Southwest quarter and the Southwest quarter of the Southeast quarter and the Southwest quarter of Northeast quarter, all in Section 6, Township 11 North, Range 2 East of the Gila and Salt River Base and Meridian, Yavapai County, Arizona.

PARCEL II:

A portion of G.L.O. Lot 1, Section 6, Township 11 North, Range 2 East of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

COMMENCING at the Northeast corner of said Section 6;

Thence North 89 degrees, 35 minutes, 12 seconds West along the North line of said Section 6, a distance of 1215.03 feet to the TRUE POINT OF BEGINNING;

Thence South 00 degrees, 24 minutes, 48 seconds West, a distance of 60.00 feet to a point on the South line of the North 60.00 feet of said Lot 1;

Thence North 89 degrees, 35 minutes, 12 seconds West, along said South line, a distance of 112.84 feet to the West line of said Lot 1;

Thence North 00 degrees, 03 minutes, 34 seconds West along said West line, a distance of 60.00 feet to the Northwest corner of said Lot 1;

Thence South 89 degrees, 35 minutes, 12 seconds East along the North line of said Lot 1, a distance of 113.33 feet to the TRUE POINT OF BEGINNING;

PARCEL III:

G.L.O. Lots 5, 6, 7 and 8 (shown as the South half of the South half in document, recorded in Book 2876 of Official Records, Page 598, records of Yavapai County, Arizona) of Section 31, Township 12 North, Range 2 East of the Gila and Salt River Base and Meridian, Yavapai County, Arizona.

EXCEPT any portion lying within State Highway 69 as set forth in instruments recorded in Book 2530 of Official Records, Page 863 and in Book 2536 of Official Records, pages 130 and 134.

ALSO EXCEPTING THEREFROM the following:

A portion of Lot 8, Section 31, Township 12 North, Range 2 East of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

COMMENCING at the Southeast corner of said Section 31;

Thence North 89 degrees, 35 minutes, 12 seconds West along the South line of Section 31, a distance of 640.80 feet to the TRUE POINT OF BEGINNING;

Thence continuing North 89 degrees, 35 minutes, 12 seconds West along said South line, a distance of 221.33 feet;

Thence North 20 degrees, 12 minutes, 09 seconds East, a distance of 94.57 feet;

Thence South 64 degrees, 24 minutes, 42 seconds East, a distance of 209.18 feet to the TRUE POINT OF BEGINNING.

PARCEL IV:

G.L.O. Lot 1 (shown as the Northeast quarter of the Northeast quarter in document, recorded in Book 2810 of Official Records, Page 683, records of Yavapai County, Arizona) of Section 6, Township 11 North, Range 2 East of the Gila and Salt River Base and Meridian, Yavapai County, Arizona.

EXCEPT any portion lying within State Highway 69 as set forth in instruments recorded in Book 2549 of Official Records, pages 321 and 324.

AND EXCEPT a portion of said Lot 1, of Section 6, Township 11 North, Range 2 East of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

COMMENCING at the Northeast corner of said Section 6;

Thence North 89 degrees, 35 minutes, 12 seconds West along the North line of said Section 6, a distance of 1215.03 feet to the TRUE POINT OF BEGINNING;

Thence South 00 degrees, 24 minutes, 48 seconds West, a distance of 60.00 feet to a point on the South line of the North 60.00 feet of said Lot 1;

Thence North 89 degrees, 35 minutes, 12 seconds West along said South line, a distance of 112.84 feet to the West line of said Lot 1;

Thence North 00 degrees, 03 minutes, 34 seconds West along the West line of said Lot 1, a distance of 60.00 feet to the Northwest corner of said Lot 1;

Thence South 89 degrees, 35 minutes, 12 seconds East along the North line of said Lot 1, a distance of 113.33 feet to the TRUE POINT OF BEGINNING.

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**PARCEL V:**

A portion of G.L.O. Lot 8, Section 31, Township 12 North, Range 2 East of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

**COMMENCING** at the Southeast corner of said Section 31;

Thence North 89 degrees, 35 minutes, 12 seconds West along the South line of Section 31, a distance of 640.80 feet to the **TRUE POINT OF BEGINNING**;

Thence continuing North 89 degrees, 35 minutes, 12 seconds West along said South line, a distance of 221.33 feet;

Thence North 20 degrees, 12 minutes, 09 seconds East, a distance of 94.57 feet;

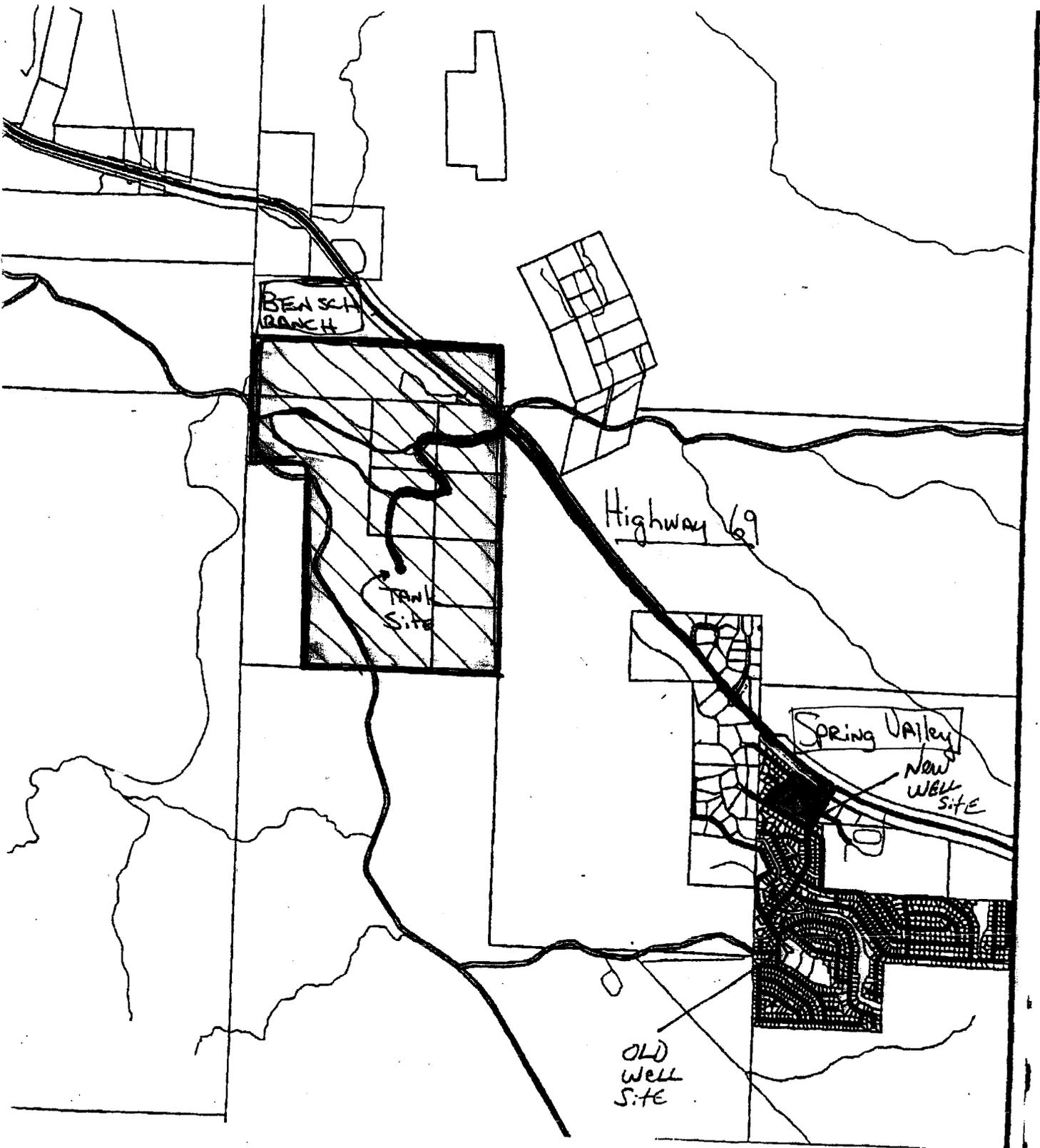
Thence South 64 degrees, 24 minutes, 52 seconds East, a distance of 209.18 feet to the **TRUE POINT OF BEGINNING**.

**PARCEL VI:**

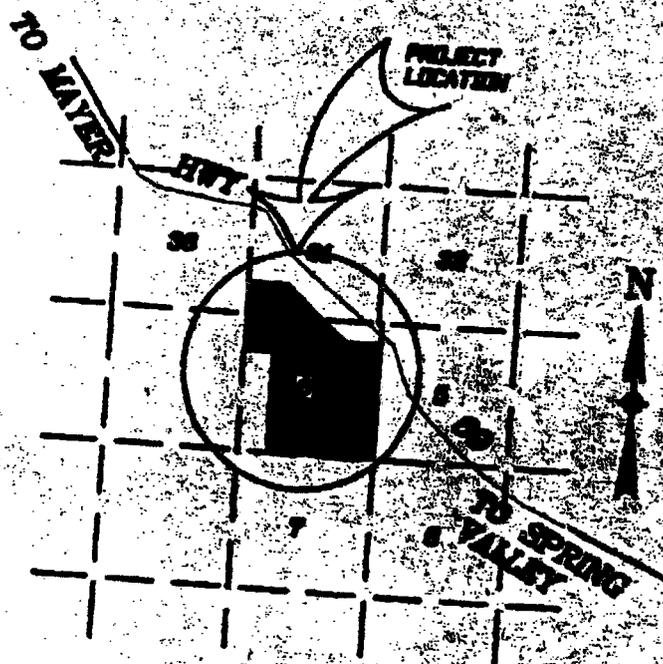
The Southeast quarter of the Northeast quarter and the Northeast quarter of the Southeast quarter all in Section 6, Township 11 North, Range 2 East, Gila and Salt River Base and Meridian, Yavapai County, Arizona.

**EXCEPT** all coal and other minerals as reserved in Patent to said land.

# ATTACHMENT B

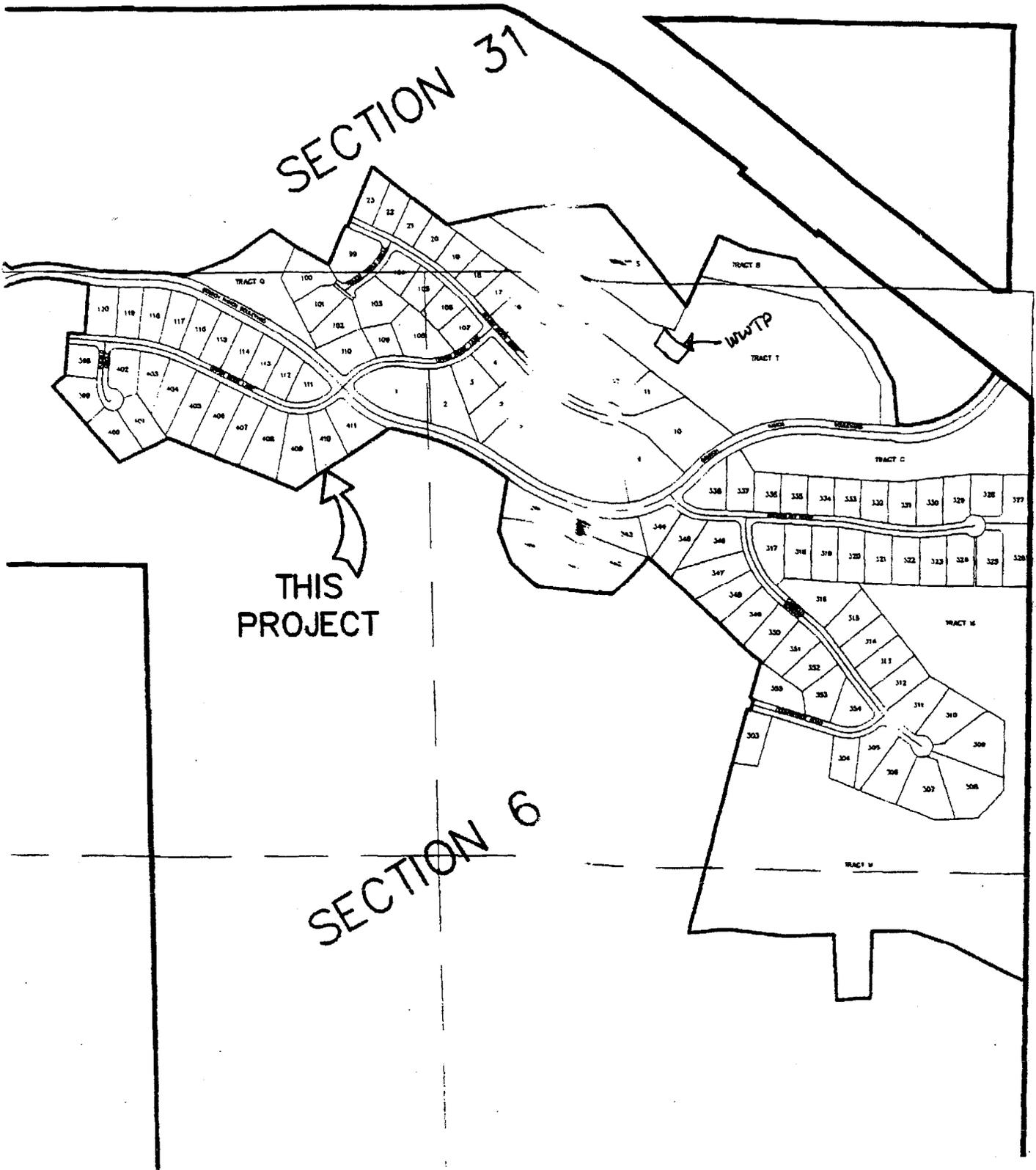


PAVING PLANS  
 For  
 CH RANCH, PHASE  
 SECTION OF SECTION 6 TOWNSHIP 11 NORTH,  
 RANGE 2 EAST, GILA & SALT RIVER MERI



Vicinity Map

Bensch Ranch.



THIS PROJECT

SECTION 31

SECTION 6

WWTP

TRACT A

TRACT B

TRACT C

TRACT D

TRACT E

TRACT F

TRACT G

TRACT H

TRACT I

TRACT J

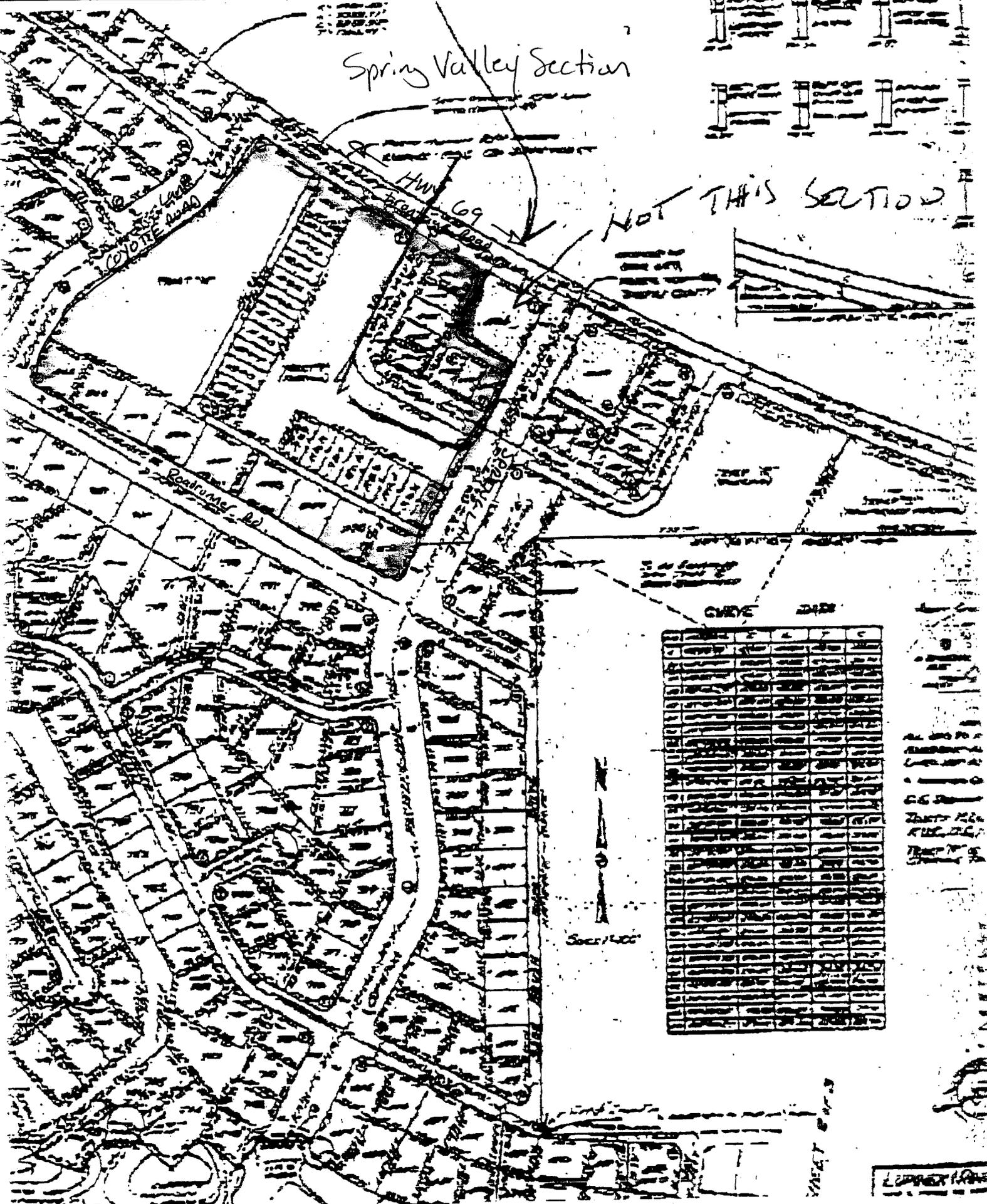
TRACT K

TRACT L

TRACT M

# Spring Valley Section

NOT THIS SECTION



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	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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Legend

- 1. Sandstone
- 2. Shale
- 3. Limestone
- 4. Conglomerate
- 5. Gneiss
- 6. Granite
- 7. Basalt
- 8. Diorite
- 9. Quartzite
- 10. Slate
- 11. Schist
- 12. Amphibolite
- 13. Metagraywacke
- 14. Metasiltstone
- 15. Metapelite
- 16. Metapelite with chert
- 17. Metapelite with chert and fossiliferous
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- 100. Metapelite with chert and fossiliferous (faded)

2000000

Balance Sheet

<b>ATTACHMENT C</b>			
<b>PROFORMA BALANCE SHEET - BENSCH RANCH UTILITIES, LLC</b>			
	<b>DEBITS</b>	<b>CREDITS</b>	<b>SUBTOTALS</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash	\$ 85,000.00		
Accounts Receivable	\$ -		
Other	\$ -		
<b>Total Current Assets</b>			\$ 85,000.00
<b>FIXED ASSETS</b>			
Utility Plant in Service	\$ 673,468.00		
Accumulated Depreciation		\$ -	
Net Plant in Service			\$ 673,468.00
Other	\$ -		
<b>TOTAL ASSETS</b>			\$ 758,468.00
<b>LIABILITIES &amp; CAPITAL</b>			
<b>CURRENT &amp; ACCRUED LIABILITIES</b>			
Accounts Payable		\$ -	
Notes Payable		\$ -	
Accrued Taxes		\$ -	
Accrued Interest		\$ -	
Other		\$ -	
<b>Total Current &amp; Accrued Liabilities</b>			\$ -
<b>Long Term Debt</b>			\$ -
<b>Deferred Credits</b>			
Advances in Aid of Construction		\$ -	
Contributions in Aid of Construction		\$ 580,968.00	
Accumulated Deferred Income Tax		\$ -	
<b>Total Deferred Credits</b>			\$ 580,968.00
<b>TOTAL LIABILITIES</b>			\$ 580,968.00
<b>Members Equity</b>			
Contribution of Equipment		\$ 85,000.00	
Contribution of Time		\$ 7,500.00	
Paid In Capital		\$ 85,000.00	
		\$ -	
<b>Total Capital</b>			\$ 177,500.00
<b>TOTAL LIABILITIES &amp; CAPITAL</b>			\$ 758,468.00
<b>Total Debits &amp; Credits</b>	\$ 758,468.00	\$ 758,468.00	

## ATTACHMENT C1

## PROFORMA INCOME STATEMENT

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Revenues</b>					
Flat Rate Revenues:	\$7,332	\$33,480	\$55,742	\$76,046	\$96,350
Establishment Charges:	\$595	\$1,295	\$1,260	\$1,260	\$1,260
Other Revenues:	\$0	\$0	\$0	\$0	\$0
<b>SUBTOTAL:</b>	<b>\$7,927</b>	<b>\$34,775</b>	<b>\$57,002</b>	<b>\$77,306</b>	<b>\$97,610</b>
<b>Operating Expenses</b>					
Salaries & Wages (Plant Operations)	(\$7,540)	(\$11,310)	(\$11,310)	(\$12,025)	(\$15,600)
Purchased Sewer Treatment	\$0	\$0	\$0	\$0	\$0
Sludge Removal Expenses	(\$4,608)	(\$2,895)	(\$4,703)	(\$6,323)	(\$7,943)
Electrical Costs	(\$6,400)	(\$9,600)	(\$9,600)	(\$9,600)	(\$9,600)
Sewage Treatment & Testing (chemicals & lab costs)	(\$1,697)	(\$3,498)	(\$4,018)	(\$4,720)	(\$5,422)
Repairs & Maintenance	(\$1,200)	(\$1,800)	(\$1,800)	(\$1,800)	(\$1,800)
Office Supplies	\$0	\$0	\$0	\$0	\$0
Outside Services (billing & management)	(\$4,800)	(\$4,840)	(\$7,056)	(\$10,512)	(\$13,968)
Operating Lease Expense	(\$23,094)	(\$25,194)	(\$25,194)	(\$25,194)	(\$25,194)
Transportation Expense	(\$162)	(\$772)	(\$1,254)	(\$1,686)	(\$2,118)
General Insurance	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)	(\$1,500)
Depreciation (straight line - 20 yrs)	(\$4,625.00)	(\$4,625.00)	(\$4,625.00)	(\$4,625.00)	(\$4,625.00)
Health & Life Insurance	\$0	\$0	\$0	\$0	\$0
Income Taxes (40% rate)	\$0	(\$488)	(\$2,140)	(\$3,508)	(\$4,758)
Property Tax	\$0	\$0	\$0	\$0	\$0
Other Taxes	\$0	\$0	\$0	\$0	\$0
Miscellaneous Operating Expenses (contingencies)	(\$500)	(\$1,200)	(\$1,200)	(\$1,200)	(\$1,200)
<b>TOTAL OPERATING EXPENSE</b>	<b>(\$56,125)</b>	<b>(\$67,722)</b>	<b>(\$74,399)</b>	<b>(\$82,692)</b>	<b>(\$93,727)</b>
<b>OPERATING INCOME (LOSS):</b>	<b>(\$48,198)</b>	<b>(\$32,947)</b>	<b>(\$17,397)</b>	<b>(\$5,386)</b>	<b>\$3,883</b>
<b>Other Income/ Expenses</b>					
Interest Income:	\$2,102.29	\$1,014.16	\$308.91	\$58.82	\$162.40
Interest Expense:					
Net Taxable Income (Loss) after interest	(\$46,095.86)	(\$31,932.90)	(\$17,088.14)	(\$5,327.33)	\$4,045.55
<b>Net Income:</b>	<b>(\$46,096)</b>	<b>(\$31,933)</b>	<b>(\$17,088)</b>	<b>(\$5,327)</b>	<b>\$4,046</b>

**BENSCH RANCH UTILITIES - UTILITY PLANT IN SERVICE (Bensch Ranch CC&N)**

Plant	Notes	Total Actual Cost Value	Leased Amt.	Straight-Line Rate of Depreciation: 5%											
				Depreciable Amt.	Year 1 Depr.	Year 2 PIS	Year 2 Depr.	Year 3 PIS	Year 3 Depr.	Year 4 PIS	Year 4 Depr.	Year 5 PIS	Year 5 Depr.		
Organization Costs	Legal, Accounting, Corporation Setup, Planning	7,500.00		7,500.00	\$ 375.00		\$ 375.00		\$ 375.00		\$ 375.00		\$ 375.00		\$ 375.00
Franchise Costs	n/a	45,000.00													
Land & Land Rights	To be contributed to BRU by development companies	25,000.00	\$ 15,000.00	10,000.00	\$ 500.00		\$ 500.00		\$ 500.00		\$ 500.00		\$ 500.00		\$ 500.00
Structure & Improvements	Operations/ Control Building	510,988.00													
Collection System	To be contributed to PMU by development company	5,000.00		5,000.00	\$ 250.00		\$ 250.00		\$ 250.00		\$ 250.00		\$ 250.00		\$ 250.00
Service to Customers															
Flow Measuring Devices															
Receiving Wells															
Electric Pumping Equipment															
Treatment Disposal Equip.	\$8,650 WWTP (22% owner cap / 78% operating lease)	305,000.00	\$ 240,000.00	65,000.00	\$ 3,250.00		\$ 3,250.00		\$ 3,250.00		\$ 3,250.00		\$ 3,250.00		\$ 3,250.00
Plant Sewers															
Outfall Sewer Lines	To be contributed to BRU by development company	25,000.00													
Other Plant Structures/ Improvements															
Office Furniture & Fixtures															
Transportation Equipment															
Tools & Work Equipment															
Laboratory Equipment	Process Testing Equipment	5,000.00		5,000.00	\$ 250.00		\$ 250.00		\$ 250.00		\$ 250.00		\$ 250.00		\$ 250.00
Power Operated Equipment															
Communication Equipment															
Miscellaneous Equipment															
Other Tangible Plant															
<b>TOTAL PLANT IN SERVICE:</b>	<b>Total Depreciation:</b>	<b>928,488.00</b>	<b>\$ 255,000.00</b>	<b>673,488.00</b>	<b>\$ 4,825.00</b>	<b>\$ 688,843.00</b>	<b>\$ 4,825.00</b>	<b>\$ 684,218.00</b>	<b>\$ 4,825.00</b>	<b>\$ 689,593.00</b>	<b>\$ 4,825.00</b>	<b>\$ 684,968.00</b>	<b>\$ 4,825.00</b>	<b>\$ 684,968.00</b>	<b>\$ 4,825.00</b>







ATTACHMENT "D"

SEWER TARIFF SCHEDULE

UTILITY: Bensch Ranch Utilities, LLC

Page 1 of 1

RATES AND CHARGES

FLAT RATE

RESIDENTIAL \$ 47.00  
COMMERCIAL \$ 47.00 x SFE

PER MONTH  
PER MONTH (see note #1)

BASED ON WATER USAGE

RESIDENTIAL MINIMUM \$ \_\_\_\_\_ FOR \_\_\_\_\_ GALLONS  
EXCESS OF MINIMUM \$ \_\_\_\_\_ FOR \_\_\_\_\_ GALLONS

COMMERCIAL MINIMUM \$ \_\_\_\_\_ FOR \_\_\_\_\_ GALLONS  
EXCESS OF MINIMUM \$ \_\_\_\_\_ FOR \_\_\_\_\_ GALLONS

EFFLUENT SALES: (if applicable)

\$ \_\_\_\_\_ PER \_\_\_\_\_ GALLONS

SERVICE LINE CONNECTION CHARGE       N/A      

SERVICE CHARGES:

- 1. ESTABLISHMENT (R14-2-603.D.1) \$ 35.00
- 2. RECONNECTION/DELINQUENT (R14-2-603.D.1) \$ 30.00
- 3. DEPOSIT (R14-2-603.B.7) 2 X Flat Rate
- 4. DEPOSIT INTEREST (R14-2-603.B.3) 3.5 % Annual Eff. Rate
- 5. REESTABLISHMENT W/N 12 MONTHS (R14-2-603.D.1) No. Months off system X monthly flat rate
- 6. NSF CHECK (R14-2-608.E.1) \$25.00
- 7. LATE PAYMENT PENALTY (R14-2-608.F.1) 1.5% per month

OTHER CHARGES AS SPECIFIED BY ORDER:

Note #1: For commercial customers, the flat rate will be calculated by dividing the sewer design daily flow rate (as prescribed in the ADEQ Unified Water Quality Permit Rules, Title 18, Ch. 9, Page 65-66, copy is attached) by one SFE (Single Family Equivalent). One SFE for this project shall be equal to 300 gallons per day. The resulting factor will be multiplied by the residential flat rate to arrive at a commercial monthly flat rate specific to each commercial customer.

## Department of Environmental Quality - Water Pollution Control

Table 1. Unit Daily Design Flows

Type of Facility Served	Applicable Unit	Sewage Design Flow per Applicable Unit, Gallons Per Day
Airport	Passenger (average daily number)	4
	Employee	15
Apartment Building	Resident (if max. number fixed)	100
	Apartment	200
	Apartment	300
	Apartment	500
Auto Wash	Facility	Per manufacturer, if consistent with this Chapter
Bar/Lounge	Seat	30
Barber Shop	Chair	35
Beauty Parlor	Chair	100
Bowling Alley (snack bar only)	Lane	75
Camp	Camping unit	30
	Camping unit	75
	Camping unit	150
	Person	100-150
	Person	50
Church	Person (maximum attendance)	5
	Person (maximum attendance)	7
Country Club	Resident Member	100
	Nonresident Member	10
Dance Hall	Patron	5
Dental Office	Chair	500
Dog Kennel	Animal, maximum occupancy	15
Hospital	Bed	250
	Bed	25
	Bed	40
Hotel/motel	Bed (2 person)	50
	Bed (2 person)	60
Industrial facility	Employee	25
	Employee	35
	Employee	5
Institutions	Person	75
	Person	125
	Person	125
Laundry	Wash cycle	50
	Washing machine	Per manufacturer, if consistent with this Chapter
Office Building	Employee	20
Park	Parking space	40
	Parking space	20
	Vehicle space	75
	Vehicle space	100
	Space	250

Residence		
Dwelling, per person (for sewer collection system design only)	Person	100
Dwelling, single family	Dwelling (3 bedrooms assumed)	450
Dwelling, per bedroom if count available	Bedroom	150
Dwelling, per fixture if count available	Fixture unit	25
Mobile home, family	Home lot	250
Mobile home, adults only	Home lot	150
Seasonal and summer	Resident	100
Restaurant/Cafeteria	Employee	20
With toilet, add	Customer	7
Kitchen waste, add	Meal	6
Garbage disposal, add	Meal	1
Cocktail lounge, add	Customer	2
Kitchen waste disposal service, add	Meal	2
Restroom, public	Toilet	200
School		
Staff and office	Person	20
Elementary, add	Student	15
Middle and High, add	Student	20
with gym & showers, add	Student	5
with cafeteria, add	Student	3
Boarding, total flow	Person	100
Service Station with toilets	First bay	1000
	Each additional bay	500
Shopping Center, no food or laundry	Square foot of retail space	0.1
Store	Employee	20
Public restroom, add	Square foot of retail space	0.1
Swimming Pool, Public	Person	10
Theater		
Indoor	Seat	5
Drive-in	Car space	10

Note: Unit flow rates published in standard texts, literature sources or relevant area or regional studies shall be considered by Department, if appropriate to the project.

**Historical Note**

New Section adopted by final rulemaking at 7 A.A.R. 235, effective January 1, 2001 (Supp. 00-4).

**ARTICLE 4. AGRICULTURAL GENERAL PERMITS**

**R18-9-401. Definitions**

In addition to the definitions established in A.R.S. §§ 49-101 and 49-201, the following terms apply to this Article:

1. "Application of nitrogen fertilizer" means any use of a substance containing nitrogen for the commercial production of crop plants. The commercial production of crop plants includes commercial sod farms and nurseries.
2. "Crop plant needs" means the amount of water and nitrogen required to meet the physiological demands of the crop plant to achieve a defined yield.
3. "Crop plant uptake" means the amount of water and nitrogen that can be physiologically absorbed by the roots and vegetative parts of a crop plant following the application of water.

**Historical Note**

Adopted effective January 4, 1991 (Supp. 91-1). Section R18-9-401 renumbered from R18-9-201 and amended by final rulemaking at 7 A.A.R. 235, effective December 8, 2000 (Supp. 00-4).

**R18-9-402. Agricultural General Permits: Nitrogen Fertilizers**

A person who engages in the application of a nitrogen fertilizer and is issued an agricultural general permit shall comply with the following agricultural best management practices:

1. Limit application of the fertilizer so that it meets projected crop plant needs;
2. Time application of the fertilizer to coincide to maximize crop plant uptake;
3. Apply the fertilizer by a method designed to deliver nitrogen to the area of maximum crop plant uptake;
4. Manage and time application of irrigation water to minimize nitrogen loss by leaching and runoff; and
5. Use tillage practices that maximize water and nitrogen uptake by crop plants.

**Historical Note**

Adopted effective January 4, 1991 (Supp. 91-1). Section R18-9-402 renumbered from R18-9-202 and amended by final rulemaking at 7 A.A.R. 235, effective December 8, 2000 (Supp. 00-4).

**R18-9-403. Agricultural General Permits: Concentrated Animal Feeding Operations**

A person who engages in or operates a concentrated animal feeding operation and is issued an agricultural general permit shall comply with the following agricultural best management practices:

1. Harvest, stockpile, and dispose of animal manure from concentrated animal feeding operation to minimize the discharge of any nitrogen pollutant by leaching and runoff.
2. Control and dispose of nitrogen contaminated water resulting from an activity associated with a concentrated animal feeding operation, up to a 25-year, 24-hour storm

**ATTACHMENT "E"**

**PUBLIC NOTICE OF AN APPLICATION  
FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY  
BY BENSCH RANCH UTILITIES, LLC**

Bensch Ranch Utilities, LLC has filed with the Arizona Corporation Commission ("Commission") an application for authority to provide sewer service to an area in which records indicate that you are a property owner. If the application is granted, Bensch Ranch Utilities would be the exclusive provider of sewer service to the proposed area. Bensch Ranch Utilities will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission. The granting of the application would not necessarily prohibit an individual from providing service to themselves from individually owned facilities on their property. The application is available for inspection during regular business hours at the offices of the Commission in [Phoenix at 1200 West Washington Street/Tucson at 400 West Congress, North Building, Room 218], and at Bensch Ranch Utilities, 6825 E. Tennessee Av. Suite 401, Denver, CO.

The Commission will hold a hearing on this matter. As a property owner you may have the right to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. You may not receive any further notice of the proceeding unless requested by you.

If you have any questions or concerns about this application, have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at [1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000/400 West Congress, North Building, Room 218, Tucson, Arizona 85701 or call 1-800-535-0148].

May 11, 2001

Bensch Ranch Estates Utilities, LLC  
Jason Williamson  
6825 East Tennessee Avenue  
Suite 401  
Denver, Colorado 80230

**RE: Contribution of Sewer Infrastructure/Land**

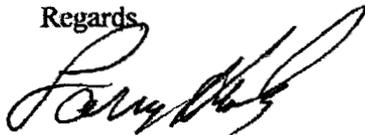
Dear Jason:

I am writing this letter to confirm, in writing, the following details regarding the sewer infrastructure at Bensch Ranch Subdivision. As you know, we have been designing and will construct the complete collection system infrastructure. When construction of the various phases of the collection system are complete and engineers have certified the installation, we will convey this collection system to Bensch Ranch Estates, LLC.

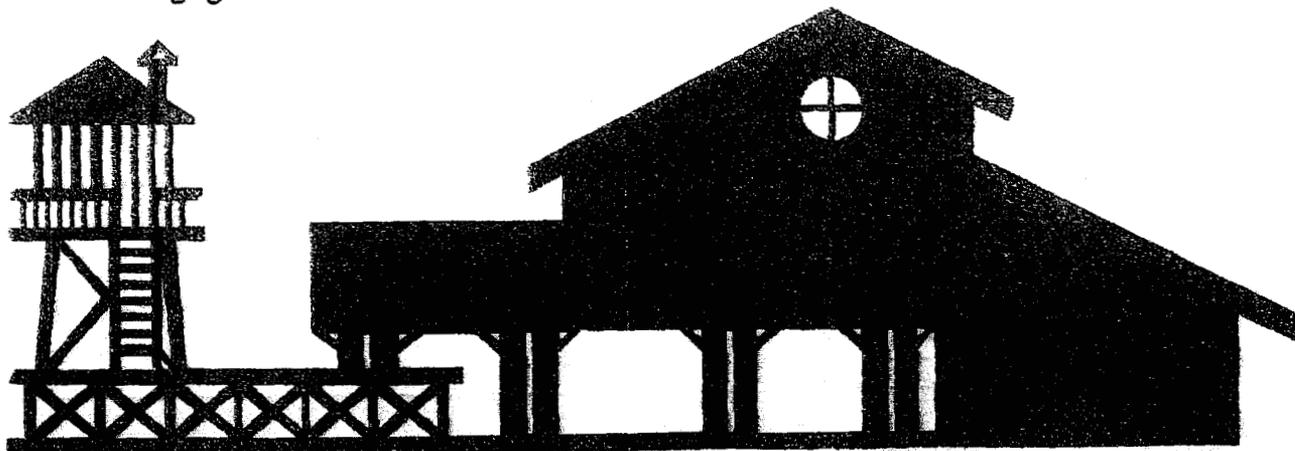
In Addition, and in accordance with our verbal agreements, we will convey title to the land upon which the WWTP will be located (WWTP Site) upon receiving the necessary construction permits from Yavapai County and ADEQ for construction of the collection and wastewater treatment system.

Please let me know if you require additional detail or clarification regarding these conveyances.

Regards,



Larry Henley,  
Managing Member



## **BENSCH RANCH ESTATES**

1200 EAST HIGHWAY 69, MAYER, ARIZONA 86333  
LOCAL - 520-632-4100, TOLL FREE - 1-877-632-4100

[www.benschranchestates.com](http://www.benschranchestates.com)

# COVER SHEET

## ARIZONA CORPORATION COMMISSION DOCKET CONTROL CENTER

RECEIVED  
AZ CORP COMMISSION

CASE/COMPANY NAME:

DOCKET NO.

JUN 21 12 48 PM '01

D/B/A or RESPONDENT:

DOCUMENT CONTROL

SW - 04026A-01-0499

### NATURE OF ACTION OR DESCRIPTION OF DOCUMENT

Please mark the item that describes the nature of the case/filing:

#### 01 UTILITIES - NEW APPLICATIONS

- |  |  |
|--|--|
| <input type="checkbox"/> NEW CC&N  | <input type="checkbox"/> MAIN EXTENSION                                    |
| <input type="checkbox"/> RATES   | <input type="checkbox"/> CONTRACT/AGREEMENTS                               |
| <input type="checkbox"/> INTERIM RATES   | <input type="checkbox"/> COMPLAINT (Formal)                                |
| <input type="checkbox"/> CANCELLATION OF CC&N  | <input type="checkbox"/> RULE VARIANCE/WAIVER REQUEST                      |
| <input type="checkbox"/> DELETION OF CC&N (TERRITORY)  | <input type="checkbox"/> SITING COMMITTEE CASE                             |
| <input type="checkbox"/> EXTENSION OF CC&N (TERRITORY)   | <input type="checkbox"/> SMALL WATER COMPANY -SURCHARGE (Senate Bill 1252) |
| <input type="checkbox"/> TARIFF - NEW (NEXT OPEN MEETING)  | <input type="checkbox"/> SALE OF ASSETS & TRANSFER OF OWNERSHIP            |
| <input type="checkbox"/> REQUEST FOR ARBITRATION<br>(Telecommunication Act)                            | <input type="checkbox"/> SALE OF ASSETS & CANCELLATION OF CC&N             |
| <input type="checkbox"/> FULLY OR PARTIALLY ARBITRATED<br>INTERCONNECTION AGREEMENT<br>(Telecom. Act.) | <input type="checkbox"/> FUEL ADJUSTER/PGA                                 |
| <input type="checkbox"/> VOLUNTARY INTERCONNECTION<br>AGREEMENT (Telecom. Act)                         | <input type="checkbox"/> MERGER  |
|  | <input type="checkbox"/> FINANCING   |
|  | <input type="checkbox"/> MISCELLANEOUS                                     |
|  | Specify _____  |

#### 02 UTILITIES - REVISIONS/AMENDMENTS TO PENDING OR APPROVED MATTERS

- |   |   |
|---|---|
| <input type="checkbox"/> APPLICATION      | <input type="checkbox"/> TARIFF             |
| <input type="checkbox"/> COMPANY          | <input type="checkbox"/> PROMOTIONAL        |
| <input type="checkbox"/> DOCKET NO. _____ | <input type="checkbox"/> DECISION NO. _____ |
|   | <input type="checkbox"/> DOCKET NO. _____   |
|   | <input type="checkbox"/> COMPLIANCE         |
|   | <input type="checkbox"/> DECISION NO. _____ |
|   | <input type="checkbox"/> DOCKET NO. _____   |

#### SECURITIES or MISCELLANEOUS FILINGS

- |  |  |
|--|--|
| <input type="checkbox"/> 04 AFFIDAVIT                    | <input type="checkbox"/> 29 STIPULATION  |
| <input type="checkbox"/> 12 EXCEPTIONS                   | <input type="checkbox"/> 38 NOTICE OF INTENT<br>(Only notification of future action/no action necessary) |
| <input type="checkbox"/> 18 REQUEST FOR INTERVENTION     | <input type="checkbox"/> 43 PETITION   |
| <input type="checkbox"/> 48 REQUEST FOR HEARING          | <input type="checkbox"/> 46 NOTICE OF LIMITED APPEARANCE   |
| <input type="checkbox"/> 24 OPPOSITION                   | <input type="checkbox"/> 39 OTHER  |
| <input type="checkbox"/> 50 COMPLIANCE ITEM FOR APPROVAL | Specify _____  |
| <input type="checkbox"/> 32 TESTIMONY                    |  |
| <input type="checkbox"/> 47 COMMENTS                     |  |

Date

Print Name of Applicant/Company/Contact person/Respondent/Atty.

Phone

PLEASE SEE NOTICE ON REVERSE SIDE