

ORIGINAL



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ARIZONA CORPORATION COMMISSION



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**RATE APPLICATION  
FOR WATER COMPANIES  
WITH ANNUAL GROSS OPERATING REVENUES  
(INCLUDING REQUESTED RATE RELIEF)  
OF LESS THAN \$250,000  
PER ARIZONA ADMINISTRATIVE CODE R14-2-103  
Details at website: [www.cc.state.az.us](http://www.cc.state.az.us)**

Shepard Water Company

UTILITY NAME

W-01537A-07-0264

DOCKET NO(S).

December 31, 2006

TEST YEAR ENDED

Arizona Corporation Commission

DOCKETED

MAY 01 2007

DOCKETED BY  
*JR* *MLL*

**Required invoices to be submitted are listed in the checklist on page 1.**

You must complete ALL items in the application according to the instructions provided. If you have any questions regarding the application, call the Chief of Accounting and Rates at (602) 542-0743 for Staff assistance or see our website at: [www.cc.state.az.us](http://www.cc.state.az.us)

IN ORDER TO PROCESS YOUR APPLICATION  
FORWARD THE ORIGINAL AND FIFTEEN COPIES OF THE  
**APPLICATION AND COVER SHEET** PLUS THREE  
PACKETS WITH COPIES OF  
CHECKLIST ITEMS 5-11 (PAGE 1)  
TO DOCKET CONTROL CENTER  
1200 WEST WASHINGTON STREET  
PHOENIX, ARIZONA 85007

**Note: Please refer to the checklist on page 1 for the required attachments.**

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## WATER RATE APPLICATION CHECKLIST

Please use the following checklist to ensure that all necessary attachments are included in the application. Provide an explanation for any omitted item. Please include 15 copies of this application in your application submission. Also, please include three packets with copies of checklist items 5-11.

### ORIGINAL APPLICATION PACKAGE ITEMS

- 1. The Arizona Department of Environmental Quality ("ADEQ") compliance status report. Use the appropriate request form in the appendix at the end of this application to obtain the status report. A separate form should be used for each public water system, as defined by ADEQ, that is part of this application.
- 2. The Arizona Department of Revenue ("ADOR") certificate of compliance letter of good standing. Use the tax clearance application in the appendix at the end of this application in order to obtain the certificate of compliance. (Send in the certificate of compliance with your application.)
- 3. The utility's most recent ADEQ annual sampling fee invoice for its Monitoring Assistance Program.
- 4. Invoices for each plant asset purchase in excess of \$150 for the Test Year, as well as all of the intervening years since the utility's prior Test Year as itemized on page 13.

Please provide 3 packets with copies of the following information to support entries on the Income Statement on page 19:

- 5. A breakdown by name, position, salary, and duties for the Salaries and Wages expense. (Acct. 601)
- 6. Invoices for Purchased Water during the Test Year. (Acct. 610)
- 7. Invoices for Purchased Power during the Test Year. (Acct. 615)
- 8. Invoices for Repairs and Maintenance in excess of \$150 incurred during the Test Year. (Acct. 620)
- 9. Invoices for Outside Services in excess of \$150 incurred during the Test Year. (Acct. 630)
- 10. Invoices for Water Testing during the Test Year (Acct. 635)
- 11. Statements from the county for Property Tax expenses incurred during the Test Year. (Acct. 408.11)

## GENERAL INSTRUCTIONS

Processing the request for a rate adjustment requires completion of ALL PARTS of this application. Complete the Narrative Description of the Application for Rate Adjustment on pages 3 and 4, as well as the statements on pages 5 and 6. Read the accompanying instructions and fill in the entries on pages 9 through 31. Dollar amounts should be rounded to the nearest dollar. NO ENTRY SHOULD BE LEFT BLANK. If an amount is zero, enter a zero. **Any application that is found to be insufficient will not be processed until the deficiencies are corrected per A.A.C. R14-2-103.B.7.**

A completed application also **requires** notification of customers of the rate request. The format of the customer notification letter is provided on page 32 of this application. Use the language and form of this letter in notifying customers. The customer notification **must** be provided to customers on the same date as the rate application is filed. A copy of this notice, together with a **notarized** cover letter stating the method of customer notification and the date the notification was sent to the customers, **must** accompany the application form.

Please provide any supplementary information the Company believes will assist in the evaluation of the rate request. For example, if expense items are substantially different from the latest annual report filed with the Commission, or if significant plant additions have been made since the prior rate increase, attach supporting explanations for those changes to the application. Clearly label any attachments and staple them to the application.

Selection of a Test Year for the utility is an important part of the application. A Test Year older than the year reflected in the most current Annual Report filed with the *Utilities Division* is usually considered outdated. Questions regarding the selection of a Test Year should be addressed to the Chief of Accounting and Rates at (602) 542-0743.

Please contact the Arizona Department of Environmental Quality (and/or its authorized county agencies) and request a compliance status report. Submit a copy of this report as part of this filing. Please refer to the appendix of this application form.

Please contact the Arizona Department of Revenue and request a certificate of compliance letter of good standing regarding taxes. Submit a copy of this compliance certificate. Please refer to the appendix of this application form.

After you have included all the required items from the checklist on the previous page, please submit the **original and fifteen copies** of the completed application with a cover sheet to:

Docket Control Center  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Also, please include **three packets** with copies of checklist items 5-11 (see page 1) in your application filing with the Docket Control Center.

NARRATIVE DESCRIPTION OF APPLICATION FOR RATE ADJUSTMENT

Instructions:

Please provide the reasons for your requested rate adjustment by checking the appropriate box(es) below. If desired, the Company may also attach a written narrative regarding its reasons for the requested rate adjustment. Your narrative may also include efforts made by the utility to control costs/expenses and/or mitigate the amount of rate adjustment.

Changes in current, compared to past operations, that necessitate the rate adjustment

Please explain:

Incurring expenses related to mandated arsenic treatment. Incurring expenses for repayment of system rebuild financing and related expenses to system rebuild.

Descriptions and/or calculations of adjustments made to amounts that are included in this application that are different than amounts recorded in your books/ledgers (pro forma adjustments)

Please explain:

Significant factors influencing your revenues, expenses and/or rate base

Please explain:

Incurring expenses related to mandated arsenic treatment. Incurring expenses for repayment of system rebuild financing and related expenses to system rebuild.

Anticipated growth/decline in customers expected in the next two years, the amount of anticipated construction to serve those customers, and how financed; the type of customers served by the utility, e.g. residential, irrigation, small retail businesses, large commercial, etc.

Please explain:

The company is reconstructing the water system and installing the mandated arsenic treatment equipment. The system reconstruction is financed by a WIFA loan and it is anticipated that the arsenic treatment modifications will also be financed by a WIFA loan issued after completion.

Anticipated construction

Please explain:

The arsenic treatment equipment is designed and will be installed to ADEQ standards. The system reconstruction is part of a larger plan to subdivide the property which includes streets, electrical, and sewer.

Efforts made to encourage conservation of water through the proposed rate design or through other means

Please explain:

As part of the subdivision of the property which includes the reconstruction of the system, water meters will be installed. After the project is completed, use-based tiered rates will be implemented. Rates based on use are expected to encourage conservation.

Other factors

Please explain:

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*Attach additional pages as necessary.*

Company Name: Shepard Water Company	Test Year Ended: 12/31/06
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**AFFILIATE RELATIONSHIP**

Please indicate a **yes** or **no** answer to the questions below and provide an explanation where necessary.

A parent-subsiary relationship, or affiliation, with another entity includes corporations, partnerships, sole proprietorship, limited liability corporations (LLCs), as well as common ownership of a water company and another entity, such as a development company or wastewater company.

Are any assets owned jointly with any affiliated or subsidiary entities?

YES             NO

If **Yes**, please provide a description of each jointly owned asset, it's cost, and the percentage of the asset owned by the utility. (Please note the amounts reported on pages 13 and 15 should only include the percentage of plant owned by the utility.)

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Were any of the assets constructed or acquired from an affiliated or subsidiary entity?

YES             NO

If **Yes**, please identify the affiliated entity, the relationship with the utility, and a detailed listing of all transactions reflected in the Plant accounts. Also include detail for other balance sheet accounts, such as Advances, Contributions in Aid of Construction, inter-company payables and receivables, as well as affiliated revenues and expenses from the Company's Income Statement.

"Yes" may not be applicable. As previously explained, the sub-division of the property will include construction not related to, but concurrently constructed with, the reconstruction of the system.

Shepard Water Company is owned by John Guth. Mr. Guth also owns Martinez Lake Sewer Company and formerly owned the property transferred to Martinez Lake Development Company/MLR1 LLC (owned by his children and a non-related engineer) known as Martinez Lake Resort. Thus, each entity is affiliated.

STATEMENTS IN SUPPORT OF RATE REQUEST

Complete the following statements in support of your rate request.

Shepard Water Company (the "Company") requests an adjustment in the existing rates charged by the Company. The information contained in this application is based upon a twelve-month Test Year ending 12/31/06 (mm/dd/yy). The Company had total operating revenues of \$ 62,660, served 0 metered and 224 un-metered (from page 19)

customers, and sold 1,410,323 million gallons of water during the Test Year. (from page 18)

The Company is requesting a(n) increase/decrease in revenues in the amount of \$ 13,440.

Total annual operating revenues, if the Company is granted the rate adjustment, will be \$ 76,100.

The Company is current on all property taxes. [X] YES [ ] NO

The Company is current on all sales taxes. [X] YES [ ] NO (Please use the form in the appendix and see checklist item 2 on page 1.)

The Company currently has a Curtailment Plan Tariff on file with the Commission [ ] YES [ ] NO

The Company currently has a Backflow Prevention Tariff on file with the Commission. [ ] YES [X] NO

The Company notified its customers of its application for a rate adjustment on \*\* (mm/dd/yy). A COPY OF THE NOTICE WITH A NOTARIZED COVER LETTER STATING THE METHOD OF CUSTOMER NOTIFICATION, AS WELL AS THE DATE OF THE NOTIFICATION, MUST BE ATTACHED. (See page 32)

By completing this application in support of the Company's request for a rate adjustment, the Company realizes that Original Cost Less Depreciation ("OCLD") plant information will be used to determine the fair value rate base, i.e., the Company waives the right to Reconstruction Cost New.

\*\* The proposed Notice to Customers is attached. If approved, it will be sent to Customers.

The utility company ownership is one of the following:

- Sole Proprietorship
- Partnership
- "C" Corporation
- "S" Corporation
- Limited Liability Corporation ("LLC")
- Association--Cooperative
- Other, please specify: \_\_\_\_\_

**Note: If a corporation, please list stockholders and the respective number of shares owned below.**

Stockholders	Number of Shares Owned
John W. Guth and Gail W. Guth	20,000

I have read and completed this application, and to the best of my knowledge all of the information contained herein, and attached to this application, is true and correct.

Name of Authorized Representative (print): Wade Noble	Company Name: Noble Law Offices
Title: Attorney	Address: 1405 W. 16th Street Ste. A Yuma, AZ 85364
Signature: 	Phone Number: 928-343-9447
Date: 4-30-07	Fax Number: 928-343-9483
E-mail Address: noblew@mindspring.com	
Website Address:	

## CURRENT AND PROPOSED RATES AND CHARGES INSTRUCTIONS

Complete the schedules on pages 9 and 11 showing rates and charges currently in effect, and those proposed by the Company. Specify the customer class or classes (i.e., residential, commercial, industrial, irrigation, all, or other classes) in the space provided.

### MONTHLY CHARGE:

Enter the monthly minimum (or service) charge and gallons included in the minimum for each meter size. For example, enter "\$12.00 for zero gallons." Propose a monthly minimum (or service) charge for every meter size listed on page 9. Also, enter the commodity (or excess) charge for the gallonage the customer will be charged for gallons used over those included in the minimum charge. For example, enter "\$1.25 per 1,000 gallons." If excess charges vary with gallonage used, enter the rates and gallons covered in each tier of consumption in the space provided. For example:

First Tier	Up to 3,000 gallons	\$1.00 per 1,000 gallons
Second Tier	3,001 to 10,000 gallons	\$1.50 per 1,000 gallons
Third Tier	Over 10,000 gallons	\$2.50 per 1,000 gallons

If a flat rate, rather than a metered rate, is currently approved or proposed, enter the monthly rate in the space provided. A "flat rate" is a charge that is not based on gallons used. (For example, \$10.00 for all the water you can use.) If the Company currently has a flat rate and wishes to continue this rate, please contact the Chief of Accounting and Rates at 602-542-0743. It is likely that Staff will **not** recommend the continuation of such a rate.

<b>Company Name:</b> Shepard Water Company	<b>Test Year Ended:</b> 12/31/06
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**CURRENT AND PROPOSED RATES AND CHARGES**

CUSTOMER CLASS:    Residential    Commercial    Industrial  
                            Irrigation    All                    Other, specify \_\_\_\_\_

	CURRENT RATES	PROPOSED RATES
MINIMUM OR SERVICE CHARGES	\$           GALLONS	\$           GALLONS
5/8" x 3/4" Meter	for	for
3/4" Meter	for	for
1" Meter	for	for
1-1/2" Meter	for	for
2" Meter	for	for
3" Meter	for	for
4" Meter	for	for
6" Meter	for	for

GALLONS IN EXCESS OF MINIMUM
Commodity Charge in Excess of Minimum (Charge Per 1,000 Gallons)
First Tier
Second Tier
Third Tier
FLAT RATE

Current Rates		Proposed Rates	
Rate	Gallons	Rate	Gallons
\$	Up to _____	\$	Up to _____
\$	_____ to _____	\$	_____ to _____
\$	Over _____	\$	Over _____
\$ 18.31 + 5.00 = 23.31	Per Month	\$ 28.31+5.00= 33.31	Per Month

**Note: If rates and charges vary across customer classes, duplicate the form and complete one for each rate class. (e.g., residential, commercial) unless "All" is checked.**

## SERVICE CHARGES INSTRUCTIONS

Listed below are current and proposed service charges as appropriate. Commission Rules should be consulted in proposing new service charges. Please list current and proposed rates on Page 11, as well as any service charges not listed below that the Company proposes to charge.

<b>Service Charge (Commission Rule)</b>	<b>Description</b>
Service Line and Meter Installation Charge (R14-2-405.B)	A refundable Advance in Aid of Construction paid by a new customer to cover the cost of installing all customer piping up to the meter, as well as the cost of installing the meter. Propose a charge for every meter size listed on page 11.
Establishment (R14-2-403.D.1)	A charge covering the cost to establish a new account for a person requesting service when the utility needs only to install a meter for initial establishment, reestablishment, or reconnection.
Establishment (After Hours) (R14-2-403.D.2)	A charge covering the cost to establish a new account for a person requesting service during a period other than regular working hours.
Meter Test (R14-2-408.F)	A charge for testing the accuracy of a meter upon a customer's request. No charge will be levied if the meter is found to be in error by more than +/- three (3) percent.
Deposit (R14-2-403.B)	A refundable security deposit not exceeding two times the average residential class bill for residential customers, and not exceeding two and one-half times a non-residential customer's estimated maximum monthly bill.
Deposit Interest (R14-2-403.B.3)	Annual percentage interest rate applied to customer deposits. A six percent rate shall be applied if the company does not specify an interest rate with the Commission.
Re-establishment (R14-2-403.D.1)	A charge for service at the same location where the same customer had ordered a service disconnection within the preceding twelve-month period.
NSF Check (R14-2-409.F.1)	A fee for each instance where a customer tenders payment for utility service with an insufficient funds check.
Deferred Payment (R14-2-409.G.6)	Applicable monthly finance charges (interest rate) applied in a deferred payment agreement between the company and a customer.
Meter Re-read (R14-2-408.C.2)	Charge for a customer requested re-read of meter applicable when the original reading was found not to be in error.

<b>Company Name:</b> SHEPARD WATER COMPANY	<b>Test Year Ended:</b> 12/31/06
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**CURRENT AND PROPOSED SERVICE CHARGES**

CUSTOMER CLASS:    Residential    Commercial    Industrial  
                            Irrigation    All                    Other, specify \_\_\_\_\_

SERVICE LINE AND METER INSTALLATION CHARGES	CURRENT CHARGES	PROPOSED CHARGES
5/8" X 3/4" Meter	\$	\$
3/4" Meter	\$	\$
1" Meter	\$	\$
1-1/2" Meter	\$	\$
2" Meter	\$	\$
3" Meter	\$	\$
4" Meter	\$	\$
6" Meter	\$	\$

Establishment	\$	\$
Establishment (after hours)	\$	\$
Reconnection (delinquent)	\$	\$
Reconnection (delinquent) after hours	\$	\$
Meter Test	\$	\$
Deposit	\$	\$
Deposit Interest	%	%
Re-establishment (within 12 months)	\$	\$
NSF Check	\$	\$
Deferred Payment	%	%
Meter Re-read	\$	\$
Late Fee	\$	\$

**Note: If rates and charges vary across customer classes, duplicate the form and complete one for each rate class. (e.g., residential, commercial) unless "All" is checked.**

## UTILITY PLANT IN SERVICE INSTRUCTIONS

### Instructions for Page 13

Begin the computation of utility plant in service by completing the worksheet on page 13 labeled Plant Additions and Retirements by Year. On this worksheet insert the dollar amount of plant additions and retirements for each account by year. Provide all additions and retirements for all years beginning with the Test Year in the prior rate case and ending with the test year used in this application. If there are more than two intervening years, make copies of page 13 to report all intervening years.

### Instructions for Page 14

Upon completion of the above task, please add all additions on page 13 per plant account and enter the total on page 14 (Plant Summary), column B (Total Additions). Similarly, add all retirements by plant account and enter the total on page 14, column C (Total Retirements).

To assist you in the completion of page 14, please refer to the Commission Decision issued in the Company's prior rate case. That Decision established the value for the Original Cost of the plant and accumulated depreciation at the end of the prior test year. It may be necessary to refer to the associated Staff Report for individual account detail relating to the totals listed in the Decision.

Place the original cost of the plant in service per the prior decision in column A (Plant in Service Per Prior Decision).

Complete column D (Test Year End Total), of page 14, for each plant account by adding column A and B and subtracting column C.

The totals calculated by plant must then be copied to page 15 (Utility Plant in Service), in the column titled Original Cost.

### Instructions for Page 15

The Test Year End Totals by plant account on page 14 must be recorded to the Utility Plant in Service worksheet on page 15, in the column titled Original Cost. The second column (Accumulated Depreciation) will include the accumulated depreciation as stated in the Commission's prior Decision plus each year's depreciation expense since the prior Test Year. The third column, Original Cost Less Depreciation is calculated by subtracting Accumulated Depreciation from Original Cost for each account.

**Note:** For assistance with any of the above, please contact the Chief of Accounting and Rates at 602-542-0743.

Company Name:  
SHEPARD WATER COMPANY

Test Year Ended:  
12/31/06

**Plant Additions and Retirements by Year**

Acct. No.	Description	Year 12/31/02		Year 12/31/03	
		Additions	Retirements	Additions	Retirements
301	Organization				
302	Franchises				
303	Land & Land Rights				
304	Structures & Improvements				
307	Wells & Springs				
311	Pumping Equipment				
320	Water Treatment Equipment				
320.1	Water Treatment Plants				
320.2	Solution Chemical Feeders				
330	Distribution Reservoirs & Standpipes				
330.1	Storage Tanks				
330.2	Pressure Tanks				
331	Transmission & Distrib. Mains				
333	Services				
334	Meters & Meter Installations				
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant & Misc. Equipment				
340	Office Furniture & Equipment				
340.1	Computers & Software				
341	Transportation Equipment				
343	Tools, Shop & Garage Equip.				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	<b>TOTAL WATER PLANT</b>	-0-	-0-	-0-	-0-

*Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.*

Company Name:  
SHEPARD WATER COMPANY

Test Year Ended:  
12/31/06

**Plant Additions and Retirements by Year**

Acct. No.	Description	Year 12/31/04		Year 12/31/05	
		Additions	Retirements	Additions	Retirements
301	Organization				
302	Franchises				
303	Land & Land Rights				
304	Structures & Improvements				
307	Wells & Springs				
311	Pumping Equipment			3,069	
320	Water Treatment Equipment				
320.1	Water Treatment Plants				
320.2	Solution Chemical Feeders				
330	Distribution Reservoirs & Standpipes				
330.1	Storage Tanks				
330.2	Pressure Tanks				
331	Transmission & Distrib. Mains				
333	Services				
334	Meters & Meter Installations				
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant & Misc. Equipment				
340	Office Furniture & Equipment				
340.1	Computers & Software				
341	Transportation Equipment				
343	Tools, Shop & Garage Equip.				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	<b>TOTAL WATER PLANT</b>	-0-	-0-	3,069	-0-

*Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.*

Company Name:  
SHEPARD WATER COMPANY

Test Year Ended:  
12/31/06

**Plant Additions and Retirements by Year**

Acct. No.	Description	Year <u>12/31/06</u>		Year ____	
		Additions	Retirements	Additions	Retirements
301	Organization				
302	Franchises				
303	Land & Land Rights				
304	Structures & Improvements				
307	Wells & Springs				
311	Pumping Equipment				
320	Water Treatment Equipment				
320.1	Water Treatment Plants				
320.2	Solution Chemical Feeders				
330	Distribution Reservoirs & Standpipes				
330.1	Storage Tanks				
330.2	Pressure Tanks				
331	Transmission & Distrib. Mains				
333	Services				
334	Meters & Meter Installations				
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant & Misc. Equipment				
340	Office Furniture & Equipment				
340.1	Computers & Software				
341	Transportation Equipment				
343	Tools, Shop & Garage Equip.				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	<b>TOTAL WATER PLANT</b>	-0-	-0-		

*Note: Enter all additions and retirements, by year, from the prior test year through the end of the current test year. Enter the totals for the additions and retirements for all intervening years on page 14, Columns B and C, respectively.*

Company Name: SHEPARD WATER COMPANY	Test Year Ended: 12/31/06
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**Plant Summary**

Acct. No.	Description	Plant in Service Per Prior Decision	Total Additions	Total Retirements	Test Year End Total
		<i>Column A</i>	<i>Column B</i>	<i>Column C</i>	<i>Column D*</i>
301	Organization	708			708
302	Franchises	2,708			2,708
303	Land & Land Rights	250			250
304	Structures & Improvements	2,257			2,257
307	Wells & Springs	4,424			4,424
311	Pumping Equipment	9,512	3,069		12,581
320	Water Treatment Equipment	2,630			2,630
320.1	Water Treatment Plants				
320.2	Solution Chemical Feeders				
330	Distribution Reservoirs & Standpipes	8,141			8,141
330.1	Storage Tanks				
330.2	Pressure Tanks				
331	Transmission & Distrib. Mains	5,796			5,796
333	Services	7,205			7,205
334	Meters & Meter Installations				
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant & Misc. Equipment	879			879
340	Office Furniture & Equipment	509			509
340.1	Computers & Software				
341	Transportation Equipment				
343	Tools, Shop & Garage Equip.	442			442
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	<b>TOTAL WATER PLANT</b>	45,461	3,069		48,530

**Note: Please refer to the checklist on page 1 for the required attachments related to this schedule**

**\* Column D = Column A + Column B - Column C**

Company Name:  
Shepard Water Company

Test Year Ended:  
12/31/06

**UTILITY PLANT IN SERVICE**

Acct No.	Description	Original Cost	Accumulated Depreciation	OCLD
		<i>Column A</i>	<i>Column B</i>	<i>Column C**</i>
301	Organization	708		708
302	Franchises	2,708		2,708
303	Land & Land Rights	250	N/A	250
304	Structures & Improvements	2,257	1,501	756
307	Wells & Springs	4,424	4,424	
311	Pumping Equipment	12,581	9,002	3,579
320	Water Treatment Equipment	2,630	2,630	
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs & Standpipes	8,141	8,022	119
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission & Distrib. Mains	5,796	5,796	
333	Services	7,205	7,205	
334	Meters & Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant & Misc. Equipment	879	93	786
340	Office Furniture & Equipment	509	297	212
340.1	Computers & Software			
341	Transportation Equipment			
343	Tools, Shop & Garage Equip.	442	442	
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTAL WATER PLANT</b>	* 48,530	* 39,412	9,118

*\* Must be the same as the amount reported on page 20*

*\*\*Column C = Column A - Column B*

Company Name:  
Shepard Water Company

Test Year Ended:  
12/31/06

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-616951	5 HP	80		8	2	
55-616952	5 HP	80		8	2	

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

**BOOSTER PUMPS**

Horsepower	Quantity
None	

**FIRE HYDRANTS**

Quantity Standard	Quantity Other

**STORAGE TANKS**

Capacity	Quantity
5,000	1

**PRESSURE TANKS**

Capacity	Quantity
3,000	1

Company Name: Shepard Water Company	Test Year Ended: 12/31/06
--	------------------------------

**WATER COMPANY PLANT DESCRIPTION CONTINUED**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 x 3/4	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

**For the following three items, please list the utility owned assets in each category.**

**TREATMENT EQUIPMENT:**

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**STRUCTURES:**

Fence around tank.

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**OTHER:**

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## WATER USE DATA SHEET

<b>NAME OF COMPANY</b>	SHEPARD WATER COMPANY
<b>ADEQ Public Water System Number:</b>	14014

MONTH/YEAR (12 Months of Test Year)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)
1. January	224		
2. February	224		
3. March	224		
4. April	224		
5. May	224		
6. June	224		
7. July	224		
8. August	224		
9. September	224		
10. October	224		
11. November	224		
12. December	224		
<b>TOTAL</b>	N/A	*	**

**Is the water utility located in an ADWR Active Management Area ("AMA")?**

YES     NO

**Does the Company have an ADWR gallons per capita day ("GPCD") requirement?**

YES     NO

**If Yes, please provide the GPCD amount:** \_\_\_\_\_

*Note: If you are filing for more than one system, please provide separate data sheets for each system. For explanation of any of the above, please contact the Engineering Supervisor at 602-542-7277.*

*\* This number must be equal to the number entered on Page 6, "sold gallons."*

*\*\* Gallons pumped cannot equal or be less than the gallons sold.*

Company Name: SHEPARD WATER COMPANY	Test Year Ended: 12/31/06
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**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	TEST YEAR
461	Metered Water Revenue	\$ 5,259	\$ 5,347
460	Unmetered Water Revenue	43,759	43,692
474	Other Water Revenues Surchage	3,355	13,420
	<b>TOTAL OPERATING REVENUES</b>	<b>\$ 52,373</b>	<b>\$ 62,459 *</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages (See page 1, item 4)	\$	\$
610	Purchased Water (See page 1, item 5)		
615	Purchased Power (See page 1, item 6)	1,301	1,585
618	Chemicals		
620	Repairs and Maintenance (See page 1, item 7)	20	1,447
621	Office Supplies and Expense	1,299	1,496
630	Outside Services (See page 1, item 8)	10,920	10,920
635	Water Testing (See page 1, item 9)	7,327	3,786
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	3,881	3,879
659	Insurance – Health and Life		
666	Regulatory Commission Expense – Rate Case		8,386
675	Miscellaneous Expense	8,904	12,343
403	Depreciation Expense (From page 20)	760	831
408	Taxes Other Than Income	90	911
408.11	Property Taxes (See page 1, item 10)	2,891	2,692
409	Income Tax	2,096	5,893
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 39,489</b>	<b>\$ 54,169</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 12,884</b>	<b>\$ 8,290</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		218
426	Miscellaneous Non-Utility Expenses	(243)	
427	Interest Expense	(1,439)	(760)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ (1,682)</b>	<b>\$ (542)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ 11,202</b>	<b>\$ 7,748</b>

*Note: Do not include sales tax in revenue or expense. Please refer to the checklist on page 1 for the required attachments related to this schedule.*

*\* This number must be identical to the number entered on page 6 "total operating revenues."*

Company Name:  
Shepard Water Company

Test Year Ended:  
12/31/06

**CALCULATION OF DEPRECIATION EXPENSE**

Acct. No..	Description	Original Cost	Depreciation Percentage	Depreciation Expense
		<i>Column A</i>	<i>Column B</i>	<i>Column C*</i>
301	Organization	708		
302	Franchises	2,708		
303	Land & Land Rights	250	N/A	
304	Structures & Improvements	2,257		
307	Wells & Springs	4,424		
311	Pumping Equipment	12,581	6.06	762
320	Water Treatment Equipment	2,630		
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs & Standpipes	8,141		
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission & Distrib. Mains	5,796		
333	Services	7,205		
334	Meters & Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant & Misc. Equipment	879	2.00	18
340	Office Furniture & Equipment	509	10.00	51
340.1	Computers & Software			
341	Transportation Equipment			
343	Tools, Shop & Garage Equip.	442		
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTAL WATER PLANT</b>	<b>48,530</b>		<b>831</b>

**Note:** Use Test Year ending balances for column 1, and approved depreciation rates from the prior rate case in column 2.

\* **Column C = Column A x Column B**

Company Name: Shepard Water Company	Test Year Ended: 12/31/06
--	------------------------------

**BALANCE SHEET**

Acct. No.		BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF TEST YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 6,466	\$ 3,977
134	Working Funds Undisbursed WIFA loan	295,575	295,575
135	Temporary Cash Investments		
141	Customer Accounts Receivable	3,349	4,308
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	3,951	887
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 309,341	\$304,747
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 48,530	\$ 48,530 *
103	Property Held for Future Use		
105	Construction Work in Progress Engineering	7,700	59,500
108	Accumulated Depreciation – Utility Plant ("AD-UP")	(38,581)	(\$ 39,412 )**
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility ("AD-NU")		(\$ )
	<b>TOTAL FIXED ASSETS</b>	\$ 17,649	\$ 68,618
	Other Assets	37,737	43,062
	<b>TOTAL ASSETS</b>	\$ 364,727	\$416,427

**Note: Total Assets on this page should equal the sum of Total Liabilities and Total Capital on page 22. Also, numbers in parentheses should be subtracted. For example, Accounts 108 and 122 should be subtracted from Total Fixed Assets.**

**\* Must equal page 15, original cost**

**\*\* Must equal page 15, accumulated depreciation**

Construction Work in Progress detail, engineering	12/31/05	12/31/06
Water Arsenic Reduction Project	\$5,000	\$5,000
Water Facilities Project Design 21	2,700	54,500
	<u>\$7,700</u>	<u>\$59,500</u>

Company Name: Shepard Water Company	Test Year Ended: 12/31/06
--	------------------------------

**BALANCE SHEET (CONTINUED)**

	<b>LIABILITIES</b>	<b>BALANCE AT BEGINNING OF TEST YEAR</b>	<b>BALANCE AT END OF TEST YEAR</b>
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$	\$ 1,090
232	Notes Payable (Current Portion)	26,628	26,628
234	Notes/Accounts Payable to Associated Companies	50,000	118,956
235	Customer Deposits		
236	Accrued Taxes	6,330	6,330
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	2,521	3,168
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 85,479	\$ 156,172
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 182,077	\$ 155,449
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		\$ *
255	Accumulated Deferred Investment Tax Credits		
271	Gross Contributions in Aid of Construction		\$ **
272	Less: Amortization of Contributions		(\$ )
281	Accumulated Deferred Income Tax	615	502
	<b>TOTAL DEFERRED CREDITS</b>	\$ 615	\$ 502
	<b>TOTAL LIABILITIES</b>	\$ 268,171	\$ 312,123
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 1,000	\$ 1,000
211	Paid in Capital in Excess of Par Value	6,096	6,096
215	Retained Earnings	89,460	97,208
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 96,556	\$ 104,304
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 364,727	\$ 416,427

*Note: Account 272 should be subtracted from Total Deferred Credits.*

*\* Must equal page 24, Total Advances in Aid of Constructions*

*\*\* Must equal page 25, Total Advances*

Company Name: Shepard Water Company	Test Year Ended: 12/31/06
--	------------------------------

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt<sup>1</sup>**

	LOAN #1*	LOAN #2*	LOAN #3*	LOAN #4*
Date Issued	1/25/02			
Source of Loan	WIFA State of AZ			
Reason for Loan	Water treatment facility			
Dollar Amount Issued	\$ 299,475	\$	\$	\$
Net Proceeds	\$	\$	\$	\$
Amount Outstanding	\$ 182,077	\$	\$	\$
Date of Maturity	1/1/22			
Interest Rate	None			
Current Year Interest	\$ -0-	\$	\$	\$
Current Year Principal	\$ 26,628	\$	\$	\$
Authority Granted By ACC Decision No.	62091			

***A.R.S. 40-301 requires ACC approval of long-term debt. If the Commission has not approved any of the above loans, then please submit an application requesting approval of the above loans.***

Meter Deposit Balance – Test Year	\$ -0-
Meter Deposits Refunded During the Test Year	\$ -0-

<sup>1</sup>List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed.

**ADVANCES IN AID OF CONSTRUCTION (Acct. 252)<sup>2</sup>**

	Additions During Year	Refunds During Year	
Balance Per Prior Decision	N/A	N/A	\$
Year	\$	\$	
Total of Additions	\$	N/A	
Total of Refunds	N/A	\$	
Total Advances in Aid of Construction	N/A	N/A	\$ *

*Note: Prior Decision refers to the balances per the prior Staff Report as adjusted per the final Commission Decision.*

*\* Total Advances in Aid of Construction = Balance Per Prior Decision + Total Additions - Total Refunds (cross reference this to the Balance Sheet on page 22)*

<sup>2</sup> *Advances in Aid of Construction refers to the following:*

- (1) Refundable amounts received from a new customer to cover the cost of a meter and piping from the building to the meter and the associated installation.*
- (2) Refundable amounts received from a customer or a developer for mains, valves, fittings, and additional facilities required to provide pressure, storage, or water supply pursuant to a main extension agreement.*



## BILL COUNT INSTRUCTIONS

A quarterly Bill Count must be provided for each of the meter sizes the Company had in service during the Test Year. If you had more than one meter size in service, reproduce the forms on pages 27 through 31, inclusive, so that you will submit one set of Bill Count forms (i.e. one Bill Count for each quarter and a Bill Count Summary), for each meter size. An item such as a metered standpipe would be considered to be a different size meter, since it may have a different tariff rate than the other size meters.

A Bill Count Summary sheet is provided on page 31. Please note that each bill over 100,000 gallons should be shown separately. The number of bills in each line will be added to produce a total of all bills at the bottom of the page.

The first step in producing the Bill Count is to collect all monthly bills rendered for metered water sales during the 12 months of the Test Year. The collection of bills must include bills to part-time customers and to customers who are no longer on the system, but who were on the system for any part of the Test Year.

Only include bills for water sold during the Test Year. For example, assume that the Test Year runs from January 1<sup>st</sup> to December 31<sup>st</sup> (calendar year) and you normally bill on January 5<sup>th</sup>. The bill sent out at that time would cover December 1<sup>st</sup> through 31<sup>st</sup> usage of the prior year and should not be included. The first billing to be used for the year would be the February 5<sup>th</sup> billing and the last billing to be used would be the billing of January 5<sup>th</sup> of the succeeding year.

Sort the bills by each quarter, by meter size, so that a separate bill count is produced for each three-month period by meter size. On each quarterly Bill Count sheet, place a tally for each bill in the appropriate gallonage range. After tallying each bill, add the tallies in each gallonage range and report the tally totals in the column provided.

*Note: For explanation of any of the above, please contact the Chief of Accounting and Rates at 602-542-0743.*

Company Name: SHEPARD WATER COMPANY	Test Year Ended: 12/31/06
Meter Size: No meters.	1 <sup>st</sup> Quarter Ended:

**BILL COUNT WORKSHEET 1<sup>ST</sup> QUARTER**

<b>GALLONAGE RANGE</b>	<b>NUMBER OF BILLS</b>	<b>TOTAL BILLS FOR 1<sup>ST</sup> QUARTER</b>
- 0 -		
1 to 1,000		
1,001 to 2,000		
2,001 to 3,000		
3,001 to 4,000		
4,001 to 5,000		
5,001 to 6,000		
6,001 to 7,000		
7,001 to 8,000		
8,001 to 9,000		
9,001 to 10,000		
10,001 to 12,000		
12,001 to 14,000		
14,001 to 16,000		
16,001 to 18,000		
18,001 to 20,000		
20,001 to 25,000		
25,001 to 30,000		
30,001 to 35,000		
35,001 to 40,000		
40,001 to 50,000		
50,001 to 60,000		
60,001 to 70,000		
70,001 to 80,000		
80,001 to 90,000		
90,001 to 100,000		
Over 100,000 (List actual gallons, e.g., 120,000)		
<b>Total Bills</b>		

Company Name: Shepard Water Company	Test Year Ended: 12/31/06
Meter Size: No meters.	2 <sup>nd</sup> Quarter Ended:

**BILL COUNT WORKSHEET 2<sup>ND</sup> QUARTER**

<b>GALLONAGE RANGE</b>	<b>NUMBER OF BILLS</b>	<b>TOTAL BILLS FOR 2<sup>nd</sup> QUARTER</b>
- 0 -		
1 to 1,000		
1,001 to 2,000		
2,001 to 3,000		
3,001 to 4,000		
4,001 to 5,000		
5,001 to 6,000		
6,001 to 7,000		
7,001 to 8,000		
8,001 to 9,000		
9,001 to 10,000		
10,001 to 12,000		
12,001 to 14,000		
14,001 to 16,000		
16,001 to 18,000		
18,001 to 20,000		
20,001 to 25,000		
25,001 to 30,000		
30,001 to 35,000		
35,001 to 40,000		
40,001 to 50,000		
50,001 to 60,000		
60,001 to 70,000		
70,001 to 80,000		
80,001 to 90,000		
90,001 to 100,000		
Over 100,000 (List actual gallons, e.g., 120,000)		
<b>Total Bills</b>		

Company Name: Shepard Water Company	Test Year Ended: 12/31/06
Meter Size: No meters.	3 <sup>rd</sup> Quarter Ended:

**BILL COUNT WORKSHEET 3<sup>RD</sup> QUARTER**

<b>GALLONAGE RANGE</b>	<b>NUMBER OF BILLS</b>	<b>TOTAL BILLS FOR 3<sup>rd</sup> QUARTER</b>
- 0 -		
1 to 1,000		
1,001 to 2,000		
2,001 to 3,000		
3,001 to 4,000		
4,001 to 5,000		
5,001 to 6,000		
6,001 to 7,000		
7,001 to 8,000		
8,001 to 9,000		
9,001 to 10,000		
10,001 to 12,000		
12,001 to 14,000		
14,001 to 16,000		
16,001 to 18,000		
18,001 to 20,000		
20,001 to 25,000		
25,001 to 30,000		
30,001 to 35,000		
35,001 to 40,000		
40,001 to 50,000		
50,001 to 60,000		
60,001 to 70,000		
70,001 to 80,000		
80,001 to 90,000		
90,001 to 100,000		
Over 100,000 (List actual gallons, e.g., 120,000)		
<b>Total Bills</b>		

Company Name: Shepard Water Company	Test Year Ended: 12/31/06
Meter Size: No meters.	4 <sup>th</sup> Quarter Ended:

### BILL COUNT WORKSHEET 4<sup>TH</sup> QUARTER

GALLONAGE RANGE	NUMBER OF BILLS	TOTAL BILLS FOR 4 <sup>th</sup> QUARTER
- 0 -		
1 to 1,000		
1,001 to 2,000		
2,001 to 3,000		
3,001 to 4,000		
4,001 to 5,000		
5,001 to 6,000		
6,001 to 7,000		
7,001 to 8,000		
8,001 to 9,000		
9,001 to 10,000		
10,001 to 12,000		
12,001 to 14,000		
14,001 to 16,000		
16,001 to 18,000		
18,001 to 20,000		
20,001 to 25,000		
25,001 to 30,000		
30,001 to 35,000		
35,001 to 40,000		
40,001 to 50,000		
50,001 to 60,000		
60,001 to 70,000		
70,001 to 80,000		
80,001 to 90,000		
90,001 to 100,000		
Over 100,000 (List actual gallons, e.g., 120,000)		
<b>Total Bills</b>		

Company Name: Shepard Water Company	Test Year Ended: 12/31/06
Meter Size: No meters.	

### BILL COUNT SUMMARY

	1 <sup>st</sup> Qtr	2 <sup>nd</sup> Qtr	3 <sup>rd</sup> Qtr	4 <sup>th</sup> Qtr	Total
- 0 -					
1 to 1,000					
1,001 to 2,000					
2,001 to 3,000					
3,001 to 4,000					
4,001 to 5,000					
5,001 to 6,000					
6,001 to 7,000					
7,001 to 8,000					
8,001 to 9,000					
9,001 to 10,000					
10,001 to 12,000					
12,001 to 14,000					
14,001 to 16,000					
16,001 to 18,000					
18,001 to 20,000					
20,001 to 25,000					
25,001 to 30,000					
30,001 to 35,000					
35,001 to 40,000					
40,001 to 50,000					
50,001 to 60,000					
60,001 to 70,000					
70,001 to 80,000					
80,001 to 90,000					
90,001 to 100,000					
Over 100,000 (List actual gallons, e.g., 120,000)					
<b>Total Bills</b>					

**SHEPARD WATER COMPANY, INC.**  
10430 N. Martinez Lake Road  
Martinez Lake, AZ 85365

The Customer Notification was sent to all customers of Shepard Water Company by U.S. Mail, postage prepaid, on the \_\_\_\_\_ day of \_\_\_\_\_ 2007.

\_\_\_\_\_  
Wade Noble  
Attorney for Shepard Water Company

State of Arizona            )  
  ) ss.  
County of Yuma            )

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_,  
2007 by Wade Noble.

\_\_\_\_\_  
Notary Public

My com. exp.

\* To be sent upon receipt of a Procedural Order by the Arizona Corporation Commission.

## CUSTOMER NOTIFICATION

**Shepard Water Company** has applied to the Arizona Corporation Commission for an adjustment in rates. The current rates have been in effect since before 1999 when the current owners purchased the company. An increase in rates is necessary at this time due to increase of costs, the rebuild of the system, and the mandated arsenic treatment equipment. Based on the Company's unaudited Test Year results, Shepard Water Company realized a net operating income of \$15,091.78. The Company is requesting a revenue increase of \$5.00 per month as a surcharge to pay for the system rebuild **and also a rate increase based on usage** set after the system rebuild and installation of water meters. Please see the attached pages 9 and 11 of the Company's application for the current and proposed rates.

The Application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street and at Shepard Water Company 10430 N. Martinez Lake Road, Yuma, AZ. Please be advised that the rates and charges ultimately approved by the Commission may be higher or lower than the rates and charges requested in the Application.

Customer input is an important part of the Commission's analysis of the requested adjustment and is a factor in determining whether a hearing will be conducted. Customers should bring to the Commission's attention any questions or concerns related to the Company's Application, including service, billing procedures or other factors important in determining the reasonableness of charges. Customers may have the right to intervene in this matter. Customers wishing to communicate with the Commission, or request information on intervention in the proceeding, should contact the Commission's Consumer Services Section at 800-222-7000.

Customers are advised that the Commission may act upon the Application without a hearing. Regardless of whether a formal hearing is held, customer comments submitted in writing will be placed in the office file, which the Commission reviews prior to making its final decision on the Application. It is important that customers contact the Commission within 15 days of the receipt of this notice so that the Commission's Staff can consider customer comments and concerns in developing its recommendations to the Commission.

Shepard Water Company  
10430 N. Martinez Lake Rd  
Martinez Lake, Arizona

**ATTACHMENT NO. 1**

**Arizona Department of Environmental Quality  
Drinking Water Monitoring and Protection Unit  
1110 W. Washington Street, 5415B-1  
Phoenix, AZ 85007**

**Drinking Water Compliance Status Report**

**Public Water System Name:** Shepard Water C. Inc.

**Public Water System ID #:** 14-014

**Public Water System Type:**  Community  Non-transient Non-community  Transient Non-community

**Overall Compliance Status:**  No Major Deficiencies  Major Deficiencies

**Monitoring and Reporting Status:**  No Major Deficiencies  Major Deficiencies

**Comments:**

This system has failed to provide calendar year 2002, 2003 and consumer confidence reports by July 1, of each year.

**Operation and Maintenance Status:**  No Major Deficiencies  Major Deficiencies

**Comments:**

**Major unresolved/ongoing operation and maintenance deficiencies:**

- unable to maintain 20psi
- cross connection/backflow problems
- treatment deficiencies
- certified operator
- inadequate storage
- surface water treatment rule
- approval of construction
- other

**Date of last inspection / sanitary survey:** 2-8-06

**Administrative Orders:**

**Is an ADEQ administrative order in effect?**  Yes  No

**Comments:**

**System information:**

**Number of Entry Points to the Distribution System** 1 **Number of Sources** 1

**Population Served** 200 **Service Connections** 222 **Initial Monitoring Year** 1994

**Evaluation completed by:** Jim Puckett

**Phone:** 602-771-4649 **Date:** 10-12-06

Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4. This compliance status report does not guarantee the water quality for this system in the future. This compliance status report does not reflect the status of any other water system owned by this utility company.

**ATTACHMENT NO. 2**

# Certificate of Compliance Letter of Good Standing

## Shepard Water Company Inc

This Certificate of Compliance is issued pursuant to Arizona Revised Statutes Section 42-1110 and/or Section 43-1151. It certifies that, according to department records, the above named taxpayer has filed and paid all taxes due under Title 42 and Title 43, specifically and only as to the following described tax types and identification/license numbers:

### TAX TYPE

Federal Employer Identification Number  
Transaction Privilege Tax License  
Withholding License

### IDENTIFICATION

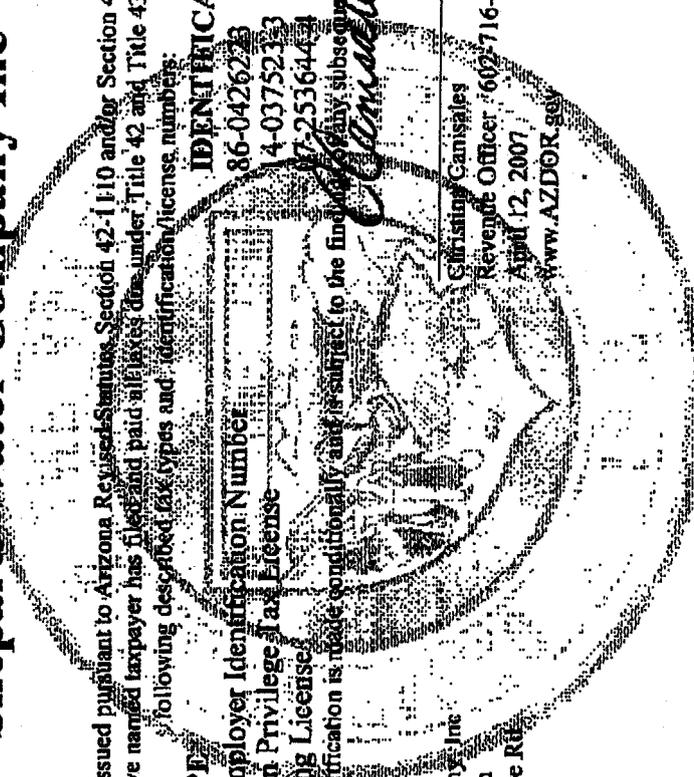
86-042623  
14-0375213  
11-2536444

This certification is issued conditionally and is subject to the findings of any subsequent audit.

Issued To:

Shepard Water Company, Inc  
Attn: Mr. John W. Guth  
10430 N. Martinez Lake Rd  
Yuma, AZ 85365

Charismatic Campaigns  
Revenue Officer: 602-716-6234  
April 12, 2007  
www.AZDOR.gov



**ATTACHMENT NO. 3**



**ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE**

\* Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 10383	Invoice Number 63729
To: SHEPARD WATER CO INC 10430 N MARTINEZ LAKE ROAD YUMA, AZ 85365	Public Water System ID #: 14014
	Billing for Calendar Year: 2007
	Due Date: December 18, 2006
	Total Amount Due ..... \$ 820.54
	Amount Paid ..... \$ 820.54

↑ Keep the top portion for your records. ↑

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #866004791

Annual Sampling Fee Invoice

Invoice # 63729

SHEPARD WATER CO INC 10430 N MARTINEZ LAKE ROAD YUMA, AZ 85365  14014 - Shepard Water Co Inc	Owner Id #: 10383	MAP
	Billing for Calendar Year: 2007	
	Due Date: 12/18/2006	

**ANNUAL SAMPLING FEE WORKSHEET**

Base Fee (all MAP systems) .....	\$ 250.00
Fee per Connection in 2007 ..... 222 connections X \$ 2.57 .....	\$ 570.54
Total Sampling Fee .....	\$ 820.54
Plus Paid Interest Charges and/or Other Adjustments .....	0.00
Plus Unpaid Interest Charges as of 11/01/2006 .....	0.00
Minus Payments Received and/or Other Adjustments .....	0.00
Amount Due .....	\$ 820.54
Amount received by ADEQ (Make check payable to State of Arizona) .....	\$

*Handwritten signature and date: 11/18/06*

\* A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona  
**THIS FORM MUST ACCOMPANY YOUR REMITTANCE.**

Mail to: Arizona Department of Environmental Quality  
PO Box 18228

Check Number: 1102
Received:
Postmarked: 11-18-06

**ATTACHMENT NO. 4**

928-78326247

5/2



PURCHASER'S RECEIPT AND

AUTHORITY TO RELEASE PROPERTY

GSA Federal Supply Service

1. FROM:  
 GSA, FSS, FMB SALES SECTION (9FIS)  
 WEST SIDE, BOX 3019  
 450 GOLDEN GATE AVE.  
 SAN FRANCISCO  
 CA 94102  
 MARK JOHNSON  
 TEL: (415) 22-2891

PAID

2. PAYMENT INFORMATION  
 A. TYPE: *4596675739*  
 [N] REFUND DUE [N] PAID IN FULL  
 B. AMOUNT: \$875.00  
 C. FORM OF PAYMENT:

3. DEPOSIT INFORMATION  
 A. APPROPRIATION ACCOUNT NUMBER  
 255X4671

ACKNOWLEDGEMENT IS MADE OF PAYMENT IN FULL FOR THE PROPERTY LISTED BELOW. RELEASE OF PROPERTY AT THE REQUEST OF THE PURCHASER IS AUTHORIZED. PURCHASER MUST PRESENT THIS DOCUMENT AT TIME OF REMOVAL.

4. DATE PURCHASER MUST REMOVE PROPERTY BY, UNLESS NOTIFIED BY GSA: 10/31/01

5. COLLECTION OFFICER: *[Signature]* 10/29/01

6. PURCHASER  
 GOODWIN  
 KENNETH  
 P.O. BOX 72216  
 NONE  
 YUMA  
 AZ 85365

7. OWNING AGENCY OR REPORTING OFFICE:  
 US DEPT OF LABOR  
 EMPLOYMENT & TRAINING ADM.  
 200 CONSTITUTION AVE NW  
 WASHINGTON  
 DC 20210  
 MARGARET SHARKEY  
 TEL: (202)219-5429 EXT. 0142

8A. PROPERTY LOCATION  
 LOUIS LOUPIAS 702-643-1212  
 SOUTHERN NEVADA OPERATING ENGINEERS  
 5350 HOWDY WELLS  
 LAS VEGAS  
 NV 89115  
 LOUIS LOUPIAS  
 TEL: (702)643-1212  
 FAX: (702)643-1213

8B. SIGNATURE OF PURCHASER

8C. DATE

8D. EXCEPTIONS NOTED BELOW  
 YES NO

A. INVITATION NO.	B. CONTRACT NO.	C. ITEM NO.	D. QUANTITY	E. UNIT
91FSP192822	G509F02FDE0133	512	1	EA

GENERATOR: ELECTRICAL, 100 KW OUTPUT OR LESS. MFG: GENERAC, I/N: G5N0778055. REPAIRS ARE REQUIRED. (3531K0)11079112

**J. A. DEERE & SON WELL DRILLING**

**Invoice**

**P. O. BOX 777  
SOMERTON, AZ 85350  
License No. 086294**

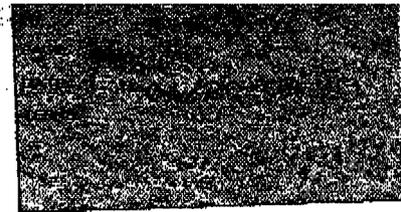
Date	Invoice #
3/10/2005	05-03-65

<b>Bill To</b>
Shepherd Water Co. c/o Martinez Lake Resort Star 4, Box 41 Yuma, Az. 85365  ATTN: LILY

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
1	60GS50 Submersible Pump	2,772.00	2,772.00
	Freight Charges	100.00	100.00
	Sales Tax	7.10%	196.81
<i>Please remit to above address.</i>		<b>Total</b>	<b>\$3,068.81</b>

# INVOICE



VISION ELECTRIC CO INC  
LOCATION \*NOT REMIT TO\*\*  
E 16TH ST  
AZ 85363  
782-2535  
928-782-7174

\* CASH SALE \*

S  
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YUMA CASH SALE TAXABLE

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O

Sheppard Water  
Martinez Lake  
Resort

QTY	CALLS APP	CUSTOMER P.O.	SHIP VIA	DATE SHIPPED	POB	ORDER NO
	3			01/20/06		12394

QTY PER	QUANTITY SACK ORDER	UNIT MEAS	ITEM NO. DESCRIPTION	UNIT PRICE	UNIT MEAS	EXTENDED PRICE
		EA	1. 1/2" 1000 230/440 145T 3PH TE #	211.5000	EA	211.50
		EA	VE4L530	3.2500	EA	6.50
		EA	V-BELT	8.0000	EA	16.00
		EA	38" V-BELT			
		EA	VE4L1	12.9600	EA	12.96
		EA	61" V-BELT			
SUBTOTAL AMOUNT						249.21
SALES TAX						22.00
TOTAL INVOICE AMOUNT						271.21
PAID BY CHECK, #1078						

PLEASE PRINT NAME

THANK YOU WE APPRECIATE YOUR BUSINESS!  
ALL CLAIMS AND RETURNED GOODS MUST BE ACCOMPANIED BY THIS BILL  
A CHARGE OF 1% PER MONTH (18% APR) WILL BE ADDED TO PAST DUE ACCOUNTS. IF SUIT SHALL BE BROUGHT TO RECOVER PAYMENT OF THIS INVOICE, CUSTOMER AGREES TO PAY REASONABLE COLLECTION ATTORNEY FEES IN ADDITION TO ANY OTHER AMOUNTS DUE.

PLEASE REMIT TO:  
1822 EAST JACKSON ST.  
PHOENIX, ARIZONA 85034

**ATTACHMENT NO. 5**

2:55 PM

04/21/07

Cash Basis

**SHEPARD WATER COMPANY**  
**Transaction Detail By Account**

January through December 2006

601

Type	Date	Num	Name	Memo	Clr	Split	Original Amount	Paid Amount	Balance
<b>Contract Labor</b>									
Check	1/15/2006	1014	JIM HALLWELL			1ST BANK Y...	700.00	700.00	700.00
Check	1/15/2006	1015	LILJ WHITFORD			1ST BANK Y...	210.00	210.00	910.00
Check	2/15/2006	1022	JIM HALLWELL			1ST BANK Y...	700.00	700.00	1,610.00
Check	2/15/2006	1023	LILJ WHITFORD			1ST BANK Y...	210.00	210.00	1,820.00
Check	3/15/2006	1034	JIM HALLWELL			1ST BANK Y...	700.00	700.00	2,520.00
Check	3/15/2006	1035	LILJ WHITFORD			1ST BANK Y...	210.00	210.00	2,730.00
Check	4/4/2006	1043	LILJ WHITFORD	VOID:	X	1ST BANK Y...	0.00	0.00	2,730.00
Check	4/4/2006	1044	LILJ WHITFORD			1ST BANK Y...	210.00	210.00	2,940.00
Check	4/4/2006	1045	JIM HALLWELL			1ST BANK Y...	700.00	700.00	3,640.00
Check	5/15/2006	1050	JIM HALLWELL			1ST BANK Y...	700.00	700.00	4,340.00
Check	5/15/2006	1051	LILJ WHITFORD			1ST BANK Y...	210.00	210.00	4,550.00
Check	6/15/2006	1058	JIM HALLWELL			1ST BANK Y...	700.00	700.00	5,250.00
Check	6/15/2006	1059	LILJ WHITFORD			1ST BANK Y...	210.00	210.00	5,460.00
Check	7/14/2006	1066	JIM HALLWELL			1ST BANK Y...	700.00	700.00	6,160.00
Check	7/14/2006	1067	LILJ WHITFORD			1ST BANK Y...	210.00	210.00	6,370.00
Check	8/15/2006	1078	JIM HALLWELL			1ST BANK Y...	700.00	700.00	7,070.00
Check	8/15/2006	1079	LILJ WHITFORD			1ST BANK Y...	210.00	210.00	7,280.00
Check	9/15/2006	1087	JIM HALLWELL			1ST BANK Y...	700.00	700.00	7,980.00
Check	9/15/2006	1088	LILJ WHITFORD			1ST BANK Y...	210.00	210.00	8,190.00
Check	10/15/2006	1093	JIM HALLWELL			1ST BANK Y...	700.00	700.00	8,890.00
Check	10/15/2006	1094	LILJ WHITFORD			1ST BANK Y...	210.00	210.00	9,100.00
Check	11/15/2006	1106	JIM HALLWELL			1ST BANK Y...	700.00	700.00	9,800.00
Check	11/15/2006	1107	LILJ WHITFORD			1ST BANK Y...	210.00	210.00	10,010.00
Check	12/15/2006	1117	JIM HALLWELL			1ST BANK Y...	700.00	700.00	10,710.00
Check	12/15/2006	1118	LILJ WHITFORD			1ST BANK Y...	210.00	210.00	10,920.00
<b>Total Contract Labor</b>								<b>10,920.00</b>	<b>10,920.00</b>
<b>TOTAL</b>								<b>10,920.00</b>	<b>10,920.00</b>

**ATTACHMENT NO. 6 - NONE**

**ATTACHMENT NO. 7**

3:01 PM

04/24/07

Cash Basis

**SHEPARD WATER COMPANY**  
**Transaction Detail By Account**  
 January through December 2006

Type	Date	Num	Name	Memo	Clr	Split	Original Amount	Paid Amount	Balance
<b>Utilities</b>									
<b>Electric</b>									
Check	1/17/2006	1016	WMDD	PUMP SERV		1ST BANK YU...	107.30	107.30	107.30
Check	2/13/2006	1021	WMDD	PUMP SERV		1ST BANK YU...	145.30	145.30	252.60
Check	3/20/2006	1039	WMDD	PUMP SERV		1ST BANK YU...	154.28	154.28	406.88
Check	5/3/2006	1049	WMDD	PUMP SERV		1ST BANK YU...	136.51	136.51	543.39
Check	5/15/2006	1052	WMDD	PUMP SERV		1ST BANK YU...	168.76	168.76	712.15
Check	6/20/2006	1063	WMDD	PUMP SERV		1ST BANK YU...	213.06	213.06	925.21
Check	7/17/2006	1068	WMDD	PUMP SERV		1ST BANK YU...	188.76	188.76	1,113.97
Check	8/18/2006	1082	WMDD	PUMP SERV		1ST BANK YU...	166.71	166.71	1,280.68
Check	9/20/2006	1089	WMDD	PUMP SERV		1ST BANK YU...	102.66	102.66	1,383.34
Check	10/20/2006	1099	WMDD	PUMP SERV		1ST BANK YU...	104.49	104.49	1,487.83
Check	11/17/2006	1109	WMDD	PUMP SERV		1ST BANK YU...	97.15	97.15	1,584.98
<b>Total Electric</b>								<b>1,584.98</b>	<b>1,584.98</b>
<b>Total Utilities</b>								<b>1,584.98</b>	<b>1,584.98</b>
<b>TOTAL</b>								<b>1,584.98</b>	<b>1,584.98</b>

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

ACCOUNT (928) 785-3351 LOCATION



UTILITY BILLING

WATER POWER

BALANCE FORWARDED  
106.50

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
105	32351206	2367		1	600	868	11006	3	98.88

ALL CODES ARE SHOWN ON THE REVERSE SIDE.

PUMP

*Handwritten:* Pump  
1-17-04  
1014

12190520 106.5000

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE SALES TAX	664	TOTAL AMOUNT DUE	98.88
		TAX INCLUDED	

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

ACCOUNT (928) 785-3351 LOCATION



UTILITY BILLING

WATER POWER

BALANCE FORWARDED  
7.39

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
105	97921206	9792		1			11006	3	8.42

ALL CODES ARE SHOWN ON THE REVERSE SIDE.

STAND BY PUMP

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE SALES TAX	57	TOTAL AMOUNT DUE	8.42
		TAX INCLUDED	

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

ACCOUNT (928) 785-3351 LOCATION



UTILITY BILLING

2151923980

WATER POWER

BALANCE FORWARDED  
98.88

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
203	4505	105	3235	1	600	1270	21006	3	136.88

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE.

PUMP

*Paid  
2-13-06  
1021*

1180620 98.88CF.

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE SALES TAX	919	TOTAL AMOUNT DUE	136.88
		TAX INCLUDED	

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

ACCOUNT (928) 785-3351 LOCATION



UTILITY BILLING

2151923880

WATER POWER

BALANCE FORWARDED  
8.42

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
203	9792	105	9792	1			21006	3	8.42

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE.

STAND BY PUMP

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE SALES TAX	57	TOTAL AMOUNT DUE	8.42
		TAX INCLUDED	

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

ACCOUNT (928) 785-3351 LOCATION



UTILITY BILLING

2151923980

WATER POWER

BALANCE FORWARDED  
136.88

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
307	5871	203	4505	1	600	1366	31006	3	145.86

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE.

2140620 136.88CF

PUMP

*Paid  
3-22-06  
1039*

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE SALES TAX	980	TOTAL AMOUNT DUE	145.86
		TAX INCLUDED	

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

ACCOUNT (928) 785-3351 LOCATION



UTILITY BILLING

2151923880

WATER POWER

BALANCE FORWARDED  
8.42

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
307	9792	203	9792	1			31006	3	8.42

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE.

2140620 8.42CF

STAND BY PUMP

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE SALES TAX	57	TOTAL AMOUNT DUE	8.42
		TAX INCLUDED	

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT



UTILITY BILLING

ACCOUNT (928) 785-3351 LOCATION  
2151923880

WATER POWER BALANCE FORWARDED 8.42

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
405	9792	307	9792	1			41106 3		8.42

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE

STAND BY PUMP

*Handwritten:* Paid 5-3-06 1048

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA. AZ 85365

APPLICABLE SALES TAX	57	TOTAL AMOUNT DUE	8.42
			TAX INCLUDED

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT



UTILITY BILLING

ACCOUNT (928) 785-3351 LOCATION  
2151923980

WATER POWER BALANCE FORWARDED 145.86

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
405	7047	307	5871	1	550	1176	41106 3		128.09

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE

PUMP

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA. AZ 85365

APPLICABLE SALES TAX	860	TOTAL AMOUNT DUE	128.09
			TAX INCLUDED

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

(928) 785-3351

ACCOUNT LOCATION

2151923980



UTILITY BILLING

BALANCE FORWARDED  
128.09

WATER POWER

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
505	8568	405	7047	1	600	1521	51006	3	160.34

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE.

PUMP

*Handwritten:*  
Paid 5-15-06  
1052  
148.74

5040620 128.0900

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA. AZ 85365

APPLICABLE SALES TAX	1077	TOTAL AMOUNT DUE	160.34
			TAX INCLUDED

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

(928) 785-3351

ACCOUNT LOCATION

2151923880



UTILITY BILLING

BALANCE FORWARDED  
8.42

WATER POWER

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
505	9792	405	9792	1			51006	3	8.42

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE.

STAND BY PUMP

5040620 8.4200

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA. AZ 85365

APPLICABLE SALES TAX	57	TOTAL AMOUNT DUE	8.42
			TAX INCLUDED

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

ACCOUNT (928) 785-3351 LOCATION  
2151923980



UTILITY BILLING

BALANCE FORWARDED  
160.34

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
607	563	505	8568	1	650	1995	61206	3	204.64

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE

*paid  
6-20-04  
1063*

5170620 160.34CR

PUMP

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE SALES TAX 1374 TOTAL AMOUNT DUE 204.64

ENERGY COST ADJUSTMENT KWH X \$.000000 TAX INCLUDED

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

ACCOUNT (928) 785-3351 LOCATION  
2151923880



UTILITY BILLING

BALANCE FORWARDED  
8.42

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
607	9792	505	9792	1			61206	3	8.42

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE

5170620 8.42CR

STAND BY PUMP

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE SALES TAX 57 TOTAL AMOUNT DUE 8.42

ENERGY COST ADJUSTMENT KWH X \$.000000 TAX INCLUDED

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

(928) 785-3351

ACCOUNT LOCATION

2151923980



UTILITY BILLING

WATER POWER

BALANCE  
FORWARDED  
204.64

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
706	2298	607	563	1	650	1735	71106	3	180.34

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE.

6210620 204.64CR

PUMP

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE  
SALES TAX

1211

TOTAL  
AMOUNT DUE

180.34

TAX INCLUDED

ENERGY COST ADJUSTMENT KWH X \$.000000

*paid 7-17-06 104.8*

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

(928) 785-3351

ACCOUNT LOCATION

2151923880



UTILITY BILLING

WATER POWER

BALANCE  
FORWARDED  
8.42

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
706	9792	607	9792	1			71106	3	8.42

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE.

6210620 8.42CR

STAND BY PUMP

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE  
SALES TAX

57

TOTAL  
AMOUNT DUE

8.42

TAX INCLUDED

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT



UTILITY BILLING

ACCOUNT (928) 785-3351 LOCATION

██████████ 2151923880

WATER POWER

BALANCE FORWARDED  
8.42

PRESENT		PREVIOUS		MULT.	KLOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
808	9792	706	9792	1			81106 3		8.42

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE.

*Paid  
8-18-06  
1082*

7180620 8.42CR

STAND BY PUMP

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE SALES TAX	57	TOTAL AMOUNT DUE	8.42
TAX INCLUDED			

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT



UTILITY BILLING

ACCOUNT (928) 785-3351 LOCATION

██████████ 2151923980

WATER POWER

BALANCE FORWARDED  
180.34

PRESENT		PREVIOUS		MULT.	KLOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
808	3797	706	2298	1	700	1499	81106 3		158.29

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE.

7180620 180.34CR

PUMP

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE SALES TAX	1063	TOTAL AMOUNT DUE	158.29
TAX INCLUDED			

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

ACCOUNT (928) 785-3351 LOCATION

2151923880



UTILITY BILLING

BALANCE FORWARDED  
8.42

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
906	9792	808	9792	1			91206	3	8.42

ALL CODES ARE SHOWN ON THE REVERSE SIDE

8210620 8.42CR

STAND BY PUMP

*Paid  
9-20-06  
1089*

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE SALES TAX	57	TOTAL AMOUNT DUE	8.42
			TAX INCLUDED

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

ACCOUNT (928) 785-3351 LOCATION

2151923980



UTILITY BILLING

BALANCE FORWARDED  
158.29

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
906	4617	808	3797	1	650	620	91206	3	94.24

ALL CODES ARE SHOWN ON THE REVERSE SIDE

8210620 158.29CR

PUMP

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE SALES TAX	633	TOTAL AMOUNT DUE	94.24
			TAX INCLUDED

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

(928) 785-3351

ACCOUNT LOCATION

2151923980



UTILITY  
BILLING

BALANCE  
FORWARDED  
94.24

PRESENT DATE	PREVIOUS DATE	READING	READING	MULT.	DEMAND	KILOWATT HRS. USED	DATE	CODE	AMOUNT
1006	5456	906	4617	1	600	839101106	3		96.07

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE.

9210620 94.24CF

PUMP

*Paid 10-20-06 1099*

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE SALES TAX	645	TOTAL AMOUNT DUE	96.07
		TAX INCLUDED	

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT

(928) 785-3351

ACCOUNT LOCATION

2151923980



UTILITY  
BILLING

BALANCE  
FORWARDED  
8.42

PRESENT DATE	PREVIOUS DATE	READING	READING	MULT.	DEMAND	KILOWATT HRS. USED	DATE	CODE	AMOUNT
1006	9792	906	9792	1		101106	3		8.42

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE.

9210620 8.42CF

STAND BY PUMP

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE SALES TAX	57	TOTAL AMOUNT DUE	8.42
		TAX INCLUDED	

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT



UTILITY  
BILLING

ACCOUNT (928) 785-3351 LOCATION  
2151923980

WATER POWER

BALANCE  
FORWARDED  
96.07

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
1103	62191006	1006	5456	1	650	763111006	3		88.73

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE

PUMP

*paid*  
11-17-06  
1109  
\$97.15

10230620 96.070F

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE  
SALES TAX  
596

TOTAL  
AMOUNT DUE 88.73

TAX INCLUDED

ENERGY COST ADJUSTMENT KWH X \$.000000

WELLTON-MOHAWK IRRIGATION  
AND DRAINAGE DISTRICT



UTILITY  
BILLING

ACCOUNT (928) 785-3351 LOCATION  
2151923880

WATER POWER

BALANCE  
FORWARDED  
8.42

PRESENT		PREVIOUS		MULT.	KILOWATT		DATE	CODE	AMOUNT
DATE	READING	DATE	READING		DEMAND	HRS. USED			
1103	97921006	9792	9792	1		1111006	3		8.42

\* ALL CODES ARE SHOWN ON THE REVERSE SIDE

STAND BY PUMP

10230620 8.420F

SHEPARD WATER CO.-M.L.R.  
P O BOX 72245  
YUMA, AZ 85365

APPLICABLE  
SALES TAX  
57

TOTAL  
AMOUNT DUE 8.42

TAX INCLUDED

ENERGY COST ADJUSTMENT KWH X \$.000000

**ATTACHMENT NO. 8**

620

3:00 PM

04/24/07

Cash Basis

**SHEPARD WATER COMPANY**  
**Transaction Detail By Account**  
 January through December 2006

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Split</u>	<u>Original Amo...</u>	<u>Paid Amount</u>	<u>Balance</u>
<b>Repairs</b>							
Pump Repairs							
Check	7/11/2006	1084	DEERE & SONS ...	1ST BANK Y...	1,000.00	1,000.00	1,000.00
Check	7/19/2006	1072	DEERE & SONS ...	1ST BANK Y...	48.42	48.42	1,048.42
Total Pump Repairs						<u>1,048.42</u>	<u>1,048.42</u>
Total Repairs						<u>1,048.42</u>	<u>1,048.42</u>
<b>TOTAL</b>						<u><u>1,048.42</u></u>	<u><u>1,048.42</u></u>

**J. A. DEERE & SON WELL DRILLING**

**P. O. BOX 777  
SOMERTON, AZ 85350  
License No. 086294**

**Invoice**

Date	Invoice #
7/18/2006	06-07-194

<b>Bill To</b>
Shepherd Water Co. c/o Martinez Lake Resort Star 4, Box 41 Yuma, Az. 85365

P.O. No.	Terms	Project
Steve/Robert	Due on receipt	

Quantity	Description	Rate	Amount
	Installed customer's pump 60GS50 Submersible Pump		
1	Pressure Gauge, 100lb., #AG5	10.00	10.00
1	Pressure Switch, 30/50	40.00	40.00
42	2" Galv. Pipe, T & C	6.50	273.00
5	2" x 100' Roll Black Poly. Pipe Wrap	5.00	25.00
6	Hrs. Labor With Pump Rig, 3 Hr. Min. Chg.	105.00	630.00
	Amount Paid	-1,000.00	-1,000.00
	Sales Tax	7.20%	70.42
<b>Please remit to above address.</b>		<b>Total</b>	<b>\$48.42</b>

*Handwritten notes:*  
Paid 7-19-06 1072  
Paid 7-18-06 1964

**ATTACHMENT NO. 9**

630

2:57 PM  
04/24/07  
Cash Basis

**SHEPARD WATER COMPANY**  
**Transaction Detail By Account**  
January through December 2006

Type	Date	Num	Name	Memo	Clr	Split	Original Am...	Paid Amount	Balance
<b>Professional Fees</b>									
<b>Accounting</b>									
Check	1/12/2006	1012	JAMES RAFTERY	INV #001076...		1ST BANK YU...	945.00	945.00	945.00
Check	6/8/2006	1056	WILLIAM CLEMENTS	Tax returns &...		1ST BANK YU...	4,486.00	4,486.00	5,431.00
Check	7/17/2006	1069	JAMES RAFTERY	INV #00107490		1ST BANK YU...	1,686.00	1,686.00	7,097.00
Check	8/14/2006	1073	WILLIAM CLEMENTS	PREP OF PR...		1ST BANK YU...	1,230.00	1,230.00	8,327.00
Check	11/6/2006	1101	WILLIAM CLEMENTS	PREP FIN S...		1ST BANK YU...	2,690.00	2,690.00	11,017.00
Check	12/1/2006	1111	JAMES RAFTERY	INV 00107678		1ST BANK YU...	555.00	555.00	11,572.00
<b>Total Accounting</b>								<b>11,572.00</b>	<b>11,572.00</b>
<b>Total Professional Fees</b>								<b>11,572.00</b>	<b>11,572.00</b>
<b>TOTAL</b>								<b>11,572.00</b>	<b>11,572.00</b>

**James E. Raftery, CPA, PC**

606 N. Stapley Drive  
Mesa, AZ 85203

Phone: 480-835-1040 FAX: 480-835-8832

Invoice Date: June 30, 2006

Invoice Number: 00107490

Client Number: 40585 001

Shepard Water Company  
Star Route #4, Box 41  
Martinez Lake, AZ 85365

*For professional services rendered for the period ending June 30, 2006*

Review State tax notice

Preparation for income tax audit

Correspondence with Tax Authorities

Total

*Paid  
7-17-06  
1069*

\$1,666.00

*OK to Pay  
PER  
John*

**Accounts Receivable Statement  
As of July 6, 2006**

Date	Description	Invoice Number	Invoice Amount	Cash Applied	Amount
June 1, 2006	Balance Forward				
June 30, 2006	Invoice	00107490	1,666.00		1,666.00
				<b>Total</b>	<u><u>\$1,666.00</u></u>

**Accounts Receivable Aging**

Current	30 - 59	60 - 89	90 - 119	Total
1,666.00	0.00	0.00	0.00	1,666.00

**James E. Raftery, CPA, PC**

606 N. Stapley Drive  
Mesa, AZ 85203

Phone: 480-835-1040 FAX: 480-835-8832

**Invoice Date:** December 31, 2005

**Invoice Number:** 00106518

**Client Number:** 40585 001

hepard Water Company  
tar Route #4, Box 41  
fartinez Lake, AZ 85365

*for professional services rendered for the period ending December 31, 2005*

Response to State of Arizona tax notice regarding computation of net operations carry forward

Total

Accounts Receivable Statement  
As of January 9, 2006

\$945.00  
*Paid 1-12-06 1012*

Date	Description	Invoice Number	Invoice Amount	Cash Applied	Amount
December 1, 2005	Balance Forward				
December 31, 2005	Invoice	00106518	945.00		945.00
				<b>Total</b>	<b>\$945.00</b>

Accounts Receivable Aging				
Current	30 - 59	60 - 89	90 - 119	Total
945.00	0.00	0.00	0.00	945.00

**James E. Raftery, CPA, PC**

James E. Raftery, CPA, PC

606 N. Stapley Drive

Mesa, AZ 85203

Phone: 480-835-1040

FAX: 480-835-8832

Shepard Water Company  
 Star Route #4, Box 41  
 Martinez Lake, AZ 85365

Client ID: 40585 001

As of December 7, 2006, with current period ending November 30, 2006

Date	Description	Invoice Number	Invoice Amount	Cash Applied	Amount
October 31, 2006	Invoice	00107878	555.00		\$555.00
				<b>Amount Due</b>	<b>\$ 555.00</b>

*Paid  
 12-11-06  
 1111*

**Accounts Receivable Aging**

<u>Current</u>	<u>30 - 59 Days</u>	<u>60 - 89 Days</u>	<u>90 - 119 Days</u>	<u>120/Over Days</u>	<u>Total</u>
\$0.00	\$555.00	\$0.00	\$0.00	\$0.00	\$555.00

**James E. Raftery, CPA, PC**

606 N. Stapley Drive  
Mesa, AZ 85203

Phone: 480-835-1040 FAX: 480-835-8832

Shepard Water Company  
Star Route #4, Box 41  
Martinez Lake, AZ 85365

**Invoice Date:** October 31, 2006  
**Invoice Number:** 00107878  
**Client Number:** 40585 001

*For professional services rendered for the period ending October 31, 2006*

**Correspondence with Tax Authorities**

Total \$555.00

**Accounts Receivable Statement  
As of November 6, 2006**

<u>Date</u>	<u>Description</u>	<u>Invoice Number</u>	<u>Invoice Amount</u>	<u>Cash Applied</u>	<u>Amount</u>
October 1, 2006	Balance Forward				
October 31, 2006	Invoice	00107878	555.00		555.00
				<b>Total</b>	<u><u>\$555.00</u></u>

<b>Accounts Receivable Aging</b>				
<u>Current</u>	<u>30 - 59</u>	<u>60 - 89</u>	<u>90 - 119</u>	<u>Total</u>
555.00	0.00	0.00	0.00	555.00

*Handwritten:*  
Paid  
12/1/06  
1111

William M. Clements, CPA

1421 S. 5th Avenue  
Yuma, AZ 85364  
928-782-7503  
FAX 782-6845

# STATEMENT

DATE
5/26/2006

<b>BILL TO</b>
Shepard Water Company 10430 N. Martinez Lake Rd. Yuma, AZ 85365

DESCRIPTION	AMOUNT
Services rendered regarding AZ Department of Revenue's examination of your tax returns for the years ended September 30, 2001 and September 30, 2002	1,135.00
Accounting for the year ended September 30, 2005, including preparation of corporate tax returns and financial statements	1,825.00
Accounting for the year ended December 31, 2005, and preparation of the annual AZ Corporation Commission annual utility report	1,526.00
<i>PAID 6-8-06 1056</i>	<i>[Signature]</i>
<b>Interest at the rate of 2% (24% per annum) will be charged on balances outstanding over 30 days.</b>	<b>Total</b>
	<b>\$4,486.00</b>

William M. Clements, CPA

1421 S. 5th Avenue  
Yuma, AZ 85364  
928-782-7503  
FAX 782-6845

# STATEMENT

DATE
7/26/2006

<b>BILL TO</b>
Shepard Water Company 10430 N. Martinez Lake Rd. Yuma, AZ 85365

DESCRIPTION	AMOUNT
Preparation of proforma financial information for the year ended September 30, 2005, required by the Arizona Corporation Commission.	1,230.00
Interest at the rate of 2% (24% per annum) will be charged on balances outstanding over 30 days.	
<b>Total</b>	<b>\$1,230.00</b>

*Paid 8-19-04 1073*

William M. Clements, CPA

1421 S. 5th Avenue  
 Yuma, AZ 85364  
 928-782-7503  
 FAX 782-6845

# STATEMENT

DATE
10/27/2006

BILL TO
Shepard Water Company 10430 N. Martinez Lake Rd. Yuma, AZ 85365

DESCRIPTION	AMOUNT
Accounting for the year ended September 30, 2006, and preparation of financial statements and corporate income tax returns for the year then ended.	2,690.00
<i>Paid 11-6-06</i> <i>1101</i>	
Interest at the rate of 2% (24% per annum) will be charged on balances outstanding over 30 days.	
<b>Total</b>	<b>\$2,690.00</b>

**ATTACHMENT NO. 10**

635

2:59 PM  
04/24/07  
Cash Basis

**SHEPARD WATER COMPANY**  
**Transaction Detail By Account**  
January through December 2006

Type	Date	Num	Name	Memo	Clr	Split	Original Am...	Paid Amou...	Balance
<b>Professional Fees</b>									
<b>Testing</b>									
Check	1/9/2006	1010	WESTERN WATER ...	NOV TESTING		1ST BANK YU...	25.00	25.00	25.00
Check	1/30/2006	1019	WESTERN WATER ...	Annual Nitrate...		1ST BANK YU...	75.00	75.00	100.00
Check	2/21/2006	1025	WESTERN WATER ...	JAN OPER S...		1ST BANK YU...	150.00	150.00	250.00
Check	3/6/2006	1030	WESTERN WATER ...	FEB OPER S...		1ST BANK YU...	150.00	150.00	400.00
Check	3/13/2006	1032	WESTERN WATER ...	inv 14822,148...		1ST BANK YU...	700.00	700.00	1,100.00
Check	8/14/2006	1074	WESTERN WATER ...	STATEMENT ...		1ST BANK YU...	1,285.00	1,285.00	2,365.00
Check	8/17/2006	1081	WESTERN WATER ...	JULY SERVICE		1ST BANK YU...	150.00	150.00	2,515.00
Check	10/18/2006	1086	WESTERN WATER ...	AUG SERVICE		1ST BANK YU...	150.00	150.00	2,665.00
Check	10/20/2006	1088	WESTERN WATER ...	SEPT SERVICE		1ST BANK YU...	150.00	150.00	2,815.00
Check	11/8/2006	1102	ADEQ	ANNUAL SAM...		1ST BANK YU...	820.54	820.54	3,635.54
Check	11/9/2006	1104	WESTERN WATER ...	OCT SERVICE		1ST BANK YU...	150.00	150.00	3,785.54
<b>Total Testing</b>								<b>3,785.54</b>	<b>3,785.54</b>
<b>Total Professional Fees</b>								<b>3,785.54</b>	<b>3,785.54</b>
<b>TOTAL</b>								<b>3,785.54</b>	<b>3,785.54</b>

3:03 PM

04/24/07

635

**SHEPARD WATER COMPANY**  
**Vendor QuickReport**  
**January through December 2006**

Type	Date	Num	Memo	Account	Clr	Split	Amount
<b>MC BRIDE ENGINEERING</b>							
Check	3/20/2006	1040	ARSENIC TO...	1ST BANK YUMA		WATER FACI...	-3,150.00
Check	6/8/2006	1057	Wtr Prod Faci...	1ST BANK YUMA		WATER FACI...	-1,200.00
Check	9/28/2006	1091	Wtr Prod Faci...	1ST BANK YUMA		WATER FACI...	-8,175.00
Check	10/27/2006	1100	INV #0502B-6...	1ST BANK YUMA		WATER FACI...	-27,385.00

2:56 PM  
 04/24/07  
 Cash Basis

**SHEPARD WATER COMPANY**  
**Transaction Detail By Account**  
 January through December 2006

Type	Date	Num	Name	Memo	Split	Original Amount	Paid Amount	Balance
Equipment								
Pump								
Check	1/20/2006	1018	PRECISION ELECT ...	new pump	1ST BANK YUMA	269.21	269.21	269.21
Total Pump							269.21	269.21
Total Equipment							269.21	269.21
<b>TOTAL</b>							<b>269.21</b>	<b>269.21</b>

McBride Engineering Solutions  
 7305 W Boston  
 Chandler, AZ 85226

Phone # 480-759-9608  
 Fax # 480-706-1106  
 E-mail [bmcbride@mesconsulting.net](mailto:bmcbride@mesconsulting.net)

# Invoice

Date	Invoice #
1/7/2006	0502B-4

<b>Bill To</b>
Shepard Water Company John Gath State Route 4 Box 41 Martinez Lake, AZ 85365

Service Dates	Item	Description	Project Budget		Contract Type	
			% Complete	To Date	Prior Invoiced	Amount
12/1/2005	Eng. Services A	Water Production Facilities Design Task 1 - Conceptual Design Task 2 - Detailed Design	37	\$16,650	\$13,500	3,150.00
12/31/2005						
<b>Balance Due</b>						<b>\$3,150.00</b>

*Handwritten:* Paid 3-20-06 1040

*Handwritten:* OK To Be PAID  
 with Receipt  
 By WFA  
 B. W. WFA



McBride Engineering Solutions  
 7305 W Boston  
 Chandler, AZ 85226

Phone # 480-759-9608  
 Fax # 480-706-1106  
 E-mail bmcbride@mesconsulting.net

# Invoice

Date	Invoice #
4/5/2006	0502B-5

<b>Bill To</b>
Shepard Water Company John Guth State Route 4 Box 41 Martinez Lake, AZ 85365

<b>Project</b>
0502B Martinez Lake Water Facilities

Service Dates	Item	Description	Project Budget		Contract Type	
			% Complete	To Date	Prior Invoiced	Amount
1/2/2006	Eng. Services A	Water Production Facilities Design Task 1 - Conceptual Design Task 2 - Detailed Design	40	\$17,850	\$16,650	1,200.00
3/31/2006						
<b>Balance Due</b>						<b>\$1,200.00</b>

*Handwritten notes:*  
 Paid 6-8-06 1057  
 [Signature]



McBride Engineering Solutions  
 7305 W Boston  
 Chandler, AZ 85226

Phone # 480-759-9608  
 Fax # 480-706-1106  
 E-mail [mcbride@mcbrideengineering.net](mailto:mcbride@mcbrideengineering.net)

# Invoice

Date	Invoice #
9/8/2006	05028-S

<b>Bill To</b>
Shepard Water Company John Guth State Route 4 Box 41 Martinez Lake, AZ 85365

<b>Project</b>
05028 Martinez Lake Water Facilities

<b>Project Budget</b>	<b>Contract Type</b>
\$34,500	Lump Sum

Service D...	Item	Description	% Complete	To Date	Prior Invoiced	Amount
3/4/2006	Eng. Services A	Water Production Facilities Design Task 1 - Conceptual Design Task 2 - Detailed Design	85	\$46,325	\$38,150	\$,175.00
9/8/2006						
<b>Balance Due</b>						<b>\$8,175.00</b>

*Paid  
 9-28-06  
 1091*



**McBride Engineering Solutions**  
 7305 W Boston  
 Chandler, AZ 85226

Phone # 480-759-9608  
 Fax # 480-706-1106  
 E-mail [bmcbride@mcbrideengineering.net](mailto:bmcbride@mcbrideengineering.net)

# Invoice

Date	Invoice #
7/7/2006	0502B-6

Project
0502B Martinez Lake Water Facilities

Bill To
Shepard Water Company John Gath State Route 4 Box 41 Martinez Lake, AZ 85365

Service Dates	Item	Description	Project Budget		Contract Type	
			% Complete	To Date	Prior Invoiced	Amount
6/1/2006	Eng. Services A	Water Production Facilities Design Task 1 - Conceptual Design Task 2 - Detailed Design	75	\$33,850	\$17,850	16,000.00
6/30/2006						
<b>Balance Due</b>						<b>\$16,000.00</b>



**McBride Engineering Solutions**  
 7305 W Boston  
 Chandler, AZ 85226

Phone # 480-759-9608  
 Fax # 480-706-1106  
 E-mail [mcbride@mcbriedengineering.net](mailto:mcbride@mcbriedengineering.net)

**INVOICE**

Date	Invoice #
8/4/2006	0502B-7

<b>Bill To</b>
Shepard Water Company John Guth State Route 4 Box 41 Martinez Lake, AZ 85365

<b>Project</b>
0502B Martinez Lake Water Facilities

			Project Budget		Contract Type	
			\$54,500		Lump Sum	
Service Dates	Item	Description	% Complete	To Date	Prior Invoiced	Amount
6/30/2006	Eng. Services A	Water Production Facilities Design Task 1 - Conceptual Design Task 2 - Detailed Design	70	\$38,150	\$33,850	4,300.00
7/31/2006						
<b>Balance Due</b>						<b>\$4,300.00</b>



**McBride Engineering Solutions**  
 7305 W Boston  
 Chandler, AZ 85226

Phone # 480-759-9608  
 Fax # 480-706-1106  
 E-mail [bmcbride@mcbrideengineering.net](mailto:bmcbride@mcbrideengineering.net)

# Invoice

Date	Invoice #
10/13/2006	0502B-9

<b>Bill To</b>
Shepard Water Company John Guth State Route 4 Box 41 Martinez Lake, AZ 85365

<b>Project</b>
0502B Martinez Lake Water Facilities

Service D...	Item	Description	Project Budget		Contract Type	
			% Complete	To Date	Prior Invoiced	Amount
9/8/2006	Eng. Services A	Water Production Facilities Design Task 1 - Conceptual Design Task 2 - Detailed Design	98	\$53,410	\$46,325	7,085.00
10/13/2006						
<b>Balance Due</b>						<b>\$7,085.00</b>

# McPhee

Environmental Supply, LLC

11460 N. CAVE CREEK ROAD SUITE 1  
 PHOENIX, AZ 85020  
 (602) 943-9565 FAX (602) 943-3194

## Invoice

Date	Invoice #
12/1/2005	21470

Bill To
Shepard Water John Guth Star Route #4 Box 41 Martinez Lake, AZ 85365

Ship To
Martinez Lake Resort Well Site Star Route #4 Box 41 Martinez Lake, AZ 85365

P.O. No.	Terms	Due Date	Rep	Ship Date	Project
EST 6	Due on receipt	12/1/2005	LC	12/1/2005	Martinez Lake Resort

Item	Description	Est Amt	Prior Amt	Prior %	Rate	Total %	Amount
Task 1 & 2	Total Contract Amount \$65,776.00 \$ 5,000.00 Downpayment Due at Contract Signing \$21,310.00 Due at Approval to Construct \$32,888.00 Due at System Fab Complete \$ 6,578.00 Due 30 days after successful operations	65,776.00			65,776.00	7.60%	5,000.00

*pd by  
 check*

Thank you for your business.	<b>Subtotal</b>	\$5,000.00
	<b>Sales Tax (0.00)</b>	\$0.00
	<b>Total</b>	\$5,000.00
	<b>Payments/Credits</b>	\$0.00

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Invoice

**BILL TO**

**DATE 11/29/2005**

**ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365**

**INVOICE # 14571**

DESCRIPTION	QTY	RATE	AMOUNT
November Microbiological Analysis - Compliance Testing		25.00	25.00
		<b>Total</b>	<b>\$25.00</b>

Please enter Invoice number(s) on your check.

*Paid  
1-9-06  
1010*

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Invoice

BILL TO

DATE 12/27/2005

ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365

INVOICE # 14611

DESCRIPTION	QTY	RATE	AMOUNT
Annual Nitrate/Nitrite Analysis - 2005		75.00	75.00

*Paid*  
*1-30-06*  
*1019*  
*DK*

Please enter Invoice number(s) on your check.

**Total**

**\$75.00**

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Invoice

**BILL TO**

**DATE 12/26/2005**

**ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365**

**INVOICE # 14659**

DESCRIPTION	QTY	RATE	AMOUNT
December Operator Service Fee		125.00	<del>125.00</del>
December Microbiological Analysis - Compliance Testing		25.00	25.00

*DK*  
*JP*

Please enter Invoice number(s) on your check.

**Total**

**\$150.00**

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Invoice

**BILL TO**

**DATE 1/26/2006**

**ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365**

**INVOICE # 14743**

DESCRIPTION	QTY	RATE	AMOUNT
January Operator Service Fee		125.00	125.00
January Microbiological Analysis - Compliance Testing		25.00	25.00

*Paid  
2-21-06  
1025*

Please enter Invoice number(s) on your check.

**Total**

**\$150.00**

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Invoice

**BILL TO**

**DATE** 2/24/2006

**ATTN: JOHN GUTH**  
**SHEPARD WATER COMPANY, INC.**  
**P.O. BOX 72245**  
**MARTINEZ LAKE AZ 85365**

**INVOICE #** 14822

DESCRIPTION	QTY	RATE	AMOUNT
February Operator Service Fee		125.00	125.00
February Microbiological Analysis - Compliance Testing		25.00	25.00

*Paid  
3-6-06  
1030*

Please enter Invoice number(s) on your check.

**Totai**

**\$150.00**

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Invoice

*CORRECTED*

BILL TO

DATE 2/24/2006

ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365

INVOICE # 14822

DESCRIPTION	QTY	RATE	AMOUNT
February Microbiological Analysis - Compliance Testing		25.00	25.00
Please enter Invoice number(s) on your check.		<b>Total</b>	<b>\$25.00</b>

*Handwritten notes:*  
A large circle is drawn around the word "Description" in the header.  
A calculation is written:  $3-1306$  over  $1032$  equals  $290.00$ .  
Below this, it says "OK to Pay" with a signature.

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Invoice

**BILL TO**

**DATE 2/28/2006**

**ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365**

**INVOICE # 14842**

DESCRIPTION	QTY	RATE	AMOUNT
Microscopic Particulate Analyses (MPA)		800.00	800.00

*OK to Rec  
JG*

Please enter Invoice number(s) on your check.

**Total**

**\$800.00**

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Credit Memo

### CUSTOMER

ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365

DATE	CREDIT NO.
2/27/2006	14841

			P.O. NO.
DESCRIPTION	QTY	RATE	AMOUNT
Reverse charges for January 2006 Operator Service Fee		125.00	-125.00
Total			\$-125.00

*Debit*

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Statement

DATE
7/10/2006

TO:

ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365

AMOUNT DUE	AMOUNT ENCL
\$1,265.00	

DATE	TRANSACTION	AMOUNT	BALANCE
11/30/05	Balance forward		50.00
12/01/05	PMT #1001.	-25.00	25.00
12/26/05	INV #14659. m 01/21/06	150.00	175.00
12/27/05	INV #14611. N/N; m 01/21/06	75.00	250.00
01/16/06	PMT #1010.	-25.00	225.00
01/26/06	INV #14743. m 02/11/06	150.00	375.00
02/04/06	PMT #1019.	-75.00	300.00
02/24/06	INV #14822. m 02/24/06; See corrected Inv	150.00	450.00
02/24/06	PMT #1025.	-150.00	300.00
02/27/06	INV #14822. Corrected Inv; h/c 03/09/06	25.00	325.00
02/27/06	CREDMEM #14841.	-125.00	200.00
02/28/06	INV #14842. MPA; h/c 03/09/06	800.00	1,000.00
03/11/06	PMT #1030.	-150.00	850.00
03/12/06	CREDMEM #14843. See 14822 (02/24)	-125.00	725.00
03/12/06	CREDMEM #14844. See 14822 (02/27)	-25.00	700.00
03/15/06	CREDMEM #14845. See 14659 (12/26)	-125.00	575.00
03/15/06	PMT #1032.	-700.00	-125.00
* 03/23/06	INV #14902.	150.00	25.00
03/24/06	INV #14853. 1Q-FL	40.00	65.00
04/27/06	INV #14981.	150.00	215.00
05/30/06	INV #15043.	150.00	365.00
06/29/06	INV #15117.	150.00	515.00
07/09/06	INV #15141.	750.00	1,265.00

*Sorry it took me so long to sort this out; but this should bring us current.*

*Pat [Signature]*

*paid 8/14/06 1074*

CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	CURRENT AMOUNT DUE
0.00	150.00	150.00	150.00	815.00	\$1,265.00

*CURRENT*

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Invoice

BILL TO

DATE 3/23/2006

ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365

INVOICE # 14902

DESCRIPTION	QTY	RATE	AMOUNT
March Operator Service Fee		125.00	125.00
March Microbiological Analysis - Compliance Testing		25.00	25.00

After credits applied,  
Only \$25.00 is due on this  
invoice.

Please enter invoice number(s) on your check.

**Total**

**\$150.00**

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Invoice

**BILL TO**

**DATE 3/24/2006**

**ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365**

**INVOICE # 14853**

DESCRIPTION	QTY	RATE	AMOUNT
First Quarter Fluoride Analysis		40.00	40.00

Please enter Invoice number(s) on your check.

**Total \$40.00**

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Invoice

**BILL TO**

**DATE 4/27/2006**

**ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365**

**INVOICE # 14981**

DESCRIPTION	QTY	RATE	AMOUNT
April Operator Service Fee		125.00	125.00
April Microbiological Analysis - Compliance Testing		25.00	25.00

Please enter Invoice number(s) on your check.

**Total \$150.00**

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Invoice

**BILL TO**

**DATE 5/30/2006**

**ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365**

**INVOICE # 15043**

DESCRIPTION	QTY	RATE	AMOUNT
May Operator Service Fee		125.00	125.00
May Microbiological Analysis - Compliance Testing		25.00	25.00

Please enter Invoice number(s) on your check.

**Total \$150.00**

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Invoice

**BILL TO**

**DATE 6/29/2006**

**ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365**

**INVOICE # 15117**

DESCRIPTION	QTY	RATE	AMOUNT
June Operator Service Fee		125.00	125.00
June Microbiological Analysis - Compliance Testing		25.00	25.00

Please enter Invoice number(s) on your check.

**Total \$150.00**

# Western Water Works

P.O. Box 655 • Sierra Vista, Arizona 85636  
(520) 429-0135 • FAX (520) 515-7404

## Invoice

**BILL TO**

**DATE** 7/9/2006

**ATTN: JOHN GUTH**  
**SHEPARD WATER COMPANY, INC.**  
**P.O. BOX 72245**  
**MARTINEZ LAKE AZ 85365**

**INVOICE #** 15141

DESCRIPTION	QTY	RATE	AMOUNT
Lead and Copper Analysis	10	75.00	750.00

Please enter invoice number(s) on your check.

**Total** \$750.00

# Western Water Works

(520) 459-7040 • FAX (520) 515-7404

Effective 1 August 2006, our office  
address has changed to:  
PO Box 546  
Hereford AZ 85615

## Invoice

**BILL TO**

**DATE 7/28/2006**

**ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365**

**INVOICE # 15187**

DESCRIPTION	QTY	RATE	AMOUNT
July Operator Service Fee		125.00	125.00
July Microbiological Analysis - Compliance Testing		25.00	25.00
<i>Paid 8-18-06 1081</i>			

Please enter Invoice number(s) on your check.

**Total**

**\$150.00**

# Western Water Works

(520) 429-0135 • FAX (520) 515-7404

## Invoice

**BILL TO**

**DATE 8/30/2006**

**ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365**

**INVOICE # 15249**

DESCRIPTION	QTY	RATE	AMOUNT
August Operator Service Fee		125.00	125.00
August Microbiological Analysis - Compliance Testing		25.00	25.00
<p>Effective 1 August 2006, our office address has changed to: PO Box 546 Hereford AZ 85615</p>			
<p><i>Paid 10-18-06 1096</i></p>			

Please enter Invoice number(s) on your check.

**Total**

**\$150.00**

# Western Water Works

(520) 429-0135 • FAX (520) 515-7404

## Invoice

**BILL TO**

**DATE 9/28/2006**

**ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365**

**INVOICE # 15299**

DESCRIPTION	QTY	RATE	AMOUNT
September Operator Service Fee		125.00	125.00
September Microbiological Analysis - Compliance Testing		25.00	25.00
Effective 1 August 2006, our office address has changed to: PO Box 546 Hereford AZ 85615			
<i>Paid</i> <i>10-20-06</i> <i>1098</i>			

Please enter Invoice number(s) on your check.

**Total**

**\$150.00**

# Western Water Works

(520) 429-0135 • FAX (520) 515-7404

Effective 1 August 2006, our office  
address changed to:  
PO Box 546  
Hereford AZ 85615-0546

## Invoice

**BILL TO**

**DATE 10/23/2006**

**ATTN: JOHN GUTH  
SHEPARD WATER COMPANY, INC.  
P.O. BOX 72245  
MARTINEZ LAKE AZ 85365**

**INVOICE # 15378**

DESCRIPTION	QTY	RATE	AMOUNT
October Operator Service Fee		125.00	125.00
October Microbiological Analysis - Compliance Testing		25.00	25.00
		<i>John Guth</i>	<i>Paid 11-9-06 1104</i>

Please enter Invoice number(s) on your check.

**Total**

**\$150.00**

SIOM ELECTRIC CO INC  
LOCATION \*NOT REMIT TO\*\*\*  
E 16TH ST  
AZ 85365  
928-2539  
928-782-7174

# INVOICE

\* CASH SALE \*

DATE	01/20/06
TIME	

SOLD TO YUMA CASH SALE TAXABLE

SHIP TO

Sheppard WATER  
Martinez Lake  
Resort

SALES REP	CUSTOMER P.O.	SHIP VIA	DATE SHIPPED	FOB	ORDER NO
3			01/20/06		423742

QUANTITY	UNIT MEAS	WH	ITEM NO. DESCRIPTION	UNIT PRICE	UNIT MEAS	EXTENDED PRICE
1	EA	3	CHE165 1.5 1800 230/460 145T 3PH TE	211.6300	EA	211.63
	EA	3	VB4L230 V-BELT	3.2000	EA	6.56
	EA	3	VB438 38" V-BELT	8.6300	EA	16.04
	EA	3	VB61 61" V-BELT	12.9600	EA	12.96
SUBTOTAL AMOUNT						247.21
SALES TAX						22.00
TOTAL INVOICE AMOUNT						269.21
PAID BY CHECK, W/OTE						

THANK YOU WE APPRECIATE YOUR BUSINESS!  
ALL CLAIMS AND RETURNED GOODS MUST BE ACCOMPANIED BY THIS BILL  
CHARGE OF 1% PER MONTH (18% APR) WILL BE ADDED TO PAST DUE ACCOUNTS. IF SUIT SHALL  
IT TO RECOVER PAYMENT OF THIS INVOICE, CUSTOMER AGREES TO PAY REASONABLE COLLECTION  
NEEY FEES IN ADDITION TO ANY OTHER AMOUNTS DUE.

PLEASE REMIT TO:  
1822 EAST JACKSON ST.  
PHOENIX, ARIZONA 85034

**ATTACHMENT NO. 11**

408-11  
**2005 PROPERTY TAX STATEMENT**  
**YUMA COUNTY, ARIZONA**



**KAREN FRITZ, TREASURER**  
**410 MAIDEN LANE, STE C**  
**YUMA, AZ 85364**

**THIS IS THE ONLY TAX NOTICE YOU WILL RECEIVE**

The Yuma County Treasurer mails tax bills to all property owners. If you have a mortgage on your property and your taxes are paid through an impound account, keep this notice for your records.

\*\*\*\*\*AUTO\*\*5-DIGIT 85365 1 T 135 P 286  
 SHEPARD WATER CD 36420  
 C/O JOHN & GAIL GUTH  
 HC 4 BOX 41  
 YUMA AZ 85365-9431

For important information and payment instructions, see reverse side.

YOUR CHECK IS YOUR RECEIPT



LOCATION ADDRESS	LEGAL DESCRIPTION OF PROPERTY
	ENTIRELY VALUED PROPERTY ACCOUNT 55-241.

ACCOUNT NUMBER
PARCEL IDENTIFICATION
TAX AREA CODE 000000

PRIMARY PROPERTY TAX CALCULATION						
ITEM	Limited Value	ASSMT%	Assessed Value	Exemption	Tax Rate	Ad Valorem Tax
AND BLDGS, ETC.	4,568	25.00	1,142	0	0.0000	0.00
PERSONAL PROPERTY	87,432	25.00	21,858	0	0.0000	0.00
TOTALS	92,000		23,000	0		0.00

2005 TAX SUMMARY	
Primary Ad Valorem Tax	2,207.20
Less State Aid To Education	0.00
Net Primary Ad Valorem Tax	2,207.20
Secondary Ad Valorem Tax	683.48
Special District Tax	0.00

SECONDARY PROPERTY TAX CALCULATION						
ITEM	Full Cash Value	ASSMT%	Assessed Value	Exemption	Tax Rate	Ad Valorem Tax
AND BLDGS, ETC.	0	0.00	0	0	0.0000	0.00
PERSONAL PROPERTY	4,568	25.00	1,142	0	0.0000	0.00
TOTALS	87,432	25.00	21,858	0	0.0000	0.00
TOTALS	92,000		23,000	0		683.48

TOTAL TAX DUE	2,890.68
HALF TAX	1,445.34

**2004 - 2005 TAX COMPARISON**

AUTHORITY NUMBER	AUTHORITY NAME	LEVY TYPE	PURPOSE	2005 TAX DISTRIBUTION	2004 TAX DISTRIBUTION	DIFFERENCE	TAX RATE
02000	YUMA COUNTY	PRIM		511.50			
02002	SCHOOL EQUALIZATION	PRIM		100.23			
05001	YUMA SD#1	PRIM		638.32			
06103	YUMS SD#70	PRIM		523.67			
08150	ARIZONA WESTERN COLLEGE	PRIM		433.48			
14900	YUMA COUNTY LIBRARY	SCND		132.02			
15829	YUMA COUNTY FLOOD CONTROL	SCND		4.00			
55001	YUMA SD#1	SCND	OVERRIDE	118.40			
65001	YUMA SD#1	SCND	CLASS A BONDS	148.51			
66103	YUMS SD#70	SCND	CLASS A BONDS	171.83			
68150	AHC 2003 BOND ISSUE	SCND		47.20			
68154	AHC 2005 BOND ISSUE	SCND		61.52			
TOTALS				2,890.68	2,514.31	376.37	

**DELINQUENT DATES**

1st Half Year Taxes become delinquent on November 1, 2005 at 8:00 PM, unless the full year tax bill exceeds \$100.00 and the full year is paid by December 31, 2005 (excluding delinquencies that are due November 1, 2005).

2nd Half Year Taxes become delinquent on May 1, 2006 at 5:00 PM

PLEASE SEND ALL PAYMENTS TO: Karen Fritz, Yuma County Treasurer, 410 Maiden Lane Ste. C, Yuma, AZ 85364

**SHEPARD WATER COMPANY**

STAR ROUTE 4 BOX 41  
YUMA, AZ 85365  
PH 520-783-9589

PAY AMOUNT OF

TO THE ORDER OF

DATE 10/14/05 Karen Fritz, Yuma County Treasurer

DESCRIPTION Sell year property

CHECK NUMBER 1521

DOLLARS

CHECK AMOUNT \$ 2890.68

EXPLANATION	AMOUNT
<u>410000021</u>	

1521  
91-574/1221  
950

COMPASS BANK  
Yuma, Arizona

*Shepard*

**2006 PROPERTY TAX STATEMENT  
YUMA COUNTY, ARIZONA**



**KAREN FRITZ, TREASURER  
410 MAIDEN LANE, STE C  
YUMA, AZ 85364**

**THIS IS THE ONLY TAX NOTICE YOU WILL RECEIVE**

The Yuma County Treasurer mails tax bills to all property owners. If you have a mortgage on your property and your taxes are paid through an impound account, keep this notice for your records.

\*\*\*\*\*AUTO\*\*5-DIGIT 85365 1 T 152 P 303  
SHEPARD WATER CO 37581  
C/O JOHN & GAIL GUTH  
HC 4 BOX 41  
YUMA AZ 85365-9431

For important information and payment instructions, see reverse side.

YOUR CHECK IS YOUR RECEIPT



*Water Co  
Shepard  
To Fritz*

LOCATION ADDRESS \_\_\_\_\_  
LEGAL DESCRIPTION OF PROPERTY \_\_\_\_\_  
CENTRALLY VALUED PROPERTY ACCOUNT 55-241

ACCOUNT NUMBER \_\_\_\_\_  
PARCEL IDENTIFICATION \_\_\_\_\_  
TAX AREA CODE 000000

PRIMARY PROPERTY TAX CALCULATION						
ITEM	Limited Value	ASSMTRY	Assessed Value	Exemption	Tax Rate	Ad Valorem Tax
LAND AND BLDGS. ETC.	4,865	24.50	1,192	0	0.0000	0.00
PERSONAL PROPERTY	93,135	24.50	22,818	0	0.0000	0.00
<b>TOTALS</b>	<b>98,000</b>		<b>24,010</b>	<b>0</b>		<b>0.00</b>

2006 TAX SUMMARY	
Primary Ad Valorem Tax	1,987.1
Less State Aid To Education	0.0
Net Primary Ad Valorem Tax	1,987.1
Secondary Ad Valorem Tax	705.2
Special District Tax	0.0

SECONDARY PROPERTY TAX CALCULATION						
ITEM	Full Cash Value	ASSMTRY	Assessed Value	Exemption	Tax Rate	Ad Valorem Tax
LAND	0	0.00	0	0	0.0000	0.00
BLDGS. ETC.	4,865	24.50	1,192	0	0.0000	0.00
PERSONAL PROPERTY	93,135	24.00	22,818	0	0.0000	0.00
<b>TOTALS</b>	<b>98,000</b>		<b>24,010</b>	<b>0</b>		<b>705.24</b>

<b>TOTAL TAX DUE</b>	<b>2,692.4</b>
<b>HALF TAX</b>	<b>1,346.2</b>

**2005 - 2006 TAX COMPARISON**

AUTHORITY NUMBER	AUTHORITY NAME	LEVY TYPE	PURPOSE	2006 TAX DISTRIBUTION	2005 TAX DISTRIBUTION	DIFFERENCE	TAX RATE
02000	YUMA COUNTY	PRIM		514.49	511.50	2.99	2.14%
02002	SCHOOL EQUALIZATION	PRIM		.00	100.23	-100.23	.00%
05001	YUMA SDF1	PRIM		475.81	638.32	-162.51	1.98%
06103	YUMS SDF70	PRIM		544.22	523.67	20.55	2.26%
08150	ARIZONA WESTERN COLLEGE	PRIM		452.64	433.48	19.16	1.88%
14900	YUMA COUNTY LIBRARY	SONE		219.46	132.02	87.44	.91%
15829	YUMA COUNTY FLOOD CONTROL	SONE		4.14	4.00	.14	.35%
55001	YUMA SDF1	SONE	OVERRIDE	89.80	118.40	-48.60	.28%
65001	YUMA SDF1	SONE	CLASS A BONDS	113.25	148.51	-35.26	.47%
66103	YUMS SDF70	SONE	CLASS A BONDS	5.40	171.83	-166.43	.02%
68150	AMC 2003 BOND ISSUE	SONE		41.63	47.20	-5.57	.17%
68154	AMC 2005 BOND ISSUE	SONE		17.58	61.52	-43.94	.07%
68155	AMC 2006 BOND ISSUE	SONE	DEBT SERVICE	60.67	.00	60.67	.25%
76103	YUMS SDF70	SONE	CLASS B BONDS	173.47	.00	173.47	.72%
<b>TOTALS</b>				<b>2,692.40</b>	<b>2,890.68</b>	<b>-198.28</b>	

*Paul  
10-18-06  
10/17*

**DELINQUENT DATES**

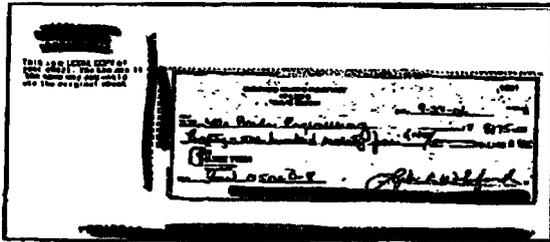
1st Half Year Taxes become delinquent on November 1, 2006 at 8:00 PM, unless the full year tax bill exceeds \$100.00 and the full year is paid by December 31, 2006 (excluding delinquencies that are due November 1, 2006).

2nd Half Year Taxes become delinquent on May 1, 2007 at 5:00 PM

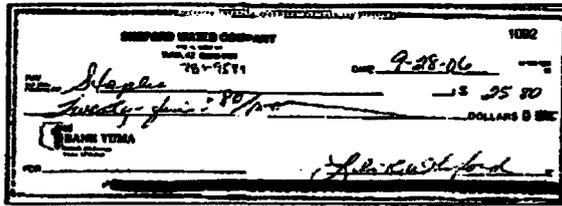
PLEASE SEND ALL PAYMENTS TO: Karen Fritz, Yuma County Treasurer, 410 Maiden Lane Ste. C, Yuma, AZ 85364

78294736

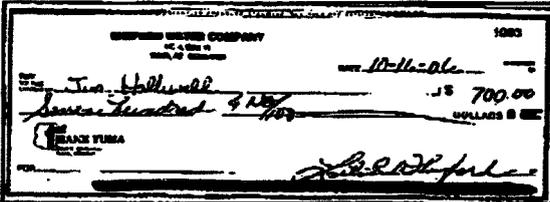
PAGE 3 of 3



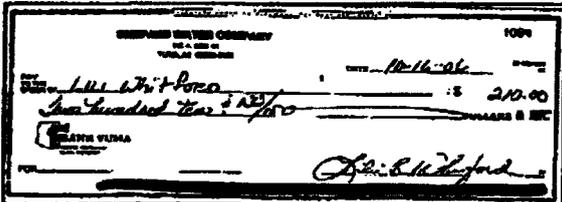
#1091 Posted 10/06/06 \$8,175.00



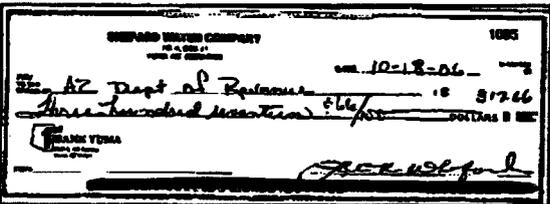
#1092 Posted 10/05/06 \$25.80



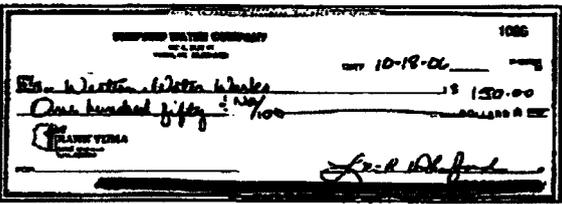
#1093 Posted 10/24/06 \$700.00



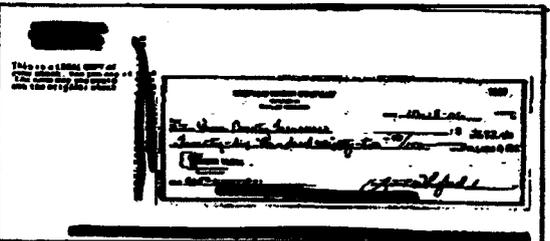
#1094 Posted 10/20/06 \$210.00



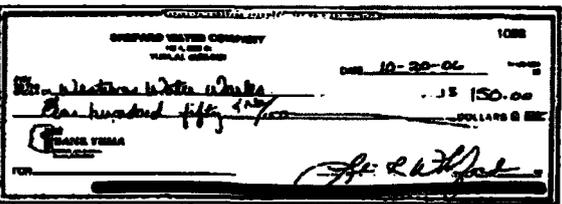
#1095 Posted 10/23/06 \$317.66



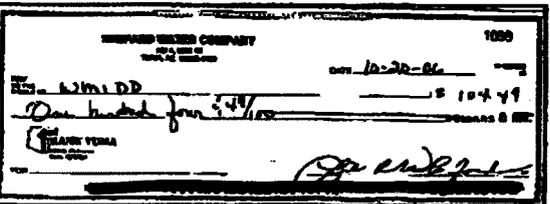
#1096 Posted 10/24/06 \$150.00



#1097 Posted 10/25/06 \$2,692.40



#1098 Posted 10/26/06 \$150.00



#1099 Posted 10/26/06 \$104.49