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SALLQUIST, DRUMMOND & O'CONNOR P.C. RECEIVED

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TEMPE, ARIZONA 85282

2007 NOV 30 A 9:13

ARIZONA CORPORATION COMMISSION
DOCKET CONTACT
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RICHARD L. SALLQUIST

November 30, 2007

HAND DELIVERY

Judge Marc Stern
Arizona Corporation Commission
Hearing Division
1200 W. Washington
Phoenix, AZ 85007

Arizona Corporation Commission

DOCKETED

NOV 30 2007

DOCKETED BY
nr

Re: Valley Utilities Water Company; Docket No W-01412A-07-0560 and Docket No W-01412A-07-0561; Late Filed Exhibit:

Dear Judge Stern:

At the hearing in the subject matter before you on November 16, 2007, you requested that the Company provide written estimates for the replacement well pump costs which support the requested \$250,000 Financing Application.

Attached are two cost estimates, the first for the pump installation by the same company that is drilling the well in the amount of \$37,225, and a second estimate from K and H Electric/Construction, Inc., for the power relocation in the amount of \$11,510. The total is \$48,735, but you should note that there are no contingency costs in these estimates. A 20% contingency is not unreasonable in construction estimates.

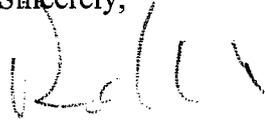
The Company certainly will not draw down any more funds from the WIFA loan than required, nor would WIFA advance excess funds. We believe the Company's application for "up to \$250,000" is a reasonable request, and we anticipate any order in this proceeding would require the Company to file supporting documentation as to the actual cost.

Again, the Company would appreciate any expedited treatment that can be provided in this application to permit commencement of timely construction to assure availability of water supplies prior to its peak demand season.

Judge Marc Stern
November 30, 2007
Page 2

In the event you have any questions regarding these matters please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Sallquist", written over a faint, larger version of the same signature.

Richard L. Sallquist

Enclosures

cc: Docket Control (15 copies)
Robin Mitchell
Marlin Scott
Crystal Brown
Bob Prince
Tom Bourassa

Weber Group L.C.

W A T E R R E S O U R C E S

Corporate Headquarters

16825 S. Weber Dr.

Chandler, Arizona

85226-4112

P. 480.961.1111

F. 480.961.0290

Goodyear

18403 W. McDowell Rd.

Goodyear, Arizona

85338 - 5613

P. 623.853.9901

F. 623.853.9902

Tucson

2838 W. Ruthrauff Rd.

Tucson, Arizona

85705 - 1860

P. 520.887.2170

F. 520.408.0832

11-29-07

TO: Bob Prince
Valley Utilities

FROM: Fred Tregaskes

RE: Replacement Well for Well 6

Here is our estimate to install the existing pump equipment in the proposed replacement well.

Construct concrete well pad	\$ 4200.00
Haul pump and install	\$ 9800.00
Provide new bowl assembly (estimated)	\$ 7500.00
Headshaft, top tube	\$ 375.00
Supplies, drip oil, banding, PVC sounding tube	\$ 450.00
Discharge piping	\$ 14900.00
TOTAL	\$ 37225.00

Prices do not include tax. Electrical work will be done by others. This estimate assumes that the column, tube and shaft, discharge head and motor are adequate for installation in the new well. Actual pump design will be done after the well has been test pumped for capacity and drawdown.

Thank you for this opportunity. Let me know if you have any questions.

K&H

ELECTRIC / CONSTRUCTION, INC.

November 28, 2007

Valley Water Utilities
Attn: Bob Prince
6808 N. Dysart Rd., #112
Glendale, AZ 85307

Reference: Well #6

Subject: Electrical estimate

Bob:

Following is our electrical estimate to relocate power and controls for well #6.

Materials	\$ 7,800.00
Labor	3,120.00
Sales Tax	589.68
TOTAL	\$11,509.68

Should you have any questions regarding this correspondence, please feel free to contact me directly.

Sincerely,

Michael Vinyard
Vice President