

**NEW APPLICATION**  
**ORIGINAL ARIZONA CORPORATION COM**



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AZ CORP COMMISSION  
DOCKET CONTROL

**FINANCING APPLICATION**

Dells Water Company, Inc.

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**UTILITY NAME**

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**W-01384A-08-0048**

**DOCKET NO(S).**

Arizona Corporation Commission  
**DOCKETED**

**JAN 25 2008**

DOCKETED BY

You must complete all items in the application according to the instructions provided. If you have any questions regarding the application, call the Chief, Financial & Regulatory Analysis Section at (602) 542-0743 for assistance.

Send the original and sixteen copies of the application and cover sheet to the following address:

DOCKET CONTROL CENTER  
1200 W WASHINGTON STREET  
PHOENIX AZ 85007-2927

APPLICATION FOR FINANCING APPROVAL  
FOR DELLS WATER COMPANY, INC.

Pursuant to ARS §40-301 and §40-302 Dells Water Company, Inc. makes its application for financing.

The applicant's exact name and address is as follows:

Dells Water Company, Inc.  
901 1st South Street  
Clarkdale, AZ 86324

On behalf of the Company, the following person is authorized to receive notices and communications regarding this application:

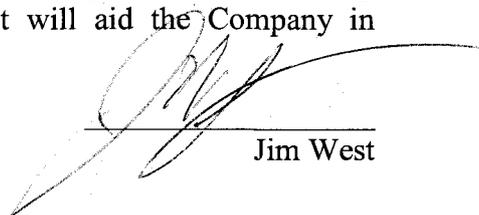
Jim West  
MARTIN & BELL, L.L.C.  
365 East Coronado Road, Suite 200  
Phoenix, Arizona 85004  
(602) 570-4557

The Dells Water Company, Inc. needs to borrow funds to increase the water storage capacity supply for its service area. The existing 5,000 gallon storage tank does not provide sufficient storage. Dells initially applied for financing from the Water Infrastructure Financing Authority of Arizona in the amount of \$59,800. The application has since been revised to a request in the amount of \$30,000 based on an estimate provided by Prescott Pump Service. This loan would be amortized over a term of twenty years, with such sum to bear interest at a rate to be determined at the time the loan is funded. Dells is making an assumption the rate will be eight percent per annum for the proposed schedule of payments, which is attached hereto.

The sum will be used by the Company to purchase and install two new 10,000 gallon storage tanks. Though the costs are not yet firm pending bidding out the purchase of the tanks, attached is an estimate of the costs provided by Prescott Pump Service.

It is estimated that total new revenues needed to provide the Company with the same cash flow it would have had before the loan would be \$3,011 for loan payments. This would necessitate a surcharge of \$3.35 per customer, per month for the 75 customers of the system.

The storage tanks are a necessary expense by the Company in order to comply with Arizona Corporation Commission Decision Number 70102. Dells Water Company is an Arizona Corporation that can borrow money to fund operations and the Company does not have sufficient reserves to construct the required storage tanks out of operating revenue. Constructing the addition storage tanks is clearly in the public interest to help assure sufficient water for the Company's customers. It will aid the Company in performance of its mission as a public service corporation.



Jim West

PUBLIC NOTICE  
OF  
AN APPLICATION FOR AN ORDER  
AUTHORIZING THE ISSUANCE OF DEBT  
BY DELLS WATER COMPANY, INC.

Wilhoit Water Company, Inc. (Company) filed an Application with the Arizona Corporation Commission (Commission) for an order authorizing Applicant to issue \$30,000.00 of debt. The application is available for inspection during regular business hours at the office of the Commission in Phoenix, Arizona and the Company's offices in Clarkdale, Arizona.

Intervention in the Commission's proceedings on the application shall be permitted to any person entitled by law to intervene and having a direct substantial interest in this matter. Persons desiring to intervene must file a Motion to Intervene with the Commission which must be served upon applicant and which, at a minimum, shall contain the following information:

1. The name, address and telephone number of the proposed intervenor and of any person upon whom service of documents is to be made if different than the intervenor.
2. A short statement of the proposed intervenor's interest in the proceeding.
3. Whether the proposed intervenor desires a formal evidentiary hearing on the application and the reasons for such a hearing.
4. A statement certifying that a copy of the Motion to Intervene has been mailed to Applicant.

The granting of Motions to Intervene shall be governed by A.A.C. R14-3-105, except that all Motions to Intervene must be filed on, or before, the 15<sup>th</sup> day after this notice.

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FOR DELLS WATER COMPANY, INC.

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The applicant's exact name and address is as follows:

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901 1st South Street  
Clarkdale, AZ 86324

On behalf of the Company, the following person is authorized to receive notices and communications regarding this application:

Jim West  
WEST & COMPANY, L.L.C.  
365 East Coronado Road, Suite 200  
Phoenix, Arizona 85004  
(602) 570-4557  
(602) 604-0004

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## Dells Storage Calculations

|                                     |        |
|-------------------------------------|--------|
| Loan                                | 30,000 |
| annual interest                     | 2,377  |
| annual principal                    | 634    |
| Annual Principal & Interest payment | 3,011  |
| Annual surcharge                    | 40     |
| Monthly surcharge                   | 3.35   |



**PRESCOTT PUMP SERVICE, INC.**

474 Hidden Valley Rd.  
Prescott, AZ. 86303  
(928) 445-3910

To: Jim West

Phone #: (602) 570-4557

Fax #: (602) 604-0004

Date: 1/24/2008

Subject: Storage Tank Installation Estimate - Dells Water Co.

|    |                                                        |                 |
|----|--------------------------------------------------------|-----------------|
| 1. | (2) 10,000 Gallon Galvanized Steel Storage Tank w/Ring | \$11,900.00     |
| 2. | Misc. Plumbing & Electrical                            | <u>3,000.00</u> |
|    | Total Material                                         | \$14,900.00     |
|    | 6.35 % Sales Tax                                       | 946.15          |
|    | Engineering                                            | 3,500.00        |
|    | Tank Delivery & Crane                                  | 1,700.00        |
|    | Site Prep & Excavation                                 | 5,500.00        |
|    | Installation Labor                                     | <u>2,500.00</u> |
|    | Total Installed                                        | \$29,046.15     |

Note: 1. Due to fluctuating market prices estimate is only good for seven days.

**QUALITY WORK - FAIR PRICE**  
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ROC LICENSE #057998



WIFA eApplications System - Complete all fields that apply, when finished click on the Update Application button located at the bottom-left of this page.

**DRINKING WATER APPLICATION**  
Water Infrastructure Finance Authority of Arizona (WIFA)  
Project Financial Assistance Priority List Application

**SECTION 1: APPLICATION INFORMATION**

[View Status](#)

APPLICATION NUMBER: DW-027-2008 [Print Application](#)

1.1 Applicant:  Job Title:

1.2 Contact Names: First  Middle Initial  Last

1.3 Address:  City:  State:  Zip:

1.4 Phone:  Fax:  E-Mail:

1.5 County In Which Project is Located:

1.6 Number of Connections to System:  Population Served by the System:

1.7 Average Monthly Fee (Base + Use): \$

1.8 Existing Debt (principal only) Payable by System Users: \$

1.9 Median Household Income: \$

1.10 ADEQ System Identification # (PWS #):

1.11 Has this project received prior year WIFA funding?

No

Yes, request is for a multi-year construction project that received assistance in a previous funding cycle

Yes, request is to construct a project that received TA funds in a previous funding cycle

Yes, request is for additional financial assistance to offset actual costs of justified overruns

**SECTION 2: PROPOSED DRINKING WATER FINANCIAL ASSISTANCE PROJECT**

2.1 Project Title/Name:

2.2 Type of loan required during this funding cycle?  Falsethis is a test  Design \$  and/or  Construction \$

2.3 Briefly summarize below the problem or the description (Mail any supporting documentation)

2.4 Briefly summarize below the solution

2.5 Select Type(s) of Needs to be Funded

|                                                        |                                                                 |                                                  |
|--------------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------|
| <input type="checkbox"/> Planning and Design Only      | <input type="checkbox"/> Treatment-Bacteriological              | <input type="checkbox"/> Treatment-Surface Water |
| <input type="checkbox"/> Treatment-Nitrate             | <input type="checkbox"/> Treatment-Arsenic                      | <input type="checkbox"/> Treatment-Radionuclides |
| <input type="checkbox"/> Treatment-Organic Chemical(s) | <input type="checkbox"/> Treatment-Primary Standard [Metals(s)] | <input type="checkbox"/> Treatment-DBP           |
| <input type="checkbox"/> Treatment-Other               | <input type="checkbox"/> Transmission & Distribution            | <input type="checkbox"/> Source                  |
| <input checked="" type="checkbox"/> Storage            | <input type="checkbox"/> Purchase of System(s)                  | <input type="checkbox"/> Restructuring           |
| <input type="checkbox"/> Land Acquisition              |                                                                 |                                                  |

2.6 Select Expected Project Benefit(s)

Compliance - Existing Requirements  Compliance - New Requirements  Expand Service

Reduce Public Health Risks

2.7 Water System Improvement

Proposed project addresses deficiencies identified by ADEQ  Submitted a complete capacity development plan to ADEQ

Proposed project includes installing meter to monitor water use

2.8 Consolidation and Regionalization

Consolidate physical facilities of existing multiple facilities

Extending service to existing areas currently served by another facility

Consolidate the operations of existing multiple facilities

Consolidate the ownership of existing multiple facilities

2.9 System Compliance (mail any supporting documents)

Notice of violations and/or consent orders from regulatory agency

In compliance

SECTION 3: AMOUNT OF PROJECT FINANCIAL ASSISTANCE

3.1 Estimated Date WIFA Funding Required: 7/1/2008

3.2 Estimated Financial Assistance Costs & Funding Source

| Funding Source              | Project Costs |
|-----------------------------|---------------|
| Amount Funded Locally:      | \$ 0.00       |
| Amount Requested from WIFA: | \$ 30000      |
| Other Source:               | \$ 0.00       |

SECTION 4: READINESS TO PROCEED INDICATORS

4.1 Debt Authorization (For more information, see WIFA Debt Authorization Guidance Document)

Authorized - mail copy of official governing body debt authorization resolution or election results.

Scheduled - Anticipated election or authorization date: 4/1/2008

4.2 Project Plans and Specifications (Select only one)

Approved - mail approval notification

Scheduled for Approval

Engineer Selected

Enter anticipated approval date:

4.3 Applicable Local, State, and Federal Project Permits: (Select only one)

Obtained - mail approval notification

Scheduled to Obtain Permit(s) - anticipated permit(s) date:

Date of Approval Unknown

Not Applicable - explain

4.4 Project Bids: (Select only one)

Obtained - mail approval notification(s)

Scheduled to Obtain Permit(s) - anticipated permit(s) date:

Date of Approval Unknown

SECTION 5: CERTIFICATION & APPROVAL

As the Authorized Representative, I certify that the information contained in this application is, to the best of my knowledge, true, accurate, and correct.

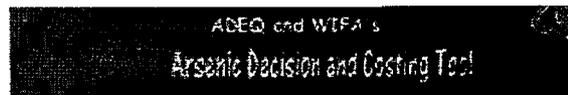
Authorized Representative Name: First Jim Last West Title:

Consultant

Update Application



Arizona@ Your Service  
The State of Arizona's  
official web site.



Arsenic Master Plan - Decision & Costing Tool



Arizona Governor Janet  
Napolitano  
www.governor.state.az.us