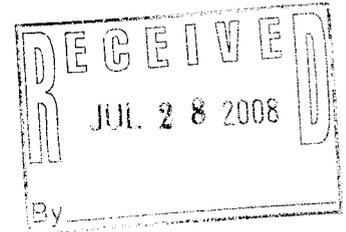




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S

MANAGEMENT, INC.
WATER UTILITY MANAGEMENT
TELEPHONE: (520) 623-5172
FAX: (520) 792-0377
E-MAIL: SWUMGMT@aol.com



LOCATION:
2102 N. Forbes Blvd, Suite 107
TUCSON, AZ 85745

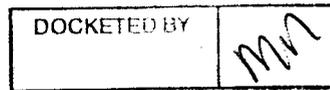
ORIGINAL



MAILING ADDRESS:
P.O. BOX 85160
TUCSON, AZ 85754

Arizona Corporation Commission
DOCKETED

JUL 30 2008



AZ CORP COMMISSION
DOCKET CONTROL

2008 JUL 30 A 9:05

RECEIVED

July 25, 2008

Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

Attn: The Honorable Mr. Mike Gleason, Chairman,
Arizona Corporation Commission

Re: Use of Small Water Systems Fund for Valle Verde Water Company, Docket # W-01431A-07-0547

Dear Mr. Chairman:

Southwestern Utility Management, Inc. ("SUM") has been operating the Valle Verde Water Company ("VVWC") system as interim manager, pursuant to an agreement with the Commission, since September, 2007. In reference to the above noted docket number we are once again submitting this Water Infrastructure Finance Authority ("WIFA") Interim Operator Grant Reimbursement request to access the Small Water Systems Fund, specifically HB 2521, for VVWC.

Approval to access this fund was granted in an emergency rate relief application on December, 21, 2007, Decision #70098.

We respectfully request the Arizona Corporation Commission recommend WIFA approve further funding by way of a grant to SUM in the amount of \$39,831.71 to cover VVWC expenses that need to be addressed as explained in "Exhibit A" as attached. The exhibit is an estimate of cost that will allow us to address eight different 20' sections of old AC pipes that are breaking on a regular basis and need to be addressed as quickly as possible. These breaks are a direct result of the City of Nogales interconnection. The pipes were put into place in the 1930's and are in need of urgent repair as this is the only supply to the water customers in that area. No other source of water is available.

Also in need of immediate attention are approximately twelve service connections that are under sidewalks and are leaking profusely. Water loss is a concern so this needs immediate attention as well; however, this ailing system does not have the funds to allow for normal maintenance and/or repairs.

Please do not hesitate to contact me if you need further documentation or further explanation.

Sincerely,

A handwritten signature in black ink, appearing to read "Bonnie O'Connor". The signature is fluid and cursive, with a prominent initial "B" and "O".

Bonnie O'Connor, V.P.

Enclosure(s)

Cc: Ernest Johnson, Utility Director
Steve Olea, Assistant Director

7/25/2008

EXHIBIT "A"**Estimate of Costs****Valle Verde Water Line Repair**

Quantity	Num	Product - Dana Kepner	VVW Cost
4	EA	6" Romac XR 501 Extended Range Cping 6.60-7.60	\$ 611.48
5	EA	4" Romac XR501 Extended Range Cping 4.5-5.60	\$ 523.45
12	EA	3/4" Romac 511-132-5 Couping	\$ 388.33
12	EA	1' Romac 511-132-5 Couping	\$ 401.95
5	EA	SS1-514x8" Romac Repair Clamp	\$ 472.43
5	EA	SS1-514x16 Romac Repair Clamp	\$ 834.38
5	EA	SS1-535x8" Romac Repair Clamp	\$ 481.25
18	EA	SCS-105-3 full circle repair clamp	\$ 728.12
18	EA	SCS-132-6 Full circle repair clamp	\$ 730.51
6	EA	#6895 Water Valve Box Marked Water (Only)	\$ 287.70
240	FT	4"x20" Class 200 pipe, C900 PVC DR 14	\$ 1,101.24
200	FT	3/4"x20" SCH 40 PVC Pipe Solv.Weld	\$ 67.62
18	EA	3/4" C16-33-G Ford P J Coupling	\$ 275.82
18	EA	3/4" C86-33-G Ford P J Coupling	\$ 281.69
6	EA	1" Brass Ball Vavle	\$ 204.74
24	EA	3/4" BA13-332W Ford Angle Ball Valve	\$ 1,353.66
24	EA	1" BA13-444W Ford Angle Valve	\$ 1,967.45
20	EA	1" B13-444Ford Ball Valve W/HB-34 Handle	\$ 1,535.46
24	EA	Blue Marking Paint	\$ 135.05
4	EA	3"x1000 Barricade Tape, Yellow - 3 Mil	\$ 55.21
12	EA	NO. 1 Concrete Meter Box 12x18"	\$ 218.36
12	EA	No. 1 Bent Steel Lid	\$ 252.56
4	EA	No. 2 Concrete Meter Box 16x24"	\$ 144.22
4	EA	No. 1 Bent Steel Lid	\$ 84.19
Total Materials:			\$ 13,136.87

Labor & Misc.

		# of 8 Hour Days	\$ Per Hr	# of Hrs.	Total
Man/Backhoe	1	10	\$ 85.00	80	\$ 6,800.00
Field Supervisor	1	6	\$ 85.00	48	\$ 4,080.00
Field Tech	1	10	\$ 75.00	80	\$ 6,000.00
Backhoe	1	10	\$ 350.00		\$ 3,500.00
Delivery Chg			\$ 200.00		\$ 200.00
Backhoe Fuel			\$ 1,500.00		\$ 1,500.00
Barricades			\$ 800.00		\$ 800.00
2 Trucks Nogales to Tucson		10 days @\$65/x2	\$ 1,300.00		\$ 1,300.00
Permits			\$ 480.00		\$ 480.00
Contingency -Misc. Expense			\$ 500.00		\$ 500.00
				Labor & Misc.	\$ 25,160.00

vwlinereplacement#1A

Total Materials & Labor: \$ 38,296.87**Sales Tax \$ 1,534.84****\$ 39,831.71**