

ORIGINAL



0000123597



P.O. Box 38  
15996 Ironwood Drive  
Dolan Springs, AZ 86441  
928-767-3713 Fax: 928-767-3053

March 7<sup>th</sup>, 2011

Compliance Department  
Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, AZ 85007

Arizona Corporation Commission

**DOCKETED**

MAR 9 2011

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ACC COMPLIANCE  
DOCKET CONTROL

Re: Rate Increase Docket  
W-02105A-09-0522 Decision 72001

Meeting Between Mt. Tipton Water Co. & Lake Mohave Ranchos Fire Department

This meeting took place at the Mt. Tipton Water Company office on March 3<sup>rd</sup>, 2011 at 10:30 a.m. In attendance for Mt. Tipton were President Donald Bertoch, Director Kenneth West, Field Manager L. Timothy Clark, Business Administrator Michelle Monzillo, and Field Operator Cheryl Stevens. In attendance for the fire department were Fire Chief Dave Estenson and Assistant Chief Keith Maher. ACC staff engineer Dorothy Hains was in attendance via speaker phone.

\*Primary issue: "Can & will" the Fire District "transition all or most of its non-domestic water use to Mt. Tipton's nonpotable system"?

Questions for Discussion

1. Whether Mt. Tipton's nonpotable water supply would be sufficient to serve the Fire District's non-domestic water supply needs in a typical year?

Response: Yes, barring an extreme circumstance such as a large wildfire.

2. What modifications, if any, to the Fire District's equipment would be necessary to enable the Fire District to transition all or most of its non-domestic water use to the nonpotable water system?

4. The estimated costs for any such modifications? 5. The sources of funding available to cover the costs of any such modifications?

Response: The Fire District proposes to extend the bottom line from the nonpotable tank to outside of the gated area. They also propose to increase the size of the line in order to increase

the volume of water available when filling their trucks. They have offered to supply the parts and labor to make these modifications. The cost for these modifications would be minimal.

3. What modifications, if any, to Mt. Tipton's equipment or facilities would be necessary to enable the Fire District to transition all or most of its non-domestic water use to the nonpotable water system? 4. The estimated costs for any such modifications? 5. The sources of funding available to cover the costs of any such modifications?

Response: In the past, we have discussed putting a pump on the bottom line of the nonpotable for the fire department. They state that they generally do not need to fill their trucks that quickly to necessitate the installation of a pump. In an extreme emergency, they will have to fill their trucks wherever is quickest and most easily available. The modifications proposed above would decrease the filling time of their trucks. Once again, the Fire District has offered to provide these modifications at no cost to Mt. Tipton although we would provide the backhoe to do the necessary dirt work.

6. What procedures and/or equipment modifications would help ensure that all of the Fire District's non-domestic water use is accurately accounted for each month?

Response: A hydrant meter could be installed on this line in order to accurately account for the water usage. However, a meter could reduce the water pressure depending on the water level in the tank.

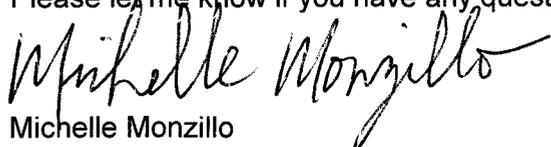
7. The amount the Fire District has budgeted annually for its non-domestic water supply?

Response: The Fire District does not budget separately for domestic and non-domestic water.

8. What changes, if any, to Mt. Tipton's rates and/or charges would be appropriate for use of Mt. Tipton's nonpotable water supply?

The Fire Department refers to the Arizona statute R14(2)408b which states that a water company may opt to offer a fixed rate for a fire department. The Fire District proposes that we offer them a fixed rate for nonpotable, non-domestic water. It was unclear at the time whether a rate tariff would have to be approved by the ACC to do this considering the statute listed above. Ms. Hains looked into this and later, let us know that a special rate tariff would have to be approved for this to happen. Our board of directors will make a decision regarding how we would like to proceed at the next monthly meeting and we will take whatever steps, if any, are necessary at that time. It seems promising that this matter will finally be resolved.

Please let me know if you have any questions.



Michelle Monzillo

Business Administrator