

ORIGINAL

NEW APPLICATION

ORIGINAL



0000123748

ARIZONA CORPORATION COMMISSION

APPLICATION FOR APPROVAL OF THE SALE OF ASSETS AND/OR FOR CANCELLATION OF THE CERTIFICATE OF CONVENIENCE AND NECESSITY

WATER AND/OR SEWER

W-01351A-11-0089

A. The name, address and telephone number of the Applicant is:

ELFRIDA DOMESTIC WATER USER'S ASSOCIATION
P.O. Box 356 10394 "C" N. Hiway 191
ELFRIDA, AZ. 85610 (520) 642-1290

B. If doing business under a name other than the Applicant name, specify.

N/A

C. The Applicant is a:

- Corporation:
- "C", "S", Non-Profit
- Arizona Foreign
Partnership
- Limited General
- Arizona Foreign
Sole Proprietorship
Limited Liability Company (LLC)
Other (Specify)

AZ CORP COMMISSION DOCKET CONTROL

2011 FEB 25 P 4: 06

RECEIVED

Arizona Corporation Commission DOCKETED FEB 25 2011

DOCKETED BY [Signature]

D. List the name, address and telephone number of the attorney for the applicant:

N/A

E. List the name, address and telephone number of the management contact:

MICHAEL J. COYLE JR.

11278 N. Hiway 191

ELFRIDA AZ 85610 520-642-3315

F. The name, address and telephone number of Purchaser is:

ELFRIDA WATER IMPROVEMENT DISTRICT

P.O. Box 356 10394 "C" N. Hiway 191

ELFRIDA, AZ. 85610 520-642-1290

G. List the name and telephone number of the purchaser's representative.

MICHAEL J. COYLE JR. 520-642-3315

H. The Purchaser is a:

Municipality Improvement District Other _____

I. The purpose for the sale and/or cancellation is due to:

Negotiated Sale of Asset Condemnation Other _____

J. Provide a copy of the following documents.

1. Sales or purchase agreement
2. Court order (if condemnation)
3. Corporate Resolution authorizing the liquidation of the assets, if required by the Articles of Incorporation

K. Have all customer security deposits been refunded? Yes ___ No

If no, mark the block below that describes the proposed disposition of security deposits.

All security deposits will be refunded prior to or at time of closing.

All security deposits will be transferred to the Purchaser for refund pursuant to the terms and conditions.

Other (explain)

L. Are there any refunds due on Main Extension Agreements? Yes ___ No

If Yes, mark the block below which describes the proposed disposition of the refunds.

Applicant will continue to refund after the transfer. (Explain method of refunding)

Purchaser will assume the refunding obligation in accordance with the terms of the main extension agreement.

Applicant will make a full refund which will be made at closing.

Other (explain).

M. (WATER ONLY) Are there any refunds due on meter and service line installations?
Yes ___ No X If Yes, mark the block below which describes the proposed disposition of
refunds.

- Applicant will continue to refund after the transfer pursuant to Commission Rules.
- Purchaser will assume the refunding obligations in accordance with Commission Rules.
- Applicant will make a full refund at closing.
- Other (explain).

DATED the 17th day of February, 2011

Michael J. Coyle Jr.
(Signature of Authorized Representative of Applicant)

MICHAEL J. COYLE JR.
(Type or Print Name Here)

(Title)

SUBSCRIBED AND SWORN to before me on this 17th day of February, 2011

Charlotte Davis
NOTARY PUBLIC

My Commission Expires April 15, 2013





COCHISE COUNTY ELECTIONS / SPECIAL DISTRICTS

P.O. Box 223 Bisbee, Arizona 85603 FAX: (520) 432-8995

February 8, 2011

Governing Board
Elfrida Domestic Water Improvement District
10394 N. Highway 191
Elfrida, Arizona 85610

To whom it may concern:

Attached please find the following documents regarding the recently formed Elfrida Domestic Water Improvement District:

1. Resolution 10-84 dated November 30, 2010
2. Board of Supervisors Meeting Minutes dated November 30, 2010
3. Legal Description for the Elfrida Domestic Water Improvement District
4. Map
5. Letter from the Arizona Department of Revenue dated February 8, 2011

Please feel free to contact me should you need anything further.

Sincerely,

Patricia A. Viverto
Special District Coordinator

THOMAS W. SCHELLING
Elections Officer
(520) 432-8975
tschelling@cochise.az.gov

MARTHA L. DOMANN
Elections Technician
(520) 432-8972
mdomann@cochise.az.gov

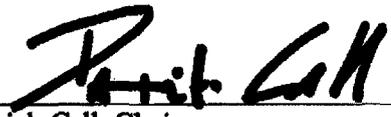
PATRICIA A. VIVERTO
Voter Outreach/
Special Districts Coordinator
(520) 432-8974
pviverto@cochise.az.gov

RESOLUTION 10-84
Re: Establishing an Improvement District to be known as the Elfrida Domestic Water Improvement District

Page 2

3. That it is the finding of the Cochise County Board of Supervisors that all properties within the area shown in Exhibit "A" will be benefited by the establishment of the proposed District.
4. That said District shall be a body corporate with the powers of a municipal corporation for the purpose for which it is organized.
5. That the establishment of said District shall be effective upon execution of this Resolution by the Chairman of the Board of Supervisors.
6. That the District shall be governed by a five member elected Board of Directors. That until such time as their successors are elected, the initial Board shall consist of the following members:
 - a) Reyna De la Cruz
 - b) Owen Nulliner
 - c) Andrew Warn
 - d) Charles Waters
 - e) Daniel Zamora
7. That these first directors shall meet and divide themselves into two classes as specified in A.R.S. § 48-1012(B) for the purpose of establishing their respective terms. All regular elections shall be held on the first Tuesday of November of each even numbered year beginning in 2012.

PASSED AND ADOPTED THIS 30TH Day of November, 2010



Patrick Call, Chairman
Cochise County Board of Supervisors

ATTEST:



Katie A. Howard,
Clerk of the Board

APPROVED AS TO FORM:



Terry Banjon,
Civil Deputy County Attorney

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PUBLIC HEARINGS**Elections****Item 7**

ADOPT RESOLUTION 10-84 TO APPROVE THE FORMATION OF THE PROPOSED ELFRIDA DOMESTIC WATER IMPROVEMENT DISTRICT, ESTABLISH THE DISTRICT BOUNDARIES AND APPOINT REYNA DE LA CRUZ, OWEN NULLINER, ANDREW WARN, CHARLES WATERS AND DANIEL ZAMORA AS THE INITIAL DISTRICT GOVERNING BOARD.

Vice-Chairman English made a motion to adopt Resolution 10-84 to approve the formation of the proposed Elfrida Domestic Water Improvement District, establish the district boundaries and appoint Reyna De la Cruz, Owen Nulliner, Andrew Warn, Charles Waters and Daniel Zamora as the initial district governing board. Supervisor Searle seconded the motion.

Ms. Patricia Viverto, Special Districts Coordinator, presented this item using a PowerPoint presentation. Ms. Viverto stated that ARS Title 48 establishes the requirements for establishing a water district. She reviewed the process outlined by statute and the requirements for approval and the timeline/history of filing and verifying signatures. She said ten organizing petitioners submitted 173 petitions with signatures of persons owning real property within the proposed district. One of two requirements must be met for the petitions: a majority of persons owning real property or owners of 51 percent or more of real property within the boundaries of the district—72.2 percent of the real property was verified through the petitions. Also stated in the petition was the necessity for it: to provide a permanent economical and a publicly responsive successor in interest to the current domestic water provider and the public convenience, necessity or welfare will be promoted by the establishment of the district; costs will be reduced; and some additional benefits in the form of availability of grants, etc. for political subdivisions.

Ms. Viverto reviewed the boundaries: perimeter of Thompson Road, Martineau Road, Bell Road and White Water School Road and read aloud the legal description. The district will be governed by a five-member Board (named these), appointed by the Board. After appointment, three directors will serve a four-year term; two will serve a two-year term, with successors to be elected in future general elections.

Ms. Viverto stated the Elections/Special Districts Department is recommending approval of the formation of the Elfrida Domestic Water District.

Chairman Call opened the public hearing.

Mr. Robert David Hansen stated that he owned 80 acres off Gleeson Road, he showed the location on the map, and stated that there are no water lines in that area. He is objecting under ARS 48-90-2 Section D 1 and 2 and is requesting to be excluded. He stated that he ran a water company in Tucson and that Elfrida has not had a rate increase in ten years. If they were to increase the water rates in Elfrida, they could pay for a pump; have had 216 users since 2002. He continued they want to take in an area that is approximately 8.8 square miles. If they want to become a district, it is fine with him, but he requests exclusion.

Mr. Bob J. Ratliff said he has no objection to district, but living out where there are no water lines, he has his own well and does not want to be included.

No one else wished to address the Board and Chairman Call closed the public hearing.

Chairman Call asked if there was any reason that the properties should not be excluded.

Ms. Viverto stated that the boundaries do not have to be contiguous in a water district; that notification letters were sent to all the property owners by the Clerk of the Board office regarding the formation of the water district.

Ms. Howard stated that 18 of 507 notification letters were returned undeliverable.

Mr. Hanson read the language of the statutes and stated that it is poorly written.

Supervisor Searle stated that the two requests for exclusion would not result in non-contiguous boundaries, if excluded. He asked if a water district like this can have a property tax; Ms. Viverto confirmed they could. Supervisor Searle verified that everyone in the district would pay the tax.

Vice-Chairman English was concerned about the notices which were returned undeliverable.

Chairman Call deferred further discussion regarding this item until Mr. Hanson can research the statutes.

Returned to Item 7 after Item 8:

Mr. Hanson informed the Board that there is a procedure in the statute that the County Recorder must search through the records to obtain a better address for the undeliverable addressees and that it is possible for the Board to move forward today to form the district before notifying the people. Once they are notified; the procedure for anyone who then wished to be excluded would be to approach the district governing board with their request. The Board needs to decide if they want to form the district today or after the non-notified property owners are notified of the water district formation.

Vice-Chairman English stated that she is looking at the people who are to be appointed to the district governing board and feels that they will have the best interests of the people in their district and is willing to move that responsibility to them.

Mr. Hanson stated that the original motion should be amended.

Vice-Chairman English amended the motion to Resolution 10-84 to exclude the properties requested to be excluded (parcel numbers 40319002 and 40319003). Supervisor Searle seconded the amended motion. The motion to amend was approved 3-0.

Chairman Call called for the vote on the original motion, as amended, and it carried unanimously.

Highways & Floodplain

Item 8

ADOPT RESOLUTION 10-85 AUTHORIZING THE ABANDONMENT OF A PORTION OF A PUBLIC ALLEYWAY AND ACCEPTANCE OF ROAD DEDICATION WITHIN THE HIGHLAND VISTA SUBDIVISION AS DESCRIBED THEREIN.

Supervisor Searle made a motion to adopt Resolution 10-85 authorizing the abandonment of a portion of a public alleyway and acceptance of road dedication within the Highland Vista Subdivision as described therein. Vice-Chairman English seconded the motion.

Ms. Karen Lambertson, Transportation Planner, presented this item using a PowerPoint presentation. Ms. Lambertson said that the subdivision was established in 1960. She showed the location and plat map with location of both the abandonment and the dedication proposed; site plan for Habitat for Humanity subdivision; photo of proposed abandonment, with utility portion at the south end (not included in the abandonment); and photo of proposed dedication. She stated that there was encroachment on the site and when looking at the proposed abandonment it seemed like a good time to look at dedication. Staff is recommending the abandonment and dedication. She said the applicant's engineer is present if the Board has any questions.

Supervisor Searle asked if the Sulphur Springs Valley Electric Cooperative (SSVEC) had been notified; Ms. Lambertson confirmed they have no objection.

Chairman Call opened the public hearing. No one wished to address the Board and Chairman Call closed the public hearing.

Chairman Call called for the vote and it carried unanimously.

WORK SESSIONS (FUTURE)

Item 9

APPROVE A WORK SESSION REQUEST TO DISCUSS CONTRACTING OUT THE TRUCKING COMPONENT OF THE SOLID WASTE SYSTEM TO A PRIVATE FIRM VERSUS CONTINUING WITH IN-HOUSE TRUCKING.

The Work Session was approved unanimously.

Item 10

APPROVE A WORK SESSION REQUEST TO DISCUSS THE SUGGESTION THAT THE BOARD HOLD SOME MEETINGS IN DIFFERENT PARTS OF COCHISE COUNTY.

The Work Session was approved unanimously.

Item 11

APPROVE A WORK SESSION REQUEST TO DISCUSS WHAT THE PASSAGE OF PROPOSITION 203 (ARIZONA MEDICAL MARIJUANA ACT) MEANS FOR COCHISE COUNTY FROM A LAND-USE PLANNING AND HEALTH REGULATION PERSPECTIVE.

The Work Session was approved unanimously.

REPORT BY MR. MIKE ORTEGA, COUNTY ADMINISTRATOR, ON RECENT AND PENDING COUNTY MATTERS

Mr. Ortega said he will be meeting with staff at the Western Regional Landfill to discuss the privatization of trucking and utilization of those transportation opportunities in other areas. Tomorrow he will be in Winchester Heights as staff support for Supervisor Searle and as a Cochise College Foundation board member to discuss progress of roads in that area. He stated he has been working with the Treasurer's Office and Information Technologies on the tax bill printing software. He will be out next Tuesday attending a funeral and will not be able to attend the next regular Board meeting.

CALL TO THE PUBLIC – Chairman Call opened the Call to the Public. Mr. Jack Cook addressed the Board on matters of personal concern. No one else wished to address the Board and Chairman Call closed the Call to the Public.

SUMMARY OF CURRENT EVENTS BY BOARD MEMBERS

Item 12

REPORT BY SUPERVISOR PAT CALL, DISTRICT NO. 1

Chairman Call said he will be participating in a teleconference tomorrow morning with the US/Mexico Border Counties Coalition Executive Board and tomorrow afternoon the Upper San Pedro Partnership Executive Committee meeting. He will be participating in the annual holiday parade on Saturday; Sunday afternoon the Garrison Commander's holiday reception and on Monday afternoon he will be meeting with Dr. Flores, Medical Examiner for their annual meeting.

REPORT BY SUPERVISOR ANN ENGLISH, DISTRICT NO. 2

Vice-Chairman English said that she attended the Arizona Association of Counties (AACo) meeting in Carefree for three days—good

information; met with many vendors. She attended the Ace Hardware pre-opening last week. Yesterday she was on the Bisbee radio station. She will be attending a networking breakfast in Tombstone tomorrow morning.

REPORT BY SUPERVISOR RICHARD SEARLE, DISTRICT NO. 3

Supervisor Searle said he will attend the Winchester Heights meeting tomorrow and the AZ/NM Coalition of Counties meeting on Thursday in Albuquerque.

Chairman Call adjourned the meeting at 10:58 a.m.

APPROVED:

Patrick Call, Chairman

ATTEST:

Katie Howard, Clerk of the Board

((SUPPORTING DOCUMENTATION IS AVAILABLE AT THE BOARD OF SUPERVISORS' OFFICE) at (520) 432-9200, FAX (520) 432-5016, TDD (520) 432-8360, 1415 Melody Lane, Building G, Bisbee, Arizona 85603.

STATE OF ARIZONA

Department of Revenue
Property Tax Division
Fax (602) 542-4425



Janice K. Brewer
Governor
Gale Garriott
Director

February 8, 2011

Mr. Thomas W. Schelling,
Cochise County Elections/Special Districts
P.O. Box 223
Bisbee, AZ 85603

RE: Resolution # 10-84 Establishment of Elfrida Domestic WID, State Docket #02-7163-11

District: Elfrida Domestic Water Improvement District

Dear Mr. Schelling:

Thank you for providing the necessary information to the Department of Revenue pursuant to A.R.S. 42-17257. To ensure processing and application of any tax levy for tax year 2011, the county assessor should be notified as soon as possible.

If you have any questions regarding this letter, please contact our office at (602) 716-6832 or direct your inquiries to my email address: fvillaverde@azdor.gov

Sincerely,

Flo Villaverde

Flo Villaverde
Centrally Valued Property - GIS
Telephone: 602 716 6832
Fax: 602 542 4425

cc: Cochise County Assessor - without attachments.

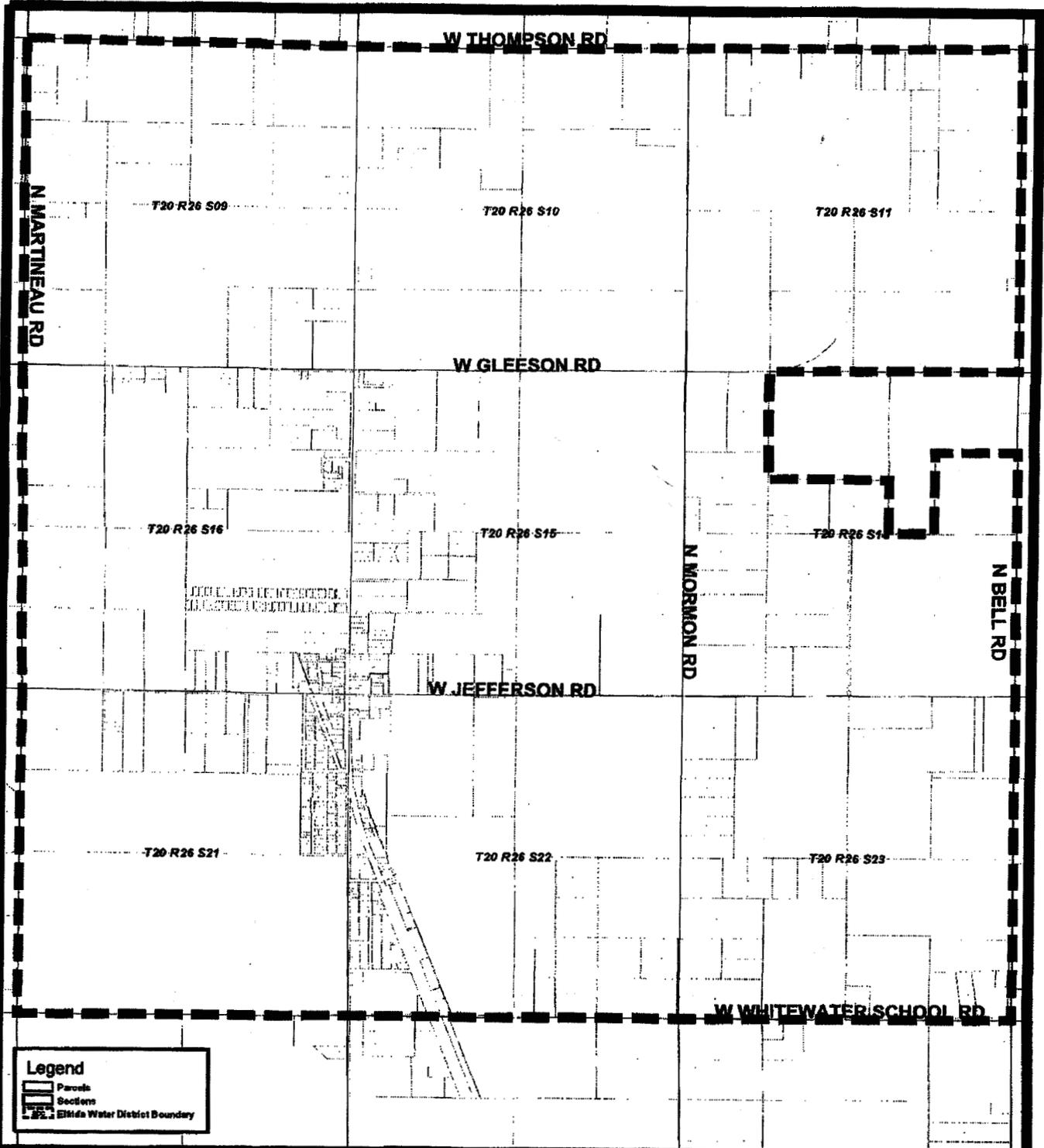
cc: Cochise Clerk of the Board of Supervisor - without attachments.

Legal Description: Elfrida Domestic Water Improvement District:

The boundaries of the proposed district shall be the perimeter of Thompson Road, Martineau Road, Bell Road and White Water School Road. This area generally includes that portion of the central part of the unincorporated community of Elfrida along State Highway 191. The proposed district is more specifically described as:

All of Sections 9, 10, 11, 14, 15, 16, 21, 22, and 23, Township 20 South, Range 26 East, excluding parcel numbers 403-19-002 and 403-19-003, all within Cochise County, Arizona.

A copy of the map of this area is attached.



Legend

- Parcels
- Sections
- Elfrida Water District Boundary



Elfrida Water District
November 30, 2010

This map is a product of the
Cochise County GIS

0 1" = 200'

Recording Requested By:
Elfrida Domestic Water User's Association

When recorded mail this deed
and tax statement to:
Elfrida Water Improvement District
P.O.Box 356
Elfrida, AZ. 85610

2011-03890
Page 1 of 2
Requested By: ELFRIDA WATER IMPROVEMENT DISTRICT
Christine Rhodes - Recorder
Cochise County, AZ
02-17-2011 10:51 AM Recording Fee \$13.00

Parcel Identification:
Book 403 Map 23 Parcel 004

QUITCLAIM DEED

THIS QUITCLAIM DEED, Executed this 16 day of February, 20 11, by the Grantor(s),
Elfrida Domestic Water User's Association, P.O.Box 356, Elfrida, AZ. 85610

to the Grantee(s), Elfrida WaterImprovement District, P.O. Box 356, Elfrida, AZ. 85610

WITNESSETH, That the said Grantor, for good consideration, the receipt whereof is hereby acknowledged, does hereby remise, release and quitclaim unto the said Grantee forever, all the right, title, interest and claim which the said Grantor has in and to the following described parcel of land, and improvements and appurtenances thereto in the County of Cochise, State of Arizona, To Wit:

"SEE EXHIBIT A"

A.R.S. 11-1134 A3

IN WITNESS WHEREOF, The said Grantor has signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in presence of:

Signature Andrew Warn
Print Name: Andrew Warn
Capacity: Grantor

Signature Dan Zamora
Print Name: Dan Zamora
Capacity: Grantor

Signature Andrew Warn
Print Name: Andrew Warn
Capacity: Grantee

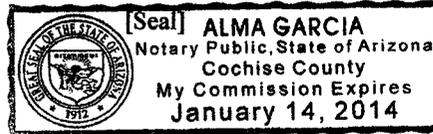
Signature Jim Fletcher
Print Name: Jim Fletcher
Capacity: Grantee

STATE OF Arizona
COUNTY OF Cochise

On 2-16-2011 before me, Alma Garcia, personally appeared Andrew Warn, Dan Zamora & Jim Fletcher, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Alma Garcia



Recording Requested By:
Elfrida Domestic Water User's Association

When recorded mail this deed
and tax statement to:
Elfrida Water Improvement District
P.O.Box 356
Elfrida, AZ. 85610

Parcel Identification:
Book 403 Map 34 Parcel 034

QUITCLAIM DEED

THIS QUITCLAIM DEED, Executed this 16 day of February 20 11, by the Grantor(s),
Elfrida Domestic Water User's Association, P.O.Box 356, Elfrida, AZ. 85610

to the Grantee(s), Elfrida WaterImprovement District, P.O. Box 356, Elfrida, AZ. 85610

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"SEE EXHIBIT A"

A.R.S. 11-1134 A3

IN WITNESS WHEREOF, The said Grantor has signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in presence of:

Signature Andrew Warn
Print Name: Andrew Warn
Capacity: Grantor

Signature Dan Zamora
Print Name: Dan Zamora
Capacity: Grantor

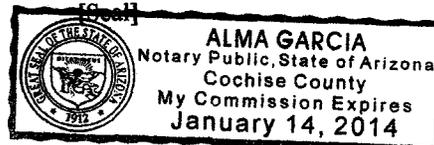
Signature Andrew Warn
Print Name: Andrew Warn
Capacity: Grantee

Signature Jim Fletcher
Print Name: Jim Fletcher
Capacity: Grantee

STATE OF Arizona
COUNTY OF Cochise

On 2-16-2011 before me, Alma Garcia, personally appeared Andrew Warn, Dan Zamora, & Jim Fletcher, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.
Signature Alma Garcia



Recording Requested By:
Elfrida Domestic Water User's Association

When recorded mail this deed
and tax statement to:
Elfrida Water Improvement District
P.O.Box 356
Elfrida, AZ. 85610

Parcel Identification:
Book 403 Map 25 Parcel 041B

QUITCLAIM DEED

THIS QUITCLAIM DEED, Executed this 16 day of February, 20 11, by the Grantor(s),
Elfrida Domestic Water User's Association, P.O.Box 356, Elfrida, AZ. 85610

to the Grantee(s), Elfrida WaterImprovement District, P.O. Box 356, Elfrida, AZ. 85610

WITNESSETH, That the said Grantor, for good consideration, the receipt whereof is hereby acknowledged, does hereby remise, release and quitclaim unto the said Grantee forever, all the right, title, interest and claim which the said Grantor has in and to the following described parcel of land, and improvements and appurtenances thereto in the County of Cochise, State of Arizona, To Wit:

"SEE EXHIBIT A"

A.R.S. 11-1134 A3

IN WITNESS WHEREOF, The said Grantor has signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in presence of:

Signature Andrew Warn
Print Name: Andrew Warn
Capacity: Grantor

Signature Dan Zamora
Print Name: Dan Zamora
Capacity: Grantor

Signature Andrew Warn
Print Name: Andrew Warn
Capacity: Grantee

Signature Jim Fletcher
Print Name: Jim Fletcher
Capacity: Grantee

STATE OF Arizona
COUNTY OF Cochise

On 2-16-2011 before me, Alma Garcia, personally appeared Andrew Warn, Dan Zamora & Jim Fletcher, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Alma Garcia

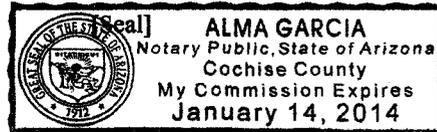


Exhibit A

Parcel I: 403-34-034

A portion of the following described property lying in the West half of the Northwest quarter of Section 22, Township 20 South, Range 26 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona;

BEGINNING at the Southwest corner of the West half of the Northwest quarter;
 Thence East to the East line of Central Highway;
 Thence North along the East line of said highway to the intersection of the West boundary line of State Highway 191 right of way;
 Thence Southeasterly along the West line of Highway 191 right of way to the south line of the West half of the Northwest quarter described above;
 Thence West to the East line of Central Highway and the **POINT OF BEGINNING**;

Said portion described as follows:

BEGINNING at a point which is the center of the south line of the above described tract;
 Thence East 20.00 feet;
 Thence North 25.00 feet;
 Thence West 40.00 feet;
 Thence South 25.00 feet;
 Thence East 20.00 feet to the **POINT OF BEGINNING**.

Parcel II: 403-23-004

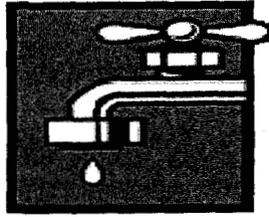
The East 75.00 feet of the Southeast quarter of the Southwest quarter of the Southwest quarter of Section 15, Township 20 South, Range 26 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona;

EXCEPT THE South 400.00 feet thereof.

Parcel III: 403-25-041B

That portion of the North half of the Northeast quarter of the Northeast quarter of Section 16, Township 20 south, Range 26 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, more particularly described as follows:

COMMENCING at a ½ inch pin in pavement for the Northeast corner of said Section:
 Thence North 89 Degree 35' 58" West 736.88 feet along the North line of said Section;
 Thence South 00 Degree 24' 02" West 33.00 feet to the **POINT OF BEGINNING**;
 Thence South 00 Degree 24' 02" West 150.00 feet;
 Thence North 89 Degree 35' 58" West 100.00 feet;
 Thence North 00 Degree 24' 02" East 150.00 feet;
 Thence south 89 Degree 35' 58" East 100.00 feet along the line of Gleason Road to the **POINT OF BEGINNING**.



ELFRIDA DOMESTIC WATER USERS ASSOCIATION

PO Box 356 RT 191

Elfrida, AZ 85610

Phone 520-642-1290

Email address: elfridawater@yahoo.com

February 17, 2011

To the Board of the Elfrida Water Improvement District:

This letter is to inform the board of the Elfrida Water Improvement District (EWID) that the board of the Elfrida Domestic Water User Association (EDWUA) has voted to transfer all assets at no cost to the EWID effective February 15, 2011.

The board of the EDWUA will see that all paperwork and documentation is forwarded by the end of the month. Attached is the list of assets that are being transferred.

If you have any questions please feel free to contact me at 520-642-1290.

Sincerely,
Elfrida Domestic Water Users Association Board

Dan Zamora, Secretary/Treasurer

Elfrida Domestic Water Users Asset List

Site #1 School Well #1

- 1 – 12" well 200 ft
- 1 – 15 Hp Pump and electrical control Box
- 1 – 10 HP Booster pump and electrical control box's
- 1 – 5,000 gallon pressure tank and air compressor
- 1 – 55,000 gallon storage tank
- 1 - Pump house 20' x 30'
- 1 – Compactor
- 1 – Trash pump and hose's
- 1 – 1.5 hp air compressor
- 1 – 12" fan and Poulan gas trimmer
- Misc working stock
- 24" valves
- 21 4" and 6" valves face plates
- 8 – Coupling 6" and 4"
- 25 - Saddles 6" and 4"
- 2 - Hot Taps
- 14 – Head's fire Hydrant
- 1 – 55 lbs chlorination tablets
- 4 – 4" steel tee's and elbow
- 34" check valves
- 4 – Unions 3" and 4"
- 7 – Steel Coupling 3" and 4"
- 5 – Steel elbow 2" and 3"
- 1 - Cooler
- 6 Value wrenches and 1 box key
- 8 – Road Barricades
- 8 – Steel hose Coupling
- 2 box misc. PVC fittings 6" to ½"
- 1 – Meter box
- 7 – Steel lids
- 2 – PVC lids

Site #2 Park Well #2

- 1 – 12" well 200 ft (not used)
- 1 – 30 HP in line pump (not used)
- 1 – 5,000 gallon pressure tank
- 1 – 4" back flow value and piping

Site #3 Gleeson Rd Well #3

- 1 – 12" well 610'
- 1 – 25 hp pump and control box
- 2 – 10 hp booster pump and control boxes
- 1 – 6000 gallon pressure tank
- 1 – 30,000 gallon storage tank
- 1 – Pump house 24' x 18'
- 1 – 1.8 HP air compressor and hose
- 1 – Cooler

Mains/Lines

14,520 ft - 6" transite and PVC

6080 ft - 4" PVC

3960 ft - 3" transite

2640 ft - 2" PVC

Meters

¾" - 219 Active - 40 estimated inactive

1" - 1 Active - 0 inactive

1.5" - 4 Active - 1 inactive

2" - 2 active - 1 inactive

21 - Active fire hydrants - 1 inactive

1 - PVC pipe 2" x 15'

14 - misc. PVC 1/2 "x 2"

7 - New meter

20' - 1" ABS 60' ¾" ABS

Office Equipment

5 - File Cabinets

2 - Desks

1 - 6" vise

3 - Tables

2 - Office Chairs

4 - Steel Chairs

1 - Printer - HP LaserJet

2 - Advantage Micro Computers with monitors

1 - Cannon Calculator

2 - Phones - 1 V-Tech active and 1 - old phone inactive

2 - In boxes

Office Supplies, paper, pens, rolodex and misc

1 - Sentry Safe

1 - Paper Shredder

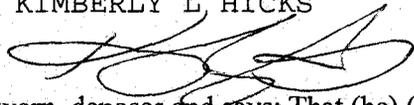
7 - Boxes old records

12 - Record books

STATE OF ARIZONA)
: SS
COUNTY OF COCHISE)

AFFIDAVIT OF PUBLICATION

KIMBERLY L. HICKS



being first

Duly sworn, deposes and says: That (he) (she) is the Agent to the Publisher of the DOUGLAS DISPATCH newspaper printed and published one day a week in the City of Douglas, County of Cochise, State of Arizona. That the notice, a copy of which is hereto attached, described as follows:

NOTICE OF SALE OF ASSETS

was printed and published in the regular and entire issue of said

DOUGLAS DISPATCH for 1 issues, that the first was

made on the 9th day of FEBRUARY 20 11

and the last publication thereof was made on the 9th day of

FEBRUARY 20 11 that said publication

was made on each of the following dates, to wit:

02/09/11

Request of ELFRIDA WATER DISTRICT

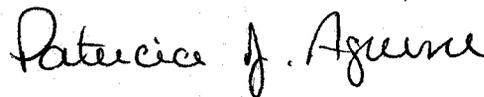
The Douglas Dispatch

530 11th Street Douglas, AZ 85607 (520)364-3424

By

Subscribed sworn to before me this 9th day of FEBRUARY

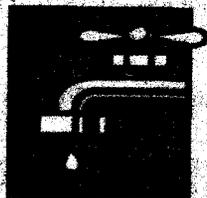
20 11



Notary Public in and for the County of Cochise, State of Arizona

My Commission Expires:

March 25, 2012



ELFRIDA WATER IMPROVEMENT DISTRICT

PO Box 356 10394 "C" N Highway RT 191

Elfrida, AZ 85610

Phone 520-642-1290

Email address: elfridawater@yahoo.com

**PUBLIC NOTICE OF AN APPLICATION FOR THE SALE OF ASSETS AND THE CANCELLATION OF
THE CERTIFICATE OF CONVENIENCE AND NECESSITY BY**

ELFRIDA DOMESTIC WATER USERS ASSOCIATION

Elfrida Domestic Water Users Association has filed with the Arizona Corporation Commission ("Commission") an application for authority to sell its assets and cancel its Certificate of Convenience and Necessity to provide water service. Elfrida Domestic Water Users Association system has been sold by Elfrida Water Improvement District. If the application is granted, Elfrida Water Improvement District would be the exclusive provider of water service to your area and will establish its own rates and charges.

If you have any claims against the Elfrida Domestic Water Users Association, including claims for refunds of security deposits, service line and meter installations (Water Only) or main extension agreements and you have not already been contacted by the Company, you must present your claim to the Elfrida Domestic Water Users Association on or before March 1, 2011. Direct your claim(s) to the Elfrida Domestic Water Users Association at PO Box 356, 10394 "C" North Highway 191, Elfrida, AZ 85610, telephone 520-642-1290.

Approval of the application may be given without a hearing. If you have any questions or concerns about this application, have any objections to its approval or would like to request information on intervention in the proceeding, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, AZ 85007 or call 602-542-4251 or call toll free 1-800-222-7000.

Published February 9, 2011