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# Baca Float Water Co. Inc.

PO Box 1536, Tubac AZ. 85646  
520-398-3177

Arizona Corporation Commission  
**DOCKETED**

MAY 8 2011

Thursday, April 14, 2011  
WS-01678A-10-0504  
Arizona Corporation Commission:

Darak R. Eaddy, Utilities Division,  
Arizona Corporation Commission, Docket Control,

DOCKETED BY

Please see our response to the Staff Report (Issued April 4<sup>th</sup>, 2011) pertaining to Item I-1 on the last page of the report. Staff's comments included "Typically, service laterals are constructed in streets/roads and reflected at a higher cost. However, this Company installs its service laterals on property lots before the septic tanks that should result in lower costs due to depth and length of trench. For this reason, Staff recommends its proposed charges as shown in Table I-1". Although this comment may be true to some extent we would like to offer a couple of other items we wish to be considered.

1. There could be between 3 and 9 houses on a tank and the service line could possibly extend up to 9 lots from the installing lot. This would result in not only a longer trench, more labor and more materials but could offer additional challenges such as crossing other utilities, drainage and or physical development such as a constructed home and Driveway.
2. We live in a Rural community approximately 50+ miles from the closest city (Tucson Az.). During the economic down turn a lot of the local contractors have either moved or closed down business and finding a contractor is much more difficult than what we experienced in the past. Further hiring a competent contractor is much more expensive and can include travel time and gas. Gas costs alone, as we know, continue to be a factor moving forward.
3. The rate detail we submitted was purely an example of what a 4" lateral could range in costs. Even though the low end of the cost structure is 31.5% less than the fee, we believe this to be the low majority of installs. In fact we may see no profit on an install. We also believe that the future may bring higher prices for sub-contractors due to fuel costs and overall business cost increases that are plaguing our small businesses in America today. Another fact is that materials have more than doubled in the past 24 months, especially materials related to petroleum.

Thank you for your consideration. If you have any questions please call Harold Busboom, 520-398-3177 or Fax to 520-398-9770.

Thank you,

Harold Busboom

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DOCKET CONTROL

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