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**COMPLIANCE  
MEMORANDUM**

DOCUMENT CONTROL  
Arizona Corporation Commission

**DOCKETED**

MAR 23 2001

DOCKETED BY	<i>sd</i>
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**TO:** Docket Control Center

**FROM:** Patrick C. Williams *PK*  
Manager, Compliance and Enforcement  
Utilities Division

**DATE:** March 23, 2001

This Memorandum to the Docket will certify that compliance, as described below, has been met for the referenced utility.

**UTILITY:** Vail Water Company

**DOCKET NO.** W-01651A-99-0351      **DECISION NO.** 62450

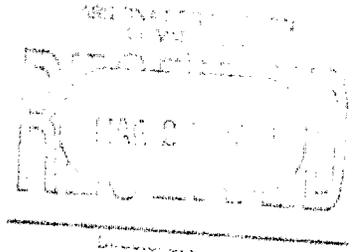
**COMPLIANCE:**

File with the Director of the Utilities Division, within 30 days of finalization, copies of all loan documents which set forth the terms of the proposed long-term debt if not previously filed.

**DUE DATE:**                      **COMPLIANCE DATE:** 03/23/2001

cc: Vail Water Company  
13801 East Colossal Cave Road  
P. O. Box 100  
Vail, Arizona 85641

# Vail Water Company



March 22, 2001

Arizona Corporation Commission  
Utilities Division Director  
1200 West Washington  
Phoenix, AZ 85007-2996

RE: Docket No. W-01651-99-0351  
Decision No. 62450

Dear Sir or Madam:

Attached are copies of loan documents for the \$58,430 borrowings from shareholders as approved by the above referenced Decision, page 19 and as requested by the Corporation in the Decision Compliance Status Report.

If you have any questions please do not hesitate to contact me at (520) 571-1958, extension 105 or via fax at (520) 571-1961.

Sincerely,

Christopher T. Volpe

Attachments

# Decision Compliance Status Report

## Vail Water Company

DOCKET NO. W-01651A-99-0351

DECISION NO. 62450

DECISION DATE: 04/14/2000

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Report Date: May 15, 2000

**ACTION:** File on or before April 28, 2000 a revised rate schedules setting forth the rates and charges approved in the Commission's Decision.

DUE: 04/28/2000

COMPLIED

DATE COMPLIED 04/26/2000

**NOTES:**

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**ACTION:** File a CAP Hook-up Fee Tariff that conforms to the Tariff Schedule contained in the Engineering Staff Report filed in this proceeding.

DUE:

COMPLIED

DATE COMPLIED 04/26/2000

**NOTES:**

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**ACTION:** Notify customers of the rates and charges approved by the Commission and the effective date by means of an insert in its next regular monthly billing, and file with the Commission within 30 days from the effective date of the Decision a copy of the notice it sends to its customers of the new rates and charges.

DUE: 05/14/2000

COMPLIED

DATE COMPLIED 5/1/2000

**NOTES:**

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**ACTION:** File with the Director of the Utilities Division, within 30 days of finalization, copies of all loan documents which set forth the terms of the proposed long-term debt if not previously filed.

DUE:

COMPLIED

DATE COMPLIED

**NOTES:**

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PROMISSORY NOTE

**Principal** \$7,303.75 **May 1, 2000**  
**Borrower:** Vail Water Company, an Arizona corporation  
**Lender:** Christopher H. Sheafe and Sharon K. Sheafe  
6932 N. Pusch Peak Place  
Tucson, Arizona 85718

1. **Promise to Pay.** Vail Water Company ("Borrower") promises to pay to Christopher H. Sheafe and Sharon K. Sheafe ("Lender"), or order, in lawful money of the United States of America, upon demand the principal amount of Seven Thousand Three Hundred Three and 75/100 Dollars (\$7,303.75), together with interest thereon from the date of this Note until repayment of this Note at the rate of Ten and one-quarter percent (10.25%) per annum simple.

2. **Payment.** Commencing May 1, 2001, and annually thereafter until paid in full, Borrower shall make annual payments of principal and interest to Lender in the amount of Eight Hundred Seventy-Two and 58/100 Dollars (\$872.58) each. All payments shall first be applied to any accrued and unpaid interest, and thereafter any balance shall be applied to the principal balance outstanding hereunder. Borrower may prepay this Note, in whole or in part, from time to time without premium or penalty.

3. **Default.** Borrower will be in default if Borrower fails to make any payment when due.

4. **Lender's Rights.** Upon default, Lender shall have all rights and remedies available at law or in equity.

5. **General Provisions.** Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them. Borrower, to the extent allowed by law, waives presentment, demand for payment, protest and notice of dishonor.

PRIOR TO SIGNING THIS NOTE, BORROWER HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE AND ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THE NOTE.

**BORROWER:**

VAIL WATER COMPANY, an Arizona corporation

By: 

Sheldon J. Mandell, President



PROMISSORY NOTE

**Principal** \$7,303.75 **May 1, 2000**

**Borrower:** **Vail Water Company, an Arizona corporation**

**Lender:** **Robert C. Neill**  
**12426 N. 80<sup>th</sup> Place**  
**Scottsdale, Arizona 85260**

1. **Promise to Pay.** Vail Water Company ("Borrower") promises to pay to Robert C. Neill ("Lender"), or order, in lawful money of the United States of America, upon demand the principal amount of Seven Thousand Three Hundred Three and 75/100 Dollars (\$7,303.75), together with interest thereon from the date of this Note until repayment of this Note at the rate of Ten and one-quarter percent (10.25%) per annum simple.

2. **Payment.** Commencing May 1, 2001, and annually thereafter until paid in full, Borrower shall make annual payments of principal and interest to Lender in the amount of Eight Hundred Seventy-Two and 58/100 Dollars (\$872.58) each. All payments shall first be applied to any accrued and unpaid interest, and thereafter any balance shall be applied to the principal balance outstanding hereunder. Borrower may prepay this Note, in whole or in part, from time to time without premium or penalty.

3. **Default.** Borrower will be in default if Borrower fails to make any payment when due.

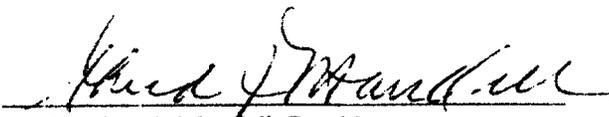
4. **Lender's Rights.** Upon default, Lender shall have all rights and remedies available at law or in equity.

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**BORROWER:**

VAIL WATER COMPANY, an Arizona corporation

By   
Sheldon J. Mandell, President

PROMISSORY NOTE

Principal \$7,303.75 May 1, 2000  
Borrower: Vail Water Company, an Arizona corporation  
Lender: Sheldon J. Mandell Revocable Trust U/A/D February 13, 1987  
6914 N. Lorel Ave.  
Skokie, IL 60077

1. **Promise to Pay.** Vail Water Company ("Borrower") promises to pay to Sheldon J. Mandell Revocable Trust U/A/D February 13, 1987 ("Lender"), or order, in lawful money of the United States of America, upon demand the principal amount of Seven Thousand Three Hundred Three and 75/100 Dollars (\$7,303.75), together with interest thereon from the date of this Note until repayment of this Note at the rate of Ten and one-quarter percent (10.25%) per annum simple.

2. **Payment.** Commencing May 1, 2001, and annually thereafter until paid in full, Borrower shall make annual payments of principal and interest to Lender in the amount of Eight Hundred Seventy-Two and 58/100 Dollars (\$872.58) each. All payments shall first be applied to any accrued and unpaid interest, and thereafter any balance shall be applied to the principal balance outstanding hereunder. Borrower may prepay this Note, in whole or in part, from time to time without premium or penalty.

3. **Default.** Borrower will be in default if Borrower fails to make any payment when due.

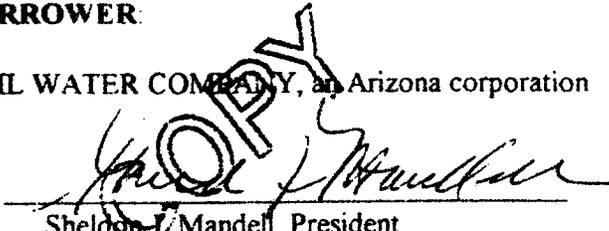
4. **Lender's Rights.** Upon default, Lender shall have all rights and remedies available at law or in equity.

5. **General Provisions.** Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them. Borrower, to the extent allowed by law, waives presentment, demand for payment, protest and notice of dishonor.

PRIOR TO SIGNING THIS NOTE, BORROWER HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE AND ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THE NOTE.

**BORROWER**

VAIL WATER COMPANY, an Arizona corporation

By: 

Sheldon J. Mandell, President





PROMISSORY NOTE

Principal \$2,921.50 May 1, 2000

Borrower: Vail Water Company, an Arizona corporation

Lender: Arthur Mandell  
~~2724 N. Janssen~~ 1156 HOHLFELDER RD.  
Chicago, IL 60614 GLENCOE, IL 60022 AM

1. **Promise to Pay.** Vail Water Company ("Borrower") promises to pay to Arthur N. Mandell ("Lender"), or order, in lawful money of the United States of America, upon demand the principal amount of Two Thousand Nine Hundred Twenty-One and 50/100 Dollars (\$2,921.50), together with interest thereon from the date of this Note until repayment of this Note at the rate of Ten and one-quarter percent (10.25%) per annum simple.

2. **Payment.** Commencing May 1, 2001, and annually thereafter until paid in full, Borrower shall make annual payments of principal and interest to Lender in the amount of Three Hundred Forty-Nine and 03/100 Dollars (\$349.03) each. All payments shall first be applied to any accrued and unpaid interest, and thereafter any balance shall be applied to the principal balance outstanding hereunder. Borrower may prepay this Note, in whole or in part, from time to time without premium or penalty.

3. **Default.** Borrower will be in default if Borrower fails to make any payment when due.

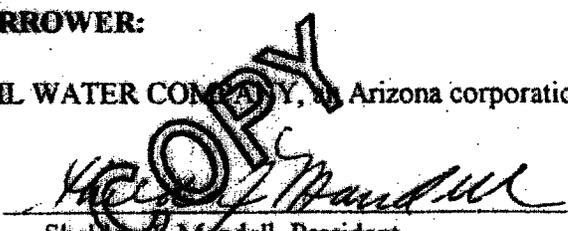
4. **Lender's Rights.** Upon default, Lender shall have all rights and remedies available at law or in equity.

5. **General Provisions.** Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them. Borrower, to the extent allowed by law, waives presentment, demand for payment, protest and notice of dishonor.

PRIOR TO SIGNING THIS NOTE, BORROWER HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE AND ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THE NOTE.

**BORROWER:**

VAIL WATER COMPANY, an Arizona corporation

By:   
Sheldon J. Mandell, President

PROMISSORY NOTE

Principal \$2,921.50 May 1, 2000

Borrower: Vail Water Company, an Arizona corporation

Lender: Michael R. Mandell  
~~+018 Grace~~ 3000 TELEGRAPH RD.  
Chicago, IL ~~60613~~ BANNOCKBURN, IL 60015 *MR*

1. **Promise to Pay.** Vail Water Company ("Borrower") promises to pay to Michael R. Mandell ("Lender"), or order, in lawful money of the United States of America, upon demand the principal amount of Two Thousand Nine Hundred Twenty-One and 50/100 Dollars (\$2,921.50), together with interest thereon from the date of this Note until repayment of this Note at the rate of Ten and one-quarter percent (10.25%) per annum simple.

2. **Payment.** Commencing May 1, 2001, and annually thereafter until paid in full, Borrower shall make annual payments of principal and interest to Lender in the amount of Three Hundred Forty-Nine and 03/100 Dollars (\$349.03) each. All payments shall first be applied to any accrued and unpaid interest, and thereafter any balance shall be applied to the principal balance outstanding hereunder. Borrower may prepay this Note, in whole or in part, from time to time without premium or penalty.

3. **Default.** Borrower will be in default if Borrower fails to make any payment when due.

4. **Lender's Rights.** Upon default, Lender shall have all rights and remedies available at law or in equity.

5. **General Provisions.** Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them. Borrower, to the extent allowed by law, waives presentment, demand for payment, protest and notice of dishonor.

PRIOR TO SIGNING THIS NOTE, BORROWER HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE AND ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THE NOTE.

**BORROWER:**

VAIL WATER COMPANY, an Arizona corporation

By: *Sheldon J. Mandell*  
Sheldon J. Mandell, President

PROMISSORY NOTE

Principal \$2,921.50 May 1, 2000  
Borrower: Vail Water Company, an Arizona corporation  
Lender: Paul M. Mandell Revocable Trust U/A/D September 29, 1993  
1940 Browning Court  
Highland Park, IL 60035

1. **Promise to Pay.** Vail Water Company ("Borrower") promises to pay to Paul M. Mandell Revocable Trust U/A/D September 29, 1993 ("Lender"), or order, in lawful money of the United States of America, upon demand the principal amount of Two Thousand Nine Hundred Twenty-One and 50/100 Dollars (\$2,921.50), together with interest thereon from the date of this Note until repayment of this Note at the rate of Ten and one-quarter percent (10.25%) per annum simple.

2. **Payment.** Commencing May 1, 2001, and annually thereafter until paid in full, Borrower shall make annual payments of principal and interest to Lender in the amount of Three Hundred Forty-Nine and 03/100 Dollars (\$349.03) each. All payments shall first be applied to any accrued and unpaid interest, and thereafter any balance shall be applied to the principal balance outstanding hereunder. Borrower may prepay this Note, in whole or in part, from time to time without premium or penalty.

3. **Default.** Borrower will be in default if Borrower fails to make any payment when due.

4. **Lender's Rights.** Upon default, Lender shall have all rights and remedies available at law or in equity.

5. **General Provisions.** Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them. Borrower, to the extent allowed by law, waives presentment, demand for payment, protest and notice of dishonor.

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**BORROWER:**

VAIL WATER COMPANY, an Arizona corporation

By:   
Sheldon L. Mandell, President

PROMISSORY NOTE

Principal: \$1,460.75

May 1, 2000

Borrower: Vail Water Company, an Arizona corporation

Lender: Richard Mandell  
2009 N. Lincoln  
Chicago, IL 60614

1. **Promise to Pay.** Vail Water Company ("Borrower") promises to pay to Richard Mandell ("Lender"), or order, in lawful money of the United States of America, upon demand the principal amount of One Thousand Four Hundred Sixty and 75/100 Dollars (\$1,460.75), together with interest thereon from the date of this Note until repayment of this Note at the rate of Ten and one-quarter percent (10.25%) per annum simple.

2. **Payment.** Commencing May 1, 2001, and annually thereafter until paid in full, Borrower shall make annual payments of principal and interest to Lender in the amount of One Hundred Seventy-Four and 52/100 Dollars (\$174.52) each. All payments shall first be applied to any accrued and unpaid interest, and thereafter any balance shall be applied to the principal balance outstanding hereunder. Borrower may prepay this Note, in whole or in part, from time to time without premium or penalty.

3. **Default.** Borrower will be in default if Borrower fails to make any payment when due.

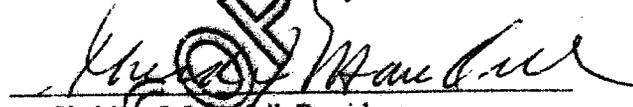
4. **Lender's Rights.** Upon default, Lender shall have all rights and remedies available at law or in equity.

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**BORROWER:**

VAIL WATER COMPANY, an Arizona corporation

By:   
Sheldon J. Mandell, President

PROMISSORY NOTE

Principal \$1,460.75

May 1, 2000

Borrower: Vail Water Company, an Arizona corporation

Lender: Robert Mandell  
664 N. Peoria, Apt. B  
Chicago, IL 60622

1. **Promise to Pay.** Vail Water Company ("Borrower") promises to pay to Robert Mandell ("Lender"), or order, in lawful money of the United States of America, upon demand the principal amount of One Thousand Four Hundred Sixty and 75/100 Dollars (\$1,460.75), together with interest thereon from the date of this Note until repayment of this Note at the rate of Ten and one-quarter percent (10.25%) per annum simple.

2. **Payment.** Commencing May 1, 2001, and annually thereafter until paid in full, Borrower shall make annual payments of principal and interest to Lender in the amount of One Hundred Seventy-Four and 52/100 Dollars (\$174.52) each. All payments shall first be applied to any accrued and unpaid interest, and thereafter any balance shall be applied to the principal balance outstanding hereunder. Borrower may prepay this Note, in whole or in part, from time to time without premium or penalty.

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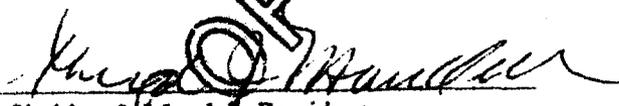
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**BORROWER:**

VAIL WATER COMPANY, an Arizona corporation

By   
Sheldon J. Mandell, President

