

ORIGINAL

October 4, 2012



0000139862

**Comments to The Eden Water Company Rate request:**

RECEIVED  
AZ CORP. REGULATION  
DOCKET 000139862  
2012 OCT 10 PM 10:08

Eden Water Company, Inc. (EWC) is a small consumer owned nonprofit company formed in 1964 to provide drinking water to a community that was hauling its drinking water and because no utility company wanted to take on the responsibility. The local water utilities indicated that it was not cost effective for them to participate. Graham County Utilities (GCU) has shown very little desire to improve their outlying areas. EWC sole desire is to provide drinking water and fire protection for the community. Every cent of money is used to buy the water, maintain the line and increase the availability of drinking water and fire protection.

EWC understands the Arizona Corporation Commission Staff (ACC or Staff) would rather EWC give the system to an adjoining utility. EWC would like the ACC to understand that EWC is trying to better the system. The GCU had an opportunity to put in a gas line to reach customers without the service when EWC put in the new six inch line. This shows that they are not interested in expanding their system to include folks in the country side.

It seems there should be a more simple and cost effective way to get a rate increase for a nonprofit water company. EWC recognizes that several Staff members of the ACC were very helpful and this would not have proceeded without them. A few of the ACC Staff indicated that they should be talking to a lawyer instead of EWC officers. EWC contends that the lawyer may maneuver through the ACC politics better, but the information has to go through the company. The questions must be asked and answered by management. A lawyer would just add more to the rate case increase; an expense that Staff apparently decided that should not be paid.

EWC will attempt to address concerns that the company has with the Staff report. EWC would have rather worked through these things before it reached the formal report. Maybe that is how the ACC likes to do business, it seems strange to us, if the goal is to supply water to the customers.

EWC just wants to deliver water to its customers at the lowest cost without putting the Company in default of its obligations. I know the Staff was not concerned that EWC have not paid for our office manager since last year. Nor has it paid for the repairs done on the pipeline the last year and half. The ACC Staff did care that EWC pay in full Graham County Utilities (GCU) without the means. Arizona Corporation Commission

DOCKETED  
OCT 10 2012  
DOCKETED BY JSM

**SUMMARY OF FILING schedule JAC-1:**

Lowering the Deprecation expense from \$24,408 to \$3,899 was devastating. This might be proper in the accounting world however, in the real world that is money that was going towards the upkeep of the pipeline. It is true that it was a grant, but that pipeline is still deprecating. It is an asset that has a limit to its life. Using that logic would indicate the only way to replace the new pipeline would be another

Comments on Staff Report dated September 7, 2012

grant. This may or may not be possible the next time. EWC requests the return of the Deprecation expense or the acceptance of the money that will be needed by near term asset replacement (see below expected near term costs).

#### **ACCOUNTS PAYABLE:**

EWC has a large payable that needs to be addressed. Somehow these need to be paid; with the rate raise that Staff is recommending it will not be possible. EWC cannot continue not to pay the costs of the maintenance and employees of the company.

<b><i>Expenses payables</i></b>	<b><i>Amount</i></b>
Repair Water Line	\$ 9,260.40
Office manager	\$15,300.00
Personal Loan/travel exp.	\$ 2,997.54
Expense Rate Increase	\$ 7,125.98
<b>Total Payable</b>	<b>\$34,483.92</b>

#### **Timeline:**

On the second paragraph it appears that EWC did not work on the application until December of 2011. Staff neglected to indicate that an application was submitted in the correct time period. EWC was told by an unnamed Staff member which application to use; unfortunately it was the incorrect application. It was not until EWC called a friendly Staff member which informed us of the correct application to file. EWC rectified the mistake in a timely manner as it was found.

It is no excuse, but in addition, the elderly parents' of the Company's President became very ill and the he had to spend his spare time taking care of them. Sadly, they both were lost within a two-month period.

#### **Water Rates:**

EWC understands that the commission has determined to use a tiered rate system.

1. The Staff has the lowest tier rate at 1.50 per thousand, \$0.42 less than what EWC will be paying for the product. The fixed cost for each customer is \$27.16 per meter. This just doesn't seem to be correct. If the tier system is used, it should cover more of the fixed costs.

Comments on Staff Report dated September 7,2012

Avg. Customers 3 or under	Average water	Water income	Water cost	Water net	Total Income	Total Expense	Net Income	Time period
474	618,000	\$927.00	\$1,174.20	(\$247.20)	\$9,459	\$14,048	(\$4,589)	year
39.8	51,500	\$ 77.25	\$ 97.85	(\$20.60)	\$ 794.25	\$1,179.72	(\$385.47)	Avg Mth
1	1,300	\$ 1.94	\$ 2.46	(\$ 0.52)	\$ 19.94	\$ 29.62	(\$ 9.68)	Month

2. The low end customers are the ones with the highest delinquency rate and cut off rate and as a result, EWC are required to spend more time, effort and money on maintaining these customers.
3. EWC requested Staff to include the funding for the necessary software if they were going to require us to do a multi-tiered rate. This was not addressed in the Staff report. (see near future assets in this document)
4. The majority of these large use customers have livestock and gardens. These customers use EWC water because their personal well water is very high in mineral content which is not of quality for livestock and many plants.
5. EWC anticipates that there will be a large reduction in water usage at the higher rate. With 1/3 of the customer base, that could be a significant amount and these customers are the ones carrying the bulk of the expense. EWC is concerned over losing the income from the high water users. (Average of 40 customers per month in this position)

**Monthly Charges by meter:**

EWC proposed a rate of \$28.00 per meter and the Staff recommended \$18.00.

1. The Total Fixed Cost for the test year was 41,387.51. Using 127 meters would give a fixed cost per meter \$27.16.
2. There is an average of 13.8 customers per month that do not use any water at all. The majority are customers that do not want to lose their meters because of nonuse. The water is available on demand so EWC believes that a higher meter charge is in order to cover the fixed costs.
3. If the commission insists on the multi-tiered rate, water usage will be drastically reduced and the company will still need to cover the fixed costs.
4. The last increase in 1995 was based on one the need to cover the fixed costs with the meter charge.

**M. Transportation expense:**

The Staff lowered the Transportation expense \$368.00 using an average over the last few year. EWC contends that the years the Staff used, were the years that the company cut back on travel expense. If Staff would have looked in the earlier years they would see a larger amount. EWC contends that the transportation expense should have been left alone.

See the table of travel expenses for a extended period.

Year	Cost of Transportation
2004	\$1,480
2005	\$1,480
2006	\$1,400
2007	\$1,100
2008	\$1,200
2009	\$1,200
2010	\$1,660

**Rate Increase Expenses: Staff Adjustment (n):**

The Staff requested EWC submit the expenses related to the Rate Increase. The Staff indicated that EWC will be reimbursed for the expense related to the rate increase. That report was sent in with the "First set of Data Request," which was mailed July 12, 2012. The request originated from Dorothy Hains and to Bridget. It was requested to overnight mail so they could have it the next day. The documents were sent. The updated total for the rate case is \$6,669.33 for rate increase and \$456.65 for the Emergency rate increase for a grand total of \$7,125.98. The Staff estimate of \$750.00 did not include enough to pay for the Copies and Postage which was \$763.58. The following table shows the summary of the attached time sheet.

	Labor	Mileage	Postage	Copies	Total
Rate Increase	\$5,700	\$ 605.70	\$ 381.62	\$ 282.01	<b>\$6,669.33</b>
Emergency Increase	\$ 300.00	\$ 56.70	\$ 82.95	\$ 17.00	<b>\$ 456.65</b>
<b>Totals</b>	<b>\$5,700.00</b>	<b>\$ 662.40</b>	<b>\$ 464.57</b>	<b>\$ 299.01</b>	<b>\$7,125.98</b>

### **STAFF ADJUSTMENTS L water testing:**

The water testing should have been lowered by \$500. Cost of a Trench Tamper that was inadvertently put under this account EWC found the problem and pointed it out. EWC does not know how Staff included added another \$248.00. That should be brought back to \$2,032.72 that is supported by the general ledger for that account. (see general ledger showing the correction)

### **Water Loss:**

EWC has worked diligently on lowering the rate of loss. As we have reported to the Staff, a tap into the line was discovered last year. That water loss on top of the higher water rates did considerable damage to EWC. This has been addressed and has dropped our water loss considerably.

Towards the end of 2010 EWC had several water loss in an area. EWC had been upgrading this area with a new pipeline; EWC pressurized a section of new replacement line. That eliminated the older line in the area. It also brought a new problem of bad couplers on the replacement line. They did not appear all at once. When a leak was detected EWC immediately repaired it. Under the heading "Eden Water Company 2012 new format," Monthly Totals One will show the first three months at a higher than expected loss. Then it drops down for a few months then rises once again in the last Month.

There were several small leaks on the tubing going to the meters. EWC has aggressively attacked these leaks when they appear. EWC has not had more than average of one a year since the line was installed in 1964. That has changed, in the last four years EWC has experienced several a year. Some that has been under the roadway. In each case EWC has found the tubing in contact with rocks in the soil that was used to cover the pipeline. When the original pipeline was installed no sand was used to protect the line from rocks. EWC has made a habit to use sand after any construction or repair.

Since June the two supply lines have been separated due to a leak by the Eden Bridge that will not be addressed until funds are more readily available. Until the repair can be made EWC will be unable to loop the waterlines as EWC have in the past. The separation of the system did allow EWC to monitor the meters on both sides of the River. The vast majority of work has been done in the more rocky area in Eden. The loss seems to be coming now from the HWY 70 area. No leaks have been detected yet on the HWY 70 side; considerable time has been spent looking. EWC has requested the GCU check the meter to make sure it is correct. A Meter issue was the culprit in the past resulting in costly and unnecessary work on EWC part. A new meter was put in, that has been several years ago. EWC is also replacing a couple of suspect customer meters that have been sporadic in their readings.

It only takes one or two leaks to show up as a high loss. EWC can only repair what is found. For further information see 2010 billing new rates, Monthly Totals to see the loss ratios for 2012. Also included is a log of work done on the system.

### **Expected Asset Outlays:**

EWC was requested to provide costs associated with expected near future money outlays. EWC does not find these costs addressed in the Staff Report on the Rate Increase. The Staff indicated that EWC should use some form on the internet. EWC never could find the form Staff was unable to help us. Do to time restraints of the Documents requests EWC submitted a summary with the "first data request" that was sent to the ACC July 12, 2012. EWC submitted a summary of the near future money outlays it expected to spend along with backup material. The Staff never made reverence to this report again. EWC assumed that what was provided was enough. EWC understood that the Deprecation expense would allow for these Asset outlays.

1. Staff indicated that if ACC were going to require a multi-tiered system that EWC would be able to obtain the money for the new software in the rate increase. EWC does not see this addressed. The Cost estimate was included in the "second data request" The cost of the Utility billing software is \$3,360.00
2. The Staff was shown the pipeline upgrade that EWC had been working on during on sight inspection. The Staff requested the Engineers estimate of amount to complete this upgrade.
3. During the inspection EWC pointed out that a wind storm had destroyed the pump house for our water tank. The building had been rebuilt, but lacking was some plumbing and electrical work that the Company estimated to be \$5,000.
4. One of the tariffs that the ACC and EWC were to replace the older meters that may not be accurate.

<b><i>Expected Cost of near future Assets</i></b>	<b><i>Dollar value</i></b>
Utility Billing	\$ 3,360
6 inch pipeline upgrad3	\$231,453
Repair tank pump and electrical	\$ 5,000
Replace older existing meters	\$ 4,900
<b>Total Amount</b>	<b>\$244,713</b>

### **SUMMARY:**

EWC needs to have a little more margin to take care of the expenses we have accrued the last two years, and to continue improving our system. In addition EWC does not believe that the other customers should pay for someone else's water obligations. EWC does not believe that a Multi-tiered

Eden Water Company

October 4, 2012

Docket No. W-02068A-11-0471

Comments on Staff Report dated September 7,2012

system is the best answer for us. If ACC believes it is, provide the funds for new software. EWC needs to have that depreciation that was taken out, or incorporate the "near future Assets". Staff has our price structure; EWC believes that it is still relevant. The increase needs to be increased at least another \$15,000.00. EWC would do that with increase in the Meter Charge.

EWC would like to thank the staff once again who helped us to this point. There are some very good people in ACC.

*Accounts Payable*  
Page 2

accounts payable 100412

accounts payable 100412

Type	Date	Num	Account	Amount	Balance
<b>ARIZONA WATER WORKS</b>					
General Journal	7/17/2006	1388 2138	· ACCRUED SALES TAX PAYA	-450.48	-450.48
Bill	7/17/2006	2138	· ACCRUED SALES TAX PAYA	450.48	0
General Journal	11/16/2006	1434 2138	· ACCRUED SALES TAX PAYA	-359.96	-359.96
Bill	11/16/2006	2138	· ACCRUED SALES TAX PAYA	359.96	0
Bill	10/20/2011	167 2010	· OTHER ACCOUNTS PAYABL	289.71	289.71
Bill	11/14/2011	2010	· OTHER ACCOUNTS PAYABL	1952.83	2242.54
Bill Pmt -Check	1/9/2012	1693 2010	· OTHER ACCOUNTS PAYABL	-2242.54	0 jdc pd
Bill	5/29/2012	167 2010	· OTHER ACCOUNTS PAYABL	2130.95	2130.95
Bill Pmt -Check	5/29/2012	1734 2010	· OTHER ACCOUNTS PAYABL	-2130.95	0
<b>Total ARIZONA WATER WORKS</b>				<b>0</b>	<b>0</b>
<b>CKC</b>					
Bill	11/2/2010	INV # C623	2010 · OTHER ACCOUNTS PAYABL	866.18	866.18
Bill	11/2/2010	TKt# 10120 Fly Ash	2010 · OTHER ACCOUNTS PAYABL	765.77	1631.95
Bill	11/2/2010		2010 · OTHER ACCOUNTS PAYABL	134.8	1766.75
Bill Pmt -Check	11/22/2010	1511 2010	· OTHER ACCOUNTS PAYABL	-134.8	1631.95
Bill Pmt -Check	12/9/2010	1519 2010	· OTHER ACCOUNTS PAYABL	-200	1431.95
Bill Pmt -Check	1/10/2011	1531 2010	· OTHER ACCOUNTS PAYABL	-250	1181.95
Bill Pmt -Check	2/7/2011	1553 2010	· OTHER ACCOUNTS PAYABL	-315.77	866.18
<b>Total CKC</b>				<b>866.18</b>	<b>866.18</b>
<b>COLVIN FARMS</b>					
Bill	9/7/2010	20100907	2010 · OTHER ACCOUNTS PAYABL	0	0
Bill	9/8/2010	20100908	2010 · OTHER ACCOUNTS PAYABL	0	0
Bill	9/9/2010	20100909B	2010 · OTHER ACCOUNTS PAYABL	0	0
Bill	9/11/2010	20100911	2010 · OTHER ACCOUNTS PAYABL	0	0
Bill	11/2/2010	20100909	2010 · OTHER ACCOUNTS PAYABL	0	0
Bill	12/5/2010	2011205	2010 · OTHER ACCOUNTS PAYABL	506.19	506.19
Bill	12/20/2010	20101220	2010 · OTHER ACCOUNTS PAYABL	51.53	557.72
General Journal	12/28/2010	ADJUST	2010 · OTHER ACCOUNTS PAYABL	-405	152.72
General Journal	12/28/2010	ADJUST	2010 · OTHER ACCOUNTS PAYABL	-102	50.72
General Journal	12/28/2010	ADJUST	2010 · OTHER ACCOUNTS PAYABL	-384	-333.28
General Journal	12/28/2010	ADJUST	2010 · OTHER ACCOUNTS PAYABL	-194.28	-527.56
General Journal	2/23/2011	ADJUST	2010 · OTHER ACCOUNTS PAYABL	-271.53	-799.09
General Journal	3/18/2011	ADJUST	2010 · OTHER ACCOUNTS PAYABL	-161.71	-960.8
General Journal	3/18/2011	ADJUST	2010 · OTHER ACCOUNTS PAYABL	-94.44	-1055.24
General Journal	3/18/2011	ADJUST	2010 · OTHER ACCOUNTS PAYABL	-30.7	-1085.94
General Journal	3/18/2011	ADJUST	2010 · OTHER ACCOUNTS PAYABL	-23.62	-1109.56
Bill	7/12/2011	20110706-	2010 · OTHER ACCOUNTS PAYABL	444	-665.56
Bill	7/12/2011	20110404b	2010 · OTHER ACCOUNTS PAYABL	198	-467.56
Bill	7/12/2011	20110404	2010 · OTHER ACCOUNTS PAYABL	785	317.44
Bill	7/12/2011	20110405	2010 · OTHER ACCOUNTS PAYABL	447.5	764.94
Bill	8/16/2011	20110816	2010 · OTHER ACCOUNTS PAYABL	730	1494.94
Bill	8/17/2011	20110817	2010 · OTHER ACCOUNTS PAYABL	120	1614.94
Bill	9/14/2011	20110914	2010 · OTHER ACCOUNTS PAYABL	802	2416.94
Bill	9/15/2011	20110915	2010 · OTHER ACCOUNTS PAYABL	350	2766.94
Bill	9/20/2011	20110920	2010 · OTHER ACCOUNTS PAYABL	629	3395.94
Bill	9/20/2011	20110920B	2010 · OTHER ACCOUNTS PAYABL	510	3905.94
Bill Pmt -Check	9/21/2011	1655 2010	· OTHER ACCOUNTS PAYABL	-1647.22	2258.72
Bill	11/9/2011	20111111	2010 · OTHER ACCOUNTS PAYABL	464	2722.72
Bill	12/12/2011	121201	2010 · OTHER ACCOUNTS PAYABL	589	3311.72
Bill	5/15/2012	20120515	2010 · OTHER ACCOUNTS PAYABL	290	3601.72
Bill	5/26/2012	20120526	2010 · OTHER ACCOUNTS PAYABL	735	4336.72
Bill	6/1/2012	20120604	2010 · OTHER ACCOUNTS PAYABL	700	5036.72
Bill	6/8/2012	20120608	2010 · OTHER ACCOUNTS PAYABL	563	5599.72

10/4/2012  
6:01 PM

accounts payable 100412  
accounts payable 100412

Type	Date	Num	Account	Amount	Balance
Bill	7/1/2012	20120701	2010 · OTHER ACCOUNTS PAYABL	282	5881.72
Bill	7/26/2012	20120726	2010 · OTHER ACCOUNTS PAYABL	469	6350.72
Bill	8/8/2012	20120808	2010 · OTHER ACCOUNTS PAYABL	408	6758.72
Bill	9/9/2012	20120906	2010 · OTHER ACCOUNTS PAYABL	340	7098.72
Bill	9/25/2012	20120926	2010 · OTHER ACCOUNTS PAYABL	132	7230.72
Bill	9/26/2012	20120926	2010 · OTHER ACCOUNTS PAYABL	315	7545.72
Bill	9/27/2012	Marco Palmer	2010 · OTHER ACCOUNTS PAYABL	284	7829.72
Bill	9/28/2012		2010 · OTHER ACCOUNTS PAYABL	564.5	8394.22
<b>Total COLVIN FARMS</b>				<b>8394.22</b>	<b>8394.22</b>
<b>Davis, Sebrina *</b>					
Bill	8/1/2010	Seb2	2010 · OTHER ACCOUNTS PAYABL	195	195
Bill	10/6/2010	Seb	2010 · OTHER ACCOUNTS PAYABL	65	260
Bill	12/15/2010	Seb3	2010 · OTHER ACCOUNTS PAYABL	65	325
Bill	3/1/2011	Qbooks-Intuit-Payr	2010 · OTHER ACCOUNTS PAYABL	409.9	734.9
Bill	3/14/2011	Crowne Plaza	2010 · OTHER ACCOUNTS PAYABL	892.32	1627.22
Bill	3/14/2011	Trip RWAA	2010 · OTHER ACCOUNTS PAYABL	260	1887.22
Bill Pmt -Check	3/14/2011	1574	2010 · OTHER ACCOUNTS PAYABL	-1152.32	734.9
Bill Pmt -Check	4/1/2011	1584	2010 · OTHER ACCOUNTS PAYABL	-195	539.9
Bill	4/26/2011	RSC-REimbustment	2010 · OTHER ACCOUNTS PAYABL	104.96	644.86
Bill Pmt -Check	5/3/2011	1594	2010 · OTHER ACCOUNTS PAYABL	-409.9	234.96
Bill Pmt -Check	8/1/2011	1633	2010 · OTHER ACCOUNTS PAYABL	-130	104.96
Bill	9/1/2011	PAYROLL	2010 · OTHER ACCOUNTS PAYABL	800	904.96
Bill	9/1/2011	PAYROLL 12/01/10	2010 · OTHER ACCOUNTS PAYABL	800	1704.96
Bill	9/1/2011	PAYROLL FOR 01/0	2010 · OTHER ACCOUNTS PAYABL	800	2504.96
Bill Pmt -Check	9/9/2011	1645	2010 · OTHER ACCOUNTS PAYABL	-304.96	2200
Bill	10/31/2011	seb4	2010 · OTHER ACCOUNTS PAYABL	200	2400
Bill	11/7/2011	Nov. 1, 2011	2010 · OTHER ACCOUNTS PAYABL	200	2600
Bill	12/1/2011	Dec Payroll	2010 · OTHER ACCOUNTS PAYABL	1190	3790
Bill	12/1/2011	Dec reimbustment	2010 · OTHER ACCOUNTS PAYABL	200	3990
Bill Pmt -Check	12/30/2011	1691	2010 · OTHER ACCOUNTS PAYABL	-200	3790
Bill	1/6/2012	REimbustment	2010 · OTHER ACCOUNTS PAYABL	200	3990
Bill	1/6/2012	pay roll	2010 · OTHER ACCOUNTS PAYABL	1190	5180
Bill	2/1/2012	REimbustment	2010 · OTHER ACCOUNTS PAYABL	200	5380
Bill	2/1/2012	Feb Payroll	2010 · OTHER ACCOUNTS PAYABL	1190	6570
Bill Pmt -Check	2/6/2012	1706	2010 · OTHER ACCOUNTS PAYABL	-200	6370
Bill	2/27/2012		2010 · OTHER ACCOUNTS PAYABL	400.7	6770.7
Bill Pmt -Check	2/27/2012	1711	2010 · OTHER ACCOUNTS PAYABL	-400.7	6370
Bill	3/2/2012	payroll	2010 · OTHER ACCOUNTS PAYABL	1190	7560
Bill	3/2/2012	Reimbustment	2010 · OTHER ACCOUNTS PAYABL	200	7760
Bill Pmt -Check	3/6/2012	1714	2010 · OTHER ACCOUNTS PAYABL	-400	7360
Bill	4/1/2012	MARCH PAYROLL	2010 · OTHER ACCOUNTS PAYABL	1190	8550
Bill	4/5/2012	REIMBUSTMENT	2010 · OTHER ACCOUNTS PAYABL	200	8750
Bill Pmt -Check	4/5/2012	1718	2010 · OTHER ACCOUNTS PAYABL	-400	8350
Bill	4/30/2012	Reimbustment	2010 · OTHER ACCOUNTS PAYABL	200	8550
Bill	4/30/2012	April Payroll	2010 · OTHER ACCOUNTS PAYABL	1190	9740
Bill Pmt -Check	5/7/2012	1728	2010 · OTHER ACCOUNTS PAYABL	-200	9540
Bill	5/31/2012	MAY PAYROLL	2010 · OTHER ACCOUNTS PAYABL	1190	10730
Bill	5/31/2012	REIMBUSTMENT	2010 · OTHER ACCOUNTS PAYABL	200	10930
Bill Pmt -Check	5/31/2012	1736	2010 · OTHER ACCOUNTS PAYABL	-200	10730
Bill	7/5/2012	reimbustment	2010 · OTHER ACCOUNTS PAYABL	200	10930
Bill	7/5/2012	June PAYROLL	2010 · OTHER ACCOUNTS PAYABL	1190	12120
Bill Pmt -Check	7/5/2012	1747	2010 · OTHER ACCOUNTS PAYABL	-200	11920
Bill	8/1/2012	July Payroll	2010 · OTHER ACCOUNTS PAYABL	800	12720
Bill	8/1/2012		2010 · OTHER ACCOUNTS PAYABL	200	12920

10/4/2012  
6:01 PM

accounts payable 100412  
accounts payable 100412

Type	Date	Num	Account	Amount	Balance
Bill	8/6/2012	JULY	2010 · OTHER ACCOUNTS PAYABL	200	13120
Bill Pmt -Check	8/6/2012	1767	2010 · OTHER ACCOUNTS PAYABL	-200	12920
Bill	8/20/2012	Staples-Ink	2010 · OTHER ACCOUNTS PAYABL	108.68	13028.68
Bill Pmt -Check	8/20/2012	1773	2010 · OTHER ACCOUNTS PAYABL	-108.68	12920
Bill	9/1/2012	Aug payroll	2010 · OTHER ACCOUNTS PAYABL	1190	14110
Bill	9/5/2012		2010 · OTHER ACCOUNTS PAYABL	200	14310
Bill Pmt -Check	9/5/2012	1777	2010 · OTHER ACCOUNTS PAYABL	-200	14110
Bill	10/1/2012	SEPT	2010 · OTHER ACCOUNTS PAYABL	200	14310
Bill	10/1/2012	SEPT. PAYROLL	2010 · OTHER ACCOUNTS PAYABL	1190	15500
Bill Pmt -Check	10/1/2012	1784	2010 · OTHER ACCOUNTS PAYABL	-200	15300
Total Davis, Sebrina *				15300	15300

GRAHAM COUNTY UTILITIES

Bill	10/15/2010	112736-4	2010 · OTHER ACCOUNTS PAYABL	1702.32	1702.32
Bill	10/15/2010	10698-9	2010 · OTHER ACCOUNTS PAYABL	2043.12	3745.44
Bill Pmt -Check	11/15/2010	1509	2010 · OTHER ACCOUNTS PAYABL	-2000	1745.44
Bill Pmt -Check	11/22/2010	1512	2010 · OTHER ACCOUNTS PAYABL	-1745.44	0
Bill	12/15/2010	10698-9	2010 · OTHER ACCOUNTS PAYABL	3287.2	3287.2
Bill	12/15/2010	112736-4	2010 · OTHER ACCOUNTS PAYABL	1805.63	5092.83
Bill Pmt -Check	2/15/2011	1558	2010 · OTHER ACCOUNTS PAYABL	0	5092.83
Bill Pmt -Check	2/23/2011	1561	2010 · OTHER ACCOUNTS PAYABL	-2000	3092.83
Bill Pmt -Check	2/25/2011	1562	2010 · OTHER ACCOUNTS PAYABL	-805.63	2287.2
Bill Pmt -Check	3/1/2011	1563	2010 · OTHER ACCOUNTS PAYABL	-300	1987.2
Bill Pmt -Check	3/14/2011	1575	2010 · OTHER ACCOUNTS PAYABL	-1987.2	0
Bill	4/12/2011	112736-4	2010 · OTHER ACCOUNTS PAYABL	3005.18	3005.18
Bill	4/12/2011	10698-9	2010 · OTHER ACCOUNTS PAYABL	3667.74	6672.92
Bill Pmt -Check	4/12/2011	1590	2010 · OTHER ACCOUNTS PAYABL	-1000	5672.92
Bill Pmt -Check	5/13/2011	1598	2010 · OTHER ACCOUNTS PAYABL	-2505.18	3167.74
Bill Pmt -Check	5/18/2011	1599	2010 · OTHER ACCOUNTS PAYABL	-2000	1167.74
Bill Pmt -Check	5/28/2011	1606	2010 · OTHER ACCOUNTS PAYABL	-1167.74	0
Bill	10/20/2011	112736-4	2010 · OTHER ACCOUNTS PAYABL	5877.62	5877.62
Bill	10/20/2011	10698-9	2010 · OTHER ACCOUNTS PAYABL	2251.92	8129.54
Bill	10/20/2011	10698-9--Oct	2010 · OTHER ACCOUNTS PAYABL	2322.13	10451.67
Bill	10/20/2011	112736-4--OCT	2010 · OTHER ACCOUNTS PAYABL	2434.64	12886.31
Bill Pmt -Check	10/20/2011	1668	2010 · OTHER ACCOUNTS PAYABL	-1000	11886.31
Bill Pmt -Check	11/14/2011	1675	2010 · OTHER ACCOUNTS PAYABL	-5882.73	6003.58
Bill	11/14/2011	10698-9	2010 · OTHER ACCOUNTS PAYABL	2524.69	8528.27
Bill	11/14/2011		2010 · OTHER ACCOUNTS PAYABL	3064.4	11592.67
Bill Pmt -Check	12/12/2011	1684	2010 · OTHER ACCOUNTS PAYABL	-6715.05	4877.62
Bill	12/21/2011	112736-4	2010 · OTHER ACCOUNTS PAYABL	2354	7231.62
Bill	12/21/2011	10698-9	2010 · OTHER ACCOUNTS PAYABL	2271.82	9503.44
Bill Pmt -Check	1/9/2012	1694	2010 · OTHER ACCOUNTS PAYABL	-5751.78	3751.66
Bill	1/18/2012	10698-9	2010 · OTHER ACCOUNTS PAYABL	2082.9	5834.56
Bill	1/18/2012	9780	2010 · OTHER ACCOUNTS PAYABL	1927.76	7762.32
Bill Pmt -Check	2/8/2012	1707	2010 · OTHER ACCOUNTS PAYABL	-5135.66	2626.66
Bill	2/13/2012	112736-4	2010 · OTHER ACCOUNTS PAYABL	1996.88	4623.54
Bill	2/13/2012	10698-9	2010 · OTHER ACCOUNTS PAYABL	1645.33	6268.87
Bill Pmt -Check	2/21/2012	1709	2010 · OTHER ACCOUNTS PAYABL	-4768.16	1500.71
Bill	3/19/2012	112736-4	2010 · OTHER ACCOUNTS PAYABL	2396.24	3896.95
Bill	3/19/2012	10698-9	2010 · OTHER ACCOUNTS PAYABL	551.05	4448
Bill Pmt -Check	3/19/2012	1715	2010 · OTHER ACCOUNTS PAYABL	-4448	0
Bill	4/16/2012	LATE FEES	2010 · OTHER ACCOUNTS PAYABL	65.37	65.37
Bill Pmt -Check	4/16/2012	1721	2010 · OTHER ACCOUNTS PAYABL	-65.37	0

Type	Date	Num	Account	Amount	Balance
Bill	4/19/2012	10698-9	2010 · OTHER ACCOUNTS PAYABL	1345.04	1345.04
Bill	4/19/2012	112736-4	2010 · OTHER ACCOUNTS PAYABL	1970	3315.04
Bill Pmt -Check	4/19/2012	1723	2010 · OTHER ACCOUNTS PAYABL	-3315.04	0
Bill	5/15/2012	112736-4	2010 · OTHER ACCOUNTS PAYABL	2188.88	2188.88
Bill	5/15/2012	10698-9	2010 · OTHER ACCOUNTS PAYABL	1304.53	3493.41
Bill Pmt -Check	5/15/2012	1729	2010 · OTHER ACCOUNTS PAYABL	-3493.41	0
Bill	6/18/2012	112736-4	2010 · OTHER ACCOUNTS PAYABL	2778.32	2778.32
Bill	6/18/2012	10698-9	2010 · OTHER ACCOUNTS PAYABL	1846.93	4625.25
Bill Pmt -Check	6/18/2012	1741	2010 · OTHER ACCOUNTS PAYABL	-4625.25	0
Bill	7/18/2012	112736-4	2010 · OTHER ACCOUNTS PAYABL	2100.56	2100.56
Bill	7/18/2012	10698-9	2010 · OTHER ACCOUNTS PAYABL	2184.27	4284.83
Bill Pmt -Check	7/18/2012	1751	2010 · OTHER ACCOUNTS PAYABL	-4284.83	0
Bill	8/20/2012	10698-9	2010 · OTHER ACCOUNTS PAYABL	2019.15	2019.15
Bill	8/20/2012	112736-4	2010 · OTHER ACCOUNTS PAYABL	2532.56	4551.71
Bill Pmt -Check	8/20/2012	1772	2010 · OTHER ACCOUNTS PAYABL	-4551.71	0
Bill	9/17/2012	112736-4	2010 · OTHER ACCOUNTS PAYABL	2117.84	2117.84
Bill	9/17/2012	10698-9	2010 · OTHER ACCOUNTS PAYABL	2012.82	4130.66
Bill Pmt -Check	9/17/2012	1780	2010 · OTHER ACCOUNTS PAYABL	-4130.66	0
<b>Total GRAHAM COUNTY UTILITIES</b>				<b>0</b>	<b>0</b>
<b>Jay Dee Colvin</b>					
Bill	8/1/2010	jay201100801	2010 · OTHER ACCOUNTS PAYABL	345	345
Bill	10/6/2010	20101006	2010 · OTHER ACCOUNTS PAYABL	185	530
Bill	12/15/2010	jay20101215	2010 · OTHER ACCOUNTS PAYABL	225	755
Bill	1/9/2012	Reimbustment	2010 · OTHER ACCOUNTS PAYABL	2242.54	2997.54
<b>Total Jay Dee Colvin</b>				<b>2997.54</b>	<b>2997.54</b>

Repair of water Line	\$ 9,260.40
Office manager	\$ 15,300.00
Personal loan and travel expenses not paid	\$ 2,997.54
Expense of Rate Increase see tim sheet 091812	\$ 7,125.98
<b>Total</b>	<b>\$ 34,683.92</b>

*Rate Increase Exp.*  
*PAGE 4*

Date	Sabrina	Jay	Mileage	Postage	Copy	CMi	Description
					pages	copy	

**Emergency Rate Increase**

	8	8	240				preliminary hearing in Tucson for emergency rate increase
Monday, September 13, 2010	5						preparing for
Tuesday, September 14, 2010	5						
Wednesday, September 15, 2010	5				0		
Friday, September 10, 2010							filed for a request for emergency rate
Wednesday, October 06, 2010	3	3					conference call
Wednesday, October 13, 2010	4	2			130		mailed out the notice of hearing
Friday, November 16, 2010							hearing missed that one
Wednesday, November 17, 2010	4				10		authorization for Jay Colvin to represent the board
Wednesday, November 17, 2010	3	3					phone hearing on rate increase
Monday, November 29, 2010	8	8	325				hearing in Phoenix Brenda and Jay went
Thursday, January 20, 2011				42 \$ 7.30	0		postage mail
Saturday, January 15, 2011	5						prepare paper work for notice emergency rate case
	4				150		mail out notices
Friday, October 28, 2011	5	3		42 \$ 5.65	10		postage reports for rate case
Monday, October 31, 2011	3			42 \$ 70.00	10		postage reports for rate case
<b>sub totals</b>	<b>17</b>	<b>3</b>	<b>126</b>	<b>82.95</b>	<b>170</b>	<b>0</b>	
<b>rates</b>	<b>\$ 15.00</b>	<b>\$ 15.00</b>	<b>\$ 0.45</b>	<b>\$ 1.00</b>	<b>\$ 0.10</b>		
<b>totals</b>	<b>\$ 255.00</b>	<b>\$ 45.00</b>	<b>\$ 56.70</b>	<b>\$ 82.95</b>	<b>\$ 17.00</b>	<b>\$ -</b>	
<b>grand total</b>	<b>\$ 456.65</b>						

Date Sabrina jay mileage postage copy cmi description

**Permanent rate Increase**

Date	Sabrina	jay	mileage	postage	copy	cmi	description
					pages	copy	
Sunday, February 06, 2011	3					26	filed revised rate schedule reflecting the emergency surcharge
Wednesday, April 06, 2011	3	1					compliance with adwr requirements
Tuesday, May 24, 2011	4	3	42	\$ 6.63	20		postage reports for rate case
Wednesday, June 22, 2011	6	4					prepared rate increase sent and filled out wrong forms
Wednesday, June 22, 2011	2						provided commissions original performance bond
Thursday, June 23, 2011	2		42	\$ 3.29	10		postage reports for rate case
Wednesday, July 06, 2011	5	3					water loss reports
Thursday, July 07, 2011	1	0	42	\$ 5.80	10		postage reports for rate case
Thursday, August 11, 2011	2		42	\$ 54.25	40		postage reports for rate case
Thursday, December 01, 2011	4	4					prepare paperwork for rate case
Friday, December 02, 2011	6	6					prepare paperwork for rate case
Saturday, December 03, 2011		6					prepare paperwork for rate case
Monday, December 05, 2011	5	5					prepare paperwork for rate case
Tuesday, December 06, 2011	5	5					prepare paperwork for rate case
Wednesday, December 07, 2011	6		42			44.72	cmi copies customer notification of rate case
Thursday, December 08, 2011	6		42	\$ 10.25	0		postage
Tuesday, December 13, 2011	7		42	\$ 18.75	0		postage
Tuesday, December 13, 2011	2		42	\$ 45.00		174.43	cmi copies of water rate case
Saturday, December 15, 2012	3		42				sent copies t
Friday, December 16, 2011	1			\$ 45.00			they sent back copies cmi got them out of order
Saturday, December 17, 2011	4						reorganize rate case then send it back
Monday, December 19, 2011			240				drove over delivered rate case
Tuesday, December 20, 2011	2				45		curtailment tariff prepare
Wednesday, December 14, 2011	2		42	\$ 6.63	0		postage
Thursday, December 22, 2011	8		42	\$ 16.17	0		postage
Monday, January 09, 2012	6	2			18		Dorothy numbers of months customer water sold gain loss
Tuesday, January 10, 2012	3				15		fax over copy of billing
Tuesday, January 10, 2012	2				10		faxed three papers 9 through 13
Friday, January 13, 2012	3				10		faxed Richard Martinez 9 through 13
Tuesday, January 17, 2012	4						faxed Richard paper work 4 faxes

Date	Sabrina	Jay	Mileage	Postage	Copy pages	cmi copy	Description
Tuesday, January 17, 2012	5		42		36		amend pages 10 & 13 current proposed rates
Friday, January 20, 2012	3	3			0		fill in rate application
Thursday, January 19, 2012	2	1			26		current and proposed rates and charges
Friday, January 20, 2012	3	1			13		water company plant description
Saturday, January 21, 2012	2		42		0		current and water plant subscription sent
Monday, January 23, 2012	6	3			0		fill in rate application
Tuesday, January 24, 2012	6	6			0		fill in rate application
Wednesday, January 25, 2012	5		42	\$ 18.95	0		postage
Monday, April 02, 2012	7		42	\$ 42.00	0		postage
Thursday, April 19, 2012	4		42	\$ 9.15	0		postage
Wednesday, May 09, 2012	7		42	\$ 1.50	0		postage
Tuesday, May 29, 2012	6				0		find copy bills for rate increase
Wednesday, May 30, 2012	6				0		find copy bills for rate increase
Thursday, May 31, 2012	3		42	\$ 12.55	130		postage
Tuesday, July 17, 2012	4	2					
Wednesday, July 18, 2012	2		42		45		backflow tariff
Wednesday, July 18, 2012	5	5	32		0		inspection of line
Monday, July 09, 2012	3	3	42		0		office
Tuesday, July 10, 2012	5	3	42		0		office
Wednesday, July 11, 2012	5	8	42		0		office
Thursday, July 12, 2012	6	6	42		0		office

sent in after request from staff.

Date	Sabrina	jay	mileage	postage	copy pages	cmi copy	discription
Thursday, July 12, 2012	4	2	42	\$ 29.90			prepare data request mail out copy to az corp comm
Thursday, July 12, 2012	7	3	42	\$ 55.80			prepare and send of data request over night per az. Corp comm
Thursday, July 26, 2012	3.5						office rate compliance notice
Wednesday, August 01, 2012	0.5						emergency rate compliance notice
Monday, August 06, 2012	2		12				prepare and send out reg mail but with confirmation
Friday, August 17, 2012	1						fax promissory note and a copy of letter stating that Rural Development
Thursday, August 23, 2012		6					working on respons to rate increase fact sheet
Friday, August 24, 2012		6					working on respons to rate increase fact sheet
Saturday, August 25, 2012		5					working on respons to rate increase fact sheet
Sunday, August 26, 2012							
Monday, August 27, 2012	6	4	12		69.85		working on the current and proposed rate and charges sending emails b
Saturday, September 22, 2012		4					waiting for them to send with bills had to send without bills
Monday, September 24, 2012		3					remake spreadsheet costs analysis
Tuesday, September 25, 2012		2					remake spreadsheet costs analysis
Wednesday, September 26, 2012		4					remake spreadsheet costs analysis
Thursday, September 27, 2012							water loss study
Friday, September 28, 2012							water loss study
Saturday, September 29, 2012							water loss study
Tuesday, October 02, 2012		6					remaks for rate increas
Wednesday, October 03, 2012		4					remarks for rate increase
Thursday, October 04, 2012		5					answer rate increase questions

0

226	134	1346	381.62	523.85	219.15
\$ 15.00	\$ 15.00	\$ 0.45	\$ 0.12		
\$ 3,390.00	\$ 2,010.00	\$ 605.70	\$ 381.62	\$ 62.86	\$ 219.15

grand total \$ 6,669.33

1:18 PM  
10/04/12  
Accrual Basis

**EDEN WATER CO., INC.**  
**Account QuickReport**  
**January through December 2010**

Type	Date	Num	Name	Memo	Split	Amount
<b>6540 · GENERAL-REGULATORY EXPENSES</b>						
<b>Water Testing</b>						
Check	1/21/2010	1305	Town of Duncan La...	Water Analys...	National Bank	70.00
Check	3/8/2010	1319	Town of Duncan La...	Water Analys...	National Bank	70.00
Check	3/11/2010	1320	Town of Duncan La...	Water Analys...	National Bank	100.00
Check	3/11/2010	1320	Town of Duncan La...	invoice # 030...	National Bank	
Check	4/8/2010	1334	Town of Duncan La...	Water Analys...	National Bank	100.00
Check	4/8/2010	1334	Town of Duncan La...	invoice # 030...	National Bank	
Check	5/11/2010	1345	Town of Duncan La...	Water Analys...	National Bank	100.00
Check	5/11/2010	1345	Town of Duncan La...	invoice # 043...	National Bank	
Check	6/8/2010	1352	Town of Duncan La...	Water Analys...	National Bank	100.00
Check	6/8/2010	1352	Town of Duncan La...	invoice # 043...	National Bank	
Check	7/12/2010	1361	Town of Duncan La...	Water Analys...	National Bank	100.00
Check	7/12/2010	1361	Town of Duncan La...	invoice # 063...	National Bank	
Check	8/23/2010	1378	Town of Duncan La...	Water Analys...	National Bank	100.00
Check	8/23/2010	1378	Town of Duncan La...	invoice # 063...	National Bank	
Check	9/10/2010	1389	Town of Duncan La...	Water Analys...	National Bank	100.00
Check	9/10/2010	1389	Town of Duncan La...	invoice # 063...	National Bank	
Check	10/15/2010	1398	Town of Duncan La...	Water Analys...	National Bank	100.00
Check	10/15/2010	1398	Town of Duncan La...	invoice # 093...	National Bank	
Check	12/9/2010	1513	Town of Duncan La...	Water Analys...	National Bank	350.00
Check	12/9/2010	1513	Town of Duncan La...	invoice # 093...	National Bank	
<b>Total Water Testing</b>						<b>1,290.00</b>
<b>6540 · GENERAL-REGULATORY EXPENSES - Other</b>						
Check	3/7/2010	1546	Jason Perry	Tamper Chec...	National Bank	500.00
General Journal	3/8/2010		Jason Perry	Tamper-need...	1379 · GENE...	-500.00
Bill	8/1/2010	jay20...	Jay Dee Colvin	Per diem for t...	2010 · OTHE...	195.00
Bill	8/1/2010	Seb2	Davis, Sebrina *	Trip Water M...	2010 · OTHE...	195.00
Bill	9/7/2010	2010...	COLVIN FARMS	This Bill was ...	2010 · OTHE...	0.00
Bill	10/6/2010	Seb	Davis, Sebrina *	Trip to Corpo...	2010 · OTHE...	65.00
Check	11/8/2010	1508	Easter arizona Cour...	Ad in paper f...	National Bank	121.72
Bill	12/15/2010	Seb3	Davis, Sebrina *	Trip to Corpo...	2010 · OTHE...	65.00
General Journal	12/31/2010	ADJU...		Insufficient F...	National Bank	96.00
General Journal	12/31/2010	ADJU...		Over Draft S...	National Bank	5.00
<b>Total 6540 · GENERAL-REGULATORY EXPENSES - Other</b>						<b>742.72</b>
<b>Total 6540 · GENERAL-REGULATORY EXPENSES</b>						<b>2,032.72</b>
<b>TOTAL</b>						<b>2,032.72</b>

7/12/2012  
12:02 PM

Finance Application

## Improvements to the EWC system

Repair tank pump and electrical			\$	5,000
Replace meters	70	70	\$	4,900
Finish improvements on existing pipeline			\$	231,453
			\$	241,353

### Repair Tank pump and pump

repair and replace electrical boxes and switches  
electrical to hang and attach wires  
repair pump

### Replace meters

estimated replace 70 meters that are getting to old  
estimated 70 meters to be replaced  
meters are \$45 apiece and \$25 per meter to replace old meter

### Finish improvements on existing pipeline

engineers estimate is included

F. Construction Problems

Completing the pipe installation through the Curtis Canal will require the contractor to either wait for a scheduled dry-up, arrange for a dry-up, by-pass the canal, or bore and case under the canal while it is in service. This issue is also independent of the alternative chosen.

G. Cost Estimates

A comparison of costs between the three alternatives was not undertaken due to the reasons explained in the Advantages/Disadvantages section below.

1.	Construction	
	a. Furnish and Install 6-inch PVC Pipe (supply line)	
	4,685 LF @ \$30	140,550
	b. Furnish and Install 6-inch valves	
	3 Each @ \$600	1,800
	c. Furnish and Install Fire Hydrants	
	2 Each @ \$3,500	7,000
	d. Furnish and Install ¾-inch combination air valve	
	2 Each @ \$1,000	2,000
	Sub Total Construction Costs	\$151,350
	Contingencies @ 15%	\$22,703
	Grand Total Construction Costs	\$174,053
2.	Land and Right-of-Way (no costs anticipated)	0
3.	Engineering	
	a. Preliminary Engineering Services	11,500
	b. Design Services	14,500
	c. Inspection	7,000
	d. Additional Engineering Services	4,400
	Total Engineering Services	37,400
4.	Contingencies (estimated)	20,000
	<b>Estimated Total Project Costs</b>	<b>\$231,453</b>

H. Advantages/Disadvantages

For the alternatives considered, only Alternative A will provide adequate pressure within the study area for all considered demand conditions. Alternatives B and C, which provide for connection by smaller pipes, fail to maintain a minimum pressure of 20 psi for the peak hour demand. Even with a 6-inch diameter connection pipe, the allowable fire flow is limited to a meager 80 gallons per minute. See hydraulic analysis in Appendices E, F, and G.

**Quote**

07/18/2012

**Eden Water Company**

Sebrina Davis  
9488 Hot Springs Rd  
Eden, AZ 85535-9600  
team4csje@yahoo.com



Heather Neff  
800-353-8829

<b>Product Description</b>	<b>Purchase Price</b>	<b>Annual Fees</b>	<b>One-Time Conversion</b>	<b>Total</b>
<b>Utility Billing</b>	2,730.00	630.00		3,360.00
<b>Accounting</b>	3,700.00	1,000.00	500.00	5,200.00
Subtotals:	<b>\$ 6,430.00</b>	<b>\$ 1,630.00</b>	<b>\$ 500.00</b>	
Grand Total:				<b>\$ 8,560.00</b>

**Terms**

- 1) Black Mountain makes every effort to ensure the content contained within this quote is complete and accurate. Black Mountain reserves the right to correct any error or omission related to price, product description or availability. To completely understand this quote, you must consider, in addition to product and prices, the terms and conditions that follow either on this or separate pages.
- 2) Prices quoted herein do not reflect sale or use taxes imposed by any state or local government, or any unit or subdivision thereof, which taxes are the responsibility of the buyer. Buyer agrees to be responsible for the documentation relating to the payment of such taxes to the maximum extent legally permitted. Black Mountain Software will be responsible for the collection of such taxes and/or the documentation related thereto, only to the extent required by law.
- 3) Installation and training come with the purchase of each software product. Free on-line training is always available thereafter for existing and new staff members as part of the Annual Service and Support. Advanced scheduling is required. Hourly rates and travel expenses apply to any other type of training.
- 4) All costs are based on prices in effect for 60 days from the date of this bid.
- 5) Annual service and support includes software updates and support via toll free telephone numbers. The price shown is for the first year, is billed annually, and is subject to change in subsequent years.
- 6) If travel is required, actual expenses if flying are billed as follows: charges include airfare, travel time at \$35 per hour per person, meals at \$42 per day, lodging at local rates, and rental car. Actual expenses for travel if driving are billed as follows: charges include mileage at 55.5 cents per mile, travel time at 45 cents per mile per person, meals at \$42 per day, lodging at local rates.
- 7) All of our software products are multi-user, with an unlimited number of licenses (seats). In addition, 'Read Only' access is available to limit data changes for specified users, while still providing lookup and printing capabilities.
- 8) Our Utility Billing software product requires the use of laser type billing forms, either postcards or full-page bills. QBS Safeguard of Billings, MT is already set up to produce billing forms in the proper format. The cost of laser billing cards with a standard setup is \$427 for 15,000 or \$139 for 3,000, plus shipping. Quotes are available for orders of other than 15,000 laser billing cards, or for full-page stock that is perforated. By using their service for the initial order, there is no additional labor charge for initial setup. After your first order, you may stay with QBS, or you may pick any other printing company you would like.

9) There are three Utility Billing Data entry/conversion options: (1) manually enter your own data - no charge, good training tool, (2) have our staff manually enter your data, or (3) digitally convert your data.

A 'standard' utility billing conversion consists of basic customer account info, account balances, prior month's meter readings, and text file comments that can be linked to customer accounts. Availability of data to be converted in usable formats from the current system impact the final data converted and costs associated with conversion.

10) Data entry/conversion costs for Accounting do not include chart conversion. If chart conversion is needed it is available for \$500.

11) Normal billing procedures for new clients or stand alone applications for current clients is 25% down payment billed at commitment and 75% final payment billed upon completion of installation and initial training. Add on applications for current clients are billed for full purchase price only at commitment and maintenance begins upon completion of installation and/or training. All billing will commence in full for all products after 1 year from commitment unless other arrangements have been made.

*water loss  
page 5*

date of read	1/1/2012	1/1/2012	1/1/2012	1/1/2012	1/1/2012	1/1/2012	1/1/2012	1/1/2012	1/1/2012	1/1/2012	1/1/2012	1/1/2012	1/1/2012	1/1/2012
Pima EWC read	1,172	536	434	767	754	1,029	1,133	911	911	911	911	911	911	(76,064)
hwy 70 use	1,181	593	463	843	784	886	949	888	809	809	809	809	809	-
hwy 70 loss	9	57	29	76	30	(143)	(184)	(23)	(102)	(102)	83,711	-	-	-
<b>HWY 70 Perc. Loss</b>						<b>-14%</b>	<b>-16%</b>	<b>-2%</b>	<b>-11%</b>	<b>-11%</b>				<b>0%</b>
Hancock EWC read	675	760	768	780	794	805	817	829	839	839	-	-	-	7,068
Eden use	345	271	423	542	706	814	836	663	540	540	-	-	-	-
eden water loss	(330)	(489)	(345)	(238)	(88)	9	19	(166)	(299)	(299)	-	-	-	-
<b>EDEN Perc. Loss</b>						<b>1%</b>	<b>2%</b>	<b>-20%</b>	<b>-36%</b>	<b>-36%</b>				<b>0%</b>
Total Water purchased	1,848	1,296	1,203	1,547	1,548	1,834	1,950	1,739	1,750	1,750	(83,711)	-	-	(68,996)
Total Water Sold	1,526	864	886	1,365	1,490	1,700	1,785	1,551	1,349	1,349	-	-	-	12,536
water loss	(322)	(432)	(317)	(162)	(58)	(134)	(165)	(188)	(401)	(401)	83,711	-	-	-
<b>Total Line Perc Loss</b>	<b>-17%</b>	<b>-33%</b>	<b>-26%</b>	<b>-10%</b>	<b>-4%</b>	<b>-7%</b>	<b>-8%</b>	<b>-11%</b>	<b>-23%</b>	<b>-23%</b>				

Eden Water Company 2012 new format 0912  
Monthly Totals

Jan Note	20120115 Klod Martin meter broken gainized fitting large leak for days	Feb Note	
Jan Note	major leak	Feb Note	larry worked on bobbies meter with shovel found a rock against tubing. Replaced small section didn't ha
Jan Note		Feb Note	
Jan Note	20120120 repair faulty coupler on new replacement pipeline	Feb Note	
Jan Note	20120120 repair tubing on Nyla Smith meter replaced tubing	Feb Note	
Jan Note	major leak	Feb Note	
Jan Note		Feb Note	
March Note		April Note	
March Note	20120308 repair in front of post office came up in roadway tried to repair cut it off on north side	April Note	20120412 air vent galvanized pipeline deteriorated leaking full stream took a week to get the fiber optics people to stake it out reservation. Major leak
March Note	ran for a while had trouble getting blue stake in place. And permit from county.	April Note	
March Note	20120318 replace faulty coupler on pipeline on north side of roadway in front of Hawkins. This	April Note	20120422 fire hydrant coupler blew off, next to ditch wich losend soil. Ran most of night major leak
March Note	major leak	April Note	
March Note		April Note	
March Note		June Note	20120604 worked on caprenter corner pipeline repair local 2 inch line to cross road county stopped project
May Note	turned off water br	June Note	
May Note	20120515 service line repair billy sanchez meter rock rubbed against tubing. Replaced section	June Note	20120608 leak on clonts corral leaking service line and old comode cut the tubing, cut off at line no longer used 41075 larry worked on Foster Meter rocks rubbing against tubing Started to monitor each side of river for leaks 41085 had to go back to fosters meter another leak a little further out
May Note	201220526 out of water on Klondyke road still low water pressure. Valve had been turned off	June Note	
May Note	water leak found end of may North of bridge	June Note	
May Note	20120526b tried to find leak east of eden bridge could not find line under roadway out off water	June Note	0
May Note		Aug Note	
July Note	20120701 repair meter tubing marryland rd and wonder lande rock rubbed replaced section	Aug Note	
July Note		Aug Note	
July Note		Aug Note	
July Note		Aug Note	
July Note	20120726 Owens old home on hill service line rubbed by rocks replaced to main line.	Aug Note	7252012
July Note		Aug Note	
Sept Note	20120912 repair Boby's meter tubing leaking in roadway	Oct Note	
Sept Note	20120906	Oct Note	
Sept Note	20120925	Oct Note	
Sept Note	20120926	Oct Note	
Sept Note	20120927	Oct Note	
Nov Note:		Dec Note	
Nov Note:		Dec Note	
Nov Note:		Dec Note	
Nov Note:		Dec Note	
Nov Note:		Dec Note	

*Eden Water Company*



9488 n. Hot Springs Rd.  
Eden, Az. 85535  
Office: 928-485-9250  
Fax: 928-485-9281

October 08, 2012

**CORRECTION OF AFFIDAVIT OF EDEN WATER COMPANY:**

The Affidavit of the Eden water Company to certify the sending of customer notification was sent out on September 7, 2012; not August 7, 2012 that was indicated on the affidavit. The wrong month was entered into the affidavit.

A handwritten signature in black ink, appearing to read 'Jay D. Colvin'.

Jay D. Colvin President

---