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John E. Dougherty  
PO Box 501  
Rimrock, AZ 86335  
Complainant

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BEFORE THE ARIZONA CORPORATION COMMISSION

ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

FEB 25 2013

COMMISSIONERS

BOB STUMP-Chairman  
GARY PIERCE  
BOB BURNS  
SUSAN BITTER SMITH  
BRENDA BURNS

DOCKETED BY

JOHN E. DOUGHERTY,

DOCKET NO. W-04254A-11-0323

COMPLAINANT

**Exhibit 10 in Support of Allegation XVII**

VS.

MONTEZUMA RIMROCK WATER  
COMPANY, LLC,

RESPONDANT

**Statement of Facts Supporting Exhibit 10 to be included with Allegation XVII**

1. On February 21, 2013, Montezuma Rimrock responded to Complainant's Third Data Request in Dockets W-04254A-12-0204 et seq., where Complainant is acting as Intervener.
2. The Company provided Page 5 of a lease agreement entered into by the Company and Financial Pacific Leasing for Arsenic Treatment equipment.
3. A copy of the first four pages of the Financial Pacific lease agreement is included as Exhibit 2 in a motion filed January 14, 2013 in Docket W-04254A-12-0204 et seq. by Complainant acting as Intervener.
3. At the bottom of Page 5 is a paragraph entitled "Delivery and Acceptance Authorization". A representative of Montezuma Rimrock Water Company, LLC signs the authorization. The signature is redacted, but upon information and belief, the signature is that of Patricia Olsen.
4. The Delivery and Acceptance Authorization is dated "3/22/12".

5. The date of the authorization demonstrates that Montezuma Rimrock had signed agreements with Financial Pacific to acquire Arsenic Treatment Equipment prior to the March 30 deadline to file all lease agreements set by the March 12, 2012 Procedural Order in W-4254A-08-0361, 0362.

6. The date of the authorization demonstrates that Montezuma Rimrock had signed agreements with Financial Pacific to acquire Arsenic Treatment Equipment prior to the April 13, 2012 deadline to file all lease agreements set by the April 9, 2012 Procedural Order in W-4254A-08-0361, 0362.

Dated this 25<sup>th</sup> Day of February, 2013

  
John E. Dougherty  
Complainant

Copies of the foregoing Mailed/Hand Delivered  
This 25<sup>th</sup> day of February, 2013 to:

Todd C. Wiley  
3003 N. Central Ave.  
Suite 2600  
Phoenix, AZ 85012

Janice Alward  
Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, AZ 85007

Patricia D. Olsen, Manager  
Montezuma Rimrock Water Company  
PO Box 10  
Rimrock AZ 86335

Steve Olea  
Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, AZ 85007

Daniel Pozefsky  
RUCO  
1110 W. Washington St.  
Suite 220  
Phoenix, AZ 85007

Lyn Farmer  
Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, AZ 85007

Exhibit 10

**MONTEZUMA RIMROCK WATER COMPANY  
DOCKET NOS. W-04254A-12-0204, W-04254A-0205, W-04254A-0206, W-04254A-  
12-0207**

**RESPONSE TO INTERVENOR DAUGHERTY'S THIRD SET OF DATA  
REQUESTS**

February 21, 2013

Response provided by: Patsy Olsen

Title: President

Company: Montezuma Rimrock Water Company

Address: P.O. Box 10, Rimrock, AZ 86335

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**JD-10. The complete (all five pages), unredacted copy of a lease agreement identified as No. 796680.001 between the Company and Financial Pacific Leasing, LLC dated May 2, 2012 that was docketed by the Company on Oct. 25, 2012.**

**RESPONSE:**

The Company filed a copy of Lease Agreement No. 796680.001 between Financial Pacific Leasing, LLC and the Company in the above referenced dockets on October 25, 2012. The fifth page of that Lease Agreement is a Guarantee that is attached to these responses.

# GUARANTEE

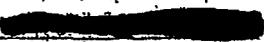
To induce Lessor to enter into a Lease with or otherwise extend financial accommodations to MONTEZUMA RIMROCK WATER COMPANY LLC ("Lessee"), the undersigned Guarantor unconditionally guarantees to Lessor the prompt payment when due of all Lessee's obligations to Lessor. Lessor shall not be required to proceed against the Lessee or the Equipment or enforce any other remedy, before proceeding against the undersigned. The undersigned waives notice of exceptions hereof and all other notices or demand of any kind to which the undersigned may be entitled. The undersigned consents to any extensions or modifications granted to Lessee and the release and/or compromise of any obligations of Lessee or any other obligors and guarantors or any collateral therefore without notice and without in any way releasing the undersigned from his or her obligations hereunder. Guarantor waives any right to require Lessor to apply payments in a certain manner and acknowledges that Lessor may apply payments received in the fashion most advantageous to Lessor. Furthermore, Guarantor waives any and all claims against Lessee, by submission or otherwise, until such time as Lessee's obligations to Lessor are fully and finally satisfied. This is a continuing guarantee and shall not be discharged, impaired or affected by death of the undersigned or the existence or nonexistence of Lessee as a legal entity. This continuing Guarantee shall bind the heirs, administrators, representatives, successors, and assigns of the undersigned and may be enforced by or for the benefit of any assignee or successor of Lessor.

The provisions of the Guarantee shall extend to and apply to all the obligations of Lessee to Lessor, now existing or hereafter made, incurred or created, however arising, and whether set forth in separate agreements, schedules, applications, orders or collateral documents. The execution of this Lease Guarantee shall not extinguish, release or waive any existing obligations, promises, or guarantees of Guarantor for the benefit of Lessor. The undersigned agrees to pay a reasonable attorney's fee, and all other costs and expenses incurred by Lessor or its successors or assigns in the enforcement of the Guarantee, whether or not a lawsuit is started.

The undersigned personal guarantor consents to Financial Pacific Leasing, LLC obtaining a consumer credit report on the undersigned from time to time in the credit evaluation and review process.

Law Which Applies, THIS AGREEMENT IS GOVERNED BY WASHINGTON LAW. EACH GUARANTOR CONSENTS TO THE PERSONAL JURISDICTION OF THE COURTS OF THE STATE OF WASHINGTON FOR ANY DISPUTE, SUIT OR ACTION ARISING UNDER OR IN RELATION TO THIS GUARANTEE AND AGREES THAT ALL LAWSUITS COMMENCED BY A GUARANTOR AGAINST LESSOR MUST BE FILED IN SUCH COURTS, AT LESSOR'S SOLE OPTION, VENUE (LOCATION) FOR ANY PROCEEDING SHALL LIE IN KING COUNTY, STATE OF WASHINGTON. EACH GUARANTOR WAIVES THE RIGHT TO A JURY TRIAL. LESSOR SHALL HAVE THE OPTION OF COMMENCING AN ACTION IN ANY COURT HAVING PROPER JURISDICTION.

This Guarantee and each of its provisions may be waived or modified only by record signed by Lessor. Lessor's waiver of any right to demand performance hereunder shall not be a waiver of any subsequent or other right to demand performance hereunder. If any provision of this Guarantee shall be determined to be unenforceable, then such provision shall be severed from this Guarantee without affecting any other provision of the Guarantee which shall remain fully enforceable.

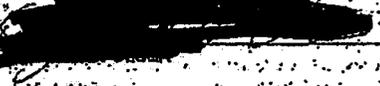
	(No Title)	X		(No Title)
Date: 3/22/12	Social Security # 		Date: 3/22/12	Social Security # 
Home Phone # 			Home Phone # 	

X	(No Title)	X	(No Title)
Date	Social Security #	Date	Social Security #
Home Phone #		Home Phone #	

## DELIVERY AND ACCEPTANCE AUTHORIZATION

Lessee's signature authorizes Lessor to verify, by phone with a representative of Lessee the date the Equipment was accepted by the Lessee; the Equipment description, including the serial numbers; the schedule of lease payments; that all necessary installation has been completed; that the Equipment has been examined by Lessee and is in good operating order and condition and is in all respects satisfactory to Lessee and that Equipment is accepted by Lessee for all purposes under the Lease. This information will be recorded on an Inspection/Verification Certificate, a copy of which will be forwarded to Lessee upon completion by Lessor. Lessee hereby authorizes Lessor to either insert or correct the Lessor and/or Vendor name(s), Equipment description, Equipment location and schedule of Lease payments. Lessee hereby authorizes Lessor to make payment to the Vendor upon completion of the Inspection/Verification Certificate.

LESSEE: MONTEZUMA RIMROCK WATER COMPANY LLC

 Date: 3/22/12  
MEMBER AND INDIVIDUALLY