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COMMISSIONERS

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AZ CORP COMMISSION
DOCKET CONTROL

ORIGINAL

IN THE MATTER OF THE APPLICATION OF FAR WEST WATER & SEWER, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS WASTEWATER RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE

DOCKET NO. WS-03478A-12-0307

**NOTICE OF AMENDED
PROPERTY TAX PAYMENT PLAN**

Far West Water and Sewer, Inc. ("Far West") is "required to submit documentation of a payment plan with Yuma County for payment of all delinquent property taxes and penalties." Far West hereby notifies the Commission that it has entered into amended agreements with Yuma County for payment of all delinquent property taxes and penalties. The agreements were amended to incorporate changes requested by Staff.

Exhibit A is a copy of the amended agreement concerning water operations and Exhibit B is a copy of the amended agreement concerning sewer operations. Each agreement commits Far West to repayment schedules and further requires Far West for six months to deposit 1/24 of five percent of the gross rate increase approved in the above-captioned docket into a special account dedicated to pay outstanding and delinquent taxes. After Phase 2 rates are implemented, Far West will deposit 1/24 of five percent of the gross rate increase approved in the above-captioned docket into a special account dedicated to pay outstanding and delinquent taxes.

Each agreement is now dated and the signatures have been notarized.

Arizona Corporation Commission

DOCKETED

SEP 25 2013

DOCKETED BY 

Respectfully submitted on September 25, 2013, by:



Craig A. Marks
Craig A. Marks, PLC
10645 N. Tatum Blvd.
Suite 200-676
Phoenix, AZ 85028
(480) 367-1956
Craig.Marks@azbar.org
Attorney for Far West Water & Sewer Company

Original and 13 copies **filed**
on September 25, 2013, with:

Arizona Corporation Commission
Docket Control
1200 West Washington Street
Phoenix, AZ 85007

Copies mailed
on September 25, 2013, to:

Wesley C. Van Cleve
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007
wvanclave@azcc.gov

Robin R. Mitchell
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007
rmitchell@azcc.gov

Michelle L. Wood
Residential Utility Consumer Office
1110 West Washington Street, Suite 220
Phoenix, AZ 85007
mwood@azruco.gov

Jeffery W. Crockett, Esq.
Brownstein Hyatt Farber Schreck
One East Washington Street, Ste.2400.
Phoenix, AZ 85004
jcrockett@bhfs.com

Robert C. Gilkey/Barbara S. Gilkey
14784 E. 49th Street
Yuma, AZ 85367
BOBnBARB325@aol.com

Robert Rist
9593 East 34th Place
Yuma, AZ 85365
bobandjoanrist@gmail.com

Rodney Taylor
Kim Taylor
11440 East 26th Lane
Yuma, AZ 85367

Seth Davis
Barbara Davis
2006 South Arboleda Drive
Merced, CA 95341

Jerry S. Durden
12789 E. 46th St.
Yuma, AZ 85367

By:

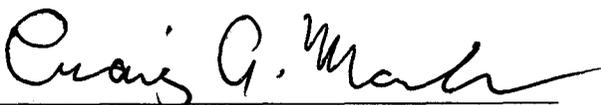

Craig A. Marks

Exhibit A

AGREEMENT FOR THE PAYMENT OF DELINQUENT PROPERTY TAXES OWED BY FAR WEST WATER AND SEWER, INC.

This is an agreement by and between Far West Water and Sewer, Inc., through its President, Paula S. Capestro, and County of Yuma, through its Treasurer, Angela Pancrazi Moreno.

Far West Water and Sewer, Inc. (Far West) hereby acknowledges that it owes property taxes on Centrally Valued Account 55-449, account number U0000025 from those taxes due November 1, 2008 to the present. Far West agrees to pay those delinquent taxes, including accrued interest and any penalties, as well as the property taxes coming due, in the following manner:

2013 taxes – fifty percent (50%) of the total tax due, plus accrued interest and penalties, shall be paid on or before May 1, 2014, with the remaining tax due, plus accrued interest including penalties, to be paid on or before December 1, 2014.

2014 taxes, and thereafter, shall be timely paid as they become due.

2008 taxes, plus accrued interest and penalties, shall be paid in full on or before May 1, 2015.

2009 taxes, plus accrued interest and penalties, shall be paid in full on or before May 1, 2016.

2010 taxes, plus accrued interest and penalties, shall be paid in full on or before May 1, 2017.

2011 taxes, plus accrued interest and penalties, shall be paid in full on or before May 1, 2018.

2012 taxes, plus accrued interest and penalties, shall be paid in full on or before May 1, 2019.

Far West further agrees to create a separate and special account for the deposit of funds to pay its outstanding and delinquent taxes, and to deposit therein on an annual basis an amount equal to five percent (5%) of the gross revenue increase granted it by the Arizona Corporation Commission IN THE MATTER OF THE APPLICATION OF FAR WEST WATER AND SEWER, INC., Docket No. WS-03478A-12-0307. Deposits shall be made in monthly installments beginning on November 15, 2013 and continuing monthly until full and complete satisfaction of its outstanding tax liability owed to Yuma County. The parties hereto acknowledge that the rate increase has been divided into two Phases by the Arizona Corporation Commission. The parties agree that the first six monthly deposits, corresponding to Phase 1 of the rate increase, shall be five percent (5%) of the gross revenue increase granted by the Arizona Corporation Commission divided by twenty four (24). Thereafter, upon implementation of Phase 2 of the increased rates, the monthly deposit shall be five percent (5%) of the gross revenue increase granted by the Arizona Corporation Commission divided by twelve (12).

Far West further acknowledges and agrees that the Yuma County Treasurers possesses the statutory authority to sell tax liens for the delinquent taxes due on the properties and account described above. However, the Yuma County Treasurer agrees that the above described centrally valued property will not be included in any tax lien sale so long as Far West pays the delinquent taxes according to the above payment schedule.

Far West expressly acknowledges and agrees that the actions of the Yuma County Treasurer in accepting Far West's proposal to satisfy its delinquent tax liability shall not be construed as a waiver of the Treasurer's right to sell tax liens on the properties and accounts described above.

This agreement for the payment of delinquent property taxes owed by Far West supersedes all previous agreements.

By signing below, the parties hereto accept the terms and conditions set forth above.

Dated September 25th, 2013

Far West Water and Sewer, Inc.

By: *Paula S. Capestro*
Paula S. Capestro, President

Dated September 25, 2013

Yuma County Treasurer

By: *Angela Pancrazi Moreno*
Angela Pancrazi Moreno, Treasurer

State of Arizona

County of Yuma

Subscribed before me this 25th day of September, 2013, by Paula S. Capestro, President, Far West Water and Sewer, Inc.

Dorothy L. Law
Notary Public

State of Arizona

County of Yuma

Subscribed before me this 25 day of September, 2013, by Angela Pancrazi Moreno, Treasurer

Susanne Scarpati
Notary Public

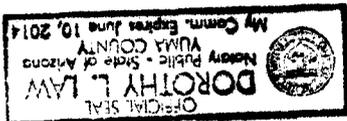


Exhibit B

AGREEMENT FOR THE PAYMENT OF DELINQUENT PROPERTY TAXES OWED BY FAR WEST WATER AND SEWER, INC.

This is an agreement by and between Far West Water and Sewer, Inc., through its President, Paula S. Capestro, and County of Yuma, through its Treasurer, Angela Pancrazi Moreno.

Far West Water and Sewer, Inc. (Far West) hereby acknowledges that it owes property taxes on Centrally Valued Account 55-503, account number U0000005 from those taxes due November 1, 2008 to the present. Far West agrees to pay those delinquent taxes, including accrued interest and any penalties, as well as the property taxes coming due, in the following manner:

2013 taxes – fifty percent (50%) of the total tax due, plus accrued interest and penalties, shall be paid on or before May 1, 2014, with the remaining tax due, plus accrued interest including penalties, to be paid on or before December 1, 2014.

2014 taxes, and thereafter, shall be timely paid as they become due.

2008 taxes, plus accrued interest and penalties, shall be paid in full on or before May 1, 2015.

2009 taxes, plus accrued interest and penalties, shall be paid in full on or before May 1, 2016.

2010 taxes, plus accrued interest and penalties, shall be paid in full on or before May 1, 2017.

2011 taxes, plus accrued interest and penalties, shall be paid in full on or before May 1, 2018.

2012 taxes, plus accrued interest and penalties, shall be paid in full on or before May 1, 2019.

Far West further agrees to create a separate and special account for the deposit of funds to pay its outstanding and delinquent taxes, and to deposit therein on an annual basis an amount equal to five percent (5%) of the gross revenue increase granted it by the Arizona Corporation Commission IN THE MATTER OF THE APPLICATION OF FAR WEST WATER AND SEWER, INC., Docket No. WS-03478A-12-0307. Deposits shall be made in monthly installments beginning on November 15, 2013 and continuing monthly until full and complete satisfaction of its outstanding tax liability owed to Yuma County. The parties hereto acknowledge that the rate increase has been divided into two Phases by the Arizona Corporation Commission. The parties agree that the first six monthly deposits, corresponding to Phase 1 of the rate increase, shall be five percent (5%) of the gross revenue increase granted by the Arizona Corporation Commission divided by twenty four (24). Thereafter, upon implementation of Phase 2 of the increased rates, the monthly deposit shall be five percent (5%) of the gross revenue increase granted by the Arizona Corporation Commission divided by twelve (12).

Far West further acknowledges and agrees that the Yuma County Treasurers possesses the statutory authority to sell tax liens for the delinquent taxes due on the properties and account described above. However, the Yuma County Treasurer agrees that the above described centrally valued property will not be included in any tax lien sale so long as Far West pays the delinquent taxes according to the above payment schedule.

Far West expressly acknowledges and agrees that the actions of the Yuma County Treasurer in accepting Far West's proposal to satisfy its delinquent tax liability shall not be construed as a waiver of the Treasurer's right to sell tax liens on the properties and accounts described above.

This agreement for the payment of delinquent property taxes owed by Far West supersedes all previous agreements.

By signing below, the parties hereto accept the terms and conditions set forth above.

Dated September 25th, 2013

Dated September 25, 2013

Far West Water and Sewer, Inc.

Yuma County Treasurer

By: *Paula S. Capestro*
Paula S. Capestro, President

By: *Angela Pancrazi Moreno*
Angela Pancrazi Moreno, Treasurer

State of Arizona

State of Arizona

County of Yuma

County of Yuma

Subscribed before me this 25th day of
September, 2013, by Paula S. Capestro,
President, Far West Water and Sewer, Inc.

Subscribed before me this 25 day
of September, 2013,
by Angela Pancrazi Moreno, Treasurer

Dorothy L. Law
Notary Public

Susanne Scarpati
Notary Public

