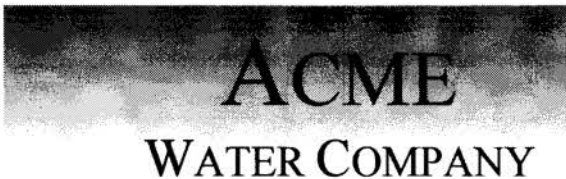


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AZ CORP COMMISSION  
DOCKET CONTROL  
2017 JAN 24 P 3:52

January 24, 2017

Arizona Corporation Commission

Docket Control  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, AZ 85004

W-20809A-16-0479 DOCKETED

JAN 24 2017

DOCKETED BY GB

Staff has requested the following information to be docketed in W-20809A-16-0479

- 1) Legal Descriptions
  - a. Acme Water Company – Blue Hills – Well Site: S30 of E20, Adjacent to Lot 15, Located in the NW ¼ of Section 3, Township 13 North, Range 1 East, Gila and Salt River Base and Meridian, Yavapai County, Arizona  
Acme Water Company – Dells – I. That portion of the East Half, Northwest Quarter of Section, 13 Township 14 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, Arizona, more particularly described as in Appendix B and A attached.
  - b. Acme Water Company – Thunderbird Meadows – Located in a subdivision of that portion of Section 32, Township 12 ½ North, Range 3 West, lying Southeast of U.S. Highway 89; the NE ¼ and the N ½, N ½, SE ¼ of Section 5, Township 12 North, Range 3 West, Gila and Salt River Base and Meridian, Yavapai County, Arizona
  - c. Acme Water Company – Yavapai Estates – A portion of the North Half of the SE ¼ of Section 34, Township 16 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, Arizona
- 2) Assets
  - a) Acme Water Company – Blue Hills – 2-10,000 gallon storage tanks; 4 pressure tanks, 2 wells, 1 arsenic treatment system, 1 public standpipe, 1 chlorinator, approximately 1 mile of distribution pipe.
  - b) Acme Water Company – Dells – 3 – 10,000 gallon storage tanks, 1 pressure tank, 2 wells, 1 chlorinator, approximately 1.3 miles of distribution pipe.
  - c) Acme Water Company – Thunderbird Meadows – 1-85,000 gallon storage tank, 4 uncapped wells (not currently producing), approximately 4 miles of distribution pipe
  - d) Acme Water Company – Yavapai Estates – 2-10,000 gallon storage tanks; 1 pressure tank; 2 wells, 1 arsenic treatment plant, 1 chlorinator, approximately 2 miles of distribution pipe.
- 3) Number of active accounts
  - a) Acme Water Company – Blue Hills – 57
  - b) Acme Water Company – Dells – 58
  - c) Acme Water Company – Thunderbird Meadows – 127
  - d) Acme Water Company – Yavapai Estates – 99

- 4) Legal Names, Physical and Mailing Addresses  
The new legal names will be:  
Acme Water Company – Blue Hills LLC  
Acme Water Company – Dells LLC  
Acme Water Company – Thunderbird Meadows LLC  
Acme Water Company – Yavapai Estates LLC  
There is no change in either physical or mailing addresses – Physical address is 365 E. Coronado, Suite 200; Phoenix, AZ 85004. Mailing address is P.O. Box 10039; Phoenix, AZ 85064.
- 5) What will be the effect of the change on utility service  
There will be no effect on the delivery of utility service
- 6) What will be the effect of the change on customers  
There will be no effect on customers
- 7) The Companies will notify all customers prior to any public hearing of the proposed change.
- 8) The new entities will continue with the same Certified Operator, Brian Cunningham, Yavapai Water Sampling Specialists LLC; 474 Hidden Valley Rd; Prescott, AZ 86303 and the same management, Jim West, P.O. Box 10039, Phoenix, AZ 85064.
- 9) There are no customer deposits, so no deposits will be returned to customers.
- 10) There are no mainline extension agreements in place
- 11) There is one service line and meter installation that is being repaid in the Blue Hills system. Acme Water Company – Blue Hills will assume the responsibility of repaying the installation charge.
- 12) Applications have been made to form the new entities with the Arizona Corporation Commission.
- 13) The approved rates and charges for the 4 systems are attached.
- 14) We are working with Yavapai County, the Town of Chino Valley and the Town of Dewey-Humboldt to change the franchise agreements to the new entities.
- 15) Balance Sheet as of December 31, 2016 is attached.

If Staff has any additional questions, please let me know and I will attempt to answer them in a timely fashion.

Cordially,



Jim West  
Manager

APPENDIX B

- I That portion of the East Half, Northwest Quarter of Section 13, Township 14 North, Range 2 West, Yavapai County, Arizona, more particularly described as follows:

Beginning at Burgett Corner which lies North  $23^{\circ}34'$  East 4825.39 feet from the Southwest corner of Section 13; thence South  $79^{\circ}04'$  East 715 feet more or less to the North-South center line of Section 13; thence South along the North-South center line to the Southeast corner of the North Half of the North Half of the Southeast Quarter of the Northwest Quarter; thence West along the South line to the Southwest corner of the North Half of the North Half of the Southeast Quarter of the Northwest Quarter; thence North along the North-South 1/16 line to a point on the East right-of-way line of U.S. Highway 89; thence Northeasterly along said East right-of-way line to a point that lies North  $89^{\circ}44'$  West 390 feet from the point of beginning (Burgett Corner); thence South  $89^{\circ}44'$  East 390 feet to the point of beginning.

- II Those parcels of land in the North Half of the Northwest Quarter of Section 13, Township 14 North, Range 2 West, Yavapai County, Arizona, lying west of U.S. Highway 89 and those parcels of land in the Southwest Quarter of the Southwest Quarter of Section 12, Township 14 North, Range 2 West, Yavapai County, Arizona, which are more particularly described in Exhibit A attached hereto and incorporated herein by reference.

APPENDIX A

The following described property located in the area generally known as Granite Dells, northeast of Prescott, in Yavapai County, Arizona:

The Southwest Quarter of the Southwest Quarter of Section Twelve, Township Fourteen North, Range Two West; the North Half of the North Half of the Southeast Quarter of the Northwest Quarter of Section Thirteen, Township Fourteen North, Range Two West;

All that portion of the Northwest Quarter of the Northwest Quarter of Section Thirteen, Township Fourteen North, Range Two West, lying Northeasterly of a line described as follows:

Beginning at the Easterly end of the line, a nail in the pavement of U. S. Highway 89, whence a shiner in the highway bears North  $52^{\circ}53'$  East 37.7 feet; and a shiner in said highway bears South  $22^{\circ}45'$  East 23.53 feet; and a one inch pipe bears North  $83^{\circ}19'$  East 487.3 feet; from said pipe, the Southwest corner of said Section Thirteen bears South  $23^{\circ}34'$  West 4825.4 feet (tie by G. M. Burgett); thence North  $51^{\circ}45'$  West 492.45 feet to a point; thence North  $38^{\circ}24\frac{1}{2}'$  East 399.04 feet; thence North  $54^{\circ}43'$  West, 449.52 feet; thence South  $32^{\circ}7'$  West, 355.84 feet; thence North  $51^{\circ}45'$  West to a point on the North line of the Northwest Quarter of the Northwest Quarter of said Section 13.

All that portion of the Northeast Quarter of the Northwest Quarter of Section Thirteen, Township Fourteen North, Range Two West, described as follows:

Beginning at a point that lies North  $23^{\circ}34'$  East 4825.39 feet from the corner common to Sections Thirteen, Fourteen, Twenty-three and Twenty-four, above Township and Range; thence South  $79^{\circ}04'$  East to a point on the East line of said Northeast Quarter of the Northwest Quarter; thence South along said East line to the South line of said Northeast Quarter of the Northwest Quarter; thence West along said South line to the Southwest corner of the Northeast Quarter of the Northwest Quarter; thence North along the West line of the Northeast Quarter of the Northwest Quarter; to a point on the East right-of-way line of State Highway No. 89; thence Northeasterly along said right-of-way line to a point that lies North  $89^{\circ}44'$  West, 390 feet from the point of beginning; thence South  $89^{\circ}44'$  East to an iron pin set by G. M. Burgett, which is North  $23^{\circ}34'$  East, 4825.4 feet from the Southwest corner of Said Section 13; thence South  $21^{\circ}35'$  West, 110.21 feet to a point; thence South  $79^{\circ}04'$  East, 173.6 feet; thence North  $37^{\circ}18'$  East, 132.1 feet to a point; thence South  $89^{\circ}44'$  East to the point of beginning.

All that portion of the Northeast Quarter of the Northwest Quarter of Section Thirteen, Township Fourteen North, Range Two West, lying West of the West right-of-way line of U. S. Highway 89.

## Yavapai Estates

### Monthly Usage Charge:

5/8" x 3/4" Meter	\$ 9.50
3/4" Meter	14.25
1" Meter	23.75
1½" Meter	47.50
2" Meter	76.00
3" Meter	152.00
4" Meter	237.50
6" Meter	475.00

### Gallage Charge (per 1,000 Gallons) 5/8" x 3/4" and 3/4" Meters

0 to 3,000 Gallons	\$ 2.20
3,001 to 10,000 Gallons	3.65
over 10,000 Gallons	4.20

1" Meter	
0 to 20,000 Gallons	\$ 3.65
over 20,000 Gallons	4.20

1.5" Meter	
0 to 55,000 Gallons	\$ 3.65
over 55,000 Gallons	4.20

2" Meter	
0 to 100,000 Gallons	\$ 3.65
over 100,000 Gallons	4.20

3" Meter	
0 to 220,000 Gallons	\$ 3.65
over 220,000 Gallons	4.20

4" Meter	
0 to 350,000 Gallons	\$ 3.65
over 350,000 Gallons	4.20

6" Meter	
0 to 730,000 Gallons	\$ 3.65
over 730,000 Gallons	4.20

### Service Line and Meter Installation Charges:

(Refundable pursuant A.A.C. R14-2-405)

<u>Service Line</u>	<u>Meter</u>	<u>Total</u>	
5/8 x ¾" Meter	\$ 385.00	135.00	520.00
3/4" Meter	385.00	215.00	600.00
1" Meter	435.00	255.00	690.00
1½" Meter	470.00	465.00	935.00
2" Meter	630.00	965.00	1,595.00
3" Meter	805.00	1,470.00	2,275.00
4" Meter	1,170.00	2,350.00	3,520.00
6" Meter	1,730.00	4,545.00	6,275.00

### Service Charges

Establishment	\$ 30.00
Establishment (After Hours)	N/A
Reconnection (Delinquent)	30.00
Meter Test (If Correct)	35.00
Deposit	*
Deposit Interest	*
Re-Establishment (within 12 Months)	**
NSF check	30.00
Deferred Payment (Per Mo.)	1.5%
Meter Re-Read (If Correct)	15.00

Monthly Service Charge for Fire Sprinkler

4" or smaller	***
6"	***
8"	***
10"	***
Larger than 10"	***

\* Per Commission rule A.A.C. R14-2-403(B).

\*\* Number of months off system times the monthly minimum per Commission rule A.A.C. R14-2-403(D).

\*\*\* 1.0% of Monthly Minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

## Blue Hills #3

### Monthly Usage Charge:

5/8" x 3/4" Meter	\$ 12.00
3/4" Meter	12.00
1" Meter	30.00
1 1/2" Meter	60.00
2" Meter	96.00
3" Meter	192.00
4" Meter	300.00
5" Meter	450.00
6" Meter	600.00

### GALLONAGE CHARGES:

(per 1,000 Gallons)

0 to 3,000 Gallons	\$ 3.00
3,001 to 10,000 Gallons	4.50
over 10,000 Gallons	5.40
Bulk rate per 1,000 Gallons	5.40

### Monthly Infrastructure Surcharge:

5/8" x 3/4" Meter	\$ 8.10
1" Meter	20.26
1 1/2" Meter	40.51

### Service Line and Meter Installation Charges:

(Refundable pursuant A.A.C. R14-2-405)

	<u>Service Line</u>	<u>Meter</u>	<u>Total</u>
5/8 x 3/4" Meter	\$ 385.00	135.00	520.00
3/4" Meter	385.00	215.00	600.00
1" Meter	435.00	255.00	690.00
1 1/2" Meter	470.00	465.00	935.00
2" Meter	630.00	965.00	1,595.00
3" Meter	805.00	1,470.00	2,275.00
4" Meter	1,170.00	2,350.00	3,520.00
6" Meter	1,730.00	4,545.00	6,275.00

### Service Charges

Establishment	\$ 30.00
Establishment (After Hours)	N/A
Reconnection (Delinquent)	30.00
Meter Test (If Correct)	50.00
Deposit	*
Deposit Interest	*
Re-Establishment (within 12 Months)	**
NSF check	30.00
Deferred Payment (Per Year)	6%
Meter Re-Read (If Correct)	15.00
Late Fee	***

### Monthly Service Charge for Fire Sprinkler

4" or small	****
6"	****
8"	****
10"	****
Larger than 10"	****

\* Per Commission rule A.A.C. R14-2-403(B).

\*\* Number of months off system times the monthly minimum per Commission rule A.A.C. R14-2-403(D).

\*\*\* 1.5% of monthly unpaid balance

\*\*\*\* 1.00% of Monthly Minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

## Thunderbird Meadows

### Monthly Usage Charge:

5/8" x 3/4" Meter	\$ 16.50
3/4" Meter	24.75
1" Meter	41.25
1 1/2" Meter	82.50
2" Meter	132.00
3" Meter	264.00
4" Meter	412.50
6" Meter	825.00

### Gallage Charge (per 1,000 Gallons)

#### Residential Customers

<u>5/8" x 3/4" and 3/4" Meters</u>	
0 to 3,000 Gallons	\$ 3.45
3,001 to 10,000 Gallons	5.18
over 10,000 Gallons	6.20

#### Commercial Customers

<u>5/8" x 3/4" and 3/4" Meters</u>	
1 to 10,000 Gallons	\$ 5.18
over 10,000 Gallons	6.20
1" Meter	
1 to 10,000 Gallons	\$ 5.18
over 10,000 Gallons	6.20
1.5" Meter	
1 to 63,000 Gallons	\$ 5.18
over 63,000 Gallons	6.20
2" Meter	
1 to 109,000 Gallons	\$ 5.18
over 109,000 Gallons	6.20
3" Meter	
1 to 237,000 Gallons	\$ 5.18
over 237,000 Gallons	6.20
4" Meter	
1 to 381,000 Gallons	\$ 5.18
over 381,000 Gallons	6.20
6" Meter	
1 to 780,000 Gallons	\$ 5.18
over 780,000 Gallons	6.20

### Infrastructure Surcharge:

5/8" x 3/4" Meter	\$ 6.71
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### Service Line and Meter Installation Charges:

(Refundable pursuant A.A.C. R14-2-405)

	<u>Service Line</u>	<u>Meter</u>	<u>Total</u>
5/8 x 3/4" Meter	\$ 385.00	135.00	520.00
3/4" Meter	385.00	215.00	600.00
1" Meter	435.00	255.00	690.00
1 1/2" Meter	470.00	465.00	935.00
2" Meter	630.00	965.00	1,595.00
3" Meter	805.00	1,470.00	2,275.00
4" Meter	1,170.00	2,350.00	3,520.00
6" Meter	1,730.00	4,545.00	6,275.00

### Service Charges

Establishment	\$ 30.00
Establishment (After Hours)	N/A
Reconnection (Delinquent)	30.00
Meter Test (If Correct)	35.00
Deposit	*
Deposit Interest	*
Re-Establishment (within 12 Months)	**
NSF check	30.00
Deferred Payment (Per year)	6%
Meter Re-Read (If Correct)	15.00
Late Charge	***

### Monthly Service Charge for Fire Sprinkler

4" or smaller	****
6"	****
8"	****
10"	****
Larger than 10"	****

\* Per Commission rule A.A.C. R14-2-403(B).

\*\* Number of months off system times the monthly minimum per Commission rule A.A.C. R14-2-403(D).

\*\*\* 1.5% of monthly unpaid balance

\*\*\*\* 1.0% of Monthly Minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.



## Dells

### Monthly Usage Charge:

5/8" x 3/4" Meter	\$ 11.00
3/4" Meter	16.50
1" Meter	27.50
1 1/2" Meter	55.00
2" Meter (Turbo)	88.00
3" Meter (Turbo)	176.00
4" Meter (Turbo)	275.00
6" Meter (Turbo)	550.00

### Residential Customers:

#### Gallage Charge (per 1,000 Gallons)

0 to 3,000 Gallons	\$ 1.37
3,001 to 10,000 Gallons	2.06
over 10,000 Gallons	2.47

### Commercial Customers:

#### Gallage Charge (per 1,000 Gallons)

0 to 34,000 Gallons	2.06
over 34,000 Gallons	2.47

### Service Line and Meter Installation Charges:

(Refundable pursuant A.A.C. R14-2-105)

5/8 x 3/4" Meter	\$ 520.00
3/4" Meter	600.00
1" Meter	690.00
1 1/2" Meter	935.00
2" Meter (Turbo)	1,595.00
3" Meter (Turbo)	2,275.00
4" Meter (Turbo)	3,520.00
6" Meter (Turbo)	6,275.00

### Service Charges

Establishment	\$ 30.00
Establishment (After Hours)	N/A
Reconnection (Delinquent)	60.00
Meter Test (If Correct)	50.00
Deposit	*
Deposit Interest	*
Re-Establishment (within 12 Months)	**
NSF check	15.00
Deferred Payment (Per Month)	1.5%
Meter Re-Read (If Correct)	15.00
Late Fee	***

### Monthly Service Charge for Fire Sprinkler

4" or small	****
6"	****
8"	****
10"	****
Larger than 10"	****

\* Per Commission rule A.A.C. R14-2-403(B).

\*\* Number of months off system times the monthly minimum per Commission rule A.A.C. R14-2-403(D).

\*\*\* 1.5% of monthly unpaid balance

\*\*\*\* 1.00% of Monthly Minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

**Acme Water Company**  
**Balance Sheet**  
As of December 31, 2016

	Dec 31, 16
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
131 · Acme Water Company	2,306.04
<b>Total Checking/Savings</b>	2,306.04
<b>Total Current Assets</b>	2,306.04
<b>Fixed Assets</b>	
101 · Utility Plant in Service	
Pumping Equipment	
101.2 · Dells Storage Tanks	4,347.44
311.1 · Pumping Equipment - B Hills	8,529.00
311.2 · Pumping Equipment - Dells	5,000.00
311.3 · Pumping Equipment - T-Bird	2,500.00
311.4 · Pumping Equipment - Yav	12,500.00
<b>Total Pumping Equipment</b>	32,876.44
Storage Tanks	
305.1 · Collecting and Impounding - B H	5,000.00
305.2 · Collecting and Impound - Dells	50,000.00
305.3 · Collecting and Impound - T-Bird	140,000.00
305.4 · Collecting and Impound - Yav	5,000.00
<b>Total Storage Tanks</b>	200,000.00
<b>Total 101 · Utility Plant in Service</b>	232,876.44
303.1 · Land and Land Rights - B Hills	3,830.25
303.2 · Land and Land Rights - Dells	3,830.25
303.3 · Land and Land Rights - T-Bird	3,830.25
303.4 · Land and Land Rights - Yav	3,830.25
307.1 · Wells and Springs - B Hills	8,670.00
307.2 · Wells and Springs - Dells	9,080.00
307.3 · Wells and Springs - T-Bird	17,345.00
307.4 · Wells and Springs - Yav	14,905.00
320.1 · Dist. Reservoirs and St	41,673.58
320.4 · Dist Reservoirs and St - Yav	166,694.34
331.1 · Transmission and Dist - B Hills	21,675.00
331.2 · Transmission and Dist - Dells	22,700.00
331.3 · Transmission and Dist - T-Bird	43,362.50
331.4 · Transmission and Dist - Yav	37,262.50
<b>Total Fixed Assets</b>	631,565.36
<b>Other Assets</b>	
108 · Accumulated Depreciation	-78,699.00
<b>Total Other Assets</b>	-78,699.00
<b>TOTAL ASSETS</b>	<b>555,172.40</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Other Current Liabilities	
232 · Notes Payable	
.1 · Notes Payable - Jim West	125,000.00
<b>Total 232 · Notes Payable</b>	125,000.00
236 · Accrued Taxes	48,756.00
<b>Total Other Current Liabilities</b>	173,756.00
<b>Total Current Liabilities</b>	173,756.00
<b>Long Term Liabilities</b>	

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Accrual Basis

**Acme Water Company**

**Balance Sheet**

As of December 31, 2016

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	<u>Dec 31, 16</u>
224 · Long-Term Debt	
224.1 · Blue Hills Treatment Plant	37,613.63
224.2 · Dells - Storage Tanks	16,120.30
224.3 · TBird Storage Tank	83,685.59
224.4 · YMHE - Treatment Plant	160,752.10
	<hr/>
<b>Total 224 · Long-Term Debt</b>	<b>298,171.62</b>
	<hr/>
<b>Total Long Term Liabilities</b>	<b>298,171.62</b>
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<b>Total Liabilities</b>	<b>471,927.62</b>
	<hr/>
Equity	
members Personal Purch	-2,121.42
211 · Other Paid-In Capital	1,000.00
32000 · Members Equity	51,825.97
Net Income	32,540.23
	<hr/>
<b>Total Equity</b>	<b>83,244.78</b>
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<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>555,172.40</b>
	<hr/> <hr/>