

ORIGINAL

NEW APPLICATION



0000178847

RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL

2017 APR 17 P 2:00

1 Steve Wene, State Bar No. 019630
2 MOYES SELLERS & HENDRICKS LTD.
3 1850 N. Central Ave., Suite 1100
4 Phoenix, Arizona 85004
5 Telephone: 602-604-2141
6 e-mail: swene@law-msh.com

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

9 TOM FORESE - CHAIRMAN
10 DOUG LITTLE
11 BOB BURNS
12 ANDY TOBIN
13 BOYD DUNN

Arizona Corporation Commission

DOCKETED

APR 17 2017

DOCKETED BY

W-02594A-17-0113

14 **IN THE MATTER OF THE**
15 **APPLICATION OF THIM WATER**
16 **CORPORATION, INC., FOR**
17 **AUTHORITY TO INCUR LONG-TERM**
18 **DEBT**

DOCKET NO. W-02594A-17-
FINANCE APPLICATION

19 Thim Water Corporation ("Thim" or "Company") hereby files an application to
20 finance improvements to its water system.
21

22 **INFORMATION REQUESTED ON APPLICATION FORM**

23 **1. Applicant's Name and Address.**

24 Thim Water Corporation
25 Attn: Bonnie O'Connor
26 Southwestern Utility Management
27 P.O. Box 85160
28 2015 N. Forbes Blvd., Ste. 107
Tucson, Arizona 85745
Telephone: 520-623-5172 ext. 7

1 Facsimile: 520-792-0377

2 **2. Person Authorized to Receive Communications.**

3 Steve Wene
4 Moyes Sellers & Hendricks Ltd.
5 1850 North Central Ave., Suite 1100
6 Phoenix, Arizona 85004
7 Telephone: (602) 604-2189
8 Facsimile: (602) 274-9135
9 swene@law-msh.com

8 **3. Data Request Responses.**

9 The responses to the data request are set forth in Attachment A.

10 **4. Consistency with A.R.S. § 40-301 et seq.**

11 The proposed financing is: (a) within the Company's corporate powers;
12 (b) compatible with the public interest; (c) compatible with sound financial practices;
13 (d) compatible with the proper performance by the applicant of service as a public service
14 corporation and will not impair the Company's ability to perform that service; and (e) not
15 reasonably chargeable to operative expenses or to income because the proceeds are being
16 used to make major capital improvements.

17 **5. Proceeds Statement and Service Fees.**

18 Gross proceeds will be \$40,000. There is no origination fee. The Company will
19 net \$40,000 from the proposed loan. Under the loan terms, the Company anticipates
20 paying a fixed interest rate of approximately 5.50%. This market rate loan is reasonable
21 for the Commission to approve.

22 **6. Documents to be Executed in this Matter.**

23 The Company anticipated executing a promissory note consistent with the form set
24 forth in Exhibit 1.2.

25 **7. Customer Notice.**

26
27 The Commission's required notice will be timely published in a newspaper of
28 general circulation in the Company's service area. The Company will file with the

1 Commission a copy of the actual notice published and an affidavit stating when it was
2 published.

3 **REQUEST FOR APPROVAL**

4 As set forth in this Application, the Company requests that the Commission
5 authorize the financing described herein.
6

7 DATED this 17th day of April, 2017.

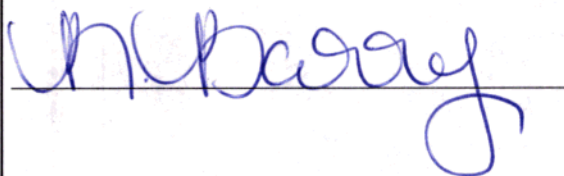
8 **MOYES SELLERS & HENDRICKS LTD.**

9
10 

11
12 Steve Wene

13
14 **Original and 1 copy** filed this
15 17th day of April, 2017, with:

16 Docket Control
17 Arizona Corporation Commission
18 1200 West Washington
19 Phoenix, Arizona 85007

20 
21
22
23
24
25
26
27
28

Attachment A

1
2
3 **ATTACHMENT A**

4 **1.1** – Provide audited financial statements for the Company’s most recent fiscal year end
5 to include, but not limited to, balance sheets, income statements, reconciliation of
6 retained earnings (membership capital or equity), cash flow statements, footnotes,
7 disclosures, and any other pertinent documentation including a schedule of general and
8 administrative costs, and all management and accountants opinion letters. Un-audited
9 financial statements will suffice if audited statements are not routinely generated. If the
10 financial statements provided are not for the fiscal year immediately preceding the
11 calendar year in which the current financing approval application is docketed, indicate
12 when the more recent financial statements are expected to be available and provide them
13 as soon as they become available.

14 **Response 1.1** - *See* Exhibit 1.1 (Company’s most-recent annual report).

15 **1.2** – Provide the name and address of the lender or debt placement agent, and the
16 expected terms of the planned financing, including but not limited to, loan amount,
17 inception date, maturity date, interest rate (for variable interest rates state the basis upon
18 which the rate is dependent and the time interval or frequency the changes are
19 implemented), numerical covenants such as debt service coverage (“DSC”), times interest
20 earned coverage (“TIER”), cash coverage ratio (“CCR”), equity-to-total capital ratio, etc.
21 For amortizing loans, provide an amortization schedule showing the scheduled payments
22 for principal and interest for the full duration of the loan.

23 **Response 1.2.1** - The lender is Fotinos Water Company, LLC, and the contact
24 information is set forth below:

25 Fotinos Water Company, LLC
26 5851 E. Speedway
27 Tucson, Arizona 85712
28 (ph) 520-623-5172

1 **Response 1.2.2** - If the Commission authorizes the proposed debt, the Company will
2 request that Fotinos Water Company, LLC (“Fotinos”) lend the Company \$40,000.00 at a
3 fixed rate of approximately 5.50% for a 10-year term. To assist in the loan analysis, a
4 copy of the proposed loan agreement is set forth in Exhibit 1.2.

5 **Response 1.2.3** - Regarding the numerical covenants, the Debt Service Coverage
6 requirement is not applicable.

7 **Response 1.2.4** – The amortization schedule will be developed following Commission
8 approval of the loan.

9
10 **1.3** – Provide an explanation of the proposed use of the financing proceeds. If the
11 proceeds of the financing are for funding multiple projects/uses or a construction work
12 plan (“CWP”), provide a detailed list of the projects/uses or a copy of the CWP and the
13 associated cost and the expected funding dates for each. Also provide a copy of any
14 independent external engineering review of the CWP.

15 **Response 1.3** - The financing is needed to pay two unexpected costs: (1) replacing and
16 relocating a 6” transmission line; and (2) the replacing of a pressure tank. *See*
17 Attachment 1.3. The combined expense for these two costs is \$48,613. The Company’s
18 cash flow is insufficient to pay these costs without long-term financing.

19
20 **1.4** – If interim funding is to be utilized for the projects in the CWP, identify the source
21 of all elements of this expected interim funding and when the interim funding is expected
22 to be retired and replaced with permanent funding from this new financing arrangement.

23 **Response 1.4** – This loan occurred to address an emergency. The Company now seeks
24 approval of the loan due to the fact that the Company cannot service the debt.

25
26 **1.5** – Provide the balances, if any, of “Advances in Aid of Construction” and
27 “Contributions in Aid of Construction,” as of the end of the Company’s most recent fiscal
28 year.

1 **Response 1.5** – See Exhibit 1.1 (Company’s most-recent annual report).

2
3 **1.6** – Provide proof of notice of this matter duly published within newspapers of general
4 circulation within the Company’s service territory, as specified in the finance application
5 form at <http://www.azcc.gov/divisions/utilities/forms.asp>. Identify any other method
6 (e.g., direct mail) used to provide customer notice of the financing application, provide a
7 copy of the notice and specify the date the notice was provided to customers and provide
8 an affidavit attesting to the provision of the supplemental or alternate notice method.

9 **Response 1.6** – The Company will provide public notice in a timely fashion in the form
10 prescribed by the Commission. See Exhibit 1.6. However, the public notice requires
11 information, such as a docket number, that can only be determined after the financing
12 application is filed, so the notice will necessarily be late filed.

13
14 **1.7** – Provide the number of customers currently served by rate class, and a brief
15 description of each class of customers (residential, commercial, etc.).

16 **Response 1.7-** See Exhibit 1.1 (Company’s most recent annual report).

17
18 **1.8** – Provide a schedule detailing all financing approvals obtained by the Arizona
19 Corporation Commission (“Commission”) that remain in effect and indicate docket
20 numbers, amounts approved, amounts drawn and any balances not yet drawn. For any
21 balances not yet drawn, provide an explanation of why the funds have not been drawn
22 and how the Company intends to utilize this currently available borrowing capacity.

23 **Response 1.8** – Currently, the Company has no other loans at this time.

24
25 **1.9** – If not clearly identified with the financial statements and footnotes of the financial
26 statements provided in response to 1.1, provide a complete list of all long-term debt
27 obligations (including capital leases). For each obligation provide: the lender’s name and
28 contact information, the initial loan amount, the current outstanding (unpaid) balance, the

1 inception date, the maturity date(s), the annual interest rate (for variable interest rates
2 state the basis upon which the rate is dependent and the time interval or frequency the
3 changes are implemented), the numerical covenants such as DSC, TIER, CCR, equity-to-
4 total capital ratio, etc. For amortizing loans, provide and amortization schedule showing
5 the scheduled payments for principal and interest. Also, provide any other information
6 pertinent for gaining an essential understanding of the Company's debt obligations.

7 **Response 1.9** – Not applicable.

8
9 **1.10** – If any of the proceeds from the newly proposed debt will be used to retire existing
10 long-term or short-term debt, identify the specific loans, amounts and anticipated dates
11 for the refunding.

12 **Response 1.10** – The Company intends for the current short-term loan to be converted
13 into a long-term loan.

14
15 **1.11** – Provide a certificate of resolution from the board of directors authorizing the filing
16 of this application.

17 **Response 1.11** – *See Exhibit 1.11.*

18
19 **1.12** – Provide financial information projecting the Company's estimated financial
20 performance (cash flows, operating income) for each of the next five years, identifying
21 all significant assumptions (e.g., rate increases, customer/sales grow, inflation, etc.)

22 **Response 1.12** – The Company anticipates filing a rate case, so it has no way of
23 projecting its financial performance during the next 5 years until after the Commission
24 renders a decision in that matter.

25
26 **1.13** – If the Company has a revolving line-of-credit facility ("LOC"), provide the
27 following: the execution date, the termination date, the maximum borrowing capacity, the
28 balance for each of the most recent 12 months, the name of the lender, the basis and term

1 for the interest rate charged (e.g., LIBOR plus 2.0 percent), a detailed explanation of any
2 fees other than interest (e.g., a commitment fee) and an explanation of any changes the
3 Company anticipates to the line-of-credit during the next five years.

4 **Response 1.13** - Not applicable.

5
6 **1.14** – If applicable, provide the Company’s most recent credit agency(ies) financial
7 review(s).

8 **Response 1.14** – The Company does not possess this information.

9
10 **1.15** – Provide the Commission decision number and date for the Company’s most recent
11 general rate case and state the date of the test year end used in that rate case.

12 **Response 1.15** – The current owners are not aware of the date of the last rate case, but it
13 is believed that the current rates have been in place for more than 25 years.

14
15 **1.16** – Identify any additional financing authorizations the Company contemplates
16 seeking from the Commission in the next five years.

17 **Response 1.16** – None.

18
19 **1.17** – For a financing application by an electric provider in which the funds will be used
20 for projects in a CWP that has not been previously reviewed by the Commission, provide
21 the following information in the spreadsheet provided.....

22 **Response 1.17** – Not Applicable.

EXHIBIT 1.1

ANNUAL REPORT

Of

Company Name:

Thim Water Corporation

Mailing Address:

PO Box 85160
Tucson, AZ 85754

Docket No.:

W-02594A

For the Year Ended:

12/31/2016

WATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdefafuente@azcc.gov, mail or deliver the completed Annual Report to:

Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, AZ 85007

Application Type:

Original Filing

Application Date:

2016

ARIZONA CORPORATION COMMISSION
WATER UTILITY ANNUAL REPORT
Thim Water Corporation

A Class Utility

1. For the Calendar Year Ended 12/31/2016

2. Address:

PO Box 85160					
City:	Tucson	State:	AZ	Zip Code:	85754

3. Telephone Number:

520.623.5172

4. Date of Original Organization of Utility:

1989

5. Person to whom correspondence should be addressed concerning this report:

Name:	Bonnie O'Connor, Manager				
Telephone No. :	520.623.5172				
Address:	PO Box 85160				
City:	Tucson	State:	AZ	Zip Code:	85754
Email:	info@southwesternutility.com				

6. On-Site Manager:

Name:	Keith Dojaquez				
Telephone No. :	520.623.5172				
Address:	PO Box 85160				
City:	Tucson	State:	AZ	Zip Code:	85754
Email:	info@southwesternutility.com				

7. Ownership:

S-Corp

8. Counties Served:

Pima

Thim Water Corporation
Annual Report
Utility Plant in Service (Water)
12/31/2016

Utility Plant in Service (Water)				
Account No.	Description	Original Cost	Accumulated Depreciation	OCLD (OC less AD)
301	Organization	\$ 100	\$ -	\$ 100
302	Franchises	250		250
303	Land and Land Rights	1,000		1,000
304	Structures and Improvements	11,596	11,596	-
305	Collecting & Improving Reservoirs	-		-
306	Lake, River, Canal Intakes	-		-
307	Wells and Springs	34,302	19,135	15,168
308	Infiltration Galleries	-		-
309	Supply Mains	-		-
310	Power Generation Equipment	-		-
311	Pumping Equipment	30,442	11,454	18,989
320	Water Treatment Equipment	-		-
320.1	Water Treatment Plants	-		-
320.2	Solution Chemical Feeders	-		-
320.3	Point-of-Use Treatment Devices	-		-
330	Distribution Reservoirs and Standpipes	-		-
330.1	Storage Tanks	7,000	7,000	-
330.2	Pressure Tanks	1,619	202	1,416
331	Transmission and Distribution Mains	63,139	12,332	50,808
333	Services	-		-
334	Meters and Meter Installations	10,422	3,541	6,880
335	Hydrants	-		-
336	Backflow Prevention Devices	-		-
339	Other Plant and Misc. Equipment	-		-
340	Office Furniture and Equipment	-		-
340.1	Computers & Software	-		-
341	Transportation Equipment	8,125	8,125	-
342	Stores Equipment	-		-
343	Tools, Shop and Garage Equipment	-		-
344	Laboratory Equipment	-		-
345	Power Operated Equipment	-		-
346	Communications Equipment	-		-
347	Miscellaneous Equipment	-		-
348	Other Tangible Plant	-		-
	Totals	\$ 167,995	\$ 73,384	\$ 94,610

Thim Water Corporation
Annual Report
Depreciation Expense for the Current Year (Water)
12/31/2016

Depreciation Expense for the Current Year (Water)								
Account No.	Description	Original Cost	Current Year Additions	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
301	Organization	\$ 100	\$ -	\$ 100	\$ 100	\$ -		\$ -
302	Franchises	250		250	250	-		-
303	Land and Land Rights	1,000		1,000	1,000	-		-
304	Structures and Improvements	11,596		11,596		11,596	5.00%	580
305	Collecting & Improving Reservoirs			-		-		-
306	Lake, River, Canal Intakes			-		-		-
307	Wells and Springs	34,302		34,302		34,302	5.00%	1,715
308	Infiltration Galleries			-		-		-
309	Supply Mains			-		-		-
310	Power Generation Equipment			-		-		-
311	Pumping Equipment	19,603	10,840	30,442	10,500	19,942	5.00%	726
320	Water Treatment Equipment			-		-		-
320.1	Water Treatment Plants			-		-		-
320.2	Solution Chemical Feeders			-		-		-
320.3	Point-of-Use Treatment Devices			-		-		-
330	Distribution Reservoirs and Standpipes			-		-		-
330.1	Storage Tanks	7,000		7,000	7,000	-	5.00%	-
330.2	Pressure Tanks	1,619		1,619		1,619	5.00%	81
331	Transmission and Distribution Mains	55,877	7,262	63,139		63,139	5.00%	2,975
333	Services			-		-		-
334	Meters and Meter Installations	10,422		10,422	2,600	7,822	5.00%	391
335	Hydrants			-		-		-
336	Backflow Prevention Devices			-		-		-
339	Other Plant and Misc. Equipment			-		-		-
340	Office Furniture and Equipment			-		-		-
340.1	Computers & Software			-		-		-
341	Transportation Equipment	8,125		8,125	8,125	-	5.00%	-
342	Stores Equipment			-		-		-
343	Tools, Shop and Garage Equipment			-		-		-
344	Laboratory Equipment			-		-		-
345	Power Operated Equipment			-		-		-
346	Communications Equipment			-		-		-
347	Miscellaneous Equipment			-		-		-
348	Other Tangible Plant			-		-		-
	Subtotal	\$ 149,893	\$ 18,102	\$ 167,995	\$ 29,575	\$ 138,420		\$ 6,468

Contribution(s) in Aid of Construction (Gross) \$ 1,125
Less: Non Amortizable Contributions(s) -
Fully Amortized Contributions(s) -
Amortizable Contribution(s) \$ 1,125
Times: Proposed Amortization Rate 5.00%
Amortization of CIAC \$ 56

Less: Amortization of CIAC \$ (56)

DEPRECIATION EXPENSE \$ 6,412

Thim Water Corporation
Annual Report
Balance Sheet Assets
12/31/2016

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
Account No.	Current and Accrued Assets			
131	Cash		\$ 6,451	\$ 6,519
134	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		2,246	2,047
146	Notes Receivable from Associated Companies			
151	Plant Material and Supplies			
162	Prepayments			
174	Miscellaneous Current and Accrued Assets			
	Total Current and Accrued Assets		\$ 8,697	\$ 8,566
Account No.	Fixed Assets			
101	Utility Plant in Service		\$ 149,893	\$ 167,995
103	Property Held for Future Use			
105	Construction Work In Progress			
108	Accumulated Depreciation - Utility Plant		(66,916)	(73,384)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility			
	Total Fixed Assets		\$ 82,977	\$ 94,610
	Total Assets		\$ 91,674	\$ 103,176

Thim Water Corporation
Annual Report
Balance Sheet Liabilities and Owners Equity
12/31/2016

Balance Sheet Liabilities and Owners Equity

		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
	Liabilities		
Account No.	Current Liabilities		
231	Accounts Payable	\$ 25,996	\$ 27,897
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	1,179	
235	Customer Deposits	4,788	5,205
236	Accrued Taxes	166	160
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	Total Current Liabilities	\$ 32,129	\$ 33,262
	Long-Term Debt		
224	Long-Term Debt (Notes and Bonds)	\$ -	\$ -
	Deferred Credits		
251	Unamortized Premium on Debt	\$ -	\$ -
252	Advances in Aid of Construction		\$ 7,243
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	1,125	1,125
272	Less: Amortization of Contributions	(53)	(109)
281	Accumulated Deferred Income Tax		
	Total Deferred Credits	\$ 1,072	\$ 8,259
	Total Liabilities	\$ 33,201	\$ 41,521
	Capital Accounts		
201	Common Stock Issued	\$ 150	\$ 150
211	Other Paid-In Capital	285,551	288,551
215	Retained Earnings	(227,228)	(227,046)
218	Proprietary Capital (Sole Props and Partnerships)		
	Total Capital	\$ 58,473	\$ 61,655
	Total Liabilities and Capital	\$ 91,674	\$ 103,176

Thim Water Corporation
Annual Report
Water Comparative Income Statement
12/31/2016

Water Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2016 - 12/31/2016	Last Year 01/01/2015 - 12/31/2015
	Operating Revenue		
461	Metered Water Revenue	\$ 34,102	\$ 35,895
460	Unmetered Water Revenue		
462	Fire Protection Revenue		
469	Guaranteed Revenues (Surcharges)		
471	Miscellaneous Service Revenues		
474	Other Water Revenues	700	677
	Total Revenues	\$ 34,802	\$ 36,572
	Operating Expenses		
601	Salaries and Wages	\$ -	\$ -
604	Employee Pensions and Benefits		
610	Purchased Water		
615	Purchased Power	7,292	5,914
618	Chemicals	12	
620	Materials and Supplies		
621.1	Repairs and Maintenance	736	3,789
620.2	Office Supplies and Expense	838	755
630	Contractual Services		13,358
631	Contractual Services - Engineering		
632	Contractual Services - Accounting	2,236	
633	Contractual Services - Legal		
634	Contractual Services - Management Fees	10,158	
635	Contractual Services - Water Testing	1,357	1,905
636	Contractual Services - Other	250	
640	Rents		
641	Rental of Building/Real Property		
642	Rental of Equipment		
650	Transportation Expenses	862	1,888
657	Insurance - General Liability	814	
657.1	Insurance - Health and Life		
665	Regulatory Commission - Rate Case Expense		
670	Bad Debt Expense	61	
675	Miscellaneous Expense	126	606
403	Depreciation Expense (From Page 4)	6,412	4,577
408	Taxes Other Than Income		
408.11	Property Taxes	3,435	5,911
409	Income Taxes		
427.1	Customer Security Deposit Interest	33	128
	Total Operating Expenses	\$ 34,622	\$ 38,831
	Operating Income / (Loss)	\$ 180	\$ (2,259)
	Other Income / (Expense)		
419	Interest and Dividend Income	\$ 1	\$ 1
421	Non-Utility Income		
426	Miscellaneous Non-Utility (Expense)		
427	Interest (Expense)		(225)
	Total Other Income / (Expense)	\$ 1	\$ (224)
	Net Income / (Loss)	\$ 181	\$ (2,483)

Thim Water Corporation
 Annual Report
 Supplemental Financial Data (Long-Term Debt)
 12/31/2016

Supplemental Financial Data (Long-Term Debt)

	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	No Loans			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ -	\$ -	\$ -	\$ -
Amount Outstanding	\$ -	\$ -	\$ -	\$ -
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$ -	\$ -	\$ -	\$ -
Current Year Principal	\$ -	\$ -	\$ -	\$ -

Meter Deposit Balance at Year End:	\$ -
------------------------------------	------

Meter Deposits Refunded During the Year:	\$ -
--	------

List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed.

Water Utility Plant Description

Name of the System:

ADEQ Public Water System Number: 10-206/207

WELLS								
ADWR ID No *	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Pump Motor Type **	Meter Size (inches)	Year Drilled	Arsenic Level (mg/L)
55-504861	15	95	482	12	Submersible	3	1983	0.0044
55-208086	15	107	482	8	Submersible	3	2005	0.0060
55-504860	5 (2)	76	355	8	Submersible	1.5	1983	

OTHER WATER SOURCES		
Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		
Horsepower	GPM	Quantity
1.5		2
5.0		3

FIRE HYDRANTS	
Type	Quantity
Standard ***	5
Other	

STORAGE TANKS		
Capacity	Material	Quantity
2,500	Steel	1
6,000	Steel	3

PRESSURE/BLADDER TANKS	
Capacity	Quantity
1,500	1
5,000	1

* Arizona Department of Water Resources ("ADWR") well identification number.

** Pump motor type, turbine or submersible.

*** A standard fire hydrant has two 2.5 inch hose connection nozzles with 7.5 threads per inch, and one 4.5 inch pumper connection nozzle with 4 threads per inch.

Water Utility Plant Description (Continued)

Name of the System: _____
 ADEQ Public Water System Number: _____ 10-206/207

MAINS		
Size (inches)	Material	Length (feet)
2	PVC	150
3		
4	PVC	14,530
5		
6	PVC	40,810
8		
10		
12		

CUSTOMER METERS	
Size (inches)	Quantity
5/8 x 3/4	6
3/4	97
1	
1 1/2	3
Compound 2	2
Turbine 2	1
Compound 3	
Turbine 3	
Compound 4	
Turbine 5	
Compound 6	
Turbine 6	
6+	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:	N/A
-----------------------------	-----

STRUCTURES:	N/A
--------------------	-----

OTHER:	N/A
---------------	-----

Water Use Data Sheet					
Name of the System:					
ADEQ Public Water System Number:		10-206/207			
Month	Number of Customers	Gallons Sold (thousands) ¹	Gallons Pumped (thousands) ²	Gallons Purchased (thousands) ³	Estimated Gallons Authorized Use (thousands) ⁴
January	70	916	906	0	
February	72	899	1022	0	
March	70	917	961	0	
April	73	1,181	1116	0	
May	73	1,170	1561	0	
June	72	1,473	2022	0	
July	73	1,659	1563	0	
August	74	1,113	1500	0	
September	74	1,142	2383	0	
October	74	972	1309	0	
November	75	908	1437	0	
December	75	824	1112	0	
Totals		13174	16892	0	

If system has fire hydrants, what is the fire flow requirements GPM for hrs.

Does the system have chlorination treatment?

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 If yes, which AMA?

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 If yes, provide the GPCPD amount:

If applicable, in the space below please provide a description for all un-metered water use along with amounts:

Meter malfunctions during the year and location of source of water theft contributed to the water loss during the year.

¹ Gallons sold - Total gallons from customer meters.

² Gallons pumped - Total gallons from pumped sources.

³ Gallons purchased - Total gallons purchased from other sources.

⁴ Estimated gallons authorized use - Total estimated gallons from authorized meter or unmetered use. Authorized use such as flushing (mains, services and hydrants) draining/cleaning tanks, process, construction, fire fighting, etc.

Thim Water Corporation
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/2016

Name of the System:

--

ADEQ Public Water System Number:

10-206/207

Utility Shutoffs / Disconnects			
Month	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	Other
January	0	3	0
February	0	1	0
March	0	3	0
April	0	2	0
May	0	0	0
June	0	1	0
July	0	3	0
August	0	4	0
September	0	0	0
October	0	2	0
November	0	1	0
December	0	2	0
Total	0	22	0

Other (description):

--

Verification and Statement (Residential Revenue)

Verification: State of I, the undersigned of the
(state name)

County of (county name):
Name (owner or official) title:
Company Name:

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING: 12/31/2016

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

(The amount in the box above includes

in sales tax
billed or collected)

signature of owner/official

telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

(county name)

THIS _____ DAY OF _____

(month) and (year)

MY COMMISSION EXPIRES _____

(date)

(signature of notary public)

Thim Water Corporation
Annual Report
Property Taxes
12/31/2016

Property Taxes

Amount of actual property taxes paid during Calendar year 2016 was

\$ 3,739

If no property taxes paid, explain why.

Verification and Statement (Taxes)

Verification: State of Arizona I, the undersigned of the
(state name)

County of (county name): Pima
Name (owner or official) title: Bonnie O'Connor, Manager
Company Name: Thim Water Corporation

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING: 12/31/2016

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

signature of owner/official

520.623.5172
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

(county name)

THIS _____ DAY OF _____
(month) and (year)

MY COMMISSION EXPIRES _____
(date)

(signature of notary public)

Verification and Statement

Verification: State of I, the undersigned of the
(state name)

County of (county name):
Name (owner or official) title:
Company Name:

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING: 12/31/2016

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

(The amount in the box above includes

in sales tax
billed or collected)

signature of owner/official

telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

(county name)

THIS _____ DAY OF _____
(month) and (year)

MY COMMISSION EXPIRES _____
(date)

(signature of notary public)

EXHIBIT 1.2

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR ANY STATE SECURITIES LAWS (THE "SECURITIES LAWS"). THIS NOTE MAY NOT BE TRANSFERRED OR OFFERED FOR SALE OR PLEDGED OR HYPOTHECATED BY THE HOLDER IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT PURSUANT TO THE ACT AND ANY APPLICABLE SECURITIES LAWS WITH RESPECT TO THIS NOTE OR AN EXEMPTION FROM REGISTRATION OR REGULATION UNDER SUCH ACT AND ANY APPLICABLE SECURITIES LAW TOGETHER WITH AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO DEBTOR THAT SUCH REGISTRATION IS NOT REQUIRED.

SECURED PROMISSORY NOTE

\$40,000.00

April 11, 2017

FOR VALUE RECEIVED, Thim Water Corporation, Inc. (the "**Borrower**"), an Arizona corporation, hereby promises to pay to the order of Fotinos Water Company, LLC (the "**Holder**") in immediately available lawful money of the United States of America, the principal amount outstanding on the Borrower's loan of Forty Thousand dollars (\$40,000.00), together with interest thereon at the rate of Five Point Seven Five percent (5.50%) per annum.

Interest shall be computed monthly on the basis of 12 months. In no event shall the amount of interest due or payable under this Secured Promissory Note (this "**Note**") exceed the maximum rate of interest allowed by applicable law and, in the event any such payment is inadvertently paid by the Borrower or inadvertently received by the Holder, then such excess sum shall be credited as payment of principal. Unless otherwise stated herein, all payments made by the Borrower hereunder will be applied: (i) first, to the payment of all charges and fees due under this Note; (ii) second, to the payment in full of accrued and unpaid interest; and (iii) third, to the reduction of outstanding principal. In the event the date for the payment of any amount payable under this Note falls due on any day that is not a Business Day (as defined below), the time for payment of such amount shall be extended to the next succeeding Business Day, but interest shall not continue to accrue on any principal amount so affected until the payment thereof on such extended due date.

This Note shall mature on September, 2027 (the "**Maturity Date**"). Payments of interest and principal shall begin on September 17, 2017 and shall be due on the 17th day of every month thereafter, in accordance with **Attachment 1** hereto.

All accrued and unpaid interest, together with any outstanding Principal Balance on this Note will be due and payable on the Maturity Date, provided however, Borrower may prepay the then remaining unpaid principal due and owing under this Note (the "**Principal Balance**"), as shown on the Holder's records which shall at all times be conclusive and govern, in whole or in part at any time without premium or penalty, together with the accrued and unpaid interest on the principal amount being prepaid. The following are the conditions to which this Note is subject, and to which Holder, by acceptance of this Note, agrees:

1. **Assignment, Books and Records.** Holder may not sell, assign, pledge, dispose of or otherwise transfer all or any portion of this Note without the prior written consent of the Borrower, which consent shall not be unreasonably withheld, conditioned or delayed. Borrower shall not assign, transfer or delegate any of its obligations under this Note without the prior written consent of the Holder given in its absolute and sole discretion. Any attempted transfer in violation of the foregoing sentences will be deemed to be void *ab initio*. This Note is secured.

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR ANY STATE SECURITIES LAWS (THE "SECURITIES LAWS"). THIS NOTE MAY NOT BE TRANSFERRED OR OFFERED FOR SALE OR PLEDGED OR HYPOTHECATED BY THE HOLDER IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT PURSUANT TO THE ACT AND ANY APPLICABLE SECURITIES LAWS WITH RESPECT TO THIS NOTE OR AN EXEMPTION FROM REGISTRATION OR REGULATION UNDER SUCH ACT AND ANY APPLICABLE SECURITIES LAW TOGETHER WITH AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO DEBTOR THAT SUCH REGISTRATION IS NOT REQUIRED.

2. Default and Remedies.

2.1. Events of Default. If any of the events specified below shall occur (herein individually referred to as an "*Event of Default*"), which Event of Default shall remain uncured ten (10) Business Days after written notice from Holder to the Borrower, the Holder may exercise any and all remedies at law or in equity including but not limited to its option to declare acceleration on the Note. Borrower may cure the default by making a payment in respect of all then-remaining principal due and owing under this Note as of such date (the "**Default Balance**"), as shown on the Holder's records which shall at all times be conclusive and govern, and all accrued and unpaid interest on the Default Balance, or by the paying the Principal Balance due on the note in full, within ten (10) Business Days of Borrower's receipt of the default notice from Holder. Each of the following shall be an Event of Default: (a) the failure of Borrower to pay all amounts (whether principal or accrued unpaid interest) when due and owing on this Note (whether at stated maturity, by acceleration or otherwise); (b) a receiver, custodian, liquidator or trustee of Borrower or any of its property is appointed by the order or decree of any court or agency or supervisory authority having jurisdiction; or either Borrower is adjudicated bankrupt or insolvent; or a petition is filed against Borrower under any state or federal bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, liquidation or debt receivership law of any jurisdiction, whether now or hereafter in effect; (c) Borrower files a petition in voluntary bankruptcy or seeks relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment or debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under any such law; (d) Borrower makes an assignment for the benefit of its creditors, or admits in writing its inability to pay its debts generally as they become due, or consents to the appointment of a receiver, trustee, or liquidator of such Borrower; or (e) the institution by Borrower of proceedings to be adjudicated as bankrupt or insolvent, or the consent by Borrower to the institution of bankruptcy or insolvency proceedings against such Borrower or the filing by Borrower of a petition or answer or consent seeking release under any statute, law or regulation, or the consent by Borrower to the filing of any such petition or the appointment of a receiver, assignee, trustee or other similar official of Borrower, or of any substantial part of Borrower's property, or the making by Borrower of an assignment for the benefit of creditors, or the taking of action by Borrower in furtherance of any such action.

2.2. Default Rate. If any payment of interest and/or principal is not received by the Holder hereof when such payment is due, then, as additional remedies, (a) a late charge of five percent (5%) of the amount due and unpaid will be added to the delinquent amount for any payment past due in excess of ten (10) Business Days, and (b) all past due payments of interest and/or principal shall bear interest from their due date until paid at an annual rate equal to the sum of (i) five percent (5%) and (ii) the interest rate specified herein, payable on demand (the "**Default Rate**").

2.3. Limited Remedies. If any Event of Default shall occur and be continuing thirty (30) Business Days after a default notice is sent to Borrower, the Holder may proceed to protect

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and enforce its rights under this Note, as its exclusive remedies, by declaring the balance of the Note (together with all accrued and unpaid interest) immediately due and payable.

3. Waivers, Severability. Borrower on behalf of itself and all sureties, endorsers, guarantors and other parties hereafter assuming or otherwise becoming liable for the payment of any sum of money payable under this Note (a) waives grace, presentment and demand for payment, protest and notice of protest, and non-payment, and all other notice, including notice of intent to accelerate the Maturity Date and notice of acceleration of the Maturity Date, filing of suit and diligence in collecting this Note or enforcing any of the rights of a Holder hereunder, (b) agrees to any substitution, exchange or release of any such rights or the release of any party primarily or secondarily liable hereon, (c) agrees that the Holder shall not be required first to institute suit or exhaust its remedies hereon against Borrower or others liable or to become liable hereon or to enforce its rights against any security which may be granted hereof in order to enforce payment of this Note by it, and (d) consents to any extension or postponement of time of payment of this Note and in any other indulgence with respect hereto without notice thereof. The invalidity or unenforceability in particular circumstances of any provision of this Note shall not extend beyond such provision or such circumstances and no other provision of this Note shall be affected thereby.

4. Collections. Any check, draft, money order or other instrument given in payment of all or any portion of this Note may be accepted by the Holder and handled in collection in the customary manner, but the same shall not constitute payment hereunder or diminish any rights of the Holder except to the extent that actual cash proceeds of such instrument are unconditionally received by the Holder.

5. Financial Statements. Borrower will maintain a system of accounting established and administered to permit preparation of income statements, statements of cash flows and balance sheets.

6. Choice of Law and Jurisdiction. THIS NOTE HAS BEEN EXECUTED AND DELIVERED IN, AND SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAWS OF THE STATE OF ARIZONA. ANY ACTION INITIATED BY A HOLDER AGAINST BORROWER SHALL EXCLUSIVELY BE BROUGHT IN A COURT OF COMPETENT JURISDICTION LOCATED IN THE STATE OF ARIZONA.

7. Amendments. This Note may not be changed or terminated without the prior written approval of the Holder and Borrower. No waiver of any term or provision hereof shall be valid unless in writing signed by the Holder.

8. Notices. All notices and other communications in respect of this Note (including, without limitation, any modifications of, or requests, waivers or consents under, this Note) shall be given or made in writing and be given by personal delivery or sent by United States first-class

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mail, postage prepaid or sent by a nationally recognized air courier to Borrower or the Holder, as the case may be, as follows:

(A) If to Borrower:

Thim Water Corporation
Attn: Bonnie O'Connor
P.O. Box 85160
2015 N. Forbes Blvd., Ste. 107
Tucson, Arizona 85745

(B) If to the Holder:

Fotinos Water Company, LLC
5851 E. Speedway
Tucson, Arizona 85712

or to such other address as either party may designate for itself by written notice given to the other party from time to time in accordance with the provisions hereof. Except as otherwise provided in this Note, all such communications shall be deemed to have been duly given when personally delivered or, in the case of a notice sent by mail or air courier, upon receipt, in each case given or addressed as aforesaid.

IN WITNESS WHEREOF, each of the undersigned has executed this Note on the day and year first written above.

THIM WATER CORPORATION, INC.

By: _____
Kevin Oberg, Secretary

Accepted and agreed this ___ day of _____, 2017.

Fotinos Water Company, LLC

By: _____
Ted Fotinos, Member

EXHIBIT 1.3

JANC Excavation and Construction, LLC
A Small Business Enterprise
P.O. Box 1920
Cortaro, Arizona 85652
Office: 520- 682-0143
Fax: 520-682-0144

INVOICE

DATE	INVOICE #
2/12/2015	05-1455

Residential/Commercial Lic#
195351,204431

Fed ID# 03-0538947

Terms

Net 30

Job Number

15007

Bill To

THIM WATER COMPANY

Description	Est Qty	Est Rate	Est Amt	PriorAmt	Prior %	Curr %	Total %	Amount
PROJECT: SASABE WATER SYSTEM								
Mobilization. (LS)	1	800.00	800.00			100.00%	100.00%	800.00
6-inch PVC. (LF)	780	27.50	21,450.00			100.00%	100.00%	21,450.00
6-inch Valve. (EA)	3	980.00	2,940.00			100.00%	100.00%	2,940.00
DVA. (EA)	1	750.00	750.00			100.00%	100.00%	750.00
2-inch Water Service. (EA)	1	1,460.00	1,460.00			100.00%	100.00%	1,460.00
Pressure Test and bacteria test. (LS)	1	800.00	800.00			100.00%	100.00%	800.00T
Tie to Existing and Abandon in Place. (LS)	2	1,150.00	2,300.00			100.00%	100.00%	2,300.00
NOTE: PER KEITH -- 3/4 INCH ARV. Barricades. (LS)	2	2,200.00	4,400.00			100.00%	100.00%	4,400.00
NOTE: ADDITIONAL PIPE REQUIRED TO GET OUT OF SOUTH BASIN. (LF)	40	13.00	520.00			100.00%	100.00%	520.00T

*101900
Transmission
+ Distribution
mains*

Thank you for your business! Please remit to the above address.

Subtotal \$36,620.00

I HEREBY CERTIFY THAT I HAVE READ, ACKNOWLEDGE, AND AGREE WITH THE ABOVE CONDITIONS.

Sales Tax (8.1%) \$106.92

Payments/Credits \$0.00

Balance Due \$36,726.92

Signed _____

Well-Dr
 3010 S. Cottonwood Ln.
 Tucson Az. 85713
 520-850-5888

Invoice

Date: 02/14/2017
 Invoice No.: 10730
 Ship By: Delivered by Well-Dr

Bill To:
 Thim Water
 Thim Water

Qty	Item	Description	Unit Price	Total
1	1500Hydro	1500 hundred gallon Hydro pnumatic pressure tank with access manway, primed and painted outside. 54"dia x 12' Long 3/16" shell 1/4"Heads. 1,900lbs. New.	\$5,850.00	\$5,850.00
1	Weld.	Welding inside seams and fittings of Pressure Tank	\$950.00	\$950.00
1	Sandblast&Epoxy	Sandblast and epoxy (NSF-61) coat interior of Tank	\$2,500.00	\$2,500.00
3	Crane	Crane Service \$150 an hour	\$150.00	\$450.00
1	Misl plumbing	Plumbing materials to the pressure tank	\$375.00	\$375.00
1	Labor	Removal and Installation	\$850.00	\$850.00
<p>3302 Pressure tank well 8 Need to pay 60% of this total</p>				
			Subtotal	\$10,975.00
			Sales Tax	\$911.25
			Total Amt	\$11,886.25
			Balance Due	\$11,886.25

Quote is for a New non-code tank we would weld on the inside making it a non official code tank. Sandblasted and epoxy coated.

Thank you for your business.

EXHIBIT 1.6

**PUBLIC NOTICE OF THIM WATER CORPORATION, INC.'S
FINANCING APPLICATION
DOCKET NO. W-20594A-17-____**

On April __, 2017, Thim Water Corporation, Inc. (“Company” or “Applicant”) filed an Application with the Arizona Corporation Commission (“Commission”) for an order authorizing Applicant to issue \$40,000 of debt. The purpose of the financing is to replace and relocate a 6” transmission line of 800 approximately linear feet and replace a failed pressure tank. The Commission may approve, disapprove, or approve the financing request with modifications. The Commission may act on the financing request with or without a hearing.

How to View the Application and other Filings

Copies of the application are available from the Company at Southwestern Utility Management, Inc., 2015 N. Forbes Blvd., Suite 107, Tucson, AZ 85745, 800-315-5333 for inspection during regular business hours at the Commission’s Docket Control Center at 1200 West Washington Street, Phoenix, AZ 85007. All filings in this matter are also available via the Commission’s website (www.azcc.gov) using the e-Docket function and

How Interested Persons May Participate

An interested person may participate in this matter by (1) providing written public comment, or (2) filing for intervention and becoming a formal party to the proceeding. Written public comments must refer to Docket No. W-20594A-17-____ and may be submitted at any time as follows:

By Mail: Arizona Corporation Commission
Consumer Services Section
1200 West Washington Street
Phoenix, AZ 85007

On the Website: www.azcc.gov using the link “Submit a Public Comment”. Anyone requiring assistance may contact the Consumer Services Section at 1-800-222-7000 or 602-542-4251.

About Intervention

Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. Intervention entitles a person to participate as a party and if a hearing is held, to present sworn testimony and evidence and cross-examine witnesses. Persons who do not intervene will receive no further notice of the proceedings in this docket. The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that the person requesting intervention must file an original and 13 copies of a written motion to intervene with the Commission’s Docket Control Center on or before [DATE], and must send a copy of the motion to the Company or its counsel. Contact information for the Applicant and other parties is available using the eDocket function and Docket No. Docket No. W-20594A-17-____.

Each motion to intervene must include the Docket Number and contain the following:

1. The name, address, and telephone number of the person requesting intervention and of any person upon whom service of documents is to be made, if not the same person;
2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer of the Applicant, a member or shareholder of the Applicant, etc);
3. Whether the proposed intervenor desires a formal evidentiary hearing on the application and the reasons for such a hearing;
4. A statement certifying that a copy of the motion to intervene has been mailed to the Applicant or its counsel and to all parties of record in the case; and
5. Information and any appropriate documentation demonstrating compliance with Arizona Supreme Court Rules 31, 38, and 42, as applicable, unless the proposed intervenor is an individual representing himself or herself, or is represented by an attorney who is an active member of the Arizona State Bar.

A sample intervention request for is available at
<http://www.azcc.gov/divisions/utilities/forms/interven.pdf>.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its proceedings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, and may request this document in an alternative format, by contacting ADA Coordinator Shaylin Bernal, at SBernal@azcc.gov, voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

EXHIBIT 1.11

RESOLUTION NO. 2016-1
RESOLUTION OF THE THIM WATER CORPORATION
AUTHORIZING THE FINANCING APPLICATION

Recitals

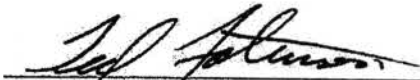
- A. Thim Water Corporation ("Company") is a public service corporation and duly organized and existing under the laws of the State of Arizona for the primary purpose of providing utility service to real property within the Company's service area as well as other purposes provided by law.
- B. The Company has the authority to borrow money and to accept financial assistance pursuant to Arizona Corporation Commission ("Commission") rules and orders.
- C. The Company Board of Directors ("Board") has complied with all applicable rules and held a meeting to authorize the filing of finance application with the Commission.

Resolution

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:


- 1.0 The Recitals set forth above are incorporated herein.
- 2.0 The Company President or Manager shall certify that at a meeting of the Board was properly and duly called in accordance with applicable law and held on the date designated below at which meeting at least a quorum of said Board was present and those present constituted a legally sufficient number qualified to act and transact matters and the following resolutions were adopted and the same have not been altered, amended or revoked.
- 3.0 The Company is authorized and empowered to file a financing application with the Commission consistent with the documents attached to this Resolution. The Company's Manager is hereby authorized and empowered to act on behalf of the Company and to enter into the loan with a lender under the terms authorized by the Commission.
- 4.0 The Manager is authorized and empowered to execute on behalf of, and in the name of, the Company from time to time documents as may be required to secure the approval of the financing application or other documents which Manager may deem expedient in carrying out the intents and purposes of the Resolutions set forth herein.

PASSED and APPROVED this 14th day of April, 2017.



Ted Fotinos, President

CERTIFICATION



Southwestern Utility Management, Inc.