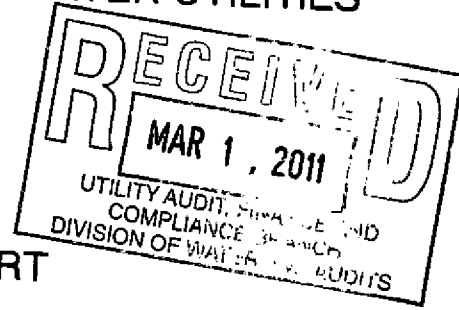


J4

Received \_\_\_\_\_  
Examined \_\_\_\_\_

**CLASS D  
WATER UTILITIES**

U# WTD-170



**2010  
ANNUAL REPORT  
OF**

\_\_\_\_\_  
WEST SAN MARTIN WATER WORKS, INC.  
(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

\_\_\_\_\_  
1005 HIGHLAND AVENUE, SAN MARTIN CA 95046  
(OFFICIAL MAILING ADDRESS) ZIP

**TO THE  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
FOR THE YEAR ENDED DECEMBER 31, 2010**

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2011

## TABLE OF CONTENTS

	<u>Page</u>
Instructions	2
General Information	3
Excess Capacity and Non-Tariffed Services	4
Safe Drinking Water Bond Act / State Revolving Fund Data	5-6
Schedule A - Balance Sheet	7
Schedule B - Water Plant In Service	7
Schedule C - Reserve for Depreciation of Utility Plant	7
Schedule D - Capital Stock Outstanding (As of December 31, 2009)	8
Schedule E - Long-Term Debts	8
Schedule F - Income Statement	8
Schedule G - Source of Supply and Water Developed Wells	9
Schedule H - Water Delivered to Metered Customers	9
Schedule I - Employees and Their Compensation	9
Schedule J - Advances for Construction	10
Schedule K - Total Meters and Services (Active and Inactive)	10
Schedule L - Meter Testing Data	10
Schedule M - Service Connections at End of Year	10
Schedule N - Storage Facilities	10
Schedule O - Footages of Pipe (Excluding Service Pipes)	10
Facility Fees Data	11
Declaration	12

## INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN MARCH 31, 2011**, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION  
DIVISION OF WATER AND AUDITS  
ATTN: KAYODE KAJOPAIYE  
505 VAN NESS AVENUE, ROOM 3105  
SAN FRANCISCO, CALIFORNIA 94102-3298  
[kok@cpuc.ca.gov](mailto:kok@cpuc.ca.gov)**

2. Failure to file the report on time may subject a utility to the penalties and sanctions provided by the Public Utilities Code.
3. The Oath on Page 12, must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in ink, typed or computer generated.
5. The report must be filled in, and every question answered. **LEAVE NO SCHEDULE BLANK.** Insert the words "none" or "not applicable" or "n/a" when appropriate.
6. Certain balance sheet and income statement accounts flow to supplemental schedules. The totals of the details in the latter must agree with the balances of the accounts to which they refer.
7. Some schedules provide for a "balance at beginning of year." The amount shown should agree with the "balance at end of year" as shown in the report for the previous year. If there is a difference it should be explained by footnote.
8. When there is insufficient space in a schedule to permit a complete statement of the requested information, insert sheets should be prepared and identified by the number of the schedule to which it refers. Be certain that the inserts are securely attached to the report. If inserts are needed, prepare all inserts in one separate electronic file in Microsoft Excel format and file it with the electronic file of this report.
9. This report must cover the calendar year from January 1, 2010, through December 31, 2010. Fiscal year reports will not be accepted.

**CLASS D WATER UTILITIES**  
(HAVING LESS THAN 500 SERVICE CONNECTIONS)

WEST SAN MARTIN WATER WORKS, INC.

(Name under which corporation, partnership or individual is doing business)

1005 HIGHLAND AVENUE, SAN MARTIN CA 95046

(Official mailing address)

WEST SAN MARTIN, SAN MARTIN, SANTA CLARA COUNTY

(Service Area - Town and County)

Telephone Number: (408) 683-2098 Fax Number: (408) 686-9633

Email Address: \_\_\_\_\_

**GENERAL INFORMATION**

(Attach a supplementary statement, if necessary)  
RETURN ORIGINAL TO COMMISSION, NO PHOTOCOPIES.

1. If a corporation show:  
(A) Date of organization 11/22/1967 incorporated in the State of CALIFORNIA  
(B) Names, titles and addresses of principal officers: Robert Ukestad, President, Royanne Ukestad, Secretary  
1005 Highland Avenue, San Martin, CA 95046

2. If unincorporated provide the name and address of the owner(s) or the partners:

3. Name, title, and telephone number of:  
(A) One person listed above to receive correspondence: ROYANNE UKESTAD  
(B) Person responsible for operations and services: ROBERT UKESTAD

4. Were any contracts or agreements in effect with any organization or person covering service, supervision and/or management of your business affairs during the year? (Yes or No) NO  
If so, what was the nature and the amount of each payment made under the agreement, to whom were payments made, and to what account was each payment charged?

5. State the names of associated companies or persons which, directly or indirectly, or through one or more intermediaries, control, or are controlled by, or are under common control with respondent:

**PUBLIC HEALTH STATUS**

Yes	No	Latest Date
X		Jun-10
X		Dec-10
X		

6. Has state or local health department inspection been made during the year?  
7. Are routine laboratory tests of water being made?  
8. Has state health department water supply permit been obtained? (Indicate date)  
9. If no permit has been obtained, state whether application has been made and when.  
10. Show expiration date if state permit is temporary.

11. List Name, Grade, and License Number of all Licensed Operators:

ROBERT UKESTAD, GRADE D-2, LICENSE No. 31578, GRADE T-1, LICENSE No. 20795  
TRAVIS UKESTAD, GRADE D-1, LICENSE No. 37489, GRADE T-1, LICENSE No. 32232

**Excess Capacity and Non-Tariffed Services**

NOTE: In D.00-07-018, D.03-04-028, and D. 04-12-023, the CPUC set forth rules and requirements regarding water utilities provision of non-tariffed services using excess capacity. These decisions require water utilities to: 1) file an advice letter requesting Commission approval of that service, 2) provide information regarding non-tariffed goods/services in each company's Annual Report to the Commission.

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed goods and services provided in calendar year 2010:

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter											
Row No.	Description of Non-Tariffed Good/Service	Active or Passive	Total Revenue Derived From Non-Tariffed Goods/Services (by account)	Revenue Account Number	Total Expenses Incurred to Provide Non-Tariffed Goods/Services (by Account)	Expense Account Number	Advice Letter and/or Resolution Number Approving Non-Tariffed Goods/Services	Total Income Tax Liability Incurred Because of Non-Tariffed Goods/Services (by Account)	Income Tax Liability Account Number	Gross Value of Regulated Assets Used in the Provision of a Non-Tariffed Goods/Services (by Account)	Regulated Asset Account Number

**FOR ALL WATER COMPANIES  
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) or Safe Drinking Water State Revolving Fund loan surcharge collection for the calendar year. Please use one page per loan.

1. Current Fiscal Agent:

N/A

Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_  
 Account Number: \_\_\_\_\_  
 Date Hired: \_\_\_\_\_

2. Total surcharge collected from customers during the 12 month reporting period:

\$ \_\_\_\_\_

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
3/4 inch		
1 inch		
1 1/2 inch		
2 inch		
3 inch		
4 inch		
6 inch		
Number of Flat Rate Customers		
<b>Total</b>		

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ _____
Deposits during the year	_____
Interest earned for calendar year	_____
Withdrawals from this account	_____
Balance at end of year	_____

4. Reason or Purpose of Withdrawal from this bank account:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**FOR ALL WATER COMPANIES**  
**SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA (Continued)**

5. Plant amounts included in Schedule A-1a, Account No. 101--Water Plant in Service which were funded using SDWBA or SRF funds:

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		<b>NON-DEPRECIABLE PLANT</b>					
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant					
5		<b>DEPRECIABLE PLANT</b>					
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment			N/A		
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					
13	333	Services and meter installations					
14	334	Meters					
15	335	Hydrants					
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant					
20		Total water plant in service					

**SCHEDULE A - BALANCE SHEET (AS OF DECEMBER 31, 2010)**

Line	Acct.	Assets	Balance	Acct.	Equity and Liabilities	Balance
1	101	Water plant in service	1,924,523	201	Common Stock (Corporations only)	15,794
2	101.1	SDWA Plant		211	Other paid-in capital (Corporations only)	44,570
3	103	Water plant held for future use		215	Retained earnings	91,070
4	104	Water plant purchased or sold		218	Proprietary capital	
5	105	Water plant construction work in progress		224	Long term debt	
6	108	Accumulated depreciation of water plant	(1,123,914)		Current Liabilities	30,452
7	114	Water plant acquisition adjustments	7,986	252	Advances for construction	155,373
8	124	Other investments		253	Other deferred credits	
9	131	Cash	88,351	255	Accumulated deferred investment tax credits	
10	141	Accounts receivable - customers	53,049	282	Accumulated deferred income taxes - ACRS	
11	143	Provision for Uncollectibles	(10,081)			
12	142	Receivables from associated companies			depreciation	
13	151	Materials and supplies	4,656	283	Accumulated deferred income taxes - other	
14	174	Other current assets	27,785	271	Contributions in aid of construction	1,430,693
15	180	Deferred charges	2,233	272	Accumulated amortization of contributions	(793,364)
16		<b>Total Assets</b>	<b>974,588</b>		<b>Total Equity and Liabilities</b>	<b>974,588</b>

**SCHEDULE B - WATER PLANT IN SERVICE**

Line	Acct	Title of Account	Balance Beg of Year	PII Additions During year	PII Retirements During year	Other Debits or (Credits)	Balance End of year
1	301	Intangible plant	4,272				4,272
2	303	Land	4,030				4,030
3	304	Structures	1,409				1,409
4	307	Wells	60,644				60,644
5	317	Other water source plant	0				0
6	311	Pumping equipment	142,448				142,448
7	320	Water treatment plant	0	1,435			1,435
8	330	Reservoirs tanks and sandpipes	158,670	3,091			161,761
9	331	Water mains	1,403,683	8,468			1,412,151
10	333	Services and meter installations	23,740				23,740
11	334	Meters	55,658	2,840			58,498
12	335	Hydrants	18,010				18,010
13	339	Other equipment	20,146				20,146
14	340	Office furniture and equipment	10,078				10,078
15	341	Transportation equipment	5,901				5,901
16		<b>Total water plant in service</b>	<b>1,908,689</b>	<b>15,834</b>			<b>1,924,523</b>

\* Debit or credit entries should be explained by footnotes or supplementary schedules

**SCHEDULE C - RESERVE FOR DEPRECIATION OF UTILITY PLANT**

Line	Item	Account 106 Water Plant	Account 106.1 SDWBA Loans	
1	Balance in reserves at beginning of year	1,075,978		A. Method used to compute depreciation
2	Add: Credits to reserves during year			expense (Acct. 403) and rate.
3	(a) Charged to Account No. 272	35,589		STRAIGHT LINE - 2.5%
4	(b) Charged to Account No. 403	12,347		
5	(c) Charged to Account No. 407			B. Amount of depreciation expense claimed
6	(d) Salvage recovered			or to be claimed on utility property in
7	(e) All other credits			your federal income tax return for the year
8	Total credits	47,936		covered by this report \$ 14,645
9	Deduct: Debits to reserves during year			
10	(a) Book cost of property retired			
11	(b) Cost of removal			C. State method used to compute tax
12	(c) All other debits			depreciation: SL, 150 DB
13	Total debits	0		
14	Balance in reserve at end of year	1,123,914		
15	(1) Explanation of all other credits			
16	(2) Explanation of all other debits			



**SCHEDULE D - CAPITAL STOCK OUTSTANDING (AS OF DECEMBER 31, 2010)**

Line						
1	Common - (Shares	1200	\$	13.16	par)	List persons owning more than 5% of outstanding stock and number of shares owned by each:
2	Preferred - (Shares		\$		par)	
3	Dividends - Common	Rate -	\$			ROBERT UKESTAD - 600 SHARES
4	- Preferred	Rate -	\$			ROYANNE UKESTAD - 600 SHARES

**SCHEDULE E - LONG-TERM DEBTS**

	Class	Date of Issue	Date of Maturity	Principal Amount Authorized	Outstanding Per Balance Sheet	Rate of Interest	Interest Accrued During Year	Interest Paid During Year
1								
2					NONE			
3								
4	Total							

**SCHEDULE F - INCOME STATEMENT**

1	Acct.	<b>Operating revenues</b>	
2	460	Unmetered water revenue	324,472
3	462	Fire protection revenue	2,166
4	465	Irrigation revenue	
5	470	Metered water revenue	
6	475	Approved Total Surcharge Revenue(s)	
7	480	Other water revenue (PUC Fee)	4,858
8		<b>Total Revenue Received</b>	331,496
9		Less: Revenue Deductions	
10		SDWBA/SRF surcharge revenue	0
11		<b>Total Operating Revenue</b>	331,496
12		<b>Operating expenses</b>	
13	610	Purchased water	0
14	615	Purchased power	51,063
15	618	Other volume related expenses	95,303
16	630	Employee labor	17,800
17	640	Materials	4,193
18	650	Contract work	17,750
19	660	Transportation expenses	2,998
20	664	Other plant maintenance expense	3,909
21	670	Office salaries	12,000
22	671	Management salaries	41,000
23	674	Employee pensions and benefits	16,326
24	676	Uncollectible accounts expense	10,081
25	678	Office services and rentals	3,000
26	681	Office supplies and expense	9,490
27	682	Professional services	6,320
28	684	Insurance	6,293
29	688	Regulatory commission expense	6,018
30	689	General expenses	3,342
31		<b>Total Operating Expenses</b>	306,885
32	403	Depreciation expense	12,347
33	407	SDWBA loan amortization expense	0
34	408	Taxes other than income taxes	18,497
35	409	State income tax expense	800
36	410	Federal income tax expense	0
37		<b>Total Operating Revenue Deductions</b>	338,529
38		Utility Operating Income	(7,033)
39	421	Non-utility income	1,448
40	426	Miscellaneous non-utility expense	868
41	427	Interest expense	
42		<b>Net Income</b>	(6,453)

**SCHEDULE G - SOURCES OF SUPPLY AND WATER DEVELOPED WELLS**

Location	No.	Diam. Inch	Depth to Water Feet	Pumping Capacity (g.p.m.)	Annual Quantities Pumped
CHESTER & SEWELL ST.	1	12	354	340	42,866 CCF
COLONY & COX AVE.	2	10	98	110	46,991 CCF
MONTEREY ROAD	3	10	382	400	55,220 CCF
					145,078 CCF
					1 CCF = 748 Gallons

**OTHER**

Streams or Springs Location of Diversion Point	Flow in Priority Right		(Unit) Diversions		Annual Quantities Diverted
	Claim	Capacity	Max	Min	Unit
Purchased water (unit)				Annual Quantity	
Supplier:					

**SCHEDULE H - WATER DELIVERED TO METERED CUSTOMERS**

(If figures are available) (specify unit)

Classification of Service	Month of Year		Total for Year
	Maximum	Minimum	
Residential	August	February	
Commercial	August	February	
Industrial			
Fire Protection			
Irrigation			
Other (specify)			
Total			117,640 CCF
			1 CCF = 748 Gallons

**SCHEDULE I - EMPLOYEES AND THEIR COMPENSATION**

Line	Acct	Account	Number at End of Year	Salaries Charged to Expense	Salaries Charged to Plant Accounts	Total Salaries and Wages Paid
1	630	Employee Labor	3	17,800	0	17,800
2	670	Office salaries	1	12,000	0	12,000
3	671	Management salaries	1	41,000	0	41,000
4		Total	5	70,800	0	70,800

**SCHEDULE J - ADVANCES FOR CONSTRUCTION**

Balance beginning of year	155,373
Additions during year	0
Subtotal - Beginning balance plus additions during year	155,373
Refunds	0
Transfers to Acct. 271 - Contributions in Aid of Construction	0
Balance end of year	155,373

**SCHEDULE K - TOTAL METERS AND SERVICES (Active and Inactive)**

Size	Meters	Services
5/8 x 3/4-in	117	117
3/4-in	3	3
1-in	71	71
1-1/2-in	39	39
2-in	63	63
3-in	2	2
4-in	2	2
<b>Total</b>	<b>297</b>	<b>297</b>

**SCHEDULE L - METER-TESTING DATA**

Number of meters tested during year	
1	Used, before repair _____
2	Used, after repair _____
3	Fast, requiring refund _____
Numbers of meters in service requiring test per General Order No. 103 .....	

**SCHEDULE M - SERVICE CONNECTIONS AT END OF YEAR**

Classification	Active			Inactive			Total connections	
	Metered	Flat	Total	Metered	Flat	Total	Metered	Flat
Residences	253		253				253	
Industrial/Commercial	41		41				41	
Irrigation								
Fire Protection (public)		121	121					121
Fire Protection (private)		2	2					2
Other (specify)	3		3				3	
<b>Total</b>	<b>297</b>	<b>123</b>	<b>420</b>				<b>297</b>	<b>123</b>

NOTE: Total connections (metered plus flat) should agree with total services in Schedule K.

**SCHEDULE N - STORAGE FACILITIES**

**SCHEDULE O - FOOTAGES OF PIPE (EXCLUDING SERVICE PIPES)**

Description	No.	Combined capacity in gallons	Description	2" and under	2 1/4 to 3 1/4	4"	6"	8"	10"	12"	Totals
Concrete	4	550,000	Cast Iron								
Earth			Welded steel								
Wood			Standard screw								
Steel			Cement-asbestos								
Other			Plastic			2,930	19,577	49,105	12,048	5,653	89,313
			Other (specify)								
<b>Total</b>	<b>4</b>	<b>550,000</b>	<b>Total</b>			<b>2,930</b>	<b>19,577</b>	<b>49,105</b>	<b>12,048</b>	<b>5,653</b>	<b>89,313</b>

## FACILITY FEES DATA

Please provide the following information relating to Facility Fees collected for the calendar year 2010, pursuant to Resolution No. W-4110.

1. Trust Account Information:

Bank Name:	<u>CAPITAL ONE DIRECT BANKING</u>
Address:	<u>P.O. BOX 4197 HOUSTON, TX 77210-4197</u>
Account Number:	<u>8312733685</u>
Date Opened:	<u>25-Jan-10</u>

2. Facilities Fees collected for new connections during the calendar year:

A. Commercial

<u>NAME</u>	<u>AMOUNT</u>
<u>Cordevalle Resort</u>	<u>\$9,000</u>
<u> </u>	<u>\$</u>
<u> </u>	<u>\$</u>
<u> </u>	<u>\$</u>

B. Residential

<u>NAME</u>	<u>AMOUNT</u>
<u>Miichael Alvarnez</u>	<u>\$1,500</u>
<u>Victor Loesche</u>	<u>3,750</u>
<u>Various-Prior Years</u>	<u>14,750</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

3. Summary of the bank account activities showing:

	<u>AMOUNT</u>
Balance at beginning of year	<u>\$0</u>
Deposits during the year	<u>29,000</u>
Interest earned for calendar year	<u>262</u>
Withdrawals from this account	<u>0</u>
Balance at end of year	<u>\$29,262</u>

4. Reason or Purpose of Withdrawal from this bank account:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**DECLARATION**

**(PLEASE VERIFY THAT ALL SCHEDULES ARE ACCURATE AND COMPLETE BEFORE SIGNING)**

I, the undersigned ROBERT UKESTAD  
Officer, Partner, or Owner (Please Print)

of WEST SAN MARTIN WATER WORKS, INC.  
Name of Utility

under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period of January 1, 2010, through December 31, 2010.

President  
Title (Please Print)

*Bob Ukestad*  
Signature

(408) 683-2098  
Telephone Number

*Feb 26, 2011*  
Date