

Hello Neighbor,

The board meeting was much quieter than the last one, but it was very long as there was a three hour executive session at the beginning of the meeting, so the 1:00 PM meeting didn't finish until 6:30 PM.

The email is getting so long that I have broken it into two parts. This first part covers the more mundane issues. The second part will address the Milk Ranch and Strawberry Hollow wells.

Article in 6/25/2010 Payson Roundup about Mr. Harry Jones' resignation and other topics:  
<http://www.paysonroundup.com/news/2010/jun/25/pswid-manager-turns-resignation/>

### **June 19, 2010 PSWID Meeting**

**Next regular PSWID Meeting: Saturday August 21, 2010 at 1:00 PM at the Pine Cultural Center**

**A Rate Hearing has been scheduled for Saturday July 3, 2010 at 10:00 AM at Pine Elementary School.**

1. Correction/Clarification
  - a. Mr. David Davis, the new attorney for the district, clarified that he has not represented Mr. Pugel on water issues. He stated that he has only represented Mr. Jim Hill on water issues.
  - b. There have been some objections by board members that they did not use the word "conspiracy" at the May 26<sup>th</sup> meeting. My recollection is that one of them did, but it isn't a 100% recollection. I have no stomach to go back and listen to the recording of the May 26<sup>th</sup> meeting again, so I will go ahead and concede the point. Tetra Tech used the word in quotes in their letter of termination, so they may have heard it from board members outside of the meeting. In any case, even if the word was not said explicitly, the accusations made by Mr. Mike Greer and his cohorts fit the definition of a conspiracy.
2. Replacing Technical Staff and Finding New General Manager
  - a. Board is going to go through the set of engineering companies that applied earlier and start their search for a new District Engineer from there. This is the most critical position to fill as they have problems that they need a District Engineer to help address.
  - b. Board is going to put out a Request For Qualifications (RFQ) for a Hydrologist.
  - c. Most of the candidates for General Manager dropped out of consideration and the one that was left was not considered qualified enough. Board is restarting the advertisement/search process.
  - d. Board announced that Mr. Harry Jones, the interim General Manager, had submitted his resignation. Mr. Jones will remain on for an additional 60 days to provide transition for the next interim General Manager.
  - e. Board started the effort to find an interim General Manager to replace Mr. Jones until a full-time General Manager is identified and hired.
3. Conservation Stages

- a. The water system survived the Memorial Day weekend fairly well, with storage levels dropping to 85% and recovering to 93% by the following Tuesday.
  - b. The 4<sup>th</sup> of July weekend is always the most difficult weekend of the year. Particularly when the 4<sup>th</sup> falls on the weekend because that usually results in people staying longer. The water levels in the ground have been dropping and more pumping is occurring to keep up. The system can produce a peak rate of 450 gallons per minute, but it isn't known how long that can be sustained. Overall it is felt that the water availability is good compared to other years.
  - c. The board decided that when the storage level reaches 85% and can't be recovered for 48 hours that the Stage 2 signs will go up. At 75% for 48 hours the Stage 3 signs will go up.
  - d. Seasonal meters will be left on. If it looks like water hauling may be required, then that may be reconsidered.
4. Water Sharing with Pine Creek Canyon Domestic Water Improvement District (Portals IV)
- a. Mr. Ernie Borgoyne, the board Chairman for the Pine Creek Canyon Domestic Water Improvement District (Portals IV), spoke about the deep aquifer well that they are in the process of completing and the possibility of PCCDWID entering into a water sharing agreement with PSWID.
    - i. They are in the process of completing making the well operational. They anticipate that it will be operational in 30 to 45 days.
    - ii. They view the well as a backup well. The pump in the well is capable of providing 50 gallons per minute. The well has cost \$800,000, including a backup generator. The well has its sand filtration as a filter installed at the bottom of the well.
    - iii. They will be willing to sit down at some time in the future and discuss the possibility of a water sharing agreement
  - b. Mr. Paul Paul provided some information about what it would take to connect the Portals IV well to the PSWID system.
    - i. It would require about 525 feet of pipe that would run through an existing utility easement.
    - ii. One connection option would be a permanent 6" PVC pipe for a rough estimate of \$30,000. The second option would be a 4" pipe from Rain For Rent at a cost of \$7600. This pipe could later be buried. Ancillary costs like permits, plans, surveying, etc. are not included in the numbers.
5. Financials
- a. The following financial data can be found here:  
<http://www.waterforpinestrawberry.com/data%20pages/SOACompass.htm> .
    - i. May Cash Flow
    - ii. May Statement of Activity (provided to Compass Bank)
    - iii. May Statement of Financial Position (provided to Compass Bank)
  - b. Cash Flow Position for May:
    - i. Total Cash In: \$105,259.93
    - ii. Total Cash Out: \$105,209.39
    - iii. Net Cash Flow: \$50.54
  - c. Compass Bank report for the month of May:

- i. Revenue: \$105,248.37 (includes \$12,030.54 in property taxes)
    - ii. Expenses: \$122,101.20 (includes \$19,357.01 in depreciation)
    - iii. Interest Expense: \$16,786.49
    - iv. Net Income: -\$33,627.76
    - v. Capitalized Work in Progress: \$73,250.06
  - d. Cash Flow Position for year to date:
    - i. Total Cash In: \$971,986.02
    - ii. Total Cash Out: \$893,027.02
    - iii. Net Cash Flow: \$78,959.00
  - e. Compass Bank report for the year to date:
    - i. Revenue: \$971,432.59 (includes \$298,079.57 in property taxes)
    - ii. Expenses: \$1,013,105.82 (includes \$149,951.93 in depreciation)
    - iii. Interest Expense: \$143,878.75
    - iv. Net Income: -\$184,998.55
    - v. Capitalized Work in Progress: \$201,061.45
- 6. Miscellaneous
  - a. PSWID did not receive WIFA funding for the two grants that the district applied for. One grant request was for funding the development of a master plan and the other was for replacing old water meters.
  - b. A company named CHm2Hill made a presentation about what they could provide if the district chooses to contract out their operations to the company.
  - c. The board passed a resolution to start the process for the November 2<sup>nd</sup> election of three board members.

This email is from the group Water For Pine Strawberry. We will be sending out an email after each of the PSWID meetings with a summary of what the board did, additional facts that are relevant to what went on, and some commentary. Please forward this email to friends and neighbors that are interested in the local water issues. If you would like to be added to or removed from the list for these emails, please reply to [WaterForPineStrawberry@hotmail.com](mailto:WaterForPineStrawberry@hotmail.com). Emails on earlier meetings are available on our website: [www.WaterForPineStrawberry.com](http://www.WaterForPineStrawberry.com).

Water For Pine Strawberry is a group of residents who are concerned about the communities water issues and how they can best be resolved. Visit our web site, [www.WaterForPineStrawberry.com](http://www.WaterForPineStrawberry.com), for more information. The website for PSWID is [www.pswid.org](http://www.pswid.org).

Clarifications can be submitted by anyone who is explicitly named, implicitly identifiable, or a board member to items in this email. Clarifications will be posted on our website. We reserve the right to post a response. Clarifications must deal with the topics discussed in the email that relate to the individual or the board. They must be in family friendly language and be non-abusive. When the clarification is accepted, it will be posted to the website and notice of that posting will be added to the next email.