

Hello Neighbor,

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. Emails on earlier meetings are available on our website: www.WaterForPineStrawberry.com.

The PSWID board held a very short notice special meeting.

Since the last email summary we have posted new material to the website:

- Coe and Van Loo (CVL) presentation
- Current water rates for Pine and Strawberry
- Latest rain chart
- Analysis of total cost to put in place the water system

Mr. Gliedge's invoices for the first three months:

- May: \$4210; June: \$6450; July: \$10,455
- Average per month: \$7038
- Total: \$21,115
- Projected out for the year: \$84,456
- 2008/2009 Budget for Attorney Fees: \$37,000
- Total 2008/2009 Budget: \$90,000

Comment: I have been scratching my head trying to figure out what this board is thinking. The board is making offers for which it has no money. It would seem to me that the first order of business would be to determine how much money is needed to fund the whole thing (around \$7.5 million based on the board's offer) and make sure the district has a commitment from a financial institution to provide the money at an acceptable interest rate. Then the district can start making offers. Had Brooke accepted the offer, it would have fallen through because there is no money. Worse yet would be to discover after the offer was accepted that district can borrow enough to pay for the water companies, but not for the other things that are needed.

The board needs to determine what the highest total cost is that the community can afford and get a commitment for that amount at a reasonable rate before entering into any condemnation proceedings. The board also needs to leave themselves in a position where they can walk away from a total cost that exceeds that.

July 29, 2008 PSWID Meeting

Next regular PSWID Meeting: Thursday August 21, 2008 7:00 PM at the Pine Cultural Center

1. Valuation of PWCo and SWCo as a "going concern".

- Mr. Gliege indicated that the content of the CVL report wasn't adequate to meet the need to provide a value of the water companies as a "going concern" as part of the condemnation process.
 - Mr. Gliege asked the board to authorize him to discuss the matter with CVL and the board gave their approval.
2. Notice to Brooke that PSWID will physically accessing PWCo/SWCo property.
- Board voted to provide Brooke with notice that they would be entering onto PWCo and SWCo property in order to make a physical examination.
 - This is allowed under ARS 12-1115.
3. Executive session to discuss action regarding acquisition of Pine and Strawberry water systems.
- The board went into executive session and took no action when they returned.
 - Mr. Haney said that they had reviewed the status of the acquisition effort and were continuing with their current plan.

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, for more information. The website for PSWID is 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.