

Hello Neighbor,

1. The December PSWID meeting was cancelled due to weather.
 - The next regular PSWID meeting will be January 15, 2009 at 7 PM.
2. December 16th ACC Meeting on K2 Encumbrance
 - At their December 16th meeting, the ACC voted to stay the action on the K2 encumbrance and that both parties would file a status report every three months and a status report within 10 days of the final decision in the arbitration process. The ACC did not accept Brooke's request to withdraw the action. The procedural order is posted here:
<http://www.waterforpinestrawberry.com/data%20pages/K2PSWIDDocs.htm> .
 - Comment: The ACC staff and Judge Nodes have both recommended that the encumbrance request by Pine Water Company be approved. The request meets the guidelines that the ACC uses to evaluate requests by utility companies and those guidelines should be applied equally to all utility companies, Pine Water Company included. It is unfortunate that the ACC commissioners injected themselves into the local politics when they delayed their decision in September. While approval of the encumbrance at their December meeting would have been best, it is clear that the ACC has decided to remove themselves from the questions surrounding the K2 agreement and allow the arbitration process to resolve whether the K2 agreement will go forward or not.
 - Both sides filed status reports prior to the ACC hearing. The two status reports are posted here:
<http://www.waterforpinestrawberry.com/data%20pages/K2PSWIDDocs.htm> . In summary:
 - PSWID Status Report: Lists the actions that the district has taken since the September ACC meeting. Filed condemnation, participating in arbitration, filed motion to have Brooke's CC&N revoked, engaged financial consultants to find financing, applied to WIFA for funding, and hired an interim general manager. Complained that Brooke went to WIFA to challenge their status as being eligible to access WIFA funds. Complains about Brooke pursuing arbitration on the JWDA, not being cooperative about condemnation, and for excessive discovery by Brooke. Has the letter that Brooke sent to WIFA as an attachment. Lays out what Brooke thinks the factual errors are in the district's application for WIFA funds.
 - Brooke Status Report: Addresses the denouncement of the JWDA by the district, the filing of the condemnation by the district, and the filing of the request to withdraw this action.
 - Brooke had filed a request to withdraw the encumbrance action with the ACC. We addressed that in an earlier email. Since then the intervenors filed an objection to the request and Brooke responded. Both of those documents are posted here:
<http://www.waterforpinestrawberry.com/data%20pages/K2PSWIDDocs.htm> . As noted earlier, the ACC denied the request to withdraw.
 - Comment: The last few filings that Mr. Gliege has filed on behalf of the two intervenors, Mr. Krafzyck and Mr. Greer, have also listed PSWID. I checked with

the ACC and PSWID is not an official intervenor. We will try to find out if PSWID is now paying the costs of these filings for the intervenors.

- Comment: I pull the documents that I think are interesting off of the ACC website and post them on our website. There are a lot of public comment type postings that I don't bother with. If you would like to see those, go to <http://edocket.azcc.gov/> and type 07-0362 into the search. When the ACC action overview comes up, click View Details. This will take you to a screen which has a tab for documents.

3. CC&N Revocation Action

- The ACC docket number for the CC&N revocation is W-03513A-08-0582. Use 08-0582 when searching on eDocket.
- The application filed by PSWID to revoke Brooke's CC&N is posted here: <http://www.waterforpinestrawberry.com/data%20pages/RevocationDocs.htm> .
- Comment: Basically it is a list of the usual complaints about the provision of service and lack of new water sources. Some of them seem to be quite a stretch. Is the inadequate water supply really a "health hazard"? Does not cooperating with PSWID on the condemnation really count as a reason? Being late in filing reports? It's an interesting read, so if you are interested take a look at the whole thing.
- Comment: Brooke has a pretty good argument that they have made a good-faith effort to solve the water problems with the K2 well and that the same people who are complaining are the ones who have blocked that solution. Given that revoking the CC&N would shut off water delivery to Brooke customers, I don't see the ACC ever doing this. They will avoid making this decision and let the arbitration and condemnation efforts play out. So basically this is a waste of district money.

4. Condemnation

- The condemnation motion that the district filed has been posted here: <http://www.waterforpinestrawberry.com/data%20pages/PurchasePSWIDDocs.htm> . There are approximately 200 additional pages in the filing that comprise property descriptions and other detailed information along those lines.
- A letter from Stone and Youngberg was provided to the ACC by the district. It basically says that the 2007 ACC reports for PWCo and SWCo are incomplete and that this is impeding financing. At the December 16th meeting the ACC instructed Brooke to provide the missing information. Brooke has provided the updated reports. The letter says that they will need at least 60-90 days after receiving the full reports to obtain financing. The letter is posted here: <http://www.waterforpinestrawberry.com/data%20pages/PurchasePSWIDDocs.htm> .

5. Letters to the Editor

There have been a flurry of letters to the editor in the Payson Roundup on the water situation. Some of them are informative and others are more for entertainment value. Below are the links for those that are interested.

- Mr. Krafczyk writes that I should fund the K2 well myself or shut up: http://www.paysonroundup.com/news/2008/nov/14/government_bailout_rejected/ . My response:

- http://www.paysonroundup.com/news/2008/nov/25/group_will_continue_provide_summaries_pswid_meetin/ .
- Mr. Pugel writes a bunch of claims and accusations about me:
http://www.paysonroundup.com/news/2008/dec/02/false_information_being_spread_about_water_problem/ . My response:
http://www.paysonroundup.com/news/2008/dec/16/community_needs_whole_story/ . The detailed response to his claims/accusations and the response to Mr. Harry Jones email that are referenced in my response are posted here:
<http://www.waterforpinestrawberry.com/PSWID.htm> .
 - Letters supporting the board and Rim Country Water:
 - Mrs. Cindy Maack says that it is important to purchase the water companies:
http://www.paysonroundup.com/news/2008/dec/09/pine_strawberry_water_company_purchase_necessary/
 - Mr. Dale Oestmann writes why he thinks the purchase is good for Strawberry:
http://www.paysonroundup.com/news/2008/dec/09/decision_makers_are_living_strawberry/
 - Ms. Dina Galassini writes against the K2 agreement:
http://www.paysonroundup.com/news/2008/dec/05/k2_well_not_dead/
 - Mr. Mike Taylor writes about the purchase:
http://www.paysonroundup.com/news/2008/nov/25/k2_well_government_bailout_brooke_utilities/
 - Letters questioning the board and Rim Country Water:
 - G. D. Reynolds questions including Strawberry in the purchase:
http://www.paysonroundup.com/news/2008/dec/05/letter_strawberry_residents/
 - J. P. Smith questions including Strawberry in the purchase:
http://www.paysonroundup.com/news/2008/dec/05/murky_waters_become_clearer_day/
 - Mr. Wes Suhr explains how hydrology reports were evaluated:
http://www.paysonroundup.com/news/2008/dec/09/more_honesty_less_herarsay/
 - Mr. Suhr addresses responds to Mr. Oestmann's letter:
http://www.paysonroundup.com/news/2008/dec/12/k2_dance/
 - Mrs. Bernice Winandy question district status as a domestic water improvement district:
http://www.paysonroundup.com/news/2008/dec/12/pswid_not_domestic_water_system/

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 .

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.