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AZ CORP COMMISSION
DOCUMENT CONTROL

John G. Gliege (#003644)
Attorney for Pine Strawberry Water Improvement District

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION
OF PINE WATER COMPANY FOR A
DETERMINATION OF THE CURRENT
FAIR VALUE OF ITS UTILITY PLANT AND
PROPERTY, A RATE INCREASE AND FOR
APPROVAL TO INCUR LONG-TERM DEBT.

DOCKET NO. W-03512A-03-0279

NOTICE OF FILING EXHIBITS TO
SURREBUTTAL TESTIMONY

THE PINE STRAWBERRY WATER IMPROVEMENT DISTRICT hereby gives notice of this late filing of the exhibits to the surrebuttal testimony heretofore filed in this action, said exhibits being attached hereto.

Respectfully submitted this 11th day of February, 2004.

Arizona Corporation Commission

DOCKETED

FEB 18 2004

DOCKETED BY

LAW OFFICE OF JOHN G. GLIEGE

John G. Gliege

1 Original and thirteen copies of the foregoing
2 sent this 11th day of February, 2004 to:

3 Docket Control Center
4 Arizona Corporation Commission
5 1200 W. Washington Street
6 Phoenix, AZ 85007

6 Copies of the foregoing
7 Mailed this 11th day of February, 2004 to :

8 Jay L. Shapiro
9 Patrick Black
10 Fennemore Craig
11 3003 North Central Ave. Ste 2600
12 Phoenix, AZ 85012-2913

12 Christopher Kempsey, Chief Counsel
13 LEGAL DIVISION
14 Arizona Corporation Commission
15 1200 W. Washington Street
16 Phoenix, AZ 85007

16 Ernest G. Johnson
17 Director of Utilities
18 Arizona Corporation Commission
19 1200 W. Washington Street
20 Phoenix, AZ 85007

19 Robert M. Cassaro
20 P.O. Box 1522
21 Pine, AZ 85544

22 John O. Breninger
23 P.O. Box 2096
24 Pine, AZ 85544

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**PINE/STRAWBERRY WATER IMPROVEMENT DISTRICT (PSWID)
MINUTES FROM THE BOARD OF DIRECTORS MEETING**

MAY 10, 2003

I. ROLL CALL

In attendance:

Gary Hezel, Chairman
Marvin Mortensen
John Breninger
Mary Lou Myers

Absent:

Bill Johnson
Will Harper
Betty Gooder

A quorum was declared.

Mr. Hezel called the meeting to order at 3:31 p.m. in the Community Center Dining Hall in Pine.

Mr. Hezel announced changes to the Agenda sequence, as announced in the Public Notice, to revise Items 4, 5 & 6 to the order of 6, 5 & 4.

II. RATIFY BOARD MINUTES OF APRIL 12, 2003

The minutes of the April 12, 2003 Board meeting were not prepared nor presented in the absence of the Secretary, Will Harper. The Chairman ruled the minutes would be submitted for Board review and disposition at the regular June Meeting of PSWID.

III. TREASURER'S REPORT.

Mr. Mortensen presented the April 2003 month end report that included the starting balance of \$169,520.06 an ending balance of \$189,740.40. This included the receipt of \$19,683.66 in taxes and \$1,065.36 in interest. Total expenses were \$524.68. *Mrs. Myers moved that the Treasurer's report be approved and Mr. Mortensen seconded the motion. The motion carried unanimously. See Attachment #1 for full report.*

IV. PRESENTATION/DISCUSSION/POSSIBLE ACTION ON STANDING COMMITTEE REPORTS.

- 1) **Committee on Long Range Planning:** Mr. Hezel stated that the Northern Gila Water Plan Alliance Planning Technical Committee meeting was not held in April. A document packet was sent by Mr. Christensen, Gila County District #1 Supervisor, to the Town of Payson, PSWID and the four domestic water improvement districts in Pine. This packet was promoting the formation of a coalition of these bodies to take action with the State and Federal representatives for funding of water infrastructure improvements and developing new sources of water. Mr. Hezel did not place a copy of the document into the record. Mr. Hezel also reported the number of Water Plan Alliances in operation in Arizona is eighteen.
- 2) **Long Range Plan:** The Chairman stated that, regarding the Long Range Plan tabled at the April Meeting, the Chair would encourage the Board to not move it from the table for consideration at this time, but leave it until after both the final report of Morrison - Mairele in public meeting for Project P/S 2002-01 and the Budget meeting have been completed.
- 3) **Deep Production Well Exploration:** Mr. Breninger presented a written report as follows:

Reference: Letter Report, dated 4/23/03, "Progress and Costs as of 4/23/03 - Field Survey and Hydrogeologic Investigations", Michael B. Kaczmarek, Chief Geologist, Morrison-Maierle, Inc. (M-M). The referenced letter may be found in the Contract File.

- 1) Phase I tasks showing completions against the original budget of \$76,004 have charged \$55,420 to date, leaving \$20,253 remaining. The tasks yet to be done will be constricted and redistributed to target this balance. Some travel items will be eliminated and some adjustment of the task scope will be done.
- 2) A teleconference was utilized on May 6 to review the work on Phase II tasks. A combined visit to GeoSystems Analysis, Inc.,(GSA) in Tucson, to trial run the Well Database software will be traded off instead of the full training exercise originally proposed.
- 3) Technical progress is looking good for defining a regional aquifer in the Redwall Limestone strata, and is still hopeful that drill sites may be able to locate within the private land boundaries of the District.
- 4) The Well Database has integrated the topographic maps and GPS Survey data with a digital elevation model (DEM) of the area, and the error differentials are normal and as expected.
- 5) The Study Area, reported at the April PSWID Meeting, has been used to limit the well field to be included in the database. The well files downloaded from ADWR consist of 1604 files within the area and are able to be displayed on the maps within zones of 10 acres. The database can accept GPS input to refine those numbers down to lot parcels. There are provisions to additionally interface with other map modules, such as roads/streets, assessor parcel numbers, etc., when these become available. [End of Written report.]

Mr. Breninger described the following activities and completions verbally:

1. PSWID received a Structural Cross-Section Map from M-M and the PSWID Agent responded with the requested coordinates defining the limits of private lands in Pine and Strawberry intersected by these sections. The report document is on file in the Project File.
2. The Strawberry Borehole test data is being integrated into this project study.
3. Because of the Project budget constraints being encountered, [as reported in the above written report], the PSWID Agent completed a survey and report of test data for a selected set of nine wells, using a hand-held GPS unit, instead of ordering a precision survey by the M-M surveyors. This report was sent to M-M and GeoSystems Analysis, Inc. (GSA), the software subcontractor to M-M for the Well Database integration of the ESRI software. The report is on file in the Project file.
4. The software and modules have been ordered from ESRI, Inc. by M-M for PSWID.
5. No additional PSWID Board Members have requested to register for the ESRI, Inc. free seminar in Phoenix on May 19. Mr. Breninger will be attending, along with a school faculty member, the Science Club Sponsor, Mr. Art Hood.
6. **Project Correspondence:**
 - a. Three documents were received from Mr. Peterson, Strawberry Hollow Dev., Inc., proposing a joint effort to test the SH Well #3. The proposal was forwarded to the Chairman since the proposed tasks exceed the scope of the currently authorized project.
 - b. The same document packet reported by Mr. Hezel in Section IV, A., of these Minutes, was received from Mr. Peterson, and the PSWID Agent submitted a Concept/Proposal document to the Board to facilitate discussion in any Coalition to be considered. (See Attachment #2 and also New Business.)
6. The PSWID Agent requested and received technical input from M-M for requirements and conditions PSWID would require of data solicited from the Strawberry Hollow Well #3, Mr. Loren Peterson. This task is beyond the scope of the Contract with M-M and the PSWID Agent will present a request for authorization of funding transfer when an invoice is received. The information that was received was forwarded to Mr. Hezel by email for consideration of assignment to a project, with recommendation to open preliminary negotiations in response to the initial inquiry by Mr. Peterson. This report is included as Attachment #3 to the Minutes, and is also held in the Project File.
7. Background information documents were provided to M-M, Mr. Dave Mosser, for his presentation to the Board today on funding sources.

6) **Presentation to the Board – Availability of Funding Sources**, by Mr. David Mosser, P.E., Vice President – Engineering Services, Morrison Maierle, Inc. See Attachment #4 for viewgraphs of presentation.

Public discussion followed. Chairman Hezel thanked Mr. Moser for the presentation.

7) **Presentation to the Board – Request for Allocation of Funds for Proposed Study**, by Mr. Bob Cassaro. See Attachment #5 for letter request, dated May 1, 2003, to approve an allocation of \$10,000 for the study outlined by Dan V. Jackson of Economists.com, in his letter of April 22, 2003, included. (PSWID to appropriate \$5000 of their funds plus \$5000 in matching funds to be provided by the Industrial Development Authority of Gila County)

Public discussion followed.

Board discussion and action is reported under New Business.

VII. **CORRESPONDENCE** – See Project Correspondence, above.

VIII. **OLD BUSINESS**

A. Mr. Breninger reported that the Proposals and Reference Documents received in response to the RFQ & P for PSWID Project P/S 2002-01 have been received by the Isabelle Hunt Memorial Public Library, along with the PSWID gift check of \$100, and are currently being prepared as reference material in a special section for the PSWID water documents, according to Librarian Mrs. Becky Ware. Additional copies of single documents are being made as a security back-up copy for the first reference document. Mrs. Ware stated that copying costs may exceed the \$100 gift made by PSWID, and further stated that the documents should be available for reference in early June 2003.

IX. **NEW BUSINESS**

1. Reference: Attachment #5

 Mrs. Myers moved that the proposal from Economists.com to perform work necessary to obtain and provide to the District information regarding the domestic water service in the Pine and Strawberry, AZ regions be accepted and approved. Further, that the Board authorize the Chairman to act on behalf of the Board to see that the work is performed is satisfactory to the Board. Motion seconded by Marvin Mortensen. After discussion, the motion was approved by a vote of 2 to 1, (Mortensen and Myers for, Breninger against)

2. Reference: Attachment #2

Mr. Breninger moved the PSWID Board approve the document prepared by the Deep Production well Exploration Committee entitled, "Concept/Proposal for PSWID as Supplier of Supplemental Water," dated May 8, 2003, as a conceptual discussion document only. This document approval does not commit or obligate PSWID to any projections, costs, or any other conditions or descriptions contained therein. This approval does permit the circulation of the document and information it contains to the public and other planning agencies, but only as a conceptual discussion document. Motion seconded by Marvin Mortensen. The motion was approved by unanimous vote.

X. **CALL TO PUBLIC**

[Comments on Recording of Meeting Proceedings, Attachment #6]

XII. **ADJOURNMENT**

Mrs. Myers moved to adjourn the meeting and Mr. Breninger seconded the motion. The motion carried unanimously and the meeting adjourned at 6:25 p.m. The next meeting scheduled for June 14, 2003.

John Breninger, Interim Acting Secretary

Attachments:

1. PSWID Treasurers Report, April 2003
2. Concept/Proposal for PSWID as Supplier of Supplemental Water, May 8, 2003
3. Report: "Preliminary Requirements for Testing Well #3...", May 9, 2002
4. Presentation Viewgraphs: Morrison-Maierle (David Mosser)
5. Letter Proposal, Bob Cassaro, May 1, 2003
6. Recording of PSWID Meeting Proceedings, May 2003

jb

HDJ Management

HC8 Box 363
Payson, AZ 85541
(928) 474-2876
Cell (928) 595-1111
FAX (928) 474-2876

**TO: Michael Ploughe, P.G.
Arizona Hydrosorce, Inc.
By FAX: (928) 468-0252**

FROM: Harry Jones, Project Coordinator for PSWID

DATE: 11-13-03

SUBJECT: Consulting Agreement with PSWID

Thanks for you time today.

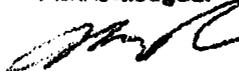
As I indicated to you, I have the authority from John Nelson, Administrator of the Pine/Strawberry Water Improvement District, to engage you to assist me, John, and other related parties with technical information, interpretation, and ideas related to the affairs of the District.

The District agrees to pay you up to \$55 per hour for services in your areas of expertise, with payment made to you by the 10th of the following month for all hours of service provided in a month, properly documented as to activities. John Nelson or I should agree to any hours you plan to incur beyond 10 hours per month prior to providing the planned services.

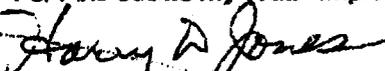
Mike, if this properly reflects you're understanding, please acknowledge by signing below and faxing back to me.

Thanks for your help!

Acknowledged:


Arizona Hydrosorce, Inc.

For Pine Strawberry Water Improvement District


Harry D. Jones, Consultant

Date: 11/14/03
Tax I.D. # 74-3068721

Arizona HydroSource Inc. Invoice No. 2003-004

P.O. Box 891
Payson, Arizona 85547
928-468-0252

INVOICE

Customer

Name PSWID - Artn. Harry Jones
Address Box 134
City Pine State AZ ZIP 85544
Phone 474-2876

Date 11/29/2003

Qty	Description	Unit Price	TOTAL
3	Cost estimates and well construction considerations for deep wells in Pine, AZ - memo and diagram prepared	\$65.00	\$195.00
		SubTotal	\$195.00
		Shipping & Handling	\$0.00
		Taxes	
		TOTAL	\$195.00

Note:

Office Use Only

*Due upon receipt. Please make checks payable to Arizona HydroSource Inc.
P.O. Box 891, Payson, AZ 85547 Thank You for your business!*

'all the fountains of the great deep burst open' Gen 7:11

Arizona HydroSource Inc. Invoice No. 2003-006

P.O. Box 891
Payson, Arizona 85547
928-468-0252

INVOICE

Customer			
Name	PSWID - Attn. Harry Jones		
Address	Box 134		
City	Pine	State	AZ ZIP 85544
Phone	474-2876		

Date	12/29/2003
------	------------

Qty	Description	Unit Price	TOTAL
6	Review of Rate Hearing Testimony and Preparation of Relevant Comments	\$65.00	\$390.00

SubTotal	\$390.00
Shipping & Handling	\$0.00
Taxes	
TOTAL	\$390.00

Notes:

Office Use Only

*Pl. 12-31-03
ct. # 1076*

Due upon receipt. Please make checks payable to Arizona HydroSource Inc.
P.O. Box 891, Payson AZ 85547 Thank You for your business!

all the fountains of the great deep burst open Gen 7:11

Mogollon Rim
Water Resources Management Study

Tuesday, July 22, 2003

In Attendance: Buzz Walker – Town of Payson Robert Gardner – Gila County
Mike Ploughe – Town of Payson Greg Kornrumpf – SRP
Dick Wolfe – Town of Payson John Fortune – ADWR
Robert Henley – Town of Payson Bill Remick – ADWR
La Ron Garrett – Town of Payson Rod Byers – USFS
Sam Streichman – Town of Payson Rich Martin – USFS
Tom Wright – Town of Payson Bruce Whiting – PREDC
Marvin Murray – USBR Leslie Meyers – USBR

We started the meeting with a review of the cost share agreement, outlining the budget, schedule and other aspects of the agreement. There were no changes proposed at this time. (After the meeting on June 23, Mr. Streichman suggested the addition of a Conflict of Interest clause. We can discuss this along with the proposed revisions to the plan of study at our next Technical Committee (TC) meeting.)

There was also a review of the agreement's Plan of Study (POS). Greg Kornrumpf asked about some of the assumptions used for calculating future populations outlined in the POS. Leslie Meyers couldn't answer his question, but suggested that the background information be removed from the POS to streamline it. ***Leslie will revise the POS and send to the Technical committee for review.**

During the discussion of study objectives, we decided that we needed to define our study area in order to firm up population, water budgets, future projections and water demand. ***Bob Gardner is going to confirm the counties representation in the study. *Leslie is going to get a list of all water providers in the area.** There was discussion about providing information to all interested parties. Leslie proposed putting together a website that will become a clearing house for all the information collected as part of the study.

Once the study has firmed up current and future water needs, the objective of the study becomes defining alternatives for developing future water supply. Leslie proposed putting together a matrix with all alternatives and the issues associated with those alternatives. There was much discussion of alternatives and issues. ***Leslie will put together this preliminary information and send it to the TC for review and comment prior to the next meeting.**

The schedule for the agreement will remain the same (expiration 9/05) until we have better information about the time frame involved in the study. For the short term, the technical committee will meet the 3rd Tuesday of each month. There is no need for a *Project Management Team* meeting until the TC has something to report. The first PMT will probably be in the beginning of 2004.

The TC discussed some local issues, including the recent groundwater study prepared for the Pine Strawberry Water Improvement District (PSWID). (Gary Hezel was unable to attend the meeting because he is recovering from surgery. If he is available next month, he can update the group on the significance of the report findings and its implications for PSWID.) During this time we also discussed SRP's interest in taking ownership of Blue Ridge Dam and the proposed involvement of the U.S. Bureau of Reclamation (USBR).
***Leslie is going to contact Phelps Dodge about setting up a site visit to Blue Ridge for the TC.**

Our next TC meeting is schedule for August 19, 2003, 10:00 am Payson Public Library.

*** Action Items**

Mogollon Rim
Water Resources Management Study

Tuesday, August 19, 2003

In Attendance: Buzz Walker – Town of Payson Tom Whitmer - ADWR
Mike Ploughe – Town of Payson John Fortune – ADWR
La Ron Garrett – Town of Payson Greg Kornrumpf – SRP
Sam Streichman – Town of Payson Rich Martin – USFS
Tim Wright – Town of Payson Bruce Whiting – PREDC
Leslie Meyers – USBR

The meeting started with welcome and introductions.

The next order of business was the review of action items from the July 22 TC meeting.

1. Action Item – List of all Area Water Providers, Confirm the Counties Representations
Leslie handed out copies of a map and list of Gila County private water providers generated by the Arizona Corporation Commission. The information provides contacts for each of the water providers. The TC will need this information for public information dissemination during the study. There was some discussion about the accuracy of some of the information, specifically the amount of water delivered.

Additionally, Leslie presented a map of Gila county and surrounding areas. The group attempted to define the study area graphically. We decided to wait until we could discuss with representatives of Gila County. ***Gila County needs to define its area of representation for the study.** We also discussed the importance of having a representative from the Pine/Strawberry area. ***Tom Whitmer will invite a representative from Brooke Utilities.**

2. Action Item – Preliminary Alternatives Matrix for review and comment
Leslie provided the latest version of the alternatives matrix. She provided an earlier version to the TC members for comment prior to the meeting. During this meeting, we reviewed the information together and provided further comments. We also discussed more existing information that pertains to the study. ***Tom Whitmer will provide additional Blue Ridge information . *La Ron Garrett and Mike Ploughe will provide additional Payson studies.**

3. Action Item - Blue Ridge Tour

Leslie reported that Phelps Dodge would not agree to provide a tour for the TC. The TC decided to put together its own tour of the area. Several members of the group are very familiar with the area and facilities. They will be our tour guides. We decided to combine the field trip/tour with our next TC meeting on September 16. ***Leslie will send an e-mail to the entire committee to solicit interest then coordinate details with the TC.**

4. Action Item – Revise the Plan of Study.

Leslie didn't have time to work on the plan of study.

New business

The TC needs to put together a budget for the study area based on existing conditions and future needs. In order to complete this task, we need to:

1. Define the Study Area
2. Get census data (***John Fortune**)
3. Agree on a method for projecting future population and water use needs.

These items will be the focus of the October TC meeting.

Local Issues

Greg Kornrumpf discussed SRP's more aggressive approach to the illegal surface water diversions on the watershed.

Our next TC meeting is schedule for September 16, 2003, 8:00 am . It will be the Blue Ridge Tour. Meet at Payson Town Hall.

*** Action Items**

Mogollon Rim
Water Resources Management Study

Tuesday, September 16, 2003

In Attendance: Buzz Walker – Town of Payson Greg Kornrumpf – SRP
Mike Ploughe – Town of Payson Wally Davis – Tonto Apache
La Ron Garrett – Town of Payson Joe Sparks – Tonto Apache
Fred Carpenter – Town of Payson Carol Erwin - USBR
Judy Buettner – Town of Payson Marvin Murray - USBR
Tim Wright – Town of Payson Leslie Meyers - USBR
Bob Gardner – Gila County Harry Jones – Gila County

This month's technical meeting was a field tour of the Blue Ridge facilities. Our day began at 7:45 at Payson Town Hall with coffee and donuts provided by the town of Payson.

The tour included stops at the:

1. Reservoir, dam and spillway
2. Pump house and surge tanks
3. Priming reservoir
4. Exposed pipe section
5. Surge tank at the rim
6. Power plant

We ended back at the Town Hall. It was a great trip. My thanks to Buzz, Mike, and Greg for their informative commentary.

Our next meeting will be on October 21 at 10:00am at the Payson Public Library.

Mogollon Rim
Water Resources Management Study

Tuesday, October 21, 2003

In Attendance: Buzz Walker – Town of Payson Tom Whitmer – ADWR
Mike Ploughe – Town of Payson John Fortune - ADWR
La Ron Garrett – Town of Payson Rod Byers - USFS
Tim Wright – Town of Payson Greg Kornrumph – SRP
Harry Jones – Gila County Marvin Murray - USBR
Bob Gardner – Gila County Leslie Meyers - USBR

The meeting began with introductions and a recap of our September meeting/Blue Ridge Tour.

We began by reviewing action items from the August 19 meeting:

- 1) The group defined the study area. (For description, see attached draft report)
- 2) Tom Whitmer provided a contact from Brooke Utilities – Myndi Brogdon
- 3) Mike Ploughe provided some of the studies referenced in the Plan of Study.
(Reclamation sent the Town a list of reports still needed on November 3)

There was discussion of the study objectives. There is much technical information that is currently available. We have not, as a group, defined our problems and needs. We discussed the need to quantify population, agree on projections, and define future water use needs. This will lead us to a problem statement for our study. “Our best information indicates that in the year 2050, the study area will require an addition ???? amount of water”... (see attached, how to conduct an appraisal level study.)

USBR will collect information to begin a Water Demand Analysis for the study area. Additionally, USBR will begin a draft of the Needs Assessment. (This assessment, when combined with our Demand Analysis and Alternatives Matrix, will become our final report. This first draft will help define what additional information may be necessary.)

Harry Jones will research and provide population and water use information for the unincorporated study area.

The group discussed the need for public involvement. We agreed that, when we have a well rounded understandable draft product, we will present it to the public. ~~We are not~~ ready at this time.

Our next meeting will be on November 18 at 10:00am at the Payson Public Library.

What are appraisal studies?

Appraisal studies are preliminary surveys of problems, needs, and conceptual solutions to help:

- Determine if there is a potential workable alternative
- Determine if Reclamation should proceed with this project
- Look for fatal flaws (also called train wrecks or showstoppers)
- Provide a basis for requesting feasibility authority from Congress

A needs assessment is a type of appraisal study

How do we conduct appraisal studies?

- Need: Identify problems and needs (including critical habitat or other environmental resources needing protection or further study).
- Objectives: Specify what any viable option would accomplish
- Resources and constraints: Determine available resources (including ability to pay) and legal and institutional constraints, as well as whether any water is available.
- Options: Identify all options to address the needs and objectives.
- Screening Apply the screening tests in the P&Gs screening criteria to the options to identify the most viable ones.
- Alternative and evaluation: Examine the potential solution (alternative) in enough detail to determine if it could work. Identify and document potential roadblocks. Estimate the amount of Federal funding needed.

Mogollon Rim
Water Resources Management Study

Tuesday, November 18, 2003

In Attendance: Buzz Walker – Town of Payson	Tom Whitmer – ADWR
Mike Ploughe – Town of Payson	Rod Byers – USFS
La Ron Garrett – Town of Payson	Greg Kornrumpf – SRP
Robert Henley – Town of Payson	Marvin Murray - USBR
Harry Jones – Gila County	Leslie Meyers - USBR

The following incorporates both new information and the resolution of action items from the October 21 meeting:

Needs Assessment

Marvin Murray discussed the work he had done preparing a draft needs assessment. He explained that the assessment, along with the alternatives matrix and the demand analysis will be the bulk of the final Study report. Leslie provided a description and outline of a sample needs assessment. The Town of Payson provided copies of reports to be referenced in the assessment.

Action Item – Marvin will incorporate the new information into the needs assessment and provide to the group for review.

Study Area Map

Leslie provided the committee with copies of a map outlining the Study area. Land classification (public vs private) is depicted on the map. Greg suggested that we modify the Study area to include Christopher Creek. **Action Item – Harry will check with Gila County folks for concurrence on including the proposed area.** Rod noted that the map does not reflect the most recent land exchange information. **Action Item – USBR will contact the Forest Service for descriptions of recent land exchanges.** The map should ultimately display land uses (zoning) for the incorporated and unincorporated areas. **Action Item – USBR will contact LaRon (Payson) to get AutoCad information pertaining to Town of Payson and Gila County for the unincorporated land use information.**

Demand Analysis

Leslie presented the information provided by the Town of Payson and Gila County. There are a lot of holes in the information. It is hard to get a handle on water usage, supply, and population projections for the unincorporated areas. Much of the information we have was developed for other purposes and doesn't necessarily provide reasonable estimates. Better estimates could be based on recent water use data. **Action Item: Tom Whitmer will approach Brooke Utilities and request water use information for their systems within the Study area.**

Schedule

Leslie put together a list of tasks to be performed for the Study. She asked for input from the committee on any modifications, additions, or deletions. **Action Item – Everyone please review the schedule and provide comments prior to the next meeting. Action Item – Leslie will assign DRAFT durations and completion dates to the schedule.** Additionally, Leslie discussed the need to update the Project Management Team (PMT) about the progress of the Technical Team. Since, Buzz and Harry are their entities representatives to the PMT, we may be able to do this first update informally.

New Business

Mike mentioned that he thought it would be a good idea to encourage the Tonto Apache Tribe to participate in the Study. The committee discussed the advantages to all parties of partnering with the Tribe. **Action Item – Buzz will contact the Tonto Apache Tribe to discuss their participation in the Study.**

Leslie reported that ADWR had approached her about providing assistance in the Study process for FY04. **Action Item – Tom and Leslie will work on the details of a contract.**

Local Issues

The committee discussed the progress of USGS's Mogollon Highlands Study. There is new information available that USGS may be able to use. It would be a good idea to get them involved with our Technical committee. **Action Item – Tom Whitmer will contact John Hoffman (USGS – Northern Arizona Study Coordinator) to update USGS about our progress and ask them to participate.**

Our next meeting will be on December 16 at 10:00am at the Payson Public Library.

Mogollon Rim
Water Resources Management Study

Tuesday, December 16, 2003

In Attendance: Buzz Walker – Town of Payson John Fortune – ADWR
Mike Ploughe – Town of Payson Rod Byers – USFS
Robert Henley – Town of Payson Grant Loomis - USFS
Bob Gardner – Gila County Greg Kornrumph – SRP
Harry Jones – Gila County Marvin Murray - USBR
Myndi Brogdon – Brooke Utilities Leslie Meyers - USBR

There were two attendees new to the technical committee in attendance – Myndi Brogdon, Brooke Utilities and Grant Loomis, USFS.

Review of Action Items – November 18 Technical Committee Meeting

Harry reported that the proposed changes to the Study area are fine. The new boundary includes Christopher Creek.

Myndi agreed to provide water use information for Brooke Utilities customers within the study area. The data will be used to project future water needs.

Mike Ploughe was contacted by two people from the USGS for data relating to the Mogollon Highlands study.

Demand Analysis

Harry presented the information that he and Bob had put together for the unincorporated areas within the study area. They provided a lot of new information and presented their rationale and methodology. Members of the committee provided comments and questions.

Action Item – Leslie will coordinate with Myndi to get water delivery and future projection information.

Action Item – Harry/Bob will collect missing information and complete their spreadsheet.

Project Mapping/Boundary Information

Vivian Gonzales, USBR, is collecting land use information in GIS format. She has contacted and received information from Payson and USFS. She has contacted Gila County and was told that there was no electronic information available.

Action Item – Vivian will coordinate with Harry Jones to try to get to the information she needs from Gila County.

Action Item – Vivian will adjust map to reflect the new project eastern boundary (Christopher Creek).

Action Item – Leslie will send Myndi a hard copy of the project map and e-mail one to John.

Schedule

Leslie provided a draft schedule including completion dates for the committee to review. The schedule will be updated as necessary throughout the study process.

Leslie proposed that the TC begin updating the draft Alternatives Matrix for inclusion in the Needs Assessment.

Action Item – Leslie will e-mail the current version of the Alternatives Matrix to the group for review and comment prior to the next TC meeting (January 20, 2004).

Needs Assessment

Marvin Murray discussed the work he had done preparing and revising the draft Needs Assessment. He discussed several additional areas he feels need to be addressed in the document. Members of the committee asked questions and provided comments.

Action Item – Marvin will coordinate with the partners to collect and incorporate additional information into the Needs Assessment.

New Partners

Robert Henley and Buzz Walker have approached the Tonto Apache Tribe about becoming partners in the study. The TC discussed the issue and agree that their inclusion would benefit all parties.

Action Item – Before the next TC meeting, Leslie will prepare a letter to the tribe requesting their participation and proposing some language that may be added to the cost share agreement which would reflect their partnership.

The TC discussed the ADWR's offer to provide funding for the study through their Rural Watershed Initiative.

Action Item – Leslie will prepare a request for ADWR.

Our next meeting will be on January 20 at 10:00am at the Payson Public Library.