

OPEN MEETING AGENDA ITEM



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ORIGINAL

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NOV 14 2008  
By 7000 NOV 14 P 2:01

P.O. Box 717  
Pine, AZ 85544

Arizona Corporation Commission

DOCKETED

AZ CORP COMMISSION  
DOCKET CONTROL

11/12/08

NOV 12 2008

Arizona Corporation Commission  
1200 W. Washington,  
Phoenix, AZ. 85007  
Attention: Chairman Mr. M. Gleason

DOCKETED BY  
Mw

Reference: Your letter dated October 22, 2008 Docket# W-03512A-07-0362

Dear Sir,

Please be advised that as a private citizen and full time resident of Pine I am watching very closely the above referenced application. Indeed I have taken the trouble to drive to Globe myself, research and pay for copies of certain documents.

May I therefore submit the following information for your examination and consideration. Obviously I am not a lawyer but to quote Mr. Gliege I have witnessed some "legal razzle dazzle" myself.

Enclosed are some of the documents I obtained which clearly show that the "intent" of PSWID was for an improvement district and not a "domestic" WID. One would also assume that "domestic" would mean that in 1996 we had water to deliver and we did not. This intent is clear as shown in Gila County Board of Supervisor minutes and letters received from Gila County. I understood that the Supervisors allowed some flexibility and that the board could be self-governing. Having said that, it is obvious that the Gila BOS are not "hands off" as we the tax payers of Gila County have been paying Mr. Harry Jones to attend PSWID board meetings and also to interface with various factions of the communities of Pine and Strawberry.

You may remember that a few years ago there was a petition drive to become a Domestic Water Improvement District and it failed. Rim Country Water in October of last year said that they wanted to "convert" PSWID into a Domestic and become a purveyor of water. Mr. Harry Jones asked that they call Dixie Mundy Gila County, and ask her if PSWID was domestic and if not how to go about it. Dixie Mundy is director of the Gila County Elections Dept and was involved with the necessary checking of petition documentation back in 1996. Subsequently it was placed on the agenda for approval as Pine Strawberry Water Improvement District.

I asked the Gila County Attorney for an opinion and was advised that as a member of the public I would need to seek my own attorney or pursue civil remedies.

Included in the enclosure is also a letter from Gila County Board of Supervisors reaffirming status of PSWID as a Water Improvement District. The original petition

in 1996 states Water Improvement District. Resolution 03-11-01 presented to the ACC from Gila BOS says "whereas, the PSWID was established to locate an adequate, long running and stable source of water for the property owners within the PSWID"

You will see that all along the district is called Pine Strawberry Water Improvement District. Whereas at the same time Solitude Trails was in the process of becoming Solitude Trails Domestic Water Improvement District, and likewise their documentation reflects it as such. The same applies in the case of Pine Creek Canyon Domestic Water Improvement District (Portal IV) all of this happening in 1996.

Mr. Gliege said the courts would probably look at the absence of the word Domestic in the districts title as being a clerical error, and it would not be considered material. You can see clearly that the word "domestic" was not intended for PSWID. Sometimes errors are made in the Gila BOS minutes, as in the case of appointing the first board of directors of the "Solitude Trails Water Improvement District." In addition Gila BOS minutes March 19, 1996, "Supervisor Christensen motions that the board approve the establishment of the Pine Creek Water Improvement District" in both cases the word domestic is missing. Having looked at all of their documentation it would be out of order to say that they cannot call themselves a domestic water improvement district, their intent is clear.

Likewise the intent for Pine Strawberry Water Improvement District role is clear and spelled out numerous times. Supervisor District One (Ron Christensen) in the Gila County BOS minutes dated July 2, 1996 went to great lengths to explain what PSWID was and was not.

I apologize for the marked up file papers, but nevertheless felt that I needed to respond to your letter. Hopefully they offer some clarification.

Most Sincerely,



Pamela Mason  
(928) 476- 2227  
pamldm@hotmail.com

# OPEN MEETING AGENDA ITEM



## COMMISSIONERS

MIKE GLEASON- Chairman  
WILLIAM A. MUNDELL  
JEFF HATCH-MILLER  
KRISTIN K. MAYES  
GARY PIERCE

## ARIZONA CORPORATION COMMISSION

Direct Line: 602-542-3682  
Fax: 602-542-3708  
E-mail: [mgleason@azcc.gov](mailto:mgleason@azcc.gov)

# ORIGINAL

October 22, 2008

IN THE MATTER OF THE APPLICATION OF  
PINE WATER COMPANY FOR APPROVAL  
TO (1) ENCUMBER A PART OF ITS PLANT  
AND SYSTEM PURSUANT TO A.R.S. § 40-285(A);  
AND (2) ISSUE EVIDENCE OF INDEBTEDNESS  
PURSUANT TO A.R.S. § 40-302(A)

DOCKET NO. W-03512A-07-0362

Dear Parties to the Docket:

During its Regular Open Meeting on September 23, 2008, the Commission declined to take action on the application by Pine Water Company (Company) for Commission authorization to incur \$300,000 in debt. Instead, the Commission deferred this matter for consideration at the Commission's Regular Open Meeting that is scheduled for December 16 and 17, 2008.

In his procedural order dated September 29, 2008, the Administrative Law Judge assigned to this matter, Dwight Nodes, ordered that the Company and intervenors file by December 12, 2008, a report on the status of any purchase negotiations or condemnation efforts, and any other developments or pertinent information in this case. Aside from the report ordered by Judge Nodes, it would be helpful if the Parties would, by November 24, 2008, file in this docket answers to the following questions:

1. Does the authority under which Pine Strawberry Water Improvement District (District) was established allow it to own and operate a public water system?
2. If the Commission were to approve the Company's financing application, would the District be able to use the \$300,000 for purposes other than paying for the K-2 test well?

Thank you for your consideration of these questions.

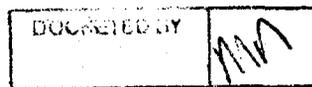
Sincerely,

Mike Gleason  
Chairman

Arizona Corporation Commission

DOCKETED

OCT 22 2008



AZ CORP COMMISSION  
DOCKET CONTROL

2008 OCT 22 P 1:58

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- C: Commissioner William A. Mundell  
Commissioner Jeff Hatch-Miller  
Commissioner Kristin K. Mayes  
Commissioner Gary Pierce  
Dwight Nodes, Hearing Division  
Ernest Johnson, Utilities Division Director  
Janice Alward, Chief Counsel  
Docket Control

RESOLUTION NO. 96-3-5

X

RESOLUTION OF THE GILA COUNTY BOARD OF SUPERVISORS ESTABLISHING PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT

WHEREAS, on or about February 20, 1996, the petition, addressed to the Board of Supervisors (the "Board of Supervisors") of Gila County, Arizona (the "County"), requesting the establishment of the Pine Creek Canyon Domestic Water Improvement District (the "Petition for Establishment") and an accompanying petition to incur expense for the Pine Creek Canyon Domestic Water Improvement District (the "Petition to Incur Expense," which, with the Petition for Establishment, are collectively referred to as the "Petition") was filed with the Clerk of the Board of Supervisors; and

WHEREAS, the Petition for Establishment was signed by a majority of the persons owning real property or the owners of 51% or more of the real property within the limits of the proposed Pine Creek Canyon Domestic Water Improvement District, as verified by 1 of the petitioners and was accompanied by a plat or sketch indicating the approximate area and boundaries of the proposed Pine Creek Canyon Domestic Water Improvement District; and

WHEREAS, the Petition for Establishment set forth all of the required matters set forth in subsection (C) of Section 48-903, Arizona Revised Statutes, as amended, was verified by 1 of the petitioners and was accompanied by a plat or sketch indicating the approximate area and boundaries of the proposed district, as required by subsection (F) of Section 48-903, Arizona Revised Statutes, as amended; and

WHEREAS, the Petition to Incur Expense has attached thereto the Affidavit of a Property Owner whose property is subject to the assessment for the improvement, stating on his oath that he has examined the Petition and that the signature thereto are the genuine signatures of the owners of a majority of the frontage of property contained within the limits of the proposed Pine Creek Canyon Domestic Water Improvement District; and

WHEREAS, pursuant to the provisions of Section 48-904, Arizona Revised Statutes, as amended, at the time of the filing of a petition for the establishment of an improvement district, or at any time thereafter, but before the publication of the notice of hearing on the petition, a bond, with security approved by the Board of Supervisors, sufficient to pay expenses in connection with the proceedings in the case, the Board of Supervisors refuses to establish the proposed improvement district shall be filed with the County by the petitioners; and

WHEREAS, Section 48-905, Arizona Revised Statutes, as amended, requires the Board of Supervisors to set a date for the hearing of the establishment of the Pine Creek Canyon Domestic Water Improvement District not later than 40 days after presentation of the Petition; and

RESOLUTION OF THE BOARD OF SUPERVISORS OF GILA COUNTY, ARIZONA  
APPLICABLE TO THE PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT  
DISTRICT AUTHORIZING THE EXECUTION, DELIVERY AND PERFORMANCE OF  
A GRANT AGREEMENT BETWEEN THE DISTRICT AND PORTAL IV, LLC

WHEREAS, on or about **February 20, 1996**, the petition, addressed to the Board of Supervisors (the "**Board of Supervisors**") of Gila County, Arizona (the "**County**"), requesting the establishment of the Pine Creek Canyon Domestic Water Improvement District (the "**District**") and an accompanying petition to incur expense for the District was filed with the Clerk of the Board of Supervisors; and

WHEREAS, after the hearing required by **Section 48-905, Arizona Revised Statutes, as amended**, the Board of Supervisors, determined that the public convenience, necessity, or welfare would be promoted by the establishment of the District; and

WHEREAS, the District Board of Directors has determined that it is necessary to comply with various requirements of **Arizona's Open Meeting Laws, Sections 38-431 to 38-431.09, inclusive, and Arizona's County Improvement District Laws, Sections 48-901 to 48-1018, inclusive; and**

WHEREAS, the District is authorized and empowered, among other things to (a) acquire, construct, reconstruct or repair waterworks for the delivery of water for domestic purposes as outlined in **Section 48-909(A)(6), Arizona Revised Statutes, as amended**, (b) set water rates for the District as per **Section 48-910, Arizona Revised Statutes**, and (c) have all powers and duties of the Gila County Board of Supervisors which further the purposes of subsection (a) and (b) above, as authorized by **Section 48-1014, Arizona Revised Statutes; and**

WHEREAS, the District must establish its rates, fees, and charges for water and sewer services in the manner contemplated by **Section 48-910, Arizona Revised Statutes**, after giving the appropriate notice and conducting a public hearing; and

WHEREAS, Portal IV, L.L.C. ("**Portal IV**"), an Arizona limited liability company, has acquired, for development and resale for various housing and commercial uses, approximately **122 acres** of real property located Gila County, Arizona, more particularly described in **Exhibit A** (the "**Property**"); and

WHEREAS, Portal IV has requested that the District enter into an agreement for the purpose of insuring subsequent owners of the Property receive adequate and reasonable water and wastewater services; and

WHEREAS, on **December 19, 1996**, the District resolved to approve the proposed form of Grant Agreement between Portal IV and the District (the "**Agreement**"), such Resolution being conditioned upon, among other things, the granting of approval of the Agreement by the Gila County Board of Supervisors; and

Gila Co. BOS minutes

March 19, 1996  
Page 4

district that is created today can't include another geographical area without the areas approval by those people agreeing to go into the district so there would be just two districts that are contiguous that might be duplicitous, but that is up to the citizens to decide if they want to combine the two." Mr. Rigby: "Might it be appropriate to stipulate that when the greater water district is formed that the Pine Creek Water District becomes part of it?" Supervisor Christensen states that the proper procedures according to the statutes would again have to be met. Charles W. Lotzar, attorney representing the petitioner and on behalf of petitioner reaffirms the statements made by parties this date and requests that the Board adopt the resolution presented for the formation of the district, which will afford his client to take appropriate steps and go forward and sell lots. The Chairman asks if there is any further comment. Supervisor Christensen motions that the Board approve the establishment of the Pine Creek Water

2000 Domestic Mission Improvement District,

Supervisor Salas seconds the motion and the Board unanimously approved Resolution 96-3-5. Upon formation of the District Supervisor Christensen asks for a legal opinion regarding the time of service a member would have to serve after the appointment of a Board of Directors. Mr. DeRose informs the Board that upon the nomination of the Board they in turn would have to divide themselves into a two year and four year term and would have to stand the next general election. Supervisor Christensen

**PETITION FOR THE FORMATION OF  
SOLITUDE TRAILS  
DOMESTIC WATER IMPROVEMENT DISTRICT**

TO: The Honorable Board of Supervisors  
County of Gila  
State of Arizona

Gentlemen:

We, the undersigned Petitioners who are the owners of real property within the proposed Solitude Trails Domestic Water Improvement District in Gila County, Arizona, pursuant to A.R.S. Sections 48-903, et seq., hereby request the Board of Supervisors of Gila County to establish a Domestic Water Improvement District pursuant to Articles 1, 2, 3 and 4 of Chapter 6, Title 48 of the Arizona Revised Statutes, as amended. Furthermore the undersigned respectfully requests that these petitions authorize the proposed district to incur expenses pursuant to A.R.S. Section 48-915. The undersigned requests that this petition be attached to the other similar petitions to constitute one petition for the establishment of the Solitude Trail Domestic Water Improvement District. The undersigned alleges as follows:

1. The name of the proposed Domestic Water Improvement District is **Solitude Trails Domestic Water Improvement District**.
2. It is necessary to form the proposed District to acquire, provide, operate and maintain the Domestic Water System and to connect such additional properties, as may be necessary and desired, located within the District to the Domestic Water System.
3. The public health, convenience, necessity, safety and welfare will be promoted through the provision of domestic water and each parcel of property within the District will be benefited by the acquisition of wells and a water delivery system (the Domestic Water System) to which improvements on the property are or may be connected. The estimated total acreage to be benefited is forty (40) acres more or less.
4. The legal description and boundaries of the proposed Domestic Water Improvement District are set forth in Exhibit A, and the area to be included within the improvement district is generally shown on the map attached as Exhibit B and contains forty (40) acres more or less.
5. The proposed improvements include the acquisition of the existing Domestic Water System and the development of additional components of a water delivery system and all appurtenant facilities to connect the properties within the Improvement District to the Domestic Water System. It is the intention of the Petitioners that the District may issue and sell bonds for unpaid assessments, if any, prior to commencement of the construction.
6. The proposed Domestic Water Improvement District is located entirely within Gila County, Arizona and is not within the boundaries of any incorporated city or town. Further, the proposed District does not contain any lands owned or held by a common carrier for use in connection with interstate and intrastate commerce,

RECEIVED  
GILA COUNTY ELECTIONS

96 MAY 16 AM 2: 38

2515 West Highway 89A, Suite 4  
Sedona, Arizona 86336  
Vox: 520.204.2151  
Fax: 520.204.1087

**SOLITUDE TRAILS DOMESTIC WATER IMPROVEMENT DISTRICT**

**INSTRUCTIONS FOR SIGNING PETITIONS & VERIFICATION PROCESS**

You have been given a Petition to be circulated among the other property owners within the proposed Solitude Trails Domestic Water Improvement District.

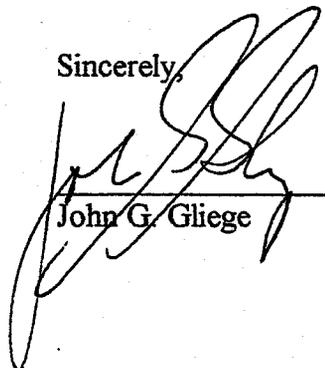
Following are the guidelines for having this Petition properly signed so that the signatures will not be invalidated at a later time.

1. The individuals who circulate the Petitions must be an owner of property located within the proposed district.
2. The individual who signs the Petition must do so in your presence.
3. The person signing the Petition must state their physical address such as the County Tax Assessors Parcel number, a lot number, or a street address (do not use Post Office boxes).
4. After you have obtained as many signatures as you are able, complete the Verification. The Verification simply states that the Petition was signed in your presence by the person or persons who are landowners within the proposed District. Then, forward all completed Petitions and notarized Verifications to:

Mark J. Fumusa  
Harvest Homes  
Post Office Box 233  
Pine, Arizona 85544

NOTE: Should you come upon a situation where the husband's and wife's names are both on the Deed to the Property, please have them both sign the Petition. Moreover, any time there is more than one owner listed on the Deed to a parcel of property, have all owners sign the Petition, if possible.

Sincerely,

  
\_\_\_\_\_  
John G. Gliege

/gmo  
Enclosures

IN PURSUANT TO A.R.S. §38-431 THE GILA COUNTY BOARD OF SUPERVISORS WILL HOLD AN OPEN MEETING IN THE SUPERVISORS' AUDITORIUM, 1400 EAST ASH STREET, GLOBE, ARIZONA, AND THE AGENDA IS AS FOLLOWS:

SPECIAL SESSION - TUESDAY, JUNE 25, 1996

Time	Item #	Item of Business	Page
8:30 a.m.		County Administrator's projects report workshop (subject to continuation in afternoon session)	
10:00 a.m.		Call to Order - Pledge of Allegiance - Invocation	
	1	Review/approval of finance reports/demands/transfers	
	2	Information/discussion/necessary action for Retention of the William, LaSota & Miller Consulting Group to research AHCCCS/ALTCS overcharges (Steve Besich)	1-2
	3	Review/approval of Gila County Youth Affairs Board Board removals and appointments (Armida Bittner)	3
	4	Review/approval of IGA between Gila County and DES/Rehabilitation Services Admin. (Christine Rocha)	4-8
10:30 a.m.	5	PUBLIC HEARING/Necessary Action Z-13-95 to Rezone from R1L-D70 to R1L-D40 in Strawberry View Unit II Applicant Florence Baum (Robert Mawson)	9-22
	6	PUBLIC HEARING/Review/approval Resolution 96-6-6 Establishing and Organizing Solitude Trails Domestic Water Improvement District (Dixie Mundy)	23-42
	7	Review/approval of consultant services agreement with Jerry Alexander to provide upgrades to CAP using DES grant funds (Jeannie Jertson)	43-45
	8	Review/approval of Resolution 96-6-3 and IGA between Gila County C.A.P. and DES Administration accepting \$10,000 in funding for Children, Youth & Families for FY 96/97 (Jeannie Jertson)	46-49
	9	Review/approval of Resolution 96-6-7 and IGA accepting \$282,981 in Federal/State funding for Human Services for FY 96/97 (Jeannie Jertson)	50-62
11:00 a.m.	10	Information/discussion/action regarding Airport Development Options (Steve Besich)	
	11	Discussion/Action Final Plat Request for Dream Catcher Ranch Subd. (#S-5-95) and Request by Applicant to delete a Planning Commission Condition for a Central Sewage Treatment Plant (R. Mawson)	63-95



IF SPECIAL ACCOMMODATIONS ARE NEEDED, PLEASE CONTACT SUE ANDERSON AT (520) 425-3231 OR TDD (520) 425-0839 THE FRIDAY BEFORE EACH SESSION THE BOARD RESERVES THE RIGHT TO MOVE INTO EXECUTIVE SESSION FOR LEGAL ADVICE

Solitude Trails Domestic Water Improvement District  
Resolution and Order Establishing and Organizing  
Page 2 of 3

- 2. That the boundaries of the Solitude Trails Domestic Water Improvement District shall be those set forth in Exhibits A and B, attached hereto and incorporated herein by reference
- 3. That the Improvement District shall be known in all proceedings as the Solitude Trails Domestic Water Improvement District.
- 4. That these findings and orders are made after public hearing required by Arizona Revised Statutes §48-905.
- 5. That by virtue of the authority set forth in Arizona Revised Statutes §48-906 the Solitude Trails Domestic Water Improvement District is hereby established, formed, organized, and shall be a body corporate with the powers of a municipal corporation for the purposes of carrying out the provisions of Title 48, Chapter 6, Articles 1 and 4, of the Arizona Revised Statutes.
- 6. That the Solitude Trails Domestic Water Improvement District is to be governed by an elected Board of Directors of three (3) members who are qualified electors of the District. The first Board of Directors shall be:
  - 1. Mark J. Fumusa
  - 2. Suzanne A. Fumusa
  - 3. Robert M. Cassaro
- 7. That the term of every elected office shall commence on the second day of January following the election of Board members to fill vacancies on the Board, said election to be held on the second Tuesday of each October of every odd year.
- 8. That request is hereby made of the department of Property Valuation, State of Arizona, that the establishment of the Solitude Trails Domestic Water Improvement District become effective for assessment and tax levying purposed for the tax years beginning from and after December 31, 1996.
- 9. That the Clerk of the Board file with said Department and with the County Assessor of Gila County, a certified copy of this resolution on or before November 1, 1996.

508 minutes

Supervisor Christensen, seconded by Supervisor Salas, the Board unanimously approved Resolution 96-6-6 Establishing and Organizing Solitude Trails Domestic Water Improvement District. Upon motion by Supervisor Christensen, seconded by Supervisor Salas, the Board unanimously appointed the first Board of Directors of the Solitude Trails Water Improvement District as follows: Mark J. Fumusa, Suzanne A. Fumusa, and Robert M. Cassaro.

**(COPY RESOLUTION 96-6-6 HERE)**

The Board met with San Carlos Apache Tribe Members: Raymond Stanley, Chairman; Marvin Mull, Jr., Vice-Chairman; William Ned Anderson, Councilman; also from the City of Globe: Dave Franquero, Mayor City of Globe; Ross Bittner, Vice-Mayor, to discuss options regarding the development of the San Carlos - Globe Regional Airport. Steve Besich, County Administrator gives a past history of the Airport and presents future proposals for development. Chairman calls for public comment at this time. Gene Davis, Member of the Airport Board states that he is in support of the Casino remaining open. Supervisor Salas states his concerns regarding the feelings and his respect for the Tribe's decision, the liability issues for the County, with first priority being for the safety of those using the Airport. Raymond Stanley addresses the Board and states that the Tribe will meet at a later date and time to go over the matter with counsel, Steve Titla. Mayor Dave Franquero, states that he concurs with the Board and the assessment that this issue has been outgoing for a number of years and the City is just as anxious about a resolution as the County is. Mayor Franquero commends all those involved in putting together options in resolving this matter. Further, that the City had submitted a letter to the Board stating that the City was in support of participating in an Airport Lease subject to some contingencies, and would have to meet with his council members to discuss this matter. Ed Carpenter, President of the Airport Board, states that as far as the Board is concerned they would like to make improvements and until the lease negotiations can be resolved they are at a standstill. John Wesley, Bylas Tribal Council states his concerns. John

PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

I, the undersigned, an owner of real property located within the limits of the proposed Pine-Strawberry Water Improvement District, hereby petition the Board of Supervisors of Gila County, Arizona, requesting the establishment of a water improvement district. The name of the proposed improvement district shall be the PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT. The necessity for the district is to improve the condition and maintenance of the water supply system located within the area known as Pine-Strawberry, as described by the boundaries in attachment "A" to this petition. The public convenience, necessity and welfare will be promoted within the boundaries of the proposed district by the establishment thereof and the property to be included in the proposed district will be benefited in general. Attached to this petition as Exhibit "B" is a plat or sketch indicating the approximate area and boundaries of the district. This petition requesting the establishment of a water improvement district is made pursuant to Title 48, Chapter 6, Article 1, Arizona Revised Statutes. The proposed improvement within the District is the maintenance of the water supply system.

Signature	Printed Name	Residence address or mailing address (if no street address, describe residence location)	City, Town or Post Office & zip code	Date Signed
<i>Alex Madrid</i>	Alex Madrid	219 Navajo Cool Pine	Pine 85544	11/25/95
<i>Luella Madrid</i>	Luella Madrid	219 Navajo Cool Pine	Pine 85544	11/25/95
<i>Larry I. Thomas</i>	Larry I. Thomas	253 Pajago Cool Pines	Pine 85544	11/25/95
<i>James L. Thompson</i>	James L. Thompson	255 Pajago Cool Pines	Pine 85544	11/25/95
<i>Peggy L. Thompson</i>	Peggy L. Thompson	255 Pajago Cool Pines	Pine 85544	11/25/95
<i>Donnie M. Paul</i>	Donnie M. Paul	257 Pajago Cool Pines	Pine 85544	11/25/95
<i>Francis Paul</i>	Francis Paul	257 Pajago Cool Pine	Pine 85544	11/25/95
<i>Clarice A. Stalling</i>	Clarice A. Stalling	184 Pajago Cool Pine	Pine 85544	11/25/95
<i>George S. Hesser</i>	George S. Hesser	254 Pajago Cool Pine	Pine 85544	11/25/95
<i>Charles E. Hesser</i>	Charles E. Hesser	254 Pajago Cool Pine	Pine 85544	11/25/95
<i>Yvonne Marie</i>	Yvonne Marie	234 Acetate Cool Pine	Pine 85544	11/25/95
<i>Eugenia T. Chapman</i>	Eugenia T. Chapman	69 Sharrah Rd Sharrah	Pine 85544	12/19/95
<i>Robert E. Chapman</i>	Robert E. Chapman	69 Sharrah Rd Sharrah	Pine 85544	12/19/95
<i>Robert H. Hesser</i>	Robert H. Hesser	601 59 Acetate	Pine 85544	11/19/96

TOTAL P. 98

P. 05 03

GILIA COUNTY

09: 23

11-20-2008

IN PURSUANCE TO A.R.S. §38-431 THE GILA COUNTY BOARD OF SUPERVISORS WILL HOLD AN OPEN MEETING IN THE SUPERVISORS' AUDITORIUM, 1400 EAST ASH STREET, GLOBE, ARIZONA, AND THE AGENDA IS AS FOLLOWS:

**REGULAR MEETING - TUESDAY, JULY 2, 1996**

Time	Item #	Item of Business	Page
8:30 a.m.		County Administrator's projects report workshop (subject to continuation in afternoon session)	
10:00 a.m.		Call to Order - Pledge of Allegiance - Invocation	
	1	Review/approval of finance reports/demands/transfers	
	2	Review/approval of AZ Supreme Court Administrative Office of the Courts Juvenile Justice Services Division - Family Counseling FY 96/97 (Susan Moffett)	1-3
	3	Review/approval to allow Chief Justice Stanley G. Feldman to reappoint Alan Slaughter and Peter DeNinno as Judges Pro Tempore for Superior Court from July 1 to December 31, 1996	4-6
10:15 a.m.	4	PUBLIC HEARING/review approval of Resolution 96-6-2 which allows the Board to establish additional fee schedules for any specific products and services the county provides to the public, specifically those in the Globe Justice Court (Jerry DeRose)	7-10
	5	Review/suggestions/requirement for change to accept Impact Statement from Northern Gila County Sanitary Dist. Annexation of Northwoods Subd. (Dixie Mundy)	11-16
10:30 a.m.	6	PUBLIC HEARING/review/approval of Resolution 96-6-12 Order Establishing and Organizing Pine- Strawberry Water Improvement District (Dixie Mundy)	17-32
	7	Review/approval of Extension of the AZ Criminal Justice Commission Grant Agreement (Claudia DalMolin)	33-37
	8	Review/approval of Street Lighting Agreement between A.P.S. and the Apache Hills Street Lighting Improvement District (Steve Besich)	38-52
10:45 a.m.	9	Receive/open bids/necessary action on Santa Ana Building Request for Proposals (Robert Mawson)	
11:00 a.m.	10	PUBLIC HEARING/necessary action Z-3-96 Rezoning Request and S-1-94 Final Plat Request for Portal Pine Creek Canyon Unit IV Phase II (Robert Mawson)	53-66
	11	Request authorization for signature for Consent Orders for Buckhead Mesa and Russel Gulch Landfills for A.D.E.Q. (John Trijuillo)	67-77

IF SPECIAL ACCOMMODATIONS ARE NEEDED, PLEASE CONTACT SUE ANDERSON AT (520) 425-3231 OR TDD (520) 425-0839 THE FRIDAY BEFORE EACH SESSION THE BOARD RESERVES THE RIGHT TO MOVE INTO EXECUTIVE SESSION FOR LEGAL ADVICE

**BOARD OF SUPERVISORS  
IN AND FOR THE COUNTY OF GILA**

~~Date: July 2, 1996~~

**EDWARD G. GUERRERO**

Chairman

**STEVEN L. BESICH**

Clerk of the Board

**RONALD A. CHRISTENSEN**

Vice-Chairman

By: Theresa L. Ortega  
Deputy Clerk

**CRUZ SALAS**

Member

Sitting in: Globe, AZ  
(Gila Cty. Courthouse)

APPEARANCES: Edward G. Guerrero, Chairman; Ronald A. Christensen, Vice-Chairman; Cruz Salas, Member; John Nelson, Deputy County Administrator/ Finance Director; and Jerry DeRose, County Attorney.

The Gila County Board of Supervisors met in Special Session this date. Robert Mawson led the Pledge of Allegiance and delivered the Invocation.

This being the time set for Public Hearing regarding Resolution 96-6-12, an Order Establishing and Organizing Pine-Strawberry Water Improvement District. Dixie Mundy is present and informs the Board that all necessary requirements have been met. The Chairman asks for public comment. Elmer Holsinger, President of Pine-Strawberry Improvement Association, informs the Board that he is in support of the water district. James Morris, property owner from Strawberry, informs the Board that he is opposed to the water district. Carl Moore, advises the Board that he is present representing his parents who own property in Strawberry, and are in direct opposition, and request to be excluded. Bob Williams, Pine Resident, is present and states that he is in support of the water district. Jeff Crockett, representing the Pine Water Association, is present informing the Board that the Association would like to be excluded from the district, and don't have a position on the formation of the district, one way or the other, only that they be excluded. Supervisor Christensen: "As Ms. Mundy has pointed out, all the legal requirements for the

July 2, 1996

establishment and organization of the Pine-Strawberry Water Improvement District, have been met and a petitioning process is a voting process, and 66.4% of the people living within Pine and Strawberry have shown their support for the formation. The district itself and what we are doing here today is establishing the boundaries of that particular district, the by-laws for that district, the formation of the board members of that district, and to make those appointments today if we approve this. In all do respect to Mr. Morris's remarks, most of the issues that he spoke of had to do with Planning and Zoning, and did not have to deal with the formation of the district in itself. The purpose and function for the district will be outlined in the by-laws. As I understand, after conferring with the residents, they wanted to form this district, and this is the second time that this has been put before the people for their approval. The first time it was for the purchasing of water systems in the Pine area in 1988, or later than that. That failed simply because of the purposes in which they wanted to form it for, which was to purchase existing water companies that were there. There is no logic to doing that because the existing water companies, small ones and individuals ones, put in by citizens over the years are deficient in providing water to the existing customers that are there. Those companies have allowed expansion to take place without production of new water. The purpose of this district, as I understand it to be, is that it is for the purpose of acquiring rural development funds for the purposes for developing new water sources. The description that the Pine and Strawberry area has a large lake underneath it, is a concern. From all reports that I have had from Hydrologists, that are very well versed in the area, it is not that type of a water structure. The Pine Water Association that exists there has been a water source that comes from an individual water source; separate from E & R Water System, the old Meyer System, and from Ernie Ralls System. I understand why they want their exclusion from it, but the district is not being formed for the purposes of acquiring private wells, nor for the purpose of causing bonding or structure. There is going to be a problem for existing

X

X

water sources or for people that live there now but, the deficiencies that exist with the present water system and the delivery system, are horrendous. They are major, major problems. I congratulate the people that have finally taken a step forward by themselves, the people that live in this area to direct some of their own future. We have had A.D.E.Q. up there, we have had A.D.W.R. up there, we have had the Corporation Commission up there, all it turned into is some great big spitting contest. Nothing new comes from it, not a single problem is solved from it, and I want to congratulate the people that have taken this step to make an effort to take care of their own problem that exist because, quite frankly we are not going to see that happening from the present ownership of the water companies that are there now. We have continually looked at this problem, and everytime we have a drought that becomes the number one major problem out there. When we don't have a drought everybody kind of tucks it away and hope it won't happen again. Well it continues to happen and it will continue to happen until other sources of water are developed and found. Water improvement district structure for that purpose is what this is all about. There are hundreds of thousands of acres on public lands out there that have never been looked at for water, and have never been explored for water, and it is something that I would say that this district needs to do. They need to look at that very seriously, and that it is the purpose why we are here today. It's not for the purpose of purchasing the existing water system, which I don't know how that would solve the present water problem because I don't believe that it would, all you are doing is changing ownership again. I don't think that we can rely upon the private water companies now that exist there to solve this problem. They have had years and years to do it, and it has not been done. This step that is being taken here now is a positive step. It is a step in which citizens themselves are looking at now. We are going to have to cooperate and work diligently with one another to resolve this issue and I will be willing to work with you. This is a positive step not a negative step, it is now going to effect existing wells that are there. This

district is being formed and the boundaries are being formed of it today. They are not out here after anybody's well. People that want to sell their wells, that's another matter altogether, that's something that is in the future out here.

However, the issues of Planning and Zoning that Mr. Morris has pointed out, and I think he is right, is that there needs to be a definite density requirement in how we are going to deal with that. There needs to be requirements in terms of how much water production needs to take place. The County is taking that step, and I quite frankly think that the County is going to have to stick it's neck out a little bit in coming out with criteria that tells how much water is going to be required. We have done alot of surveying on this throughout all of Gila County and we know what the average uses are out here, and that's what we are going to start requiring here of E & R Water and Williamson Water Works. Those are the people that are not producing the water that is required for the households. It is not the water district, this water district doesn't have any water yet. It is being formed for the purpose of getting water and going out and finding water. And, that is what I wanted to make clear today. We have sputtered over this over the years, we have talked about incorporating Pine incorporating Strawberry, and taking care of your own destiny in that regard. Well, I think this water district is a better step. You talk about taxes, you would have them then in trying to develop property taxes, and only property owners would be paying for this particular process. I think this is a much more fairer reasonable approach in solving this particular problem, than just sitting around worrying and complaining. We are all having a big argument every time we have a meeting in Pine or Strawberry, with the State people coming up. Horrendous testimony is provided, which has no relationship whatsoever in solving any problems. This is something I believe that will solve, and will solve problems. But, it's going to be solved by the citizens that live and work there, and have to live there, and have to make a living there, and have to protect their property, and hope someday to be able to sell their property or will it to their children. We cannot build a gate and stop people

from coming to the Rim Country to live there. We cannot stop people from wanting to have their property rights, and do and build on their property the way they want to. We're still living in America, this still is America, and it's a chance and an opportunity to do something for yourselves. That is what this district is all about as far as I'm concerned. Thank you Mr. Chairman." Upon motion by Supervisor Christensen, seconded by Supervisor Salas the Board unanimously approved Resolution 96-6-12, Establishing and Organizing the Pine-Strawberry Water Improvement District.

**(COPY RESOLUTION 96-6-12 HERE)**

The Board addresses the requests for exclusions to the Pine-Strawberry Water Improvement District. Ms. Mundy informs the Board of the names that have requested exclusion from the district, which are reflected in Exhibit A.

Supervisor Christensen makes inquiry as to whether or not there are any additional requests for exclusions. Supervisor Christensen, directs Ms.

Mundy and Mr. Crockett to go over the list to see that they correspond with one another. Mr. Christensen states that he has no objections to the request for exclusion by the Pine Water Association from the improvement district.

Supervisor Christensen: "There is one request here that I have dealing with the establishment of water district by a Ira Brewer and a Josephine Brewer, and they use a Post Office Box addressed to Steve Besich, Clerk of the Gila County Board of Supervisors, and it had to do with uhm.... until further facts are known and presented to the people of Pine and Strawberry, I don't find that to be a valid exclusion. There has been all requirements of the law, the advertising in the newspaper, the posting of the petitions, and all have been done; therefore, I would not include Ira Brewer's address. There is no address other than a post office box, and it is not asking specifically that property be excluded, it is only saying the establishment of the water district, which I don't find that to be valid in terms of the exclusions. The other one that I want to deal with here is the Stanley R. Fuller & Elvira Fuller, in regard to sixty acres of property number 301-17-004, which is located in section 27 and 28,

**BYLAWS**  
**[AMENDED MARCH 11, 2000]**

**I. PINE/STRAWBERRY WATER IMPROVEMENT DISTRICT BOARD.**

The Pine/Strawberry Water Improvement District (the "District"), representing citizens and residents of the communities of Pine, Arizona and Strawberry, Arizona (collectively, the "Communities"), was duly created and formed on July 2, 1996 by the Gila County Board of Supervisors in accordance with State Statute A.R.S. § 48-903 and 1012. At the same time, a Board of Directors was created to oversee the activities of the District (the "Board"). The purpose of the Board is to represent the interests of the Communities in securing long term and reliable sources of water for the Communities, and performing such other duties as required or provided by applicable State statute.

**II. MEMBERSHIP.**

**Section 2.1 Members.** The Board is comprised of those residents and property owners of the Communities appointed by the Gila County Board of Supervisors on July 2, 1996 as thereafter modified by resignations or replacements of those appointed, valid public elections held in conformity with applicable state and local laws, and any additional appointments made pursuant to State Statute, A.R.S § 48-1012B (collectively, the "Members" and individually, a "Member").

**Section 2.2 Initial Members and Terms.** As of July 2, 1996, the Gila County Board of Supervisors appointed the following original Board Members, who currently serve either two-year or four-year terms as follows:

- |                 |                     |
|-----------------|---------------------|
| Two-Year        | Four-Year           |
| Jerry Fleming   | William J. Johnson  |
| Richard J. Hall | Melvin Van Vorst    |
| Howard Matthews | Edwin Welge         |
|                 | Charles R. Sterbach |

**Section 2.3 Resignation.** A Member resigning from the Board shall give written notice of such resignation to the Chairman, other Members, the Gila County Attorney's Office, and the Gila County Board of Supervisors.

**Section 2.4 Vacancy.** If a Member resigns or is removed, the Board will notify the Gila County Attorney's Office and the Gila County Board of Supervisors of such resignation or removal. The Board shall consider recommendations regarding a replacement Member. Pursuant to State Statute, A.R.S. § 48-1012(c), and following consideration of such recommendations, the Board will appoint a replacement Member to fill a vacancy, and notify the Gila County Board of Supervisors of the replacement Member. Any replacement Member shall have all the rights and duties of any original Member, but shall not act on any existing committee or subcommittee until appointed thereto by the Chairman.

**III. MEETINGS.**

**Section 3.1 Place of Meetings.** Meetings must be held in person, and conform to applicable state law regarding open public meetings, and at places designated by the Board. Regular meetings of the

Dixie Mundy  
Elections Director  
Extension 411



David Rogers  
Elections Assistant  
Extension 422

**GILA COUNTY ELECTIONS DEPARTMENT**

1400 East Ash Street, Globe, AZ 85501

TDD (520) 425-0839

(520) 425-3231

September 23, 1996

Mr. Jerry Wallen  
Central Information Services  
Arizona Department of Revenue  
1600 West Monroe - Room 420  
Phoenix, AZ 85007-2650

\* RE: The Formation of the Pine-Strawberry Water Improvement District \*

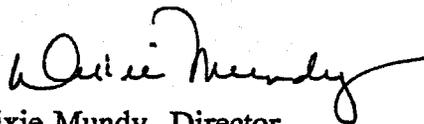
Dear Mr. Wallen:

On the 2nd day of July, 1996, the Gila County Board of Supervisors approved the establishment and organization of the Pine-Strawberry Water Improvement District. Said area is specifically described within the enclosed Resolution No. 96-6-12 and Order. Also enclosed are four legal descriptions of specific areas which are to be exempted from the boundaries of the aforesaid District. I have included all available maps of the areas, however, a map of the Cove Ranch, Exhibit "E", is not available. Mr. Stanley Fuller, the current owner of the Cove Ranch, informs me that a map does not exist.

Please contact me if you require additional information regarding this submission. Thank you for your continued assistance.

Respectfully,

Gila County Elections Department

  
Dixie Mundy, Director

Enclosures



U.S. Department of Justice

50

Civil Rights Division

JDR:RPL:CEI:par  
DJ 166-012-3  
2004-3769

Voting Section - NWB.  
950 Pennsylvania Avenue, N.W.  
Washington, DC 20530

FILED  
GILA COUNTY ELECTIONS

2004 OCT 25 P 1:32

October 20, 2004

Ms. Dixie Mundy  
Director, County Division of Elections  
1400 East Ash Street  
Globe, Arizona 85501

Dear Ms. Mundy:

X This refers to the creation of the Pine-Strawberry Water Improvement District, governed by seven directors, elected at large by plurality vote for four-year staggered terms; the August 11, 2001, deannexation; and the procedures for conducting the November 2, 2004, special directors election, including conduct of the election by the county and the establishment of a polling place, for the district in Gila County, Arizona, submitted to the Attorney General pursuant to Section 5 of the Voting Rights Act, 42 U.S.C. 1973c. We received your submission on August 25, 2004.

The Attorney General does not interpose any objection to the specified changes. However, we note that Section 5 expressly provides that the failure of the Attorney General to object does not bar subsequent litigation to enjoin the enforcement of the changes. Procedures for the Administration of Section 5 of the Voting Rights Act (28 C.F.R. 51.41).

Sincerely,

Joseph D. Rich  
Chief, Voting Section

Ronald (Ron) Christensen, District I  
P.O. Box 2297, Payson 85547  
(928) 474-2029  
rchristensen@co.gila.az.us

José M. Sanchez, District II  
400 E. Ash Street, Globe 85501  
(928) 425-3231, Ext. 8753  
jsanchez@co.gila.az.us

Cruz Salas, District III  
1400 E. Ash Street, Globe 85501  
(928) 425-3231, Ext. 8753  
sespinoza@co.gila.az.us



**GILA COUNTY**  
**BOARD OF SUPERVISORS**  
1400 East Ash  
Globe, Arizona 85501-1414

John F. Nelson, County Manager  
Clerk of the Board of Supervisors  
1400 E. Ash Street, Globe 85501  
(928) 425-3231 Ext. 8754  
jnelson@co.gila.az.us

Date: July 12, 2004

To: Citizens for an Adequate Water Supply, Steve Scott, and John Breninger, Gary Hezel, Robert Privette, Pamela Mason, Toni Sorel

From: The Gila County Board of Supervisors

Re Recommended Activities of PSWID Interim Board of Directors

This memo is in response to the Recommended Activities of the PSWID Interim Board of Directors as delivered to John Nelson.

As was stated in the Board of Directors meeting held in Pine on June 8, 2004, the Board of Supervisors will take all actions necessary to carry out its duties under the law and to fulfill its obligations to all District members. We will not, as you recommend, restrict or avoid taking any required and reasonable actions we feel necessary even though your group or any other parties suggest we do otherwise.

Responses to your specific recommended activities, in order you presented them:

1. *Reaffirm Status of District as a Water Improvement District.* The PSWID is currently a Water Improvement District as defined in the Arizona Revised Statutes. However, it is subject to becoming a "domestic" water improvement district if property owner's approval and Board of Supervisor approval is obtained as required under A.R.S. 48-1018.
2. *Reaffirm Primary Goal is Water Exploration.* The purpose of the District Board (from Section I of Bylaws of the Board) is "to represent the interests of the Communities in securing long term and reliable sources of water for the Communities, and performing such other duties as required or provided by applicable State Statutes, and in particular A.R. S. 48-1014, the Board shall, as it determines to be appropriate: (a) investigate current and potential sources of water for the Communities as well as the costs associated with maintaining or expanding present and potential sources; (b) formulate a plan or plans for improving present water sources of the communities (including formulation or a plan or plans for funding such improvements); (c) consult with the Gila County Board of Supervisors, the Gila County Attorney's Office, and other

**RESOLUTION NO. 03-11-01**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF GILA, ARIZONA, ACTING AS THE BOARD OF DIRECTORS FOR THE PINE/STRAWBERRY WATER IMPROVEMENT DISTRICT (PSWID) AUTHORIZING JOHN F. NELSON, PSWID ADMINISTRATOR, TO INTERVENE ON BEHALF OF THE PSWID AT THE HEARING BEFORE THE ARIZONA CORPORATION COMMISSION IN THE MATTER OF BROOKS UTILITIES, INC.'S PROPOSAL FOR A RATE INCREASE.**

**WHEREAS**, on August 18, 2003, the Gila County Board of Supervisors unanimously voted to revoke the authority of the Board of Directors of the PSWID pursuant to A.R.S. §48-1016 in order to protect the residents of the PSWID on account of the Board lacking a quorum for more than 30 days; and

**WHEREAS**, on September 9, 2003, the Gila County Board of Supervisors acting as the Board of Directors for the PSWID appointed John F. Nelson, County Manager/Clerk, as the Administrator of the PSWID to oversee all administrative and financial functions of the PSWID until such time as a new Board of Directors is elected; and

**WHEREAS**, the PSWID was established to locate an adequate, long-running, and stable source of water for the property owners within the PSWID; and

**WHEREAS**, the PSWID and the property owners and members that make up the PSWID have a vital interest in the rate case of Brooke Utilities, Inc. since approximately two-thirds of the members of the PSWID are customers of Pine Water Company and approximately two-thirds of the water supplied to Pine Water Company comes from wells in the Strawberry portion of the PSWID, and the fact that significant water is wheeled by pipeline from the Strawberry area to Pine Water Company from several major wells in Strawberry owned by private citizens and from some wells owned directly by Strawberry Water Company; and,

**WHEREAS**, the Administrator of the PSWID is faced with finding solutions to the long-run water availability and service issues faced by the current rate-payers connected to the water system; the property owners who are not yet connected to the water system; the Gila County government who is constantly pressured by property owners to help with highly emotional and technical water issues in the Pine and Strawberry areas; and, the Arizona Corporation Commission that has been faced with numerous issues related to this matter.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Supervisors of Gila County acting as the Board of Directors for the PSWID as follows:

1. John F. Nelson is hereby authorized and requested to intervene on behalf of the PSWID at the hearing before the Arizona Corporation Commission against the proposed rate increase by Brooke Utilities, Inc. for its customers residing within the boundaries of the PSWID.
2. John F. Nelson is hereby authorized to call upon other individuals during the hearing before the Arizona Corporation Commission to testify on the inappropriateness of the

proposed rates based on the inadequacy and inaccuracy of basic rate justification information that is currently being, and has in the past, been supplied to the Arizona Corporation Commission.

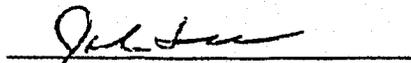
**PASSED AND ADOPTED** this 4<sup>th</sup> day of November 2003.

**GILA COUNTY BOARD OF SUPERVISORS**



Ronald Christensen, Chairman

Attest:



John F. Nelson, Clerk

2/18/2004

- 9) Will the Division of Elections conduct the election, including early ballot and processing the requests for ballots from the absentee property owners?

The Division of Elections will conduct most aspects of the election. The distribution of duties are as follows:

- a) A notice of election must be mailed to all absentee owners that will include a request for a ballot by mail. Normally the mailing of this notice is the responsibility of the district governing board.
- b) The county elections office will provide a mail ballot to absentee owners upon receipt of their request. The only election appearing on these ballots will be the PSWID election of board members.
- c) Before counting the ballot of an absentee owner the county elections office must obtain verification that the voter is registered. This is done by providing the names of the voting absentee owners to their county recorder and requesting verification of the absentee owner voter registration.
- d) Upon request the county recorder will provide early ballots to the registered voters living within the PSWID. These ballots will be regular county ballots that will also include the PSWID candidates.
- e) The county elections office is responsible for counting all ballots, early, mail, and polling place voted. Prior counting the early and mail ballots a check is conducted, first by the county recorder and then by the elections staff, to determine that each voter has voted only one ballot. If duplication occurs the first ballot returned is the ballot counted.

- 10) Who performs the count of valid signatures on the petition, and who makes the determination of percentage?

Please see legal opinion below.

\* Bryan Chambers' guidance regarding the verification of qualified electors signing a petition to call an election of PSWID board members for September, 2004:

\* "Neither A.R.S. 48-903 nor 48-1012 gives electors in a water improvement district the right to petition a board of supervisors that has revoked a water district board's authority pursuant to A.R.S. 48-1016 to force the board of supervisors to call for new elections. A.R.S. 48-903 and 48-1012 merely outline the procedures necessary to create a water improvement district. They do not create any procedures to force a board of supervisors to call for new elections after it revokes a water improvement district board's authority. A.R.S. 1016 gives authority to the board of supervisors to revoke the authority of a water improvement district board "in order to protect the residents of the district." The board of supervisors then governs

Page 4 or 4

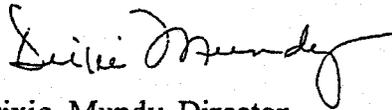
the district and it alone has the "option of calling new elections for the district board of directors." A.R.S. 48-1016.

"It would not legally matter whether owners of real property or registered voters in the district signed such a petition. The petition would have no legal effect and would merely be a letter from concerned citizens exercising their right to petition election officials. The board of supervisors would be obliged only to give the petition whatever consideration they choose to give it. Should you receive such a petition, I would advise you to forward it to the Board of Supervisors for their consideration."

I hope I have satisfactorily answered your questions.

Sincerely,

Gila County Division of Elections

A handwritten signature in cursive script that reads "Dixie Mundy".

Dixie Mundy, Director

Enclosures

Failed petition about 2004 (74)

**PETITION TO INCUR EXPENSES  
PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT**

State of Arizona        )  
                                  ) ss  
County of Gila         )

To: The Honorable Board of Directors  
Pine-Strawberry Water Improvement District

Gentlemen:

We, the undersigned petitioners who are owners of the majority of the frontage of property along the proposed improvements within the Pine-Strawberry Water Improvement District (hereinafter the "District"), pursuant to *Arizona Revised Statutes § 48-915* hereby petition the Board of Directors of said District to engage in the acquisition of the Pine Water Company, the Strawberry Water Company and the water line known as Project Magnolia from Brooke Utilities Inc., to improve said system once acquired through appropriate capital improvements and to incur necessary expenses in the acquisition and improvement of the same. This petition may be attached to any other similar petitions to constitute one petition to incur expenditures within the District. The undersigned allege as follows:

1. That the undersigned are the owners of a majority of the frontage of the property, fronting on the proposed improvement, or the owners of a majority of the frontage of property contained within the limit of any assessment district to be established.
2. That the undersigned petition the Board to incur such expenditures as may be necessary to acquire the right of the District to provide domestic water within the District Boundaries, including the acquisition of that portion of the Certificate of Convenience and Necessity and other assets of Pine Water Company, Inc. located within the District. That the amount of the expenditures should not exceed \$10,000,000.00.

Therefore, the undersigned request that you initiate proceedings to acquire and then improve the above named water systems and that you operate the same to provide domestic water within the District boundaries.

Respectfully submitted this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

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The Rim Country's News and Information Source

# PAYSON ROUNDUP

Can the U.S. flag be flown at night?

Named Best Newspaper Website, NNA, 2005

Wednesday, August 13, 2008

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- Display classifieds
- The 2006 fire season
- The 2005 fire season
- The 2004 fire season
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- Classifieds
- Local news
- News neighbors
- Sports
- Column: Extra Points
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- Letters to the editor
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- Place a classified ad

## Local news

### Petition initiated without representation

Friday, January 16, 2004

Editor:

Property owners of the Pine-Strawberry Water Improvement District (PSWID) are being asked to sign a petition to "incur expenses" for:

- 1) acquiring the Pine and Strawberry Water Companies, including the Magnolia Pipeline,
- 2) improving these water systems after acquisition, and
- 3) developing new ground and surface water resources.

The petition states that "expenses shall not exceed \$12.12 million and that ... property be assessed for such purposes." It does not itemize or estimate what each of the "purposes" will cost.

In fact, Brooke Utilities, which owns the two water companies and pipeline, has not suggested a purchase price and may not be interested in selling. The water system infrastructure has not been inventoried for repair, and at this time, the petitioners have no idea what it will cost to develop new water resources. How can we sign a petition that contains no estimates for the major purposes it advocates?

The petition's title, "Pine-Strawberry Water Improvement District Petition to Incur Expenses" may imply to the citizen that it has the authority of the PSWID behind it. However, this is absolutely not the case, making the title misleading. The petition was initiated by two people, Ray Pugel (owner of Bishop Realty) and Loren Peterson (developer of Strawberry Hollow and the Strawberry Hollow Domestic Water Improvement District). How can we sign a petition that implies the authority of PSWID when, in fact, it has no such authority or majority representation from that group?

Do the residents and property owners within PSWID understand that currently they are not represented by a board of directors from their district? Do they know that the recently appointed PSWID "Advisory Group" members living within their district and supposedly representing the viewpoint of property owners and residents, have no authority or voting power? How can we sign a petition that has not been scrutinized and accepted by a PSWID group or board that represents the interests of the taxpayers?

For my part, I cannot sign this petition. It is premature, requiring much more definition and study before we can understand the pros and cons of this large debt. We are all familiar with "taxation without representation" and for me, this is "petition (initiated) without representation."

Wes Suhr, member, PSWID Advisory Group, Pine

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The Rim Country's News and Information Source

# PAYSON ROUNDUP

Can the U.S. flag be flown at night?

Named Best Newspaper Website, NNA, 2005

Monday, August 11, 2008

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- Go
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- specials
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- Summer Visitors Guide 2008
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- Column: Extra Points
- Business
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- Payson Teen Roundup
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- Assistance
- Contact
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- tools
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- Search/archives
- Advertising
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- Place a classified ad

## Supervisors dissolve water district

By Jim Keyworth, Roundup staff reporter

Tuesday, August 26, 2003

The Gila County Board of Supervisors voted to "revoke the authority of the board of directors of the Pine-Strawberry Water Improvement District" at its regular meeting Monday.

The seven-person board had been reduced to two members through a series of resignations. Most recently, chairperson Mary Lou Myers and board member Marvin Mortensen resigned on Aug. 1, leaving only John Breninger and Betty Gooder on the board.

Gila County District 1 Supervisor Ron Christensen plans to appoint an interim administrator Sept. 1 who will operate the district until a new board can be elected. Christensen said the district will stay intact and will function according to the will of its residents.

"We're gathering all the information now, all the reports and bills and everything they owe and that sort of thing ... and then we will be in contact with the community -- wanting to know what their ideas would be in terms of the directions they want to take -- and then we'll start the process of trying to accommodate those things," Christensen said.

### Long-term water supply

The PSWID is different from the four domestic water improvement districts in the Pine-Strawberry area which sell water to individual subdivisions. Under its charter, the district is charged only with finding a long-term, reliable water supply for the two communities.

To that end, the PSWID sanctioned a hydrogeologic engineering study late last year that purported to find a new source of groundwater -- more than enough water to meet the summer demand of both Pine and Strawberry -- and also indicated where on private land to drill for it.

At a public meeting last month in Pine, Breninger told a large audience that the total estimated cost of developing the new water would be about \$4.2 million. Christensen and Breninger both suspect that the enormity of such an undertaking might very well have been a factor in the resignations.

"Some of them resigned for health reasons and some of them really didn't express much about the reason that they were going to be resigning," Christensen said. "So I think it just got to be more than what they could probably deal with."

### High attrition rate

Christensen said volunteer boards have a high rate of attrition.

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"We find the same things happening in fire districts and sanitary districts as well," he said. "I didn't know how much work it was going to be." People with the very best intentions say they want to do this, and then they get in there and realize they really don't want to do this anymore."

Breninger took exception to a claim by the supervisors that there weren't enough available candidates to fill the vacancies through appointment.

Christensen said Myers thought otherwise.

"We'd heard about some of them, but the chairperson of the board at that particular time (Myers) was reviewing all of those and came to the conclusion they didn't want to (appoint any of them)," he said.

**Where the water is**

The findings of the hydrogeologic study confirms what many expected, Christensen said.

"We were pretty sure about that anyway, because the Pine-Strawberry Water Improvement District had done a bore hole in Strawberry before," he said. "So we knew there was water at deep depths down there. Some other people have keyed off that and drilled a deep well in the area and that's being tested right now. We understand that when you get down to the red limestone, there's water. Now all the extrapolation of data needs to be put together and the numbers: what does it cost to bring it up, how good a shape are the storage and the delivery systems that are out there, and who is going to be utilizing this water and the distribution of it?"

Christensen believes the work of the PSWID can continue under a temporary administrator.

"It's not a water delivery system, so there's not a great deal of management that needs to be taken care of right at the moment," he said. "We have a report that was done, and we want to get that so we get proper distribution of that to where it's supposed to go."

**Purchase has merit**

Christensen denied Breninger's suspicion that board members resigned so the board of supervisors could tilt the PSWID in the direction of local developers and realtors who want the district to purchase the Pine and Strawberry water companies from Brooke Utilities.

A new board will be selected the next time an election is held, probably in November.

"The other option is to hold a special election, and that costs a lot of money," Christensen said.



[« front page](#)

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4/17/2008

Hello Mr. Haney,

I would like to urge the board to address the following topics at the next PSWID board meeting.

1. Whether the board is going to do its due diligence on the water quality, capacity, and operability of the Milk Ranch and Strawberry Hollow wells prior to deciding the fate of the K2 project.

It would be a disaster for this community to end the K2 project and then find out that those wells are not able to meet the needs of the community. There is concern that the Milk Ranch well has been in existence for several years now and there has still not been a public filing related to the water quality or the sustained yield of the well. If it is correct that three pumps have been burned out in the well and given that the well isn't connected to anything, so the volume of water pumped is very low, then this is cause for concern as to the reliability and operating expense of the well.

The Strawberry Hollow well has been offline all winter. The operability of the Strawberry Hollow well also needs to be investigated.

X

2. An explanation of the PSWID board's position that PSWID is already a domestic water district and whether the PSWID board is seeking concurrence in that position by the Gila County Attorney.

Frankly, I am puzzled by the board's reluctance to share this fortuitous discovery with the public. Clearly this is the opposite of what the public and county have believed for the last 12 years. I have talked to people involved in the 1996 petition drive and they are convinced that a domestic water district was NOT formed. The large effort in 2003 to petition for the formation of a domestic water district is further evidence that the county and the public did not believe it to be a domestic water district. Rim Country Water's recall campaign clearly indicated that a domestic water district would need to be formed.

3. At the end of the last meeting under the former board, Mr. Calderon went around telling people that the recall candidates were in possession of a letter of intent from Mr. Pugel to provide water if the new board was elected. The board needs to address why this letter of intent has not been made part of the public record and what other deals that board members negotiated prior to their election.

Negotiating deals prior to election seems to me to be an ethical breach. Those agreements have been made outside of the public's view and the legal process by which the board can exercise its authority. The public has a right to know what has been negotiated by the board members prior to their election. I would urge the board to provide complete disclosure at the earliest time possible.

Sam Schwalm

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pamldm@hotmail.com

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**Request for an opinion**

Sent

From: **Pam Mason** (pamldm@hotmail.com)

Deleted

Sent: Tue 5/27/08 12:05 PM

Manage folders

To: dflores@co.gila.az.us

Cc: sbesich@co.gila.az.us; jsanchez@co.gila.az.us; tmartin@co.gila.az.us; sdawson@co.gila.az.us; dmundy@co.gila.az.us

Today

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Contacts

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Dear Sir or Madam,

Reference: Pine Strawberry Water Improvement District  
 Petition: Pine Strawberry Water Improvement District - Title 48, Chapter 6, Article 1  
 Board of Supervisor minutes: May 28, 1996  
 Board of Supervisor minutes: July 2, 1996  
 Resolution: 96-011954  
 Gila Co. Files on Pine Strawberry Water Improvement District - and prior legal opinions

I am writing this as a concerned private citizen and Gila County Taxpayer. You will see that it is obvious that I am not a lawyer and am appealing to you to investigate and give an opinion regarding the following matter.

For the past 12 years everyone in Pine and Strawberry including the previous PSWID boards believed that we were supporting Pine Strawberry Water Improvement District and now we are being advised that in fact it has always been Pine Strawberry **Domestic** Water Improvement District.

A lawyer hired by the current PSWID board Mr. Gliège, advised the board and public that in 1996 the Board of Supervisors added Chapter 6 Article 4 which defines elected boards for Domestic Water Improvement Districts. My concern is that the current board has a lot of self interest in taking this position, because they then do have to go through the process of converting from an improvement district to a domestic district.

The board will not ask Gila County Attorney for a concurring opinion, which leaves doubt in our minds that they are truly confident in their decision. When questioned the board took the position that they are not seeking an opinion and if we don't like it sue them. It is quite possible that the lawyer may indeed be correct but I do wish to seek a confirmation from the County Attorney on this.

Having read the BOS minutes and other documentation it would appear to me that the intent was for an improvement district, the agenda and minutes clearly reflects this. At or around the same time two other districts were in the process of becoming Domestic Water Improvement Districts i.e. Pine Creek Canyon Domestic Water Improvement District (Portal IV) and Solitude Trails Domestic Water Improvement District. Documentation concerning these two districts clearly reflect that their desire was to be a Domestic whereas documentation concerning Pine Strawberry does not. Indeed Mr. Christensen (the district 1 supervisor at the time) clearly stated what the reason for formation of Pine Strawberry Water Improvement District was.

The first board was appointed and the second board was elected. I am of the opinion that indeed the BOS do have some flexibility when it comes to districts, and at the time they felt that it was a good idea for the board to be self governing. Again I state it is clear that the intent was for an Improvement District and a petition drive a couple of years ago to have it converted to a Domestic failed. Am I correct in thinking that to be a Domestic you have to be delivering water?

I was advised that in the past Gila County did in fact give an opinion that the District was an Improvement District but no documentation on the local level can be found. Hopefully it is still held in your files. Therefore I have two requests 1) if you are able to find such a document giving an opinion in the past may I please have a copy or 2) please consider giving a written opinion now.

Please be advised I am more than willing to pay for copies or indeed drive to Globe to obtain same. The courtesy of a reply is respectfully requested.

Sincerely,

Pamela Mason ( concerned full time resident)  
 PO Box 717  
 Pine, Arizona 85544-0717

pamldm@hotmail.com  
 928-476-2227

Subject: RE: Request for an opinion  
Date: Wed, 28 May 2008 08:14:38 -0700  
From: dflores@co.gila.az.us  
To: pamldm@hotmail.com  
CC: dmundy@co.gila.az.us; bchamber@co.gila.az.us; sbesich@co.gila.az.us;  
jsanchez@co.gila.az.us

Mrs. Mason – the short answer to your inquiry is that the County Attorney's Office cannot provide you (a private citizen) or PSWID with a legal opinion as to what is its legal status. The authority of the County Attorney's Office to render opinions or represent various entities is dictated by statute. We cannot provide legal opinions/advise or represent members of the public or certain entities unless specifically granted such authority by statute. We notified PSWID that we could not represent them by letter last year. Specifically, we sent a letter to PSWID dated March 19, 2007, which indicates that since we recognize that PSWID is a special taxing district with an elected board that operates independently from the county board of supervisors we cannot provide it with legal advice as there is no statutory authority for this office to do so. This is a public document and I believe was referred to in the newspaper coverage as some proof that this office recognizes PSWID as a domestic water improvement district. I can provide you with a copy of this letter if you would like.

I understand that there may be a concern in the community as to whether or not PSWID is a 'domestic water improvement district' because 'domestic' was not included in its title and that some may contend PSWID is in fact a water improvement district lacking certain powers and also governed by the County Board of Supervisors. This issue is not something that the County Attorney's Office has the power or authority to resolve for the private citizens of this district or for the PSWID board. As unfortunately my office often must do when asked by members of the public for an opinion, we must inform you that you will need to seek your own attorney or pursue civil remedies that my office cannot provide you. If you have any further questions or concerns, please do not hesitate to contact me.

*Daisy Flores*

*Gila County Attorney*

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**From:** Besich, Steve  
**Sent:** Tuesday, May 27, 2008 4:37 PM  
**To:** Pam Mason; Flores, Daisy  
**Cc:** Sanchez, Joe; Martin, Tommie; Dawson, Shirley; Mundy, Dixie  
**Subject:** RE: Request for an opinion

<http://by113w.bay113.mail.live.com/mail/PrintShell.aspx?type=message&cpids=6cf29329...> 5/30/2008

# What the Plan is...

- Continue to investigate and provide feedback to the community with an open forum
- Recall 4 of the current board members
- Encourage candidates to run for election to the PSWID
- Work with County and State agencies on steps necessary to convert PSWID into a purveyor of water
- Pursue availability of funds and financing for converting to a purveyor of water

# Where we are currently ...

- Confirmed the recall of 3 board members
  - Election will be in March 2008
- Submitted signatures for the recall of a 4<sup>th</sup> board member
- Investigating the costs associated with purchasing a private utility company under the authority of a domestic water improvement district
  - Current buyout information from recent ACC testimony is between \$3.0M and \$4.3M

# What is next...

- **Development of formal Financial and Business plans to facilitate transfer to Domestic Water Improvement District**
- **Work with county and state officials to provide public education and further an understanding of the benefits of controlling our own destiny**
- **Encourage community residents to report water access and billing issues to ACC and BUI.**
  - **Scope of water problems viewed “small” by ACC. Complaints just to BUI are not forwarded to the ACC**
- **Build community support and involvement to achieve Rim Country Water objectives**

89

**To:** Rimside Grill & Cabins  
**Sent:** Friday, September 21, 2007 5:57 AM  
**Subject:** Re: Domestic Water Improvement District

Steve: I have been tied up all week with Jail/Courthouse Committee matters and with PCCDWID. Please call Dixie directly. Please ask her if PSWID is possibly already a "domestic" district because it appears it was formed under the domestic district statutes, and the name should have included the word "domestic" from the very beginning. If not currently a "domestic district", what are the steps to get it that way so it could possibly acquire the operating assets of Pine Water Co. and Strawberry Water Co.?

Also, please verify how the alternate (new) candidates in a recall election are elected. Do they run against a specific incumbent? Do the four incumbents and four alternates all go in a pool, and the four highest vote getters are elected, or what?

Thanks for you help. Let me know what you find out.

Harry D. Jones  
HDJ Management LLC  
[harryjoneshdj@msn.com](mailto:harryjoneshdj@msn.com)  
(928) 595-1111

----- Original Message -----

**From:** Rimside Grill & Cabins  
**To:** 'HARRY JONES'  
**Sent:** Thursday, September 20, 2007 2:14 PM  
**Subject:** RE: Domestic Water Improvement District

Harry,

Checking in to see if you have had time to talk to Dixie. If you haven't, I can give her a call. Let me know.

Thanks,

Steve

**Sent:** Friday, September 14, 2007 7:26 AM  
**To:** Rimside Grill & Cabins  
**Cc:** Ray Pugel  
**Subject:** Re: Domestic Water Improvement District

*Pan*

**Ronald (Ron) Christensen, District I**  
P.O. Box 2297, Payson 85547  
(928) 474-2029  
rchristensen@co.gila.az.us

**José M. Sanchez, District II**  
1400 E. Ash Street, Globe 85501  
(928) 425-3231, Ext. 8753  
jsanchez@co.gila.az.us

**Cruz Salas, District III**  
1400 E. Ash Street, Globe 85501  
(928) 425-3231, Ext. 8753  
scspinoza@co.gila.az.us



**GILA COUNTY**  
**BOARD OF SUPERVISORS**

1400 East Ash  
Globe, Arizona 85501-1414

**John F. Nelson, County Manager**  
**Clerk of the Board of Supervisors**  
1400 E. Ash Street, Globe 85501  
(928) 425-3231 Ext. 8754  
jnelson@co.gila.az.us

February 11, 2003

Ms. Barbara A. Privette  
P.O. Box 129  
Pine, AZ 85544

Dear Ms. Privette:

During the last several weeks, the Board of Directors of the Pine/Strawberry Water Improvement District (PSWID) has received several letters expressing concern over a number of issues. Some frequently asked questions are:

1. What is the District currently doing?
2. Why isn't the District having public meetings in Pine?
3. Has the District made any decision concerning alleviating the water problems?
4. What is the Advisory Group and why does it meet behind closed doors?
5. When will a new Board be elected by the residents of Pine/Strawberry?
6. What is the current financial status of the District, i.e, how much has been spent and on what?

This letter will attempt to address those questions. It is important to note that any reference to the "PSWID Board of Directors" means the current Board which is made up of the members of the Gila County Board of Supervisors. The Board of Supervisors had a statutory duty to assume the responsibilities of the Board of Directors of the District when there were not enough members remaining on the previously elected Board to form a quorum and conduct the necessary business of the District.

The PSWID is currently involved in representing the District's rate payers as interveners in the Pine Water Company Rate Case before the Arizona Corporation Commission (ACC). This intervention was approved by the PSWID Board of Directors. This endeavor is very time consuming and, as a result, is very expensive for the District. The decision(s) made by the Corporation Commission will, however, determine both the current and long-term cost and availability of water in Pine, and ultimately in Strawberry since the two systems are tied together by the Magnolia pipeline. Therefore, it is the

opinion of the Board of Directors that all decisions of the ACC must be made based on a fair and accurate analysis of the facts, including the new facts the District is bringing forth to the Commission and the rate payers.

The procedures of the ACC closely follow that of a civil court, and all parties are subject to cross examination at the hearings by the other interested or opposing sides (Pine Water Company, other interveners, the Commission Staff, and the Commissioners themselves). As a result of these court-like proceedings, our attorney has requested that the PSWID refrain from holding public hearings prior to conclusion of the ACC proceeding. The reason for this request is fairly simple; if the District holds public hearings, we would place our witnesses in the position of having to either refuse to answer certain questions or in effect be cross examined by the opposition prior to the ACC hearing. I'm sure you can understand that neither of these options is in the best interest of the District or the residents of the Pine/Strawberry community.

The PSWID Board of Directors will, upon conclusion of the rate case (verbal testimony to conclude about March 4<sup>th</sup>), hold a public meeting in Pine to discuss what the District found during the intervention and the results of the ACC decision. Until we are able to hold that public hearing, all filings and written testimonies for the Rate Case will become available in the Pine Library. We encourage all residents of the community to review the documents in order to become knowledgeable as to issues, the current status, and the facts of the Rate Case.

Based on the letters received by the PSWID there appears to be as many proposed solutions to the water issues as there are residents. The main solutions recommended are:

1. Do nothing. Brooke Utilities is doing a great job
2. Do nothing. Brooke Utilities, by not alleviating the water problem, is controlling growth, and we don't want any growth.
3. Drill deep wells in the Strawberry area and wholesale the water to Brooke Utilities to transport to Pine via the Magnolia Pipeline (no plans are offered on how to fund this alternative).
4. Purchase the operating assets of Pine Water Co., Strawberry Water Co., and the Project Magnolia pipeline from Brooke Utilities, and in the short term improve the delivery/storage system while we prepare to develop new water supplies.

The Board of Directors of the PSWID has not made any decision as to which of the above solutions, if any, the District should pursue. The decisions of the Board of Directors will depend, in large part, on the decisions made by the ACC in the Rate Case. Any decisions by the PSWID will be made at a public meeting in Pine.

The group of private citizens commonly referred to as the Advisory Group (which has held two meetings) was NOT appointed by the Board of Directors of the PSWID, and does NOT have any decision-making authority. The "Advisory Group" is being used by the Administrator and Consultant as a "focus group" to brainstorm the problem of "what

February 11, 2004

Page 3 of 3

do we do to alleviate the water problems,” and as a sounding board for the Administrator and Consultant as they search for potential solutions. For this focus group to work most effectively, all participants must feel free to express themselves without concern about how they will be publicly portrayed by the press or their neighbors. This requires a controlled, not secret, environment. Pitting neighbor against neighbor in public, and having unwelcome late-night telephone calls was part of the motivation for the resignations of previous elected Board Members.

A new Board of Directors for the PSWID will be elected during the general election in November 2004, with installation to office on the following January 2nd. The prior Board of Directors was required to be dissolved as a result of the majority of the Board Members resigning and, as a result, ALL seats on the Board will be up for election.

The six months Financial Statements are currently posted on the Pine Strawberry Water Improvement web site ([www.pinestrawberrywaterimprovementdistrict.org](http://www.pinestrawberrywaterimprovementdistrict.org)). I apologize for the delay in posting the Financial Statements.

Respectfully



John F. Nelson, County Manager/  
PSWID Administrator

JFN/jlc

2004

10

# **A Conversation With the PSWID County Administrator**

**Steve Scott**

(slide 1)

## **County Administration of PSWID**

### **● Goals for PSWID**

- **Complete Pine Water Rate Case Intervention**
- **Public Meeting After Rate Case**

### **● CAWS Response**

- **Intervention Not Authorized by District Property Owners**
- **District Members Not Notified Prior to Intervention**

(slide 1 notes)

Myself and Bill Denomy met with the County Manager, John Nelson on February 20, 2004 to obtain answers to questions that have arisen regarding the actions taken by the County Supervisors and the PSWID County Administrator. This report reflects the questions asked of Mr. Nelson, his responses and the position of CAWS regarding these actions.

(slide 2)

## **Rate Case Hearing Intervention**

- **County Believes Cost and Availability of Water is Within the Purview of PSWID**

4

~~Initiating such an action without consulting or informing the property owners constitutes a violation of the public trust.~~

(slide 5)

## **Advisory Group**

- **County Administrator Action**
  - **Not Appointed by PSWID Board**
  - **No Decision-Making Authority**
  - **Focus Group for the Administrator and Consultant**
  
- **CAWS Response**
  - **Closed Meetings – No Input from District Property Owners**
  - **All Meetings re District Business or Administrator Actions Must Be Open Meetings in the Community**

(slide 5 notes)

- **What is the County's (as PSWID) role in the development and circulation of the petition to purchase the Pine Water Company?**
- **County: PSWID as administered by the County had no involvement in the development or circulation of the petition and has taken no action supporting or financing this initiative.**
- **CAWS: The PSWID (as administered by the County) should publicly dissociate itself from the representations of the petition developers that this initiative is being taken with the support of the PSWID.**

PSWID: Time to check your credit score before April 15				FREE triple.com	
Excellent	750 - 840	Fair	620 - 659	I Don't Know	????
Good	660 - 749	Poor	341 - 619	Find out INSTANTLY!	

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Inbox      New    Reply    Reply all    Forward    Delete    Junk    Move to    Options

Sent to PSWID using their form.

From: **Pam Mason** (pamldm@hotmail.com)  
 Sent: Wed 4/02/08 12:42 PM  
 To: robertba99@msn.com; bewinan@cybertrails.com; water4pine@hotmail.com; tsorel38@msn.com

Manage folders

04/02/2008

Today      Reference: Decision by PSWID to hire Mr. Gliedge

Mail      I am in total agreement with the letters submitted by Mrs. Winandy and Mr. Schwalm. Therefore I will not repeat their statements but wish to make some of my own.  
 Contacts      By now I am hoping that all of the board members will have read the State Bar disposition summaries 96-0045 and 00-0309.  
 Calendar

Unfortunately the impression given by Mr. Gliedge to the public and the board on 3/27/08 was that receiving censures was no big deal, and that many lawyers receive them.

00-0309

Unfortunately Mr. Gliedge was less than candid by omitting the fact that he had been placed on a one year probation by the Arizona State Bar. Also if you listen to the tape you will find that he indicated this happened while he was ill and had therefore neglected to pay close attention to matters at hand. As I pointed out he had failed to preserve complete trust account records for a period of five years! I did hold back from publicly pointing out that Arizona State Bar records indicate (in the plural) that there were prior disciplinary offenses, pattern of misconduct, multiple offenses and basically he had enough experience for this not to have happened.

96-0045

Regarding Pinetop Sanitary District he was ordered to refund them \$106,000.00 and again to pay Arizona State Bar costs and expenses. Whilst it was settled by arbitration, he was again censured for violation of rules of professional conduct and that the respondent's fees were excessive. The fact is enough grounds were found to censure Mr. Gliedge, have him pay a refund and settle the costs and expenses to the State Bar.

I am awaiting a call from the Arizona State Bar as to just what is the percentage of lawyers within the State of Arizona that receive censures and if it is as numerous as Mr. Gliedge claims. I did however, check the records for a couple of lawyers known to us for a direct comparison and also to see if they carry Professional Liability Insurance, which is not a requirement by the State, but surely would be something the PSWID board should insist upon.

Lawyer	Censures	Professional Liability Ins.
Sullivan	None	Yes
(Curtis Goodwin Sullivan Udall & Schwab PLC)		
Shapiro	None	Yes
Gliege	Yes	No

**Client Rights**

When you hire a lawyer, you are entitled to one who:

- \* Will represent you diligently and ethically.
- \* Will be capable of handling your case. You are encouraged to ask about the lawyer's education, training and experience before hiring him or her. The lawyer will inform you periodically about the status of your case and give you copies, if you request, of legal documents prepared on your behalf.
- \* Will charge you a reasonable fee and tell you in advance, in writing, the basis for that fee. You are encouraged to ask questions about the proposed fee.
- \* Will provide an estimate of the expenses for which you are responsible. You should inquire as to the potential costs if your case is lost. Before paying a bill, you are entitled to a written statement of the charges for which you are paying.
- \* Will keep statements and information which you reveal in the course of your relationship confidential.
- \* Will give you the right to make the ultimate decisions on the legitimate objectives to be pursued in your case, including deciding whether or not to settle your case.
- \* Will show you courtesy and respect.
- \* Will exercise independent professional judgment on your behalf, free from compromising influence.

I ask you all, did you exercise due diligence and take into consideration the items listed above, before making your decision to hire Mr. Gliedge to represent our communities?

The PS WATER LLC File# L-1341072-0  
 Domestic Address: 4455 N. Strawberry Hollow, Pine  
 Incorporation Date: 1/29/2007 (note time line)  
 You will see that members are Diane Peterson, Loren Peterson and Stephanie Gliedge. Please note that

incorporation was about the time negotiations with Pine Water Company were called off by Mr. Peterson (see ACC docket) It does not take any stretch of the imagination to conclude that PS Water LLC stands for Pine Strawberry Water LLC.

Again, please remember you are going to be in negotiations with Mr. Pugel, Mr. Randall (if their case for deletion from the CC&N is successful) and also Mr. Peterson to obtain additional water. You will be faced with Mr. Gliege in fact negotiating on behalf of a family member and existing clients and at the same time representing PSWID and may I remind you the community. It does not matter how you cut it, this is another conflict of interest.

So as not to allow the matters at hand to be glossed over again, I remind you 'Censure is a formal reprimand by the Arizona Supreme Court. It is a public discipline and remains on the lawyer's permanent record with the State Bar of Arizona' Do not forget our referenced rights when hiring a lawyer 'will exercise independent professional judgment on your behalf, free from compromising influence'

It is requested that you please take seriously the letters submitted to the PSWID board and form a committee to select another independent lawyer to represent PSWID and the community.

Sincerely,  
Pam Mason

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Going green? See the top 12 foods to eat organic.

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