



Board Action Item

MEETING DATE:	08/15/2019
AGENDA ITEM:	5 A
PRESENTER:	Bob Arbuthnot
SUBJECT:	Chairman's Report

1. As discussed at the board meeting at the July meeting, on Wednesday July 31, an information gathering meeting conducted with Larry Bagshaw, Catorino Esquivel and myself to get background information from Mr. Bagshaw on the situation with Ponderosa Water. After a long discussion we asked Larry what he thought would be the best solution for the residents of the area as he too lives in the that area. Larry expressed to us that he thought that PSWID should absorb/take over/incorporate the Ponderosa service area if service could be provided to the people at a cost that is reasonable and he pointed out that the cost of drilling a well may be less that a service hook up with impact fees.
2. On Thursday August 1, Catorino Esquivel, Alan Kleinman, and myself sat down with Mr. Albert Hunt, and 2 of his customers to find out what they were attempting to do by leaving the district and to see if we could bring some sort of solution back to PSWID. It appears that the motive for leaving the PSWID's district was the fact that PSWID has not been of any help to the Ponderosa Water Company when approached by them on two separate occasions. We informed them that we did not have the votes to release the subdivision from PSWID and asked them if they were willing to turn the area over to PSWID. Mr. Hunt decided to ask his customers what they wanted to do and that he would get back to us. Mr. Esquivel proposed a temporary supply to their system by using PSWID's mobile tanks that would require an agreement similar to what we did for Beaver Valley Water last year. Such an arrangement would result in Ponderosa Water buying water from PSWID and delivering it through the existing system.
3. On Monday August 5th I was called by our legal counsel who had concerns that we may be in violation of open meeting laws by sitting down with Ponderosa. Mr. Snow was not informed that there were only 2 board members in attendance and that we were attempting to get information and perhaps find solutions to bring back to the PSWID board. Although he determined that there was no technical violation of the open meeting law, he recommended that we go through the open meeting steps just to avoid any perception of violating open meeting laws.

4. On Friday August 9th we sat down with the Ponderosa folks to see what their constituents wanted to do. There was some confusion because of mixed messages from PSWID. Ponderosa will be polling their customers again in view of our clearing up the confusion that the email created.
5. I telephonically attended the RAGHT quarterly meeting on August 8, 2019. The health fund is running about \$1,000,000 dollars loss due to major medical impacts this year. The fund was able to absorb the costs this year as it was running a surplus of around \$7,000,000. Premium holidays were discussed, and an email was sent out showing those organizations that have enough surplus to give a premium holiday. PSWID is running at a \$2510.00 loss so far as we have not had the time to build a positive balance yet.