

RESOLUTION NO. 2539

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, AUTHORIZING AND DIRECTING TOWN STAFF TO NEGOTIATE THE FRAMEWORK FOR ESTABLISHING AN INTERGOVERNMENTAL AGREEMENT WITH THE TOWN OF STAR VALLEY TO ADDRESS WATER ISSUES OF MUTUAL CONCERN.

WHEREAS, the Town of Payson (“TOP”) has title, right and the authorization to use certain groundwater resources, some of which access a deep aquifer, a portion of which transverses under real property located within the incorporated Town of Star Valley (“SV”); and

WHEREAS, TOP has substantial, additional groundwater resources which exceed TOP estimates for both maximum short-term and long-term sustainable usage; and

WHEREAS, TOP has a high capacity water storage tank fed by multiple wells coupled to a trunk water line which traverses SV and is proximal to certain water lines which service a portion of the residents in SV and which are owned and operated by the current holder of a Certificate of Convenience and Necessity (“CCN”) providing for such service; and

WHEREAS, it is beneficial for SV to have back up for the single well that provides water for such current CCN holder in the event of well or other mechanical or catastrophic failure; and

WHEREAS, although SV currently does not hold a CCN, plans for future commercial or other growth may be limited if title and access to expanded surface or groundwater resources is not secured for the benefit of the residents of SV; and

WHEREAS, if it is deemed to be in its best interest, SV can establish a beneficial use of water either by acquisition, or by contracting with the current CCN holder, or through other mechanisms available at law; and

WHEREAS, TOP and SV have the right and authority to enter into an intergovernmental agreement (“IGA”) deemed to be in the best interest of the respective parties, pursuant to A.R.S. §§ 11-951 *et seq.*; and

WHEREAS, it is in the mutual best interests of TOP and SV to move forward with the negotiations which will provide SV with access to back up water as well as long-term permanent water rights,

NOW, THEREFORE, THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, DO HEREBY RESOLVE AS FOLLOWS:

Section 1. TOP staff is hereby authorized and directed to negotiate with SV to establish the framework for completing an IGA to accomplish the following goals:

Prepared by Town of Payson Legal Department

SIS:drs January 27, 2010 (3:09pm)

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- A. To provide an emergency back up water supply for SV utilizing currently existing TOP systems; and
- B. To affirm, sell and transfer to SV the opportunity to acquire rights in groundwater wells which access and draw from the deep aquifer under SV, for valuable consideration received or to be received; and
- C. To develop an agreement between TOP and SV which will mutually and respectively limit withdrawals from such deep aquifer under SV to amounts which will not exceed agreeable yield as determined and agreed to in this proposed IGA; and
- D. To set forth any other and additional agreements between TOP and SV as are appropriate and may be reached between the parties.

Section 2. No specific financial commitments have been agreed to at this time. Each goal will be reviewed individually and acted upon by both the SV and TOP Councils.

Section 3. That the Town of Payson be and is hereby authorized to take and perform such other and further actions as are necessary or appropriate to carrying out the terms and purposes provided for in this Resolution Number 2539.

PASSED AND ADOPTED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, this ____ day of _____, 2010, by the following vote:

AYES _____ NOES _____ ABSTENTIONS _____ ABSENT _____

Kenny J. Evans, Mayor

ATTEST:

APPROVED AS TO FORM:

Silvia Smith, Town Clerk

Samuel I. Streichman, Town Attorney