

RESOLUTION NO. 2677

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, GENERATING REVENUE TO ENHANCE BOND MARGIN FOR THE C.C. CRAGIN PROJECT THROUGH THE PROVISION OF TEMPORARY WATER SERVICE TO THE CHAPARRAL PINES AND RIM CLUB GOLF COURSES, AND IN ORDER TO ALLOW IMMEDIATE RECEIPT OF REVENUE, DECLARING AN EMERGENCY.

WHEREAS, the Town of Payson operates a water system serving the citizens of Payson; and

WHEREAS, additional water sales raises revenue both for current system needs and long term system needs such as the C.C. Cragin pipeline; and

WHEREAS, additional water sales also enhances bond margin; and

WHEREAS, during 2011, the Town water system supplied water to its customers while utilizing only 61% of its safe yield; and

WHEREAS, due to system improvements, the acquisition of additional water sources, and a decline in population, the Town water system has the capacity to temporarily provide water for non potable uses; and

WHEREAS, such provision of water for non potable uses would not adversely affect the Town's current customers; and

WHEREAS, Chaparral Pines and the Rim Club golf courses have contacted the Town about providing water during June and July of 2012; and

WHEREAS, Chaparral Pines and the Rim Club have indicated that they have received reduced quantities of reclaimed effluent this summer; and

WHEREAS, Chaparral Pines and the Rim Club's need for water is immediate and they are seeking immediate services from the Town; and

WHEREAS, sales to Chaparral Pines and the Rim Club would generate significant revenues that could be utilized on the C.C. Cragin project; and

WHEREAS, the Town desires to temporarily provide water for the Chaparral and Rim Club golf courses during the months of June and July, 2012,

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

- Section 1. That the Water Department is authorized to temporarily provide water to the Chaparral Pines and Rim Club golf courses during the months of June and July, 2012.
- Section 2. That the temporary provision of such water is subject to the following:
- A. Chaparral Pines and the Rim Club shall pay the current public rates for any water provided.
 - B. In addition to all applicable water rates, Chaparral Pines and the Rim Club shall pay a temporary administrative fee of five hundred dollars (\$500.00) per day for any days where a temporary water meter for the provision of water is installed and water is available.
 - C. The use of such temporary water is subject to the conservation requirements in Sections 50.75-50.84 of the Code of the Town of Payson.
 - D. The provision of such temporary water shall be for a minimum of 30 calendar days and for a maximum of 45 calendar days.
 - E. The Town will provide one or more points of delivery and a temporary meter at each such point. Any additional conveyance pipes, hoses, etc., shall be the responsibility of Chaparral Pines and the Rim Club.
 - F. Payson may discontinue, reduce, or limit the amount of temporary water service if at any time it determines that such temporary water service is contrary to the best interests of its water system.
- Section 3. That Town Staff is authorized to take any other actions necessary to carry out the intent of this Resolution.
- Section 4. That Town Staff is directed to report to the Council on the effects of the temporary provision of water provided under this Resolution, including, but not limited to the financial benefit to the Town.
- Section 5. Whereas, in order for the provisions of this Resolution to be effective, time is of the essence and the window for generating temporary revenues is short, and it is necessary for the preservation of the peace, health and safety of the Town of Payson, Arizona, an emergency is declared to exist, and this Resolution shall become immediately operative on the date of its approval.

PASSED AND ADOPTED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, this _____ day of June, 2012, by the following vote:

AYES _____ NOES _____ ABSTENTIONS _____ ABSENT _____

Kenny J. Evans, Mayor

ATTEST:

APPROVED AS TO FORM:

Silvia Smith, Town Clerk



Timothy M. Wright, Town Attorney