

ICR Water Users Association



MEMORANDUM

TO: Board Of Directors

FROM: Bob Busch

Date: July 28, 2009

Subject: Manager's Report

1. System Operations

Water Audit –

2. Bills of Sale

Talking Rock – The Bill of Sale for the Molly Way Pump Station has not been executed. The Amendments to Bills of Sale for wells #2 & 3, removing pumping restrictions have been executed and returned to Harvard for signature and were recorded on July 9th.

-The Bill of Sale for Well #1 has been executed and recorded.

Whispering Canyon - Bills of Sale have not been executed for Phases 1-4. Nothing new to report.

3. ICR Property Transfer – Jim Heitel has not yet recorded the deed transferring property on the north side of the street at Williamson Valley Road & Inscription Canyon Drive. He has promised to do so.

4. Aqua Meadows – Amendment 3 to the agreement is now complete and ready for execution by Steve Pierce. According to terms of the original agreement, the water withdrawal rate is to be increased when ICRWUA receives a rate increase. The June withdrawal was mailed with a 13.5% increase based on the percentage of total revenue increase granted ICRWUA (\$53,905 increase on adjusted revenue of \$391,950). The water withdraw rate is now \$0.248 per 1,000 gallons.

5. 2009 True-up – I have prepared the final true-up under the Well Agreement and forwarded a draft to Kim Korp for comment.

6. TRR Infrastructure Classification – As directed, I sent a letter to the Talking Rock Parties documenting the Company's decision concerning classification of infrastructure as advances or contributions in aid of construction. Of the \$7,949,069.42 of infrastructure provided by the Talking Rock Parties, 44.76% will be classified as contributions and 55.24% will be classified as advances. \$4,490,678.42 will be subject to repayment under the Main Extension Agreement. A copy of the letter was emailed to board members.

7. Handheld Meter Reader -Dee and I have contacted vendors regarding the handhelds. Here is the latest:

- A vendor in New Jersey (located by Chris Stoner) has two new handhelds of the same model as the ones used by ICRWUA. They are probably the only NEW units in the USA. The vendor sells them for \$750.00 each plus shipping. In addition, we need a data card. Our existing unit has a 128K card (which are no longer available). A 1-mb card will work, but the vendor does not have any 1-mb cards, they only have a 2-mb card, available for \$210. The units are warranted for 1 year.

- The software vendor, RVS, will add the data reading software for \$200, each card. The capacity of the card is unimportant, only that it fit the handheld. We would only send the data card to RVS. They will turn it around in 24 hours (and send us an invoice).

- Our cost for a complete, working handheld would be:

1 handheld -	\$ 750
shipping -	\$ 50
data card -	\$ 210
software programming -	<u>\$ 200</u>
Total	\$1,210

The vendor (National Technology Services, Inc.) claims to have the only new units in the US and Canada. IF his is telling the truth, ICRWUA may have a limited time to acquire one. I recommend the board approve purchase of one of these units and have it programmed by RVS. [As an alternate, we could purchase the handheld without the card and programming. We could buy the card and programming later. If the existing unit fails, we could remove the card from it and put it into the new unit and it will function.] I would prefer purchasing a complete package.

Robert M. Busch, Manager
MDI, Inc.

Attachment: Water Usage Summary – June