

PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

Special Meeting
Wednesday, January 24, 2018 at 3:00 p.m.
PSWID Administrative Office
6306 W Hardscrabble Rd.
Pine, AZ 85544

1. CALL TO ORDER

Bob Arbuthnot called the meeting to order at 3:00 p.m.

2. PLEDGE OF ALLEGIANCE

Led by Bob Arbuthnot

3. ROLL CALL OF BOARD MEMBERS

Conducted by Bob Arbuthnot: Board members present: Tom Weeks, Forrest McCoy, Sharon Hillman, Bob Arbuthnot, Maher Hazine, Alan Kleinman, and Larry Bagshaw. A quorum was present.

4. CALL FOR MOTION TO APPROVE MINUTES OF THE FOLLOWING MEETINGS:

January 18, 2018: Maher Hazine moved that the minutes be tabled until the February meeting. Forrest McCoy seconded the motion. The motion was approved unanimously.

5. REPORTS TO THE BOARD

- A. Chairman's report— Bob met with Sharon Hillman, Alan Kleinman and Greg Smith. He suggested that the board set some long term goals for the district.
- B. Treasurer's report – None
- C. Secretary's report –None
- D. District Manager's Report –Greg Smith provided the board members with a copy of an email suggesting that the district install a million gallon tank at the top of the summit between Pine and Strawberry on Forest Service Land. He also supplied an updated well production report, and a proposed contract for maintenance for the generators.

6. CONSENT AGENDA None

7. CALL TO THE PUBLIC None

8. OLD BUSINESS

- I. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE ACCEPTANCE OF THE WIFA'S PSWID FY18 THRU FY22 CIP PROGRAM FINANCIAL AID PACKAGE.** Greg Smith. The final loan documents were provided. The interest and fees on the loan will be 2.104% fixed for 20 years. Forrest McCoy moved that the loan be accepted. Larry Bagshaw seconded the motion. The motion carried unanimously.

II. DISCUSS AND TAKE POSSIBLE ACTION REGARDING AN AGREEMENT WITH THE STATE OF ARIZONA FOR ACCEPTANCE AND EXECUTION OF A GRANT IN THE AMOUNT OF \$75,000 FOR WATER RELATED ENERGY SAVINGS ENHANCEMENTS TO THE PSWID WATER SYSTEM. Greg Smith. The final contract for this still has not been received. The money is to be used for energy audits, which may lead to rebates from AOS for energy reduction. Forrest McCoy moved that the board table this until February. Tom Weeks seconded the motion. Later, after discussion of the next agenda item, and with the encouragement from Paul Hendricks of EUSI to go ahead and approve the acceptance of this grant since it has be spent by the end of June, the board revisited this item. Tom Weeks moved that the board reconsider this item. Maher Hazine seconded the motion. The motion was approved unanimously. Tom Weeks then moved that this grant be approved. Larry Bagshaw seconded the motion. The motion carried unanimously.

III. DISCUSS AND TAKE POSSIBLE ACTION REGARDING AN AGREEMENT FOR PROGRAM MANAGEMENT SERVICES WITH EUSI FOR PROGRAM MANAGEMENT SERVICES OF THE WIFA CAPITAL PROGRAM AND AUTHORIZE A NOTICE TO PROCEED AFTER ACCEPTANCE OF THE LOAN/GRANT FROM WIFA. Maher Hazine. Greg Smith recused himself from discussion on this item since he is a sub consultant of EUSI. Paul Hendricks of EUSI joined the meeting via phone line. The cost of this agreement will be \$376,000 for a fixed upper limit if the costs of construction do not change. Globe has approved PSWID using their cooperative services agreement with EUSI. Tom Weeks wondered if the 2.5% admin fee was a common rate for the industry. Maher responded that the rate is usually between 2.4 and 3.5%. Forrest McCoy asked how many Globe employees were working on their contract. Paul Hendricks responded that there were two – a construction observer and an inspection person. Also PSWID is receiving a better deal with its contract being a fixed fee rather than the percentage Globe is paying. Forrest asked about extra expenses. Those will be only mileage and per diem and the person will get the lesser of the two. Paul and his son Chris will only get mileage. EUSI will be providing 3 consultants, mostly part time. Forrest recommended that the contract be only three years with 6 month renewal options. Alan Kleinman moved that the agreement for program management services for the WIFA Capital Program with EUSI be approved with the change in terms to three years with 6 month renewal (from 1 year) and the other changes in verbiage discussed. Larry Bagshaw seconded the motion. The motion carried 6 to 1 with Forrest McCoy dissenting.

9. NEW BUSINESS

I. DISCUSS AND TAKE POSSIBLE ACTION REGARDING APPROVAL OF A BANKING RESOLUTION AUTHORIZING THE 2018 CLASS OF OFFICERS AS SIGNATORIES TO THE DISTRICT’S FINANCIAL DOCUMENTS. Sharon

Hillman. This item was pulled from the agenda as it was approved at the January 18, 2018 meeting.

- II. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING AUTHORIZING THE DISTRICT'S ACCOUNTANT AS THE PRIMARY CONTACT FOR THE DISTRICT'S QUICKBOOK ACCOUNTING SOFTWARE.** Greg Smith. Our accountant, Jodee Smith is currently locked out of QuickBooks as far as interacting with them for tech support since she is not the district's primary contact. Jodee is the only PSWID person accessing the program. Sharon Hillman moved that the district accountant, Jodee Smith, be authorized as the primary contact for Intuit QuickBooks. Tom Weeks seconded the motion. The motion carried unanimously.

10. IDENTIFY POTENTIAL AGENDA ITEMS FOR THE NEXT SCHEDULED BOARD OF DIRECTORS MEETING ON FEBRUARY 15, 2018.

- a. Nexus Grant contract
- b. CIP update with EUSI and WIFA fund usage updates
- c. Revisit items for website and website redesign, including having the website state what has been recently posted.
- d. Long term district goals.

- 12. **MOTION TO ADJOURN.** Larry Bagshaw moved the meeting be adjourned. Sharon Hillman seconded the motion. The motion carried unanimously.