

**BOARD OF DIRECTORS  
PINE/STRAWBERRY WATER IMPROVEMENT DISTRICT**

P.O. Box 134 - Pine, Arizona 85544-0134

**MINUTES**

Regular Board Meeting – February 8, 2009  
(Moved up due to scheduling conflicts)

**1) CALL TO ORDER**

Pine-Strawberry Water Improvement District meeting was called to order at 2:00 PM by  
Bill Haney - Chair

**2) PLEDGE OF ALLEGIANCE**

**3) ROLL CALL**

**Board Members Present:**

- |                                  |                                 |
|----------------------------------|---------------------------------|
| 1. Bill Haney - Chair            | 5. Ron Calderon                 |
| 2. Tom Weeks                     | 6. (Don Smith-absent)           |
| 3. Richard Dickinson - Secretary | 7. Terry Schleizer – Vice Chair |
| 4. Michael Greer - Treasurer     |                                 |

There was a Quorum – 6 Board Members present.  
Number of public attendees not noted.

**4) APPROVAL OF MINUTES**

- a. Regular Meeting January 15, 2009
- Motion to approve minutes - Ron  
Second – Mike  
Vote 5 -0 approved  
Terry Schleizer - abstention

**5) TREASURERS REPORT**

Mike Greer reported that the “green sheets” from the county had not arrived in time for this meeting, and he will give a full financial report at the next regular PSWID Board meeting. He did report that the PSWID Board had received approximately \$289,000.00 (including interest) back from the JWDA escrow account.

**6) OFFICER AND DELEGATE REPORTS**

No reports.

Motion to move to move to Executive Session – Terry  
Second – Ron  
Vote 6 – 0 Motion passed.

**7) EXECUTIVE SESSION**

Motion to open Executive Session – Tom  
Second – Terry  
Vote 6 – 0 Motion passed.  
Mr. Gliedge attended via teleconference.

- a. Discuss the acquisition of the Pine and Strawberry water systems by the Pine Strawberry Water Improvement District.

Motion to end Executive Session – Terry

Second – Mike

Vote 6- 0 Motion passed.

Motion to return to public session – Terry

Second – Ron

Vote 6 – 0 Public session reopened.

## **8) OLD BUSINESS**

- a. Discuss and take possible action concerning the acquisition of the Pine and Strawberry water systems by the Pine-Strawberry Water Improvement District.

Bill Haney, Chair, explained the current situation related to the acquisition of PWCo and SWCo. A settlement has been reached in which PWCo has dropped the request for arbitration regarding the JWDA, and the escrow funds (approximately \$289,000.00) have been returned to the PSWID. The District in return has dropped the request to revoke PWCo's CCN at the ACC. Compass Bank has issued a commitment letter to PSWID for funding the acquisition of PWCo, and a settlement meeting involving negotiations for acquisition of the water systems was held on Thursday, February 5, 2009 in Phoenix at the offices of Stone and Youngberg. According to the rules of negotiation, no public comment or publication in the newspapers related to the negotiations will be allowed by either side. Mr. Haney indicated that although in negotiations, the PSWID is continuing to move forward with the condemnation process.

- b. Discuss and take possible action regarding the Joint Well Development Agreement (JWDA) and the K2 well.

No action taken. Bill Haney indicated that the escrow funds had been returned to the District, and the JWDA was currently in abeyance. PWCo could reopen the request for arbitration later this summer.

## **9) NEW BUSINESS**

- a. Discuss and take possible action regarding the testing and potential use of water from the Milk Ranch Well.

Richard Dickinson suggested the PSWID take action to evaluate the water from the Milk Ranch Well should the PSWID be successful in acquiring the Pine and Strawberry Water systems, and want to use Milk Ranch Well as water source this summer. District Interim General Manager, Harry Jones, indicated he had contacted Mike Plough to determine what tests and related costs should be conducted. Bill Haney indicated that Milk Ranch Well testing should include evaluation of equipment necessary to remove any sand or sediment from the well to facilitate increased pumping capacity.

- b. Discuss and take possible action regarding agreement for ongoing services with Coe and Van Loo (CVL) Consultants.

Bill Haney discussed parameters of an Agreement Letter received from Coe and Van Loo delineating an hourly cost basis for potential future tasks. Reported rates, based on a per task per hour basis, were \$140.00 per hour and \$125.00 per hour for project engineer.

Motion to approve CVL agreement letter with a \$2,000 per task limit – Terry  
Second – Ron

Motion to amend prior motion to a limit of 3 tasks before additional PSWID Board approval required –  
Tom  
Second – Ron  
Vote 6 – 0 Amendment to motion passed.

Motion to approve CVL agreement letter with a limit of 3 tasks at \$2,000 per task before additional  
Board approval required – Terry  
Second – Ron  
Vote 6 – 0 Motion passed as amended.

**10) CALL TO PUBLIC FOR NON-AGENDA ITEMS (3minutes per speaker)**

Bob Cassaro – Questioned if another negotiation meeting has been scheduled.

The PSWID Board unable to comment on negotiations at this time as per negotiation rules.

**11) CALL TO ADJOURN**

Motion to adjourn – Terry  
Second – Tom  
Vote 6 – 0 Meeting adjourned.

**Reports Available directly from PSWID by request for February 8, 2009**

1. *File # PSWID – Commitment Letter- Compass Bank– 02082009*
2. *File # PSWID – Agreement Letter– Coe and Van Loo - 02082009*