

PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

Regular Board Meeting

Thursday, February 16, 2017 at 6:00 p.m.

PSWID Administrative Office

6306 W Hardscrabble Rd.

Pine, AZ 85544

1. CALL TO ORDER

Tom Weeks called the meeting to order at 6:00 p.m.

2. PLEDGE OF ALLEGIANCE

Led by Tom Weeks

3. ROLL CALL OF BOARD MEMBERS

Conducted by Tom Weeks: Board members present: Tom Weeks, Sharon Hillman, Rus Brock and Larry Bagshaw. Maher Hazine and Bob Arbuthnot were connected via phone. A quorum was present.

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

December 15, 2016: Maher Hazine moved to approve the minutes. Larry Bagshaw seconded the motion. The motion carried unanimously.

January 5, 2017: Sharon Hillman moved to approve the minutes. Maher Hazine seconded the motion. The motion carried unanimously.

January 19, 2017: Maher Hazine moved to approve the minutes. Sharon Hillman seconded the motion. The motion carried unanimously.

February 2, 2017: Sharon Hillman moved to approve the minutes. Rus Brock seconded the motion. The motion carried unanimously.

5. REPORTS TO THE BOARD

A. Chairman's report and Office Manager's report – Maher reported that he and Rus Brock had worked on the contract with EUSI for district manager services. He had also sent CH2M the letter about their review. The cross training in the office on procedures is progressing. The used trucks were advertised on KMOG and the bid deadline is Feb. 28. The cross training on using the One Call system is progressing

B. Treasurer's report – Sharon Hillman presented the January report which is posted to the website.

C. Secretary's report – Larry Bagshaw had not received any correspondence that was not on the agenda.

6. CONSENT AGENDA

All items listed on the Consent Agenda are considered to be routine or have been previously reviewed by the PSWID Board, and will be enacted by one motion. There will be no separate discussion of these items unless a Board Member so requests; in which such event the item will be removed from the General Order of Business, and considered separately immediately following the consent agenda.

- Support Services Committee – no activity to report
- Water Enhancement Committee – no activity to report
- Customer Service Issues Update – no activity to report
- Contract Field Manager’s Report – As posted on the PSWID website.

Rus Brock moved that the consent agenda be approved. Larry Bagshaw seconded the motion. The motion carried unanimously.

7. CALL TO THE PUBLIC

Paul DiDomenico asked to be reimbursed for a \$709.19 water bill. He is only at the house occasionally and his historical usage is less than 1,000 gallons a month. He found that a hose bib had been turned on and that his valve lock was broken and thinks he was the victim of water theft. The house is in a cul de sac and is fairly hidden from public sight. He has reported the theft to the Sheriff. He also says that his valve lock was also broken in February and more water was stolen. Maher Hazine responded that we cannot credit the account since the water usage was reflected on the meter, but the district could help set up a payment plan. He will contact the customer regarding ways he can prevent theft from occurring in the future.

8. RECEIVE AN UPDATE RELATED TO REVISIONS TO THE DISTRICT’S RULES AND REGULATIONS AS APPROVED ON 1/19/2017.

Presented by Rus Brock. Rus emailed the updated Rules and Regulations to the board members. Maher Hazine will have Karen update the website.

Note: At this time the board moved to item 12 so that the representative from EUSI could leave for the Valley after the discussion on the item.

9. DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE EMPLOYEE/OFFICE HOLIDAYS IN THE EMPLOYEE HANDBOOK.

Presented by Sharon Hillman. Sharon gave the board a handout which compared the holidays as listed in the handbook, what was taken last year and so far this year, what was published on the website, and what holidays she proposed to be placed in the handbook. The proposed list of holidays is the same as posted on the website. Maher Hazine moved that the board approve the holidays as Sharon proposed. Rus Brock seconded the motion. The motion carried unanimously.

10. DISCUSS AND TAKE POSSIBLE ACTION REGARDING AMENDING THE EMPLOYEE HANDBOOK REGARDING HOLIDAY PAY RULES AND THE ALLOWABLE SICK LEAVE AND VACATION CARRY OVER TIME.

Presented by Sharon Hillman. Sharon proposed that the sick leave carry-over time be changed to 80 hours and that the vacation time carry-over time also changed to 80 hours. This would change the wording in sections 6.12 and 6.13 in the

Employee Handbook and she gave the board a handout reflecting those changes. Rus Brock moved to approve the changes to those sections. Larry Bagshaw seconded the motion. The motion carried unanimously.

Sharon then proposed that the Holiday Pay verbiage in section 6.11 of the Employee Handbook be changed to read: Employees hired as part time, variable schedule, with no benefits will receive holiday pay prorated according to the average of the actual hours worked during the two work weeks prior to the week in which the holiday occurs. Rus Brock moved to amend section 6.11 as proposed. Larry Bagshaw seconded the motion. The motion carried unanimously.

11. DISCUSS AND TAKE POSSIBLE ACTION REGARDING REVISING OFFICE MANAGER'S OFFER LETTER RELATED TO HOLIDAY PAY. Presented by Sharon Hillman. The need for this is no longer necessary with the change approved above to section 6.11 of the Employee Handbook.

12. DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE CONTRACT WITH EUSI FOR DISTRICT MANAGER SERVICES. Presented by Maher Hazine. Paul Hendricks from EUSI was in attendance at the meeting. A written copy of the proposed contract was given to the board members. It is essentially a 15 month contract with 3 tasks. Task 1 would be a review of the operations and maintenance functions performed by CH2M which would take about 60 days and the cost is \$16580 plus approved expenses. Task 2 would be an operational assessment of the district which would take place after task 1 and cost \$8290 per month plus approved expenses and would take about 30 days. Task 3 is independent of the other two tasks and would provide PSWID with a full time professional level on-site manager. PSWID would be given the choice of at least to qualified candidates for the position. The cost would be \$11,250 per month for a minimum of 12 months and the district would have the option of the end of that term to extend the term for an additional 3-12 months or terminate at any time after the initial term with a 90 day notice.

The board had several questions about Task 3, mostly revolving around the district manager being on site full-time, the district providing access to a vehicle to the district manager, and verbiage about the Project Performance Partnership budget savings rebate. The board took a break so that Rus Brock, Sharon Hillman, and Maher Hazine could discuss the questioned items privately. Upon resumption of the meeting, Maher Hazine moved that the contract be accepted after approval by our attorney with no significant changes to the contract and that the board authorize him to finalize the contract. Larry Bagshaw seconded the motion. The motion carried unanimously. (Note: Bob Arbuthnot was no longer on the phone connection at this point.)

13. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO STATUS, PRIORITIZATION AND FUNDING OF CAPITAL PROJECTS. Presented by Maher Hazine. The valve installation was completed and the contractor just has some clean-up work to do. The McClendon project is in progress. Buck Mountain is getting ready to start the Wye Strainers. The chlorination project only has 3 sites left to complete it. The Strawberry View I interconnect to the

Magnolia pipeline will be started soon. The Milk Ranch wells report and recommendations will be received in early March. Maher will be visiting ADEQ to see if they will back off on requiring Circle Drive to have a 6 inch pipeline to replace the current ABS.

14. IDENTIFY POTENTIAL AGENDA ITEMS FOR THE NEXT SCHEDULED BOARD OF DIRECTOR'S MEETING ON MARCH 16, 2017

- A. Capital Projects update
- B. Request from person who has adjoining properties in both PSWID and the Pine Water System to withdraw from PSWID.
- C. Discussion of residential customer definitions.

19. MOTION TO ADJOURN. Larry Bagshaw moved that the meeting be adjourned. Sharon Hillman seconded the motion. The motion carried unanimously.

APPROVED