

**PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT**

**BOARD OF DIRECTORS MEETING MINUTES**

**Thursday, March 20, 2014 at 6:00 pm**

**PSWID Administrative Offices**

**6306 W. Hardscabble Road**

**Pine, AZ 85544**

On Tuesday November 26, 2013, the Gila County Board of Supervisors adopted Resolution 13-11-07; accepting the resignations of five (5) Pine-Strawberry Water Improvement District (PSWID) Board Members; revoking the authority of the PSWID; naming the Gila County Board of Supervisors as the Board of Directors for the PSWID; and, reserving the authority to call for new elections for the PSWID.

**I. CALL TO ORDER BY THE CHAIR**

Chairman Pastor called the meeting to order at 6:00 pm

**II. ROLL CALL OF DIRECTORS**

Conducted by Cheryl Sluyter. Board members present: Chairman Mike Pastor, Vice Chair Tommie Martin and Member John Marcanti

**III. PLEDGE OF ALLEGIANCE**

Led by Member Marcanti

**IV. APPROVAL OF MINUTES**

Vice Chair Martin made the motion to approve January 16, 2014 meeting minutes and Member Marcanti seconded. Motion approved unanimously.

Board Member Marcanti made the motion to approve February 4, 2014 meeting minutes and Vice Chair Martin seconded. Motion approved unanimously.

**V. REGULAR AGENDA ITEMS:**

**A. Information/Discussion regarding the annual report on operations from Brad Cole, CH2M HILL.**

Brad Cole delivered a brief summary of the PSWID Annual Report:

The PSWID Annual Report covered the period of December 2012-November 2013. The following items were discussed: Scope of Services and Project History, Regulatory Reporting, Standard Operating Procedures, Safety, Events, and Highlights of Work Activity.

Questions were addressed pertaining to fire hydrants, facilities that are treated with chlorine, plans for water sharing agreements, size of work force, the timing and production of PSWID annual reports, definition and number of active wells, the number of meters replaced, and distribution systems & storage tanks for

different areas. Additional questions from the Board and community members Sam Schwalm, Ric Hawthorne and Forrest McCoy were discussed.

**B. Information/Discussion/Action to award a contract to Paul R. Peterson Construction in the amount of \$137,915 for the 300K Tank Rehab Project.**

Brad Cole provided history and information about the project and recommended the Board approve the bid and award the contract to Paul R. Peterson Construction. Mr. Cole addressed questions from the Board. He said there were only two contractors that presented bids, in which one contractor did not provide the proper paperwork for the bid to be accepted. Vice Chair Martin made a motion to approve the contract and Member Marcanti seconded. Motion approved unanimously.

**C. Information/Discussion/Action to appoint Lawrence Bagshaw, Russell Brock, Richard James, Trent McNeeley, Paul Randall, Sam Schwalm, Don Smith, and Tom Weeks to a Citizens Budget Review Committee to provide input to PSWID staff during the preparation of the 2014/2015 Annual Budget, to hold at least two public hearings on a proposed budget, and to provide a recommended Budget to the Board of Directors.**

Chairman Pastor opened the agenda item for discussion. Sam Schwalm asked if there is enough time for the new board to develop and approve the final budget before the end of June. Don McDaniel answered that there is not sufficient time because there are requirements to advertise a preliminary budget as well as a final budget before it is adopted. The Citizens Budget Review Committee would formulate with the staff holding public hearings to allow public input and to make recommendations to the sitting board for adoption. Or if there is a point in the process where there is sufficient time and the postings have been completed and the new board is in place after June 2, then the newly elected board could do the final steps. That's the purpose of appointing a Citizens Budget Review Committee and having them involved in the entire process. Mr. Schwalm expressed his gratitude to the Board for their assistance.

Member Marcanti made a motion to appoint Lawrence Bagshaw, Russell Brock, Richard James, Trent McNeeley, Paul Randall, Sam Schwalm, Don Smith, and Tom Weeks to a Citizens Budget Review Committee to provide input to PSWID staff during the preparation of the 2014/2015 Annual Budget, to hold at least two public hearings on a proposed budget, and to provide a recommended Budget to the Board of Directors. Vice Chair Martin seconded the motion. Motion approved unanimously.

## **VI. CALL TO THE PUBLIC**

Call to the Public is held to provide individuals the opportunity to address the Board of Directors on any issue within the jurisdiction of the Board and for the Board to hear issues of interest or concern from members of the District.

Board members cannot discuss items that are not specifically identified on today's agenda and they are therefore prohibited from discussing or taking any action on issues raised during the call to the public at this meeting.

The Board of Directors, by majority vote, may ask staff to review a matter and report back to the Board at a later date or may ask that a matter be put on a future agenda for discussion and possible action. The Board may vote to go into Executive Session for the purpose of obtaining legal advice from the Board's attorney on any matter listed on the agenda pursuant to Arizona Revised Statutes.

Public Participation Forms were turned in by Richard James and Ric Hawthorne.

Richard James asked about the audit. In answer to the question Mr. McDaniel provided a verbal staff report to the Board and indicated that since the Board had requested the financial and management audit of the District he had received a call from the Arizona Auditor General's Office. They were notifying the County Manager as the current manager of the district that they were currently conducting an audit and had request specific information from the district. The Auditor's Office asked if we would share the questions and public input gathered at the January 16 Town Hall meeting with them because they were previously unaware of other concerns and that they would include these issues in their audit. Mr. McDaniel said this was reported to the Board individually and no further action had been taken. The next step is to find out what their progress is and where they stand. The Board may call for an audit but for now they will wait and see what is being produced in the State audit. Chairman Pastor stated that a written report will be provided and shared with the community as a public document.

Chairman Pastor addressed a question regarding Open Meeting Law training and he referred the Citizens Budget Review Committee to Bryan Chambers, Gila County Attorney, for additional information and training.

Chairman Pastor adjourned meeting at 6:43 p.m.