

PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

BOARD OF DIRECTORS MEETING

Thursday, June 18, 2015 at 6:00 pm

PSWID Administrative Office

6306 W. Hardscrabble Road

Pine, AZ 85544

I. CALL TO ORDER

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

II. PLEDGE OF ALLEGIANCE

Led by Tom Weeks

III. ROLL CALL OF BOARD MEMBERS

Conducted by Tom Weeks. Board members present: Tom Weeks, Rus Brock, Richard James, Maher Hazine, and Larry Bagshaw. A quorum was present.

IV. APPROVAL OF MINUTES

May 21, 2015 Meeting Minutes: Maher Hazine asked for three changes. ADEP needs to be ADP, HPD needs to be HDPE, and subdivision plats not recorded needed to be changed to GIS maps not recorded. Maher moved that the minutes be accepted with the changes. Larry Bagshaw seconded the motion. It passed unanimously.

V. CUSTOMER CORRESPONDENCE

There was no correspondence received.

VI. CALL TO THE PUBLIC

Art Meltzer who lives on North Miller in Pine commented that he was concerned that they were not notified when there were water outages. He also thought that the meter reread fee was too high. Beckie Sigeti commented that the office is notified by the field when the water will be off and that the robo calls will go out if more than 50 people are affected. When the outage is caused by an emergency or occurs after hours, no calls go out. Maher Hazine suggested we look at the procedures with the on call systems, especially after hours. The on call person should call the answering service with the details of the outage. The reread fees are based on the time involved and are in the Rules and Regulations.

VII. TREASURER'S REPORT

Presented by Rus Brock. Rus gave us the financial information through the end of May. He gave the board members a summary which included the cash position, the budget vs actual expenditures, and capital projects.

VIII. BOARD MEMBERS REPORTS

- A. Support Services Committee Report: Rus Brock reported that the committee had not met.
- B. Water Enhancement Committee Report: Maher Hazine reported that the committee had not met. The water share agreements were mailed and all are signed and back except for one.
- C. Customer Service Committee Report: Richard James said that the number of billing complaints was up for June. He had a concern about the security at Milk Ranch III as the gate was left open and no CH2M Hill staff was around. This was due to the leak problems in Strawberry at the time, and the field staff was circulating between the two sites as the turbidity flushing at the Milk Ranch wells has to be checked every hour. Tom Weeks said that if the site was unattended, that the gate needed to be locked.

IX. CH2M HILL MONTHLY REPORTS Presented by Matt Kear .

- a. Repair Order Status: Customer orders totaled 79 for 102 work hours. Maintenance orders totaled 202 for 582 hours.
- b. Well and Tank Report: 6,934,836 gallons of water was produced in May. 510,000 gallons were sent to Strawberry. 60% of the water was produced from district wells, with the rest from water sharing agreements.
- c. Well Test Report: All the measurable wells had nearly the same available water levels as last month. Matt Kear asked if the report could be made quarterly. Maher Hazine asked for the report to be given monthly during the peak summer months. Matt also said that he would like to add sonic line access instead of using the chlorination access.
- d. Water Loss Report: 70,000 gallons of water were lost due to leaks, flushing, or filling and reinstall start-ups.
- e. Vehicle Report: 357 gallons of gas was purchased for the cost of \$792. The 2002 Ford F350 has been repaired.
- f. Improvement Projects Report:
 - In-Line Chlorination – The board approved this and a \$2000 budget for each location in September 2014. Matt found out that the previous district manager never submitted this change to ADEQ. There will be a \$250 review fee for each location and that there needs to be an engineering report for each submitted. Verde Engineering will be working on this for the district.
- g. Project Recommendations:
 - Construction Equipment: It was recommended that the district purchase a mini excavator with a trailer and a dump truck or a dump trailer. It currently costs \$1000 per month to rent the mini excavator and it is not always available to rent. There are currently 3 projects on hold until the equipment is available next week. A dump truck or trailer would reduce the cost of hiring a 3rd party contractor which currently costs the district about \$46,500 a year. The comment was made that either Paul Randall or Trent McNeeley could address the costs of a dump truck vs the costs of a dump trailer.

- h. Inquiry Follow-up: Water loss Improvements:
 - 1) The fire hydrants will now be flushed semi- annually, with the fire department doing every other one in conjunction with CH2M Hill. It will save the district 50,000 gallons of water annually.
 - 2) Rim Woods automation communication between Rim Woods and K2. Adding this automation will prevent the tank overflow. The cost will be \$12,400 with a life expectancy of 5 years and it includes a land line phone connection. The labor savings would be about 520 hours annually. Maher Hazine suggested looking at doing it for all the sites and sharing the costs with CH2M Hill.

X. REGULAR AGENDA ITEMS

- A. Information/Discussion/Action regarding the new contract with CH2M Hill. Requested by Rus Brock and Maher Hazine. Larry Bagshaw asked if the new contract had been signed by Tom Weeks and CH2M Hill. It had not yet been signed. Paul Cornejo will be in Pine next week and he and Tom can sign it then.
- B. Information/Discussion/Action regarding the 2015/2016 budget and rate hearing. Presented by Rus Brock. Rus moved to adjourn the regular meeting and move into the rate/budget hearing. Richard James seconded the motion. The motion was approved. There are no changes in the rates. The budget was published in the newspaper. The budget will be for \$3,091,600 as per the handout and the newspaper. Maher Hazine moved to accept the budget. Richard James seconded the motion. The vote was unanimously in favor. Maher Hazine moved to adjourn the rate/budget hearing. Richard James seconded. It was approved.
- C. Information/Discussion/Action regarding letting the PS Fire Department use our one call system. The fire department had yet to contact Beckie Sigeti about the system. Tom had contacted them and told them that it would not work as all residents of Pine and Strawberry are not customers of PSWID. Chris Meltzer said she would like to have the one call system call everyone in the communities. Maher said that the district needed to get an emergency plan in place. He also requested that Beckie do a presentation in July on the one call system. Trent McNeeley is working on the emergency plan.
- D. Information/Discussion/Action regarding the district's revised Rules and Regulations. Requested by Beckie Sigeti. The discussion on this was carried over from May. Presented by Rus Brock. Rus has added a table of contents, reformatted and cleaned up the Rules and Regulations. He made several changes including that the board approve donations, instead of the district manager, changing the delinquency period to 70 days (as previously approved by the board), and added a new section for employees. Maher Hazine asked that in the employee section to add the verbiage that changes or revisions to the employee handbook must be approved by the board, and that the wording of Human Resource Manager be changed to the board or their designee. Maher Hazine moved that the changes to the Rules and

Regulations be accepted and that the board Secretary, Larry Bagshaw, sign the resolution. Larry Bagshaw seconded the motion and it was approved unanimously.

- E. Information/Discussion/Action regarding an update on the progress of the capital projects for the Tank Farm tanks, SV 1 tanks, and Pine Creek Road. Requested by Beckie Sigeti. DD Haught received a notice to proceed with the Tank Farm replacement. The start date is June 15 and the project is to be completed by July 30. E.W. Parker Enterprises was awarded the bid to do the Pine Creek Main replacement. The notice to proceed is going out tomorrow. The construction will start after the July 4th weekend and will be completed by August 15. The Strawberry View tank replacement has had the survey finalized and the property owner will receive a letter from Verde Engineering about the small encroachment of his house into the easement. The finalized survey will be recorded after the encroachment issue is resolved, including the roof overhang and an exchange of some property from the back of the lot to compensate for the encroachment. The rest of the processes on this project will be held until after September.
- F. Information/Discussion/Action regarding an update on the progress of the change in chlorination. Requested by Larry Bagshaw. As covered in the CH2M Hill report, there has been no progress on this.
- G. Information/Discussion/Action regarding back flow prevention. Requested from May Agenda. The field staff has looked at some more of the sites and has contacted more of the people who do need backflow prevention. 60 more tests will be required by the end of July.
- H. Information/Discussion/Action regarding the progress of applying for grants to help with capital projects. Requested by Larry Bagshaw. Maher Hazine reported that the cost would be \$1200-1500 for an RFQ. The district needs priorities for the projects that need to be designed. The priorities for the capital projects will be determined in the next board work session. Rus Brock attended a meeting on June 16 and found out that the funding sources have a meeting in November at WIFA and can match the district to organizations that can fund the projects. Rus and Sam Schwalm will go over the list of Master Plan projects and come up with some priorities for the board to consider.
- I. Information/Discussion/Action regarding Agenda Items for the July/next Meeting.
 - 1. PSWID one call system presentation by Beckie Sigeti at the July meeting.
 - 2. Scheduling of a work meeting for selecting the capital projects for the 2015-2016 budget (possibly in conjunction with the loan signing).
 - 3. Scheduling a meeting for signing the final loan papers.
 - 4. Plan to pay off loan.

XI. ADJOURNMENT

Maher Hazine moved to adjourn the meeting. Richard James seconded the motion. The vote was unanimous in favor of the motion.

DRAFT