

**BOARD OF DIRECTORS  
PINE/STRAWBERRY WATER IMPROVEMENT DISTRICT  
P.O. Box 134 - Pine, Arizona 85544-0134**

**MINUTES  
Regular Board Meeting – July 24, 2010**

**1) CALL TO ORDER**

Pine-Strawberry Water Improvement District meeting was called to order at 10:03AM by Bill Haney - Chair

**2) PLEDGE OF ALLEGIANCE**

**3) ROLL CALL**

**Board Members Present:**

Bill Haney  
Ron Calderon  
Mike Greer  
Richard Dickinson

Tom Weeks  
Don Smith (ABSENT)  
Gary Lovetro

There was a Quorum – 6 Board Members present.

Also Present:

David Davis – Legal Counsel

Number of public attendees not noted.

Motion to move to Executive Session – Tom

Second – Ron

Vote 6 – 0 Motion passed.

Motion to open Executive Session – Ron

Second – Tom

Vote 6 – 0 Motion passed.

**4) EXECUTIVE SESSION**

- a. Discuss and get advice from the PSWID attorney as it relates to communication between District Board members and attorney.
- b. Discuss and obtain legal advice related to contract negotiations for acquisition of SH3 Well.
- c. Discuss RFQ's received for District Engineer.

**5) ADJOURN EXECUTIVE SESSION**

Motion to adjourn Executive Session – Richard

Second – Tom

Vote 5 – 0 Motion passed. (Bill Haney left meeting at 10:20 am) Executive Session Adjourned.

**6) CALL TO ORDER (PUBLIC SESSION)**

The Pine-Strawberry Water Improvement District meeting (public session) was called to order at 1:05PM by Tom Weeks vice-chair.

**7) PLEDGE OF ALLEGIANCE**

**8) ROLL CALL (Determination of a Quorum)**

Bill Haney (absent)	Don Smith (absent)
Tom Weeks	Ron Calderon
Richard Dickinson	Gary Lovetro
Mike Greer	

5 of 7 Board members present – there was a quorum  
Also present David Davis legal counsel  
It was noted 16 members of public were in attendance for a Saturday meeting.

Tom Weeks read a letter of resignation received from Bill Haney into the record. Mr. Haney indicated that his resignation was to be effective immediately.

**9) APPROVAL OF MINUTES**

- a. Regular Meeting June 19, 2010  
Motion to approve Regular Meeting minutes – Gary  
Second – Ron  
Vote 5 – 0 Motion passed.
  
- b. Special Meeting July 3, 2010  
Motion to approve Special Meeting minutes – Ron  
Second – Mike  
Vote 4 – 0 Motion passed. (Tom Weeks abstained- he was not present on July 3<sup>rd</sup>.)

**10) FINANCIAL REPORT**

Mike Greer, Treasurer, presented the financial report for the period ending June 30, 2010. The District cash flow in for the month was \$111,012.98 and total cash out for operating expenses was \$116,707.29 resulting in a negative (-)\$5,694.31 cash flow for the period. The entire financial report will be posted on the District web site for public review.

Tom Weeks asked question related how revenues might be increasing. Beckie responded that revenues were up approximately 10% over the last period.

**11) BOARD REPORTS**

There were no Board member reports.

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

Sam Schwalm asked a question related to impact fees and how the District might compare to a municipality in order to collect such fees. David Davis responded that the District could legally collect impact fees.

Sam also commented on a firm that collects impact fees. (Tischler Bese)

**13) OLD BUSINESS**

- a. Discuss and take possible action related to the acquisition of SH3 Well.

David Davis responded that he was in touch with Loren Peterson's legal counsel and negotiations were moving forward. He indicated he could not comment on time period, however it looked positive.

- b. Discuss and take possible action related to acquisition of Milk Ranch Well.

David Davis reported that the Board had considered today a proposal from the owners of the Milk Ranch Well with the owners doing some filtration work on the well themselves. "Not there yet", but we've made significant progress on the acquisition of the wells over the last month.

Sam Schwalm asked a question related to getting an appraisal on the MRW before buying it. He quoted from the "option to purchase" agreement signed by Mr. Haney. David Davis responded that parties who enter into an agreement can choose to modify the contract or agreement. In this case, if agreed by Mr. Pugel and the District Board no appraisal would be required.

#### **14) NEW BUSINESS**

- a. Discuss and take possible action related to the RFQ's received for PSWID District Engineer.

Gary Lovetro opened the discussion. He indicated that at the last Board meeting it was decided to review and fast-track proposals previously received by the district for District Engineer.

Motion to accept Verde Engineering as the District Engineer provided he accepts District policy and we agree upon a retainer fee – Gary

Second – Mike

Richard confirmed sources of RFQ's reviewed, and asked upon what parameters the decision to accept Verde Engineering was made. Gary responded that Ralph Bossert of Verde Engineering had previously "run" Tetra Tech, and that he had the most experience in work in Rim Country compared to other applicants.

Vote 5 – 0 Motion passed. Gary was to contact Mr. Bossert of Verde Engineering.

- b. Discuss and take possible action related to the development of an employee compensation plan. (Jane Emberty)

Jane Emberty a consultant with 20 years experience in Human Resource Management was introduced. She gave a power point presentation discussing compensation philosophy as it relates to employee compensation and benefit plans. She discussed various compensation and benefit ideas the District might consider when designing a package for District employees. No decisions were made at this time.

Ron Calderon asked a question related to pay scales and how the presentation might effect a Management Company. Mike Greer clarified that hiring a Management Service Company is only one option the District is evaluating, and no decisions have been made to date. Mike asked Jane Emberty what philosophy fits our District best. Jane indicated she did not know the District well enough at this time to make a recommendation.

#### **15) CALL TO ADJOURN**

Motion to adjourn – Gary  
Second – Mike

It was decided that those interested in applying to fill the vacant Board Seat should submit resumes to the District web site and be prepared to present at the next Regular Board Meeting in August.

Vote 5 – 0 Meeting adjourned.

**Reports Available directly from PSWID by request for July 24, 2010**

1. *File # PSWID – Financial Report- PSWID– 07/24/2010*
2. *File # PSWID – Letter of Resignation – Bill Haney – 07/24/2010*
3. *File# PSWID – Engineering Company RFO's Received – 07/24/2010*
4. *File# PSWID – Compensation and Benefit Plan Project Presentation – Jane Emberty– 07/24/2010*

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