

PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

BOARD OF DIRECTORS MEETING

Monday, September 29, 2014 at 5:00 pm

PSWID Administrative Office

6306 W. Hardscrabble Road

Pine, AZ 85544

I. CALL TO ORDER

Tom Weeks called the meeting to order at 5:04 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, Trent McNeeley, Don Smith, and Larry Bagshaw. A quorum was present. Paul Randall arrived at 5:20 p.m. Richard James was absent.

IV. APPROVAL OF MINUTES

September 16, 2014 Meeting: Don Smith moved that the minutes be approved. Larry Bagshaw seconded the motion. The motion passed unanimously.

September 18, 2014 Meeting: Approval of the minutes was tabled until the October meeting.

V. CALL TO THE PUBLIC

There were no public comments at this time.

VI. REGULAR AGENDA ITEMS

- A.** Information/Discussion/Action regarding a request from Brad Cole, district manager, to approve the funding to replace the Strawberry View I tank in the range of \$45,000 – 50,000 and repair the Tank Farm tanks as requested by ADEQ. Brad Cole requested that the board approve the funding to get an official estimate to repair or replace the tanks. Several questions were asked by the board members about the possibility of buying refurbished tanks. The board directed Brad to find out the repair vs replace costs.
- B.** Information/Discussion/Action regarding the formal approval for the formation of the following committees per the district rules and regulations per Larry Bagshaw:
 - 1. Funding-Refinance Committee
 - 2. Website Improvement Committee
 - 3. Customer Service Committee
 - 4. Construction Standards and Specifications Committee

Larry Bagshaw asked that the committees above be formally approved by the board so that they could be staffed. Don Smith moved that the committees be formally established. Larry Bagshaw seconded. The motion passed unanimously.

C. Information/Discussion/Action regarding the selection of PSWID Legal Counsel.

The board interviewed David Brown of Brown and Brown from St. Johns, AZ and Bill Sullivan and Kelly Schwab of Curtis, Goodwin, Sullivan, Udall, and Schwab PLC from Phoenix. They were interviewed separately with David Brown at the beginning of the meeting and Mr. Sullivan and Ms. Schwab at 6:30. The questions asked both firms were basically the same. They were asked about negotiations of contracts, refinancing, boundary disputes, wheeling fees, service discrepancies, meeting attendance, who on the board should contact them, the necessity of written opinions, and the procedure for transitioning from the past counsel. It was obvious that Mr. Brown had done a lot of research into the district and had also read most of the past meeting minutes and was well aware of the existing problems. He suggested that if we had been meeting in executive session that he would have had some suggestions on some things that he thought the board could improve on. Mr. Sullivan and Ms. Schwab had only done minimal research into the district. After the last interviewees had left, the board evaluated the interviews. Don Smith, Larry Bagshaw, Rus Brock, and Tom Weeks all preferred Brown and Brown. Paul Randall and Trent McNeeley preferred CGSUS mostly due to their costs seeming more reasonable. Tom Weeks called for an official vote for Brown and Brown. The board voted as above 4 to 2 for Brown and Brown with Paul and Trent being the minority. Tom directed Rus Brock to notify the law firms of the decision.

I. ADJOURNMENT

Trent McNeeley moved to adjourn. Rus Brock seconded. The motion carried unanimously.