

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

**MINUTES**

Regular Board Meeting – November 17, 2011

**1) CALL TO ORDER**

Pine-Strawberry Water Improvement District meeting was called to order at 6:00PM by Gary Lovetro - Chair

**2) PLEDGE OF ALLEGIANCE**

**3) ROLL CALL**

**Board Members Present:**

Gary Lovetro

Ron Calderon

Mike Greer

Richard Dickinson

Tom Weeks

(Don Smith – absent)

Mike Claxton

There was a Quorum – 6 Board Members present.

Also Present:

Dan Torrens – Legal Counsel

Brad Cole – CH2MHill District Manager

Number of public attendees not noted.

**4) APPROVAL OF MINUTES**

- a. Regular Meeting September 15, 2011

Motion to approve Regular Meeting minutes – Mike Greer

Second – Mike Claxton

Vote 6 – 0 Motion passed.

**5) FINANCIAL REPORT**

Mike Greer, Treasurer, presented the financial report for the period ending October 31, 2011. The District cash flow in (revenue) was \$132,792.52. Funds received from tax levy account were \$93,089.98. Total cash in for the period was \$225,882.50. Total cash out for operating expenses for the period equaled \$241,687.49. This resulted in a net cash flow of (-) \$15,804.99.

Total Cash In year to date amounted to \$2,243,277.98, and Total Cash Out Y-T-D equaled \$1,737,626.22 resulting in a Net Cash Flow Y-T-D of \$505,651.76. Total Bank Balance Y-T-D in the Restricted Account was \$572,498.98. The Non-Restricted Account was \$1,335,980.08 resulting in Total Bank Balance of \$1,908,479.06 Y-T-D. The entire financial report will be posted on the District web site.

**6) DISTRICT MANAGER UPDATE**

Sam Schwalm asked a question related to bid process and Maricopa County contractors, and was answered by Brad Cole.

District Manager Brad Cole updated attendees on progress of various District projects via a power point presentation. Attendees were updated on the following District Projects:

1. Milk Ranch Well #1

Piping has been completed from the well to the tank and tank to booster station. The foundations are finished and drying. The booster station is under construction and further testing needs to be completed. At this stage the project is approximately \$61,000 under budget.

2. Milk Ranch Well #2

Drilling has been completed to a depth of approximately 800 feet with "high confidence" we are in the desired water level of the Martin Formation. Next steps include installation of casing, clean out, perforation of casing, and further testing. At this time the project expense has been \$45,800 of the anticipated \$164,531 budget.

3. Pine Creek Canyon Road Widening Project

Work is still scheduled for Spring 2012. The attorneys are currently reviewing the Intergovernmental Agreement with Gila County.

4. Generators

The Generator Program is nearly complete and propane lines at all sites have passed Gila County pressure tests. It's anticipated the District was able to save approximately \$92,600 of the \$265,000 budgeted for completion.

Brad also reported that he had applied for four WIFA Project Grants; Digital Mapping System, Leak Detection Survey, Unaccounted for Water Survey, and NEMA High Efficiency Motor Replacements. He pointed out the Grant program will be highly competitive and there was only \$175,000 in funding available. Grants awards will be announced in December and funding will be in January 2012. If the District receives a grant award, the project must be completed in 18 months.

Tom Weeks asked how long before the road (going south from Hardscrabble to the well site) will be repaired and cleaned up. Brad indicated that he has received comments from residents, and the District is currently working on the road.

Ron Calderon asked if the MR11 project was on schedule for completion. Brad Cole indicated that there was no contracted time frame for MR11 completion. It was pointed out that several issues have slowed the project. Those issues included; having to weld and fit initial pipe to be used, hitting unanticipated water at 209 to 217 feet which required grouting the area and drilling through to seal off area, and losing the return at 500 to 600 feet which required changing to a slower drill bit.

**7) BOARD MEMBER REPORTS**

Ron Calderon clarified the reason he had discontinued weekly reporting of District water tank levels and available water reports. He explained that his constituents had requested he discontinue the reports unless there were problems to report. He expressed his desire that individuals interested in such reports simply contact him for accurate information.

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

A Blue Card was submitted by John Spinck. Mr. Spinck acknowledged that his question had been addressed in the District Manager Update by Brad Cole.

## 9) NEW BUSINESS

- a. Discuss and take possible action related to development of a Water Conservation and Drought Preparedness Plan for the District.

Gary Lovetro opened the discussion by informing attendees that the current "Conservation Signs" are not required by state law, and are maintained strictly on a voluntary basis by the District. He also pointed out that recent observations by Sam Schwalm maintaining the District should have changed the signs to reflect a water shortage were incorrect. Gary emphasized that the signs are voluntary, and the District would change them when a water shortage was determined. He reminded attendees that over the last 2 years since acquisition of the water companies PSWID has not encountered a water shortage.

Brad Cole reviewed his recommendations for an updated "Drought Preparedness/Water Conservation" Plan for the District. He explained the District must submit an updated plan to ADWR every 5 years. The state does not require the use of signs, but requires reporting by Districts on how information is disseminated to water customers. Brad proposed the use of new "color-coded" signs to reflect water stages from level 0 (green) to level 4 (red). He indicated that stage levels were based on not only water tank levels but the "reasonable belief" that a water shortage existed on a "sustained basis."

Brad is currently preparing the District's updated plan for submission to ADWR in January 2012. When finalized the plan will be made available to current water customers and provided in an information packet to new water customers.

District Board Member discussion followed. Tom Weeks asked how the water restrictions might impact commercial water customers. Brad will take commercial customers into consideration when developing water stage restrictions.

Motion – to approve Brad Cole's "Drought Preparedness / Water Conservation" Plan for submission to the state adopting all mandatory notification methods listed, but keeping water stage signs on a voluntary basis-  
Gary  
Second – Tom  
Vote – 6 – 0 Plan approved.

## 10) CALL TO ADJOURN

Motion to adjourn – Mike Greer  
Second – Ron Calderon  
Vote 6 – 0 Meeting adjourned at 7:05PM.

### **Reports Available directly from PSWID by request for November 17, 2011**

1. *File # PSWID – Financial Report(s)- PSWID– 10/31/2011*
2. *File # PSWID – District Manager Update – Brad Cole – 11/17/2011*