

PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

BOARD OF DIRECTORS MEETING

Friday, March 27, 2015 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 4:57 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, Paul Randall and Larry Bagshaw. A quorum was present. Trent McNeeley arrived at 5:05. Maher Hazine was absent.

IV. CUSTOMER CORRESPONDENCE

None was received.

V. CALL TO THE PUBLIC

There were no public comments.

VI. REGULAR AGENDA ITEMS

A. Information/Discussion/Action regarding refinancing the loan. Presented by Beckie Sigeti. Beckie reported that Compass offered a 25% discount on the make whole fee if we refinanced now. The make whole fee is based on the treasury rate at the time of the refinance. PSWID would still be locked into Compass Bank for the length of the refinance. The board discussed whether refinancing for a period of 7 years vs 10 years was better. Sam Schwalm pointed out that if we refinanced for 7 years with a 20 year amortization, that we would possibly have to refinance twice more with all the fees, while with a 10 year, we would only have to look at refinancing once. One of the options was borrowing a little more money to bring the loan amount up to 7.1 million. After some discussion, the board decided that they did not want to increase the loan amount. Larry Bagshaw moved that PSWID refinance the loan for 10 years with no additional borrowing. Richard James seconded. The motion was approved unanimously.

B. Information/Discussion/Action regarding budgets for capital projects. Requested by Beckie Sigeti

1. Pine Creek Road \$84,420.00 in construction costs need to be approved. There were questions about why the board needed to approve budget amounts, when projects had not yet gone out to bid. Beckie explained that it would earmark the funds from the capital projects funds, so we would know where we stood on uncommitted funds. If bids came in over the budgeted amounts, then the board would need to approve the additional costs at that time. After further discussion, Rus Brock moved to approve a construction budget of \$84,420.00 for the Pine Creek Road water main. Larry Bagshaw seconded. The motion passed unanimously.
2. Tank Farm Tank replacements \$75,380.00 in construction costs and \$7,500.00 in engineering costs needs to be approved. Larry Bagshaw moved that \$75,380 in construction costs and \$7,500 in engineering costs be approved. Paul Randall seconded. The motion passed unanimously.
3. Strawberry View 1 Tank replacement \$5,000.00 in engineering costs, \$1,600.00 in ADEQ permit costs, and \$36,040 in construction costs needs to be approved. Larry Bagshaw moved that \$5,000 in engineering costs, \$1,600 in ADEQ fees, and \$36,040 in construction costs be approved. Rus Brock seconded. The motion passed unanimously.

VII. ADJOURNMENT

Larry Bagshaw moved to adjourn at 6:06 p.m. Trent McNeeley seconded. The motion carried unanimously.