

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

**MINUTES
Special Board Meeting – May 8, 2010**

1) CALL TO ORDER

Pine-Strawberry Water Improvement District meeting was called to order at 2:07 PM by Tom Weeks –Vice-Chair

2) PLEDGE OF ALLEGIANCE

3) ROLL CALL

Board Members Present:

Bill Haney (absent)
Ron Calderon (absent)
Mike Greer
Richard Dickinson

Tom Weeks
Don Smith (absent)
Gary Lovetro

There was a Quorum – 4 Board Members present.

Also Present:

Harry Jones – Interim General Manager

Number of public attendees not noted.

4) CALL TO PUBLIC FOR NON AGENDA ITEMS (3 minutes per speaker)

No Blue Cards presented.

(5) OLD BUSINESS

- a. Presentation by Mark Fumusa, Chairman STDWID, concerning the acquisition of the Solitude Trails Domestic Water Improvement District by the Pine Strawberry Water Improvement District.

Mark began his presentation by providing a legal conclusion from his attorney related to how Arizona law would authorize one domestic water district to purchase the assets of another domestic water district.

He then reviewed his proposal for the purchase of the assets of STDWID by PSWID for a sale price of \$500,000 interest free for 15 years. He outlined the terms and conditions of his proposal that he feels provides for the acquisition of STDWID by PSWID by a “break even” no “out of pocket” transaction.

He addressed several questions from District Board Members present, and a Board Discussion followed.

No further action taken at this time.

- b. **Emergency Agenda item:** Discuss and take possible action related to replacing the pump motor for the Milk Ranch Well.

Harry explained that the old pump motor in the Milk Ranch Well quit running.

Motion - to authorize Harry to direct Laveen Pump to remove the old pump motor and install a new pump motor in the Milk Ranch Well for an amount not to exceed 8,000.00 - Gary

Second – Mike

Vote – 4 – 0 Motion passed.

c. PSWID FY '10 – '11 Public Budget Workshop

Harry opened the ppt presentation with a review of PSWID "Major Accomplishments" as of 5-1-2010. He then gave an accounting of the current "Major Projects" of the District followed by projects planned for the period 7 -1-2010 through 6-30-2010.

Beckie Sigeti, District Accounting Manager, followed with a presentation of the proposed FY '10 – '11 District Budget including the impact on the proposed cash flow by various timely water rate increases.

The total proposed Capital Improvement Budget for next fiscal year is \$1,525,266.66. Total ALL EXPENSES are proposed to be \$1,351,287.11. Total proposed Budget (including Compass Bank Loan Funds required to cover deficit) is \$1,434,279.84.

Discussion of the FY '10 – '11 Budget included several questions and significant input from public attendees.

(8) CALL TO ADJOURN

Motion to adjourn – Richard
Second – Mike
Vote 4 – 0 Meeting adjourned.

Reports Available directly from PSWID by request for May 8, 2010

1. *File # PSWID – STDWID Sale Proposal- Mark Fumusa– 05/08/2010*
2. *File # PSWID – Status of Operations FY'10-'11 Proposed Budget-05/08/2010*