

PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

BOARD OF DIRECTORS MEETING

Thursday, January 21, 2016 at 6:00 pm

PSWID Administrative Office

6306 W. Hardscrabble Road

Pine, AZ 85544

I. CALL TO ORDER

Tom Weeks called the meeting to order at 6:05 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, Maher Hazine, Richard James, Larry Bagshaw, Rus Brock, Paul Randall and Trent McNeeley. A quorum was present.

IV. ELECTION OF OFFICERS FOR 2016

Maher Hazine nominated Rus Brock for Chairman. Paul Randall seconded the nomination. It was approved unanimously. Paul Randall nominated Trent McNeeley for Vice Chairman. Rus Brock seconded the nomination. It was approved unanimously. Rus Brock nominated Maher Hazine as treasurer. Tom Weeks seconded the nomination. It was approved unanimously. Maher Hazine nominated Larry Bagshaw as secretary. Tom Weeks seconded the nomination. It was approved unanimously.

V. CONSENT AGENDA

All items listed on the Consent Agenda are considered to be routine or have been previously reviewed by the PSWID Board, and will be enacted by one motion. There will be no separate discussion of these items unless a Board Member so requests; in which such event the item will be removed from the General Order of Business, and considered separately immediately following the consent agenda.

A. APPROVAL OF MINUTES

December 17, 2015 meeting

B. ACCEPTANCE OF THE FOLLOWING REPORTS:

1) TREASURER'S REPORT as posted on the website – pulled for discussion

2) BOARD MEMBERS REPORTS

- a. Support Services Committee Report – Met 1/20, 2016. Discussed under agenda item VI. A. 1.
- b. Water Enhancement Committee Report – no meeting
- c. Customer Service Committee Report – Pulled to discuss
- d. Human Resources Committee Report – no meeting

3) CH2M MONTHLY STANDARD REPORTS as posted on the website

- a. Repair Order Status – Pulled to discuss
- b. Well and Tank Report
- c. Well Test Report – Pulled to discuss
- d. Water Loss Report
- e. Vehicle Report
- f. Key Performance Report
- g. Inquiry Follow-up – pulled to discuss

4) ACCOUNTING MANAGERS PROJECTS REPORT – Pulled to discuss

Maher Hazine moved to accept the consent agenda items with the exception of those items pulled. Tom Weeks seconded the motion. The motion was approved unanimously.

VI. DISCUSSION OF PULLED CONSENT AGENDA ITEMS:

- A. TREASURERS REPORT:** Sam Schwalm requested that more financial information be given during the board meetings. The secretary will also make sure the report is posted to the website before the board meeting. Rus Brock addressed the unanticipated expense items that are seemingly too high. Some of the items are actually part of the budget. The unanticipated expenses will be discussed with the district accounting manager.
- B. CUSTOMER SERVICE COMMITTEE REPORT:** Richard James reported that the number of service orders was about the same. There were 3 meter misreads, two were in error. He asked Danny Zamora for clarification on how meter reads are estimated when snow prevents actual meter reads. The computer takes the average of the last 3 months billings. Richard also asked about the progress of the valve map. It will be done by the end of February.
- C. REPAIR ORDER STATUS:** Rus Brock had questions about the number of hours spent on corrective work orders. Danny reported that the hours will be tracked better next month with the new system. Vehicle maintenance was lumped together with other maintenance.

D. WELL TEST REPORT: Richard James requested that chemical tests also be included with the report. He will also be emailed the test results when water is tested. The well test reports for 2014 are on the district website, and the reports are updated annually.

E. INQUIRY FOLLOW-UP: Maher Hazine asked for discussion on the building for the Hidden Pines booster pump. Currently it is not protected from the weather and froze during the recent snowstorm. Danny Zamora had gotten two quotes. One from Poor Boys was basically for a 40 square foot wooden box over the pump for \$2985 and the other was for a 8 X 8 building from Fossil Creek Construction for \$4617.36. Trent McNeeley asked if Danny had written a scope of work for getting the bids. He had not. Both had just given him quotes at the site. Windy and Jim Quinlan of Strawberry both expressed concerns about the quality of work that Poor Boys does as Jim has had to repair several things Poor Boys did for their neighbor. The board decided that an actual building would be better. It was debated as to whether the project should wait until the February meeting so it could be an actual agenda action item. Due to the urgency of the winter weather, several board members wanted to proceed with a motion. Maher Hazine moved that the board approve awarding the construction to Fossil Creek Construction for \$4617.36 to include all permits. Larry Bagshaw seconded the motion. The motion carried four to three with Tom Weeks, Paul Randall, and Trent McNeeley casting the nay votes mainly for the reason that this was not an actual agenda item.

Mahe also presented an update on the Milk Ranch generator. Palace Electric updated the ground wire and diagrammed the electrical connections so the county could have a copy. This is a project that the county wanted done two years ago and could have fined us for. The county issued a permit today for \$255 that included a 200% permit fee penalty for the delay in getting the work done.

F. ACCOUNTING MANAGERS PROJECTS REPORT: Maher Hazine reported that the old El Dorado issues had been fixed, but the new issues caused by the updated programming had not yet been fixed.

VII. CUSTOMER CORRESPONDENCE

None was received

VIII. CALL TO THE PUBLIC

No comments from the public.

IX. REGULAR AGENDA ITEMS

A. OLD BUSINESS

- 1) Information/Discussion/Action regarding the selection of on-call engineering services per RFQ 2015-002. Requested by Rus Brock. Rus reported that they had received a fee schedule from EPS. The Support Services Committee had reviewed the schedule in their meeting last night and had modifications to make. There were problems with the length of the agreement, the termination terms, a need for a reduced fee schedule, a need for the fee options to be explained, and if travel fees were included. Maher Hazine withdrew from all discussion about EPS as he was once contracted to one of their predecessors and wished to avoid any conflict of interest issues. Rus had wanted to get a fee schedule from the second candidate, but cannot as there is a state statute on qualification based selection procedures that states that we cannot proceed with a fee discussion with another firm until all discussions are concluded with EPS. The board agreed that Rus needed to have the issues the committee found with the fee schedule resolved.
- 2) Information/Discussion/Action regarding the update to the El Dorado system. Postponed until February per Beckie Sigeti.
- 3) Information/Discussion/Action regarding the Customer Service Survey. Postponed until February per Beckie Sigeti.

B. NEW BUSINESS

- 1) Information/Discussion/Action regarding the contract for an interim district manager. Requested by Maher Hazine. Maher, Paul Randall, and Trent McNeeley met with Harry Jones about the position and negotiated a three month contract with him not to exceed 60 hours per month. Any unused hours will carry over until the following month. Tom Weeks moved that the district move forward with defining the duties for the district manager and hiring Mr. Jones. Larry Bagshaw seconded the motion. The motion carried unanimously.
- 2) Information/Discussion/Action regarding an adjustment to an easement. Requested by Maher Hazine. It was discovered that the easement for our water storage system on lot 20 in Pine Mountain Acres was written in error to cover the entire lot, instead of just a portion of the lot. A corrected easement was obtained from Pioneer Title. The sale of the property is pending the filing of the amended easement. Tom Weeks moved to accept the amended easement. Richard James seconded the motion. The motion carried unanimously.
- 3) Information/Discussion/Action regarding the office closure policy. Requested by Rus Brock. Due to the recent snowstorms and the office closures, it was brought to the Human Resources Committee's attention that there was no Administrative Office Closure policy due to weather or emergency situations. They wrote a policy for the board to review which basically states the if the board closes the office, the employees will be paid. If the employees do not come in, they will not get paid. If

the board does not close the office, the employees will only be paid for the hours they worked. Paul Randall asked for clarification on bullet point three under Employee Compensation. It was agreed to omit the word “entire” from that bullet point. Larry Bagshaw moved that the board accept the policy as written with the change in wording. Maher Hazine seconded the motion. The motion was approved unanimously.

- 4) Information/Discussion/Action regarding PSWID’s policy on trenches. Requested by Rus Brock. CH2M’s policy says that their employees will work with the trench policy set by the district. The district did not have any written policy. Trent McNeeley and Paul Randall drafted a policy. After reviewing the diagrams, it was agreed that a minimum of 3” of shading under pipes in rocky conditions would be added and that the straight saw cut edges would be required prior to asphalt placement. Maher Hazine moved to accept the policy with the changes. Trent McNeeley seconded the motion. It was approved unanimously.

C. OTHER AGENDA ITEMS

- 1) Information/Discussion/Action regarding Agenda Items for the February meeting. Beckie Sigeti’s items that were postponed – El Dorado system and the Customer Service Survey – need to be included. Rus Brock wants an engineering update report. We need to include an introduction of the new district manager, if he is hired. We also need to change the checking account signees.

X. ADJOURNMENT

Tom Weeks moved to adjourn the meeting. Richard James seconded the motion. The vote was unanimous in favor of the motion.