

PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

BOARD OF DIRECTORS MEETING

Thursday, March 17, 2016 at 6:00 pm

PSWID Administrative Office

6306 W. Hardscrabble Road

Pine, AZ 85544

I. CALL TO ORDER

Rus Brock called the meeting to order at 6:05 p.m.

II. PLEDGE OF ALLEGIANCE

Led by Rus Brock

III. ROLL CALL OF BOARD MEMBERS

Conducted by Rus Brock. Board members present: Tom Weeks, Trent McNeeley, Rus Brock, Richard James, Maher Hazine and Paul Randall. Larry Bagshaw was present via telephone. A quorum was present.

- IV. APPROVAL OF MINUTES:** Minutes from the February 18, 2016 meeting. Rus Brock requested that on item V A the verbiage be changed from "instituted the office closure procedures" to "finalized the office closure procedures". Maher Hazine moved that the minutes be approved with the change. Richard James seconded the motion. The motion carried unanimously.

V. REPORTS TO THE BOARD

A. Chairman's report – Presented by Rus Brock. He reported that in the last month he had executed the agreement for on-call engineering services with EPS, he revised the District Manager job posting per the board discussion on February 18, he signed 3 liens that needed to be filed against customers that are past due on their accounts, participated in the field visit with CH2M, EPS, board, and staff members from which the capital projects priorities were developed, and he scheduled a meeting with CH2M to discuss the January 28, 2016 update to the Emergency Operations Plan.

B. Treasurer's report – Maher Hazine went over the treasurer's report that is posted to the website.

C. Secretary's report – Larry Bagshaw reported that the board had not received any correspondence that needed to be read.

D. District Manager's report – Harry Jones provided the board with a report of the projects he had completed since the last meeting, the projects he had in progress, and a list of projects he wanted to start. This list will be posted to the website.

VI. 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. ACCEPTANCE OF THE FOLLOWING REPORTS:

- a. Support Services Committee Report – No meeting.
- b. Water Enhancement Committee Report – No meeting
- c. Customer Service Committee Report – No report
- d. Human Resources Committee Report – No report
- e. CH2M Field Manager Report as posted on the website
 - 1) Repair Order Status
 - 2) Well and Tank Report
 - 3) Well Test Report
 - 4) Water Loss Report – pulled at the request of Tom Weeks
 - 5) Vehicle Report
 - 6) Project Recommendations
 - 7) Inquiry Follow-up

Maher Hazine moved to accept the consent agenda items with the exception of the item pulled. Richard James seconded the motion. The motion was approved unanimously.

VII. DISCUSSION OF PULLED CONSENT AGENDA ITEMS:

- A.** Water Loss Report - Tom Weeks requested more information about the water losses. Power outage surges at Milk Ranch 2 caused multiple flushes. The sand filter at Milk Ranch 1 also was full and was flushed. Maher Hazine moved to accept the CH2M Report. Rus Brock seconded the motion. The motion was approved unanimously.

VIII. CALL TO THE PUBLIC

Dr. Peter Scandron requested via letter to speak to the board about his bills for excessive usage possibly caused by a leak and ongoing problems he was having with outages and water pressure on Coyote Drive in Strawberry. He asked that board assist with part of his \$473.75 water bill or help set up a payment plan. He said that the robo call notifications for system outages did not leave messages on his answering machine making the notices inadequate/ineffective. He requested that the board should consider reduced billing to customers when the outages were frequent (19 in the last year). Richard James will be contacting him.

Mr. James Roberson had also submitted a written request to speak to the board about a 14,000 gallon water usage that showed up on his bill for service on Prince Drive in Pine

during the time he was hospitalized and also during the time he was staying with his daughter in Payson. He reported the water loss to the sheriff's department as a theft, but they wanted verification that the meter was working properly. The meter is working correctly and his bills have returned to normal. Richard James will also be contacting him.

IX. REGULAR AGENDA ITEMS

- A.** Respond to an inquiry by Ron Calderon on how property taxes are being assessed by the district. Presented by Harry Jones. Harry did some research and found out that users outside of the water district do not pay property taxes to PSWID. Some of the other districts do not have a separate property tax for their districts either. Ron Calderon stated that he thought taxes should be assessed to the property owners as a flat fee and not based on the value of their property. He also said the most of the property owners are not aware they are paying property taxes to PSWID. Maher Hazine responded that it is a state law that property taxes are based on property value and cannot be assessed as a flat fee. Once the board determines the tax rate during the budget process, the county is made aware of the total amount of tax dollars the district would like and then the county calculates the percentage each homeowner needs to be assessed. The tax rate process will be part of the upcoming budget hearings.
- B.** Discuss and take possible action related advisory committees and advisory groups. Requested by Rus Brock. Rus had reviewed the minutes from the past meetings to find the dates that the various committees had been approved by the chairman or the board. He compiled a listing of the committees, their members, and the dates they were created. He and Harry Jones then went to the state laws to see which committees had to post meeting notices and agendas and minutes. Some of the committees have not posted the required documentation of their meetings. This will be looked at further and discussed at the next meeting.
- C.** Discuss and take possible action related to Resolution 02182016 amending the boundaries of the district to include specific properties. Requested by Rus Brock. Brown and Brown was able to contact all the property owners on Hardscrabble Mesa that are being served by PSWID, but were not on the PSWID tax rolls. All of them approved the request to add them to the tax rolls. The resolution allows the district to adjust its boundaries to include those properties. Maher Hazine moved that the district approve the resolution. Richard James seconded the motion. It was approved unanimously.
- D.** Discuss and take possible action related to the funding and prioritization of the 2015/2016 Capital projects. Requested by Maher Hazine. The project survey was completed by board members, CH2M staff, and EPS. Most of the projects are already on the list for this fiscal year. Strawberry View 1 tank replacement and chlorination plans were reviewed and amendments are being made to the current plans. Valve replacements are still underway, but need to be viewed on an updated map of the master plan. The Circle Drive Strawberry Ranch and McClendon Drive projects are

getting the scope and fees prepared for PO. The Strawberry Hollow 3 well improvements are waiting on information on the sand filter. The Milk Ranch 1 and possible tanks needing to be repaired are also being worked on.

- E.** Discuss and take possible action related to a property owner's request for financial assistance to fix the dirt driveway/tank access road. Requested by Maher Hazine. A realtor, Barbie McRae, contacted PSWID about getting assistance from the district in fixing the road into a property. The steepness of the grade and the road surface getting washed away every storm are preventing the property from selling. The district has graded the road several times every year, but those improvements wash away. The road is about 300 feet long and is located across from the field office. The county owns the first 65-70 feet of the road and has installed a culvert and some ditches. The property owner owns the second 100 feet of the road, and PSWID has an easement on the last 100 feet to the Canyon tank. Water from storms washes down from the tank and destroys the road. The realtor got an estimate from Payson Concrete that just installing diverters would cost \$1200, and paving the road would cost about \$4500. Paul Randall excused himself from the discussion as he was asked to give the estimate for the asphalt for the project. The discussion centered about the fact that leaving the road as a gravel/dirt road would not fix the problem and that even installing gutters for water drainage on the sides would cause additional problems with the property. There was concern that if the road was asphalted, that heavy equipment on the road could also damage it. The board decided to recommend that the property owner determine a permanent solution to the problem, and then it would make a payment after the project was completed to help cover the costs not to exceed \$1000 with the county's approval of the project. Maher Hazine made the motion to do pay up to \$1000 and Richard James seconded the motion. The motion was approved by 5 members with Paul Randall abstaining and Larry Bagshaw also abstaining as he could not hear most of the discussion via the phone connection.
- F.** Discuss and take possible action related to developing a memorandum of understanding with the fire department for use of district water resources. Requested by Harry Jones. Harry reported that he had made no progress on this yet.
- G.** Discuss and take possible action related to developing mutual assistance agreements with other local water districts. Requested by Richard James. Last week, the Pine Water Company's pump blew up and destroyed all that's district water resources. They had to truck in water from Mesa to serve their customers. PSWID has a line within 20 feet of their line and could have put a t on our line, a lockable valve, and meter and could have gotten them water. Other water districts in the area could have similar situations arise and they also have lines near our lines. Danny Zamora expressed that he would be concerned about backflow issues and the water treatment in the other districts. It was suggested that an investigation into this be added to next year's capital project list.

H. Discuss and take possible action related to scheduling a budget review meeting and the budget hearing dates. Requested by Maher Hazine. The final budget is due to the county by July 1. The hearings need to be held at least 10 days prior with two published notices. This will be addressed at the next board meeting.

I. Identify potential agenda items for the April 21 meeting.

- 1) Review the committee structure regarding the open meeting laws.
- 2) Set the budget work session and budget hearing dates.
- 3) Update on the District Manager search.
- 4) Call for Election of officers in November.

X. ADJOURNMENT

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

DRAFT