

PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

Regular Board Meeting

Thursday, September 15, 2016 at 6:00 p.m.

PSWID Administrative Office

6306 W Hardscrabble Rd.

Pine, AZ 85544

1. CALL TO ORDER

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

2. PLEDGE OF ALLEGIANCE

Led by Rus Brock

3. ROLL CALL OF BOARD MEMBERS

Conducted by Rus Brock. Board members present: Trent McNeeley, Rus Brock, Larry Bagshaw, Paul Randall, and Maher Hazine. A quorum was present.

- 4. APPROVAL OF MINUTES:** Minutes from the August 18, 2016 meeting. Rus Brock asked that the items pulled from the consent agenda no longer be numbered as an agenda item. He also asked that for item 9 that the motion made by Tom Weeks be amended to include that the district will not seek restitution from Mr. Greer. He also asked that as part of the treasurer's report that a notation be included that the board consented to buy new computers. Trent McNeeley moved that the minutes be approved with the suggested amendments. Maher Hazine seconded the motion. The motion was approved with Paul Randall abstaining since he had not attended the meeting.

5. REPORTS TO THE BOARD

- A.** Chairman's report – Presented by Rus Brock. He reported that in the last month he had responded to Mr. Pugel's request for a payment plan... He had also had sent the board approved response to the Attorney General's Office of Victim Services. He had sent an approved engagement letter to Heinfeld Meech for review of the district's processes addresses in the Auditor General's recommendations. He had notified Bill Trust that we would no longer be using their services. He finalized the Office Manager Delegated Authorities policy (OM-001) for purchase of office supplies and customer bill adjustments. He helped the office manager locate the Water Production report that is prepared monthly by CH2M so it can be posted to the PSWID website. He also assisted the office staff and accounting staff in preparing for the annual audit and gathering information for the audit to address the Auditor General's recommendations. He forwarded a letter from Heinfeld Meech to Doug Brown requesting he make them aware of any pending or threatened litigation claims or assessments. He also forward Mr. Stetson's request to be excluded from the district's attorney for legal advice.
- B.** Treasurer's report – Maher Hazine went over the August treasurer's report that is posted to the website. He also discussed the need for new computers. The board was in consensus with the purchase of the computers.

- C. Secretary's report – Larry Bagshaw read parts of the letter received from Ray Pugel on August 5, 2016 that had not been covered as part of Agenda item 8a during the August 18, 2016 meeting.

6. 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:

- 1) Support Services Committee Report – No meeting.
- 2) Water Enhancement Committee Report – Pulled by Maher Hazine.
- 3) Customer Service Issues Report – The items are part of the agenda.
- 4) CH2M Field Manager Report as posted on the website.

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

B. DISCUSSION OF PULLED CONSENT AGENDA ITEMS:

Water Enhancement Committee Report: The water share agreement letter went out to the shareholders. There has only been one response to the letters from Mr. McKnight. Trent moved to accept the report. Larry Bagshaw seconded the motion. The motion was approved unanimously.

7. CALL TO THE PUBLIC

- A. Felicia French requested that the board review the new water rates. She doesn't think there is enough reason for people to conserve water with the current rates and thinks there should be more tiers to cover usage of 1000, and 2000 gallons or less. Rus Brock was going to respond to her by email.
- B. Don Wood complained about the numerous water outages for breaks in the line in his area. He suggested the district spend money to repair the infrastructure there. Maher Hazine was going to contact him about the master plan for repairs.

8. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO UNRESOLVED CUSTOMER REQUESTS THAT HAVE BEEN PREVIOUSLY SUBMITTED TO THE BOARD IN WRITING:

- a. Request from Mr. Ray Pugel dated August 23, 2016. Mr. Pugel had been misbilled for 14 months due to an error. He had worked out a payment plan with the office. He complained that he had no way to identify leaks at the Pine Creek Resort with the billing he had received and that he had two cracked

valves. He thinks that the bills he received should have been \$2361 less since he had no one in the park from December 2015 to April 2016. Maher Hazine responded that the district was looking at installing flush valves to alleviate sedimentation problems that caused backflow preventers to fail. He also stated that the meter reads at the resort were correct, just that the wrong multiplier was applied by the computer system and that that problem had been fixed. The documentation supplied by Mr. Pugel could not substantiate his request for the money. The board declined to act on Mr. Pugel's request.

- b. Hillman request dated September 12, 2016. Sharon Hillman asked that both her meter and her neighbor's meter (which is on her property) be moved outside her fence to the road right of way. Her dogs present a problem for the meter readers and also an inconvenience to her as she has to be there when the meters are read. Trent McNeeley moved that PSWID verify the location of the meters and if the meters are not in the utility easement, that they be moved into the easement at the district's expense. Maher Hazine seconded the motion. The motion carried unanimously.
- c. Prechtel request dated September 12, 2016. David Prechtel complained about standing water on his property in the drainage wash. He had thought that the new Pine Creek Road water line project would solve the drainage issues, but it had not. He asked the county health department to take water samples and they had mosquito larvae in them. He asked for rock to be dumped into the wash to alleviate the ponding. Maher Hazine and Danny Zamora had both looked at the area a few weeks ago and did not think there was a problem. They also did not think the ponding was caused by the Pine Creek Road project. They also did not think ABS or dirt would fix the problem. Paul Randall moved that the district dump dirt in the wash with a backhoe, not to exceed 20 tons or two loads for a one time fix. Larry Bagshaw seconded the motion. The motion carried unanimously.

9. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO SELECTING A DIFFERENT SUPPLIER FOR BILLING SERVICES. Requested by Rus Brock. Rus had found that the El Dorado system had billing capabilities through Creative Technologies. He presented a cost comparison of services offered by both Creative Technologies and PostNet. Creative Technologies was a lot less expensive than PostNet. Maher Hazine moved that the district accept the bid from Creative Technologies for \$21,004. Larry Bagshaw seconded the motion. Trent McNeeley asked if Creative Technologies could do bill stuffers. Yes they could. The motion carried unanimously.

10. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO EXTENDING EXISTING WATER SHARING AGREEMENTS. Requested by Maher Hazine. The update concerning the water sharing agreements was presented as the pulled consent agenda item 6B above.

11. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO REVISING THE TERMS OF THE CONSULTING AGREEMENT WITH HDJ MANAGEMENT, LLC. Requested by Maher Hazine. Maher recommended revising the agreement. The pay will be based on hourly flat rate and the scope of responsibilities will be changed to capital project support. Larry Bagshaw moved that the suggestion be accepted. Trent McNeeley seconded the motion. The motion carried unanimously.

12. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO HIRING A DISTRICT MANAGER. Requested by Rus Brock. We have not received any response from candidates we are interested in. The ad will

continue and a new ad will be rewritten for more managerial experience and posted on major job websites. He will also investigate using a headhunter. The board was in consensus with this suggestion.

13. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO ADVERTISING FOR PERSONS INTERESTED IN THE OPEN BOARD POSITION STARTING JANUARY 1, 2017. Requested by Rus Brock. There were only 3 candidates who submitted paperwork to be elected to the board, so the County Board of Supervisors will appoint those three to the board and cancel the election. He suggested that the new board appoint the 7th board member. The current board should advertise for the board member by the end of November. The board concurred with this suggestion.

14. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO STATUS, PRIORITIZATION AND FUNDING OF 2015/16 CARRYOVER PROJECTS AND 2016/17 CAPITAL PROJECTS. Requested by Maher Hazine. The valve project final draft was received and the bid opening date will be October 12, 2016. The other projects will be coming in next month about a week apart for board review. The intent is to post all of those projects at once after ADEQ approval with different opening bid dates. The anticipated date of those postings is in January 2017.

15. IDENTIFY POTENTIAL AGENDA ITEMS FOR THE NEXT SCHEDULED BOARD OF DIRECTOR'S MEETING ON OCTOBER 20, 2016. Maher Hazine asked that the verbiage on call to the public be changed so that the board members could respond to the concerns expressed.

16. MOTION TO ADJOURN. Maher Hazine moved that the meeting be adjourned. Trent McNeeley seconded the motion. The motion carried unanimously.