

**PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT**

**Regular Board Meeting**

**Thursday, November 10, 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 6:08p.m.

**2. PLEDGE OF ALLEGIANCE**

Led by Rus Brock

**3. ROLL CALL OF BOARD MEMBERS**

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

**4. APPROVAL OF MINUTES:**

Minutes from the October 20, 2016 meeting: Maher Hazine moved that the minutes be approved. Tom Weeks seconded the motion. The motion was approved with Trent McNeeley abstaining since he was absent for that meeting.

**5. REPORTS TO THE BOARD**

- A. Chairman's report – Presented by Rus Brock. He posted the Customer Service Rep position and the Board Member interest form on the website. Maher Hazine posted a less technical District Manager job description on INDEED. Rus met with a potential manager candidate, notified the board of a contact with a Payson Roundup reporter, and notified the board of an additional records request from the Auditor General's office.
- B. Treasurer's report - Maher Hazine went over the October treasurer's report that is posted to the website.
- C. Secretary's report – Larry Bagshaw had not received any new correspondence.

**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 – No meeting
- 3) Customer Service Issues Report – None
- 4) CH2M Field Manager Report as posted on the website.

Tom Weeks moved to accept the consent agenda items. Larry Bagshaw seconded the motion. The motion was approved unanimously.

**7. CALL TO THE PUBLIC**

- A. Forrest McCoy expressed his concerns about inconsistent billing periods, including those exceeding 30 days and short payment periods. He did not like variable meter read dates and billing due dates.
- B. Alan Kleinman expressed his interest in serving as a board member.
- C. George Stetson asked that his PSWID exclusion request be on the next regular board agenda. He also has signatures from all the German Ranch Road property owners asking to be included in the exclusion.

**8. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO THIRD PARTY EVALUATION AND IMPLEMENTATION OF RECOMMENDATIONS BY THE AUDITOR GENERAL IN THE PSWID THEFT AND CONFLICT OF INTEREST REPORT 16-403.** Presented by Rus Brock. After Rus gave a short summary of the recommendations, Larry Bagshaw moved that all the recommendations be adopted as soon as possible. Tom Weeks seconded the motion. Maher Hazine asked that in the accounts payable recommendation that the person, other than the check preparer, that will have access to the blank checks should not be specifically the Office Manager, but should be either the District Manager or Board Chairman designee. He also stated that the board members or designated check signees should not have access to the district's Quick Books program. The motion was approved unanimously.

**9. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO REVISIONS TO THE DISTRICT'S RULES AND REGULATIONS.** Presented by Rus Brock. Sam Schwalm had assisted Rus in going through the rules and regulations to incorporate the recommendations by the Auditor G. General. The board members were given a copy of the revised version with the changes underlined. It was mentioned that the definitions of residential and commercial accounts had been better defined and specified. Maher Hazine suggested that the commercial accounts should be notified of the change. Any action on the changes was tabled for the board members to have time to review the changes. Becky Bagshaw mentioned that the previously board approved change to section 3.3 incorporating Roberts Rules of Order had not be included in the revisions and needed to be included in the final draft.

**10. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO AN AMENDMENT TO THE OPERATIONS, MAINTENANCE, AND MANAGEMENT SERVICES CONTRACT WITH CH2M HILL.** Presented by Maher Hazine. The amendment was drafted for the annual evaluation and also the annual price adjustment. The price adjustment would be 1.437% of the base

fee which would raise the base fee to \$734,738 with a retroactive amount of \$6,072.33 from Dec 1, 2015 through May 30, 2016. Tom Weeks moved to accept the amendment. Larry Bagshaw seconded the motion. The motion was approved unanimously.

- 11. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO BID AWARD FOR THE FY 2016 VALVE ADDITION PROJECT.** Presented by Maher Hazine. There were 4 bids received for the project, only one was under the estimated cost. The low bidder was a new company, Central Arizona Civil Constructors, which was formed on Jan. 1, 2016, but the principals of the company had years of experience. The company has offices in Show Low, Phoenix, and Tucson. The valves being installed will be the size of any future line replacements as outlined in the master plan. Maher moved that the bid from Central Arizona Civil Constructors for a base amount of \$36450 and alternate 1 of \$11,000 for additional valves be accepted. Larry Bagshaw seconded the motion. The project should be completed within 60 days from the start date. The motion was approved unanimously.
- 12. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO STATUS, PRIORITIZATION AND FUNDING OF 2015/16 CARRYOVER PROJECTS AND 2016/17 CAPITAL PROJECTS.** Presented by Maher Hazine. The McClendon Drive project has been approved by ADEQ and the district will proceed with the bid process. The Circle Drive project was not approved by ADEQ. They are requiring a 6 inch line due to the length of the line, even though the feed line is only 3 inches. This means the district cannot use the line from the Pine Creek Road project and will add additional costs to the project. Maher and EPS will make another appeal to ADEQ on this requirement. The Strawberry View tank replacement is being worked on and will possibly be ready to put out for bids in January. The district should have the recommendations on the Milk Ranch Tank filtration system in one to two weeks, this project may have to be postponed until the next fiscal year. The plans for the Wye Strainer are being reviewed by ADEQ.
- 13. IDENTIFY POTENTIAL AGENDA ITEMS FOR THE NEXT SCHEDULED BOARD OF DIRECTOR'S MEETING ON DECEMBER 15, 2016.**
  - A. Stetson's exclusion request
  - B. Amended Rules and Regulations
  - C. Review any applications for new board member
- 14. MOTION TO ADJOURN.** Tom Weeks moved that the meeting be adjourned. Trent McNeeley seconded the motion. The motion carried unanimously.