

**PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT**

**Regular Meeting**

**Thursday, July 19, 2018 at 6:00 p.m.**

**PSWID Administrative Office**

**6306 W Hardscrabble Rd.**

**Pine, AZ 85544**

**1. CALL TO ORDER**

Bob Arbuthnot called the meeting to order at 6:00 p.m.

**2. PLEDGE OF ALLEGIANCE**

Led by Bob Arbuthnot.

**3. ROLL CALL OF BOARD MEMBERS**

Conducted by Bob Arbuthnot: Board members present: Forrest McCoy, Sharon Hillman, Alan Kleinman, Maher Hazine, Bob Arbuthnot, Tom Weeks and Larry Bagshaw. A quorum was present. Riley Snow, the district's attorney also was present as was Cato Esquivel the district manager.

**4. CALL FOR MOTION TO APPROVE MINUTES OF THE FOLLOWING MEETINGS:**

June 21, 2018: Sharon Hillman Asked that all references to Riley Snow have the designation district's attorney instead of district attorney. Tom Weeks moved that the minutes be approved with the change. Maher Hazine seconded the motion. The motion was approved unanimously.

**5. REPORTS TO THE BOARD**

**A.** Chairman's report- As posted to the website.

**B.** Treasurer's report – As posted to the website.

**C.** Secretary's report –Larry Bagshaw thanked the office staff, Becky Bagshaw, and Sharon Hillman for their hard work in getting the letters for the Notice and Call for Election mailed.

**D.** District Manager's Report –As posted to the website.

**6. CONSENT AGENDA**

None

**7. CALL TO THE PUBLIC**

Pam Mason questioned why there was no mention of the letter given to Ray Pugel saying that the District would provide water service to his new development on any of the board agendas or minutes. The board had given Cato Esquivel authorization to issue the letter as one of his administrative functions. Ruth Newton questioned if Cato represented the board. It was admitted that Cato was not aware of the sensitivity of the proposed development within the community.

**8. OLD BUSINESS**

**I. DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE STATUS,**

**PRIORITIZATION, AND FUNDING OF CAPITAL PROJECTS.** Presented by Paul Hendricks, EUSI. Paul mentioned that there is a Tri State training session in September that would be valuable for the district to send their field employees to. The district has processed four disbursements for the WIFA loan and has now spent the forgivable principal. The Preliminary Engineering report is near its final stages and should be provided in September. The Water/Energy Nexus Grant money has been requested. The district spent \$ 74,979.00 of the \$75,000.00. The Strawberry Ranch 2 and Strawberry Knolls 2 water line replacement projects have the bid opening date of August 2. The Pine Creek Drive water line replacement project will start on August 6 with Apache Construction doing the project. The district is working with a contractor to get the Milk Ranch 1 well purged. The water will be used for agricultural purposes. After purging, the pump will be removed and the well serviced to see if it can be used. This will take approximately 3 months after the well is cleared. A Statement of Interest has been published for tank rehabilitation and replacement services. 9 VFD's have been installed and APS rebates are being requested. The GIS database we got from CH2M is faulty and cannot be overlaid on the new areal maps. (The database has water lines going through houses. We should look into adding this item to the lawsuit we are filing against CH2M.)

- II. **UPDATE ON THE WEBSITE REDESIGN.** Sharon Hillman. The new website is complete and has gone live. Cato Esquivel signed a maintenance agreement with YAP.
- III. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING SERVLINÉ'S INSURANCE PROGRAM.** Maher Hazine/Shelby Winstead. We had a PowerPoint presentation on the program and also received a handout. The program is one in which everyone is covered at the level the district chooses and is an opt out program. The cost will be \$1.30 to \$1.80 per month to the customer depending on the level of coverage chosen. Commercial customers will pay more. There is also optional coverage the customers can select if they want the lines in their homes insured. Sharon Hillman moved that this be tabled until the district's attorney is consulted as to the legal obligation to the district if we chose to add the coverage. Forrest McCoy seconded the motion. The motion carried unanimously.
- IV. **UPDATE ON THE SIGETI/GREER CASES.** Bob Arbuthnot/Riley Snow. Both cases are still slowly moving through the system. There has been a settlement offered in the Greer case, but we have no update. We also have no update on the Sigeti case as the Attorney General's lawyer was out this week.
- V. **UPDATE ON THE POSSIBLE LAW SUIT AGAINST CH2M.** Bob Arbuthnot/Riley Snow. Mr. Snow is still working on documentation to put the suit together. He wants to make sure all the documentation is in order so it can be submitted with the claim. The lawsuit will be filed in Gila County.

**9. NEW BUSINESS**

- I. DISCUSS AND TAKE POSSIBLE ACTION REGARDING IMPLEMENTING A NEW CHAIN WATER RATE FOR DEVELOPMENTS.** Larry Bagshaw. Maher Hazine brought to the board’s attention that any rate change would need a rate hearing. He recommended that he and Larry go back and review the definitions of residential and commercial customers in the rules and regulations. To make rates effective retroactively, the district would make itself liable to a lawsuit. The rates are a good idea, but need to apply to the future only. Maher moved that this be tabled and also have the attorney review this. Forrest McCoy seconded the motion. The motion carried unanimously.
- II. DISCUSS AND TAKE POSSIBLE ACTION REGARDING PURCHASING A 2018 FORD PICK-UP.** Cato Esquivel. Cato requested the purchase of a new truck using Gila County’s purchasing agreement with McSpadden Ford. This would provide him a truck for use instead of his own. There are currently 7 field staff and 5 vehicles. Maher Hazine asked that Cato find out if the Sanitary District had any used trucks available similar to the three we purchased. Cato voiced that he would rather have a new vehicle. Sharon Hillman moved that the district purchase a 2018 Ford 150 from McSpadden Ford not to exceed the cost of \$40,000. Alan Kleinman seconded the motion. The motion was approved six to one with Maher Hazine dissenting.

**10. IDENTIFY POTENTIAL AGENDA ITEMS FOR THE NEXT SCHEDULED BOARD OF DIRECTORS**

**MEETING ON August 16, 2018.**

- 1. WIFA update
- 2. Sigeti/Greer update
- 3. Lawsuit against CH2
- 4. Servline
- 5. Water rate increase for developments

- 11. MOTION TO ADJOURN.** Tom Weeks moved the meeting be adjourned. Forrest McCoy seconded the motion. The motion carried unanimously.