

**PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT**

**Regular Meeting**

**Thursday January 17, 2019 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, Alan Kleinman, Bob Arbuthnot, Tammy Albright and Larry Bagshaw. A quorum was present. Cato Esquivel the district manager was also present. The district's attorney Riley Snow was present via phone

**4. PRESENTATION OF THE PLAQUE TO THE WEEKS FAMILY.** Cathy Weeks and Jessica Barnett were at the meeting to accept the plaque for Tom's service to the board. A second plaque will hang in the PSWID office.

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

December 20, 2018: Forrest McCoy moved that the minutes be approved. Alan Kleinman seconded the motion. It was approved unanimously.

January 10, 2019: Forrest McCoy moved that the minutes be approved. Sharon Hillman seconded the motion. It was approved unanimously.

**6. REPORTS TO THE BOARD**

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

**B.** Treasurer's report – As posted to the website. Additional notes are attached at the end of the minutes.

**C.** Secretary's report –Larry Bagshaw reported that the second possible candidate decided not to file for a seat on the board, so that Willie Wilson was the only candidate.

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

**7. SELECTION AND SWEARING IN OF NEW BOARD MEMBER**

Tammy Albright moved that David "Willie" Wilson be appointed to the board. Sharon Hillman seconded the motion. The motion carried unanimously. Jodee Smith administered the oath of office to David Wilson.

**8. CONSENT AGENDA:**

All items contained on the Consent Agenda are considered to be routine or have previously been reviewed by the Board and will be voted on a by a single motion. There will be no separate discussion of these items unless a Board member so requests, in which event the agenda item will be removed from the Consent Agenda and considered separately immediately following the Consent Agenda.

- A. Service Vendor Contracts
- B. Will Serve/Service Request Policy
- C. Fleet Replacement Policy

Sharon Hillman moved that these three items be moved to a work study session in February. After a brief discussion, the work study session will be on the Will Service/Service Request Policy and the other two items will be on the regular meeting agenda as old business. Sharon amended her motion and Alan Kleinman seconded the motion as amended. The motion was approved unanimously. The work study session will start at 4:30 p.m. on February 21 and precede the regular meeting.

**9. CALL TO THE PUBLIC**

None

**10. OLD BUSINESS**

- I. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE STATUS, PRIORITIZATION, AND FUNDING OF CAPITAL PROJECTS.** Presented by Paul Hendricks, EUSI. Several well and booster station sites are being evaluated for rehabilitation. The district is ready to move forward with evaluating the rehabilitation of the Milk Ranch 1 well. It is recommended that the district move forward with negotiations for a back-up water supply interconnect and water sharing agreement with Portals 4. The plans for the Cool Pines Waterline Project have been approved by ADEQ, but due to budgetary constraints the construction of this project will have to be delayed until the next fiscal year. The contractor has started work on the Pinewood Haven and Rim Vista Waterline Replacement. The county has requested that they inspect the new waterline installations on the individual properties. The Canyon Water Tank project has also started with the Superior Tank Solutions doing the geotechnical investigation phase. The complete copy of this report is posted on the website.
- II. **UPDATE ON THE SIGETI/GREER CASES.** Bob Arbuthnot/Riley Snow. This was covered in the

board chairman's report and is posted on the website.

- III. **UPDATE ON THE POSSIBLE LAW SUIT AGAINST CH2M.** Bob Arbuthnot/Riley Snow. This will be filed next week. It will also include the Arizona RICO as part of the suit. The Attorney General will be notified that we are filing a RICO claim in the law suit.

**11. NEW BUSINESS**

- IV. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING WIFA FUNDING CHANGES NEEDED TO SUPPORT NEW PROJECTS COSTS.** Sharon Hillman.

Sharon adjusted the funds on the WIFA project list to reflect the actual costs of the finished projects and to cover the costs of the approved projects. The revised schedules are attached at the end of this report.

- V. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE PRELIMINARY ENGINEERING REPORT.** Cato Esquivel. The PER was distributed to the board to review and make suggestions before the next board meeting so changes could be made and the final draft be approved in a public hearing.

**12. IDENTIFY POTENTIAL AGENDA ITEMS FOR THE NEXT SCHEDULED BOARD OF DIRECTORS MEETING ON FEBRUARY 21, 2019.**

1. WIFA update
2. Sigeti/Greer update
3. Agenda items: Fleet Replacement, Service Vendor Contracts, and Will Serve/Service Request Policy
4. IT Services update
5. PER report

- 13. **MOTION TO ADJOURN.** Forrest McCoy moved the meeting be adjourned. Sharon Hillman seconded the motion. The motion carried unanimously.

**Treasurer's Board Meeting Notes**

WIFA disbursement #11 was submitted on the 17<sup>th</sup> for \$190,376.25 bringing the total to date of \$1,832,376.55. As of December, the District is into the loan 1,332,376.55.

On January 1<sup>st</sup>, 2019, the first interest payment was paid on the WIFA loan in the amount of \$3,601.50.

On January 15<sup>th</sup>, a payment was made to the WIFA reserve account in the amount of \$25,242.59. The District will continue to make the \$25,242.59 quarterly to payment to the WIFA reserve account as required.

On January 15th, a regular payment of about \$106,450.95 was paid to Compass Bank for the required quarterly payment. This payment is about \$6,000.00 less that previous year's payments due to the

additional principal payments. For the next year's budget, we should be able to reduce the required payment from \$450,000 to \$425,000 or less due to these additional principal payments.

On January 15th, an additional principal payment of \$100,000 was paid to Compass Bank starting the first of 4 payments for the current fiscal year's payment of \$400,000. Going forward, \$100,000 additional principal payments will be made each quarter.

As an update to obtaining a new IT provider, I have 2 meetings Friday morning to review the current network and discuss with these vendors the network changes that are being made in the next few weeks. I hope to have proposals for IT services by next month's board meeting. Some of the new equipment was shipped this week so hopefully all the rest of new equipment will be delivered and installation can be scheduled with the vendor selected by SHI International.

**WIFA Modications:**

**WIFA PSWID FUND PROGRAM FY18 THRU FY22  
PROJECT FUNDING MODIFICATIONS – DECEMBER 2018  
January 17, 2019**

1. Allocate \$5,123.08 from Strawberry View 1 Tank to Pine Creek Drive
2. Allocate \$107,180.50 to Pinewood Haven Project from Strawberry Hollow Funding
3. Allocate \$107,180.50 to Rim Vista Project from Strawberry Hollow Funding
4. Allocate \$242,360.00 to Strawberry Knolls 2/Strawberry Ranch 2 from SH Funding
5. Allocations of \$896,721.00 from Strawberry Hollow Funding to other projects
6. Allocations of \$26,967.60 from Strawberry View 1 Tank to other projects
7. Allocate \$220,000.00 to Canyon Tank 1 from Strawberry Hollow Funding
8. Allocate \$220,000.00 to Canyon Tank 2 from Strawberry Hollow Funding
9. Allocate \$21,844.52 to Portal 2 Tank from Strawberry View 1 Tank

The reason for all these re-allocations of funds is due to costs to complete these projects were and are much more costly than original estimates.

WIFA PSWID Funding Program FY18 thru FY22						
December Modified Project Schedule						
PSWID CIP PROGRAM FY18 THRU FY22			APPROVED	DECEMBER	REVISED	
PROJECT NAME	TYPE	PHAS	MODIFIED	FUNDING	FUNDING	
			PROJECT SCHEDULE	MODIFICATIONS	PROJECT SCHEDULE	
020203-18-02	Circle Drive Waterline Replacement - Completed	Pipe	1	\$196,539.00		\$196,539.00
020203-18-03	Whispering Pines (Size 6")	Pipe	2.1	\$256,289.00		\$256,289.00
1 020203-18-04	Pine Creek 4" Waterline Replacement- Completed	Pipe	2.1	\$141,062.00	\$5,123.08	\$146,185.08
2 020203-18-08	Pine Haven 4" Waterline Replacement	Pipe	2.1	\$289,093.00	\$107,180.50	\$396,273.50
3 020203-18-05	Rim Vista 4" Waterline Replacement	Pipe	2.2	\$305,546.00		\$305,546.00
4 020203-18-06	Cool Pines Est Pipe Upgrade Phase A/Water Tank Rd 100K	Pipe	2.2	\$502,940.00		\$502,940.00
5 020203-18-07	Strawberry Ranch 2 & Strawberry Knolls 2 - Completed	Pipe	2.2	\$807,640.00	\$242,360.00	\$1,050,000.00
020203-18-08	Tall Pines Pipeline Upgrade Phase A	Pipe	2.2	\$458,370.00		\$458,370.00
020203-18-09	Tall Pines Pipeline Upgrade Phases B&C (McClendon Effect)	Pipe	3	\$1,279,430.00		\$1,279,430.00
020203-18-10	Portal 3 PRV Replacement	Pipe	3	\$363,104.00		\$363,104.00
020203-18-11	Spruce Drive Waterline Replacement	Pipe	3	\$115,500.00		\$115,500.00
6 020203-18-12	Strawberry Hollow Waterline Replacement	Pipe	3	\$1,101,080.00	-\$896,721.00	\$204,359.00
	Waterline Projects Total			\$5,812,573.00	-\$434,876.92	\$5,377,696.08
6 020203-18-01	Strawberry View 1 Tank Replacement 20K - Completed	Tank	1	\$342,770.10	-\$26,967.60	\$315,802.50
7 020203-18-13	Canyon Tank 1 Replacement 100K	Tank	2	\$100,000.00		\$100,000.00
8 020203-18-14	Canyon Tank 2 Rehabilitation 100K	Tank	2	\$110,000.00	\$220,000.00	\$330,000.00
020203-18-15	Brookview Terrace 100K	Tank	2	\$84,500.00		\$84,500.00
9 020203-18-16	Portal 2 100K	Tank	2	\$91,650.00	\$21,844.52	\$113,494.52
020203-18-17	Water Tank Road 100K-Moved to Cool Pines Phase A	Tank	2	\$0.00		\$0.00
020203-18-18	Strawberry Creek Foothills 20K	Tank	2	\$91,650.00		\$91,650.00
	Tank Projects Total			\$880,570.10	\$444,876.92	\$1,325,447.02
020203-18-19	Brookview Terrace - Track A	Booster	1	\$67,275.00		\$67,275.00
020203-18-20	Hardscrabble Mesa	Booster	1	\$81,144.00		\$81,144.00
020203-18-21	Hwy 87 & Pine Creek	Booster	1	\$67,275.00		\$67,275.00
020203-18-22	Pine Mtn Acres - Lot 7	Booster	1	\$67,275.00		\$67,275.00
020203-18-23	Pine Ranch 2 - Lot 25	Booster	1	\$81,144.00		\$81,144.00
020203-18-24	Pine Valley Homesites - Lot 109	Booster	1	\$67,275.00		\$67,275.00
020203-18-28	Portal 2 - Lot 178	Booster	1	\$81,144.00		\$81,144.00
020203-18-29	Portal 2 Common Area - Next to Lot 166	Booster	1	\$81,144.00		\$81,144.00
020203-18-27	Strawberry Hollow #3	Booster	1	\$67,275.00		\$67,275.00
020203-18-26	Strawberry Knolls 2 - Lot 135	Booster	1	\$67,275.00		\$67,275.00
020203-18-29	Strawberry Mtn Shadowns 1 - Lot 25	Booster	1	\$67,275.00		\$67,275.00
020203-18-30	Strawberry Ranch 2 - Track D	Booster	1	\$67,275.00		\$67,275.00
020203-18-31	Strawberry Ranch 5 - Track C	Booster	1	\$81,144.00		\$81,144.00
	Strawberry View 1 - Lot 59 - Included in Tank Project	Booster	1	\$0.00		\$0.00
	Magnolia/Halls - Installed w/ Nexus Grant	VFD	1	\$0.00		\$0.00
	Milk Ranch Well #2 - Installed w/ Nexus Grant	VFD	1	\$0.00		\$0.00
	Pine Ranch 2 - Lot 25 Moggilon - Installed w/Nexus Grant	VFD	1	\$0.00		\$0.00
	Portal 3 - Lot 97 WSA - Installed w/Nexus Grant	VFD	1	\$0.00		\$0.00
	Strawberry Hollow - Installed w/ Nexus Grant	VFD	1	\$0.00		\$0.00
	Strawberry Hollow (Old PSWID SH3)-Installed w/Nexus Grant	VFD	1	\$0.00		\$0.00
	Strawberry Hollow Interlie (New SH 3)-Installed w/Nexus Grant	VFD	1	\$0.00		\$0.00
	Strawberry Ranch 5 - Track C - Already has VFD	VFD	1	\$0.00		\$0.00
	Strawberry View 1 - Lot 59 - Included in Tank Project	VFD	1	\$0.00		\$0.00
020203-18-32	White Oaks Glen 1 - Parcel 76E (WSA)	VFD	1	\$38,620.00		\$38,620.00
020203-18-33	White Oaks Glen 1 - Parcel 82 (WSA)	VFD	1	\$38,620.00		\$38,620.00
	Total VFD-Booster Pump Projects			\$1,011,160.00		\$1,011,160.00
020203-18-34	Milk Ranch Well 3	Well	2	\$50,000.00		\$50,000.00
020203-18-38	Pine Crest	Well	2	\$50,000.00		\$50,000.00
020203-18-36	Milk Ranch Well 1	Well	2	\$50,000.00		\$50,000.00
020203-18-37	Portal 3 - Lot 97 (WSA)	Well	3	\$50,000.00		\$50,000.00
	Strawberry Hollow B - District Rehabilitated 2017/18	Well	3	\$0.00		\$0.00
020203-18-38	Strawberry Hollow (Old PSWID SH3)	Well	3	\$50,000.00		\$50,000.00
020203-18-39	White Oaks Glen 1 - Parcel 76E (WSA)	Well	3	\$50,000.00		\$50,000.00
020203-18-40	White Oaks Glen 1 - Parcel 82 (WSA)	Well	3	\$50,000.00		\$50,000.00
	Well Rehabilitation Project Total			\$360,000.00		\$360,000.00
	WIFA TOTAL FUNDING DIFFERENCE			-\$64,304.00		-\$64,304.00
	TOTAL FUNDED PROJECTS			\$8,000,000.00	\$0.00	\$8,000,000.00

1/15/2019

DECWIFAMODIFIEDPROJECTSCHEDR1