

PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

Regular Meeting
Thursday May 23, 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: Bob Arbuthnot, Alan Kleinman, Sharon Hillman, David Wilson, Forrest McCoy and Larry Bagshaw. A quorum was present. Cato Esquivel the district manager was also present.

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

April 18, 2019: Sharon Hillman moved that the minutes be approved. David Wilson seconded the motion. It was approved unanimously.

5. REPORTS TO THE BOARD

- A. District Lawyer's report- None
- B. Chairman's report- As posted to the website.
- C. Treasurer's report – As posted to the website.
- D. Secretary's report None
- E. District Manager's Report –As posted to the website.

6. CALL TO THE PUBLIC

None

7. OLD BUSINESS

- I. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE STATUS, PRIORITIZATION, AND FUNDING OF CAPITAL PROJECTS.** Presented by Paul Hendricks, EUSI. This report is posted to the website. The Portals 3 tank will be back online tomorrow. The first new Canyon Tank is ready to ship. The site has been enlarged so the new tank can be fabricated without taking out one of the other tanks. The Canyon Tank projects are expected to come in under budget.
- II. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE RULES & REGULATIONS**

AIII SECTION 3.1. Cato Esquivel. Cato made the changes discussed last month so that sentence three will read “Once fees are paid and have cleared the banking system, the service will be connected for customers with existing service, within 10 business days. For new customers with no prior service, the service will be connected within 120 business days.” David Wilson moved that this change to the Rules and Regulations be approved. Alan Kleinman seconded the motion. The motion carried unanimously.

III. DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE RULES &

REGULATIONS AIV SECTIONS 3.5 AND 3.8. Cato Esquivel/Jodee Smith.

Section 3.5 needed a clarification of the late fee policy. It was proposed that the current wording “All amounts 30 or more days past due and owing to the District shall bear monthly interest from the date of delinquency in an amount set forth in the Rate Schedule” with “A late fee will be applied if a payment is received after the due date and shall bear a \$5.00 penalty plus 2% monthly interest on balance due from the date of delinquency as established in the current Rate Schedule.” Alan Kleinman moved that this new verbiage replace the original working. Sharon Hillman seconded the motion. The motion carried unanimously.

Section 3.8 – The first sentence reads “Bills are due when rendered and delinquent thereafter”. It was recommended that it be replaced with “Bills are due on the due date and delinquent thereafter.” It was also requested that the current 70 day shut off policy be reduced. It was also requested that the Door Hanger that is placed on the front door of the residence that is 60 days delinquent be discontinued as they are ineffective and not cost efficient. A notice will be printed on the customer’s bill that they are delinquent or facing discontinuation of service. A discussion ensued regarding the number of days until shut off and it was thought that even 45 days was too long. The board recommended 30 days delinquent as the discontinuation of service. It was agreed that door hangers were not effective and may not even be seen before the water is shut off. Forrest McCoy moved that the wording on the section be replaced as recommended, that door hangers be discontinued and replaced by messages on the bills, and also that the shut off date be reduced to 30 days delinquent. Larry Bagshaw seconded the motion. The motion carried unanimously.

IV. DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE WILL SERVE POLICY.

Cato Esquivel. Cato presented the previously discussed guidelines and Will Serve letter. The staff is working with the Gila County Planning Department and our

district attorney to finalize the guidelines. Forrest McCoy moved that the guidelines and letter as currently formatted be approved. Larry Bagshaw seconded the motion. The motion carried unanimously.

- V. DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE PRELIMINARY 2019/2020 BUDGET.** Sharon Hillman. The budget posting timelines were discussed since it is required that the budget be published twice in the Roundup. It was determined that Sharon provide Jodee Smith the budget as discussed in the work session tonight so it could be published as soon as possible and that the budget and rate hearings could be held at the June 20th meeting. Cato will come up with the changes to the rates so it could also be published at the same time.

7. NEW BUSINESS

- I. DISCUSS AND TAKE POSSIBLE ACTION REGARDING POSSIBLE FUTURE FINANCING OPTIONS WITH THE USDA.** Bob Arbuthnot/Sharon Hillman. The USDA loan/grant program was discussed in the study session preceding this meeting. Sharon moved that the district proceed with applying for a USDA grant/loan so that we could get more information about it. Forrest McCoy seconded the motion. The motion carried unanimously.

9. IDENTIFY POTENTIAL AGENDA ITEMS FOR THE NEXT SCHEDULED BOARD OF DIRECTORS MEETING ON JUNE 20, 2019.

1. WIFA update
2. Work Session regarding the WIFA project list.
3. Public Hearings for the revised rate schedule and the 2019/2020 budget.
4. An executive session regarding the lawsuit.

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